

BOROUGH OF WEST READING

FINANCE COMMITTEE MEETING MINUTES

Monday, November 18, 2024

The Finance Committee met on Monday, November 18, 2024, at 6:00 p.m. at Borough Hall with the following persons in attendance: Council President Ryan Lineaweaver; Council Member Zachary Shaver; Member Robert Lockyer; Member John Harvey; Treasurer Jeanette Rentschler; and Borough Manager Randall Miller. Assistant Treasurer Helen Moyer was absent.

Public in attendance were Suzanne Thompson of 346 Franklin Street, and James T. Rogers of 414 Reading Avenue.

Council President Ryan Lineaweaver called the meeting to order at 6:00 p.m.

He then requested a motion to approve the minutes from November 2019, and October 2024. John Harvey made a motion to approve the minutes, as submitted, for the November 19, 2019, and the October 10, 2024, meetings. Robert Lockyer seconded the motion. The motion carried unanimously.

President Lineaweaver then asked for Public Comment.

Jim Rogers asked about the business privilege tax noting that the Borough has increased the expected revenue from \$284,015 in the 2024 Budget to \$350,000 in the 2025 Budget. He is very glad to see that Berkheimer has been able to collect additional revenue since being contracted. He also asked about increases in wages for the next Budget. President Lineaweaver indicated that there is a 3 ¼% increase in all salaries and wages since these are contracted figures from the Police Bargaining Unit and the Teamsters and are carried over to all employees.

President Lineaweaver closed public comment and noted there was no Old Business to discuss. He then moved on to New Business and discussion of the 2025 Budget.

President Lineaweaver disused the 2025 Budgeting process and reviewed the current draft of the 2025 Budget with the Committee. He noted that there was a reduction in Revenue Transfers, section 481, due to how grant monies are received and spent. This lowered the 481 Section, offset increases elsewhere in the Budget. Manager Miller discussed how he had conversations with the Engineer, Pamela Stevens, and how these grant monies were allocated. This was in response to a question from Robert Lockyer. Member Lockyer also noted that there was no replacement vehicle budgeted for 2025. Manager Miller noted that the mechanic had completed work of the vehicle that was to be retired next year, correcting issues with the motor mounts and drivetrain that will allow for this vehicle to stay in the fleet for another year.

Chairman Lineaweaver noted that there was an included ½ mil increase in the Property Tax. Treasurer Rentschler stated this increase will result in an approximate revenue increase of \$85,000. She also noted that this would cover the expected loss of property tax due to two properties coming off the tax rolls. Manager Miller noted that the Commonwealth has amended the Tax Law to allow for a tax exemption of the Scottish Rite and Mason Fraternal organizations, if it meets the criteria of the newly enacted amendments. Although their request for tax abatement was denied by the County Assessment Board, it is highly expected that this decision will be appealed. It was also noted that there would be two new Police Officers hired in 2025.

Chairman Lineaweaver also noted that the water rates from WBMA are going up by 19%, necessitating an increase in the rates to West Reading Water consumers. This will result in a 15% increase to residents and a 20% increase to commercial customers.

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Following the 2025 Budget discussions, the committee discussed the Borough Pension Plans. Treasurer Rentschler and Manager Miller noted they will be meeting with investment advisors from PASB – MRT and be in discussions for how the Borough can best balance Pension accounts. This would lead to future discussions about bringing the Defined Benefit Plan back since the current investments are in excess of \$2.7 million, and the Defined contribution plan has received \$457,013 to date, deposits from the Borough. There might be a better way to fund the Borough's Pension plans and save money.

Suzanne Thompson spoke up and thanked the Borough for doing a good job on the 2025 Budget preparation, especially since she was previously involved the budgeting process; noting the past issues the Borough went through with budgeting.

Jim Rogers also asked about the Commonwealth law that made a change to the Tax Law for property exceptions. It was specifically noted that the Mason's and Scottish Rite properties fit the narrow definition of the new amended law. It was also noted by Treasurer Rentschler that the Tower Health Doctor's Office Building would remain at 90% exempted. This was in answer to Mr. Rogers' request.

Having no further business, Chairman Lineaweaver called for adjournment. Mr. Shaver made a motion to adjourn the meeting. Mr. Harvey seconded. The meeting was adjourned at 6:17 p.m.

Respectfully Submitted

Randall P. Miller
Borough Manager