

**EAST GOSHEN TOWNSHIP
BOARD OF SUPERVISORS MEETING
1580 PAOLI PIKE
November 3, 2010 – 7:00pm
Final Approved Minutes**

Present: Chairman Senya D. Isayeff, Supervisors Carmen Battavio and Don McConathy. Vice-Chairman Thom Clapper and Supervisor Marty Shane were absent. Also present were Township Manager Rick Smith, Phyllis Marron (Park & Rec), and Kathryn Yahraes (Historical Commission).

Call to Order & Pledge of Allegiance

Senya called the meeting to order at 7:00pm. He asked resident John Schorn to lead everyone in the Pledge of Allegiance.

Moment of Silence

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

Recording of Meeting

No one indicated that they planned to record the meeting.

Public Comment on Non-Agenda Items

None.

Chairman's Report

Senya announced that the Board met in Executive Session on October 26 to discuss personnel and legal matters. The Board also met in Executive Session earlier today both before and after the budget meeting to discuss personnel and legal matters.

Status Report on Save the Dam Committee

Rick reported he has heard nothing back from Neil DeRiemer or Joe D'Antonio yet. Senya noted that Mr. DeRiemer sent the Township copies of his correspondence with DEP in regard to the dam. Rick summarized what a C-3 classification for the dam would mean to the Township. Mr. DeRiemer then arrived and the Board discussed the seawall idea with him. Mr. DeRiemer reported that the Save the Dam Committee has selected its officers, and they are working on setting up a 501(c)(3). The Committee plans to meet with the Hershey's Mill Master Association on November 4 to make an appeal for funding. Don suggested that the group provide a monthly status report to the Board on the progress of their fundraising efforts.

Request to Construct Apartment for the Care of a Relative

Mr. Clark Hopkins of 911 St. Andrews Drive was present. He and his wife wish to put an addition onto their garage to make an apartment for his wife's mother. Carmen moved to authorize the Chairman to execute the documents permitting this addition. Don seconded the motion. There was no further discussion or public comment. The Board voted unanimously to approve the motion.

Constant Contact Contest

The Board reviewed a recommendation from Diane Degnan to run a contest to entice Township residents to sign up for Constant Contact on the Township website. The prize will be a print of the East Goshen Blacksmith Shop. The Board liked this suggestion and directed Rick to run the contest through the first quarter of 2011.

Public Comment: John Schorn, Larch Lane – Said he thinks the Township should offer an incentive to residents who get others to sign up for Constant Contact.

Resolution 10-112, Random Drug and Alcohol Testing

Don moved to adopt Resolution 10-112 which revokes §9-10.1. of the East Goshen Personnel Manual entitled Random Testing. Carmen seconded the motion.

Carmen said he wants this to include anyone who drives a Township vehicle, not just the CDL drivers. After some discussion it was decided to table this matter until Rick checks with the insurance company. Don withdrew his motion. The Board will plan to discuss this matter at the next meeting.

Home Improvement Consumer Protection Act/Contractor Licensing

The Board reviewed information provided by Mark Gordon on this matter.

Email Archiving

Per Don it will be best for the Supervisors to use web mail instead of Microsoft Outlook for all Township-related emails, so that they can be properly archived on the Township server. The Board reviewed the draft resolution regarding use of email by the ABCs, and had no changes. Rick will ask Skip Brion to review the resolution and if there are no issues, the Board will plan to vote on it at the next meeting.

Township Newsletter

The Board discussed Diane Degnan's suggestion to consider using Hometown Press to publish future Township newsletters. Don would like to get a proposal from Hometown Press. Carmen had no objections to getting a proposal. Senya said he is not in favor of using Hometown Press as their publications look too much like junk mail. The Board will discuss this again at a future meeting after the newsletter bids are in. In the meantime, Rick will ask for a proposal from Hometown Press and he will also contact West Goshen to see what they pay to publish their newsletter.

Public Comment: Phyllis Marron, N. Chester Road – Said she is in favor of having residents pay a small fee to "subscribe" to get hard copy newsletters.

Senya said he would like an ad put into the next newsletter, on the website and Constant Contact asking for feedback from residents on whether they want the Township to continue to publish a hard copy newsletter and if they would be willing to pay a subscription fee.

Any Other Matter

Don gave a redlined copy of the TAG Recommendation Summary to Rick.

Review of Minutes

The Board reviewed and corrected the draft minutes of October 27. Don moved to approve the minutes as corrected. Carmen seconded the motion. There was no discussion or public comment. The Board voted unanimously to approve the motion.

Treasurer's Report & Expenditure Register Report

See attached Treasurer's Report for October 28, 2010.

The Board reviewed the Treasurer's Report and the current invoices. Don moved to accept the Treasurer's Report of October 28 and the Expenditure Register Report as recommended by the Treasurer, to accept the receipts and to authorize payment of the invoices just reviewed. Carmen seconded the motion. There was no discussion and no public comment. The Board voted unanimously to approve the motion.

Action List

Wireless Ordinance – Tabled until November 9.

Pension Plan Conversion – Tabled until November 9.

Website Upgrade – Rick reported that Terry is still working on moving files over to the new site. The goal is to go live on November 15, but it will probably take until January to complete all the work. Don reported that he has asked for feedback on the new site from three individuals involved in website design. He will also have a Township resident, who offered her proofreading skills to the Township, review the site for errors. Rick will provide another status report at the November 23 Board meeting.

Hershey Mill Dam – Senya asked if the other Supervisors wanted him to arrange to have Richard Reisinger of DEP come to East Goshen to meet with the Board, and the consensus was no.

Pedestrian Crosswalk at Township Park – Rick reported that this project is now complete.

Correspondence & Reports of Interest

Senya acknowledged receipt of two emails from former resident Linda Waterhouse-Koski thanking Mark Gordon and other Township staff members for their assistance in helping her to sell her East Goshen property.

Meetings & Dates of Importance

Senya noted the upcoming meetings as listed in the agenda.

Public Comment Period

Erich Meyer, Monte Vista Drive – Requested that Police Commission meetings be advertised via Constant Contact. Carmen and Rick said they would work on this. Senya suggested they also be added to the "Meetings and Dates of Importance" list on the agenda.

Adjournment

There being no further business, the meeting was adjourned at 8:52pm.

Anne Meddings

Recording Secretary

Attachment - Treasurer's Report

October 28, 2010

TREASURER'S REPORT
2010 RECEIPTS AND BILLS

GENERAL FUND

Real Estate Tax	\$829.24
Earned Income Tax	\$23,550.62
Local Service Tax	\$5,000.00
Transfer Tax	\$0.00
General Fund Interest Earned	\$0.00
Total Other Revenue	\$15,138.39
Total Receipts:	<u>\$44,518.25</u>

Accounts Payable	\$20,596.44
<u>Electronic Pmts:</u>	
Health Insurance	\$0.00
Credit Card	\$0.00
Postage	\$0.00
Debt Service	\$0.00
Payroll	\$43,000.00
Total Expenditures:	<u>\$63,596.44</u>

STATE FUND

Interest Earned	<u>\$0.00</u>
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Expenditures:	<u>\$0.00</u>
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CAPITAL RESERVE

Interest Earned	<u>\$0.00</u>
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Expenditures:	<u>\$0.00</u>
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TRANSPORTATION FUND

Interest Earned	<u>\$0.00</u>
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Expenditures:	<u>\$0.00</u>
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SEWER OPERATING

Receipts	
Interest Earned	\$100,372.10
Total Sewer:	<u>\$0.00</u>
	<u>\$100,372.10</u>

Accounts Payable	\$8,549.51
Debt Service	\$0.00
Transfer To M.A.	\$18.23
Total Expenditures:	<u>\$8,567.74</u>

REFUSE

Receipts	\$34,917.30
Interest Earned	\$0.00
Total Refuse:	<u>\$34,917.30</u>

Expenditures	<u>\$4,469.87</u>
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**EAST GOSHEN TOWNSHIP
BOARD OF SUPERVISORS WORKSHOP MEETING
1580 PAOLI PIKE
November 3, 2010 – 12:00pm
Final Approved Minutes**

Present: Chairman Senya D. Isayeff, Vice-Chairman Thom Clapper, and Supervisors Carmen Battavio, Don McConathy and Marty Shane. Also present were Township Manager Rick Smith, Finance Director Deb Beury, Brian McCool, and Township Zoning Officer, Mark Gordon.

Call to Order & Pledge of Allegiance

Senya called the meeting to order at 12:00pm. He asked Lolly Isayeff to lead everyone in the Pledge of Allegiance.

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.

Purpose of Meeting

Purpose of the workshop meeting is to discuss the proposed 2011 Budget.

Discussion

Deb Beury and Brian McCool gave a power point presentation of the proposed 2011 Budget.

First, the 2010 Year End Projection of revenue, expenses and deficit were reviewed. On the 2010 Revenue Detail, Deb explained that the Real Estate Transfer tax revenue was higher than projected because two commercial buildings were sold. Also, the cable revenue was higher than projected.

The 2011 projected revenue and expenses are projected to result in a deficit of \$988,882.00. On the 2011 Revenue Detail, Deb explained that in the past an 8% increase was used for calculating the cable revenue. However, the cable company has lost customers, so 4% was used for this projection. Marty commented that the area of greatest impact is the police force, which is controlled by contracts. The next contract bargaining will be in 2013. The average of the last 3 years was used to calculate the Codes revenue projection for 2011.

Pie Charts were used to provide a summary overview. On the Revenue chart, Marty pointed out that the red piece (Real Estate Property Tax) is the only area the township can control. The current East Goshen millage is 1.25. On the Expense chart, he mentioned that the largest part of the Public Works piece is road surfacing and maintenance.

Under the Assumptions/Expenses portion of the presentation, Deb explained that for wages, the hourly employees get a step increase of 3.25%/year until they reach the limit for their position. They would also get a COLA increase if applicable. Salaried employees only receive a COLA increase. Since COLA is based on the increase the Federal Government gives for Social

Security, there was no COLA for 2010 and there will be none for 2011. Pension costs will be higher because the current Defined Benefit Plan will be frozen and changed to a Defined Contribution Plan on Jan. 1, 2011. There are costs to close the current plan plus the contribution to the new plan for 2011. For police expenses, 2011 was increased over 2010 by 12%, which covers contract obligations and a reserve for prior pension liabilities.

Under Assumptions/Revenue, Carmen mentioned that he thought the estimate from Berkheimer for the Earned Income Tax has been low in the past. Deb explained that Berkheimer provides a range for the Township to select. This year the range was \$3.8 – 3.9 million. She used the higher number.

For the 5 Year Projection/Revenue, Marty commented that the township is considered “built out” so there are no fees from growth. The fact that expenses would be greater was anticipated and planned for. However, the down turn in the economy was not predicted. Deb explained that the cost of Park & Recreation in 2012 starts to decline because the BOS has tasked Park & Recreation to make all programs net to zero starting in 2012.

The Challenge

This is a presentation given by Senya and Marty. It is a 10 year projection based on current financial statements using different “What If” situations. Senya started by thanking all past and present Supervisors and Township Staff for all they did to manage the township properly and look to the future.

Version 1 - During the first 5 years, there would be no tax increases and current expenses were used. At the end of 2013, the township would be out of money for the Operating Fund. By 2020 the annual deficit would be \$4+ million and the township would be \$21 million in the hole.

Version 2 - The Capital Reserve Fund currently has \$6.2 million. Under this Version, \$5 million would be moved to offset the deficit. Everything is okay until 2016 when the \$5 million would be transferred to the Operating Fund to offset the deficit.

Version 3 - The Township would start with \$3.5 million in the Operating Fund, \$5 million transferred from the Capital Reserve Fund and cut expenses by \$275,000. In 2017 the \$8.5 million would be gone and Township would be \$2.5million in the hole.

Version 4 – Would have the same start numbers as Version 3 but would implement a real estate tax increase in 2012 in order to generate \$700,000 more. There would be further increases through 2020 but there is still a deficit of \$1.4 million.

Version 5 – Would have the same start numbers as Version 3 but no tax increase until 2016. Taxes will then increase each year through 2020 at a higher rate.

Note: All versions make no changes in level of service. At some point, taxes will become too high and services will have to be assessed. Senya pointed out that all townships in Chester County have a millage rate. Examples are: West Goshen’s was increased to 2, Easttown has 3.36 and West Chester Borough has 5.6.

Public Comment:

Al Zuccarello, Planning Commission member, asked if the Township and COG have considered a regional police force. Many years ago it was discussed in West Goshen meetings. Marty said that several years ago the Board met with West Goshen and surrounding communities about this but couldn't reach an agreement. Other options are to disband the police force and use the State Police or it's possible the County could run a police force for all communities. Mark Gordon asked if the EIT could be increased. Marty said it is set by Harrisburg.

Other Items for Discussion

Don suggested that a photo of each supervisor and a short bio be put on the BOS homepage of the Township Website. The Board approved this.

The Board reviewed a list of recommendations provided by the Finance Department to make \$275,000 in budget cuts for 2011. The basis for calculating the allocation of costs was discussed. The Finance Department will provide the BOS with a recommendation for calculating allocation of costs. There was not sufficient time to review all items on the list.

Those discussed were:

- * Charge a fee for outside groups to use the meeting rooms. No amount was discussed.
- * Annual ABC party – keep
- * Recording Secretary – Keep \$6000 for BOS secretary only.
- * Newsletter – Tabled
- * Hospice – Cut
- * Malvern Library – Tabled
- * Code Books – Agree with recommendation
- * Deer Tick Program – Agree with recommendation
- * Payroll – Tabled
- * Geese Program – Tabled
- * Occupancy Inspections – Tabled

No motions were made. The list review will continue at a later meeting.

Fire Hydrants – The board voted 3 to 1 to consider assessing this expense to charge those residents who are near a hydrant.

Adjournment

There being no further business, the meeting was adjourned at 3:40pm.

Respectfully submitted,

Ruth Kiefer
Recording Secretary