

**EAST GOSHEN TOWNSHIP
BOARD OF SUPERVISORS WORKSHOP
1580 PAOLI PIKE
June 25, 2009 – 9:00am**

Present: Chairman Marty Shane, Don McConathy, Joe McDonough, Carmen Battavio and Thom Clapper. Also present were Township Manager Rick Smith, Assistant Township Manager Joe Gill, Director of Finance Deb Beury, and Director of Public Works Mark Miller.

WORKSHOP

Call to Order & Pledge of Allegiance

Chairman Marty Shane called the meeting to order at 9:04am and led those present in the Pledge of Allegiance to the Flag.

Moment of Silence

Carmen called for a moment of silence to honor the men and women serving their country in the armed forces, and their families.

Chairman' Report

None

Financial Reports

Joe Gill distributed copies of the notebooks that had been provided to the Board to those residents in attendance so that they could follow along with the meeting.

Joe Gill reviewed the Debt Service schedules, noting that DVRFA has had to increase their administrative fee in light of the current economic situation. He noted that the \$76,691 receipt in the Refuse Fund was comprised of a rebate from the County for the sale of recyclables in the amount of \$41,872 and an Act 101 grant in the amount of \$34,819.

The Board reviewed the participant recreation report from Frank Vattilano, the updated accounts receivable reports for the Township and the Municipal Authority, and the escrow account report for engineering reviews conducted as part of the subdivision and land development plan approval process.

Joe Gill noted that we had received the raw data on the real estate taxes that have been turned over to the County Tax Claim Bureau and that a report was being prepared for the Board.

The Board reviewed the first quarter disbursement and the utility billing reports. Joe noted that he had requested a software modification so that the utility reports tracked the quarterly billing cycle.

Joe Gill distributed a General Fund first quarter core function report that was generated by AMS and he asked the Board to take it home and review it at the leisure. The format is slightly different from the first quarter reports that the Board had just reviewed. He noted that utilization

of this report would significantly reduce the amount of data entry, which would result in month end data being available by the middle of the following month.

The Board agreed to reschedule the July 28th workshop to 9:00am and that they would review the June 2009 report in the AMS format at that time.

Joe Gill noted that the approved 2009 Budget had a project deficit of \$958,689 which was to be made up from the operating reserve. Based on first quarter results the year end deficit is projected to be \$1,194,423. He noted that in 2004 the Township made 13 payments to the police including the first payment for 2005. If we made the first payment for 2010 in January as opposed to December 2009 we would save \$400,000. In addition revenues for the Earned Income Tax, Local Service Tax, and Cable TV Fees are projected to be ahead of budget by \$200,000. Finally acceptance of the NRCS grant for the Hershey Mill Dam would save \$300,000 and if we did not make the scheduled contribution to the Capital Reserve Fund we would reduce our operating expense by \$400,000. The combine result of these actions would result in a savings of \$1,300,000 which would eliminate the project deficit for 2009.

The Board then reviewed a list of possible cuts. The Board agreed to eliminate the turkeys & hams that have previously be given to Township employees at Christmas and not to rent the wheel loader for the upcoming winter season.

Carmen Battavio noted that the ABC members put in a lot of time and effort and requested that he be permitted to work with staff to have the Appreciation Event at the Goshen Fire House. It was the consensus of the Board to have the event in December with a not to exceed cost of \$4,000.

Marty Shane requested that staff review the Township's programs and procedures to determine if any savings could be realized by changing the manner in which they are done.

The Board members requested the following.

1. Determine the Township's options, with costs, for the collection of monies owed for the property at 1419 Center Street.
2. A report on the past due sewer bill for 1306 Goshen Parkway.
3. All future newsletters should include a block ad for "Constant Contact".
4. The Township should continue to publicize in the Newsletter the dates that the utility bills and tax bills are mailed and due.
5. Check with the Township Solicitor on whether or not utility billing data, specifically the property owner's name, address, and past due balance are a public record.
6. Complete the report on the Real Estate Taxes that have been turned over the County Tax Claim Bureau for the Board's review on July 28th.
7. Reformat the sewer operating and refuse budget reports to show the variance from budget.
8. The reports for all funds should utilize the same format.
9. Develop a master list of all items that have been cut or reduced, for the Board's consideration when the economic situation improves.

10. A recommendation from staff on whether or not to publish the newsletter 3 or 4 times a year.
11. A report on the proposed \$22,000 expense for the tennis courts.
12. A report on the cost effectiveness of preparing payroll in house.
13. A report on visiting nurses contribution.
14. A recommendation on the contribution to the Malvern Library
15. Check on the Utility Account for Leake (account # 2544L) - is it a wrong account # or mis-filed in the report?
16. A report listing options to improve the billing process for sewer and refuse bills - follow-up phone calls, change the format of the bill, etc.
17. Rework the Marty Report in the format as discussed during the meeting.
18. A report on the debt service to see if any loans make sense to be prepaid.
19. Check with the solicitor on the length liens remain with a property - 7 years or forever or somewhere in-between?
20. Review with the solicitor on whether a better collection process is possible for non-escrow accounts receivable. Is an ordinance change possible?
21. Revise utility billing report to show total amount due and aging data for 180, 270 and 360 days.
22. Update District Court report to show actual expense for 2008.
23. Set up "bad debt" line items for General Fund, Sewer and Refuse funds to track revenue that is outstanding. As necessary make recommendations on when debts should be written off. Some of the revenue may take some time to recover, but we should carry it on the books unless we agree to write it off.
24. Joe Gill to provide an assessment of the Capital Reserve Fund.

Public Comment

Dr. Howard Jones, 1048 Kennett Way suggested that the Board may want to consider refinancing some of its debt in light of the low interest rates and that the Township should develop a uniform policy for the collection of past due utility invoices and other receivables. He also opined that it was his understanding that a property lien expired after 7 years.

Adjournment

The meeting adjourned at 12:17pm.

Respectfully submitted,

Louis F. Smith, Jr.
Township Manager

F:\Data\Shared Data\Minutes\Board of Supervisors\2009\June 25, 2009 Financial Planning Session FINAL.doc