

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2026
SEPT. 22, 2025
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

Council Member:	Jim Ryder Scott Bomboy Steve Rose Dave Weaver Dave Worthington Randy Faulkner Robin Schilling Kelly Laustsen
Borough Manager:	Andrea L. Coaxum
Asst. Borough Mgr:	Linda Reid
Finance Director:	Rebecca Deemer
Public Works Super:	Jeff Tulone
Police Chief:	Robert Schurr

The Finance Committee meeting started at 4:00PM and Councilman Bomboy led the Pledge of Allegiance.

PUBLIC FORUM

None

DRAFT BUDGET 2026

Councilman Bomboy opened the meeting.

The Borough Manager gave a brief introduction and noted that important decisions need to be made as we go through the budget process.

The Finance Director presented a budget summary that showed the 2026 draft budget in comparison to the 2025 budget. In summary, expenses exceed revenue by \$477,061 and \$461,282 is needed to meet fund balance requirements. The total deficit is \$938,343.

Councilman Bomboy asked for a brief explanation of the fund balance policy for the audience.

Ms. Coaxum and Ms. Deemer explained that the fund balance represents a percentage of each fund's operating expenses. As your expenses increase, your fund balance requirement increases. It is set aside for unexpected expenses and capital planning, and it also impacts our ability for borrowing. The fund balance policy was set by resolution and is a reasonable and responsible number.

Ms. Deemer presented highlights of Revenues and Expenses for all funds. Revenues are increasing slightly by 2.2% and Expenses increase by 7.6%. There is no tax increase included in this draft.

Ms. Deemer advised the committee on the following Revenue changes in each fund:

- General Fund - .4% increase in revenue. While most of the revenue remains flat, slight adjustments were made based on current and prior year's actuals.
- Menlo Fund – 9.5% decrease in revenue as a transfer from Electric is not needed to support this fund in 2026. Revenues are sufficient to cover all the budgeted expenses.
- Refuse Fund – .5% increase in revenue as we are seeing more residents participating in the totter program as opposed to the bags.
- Electric Fund – 2.8% increase revenue for sale of electricity. Additional revenue is determined by the projected load for 2026 that AMP provided.
- Fire Fund - .7% increase in revenue. The pass-through of tax funding to the Fire Dept. is based on the current assessment for the Borough.
- Road Improvement Fund - .2% increase in revenue. A slight increase in the current assessment will provide additional funds for the road program.
- Capital Fund – 29.6% decrease in revenue. Fund Balance reserves and grant funding will help to offset projects and expenses, but additional funding is needed for other vehicle and equipment purchases.
- State Highway Aid – No change as we have not received notice from the state about our 2026 Liquid Fuels Funding.

Ms. Deemer advised the committee on the following Expense changes:

- Salaries are increasing overall by 5.9%.
- Health and Dental Insurance reflect a projected increase of 8.3%.
- Worker's Compensation Insurance is based on a 6% increase.
- Property & Liability Insurance remains flat, based on guidance from DVIT. We could see a reduction in costs with the final figures.
- Pension Obligations are increasing by 1.49%.
- Electric Power Purchases are increasing by 2.4%. The installed capacity is increasing by \$465,800 and energy purchases are decreasing by \$310,865 for a net increase of \$147,629.
- Capital Purchases are increasing by 29.6%.
- Annual Debt payment for the Menlo Aquatics Center is \$429,366.

There was discussion about the remaining debt and if there are specific needs that may require the Borough to seek additional financing.

Ms. Coaxum mentioned that the next large purchase would be to replace the transformers at the electric sub-station.

Various trends related to salaries, pension costs, and insurance premiums were reviewed and discussed with the committee.

Councilman Ryder asked if the 4.5% increase for AFSCME is what is being proposed in the current contract negotiations and if it is the same for all 4 years of the next contract. Andrea stated that we are not far enough along in the process for her to be able to publicly comment.

Ms. Deemer went through changes in the General Fund related to Administration. In addition to salaries and wages other increases in expenses are related to meetings & conferences, auditing, solicitor professional services, contracted IT Networking, and engineering for MS4 compliance.

The Police Chief addressed council regarding his budget for 2026. The highlights of his budget are related to salaries, contracted IT services, ongoing capital purchases, the Civilian Community Relations Specialist and the contribution from Sellersville for police services.

Police Capital items in the draft include:

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| • Replacement of Mobile Data Terminals | \$ 12,402 |
| • Body Cameras & In-Car Cameras | \$ 50,254 |
| • Replacement of Police Vehicle | \$ 79,000 |
| • Reserves for roof replacement | \$ 45,600 |

Councilwoman Schilling asked about the pension costs related to police and if we will see those costs remain flat or will they increase.

Ms. Deemer explained that this year the costs remained flat due to an officer in the DROP program who is no longer contributing to the plan. We will see the costs go up as new members are enrolled.

Chief Schurr talked about the Civilian Community Relations Specialist and said that the position will be funded with a grant. They submitted the grant application in September and will find out in December if they receive the grant. He highlighted all the things that this position is responsible for and that it has a significant role in the police department.

The committee discussed the need to fund the position if we do not receive grant funding.

Chief Schurr also talked about contracting with a new vendor for IT services. A copy of the proposal with the new vendor was shared with the committee. The new vendor would address any network issues that may arise and provide additional security features above what the current vendor provides.

Chief Schurr discussed the need to replace one of the vehicles. He provided options to purchase either a Ford Explorer or a Chevrolet Tahoe. The Tahoe will cost approximately \$ 12,000 more than the Ford Explorer. The benefit to purchasing a Tahoe is the ability to keep them in service for a longer period of time.

There was discussion amongst the committee about the vehicle purchase.

Ms. Deemer provided some highlights for Public Works and Refuse. We are recommending the addition of a new F/T position. Increases are recommended in the different public works departments related to materials, supplies, and maintenance and repairs. Disposal fees are increasing for refuse, recycling, and yard waste.

Public Works Capital items in the draft include:

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| • Diagnostic software annual subscription | \$ 3,200 |
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- Annual testing of backflow preventers \$ 4,000
- Replacement of a 2011 Chevy Utility Truck \$ 93,000
- Replacement of a 2003 John Deere w/ Brush hog & flail mower \$ 144,000
- Replacement of the Menlo Rental House roof \$ 16,980

The Public Works Director has expressed the need to have a reliable used trash truck added to his fleet. We have funds that have been set aside for the replacement of a dump truck. We would like to reallocate those funds for the purchase of the used trash truck. We would like to replace the dump truck with a Hook Truck, and we plan to seek LSA funding for that purchase.

There was discussion about the public work's capital purchases, and the capital plan was reviewed with the committee.

Councilman Weaver asked if there was any value in the used vehicles.

Mr. Tulone stated that there is value, and we would sell them on Municibid.

With no further items to address, the Borough Manager reminded the committee that the next budget meeting is scheduled for Monday, October 6th and a third meeting is scheduled for Monday, October 22nd.

OTHER BUSINESS

None

PUBLIC FORUM

Collin Garr of 121 Strassburger Rd. addressed the committee. He proposed that the expense for cameras in the park could be pushed off and those funds could be used to support the position of the Civilian Community Relations Specialist.

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 5:54 p.m.



 Andrea L. Coaxum
 Borough Manager/Secretary