

EAST FALLOWFIELD TOWNSHIP
BUDGET MEETING
September 8, 2015 Approved minutes
5:54 PM

Members Present

Joe Pomorski, Chairman
Steve Herzog, Vice Chairman
Charles Kilgore, Member
Ed Porter, Member

Township Staff Present

Lisa Valaitis, Township Secretary
Pani Martin, Township Treasurer

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

Vice Chairman Steve Herzog called the meeting to order at 5:54 pm.

2. Discussion

Pani Martin explained to the Board that the items in red on the budget are items she either has questions on or items that she is still waiting for numbers on such as Standard Insurance, Benecon, PMRS, medical insurance, and disability insurance figures.

Pani Martin asked the Board about the income portion of the trash removal fees. Specifically, she asked the Board if they want to stay with the \$210 annual trash removal fee or if they would like to consider an additional administrative fee. Steve Herzog said the annual fee should have an administrative fee built into it. Pani Martin commented that what is considered reasonable administrative fees should be reconsidered. The amount of time the office spends on MuniBilling, Portnoff, trash, residents, and certifications adds up to more than \$7 per household. The contract lists the removal fee as \$203.16 per resident. The Township charges \$210. The \$7 administrative charge includes MuniBilling charges, postage and handling, and office work. Steve Herzog asked Pani Martin if there is any way to quantify the amount of office work done. Steve Herzog said we'd have to come up with a reasonable rate and prove it in order to increase the administrative fee.

Pani Martin said for Police Department salaries, the pay rates and pay increases are built into their contracts. Pani Martin asked for confirmation that the Public Works salaries are currently frozen. Steve Herzog confirmed this is correct. She said she did not know what to do with Administrative pay raises. Steve Herzog said in the past the Board was presented with a spreadsheet listing salaries and what the pay increases are for 1%, 2% and 3%.

Pani Martin stated that the blue line items on the budget are line items that have zero balances and will be removed from the budget and become inactive. However, these items will not be removed from the chart of accounts.

Steve Herzog asked Pani Martin if she built retroactive raises for the Public Works Department into the 2016 budget. Pani Martin confirmed that she did.

Steve Herzog asked about Ms. Martin's earned income projection. Pani Martin stated the 2015 projected earned income is \$1,700,000. The projected earned income for 2016 is \$1,300,000. Pani Martin explained that her projected earned income figures are the average of three years factual. As the year progresses, more earned income will be collected and the numbers on the budget will update and bring us closer to a true earned income number. Steve Herzog said in the past we've been conservative on earned income which he feels is good. Mr. Herzog asked Pani Martin to contact Keystone Collections to look into getting a more accurate projected earned income number for 2016.

Pani Martin asked who does the Township's Act 537 legal services. Steve Herzog told Pani Martin to reach out to Vince Pompo and Jamie MacCombie.

Pani Martin discussed account 1404.20, Legal Services - Other. She said this account is for Siana Bellwoar's charges and it will be a rolling number. Mr. Herzog said the current figure in the budget covers us.

Pani Martin discussed office administration raises. She presented a spreadsheet to the Board showing the pay increases at 2%, 3% and 4% raise rates for each administrative employee. Pani Martin stated the Police Department staff is getting a 3.5% raise in 2016.

Pani Martin explained that the office improvements account is for document storage/scanning. The Township documents need to eventually be digitized. She said Rosemary Moore had looked in to DocuStar who quoted over \$25,000 to scan in all the documents in our storage room. Pani Martin will look further into this and determine what the cost quote is based on. Steve Herzog talked about document retention and that we could go through and remove what isn't required to be kept. Pani Martin said she is not sure if the DocuStar quote included the documents stored above the Road Crew's office. Steve Herzog requested this account be called something more descriptive such as Document Digitization.

Joe Pomorski arrived at 6:09 pm.

Pani Martin asked the Board who to contact to obtain realistic budget figures for MS4 costs. Lisa Valaitis stated Jamie MacCombie's office, specifically David Biloan, handles MS4.

Steve Herzog commented that he isn't sure if the Act 537 will be continuing into next year. He asked Pani Martin to consult with Jamie MacCombie's office on this as well. For Act 537 Engineering Services, \$41,000 was budgeted for 2014 and \$33,000 was budgeted for 2015. We have only spent \$16,000 so far this year.

Steve Herzog asked Pani Martin why the Police Department internet expenses are going up a lot. Pani Martin said this expense account is a breakdown of the MiFi units for the Police vehicles and the internet for the Police Station. This does not include cell phone costs. Chief Porter said the County is going to start providing internet with their new CAD system. Once that happens, the internet costs will go down.

Steve Herzog asked Pani Martin about the status of medical insurance and other benefits. Pani Martin stated she got an email today stating that it is probably going to be a 13% to 15% increase for 2016. Pani Martin stated the renewals are coming in higher than expected this year because of stop-loss insurance. Industry has seen a flux in high dollar claims which is the main driver for higher costs. She said the Township is trending in high dollar claims for the first six months of 2015.

Pani Martin asked Chief Porter if he is going to request a vehicle. Chief Porter said yes. Pani Martin said this vehicle request is not included in the 2016 budget. Ms. Martin said she did put a line item in for Vehicles for the third payment for the 2014 Dodge Charger. This is coming out of the General Fund. Chief Porter said he is requesting another vehicle for 2016. His preference is a Chevrolet Tahoe. He said he needs the new vehicle due to the rough winters. The total cost would be \$44,000. This equates to a payment of \$11,000-\$12,000 yearly over four years. The new vehicle would not replace an existing vehicle. It would be an additional car.

Steve Herzog commented that as of today, the budget is \$436,000 in the hole.

Ed Porter asked Pani Martin when she thought she would know some of the missing numbers in the budget. She said she should have most of those numbers in time for the next budget meeting. She said if we are not up for renewal yet, the companies don't have estimates for us. In these cases, she is asking them to talk to their actuaries to get more accurate estimates.

Steve Herzog asked if the Liquid Fuels budget numbers are finalized. Pani Martin said PennDot gave an estimate of a 10% - 11% increase per year.

Pani Martin asked the Board if they'd like the Mortonville Road expense account (account 1434.05) to be under the Public Works Department. This account is for engineering services related to Mortonville Road. Steve Herzog asked if there are any more outstanding bills. Pani Martin said there are no outstanding bills that she is aware of.

Ed Porter asked about Part-Time Officers Salary/Wages (account 1410.30). Ed Porter asked why this account is budgeted higher if the Police Department made a part-time officer full time in 2013 and therefore has an additional full-time officer. Chris Porter said he budgeted a little higher to allow for unexpected staffing needs.

Pani Martin asked why the porta potty in the park expense is paid out of the General Fund (Park and Recreation account under the General Fund - account 1446.10). The cost is \$2,100 per year. Pani Martin said the only bills paid out of the Park and Recreation General Fund account is the porta potty bill and occasional parts for lawnmowers. The Park and Recreation Fund is not in the budget and has \$200,000 plus funds in it.

Ed Porter asked Tag Gathercole what company he is using to have the porta potties cleaned. Tag Gathercole said he uses McGovern. There are two porta potties at the park: one regular and one handicapped. Ed Porter asked Tag Gathercole when he had last checked competing rates. Tag Gathercole said he did this last year. Tag Gathercole offered to research costs of other companies. Ed Porter requested Mr. Gathercole proceed with getting competitor rates.

Pani Martin asked if the Township pays workers compensation for Modena (account 1441.25). She said she has had small payments to AmeriHealth Casualty for workers compensation. Then last year, there was a general ledger entry for "Workers Insurance Payment to Modena for 10-1-2014 through 9-30-15". She said it is an accrued liability for \$11,492. Ed Porter asked if that was just for Tony Sirna and Jim Reagan. Pani Martin said she didn't think it was for Tony Sirna and Jim Reagan.

Chief Sly, of Westwood Fire Company, stated the smaller payment is probably for Jim Reagan and Tony Sirna. The larger payment is for a reimbursement to the Borough of Modena who pays the workers compensation for all of Modena. The municipality where the fire company is located is required to pay the workers compensation. Then the local municipalities that use the services, will reimburse the municipality that paid. Chief Sly said that The Second Class Township Code requires a municipality to pay workers compensation for all volunteers but not for paid employees. Ed Porter asked what the dues were for. Chief Sly said that is for the Fire Marshalls and he isn't sure what specifically the dues are for.

Ed Porter asked who assesses the hydrants (expense account 1421.50). Chief Sly said that PA American Water would have a contract with the Township and East Fallowfield is paying a fee per hydrant. Pani Martin asked the Board if they wanted her to ask Vince Pompo about moving the hydrant fee to the Township HOA's. The Board responded yes to this.

Pani Martin said the Public Works is requesting a new Alamo for the back of the TL90/TL70. This is a part that is used to mow road sides.

Charles Kilgore asked Tag Gathercole if people are allowed to take vehicles down to the pond. Tag Gathercole said it has been allowed in regard to taking handicapped people down to that area. Mr. Kilgore said he had seen a vehicle parked down there recently. Tag Gathercole said that vehicle was probably not supposed to be there.

Tag Gathercole asked if the Eagle Scout, who did the kiosk in the Park, had ever come to a Board of Supervisors meeting to present the key to the Board. Lisa Valaitis said he was supposed to come to the last meeting but was not there. Tag Gathercole will call him.

Ed Porter asked if the Police Department had lost uniforms to part-timers. Chief Porter said that does sometimes happen and new uniforms have to be ordered for new part-timers. Chief Porter stated he does mix and match uniforms when possible. Chief Porter explained that uniform costs are up in the 2016 budget because he needs three bullet proof vests. Chief Porter said there is funding available and the Township gets half the cost back.

NEXT BUDGET MEETING: The Board of Supervisors set the next Budget meeting for October 13, 2015 at 5:30 pm.

3. Adjournment

MOTION: Steve Herzog made a motion to adjourn the September 8, 2015 budget meeting at 6:36 pm. Joe Pomorski seconded. VOTE: 4-0

Respectfully Submitted,

Lisa Valaitis,
Township Secretary