

JIM THORPE BOROUGH COUNCIL BUDGET WORKSHOP  
OCTOBER 17, 2018  
MINUTES

Meeting called to order at 6:30 pm in the Memorial Park Hall, 101 East Tenth Street, Jim Thorpe by President Strubinger with the pledge of allegiance and moment of silence for the men and women serving our country.

**Roll Call of Members & Officials**

Gregory Strubinger	Kyle Sheckler	Joanne Klitsch
Thomas Highland (A)	John McGuire	Edith Lukasevich
Jay Miller	Manager Maureen Sterner	PSM Vince Yaich (A)
Police Chief Joe Schatz	Secretary McClafferty	
Mayor Michael Sofranko		

**Public Comments**

No visitors

Borough Manager Sterner said she updated 4 pages on the budget (General Funds budget cover page, page 4, 14 & 15) . She received the bank numbers for the High Street loan, that has to be adjusted, it increased the budget \$112.00. Copy of the changes are attached.

President Strubinger asked about the Sanitation, Water & Sewer budgets.

Borough Manager Sterner said she took the \$101,000.00 from the Sanitation capital reserve funds to transfer into the General Funds. The \$227,000.00 the reserve for the first quarter of the year we will use Sanitation capital reserve funds if needed, we will borrow and pay back when the tax money comes in. The Water Dept. has a 10% increase. These are the only changes that have been made to the budget. There will not be a Sewer increase this year.

Mr. Miller said 2019 there will be no increase in Sewer.

Borough Manager Sterner said we will need to increase in the future, the capital reserve, we are winding down from the project and we can see more of what we will be keeping in the capital reserve, so we have enough money that we will be able to use the capital reserve if we need to next year.

Borough Manager Sterner said we talked about 10% for 3 years for Sewer increases, we did one year, we still have 2 years that we have to do.

President Strubinger asked what the current millage is?

Borough Manager Sterner said the current mill is 11.91. We are proposing 1.54 mill increase for 2019.

President Strubinger said his only concern with using the Sanitation reserve \$100,000.00, is will that put the borough in a bad spot next year?

Borough Manager Sterner said that is something Council will have to discuss. She said in this budget we have 2 new employees for 2019 that are not at 100%, we will need more wages next year for those employees. The 5-year projection sheet that is for the loan stuff that does not include the 2 new employees. You can see where the tax increase will be needed in the future. You have to keep in mind the expenses are always going up and the income, as people's income goes up our earned income will go up too. The Real Estate tax rate is not increasing at the rate our expenses are going up.

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Mr. Sheckler said in the 5-year projection you don't have a tax increase for 2020.

Borough Manager Sterner said no, but in the 5-year projections it didn't include 2 new employees.

Mr. Sheckler said then next year we will more than likely need to have some type of tax increase.

Borough Manager Sterner said in the projections in 2021 the increase is at 2.56 mills. When you look at next years budget you may want to look at a little more so it's not as high in 2021. What the projections shows for tax increases over the next 5 years is: \$0 for 2020, 2.56 mill increase – 2021, 1 mill increase in 2022, and .25 mill in 2023. The budget council is looking to adopt is a 1.54 mill increase for 2019.

Mr. Sheckler said that is with a half of mill for the fire department.

Mr. Miller said that will help on the major equipment for the fire department. He spoke about affording a payment on \$1 million-dollar loan for a new ladder truck.

Borough Manager Sterner said once the ladder truck is 25 years old you can go for a grant.

Mr. Miller said with that extra half of mill for the fire dept. they have possibilities. They have talked about a ladder truck, the next to be replaced is the pumper truck.

Borough Manager Sterner asked what the Fairview money is to be used for and what is the fire dept. trust account?

Mr. Sheckler said this year they used the Marion's interest for the A/C, tires and for repairs.

Mr. Miller stated the only piece of equipment the borough ever bought was the ladder truck and handed it over to the borough when that was paid. Fire equipment is not cheap.

Mr. Sheckler stated he wants to keep the millage in place for replacing fire equipment.

Mr. Miller said we have commitments for the hall and the Public Service garage, new borough worker we all have to watch the budgets. He can defend the 1.54 mill tax increase. We need to watch the Sanitation budget.

Borough Manager Sterner said the Sanitation budget are all street related.

Mr. Miller said we should look into the Junior Councilman.

Borough Manager Sterner said they have to be 16 years old, she will look into this. She said we will have to look at operating reserve accounts for when there are emergencies. She said we have 10% increase for benefits in the budgets.

Police Chief Schatz informed Council that the Civil Service list expires December 2, 2018.

Borough Manager Sterner asked Council if the draft budgets are good?

General consent of Council, yes.

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President Strubinger said he would like to know if the Police Chief can contact Ed Lewis to see if he knows anyone that would be interested in serving on the Civil Service Commission.

Police Chief Schatz said he will contact Ed Lewis.

Mr. Miller said we have to start thinking about men that are looking at retiring in a few years. We will need to make sure we start looking to hire people that are licensed plant operators to run the water and sewer plants.

Borough Manager Sterner said we have the engineer that is a licensed operator, if we need them as a backup.

Budget workshop sessions that are scheduled for October 24 and November 1, 2018 will be cancelled.

Borough Manager Sterner said the closing for the permanent USDA loan is scheduled for tomorrow, we will be closing and paying off the interim loan. She will also be transferring and recording the deeds for 102 & 103 North Street tomorrow.

Mr. Sheckler asked what are we doing with the people that have been parking there?

Borough Manager Sterner said they will not have to park there.

Borough Manager Sterner said Mark Reitz has trees there, she will notify him when the property is transferred so he can plant the trees on the lot. Gary Heydt will be helping him and the borough workers.

**MOTION:** Gregory Strubinger second John McGuire to adjourn.

YES 6

NO 0

ABSENT 1 Thomas Highland

Adjourned at 7:23

Respectfully submitted



Louise McClafferty  
Borough Secretary

# Jim Thorpe Borough General Fund 2019 Budget Draft 2

Cash Balance January 1, 2019 (estimate)		344,744.00
D & L Trail Grant DCNR Balance		148,662.00
D & L Trail Grant CC Hotel Tax		65,286.00
2018 CRF Project Transfer		106,877.00
Income	7,543,288.00	<u>7,543,288.00</u>
Available Cash		8,208,857.00
Expenses	8,199,257.00	<u>8,199,257.00</u>
Cash Balance December 31, 2019		9,600.00
Reserved Funds December 31, 2019		<u>9,600.00</u>
Balance Unreserved Funds December 31, 2019		<u><u>0.00</u></u>

**Borough of Jim Thorpe-General Fund**  
**2019 Budget Draft 2**  
**10/11/18**

	Jan - Dec 16	Jan - Dec 17	Jan - Dec 18	2018 Budget	2019 Budget Draft 1	2019 Budget Draft 2
380.108 · Employee Union Dues Reimburseme	0.00	0.00	0.00		0.00	0.00
380.000 · Miscellaneous - Other	0.00	0.00	0.00		0.00	0.00
<b>Total 380.000 · Miscellaneous</b>	<b>78,851.68</b>	<b>27,657.79</b>	<b>85,736.79</b>	<b>50,000.00</b>	<b>0.00</b>	<b>0.00</b>
387.000 · Contr & Donations Private Sourc						
387.100 · Donations Received	1,077.38	410.00	2,684.75		0.00	0.00
387.200 · Mary Packer Cummings Trust	1,216.83	887.36	1,555.77	1,215.00	1,220.00	1,220.00
387.300 · Packer General Trust	9,340.99	8,246.58	8,481.39	9,340.00	8,400.00	8,400.00
387.500 · Community Grants D & L Trail William Penn Grant	0.00	0.00	1,000.00		30,000.00	30,000.00
<b>Total 387.000 · Contr &amp; Donations Private Sourc</b>	<b>11,635.20</b>	<b>9,543.94</b>	<b>13,721.91</b>	<b>10,555.00</b>	<b>39,620.00</b>	<b>39,620.00</b>
389.000 · Insurance Proceeds						
389.100 · Insurance Proceeds	771.00	8,712.26	5,797.36		0.00	0.00
389.200 · Premium Refunds	510.00	0.00	512.00		0.00	0.00
389.300 · WC Reimbursement	0.00	0.00	8,183.44		0.00	0.00
389.000 · Insurance Proceeds - Other	0.00	0.00	333.94		0.00	0.00
<b>Total 389.000 · Insurance Proceeds</b>	<b>1,281.00</b>	<b>8,712.26</b>	<b>14,826.74</b>		<b>0.00</b>	<b>0.00</b>
391.000 · Proceed General Fixed Asset Dis						
391.100 · Proceeds from sale of assets	19,100.00	7,500.00	141,100.00		0.00	0.00
<b>Total 391.000 · Proceed General Fixed Asset Dis</b>	<b>19,100.00</b>	<b>7,500.00</b>	<b>141,100.00</b>		<b>0.00</b>	<b>0.00</b>
392.000 · Transfer from Other Funds						
392.027 · Sanitation Fund	339,449.56	33,247.67	0.00		0.00	0.00
392.031 · General CR Fund Tree Vitalize Project	0.00	0.00	13,000.00	106,877.00	5,081.00	5,081.00
392.039 · Transfer from Sanitation Capital Reserve	0.00	0.00	0.00		0.00	101,618.00
392.099 · Transfer from SALDO Fund	0.00	0.00	5,704.50		11,000.00	11,000.00
392.103 · Transfers from Fire Dept Trust	5,345.52	0.00	0.00		0.00	0.00
392.000 · Transfer from Other Funds - Other	0.00	0.00	0.00		0.00	0.00
<b>Total 392.000 · Transfer from Other Funds</b>	<b>344,795.08</b>	<b>33,247.67</b>	<b>18,704.50</b>	<b>106,877.00</b>	<b>16,081.00</b>	<b>117,699.00</b>
393.000 · Proceeds of GLT Debt						
393.100 · Proceeds Facilities Upgrade Deb	0.00	0.00	0.00	4,225,000.00	4,582,199.00	4,582,199.00
393.200 · High Street Wall Loan Proceeds	0.00	85,346.20	304,893.45		0.00	0.00
393.300 · Inception of Lease - Purchase	0.00	0.00	0.00		0.00	0.00
<b>Total 393.000 · Proceeds of GLT Debt</b>	<b>0.00</b>	<b>85,346.20</b>	<b>304,893.45</b>	<b>4,225,000.00</b>	<b>4,582,199.00</b>	<b>4,582,199.00</b>
<b>Total Income</b>	<b>2,727,548.89</b>	<b>2,262,760.85</b>	<b>2,670,573.00</b>	<b>6,678,642.00</b>	<b>7,387,018.00</b>	<b>7,543,288.00</b>
Cost of Goods Sold						
50000 · Cost of Goods Sold	0.00	0.00	0.00			
<b>Total COGS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			
<b>Gross Profit</b>	<b>2,727,548.89</b>	<b>2,262,760.85</b>	<b>2,670,573.00</b>	<b>6,678,642.00</b>	<b>7,387,018.00</b>	<b>7,543,288.00</b>
Expense						
400.000 · General Govt Legislative						
400.110 · Councilman Salary	9,963.57	9,960.00	7,470.00	9,960.00	9,960.00	9,960.00
400.111 · Mayor's Salary	2,003.57	1,980.00	1,485.00	1,980.00	1,980.00	1,980.00

**Borough of Jim Thorpe-General Fund**  
**2019 Budget Draft 2**  
**10/11/18**

	Jan - Dec 16	Jan - Dec 17	Jan - Dec 18	2018 Budget	2019 Budget Draft 1	2019 Budget Draft 2
<b>Total 456.000 · Libraries</b>	10,000.00	12,500.00	12,500.00	12,500.00	12,500.00	12,500.00
<b>459.000 · Trails</b>						
<b>459.313 · Engineering Services</b>	1,838.00	47,019.73	32,091.26	31,728.00	7,915.00	7,915.00
D & L Trail Wilson 6,285.00						
D & L Trail Entech 1,630.00						
<b>459.450 · Contracted Services</b>	0.00	0.00	850.00	100,000.00	546,204.00	546,204.00
D & L Trail Bower 539,634.00						
D & L Trail UCC Inspections 6,570.00						
<b>459.451 · D &amp; L Boro Reimbursements</b>	0.00	0.00	4,954.07			
<b>Total 459.000 · Trails</b>	1,838.00	47,019.73	37,895.33	131,728.00	554,119.00	554,119.00
<b>471.000 · Debt Principal</b>						
<b>471.001 · Premium on Bonds</b>	0.00	0.00	0.00			
<b>471.100 · MEM St Light Energy Loan #60054</b>	12,763.26	16,172.17	11,785.82	17,710.00	14,586.00	14,586.00
<b>471.101 · Loan Repayment Memorial Hall</b>	0.00	33,573.43	23,240.01	34,947.00	36,206.00	36,206.00
<b>471.105 · Debt Prin - High St Wall Projec</b>	0.00	0.00	10,813.06	39,925.00	39,925.00	40,353.00
<b>471.106 · Debt Prin Facilities Upgrade</b>	0.00	0.00	0.00	91,877.00	0.00	0.00
<b>471.300 · Debt Prin - MCT Bridge #21288</b>	10,000.00	10,000.00	0.00	10,000.00	0.00	0.00
general fund portion paid in full in 2018						
<b>471.400 · Lease Pymts-Police Vehicle</b>	10,442.45	10,895.64	0.00		8,940.00	8,940.00
estimate \$60,000.00 5 yr lease purchase						
<b>471.402 · Lease Purchase 2019 10T Princip</b>	0.00	0.00	0.00	11,993.00	28,826.00	28,826.00
<b>Total 471.000 · Debt Principal</b>	33,205.71	70,641.24	45,838.89	206,452.00	128,483.00	128,911.00
<b>472.000 · Debt Interest</b>						
<b>472.100 · MEM St Light Energ Loan #60054</b>	9,516.54	6,107.63	3,067.38	4,570.00	7,694.00	7,694.00
<b>472.101 · Loan Interest Memorial Hall</b>	0.00	10,604.28	6,121.91	9,096.00	7,837.00	7,837.00
<b>472.105 · Debt Int - High St Wall Project</b>	0.00	99.13	4,380.03	11,226.00	11,226.00	10,910.00
<b>472.106 · Debt Int Facilities Upgrade</b>	0.00	0.00	0.00	15,000.00	99,887.00	99,887.00
<b>472.300 · Debt Int - MCT Bridge #21288</b>	811.35	372.80	0.00	179.00	0.00	0.00
general fund portion paid in full in 2018						
<b>472.400 · Lease Pymnts - Police Vehicle</b>	926.07	472.87	0.00		2,022.00	2,022.00
<b>472.402 · Lease Purshase 2019 10T Interes</b>	0.00	0.00	0.00	2,384.00	4,823.00	4,823.00
<b>Total 472.000 · Debt Interest</b>	11,253.96	17,656.71	13,569.32	42,455.00	133,489.00	133,173.00
<b>480.100 · Miscellaneous Expense</b>						
<b>480.000 · Miscellaneous Expense</b>	0.00	31.00	0.00	2,000.00	2,000.00	2,000.00
<b>480.101 · Misc/increase allowance</b>	-83.43	0.00	0.00		0.00	0.00
<b>480.156 · COBRA BC/BS</b>	132.32	0.00	0.00	0.00	0.00	0.00
<b>480.200 · Other Expenses/Misc</b>	15.00	350.00	510.00	500.00	500.00	500.00
<b>480.249 · Well/Plumbing Permits</b>	0.00	0.00	0.00		0.00	0.00
<b>480.540 · Friends of Animals</b>	0.00	500.00	500.00	500.00	500.00	500.00
<b>Total 480.100 · Miscellaneous Expense</b>	63.89	881.00	1,010.00	3,000.00	3,000.00	3,000.00
<b>486.000 · Insurance, Casualty &amp; Surety</b>						
<b>486.100 · General Insurance/Work Comp</b>	0.00	0.00	0.00			

**Borough of Jim Thorpe-General Fund**  
**2019 Budget Draft 2**  
**10/11/18**

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486.101 · Worker's Comp	0.00	0.00	0.00			
486.000 · Insurance, Casualty & Surety - Other	0.00	0.00	0.00			
<b>Total 486.000 · Insurance, Casualty &amp; Surety</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			
487.000 · Health Insurance Benefit						
487.100 · Donations	0.00	0.00	0.00			
487.430 · Payroll Quarterly Tax Reimb	0.00	0.00	0.00			
<b>Total 487.000 · Health Insurance Benefit</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			
492.000 · Transfer to Other Funds						
492.006 · Transfer to Water Fund	0.00	0.00	0.00		3,000.00	3,000.00
Pension share 3,000.00						
492.008 · Transfer to Sewer Fund	0.00	0.00	0.00		2,855.00	2,855.00
Pension share 2,855.00						
492.011 · Trans to Special Revenue Fund	0.00	0.00	181,603.23	43,367.00	43,774.00	87,889.00
fire equipment 1 mill						
fire 1/2 mill						
492.027 · Transfer to Sanitation Fund	0.00	14,244.60	0.00		2,494.00	2,494.00
Pension share 2,494.00						
492.031 · General Capital Reserve Fund	50,884.00	153,000.00	30,487.00	3,197,987.00	75,000.00	75,000.00
Annual transfer 50,000.00						
5th Street Repair 25,000.00						
492.031 · General Capital Reserve Fund					132,580.00	132,580.00
Future Facilities Projects annual loan re-payment less interim financing interest 232,457.00 - 99,877.00 = 132,580.00						
492.050 · Trans to Memorial Hall Fund	27,472.21	25,000.00	27,550.00	27,550.00	0.00	0.00
492.090 · Transfer to Payroll Fund	0.00	23,175.91	0.00		0.00	0.00
492.000 · Transfer to Other Funds - Other	0.00	0.00	0.00		0.00	0.00
<b>Total 492.000 · Transfer to Other Funds</b>	<b>78,356.21</b>	<b>215,420.51</b>	<b>239,640.23</b>	<b>3,268,904.00</b>	<b>259,703.00</b>	<b>303,818.00</b>
<b>Total Expense</b>	<b>2,408,468.76</b>	<b>2,611,465.05</b>	<b>2,263,988.92</b>	<b>7,001,434.00</b>	<b>8,154,205.00</b>	<b>8,199,257.00</b>
<b>Net Ordinary Income</b>	<b>319,080.13</b>	<b>-348,704.20</b>	<b>406,584.08</b>	<b>-322,792.00</b>	<b>-767,187.00</b>	<b>-655,969.00</b>
<b>Net Income</b>	<b>319,080.13</b>	<b>-348,704.20</b>	<b>406,584.08</b>	<b>-322,792.00</b>	<b>-767,187.00</b>	<b>-655,969.00</b>