

**HILLTOWN TOWNSHIP BOARD OF SUPERVISORS
FY2012 BUDGET WORKSESSION MEETING
Thursday, October 27, 2011 – 4:00PM**

The advertised FY2012 Budget Worksession Meeting was called to order by Chairman John B. McIlhinney at 4:00PM and opened with the Pledge of Allegiance.

Also present: Barbara A. Salvadore, Vice-Chairperson
James C. Groff, Supervisor
Lorraine E. Leslie, Township Treasurer/Finance Officer
Christopher E. Engelhart, Chief of Police
Lynda S. Seimes, Township Secretary/Interim Manager

A. PUBLIC COMMENT ON AGENDA ITEMS ONLY: None.

B. YEAR 2012 PROPOSED BUDGET – DISCUSSION/QUESTIONS/COMMENTS: The Board reviewed the draft FY2012 Budget as prepared by Mrs. Leslie.

1. Supervisor Salvadore had the following questions/comments:

- Page 1, she noted the dramatic reduction in both the Pension System State Aid and Foreign Fire Insurance Tax from 2011.

Mrs. Leslie explained that there was a one-time bonus payment in 2011 thereby increasing those numbers, which would not happen again in 2012.

- Page 2, she questioned the \$10,000 reduction for “Reimbursable Police Services.”

Mrs. Leslie replied that \$35,000 is actually a “wash” since it is reimbursed to the Township.

- Page 4, Public Officials Liability Insurance had previously been “0”, but the proposed figure for 2012 is \$13,750.00.

Mrs. Leslie advised that both the Public Officials Liability and Police Liability Insurances were previously calculated together, but are now separated to their own specific category.

- Page 4, Administration-Salaries and Wages – 2011 estimated cost was \$100,786.00 while the proposed 2012 number is \$154,234.00.

Mrs. Leslie replied that the estimated 2011 number is because a Township Manager was not receiving a salary from May-December 2011.

- Suggested that the dollar amount estimated for Engineering was too low.

- Pages 12 & 13, Parks and Recreation Fund is not showing any program fees, ticket sales, etc., and Supervisor Salvadore is concerned about the message it is sending to the PROS Committee.

Mrs. Leslie explained that she did not show any programming fees as she did not know what the Board's direction would be since a Park and Recreation Director is no longer on staff.

- Page 18, questioned the \$109,000.00 budgeted under "Police Services"-Capital Equipment.

Mrs. Leslie advised that the amount is for two police vehicles at \$41,500.00/each, and \$26,000.00 for the first radio payment for next year.

- Page 19, questioned why specific funds were not budgeted for repair of the Blooming Glen Schoolhouse, that Supervisor Salvadore believes the Board had previously discussed.

Mrs. Leslie noted that funding had not been earmarked for that building for a very long time, though she does recall that Mr. Wert had done a long-range plan, which included bringing the bathrooms up to code for ADA requirements and installation of a new bathroom floor, but not until 2014.

- Requested that a vehicle allowance in the amount of \$3,600.00 for the new Township Manager be added to the Budget.

2. Supervisor Groff had the following questions/comments:

- Page 10, points out a shortfall of Revenues versus Expenses in the amount of \$67,070.00.

Supervisor Groff suggested that the easiest way to balance the budget is to use a portion of the Park and Recreation Tax that was previously used to cover Mr. Wert's salary. The P&R tax was decreased to .5 mills from .8 mills last year, and as such, Supervisor Groff believes the millage for P&R could be reduced once again to perhaps .2 mills. This would still provide for enough funds to continue with maintenance and mowing of park facilities for approximately 3 years.

- Questioned the building/zoning permit revenue, which he feels is very conservative.

Mrs. Leslie admitted that it was conservative, and the numbers could be increased substantially to address additions, renovations, and decks, etc. She further commented that Transfer Taxes are beginning to increase, which is a good sign.

- Page 17, Police Services – Capital Equipment in the amount of \$109,000.

Supervisor Groff would not be in favor of purchasing two Police vehicles in 2012, and his fellow Supervisors agreed. Besides the 2012 Tahoe that was approved for purchase with 2011 funds, Chief Engelhart explained that there are seven vehicles in the primary fleet. Of those seven, four have over 100,000+ miles the highest with 133,000 miles. The remaining three vehicles have 68,000 miles, 87,000 miles, and 90,000 miles respectively. At the end of 2011 or beginning of 2012, six of the seven remaining vehicles will have odometer readings of over 100,000 miles.

Chairman McIlhinney questioned the need for 16 police vehicles. Chief Engelhart explained that there can be anywhere from two to five officers on duty, depending on overtime, scheduled time off, etc. Besides the primary fleet of eight vehicles, the department's vehicles include the Chief's and Lieutenant's vehicles, two older cars kept in reserve for school or court duties, and special service vehicles, which may not be used for anything other than their designated function. Chief Engelhart also noted that one or two vehicles at a time may be in for servicing, and sometimes as many as three vehicles are needed for court. Lengthy discussion occurred. The Board directed Mrs. Leslie to reduce the Police Services Capital Equipment budget by the cost of one police vehicle.

Supervisor Groff feels that the Township is in a favorable financial position considering the economy, and advised that 2012 will be a no-tax increase year.

3. Discussion took place concerning the Beyer property listed on page 19 under "Park Improvements." Mrs. Leslie explained that the dollar amount of \$120,000.00 was carried over from the previous year's budget. Supervisor Salvadore believes the farmhouse itself is unsalvageable with a hole in the roof and severe mold throughout the dwelling. Chairman McIlhinney disagreed. He reminded the Board that the original intent was to use the dwelling as offices for the P&R Dept., and to use the main part of the barn for storage of public works equipment. Chairman McIlhinney recommended that the Board discuss park and recreation, and the lack of programming. Supervisor Salvadore would be willing to have those discussions when the future Township Manager is present and has an opportunity to review the various Township-owned open space and recreational facilities.

4. With respect to the recent request for funding from the Pennridge Senior Center, Chairman McIlhinney is opposed since the Township previously donated a great deal of funding during the construction phase. Supervisor Salvadore would be amenable to making a small donation to the Pennridge Senior Center, though she cautioned that it should not be assumed there would be a yearly donation so as to not set a precedent. She also believes that any donations from the Township should be limited to service organizations. Chairman McIlhinney noted that the Senior Center is a County-affiliated program, and Bucks County also owns the building itself.

After brief dialogue, the Board agreed to a one-time donation in the amount of \$1,500.00 from the 2012 Budget to the Pennridge Senior Center in the second quarter of 2012, to be taken from the Park and Recreation Fund.

5. Lengthy discussion took place concerning the new tax collection system that will go into effect in January of 2012, switching from Berkheimer Associates to Keystone for collection purposes. Mrs. Leslie advised that the Township's website currently contains a link to a 15 minute video for employers, and will shortly have a second link to a video for residents explaining the new collection process.

*****5:00PM – Chairman McIlhinney recessed the Budget Worksession meeting to enter into Executive Session to discuss personnel issues.**

*****5:25PM – The Budget Worksession Meeting was reconvened at 5:20PM.**

The Board approved a 2% salary adjustment generally across the board for Non-Uniform Township employees.

C. PUBLIC COMMENT: None.

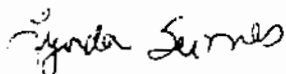
D. SUPERVISOR'S COMMENTS:

1. The Board directed Mrs. Leslic to make the revisions to the draft 2012 Budget as discussed this evening. The Board intends to authorize advertisement of the required 20 day timeframe for public inspection at the November 14th meeting. The FY2012 Budget will then be available for adoption at the December 12, 2011 Board of Supervisors meeting.

E. PRESS CONFERENCE: A conference was held to answer questions of the reporter present.

F. ADJOURNMENT: Upon motion by Supervisor Salvadore, seconded by Supervisor Groff, and carried unanimously, the October 27, 2011 FY2012 Budget Worksession Meeting of the Hilltown Township Board of Supervisors was adjourned at 5:25PM.

Respectfully submitted,



Lynda Seimes
Township Secretary/Interim Manager

(*NOTE: These minutes were transcribed from notes and recordings, and should not be considered official until approved by the Board of Supervisors at a public meeting).