

**EAST FALLOWFIELD TOWNSHIP**  
**BUDGET MEETING**  
July 12, 2016 Approved minutes  
6:01 PM

**Members Present**

Steve Herzog, Chairman  
Ed Porter, Vice Chairman  
Carol Kulp, Member  
Wilson Lambert, Member  
Joe Pomorski, 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 6:01 pm.

**2. Discussion**

Steve Herzog asked Pani Martin if there were any major changes or updates to the budget since the last meeting. Pani Martin stated there were no big changes. She said she made two additions to the Planning Commission budget. She stated it is only halfway through the year so it is difficult to get an accurate picture of where some of the budget numbers will fall.

Joe Pomorski asked Pani Martin if the 2016 and 2017 budgets are similar. Pani Martin stated both budgets are similar. She stated she added in a township manager but removed the document scanning project and a few other things in the 2017 budget. There is slight increase in the 2017 expenses because costs do rise each year.

Steve Herzog asked Pani Martin if she currently had anything budgeted for cash reserves for 2017. Pani Martin stated there will be no cash reserves for 2017 at this time.

Steve Herzog stated there is nothing budgeted for Act 537 Legal Services (account 1404.13) and asked if that is a place holder. He said he thought the Act 537 Plan was completed. Pani Martin will contact Jamie MacCombie's office to determine the status of work to be done for next year as well as the remainder of this year.

Steve Herzog commented that police negotiations are in the budget for next year. Steve Herzog stated he hopes the contract negotiations will be done this year rather than spreading into next year. Steve Herzog will reach out to Kevin Simmons to schedule a meeting to start contract negotiations.

Steve Herzog asked about a big office supply expense in the later part of this year. Pani Martin stated she added items to the second half of this year such as a laptop for Lisa Valaitis to use during meetings. Steve Herzog asked if a lap top purchase would go under the account entitled Computer Repairs, Maintenance and Equipment (account 1407.20). Pani Martin stated it is under Office Supplies, however it should be under Computer Repairs, Maintenance and Equipment. She said this year she started an office supply expense category for the Public Works Department. Therefore, Administrative Office Supply Expense would go down, however the new Public Works Department Office Supply Expense will go up.

Steve Herzog asked if the \$2,000 budgeted for the township newsletter is for postage. Pani Martin stated yes, that is for postage costs. Pani Martin stated she will get an updated postage cost from Hometown Press.

Steve Herzog asked if the Telephone Expense was for land lines. Pani Martin stated that cost is for land lines and fax lines. Mr. Herzog commented this expense keeps going up. Pani Martin stated she reached out to Granite to find out if they can help us reduce our phone expenses. They do telecommunications and work with Verizon and AT&T.

Steve Herzog asked where Pani Martin got the Other Services and Charges budgeted amount. Ms. Martin said that it is the average of 2014 and 2015 expenses. She stated this account is random expenses and difficult to predict.

Steve Herzog asked if Internet Service Expense is a contract we are locked into or a month to month bill. Pani Martin stated it is part of our bundles plan. Steve Herzog asked Pani Martin if she could get that expense down lower.

Steve Herzog asked Pani Martin if she had looked into lowering the cost of insurances - liability and worker's compensation. Pani Martin stated she is currently working on the scanning project and the Hometown Press newsletter project. She will look into lowering the insurance costs.

Steve Herzog stated that some of the Police Department numbers will change if the contract is finalized this year. Pani Martin stated the police budget is about the same this year as last year.

Steve Herzog asked if the Website Expense includes any updates we ask the administrator to make. Pani Martin confirmed this.

Steve Herzog asked if there are any issues with the new email system. Pani Martin stated it is running smoothly. Steve Herzog asked if the new server was installed. Pani Martin stated it will be arriving tomorrow or Thursday. Compnet will have both the old and new servers running simultaneously for a week and then cut off the old server.

Pani Martin discussed the Needs Assessment. She said it is primarily the same as last year because most of the roads in the Township still need work done. The list of backlogged road work keeps growing. Ms. Martin stated the road list on the Needs Assessment is not a full list because Tag Gathercole needs to drive around the Township and compile a comprehensive list of roads that need work. She stated that even with taking Mortonville Road off the list of road work, there is still a minimum of \$500,000 worth of road work on backlog. Every road on the 2017 list was originally on the 2015 or 2016 list. The longer we wait, the less likely oil and chip will be an option.

Steve Herzog asked about the status of the Fairview Road paving project. Pani Martin stated she would follow up with Tag Gathercole on the status. Pani Martin stated we budgeted for \$160,000 of road work for 2017.

Steve Herzog asked if some of the office supplies on the Needs Assessment are built into the budget under office supplies such as the meeting room seats and projector. Pani Martin stated some of those needs are in the 2017 budget.

Steve Herzog asked what the full-time office staff member is for on the Needs Assessment. Pani Martin stated this would be to move a current part-time office staff member to full-time. It is not to add an additional employee to the office.

Steve Herzog asked if the Road Crew is looking to add a staff member. Pani Martin stated the Road Crew is definitely looking for summer help. She stated the Road Crew could use another full-time staff member but they have not requested it for 2017. Pani Martin explained that the Needs Assessment is like a wish list and has things we would ideally add. The Road Crew only has five staff members and an additional full-time staff member would help the department.

Joe Pomorski asked if the part-time summer help for the Public Works Department is addressed in the union contract. There was a discussion about how the union contract would impact the hiring of part-time summer help. Joe Pomorski stated this position would have to be collectively bargained for. The other option is to have the part-time summer positions not be included in the union. There was a discussion about the part-time summer help being considered the same as a snow plow. There was a discussion about hiring two part-timers versus one full-timer.

Steve Herzog asked what rate Pani Martin used to calculate salary increases for the office. Pani Martin stated she used 3% for the office staff to match the Public Works Department and Police Department.

Steve Herzog asked what the 2016 Police Services (account 1361.30) of \$5,500 is on the income side. Pani Martin said she got a random check and the Police Department instructed her to post it in Police Services. All the checks came from the District Attorney. Pani Martin stated she doesn't think it is going to be ongoing income.

Ed Porter arrived at 6:42 pm.

Pani Martin spoke to the Board about the report a previous Board had done in 2012 regarding an analysis to determine if there is a need for a township manager, what that position would be like, and how it would be useful. Joe Pomorski stated he feels the Township does have a long-term need for a township manager. He said unfortunately, the township manager position was cut in this year's budget due to the budget crunch. Joe Pomorski stated the recommendations in the report are probably still relevant today. Pani Martin discussed the need for a township manager in the office. She also discussed a possible need for Use and Occupancy for resale of homes

and rental properties. She said this is something a township manager would bring to the Board for consideration. Ed Porter stated that the Use and Occupancy issue came before the Board in 2008 and was voted down. There was a discussion about the benefits of requiring a Use and Occupancy. Ed Porter stated that Townships can get in trouble for interfering with contracts. Ed Porter stated East Fallowfield Township does require a Use and Occupancy for new home construction.

Steve Herzog discussed the need for revising the fee schedule. He said it would take a lot of assessment. He thinks we are undercharging in some areas. Pani Martin stated the recent conditional use hearing has cost well over the \$1,500 application fee. Ed Porter asked for a cost breakdown. Pani Martin stated the court reporter was \$500, the advertisement for the hearing was \$262, and engineering was \$800. Pani Martin said she will get the Board a legal cost breakdown. There was a discussion about our legal company writing some more detailed and lengthy advertisements for the Daily Local. There was also a discussion about revising the \$1,500 conditional use application fee. Ed Porter suggested passing the cost on to the conditional use applicant in the manner that the Township handles developer bills.

Pani Martin stated she added the cost of the Master Planner courses of \$4,800 and a \$1,000 for legal in the Planning Commission budget. Ms. Martin stated the Planning Commission also typically requests \$3,000 for their budget which was included as well. There was a discussion about who the Master Planner courses will be open to.

Ed Porter asked if there are any problems with revenue or expenses in the 2017 budget. Pani Martin stated the 2016 and 2017 budgets are very similar.

Pani Martin asked the Board what they'd like to do with the millage and what direction they'd like to take with the budget. Joe Pomorski and Steve Herzog both stated they would not like to increase the millage. However, the roads need a lot of work. Most of the roads are oil and chip jobs. Ed Porter discussed Wallace Township and a stone road with mansion style homes. He discussed a stone road option for Fairview Road. It would slow down the traffic on that road. Wilson Lambert stated that taking Mortonville Road out, the rest of the roads aren't that bad. He discussed Fairview Road and the long stretch of that road that needs to be paved for very little traffic. Steve Herzog stated that there are several developments that have roads that need to have crack and seal done. Wilson Lambert stated that East Marlborough Township has stone roads. Wilson Lambert commented on Timacula Road having no traffic on it. Ed Porter stated we need to focus on the most traveled roads in the Township.

The Board of Supervisors discussed the intersection of South Bailey Road and West Chester Road and the possibility of installing four-way stop signs. Ed Porter reported he spoke to the Township Manager at West Bradford Township and they will work with East Fallowfield Township on the traffic study and installing the four-way stop signs. Pani Martin reported she spoke to Chief Porter who said that part of that intersection is state owned and PennDOT might have to be involved. Mike Crotty is looking into the state involvement with the intersection. Ed Porter stated the stop signs are needed to control speed and allow for additional traffic due to the day care center to be opened on South Bailey Road and the Ridgecrest Development coming soon on West Chester Road.

Ed Porter asked if the 2017 budget has the township manager added to it. Pani Martin confirmed that is correct. Ed Porter asked if there was no township manager in the budget, would there be no need for the tax going forward. Pani Martin stated the tax brings in revenue of \$475,000. She said taking out the township manager would eliminate \$100,000 in costs. She said it could allow the Board to lower the tax millage rate. Ed Porter asked if the Police Department raises are at 3%. Pani Martin stated the police raises are at 3% per Chief Porter's instructions until the police contract negotiations are complete.

There was a discussion about the township manager. Ed Porter stated the Public Works Department does need some oversight but not on the level a township manager would do. He also commented on the Public Works Department being unionized which means a township manager would not be able to do much to manage that department. Steve Herzog stated the size of our Township warrants a township manager. He said most municipalities in Chester County have a township manager especially municipalities similar to East Fallowfield. Steve Herzog discussed moving everyone to the Teamsters medical insurance to save money.

Ed Porter asked Wilson Lambert if he still would be interested in overseeing the Public Works Department. Steve Herzog stated that Tag Gathercole is not supposed to make decisions under the Teamsters Union. Mr. Lambert said that the Township has to straighten up some issues before hiring a township manager. One issue to work out is the amount of grass in the Township that the Public Works Department has to mow. Mr. Lambert said he rode around the Township with Tag Gathercole and was amazed at how much open space there is that needs mowing. There is a lot of grass cutting that the Road Crew has to do. Wilson Lambert spoke about a day he spent in the office. He said everyone was working in the office. No one was talking. He asked what the township manager would

be doing. Would they be watching the office? Ed Porter stated this is part of his concern with spending all that money on a township manager. He said that the Township could hire a few part-timers with that \$100,000. Mr. Lambert said we need to hire another laborer and to allow the Road Department to be able to do more road work. Ed Porter talked about needing the Teamsters to approve hiring outside labor. Mr. Lambert stated he would like to see the \$100,000 utilized for the roads. He said the Township runs smoothly. Ed Porter discussed a need for the Board of Supervisors to do employee reviews. They discussed using the \$100,000 for additional part-time laborers. Ed Porter asked if we are cutting grass that we aren't supposed to be cutting. The Board discussed hiring two part-timers to help with the grass cutting next summer. They also discussed needing to get approval from the Teamsters to hire part-timers. Ed Porter discussed outsourcing seal cracking work. Approval from the Teamsters would be needed. Pani Martin said she would ask Tag Gathercole to speak to the Teamsters. Various roads that need seal crack were discussed.

Ed Porter asked if Mike Crotty had gotten back to us regarding opening Mortonville Road one way. Pani Martin said she reached out to Mike Crotty but she hasn't heard back yet.

Wilson Lambert said he would be interested in being Road Master if it will help the Township. Pani Martin asked if he would need to be paid for this position. The Board discussed hiring a township manager that has road experience. Wilson Lambert stated he has some road experience. He said he's not an engineer but he can identify maintenance problems and culverts. The Board will appoint Wilson Lambert as Road Master at the next Board of Supervisor meeting. Mr. Lambert stated he has worked with the Valley Township Road Crew. There was a discussion about Wilson Lambert being paid for the Road Master position.

The Board of Supervisors will discuss the township manager position further at a later meeting.

### **3. Adjournment**

MOTION: Steve Herzog made a motion to adjourn the budget meeting at 7:12 pm. Ed Porter seconded.

VOTE: 5-0

Respectfully Submitted,

Lisa Valaitis,  
Township Secretary