



P.O. Box 1, Pocopson PA 19366
Office: 610.793.2151 Fax: 610.793.1944
www.pocopson.org

**Board of Supervisors Budget Work Session
Friday, October 14, 2022, 10:00 a.m.**

In-person attendance: Supervisors - Elaine DiMonte, Ricki Stumpo, and Raymond McKay; Mark Knightly, Public Works Director; Peter Barsz, Treasurer; William Cloak, Treasurer Support Staff.

Public in-person attendance: 0

1. **Call to Order:** DiMonte called the work session to order at 10:04 a.m.
2. **Public Comment:** no public comment.
3. Board agreed to re-order the agenda as the Calendar for Adoption Dates will be dependent upon the discussion this morning.
4. **2023 Proposed Preliminary Budget ("budget") Discussion - General Fund/Revenue and Expenses:** Barsz noted that the August numbers discussed during the September budget work session were too early for use in the full year-end forecast. Significant edits have been completed since the last budget work session, including adjustments to the expected revenue to the real estate property taxes. Pension State Aid monies have been received so the figures are actual. Barsz noted that Cloak split-out the escrows from reimbursements for current projects. It appears about \$17,000.00 in reimbursements is expected. Secretary and Sharon Gledhill, Treasurer Support Staff, continue to work on the escrow accounts. The building permit entry has been forecasted at \$74,000.00. Barsz reviewed liquid fuel reimbursement, Codes update, and Special Event fees. Office supplies are budgeted at \$2,900.00 for 2023. Treasurer expense remains the same for the time being. Expenses for the Township Solicitor have been increased to \$55,000.00 - the same as 2022. Payroll taxes and expenses related to payroll have been grouped into one section broken down by the applicable department. DiMonte recognized a proposed projected increase for the administrative assistant based on new and additional responsibilities for the position. DiMonte suggested and the Board agreed to a proposed \$5,000.00 allocation for an intermittent administrative employee. An allocation of \$3,600.00 was included for 2022. Secretary anticipates that the intermittent employee may be able to provide administrative support in 2023.

Board discussed at length the utility costs for township facilities. Barsz noted that it is difficult to budget heating costs for the new building without the benefit of a full-year of service. He budgeted \$6,000.00 based on a monthly average. Board agreed to a conservative approach adjusting the number to \$7,200.00. Cloak will check the budgeted figures to make sure that the monthly water bill for the fire suppression/sprinkler system is included. DiMonte asked for an edit to the document headings to designate the addresses for the buildings. Security system figures were confirmed as forecasted monthly operating costs.

Knightly noted that the Public Works placeholders in the General Fund will be adequate as long as the potential purchases for snowplow, chipper, and other capital purchases are accounted for elsewhere.

Discussion ensued as to the health care benefits and the way those figures appear as line items. Knightly asked if the \$5,000.00 Health Reimbursement Account per employee is confirmed. McKay noted and Board agreed that it is confirmed as the HRA contribution is a path toward addressing health insurance shortfalls. Barsz noted that the Board will need to adopt a resolution in December memorializing the funding for the HRA and the health insurance premium given that the expenses are funded October 1st through September 30th. McKay and Stumpo agreed that the line-item entries require clarification given that the health care expenses represent a split in the fiscal calendar year.

DiMonte expressed that the transfers relative to the General Fund from the ARPA account should be reviewed to confirm that the entries are correct. ARPA funds were allocated for the new building for IT (Sage Business) and security (Penn Security, as well as the TMDL Stream Restoration Project (McCormick Taylor). She noted that the generator purchase qualifies for the ARPA fund. Barsz agreed that it is worth reviewing the expenditures and reclassing those allocations that may have been allocated to the General Fund.

Barsz confirmed that the magnesium requested for snow and ice removal operations is included in Liquid Fuels.

McKay noted that the 30% increase requested by the Kennett Fire & Emergency Services Commission is included in the proposed preliminary 2023 budget. Discussion ensued as to the competency of the process in place by the Commission in requests for quarterly payments as well as oversight of its operations. Stumpo and McKay offered a brief outline on the structure of the EMS Commission and the criteria used to identify the annual payments. Discussion ensued as to oversight of the EMS Commission as a whole. McKay noted that the request this week for the 3rd quarter payment is actually the 4th quarter payment. Secretary noted that submission of an 8.5X11 piece of paper with no letterhead or statement heading or description is a source of confusion in understanding the payment requests. McKay offered that the Commission is working on a system to clarify payment requests from the participating municipalities. Overall, Commission operations are functioning with fair share allocations to address the needs of emergency responders.

No changes to the General Reserve. Knightly noted \$65,000.00 forecasted for the Capital Reserve to allow for the purchase of a snowplow (\$15,000.00); trailer (\$15,000.00); snowplow thumb (\$10,000.00); swivel for the chipper (\$5,000.00).

Under Facilities, DiMonte offered that Transfer from General Fund should be increased to \$45,000.00. Knightly offered that line 409.710 for the Denton Hollow Road Property be reduced to \$6,500.00. Knightly commented that the cost for the generator for the administration building is approximately \$27,000.00. Stumpo asked if that figure includes the tank and the fuel to run the generator. Knightly indicated that it did not and appreciated that Stumpo raised the question. Additional \$5,000.00 could be added to the cost to accommodate an in-ground propane tank to be installed by the Public Works

Department. Knightly reported that parking lot light arrays for the Barnard House Parking will need to be replaced at an approximate cost of \$75.00 per array. Exterior signage for the site of the new facility will be approximately \$5,000.00.

Secretary will check with the Solicitor for an update as to the status of the Route 52 Intersection Fund. Budget allocation for Parks, Recreation and Trails remains the same. The Historical Committee allocation remains the same. McKay offered that there may be an interest in reframing prints. Barsz reviewed the Open Space Fund indicating that he will reach out to DeVal to confirm loan balances. Cloak offered that there may be a benefit in early payoff of the loan that ends in 2029 but would require a close look at rates to determine if a benefit.

5. **Review 2023 Annual Budget Calendar for Adoption Dates:** Barsz noted that based on today's discussion, the budget calendar for adoption is on track with a motion to approve the preliminary proposed 2023 budget during the October 24th public meeting. It would appear that a special meeting will not be required. Cloak will update the working copy and submit the document for review early next week.
6. **PHMC Keystone Grant/Friends of Barnard Station Account Processing:** Secretary indicated that FoBS have asked if the Township will pay the \$2,000.00 retainer for the Daniel Campbell, AIA, Proposal. Barsz noted that the retainer could be issued with the understanding that it is clearly a reimbursable going forward. The first quarterly report for the grant is due January 2023. The quarterly report can include a request for reimbursement from the grant. It is not known if FoBS has obtained the matching funds for the \$25,000.00 PHMC Keystone Grant - whether as cash-in-hand or as pledges. Secretary will reach out to FoBS to obtain financial data.
7. **Adjournment:** at 12:13 p.m. DiMonte moved, Stumpo seconded, to adjourn the work session; motion carried.



Susan Simone, Secretary



Elaine DiMonte, Chairwoman