

BUDGET MEETING MINUTES

November 10, 2016

Call to order.

The November 10, 2016, Special Meeting of the Board of Commissioners was called to order by President of the Board, Kenneth E. Kroberger. The following individuals were in attendance.

Kenneth E. Kroberger	President
M. Clare Edelmayer	Vice President
James A. Santi	Commissioner
Steven C. Sands	Commissioner
Leonard T. Perrone	Township Manager
Michael J. Lapinski	Assistant Township Manager
David Brill	Finance Director

This meeting was publicly advertised in the North Penn Reporter, listed on the Township web site, and posted in the Township building lobby

Ken Kroberger announced that the purpose of the meeting was to finalize modifications to the 2017 draft budget in an attempt to balance revenues and expenditures.

Director of Finance, Dave Brill, distributed a supplemental list of proposed budget cuts that had been reviewed by all department heads. The proposed cuts included an analysis of Wastewater Treatment Plant and Fire Company future capital needs. Mr. Brill advised the Board that funding future capital needs may require a rate and/or millage increase. The presented cuts and capital needs were as follows:

	<u>General Fund</u>
Fund Surplus (Deficit) at Nov 2nd Public Meeting	(1,281,312)
Changes approved /directed by BOC at Nov 2nd Public Meeting	<u>797,431</u>
Fund Surplus (Deficit) updated for Nov 2nd Public Meeting	(483,881)
Township Manager / Department Manager Suggested Changes	
<u>Administration</u>	
No longer host annual employee appreciation picnic	3,500
Reduce contribution to NorGwyn Baseball request option #3	6,000
Reduce conference training for Finance Director & Assistant Township Manager from 2 conferences to 1 each	4,050
<u>Information Technology</u>	
Reduce Document Management funding of outside scanning support from \$12,000 to \$5,000	7,000
Cancel planned presentation upgrades to Public Meeting Room	30,700
<u>Facilities</u>	
Cancel landscaping improvements	
Sumneytown Bridge	40,000
Municipal Building Foundation (maybe a scout project)	7,500
<u>Police</u>	
Cancel purchase of an additional license plate reader	18,000
Forego adding an officer to existng sworn staffing levels	44,738
<u>Code & Zoning</u>	
Postpone update to Comprehensive Plan	20,000
<u>Public Works</u>	
Reduce funding closer to 3 year historical norm for storm sewer / catch basis repairs	70,000
Forego filling open part-time administrative support position	16,230
Forego adding skid steer for manhole cutter	60,000
Reduce funding for Swedesford Road Bridge to \$25,000	75,000
<u>Park & Rec</u>	
Postpone construction of 4 pickleball courts (1 tennis court)	<u>135,000</u>
Subtotal of Township Manager recommended budget changes	537,718
Fund Surplus (Deficit) updated for recommendations	<u>53,837</u>

	Sewer Operations		
	Upper Collection System	Lower Collection System / Plant	Total
Fund Surplus (Deficit) at Nov 2nd Public Meeting	(336,218)	(939,599)	(1,275,817)
Changes approved /directed by BOC at Nov 2nd Public Meeting	3,000	393,507	396,507
Fund Surplus (Deficit) updated for Nov 2nd Public Meeting	(333,218)	(546,092)	(879,310)
Township Manager / Department Manager Suggested Changes			
Postpone addition of a covered maintenance vehicle		45,000	
Postpone storage shed for SunnyBrook Pumping Station		2,500	
Purchase PLC Control equipment / parts in this year's available budget		65,000	
Increase Sewer Utility Rate by 15% (from \$370 edu to \$425 edu)	160,785	542,025	
Subtotal of Township Manager recommended changes	160,785	654,525	815,310
Fund Surplus (Deficit) updated for recommendations	(172,433)	108,433	(64,000)

TWP Reserve Projection Analysis			
		With 2020 Tower Replacement	With 2020 & 2030 Tower Rehab
Township Funding of Vehicle / Equipment		2,850,000	1,850,000
Period		15	15
2016 Estimated Fund Balance		907,037	907,037
Annual Reserve Amount		129,500	62,900
Expected current annual fund surplus		14,400	14,400
Annual Shortfall		115,100	48,500
Estimated millage increase to fund annual shortfall		0.069	0.029
Estimated annual cost to average residential property owner	\$	11.39	\$ 4.79
Current property tax fire collection		182,600	182,600
Current property tax fire millage (1)		0.110	0.110
(1) last increase in 1997 --- 20 years ago			

Following an in-depth discuss on the above list of recommended adjustment the following decisions were made: **(see Exhibit A)**

Mr. Kroberger indicated that at a subsequent Public Meeting, the Board of Commissioners would decide on the potential Fire Tax and Sewer Rate increase(s).

Mr. Brill stated that there may be some minor, non-material staff edits completed before the budget could be adopted.

At this point in the meeting, Ken Kroberger announced the Board would be adjourning to Executive Session to discuss specific Township personnel budget items.

Meeting Adjourned at 7:08 PM

Respectfully Submitted,

Leonard T. Perrone
Township Manager/Secretary

Approved December 19, 2016