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BUDGET WORKSHOP

President Becker called the 2020 budget workshop to order at 7:00 p.m. on November 25, 2019, in the Auditorium of the Macungie Institute, 510 E Main Street, Macungie, PA. Council Members in attendance were Alma Akinjiola, Chris Becker, Debra Cope, Greg Hutchison and Roseann Schleicher. Also present were Borough Manager Chris Boehm and Mayor Ronald Conrad. Council Members John Yerman and Barry Bloch and Administrative Assistant Selma Ritter were absent.

Sergeant Travis Kocher, from the Macungie Police Department (“MPD”), reported the MPD would not be purchasing a new computer server in 2020. He did recommend, however, budgeting \$3,000.00, towards the virtual server hardware in case it needs repairs before the MPD upgrades to a cloud-based server.

A potential Real Estate Tax increase was briefly discussed, along with the Capital Fund revenues, carryover funds, fund transfers and 2019 outstanding bills were discussed. President Becker commented that Council does not generally know the amount of remaining funds at the end of a year (for carryover into the next year) until the end of January 31st.

President Becker briefly discussed the unfunded Pollutant Reduction Plan (“PRP”) mandate, for the MS4, which is required by the Federal and State Government. Council separated the PRP into two phases: (1) Phase 1 would cost \$195,000.00 and was included in the 2020 budget and (2) Phase 2 of the project would cost \$45,000.00, but is not included in the 2020 budget. President Becker suggested Council reduce the line item to \$45,000, instead of the \$195,000 for 2020, then reconsider the amount at the end of January 2020, to avoid a Real Estate Tax (“RE Tax”) increase. He stated, he believes a tax increase is not necessary, ~~if some of the large items in the budget are reduced~~ (this sentence was changed as per the 12/02/2019 Council meeting).

Councilman-Elect Todd Rutledge questioned the other Council Members if they know what President Becker was talking about and how to make it happen to go back to the organization to modify the PRP. Borough Manager Boehm replied that the PRP could not be modified because it was already approved by the Department of Environmental Protection (“DEP”), which has several courses of action in the plan to address what the Borough needs to get done, including cleaning up the ditch along Cotton Street, from Chestnut Street to Mountain Creek, and installing a rain garden there to filter out the silt before it gets into the creek and rebuilding the streambank and turning the detention pond by Glenwood Street into a rain garden. She then discussed the cost of the entire project, what it would cost if it were done in phases, the project itself, the erosion and ACELA Engineering’s role in the project. The entire plan has to be completed within 5-years. Mr. Rutledge requested more information on the plan to better understand it. In addition to providing the plan, Borough Manager Boehm suggested having ACELA come to a Council meeting in the beginning of 2020 to discuss the project with the new Council Members and Borough Manager.

President Becker commented on a rumor he heard regarding some of the 2020 Council Members desiring to remove some of the Main Street Streetscape projects that were completed. He then read a portion of the grant agreement, which discussed the life of the project(s) being 20-

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years and penalties for not keeping the improvements for the project(s) life span, including having to repay all or a portion of the grant money.

Increasing the RE Tax .5 mils in the Borough, for a total RE Tax of 4.75 mils, was discussed. Borough Manager Boehm explained the carryover funds are funds needed for the Borough to operate in the beginning of a new year to pay payroll, bills and anything else. She commented some municipalities have a small carryover amount, then depend on a loan to pay their bills, which incur other expenses such as legal fees and interest. After Council further discussed the revenues, expenditures and possibility of raising the RE Tax in 2020 further, there was a unanimous consensus among Council to not raise the taxes.

Council will vote on moving forward to adopt the Preliminary Budget at their next Council meeting on December 02, 2019. If approved to move forward, the 2020 Preliminary Budget would then be advertised in the East Penn Press Newspaper and on display for 10-days at Borough Hall, for its proposed adoption on December 16, 2019. Since the RE Tax will not be increased, a Resolution would need to be adopted for the 2020 Budget, which the Mayor would need to sign.

ADJOURNMENT

Council Member Schleicher made a motion to adjourn the 2020 Budget Workshop at 9:01 p.m., second by Council Member Cope.

Respectfully submitted,

/s/ *Chris L. Boehm*

Chris L. Boehm
Borough Manager
(Secretary, *pro tem*; transcribed written notes)

/s/ *Selma Ritter*

Selma Ritter
Administrative Assistant
(*Audio Recording Transcription*)