

Board of Supervisors Special Budget Work Session, Monday, November 25, 2013

A Budget Work Session of the Board of Supervisors was conducted on Monday, November 25, 2013 commencing at 9:00 a.m. Chairwoman, Ms. Silvernail called the meeting to order. Present were Supervisor Ms. Horan and Mr. Greenfield, Township Auditor, Mr. Drozd, and Township Engineer/Zoning Officer, Mr. MacCombie.

The moment of silence and Pledge of Allegiance were waived.

Mr. Drozd began by highlighting the changes he'd made since the last meeting. He pointed out to the Board that the last line in his Budget by Fund report shows a deficit of \$187,470 in the General Fund. He also stated that there should be a carryover of at least \$100,000. The changes he made since the last meeting included: slight revenue increases in local income tax, local services tax, and the cable franchises. He also adjusted for the new Police contract, removing expenses for firearms, and insurance and retirement plan costs.

Mr. Drozd suggested the Board consider covering \$75,000 of the \$150,300 cost of the new backhoe requested by the Road Department from Liquid Fuels, reducing the deficit by same.

Mr. MacCombie asked if the \$30,000 cost reduction related to the Township's resurfacing projects were already taken into consideration in the current numbers. Mr. Drozd answered that he had already made that adjustment.

The Board discussed the various possibilities presented by Mr. Drozd, including increases in the EIT and real estate taxes. Ms. Silvernail commented that an increase in EIT would not impact the Township's fixed income residents, but that may be something that requires a referendum and that the Township's Solicitor, Mr. Pompo would need to advise with regard to the process. The Board also discussed limiting some of the additional equipment for the backhoe and the possibility of purchasing a pre-owned piece of equipment instead of something new. Ms. Silvernail pointed out that some of the additional equipment may be needed in order to comply with Act 167. Mr. Simmons stated that he did not know how effective a used piece of equipment would be and inquired about putting some work into the old backhoe instead. The Board weighed the benefit against the issues that exist with the current piece of equipment, including the steering problem and the fact that it cannot be retrofitted. If the boom mower, sweeper and trailer are not purchased, cost would be reduced by \$39,000.

Mr. MacCombie informed the Board that due to a lawsuit filed against DEP, all MS-4 permits in Chester County were on hold.

Mr. Drozd said that the Board would still need to determine from where the rest of the funds would have to be drawn to cover the deficit. Ms. Silvernail stated that only so many things could be cut and that so many costs have been forced to the local level by the state and the county. It was also noted that a number of residents have had their properties reassessed – negatively impacting revenue for the Township. Mr. Drozd stated that the county is still two

weeks out with issuance of the annual tax duplicates and that he will need those numbers in order to finalize the numbers for 2014.

Mr. Drozd stated that with regard to the Sewer Fund, there has been no rate increase information provided by Pennsylvania American Water. Mr. MacCombie confirmed that he has not received any information on this issue either.

Resident delinquencies continue to be a problem and are adversely affecting revenue in the Sewer Fund. In addition to collections through District Court, the Board discussed investigating if unpaid sewer bills could be reported to the credit bureaus and whether or not this is done automatically as a part of the lien process. It was determined that Mr. Pompo would need to advise. The Board also discussed investigating the service shut-off process with Pennsylvania American Water. This avenue had previously been avoided due to wording in the PAWC agreement that held the municipality responsible for any lost PAWC revenue, but with more than \$500,000 in outstanding receivables, every option has to be considered in order for the Township to be made whole. The Township still has to cover what they are billed by PAWC – even if residents don't pay their bills. Mr. Drozd stated that he has budgeted an increase in the usage fee from \$12.00 per one thousand gallons to \$15.50 per one thousand gallons. Mr. MacCombie stated that there has not been a decision issued by the Administrative Law Judge on the rate case.

Mr. Drozd asked Mr. MacCombie if there is any way to rebill commercial businesses in the Township for the new Industrial Pre-Treatment Fee that PAWC is charging. Mr. MacCombie said that testing would have to be completed in order to determine the origination and who should be billed. The Board would need to decide if the cost of necessary testing would exceed the fees being charged by PAWC. Mr. MacCombie said that the fee is not for hazardous waste, but for total suspended solids. He also stated that Lincoln Crest Mobile Home Park has not fixed their on-going problems and that when the Township Solicitor last contacted Lincoln Crest's attorney, he was advised that Mr. Stivale was no longer representing them.

Mr. Drozd said that he would revise the budget so that it could be advertised. Ms. Silvernail made a motion, seconded by Mr. Greenfield, to advertise the budget once Mr. Drozd completed his revisions. With there being no questions from the public, the Board voting "aye", the motion passed.

Mr. Simmons was advised to get all of the numbers for the backhoe.

Mr. MacCombie stated that he would prepare releases for Pennsy Supply's bills.

Mr. MacCombie said that he had a couple of additional issue to discuss with the Board. First was the Village Enhancement Project; he has a draft from Vince and will be reviewing. The second was that a meeting was scheduled for Wednesday, November 27th because Mr. Gill is still unhappy about the sign placement issue at the Sadsbury Commons MOB. Mr. MacCombie still believes that the sign can be placed in conformance with the Ordinance and that he would be going out to the site. He and Mr. Pompo would be meeting at Mr. Pompo's

office to discuss Mr. Gill's other issue – Act 209 funds. Wording in the agreement was changed by Mr. Pompo giving no guarantee of EDU's to Sadsbury Commons under the Western Sewer Agreement. It was stated that the Western Sewer District was for all of the Township, not just Sadsbury Commons.

Mr. MacCombie also reported that All County Partners has made their official submission for Valley View, Lot 8. The plans are currently under review in his office and they do appear to show the previously discussed revisions for Hoffman Avenue.

Mr. MacCombie informed the Board that with respect to the Village Enhancement Project, he is soliciting an RFP for the Township from another engineer who works in Delaware County for a Sedimentation and Erosion Control letter as required by PennDOT for the project.

The Board discussed a quote from Garden State Highway Products presented by Mr. Simmons for signs and related supplies needed by the Road Department in the amount of \$1,184.00. Ms. Silvernail made a motion, seconded by Ms. Horan, to allow the Road Department to purchase the needed signs and supplies in the amount of \$1,184.00. With there being no questions from the public, the Board voting "aye", the motion passed.

The Board discussed a quote from Atlantic Tractor presented by Mr. Simmons for service on the John Deere 5320 Tractor at a cost of \$883.49. Ms. Silvernail made a motion, seconded by Mr. Greenfield, to approve the service call for the John Deere Tractor for \$883.49. With there being no questions from the public, the Board voting "aye", the motion passed.

The Board discussed a quote from Modern Group presented by Mr. Simmons for a muffler replacement on the generator at the pump station in the amount of \$3,027.71. Ms. Silvernail made a motion, seconded by Mr. Greenfield, to approve the muffler replacement at a cost of \$3,027.71. With there being no questions from the public, the Board voting "aye", the motion passed.

Ms. Silvernail provided an update on the Comprehensive Plan, stating that it will take the County thirty (30) days to review and that the Township's Planning Commission should also review it. Copies of the draft are to be delivered to the members of the Planning Commission with the expectation that they can complete their review and submit any comments early in 2014.

Resolution #2013-10 appointing Magdalena Salewski to the Zoning Hearing Board to fill the term vacated by Reitzel Swaim was reviewed and discussed. Ms. Silvernail made a motion, seconded by Mr. Greenfield, to appoint Magdalena Salewski to the Zoning Hearing Board. With there being no questions from the public, the Board voting "aye", the motion passed.

The Board discussed scheduling the next budget meeting. Ms. Silvernail made a motion, seconded by Mr. Greenfield, to schedule the next meeting to finalize and adopt the 2014 budget on Tuesday, December, 31, 2013 at 9:00 a.m. With there being no questions from the public, the Board voting "aye", the motion passed.

Ms. Silvernail announced that after the meeting, the Board would be meeting in executive session to discuss legal and personnel matters.

With there being no public comment and no further business, Ms. Silvernail made a motion, seconded by Mr. Greenfield, to adjourn the meeting. With there being no questions from the public, the Board voting "aye", the motion passed.

Respectfully Submitted,

Courtney Sarbaum
Assistant Secretary