

**MINUTES OF PERKASIE BOROUGH
SPECIAL FINANCE COMMITTEE MEETING-BUDGET 2024
OCT. 11, 2023
620 West Chestnut Street
Perkasie, Pennsylvania**

ATTENDANCE:

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| Council Member: | Randy Faulkner Scott Bomboy Greg Martin Dave Weaver Dave Worthington Steve Rose |
| Borough Manager: | Andrea L Coaxum |
| Finance Director: | Rebecca Deemer |
| Electric Dept. Sup.: | Harold Stone |
| Parks & Rec Director: | Lauren Moll |

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

PUBLIC FORUM

Joel Nieto of 326 S. Fifth Street addressed the committee. He would like to be a part of whatever process will be taking place for the Lenape Skate Park Renovations. He is eager to help and will be submitting his name for the Park and Recreation Board vacancy.

DRAFT BUDGET 2024

- **Menlo Fund**

Andrea addressed the committee letting them know that we continue to fine tune the draft budget. Based on where our projections are coming in for the 2023 pool season, adjustments have been made to the 2024 draft. Everyone was provided with an updated copy.

The presentation started with discussing the 2023 budget. There was discussion about the projected deficit for the Menlo fund. Council had approved, at a previous meeting, to designate \$165,000 in ARPA funding over a three-year period to help support the pool. Based on our projections for 2023 we will be requesting to use \$134,000 in order to maintain the approved fund balance percentage.

Lauren shared with the committee the contributing factors that negatively impacted the Menlo budget this season. Some of those factors included the weather. The pool was closed for 15 days this year due to bad weather. Statistically we sell a large amount of pool memberships in June. However, most of the unfavorable weather was in June causing those membership sales to decline.

Lauren also talked about repairs at Menlo that hadn't been done in prior years.

Andrea talked about the age of the pool and the need for regular repairs and replacement of amenities in the near future.

Randy asked if we have been putting money aside for such capital improvements.

We do have a capital plan where we plan for the replacement of equipment and future repairs. Lauren is working on putting a list together that encompasses the pool and parks so we can add it to our capital plan.

There was some discussion regarding the debt. Currently the remaining debt is for the Menlo Aquatics Center. The debt will fall off in 2028.

Randy asked what the approach will be for next year to stay ahead of bad weather.

Lauren talked about her plan to have a more defined weather policy that will allow them to implement closures based on guidelines of the policy. They will also be focusing on early membership sales in order to capture most of their revenue before the pool opens in May.

- **Parks & Recreation**

Lauren went over the changes in revenue for pavilion rentals. Most of our pavilions are rented by non-residents so there will be different rates for residents vs. non-residents to help incentivize residential rentals.

Recreation Program fees was also increased. Lauren plans to run more programs and camps throughout the year.

Steve Rose asked if there was a need for an increase in security expenses for things such as video surveillance in the parks.

Andrea said from an insurance perspective, more cameras would be important. However, we have not put any funding in this draft budget for additional cameras. We have relied on ARPA funding for the camera systems that are in place today. When we come back to council on designating the remaining ARPA funds there will more than likely be funding requests for additional cameras.

There was some discussion regarding funding for the Skate Park. Andrea said that they are waiting on the feedback from the Skate Park committee. There is the potential to use ARPA funds for the long-term goal for the Skate Park. Some other options for funding are Park and Rec Impact Fees and grants.

Scott Bomboy commented that we should look at our parks system as a municipal authority. We have the biggest parks system in the county.

Dave Weaver asked about the idea of corporate sponsors for naming rights of the different parks and fields.

Andrea stated that we do have this idea in mind for the Amphitheater already.

- **Electric Department**

Rebecca reviewed the highlights of the changes in the draft 2024 Electric budget.

Some revenues were reduced, specifically related to installation of services as land development starts to wind down.

Expenses decreased, primarily with the transfers to other funds in order to maintain the fund balance percentage set by council.

Power purchases are projected to increase by \$254,000 in 2024. The MW/H is projected to increase by \$4.13.

There was discussion on the sale of electricity remaining the same or going down based on the current consumption. With that in mind, and the increase in power purchases and other expenses, if council does not make any changes to revenue the result is that the amount of funds you are able to transfers to other funds is reduced.

Rebecca provided rate comparisons for Council. The comparison included other municipal owned and operated electric utilities and private power companies. There was further discussion on the potential need to increase electric rates to plan for increased expenses.

Andrea stated that it is important, when looking at the Electric Fund Budget and Capital Plan that we need to look into the future. The amount of equipment and infrastructure that is required to maintain the electric system requires some understanding in how we continue to plan for and fund the bigger expenses that are coming. We are starting to set money aside right now for the replacement of transformers at the sub-station.

Dave Worthington asked about power consumption being down and if it is a trend due to energy efficiency or more so because of weather. Harold said that both trends and weather are contributing to the decline.

We are looking for guidance from council as to what kind of increase they would recommend, and would this impact every rate class.

- **ARPA Fund**

Randy asked if there was anything to present for the ARPA fund. Andrea commented that at this point we do not have a full budget to present. We have until the end of 2024 to designate all funds. Rebecca informed council that there is still \$265,000 that needs to be designated. Andrea said we will continue the same process with designating funds as we have been. We will present a list of needs to the Finance Committee and have them recommend to us where they feel the funds should be allocated.

Scott Bomboy commented that he feels the funds should be designated to our Parks System. We learned during COVID how important the parks are.

Dave Worthington talked about the need for signage in the parks and on the trails.

OTHER BUSINESS

None

PUBLIC FORUM

None

PRESS FORUM

None

ADJOURNMENT

The meeting adjourned at 6:18 PM.



Andrea L. Coaxum
Borough Manager/Secretary