

EAST FALLOWFIELD TOWNSHIP

BUDGET MEETING

November 25, 2014 Approved minutes
5:32 PM

Members Present

Joe Pomorski, Chairman
Steve Herzog, Vice Chairman
Charles Kilgore, Member
Ed Porter, 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 5:32 pm.

2. Discussion

Rosemary Moore presented a balanced budget with a bottom line. Unless there are unforeseen circumstances, she is projecting an excess of revenues over expenditures of approximately \$91,000. As of now we have \$199,644 in excess of revenues over expenditures.

There was a discussion about what is a reasonable amount to budget for 2015's earned income tax (account 1310.20). The budget shows projected earned income tax of \$1,500,000 for 2014 year end. She said to play it safe, she has budgeted \$1,400,000 in earned income tax for 2015. Steve Herzog asked what the earned income tax amount has been historically. Ms. Moore said the average earned income for December is typically \$80,000-\$85,000. We only need to collect \$45,000 in December to get to \$1,500,000.

Steve Herzog asked Rosemary Moore if we are going to need to do a transfer from capital projects. Rosemary Moore stated she does not think a transfer will be needed. There will be a surplus of \$128,500 carried over from 2014. Steve Herzog said he would like to transfer a surplus to a capital reserve fund rather than capital projects. The current capital projects balance is \$340,519. We still have \$16,000 left to pay for the Comprehensive Plan. We will have to pay \$27,000 for two police cars out of capital projects. There was a discussion about having a capital projects account versus a capital reserve account. Steve Herzog said he would love for the Township to have a capital reserve to be available when needed. We do have reserve in capital projects which is not marked for anything. Mr. Herzog said that he would like to put any year end surplus into a reserve account. The Board will look at the December 31, 2014 financials and discuss doing a transfer to capital projects if there is a surplus.

Rosemary Moore said the budget amount for subsidy to fire companies (account 1441.40) still needs to be finalized. There was a discussion about increasing the amount given to the fire companies out of the surplus. After discussing various amounts, the Board agreed on budgeting \$71,000 for 2015. This is an increase of \$9,000. The fire companies will be developing their long range goals/needs in the future. There was a discussion about aiding the fire companies by helping with their gasoline costs. A long term goal the Board will look at is buying a fire truck.

Rosemary Moore explained her calculation for the account called part time salary and wages (account 1401.30). This account is for hiring additional office staff. This expense is included in the budget and will not come from the surplus. Ms. Moore said she used the assumption of 20 hours a week at \$15 per hour and arrived at \$15,600 for the 2015 budget. There was a discussion about the job responsibilities and how many hours this new person would work per week. Rosemary Moore will write up a job description. The job will be advertised. The Board agreed to the proposed budget amount of \$15,600.

Capital projects currently has a balance of \$340,000. This will be reduced by the \$27,000 for payments on two police cars and \$16,000 for the remainder of the Comprehensive Plan bills.

There was a discussion about the budgeted raises for Public Works. Rosemary Moore said that she budgeted a 2% raise for Public Works, however they will not actually get a raise until their contract is finalized. Ms. Moore said that

Vince Pompo, Township Solicitor, had recommended at a previous meeting to put a salary increase in the budget for when their contract is finalized.

Ed Porter asked why the local phone bill is so high. The phone bill charges were discussed. Rosemary Moore said she had all the bills consolidated. Ed Porter asked what happened between 2012 and 2014. There is a \$700 difference. Rosemary Moore said that internet was previously not separated out on the bill. Rosemary Moore had called Verizon to request a more cost effective plan. Steve Herzog will review the cell phone bills to determine if we can cut costs.

Ed Porter asked why the Road Crew sick time was higher this year. Rosemary Moore explained that sick time can be carried over from prior years and the Road Crew used some prior year carried over sick time.

Steve Herzog asked why the MS4 permit expense (account 1408.10) jumped up to \$32,750 and if something budgeted for this year was postponed until next year. Rosemary Moore said she spoke to Jamie MacCombie and he said we were going to be billed more this year. However, we didn't end up getting that large bill. Rosemary Moore will get clarification on this.

Steve Herzog asked why computer network expense (account 1407.30) jumped. Rosemary Moore explained the additional charges are for backup services.

Steve Herzog asked about copier expenses (account 1406.65). Rosemary Moore said she has the expiration dates for the two copiers and is ready to change service providers to reduce costs.

Ed Porter asked why medical insurance police opt out 50% rb (account 1410.66) has jumped this year. Rosemary Moore explained that one officer dropped out of the medical plan this year which increased the medical insurance opt out expense.

Ed Porter asked why police operating supplies (account 1411.05) are budgeted for 2014 at \$3,500 and expenditures are \$4,916.52. Rosemary Moore said Chris Porter provided budget numbers for his department.

Tony Sirna, Emergency Management Coordinator/Deputy Fire Marshal, requested the Board consider purchasing a new truck. He said that the 1999 truck is in rough shape. The general electric module is bad and they haven't been able to find this component anywhere in the country in the last two years. If this part completely fails, the truck will be useless. Tony Sirna commented on additional problems with the truck. Tony Sirna suggested a specific truck for consideration. The Board will discuss this at the next meeting and Tony Sirna will find more potential vehicles for purchase.

Rosemary Moore stated that this budget will be put on the website and available for public inspection as advertised. The Board will vote on the budget at the December 16, 2014 meeting.

3. Adjournment

Joe Pomorski made a motion to adjourn the November 25, 2014 budget meeting at 6:26 pm. Steve Herzog seconded.
VOTE: 4-0

Respectfully Submitted,

Lisa Valaitis,
Township Secretary