

BUDGET WORKSHOP

President Becker called the 2020 budget workshop to order at 7:00 p.m. on November 11, 2019, in the Auditorium of the Macungie Institute, 510 E Main Street, Macungie, PA. Council Members in attendance were Alma Akinjiola, Chris Becker, Barry Bloch, Debra Cope, Greg Hutchison, Roseann Schleicher and John Yerman. Also present were Borough Manager Chris Boehm, Mayor Ronald Conrad and Administrative Assistant Selma Ritter.

Macungie Institute ("MI") 2020 Budget – Facility Manager, Tim Brown, was scheduled to attend tonight's workshop to discuss the 2020 MI budget and provide a facility status update. However, he tendered his resignation today. Council noted that, historically, the MI operated on a deficit of \$35,000 to \$50,000 annually and the heating system in the facility needs to be replaced. Each year the heating system requires approximately \$5,000 in repair costs, plus higher UGI Gas heating bills because the furnace is not energy efficient. The estimated facility deficit listed in the 2020 Budget is \$38,000, which does not include an estimated heating system ~~repair~~ replacement cost of ~~\$8,000~~ \$75,000 (this sentence was changed as per the 12/02/2019 Council meeting). If the heating system requires replacement in the near future, the funds would be taken from the Borough's Capital account. Borough Manager Boehm recommended the cost for the website update be kept in the 2020 Budget.

Borough Manager Boehm presented and discussed the general fund revenues, which included increasing several line items, and the 2019 carryover amount of \$390,000 into 2020. President Becker discussed how the carryover amount was estimated. Borough Manager Boehm expressed concern that carryover amount was too high.

The calculation of Residential Rental Inspection Licenses and Inspection Fees were discussed. There was a unanimous consensus among council to set the Residential Rental Inspection License fee at \$30.00 and the Inspection Fees at \$60.00 per unit in the building. The fees would be used to help pay the salary of the inspector and would be included in the 2020 Borough Fee Schedule. Property owners would be required to pay both fees each time a unit is inspected.

Borough Manager Boehm presented and discussed the 2020 general fund expenditures, which included an Emmaus Public Library contract fee of \$21,400, a PennDOT Multimodal Grant match of \$65,000 being earmarked in the Capital account for the next 2 years (2020 and 2021) for Phase IV of the Streetscape (totaling \$130,000) and a 20% transfer of funds to the Contingency Fund. The draft 2020 Preliminary Budget did not include the actuary's suggested Police and Non-Uniform Pension Minimum Municipal Obligations ("MMO") higher market value, plus an additional \$22,500 and \$27,500 (total of \$50,000), to help cover the projected shortfall when employees begin to retire in 10 years. Council commented they would add funds to the pension funds from the carryover fund, if they are available at the end of the year, to avoid being committed to the higher amount in case funds were needed for an emergency.

Borough Manager Boehm presented and discussed the sewer fund revenues and expenditures. She recommended Council apply for an H2O grant, to be used for sewer work on Church Street. Harry Garman, from Barry Isett & Associates, was present to discuss the sewer lateral lining and cleanout project in the Borough. Borough Manager Boehm is still waiting for an estimate for the Hillcrest Sewer Replacement project. She reported there will not be sewer or water rate increases in 2020.

The State Liquid Fuels Fund was then discussed, which is a semi-restricted account to pay for street lights, traffic lights, street winterization and partial funding for a new truck(s) for the Public Works Department. The purchase of a large dump truck was discussed. Borough Manager Boehm explained the cost of a new truck, plow and salt spreader would be taken from the General, Sewer, Water and Liquid Fuel fund accounts since the vehicle would be used to service all aspects of the Borough.

Funding requests for Meals on Wheels and Community Action Committee of Lehigh Valley (CACLV) were also discussed. Solicitor Armstrong stated Meals on Wheels was eligible to receive Borough funds, if Council chooses to donate. However, he was not sure of the Community Action Committee contribution.

EXECUTIVE SESSION – President Becker called for an Executive Session at 9:30 p.m. to discuss a personnel matter. The meeting reconvened at 9:50 p.m. with no action taken.

ADJOURNMENT - Hearing no other business come before Council, Council Member Schleicher made a motion to adjourn the meeting, second by Council Member Cope. Motion carried: 7 ayes.

Respectfully Submitted,

/s/ *Selma Ritter*

Selma Ritter
Administrative Assistant