

Special Budget Work Session

October 10, 2022

A special Budget Work Session meeting of Souderton Borough Council, held in the rear Conference Room of the Souderton Municipal Building on the above date, was called to order by President Tracy Burke at 7:00 p.m. The Borough Council Work Session was attended by the following members and staff:

President Tracy W. Burke	Mayor Daniel L. Yocum
Vice-President Edward Huber	
Councillor Matthew DiNenna	Junior Councillor Elijah S. Steglik
Councillor Daryl Littlefield	Junior Councillor Estrela T. Sadiboko
Councillor Julie Munden	
Councillor Donna M. Rogers	Borough Manager P. Michael Coll
Councillor Richard Walczak	
Councillor Courtnee Wampole	

Absent from the work session was Councillor Matthew Sholly.

The Budget meeting began with considerable discussion on the modifications in the tax rates for the Library and Fire Tax Funds. The prevailing opinion of Borough Council supported a change in the tax rates, increasing the Fire Tax rate to 0.33 mills and reducing the Library Tax rate to 0.27 mills. Borough Council noted that emergency services is in need of a greater level of funding. The Executive Committee will discuss this position with Penelope Price, Souderton Borough representative to the Indian Valley Public Library.

Borough Manager Michael Coll summarized revisions to the 2023 General Fund Budget, particularly addressing comments and recommendations from Police Chief Brian Newhall. The budget draft continues to hold the increase in the overall total real estate tax rate to 7.25 mills, which is slightly above the current median tax rate levied by Montgomery County Boroughs in 2022. The 2023 Budget must also increase the quarterly trash service fees from \$107 to \$112 per quarter through 2023. The increase is necessary to cover the contracted rate increase under the current collection contract with J. P. Mascaro and Sons.

Borough Council reviewed the 2023 Capital reserve Fund Budget which includes funding for the renovation of the Souderton Municipal Building and an associated additional borrowing of \$1,500,000 to support the estimated budget along with \$740,000 in federal ARPA funding that has been earmarked for the project. The Capital Reserve Budget includes funds to construct the proposed bathroom and kitchen building in the Community Park and to purchase a used dump truck and new riding mower for the Public Works Department.

Borough Council reviewed the 2023 Liquid Fuels Budget which will begin with a relatively large cash balance that will be earmarked towards some road paving projects. The overall cost of blacktop remains high which will limit the quantity of work that can be completed.

Borough Manager Michael Coll will discuss the 2023 Sewer, 2023 Sewer capital and 2023 Pool Budgets at the October 17th Borough Council Work Session. Borough Council discussed concern with the potential for future upgrades to the sewer facilities.

Prior to adjournment, Borough Council members discussed the almost certain probability that the real estate tax rate will need to be increased in the next and possibly the next several budget years. Borough Council discussed whether he proposed increase in the General Fund Tax rate should be higher than proposed. The tax rate has increased incrementally over the past five years. Borough Council expressed an opinion that an incremental approach is a better option versus an even much higher single year tax rate increase. Borough Council elected to hold the overall tax rate increase to 7.25 mills in 2023.

There being no further business, the meeting was adjourned at 9:10 pm.

Respectfully submitted,

P. Michael Coll, Secretary