

**BOROUGH OF KUTZTOWN
FINANCE AND ELECTRIC COMMITTEE MEETING
MINUTES OF SEPTEMBER 12, 2024**

A regular meeting of the Finance and Electric Committee was held on Thursday, August 14, 2024 at the Kutztown Municipal Building, 45 Railroad Street.

The meeting was called to order at 7:30 p.m. by Dr. Derek Mace, Chairman. Members present were: Dr. Derek Mace, Mr. Kevin Snyder and Mr. Ed Seyler. Also in attendance: Mr. Gabriel Khalife, Borough Manager; Mrs. Sharon Dalickas, Finance Director/Asst. Treasurer; Mr. Steve Diehl, Electric Superintendent; Mr. Jim Schlegel, Mayor; and Ms. Jill Remick, Recording Secretary. Public Attendance: Mr. Todd Evans, and Mr. George Kusterer, member of the Kutztown Fire Company.

APPROVAL OF MINUTES

The August 14, 2024 minutes were reviewed by members. A motion was made by Mr. Seyler and seconded by Mr. Snyder to approve the August 14, 2024 minutes as written. The motion passed by unanimous vote.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

NEW BUSINESS

- **Discuss the Kutztown Fire Company's Request for \$90,000 to Use on Truck Purchases, Remounts, and Equipment.**

Members of the Kutztown Fire Company distributed a proposal to pay fire fighting staff a shift stipend to fire fighter personnel that would stay on the premises of the fire company for a determined shift. The Kutztown Fire Company also requested the fire tax be increased to 1 mil. for 2025. Committee members questioned the tax rate of Kutztown versus the lower tax rate charge in Maxatawny Township, despite the fact that more calls occur in Maxatawny Township than in Kutztown.

- **Review the 2025 MMO Calculations**

Mr. Khalife reviewed the Minimum Municipal Obligation (MMO), for 2025, for the Uniform Pension Plan is \$106,502.00, and for the Non-Uniform is \$533,758.00. This item will also be added to the Borough Council agenda as a "note" to be read.

- **Review Future Capacity Costs**

Mr. Diehl reviewed the PJM rates, the cost for the Borough to purchased electric, for the year 2025. Committee members and Mr. Diehl discussed the large increase in purchasing cost for 2025, and Mr. Diehl noted the cost could increase again in 2026 and 2027. The Committee also discussed using a notification system to inform residents of high peak days and to ask for voluntary electric conservation on that day, in order to help keep purchasing prices lower.

- **Review the Electric Capital Budget**

Mr. Khalife reviewed the first draft of the Electric Budget for 2025.

- **Discuss 2025 Per Capita Tax Bills.**

Members further discussed the Borough collecting the per Capita Tax Bills for 2025 and concluded the expense vs revenue wouldn't be beneficial to the Borough. Motion by Mr. Seyler and seconded by Mr. Snyder to recommend Borough Council take action to put the collection of Per Capita Tax Bills on moratorium per Solicitor Mooney's guidance. The motion past by unanimous vote.

OLD BUSINESS/UPDATES

BUDGET PERFORMANCE REPORT/ELECTRIC FUND BUDGET PERFORMANCE

Link: www.kutztownboro.org/departments/finance/index.php

Mrs. Dalickas reviewed the report with Committee members.

OFF AGENDA

ADJOURNMENT

There being no further business to discuss, a motion was made by Mr. Snyder and seconded by Mr. Seyler to adjourn the meeting. The motion passed by unanimous vote and the meeting adjourned at 8:45 p.m.