

East Stroudsburg Borough, December 8, 2009

A special meeting of the East Stroudsburg Borough Council was held at the Municipal Building on Tuesday, December 8, 2009 at 7:00 pm., for review and possible action on the proposed 2010 Borough Budget. The following members were in attendance: Victor Brozusky, Roger DeLarco, Ed Henning, William Reese, Donald Repsher, and Sonia Wolbert. Also attending were: Mayor Armand M. Martinelli, and Manager James S. Phillips; and several residents in the audience.

Call To Order

Mr. DeLarco called the meeting to order at 7:10 pm.

2010 Borough Budget

Mr. Phillips reviewed the revenue and expense history for the Sewer Fund, and then for the Water Fund, for the period of the 1997 year up to this year, 2009. Mr. Phillips reviewed how in general, sewer revenues and water revenues have remained fairly "flat" while expenses have increased, with the result that year-ending fund balances have decreased for both funds. Mr. Phillips stated that more than one-third of sewer revenues, and one-fourth of water revenues are being used to subsidize the General Fund and are not in a position to provide additional subsidies to the General Fund over current levels. The proposed budget recommended by Mr. Phillips provides for a 4 mill increase in real estate taxes over the current 13 mill levy.

After discussion, Mr. Repsher made a motion, seconded by Mr. Reese, to authorize advertising the budget for 2010 as proposed by the Manager (with the revisions approved by Council in the Capital Plan at the 12/01/09 meeting) which includes a four mill real estate tax increase; and to authorize no more than a 1.5% increase in wages for Borough employees. Mr. Phillips noted that Council must make the proposed budget available for public inspection for a period of ten work days (or two weeks) prior to final adoption; and Mr. Repsher clarified his motion, seconded by Mr. Reese, that the proposed budget will be made available for inspection as required.

Mr. DeLarco commented that he would be in favor of approving a 3.0% wage increase for Borough employees but could only support a tax levy increase of up to 3.0 mills; with the millage increase dedicated for the cost increase of the SARPD police budget and the new Fire Station project for the Volunteer Fire Company.

Mr. Henning stated he was not in favor of a 4.0 mill tax increase.

Mr. Reese said Council agreed to take on the new Fire Station project and we have the increased police budget, so now Council must be willing to pay for the cost which for 2010 will require the increase of 4 mills.

Mr. Brozusky said he agrees with Mr. Reese on the need for the 4 mills.

Mr. Repsher said Council had reduced the millage rate by 2 mills several years ago and now we need to replace those 2 mills and increase 2 more mills to a total of 17.

Mrs. Wolbert said she sees the need to raise revenues and will reluctantly support the proposed increase.

Mayor Martinelli said Council should discuss the wage increase for Borough employees separately in executive session before finalizing this matter.

The motion then passed by a vote of 4-2 with Mr. Henning and Mr. DeLarco voting no.

After further discussion, Mr. Brozusky made a motion, seconded by Mr. Reese, to advertise a special meeting to be held Monday December 28, 2009 at 9:00 a.m. for the

purpose of approving the proposed budget for 2010 and adopting the proposed tax levy ordinance of 17 mills. Mr. Phillips noted that the tax levy ordinance must be advertised at least 7 days prior to enactment, and said he would prepare figures for Council for the Dec. 15, 2009 meeting outlining the proposed millage rates totaling 17 mills but breaking down the millage for debt service, fire protection, and general purposes. The motion carried by a vote of 6-0.

Public Comments

None.

Adjournment

With no further business Mr. Reese made a motion, seconded by Mrs. Wolbert to adjourn the meeting at 8:35 pm. The motion carried unanimously.

James S. Phillips, Secretary