

**DOVER TOWNSHIP
BOARD OF SUPERVISORS MEETING
BUDGET WORK SESSION MINUTES
OCTOBER 12, 2015**

The Dover Township Board of Supervisors held a budget work session meeting on Monday, October 12, 2015, which began at 6:00 PM in the Board Room of the Dover Township Municipal Building. Dover Township Supervisors present were Chair Matthew Menges, Monica Love, Charles Richards, Stephen Stefanowicz, and Stephen Parthree. Other Township Representatives present were Laurel Oswalt, Township Manager; and Trena Hall, Recording Secretary. There were no citizens in attendance. This meeting has been recorded for minute purposes only.

The purpose of this budget work session was to review the proposed 2016 Budget for Dover Township.

All Budgets are currently balanced

GENERAL FUND

One Million Dollars is projected to be carried over for the 2016 Capital Projects with an estimated additional \$25,000 from 2015, dependent upon many circumstances. Manager Oswalt provided a memo to discuss the proposed budget.

Capital Reserve/Improvements

There is a proposed \$428,052 in Capital Improvements and \$90,000 in Capital Equipment. Manager Oswalt prefers not to go over \$200,000/\$250,000 in projects in one year and would like to cut back on some projects for next year. There needs to be some kind of balance to work with. There would be no money to carry over into 2017 if there is no carry over from 2016. Manager Oswalt feels that the Township is obligated to complete the following projects:

1. \$10,000 – Engineering for the Nursery Road Culvert Replacement CDBG Grant.
Dover Township has to pay for engineering on the grant. This grant will be received in 2016 and the project must be completed in 2016.
2. \$100,000 – Jayne Lane/Tower Drive/Davidsburg Road Left Turn Lane.
3. \$20,000 –Facilities Portion of Backhoe. This is a new purchase.

Other projects mentioned were as follows:

1. \$51,110 for garage engineering. This is for the proposed Public Works Garage. This price includes 4 design options, the preliminary planning and engineering of a design, structural and project management site, civil, architectural, mechanical, electrical, and plumbing and cost estimating. Final design, bidding and construction phase is estimated to be in the \$300,000 range. These figures are from C.S. Davidson. C.

Richards and M. Love agreed that this project needs to keep moving. If the Board would work at this project they could keep expenses under the quoted \$51,100.

Board Consensus was to lower this item to \$30,000.

2. \$214,982 for replacing the Community Center Building Roof. There have been no comments since patch work was completed. **Board Consensus** was to cut this item and move to 2017.
3. \$51,960 for Stream Restoration work in the area of 2500 Danielle Drive and Willapa Drive. We are in the process of applying for a grant and if received, money should be available. **Board Consensus** was to budget for this but only move forward with the project if grant money is received to complete this.
4. \$70,000 for the emergency generator for the Community Center. Chair Menges suggested purchasing portable emergency generators for a short-term period. **Board Consensus** was to lower this item to \$40,000. This could be sold to the Water Department when money is available to purchase a permanent one.

Board Consensus was to make sure that projects that are cut or put on hold must be budgeted for the following year.

General Fund Financial Administration

1. 10402.34 – \$24,000 - This is for the printing (\$16,000) and postage (\$8,000) of the Newsletter 4 times a year. This pricing includes a 16 total page color printed. The Recreation Director volunteered to solicit for advertising for the newsletter when out soliciting for events. The Fee Resolution will need to be updated with the costs for the different sizing of newsletter advertisements. Chair Menges suggested referring residents to visit the Township website for more information instead of having a full sized article. **Board Consensus** was to go with a 16 total page, colored newsletter and solicit for advertisements for the newsletter. Chair Menges noted to keep track of the Revenues for advertising for future budgeting.

General Fund Building

1. 10409.22 - \$7,650 – This is for a portion of new computers and additional security cameras for the Township Building.
2. 10409.70 - \$6,000 less a possible \$1,000 SMT Safety Grant - This is for Capital Improvements of shot blasting the Morton Building floor for safety concerns.
3. 10409.74 - \$2,802 – This is the last portion of the leased WAM Mower

General Fund Protective Equipment

1. 10413.20E - \$4,863 – This is for supplies for the Emergency Management Office. Following are items suggested: ID badges, desktop, laptop, office supplies, etc. Some money may be reimbursed from the York County EOC. The Board suggested that the Township's IT Department approve electronic purchases.

General Fund Highway

1. 10430.32GPS - \$5,400 – This is for the installation of GPS equipment in all Highway Vehicles that plow. C. Richards inquired if this project is needed immediately. Manager Oswalt and Chair Menges agreed that money is available to complete this project, in this budget.

General Fund Highway Stormwater

1. 10436.30 - \$9,700 – This is the second payment of 5 for the CBPRP contribution.

General Fund Parks

1. 10454.32GPS - \$720.00 – This is for the installation of GPS equipment in all Facilities Department vehicles that plow.
2. 10454.70 - \$7,500 – This is for the Capital Improvements of installing a new baseball field at Edgewood Park.
3. 10454.74 - \$5,604 – This is the last portion on the leased WAM Mower.

General Fund Golf Course Property

1. 10455.37 - \$15,000 – This is for routine maintenance and painting to the barn.
2. 10455.70 - \$2,802 – This is the last portion on the leased WAM Mower

General Fund Community Building

1. 10459.70 – This is for Capital Improvements of sidewalks at the old Library entrance (\$1,950); LED lighting at the kitchen pavilion, on the outside and in the parking lot (\$14,630); and new tables for the Social Hall (\$7,000). The Township will be submitting for reimbursement to MET-ED through a grant program for the lighting. After table replacement, the good tables will be disbursed throughout the Brookside Park buildings.

Manager Oswalt noted that the Budget is currently balanced.

Chair Menges inquired about the \$105,000 that was surplus operating funds which was discussed during the Administrative Budget meeting. Manager Oswalt noted that the \$171,000 for the Water bond was allotted twice in the Budget. Once that was removed, Manager Oswalt made some adjustments, to both the Revenues and Expenditures to balance the budget. Some line items that were **increased** are as follows:

10310.10 - Reality Transfer Tax by \$5,000; 10322.43 - Plumbing permits by \$1,000; 10322.45 - Mechanical permits by \$1,000; 10391.10 – Sale of equipment for \$25,000 to come in from the sale of truck No. 5; and a few other decreases to expense line items including a change in fuel. These changes in conjunction with the movement of some projects to Reserve balanced the Budget. Manager Oswalt had indicated that there was a possibility of increasing Revenues in building permits and stormwater fees, due to anticipated development. Manager Oswalt did have a concern about projecting these increased Revenues.

At this point, S. Parthree proposed eliminating the \$55,000 Per Capita Tax. He considers this tax a nuisance tax which is not accurately being enforced. S. Parthree has knowledge of 7 people

who are not on the tax roll. The Per Capita Tax of \$5.00 is charged to persons over the age of 18 who are living in the Township. The Enumerator keeps track of these records for both the Township and the School District. The Enumerator is paid \$9,500 a year with the School District paying the Township \$8,600 towards this expense. The tax is currently at the maximum for both the Township and the School District. Eliminating the Enumerator position will not affect the Tax Collector. Chair Menges inquired if this tax is eliminated can it be reinstated. Manager Oswalt thought it could be, but would need to verify this. S. Parthree noted that he believes cutting the Per Capita Tax will provide many saved expenses. When residents do not pay this tax they get turned over to the York County Tax Bureau. Extra fees are then calculated on top of the original amount. M. Love noted that this is a lovely thought but a bad time to discuss this issue. She noted that the State has not even balanced their Budget which could affect the Township on Liquid Fuel monies and other areas. S. Stefanowicz agreed on eliminating this tax.

Manager Oswalt has concerns on completing more than \$200,000 - \$250,000 in projects. If money is not carried over to replace this amount, projects may not be able to be done the next year. Not receiving the \$55,000 is concerning if it cannot be replaced.

Board Consensus was to eliminate this tax.

Line items to cut to find the \$55,000 are as follows:

10403.50	This line item for \$9,500 for the Tax Enumerator is being eliminated.
10403.11	This line item for FICA will be reduced to \$1,271.00
10403.13	This line item for Medicare will be reduced to \$292.00

These items total around \$10,227 to eliminate on the expenditure side.

10395.50	Eliminating \$8,600 in Revenue, for the enumerator, would result in a total savings of \$1,627
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Other Revenue items to adjust:

10310.30	Increase the Mercantile Tax up to \$345,000. Chair Menges suggested that new businesses coming to Dover would warrant this increase.
10322.41	Increase the Building Permits up to \$185,000. Chair Menges suggested that new businesses pulling permits would aid this line item. M. Love noted that this Board is being very optimistic.

Approximately \$27,373 is still needed to balance the budget.

C. Richards suggested cutting the tax in half for a reduction. The majority felt that this would not be worth the effort to eliminate the tax.

Chair Menges questioned if equipment being sold will be put back into the Revenues. This money would need to be split between the departments who helped purchase it.

Manager Oswalt suggested taking money from Medical Insurance.

Chair Menges noted that between Stormwater Fees, Stormwater Maintenance, Subdivision, Engineering and the Medical Insurance line items there is over \$47,000 to work with to make this amount work. S. Parthree noted with these suggestions to give the Budget back to Manager Oswalt to balance. M. Love noted that they needed to leave tonight with a balanced Budget. She also noted that a balanced Budget is needed to forward to Manchester, Conewago and West Manchester Townships with the Joint Sewer information. The Budget will need to be advertised and voted on by the last meeting in November.

M. Love noted that eliminating this \$55,000 should have been discussed before this Budget Session. S. Parthree noted that he suggested this because he heard that the budget had a surplus of \$105,000 and that eliminating this \$55,000 would be easily done.

Manager Oswalt noted that she did make some suggestions to Chair Menges during their Administrative meeting because she knew that the Board did not want to raise taxes. However, some of those suggestions were concerning because they are based on growth instead of guaranteed income.

S. Stefanowicz noted that as items are removed from the budget and moved to Reserve or moved to following years, the Board needs to be honest and complete these projects as priority for the following year and not wait until October to discuss.

C. Richards inquired how the Board will look if they eliminate this Per Capita Tax this year and then turn around next year and have to bring it back. This is a possibility but Chair Menges believes that this tax cut can be done.

Manager Oswalt mentioned moving \$16,600 for the saving of the Township Building parking lot paving to Reserve could be of help. She then noted that this line item had appeared to have been removed from the Budget already in error. The paving project was added back into Reserve.

The following amendments were suggested:

1. 10455.37 - Move the barning painting of \$10,000 to Reserve.
2. The Board also projected receiving an income for newsletter advertisements. They are estimating to receive \$200 an advertisement, with a total of 20 advertisements. This would result in \$4,000 in Revenue.
3. It was suggested to not do the ballfield for Edgewood Park; however, this was not implemented as a change.
4. 103361.31 – Subdivision Fees - Increase by \$2,000 and 103361.313 – Engineering Developers Fees - increase by \$5,000 resulting in \$7,000 of additional income.
5. Decrease \$2,000 Expenses to Fuel Donations for the Ambulance Club.
6. Decrease \$1,875 from 10454.45 for mowing.

Approximately \$2,498 was still needed to balance the Budget.

There was discussion about removing the security cameras or the GPS units from the Budget. However, Manager Oswald suggested removing the following:

1. 10409.70 – Capital Improvement – Remove \$1,000 from the Morton Building for the floor blasting in anticipation of receiving the grant in that amount.
2. 10395.15 – Medical Insurance Reimbursement – Adding the remainder necessary to balance the budget to this Revenue line item.

Total amount in Reserve projects will be \$278,560.

Board Consensus was to pass this budget when advertised for adoption. **Opposed** by M. Love

STATE AID (LIQUID FUELS) FUND

20430.70 - Capital Purchases Included:

1. \$25,000 for share of New Backhoe
2. \$100,000 for Large Dump Truck that should arrive at the end of 2015
3. \$75,000 for Truck #19 replacement

201439.20 - Construction Projects Include:

1. \$29,000 Sealcoating George Street
2. \$53,000 Paradise Road
3. \$27,000 Pinchtown Road (W.Canal to Admire Road)
4. \$29,000 Temple School Road
5. \$225,000 Rohlers Church (overlay)
6. \$14,000 Fox Run Bridge
7. \$47,600 Guide Rail

RECREATION FUND

New programs that will be added are Art Classes, sale of Consignment Tickets for fundraising, have local businesses sponsor programs like movie nights and yearly events, and expand bus trips.

30350.09b Fall Fest should be decreased by \$100.00 to balance the Budget.

SEWER FUND

40402.22 – Sewer Financial Administration

1. 40402.22 - \$3,325 includes a portion of the computers and security cameras for the Municipal Building.

Sewer Collections

1. 40426.26 - \$10,000 Minor Equipment – Replace push camera
2. 40426.32GPS - \$1,080 GPS Units – Installation of GPS equipment in all Sewer vehicles that plow
3. 40426.37 - \$500,000 – This will be moved to a new account of 40429.37
4. 40426.75 - \$79,800 for Major Equipment – projects included are as follows:
 - a. \$45,800 for lease payment #1, for the John Deere Tractor
 - b. \$20,000 for a portion of a New Backhoe
 - c. \$14,000 for a new plow for the tractor

Dover Township Lines I and I

1. 40427.31 – \$63,000 Engineering – this was based off of the costs associated with the previous lining projects

Waste Water Treatment Plant

1. 40429.10 – Salaries – a new hire
2. 40429.37 – Maintenance as follows:
 - a. \$16,000 to replace another Sludge Transfer Pump
 - b. \$5,000 for storage rental
 - c. \$30,000 for lube and maintenance expenses
 - d. \$10,000 for annual service contracts
 - e. \$50,000 to replace Grit #1 Classifier
 - f. \$12,000 for maintenance/crane rental for IPS Pump
 - g. \$60,000 for Emergency Repairs

40429.27 – The WWTP will be required to connect to York Water at some point and Sophie Simon estimated \$120,000 for this project. However, the water fee will actually cost less than this amount. S. Stefanowicz requested this fee to York Water be separate from the regular utility costs.

40401.10 – Manager Salary – The increase is due to a change in the Salary reimbursement for the Public Works position. 50% comes from the General Fund and 25% from Water and Sewer.

40426.313 – Engineering – This year's actuals have the Township over budget upon review with the Treasurer, some corrections are warranted.

40429.15 – Hospital Insurance – This line increased because of a new hire for 2016 and one that is still being hired for 2015.

40470.12 – Debt for 2012 – Smaller payments were made upfront.

WATER FUND

Water Financial Administration

1. 50449.31 – Engineering - Only budgeted for half of the engineering work for the north of the Borough project because it would not be started until late in the year. (\$30,000) Money has been put in for the analysis of our Wells for the renewal of our Water Allocation Permit with the Susquehanna River Basin in 2018.
2. 50449.32GPS – GPS Unit – \$1,080 for the installation of GPS equipment in all Water Vehicles that plow
3. 50449.71 – Capital Improvements – Work on the McNaughton Well (\$100,000) and a Water Main Project on Staunton/Highland Avenue (\$290,000-\$231,300 Construction/the remainder of Engineering and Inspection)
4. 50449.74 – Major Equipment - \$20,000 for a portion of the backhoe payment.

50358.10 – Water Rent - Chair Menges questioned the 19.6% increase. 10% is from the proposed rate increase and the 9.6% is the expected increase projected from previous revenue years. It is anticipated that this budget will have a \$3 Million reserve with a possible \$300,000 surplus from 2015. Manager Oswald reviewed the options for the 10% water rate increase that was discussed at the last Board meeting. She also explained the reasoning of proposing a rate increase now to keep from having a higher rate increase in the future and both Water and Sewer increases happening in the same years. A lesser increase can be done now and still make up the same amount of money till 2020. M. Love noted that the 10% is going to amount to \$.76 per 1,000 gallons used over the first 6,000. S. Stefanowicz inquired what we will tell families when they question the increase. Manager Oswald noted that there are projects that are being worked on to update the system. S. Stefanowicz noted that all rate payers should pay not just the families. The Board must make the choice of how to structure the rate increases. The Board suggested a small increase over each year. Chair Menges does not want to take more money from the rate payers until the time is needed. It was noted that money is carried over for a reason to complete projects and a reserve helps prevent the Township from needing to borrow. In addition having healthy reserves is necessary when borrowing is needed. S. Stefanowicz noted that residents are livid to know that there is such an amount in the Reserve. Manager Oswald noted that some communities have more than what Dover Township has in Reserve. M. Love noted that the residents that she has spoken to would rather have smaller increases. S. Stefanowicz reviewed the options. The carryover projection is about \$300,000 to the Reserve. If rates are not raised, about \$200,000 will need to be taken out of Reserve to complete projects for 2016.

Chair Menges noted that it is easier to raise rates than taxes. When you raise rates people are getting something tangible. Chair Menges noted that a 2% increase would pay for all of the projects proposed and still allow for about \$25,000 to carry over with the \$3 Million. Manager Oswald noted that the rate structure is up to the Board to decide.

Chair Menges noted that if the following year rate increases are needed at least then the Water Rate Analysis is proof for the increase. If there is an increase for 2016 he has no explanation/proof for the increase. S. Stefanowicz noted that you could explain that the Township is preparing for the future. Chair Menges noted that Dover residents will have a problem with an unneeded rate increase.

S. Stefanowicz is not in favor of raising rates this year. He suggested small increases yearly over the next 4 years.

Manager Oswalt asked for direction on what to move to Reserve as a project to balance the Budget. Chair Menges noted to move what is easiest.

FIRE PROTECTION FUND

Chair Menges questioned the need for a new Explorer to replace the 2007/2008 Expedition for the Fire Chief. Volunteer members are being seen driving outside of the Township in these Fire Department vehicles and using them as what is thought to be a personal vehicle. Residents are questioning why these vehicles are out of the area or at area restaurants and stores. M. Love noted that if the fire fighters are in these vehicles then they are not considered out of service. M. Love noted that the truck and expedition are being used for traveling to trainings and picking up supplies that may be out of the Township. Board members asked if there are guidelines for the Fire Department vehicles. There are policies in place.

S. Stefanowicz noted that if there was a Capital Appropriation Form to fill out, the Board would have the understanding of why the explorer is needed.

Some Board members are not happy with this purchase but agreed to move on.

RECREATION IN LIEW OF FUND

Monies have not been received to date on the Phase III of Faire Wynd. The Bupp/McNaughton Plan should move forward. Monies have not been appropriated to spend since the funds have not been received.

Manager Oswalt requested a few minutes for an executive session on personnel.

With no further business the budget work session was adjourned at 9:17 PM and continued into an executive session on personnel matters.

Respectfully submitted by:

Trena M. Hall, Township Secretary