

UPPER MERION TOWNSHIP BOARD OF SUPERVISORS
BUDGET WORKSHOP MEETING
NOVEMBER 5, 2015

The Board of Supervisors of Upper Merion Township met for a Budget Workshop Meeting on Wednesday, November 5, 2015, in the Township Building. The meeting was called to order at 5:00 p.m., followed by a pledge to the flag.

ROLL CALL:

Supervisors present were: Greg Waks, Erika Spott (arrived late), Bill Jenaway, and Carole Kenney. Also present were: Dave Kraynik, Township Manager; Sally Slook, Assistant Township Manager; Nick Hiriak, Director of Finance. Karl Helicher, Library Director; John Waters, Director, Safety/Codes. Supervisor Philips was absent.

PROPOSED 2016 OPERATING BUDGET FOR LIBRARY

Mr. Helicher provided an overview of the Operating Budget for the Library which reflects an overall increase of 0.6%.

Highlights as follows:

- Personnel Services decreased 0.4%
- Operating Supplies decreased 2.8%
 - Children books increased 6.2% or \$2,500, based on manager's recommendation that reflects previous spending patterns
 - Audio books decreased 14.3% or \$6,274, based on manager's recommendation that reflects previous spending patterns
- Professional Service budget items remain at 0% increase over 2015
- Training and Education – increase of \$1,000 reflecting additional continuing education needs of the staff

PROPOSED 2016 CAPITAL FOR LIBRARY

Highlights as follows:

- Replace office furniture/fixtures - \$5,000 – as needed in common areas

PROPOSED 2016 FIRE AND RESCUE SERVICES OPERATING BUDGET

Mr. John Waters, Director, Safety and Codes Enforcement and Fire Marshal, provided an overview of the proposed 2016 Fire and Rescue Services Operating Budget reflecting 1.6% increase. Highlights as follows:

- No change in any operational accounts
- Fire Company Aid: increase of 3.75% or \$15,869 for aid to the three volunteer companies.
- Fireman's Relief Fund: decrease of 0.4% or \$1,476 due to decrease in allocation from state.

Mr. Waks mentioned in making his rounds throughout Upper Merion neighborhoods he has noticed stickers supporting the Upper Merion Police Association. He asked if the fire departments have anything similar to offer residents during fund drives. Mr. Jenaway responded over the years the fire departments have used everything from "fire marks" to stickers as part of the annual fund drive.

A discussion followed about the downturn in donations to fire departments, the amount of time and effort fundraising to get basic needs, and what can be done to increase the numbers.

Mr. Waters stated a consultant will be reviewing changes and the direction of the fire departments for the future and the consultant could be asked for a different approach and alternative to current funding methods. Mr. Jenaway commented if the consultants do not come back with anything it might be time to strategize with local groups such as the rotary and local business community.

PROPOSED 2016 FIRE AND RESCUE SERVICES CAPITAL BUDGET

Highlights as follows:

- 2016 Total Capital Request: \$632,415
 - \$70,000 – loan payment for 800 mhz radios
 - \$550,000 – replace Engine 47-1
 - \$10,000 – contingency fund for emergency repairs

In view of the anticipated consultant study, Mrs. Kenney asked if some of the capital requests should be deferred until the results of the study are in. Mr. Waters pointed out no funds have been budgeted for fire apparatus for future years because everyone is waiting for the results of the study. The draft report for the consultant is not due back until February 29, 2016 and for this reason the items are in the capital request as a placeholder. Once the draft report is completed there will be a 60-day review period and the consultant will have another 30 days to comment on township comments. This means it will be June 2016 before a final report is issued for implementation.

Mrs. Kenney asked about the proposed Town Center substation. Mr. Waters responded that has yet to be determined and everyone is awaiting the results of the consultant's study.

Mrs. Kenney asked about Engine 47-1. Mr. Waters responded Engine 47-1 is for the King of Prussia Volunteer Fire Company.

PROPOSED 2016 OPERATING BUDGET FOR SAFETY AND CODES

Mr. Waters discussed the proposed 2016 Operating Budget for Safety and Codes. Reflecting a 0.0% increase. He said the numbers are slightly skewed because the Board has supported the idea of a part-time property maintenance officer and the proposed addition is not reflected in the numbers. Projected revenues (permit fees) cover all expenditures.

- Tuition reimbursement: decrease of 6.5% or \$1,682
- Fuel/Oil Vehicles: decrease of 20.0% or \$1,500 due to use of alternative fueled vehicles
- Purchase Codes: decrease of 25.0% or \$1,000 due to off year for purchasing new code editions
- Other Professional Services: decrease 13.0% or \$3,000 (these are monies used to do electrical plans reviews – for third party consultant)
- Vehicle Maintenance: decrease of 25.0% or \$3,473 due to newer vehicles – the electric and compressed natural gas (CNG)
- Dues/subscriptions: increase of 25.7% or \$450
- No other changes to operational accounts

Mr. Jenaway commented he would like to reengage the discussion next year about the rental inspection process. He also asked about the automation of the Safety/Codes Department. Mr. Waters detailed the difficulties encountered with the upgrade of the inspection software due to stalling of the vendor. He said he has found another system that looked very good which he will review with public works staff. Mr. Waters said the new system is a Microsoft access based product which should be seamless with Geoplan.

Mr. Jenaway asked when the budgets were put together for the fire companies if they just submitted their requests for income or if they matched their expense streams to various income streams. There was an inaudible response from someone in the audience. Mr. Jenaway commented when he was board liaison to the Fire and Rescue Services Board they started a discussion on this issue and he assumes it never got anywhere.

Mr. Waks noted there used to be a dedicated millage that would go to emergency services and asked why it was reduced. Mr. Jenaway responded it was done several years ago by the Chairman of a former Board of Supervisors so that taxes could be reduced that year and since then it has created a bigger gap in the total fund.

PROPOSED 2016 CAPITAL BUDGET FOR SAFETY AND CODES

Mr. Waters discussed the Capital Budget totaling \$96,500 most of which is for equipment replacement. Highlights as follows:

- Office and computer equipment for new position of Assistant Property Maintenance Officer for \$3,500
- Replace 359 Ford Explorer– 12 year old vehicle (93,000 miles) for \$51,000 (placeholder)
- Replace 322 Chevy small pickup– 12 year old vehicle (under 30,000 miles) for \$42,000 (placeholder). Whenever this vehicle is replaced it will be with a CNG vehicle.

PROPOSED 2016 OPERATING BUDGET FOR THE POLICE DEPARTMENT

Police Chief Tom Nolan discussed the proposed 2016 operating budget for the Police Department. Highlights as follows:

- Personnel Services increased 7.6%
 - The proposed 2016 budget has one addition to the sworn staffing level and contemplates no changes in the non-uniform staffing level
 - 2016 will be the first year of implementation of a pay-for-performance program. For non-uniform personnel, there are no salary increases shown in any individual department budget until some history is established with this program
- Operating Supplies decreased 16.2%
 - Fuel: decrease of 24.8% or \$38,000 due to lower fuel per gallon costs and lower usage due to an increase of smaller Police Interceptor SUV's in the patrol fleet
 - Uniforms: decrease of 9.5% or \$5,226 due to female officers receiving new body armor at no cost since they are taking part in a female body armor pilot program
- Professional Services increased 6.9%
 - Other Professional Services: increase of 25% or \$9,190 since a police promotional examination will be conducted in late 2016 due to pending retirements
 - Radio Maintenance: decrease of 10.8% or \$13,300 due to lower anticipated repair costs with the new police radios
 - Computer Maintenance: increase of 25.8% or \$11,560 due to rising maintenance contract costs and the addition of a maintenance contract for the in-car camera system
- Miscellaneous decreased 24.9%
 - Dues/subscriptions: increase of 42% or \$1,470 due to higher membership costs for State and national organizations
 - Training: increase of 13.7% or \$4,050 due to additional training items:

- Chaplain Training Conference
- Bicycle Operator Certification
- Motorcycle Operator Training (it was noted two companies donated \$10,000. In addition, the township will receive a \$50,000 forfeiture from Montgomery County DA's office for startup of a motorcycle program.)
- Management of Aggressive Behavior Training

PROPOSED 2016 CAPITAL BUDGET FOR THE POLICE DEPARTMENT

Chief Nolan discussed the 2016 Capital Budget for the Police Department. Highlights as follows:

- Total Capital (not equipment replacement): \$36,600
 - (top 3 priorities)
 - Cellbrite Universal Forensic Extraction Unit at \$12,600
 - King of Prussia Town Center Substation computer/printer/wiring needs: \$4,000
 - Less Lethal and Civil Disorder PPE: \$8,000
- Total Equipment Replacement: \$543,500
 - (top 3 priorities)
 - Replace communications equipment – start of 5-year purchase of new portable and mobile radios at \$90,000 per year
 - Replace vehicles at \$203,000 for five vehicles (2 unmarked, 2 marked and 1 prisoner transport van (with insert)
 - Replace miscellaneous capital project for \$75,000 for Police Department renovations to assume old Park and Recreation space (expanded women's locker room, relocated lunch room, relocated SIU Office, new interview room)

Mr. Jenaway noted there were no additional license plate readers. Chief Nolan responded the one being used now is through a grant and a push will be made for a second one through a grant program.

Mrs. Kenney asked for additional information about the license reader. Chief Nolan responded there is one vehicle with cameras on the front, side and back that can record tags as they go down the street for any stolen/wanted vehicles or suspended license plates. There is a lot of activity with this technology.

Mr. Waks asked when the motorcycle unit will go into effect. Chief Nolan responded there are two officers that have already been trained. The issue is how quickly the motorcycles can be purchased. Since they are not on COSTARS it may have to go to bid.

Mr. Hiriak provided an overview of the Debt & Miscellaneous for the 2016 Proposed Budget. Highlights as follows:

- Debt decreased 5.2% because of early payoff of 2011 loan for Allendale Bridge project with the reimbursements this past year
- The extinguished debt and early payoff places \$85,000 back into the General Fund.
- Current General Fund Debt includes:
 - 2010 GOB with 11/20/16 maturity
 - 2012 GOB with 12/20/32 maturity
 - 2013 GOB with 12/20/23 maturity
 - 2014 GOB with 12/20/34 maturity
- All debt has been refinanced. The Township has also restructured all of the “near” future debt maturities to other debt payments in the debt portfolio

Mr. Hiriak discussed the laddering process and how it is structured.

Highlights continued:

- Residential Rambler service for 2016 is \$245,445 with no increase in cost
- Transfer of Local Service Tax revenue for Homestead Tax Exclusion for 4573k474 – no change
- Transfer to the Library has been budgeted at \$108,723 down from \$42,955 from 2015

A discussion followed about gaming reform proposed in the state and possible expansion of the casino.

ADJOURNMENT:

It was moved by Mrs. Spott, seconded by Mrs. Kenney, all voting “Aye” to adjourn the meeting at 6:10 p.m. None opposed. Motion approved 4-0.

DAVID G. KRAYNIK
SECRETARY-TREASURER/
TOWNSHIP MANAGER

rap
Minutes Approved:
Minutes Entered:

