

## **Board of Supervisors Special Meeting held Monday July 19, 2010**

The Board of Supervisors conducted a special meeting held on Monday July 19, 2010 at 9:00 a.m. Chairwomen Ms. Silvernail called the meeting to order, present were Supervisors Ms. Horan and Mr. Walton, Mr. Drozd Township Accounting Consultant, Mr. MacCombie Township Engineer, Mr. Dave Simmons Public Works Department and members of the community.

Ms. Silvernail dispensed with the moment of silence and pledge of allegiance.

Ms. Silvernail stated that the purpose of the meeting is to discuss the budget to date and possibly modify before the end of the year.

Mr. Drozd stated that the earned income tax is higher by \$33,000 and Local Services tax is higher by \$2,900.00 being 6 months into 2010. Transfer taxes are down by \$4,400.00 The Township is experiencing reduced building inspector expense due to no development, legal fees have decreased. The Township building expense has increased. Snow removal is \$10,000.00 over and \$7,700.00 in repairs to equipment and gasoline costs have increased. Mr. Simmons stated the Township will receive an approximate \$15,000.00 from FEMA for expenses that occurred during the winter storm disaster.

Mr. MacCombie stated that he has not put Friendship Way out for bid yet and now it will not make the next Township meeting for bid opening. He stated that if possible the Engineers office can open the bids and make a recommendation to the Board for the next meeting. The Board agreed.

Ms. Silvernail made a motion, seconded by Ms. Horan, to allow Mr. MacCombies office to open and read all bids related to paving Friendship Way and have a recommendation ready for the Board meeting. With there being no questions from the public, the Board voting "aye", the motion passed unanimously.

Mr. MacCombie stated that he will look into the issues with the Compass Road Bridge and get back to the Board with the estimates of the repair work.

Mr. Drozd asked if the Township was still planning a concrete pad for the salt shed this year. Mr. Simmons stated that it is not done and the \$5,000.00 budgeted towards this item can go toward the repair costs of the Compass Road bridge. The Board agreed and if the money is needed for the bridge this year they will budget \$5,000.00 towards 2011 budget for the concrete pad. Mr. Simmons stated that he pulled an old v plow out that is in need of approximately \$2,000.00 in repairs. Mr. Walton asked if he had the plow been welded yet. Mr. Simmons answered "no", not yet.

Mr. Drozd asked if phase 4 of the sanitary sewer is under construction. Mr. MacCombie stated "yes". Mr. Drozd expressed concerns with the public water sanitary sewer customers not paying their bills. Can we shut their water off or what are we doing to collect the money. Ms. Silvernail stated that the water is not shut off. Ms. Myers stated

that sanitary sewer customers are just like trash customers, if they don't pay it goes through a lien process then sheriff sale.

Mr. Drozd stated that in the sanitary sewer budget there is a shortfall in the amount of \$12,000.00 from anticipated tap in fees. Ms. Myers stated that approximately (5) sanitary sewer connections have been made. Mr. MacCombie stated that currently there is a draft agreement with West Caln to construct another development as part of Calnshire in the process that will bring revenue to the sewer fund.

Mr. Drozd stated that comparing flows; last year at this time was 19 million gallons per day, current is 24 million gallons per day.

Ms. Horan asked about \$402.62 principal on the 2009 note why its -0-. Mr. Drozd stated because it is principal fees and the Township only pays them once a year and it is due in September.

Mr. MacCombie stated that Scott Shearer representing the Pennsylvania Financial Management Company is going to look at the Township's financials in order to get lower rates and help lower the debt service payment. With the rate increase Pennsylvania American has projected each resident currently pays \$3.77 per thousand gallons; the proposed is \$10.51 per thousand gallons. Mr. MacCombie said each resident will see a \$600.00 year increase if the proposal goes through. Mr. MacCombie stated that this could help the Township until additional units tap into the sanitary sewer because there is a possible 100 units projected within the next 3 years.

Mr. Maulo from Maulo and Company presented the Board with the independent auditors report. Mr. Maulo stated the general fund for the year ending December 31, 2009 total revenues were \$1,182,365, total expenditures were \$1,255,655 with revenues over expenditures being \$73,290, with an interfund transfer of \$40,329 a total change in balance was \$32,961. Mr. Maulo stated that the Township operated within the budget.

Mr. Maulo reported that statement of revenues and expenses for the sanitary sewer account were; the operating revenues for the sanitary sewer were \$587,700, the operating expense was \$556,683, showing a loss of \$31,017. Mr. Maulo stated that the notes to financial statements for December 31, 2009; amount outstanding is \$3,911,000; the Township borrowed an additional \$550,000.00 paid \$186,000.00 towards the notes with a remaining outstanding amount being \$4,275,000. Mr. Maulo explained the interest rate swap of all the guaranteed sewer revenues notes.

Mr. Maulo was pleased with the items that were address on last years management letter and stated there will be no management letter for this year.

The Board discussed Medic 93 and their request to use the office space at the old Township building. Brandywine Hospital has requested to use the old police office; a total of 162 square feet of space to operate an advanced life support unit that will operate 7 a.m. to 7 p.m. 7 days a week. The use will be on a temporary basis and will be made

available if the Township requests or a tenant is obtained for the building. Ms. Silvernail stated that Mr. Pompo will work out the details of the lease agreement between Brandywine Hospital and the Township. Ms. Silvernail directed Ms. Myers contact Mr. Pompo on the status of the lease.

The Board discussed the open seat on the Planning Commission and the letter of interest received from Tim Sarbaum to be a member of the Planning Commission.

Ms. Silvernail made a motion, seconded by Ms. Horan, to appoint Mr. Tim Sarbaum to fill the unexpired term left by Mr. Claypool with a term to expire end of 2012. With there being no questions from the public, the Board voting "aye", the motion passed unanimously.

**Public Comment:**

None

With there being no further business, Ms. Silvernail made a motion, seconded by Ms. Horan to adjourn the special meeting of the Board of Supervisors. With there being no questions from the public, the Board voting "aye", the motion passed unanimously.

Respectfully Submitted,

Lisa Myers  
Secretary/Treasurer