

**WASHINGTON TOWNSHIP BOARD OF SUPERVISORS
BUDGET MEETING MINUTES
OCTOBER 15, 2018**

CALL TO ORDER

Vice-Chairperson James Roma called the budget meeting of the Washington Township Board of Supervisors to order at 6:05 p.m., at the Washington Township Municipal Building. The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Supervisors, James Roma; David Moyer (arrived at 6:18 p.m.), Thomas Powanda. Township Manager, Richard Sichler, staff members Doug Bleam and Susan Brown. There were approximately twenty-nine (29) residents in attendance.

Absent:

TAPING OF MEETING

The meeting was recorded as an aid in the preparation of the minutes. It was noted no one other than township staff was taping the meeting this evening.

SUPERVISORS

2019 BUDGET REVIEW PROCESS

Sewer Fund:

The budget review started with the review of the sewer fund. Mr. Sichler explained at the recommendation of Paul Janssen a five-year projected budget was drafted. Mr. Janssen also suggested starting three new accounts. The first would be a debt service account to which money would be added quarterly so the total deposits would amount to \$860,000 by year end, which would be sufficient to make the debt service payments for the two outstanding bond payments. The second account is a capital reserve account which would be funded by \$200,000 taken from the 2018-year end balance and propose funding it with \$170,000 each year. Finally, a capital contribution account is the account that money would be deposited for tapping fees (edu's) that are sold. The current tapping fee is \$9,700. After these amounts are taken out of the starting balance for next year the remaining balance is \$649,165 and Paul's recommendation is to always keep 25% of the revenue as the minimum beginning cash balance and in that case 25% of the revenue based on the 2019 numbers is \$357,000 so the township is actually starting with money than prudent planning would call for. The difference between the \$649,000 and \$357,000 is the potential money the Board could consider for a sewer rate reduction.

Chairman Moyer arrived at this point in the meeting.

Mr. Sichler reviewed sewer revenue funds. Mr. Sichler will contact Eric Williams regarding the number of new units expected in Spring Valley Village in 2019. Mr.

Sichler stated the interfund transfer from debt service fund, at one time there was a tax placed on all residents to assist with the sewer debt and that money can only be used for that purpose. Currently there is \$9,359 in the account. Mr. Sichler suggested a transfer of funds from the debt service fund to the sewer operating budget and to close out the account. A motion was made by James Roma and seconded by Thomas Powanda authorizing the transfer of the balance from the Bond Debt Savings Account 15.106.000 to Sewer Fund Savings Account 08.106.000 using Account 08.392.015 to record the transfer into the Sewer Fund. **No comments received.**

All ayes

Public Comment:

John Wynne, stated the amount should be higher in account 364.120 after talking to Eric Williams and Mr. Sichler agreed.

After some discussion, line item 448.370, Dues and Memberships was increased from \$1,250 to \$2,200.

Mr. Sichler reviewed the proposed Sewer Fund Five Year Budget with the inclusion of the three new accounts as suggested by Mr. Janssen. Mr. Sichler explained he has taken money from the starting balances and applied the funds to the three new accounts; the remaining balance is \$649,165. The starting balance should always be 25% of the generated revenue which would be \$357,000. The Township is starting with approximately \$300,000 more in the account. This is the money which can be considered for a sewer rate reduction. Mr. Sichler calculated some different scenarios and came to the same conclusion as Mr. Janssen, a \$9.00 per month sewer rate reduction would be sustainable at this time.

The Supervisors agree with Mr. Janssen and Mr. Sichler's numbers and are inclined to reduce the rate by \$9.00 per month.

Mr. Sichler will apply the same concept to the General Fund as used for the Sewer Fund for a five-year budget projection.

EXECUTIVE SESSION

Executive Session was called at 7:20 p.m. for personnel matters. The budget meeting reconvened at 8:30 p.m.

General Fund:

A review of the General Fund took place, starting with property taxes. The State Aid for Pension was great this year, the township received \$35,596.

Chairman Moyer asked if the money from the sale of equipment can be put into a fund for road equipment rather than into the general fund. Doug stated an additional account would need to be established however it would still fall under the general fund.

The lighting for the administration building to switch to LED is estimated to be between \$20,000 and \$25,000 but some of the money should be part of the rebate from the electric

company. Mr. Sichler was directed to put \$22,500 in 409.711 Administrative Building-Improvements to cover the lighting upgrade expense.

The potential Fire Company donation should again be budgeted for \$20,000.

Price quotes were obtained for electronic signs. The first electronic sign would replace the 6-foot Washington Township sign outside the administration building. The price quote for an 8-foot sign was \$30,000 installed and the price for a 6-foot sign was \$20,000 installed. The price quote for a speed limit sign, battery powered, \$3,000 and a solar powered with battery back up is \$3,500. Mr. Sichler was directed to put \$10,000 in the budget to cover both signs.

Supervisor Roma proposed installing fence around Barto Park. Mr. Sichler got a price quote of \$25,000 for 8-foot chain link fence. Mr. Sichler will budget \$10,000 for a fence. A budget transfer will be done for the Traffic Impact Fund.

ADJOURNMENT

A motion was made by James Roma and seconded by David Moyer to adjourn the meeting at approximately 10:05 p.m. **No public comments received.**

All ayes

Respectfully submitted,

Richard Sichler
Manager/Secretary