

***MINUTES OF THE
BOROUGH OF TOPTON
BOROUGH COUNCIL MEETING
Monday, September 25, 2023***

The regular semi-monthly meeting of the Tipton Borough Council was called to order by Council President Polinsky at Borough Hall, 205 South Callowhill Street, Tipton, PA 19562 at 6:58 PM. Present were Mayor Miller, Council Members C. Cook, A. Falcone, M. Kunkel, E. Polinsky, E. Stoudt, M. Stoudt, K. Hassler, Borough Manager Stacy C. Milo, and Borough Administrative Assistant Terry Hook.

The meeting was opened with the Pledge of Allegiance.

MINIMUM MUNICIPAL OBLIGATION FOR PENSION FOR 2024

Ms. Milo presented the Minimum Municipal Obligation Worksheet (MMO) for the Tipton Borough Pension Plan (06-189-3 N), a brief discussion ensued regarding the calculations and any impact of overtime. Mrs. Stoudt made the motion to approve the MMO. Ms. Hassler seconded the motion. The motion passed unanimously.

REVIEW PROPOSALS FOR AUDITING SERVICES FISCAL YEAR 2023

Ms. Kunkel confirmed two proposals were received, she opened both proposals and quickly reviewed both. Ms. Kunkel stated the proposals were received from Frey & Company CPA and Zelenkofske Axelrod, LLC. Ms. Kunkel shared audit pricing and fee schedules from each proposal.

Audit Type	Company	2023	2024	2025
Borough Audit	Frey & Co	\$18,000	\$18,900	\$19,800
	Zelenkofske	\$15,250	\$15,700	\$16,180
Audit of Tax Collector	Frey & Co	\$4,500	\$4,725	\$4,950
	Zelenkofske	\$3,000	\$3,100	\$3,200

Ms. Milo confirmed a selection needed to be approved at November's meeting. Mr. Polinsky asked if the lowest bidder would automatically secure the bid. Ms. Milo stated that in addition to pricing, qualifications could be considered in the evaluation of services. Council agreed to table additional discussion until the October 9th Council Meeting.

WATER AND SEWER ACCOUNT BALANCE AMOUNT REQUIRED FOR SERVICE TERMINATION

Mrs. Stoudt referenced an e-mail previously provided to Council members and asked if all members agreed to post shut-off notices only for properties where the principal water/sewer

amount remained unpaid. Ms. Falcone raised concern over levying finance charges on bills paid a day late. Additional discussion ensued regarding logistical concerns, equitable application of an exception, the 30 days allowed for payment already, etc. Mr. Stoudt made a motion to exclude residents who have paid the principal bill in full from shut off. Ms. Cook seconded the motion. The motion passed unanimously.

2024 BUDGET DISCUSSION - UTILITIES

Mrs. Stoudt directed Council members to the Capital Planning List, which included approximate costs for needed capital projects and purchases.

Mrs. Stoudt stated the capital items for the Sewer Fund include: reconstruction of the Washington Street Pump Station, rehabilitation of the Chlorine Contact Tank, and replacing the truck used by the sewer plant employees. Discussion ensued around truck requirements, the age of the current truck, and options that might be more cost-effective. Mr. Polinsky agreed to reach out to Mr. Steltz regarding the options discussed. Mrs. Stoudt stated a grant request was submitted for the Chlorine Contact Tank, which would significantly reduce the cost to the Borough if it is approved. Mrs. Stoudt noted that a significant portion of the funding for the Washington Street Pump Station cost was already included in the 2023 budget. A brief discussion ensued around the handling of the budgeted funds and the status of the project.

Mrs. Stoudt stated the capital items for the Water Fund include: a backup well, improvements to water lines on Keller, Barkley, and Franklin Streets, the lead service line pipe connection replacement (if needed), and water turbidity meters replacement. Mrs. Stoudt stated the cost listed for a backup well includes planning and, if approved, permitting costs, but does not include any construction costs. A brief discussion ensued on the grant status for the water line improvements and other grant funding options, including the re-submission of previous grant requests. Mrs. Stoudt stated the water turbidity meters replacement is not immediately urgent, but will be needed in the next 1-2 years. Mrs. Stoudt stated there is no estimated cost listed for the lead pipe replacement because until the inventory is completed by 120 Water, the scope of the project remains unknown.

Mrs. Stoudt stated she has been reviewing commercial and industrial definitions, water/sewer rates in other communities, and minimum charges for 4000 gallons (see table below). Mrs. Stoudt indicated she tried to compare Topton with Kutztown and other adjoining municipalities, but stated generating a comparable value was difficult given the complexity and unknown values (EDU) within the calculations in neighboring municipalities.

Water/Sewer Rate Comparison (4,000 Gallons per Quarter)

Municipality	Commercial Topton = 51 Accounts	Industrial Topton = 12 Accounts
Topton	\$151.80	\$173.94
Allentown	\$294.41	\$1,250.00
Reading	\$478.89	\$2,203.30

Mrs. Stoudt stated user types are currently classified based on the meter size being utilized. Discussion around current water/sewer minimum rates ensued. Mr. Polinsky asked if the water/sewer budget shortfalls from prior years were known. Ms. Milo stated she could gather

that information, but did not have it immediately available. Mr. Polinsky reiterated the objective was not to profit from water/sewer, but to have it become self-sustaining. Additional discussion about minimizing the effect on residents, the potential impact on businesses, the knowledge businesses operating in other municipalities likely already have concerning the rate differences, and the desire to meet directly with customers likely to experience significant increases continued. Mr. Polinsky stated once shortfalls are known, further evaluation of rates and customer types can be completed. An additional conversation ensued on the challenges of trying to save for future capital expenditures given the remaining balance of the existing sewer loan and loan payment requirements.

Ms. Falcone asked if it would be possible to receive a draft of the 2024 Budget prior to review at the Council Meeting. Mr. Polinsky stated Ms. Milo would present a draft of the 2024 Budget at the October 23rd meeting. Mrs. Stoudt asked if there would be an Executive Session at the October 9th meeting to review employee increases, and Mr. Polinsky confirmed there would be. Ms. Milo asked if she should add an Executive Session to the October 9th Council Meeting agenda and to include a discussion of all remaining budget items. Mr. Polinsky confirmed she should.

Ms. Kunkel asked if there was a time frame by which tax increases, if any, needed to be addressed. Ms. Milo confirmed tax rates can be extended through December. Ms. Falcone asked if the initial draft of the 2024 Budget could be compiled without any tax or utility rate increases. Ms. Milo confirmed that yes, excluding increases in the first draft would be consistent with last year's process.

COMMITTEE REPORTS

Ms. Falcone stated she would like to discuss personnel matters in an Executive Session, noting there would be no voting requirements.

HEARING OF VISITORS

There was no visitor input.

EXECUTIVE SESSION

Council adjourned to Executive Session at 7:53PM to discuss personnel matters on a motion by Mrs. Stoudt, seconded by Ms. Kunkel.

ADJOURNMENT

Council adjourned from Executive Session, returned to the regular meeting, and adjourned from the regular meeting at 8:21PM on a motion by Ms. Falcone, seconded by Mr. Stoudt.

The next regular Borough Council meeting will be held on October 9th, 2023, at 7:00PM.

Respectfully Submitted,
Terry Hook / Administrative Assistant