

Red Lion Municipal Authority
Budget Meeting Minutes
Wednesday October 25th, 2023

Members Present

Dennis Klinedinst-Chairman
Gary LaTulippe- Vice Chairman
David Reichard – Treasurer
Chris Minnich- Asst. Sec/Treasurer

Others Present

John Krantz-Superintendent
Jason Reichard- Engineer

Visitors:

none

Meeting Agenda:

- The meeting was called to order at 6:00p.m. and the pledge was recited.
- Mr. Klinedinst opened the discussion of the proposed budget for 2024.

Water Budget:

- **Edgewood Tank**
 - A monthly fee is going to be added to all customer bills to pay for the new tank. When the tank is paid for (in approximately 3 years), the added fee will no longer be reflected on the bills.
 - Residential: \$5.00/month
 - Commercial: \$25.00/month
 - Institutional/Industrial: \$115.00/month
 - There was some discussion on how billing apartment buildings will work as well.
- **Rate Increase** (necessary to cover expenditures)
 - Residential: 2% (roughly \$1.00 more for 3,000 gallons)
 - Bulk/Commercial/Institutional/Industrial: 5%
- **Salaries:** Union and Non-Union employees are all projected to receive a 5% raise for 2024.
- **Expenditures**
 - There was general discussion regarding increasing/decreasing various expenditures such as General Office Supplies, Computers and Software, Cleaning and Supplies etc.
 - After a bit of debate on whether the back building needs to be cleaned as often as it is currently, the Board decided to leave the cost projection where it is.
 - Legal and Professional Fees currently include a wide array of services, and it is possible we might need to create a new category (or more) in the future to have a more accurate budget.
 - The old system was brought up and how it was easier to breakdown expenses, and we want to find a middle ground between the two.
 - Engineering:
 - This category has a significant increase due to the large number of projects currently in progress as well as because we did not have final numbers from 2022 when the 2023 budget was prepared.
 - Contingencies/Emergencies/Surprises also generally fall into this category, and we need to account for that.
 - Miscellaneous is currently very vague like Legal and Professional Fees, and we plan to break this category down better as well.

- Utilities: Electricity, Heat, Telephones etc.
 - We have some plans to decrease our Telephone Category, but utilities are heavily affected by inflation and the unknown economy.
- Maintenance and Repair
 - Some of the things in this category could also be better broken down like in the other categories.
 - Mr. J. Reichard suggested keeping new meter purchases as a separate line item (not in this category), so we do not inaccurately inflate the budget.
- PENNVest Loans are broken out to account for the Edgewood Tank.
- A few other various accounts are discussed briefly as well with no notable changes.

Sewer Budget:

- The budget for Sewer is essentially the same as last year, except with the reflection of a 3% increase for services.
 - Mr. J. Reichard demonstrated the need for the rate increase to the Board.
 - There is still one outstanding payment missing, which is needed to close a gap in the numbers.
 - Billing needs to be more appropriately coded to Sewer for next year, resulting in a better split between various bills. The Auditors suggested this last year, but most of the year had already passed so it is not yet reflected accurately (a lot more work was done on water this year though).
 - Mr. Krantz is going to send Mr. J. Reichard information on Mill Creek Interceptor and Springettsbury to see if there are any increases.
- ❖ Everyone agrees to table discussion until next month's meeting, and to reach out to Mr. Krantz with any questions, concerns, or suggestions.

Adjournment:

- Mr. Klinedinst adjourned the meeting at 7:13 p.m.

Respectfully submitted by Kyrsten Scutta