



CITY OF ALLENTOWN

No. _____

RESOLUTION

R 10- 2026

Introduction by the City Council on January 13, 2025

Resolved by the Council of the City of Allentown, That

WHEREAS, Allentown City Council intends to review the city's budget process to establish clear and transparent procedures for developing and adopting the city budget; and

WHEREAS, The City Home Rule Charter was adopted by the Allentown voters in 1991 and became effective 1-1-1997; and

WHEREAS, SECTION 802 of the Charter requires submission of balanced budget and capital program under the following provisions:

On or before 90 days prior to the ensuing fiscal year, the Department Heads will submit Proposed Budget and Capital Program to the Mayor. On or before 75 days prior to the ensuing fiscal year, the Mayor will submit to the City Council a balanced budget, Capital Program and an accompanying message. The Proposed Balanced Budget and Capital Program shall be in such form as the Mayor deems desirable, unless otherwise required by Council.

WHEREAS, The City Home Rule Charter adopted by the Allentown Voters originally included a December 15 budget default, should the City Council fail to adopt a veto proof budget by December 15th, the Mayor's original proposed balanced budget would become the official budget of the City for the ensuing fiscal year; and

WHEREAS, the City of Allentown voters via a referendum removed the automatic budget default process (preventing a tax increase from going into effect by default), and requiring Council and the Administration to adopt a budget by December 31. The voters also approved changing the super majority requirement that 5 members are needed for a tax or fee increase and reduced the needed votes to 4 (November 5, 2019 Referendum outcome: December 31 date for adoption and default removed by a vote of 8,982 to 965; and a change from 5 to 4 needed for approval of a tax rate or fee increase approved 7,802 to 1,836); and

WHEREAS, the referendum did not account for procedures, provisions nor closure if the Council and the Administration did not adopt an annual budget by December 31st.

NOW, THEREFORE, BE IT RESOLVED, that Allentown City Council hereby approves Councilpersons Binder and Pungo to work with the Budget and Finance Committee and council staff to conduct a targeted review and analysis of the City's budgetary process, including but not limited to:

- (a) review of the development and adoption of the City's budget (January 28, Budget and Finance Committee, Finance Director Review)
- (b) comparison of the City's budget process to those of other municipalities, model city charters, and practices related to adoption (February 25, Budget and Finance Committee, Council and council staff presentation)
- (c) identifying the procedural impacts that occur when budgetary agreements are not reached and evaluating options to clearly define and address those gaps moving forward (Budget and Finance Committee, March 25, present options in summary paper for Committee in order to make recommendations to the full council – Council and staff presentation, Committee makes recommendations)

BE IT ALSO RESOLVED that the review shall include the collection of input, through surveys or other means, from City Council members, City administration and employees involved in the budget process, the City Controller, and the Mayor's Office, and shall incorporate their feedback, suggestions, and recommendations.