

**EAST GOSHEN TOWNSHIP
BOARD OF SUPERVISORS MEETING
1580 PAOLI PIKE
October 25, 2011 – 7:00pm
Final Approved Minutes**

Present: Chairman Senya D. Isayeff, Vice-Chairman Don McConathy and Supervisors Marty Shane, Thom Clapper and Carmen Battavio. Also present were Township Manager Rick Smith, Erich Meyer (Park & Rec), Kathryn Yahraes (Historical Commission), and Robert Hurst, Widener University Student.

Call to Order & Pledge of Allegiance

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

Moment of Silence

Carmen called for a moment of silence to honor the troops.

Recording of Meeting

No one indicated they would be recording the meeting.

Public Comment on Non-Agenda Items

None.

Chairman's Report

Senya announced the following:

- The Board met in Executive Session on October 18 to discuss a personnel matter.
- The Westtown-East Goshen Police Department will participate in the DEA National Prescription Drug Take Back Program on Sat. Oct. 29, from 10am to 2 pm at the police station on Rte. 202.

Financial Report

Deb Beury, Director of Finance and Brian McCool, Accounting Associate, presented the 2011 3rd quarter financial review.

General Fund

Deb explained the layout of the report for the General Fund and the responsibilities of the different departments within the township. This report shows the Annual Budget, Actual, YTD net and YTD variance. The final result is +\$469,000 resulting mostly from the Earned Income Tax. She explained what items make up this amount by department. Some of the savings resulted from the modification of the health plan and change in electrical supplier.

Year End Projections

Summary report – The 2011 projected year end is \$66,000. For 2012 a deficit is projected, the majority of which is due to Emergency Services and Public Works. He explained that East Goshen has a joint police department with Westtown and East Goshen's share is about 56% of

the police budget. Carmen commented that the Police Budget for 2012 has not been approved yet.

Detail Report – Deb added some comments for new items. Don feels the actual surplus will be about \$125,000.

Impact Report

Don asked about allocation of liquid fuels funds. Deb explained that the State funds can be allocated wherever the township wants. Marty feels that if an item is a wash, it should not be included in the report since there is no impact. Deb reported that they requested \$17,000 for storm damage, and she still expects a reimbursement.

5 Year Projections

Summary - Deb explained this is a preliminary report. On 1/1/2011 there was \$4 million in the General Fund. There will be a deficit by 2016 if nothing is done. The rise in costs is due mostly to Emergency Services. There was discussion about Park & Rec whose budget should be going to zero but isn't. Senya commented that about \$500,000 of the Public Works Budget goes toward maintaining the parks and should be moved to the Park & Rec Budget. The Farmers Market through the 501c3 is raising the funds to support township events such as, the Harvest Festival, Egg Hunt and Community Day. Senya believes they will be able to raise funds to maintain the parks, too. The Hershey's Mill Dam repair will be done in 2013. Don feels this should be moved to Capital Expenses.

Detail – The Post Retirement Health Plan for Police was discussed. Rick explained that the programs are assessed every 2 years resulting in an increase in cost. Don feels the funds shown in this report may be too high for the number of officers supported. The Bicentennial celebration is projected out but has no funds allocated to it yet. Senya feels the 501c3 will raise the funds for this event.

Replacement Schedule

The Milltown Reservoir is a new line item and will have ongoing expenses. Capital replacement for Park & Rec needs to be discussed with Mark Miller and a determination made about what capital costs should be put in the Park & Rec Capital Reserve.

Accounts Receivable

Utility Billing – As of 9/30, \$54,000 in late accounts have been collected by Tia Piccolo. Tia provided a list of 7 accounts she wants to take to court. Either there has been no response from them or they defaulted on the payment plan. Deb explained the process of liens. The liens are updated once a year, every year. Don moved to continue with the lien process on the 7 accounts Tia recommended. Thom seconded the motion. There was no further discussion. The motion passed unanimously.

Disbursements

Marty feels these are all mandated and the Township has no control over these payments. Senya commented that it may make a difference if the Township can get lower premiums for Health Insurance and Worker's Compensation.

Cash Balances

Deb explained that they moved the operational account from 1N Bank to M&T Bank. The interest rate market is very difficult. The current rate is only 20-30 basis points.

Other Funds

Capital Reserve - The budget is \$374,000 and \$173,000 has been used so far. The fund balance is about \$6 million.

Sewer Operating – YTD Variance is +\$48,676. The total variance for the 3 sewer plants is +\$17,975. Don commented that the Lockwood plant needs to be removed going forward. Marty would like to see the beginning and ending balances.

Refuse – There is \$20,000 included in Miscellaneous Revenue which is mostly for recycling.

Transportation – The \$67,000 expense is for the intersection of Line Road and Paoli Pike. State liquid fuels expenses will be moved to the General Fund. Rick reported that a letter was received from the State confirming that the Township will receive \$364,000 in 2012.

Municipal Authority – There are 3 budgets – Ridley Creek, Operating and Capital. Auditors will be here November 11, 2011.

What If

Overtime is included in the salary projections. Deb explained the set up of the report and the different categories.

Revenue

Alarm Ordinance Fees will remain as entered.

Working without a Permit fees move to zero.

Contractor license fee amount should be lowered

Legal – Conditional Use fees seem high.

Miscellaneous Discussions

On the 5 Year Projections, Marty would like to have 2008 and 2009 included in the history. Deb will remove the EIT refund category. She used a 5% increase going forward for Verizon Cable.

Park fees are down even though the fees to use the facilities were increased. In the past, the groups paid to reserve the fields whether they used them or not. Now they are more careful about expenses.

There was discussion of the two philosophies of increasing taxes: 1) blending – increase taxes and pull from reserves vs 2) spend reserves first then increase taxes, which results in a large tax increase.

For the next Planning Session, the 5 Year Projection should be done first with the revisions, then do the “What If” using the revised projections.

Old Business

IPAD – Rick reported that Burt will have the IPAD ready on Thursday. Thom volunteered to be the first one to use it.

Holiday Party – Carmen distributed the pricing from Hershey's Mill Golf Club. After discussion of the various options, Marty moved to approve the open bar option from 6 to 9 pm at \$80-85/person. Don seconded the motion. The motion passed 4 – 1 with Thom voting no. The invitation list was discussed.

New Business

Goshen Fire Company – The Supervisors discussed Rick's memo regarding a shortage of volunteers at the Goshen Fire Company. The recommendation is to allow Township employees, who are volunteers with other local fire companies, to respond to certain Goshen Fire Company calls as well. In return, Goshen Fire Company would be asked if they would be willing to give these employees credit for the drills they attend at their home fire company. They will leave work only for large building fires, no accidents. As soon as the fire is out, they must return to work. They will be considered volunteers but will get paid to the end of their normal shift. They will represent the Goshen Fire Company and will be covered under the Fire Company's insurance. Marty wants the employee to sign a form listing the conditions under which they will do this. Carmen will ask the Fire Company about the 50% drill waiver. No decision was made at this time.

Neighbor Blight Ordinance – This was discussed. Senya doesn't agree with denying permits if there are violations with another township.

Burning – When leaves are added, more smoke is created and smoke is the issue. No changes at this time.

Delaware Valley Investment Trust (DVIT) – This is a trust which purchases re-insurance through "A" rated insurers. The liability limit is \$10 million and property limit is \$1 billion. There is an application fee of \$1,000 which is returned if the application is rejected or credited to your account if you go with DVIT. Marty moved to approve \$1,000 to apply and find out what it is all about. Don seconded the motion. There was no further discussion. The motion passed unanimously.

Community Development Committee – There are 8 candidates to interview. It was decided to see 4 at the November 15th meeting and 4 at the November 22nd meeting.

Approval of Minutes

The Chairman noted that the minutes of the October 18, 2011 meeting were approved as corrected.

Treasurer's Report

The Board reviewed the Treasurer's Report and the current invoices. Thom moved to accept the Treasurer's Report of October 13 and the Expenditure Register Report as recommended by the Treasurer, to accept the receipts and to authorize payment of the invoices just reviewed. Don

seconded the motion. There was no discussion and no public comment. The Board voted unanimously to approve the motion.

Adjournment

There being no further business, the regular meeting was adjourned at 10:30 pm.

Executive Session

The Board met in Executive Session until 10:45 pm to discuss a personnel matter.

Respectfully submitted,

Ruth Kiefer, Recording Secretary