

**MINUTES OF PERKASIE BOROUGH  
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2025  
OCT. 9, 2024  
620 West Chestnut Street  
Perkasie, Pennsylvania**

ATTENDANCE:

Council Member:	Jim Ryder Scott Bomboy Dave Weaver Dave Worthington Robin Schilling Kelly Laustsen
Borough Manager:	Andrea L. Coaxum
Finance Director:	Rebecca Deemer

The Finance Committee meeting was opened at 4:00PM and the Pledge of Allegiance was led by Scott Bomboy.

PUBLIC FORUM

Kathleen Rocchetti of 319 Race Street, addressed the Finance Committee. She represents the Parks & Recreation Board and the Skate Park Committee. She talked about the re-opening of the Skate Park and the impact it has had on the community. She thanked the Mayor and Council for their continued investment into the Skate Park and asks that the \$37,234 that is in the 2025 draft budget, remain.

DRAFT BUDGET 2025

Scott Bomboy opened the meeting. He recognized the challenge with the budget with the increase in installed capacity charges.

The Finance Director presented a power point presentation with highlights of the changes in the Electric Fund for 2025.

Revenue changes are as follows:

- Installation of electric services for new development has fallen off and we are not anticipating any new projects for 2025.
- Reserves from fund balance in the amount of \$153,000 will be used in 2025 for the purchase of a new dump truck and underground cable replacement. The Borough has been setting money aside for the past 5 years in preparation of these purchases/projects.
- All other revenue line items remained the same.

Scott Bomboy pointed out that the \$9,280,000 budget number for the sale of electric will change once Council provides direction with regard to a potential electric rate increase.

Changes in Expenses are as follows:

- Salaries are increasing by 3% based on the collective bargaining agreement with the

- AFSCME employees. Salaries for Administrative staff include a 3% increase as well
- Health Insurance Premiums are going down. There are 2 employees in the department who have health insurance available to them through a spouse and will be taking advantage of the health insurance opt-out benefit.
- Pension Contribution is increasing by 20% based on the Borough's obligation.
- Electric Power Purchases are increasing by 19% due to the increase in installed capacity.
- Transfers to other funds are reduced due to the increase in power purchases. This expense will change in future drafts. If Council recommends revenue increases then additional funds will be available to transfer to other funds.

Robin Schilling asked how much is being transferred in the current draft. The Finance Director stated that there is a total of \$1,900,000 that can be transferred to other funds. Normally this transfer would be close to \$3,000,000.

The Finance Director shared a slide that showed the increase in the power purchases for 2025. The increase over 2024 is \$966,309 (\$15.83/MWH).

The Borough Manager pointed out that this increase is for 6 months, starting in June 2025. There will be another auction in December that will tell us what the cost will be starting in June of 2026. It is likely that this number will double for the 2026 budget.

Scott Bomboy explained that in 2024 we will spend \$285,000 on installed capacity and in 2025 we are projected to spend \$1,001,000. There has been some pushback on the auction results so there is a possibility that the December auction will be delayed.

There was further discussion amongst the Committee regarding the installed capacity increase and the tiered schedule of rates for each rate class in the Borough.

The Borough Manager talked about the ongoing program to replace electric meters. The current draft of the budget includes \$160,000 for the purchase of more meters. There is the potential to increase that budget line item by \$111,000 in order to complete the project sooner. The equipment that is used to read the older meters is no longer being supported. The installation of the meters is going quicker than anticipated and if Council were to make a recommendation to increase the budget, Howie would be able to get all of the meters installed in 2025.

The Borough Manager added that if Council wanted to move forward with the completion of the meter program in 2025, we could push off the purchase of the Dump Truck in order to help offset the increase in the budget. Howie had provided details for repairs to the dump truck in order to get by for another year.

There was further discussion amongst the committee regarding the capital purchases/projects for the electric department.

The Finance Director started the discussion on the pool and the projections for the 2024 budget. We are still expecting an expense for Deep Run to come in and close the pool but other than that, there will be only smaller expenses related to the Pool Manger Salary, telephone and bank fees. We are anticipating a deficit of \$67,298. We did have the unexpected repair of the pool pump this year that contributed to the deficit.

The 2025 budget reflected a 2 ½ % increase in membership fees. The budget revenues and expenses were reduced to reflect a more realistic number based on how the pool is projected to perform in the current year. In 2024 the staff was proactive in cutting expenses related to bank fees and water and sewer charges.

The capital purchases for the pool include \$20,000 for replacement of pumps and \$750 for VGBA covers.

The Borough Manager talked about the impact that COVID had on the pool where a lot of families bought inexpensive back yard pools. We are now tasked with trying to encourage those families to come back to their community pool. We were able to obtain a copy of the market study that West Rockhill Township paid for, for Holiday House. The opinion that was provided had some great information that Perkasio can take advantage of.

There was further discussion amongst the committee about the market study, a maintenance plan for the pool and the budget for the upcoming year.

The Finance Director briefly summarized the budget for Parks and Recreation. There were only a few changes related to programming and youth basketball. The Youth Basketball program has not been successful so it is being taken out of the budget. There will be more programs added in 2025 and will include more options for the youth in place of the basketball program.

The Finance Director reviewed the Capital items for Parks and Recreation as listed below:

- Skate Park Improvements - \$37,234
- Kulp Park Rehabilitation Project - \$897,994. This project will primarily be funded with grant funds and park and recreation impact fees.

There was further discussion amongst the committee regarding both projects.

The Finance Director and Borough Manager shared a list of proposed changes to the DRAFT budget in order to close the gap. The list was reviewed and there was further discussion regarding the different changes.

#### OTHER BUSINESS

None

#### PUBLIC FORUM

Joel Nieto, of 326 S. 5<sup>th</sup> Street, addressed the committee. He shared his sentiments about the skate park and urged the committee to keep the \$37,234 in the budget for the additional improvements.

#### PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 6:24 p.m.



Andrea L. Coaxum  
Borough Manager/Secretary