

EAST FALLOWFIELD TOWNSHIP  
BOARD OF SUPERVISORS MEETING  
November 9, 2021 Approved minutes  
6:31 p.m.

**Members Present**

Wilson Lambert, Chairman  
Joe Heffern, Vice Chairman  
Katja DiRado, Member  
John Nielsen, Member

**Township Staff Present**

Scott Swichar, Township Manager

1. CALL TO ORDER, SILENT MEDITATION, PLEDGE OF ALLEGIANCE

Chairman Lambert called the meeting to order at 6:31 PM.

1. DISCUSSION

A. APPROVAL OF MINUTES

October 12, 2021 BOARD OF SUPERVISORS MEETING MINUTES

MOTION: Vice Chairman Heffern made a motion to approve the October 12, 2021 Board of Supervisors meeting minutes as presented. Chairman Lambert seconded.

VOTE: 4-0.

2. FIRST PRESENTATION OF 2022 DRAFT BUDGET

Township Manager Swichar stated tonight is the first presentation of the budget and another opportunity to make any changes. On October 13, there was a budget work session where the township's draft budget was reviewed and discussed.

November 23 is the second budget presentation where the board could authorize the advertisement of the budget. The budget must be advertised at least 20 days before adoption. Budget adoption is scheduled for December 14. If the Budget does not pass on December 13, there is another meeting scheduled for December 28 where the board could vote again.

Budget highlights were discussed. There is no real estate tax increase proposed in the 2022 proposed budget. 2022 General Fund Revenues are: \$2,519,272.19. The 2022 general fund revenue is \$47,244 greater than 2021 General Fund Revenue of \$2,472,027.85. This is attributed to increased Real Estate property taxes and increased Earned Income Taxes.

East Fallowfield Township was not impacted by economic fallout from COVID-19.

2022 General Fund Expenditures of \$2,532,722 are \$64,275 greater than 2021 General Fund Expenditures of \$2,468,447.60.

The 2022 proposed budget includes continued investment in infrastructure. \$235,000 was budgeted for road paving, \$68,072 was budgeted for a fuel master pump system, and \$10,000 was budgeted for a new Township Building feasibility study.

The Township had initially budgeted a 6% increase in healthcare costs for employees, but reduced the overall increase to 2 ½% after meeting with Benecon. These reduced numbers are reflected in the updated budget.

The 2022 General Fund budget reflects a small operating deficit of \$13,450 to balance the 2022 General Fund operating budget.

Township has a healthy reserve balance as it started this year with \$1.5 million in the bank. Township should not be overly concerned about dipping into reserves. The Township will establish a new township building fund in 2022 and will transfer an initial \$10,000 from general fund into this separate account.

Mr. Swichar provided an overview of the real estate tax millage history since 2016. Real estate property taxes are the township's second largest revenue budgeted at \$785,000 for 2022. 2016 was the first time the township had a township real estate property tax. Township set the millage rate at 1.25 mills in 2016 for township real estate tax millage. There was no increase in 2017. In the 2018 budget, the Township increased township millage to 2.00 and then instituted a Fire/EMS tax of 1 mill. Total millage for 2018 was set at 3 mills.

There has been no tax increase since 2018. 2022 will be the 5<sup>th</sup> year in a row with no tax increase.

The next slide is a revenue comparison between 2021 adopted and 2022 proposed budget. The real estate transfer tax of 1%, will decrease due to slowdown of new construction homes. The Township budgeted \$90,000 in 2022 budget, compared to \$150,000 in the 2021 budget.

The Township's earned income tax (EIT), which is the township's largest revenue is projected to increase by \$100,634 in 2022. Township budgeted \$1,159,366.50 in 2021 compared to \$1,260,000 in 2022.

The Township expected that EIT would drop in 2020 due to the pandemic, but the 2020 EIT revenue was actually higher than 2019.

The Local Services Tax, which is the \$52 a year fee is budgeted to remain flat in 2022.

Mr. Swichar provided an overview of the building permit fees. The Township had budgeted \$80,000 in 2021 due to a concern that COVID would stop all new construction. The Township actually brought in over \$230,000 this year. However, in 2022 the township budgeted \$80,000 as new construction projects are coming to an end.

Mr. Swichar provided an overview of the Fire/EMS budget. The budget reflects revenues of \$380,000 and expenditures of \$339,280. The only change that was made to the budget is an addition of \$6,060.00 for protective gear for the township's Fire Marshall and Emergency Management

Coordinator. Both serve as fire investigators and they are required by the National Association of Fire Investigators to upgrade their protective gear every 10 years.

Supervisor Nielsen questioned who will use the equipment and how many fire marshalls are in the township.

Township Manager Swichar stated that the township has two fire investigators. The Fire Marshall is Jim Reagan and the Emergency Management Coordinator is Tony Sirna.

Township Manager Swichar provided an overview of the liquid fuels budget. Liquid Fuels revenues are budgeted at \$340,268 and expenditures are \$408,559. He stated that the updated draft includes increased road paving expenses. The draft budget increased from \$220,000 to \$235,000 reflecting increased maintenance road expenses. The Township budgeted \$14,000 in Capital fund to complete an assessment of roadways. The draft liquid fuels budget includes a transfer of \$68,291 from liquid fuels balance to fund the 2022 liquid fuels budget.

Mr. Swichar discussed the trash fund and stated that no changes were made since the draft budget from October. 2022 Trash Fee is budgeted at \$275. The 2022 Trash Revenues of \$700,000 is \$35,000 more than 2021 revenues of \$665,000. The 2022 Trash Expenses of \$740,197 is \$35,976 more than the 2021 Trash expense of \$704,221. The hauling expense increases from \$405,856 (2021) to \$426,145 (2022) per the contract.

The township's expenses related to trash continues to escalate. Tipping fees has increased every year since 2019, and residents are throwing out more trash since they are working from home.

2022 Trash Budget reflects using reserves of \$30,877 to balance the budget.

Supervisor Nielsen questioned whether tipping fees increased in 2020 due to residents throwing out more trash during pandemic.

Township Manager Swichar stated that tipping fees and tonnage increased in 2020.

Chairman Lambert questioned when the contract will expire. He stated that residents of Jane Street continue to put the trash out at the top of the hill. He would like to see that future bid specifications include curbside collection on Jane Street.

Township Manager Swichar stated the board approved a one-year extension with Waste Management. The township should consider putting the contract out to bid next year. Mr. Swichar stated that he requested a rider agreement from Waste Management to collect trash using a pickup truck on Jane Street. He stated that that the township could include Jane Street on any future bid specifications.

Mr. Al Wright questioned if residents of Jane Street would pay more if trash is collected in front of their home.

Township Manager Swichar stated no. All residents pay the same fee.

Mr. Swichar provided an overview of the Township Millage and refuse fee for 2016-2021.

The slide shows what the average township resident pays for their township real estate tax as well as the trash fee. You can see in 2016 when the 1.25 millage rate was established. The trash fee was \$210 in 2016. The average assessed value of a home in East Fallowfield township is \$129,517. The Township currently 3 mills. The average resident pays a total of \$663.55 which includes tax millage and the trash fee for all township services. In 2018 residents were paying \$210 for trash. The trash fee increased to \$275 in 2019 and has remained the same since 2019.

The next slide shows a chart which represents your tax dollar and shows the distribution of real estate taxes. The real estate tax dollar is made up of three components: Coatesville Area School District, Chester County, and East Fallowfield Township. The pie chart reflects that the school district receives 84 cents of every tax dollar, Chester County receives 10 cents of the tax dollar and East Fallowfield Township also receives only 6 cents of the dollar

There are no major changes on the park and recreation budget from the initial draft in October. There was interest in a butterfly and bee garden. The Brandywine Creek Greenway Mini-Grant Program will pay for half of the project up to \$10,000. The grant deadline is December 17. The next step is for township to receive an estimate for the project.

In 2021, the township will transfer \$20,000 from park and recreation fund to the capital fund. The money was borrowed from the capital fun last year to pay for the park restroom.

The township is looking at installing a parking lot at its township owned property on Goosetown Road. The Township has not budgeted this expense as it expects to receive grant funding for the engineering from Brandywine Conservancy. He does not anticipate any out-of-pocket expenses related to engineering.

Mr. Swichar stated there are a couple of changes in the 2022 capital fund.

Mr, Swichar stated Mortonville Road bids have not been received yet. The township budged \$150,000 out of pocket expenses for the project. The township does not know how much the project will cost until bids are received. The Township received a \$1 million grant, but it has a 30% local match. There is no match on the \$730,000 DCED grant.

The Township increased the cost of the project Fuel Master Pump system to \$68,072 based on the estimate the township received this month.

Supervisor Nielsen questioned whether the estimate includes new tanks.

Township Manager Swichar stated that the estimate is only for new gas pumps and software.

Supervisor DiRado questioned if the township would save money.

Township Manager Swichar said the Township would potentially save money.

The Township added a roadway condition survey to the budget. The Township received an estimate for \$14,000 to complete a survey and to develop a maintenance plan. The township would likely obtain additional estimates.

Supervisor Nielsen questioned if the estimate includes some type of tracking or software program. He questioned who will administer the plan.

Township Manager Swichar stated there is no software. The township will need to administer the plan.

Mr. Swichar stated that he mentioned at the last budget meeting that the Township expects to end 2021 with a surplus in the General Fund. EIT, building permit fees and R/E taxes outperformed budget estimates in 2021. He stated that at the end of this year, he will be recommending a transfer of \$350,000 from the general fund to capital fund to pay for capital projects next year.

Vice Chairman Heffern questioned if the Board needs to vote on the submission of the grant for a butterfly garden.

Township Manager Swichar stated that the Board needs to pass a motion authorizing the submission of a grant application. The next step is to receive an estimate for the cost of a butterfly garden.

Supervisor DiRado stated she would receive an estimate from a master gardener to build a butterfly garden.

There was a discussion about a possible butterfly garden project and whether the Boy Scouts could collaborate on the project.

### 3. NEW BUSINESS

None

### 4. OLD BUSINESS

Supervisor Nielsen questioned whether 10 Newlinville Road has unlimited time to complete repairs.

Supervisor DiRado questioned if the township can allocate a percentage of the building permit revenues toward the municipal building fund.

Township Manager Swichar stated he is not sure.

Supervisor DiRado questioned if the budget can include funds for the environmental advisory council for activities and education.

Supervisor Nielsen stated he would discuss the budget with the environmental advisory council.

Supervisor Nielsen questioned Chief Porter whether there are any issues with Brothers on the Brandywine Beer Garden.

There was a discussion about the bridge on Mortonville Road.

### 5. PUBLIC PARTICIPATION

Township resident Al Wright questioned if the LED sign is in the budget.

There was a discussion about the LED sign.

6. ADJOURNMENT

MOTION: Supervisor Nielsen made a motion to adjourn the November 9, 2021 of Supervisors Meeting at 7:19 PM. Chairman Lambert seconded.

VOTE: 4-0.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Scott M. Swichar". The signature is written in black ink on a light-colored background.

Scott Swichar,  
Township Manager/Secretary