

MINUTES

BUDGET WORKSHOP

President John Yerman called the November 09, 2020, Budget Workshop of Macungie Borough Council to order at 7:30 p.m. Due to the Coronavirus Pandemic (COVID-19), the meeting was held via telecommunications. The change in venue was announced on the Borough website and by a notice being posted on the Macungie Institute and Borough Hall doors. The meeting was open to the public where participants could “attend” the meeting by using an assigned web link or telephone number and access code. The 2021 Budget Workshops were advertised in the East Penn Press Newspaper and on the Borough website. Council Members in attendance were Alma Akinjiola, Angela Ashbrook, Ryan Hanosek, Roseann Schleicher and John Yerman. Also present were Borough Manager Robert Glisson, Administrative Assistant Selma Ritter and Mayor Ronald Conrad. Absent were Barry Bloch and Todd Rutledge.

Borough Manager Glisson discussed the preliminary 2021 Budget, which included General Fund Revenues, General Fund Expenditures, Healthcare costs and Employee Wages.

Discrepancies and projected expenditure amounts within the preliminary Budget were discussed. President Yerman commented the reimbursable engineering fees and legal costs should be the same in both the Revenues and Expenditures, so they balance to a total of zero. He suggested the reimbursables should not be in the budget because it is hard to estimate what developers will be paying and they “wash out” in the end. He commented only the Borough’s legal and engineering costs should be in the Budget. The Main Street Streetscape grants were discussed, along with how the funds and expenditures should be shown in the Budget.

In response to a discussion at a previous informational meeting, Council Member Ashbrook suggested a new line item be added to the 2021 Budget, in the amount of \$100.00, for “Good Will” which will be used for condolences, cards and/or flowers. President Yerman stated¹ *as of that days report* there will be a \$273,000.00 carryover amount from 2020 into 2021.

There was a discussion on employee costs. President Yerman stated employee costs increase approximately \$40,000.00 to \$50,000.00 per year and without taxes being raised it is less money to use on other things. Borough Manager Glisson stated employee healthcare will increase 2.9% in 2021, but the Dental, Vision and Life Insurances will remain the same. Sgt. Travis Kocher commented with the additional development in the Borough there will be additional Tax Revenues to help compensate for the increases. President Yerman commented it will take 2-3 years before the Borough sees any of the tax money. He then stated if taxes are not raised, the ~~contingency~~² *carryover* funds will continue to be reduced and not be replenished.

¹ At the November 16, 2020 Council meeting, President Yerman requested a change to this sentence, which originally read “President Yerman stated there will be a \$273,000.00...” He requested the sentence be changed to read “President Yerman stated *as of that days report* there will be a \$273,000.00...”

² At the November 16, 2020 Council meeting, President Yerman requested a change to this sentence, which originally read “...are not raised, the contingency funds will...” He requested the sentence be changed to read “...are not raised, the carryover funds will...”

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Council Member Ashbrook suggested cosmetic projects should be on hold during 2021 and only necessary infrastructure (bridge repairs) grants be applied for. The FEMA funds applied for earlier this year are still uncertain at this time. President Yerman stated Council should hope for the best but plan for the worst.

ADJOURNMENT

Council Member Schleicher made a motion to adjourn the 2021 Budget Workshop at 08:56 p.m., second by Council Member Hanosek.

Respectfully submitted,

/s/ *Selma Ritter*

Selma Ritter
Administrative Assistant