

December 7, 2011

The Special Meeting of the Lehighon Borough Council was held in the Municipal Building on Wednesday, December 7, 2011. The meeting was called to order at 6:30 p.m. by President Grant Hunsicker. Members in attendance were: John Bird, Dale Traupman, Melissa Wagner and Scott Rehrig.

Officials in attendance were: Borough Manager Nicole Beckett, Treasurer Kira Michalik, Solicitor Nanovic and Mayor Donald Rehrig. Absent: Bessie Bauchspies, Darryl Arner, Secretary Brenda Koons

Pledge of Allegiance

Hearing of Persons Present

None

New Business

Budget Discussion

The Borough Manager said council received the 2012 budget message with a detailed explanation for each line item. She asked if there were any questions. Councilor Rehrig asked if \$750,000 was being taken from the L&P Fund to balance the budget and was told yes. He then asked if there was anywhere money could be saved and Nicole said that she could probably cut \$40,000 maximum. We did reduce the transfer from \$759,000 to \$750,000 and it will only be taken if needed. Councilor Rehrig then remarked on the notation of increasing taxes by a mill to avoid cutting the funds of the borough. Nicole said she thinks we need to look into the future of the borough and also consider incremental tax increase in the future to offset the increasing costs of everything. It is something we need to consider along with that we need to maintain our reserves. Councilor Rehrig said he has been saying this for the last 5 years. The Borough Manager said that this is her 2nd budget year and she is a firm believer in it.

Council did have other questions for the fire company budget and the new station. Steve Ebbert said that they have eliminated every possible thing that they could 2 years ago. They have tried to look at the construction, equipment and space from every angle so that they make the most efficient use of the new station that will work with current and future standards while not out growing the building in 10 years.

The fire company does fundraising every year to purchase equipment so they do not burden the tax payers.

Council then asked about the taxes. Is it better to put 2 mills of fire tax on or not? The Solicitor said he does not like to do that unless there is a referendum. There are different interpretations as to what that means. Under the borough code you are permitted to adopt millage and you can adopt up to 30 mills. You can adopt up to 2 mills for fire tax. The problem with that is the way it is written must follow with a favorable referendum. He prefers to put the tax on under general purposes and then segregate the money when it comes in.

The Borough Manger reiterated that when the loan papers start coming in there needs to be \$3.5 million sitting in an account. The project cannot be put under a cut off dollar amount. We will pay off the \$1.75 million over 12 years on our funds.

Councilor Traupman said that if there is an over run the council sitting here will have to deal with it at that time. Councilor Rehrig asked if we have a final cost of this project. Mr. Ebbert said that the total cost for construction including the construction management fee and the construction contingency is \$3.37 million. In addition to that we will need the cost from H2M to do their final design and go into Phase 2 & 3. As you know to make sure that money was not spent up front, H2M was only contracted for Phase 1. So it will be approximately \$3.7 million. This is the best picture for the entire project including the building, design and construction.

President Hunsicker thanked the Borough Manager for the fine job she did on it.

Motion to adopt 2012 proposed budget

Councilors Wagner/Traupman made the motions to adopt and all were in favor with no questions or objections.

Motion to advertise the 2012 Tax Levy Ordinance

The solicitor said that would be keeping the tax millage at 6.5 for 2012. Councilors Rehrig/Wagner made the motions and all were in favor with no questions or objections.

Adjournment

Motion to Adjourn the Meeting

Councilors Rehrig/Wagner made the motions to adjourn at 7:40 p.m. and all were in favor.

Brenda L. Koons
Borough Secretary