

This meeting was publicly advertised in the NP Reporter, listed on the Township website and posted in the Township building lobby.

**1. Call to order.**

The October 14, 2021, Special Meeting of the Board of Commissioners was called to order at 1:00 PM by President of the Board, Liz McNaney.

**2. Pledge of Allegiance**

President McNaney led the pledge of allegiance.

**3. Roll Call**

Roll call was taken by Ms. Zadell, Township Manager. The following individuals were in attendance:

Liz McNaney	President
Denise M. Hull	Vice President
Katherine D. Carter	Commissioner
Martha A. Simelaro	Commissioner
Ruth S. Damsker	Commissioner
Sandra Brookley Zadell	Township Manager
Megan Weaver	Assistant Township Manager
David Brill	Finance Director
David Duffy	Chief of Police
Ted Caiola	Deputy Chief of Police
Rebecca Mason	Director of Wastewater Treatment
Sarah Prebis	Director of Parks & Recreation
Willard Troxel	Director of Public Works
Conor McCann	Deputy Fire Marshal/Emergency Management

**4. Public Comments & Concerns (limit of five minutes per individual)**

There was no public comment.

**5. 2021 Review and Forecast**

Ms. Zadell stated this budget work session is the first of three budget work sessions which will be followed by two Board of Commissioners meetings. She mentioned that the budget is a fluid document. It includes every budget request from each department head unedited. Still with every request, the budget as currently prepared shows a surplus of \$373,952 for 2022.

Revenue Trends for 2022

Ms. Zadell mentioned that for 2021, revenue is forecasted to be better than budget by \$924,325. The main driver was that a conservative budget was prepared due to the uncertainty of COVID and the financial impacts. However, revenues remained strong in Earned Income Tax (EIT), Local Services Tax (LST), permitting, real estate, and Parks & Recreation.

Budget spending is also under budget by \$205,869 and includes a 1-million-dollar transfer to capital reserves. Spending was down due to several reasons including reduced zoning legal, a mild winter, staff turnover in various departments, capital expense timing, and road projects coming in at a lesser cost. Due to this good news, a decision can be made to place an additional 1 million dollars into capital reserves.

Ms. Zadell highlighted that there is no proposed tax increase for 2022 in the current budget document. She also noted that Upper Gwynedd is towards the lower end of tax rates among other Montgomery County municipalities.

Also included in 2021 revenue is the Recovery Act Funding of \$1,340,000 in which the Township was awarded \$1,563,795 to be used by 2024. The Township is proposing to use these funds for investments in stormwater and sewer infrastructure. \$940,000 is budgeted for stormwater projects which includes spray lining storm sewers in the Villages and stormwater infrastructure in Swedesford estates, Meadowbrook, Oakland, and the Newport basin retrofit. \$400,000 to be budgeted for Phase 1 of the WWTP Clarifier 3 in 2022 and Phase 2 to be completed in 2023.

**6. Five Year Capital Plan Review**

Ms. Zadell stated that she has implemented a new 5-year capital plan for capital expenditures. This is a best practice that is recommended by the Government Finance Officers Association (GFOA). The creation of this was a team effort and includes \$25 million dollars in planned expenditures, the year planned, and the funding source. Funding sources include ARAF, grants, liquid fuels, capital reserves, and the general fund. Ms. Zadell said it was important to note that this budget shows that we are estimating a \$315,000 transfer to Capital Reserves in 2022 and \$1.2 million in surplus from 2021 to be transferred to Capital reserves. The Capital Plan shows just over \$25 million in future planned spending. The Capital Plan for 2022 includes meeting room renovations, reception security, roof replacements, IT upgrades, and a Police vehicle.

Michael Fellmeth, 112 Cardinal Way asked what is being done with old vehicles. Chief Duffy explained that one police vehicle will be repurposed as a new DARE vehicle. Mr. Troxel stated that the Township also puts vehicles out to auction. Mr. Fellmeth also asked what the rates of interest are for the Capital fund. Mr. Brill explained that the interest rates are extremely low. The Township is limited by the treasury on what type of investments can be made.

Ms. Zadell highlighted some on the 2022 capital projects in Public Works which include a dump truck, skid steer, Sumneytown Pike bridge replacement, storm sewer repairs, Haines Run phase 1 and illuminated signage. In Parks & Recreation, budgeted items include a Pole barn, snow removal machine for trails, Gator replacement, and Jack's Lane Open Space.



Ms. Carter inquired about Open Space Maintenance. Ms. Prebis explained that there are pieces of open space such as Jack's Lane that the Township previously stopped maintaining at direction from the previous Board. However, going forward there will be a maintenance schedule and budget requests to maintain these properties.

Ms. Zadell stated that in the WWTP, capital items include a man-hole replacements, dumpster-veyor Trolley wheels, BioMag VFDs, Clarifier no. 3 rebuild, LED lighting and a crane truck replacement.

In the Fire Department, Ms. Zadell explained that the two fire apparatuses were ordered this past year and are being custom built. They expect the first payment to be due in 2022. In addition, a request was received by the North Penn Fire Department for \$35,00 for a new QRS vehicle.

## **7. Departmental Proposed Major Expenditures Review**

### *Administration*

Ms. Zadell said that she will be focusing on just the larger ticket items in the General fund. In administration, total expenditures increased by \$97,016. Community contributions, legal costs, EAC, and training make up this increase request.

### *Police*

Ms. Zadell reported an increase of expenditures by \$172,643. She mentioned that all the increased personnel costs are contractual and unavoidable. The other line-item increases are for increased computer services and new body worn and car camera upgrades.

### *Fire Marshal*

Included in this budget is the request to increase from two part-time positions to one full-time and one part-time position. Budgeted currently is \$156,000 which includes salary, benefits, and a vehicle.

### *Zoning & Codes*

Ms. Zadell highlighted the increase for County Planning Services to help implement goals from the 2040 Comprehensive plan. Included is also an increase in cost for engineering due to the increase in grading permit reviews.

### *Public Works*

Ms. Zadell reviewed the funding increase requests which includes highway operating supplies, infrastructure and storm sewer repairs, leaf collection, additional milling and recycling, skid steer, line painter, and a dump truck replacement.

Mr. Troxel noted the roads that are proposed for 2022 include Broad (Garfield to Sumneytown Pike), Harper, Hemlock, Mendham, North Lane, Porters, Pullman, Shearer, Spruce, Station, Woodford, Second, Third, Fourth (West Point), Chestnut, Sumneytown at Allentown, Supplee, Quinn, and Oak. The streets within Blue Fox Run will be microsurfaced. The additional proposed roads are to make up for the delay that COVID caused in the road paving program.

### *Parks & Recreation*

Ms. Zadell noted that P&R programming is estimated to be profitable by \$36,000. Although, the programming is meant to be more of a service than a profit, it shows that the department is self-

sufficient. The budget shows an increase in expenditures by \$115,911. This budget includes refurbishing the clock, meadowizing of three properties, Jacks Lane, Veterans Memorial feasibility study, Master Plan, and Castle refurbishing.

#### WWTP

Ms. Zadell stated that there is no proposed rate increase for sewer services in 2022 and there has not been a rate increase since 2017. She also highlighted the WIP project cost savings. Budget line-item increases are requested for engineering services, maintenance and repairs, truck camera upgrade, Ultra-Violet lighting, electricity, and chemicals. Some of these line-item increases are due to the added flow from WIP.

#### Fire Department

Mrs. Zadell noted that the Fire Tax Fund is stable and there has been a slight uptick in revenue. This is a pass through from the Township to the Fire Department. They are requesting \$130,000 for the Township endowment for 2022. The reduced request in service recognition is to allow funding for EMT training of FD volunteers.

#### 8. Questions & Answers

There were no additional questions from the Board or Public. Ms. Zadell reviewed the next steps for Budget Work session #2. At this work session will be Insurance & IT review, revenue detail, fund balance reserve review, updated items as a result of this work session, and the review of the decision items. She noted that decisions will need to be made on the Community Contribution allocations, Health Insurance Rate Stabilization Funding (RSF), American Recovery Act Funding, and new employees. She noted that all the backup documentation for the community contribution requests are in the Board's budget binders. The Board will also have the opportunity to ask more detailed questions.

Meeting Adjourned



Respectfully Submitted,

Sandra Zadell  
Township Manager/Secretary

Approved December 21, 2021