

On Monday, November 2, 2009, the Board of Commissioners held a special meeting to discuss the proposed 2010 Township Budget and any other business that came before the Board. The meeting was held at the Upper Pottsgrove Township Administrative Office, 1409 Farmington Avenue, with Commissioners Dolan, Miller, Noll, Spaide and Taylor in attendance. Also present were Township Manager Jack P. Layne, Public Works Director Frank Quinter, Township Secretary Cynthia Saylor and Financial Consultant Matthew Dallas. Commissioner Taylor called the meeting to order at 5:30 P.M. There were 4 people present in the audience.

OLD BUSINESS:**PRESENTATION, DISCUSSION AND POSSIBLE ACTION REGARDING THE PROPOSED 2010 BUDGET - STATE FUND**

Financial Consultant Matthew Dallas, provided an overview of the proposed 2010 State Fund Budget and noted a projected cash reserve at year end of \$60,000 and approximately \$248,000 reserved for North State Street improvements. Commissioner Miller referenced the \$27,000 allocated towards road resurfacing and questioned the Public Works Director's "plan of attack" especially along North Hanover Street, from Dave Hollenbach's to the Mervine Street intersection. Mr. Quinter stated North Hanover Street has been on his "road list" for the last several years and noted that the Township's Liquid Fuels allocation was cut again by \$4,000. He further reported that the Snyder Road Bridge needs repairs as well as drainage work along Farmington Avenue. Mr. Layne stated the Township will aggressively be pursuing grant funding.

FIRE FUND - Mr. Dallas provided an overview of the proposed 2010 Fire Fund budget and noted a projected cash carry over at year end of \$40,000 and total revenues of \$239,709. He further noted \$100,000 in cash reserve, which is actually two CD's. Mr. Dallas reported a \$36,000 vehicle lease expense this year which represents an annual payment for the new fire truck. Mr. Layne advised the first payment is due within one year of receipt of the new truck. The new truck is expected later this month. Mr. Dallas reported the 2010 proposed budget reflects \$100,445 in total operating expenses and an accumulated fund balance of \$139,264. Commissioner Taylor clarified that \$100,000 of the accumulated fund balance is in the cash reserve account.

CAPITAL FUND - Mr. Dallas explained that the Capital Fund is comprised mostly of sewer related work. Mr. Dallas provided an overview of the proposed 2010 Capital Fund budget and noted total revenues and reserve of \$3,929,221 and total expenses of \$3,643,200. There is projected \$230,000 cash at year end and approximately \$10,000 in interest. Mr. Dallas reported if both of the major projects were completed (Regal Oaks pump station and Farmington Avenue West II) the Township would be potentially receiving \$3,300,000 in additional borrowing revenue from the PennVest loan. He further reported the Township received \$389,221 in the H2O PA Grant. Mr. Dallas explained the expenses depicted on the proposed 2010 Capital Fund budget are the balances of the projects that are currently "up and running" in the Township. Commissioner Miller expressed his concern regarding the \$500,000 expenditure for engineering costs. Commissioner Spaide questioned if anyone reviews the engineering bills prior to payment. Commissioner Noll questioned whether there has been any notice from LTL Consultants regarding a rate increase next year. Mr. Layne stated he would discuss the matter with Dan Levensgood from LTL Consultants.

CAPITAL FUND CONT'D - Commissioner Taylor gave a brief description of the Farmington Avenue West Phase II project, the Regal Oaks Plant Upgrades, the York/Beech Street Modifications and the Pottstown Borough Authority Capacity Purchase.

Mr. Dallas reported some minor modifications to the Sewer Fund since the last Budget meeting and noted an allocation to the Sewer Fund in the amount of \$211,505. Commissioner Taylor explained this money (\$211,505) was originally “fronted” by the Sewer Fund for engineering, legal and administrative expenses concerning the on going sewer project.

There was some discussion regarding paying off prior year debt owed to the Pottstown Borough Authority. Mr. Dallas provided the following pay off amounts: a payment to Pottstown Borough on January 1, 2010 in the amount of \$292,000 which represents 1991 and 2005 debt, a payment to Pottstown Borough in the amount of \$11,000 for the 2005 Dryer Project, and a payment in the amount of \$24,000 for Operating and Maintenance overages for the years 2003 - 2007. It was noted that requests from the Borough of Pottstown for these payments were reviewed by both the Township Solicitor and Engineer. Mr. Dallas stated the Township could use monies from the Tax Anticipation Note to pay off the debt or from the Sewer Fund. He further noted that by paying off the above debt as outlined the Township would save approximately \$856,000.

Mr. Dallas reported a minor change within the General fund and noted an additional \$5,000 to the Civil Service line item.

Mr. Dallas noted the importance of having a “rainy day” fund.

BUDGET MEETING SCHEDULE - After a brief discussion, the members of the Board agreed to cancel the November 9, 2009, budget meeting.

ADJOURNMENT - There being no further business, a motion by Spaide, seconded by Dolan, to adjourn the meeting at 6:50 P.M. All aye votes.

Respectfully submitted,

Cynthia H. Saylor
Township Secretary