

Township of Upper Chichester

November 3, 2016

- I. **Call To Order (7:30 p.m.)**
The regular meeting of the Board of Commissioners was called to order by Mr. Michael Gaudio, President, in the Meeting Room of the Municipal Building, Furey Road, Delaware County, Pennsylvania. Mr. Michael Gaudio conducted the Pledge of Allegiance.
- II. **Roll Call**
Roll was conducted by Mr. George Needles. Mr. Michael Gaudio, Mr. Edward Raikowski, Ms. Whitaker, Mr. Joe Baiocco, Mr. Neary, Ms. Catania, Mr. Gallagher.
- III. **Meeting Minutes**
- IV. **Comments of Citizens**
No comments.
- V. **Engineer's Report**
The Township Engineer gave a report of current items.
- VI. **Solicitor's Report**
The Township Solicitor gave a report of current items.
- VII. **Manager's Report**
The Township Manager gave a report of current items.
- VIII. **Reports of Commissioners**
All Ward Commissioners provided reports on current items.

Preliminary Budget Discussion:

George Needles: "I'll run through the line items real quick. At the last meeting, we talked about putting back the \$20,000 for traffic calming that had been off-set from a transfer from the Highway & Sanitation Capital Improvement fund. So if you look at your budget line 392- 890 has a \$20,000 line item. And 430-248 has a \$20,000 expenditure item. And the other two items go back to when we spoke about starting in the beginning of the budgeting cycle; the auditor indicated to us that we could not have a line item for

something unless we were going to expend it. So for instance there's consistently \$5,000 in for the police chief car, so what we did was take that \$5,000 out of the police chief car, and now 492-990 says \$0.

Joe Neary: It's line item 410-742

George Needles: So the chief vehicle line is at \$0 where it had \$5000 before

Joe Neary: Its page 7. We offset that on the last page 14, 492-990, so it's just going to be a transfer now.

George Needles: So now in January, theoretically we can just transfer \$5000 to the fund. And that was done as well for the trash truck; the trash truck is 427-602, page 10. There was \$20,000 and that's been removed

Joe Neary: And the offset of that was to 492-980 on page 14.

George Needles: So now it's a transfer. So again, at the beginning of January we can transfer those funds. So this complies with what our auditor has asked for, to be able to allow us to budget for money for vehicles and transfer the money so that we can keep it in the funds.

Edward Raikowski: So we're taking it out of the bulk account or are we taking it out of capital?

George Needles: So what we'll do is transfer the money from the bulk account to the capital. So we can save for it now.

Edward Raikowski: I know this is preliminary, I'm just asking why there's nothing in there for the fire marshals vehicle. I still see \$6,000 in there for your back-up and replacement of that, that's still in there too. I'm just asking if we can do the same thing for them before we pass the budget. 430-558 for the backhoe. And don't get me wrong, I want us to be able to continue doing this so-

Joe Neary: How much does a backhoe cost?

Joe Baiocco: About \$100,000

Joe Neary: And what was the other one?

Edward Raikowski: The Fire Marshal, but it was zeroed out already, are you making that a transfer because-

Joe Neary: He gets 10-15 years out of his car. So I think that's one of the things we eliminated last year and hope to do in the future but because we didn't budget it this year, we can certainly add a line to take the \$6000 out

George Needles: Well it would go into the Highway 492-90

Joe Neary: So that would become \$26,000

George Needles: Yes

Joe Neary: When we bought it 3 years ago we just paid cash. We haven't started to accrue for it but if we want to start in 2018 we can certainly do that. I don't see a priority because then we'd have to come up with \$4,000, whatever we accrue we need to find revenue for it, but that's the Board's decision.

Edward Raikowski: And we haven't decided anything, like I said this is all preliminary. But we still haven't decided anything about the \$25,000 for the medic unit? Do we want to put something away for a new ambulance?

Joe Neary: If someone wants to tell me where the revenue comes from, I have no problem with doing that

Edward Raikowski: Well when I went through the budget I found \$440,000 that I feel is a little outrageous for spending on a lot of wish stuff that people wanted to try to do. And I think we could cut a lot of corners. I'm just throwing it out there; you've got the \$43,000 increase for the newsletters, \$53,000 for-

Joe Neary: Once again to be clear, the \$43,000 for the newsletter-

Edward Raikowski: I know all this; I just think it's a waste of us to do this. It washes out only if we can get the money from the other side

Joe Neary: And we're not going to spend it unless we get the money. But we can eliminate both things if you like.

Edward Raikowski: Eliminate both of what?

Joe Neary: Both the revenue and the expense

Edward Raikowski: I'm just asking that if we could find money for everything else then why can't you keep the money. It was discussed here at the last budget meeting for the \$25,000, the \$75,000 for the

operation for the medic unit. It lasts 5-7 years and the last one they bought was \$240,000. And you expect them to take that out of the money they bring in whether through billing or whether \$75,000 from the township, Where do they get \$240,000 in the next 5-7 years? We didn't do anything for this year to say we're going to put the \$25,000. I have no problem with compromising. I'm looking at your inspectors, and we got a \$41,000 increase, another one, the part-time inspector \$77,000 increase. This is stuff you and I said we should put a full-time in their 5 days a week. We got L&I with commercial, we use the engineers firm for that. To be able to run that department which it needs badly and we all know that.

Michael Gaudiuso: If that ambulance goes down and we have to get an ambulance, I think this board would do it. I mean we should start figuring out something and put it in the budget next year or the year after. Jason I thought said he was okay with the \$75,000.

Nicole Whitaker: Initially, he said yes. But there's no cushion, no savings for the truck. So my question is, where are you getting your numbers for this profit? So the 990 is the total for the ambulance

George Needles: Yea, I just reviewed the organization for you. I took a 990, as asked, and reviewed it. I took revenues, expenditures and added back in the depreciation and got a number of what would be cash at the end of the year. So that's the number that I got out of that 990 by adding back in depreciation.

Nicole Whitaker: So we don't know that that's the ambulance we don't know if that that's the fire company.

George Needles: It's a culmination

Joe Neary: As I indicated in my email to you, I'm not completely happy with Jason's number because I think they're not really vetted. But they're showing that they're breaking even. So I'm fine with staying with the \$75,000.

Nicole Whitaker: Okay, so what else do we need to get from Jason to-

Joe Neary: Well I think we have to go through the synopsis and analysis he gave us. Eliminate the things that are payments that are actual deductions from payroll so we have a better understanding of what the numbers are. I think for the short-term, what he gave us is adequate to justify giving them the \$75,000 and I thought we had resolved that when we had the meeting on the 20th, I think it was.

Nicole Whitaker: I'm not questioning the \$75,000. I'm questioning the additional \$25,000. Are we going to put some money to the side for the truck, are we going to put it to the side for them or something else or what?

Joe Baiocco: If the board agrees to put \$25,000 to the side, then that's money that should stay with us.

Joe Neary: I understand. And once again, we're bringing it in late; we've had it for two weeks.

Nicole Whitaker: When did we ask for the \$100,000?

Edward Raikowski: The first time we had a meeting for the budget. Back in April, it was on the budget line I've been asking you guys since day one and you guys took it right off. And on the 20th we never even decided if the idea of showing the money being put somewhere so like you said, the \$75,000 for operational. Don't get me wrong, and I'll say it with the stenographer and the people here I'll vote no for this budget because I think there's a lot in there that's, as I told you unnecessary. I shouldn't have to be arguing about this medic unit. And I respect Jerry saying that he thinks we would come up with the money if there's an issue with the medic unit. If they need one for \$240,000, \$40,000 of that \$75,000 is a payment already for what they have now. What I'm saying is vote no on the budget only because of the numbers of that. Not because we're balanced out, I'm 150% agreeable with that. I'm happy we're not raising taxes no nothing. The first year we were in here we reduced it by a quarter million. I wanted to wait for the following year but that was political I wanted a half million. Bottom line, it's good being balanced out and I

think this board does a great job but I think our wish list is a little too big, that's all.

Michael Gaudiuso: I think my understanding was giving Boothwyn \$100,000 instead of keeping the \$25,000 back at the Township. My understanding was cut a check for \$100,000

Edward Raikowski: At that time yes you were absolutely right for the budget line.

Joe Neary: Certainly we have capital reserves that we could move money if we decide to do that. But if we want to get into this long list, we have a floor out there that's probably going to need to be replaced in 15 years and we haven't put a dime away to do that. We need to start looking at this long term which is why I think having George Needles is helpful. I'd also like to point out we need to vote on this tonight, not next week.

Edward Raikowski: We need to vote on the preliminary, the final budget is next week

Joe Neary: Next month.

Edward Raikowski: That's what I said, next month

Michael Gaudiuso: I'm worried about the road behind the Walmart; it's in really bad condition. If we find some money I'd like to put toward that.

Joe Neary: But we've been through that before, we're not going to throw money into there until after we have an assessment of the problem.

Michael Gaudiuso: I'm just saying that's where I would like to see the money being spent if we have it.

Joe Baiocco: We need to talk to the chiefs, see where we're going to go with the fire companies. God-forbid the ambulance breaks down; we're not going to leave them hanging. We can't.

Michael Gaudiuso: We can't, none of us want the ambulance service to fail, I think we're all on board with that. We'll work something out.

Nicole Whitaker: So the other recommendation is that they do their own 990. I don't know if they can or not, if they need to get their own separate ID number

George Needles: They'd have to become their own entity. I don't know if that's something they're looking to do.

Joe Neary: I don't want to make them accountants; I don't want people getting the wrong impression. I'm not trying to make everyone accountants. But I'm trying to balance the budget with legitimate spending based on what the entire board and the manager wanted to do. I'm not trying to diss any particular area of the budget and my involvement is in the administrative end. We asked people to come in and make their arguments and the board has gone through this process and developed this budget. I'd like to move to accept this as the preliminary budget as amended this evening and I'm going to need a 2nd

Joe Baiocco: 2nd .

Michael Gaudiuso: There's a motion to accept the preliminary budget, all in favor:

Joe Neary: Yes

Joe Baiocco: Yes

Nicole Whitaker: No

Edward Raikowski: No

After the Commissioners Reports, no new business was brought forth. The Board voted unanimously to adjourn the meeting.