

COUNCIL MEETING MINUTES

November 2, 2009

6:00 P.M.

Council members present were: Mr. Rapp, Mr. Capuano, Mr. Blatt, Ms. Halleman, Ms. Gifford, Mr. Grotenhuis and Mr. Trotter, Jr.. Also in attendance were: Mayor Fink, Rick Prill, Administrator and Sook Choi, Finance Director.

Council President Rapp noted that this meeting was scheduled to review the proposed 2010 budget and asked Councilman Trotter to provide an overview of the proposed 2010 Fund budgets.

Councilman Trotter commented that the various Council Committees have met to review their respective Departmental budget requests and the Finance Committee has reviewed each of the Fund Budgets. No rate increases are being proposed for the Health & Sanitation and Sewer fund budgets so the primary focus of this meeting will be on the General Fund budget. Following the submission of Departmental budget requests, the General Fund budget started out \$177,886 over budget. Following reviews by Sook and Rick, along with Committee meetings, this overage was reduced to a level of approximately \$112,000, which represented a 1 ½ mill increase in the tax rate. The Finance Committee further discussed the budget and proposed reducing Police O/T by \$10,000 and the borrowing of \$26,000 from the Sewer Fund, which would bring the proposed tax rate increase down to 1.0 mills. The Committee feels that any further reductions to the budget would have to be made by cutting services and the Committee is not recommending this action.

Mayor Fink asked what service cuts could possibly be made? What is the cost of operating the Pool?

Councilman Capuano noted that even if the Pool were to be closed, there would still need to be some expenditures made to keep the equipment operational. Given the age and condition of the Pool and equipment, it is necessary to rebuild one pump each year.

Councilwoman Halleman feels that the Pool should be closed in 2010 to save money in the budget which would help reduce the proposed tax rate increase. Anytime I went by the Pool this year it was not well attended.

Councilman Blatt noted that this past summer was a cooler summer overall which affected the attendance level but also noted that the deficit incurred this year was one of the lowest in the past 10 years.

Councilman Capuano agreed that closing the Pool would save some money but not enough to eliminate the proposed 1 mill increase, therefore, what else would Councilwoman Halleman proposed be cut out of the budget?

Councilwoman Halleman stated that the purchase of a new Police patrol vehicle could be eliminated as well as buying a new Public Works truck.

Councilman Trotter noted that not purchasing a new Police patrol vehicle would only eliminate a couple thousand dollars since the new vehicle will not be ordered until the 4th quarter of 2010 and the Borough will only incur 2-3 months cost.

Councilman Capuano commented that the purchase of a new Public Works truck would come out of the Liquid Fuels Fund budget, therefore there would be no savings in the General Fund budget.

Mayor Fink stated that he is not in favor of the \$10,000 reduction in Police O/T, noting that it is very difficult to control overtime when events and incidents happening in the Borough dictate much of the O/T needs. We cannot really anticipate the amount of O/T needed for Police.

Councilwoman Halleman stated that she supports utilizing the General Fund reserve funds to balance the budget, even if it means that we have no reserve funds remaining. The current economic climate dictates that we bite the bullet and cut services. This is not a time to increase taxes. Too many residents on fixed incomes cannot afford the increases in taxes, electricity costs, etc.

Councilman Capuano indicated that if Councilwoman Halleman can come up with \$70,000 in cuts he would consider them. People are not traveling as much in this economy so it is even more important to maintain the current services, which includes the Pool.

Hearing no further comments, Council President Rapp adjourned the Special Budget review meeting.

Minutes approved on December 7, 2009.

	Motion	2nd	Yes	No	Abstain
Tavis Grotenhuis			X		
Carolee Gifford			X		
Norman Blatt	X		X		
Fred Capuano			X		
Larry Rapp			X		
Doug Trotter		X	X		
Helen Halleman			X		
Mayor Ned Fink					

ATTEST:

**BOROUGH OF FOUNTAIN HILL
LEHIGH COUNTY, PENNSYLVANIA**

By: _____
Rick Prill, Borough Secretary

By: _____
Lawrence E. Rapp, President of Council