

MINUTES OF SPECIAL PUBLIC MEETING

October 27, 2015

CALL TO ORDER.

President of the Board, Kenneth E. Kroberger, called the meeting to order at 5:30 PM and announced that this Special Meeting of the Board of Commissioners was being convened to review the Proposed Upper Gwynedd Township 2016 Budget. He further noted that this meeting was properly advertised on October 2, 2015, in The Reporter as required under the First Class Township Code. Notice of this meeting was also posted on the Township website and at the Township Building front door.

The following individuals were in attendance:

Kenneth E. Kroberger	President
M. Clare Edelmayer	Vice President
James A. Santi	Commissioner
Eugene Ziemba	Commissioner
Thomas Duffy	Commissioner
Leonard T. Perrone	Township Manager
David Brill	Finance Director
Michael J. Lapinski	Assistant Township Manager

Also present at pre-assigned time slots are each of the Department Heads to explain and to defend their Budget Proposals. It is the intention of the Board to allot an assigned amount of time for each Department.

The meeting Agenda was pursuant to the following schedule:

- 5:30pm to 6:00pm Parks & Recreation
- 6:00pm to 6:30pm Police
- 6:30pm to 7:00pm Fire Company
- 7:00pm to 7:30pm Fire Marshall & Emergency Management Coordinator
- 7:30pm to 8:30pm Sewer
- 8:30pm to 9:30pm Public Works
- 9:30pm to 11:00pm Administration

The following is a summary of discussions held at the Tuesday, October 27, 2015 Public Budget Meeting. It is the intent of these meetings to be a fair and accurate representation in summary format.

Parks and Recreation – Alex Kaker, Parks and Recreation Director

- Mr. Brill discussed standard budget categories for the Parks and Recreation Department. Mr. Brill described prior year's spending trends, 2015 forecasted performance to budget and 2016 requests from the Department Head and staff.
- Mr. Brill and Mr. Kaker described 2015 Park and Recreation program revenue. It was noted that program revenues funded the 2015 program activity. Projected 2015 revenue is expected to be \$253,000.00 versus projected expense of \$167,000.00.
- Mr. Kaker discussed new Park and Recreation program activity for 2016. The Board of Commissioners (BOC) supported Mr. Kaker's proposed activity.
- Mr. Kaker discussed a possible future Community Center at Parkside Place. A first step would be to engage a consult to perform a needs assessment and if warranted develop a proposed site plan.
- Mr. Kaker discussed the 2015 improvements to the Parkside Place Playground and 2016 proposed work to keep the playground current with evolving safety standards.
- Mr. Kaker discussed proposed 2016 capital projects. The most significant of the projects included two (2) dedicated pickle ball courts to be located adjacent to the existing tennis courts. This location was selected to take advantage of existing tennis court light poles. Mr. Kaker also indicated that the proposed Bradford Avenue pocket park was a carry-over project from 2015 and would be presented to the Planning Commission in December. In addition, the Parkside Place paved pathways will be refurbished in 2016.
- The BOC commended Alex Kaker and Emily Croke for their fine work particularity in a year of transition of Department leadership.

Police – Chief Dave Duffy, Deputy Chief Dave Poirier, Sergeant Ted Caiola

- Mr. Brill discussed standard budget categories for the Police Department. Mr. Brill described prior year's spending trends, 2015 forecasted performance to budget and 2016 requests from the Department Head and staff.
- Chief Duffy began by discussing the prioritization of the 2016 Police Department capital projects indicating the first priority is the stair cover and second priority is the carport. Mr. Kroberger stated that because both projects are related to safety issues the Department should attempt to complete both.
- Chief Duffy also recommended that one police patrol car be replaced. The BOC agreed.
- Chief Duffy and the BOC discussed the current police staffing needs. The Police Department staff present recommending adding one officer due to current workload requirements. Deputy Chief Poirier and Sargent Caiola participated in this discussion.

Fire Company – Mark Methlie, Fire Company President

- Mr. Brill discussed standard budget categories for the Fire Company. Mr. Brill described prior year's spending trends, 2015 forecasted performance to budget and 2016 requests from the Mr. Methlie and staff.
- The BOC asked for clarification on the increase to the 668 Garfield Avenue 2016 line item. The 2016 request is \$15,000.00 – increase of \$13,000.00 from 2015 spending. Mr. Methlie stated he would provide clarification.
- The BOC asked for clarification on what appeared to be an increase in the heating oil line item despite lower fuel prices.
- Mr. Methlie discussed the proposed 2016 capital project list that includes building alarm system upgrades, removal of the banquet hall freezer, and upgrades to the door security system. The Board was comfortable with the project list as presented.
- Mr. Methlie and the BOC discussed the need to be cautious on large capital expenditures given the ongoing discussions about a potential merger of the West Point and North Penn Fire Companies.
- Mr. Methlie reported the Company's satisfaction with the current revenue stream which includes the annual fund raising drive, and the revenue being generated by the renovated Banquet Hall rentals.

Fire Marshall and Emergency Management Coordinator (EMC) - Jeff Tomczak, Fire Marshall/EMC

- Mr. Brill discussed standard budget categories for the Fire Marshall/EMC. Mr. Brill described prior year's spending trends, 2015 forecasted performance to budget and 2016 requests from the Department Head.
- Mr. Tomczak discussed his requested equipment purchases for 2016. The new equipment included an AED, oxygen bag, laptop with county link, MSA 5 Gas Meter with PID, EM command board, and an unmanned aerial system with FLIR. This project list totaled \$27,000.00.
- The BOC was comfortable with the list with exception of the gas meter and the aerial system.

Waste Water Treatment Plant (WWTP) – Lee Honeywell, WWTP Superintendent

- Mr. Brill discussed standard budget categories for the WWTP. Mr. Brill described prior year's spending trends, 2015-forecasted performance to budget and 2016 requests from the Superintendent.
- Mr. Honeywell discussed the need to bid and purchase two (2) new treatment chemicals – Soda Ash, and DelPAC 1525. These chemicals are used to maximize the capabilities of the Bio-Mag system.
- Staff discussed the Engineering estimate for 2016 estimated to be \$156,000.00 for projects that relate to the WWTP and collection system.
- Mr. Brill and staff discussed the proposed 2016 capital project list, which included the Swedesford Road pipe-bursting project and eighty (80) manhole casting and riser replacements.

- Mr. Honeywell discussed his capital improvement plan for the WWTP which included the Haynes Run bank stabilization project , the new storage garage structure, and miscellaneous project list amounting to \$117,000.00.
- Mr. Brill discussed the manner in which the revenue and expenses previously associated with UGT's relationship with Towamencin Township (TT) are now reflected in the WWTP budget as upper collection system. This included an explanation of the disposition of the funds, including the increase in the operating service charge, derived from the separation agreement between UGT and TT affected the 2015 and 2016 WWTP budget.
- Mr. Brill discussed the revised effort that re-allocated administration time dedicated to the WWTP function.
- Mr. Brill stated that the WWTP budget includes engineering and legal expenses associated with the diversion project totaling \$595,000.00.

Department of Public Work (DPW) – Willard Troxel, Superintendent

- Mr. Brill discussed standard budget categories for the DPW. Mr. Brill described prior year's spending trends, 2015-forecasted performance to budget and 2016 requests from the Superintendent.
- Mr. Troxel presented the ongoing staffing plan for the DPW. In addition to the new hire in August 2015, Mr. Troxel proposed that the existing part-time employee be made full time beginning January 2016. Mr. Troxel also requested an allowance be made for temporary part-time help when staffing levels are diminished due to unexpected lost-time injuries or during peak work times.
- Mr. Troxel discussed the road program for 2016. The BOC review the street list that indicated that DPW would be completing 94,625 sq. yd. milling and overlay on seventeen (17) Township streets. In addition, DPW will complete 59,360 sq. yd. of micro surfacing on sixteen (16) Township streets. Mr. Brill stated that these projects will be primarily funded by the PA Liquid Fuels allocation to the Township.
- Mr. Troxel stated his request for \$1.3M for infrastructure projects that primarily consisted of ACT 167 mandated stormwater management projects. These projects will be partially funded by PA DEP grants.
- Staff and the BOC also discussed several capital equipment purchase requests for the DPM. This request totaled \$230,500.00 primarily to replace a 1999 10 Ton Dump Truck and 1995 pick-up truck.

General Fun Revenue, Administrative Expenses, and Insurance – Dave Brill

- Mr. Brill reviewed all of the General Fund revenue streams that included all forms of taxes, permits, fees, fines, grants, and fund transfers. Of particular note was the Real Estate property tax yield of \$3,132,000.00. This is based on the most recent real estate assessed valuation provided by Montgomery County Board of Assessments at a 1.874 mils general-purpose rate, .110 mils for fire department purposes, and .028 mils for fire hydrants. The budget contains no real estate tax increase for 2016 and maintains the same millage rates that have been in place

since 2014. The tax yield is net of assumed discounts and the continuation of the \$30,000.00 Homestead Exemption.

- Mr. Brill also discussed the most significant revenue stream that is in the form of the Earned Income Tax yielding \$4,774,000.00.
- Mr. Brill stated that the total Township revenue amounted to \$12,392,000.00, the details of which are presented in the budget document.

Administrative Expenses and Insurance – Dave Brill

- Mr. Brill reviewed the line item expenses contained in this section of the budget. The major expenses in this section involve payroll, healthcare insurance, employee benefits, and liability insurance.
- Mr. Brill indicated that also contained in this budget are expenses related Solicitor fees, Engineering services, and Information Technology services.
- Staff discussed the ongoing efforts being made in the areas of GIS development, and establishing a document management system.
- Mr. Brill presented an overview of the Code Enforcement, Planning, and Zoning expenses. Key expenses in this budget are professional contract services and the Zoning Hearing Board.
- Mr. Brill outlined the Township's current general fund debt obligations. These obligations for 2016 total \$186,109.00. The 2016 debt service was reduced by \$290,136.00 due to the 2010 general obligation bond refinancing in completed in 2015.
- The Township continues to maintain its S&P AA+ credit rating. Currently the Township's non-electoral debt ceiling is \$25,206,372.00 with current obligations of only \$4,264,000.00.
- Mr. Brill discussed the Township's liability insurance portfolio stating that it will be up for a premium rate review in 2016. In 2016, the Township is expecting the liability insurance premiums to remain at 2015 rates. Mr. Brill then discussed the medical and dental insurance stating that due to our participation in the Delaware Valley Health Insurance Trust the Township was able to maintain its current 2015 rates.
- Staff reviewed the Township's uniform and non-uniform pension obligations. These obligations were based on the minimal municipal pension obligations presented at the September BOC meeting.

The above concluded the Township Department budget overviews.

Township Wide Fund Summary – Dave Brill

- This summary portrays a consolidated picture of all the above revenue and expenses as well as the Township's cash and fund balances. This summary indicates an \$18,785,000.00 Township operating budget with a \$9,820,000 ending estimated cash balance, and a \$9,775,000.00 fund balance. The BOC agreed to individually consider all of the above requests and report back at a subsequent public meeting their revenue and expense adjustments in order to achieve a balanced budget.

Respectfully Submitted,

Leonard T. Perrone
Township Manager/Secretary

Approved November 23, 2015