

**BOROUGH OF EDINBORO**  
**COUNCIL BUDGET WORKSHOP MINUTES**  
**October 17, 2018**

**Call to Order:** Wednesday, October 17, 2018, the budget workshop meeting, duly advertised, began at 4:35 PM in the Council chambers.

**Roll Call:** The following Council members were present: Jim Kiley, Aaron Gast, Mary Ann Horne, and Pat Davis. Absent were Fred Langill, Nathan Latimer, and Alyssa Dobson. Also present were Manager Kevin Opplé and Finance Director Jason Spangenberg.

**Budget Workshop:**

Manager Opplé presented the 2019 budget for the water, sewer, and refuse funds via slideshow. He stated that the final water rate increase required as part of the PENNVEST process would be implemented in 2019. This rate would increase water payments for the average residential customer by about \$6 per month while shifting more of the costs to the users with the highest consumption. Major water purchases for 2019 will be a new truck to replace the 2007 van, which was also budgeted in 2018 but not purchased, and water line work on West Normal Street. The budgeted amounts for these are \$40,000 and \$50,000, respectively. The largest item of note for the water budget is that the \$6.8 million PENNVEST loan will be coming due with monthly payments of roughly \$32,000. Current debt was reviewed. A sewer PENNVEST loan will have \$226,668.35 outstanding at year-end, and a water PENNVEST loan was paid off this January. Total revenues for the 2019 water budget are \$1,142,060, while budgeted expenses are \$1,141,777. Manager Opplé noted that personnel expenses make up the largest portion of the budget at 39%.

Sewer was discussed next. The EUP sewer agreement expires in March, so the renewal process has started. Sewer rates are being reviewed as part of this renewal. Major sewer budget items are that Superintendent Rob Kennerknecht is probably going to retire in 2019, two interns will be promoted to full-time, West Normal Street sewer line work is budgeted at \$115,000, a generator on Stonehaven is budgeted at \$35,000, and manhole lining on Rt. 99 is budgeted at \$60,000. Three other major projects are being considered, which would be paid from sewer reserves. Manager Opplé explained that a generator for the whole sewer plant could be installed for roughly \$500,000, larger sewer lines could be installed from Normal Street to the sewer plant for about \$800,000, and the current garage structure could be replaced with a permanent building for about \$600,000. Only one or two of these projects may be completed in 2019, with Manager Opplé suggesting the sewer lines as the best option to do first. Sewer reserves are healthy and could support these projects. Total revenues for the 2019 sewer budget are \$1,542,753, while budgeted expenses are \$1,405,548. Personnel expenses make up the largest portion of the budget at 53%.

The refuse and recycling fund was last. No billing rate increase will be implemented for 2019, although one will be needed for 2020. The only expenses paid from this fund are payments to the trash hauler and a portion of the utility clerk's wages. Total revenues for the 2019 refuse budget are \$287,600, while budgeted expenses are \$309,415. Manager Oppe said that the fund can handle one year of losing money, so that we don't have to increase water and refuse rates at the same time.

**Adjournment:**

The budget workshop was adjourned at 5:08 PM.

ATTEST:

  
Borough Manager Kevin Oppe

  
Mayor Aaron Gast