

DOYLESTOWN TOWNSHIP

2010 BUDGET WORK SESSION

Board of Supervisors and Way & Means

October 22, 2009

7:00 PM

**NOTES**

In attendance from the Board of Supervisors was Barbara N. Lyons, Chairman; E. Thomas Scarborough, Jr, Vice Chairman; Barbara Eisenhardt and Cynthia Philo. From the Ways and Means Committee: Mark Glassman, David Nettina, Brenda Bray and Ed Ebenbach. Absent: Jeffrey Bennett.

Mr. Glassman opened the meeting indicating that the Ways and Means Committee has been reviewing the Township Budget for some time and they have put together a sheet, a word summary, for the 2010 Budget planning process.

Looking Back at the 2009

Mr. Glassman indicated that the Committee focused on the economy and the fallout of the real estate market and in light of the factors the 2009 budget reflected tempered revenues and an unrestricted fund balance reserve of \$1.1 million to provide in case there was a further problem in the economy.

2009 Overview

Mr. Glassman indicated numbers and information are provided through August. The revenues are slightly over budget. The operating expenses are slightly below budget. Capital expenditures are below budget and projected unrestricted fund balance are year-end are above budget.

Item of Note that will impact 2010

Mr. Glassman has indicated that there will be a 52-week payroll cycle vs. the 53-week we experienced in 2009. Also there is a rebate because of the rate stabilization fund through the Township's health insurance program. There are also funds being received from the State for the sale of the land for the proposed Rt. 202 Parkway. The drop in the financial market has impacted the pension obligation but the Township was able to utilize the valuation statement as of 2007.

2010 Budget Considerations

Mr. Glassman indicated that there is a potential for a lagging negative impact on the EIT and Mr. Wightman is obtaining information from Berkheimer for confirmation. State funding levels impacting external revenue sources. Our general cost of living and non-contractual wage

increases. The treatment of the pension plan under-funding. In addition to addressing capital expenditures as required, beneficial, or discretionary in nature were discussed.

### General Objectives

Mr. Glassman indicated that the Ways Y Means committee will clarify revenue streams in order to set realistic targets in light of a better but still challenging economy. Make sure that all the personnel changes that occurred in 2009 are captured properly. That the adoption of the capital expenditures program that balances fiscal prudence and risks. One objective is to account for the pension plan obligation in accordance with the policies and/or state requirements. And lastly, to maintain an adequate fund balance reserve to provide downside protection from the economy.

Mr. Glassman indicated that the department heads had put together the capital expenditures budget and that shows \$2,041,420.00. He also indicated that they were completing a bridge analysis which would show the forecast for 2009 and 2010 would have that for the next meeting.

There was also provided a full year revenue comparison showing total revenues of \$9,214,425.00, expenses of \$9,067,395.00 for a net of \$147,030.00

Proposed for 2010 is revenues of \$8,909,867.00 , total expenses of \$8,682,910.00 with a net of \$226,957.00

Also shown are better and worse scenarios in the revenue and expenses area and detailed information for the full year by the departments as well.

In looking at the capital expenses, the one comparison would be that if everything were spent we would have a negative \$279,201.00 in the non-restricted capital reserve fund balance. Obviously, items need to be cut but it also should be known what the Board's desire is in terms of a non-restricted fund balance.

Mrs. Lyons indicated that instead of what the Board would like, perhaps the staff and Ways and Means should provide exactly what the Township needs.

Ms. Philo asked what the Township had done last year and was reminded that a goal would be to keep 5%-8% but that we had picked \$1,000,000.00.

It was identified that there are no capital projects proposed in the State Liquid Fuels as that has gone down and that will be used for salaries in the public works.

Mr. John indicated that he would like to be able to provide 2-3 miles of roadwork utilizing paving materials.

Mrs. Eisenhardt indicated that she thought the Township used to do about 7. Mr. John indicated that was with oil and chip.

Some of the items that might be able to be delayed might be the traffic signal at Lower State Road for \$130,000.00. The street light buyouts for \$140,000.00. Obviously, there's a saving on the operation side with such buybacks. Same thing with the LED replacement on traffic signals for \$15,000.00.

There was some discussion regarding the YMCA and the fact that they have already provided funding for improvements at the Lower State Road and Memorial Drive for a joint project with Doylestown Borough. There is additional funds that will be coming into budget this year. However, funds have already been collected. Some discussion as to how to identify the project cost in the budget.

Mr. Nettina indicated that if you've already received the money you need to address the cost of the project properly.

There was some discussion regarding computer equipment.

Mr. Wightman indicated that he knows he needs \$2,500.00 for re-wiring and that the Code Enforcement Department needs some notebooks for the car when they are in field and some additional software. Additional information was requested to be provided.

Chief White indicated that usually he requests 3 vehicles but this year he put it down to 2. And he also recommended that we buy and not lease as we are finishing all of our leases.

Mr. Nettina suggested that perhaps we look at leasing the vehicles again based on the cost of money. Although 2 years ago we were talking about buying vs. leasing perhaps on the short term now might be better to lease. It was indicated that all police vehicles were purchased from the state bid.

The other items that the Chief is recommending are for safety and liability purposes.

On the municipal building, it was discussed about replacing the roof, adding the cold storage building, brine collector, and adding parking in the activity area.

Mr. John indicated that the Board had agreed previously to utilize capital fundraising funds for the parking lot expansion related to the activity center, which would provide approximately 60 parking spaces.

Regarding the cold storage building for police and public works and the brine collector, it was suggested that just a surfacing go into help with the runoff at that location.

Mr. Nettina wondered if the Township couldn't lump some of the building projects together and obtain a loan to finance the projects. That was a suggestion that needs further investigation.

Under the Roads the first three items are leases the other is \$180,000.00 road resurfacing which we did not use in 2009. The box culverts, Mr. John believes he could pull out of roads and put

into the highway aid fund under miscellaneous drainage projects and purchase the materials needed there.

Traffic Signal, it was indicated that one of the projects maybe put off as the Township did apply for Community Development Block Grant.

Mrs. Eisenhardt suggested that the Township consider utilizing work release, people from the County's correctional facilities work release program to assist with various public works projects and perhaps have their companies aid the Township in doing some work, such as the roofing and landscaping.

There was a discussion regarding the usefulness and the ability and liability of the work release program. After much discussion it was suggested that the County correctional facilities be contacted and information brought back as to the viability of utilizing work release program in such capacities for the Township.

Under Park and Recreation, one is the lease payment the other is the backstop at \$28,000.00.

The Off Site Fund is for Destination Peace Valley, which is a grant that has to be funded. Heritage, Easton Road, although that was commitment as part of the land development project. The developer was to obtain the proper permits and the Township is to build it. That could be held off another year. Funding is there to purchase with New Britain Borough the Herbert property and of course the offsite street tree miscellaneous maintenance programs and contribution to the Teen Center. Resurfacing the tennis courts was not included.

It was indicated that the committee and the Board would like meet a few more times before finalizing the preliminary budget.

After discussion, it was agreed that the committee and the Board would meet on Tuesday, October 27, 2009 at 7:00 PM and then again on November 4, 2009 at 6:00 PM and on Tuesday, November 10, 2009 at 6:00 PM.

Being no further business the meeting adjourned.

Respectfully submitted by

Stephanie J. Mason  
Secretary