

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2025
OCT. 23, 2024
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

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| Council Member: | Jim Ryder Scott Bomboy Dave Weaver (via phone) Dave Worthington Robin Schilling Kelly Laustsen Mayor Jeff Hollenbach |
| Borough Manager: | Andrea L. Coaxum |
| Finance Director: | Rebecca Deemer |
| Police Chief: | Robert Schurr |
| Electric Dept. Supervisor: | Harold Stone |
| Asst. Borough Manager: | Linda Reid |

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

PUBLIC FORUM

None

DRAFT BUDGET 2025

The Finance Director and Borough Manager started the presentation of the list of proposed budget changes that was shared at the last Committee meeting. The list is just a suggestion of changes that can be made in order to get to a balanced budget. We will look for direction from the committee as to what changes should be made.

Documents were shared with the Committee in order to assist them in determining what changes should be made.

Some of the changes that were included on the list are as follows:

- Update Health, Property & Liability and Workman's Compensation costs based on actuals received from DVIT
- Reallocate salary and benefits related to Refuse and Recycling
- Reallocate salary and benefits related to Menlo
- Reallocate Engineering and Curb & Sidewalk expenses related to the road program
- Push off the purchase of some capital items
- Reducing the request for an additional F/T Public Works position to a P/T position
- Increase in fees related to land development and zoning
- .03¢ increase in electric rates
- Increase customer charge by \$2.00
- 2.5 mil real estate increase

- \$5.00/ qtr. increase for toters

The Borough Manager explained to the Committee that by reallocating Engineering and Curb & Sidewalk expenses to the Road Improvement Fund, it saves the budget \$92,000. The impact of that would be that we would have less money for the actual repair of the roads. We do anticipate that the engineering will be less than what is currently budgeted so that savings would get added back to the road repairs.

The Finance Director started the discussion regarding the reserves for the replacement of the transformers at the sub-station. We have been setting aside \$100,000 each year for the last 3 years in anticipation of replacing the transformers within the next 15 years. Original estimates indicated that it would cost the Borough \$1.5million to replace 2 transformers. However, the latest estimate that we received indicates that the \$1.5 million will be enough to replace 1. The recommendation is to not set aside any additional funds for 2025 and that we re-visit the project in order to determine the best plan for funding the project. There was further discussion regarding the project and what some of the options would be.

The Finance Director provided documentation to support the possibility of passing on credit card fees to the residents. Currently, the Borough absorbs all fees related to credit card payments. Our current vendor, Paymentus, provides the Borough with the online bill pay service for Electric and Trash. Each payment that is made by credit card costs the Borough \$2.25. Payments made via ACH cost the Borough \$1.00. The recommendation is to absorb any payments via ACH and to pass on the \$2.25 credit card fee. There was further discussion amongst the committee.

The Borough Manager started the discussion related to the changes in fees for land development and zoning. We are looking to make changes in order to cover the actual costs involved.

The Borough Manager started the discussion about the potential 2.5 mil real estate tax increase. The last time that council approved a real estate tax increase was in 2022 with the addition of the road improvement tax.

Scott Bomboy stated that he does not feel we should do a tax increase on top of the increase in electric rates.

There was further discussion amongst the Committee about this proposal.

The Borough Manager started the discussion related to the increases for toters and trash bags and enforcement of the trash program. We are recommending the increases in order for the program to cover its costs. In the last couple of weeks, we were notified that some of the residents were not following the rules for the trash program. We have worked with the Public Works Department to enforce the rules that are in place. Going forward we are working on recommending some changes that we will present to council at a later time. Ultimately, enforcing the rules and making additional changes could potentially save the Borough money and increase revenues.

The Borough Manager started the discussion regarding the increase in electric rates. The increase in installed capacity is driving this proposed increase. There were a few scenarios presented to the Committee on how the rate increases can be applied. There could be a .03¢ increase across the board or a tiered rate increase so that all rate classes are receiving the same percentage increase. Calculations were shared with the Committee in order to demonstrate what the impact would be on

each rate class.

There was further discussion amongst the Committee regarding the rate increases and what they should be.

The Borough Manager announced to the Committee that the Borough was awarded two LSA grants. One is for the purchase of Police In-Car Cameras and Body Cameras and the other is for the Kulp Park Rehabilitation project. The award for Kulp Park may be enough to cover the cost of the entire project. If that's the case it may free up some park and rec impact fees that perhaps could be used towards the skate park.

Scott Bomboy went over a few recommendations that he had for potential changes.

The Borough Manager and Finance Director will work on plugging in the numbers based on the conversations and direction given by the Committee to see how it impacts the budget. We can schedule another meeting to review the budget at that time.

OTHER BUSINESS

None

PUBLIC FORUM

None

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 5:48 p.m.



Andrea L. Coaxum
Borough Manager/Secretary