

EAST FALLOWFIELD TOWNSHIP
BUDGET MEETING
November 7, 2016 Approved minutes
6:00 PM

Members Present

Steve Herzog, Chairman
Ed Porter, Vice Chairman
Carol Kulp, Member
Randy Doan, Member

Township Staff Present

Lisa Valaitis, Township Secretary
Pani Martin, Township Treasurer

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

Chairman Steve Herzog called the meeting to order at 6:00 pm.

2. Discussion

Changes to 2017 Budget Projections:

Account 1310.10 – Real Estate Transfer Tax was increased by \$4,000 based on trends.

Account 1364.00 – Portnoff Collection – for years 2005-2012 was increased by \$7,500 based on trends.

Account 1364.40 – Trash Certification Fees was reduced by \$1,000 based on trends.

Account 1406.77 – Transitional Reinsurance Fee was reduced from \$1,449 to \$0. 2016 should be last year that this is collected.

Police Department Budget Changes:

Account 1410.20 – Full-Time Officers Salary/Wages removed \$51,000 for base salary.

Account 1410.21 – Full-Time Officer Contract Overtime was reduced by \$4,400.

Account 1410.23 – Full-Time Officer Holiday was reduced by \$3,390.

Account 1410.24 – Full-Time Officer Vacation was reduced by \$1,017.

Account 1410.26 – Full-Time Officer Sick was reduced by \$3,390.

Account 1410.30 – Part-Time Officers Salary/Wages was increased by \$25,000 moving it up to \$100,000.

Account 1410.40 – Social Security was reduced by \$4,800.

Account 1410.50 – Unemployment Compensation Insurance was reduced by \$500.

Account 1410.60 – Medical Insurance was reduced by \$33,800 for the family plan that was estimated for a full-time officer.

Account 1410.66 – Medical Insurance Police Opt Out 50% RB was increased roughly \$400 based on new medical rates.

Account 1410.70 – Dental Insurance was reduced by \$984 based on not hiring the full-time officer.

Account 1410.75 – Life Insurance was reduced by \$550.

Account 1410.80 – Disability – Short Term was reduced by \$500.

Account 1410.85 – Disability – Long Term was reduced by \$400.

Net Change in Police Department Budget:

All of the above changes are a net reduction of \$80,000 in in the Police Department budget after an increase of Part-time Officer Salary.

Ed Porter asked Chief Porter what the cost of a new car would be. Chief Porter stated the cost would be \$11,000-\$14,000 four-year lease cost for an outfitted car. Purchasing a vehicle outright would cost \$50,000.

Other Budget Changes:

Account 1434.00 – General Roads was increased from \$0 to \$90,000. \$80,000 came from the Police Department and \$10,000 from other various budget adjustments.

Excess of Revenues of Expenditures:

The Total Excess of Revenues over Expenditures in the 2017 budget is \$14,040.25.

Discussion / Questions:

Ed Porter asked Pani Martin about the Park & Recreation budgeted amount of \$10,600. Pani Martin stated that budgeted amount was for the match for the \$8,500 PECO Grant. The Township declined the grant so that \$10,600 is still in the budget unused.

Ed Porter asked where the Friends of the Park money is reflected. Pani Martin estimated there is \$2,000-\$3,000 in the Friends of the Park account, however that is not reflected in the budget.

Ed Porter asked why the Planning Commission budget jumped from \$3,000 to \$8,800. Pani Martin stated the \$4,800 is for the cost of future master planner courses and \$1,000 is for legal advice.

Ed Porter asked about Account 1430.77 in Liquid Fuels. Pani Martin stated that \$23,000 is for the new freightliner and \$15,000 is budgeted for the new dump truck.

Steve Herzog asked Pani Martin what she based the 2017 vehicle fuel diesel on. He said we budgeted \$16,000 this year and we only spent \$5,600. Costs are projected to be \$9,000 for the rest of the year. Pani Martin stated she isn't good at estimating gasoline prices and didn't want to drop it too low. She also stated she projected \$9,000 for the remainder of the year in case there is a snow storm before yearend. There was a discussion about gas usage as well as gas prices steadily increasing. There was a discussion about snow plowing and contracting out snow plowing as well as calling in part-time snow plowers.

Ed Porter commented on account 1442.10 Code Enforcement. We spent \$29,000 almost \$4,000 more than budgeted. Ed Porter asked the Board if they want to budget more for the current code officer. Pani Martin stated the fee is 50% of the permitting fee and the costs went up for 2016.

Randy Doan commented that there is no extra money in Public Works in the 2017 budget in case the Township needs to contract out snow plowing. Ed Porter suggested pulling money out of Account 1431.50 – Cellular Phones. Pani Martin stated the average cost per phone is \$50 and the bill runs \$250 per month. There was a discussion about Verizon Wireless bills and getting costs down. The Board requested Pani Martin to review the phone plan and see what can be done to contain costs.

Ed Porter asked if a decision was made about hiring part-time help for the Public Works Department next summer. Steve Herzog stated hiring part-time help would free up the Public Works employees to do more road work. Ed Porter stated he would like to see an analysis after the summer to determine if hiring part-time summer help was cost effective.

Ed Porter stated he saw there is a \$100,000 in the budget for a township manager but the Board has not had a discussion about a township manager. Steve Herzog stated he'd like the Board to have a discussion about it. The Board discussed the township manager salary as being a buffer in the budget if a manager is not hired next year.

Ed Porter asked a question about how state police filings work. Chief Porter explained that the State determines the total and splits that out for all municipalities.

Ed Porter asked how delinquent real estate tax bills will be handled. Pani Martin stated judicial sales and upset sales handle this. Annual reports are completed for all delinquent accounts. Steve Herzog asked if there is a fee structure that the Township would have to pay for collection of delinquent property taxes. Pani Martin stated she will look into that.

Pani Martin stated the way the public notice was written for this meeting, the Board is authorized to motion to advertise the budget at this meeting. Steve Herzog discussed advertising requirements.

Ed Porter asked if there are any other buffer areas in the budget. Pani Martin stated one of the biggest savings in the budget is the reduction of one full-time officer's salary in 2017.

Steve Herzog discussed the allowable changes to the budget if the Board makes a motion to advertise the budget.

Questions for the Board:

Pani Martin requested the Board to make a motion at the next board meeting (November 22, 2016) to do the following: move the budgeted \$35,000 into Capital Projects, move the budgeted \$42,900 for General Fund Reserve into Capital Projects and move the budgeted \$30,000 for the Document Scanning Project into Capital Projects to reserve for the following year to complete this project. The total amount she is requesting to move from the General Fund to the Capital Projects Fund is \$107,900. Ms. Martin said even after moving this money, there will still be \$170,000 left in Capital Projects.

MOTION: Steve Herzog made a motion to advertise the 2017 General Budget which will be available for public inspection on November 9, 2016. Ed Porter seconded.

QUESTIONS AND COMMENTS:

1. Bob King commented on cell phone bills for the Police Department and Public Works Department. He asked if they are under the same contract and getting the same deal. Pani Martin stated they are different plans. Bob King asked why both departments can't be under one plan to save money. Steve Herzog stated it is easier for accounting purposes to have the departments billed separately.
2. Buddy Rhoades commented that most municipalities subcontract out their grass mowing. Mr. Rhoades stated the Township spends 80% of our time mowing. He commented on the HOA contracts that the Township took over for mowing/maintenance and said he's not in favor of this practice. The Public Works Department needs to be doing more road, pipe and gutter work. Mr. Rhoades mentioned the poor condition of Timacula Road and Mortonville Road still being closed. He also commented on several bridges in the Township that need repairs. He requested the Board look over the previous audits and HOA contracts regarding open space. Mr. Rhoades talked about salary increases.
3. Ed Porter stated we gained \$80,000-\$90,000 in the budget to be put towards roads. He said he agreed roads need to be worked on. He also stated the Board is putting more manpower on road work by hiring part-time grass cutters next summer. He also spoke about union negotiations related to salary increases. Legal costs outweigh the salary increases. There is only one full-time employee that is not union.

VOTE: 4-0

3. Adjournment

MOTION: Steve Herzog made a motion to adjourn the budget meeting at 6:43 pm. Ed Porter seconded.

VOTE: 4-0

Respectfully Submitted,

Lisa Valaitis,
Township Secretary