MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2026
OCT. 20, 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
Mayor:	Jeff Hollenbach
Borough Manager:	Andrea L. Coaxum
Asst. Borough Mgr.:	Linda Reid
Finance Director:	Rebecca Deemer
Parks & Recreation Director:	Lauren Moll
Electric Superintendent:	Harold Stone
Police Chief:	Robert Schurr
Director of Public Works:	Jeff Tulone

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

PUBLIC FORUM

None

PROPOSED BUDGET CHANGES

The Finance Director provided the following documents to the committee:

- 2026 Draft Budget Variances – a list of changes that have been made to the draft budget that were discussed during the September 22nd and October 6th committee meetings.
- Electric Fund Balance Clarification – provides an explanation of how the fund balance for the electric fund has been calculated and the changes made to that calculation to free up funds that should not be included to meet the fund balance requirement.

The Finance Director summarized for the committee that the fund balance calculation for the electric fund had included operating expenses, capital expenditures and transfers out to other funds. However, the fund balance policy is specific that the required balance should be 14% of operating expenses only. Essentially, the electric fund's fund balance is overstated by approximately $542,542.00. These savings will be used to help balance the 2026 budget.

The Finance Director shared a Power Point presentation with the committee.

- The first slide showed a comparison of the original Draft budget that was presented on 9/22/25 compared to the current Draft budget with all the proposed changes.
- The second and third slides showed the change in the fund balance calculations with the proposed changes.
- The fourth slide highlighted the electric fund balance calculation.
- The fifth slide listed the following proposed changes to revenue:
    1. Small increase of $1,060.00 in real estate tax revenue based on the current county assessment.
    2. An increase of $465,800 in the sale of electricity by passing through the increase in installed capacity. The impact on the residents would be an additional .0089¢ per kWh.
    3. A decrease of $8,722 for the contribution from Sellersville for Police Services. Any changes in expenses impact the contribution.
- The remaining slides showed the changes in the expenses as follows:
    1. Auditing Services decreased by $7,000
    2. Police IT Services decreased by $25,016
    3. Costs related to the Peaking Project decreased by $40,000
    4. Savings for transformer replacement project increased by $59,300
    5. Pool Pumps/Feature Replacements were decreased by $20,600
    6. Actual expenses for Health & Dental came in $48,399 less than anticipated
    7. Actual expenses for Property & Liability Insurance came in $28,194 less than expected.
    8. Actual expenses for Worker's Compensation Insurance were $16,130 higher than expected.
    9. Life Insurance increased by $2,020

There are additional changes not included in this recent draft that are being recommended as listed below:

- Additional revenue totaling $90,000 for the resale of older equipment.
- Potential increase in Menlo House Rent which would generate an additional $3,678/ year.
- An additional expense of $15,830 for the installation of a gate at the recycling center.
- Fencing to help delineate the property line between the Library and Menlo House - $3,840
- Inclusion of Borough Manager CPI Increase per the contract - $2,640

All these proposed changes ensure that the budget remains balanced and even generates a surplus of approximately $140,000.

Ms. Schilling asked what we currently have set aside for the transformer replacement project.

The Finance Director stated that at the end of 2025 we will have saved $300,000. We recommend setting aside an additional $159,300 in 2026 for a total of $459,300.

There was further discussion amongst the committee about the best way to prepare for the replacement of the transformers.

Mr. Bomboy summarized the potential surplus of $140,000 and commented that the draft still includes the $109,000 expense for the Community Resource Officer. He reminded everyone that funding for that position comes from a grant that has not been awarded yet.

The Borough Manager commented that if we do not receive the grant, we would have to recommend to Council to use the projected budget excess to cover the expense.

Mr. Bomboy is recommending that the projected excess should be used to lower electricity rates so that the net increase in their electric bills will be closer to 2.9%. This increase is more in line with the current CPI for electric.

There was further discussion amongst the committee about electric rates.

OTHER BUSINESS

None

PUBLIC FORUM

None

PRESS FORUM

None

ADJOURNMENT

With no further business, the meeting adjourned at 5:26 p.m.

Andrea L. Coaxum
Borough Manager/Secretary