

**Minutes – Board of Commissioners
Upper Pottsgrove Township**

November 7, 2019

A workshop meeting of the Upper Pottsgrove Township Board of Commissioners was held to on Thursday, November 7, 2019, at the Upper Pottsgrove Administrative Office, 1409 Farmington Avenue, with Commissioners Trace Slinkerd, France Krazalkovich, Renee Spaide, Martin Schreiber and Elwood Taylor present. Also present were Township Manager Michelle Reddick, Solicitor Charles Garner, Police Chief James Fisher, Public Works Director Justin Bean and Township Secretary Jeannie DiSante.

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

OPENING COMMENTS

T. Slinkerd announced the Board will be reviewing the 2020 preliminary budget starting with the General Fund and noting some of the Commissioners have previously sat with Manager Reddick and discussed budget items. On the summary page at the top, T. Slinkerd explained that balances are not included in reserve columns therefore, the Opening Cash Balance is not included there. He read the detailed breakout of the projected December 31st fund balance of \$1.2M which includes a \$300K deficit and keeping \$600K in reserve. There were numerous adjusting entries going into 2019, several from the 2018 audit and many budgeted transfers that were not executed in past years of \$605,000 which inflated the revenues for 2018.

NEW BUSINESS

2020 PRELIMINARY BUDGET REVIEW – General Fund - M. Reddick began with the revenues explaining that she included notes on line items. In the past nothing was noted to support the calculations and therefore she cannot explain the higher than average 2019 budget numbers on many line items. Also added to the spreadsheets is a column indicating a % increase or decrease between 2019 budget to the 2020 budget. M. Reddick read through each line item explaining the calculations and asking for questions. She indicated in the notes which line items have a matching line item amount in the expense side of the budget. There was discussion and clarification requested on the items in the revenue miscellaneous line items. The final budgeted revenue calculations are a 0.95% increase over the 2019 budget.

On the expense side, concerning the legislative dues line, the Township typically belongs to several organizations i.e. PSATS, PA Municipal League (PML), Perkioman Watershed Conservancy (MS4), Montgomery County Association of Township Officials. In 2019 the Township did not join all of these however, the budgeted amount is in anticipation of joining those organizations going forward. It was noted by F. Krazalkovich that PSATS is becoming part of PML and fees will be charged accordingly.

There were discussions on wages, benefits, employee contributions and costs in each department. Line items were consolidated in some instances and other line items were eliminated. Funds were budgeted for installation of a security camera system for the Township administration office however, there are grants available through the insurance company that may cover the costs.

**Minutes – Board of Commissioners
Upper Pottsgrove Township**

November 7, 2019

Concerning the police department budget, most items are contractual. There was discussion concerning costs for a Fire Marshal and it was agreed the costs be paid from the general fund not the fire fund. In the road department budget the trucks and equipment are aged and in need for major upgrades and maintenance.

Concerning the Operating Fund Reserve of \$612K, unless the funds are put into a separate bank account it is not considered a fund reserve. F. Krazalkovich would like to see those funds transferred to a separate account. T. Slinkerd agreed, once all the prior year adjustments are cleared up. E. Taylor asked if there would be restrictions on the money and it was agreed there would not be restrictions.

Sewer Fund - discussions included the sale of the sewer system, interest rates on the debt principal and construction costs of ongoing scheduled installations and needing a resolution to apply for available grants.

Open Space Fund was reviewed with no questions. In the **Fire Fund** there was a discussion to have separate reserve fund accounts opened for operational funds and truck funds. M. Reddick noted in the **State Fund** the Township ended the 2018 year in an \$8.7K deficit. It would have been an even greater deficit however, at the end of 2018 the former financial assistant sent out checks when there was no money in the account. Once discovered by M. Reddick it was too late to stop the checks and she needed to transfer money from the general fund to the state fund to cover the payments of \$13,162. Later it was discovered that unless the state fund pays the money back to the general fund in the same year it is considered a grant. There will be a positive balance at the end of 2019 because the Township did not do any paving projects. The budget for 2020 ends in a deficit however, M. Reddick needs to confirm with the State that it is allowable. For this first budget review she suggests reducing some line item costs to cover the deficit.

RATIFY RESOLUTION 704 AUTHORIZING SUBMISSION OF PECO GREEN REGION GRANT - F. Krazalkovich made a motion, seconded by T. Slinkerd and unanimously carried to ratify approval authorizing Township staff to execute Resolution No. 704 as stated.

OLD BUSINESS

CONSIDER APPROVAL OF FIRE SERVICES AGREEMENT - D. Raudenbush presented the revised agreement approved by the fire committee. F. Krazalkovich made a motion, seconded by R. Spaide to authorize the appropriate Township staff to execute the agreement by and between Upper Pottsgrove Township and Upper Pottsgrove Township Fire Company No. 1. T. Slinkerd, R. Spaide, F. Krazalkovich, E. Taylor: aye. M. Schreiber: nay. Motion carried 4-1.

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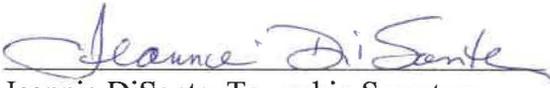
November 7, 2019

UPDATE FROM PFM ON SALE OF SEWER SYSTEM - T. Slinkerd noted the update from PFM was distributed to each Commissioner and Solicitor Garner suggested the updates be posted on the Township's bulletin board and website as it is a public document.

EXECUTIVE SESSION - T. Slinkerd announced an executive session at 9:25 pm for judicial deliberation with possible action by the Commissioners. The Board reconvened at 9:52 pm and no action was taken.

ADJOURNMENT – The meeting was adjourned at 9:53 p.m.

Respectfully submitted,


Jeannie DiSante, Township Secretary