

EAST FALLOWFIELD TOWNSHIP

BUDGET MEETING

September 23, 2014 Approved minutes
5:35 PM

Members Present

Joe Pomorski, Chairman
Steve Herzog, Vice Chairman
Mark Toth, Member

Township Staff Present

Lisa Valaitis, Township Secretary
Rosemary Moore, Township Treasurer

1. Call to order, moment of silence, and pledge of allegiance.

Chairman Joe Pomorski called the meeting to order at 5:35 pm.

2. Discussion

Rosemary Moore asked the Board for direction on raises for the non-uniform Township employees. There was a discussion about Public Works Unionization and whether or not their raises are determined by the Board of Supervisors or if it needs to be part of their union contract. It is uncertain whether the Township will get a finalized contract by year end. The Board will ask Vince Pompo, Township Solicitor, about determining raises for the Public Works Department. Rosemary asked for direction on raises for the non-uniform, non-unionized office staff. The Board would like to consult with Vince Pompo about Public Works Department before determining raises for any of the Township employees. Employee raises will be discussed further at the next budget meeting.

Rosemary Moore said she does not have a complete police contract and only has a letter from the arbitration attorney. She does not have enough information at this time to determine police salaries for 2015. The Board will consult Vince Pompo.

Rosemary Moore asked for direction from the Board on the subsidy to fire companies account (account 1440.40). There was a discussion about the Fire Committee and what they have said they will need. Steve Herzog reported that the Fire Committee will be drawing up one year, five year and ten year plans. Modena Fire Company has aging equipment that will need to be replaced. Neither the Modena Fire Company nor the Westwood Fire Company have a tanker. They have been allowed to use the Coatesville Fire Company's tanker. The amount the Township has been contributing to the fire companies has not gone up in over ten years. Steve Herzog said that he would like to see it go up but we need more information to determine this amount.

Rosemary Moore reported that Dennis Crook, Chairman of the Planning Commission requested a budget of \$2,500 for the Planning Commission. Steve Herzog asked if this was including costs for the Comprehensive Plan. Mrs. Moore will get more information from Dennis Crook.

Rosemary Moore said she is still waiting on a response from Park and Recreation Committee for their 2015 budgeted amount.

Mark Toth asked if the MS4 implementation cost breakdowns in Jamie MacCombie's email are 2015 suggested amounts. Rosemary Moore said she did not receive that email and asked Mark Toth to forward it to her. The amounts in the email are \$32,000 to \$45,000.

Rosemary Moore asked the Board if they had questions about any of the accounts. Steve Herzog asked if lease income (account 1361.10), which is income from cell towers, is an exact number. Rosemary Moore said that is a solid number. She also confirmed that lease income increases three percent per year. Mr. Herzog also asked why chipping services income (account 1361.25) is budgeted lower in 2015. Rosemary Moore said 2014 was inflated due to the severe winter and spring. Mr. Herzog asked what the transitional reinsurance fee is (account 1406.77). Mrs. Moore said it's part of the Affordable Care Act and all companies are required to pay. It's assessed for the next three years based on the number of people covered under the Township's health insurance. You are reimbursing

insurers for health care costs for individuals with higher healthcare costs. It will cost \$1,764 for 2015. There was a discussion about the procedure for the Township to submit the transitional reinsurance payment. It will have to be done electronically.

There was a discussion about the South Caln Road paving project and why there were no bidders for the project. The project will be re-advertised and re-bid in the spring of 2015.

There was also a discussion about the upcoming bid for the Doe Run Church Road paving project. The bid opening for this project is October 10, 2014 with the bid awarded at the Board of Supervisors special meeting on October 14, 2014.

Joe Pomorski commented on earned income tax (account 1310.20) being \$1.13 million. Rosemary Moore said that November is a big allocation month so the income will be even higher. Joe Pomorski suggested increasing the budgeted amount for 2015. Mrs. Moore said that we can reevaluate the budgeted amount after November's allocations come in. There was a discussion about the auditing methods and the requirement to reallocate earned income tax amounts collected to the year they pertain to. Mrs. Moore said earned income is difficult to predict and is dependent on the economy and job market. Joe Pomorski asked Mrs. Moore if she knew how much earned income dropped between 2007 and 2008. Mrs. Moore said she will have that number for the next meeting. She will also put together an analysis of the change in earned income tax over time.

Mrs. Moore asked the Board if they'd be interested in using tablets at meetings instead of folders full of paper. The tablets would stay at the Township office and the meeting packet would be loaded on to the tablets. There was a discussion about the advantages and disadvantages of tablets. The Board decided to continue using folders and paper packets for Board meetings.

Mr. Herzog asked why the full time officers' contract overtime changed from \$31,000 to \$36,000 and social security went up as well. Chief Porter said that the hiring of an additional full time officer last year accounted for that change.

Mark Toth asked what mowing expense is under Liquid Fuels. Rosemary Moore replied that this expense is mower repairs, maintenance and replacement parts.

Mr. Herzog asked what the vehicle repairs and maintenance account (account 1430.50) is and why the actual expense for 2014 of \$29,000 is so much higher than the budgeted amount of \$15,000. This account is for Township vehicle repairs and maintenance. Mrs. Moore stated that the budget amount for this account comes from Tag Gathercole. She said there were no major vehicle problems this year. Vehicle repairs and maintenance have just cost more than Mr. Gathercole had predicted.

Mr. Herzog asked if there is a budgeted amount for street lights (account 1430.60) yet. Rosemary Moore will add that amount for next time.

Mr. Herzog asked why \$90,000 was budgeted in 2014 for machinery and equipment-new (account 1430.77) this year and nothing was spent. Mrs. Moore said Mr. Gathercole was had planned to purchase some type of vehicle and will now be purchasing it next year. Mrs. Moore will find out what Mr. Gathercole is planning to purchase.

Mark Toth asked what the Board wants to do with fire hydrant costs (account 1441.50). The cost is \$19,000. This account is for fire hydrants in or near neighborhoods that the Township is currently paying for. Mr. Toth said Vince Pompo could sort it out for a cost and we'd never have to pay hydrant costs again. These hydrant costs should be billed to the Homeowner's Associations.

NEXT BUDGET MEETING: The Board of Supervisors set the next Budget meeting for October 28, 2014 at 5:30 pm.

- 3. Adjournment** Joe Pomorski made a motion to adjourn the September 23, 2014 budget meeting at 6:10 pm. Steve Herzog seconded.
VOTE: 3-0

Respectfully Submitted,

Lisa Valaitis,
Township Secretary