

**HILLTOWN TOWNSHIP BOARD OF SUPERVISORS
2006 BUDGET WORKSESSION
Wednesday, October 26, 2005
3:00PM**

The first 2006 Budget Worksession meeting was called to order by Chairman George C. Egly, Jr. at approximately 3:10PM.

Also present were: Richard J. Manfredi, Vice-Chairman
Barbara A. Salvadore, Supervisor
Kenneth B. Bennington, Township Manager
Lorraine E. Leslie, Township Treasurer
Thomas A. Buzby, Director of Public Works
Christopher Engelhart, Chief of Police

A. PUBLIC COMMENT ON AGENDA ITEMS ONLY: No one from the public was present.

B. YEAR 2006 PROPOSED BUDGET:

1. Public Works Budget- The Supervisors reviewed each budget item concerning the Public Works Department portion of the proposed 2006 Budget, including equipment/truck purchases, park maintenance, and paving.

Supervisor Manfredi wondered if there was a benefit to contracting out the park maintenance work. Mr. Buzby explained that beginning in 2005, each public works employee who works on various parcels of land – either here at the municipal building, the Civic Park, the Blooming Glen Park, or a piece of open space ground – must complete a separate time sheet, so that the data can be gathered and charged to each separate location. Supervisor Manfredi asked if the Public Works Department is able to meet the demand for other important work such as paving, etc., while continuing with the maintenance of the parks. Mr. Buzby replied that at this time, two employees spend one day a week (8 hours each) at the Hilltown Civic Park on mowing, trimming and other maintenance work. Supervisor Manfredi felt it was very important to gather and compile the information regarding manpower and cost involved with maintaining parks, including salary, benefits, gasoline, and every other expense attributable to that maintenance, which would then determine the feasibility of contracting out the park maintenance, and/or the necessity of hiring an additional public works employee. Mr. Buzby referred to the amount of work involved with maintaining the open space land the Township has acquired. Two Public Works employees previously listed in the Park and Recreation Fund have been returned to the General Fund. The Park and Recreation Fund is currently reimbursing the General Fund for any wages expended in mowing parks and open space. Lengthy discussion took place.

Supervisor Manfredi asked if any of the proposed Emergency and Municipal Services Tax revenues could be found in the Public Works portion of the budget. Mrs. Leslie replied that there is not.

With respect to traffic signals/signs, Mr. Buzby has begun the necessary sign upgrade process that is required by the year 2011, replacing signs with high intensity signs, and changing street signs from 4" high lettering to 6" high lettering.

Supervisor Salvadore questioned the \$25,000.00 budgeted for public works overtime. Mrs. Leslie replied that the \$25,000.00 figure is dedicated for snow and ice removal overtime by the Public Works Department.

Discussion took place regarding "Welcome to Hilltown Township" signs that the Supervisors have been considering. Mr. Bennington obtained a quote from Letterco in the amount of \$220.00 per sign. If the Township hopes to install any of these larger types of signs on a State roadway, Mr. Buzby advised that a permit must be obtained from PennDot. While Chairman Egly agreed that these oversized "Welcome to Hilltown Township" signs are beautiful and would be a great addition to the Township, he is concerned that they will become a target for graffiti, vandalism, or theft. Supervisor Manfredi recalls that the Board initially wanted to install these signs only at prime locations upon entering the Township, and on roads that are heavily traveled, such as along Rt. 113 when entering the municipality from Montgomery County. Mr. Bennington advised that there are 14 possible locations the Board has pinpointed for sign installation. Mrs. Leslie commented that the proposed budget before the Board this evening contains \$118,000.00 in contingency from which the cost for additional signs could be taken. Discussion took place.

Supervisor Salvadore expressed concern with what she believes is a rather low amount of funds budgeted for heating fuel. Discussion took place.

Mrs. Leslie commented that there are many items in the Park and Recreation Fund and the Road Equipment Fund that relate to the Public Works Budget. It was noted that the Road Equipment Fund budget reflects an estimated beginning balance of \$125,000.00 due to the fact that a dump truck or 10-wheel vehicle was unable to be ordered for delivery in 2005. This balance would then be carried over to purchase two 39,000 GVW trucks in 2006. In addition, purchase of a leaf loader, which is estimated at approximately \$25,000.00, and a brush/wood chipper estimated at approximately \$30,000.00 is proposed.

Supervisor Manfredi suggested that the "Contingency Fund" be renamed "Carry-over Capital Reserve Fund." Mrs. Leslie explained that the reason it is called a Contingency Fund is because that is how it is recognized in the accounting software program.

Supervisor Manfredi suggested that the name be changed for the budget narrative so that it is clear to the public what each fund is used for, however accounting purposes this fund can remain as a Contingency Fund. Discussion took place.

Supervisor Manfredi asked if Mr. Buzby is continuing with the Paving Management Program. Mr. Buzby has begun work on a listing of 2010 paving projects.

There was no further discussion of the Public Works portion of the proposed budget.

2. Police Department Budget – The Supervisors reviewed each budget line item of the Police Department Budget for 2006. Mrs. Leslie advised that all Police Department salaries have been calculated at 3%, and stated that all the increased pension information, disability, life insurance, and other benefits have also been included. The budget also reflects the addition of one police officer.

Chairman Egly does not feel the Township is charging enough for contracted police coverage for Silverdale Borough. He has researched contracted police coverage and determined that it costs approximately \$100,000.00 per square mile to police Hilltown Township. If the area of Silverdale Borough is only half of a square mile, Chairman Egly believes the cost for police coverage should be \$50,000.00. Chief Engelhart reminded the Board that Silverdale Borough has a contract in place with the Township, though he has discussed the issue with borough officials. Chief Engelhart has also approached Silverdale Borough about purchasing a police vehicle for the Township. Chairman Egly strongly suggested that the contract between Hilltown Township and Silverdale Borough be reopened next year to discuss increasing the cost for police coverage in the future. Supervisor Manfredi asked what formula is used to determine the cost involved for Silverdale Borough's police coverage. Chairman Egly, who was the Police Chief at the time the Township began providing police coverage for Silverdale, explained that the first contract was based upon population, however he no longer believes that formula is sufficient. He believes the cost should be determined by the cost involved per officer per hour. Currently, Chief Engelhart noted that the cost spent patrolling Silverdale Borough is equivalent to one full-time police officer. Each officer conducts a 15-minute patrol through the borough per shift. Supervisor Salvatore asked if there are any other intergovernmental agreements for services between Hilltown Township and Silverdale Borough. Mr. Bennington replied that Hilltown also provides snow removal services to Silverdale Borough. Lengthy discussion took place.

Chairman Egly commented that the Police Departments portion of the total budget is approximately 55%.

The category of Police Capital Purchases (01-140-700) was discussed in great detail. Chief Engelhart has requested the purchase of two vehicles, and \$15,000.00 has been

designated for the last year's commitment for radios from Bucks County. Supervisor Manfredi questioned the Police Department's vehicle rotation. Chief Engelhart replied that there is a 3-year cycle, at which time most vehicles have mileage between 85,000 to 100,000. At the present time, there are eight patrol cars that are specifically assigned to that detail, with two reserve vehicles (with higher mileage) that are used for court appearances.

Discussion took place regarding the possibility of replacing the Occupational Privilege Tax in amount of \$10.00, with the Emergency and Municipal Services Tax in the amount of \$52.00. If the EMS Tax is implemented, Supervisor Manfredi questioned its affect on the present budget. Mrs. Leslie replied that the EMS tax revenue was already shown in this proposed budget. If the EMS Tax were not instituted, expenses would be over revenues by approximately \$128,000.00, based on last year's figures. Mrs. Leslie had presented the Board with a balanced budget without the EMS Tax revenues, however if the EMS Tax is instituted, it would allow for the purchase of two police vehicles, and the hiring of an additional police officer. Lengthy discussion took place.

Supervisor Salvadore questioned the Longevity category in the amount of \$45,000.00. Mrs. Leslie explained that any employee with five years of service, depending on what department they are in, is paid a base amount and then for each year of service over five years, there is a multiplier. Chairman Egly explained that the Longevity benefit is basically an incentive for individuals to remain in Hilltown Township's employ.

Supervisor Salvadore asked for an explanation of the difference between "Overtime" and "Reimbursable Overtime." Chief Engelhart explained that Reimbursed Overtime is overtime that can be charged to a third party.

Supervisor Salvadore suggested that some of the police department equipment could be obtained via grant programs through the State or Federal government.

Upon review of Chief Engelhart's budget request list, Supervisor Manfredi would personally support the purchase of an Eye-Cop in-car video system, life packs, and the speed board, which had been discussed in the past. Chief Engelhart explained the Eye-Cop in-car video system and the advantages involved with having the system installed.

Motion was made by Supervisor Manfredi to authorize the purchase of two Eye-Cop in-car video systems, if grants can be obtained for the purchase of the life packs. Discussion took place.

Mr. Bennington suggested that \$12,000.00 be budgeted for the purchase of one Eye-Cop in-car video system, and that \$10,800.00 be budgeted for the purchase of life packs. Then if the Township is fortunate enough to obtain a grant for the purchase of the life

packs, that funding designated in the amount of \$10,800.00 could be used to purchase an additional Eye-Cop in-car video system. Chairman Egly does not believe that a motion is necessary because if the Supervisors agree with Mr. Bennington's suggestion, Mrs. Leslie would simply make the necessary revisions to the proposed draft budget. Lengthy discussion took place. If the Board is seriously considering enacting an Emergency and Municipal Services Tax, Mr. Bennington suggested that the Supervisors act upon it at today's meeting in order to meet the Ordinance advertisement requirements for adoption prior to January.

Supervisor Manfredi revised his motion to state that \$12,000.00 be budgeted for the purchase of one Eye-Cop in-car video system and that \$10,800.00 be budgeted for the purchase of life packs. Motion was seconded by Supervisor Salvadore and carried unanimously.

3. Administrative Budget – The Supervisors reviewed each budget item concerning the Administrative Department portion of the proposed 2006 Budget. Discussion took place concerning the Contractor's License process, which Mrs. Leslie anticipates will decrease in 2006 due to the drop in building permit submissions. Mr. Bennington noted that the Contractor's License fee has not been increased from its original yearly \$50.00 fee since 1991, and advised that most municipalities charge \$75.00. Supervisor Manfredi asked the cost involved. Mrs. Leslie replied that it cost the Township \$90.00 per year to print the cards, plus administrative labor to process the applications. Supervisor Manfredi is not in favor of charging fees to boost the revenue stream. Mrs. Leslie explained that the staff actually verifies that the contractors are carrying the proper amount of insurance, with the Township named as the certificate holder. She believes that Mrs. Faust spends approximately 5 minutes to process each license. Supervisor Manfredi does not believe the fee should be increased just because other municipalities are charging a higher rate. Discussion took place.

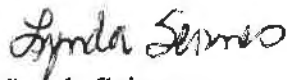
Chairman Egly noted that only \$15.00 was collected for fire inspections in 2005.

Chairman Egly advised that building inspection costs through Pennoni Associates is budgeted at \$135,200.00 for 2006, and feels the hiring of a full-time Code Enforcement Officer should be considered in order to bring that cost down. Mr. Bennington explained that four applications were received, and three of those individuals are scheduled for interviews. Supervisor Manfredi asked if any of those three individuals are qualified. Mr. Bennington will not know that until interviews take place. A more realistic figure will be placed in the budget once additional information is received and interviews are complete.

Discussion took place concerning the possible cancellation of the December 27th meeting.

- C. PUBLIC COMMENT – No residents were present.
- D. SUPERVISOR'S COMMENTS: None.
- E. PRESS CONFERENCE – No members of the press were in attendance.
- F. ADJOURNMENT: The October 26, 2005 Budget Worksession meeting was adjourned at approximately 4:47PM.

Respectfully submitted,



Lynda Seimes

Township Secretary

(*These minutes were transcribed from tape recordings taken by Mrs. Lorraine Leslie, Township Treasurer, and Mr. Ken Bennington, Township Manager).