

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

**October 7, 2023 – 9:00 a.m.**

West Reading Borough Council held a Budget Workshop and Council Meeting at Borough Hall on Saturday, October 7, 2023 with the following persons present: Council President Ryan Lineaweaver; Council Vice President Philip Wert; Council Pro-Tem Christopher Lincoln (via Zoom); Council Members Jennifer Bressler, Patrick Kaag, and Zachary Shaver; Mayor Samantha Kaag; Public Works Director Kerry Grassley; Borough Manager Dean Murray; Treasurer Jeanette Rentschler; Assistant Treasurer Helen Moyer; and Borough Secretary Cynthia Madeira. Denise Drobnick was unable to attend.

**VISITORS:**

Maureen Hasty, Resident

**1. CALL TO ORDER:**

Council President Ryan Lineaweaver called the meeting to order at 9:03 a.m., which was followed by the Pledge of Allegiance and Roll Call.

**2. AGENDA AMENDMENTS:**

Mr. Lineaweaver shared a recent request from the Main Street Manager to approve two West Reading Community Revitalization Foundation events with road closures.

Motion to amend the agenda to include discussions on the West Reading Community Revitalization Foundation request to host an Evening of Wellness and Small Business Saturday event. **Moved** by Mr. Shaver and seconded by Mr. Wert. **Motion carried 6-0.**

**3. PUBLIC COMMENT:**

There were no public comments.

**4. ORDINANCES / RESOLUTIONS:**

- a. **Resolution 2023-21 Emergency Operations Plan** – Mr. Lineaweaver noted that approval had been tabled during the last meeting and noted the large red three-ring binder that was available to view and is kept in the Borough Manager's office. Mr. Murray indicated that every three years contact information is updated. Mr. Wert recommended loading a digital file on the server for remote access in the event of an emergency.

Motion to adopt Resolution 2023-21 Westside Regional Emergency Management Agency Emergency Operations Plan. **Moved** by Mr. Kaag and seconded by Mrs. Bressler. **Motion carried 6-0.**

**5. COUNCIL PRESIDENT'S REPORT:**

Mr. Lineaweaver announced that an interested participant has come forward to become a Junior Council Person. Mark-handy Phanor is a sophomore at Kutztown University studying Public Administration with a focus on the legal aspects.

Motion to appoint Mark-handy Phanor to the Junior Council Person program. **Moved** by Mr. Shaver and seconded by Mrs. Bressler. **Motion carried 6-0.**

Mayor Kaag thanked Mr. Lineaweaver for his time and effort in locating an interested party for this program.

**6. BOROUGH MANAGER:**

- a. **2014 Ford Taurus** – Mr. Murray requested permission to list the black 2014 Ford Taurus for sale as-is.

Motion to approve listing the 2014 Ford Taurus for sale as-is. **Moved** by Mrs. Bressler and seconded by Mr. Kaag. **Motion carried 6-0.**

- b. **2024 Animal Control Services** – Mr. Lineaweaver noted a desire to begin this discussion early based on the proposed increase in cost for services by the Animal Rescue League (ARL). Our current contract with the ARL is a limited-service contract at a cost of \$1.25 per capita. The ARL has announced a discontinuation of this level of service and their overnight on-call services. A grace period is being offered to existing ARL contract holders in 2024 at a rate of \$2.50 per capita. Moving forward from there the rate in 2025 would increase to \$7 per capita or \$31,871, a 500% increase in cost for a reduced level of service. Mr. Lineaweaver shared the number of times ARL services were requested by the Police Department, which totaled six this year, and three last year. A report from the ARL lists nineteen animals that have been in their care for a total of 200 days. A rate evaluation was provided by the ARL which lists as of October 2, 2023, based on the number of animals and length of stay, a subsidization of roughly \$2,300 for services provided to the Borough.

Mr. Wert noted the varied level of services that are needed each year and a recommendation to join with neighboring municipalities to jointly fund these types of services in a more cost effective manner. It was noted that Safety Net Sanctuary has provided an agreement for services next year and their history of failures to respond or communicate. Mr. Murray has reached out to the Humane Society to inquire about their services.

The discussion was tabled to gather further information.

7. **TREASURER'S REPORT:**

- a. **Transfer of Funds** – Mrs. Rentschler noted that funds need to be brought back from the PLGIT Prime account into the M&T Bank account, noting that the bond has just been paid.

Motion to approve the transfer of \$700,000 from the PLGIT Prime account to the M&T Bank account. **Moved** by Mr. Kaag and seconded by Mr. Shaver. **Motion carried 6-0.**

8. **WEST READING COMMUNITY REVITALIZATION FOUNDATION EVENT REQUESTS:**

Mr. Lineaweaver shared Mr. Ratcliffe's verbal request to close South Sixth Avenue from Penn Avenue to Cherry Street for a Wellness Fair scheduled on Wednesday, October 11, 2023 from 5:00 p.m. to 8:00 p.m. A second request was to close North Sixth Avenue from Penn Avenue to Court Street for a Small Business Saturday event on Saturday, November 25, 2023 from 9:00 a.m. to Noon.

Mr. Wert noted that Borough Council would approve the event while the Mayor would approve the road closure.

A special event application was requested with associated fees attached for each event prior to granting approval.

Based on the limited amount of time to approve the Wellness Fair event that is planned next week a motion was made to approve the event contingent upon receipt of a special event application by the

close of business on Tuesday, October 10, 2023. **Moved** by Mrs. Bressler and seconded by Mr. Kaag.  
**Motion carried 6-0.**

Mr. Wert noted the creation of a new event committee that is empaneled by business owners who are generating several new event ideas and the need to establish a process to request approval.

9. **WATER SEWER AND REFUSE BUDGET:**

Mr. Grassley referred to his previous request for a raise and provided a graph of internal pay increases starting in 2021 and the decrease in pay, based on overtime earnings, when he accepted the added responsibilities of the Public Works Director position. Mr. Murray shared his research of neighboring municipalities and a few positions that are below average. It was noted by members of Borough Council and the Mayor that until all departments present their budgets it is unknown what the outcome of the 2024 budget will be.

Mr. Grassley and Mrs. Rentschler provided an overview of the 2024 budget noting the following:  
**Water Fund**

- **06-279-099 Water Fund Balance** – Mrs. Rentschler shared an overview of the 2023 water fund balance noting a year end estimate of \$810,860, roughly \$153,000 higher than expected. There were two driving factors for this difference, one of which being the water project that was postponed while awaiting grant funding announcement. And secondly, water revenues are lower than what had been projected.

Projecting into 2024 with two planned capital projects and a 10% rate increase the 2024-year end fund balance of \$307,621 is uncomfortably low. It was noted that Western Berks Water Authority (WBWA) is proposing an estimated rate increase of 9.75% to 14% in 2024. Mr. Murray noted that water rates were not raised last year following a rate increase from WBWA. A 10% increase was noted to generate roughly \$100,000.

Mrs. Rentschler recommended postponing one of the water projects next year to increase the fund balance. Mr. Murray noted the grant application that was submitted to replace the water main on Spruce Street that supplies the entire Borough and the loss of pressure that would result from a break in the line causing the need to boil water. The 2024 planned water improvement project along South Sixth Avenue between Penn Avenue and Franklin Street would condense two water lines, a six- and twelve-inch line, to one that feeds the northwest portion of the Borough. Mr. Grassley offered to break the project down by block to reduce the expense over two years.

It was recommended by Borough Council to plan one water, one sewer, and one paving project each year.

Mr. Lincoln departed the meeting at 10:04 a.m.

**Water Revenue**

- **06-354-000 Water Grant** – The 2023 budget of \$270,000 for the Spruce Street water main project was moved to 2024.
- **06-378-012 Water Revenue** – A 15% rate increase brought the proposed 2024 revenue to \$1,919,496.

- **06-378-015 Water Penalties** – It was noted that Reading Hospital has contracted with a third-party to pay their bills and a number of late fee assessments that have contributed towards an overage on the water, sewer, and sewer maintenance penalty line items. The proposed 2024 budget remained at \$16,000.
- **06-378-095 Water Certification Fees** – The number of property transfers was lower this year causing a deficit to the 2023-year end estimate. Based on elevated mortgage rates the proposed 2024 budget was lowered to \$2,000.

#### **Transfers In**

- **06-392-009 Transfer from Sanitation Fund** – Mrs. Rentschler noted the 2020 loan to the sanitation fund and the final \$18,000 payment that is scheduled in 2024.

#### **Water Fund Administration**

- **06-400-210 Materials & Supplies** – Mrs. Rentschler noted a slight increase in expenses this year for bill stock, postage, and Mailroom Systems, Inc. processing of quarterly bill folding, postage, and mailing. Mr. Murray noted a postage savings of \$0.20 per mailing through Mailroom Systems, Inc. and the lessened wear and tear on the folding machine and ink for the postage meter. The proposed 2024 budget was \$2,550.
- **06-400-300 General Expense** – Mrs. Rentschler noted the annual support contract with Dallas Data Systems and the purchase of a replacement folding/sealing machine that was divided between water, sewer, and refuse line items. The proposed 2024 budget was lowered to \$4,000.
- **06-400-313 Engineering Services** – The projected year end estimate of \$3,700 was significantly lower than what had been budgeted due to a delay in the Spruce Street water main replacement project. The proposed 2024 budget of \$53,440 is the standard engineering cost of 7% for the two proposed water projects.
- **06-400-336 Vehicle Replacements** – Mr. Grassley shared plans in 2024 to replace #52 a 2002 small dump truck and #31 a 10-ton dump truck, and the purchase of a Ford Bronco, all of which would be divided between water, sewer, and refuse expenses. It was noted that issues are minimal with the two proposed replacements, the decision to replace was based on age. Mr. Grassley will seek grant funding to replace truck #31 estimated to cost \$180,000. This brought the proposed 2024 budget down to \$58,000.
- **06-400-366 Water Purchase** – The estimated year end budget is lower than anticipated. The proposed 2024 budget included a 14% increase totaling \$795,795.
- **06-400-416 Training Expense** – Mr. Grassley noted additional water licenses that are needed for the newer Public Works members and the proposed 2024 budget of \$2,500.
- **06-400-501 Merchant Account Fees** – Mrs. Rentschler noted the elevated expense to process electronic utility bill payments and the recent switch to a revenue neutral program where the consumer pays processing fees. The proposed 2024 budget for minor statement fees was \$480.
- **06-400-740 Major Equipment Purchases** – A mini excavator payment and grant match front end loader purchase brought the projected year end estimate total to \$27,000. A final mini excavator payment proposed 2024 budget was \$17,000.

#### **Capital Project**

- **06-481-800 Capital Water Project** – The budgeted amount of \$300,000 for the delayed Spruce Street water main replacement project was moved from 2023 to 2024. Mr. Murray noted the

grant match, should the grant be awarded for this project, of \$47,660. The 2024 planned South Sixth Avenue water main improvement project was estimated to cost roughly \$375,000. It was noted that South Sixth Avenue would need a complete paving restoration following water line improvements that could be divided into two separate years by block. Mr. Murray shared the Borough of Wyomissing's method of budgeting a specified amount each year for a road, water, or sewer project and the bids received are by linear foot to determine which projects can be completed in that given year.

#### **Transfers Out**

- **06-492-010 Transfer to General Fund** – The reimbursement of administrative expenses and overhead were budgeted to increase 3.45% in 2024 totaling \$670,977.
- **06-492-300 Strategic Plan / Water Rate Increase** – The General Obligation Bond payment for 2024 was \$361,746. The last year of bond payment is 2032.

#### **Sewer Fund**

- **08-279-099 Sewer Fund Balance** – The projected year end balance of \$1,154,080 is \$200,000 more than anticipated. The proposed 2024-year end fund balance was \$1,087,047.

#### **Sewer Revenues**

- **08-364-012 Sewer Use Fees** – There are no anticipated rate increases from the Joint Municipal Authority of Wyomissing Valley in 2024, and no planned rate increases for residents. It was noted that no major projects are planned next year, only preventative maintenance tasks such as televising the lines and making possible repairs in-house, jetting lines as needed, and slip lining. The proposed 2024 budget was \$1,038,700.
- **08-364-027 Sewer Jet Service Fee** – The quarterly fee to residents to jet sewer lines has received positive feedback. The proposed 2024 revenue for this service was \$25,150.
- **08-364-030 Grease Trap Inspection Fee** – This line item was moved to the Code Department.

#### **Sewer Fund Administration**

- **08-400-230 Heating Fuel / Natural Gas** – Mrs. Rentschler was unsure why \$2,300 had been budgeted in 2023 when the projected year-end balance is \$500 for the backup generator and sewer pump stations. The amount of \$500 was carried through to the 2024 budget.
- **08-400-313 Engineering Services** – The projected year end estimate of \$3,000 is quite a bit lower than the budgeted amount of \$21,750. Mr. Grassley indicated that engineering services are no longer necessary for televising. The proposed 2024 budget was \$10,000 for a slip lining project.
- **08-400-330 Grease Trap Inspections** – The 2023 savings of \$5,400 are due to grease trap inspections being performed in-house as opposed to outsourcing to the engineer.
- **08-400-337 Vehicle Maintenance & Repairs** – Based on the age of vehicles the proposed 2024 budget was increased to \$3,000.
- **08-400-364 Sewer Use Charges** – The projected year end estimate of \$840,000 was carried through to 2024 based on no proposed rate increases.
- **08-400-370 System Maintenance & Repairs** – Mr. Grassley noted that this expense has been lessening each year due in part to pump station services being performed in-house. The proposed 2024 budget of \$45,000 was for motor replacement if necessary.
- **08-400-416 Training Expense** – The projected year end estimate of \$700 was below budget by roughly \$1,000. The proposed 2024 budget was \$1,500 for license renewals.

### **Sewer Capital Projects**

- **08-481-800 Capital Sewer Project** – Mr. Grassley reported that sewer televising and slip lining were not performed this year, saving \$75,000. The proposed 2024 budget was \$100,000 for televising, jetting lines, and a slip lining project.

### **Sewer Transfers Out**

- **08-492-001 Transfer to General Fund** – Reimbursement of administrative expenses and overhead were projected to increase 3.45% in 2024 totaling \$670,977.
- **08-492-030 Strategic Plan / Sewer Rate Increase** – The sewer portion of the General Obligation Bond payment for 2024 was \$233,125. The last year of bond payment is 2032.

### **Sanitation Fund**

- **09-279-099 Sanitation Fund Balance** – Mrs. Rentschler shared the projected year end fund balance estimate of \$195,404 that were based on increased revenues and decreased expenses for tonnage with Mr. Grassley monitoring the collection vehicle activities. The proposed 2024 fund balance was \$115,330 based on a rate increase from \$100 to \$120 per residence, per quarter.

### **Sanitation Revenues**

- **09-354-500 Recycling Grant 904** – The annual grant received based on tonnage of recyclables was projected to remain at \$16,000 in 2024.
- **09-354-902 Recycling Grant 902** – The front-end loader and multi-purpose bucket should both be received this year bringing the estimated year end revenue to \$228,530. The proposed 2024 grant funding of \$22,606 would be for recycling containers and public education via newsletter articles or notes within the utility bills. The 2025 projected revenue of \$86,418 would reimburse a portion of a dump truck purchase. Mr. Grassley noted only a 65% reimbursement would be provided towards this purchase based on the mixed use of the dump truck.
- **09-363-300 Resident Disposal Fee** – Based on a \$20 per residence, per quarter increase in fees the proposed 2024 budget, including penalties was \$781,725. Mrs. Rentschler noted in keeping with the rejected September 12, 2023 bid received from the current hauler it appears that the rate of \$120 per residence, per quarter would not need to be increased for three years.

### **Sanitation Administration Expense**

- **09-400-210 Supplies** – Increased postage and billing forms brought the projected year end estimate to \$2,180, exceeding the budgeted amount of \$1,155. The proposed 2024 budget was \$2,245.
- **09-400-300 General Expense** – Expenses associated with Dallas Data support and the purchase of 902 Recycling Grant containers and public education expenditures; the proposed 2024 budget was \$33,690.
- **09-400-336 Vehicle Replacements** – The removal of plans to replace truck #31 brought the proposed 2024 budget down from \$80,000 to \$20,000. The proposed 2025 budget with plans to replace truck #31 brought the total up from \$96,020 to \$156,000.

### **Charges for Services**

- **09-427-452 Contracted Trash Fees** – The projected year end estimate of \$167,289 is equivalent to what had been budgeted. Based on the rejected September 12, 2023 bid from the current hauler the proposed 2024 budget was \$336,300.

- **09-427-454 Landfill Disposal Fees** – The projected year end estimate is roughly \$10,000 below budget. A placeholder with a 5% increase was proposed for the 2024 budget totaling \$188,941 until a contract is awarded to the lowest qualified bidder.

**Transfers Out**

- **09-492-001 Transfer to General Fund** - Reimbursement of administrative expenses and overhead were projected to increase 3.45% in 2024 from \$145,000 to \$150,000.
- **09-492-006 Transfer to Water** – The final loan payment of \$18,000 was proposed in 2024.
- **09-492-300 Transfer to Capital Fund** – Funding of repairs or replacement of alley roadways damaged by trash vehicles remained at \$75,000 in 2024.

Mrs. Rentschler noted that with all noted Sanitation Fund changes the fund balance should end the year comfortably at \$175,000.

10. **PUBLIC COMMENT:**

There were no public comments.

11. **EXECUTIVE SESSION:**

Mr. Lineaweaver announced that Borough Council would recess to an executive session to discuss the potential acquisition of real property and potential litigation. He does not anticipate any action to be taken following this session.

Motion to recess into an executive session at 11:05 a.m. **Moved** by Mr. Shaver and seconded by Mr. Wert. **Motion carried 5-0.**

Borough Council reconvened at 12:03 p.m. No action was needed at this time.

12. **ADJOURNMENT:**

The meeting adjourned at 12:04 p.m.

Respectfully submitted,

Cynthia Madeira  
Borough Secretary