

# **Borough of Somerset Budget Council Meeting October 28th, 2019 6:00 p.m.**

## **1. Meeting Called to Order - President Ruby Miller**

## **2. Pledge of Allegiance**

## **3. Roll Call:**

Council Members present: Ruby Miller; Fred Rosemeyer; Judy Pyle; Sue Opp; Steve Shaulis and Gary Thomas.

Council Member present via phone: Pam Ream

Also present: Mayor Scott Walker.

Absent was: Junior Council Member Jonathan Wagner.

Also present were the following: Borough Manager, Michele Enos; Director of Finance, Brett Peters; Solicitor, James Cascio and Consulting Engineers, Tom Reilly and Jake Bolby.

## **4. Announcements:**

(a) None

## **5. Approval of Minutes of Previous Meetings:**

(a) None

## **6. Award of Bids:**

(a) None

## **7. General Public Comments:**

(a) None

## **8. Administrative Business:**

(a) None

## **9. Policy Agenda:**

### **Old Business:**

(a) None

**New Business:**

(a) 2019 Operating Budget – Review current budget for all funds and projections for the end of 2019.

(b) 2020 Operating Budget – Prepare Operating Budgets for 2020.

**(“New Business” items A and B were collectively discussed)**

Ms. Enos stated that *the Capital Budgets* will be discussed at the November 2019 Committee of the Whole Meeting. *The Operating Budgets* for our General, Water and Sewer Funds are being discussed at this meeting. It highlights where we are up to this point, where we project to be by December 31<sup>st</sup>, 2019 and how that sets us up for the Operating Budgets for 2020.

Mr. Peters distributed the Year-To-Date Budget Summary for the **General, Water and Sewer Funds**. It is the Year-to-Date “Budget – to - Actual” Comparison, and the first *Operating Budget* draft of the Proposed Budgets for 2020. He added that this is a draft for Council discussion.

Mr. Peters explained that the report is set up with six different categories including the....

1. **“Current Year-To-Date Actuals”** through Sept of 2019.
2. **“Year-To-Date Actual”** totals through Sept of 2018, for a comparison.
3. **“Current Annual Budget”** for 2019.
4. **“Actual Annual Budget”** last year’s annual numbers through December 2018.
5. **“Projected Current Year”** covers where we are projecting to end 2019.
6. **“Proposed Budget for 2020”**.

Mr. Peters focused on 3 specific areas of the draft...The **“Current Annual Budget”**, the **“Projected Current Year”** and the **“Proposed Budget for 2020”**.

**General Fund Revenues** were discussed first, in detail, by Mr. Peters:

- ... *Current Annual Budget for 2019*: \$3.6 million dollars.
- ... *Projected Current Year*: \$4.185 million dollars.
- ... *Proposed Budget for 2020*: \$3.66 million dollars.

Mr. Peters next discussed the total **Administrative Expenses**:

- ... *Current Annual Budget for 2019*: \$954,000.00.
- ... *Projected Current Year*: \$963,000.00.
- ... *Proposed Budget for 2020*: \$981,000.00.

Mr. Peters next discussed the total **Inspections Expenses**:

- ... *Current Annual Budget for 2019*: \$53,000.00.
- ... *Projected Current Year*: \$68,000.00.
- ... *Proposed Budget for 2020*: \$71,000.00.

Mr. Peters next discussed the total **Public Safety Expenses:**

- ... *Current Annual Budget for 2019:* \$1.8 million dollars.
- ... *Projected Current Year:* \$1.8 million dollars.
- ... *Proposed Budget for 2020:* \$1.8 million dollars.

Mr. Peters next discussed the total **Public Works Expenses:**

- ... *Current Annual Budget for 2019:* \$602,000.00.
- ... *Projected Current Year:* \$648,000.00.
- ... *Proposed Budget for 2020:* \$641,000.00.

Mr. Peters disclosed that we budgeted for a \$52,000.00 deficit in this year's General Fund Budget. He added that, projecting with additional revenues that came in, we should have a *surplus* of \$56,000.00. Also, the budget for 2020 will include a *surplus* of \$37,000.00.

To reiterate, Mr. Peters mentioned, again, that this is all for *Operating Budget* costs only, and there are no *Capital Budgeting* included in this draft.

**Water Fund Revenues** was next quickly reviewed by Mr. Peters:

- ... *Current Annual Budget for 2019:* \$3.2 million dollars.
- ... *Projected Current Year:* \$3.2 million dollars.
- ... *Proposed Budget for 2020:* \$3.2 million dollars.

Mr. Peters disclosed that we budgeted for a \$628,000.00 deficit in this year's Water Fund Budget. He's projecting to come in at a \$748,000.00 deficit. And the proposed deficit for 2020 is \$122,000.00.

**Sewer Fund Revenues** was reviewed lastly by Mr. Peters:

- ... *Current Annual Budget for 2019:* \$1.7 million dollars.
- ... *Projected Current Year:* \$1.643 million dollars.
- ... *Proposed Budget for 2020:* \$1.722 million dollars.

Mr. Peters disclosed that we budgeted for a \$290,000.00 deficit in this year's Sewer Fund Budget. He's projecting to come in at a \$266,000.00 deficit. And the proposed deficit for 2020 is \$122,000.00. And the budget for 2020 includes a \$196,000.00 surplus.

In conclusion, Mr. Peters discussed the last page of the summary which disclosed what was previously discussed among members of Borough Council. It covered the funds available for *Capital* purchases based on the reserve levels that Borough Council was comfortable with.

He brought out that he is projecting \$245,000.00 available for 2020 *Capital* purchases in the **General Fund**, \$1.3 million dollars for 2020 *Capital* purchases in the **Water Fund** and \$66,000.00 available for 2020 *Capital* purchases in the **Sewer Fund**.

He added that this is just the first draft, and further discussions will be held at the November 2019 Committee of the Whole Meeting.

**10. Executive Session** – *AFSCME Collective Bargaining / Personnel Issues / Potential Litigation.*

**Motion**

Mrs. Opp moved, Mrs. Pyle seconded to go into Executive Session to discuss AFSCME Collective Bargaining / Personnel Issues / Potential Litigation.

Motion Unanimously Carried  
6:15 p.m.

**Back in regular session**

7:03 p.m.

**11. ADJOURNMENT**

**Motion**

Mr. Thomas moved to adjourn, motion seconded by Mrs. Opp.

Motion Unanimously Carried  
7:05 p.m.

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Michele A. Enos, Borough Manager/ Secretary