MINUTES

BOARD OF COMMISSIONERS	**LOWER ALLEN TOWNSHIP**
BUDGET MEETING	**October 30, 2023**
The following were in ATTENDANCE:	
BOARD OF COMMISSIONERS	**TOWNSHIP PERSONNEL**
Dean W. Villone, President	Thomas G. Vernau, Township Manager
H. Edward Black, Vice President	Erin G. Trone, Assistant Township Manager
Joshua Nagy	Richard A. Grove, Finance Director
Jennifer Caron	David Holl, Public Safety Director
Chuck Brown	Tony Deaven, EMS Captain
	Donna Paul, Human Resources Coordinator
	Charles Reynolds, Fleet Manager
	Scot Emerson, Facilities Manager
	Nate Sterling, Acting Recording Secretary

President Villone called the October 30, 2023 Special Budget Meeting of the Board of Commissioners to order at 6:01 PM. He announced that Proof of Publication for this meeting was available for review.

ANY BUSINESS PERTINENT TO THE TOWNSHIP:
President Villone noted that if anyone wished to speak, there would be ten (10) minutes allotted per person at the podium.

Mr. Joe Schwartz, 1706 Letchworth Road, (Township Library Liaison) inquired if this would be the final budget meeting, hoping for a future opportunity to speak to possible library specific concerns. President Villone noted that the budget discussions would be ongoing at least through the next regular meeting, scheduled for Monday, November 13, 2023, where Director Davis, who was excused from the current meeting, would be presenting the Public Works, Parks, and MS4/Stormwater budgets. Mr. Schwartz advised that he may have some library specific budget items to present later.

Additionally, Mr. Schwartz mentioned concern for the future budget and consideration of cost-of-living increases related to staff recruiting and retention and the ability to have staff execute directives from the Comprehensive Plan. Joe discussed raising revenue without raising taxes, and he felt financial numbers show that residents are subsidizing businesses, stressing that the Comprehensive Plan should be kept in mind along with the hiring and training needed for the CED department.

President Villone responded that he had some broader budget questions that could be related to Joe’s questions.

BUDGET INTRODUCTION
Director Grove opened the budget workshop noting that departmental budget caps were all below the 5% threshold, and some departments well below, and he cited some specific examples. President Villone asked if these below the cap amounts were anticipated and figured into the deficit numbers that provided. Mr. Grove confirmed they were.

BUDGET DISCUSSION:
Manager Vernau provided commentary from the podium to his PowerPoint presentation. He focused on budget highlights and items of increase or interest from the Administration funds budgets including Administration, Finance, Tax, Human

Resources, Information Services, the Municipal Building, and Fleet Maintenance. Employees Donna Paul, Charlie Reynolds, and Scot Emerson were available in the audience to assist with questions from their respective departments.

400 Administration

400.113 Commissioner Salaries: Increase of $8,270 due all Commissioners would be receiving the same new minimum required pay rate per the revised First Class Township Code (some Commissions were finishing out their terms on the old pay-scale).

400.260 Minor Equipment: including $800 for a letter folding machine (to assist with an increase of in-house created mailers to residents) and $1,200 for a new laptop for the Gorgas Hall AV System.

400.318 Other Professional Services: including $6,100 for the new website design; $2,030 for leadership training; and $4,600 for an updated property insurance valuation study.

There was brief discussion about the line item historically designated for Commissioner reimbursements on cell phone and internet usage which led to additional discussion on iPad usage for meetings to which Commissioner Villone and Caron expressed interest.

406 Human Resources (HR)

406.260 Minor Equipment: Donna Paul was seeking a new document center for printer/copier/scanner functions at a cost of $4,870. This will allow for confidential printing and reduce the volume of documents being printed in the mailroom.

406.314 Legal Service: $13,000 for the ongoing update of the Personnel Manual (about 1/3 has been completed to date).

406.314 Employee Activities: An increase of $4,000 going towards employee recognition including luncheons, plaques, etc., greatly due to the anticipation of retirements.

407 Information Services (IS)

407.245 Operating Supplies: including $1,000 to replace the UPS batteries protecting computers during power failures.

407.312 Software & Licenses: A fee of $7,500 to convert the Edmunds MSCJ financial software from a server-based platform to a cloud-based platform.

407.318 Other Professional: $17,000 being the required second step in a two-year price increase agreement for IS services with the Township's IS provider 3rd Element Consulting (3EC).

President Villone inquired if the new website rebuild would need to be coordinated with 3EC and Manager Vernau explained that although 3EC had designed the current website the rebuild would be with a separate company specializing in websites.

409 Municipal Building / Municipal Services Center (MSC)

409.141 Part-time Labor: Mr. Vernau noted the line item designated for the landscaping maintenance at the MSC from May through August was missed on the 2023 Budget and therefore was not technically an increase but a repeat for 2024.

409.250 Repair & Maintenance Supplies: including $4,500 for a garage door opener (reaching end of life) at Station #1.

409.260 Minor Equipment: replacement costs would include $3,600 for one treadmill in the Fitness Room (the second scheduled for 2025); $2,200 for a new outside drop box; and $9,900 for the 100-gallon water heater now past life expectancy.

409.361 Electricity: Manager Vernau was pleased to announce an anticipated $85,000 decrease in electricity costs for the MSC due to the electric generation credit from the newly installed solar arrays.

409.373 Repair & Maintenance, Building: items of mention include: $1,100 for new keypad readers, along with many repeat items such as $10,000 for flashing repairs to the storage building, $6,000 for general repairs on the rubber roofs, and $2,000 for carpet replacement in the women's police locker room (especially needed to help mitigate the known mold issue there).

409.374 Repair & Maintenance, Equipment: require $3,700 for a 5-year sprinkler inspection.

409.375 Repair & Maintenance, Grounds: list includes $2,500 to remove the Sycamore tree adjacent to the storage building, $2,000 for new plants and mulch, and $1,000 designated to the solar array enclosure.

Commissioner Nagy asked for clarification on the difference between the annual and the 5-year sprinkler inspections. Scot Emerson provided the response and addressed another question regarding an issue with the stove in Public Safety.

409.700 Land & Improvements: close to $17,000 to plant ground-spreading plants and mulch on the grassy knoll and hillside around the southern and western edges of the solar array along with $14,000 for trees and shrubbery along the northern edge.

Manager Vernau noted there was also a plan presented by Commission Black with a slightly higher cost but it called for the use of coniferous trees (no canopy trees) and accents to create an even nicer appearance.

409.730 Equipment & Vehicles: $6,500 to replace the mini-split (HVAC) system required for the 48-hour animal shelter setup inside a section of the storage building.

President Villone thanked Mr. Emerson for all his efforts and was curious as to what the largest MSC expenditure in 2023 was for, to which the answer was the HVAC Roof Top Unit (RTU) which was reimbursed through ARPA funds.

<u>434 Fleet Maintenance Department</u>
434.156 Health Insurance: $34,000 increase related to a personnel change and different coverage needs.

434.251 Tires: cost would be higher with undertaking the maintenance of additional Fire apparatus.

434.260 Minor Equipment: newer and better versions of both the filter crusher at $6,000 (to handle current filter sizes) and sandblast cabinet at $4,200 (will be larger and usable for truck wheels).

434.261 Minor Vehicle Equipment: include $2,500 for a dedicated vehicle diagnostic laptop; $8,000 for a new A/C Recovery machine; and $6,000 for a Tire Balancer (able to work on small dump trucks).

It was noted that the current Tire Balancer will be sold, and that Charlie Reynolds has had great success with selling used items on the Municibid website with the proceeds of those sales becoming extra revenue for the Township.

434.397 LA Fire Vehicle Repair: increased slightly by $2,000 for fire vehicle repairs (now under Fleet Maintenance).

434.398 Lisburn Fire Vehicle Repair: increased slightly by $3,000 for fire vehicle repairs (now under Fleet Maintenance).

434.420 Dues & Subscriptions: two engine diagnostic services: On-Command at $3,600 and Cummins Insite at $1,200.

Manager Vernau concluded the Administration presentation and Director Trone presented the Community & Economic Development (CED) Department budget also via PowerPoint, from the podium, and specifically focused on significant changes from the current year's budget/historical budget.

<u>413 Community & Economic Development (CED)</u>
413 Salaries: $85,000 for the Planner position which was budgeted for but not hired due to the major focus on the record digitization effort taking place 2023. Additionally, $10,000 for interns to continue with assistance on the digitization project.

413.260 Minor Equipment: $1,000 to replace expired and outdated Personal Protection Equipment (PPE) kept in vehicles such as hardhats, vests, etc., along with implementing a new inventory system.

413.312 Service Bureau: $1,000 for Adobe Acrobat Pro licenses.

413.313 Engineering & Architectural: fees include $20,000 for Engineering Service fees with Rettew, which are mostly covered by the applicants but there is the cost of generic engineering consulting for the Township; $15,500 for GIS Services and consulting; and $50,000 for the Zoning Ordinance rewrite.

Director Trone elaborated on the Zoning Ordinance rewrite process explaining that it would likely involve bringing on a consultant, include about ten citizen representatives, and multiple meetings over a course of about 9-months to a year's time, with the end result likely being a complete overhaul of the existing zoning ordinance.

President Villone asked if the Planner position would be involved in the rewrite. Director Trone replied they would be along with Marcus Brandt, the Township's Zoning & Codes Administrator, but the consultant would be tasked with the full-time and primary task of the rewrite.

Commissioner Caron inquired if the engineering fees with Rettew cover traffic engineering costs. Director Trone stated that Rettew is not our traffic engineer, but those fees are also mostly covered by the applicant.

413.720 Furniture: $5,000 to furnish the office of the new Planner.

President Villone thanked Director Trone for the CED presentation and asked the Board if they had any general questions.

Commissioner Nagy wanted to know about the timeline for the completed budget. Manager Vernau stated it will be on the November 13th Regular Meeting agenda for approval to be advertised and placed on the table for public view should the Board decide to take that action. Director Grove added that the budget is complete including revenues, etc. President Villone inquired about pay raises and Manager Vernau stated the Board would be reviewing a payroll list with a 3% increase (with some employees receiving slightly more but not effecting the overall budget).

President Villone asked the Board if they would like to revisit any previous budget items and there was a brief discussion on the deficit and the 5-year outlook. Commissioner Caron inquired about the implications of the new Fire Ordinance on the budget. Director Holl indicated the 2024 budget accounted for the new full-time Fire Chief position.

Commissioner Nagy asked for an update on the overall budget impact of hiring an additional full-time EMT which was discussed at the previous budget meeting. This led to a lengthy discussion on the matter, as hiring an additional full-time EMT would violate the budget cap policy established by resolution, which states that Public Safety departments may not increase their annual budget more than 7.5%. All Commissioners weighed in as the Board discussed the pros and cons at length and speculated on the future ramifications of violating the budget resolution. This would likely be a one-time occurrence because the five-year term established in the resolution will be expiring (and future budget caps could be reevaluated accordingly). Director Grove expressed concern that violating the budget cap could be viewed negatively in the eyes of a bond rating agency, although the Board also felt compelled that they could justify that decision and that one instance in five years may not have a significant impact. On the other hand, the impact of having a shortage of manpower in the EMS department was also discussed along with related factors such as overtime, morale, and burnout.

Commissioner Brown calculated that without the extra EMS employee existing employees could face up to 360 hours annually if divided evenly among the department which seemed to be a great deal to ask for an employee in any department.

There was also discussion regarding the idea of amending the resolution for this instance, but Manager Vernau advised that it would be better to ignore the cap in this instance since the Board felt strongly about their justification.

President Villone allowed for a period of public comment on this item and Mr. Swartz spoke stating that he appreciated the discussion and concern for Captain Deaven and the EMS team, and indicated he agreed with a comment made during the discussion that the budget cap is a guideline and not a restriction, and also stated that Tony's team is working hard, and that's outstanding, so this is the situation to "color outside the lines".

Vice President Black posed the question: when facing an EMS situation, do you want the best equipment, supplies and personnel available? He responded, "yes, and I want them all a stone's throw away". He added if you go to the ER, Lower Allen Township EMS has a great reputation.

The consensus of the Board was that they faced a difficult choice, but it would be necessary to consider a budget version that included the additional EMT, with the understanding that there may be some more information to be gathered before the next meeting, and it would ultimately have to be decided to finalize the budget for advertisement.

In closing, President Villone thanked the staff for their preparation of budget materials.

ADJOURNMENT
At 7:49 p.m. President Villone announced the meeting adjourned.