

**City of Reading City Council
Special Meeting
Council Chambers
October 3, 2016**

Council President Waltman called the meeting to order.

ATTENDANCE

Council President Waltman
Councilor Daubert, District 1
Councilor Goodman-Hinnershitz, District 2
Councilor Twyman, District 3
Councilor Marmarou, District 4
Councilor Reed, District 5
Councilor Twyman, District 6
City Auditor D. Cituk
Asst. City Solicitor T. Coleman
City Clerk L. Kelleher
Managing Director G. Steckman
Mayor W. Scott

PUBLIC COMMENT

Council President Waltman opened the floor for public comment about the items listed on the Special Meeting agenda. No one stepped forward to comment and the public comment period was closed.

APPROVAL OF THE AGENDA

Council President Waltman called Council's attention to the agenda for this Special Meeting,

Councilor Daubert moved, seconded by Councilor Marmarou, to approve the agenda for this meeting. The motion was approved unanimously.

INTRODUCTION OF NEW ORDINANCES

A. Ordinance – 2017 Real Estate Tax Rate

B. Ordinance – 2017 Commuter Tax Rate

C. Ordinance – 2017 Position Ordinance

D. Ordinance – 2017 General Fund Budget

E. Ordinance – 2017 Capital Budget

The mayor stated that he campaigned for a kinder, gentler and more transparent government. He stated that through cooperation with officials he was able to decriminalize parking tickets and create improved RAWA hardship programs that eliminate the termination of water services. He stated that the proposed budget does not increase taxes in spite of reduced revenues. He noted that the Parking Authority's expected contribution will be \$1M less due to the Authority's upcoming debt service expenses. He stated that the budget invests more in human capital, public services and programs, along with employee training.

The mayor stated that he has been attending board, authority and commission meetings and he sees the need for training for members, including training on public participation. He stated that Reading residents are invited to all public meetings, including those held by the boards, authorities and commissions. He stated that he has also started working on cleaning up Reading. He stated that the budget starts to improve the City's infrastructure and services. The budget includes funding for street paving and allocates \$1M toward the rehabilitation of blighted properties that will be overseen through the formation of a new committee.

The mayor stated that the budget also invests in the restoration of the City's municipal buildings and recreation facilities and upgrades police equipment. He also stated that he hopes to improve the activities of the Redevelopment Authority. He stated that the budget will create a new position for a bilingual employee who will conduct outreach to small businesses.

The mayor stated that he has identified new revenue opportunities for the Reading Parking Authority through the modification of their contracts for the commercial spaces at the 2nd and Washington Garage. He noted that the owners of the bodegas are seeking investment properties to rehabilitate. He expressed the belief that this approach will work better than a Land Bank. He stated that the budget invests in the Shade Tree Commission to address illegally removed trees and disease-infested trees. He stated that he is working to improve street-lighting in neighborhoods by tree trimming.

The mayor stated that the FOP retirees that have the benefit package approved in 2007 will negatively impact the City's budget for the next 50+ years. He explained that this benefit package allows an officer to purchase five (5) years of military time and five (5) years of "ghost" time. These generous terms could allow an officer in his mid 30's to retire, which means that the City will be paying retirement benefits for approximately 50 years.

The mayor explained that in the Recovery Plan, PFM requires the City to either give the police a 3.5% salary decrease or eliminate seven (7) officers unless the City claws back the generous benefit package to the remaining officers who are entitled to that package upon retirement. He asked Council to assist with this issue.

The mayor stated that he still wants to put a police substation at the former 5th and Washington Street Post Office and he will be seeking assistance from the Redevelopment Authority to purchase this building.

The mayor stated that he has placed his fingerprint on the proposed budget in a way that will help Reading residents. He stated that he disagrees with the CRIZ program as the City can no longer afford tax free zones.

Mr. Steckman stated that the budget does not include any salary increases for City employees. The health care costs will not rise beyond the 5% stated in the Recovery Plan. He stated that some numbers are still in flux as the FOP and IAFF have filed for arbitration. He stated that the budget contains a contingency of \$250K and that the EIT revenue has historically increased. He noted that improved collection of the LST, Per Capita and BPT is currently out for bid. He noted that there is no change in the employee count in the Position Ordinance.

Mr. Steckman explained that 500 of the City's Ash Trees have contracted invasive emerald ash disease; however, the affected trees are the younger trees, not the more mature trees.

Councilor Marmarou complimented the administration on the proposed budget and their work to correct the pension benefit problem. He noted the need for the administration to address those police retirees who have become re-employed and have the opportunity to obtain comparable health care benefits from their new employer. Mr. Steckman stated that the administration is working on this issue.

Councilor Goodman-Hinnershitz noted the need to define the budget review schedule.

Councilor Twyman commended the administration on the proposed budget and he suggested that the administration consider the continuation of the STAR program. He noted his interest in the replacement of the diseased trees.

Councilor Waltman congratulated the administration for their work on the proposed budget.

Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz, to adjourn the special meeting of Council.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk