

A Workshop Meeting of the Upper Pottsgrove Township Board of Commissioners was held on Monday, November 12, 2018, at the Upper Pottsgrove Township Administrative Office, 1409 Farmington Avenue, with Commissioners Trace Slinkerd, France Krazalkovich, Elwood Taylor, Martin Schreiber and Renee Spaide present. Also present were Township Solicitor Matthew Hovey, Township Manager Carol R. Lewis, Township Secretary Michelle Reddick, Public Works Director Justin Bean, Chief Francis Wheatley and Sewer and Water Chairman John Bealer.

PLEDGE OF ALLEGIANCE – Those present pledged allegiance to the flag.

OPENING COMMENTS – There were no opening comments.

BUDGET PROCESS – BUDGET OVERVIEW

General Fund - T. Slinkerd explained changes to the proposed budget include an increase in the earned income tax revenues from \$800,000 to \$900,000 and an increase in the transfer from Sewer Fund to General Fund. C. Lewis explained the proposed budget includes expenses of \$76,000 for a salt shed, \$3,000 for a roller and \$50,000 for building repairs. She recommended the Board consider budgeting additional money for road repairs. She referenced the road database and outlined J. Bean’s recommendation for the low volume roads which includes base repairs in house, a leveling course, and then after a year, oil and chip. She explained J. Bean is recommending a base repair or full depth reclamation and widening on Pineford Road and base repair on Bruce Drive and Diamond Street. She further explained there is \$100,000 budgeted in State Fund for road repairs and recommended \$50,000 be included in the General Fund budget for road repairs. In response to a question from R. Spaide, J. Bean explained the road work on Bruce Drive would only include the section in our Township. In response to a question from M. Schreiber, J. Bean explained a milling machine would make it easier for the in-house base repair, but it is costly. He noted they are able to rent a milling machine and an operator for a good price.

Sewer Fund - J. Bealer explained the budget for Sewer Fund includes an increase in the transfer to General Fund to \$175,000, a project reserve fund of \$500,000 and a fund reserve of \$200,000. T. Slinkerd noted there was a bond issue or borrowing for projects in the past. J. Bealer noted we have received grants over the last two years for projects. In response to a question from F. Krazalkovich, C. Lewis explained the money for the upcoming project would be coming from the fund reserve. In response to another question from F. Krazalkovich, J. Bealer advised there would not be any increase in sewer rates. In response to questions from M. Schreiber, C. Lewis explained the project will include homes along Gilbertsville Road as these should have been done as part of the Phase I project, and they are hoping to bore under the road rather than dig up the road. In response to a question from E. Taylor, J. Bealer explained there will be 27 additional homes which will still need to be connected after the Phase II-A project. In response to another question from E. Taylor, T. Slinkerd advised the excess money is coming from the spread of final revenues over expenses. E. Taylor noted he is glad to see the benefit of additional building as it relates to sewer revenue. T. Slinkerd advised the additional revenue is not related to the current building taking place within the two new developments. In response to a question from F. Krazalkovich, J. Bealer explained there is no additional money being expensed to our debt in the proposed budget. M. Schreiber suggested considering making the transfer from Sewer Fund to General Fund on a quarterly basis, and noted he is not in agreement with how the transfer is calculated. T. Slinkerd agreed M. Schreiber makes a good point and reiterated the Board needs to revisit how the amount of the transfer is being calculated. In response to another question from M. Schreiber concerning the Green Light Go Grant and our matching funds, C. Lewis explained she has included this money under traffic signal maintenance in the General Fund budget.

Open Space – T. Slinkerd advised the proposed budget currently includes the transfer to General Fund for maintenance items; however, the Open Space and Recreation Board will be discussing whether to pay maintenance items directly out of open space. He further advised Chairman Dennis Elliott has requested to use one half of the unrestricted fund towards projects. In response to a question from M. Schreiber, C. Lewis explained it was suggested to send out a request for proposals for the maintenance items to see if it is possible to reduce costs. M. Schreiber noted it could be a combination of an outside contractor and our public works department.

Fire Fund – F. Krazalkovich advised the Fire Committee will discuss the proposed budget at their upcoming meeting.

State Fund – C. Lewis outlined the proposed budget which includes \$100,000 for road repairs. In response to a question from M. Schreiber, C. Lewis advised the salt shed could come out of the State Fund, but there is no money available in the proposed budget.

In response to a question from **F. Krazalkovich**, Chief Wheatley advised sixty-six percent of the proposed police budget is personnel, and there is no way to reduce the operational budget for the police department. **T. Slinkerd** noted the Board will need to consider how personnel costs will affect the budget going forward. In response to a question from **M. Schreiber**, there may be some federal grants for the school resource officer, but these funds would go to the School District.

Capital Improvements – C. Lewis noted the funds were transferred as authorized at the last meeting.

C. Garner advised the proposed budget must be available for inspection and ready for advertisement by November 27th. It would then need to be advertised by December 7th in order to adopt at the regular meeting on December 17th. In response to questions from F. Krazalkovich, C. Garner explained the tax ordinance could be advertised at same time as the budget, and the Board could adopt a lower tax millage but not a higher tax millage once the tax ordinance is advertised.

EXECUTIVE SESSION – The Board adjourned into executive session at 8:04 p.m. to discuss personnel and litigation with no action to follow. They reconvened at 8:54 p.m.

ADJOURNMENT – The Board adjourned by the consent of those present at 8:55 p.m.

Submitted,

Michelle L. Reddick, Township Secretary