

December 5, 2017

The Special Meeting of the Lehigh Borough Council was held in the Municipal Building on Monday, December 5, 2017. The meeting was held for budget and general purpose. The meeting was called to order at 5:30 p.m. by President Grant Hunsicker. Members in attendance were: Joe Flickinger, Darryl Arner, Helen Torok and Scott Rehrig, Lisa Perry, and Jared McEvoy. Officials in attendance were: Borough Manager Nicole Beckett, Borough Secretary Brenda Koons, Mayor Tom Mase and Police Chief Brian Biechy.

Pledge of Allegiance

Approval of Minutes

None were submitted

New Business

Discussion on Proposed Budget

Nicole apologized for getting her memos this afternoon. It was due to the very extensive process this year. If you would like the week to review them we can schedule another meeting for next week.

She met with the department heads and decreased their budgets. She went over the reductions in each department. For a total of \$53,636 in cuts. She did ask the police chief to attend tonight. Their budget was cut by \$25,000 and the bulk of that was reducing the part-time officer's salary. Immediately thereafter, she received notification that the school district received a grant for a school resource officer. The 1<sup>st</sup> year is \$60,000, the 2<sup>nd</sup> year is \$30,000. She wants to be sure council is on board with this. There would have to be discussion with their board to structure the setup of the position and the impact to the 2018 budget.

Councilor Flickinger asked if we could utilize one of our officers for the position and was told yes by Nicole but it would take another officer off the street. Chief Biechy said we could. With the addition of the 11<sup>th</sup> officer that was just hired a few things got freed up. Officer Szozda is doing a lot of drug work. DEA and the Attorney General's office was great when they came in but they are spread way too thin. We get them periodically but what has been happening is that when we make an arrest and try to work the informant, it'll go to court, get continued and then dies. Councilor Flickinger asked if the Chief couldn't go out more and do a 60/40 split due to budget constraints. Chief Biechy said yes he could leave some administration go. With the 11<sup>th</sup> guy he could finally start working on the S.O.P.'s. He has 7-8 of them done that are ready to present to council. It just depends on what council desires. The work is obviously there.

Nicole said we reduced that on the budget. If we proceed with the SRO they would probably have them in the school come June to get them set up. Initially, our talk was 9 months out of the year they would be with the district and the other 3 they would be with us. We were discussing a 75/25 split but that may not be necessarily what we are looking at. Do we want to keep some sort of funding in there until those agreements can be worked out?

Councilor Rehrig said he, the Mayor and Grant met with the school district to discuss this about 2 years ago. Our request was that they fund the SRO 100%. He doesn't think it fair for only Lehigh to pay when it's a district. He suggests this goes back to the school district and have them hire a school resource officer if they want one. Joe agreed. He can't see us hiring more personnel when it's for the whole district not just the borough.

Brian said he has two S.O.P.'s and one MOU from other departments that have SRO's. That's is all he has been able to get to this point. Should he allocate more time into looking into this?

Scott said more than likely the traffic is going to increase in the borough mandating more time for our officers and the whole school system will be in the borough making our police department responsible for 100% of anything that goes on. So he still feels that if the school wants this officer they should do it themselves.

Nicole said for budgeting purposes we will keep this as is. Do we want to discuss this later after it is official or go back to them now? President Hunsicker thinks it should be brought back after we meet with them because we don't know what they want to do right now. Scott also brought up that we pay a split with the crossing guards right now which causes a tax burden on the community of the borough. Brian said his department spends more time doing the crossing guard scheduling than the police schedule.

Brian wanted clarification on if he is to still look into the position and talk to the school district with the premise that they will fund it 100%.

Councilor Rehrig made a motion to not talk with the district and if things want to change later it can be changed. Councilor Torok seconded the motion. Councilor Flickinger had a question. Are we discussing this and leaving the finance part out or is there no discussion at all. Chief Biechy understands it as though he can continue to talk to the school district with the understanding that our attitude is they need to fund 100% and Scott and Helen agreed. Motion carried.

Nicole asked if there were any questions on what the cuts were made too. If not, \$218,450 would be needed to balance the General Fund budget. Council needs to decide on the following: increase in millage for the fire department equipment of ½ mil. The increase of millage for Light & Power or increase in transfer or split. An increase of 2.17 mils for the General Fund or \$178,450 from Light & Power. If we go with the transfer the total transfer would be \$1.3 million dollars equaling 28% of the General Fund expense. She did provide the PMEA analysis so council can compare the borough to the other 34 municipalities.

She also provided a tax increase sample showing where our current millage is, what the real estate taxes are and what would be done if we made various millage increases. Grant would hate to raise millage and Scott voiced his opinion last meeting about no millage increase.

Councilors Rehrig/McEvoy made the motions to take the increase from Light & Power of \$178,450 to balance the budget and all were not in favor. Roll call vote: No – Councilors Perry and Flickinger; Yes – Councilors McEvoy, Torok Arner, Rehrig and Hunsicker. Motion carried.

President Hunsicker said from here on out we need to get a handle on this. There are a lot of people out there that can't afford a tax increase. Councilor Perry said if you keep on putting off the increase eventually we are going to have to increase it and not just by 1 mil but by a lot. She would rather do it incrementally instead of one big chunk. Grant said but looking now you would increase 2.17 so what we should have done was to increase it every year a little bit. Scott said down another avenue, every department is going to have to be more transparent. We won't be able to buy like we did in the past. Things are going to have to last longer. Joe said he said that back in March when we dropped \$64,000 that wasn't budgeted for a brush hog. Helen suggested that further research be done to see what can be put on the table to increase revenue. We never talk about revenue increases only spending.

Nicole said there is still the question of the millage for the fire department equipment. Councilor Rehrig said no increase at this time because supposedly there was money put away for a ladder truck and some of that money was used. How is it going to be replaced? That's called transparency. Councilor Flickinger said by the same token council is responsible for all the apparatus in the borough.

Nicole went over the remaining budgets. She said the Light & Power budget is projected to be \$1.1 million less in 2017. She provided a full explanation of all capital projects completed to explain that. Sales are down due to the milder weather we had, lower contract prices and the negative purchase power adjustment. She and the treasurer will do a full review of the investment and savings accounts for the borough along with finalizing the investment policy. The penalties have not been accessed since May of 2017 due to the new software implementation and the inconsistencies in the ordinances which we have straightened out they will be accessed in January of 2018.

Councilor Rehrig asked how sales can be down because of mild weather when we probably don't have 50 houses in town that are electric. Nicole said we do. It impacts it and you can see it if you look at 2014, 2015 and 2016 with the milder winters of how our electric sales have decreased. Scott asked if it could be from homes being better insulated. Nicole said it could. Grant said we lost a lot from the schools and will again. Scott agreed and said we have lost from the businesses too. Nicole said as our sales go down so does the cost of our expense in the purchase of power. The 2017 rate study is available for review.

Nicole went on to a breakdown of administration along with a list of projects proposed by the Light & Power superintendent from year to year. Council will have to determine which of those projects will be funded in 2018. The transfer at the time of this memo was budgeted for \$1.121 million. She also provided a breakdown of what has been done through capital outlay. Nicole reviewed the Sewer Budget and asked if there were any questions on the other funds. There were no questions.

#### Motion to adopt the 2018 Proposed Budget

Councilor Rehrig/Torok made the motions to adopt and all were in favor with no questions or objections.

#### Motion to Advertise the 2018 Tax Levy Ordinance

Councilors Rehrig/Arner made the motions to advertise the ordinance at 7.5 mils and all were in favor with no questions or objections.

#### Motion to approve letter of credit reduction request #3 for Jim Thorpe River Sports in the amount of \$146,991.69

Councilors Rehrig/Arner made the motions to approve and all were in favor with no questions or objections.

Nicole had one more item for approval to hiring Joe Hutta Plumbing & Heating at a cost of \$6,980.30 to repair and replace the sewer line in borough hall. President Hunsicker asked to check into the urinal being replaced.

Councilor Rehrig/McEvoy made the motions to approve the repair at the proposed cost and all were in favor with no questions or objections.

#### Adjournment

#### Motion to adjourn the meeting

Councilors Flickinger/Rehrig made the motions to adjourn at 6:03 p.m. and all were in favor

Brenda L. Kreitz  
Borough Secretary