

CONEWAGO TOWNSHIP BOARD OF SUPERVISORS
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BOARD OF SUPERVISORS WORKSHOP MINUTES, NOVEMBER 21, 2011

Chairwoman Keefe called the Workshop to order at 5:45 PM.

The following were in attendance:

Monique Keefe, Chairwoman Ted Bortner Charles Carbaugh Louann Boyer
Marcy L. K. Hagarman, Township Manager Keith E. Whittaker, Sec. /Treasurer
Vice Chair LeGore was absent.

There was one person in the audience.

WORKSHOP DISCUSSION - BUDGET

The purpose of the workshop was to commence the review of the 2012 proposed budget. Chair woman Keefe called the workshop to order at 5:45 pm.

The Township Manager advised the BOS of two changes for them to record on their worksheets. The unreserved net assets should be changed to \$470,036 and the 408.310, Engineering to \$56,500. These increases were due to a change in the Engineering due to the impending Adams County Stormwater Management plan. Chairwoman Keefe asked the Supervisors present if they had any question about the budget. Supervisor Bortner advised he did.

Supervisor Bortner had asked the Secretary/ Treasurer a question off line and now wanted repeat the question for all to hear concerning the borrowing of money for the purchase of a police vehicle. Supervisor Bortner asked the Secretary/ Treasurer the following question, "The capital reserve account is currently getting minimal interest return; could we borrow money from ourselves and pay the interest back to the account?" The Secretary/ Treasurer advised Supervisor Bortner that he would make the necessary inquiries to find out and report back accordingly. Supervisor Keefe questioned if we would have to pay taxes on the interest. The Township is tax exempt. Chairwoman Keefe asked if we could not do that could we borrow money from the Municipal Authority. The Secretary/ Treasurer advised Chairwoman Keefe that he would make the necessary inquiries to find out and report back accordingly.

Supervisor Bortner questioned the fact that the maintenance building is heated with natural gas, why is the Township building heated with propane. The Township Manager advised that had been looked into in prior to her tenure but no definitive action was taken. Discussion was continued and the net result was an inquiry to be made to see about getting natural gas to the municipal building.

Supervisor Bortner questioned the commission of the Tax Collector 403.110. The Secretary/ Treasurer advised Supervisor Bortner the commission is based on 2% of the collected amount. This will represent an increase over last year due to the proposed tax increase.

Supervisor Bortner questioned the employer's contribution to benefits 405.196 as to why the increase over last year. The Secretary/ Treasurer advised the BOS the amount budgeted was 10% more than last year and the Township had a good claim year and we received \$66,084 in a refund of premium from Benecon.

Supervisor Bortner questioned the advertising line 406.340. Supervisor Bortner question the amount because the thought the Pa State Legislature changed the current news paper advertisement requirements. The Township Manager and the Secretary/ Treasurer could not confirm the change. The Township Manager asked Mr. Dick Watson, of the Gettysburg Times, if he had heard if there had been a change. Mr. Watson advised he has not heard of a change.

Supervisor Bortner questioned the Engineering Services line 408.310 and Engineering Fee 414.313. The Township Manager explained to the BOS the 408.310 line item was for engineering services directly for the Township where as the 414.313 is the engineering service for residential/ developer fees. The Township Manager also advised that is where the cost of the asset collection program will

come out. A discussion on the current billing practices of the Township was discussed and a more aggressive stance will be taken for future bills owed to the Township. Supervisor Bortner has no problem with the amount budgeted for the Township's engineering fees but also wanted to make the point; the Township needs to make sure we are not "over" engineering things. The Township maintenance department has skilled employees that have some expertise and they should be used whenever possible. The Township Manager advised the Engineer will provide an outline of the scope of the work to be done first to ensure there is a plan to follow. The Township Manager advised the Township needs to spend the funds to get it right the first time and avoid unnecessary cost later on.

Supervisor Bortner questioned the capital purchase line 409.700. Supervisor Bortner suggested the Township look into leasing the equipment vs. buying the equipment. The Secretary/ Treasurer will explore the options and report back to the BOS.

Supervisor Bortner questioned the capital purchase line 410.700. A discussion was had on the age of the current fleet and the miles on the current cars. Supervisor Boyer reminded the BOS of a conversation that occurred with the Chief about the idea of leasing vehicle. Supervisor Boyer advised Chief Boehs from Cumberland Township leases two or three vehicles at a time so they rotate them out. Other discussion occurred about the current computer mounts in the Police cars. The BOS asked the Secretary/ Treasurer to look in to all options from financing vs. leasing vs. out right buying a new police car.

Supervisor Bortner wanted it to be noted that the Township is paying \$8,350.00 for traffic lights on State roads.

Supervisor Bortner questioned the sign repair & replace line 438.372. Supervisor Bortner commented on the unfunded mandate to replace these signs. Supervisor Bortner also advised there may be some change in this mandate and we should keep this in mind.

The Township Manager asked the Secretary/ Treasurer about the Police Patrolmen Salary & Wages line 410.130. The Secretary/ Treasurer advised the Township Manager and the BOS the amount budgeted includes an additional officer at the salary discussed and funds for potential vacation payout the offers are entitled through the contract. Supervisor Bortner questioned if this will bring the Township up to the contractual obligated number of Officers. Supervisor Boyer advised the new Officer will replace Officer Aldridge. The Township Manager also confirms this will bring the Township up to the number of Officers per the memorandum of understanding signed between the Township and Police Association.

Supervisor Boyer questioned the category 403 tax collection. Supervisor Boyer received an e-mail from our tax collector advising she had requested to buy envelopes with stamps on them before the rate increased. Supervisor Boyer advised the Tax Collector advised her that she did not have enough funds available in her supply budget to buy them. The Secretary/ Treasurer advised the BOS; the cost of the tax collector training had to come from line 403.200 (tax collector supplies). The Secretary/ Treasurer advised this was a voluntary training. The Township was under no obligation to reimburse the Tax Collector for the cost under the Second Class Township Code. However, it was in the best interest of the Township to have a Qualified Tax Collector. The Tax Collector was looking to purchase 1000 pre-stamped envelopes. The increase price of the stamp is \$.01 making a net increase of \$10.00. Supervisor Boyer also indicated the Tax Collector had spoken to her about continuing education requirements of being a Qualified Tax Collector. The discussion continued on the subject of the Township paying for continuing education. Supervisor Bortner asked if the training the Collector received could be used to collect the taxes for the school district as well. The Secretary/ Treasurer advised it could be used for all tax collection in general. Supervisor Bortner suggested the Township look into what other municipalities are doing in this area and possibly address this with the school district.

Chairwoman Keefe questioned the Bldg Repair & Maint. Sply/ Service. Line 409.370. Chairwoman Keefe asked if there was anything that needed repair. The Township Manager advised the salt shed and window in the Township building.

Chairwoman Keefe questioned the Legal Professional Services line 409.450. Chairwoman wanted to know why it was not in 2009 & 10 but in 2011. Supervisor Bortner advised the Chairwoman that

was for the USW labor negotiations. Supervisor Bortner reminded the BOS the Police labor negotiations will begin in January 2012.

Chairwoman Keefe questioned the SPCA contribution line 459.540. Chairwoman Keefe advised Vice Chair LeGore suggested that we change the title to animal services. Supervisor Bortner advised we should give out a portion of the funds in the beginning of the year and then the remainder at the end of the year. Chairwoman Keefe asked the SPCA for Profit/ Loss statements of 2010 & 11 and the 2012 budget. Chairwoman Keefe also looking for the amount of animal calls the Police Department handles. The Township Manager advised she spoke with SGT. Baumgardner about this and he indicated very little. The discussion continued with the general consensus that the BOS does support the SPCA but needs to have the flexibility within the account. The Secretary/ Treasurer advised that would be no problem.

The Township Manager advised the BOS the floors have been done and they look beautiful and she had received an e-mail from Officer Lucabaugh stating the appreciation from the Officers and the renewed interest and boost of morale.

The Township Manager advised the BOS there needed to be a discussion on healthcare. It was noted that Hanover Hospital has signed an agreement with Capital Blue cross until 2014. Supervisor Bortner agreed a discussion should happen in the public setting. Supervisor Bortner advised the Township staff has spent many months reviewing options. The Secretary/ Treasurer advised the BOS the current calculations in the budget are the current plan cost. The Secretary/ Treasurer provided to the Supervisors a hand out showing the prospective savings if the Township stayed with the current plan or switched. The Secretary/ Treasurer "walked" the Supervisors through the prepared hand outs. The new plan a \$500/ \$1000 deductible plan was discussed during the labor negotiations as a possible plan change. The Secretary/ Treasurer had provided to the Supervisors in the labor negotiation and again in October the cost savings if the Township changed to this plan. The Secretary /Treasurer advised the only way the Township would realize a significant savings was to have the Police Department agree to change the health insurance to the proposed plan. The Police Association is under contract under the current plan and would have to agree to change. With the Police Department on the new plan, the combined savings would be \$27,934.92 and without them it would be \$10,672.08. If the Township stayed on the current plan and adopted the employee contributions outlined in the USW contract, the savings without the Police Department contributions would be \$13,260 and with them, if they would agree, \$26,000. Supervisor Bortner was surprised and question why had this not been given before. Supervisor Bortner also recommended that we offer a buy option to our employees. Currently the Township allows the spouse or family of the employee to be covered on the insurance plan. The buyout would allow the employee to receive a stipend amounting to 25% of the cost savings to the Township. However, before this could happen the employee or family would have to show verified coverage from another plan.

WORKSHOP DISCUSSION – OTHER BUSINESS

The Secretary/ Treasurer brought to discussion the idea of having a resolution outlining a Fund Balance Policy. The purpose of a Fund Balance Policy is to allow for revenue to remain in the general fund for the purpose of funding the Township for the first quarter until the revenue from real estate taxes come in. Also, this would allow for the accumulation of capital funds for future purchases or investments. The Secretary/ Treasurer asked the BOS to consider this concept.

The Secretary/ Treasurer expressed his concern over the current and projected cash flow. The Secretary/ Treasurer reminded the BOS the current budget uses \$470,036 in funds to balance the budget. The current cash flow suggest the Township will have operating revenue left over for the start of 2013 but none to go forward to 2014.

There being no further business for the workshop, the motion to adjourn was made by Supervisor Boyer and seconded by Supervisor Bortner. The motion was approved and the workshop was closed at 7:05 P.M.

Respectfully Submitted:

Keith E. Whittaker
Secretary/ Treasurer