

**BOROUGH OF WEST READING
BOROUGH COUNCIL BUDGET WORKSHOP**

Saturday, November 16, 2013 – 9:00 a.m.

West Reading Borough Council held a budget workshop at Borough Hall on Saturday, November 16, 2013 with the following persons present: Council Vice President James Gallen; Council Members Elizabeth Heckler, Deborah Hutcheson, Philip Wert; Mayor Shane Keller; Borough Manager Richard Sichler; Treasurer Jeanette Rentschler; Chief Code Enforcement Officer Tracey Levering; Public Works Director Dean Murray; Police Chief Stephen Powell; Recreation Coordinator Helen Moyer, Administrative Assistant Cathy Hoffman; Incoming Mayor Valentin Rodriguez, Jr. There were no members of the public present.

Council Vice President James Gallen called the meeting to order at 9:08 a.m. which was followed by the Pledge of Allegiance and roll call.

2014 BUDGET:

Revenue – Mr. Sichler began reviewing the budget line by line beginning with Revenue. He told Council that although the process is starting with a shortfall of \$1,123,910.00 there is room for adjustment. The following line items were of note:

- 01-301-100 Real Estate Taxes – properties have been reassessed to a lower value.
- 01-310-800 Business Privilege Tax - The Reading Hospital keeps purchasing properties, taking them from private businesses/practices to hospital entities making them exempt. The Hospital has agreed to reimburse the Borough because of the loss of real estate taxes, however Business Privilege Tax needs to be recovered as well.
- 01-359-100 The Reading Hospital's contribution has been estimated at \$600,000 which is considered to be conservative.
- 01-361-100 Public Safety – Police Services – The Borough doesn't bill the Hospital for events such as the Hospital's recent 'Road Run'. After some discussion about police services provided to the Hospital, Chief Powell said that he would research the number of calls per year generated from the Hospital.
- 01-361-112 Smooth Operator Reimbursements – Chief Powell indicated that they will not have any information regarding programs for 2014 until after their December meeting. The number was changed to \$2000 for 2014.
- 01-362-433 Sewer Tap-In Fee – three properties were sewer connected in 2013; there are only six unconnected properties remaining in the entire borough (that can be connected). Revenue was not projected in this line item for 2014.
- 01-362-470 Rental Inspection Fees was increased to \$59,550 for 2014 – total number of rental properties currently is 794 units.
- 01-363-100 Digging Permit Fees are increasing because of the large number of UGI excavations.
- 01-380-155 Fieldhouse/Pavillion Fees – The current fee of \$25 needs to be reconsidered.

Expenditures – Mr. Sichler stated that wage and salary increases were calculated at 3%, based on the proposed union contract rate. Insurance increases were calculated at 8%.

Administration

- 01-400-130 Treasurer's salary is adjusted to \$39,140 to reflect the new hire plus a 3% increase.
- 01-400-300 General Expense - \$19,000 is being budgeted to cover the 'Clarity' upgrade for the Caselle software, for both Codes and Utility Billing. This is in conjunction with server and other hardware upgrades found elsewhere in the budget.

- 01-400-310 Crossing Guards is now being paid out - WASD has begun billing for the service.
- 01-400-314 Legal Services – This line item is for basic legal services, and doesn't include and police legal issues or Zoning issues.
- 01-400-374 Repairs & Maintenance – for painting and window repairs at Borough Hall.
- 01-400-611 Misc. Costs is proposed at \$50,000 for unforeseen items including the MS4 compliance project.
- 01-400-740 Major Equipment Purchases – \$15,100 to cover half of the proposed server upgrade.
- 01-400-750 Minor Equipment Purchases - \$8500 to purchase 4 PCs for Administration.
- 01-409-373 Maintenance & Repairs is listed twice which may have been an inadvertent duplication. This will be checked out.

Police Department – Chief Powell reviewed the line items and noted the following:

- 01-410-123 Salary of Sergeant – includes the promotion of two officers to Sergeant, for a total of three for 2014.
- 01-410-131 Salary of Patrolmen is set at \$821,425 which includes the hiring of an additional full time officer and allows for the return of another officer (including back pay).
- 01-410-132 Wages for Part Time Officer has been used extensively because of an injured officer being unable to work.
- 01-410-133 Desk Clerk Wages has been increased to include a second full time position to work in the afternoon and evening. Starting wage would be \$14.00/hr.
- 01-410-136 On-call pay – is being included per what is being requested in the 2014 contract.
- 01-410-171 Overtime was discussed with regard to breaking it out to regular overtime as opposed to court overtime.
- 01-410-190 Civil Service Testing has been allocated to cover the testing for the promotion of two sergeants.
- 01-410-314 Includes costs associated with Ron Ladd's legal issues.
- 01-410-327 Computer Maintenance includes 4 new PCs.
- 01-410-336 Vehicle Replacements includes the existing vehicle leases and a new parking enforcement vehicle. The new vehicle could be broken down into 3 annual payments.
- 01-410-337 Vehicle Maintenance/Repairs – proposed at \$27,500 because of the amount of repairs necessary for older vehicles.
- 01-410-460 Education / Training – This would include supervisory training for the new sergeants.

Fire Department – The hiring of a career Fire Chief which would become a full time paid position was discussed at length. Chief Burkholder was unable to attend the meeting however he would present his budget at the November 19th Council meeting.

Codes Department - The proposed hiring of a full time Assistant Code Enforcement Officer was discussed. Mrs. Levering noted that there are now 790 rental units that are required to be inspected annually which breaks down to 6 inspections per day for each day that the office is open. Additional staff are greatly needed.

- Most line items remain unchanged from last year's budget.
- A GL code needs to be allocated for Kraft Code Services (which is actually a pass-through item).
- \$3650 is proposed to update software for Permit-N-Force and Clarity (Caselle).
- Expense items for Planning and Zoning remain the same as last year.
- \$4500 has been proposed for Zoning updates

- \$7500 has been proposed for Subdivision and Land Development Ordinance updates (has been done in many years). It was noted that if any significant redevelopment were to be done in the Borough, an updated SALDO would be necessary.

Emergency Management

01-415-310 Professional Services is proposed at \$8424 (\$2 per person, according to the census).
01-415-320 Emergency Mgmt. Communication is budgeted at \$6343 – shared payment of radios for West Side Emergency Management.

01-419-542 Animal Rescue League has doubled their contribution requirement to \$1000.

Public Works – Mr. Murray spoke about the hiring of an additional crew member. He noted that when he became the Public Works Director, a full time crew position was lost. It was also noted that under the current contract, part time permanent crew members are not permitted.

01-430-740 Major Equipment Purchases include a drag box and a stump grinder.
01-432-245 Snow and Ice Removal has been increased substantially in preparation for what is anticipated to be a ‘bad’ winter, with much snow and ice to be removed.
01-433-245 Street signs has been increased because the street sweeping program will hopefully expand in 2014 and therefore require more signs.
01-434-361 Electric for Street Lighting has been budgeted at \$36,000 which is only the portion that is paid once the liquid fuels funds have been exhausted.

Elm Street – Mr. Rohrbach was not in attendance therefore the budget was not presented.

Main Street

01-465-300 Main Street Operating Expenses was dropped to \$58,393 (a 10% drop per year).
01-481-860 Capital Fund Build-up is shown as \$460,657 in order to balance the funds that weren’t balanced in the past. This is a more accurate representation.

Water - It was noted that water rates will have to be increased in 2014 to cover the 3% increase in water purchases per the Western Berks Water Authority.

06-400-336 Vehicle Replacement - \$12,400 is budgeted to cover one third of the ¾ ton pick-up that is proposed to be purchased.
06-400-366 Water purchases – needs to be increased by \$23,000 to cover the 3% increase from WBWA.
06-400-370 System Maintenance - \$25,000 is to cover the cost of hydrant replacements.
06-400-407 GPS/GIS - \$2,500 is proposed to cover software that can track a wide range of information. An intern would also have to be hired for the summer to input the information because it is time consuming.
06-481-800 Capital Water Project - \$100,000 has been budgeted for the replacement of the water main on Kent Way which is part of an Elm Street project.
06-492-030 Transfer to Capital Fund – is budgeted at \$50,000 to cover the paving on Kent Way as part of the capital water project.
06-492-300 Strategic Plan - goes to the General Fund each year to pay for debt service. For 2014 it will be \$297,411.

Sewer – Sewer rates paid to the Joint Municipal Authority will remain the same in 2014.

- 08-364-012 Sewer Use Fees were decreased to \$750,000 for 2014 which is paid to the JMA.
- 08-364-022 Sewer Maintenance Fees were decreased to \$650,000 for 2014 which remains with the Borough.
- 08-400-313 Engineering Services is for the Olive Street lift station project.
- 08-400-336 Vehicle Replacements is budgeted at \$12,400 which is one third of the purchase cost for the ¾ ton pick-up.
- 08-481-800 Capital Sewer Project is proposed at \$100,000 for the Olive Street project.
- 08-492-030 Strategic Plan goes to the General Fund for debt service which in 2014 will be \$195,000.
- 08-492-300 Transfer to Capital Fund is set at \$118,877 for street refurbishing.

Refuse/Recycling – The current contract with Eagle Disposal has been extended for 2014 therefore the rates will remain the same.

- 09-400-336 Vehicle Replacement is proposed at \$12,400 which is one third of the ¾ ton pick-up purchase price.
- 09-427-455 Recycling Fees - \$37,000 for 2014, however are offset by the Recycling grant which in 2013 was \$27,701.

Capital Fund

- 30-410-000 Police Capital Expenditure has \$36,900 budgeted for cameras.
- 30-411-000 Fire Capital Expenditure has budgeted \$14,000 for turnout gear.
- 30-430-000 Highway Capital Expenditure has allocated \$495,000 for road projects are proposed to be two alleys and Chestnut/Wayne Street (from 5th to Lakeview) and the 700 block of Franklin.
- 30-472-100 General Obligation Bond Interest – Main Street, Fire Company, Borough Hall, Fire Truck.

Recreation – Helen Moyer stated that a budget workshop was held with the Recreation Commission and then the budget was presented to Rich Sichler.

- 90-367-300 Playground Fees – Registration was decreased from \$4100 to \$3800 because the age range will be shortened in 2014 (4 year olds are too young for the program).
- 90-452-023 Equipment – lifeguard chairs were not purchased therefore \$8000 was not spent in 2013.
- 90-452-024 Telephone – phone lines were discussed. More investigation needs to be done to see if any of the remaining phone lines can be discontinued.
- 90-453-033 Equipment – the \$7000 that was budgeted for 2013 was from insurance claim money and of that amount only \$1176 has been spent to replace items, therefore the balance of \$5824 will be used in 2014.

ADJOURNMENT:

The revised proposed budget will be distributed to Council on Tuesday, November 19th and a second budget meeting will be scheduled at that time.

The meeting was adjourned at 2:30 p.m. **Motion carried.**

Respectfully submitted,

Cathy Hoffman, Administrative Assistant