

November 30, 2023

The special meeting of Lehighon Borough Council was held in the municipal building on Thursday, November 30, 2023. The meeting was called to order at 6 PM by President Grant Hunsicker. Members in attendance were: Lisa Perry, Autumn Abelovsky, Ryan Saunders, Rebecca Worthy and Donnie Rehrig.

Officials in attendance were: Borough Manager Dane DeWire, Borough Secretary Brenda Kreitz, Solicitor James Nanovic, Mayor Clark Ritter and Police Chief Troy Abelovsky. Absent: Councilor Darryl Arner and Ryan Saunders.

Mr. Larry Wittig was present to explain to council his proposal in the garbage bid he submitted. One proposed amount includes keeping the toters we currently have and his company maintaining ownership of them and taking care of replacing broken toters or parts as they currently do now. The other proposed amount includes removing the toters with the Tamaqua Transfer logo and replacing them with new toters having the Borough logo. The borough would be responsible for assembling, handing out, replacing and providing new parts if needed for all toters. The Borough would essentially be in the garbage can business if they go with this proposed amount.

Councilor Perry asked if the time was changed as they currently come by her house at 1 a.m. on a regular basis. Mr. Wittig said he bid it with a start time of 3 a.m.

NEW BUSINESS

Discussion on 2024 Budget and Modifications

The borough manager went over his budget memo. He said the Finance & Admin Committee met to work on the budget the last two Tuesdays. He sat down with each department head to see where things could be cut and where they needed to be added.

Dane extrapolated the former 4-year line items on a lot of things to determine if costs could be cut, left the same or needed to be increased. Substantial increases/decreases are listed at the end of the memo and he will go over them in a minute. He believes the last time taxes were raised was in 2021 going from 9.5 to 10 mil. The current assessed value of the town decreased this year. We typically only see 92% of that.

The garbage contract doubled and is 1.99% more than last year. He raised the garbage fees by 50% to offset this. All service contracts have been raised to compensate for the issue of incorrect budgeting done for this in the 2023 budget.

UCC fees and Health Officer fees have gone up as requested by BIA. Their fees have not increased in several years until now.

Public Works Maintenance of Storm Sewers was increased as we know they will need to replace/repair some storm sewers on Mahoning Street.

As per Ryan's request the per capita has been increased from .2 to .5 for the Canal. He lowered the L&P transfer from 1.3 down to 1.15 million.

In years past, for some reason, the budget was done to have a negative total. For some reason a lot of stuff that was in there was always just put in there as an expense that we might incur he guesses or get grant revenue to cover it. Dane took all line items that didn't have one opposite out just so he could zero it out. The \$388,000 in his opinion should be made up by tax increase or garbage fee increases, sewer fee increases. You will see in 2023-2024 revenue has gone up and expenses decreased. So, \$388,000 in the hole and we gotta figure out how to zero that out so we are where we are now 12 months from now.

Dane said this year we budgeted \$723,000 in collection charges for garbage. The \$1.08 million that you see there for 2024 would be exactly a 50% increase from last year. That would mean garbage rates would go up 50%. If you doubled, the fees for next year like Jim Thorpe did you would zero out the budget without raising taxes. Conversely, if you wanted to do a combination of that and taxes. If you raise taxes alone without upping this fee 150% increase it would require a 4.7 mill increase to zero out the budget. That doesn't include raising sewer prices but that is another option.

On page 1 of the Sewer Fund budget, it shows no increase from this current year and been pretty much the same since 2020. He guesses we didn't actually see an increase we just didn't have as many people because we are within 1%.

The big ticket items would be the sewer and garbage revenue and the revenue from taxes. Councilor Rehrig asked if he was correct that if we raise our garbage rates from \$25 to \$38. Dane said that only gets us to \$388,000 of zeroing out. The garbage contract double. It went from basically \$478,000 a year to basically 1.99 times that. If we don't double our garbage rates we can't zero out without touching other stuff. Donnie asked if we would be at \$50 for garbage this year and Dane said yes.

Dane gave other tax rates from neighboring communities as a point of reference. Donnie was not sure what 1 mill of tax will do to a person's taxes. If we double the garbage rate it's an equal amount for everyone.

Councilor Perry said she knows that with the last tax increase for her home would have been \$17. So, a mill would be \$34 a year. Councilor Rehrig said to reach what we need to would be 4. Dane said raising the garbage fee 50% to offset some of the cost differentials in the new contract you would still be 4.7 mills away from breaking mills. We can't do that. We would be 2nd in line behind Jim Thorpe. Dane thinks a combination of/if you want to double garbage prices the same way Jim Thorpe did. Dane said we have not raised sewer prices right now so that is an option. Donnie said everyone generates garbage but he has also argued for years that a person living alone pays the same sewer rate as a family of 7. Donnie thinks the fair way to do it is with the garbage. Dane also suggested that or \$5 million over 5 years for a garbage contract we could easily apply for grants over that time period, buy 3 trucks, and pay 10 people's salaries 5 years from now and have our own garbage collection. We could do it cheaper ourselves. The solicitor said you will need to deal with more employees and pay landfill charges. Mr. Wittig will tell you that is where most of his money goes.

Dane said we still have time to have another meeting to go over this if council feels it's necessary. He has looked at all these line items multiple times with the department heads and he does not know where else you could pull money from.

The L&P Fund line item 442-670 has some old notes from the transformer project. The PennDOT project will still need us to move some power lines for them. When the Lehighon Ford dealership switches over to their new building we will have some transformer work to do there. These are large items that can happen at any time. We have agreements with PennDOT and with some one at Ford for part of the work that we are responsible for.

Councilor Perry said with the 50% increase in garbage we will still need 4.7 mill of tax. The solicitor said since no one wants to do a 4.7 mill increase you are probably looking at doing 2-2 1/2 mill increase making up the rest with an increase in garbage and sewer fees. Lisa said we don't have to lower the L&P transfer that much. Dane said currently the transfer is lower than it has been. This year we are on track for \$1.3 million. It was \$1.3 million in 2022 and before that it was \$1.25 and \$1.3 respectively making the \$1.15 he is proposing the lowest we have had since 2020. Unless council is ok with going with the \$1.3 million we have been relying on then we are only really 4238,000 short. That could be made up with 2 mill and a 60% increase in the trash cost. Councilor Perry like that idea better. Councilor Abelovsky asked for the 2024 transfer from L&P. The borough manager said \$1.15 million. Dane said last year's budget had L&P in the hole \$2.5 million possibly due to the transformers being installed. The 2024 budget has L&P in the positive \$300,000. He feels L&P will be in better shape next year assuming that we are under budget on these large projects that might happen.

Police Chief Abelovsky said it was only day 4 for him but he looked over the budget this week and knows the overtime has been a big talking point this year. They have been under staffed this past year so Troy provided a breakdown of it to council. Troy said it itemizes the remainder of the salaries for the guys for the rest of the year and the percentages. The remaining salaries is at \$209,000 and that is what is left in the contract. The budget is for \$75,000 and there is an overage of \$100,000 for this past year. Troy went on to a breakdown that shows the hourly wages for the guys and that the remainder of the wages to be paid out this year comes out to \$127,853. That and including the overtime, court time looks to be \$133,140 with the remaining balance from the budget this past year \$209,000 so we are still in the black about \$76,284 not including any overtime that may occur in December.

There have been some concerns about the guys being out and the coverage that we have for the borough itself. Chief Abelovsky didn't know if council wished to discuss this now or not. He was told it was discussed in executive session and could be done then tonight as well. He has other concerns in looking over things. His department acquired 2 grants this year. One is a CODY grant for a data processing center they will be utilizing for reporting. Their current system has been outdated for around 17 years. It is functioning but very old. The grant was for about \$86,000. Troy asked if we received the money back for the grant and Dane thought we did but would check. Troy was questioning this because he didn't see where the money was put back into an account.

Dane said he found a lot of discrepancies in doing the budget where a positive didn't exist where maybe a negative did and that is where he spent a majority of his time on the budget. He will double check for Troy and will let him know what he finds out from the Treasurer.

Motion to go into Executive Session for Personnel

Councilors Perry/Rehrig made the motions to go into Executive Session at 7:12pm and all were in favor with no questions or objections.

Motion to go back into Regular Session

Councilors Perry/Rehrig made the motions to go back into Regular Session at 9:20pm and all were in favor with no questions or objections.

Motion to Adjourn the Meeting

Councilors Perry/Rehrig made the motions to adjourn the meeting at 9:22pm and all were in favor with no questions or objections. Meeting adjourned.

Brenda L. Kreitz
Borough Secretary