

MINUTES OF THE BUDGET WORKSHOP MEETING OF THE LOWER SOUTHAMPTON BOARD OF SUPERVISORS HELD WEDNESDAY, NOVEMBER 6, 2019 AT 6:30 PM IN THE ADMINISTRATION BUILDING, 1500 DESIRE AVENUE, FEASTERVILLE, PA 19053

Roll Call: Ray Weldie
Edward Shannon
Kim Koutsouradis
Keith Wesley
Deborah Kaplan

Staff: Joseph Galdo, Township Manager/Finance Director
Jeff Bartlett, Zoning Officer
Bill Oettinger, Fire Marshal
Christina Lynn, Township Administrative Assistant

Budget meeting called to order at 6:30 pm

Tri-Hampton Rescue Squad

Members of Tri-Hampton Rescue Squad were present to discuss their budget for the next fiscal year.

Josh Dowd discussed the critical staffing situation they are currently facing. The Squad lost five full-time paramedics this year due to poor compensation or pursuing other careers. In this region, Tri-Hampton has the lowest paid paramedics. Discussion ensued regarding staffing hours, call volume, facility expenses, and coverage area. Mr. Dowd stated that if we lose three more EMTs, it would impact the Township. Mr. Dowd stated that they have hesitated to ask for an increase. They operate on a shoestring budget but they are behind the ball in compensation. They do not want to operate at a deficit to pay employees. Mr. Dowd said they have met with Northampton Township and Upper Southampton Township.

Mr. Shannon asked what Mr. Dowd what they need. Mr. Dowd responded that October 1 is the start of their fiscal year. They passed a budget this year that they did not want but had to with 3-1/2% increase in salaries across the board. With trying to recruit new hires and retain employees, they are projecting 40% increases for the whole organization. Mr. Dowd said they are requesting \$165,000 from Lower Southampton Township for phase one.

Mr. Galdo asked for clarification on why Lower Southampton Township has paid more to the rescue squad than Northampton over the years. Mr. Galdo stated that Lower Southampton Township gives them access to RDA grants that the other Townships do not. Mr. Dowd responded that the rescue squad uses RDA grants towards capital purchases and it is greatly appreciated. Mr. Dowd explained that a previous administration had an agreement with Northampton that included Northampton building them a new facility and the rescue squad pays no rent or utilities. They only pay maintenance expenses. The rescue squad does not receive any money from the county.

Discussion ensued regarding the Township paying the mortgage for their building here and fundraising efforts.

Mr. Dowd suggested forming a consortium among the three townships with a representative from the Board of Supervisors from each township. The consortium would meet on a quarterly basis.

Further discussion ensued regarding the career progression of an EMT/paramedic and wages.

Mr. Galdo stated he can shuffle some millage around within the context of the current millage (14.08) by dropping the Debt Service Fund by .5 mills. Mr. Galdo stated he believes the Township should be credited the \$25,000 for the specialized radios (encrypted) since they are part of the RDA Grant and if they do not get it, the Township will allocate \$25,000 for the purchase. Mr. Galdo stated that in the first

year, the Township would be \$65,000 short in what they are requesting; however, the Township could make up the difference for that in year two. Mr. Dowd stated that they could come up with short-term case if they knew there was a commitment from the Township for year two.

Discussion ensued about communicating with residents about Tri-Hampton's services. Suggestions given were redesigning their annual appeal letter and submitting an article for the Township's newsletter to assist with donation/subscription from families and businesses that use their services.

Zoning

Mr. Galdo explained that on the revenue side, the projections are typically conservative. It is projected that total revenue for 2020 will be \$579,770.

On the expense side, Mr. Galdo explained that the payroll for Zoning is projected to be \$270,000 instead of \$314,000 that was budgeted for 2019 because we had staff changes. This is the same reason health insurance will be less than what was budgeted for 2019.

Mr. Galdo explained that Zoning Expenses are slightly higher this year than what was budgeted due to BIU doing more inspections than expected. With the loss of one inspector, they will continue to do our inspections.

Mr. Galdo explained that there was a meeting with a prospective software company that could be used by Zoning, Fire Marshal, and Public Works that could help reduce manpower hours. The cost of this software would come out of the 30 Fund.

Mr. Galdo stated that he is projected Zoning's expenses to be \$536,774 at the end of 2019.

Fire Marshal

Mr. Galdo stated that revenue is in line for this year. They will end with a number close to what was received in 2018. Mr. Galdo stated that he is budgeted revenue for 2020 to be \$221,462.

On the expense side, Mr. Galdo discussed payroll. The Fire Marshal Department would like to hire an additional part-time inspector. They currently employ the Fire Marshal, Assistant Fire Marshal, a part-time Inspector, and a secretary. Mr. Oettinger stated that having one part-timer is not enough but he can make it work with what is being budgeted. Mr. Galdo stated that the software will help free up manpower.

Mr. Galdo noted that the Fire Marshal has not purchased any equipment yet this year. Mr. Oettinger stated that they are doing well and will not need any purchases this year. Mr. Galdo stated that he budgeted \$4,000 for 2020 for small items, if needed.

Sanitation Fund – 9

Mr. Galdo said that on November 15th, he will be attending a SWBSCW meeting regarding the recycling quotes received. Waste Management's submission was for \$75 per ton and JP Mascaro's submission was for \$100 per ton. These quotes are significantly higher than our current rate.

Mr. Galdo said that by leasing the street sweeper, we will end the year in the positive for this fund.

Mr. Galdo explained that the Township began collecting delinquent sanitation fees in 2018. This year, Ms. Eisemann estimates that she will collect \$38,500 by the end of 2019 in addition to her sewer duties.

Under expenditures, Mr. Galdo budgeted \$16,000 for legal fees. This is our predominately share of fees for Hough Associates. Mr. Galdo explained that the hauling rate is locked in until 2022 when the contract with JP Mascaro ends. Part of the fee the Township pays to the Tax Collector comes from the Sanitation Fund. Also, miscellaneous expenses include Clean Up Day and street sweepings.

Mr. Galdo discussed that the Sanitation Rebate Program distributed \$48,750 this year to senior citizens and veterans. Mr. Galdo said he is projecting \$50,750 for 2020, which is conservative.

Mr. Galdo explained the payroll component of the budget that includes administration (Township Manager, Public Works, and Finance) and Highway (Road Crew).

Mr. Galdo discussed the capital expenses include the new street sweeper this year. A \$36,000 payment and a \$20,000 down payment were paid in 2019 and a second payment of \$36,000 will be made in 2020.

Public Works

Mr. Galdo explained the general expenses for Public Works including CDL reimbursements, salaries, and summer help. Mr. Galdo stated that fuel expenses for 2020 will be slightly higher.

Mr. Galdo explained that tree removal is estimated to be around \$31,000 by end of 2019. They have to remove a lot of dead trees around the municipal complex.

Mr. Galdo explained the storm sewer and drain expense (small projects) will be around \$10,500 by end of 2019. Mr. Condo, in the past, used a gunite vendor for these type of small stormwater projects.

Liquid Fuels

Mr. Galdo stated that this fund is growing like we projected. We received \$603,934 in Motor Vehicle Fuel Tax, which is a state allocation in 2019. Mr. Galdo explained that he has inserted \$75,004 under miscellaneous revenue, which is the amount the Township should be reimbursed for the traffic light situation at Street Road and Bustleton Pike. The Township will be seeking reimbursement from either PECO or Provco/Wawa for this issue caused by development.

Mr. Galdo explained that he is budgeting for a mid-grade winter for snow removal. It is estimated that payroll snow removal expenses in 2019 will be \$13,021 just in case we have a snow event before the end of the year. Mr. Galdo has budgeted \$35,000 for 2020. Mr. Galdo also is projecting \$135,000 for snow and ice removal supplies just in case.

Mr. Galdo explained that the traffic signal repairs expense for 2019 is \$91,000 but this is due to the traffic light situation at Street Road and Bustleton Pike.

Mr. Weldie asked if Mr. Fiocco's traffic studies are included in this budget. Mr. Galdo responded that engineering costs are not allowed to come out of Liquid Fuels. Those expenses come out of the General Fund.

Mr. Galdo informed the Supervisors that the last budget workshop will include the General Fund, Capital Reserves, and Operating Reserves. The preliminary budget must be approved next week so the budget can be open for public review before it is finalized. Mr. Galdo stated that he will rework the Debt Service Fund to take care of fire and rescue funds.

Ioakim Koutsouradis, Secretary

THE BOARD OF SUPERVISORS APPROVED THESE MINUTES AT THEIR MEETING HELD ON WEDNESDAY, NOVEMBER 13, 2019.