

MINUTES

The Moon Township Board of Supervisors met in special session at 6:00 p.m. in the Moon Township Municipal Building, 1000 Beaver Grade Road, Moon Township, PA 15108 to continue discussion of the proposed 2012 Municipal Budget and address other business as required.

Supervisors present: Jim Vitale, Marvin Eicher, Andy Gribben and Nancy Mills. Also present: Jeanne Creese, Jeff Ziegler, and Lisa Lapaglia.

Ms. Lapaglia said that tonight we want to finalize the general fund operating budget. It will not be final as another review will be done next week before the preliminary adoption.

She said that the first page shows the summary of revenues and all the departmental expenditures. In looking at the 2011 approved budget as far as revenues and expenditures are concerned, we anticipate having excess revenues of \$158,000. If you look at 2012 Recommended, we anticipate having excess revenues of \$74,481. There is a little bit of an increase in expenditures of about \$105,000 over all of the departments. There is an approximately \$22,000 increase in revenue. As discussed during the revenue discussions, revenues are very conservative this year based on certain things that are supposed to happen with collection of the earned income tax and the reassessment.

Police Department

Mr. Eicher said that the Police Department is still at 47 percent of the entire budget—47 cents on every dollar. Ms. Lapaglia said that was correct. In the police budget, the largest expenditure is salaries, payroll expenses and benefits. Mr. Eicher said that in the salary amount, there has to be an overtime factor. Ms. Lapaglia said that the contract includes mandatory overtime. Mr. Eicher said that he would like to see a report on overtime, breaking out reimbursable and non-reimbursable overtime. Ms. Lapaglia said that she would get those figures for the Board. Mr. Eicher said that if we are looking at ways to cut costs, this is an area that the Chief can manage. Ms. Lapaglia said that while she agrees with what Mr. Eicher is saying, at the same time she disagrees with what he is saying because of the wording in the contract. Ms. Creese said that there is a limited amount of overtime that the Chief can control. A discussion ensued on police overtime. Mr. Eicher said that he feels that it should be a line item in the budget and would like to see more reporting. Ms. Creese said that wages are the biggest item and there is no latitude there. It is out of everyone's hands. Mr. Eicher said that he is looking at big items that he thinks the Chief can have some way to manage.

Mr. Vitale said that another big ticket item he sees is legal services. Ms. Lapaglia said that next year the cost for legal services will go away; but it will come back with the next contract negotiation, but not in 2012. She has budgeted \$5,000 for legal services in 2012.

Mr. Eicher said that we are not realizing the kind of savings in health insurance that we thought we would have. Ms. Lapaglia said that she actually got some real numbers. Based on putting in that \$2,500 deductible for all the police officers, we are not seeing the savings that we had anticipated. Mr. Eicher said that, while it may not happen when he is on the Board, some future Board may have to deal with the fact that police costs are out of hand.

Dr. Mills said that in the future consolidation of services with different communities might change. She feels that will be the future trend. Ms. Creese said that we took a big hit with the Air Show with additional costs to us, particularly because it was scheduled for September 11. Dr. Mills said that another issue that may be forthcoming as far as police protection is concerned relates to Marcellus shale drilling companies. Mr. Vitale said that he agrees that shared services will be a future trend. We want to be proactive and prepared should this occur. Ms. Creese said that a way to decrease costs and save a considerable amount of money is with dispatch services. She has discussed this with Chief McCarthy and it is an option. Moon Township is one of the last municipalities that keeps its own dispatch. Obviously, there is a resident and service impact to that as we use our dispatch for other services. A discussion of police services, overtime and associated costs ensued. Ms. Creese said that staff will attempt to help the Board look at the overtime issue. Ms. Lapaglia said that we spend approximately \$6,000 a month on court time alone. After discussion, the Board felt they wanted to see the Police Department number lowered. Ms. Creese said that was staff's expectation as well. If the Board wants to consider eliminating dispatch, they would need to give staff at least six months' notice so that alternatives can be set up and evaluated.

Mooncrest

Mr. Eicher said that most of the other accounts have remained rather flat, some up and some down slightly. He asked what occurred with Mooncrest and why it went from \$17,000 to \$42,000. Ms. Lapaglia explained that the Knowledge Connection costs have been moved from the Library budget to the Mooncrest budget. We are trying to isolate our Mooncrest costs for services. In looking at those two departmental budgets together, it is just a minor change.

MCA-TV

Mr. Eicher asked about Cable Television. Dr. Mills said that she feels that cable television is very expensive for what we get out of it. She does not see a big improvement in cable television production. Ms. Creese said that a reason for the increase is that one of the employees at MCA-TV got married. His spouse has been added to the benefit package coverage, which is an increase of \$10,000 per year. Ms. Lapaglia said that Jim Koepfinger currently has two full-time employees in his department in addition to himself. He also has a part-time intern that does the Township's web site. He also has some part-time seasonal help. This year, he would like to add an additional part-time employee to help with production of government programming. We have received an additional channel that is to be used specifically for government programming. This is part of the new franchise agreement. The second request he has is under Legal Services. That budget has been increased by \$9,000. That line item was somewhat higher this year due to the franchise agreement. Since the franchise agreement has been completed, Jim Koepfinger would like to have an audit of Comcast and Verizon. This audit would verify that they are giving us the money to which we are entitled, per the franchise agreement. It has been the experience of other communities that they receive money as a result of the audit which would pay for the audit. The additional revenue would continue yearly thereafter as a result of the audit. Ms. Creese explained that it has been her experience that such audits have been successful in generating additional revenue. A discussion of Cable TV operations ensued. Mr. Eicher said that in looking at the summary, the year-to-complete estimate is \$271,000 and next year is budgeted at \$320,000. This is an increase of \$50,000. Ms. Lapaglia explained the reasons for

this increase. Ms. Creese said that if the Board asked her to prioritize the budgetary requests, she would prioritize the audit first. We should periodically audit all of our utility vendors and this one has never been done. The next prioritized item would be the technology pieces and the employee last. Ms. Lapaglia said that Jim Koepfinger has indicated that part of that legal fee is also for a new right-of-way ordinance, which could generate an additional source of revenue. Mr. Eicher said that he thinks we should cut the \$320,000. He thinks a \$50,000 increase is out of line. We should keep it at what we budgeted last year. Mr. Vitale said that we should check the audit to see what kind of additional money that brings in.

Parks Department

With regard to Parks, Mr. Eicher said that the summary shows that this year we are spending about \$3,000 more than we budgeted. Next year that budget is being increased six percent. Ms. Lapaglia said that she put in an increase in wages, per their contract. But she needs to do a further analysis of their wages for next year. Their insurance went up this year also. Last year, Kevin Lovely was in the military and we did not incur any costs for him. He came back mid-year. The Board can see that our anticipated year-to-complete is still below budget. We had a full-time employee that was working as a temporary hire in the Road Department without insurance coverage. He has been moved to the Parks Department full-time and putting him into the system has increased our insurance costs. Dana Kasler anticipates increasing his programming budget next year. Mr. Eicher asked if we are duplicating efforts and competing with others with our programming. Ms. Lapaglia said that we are competing with the library. Ms. Creese said that she is strongly recommending that the Board study the programming from both departments. The Township Parks Department's programming generates revenue. She does not understand the analogy that the Library's programming doesn't cost tax money. Those employees get paid and the programs are going on in a public building. There are costs associated with that. There should not be an overlap in those programs. Last year, she told both departments that she wanted them to sit down monthly and discuss programming. The Library did not think that was a good idea. They both use tax dollars. A discussion of programming ensued. Dr. Mills said that she has been through the park and it looks shabby. The road exiting the park is filled with potholes. Ms. Creese explained that the road will not be repaired until the construction is completed as construction vehicles are driving over it. Maintenance in the park is not usually done at this time of year. Mr. Eicher suggested that the Parks Department budget be reduced to an increase of 3.5 percent. That should be more than enough. The manager and staff can decide how to allocate the funds.

Road Department

Mr. Vitale asked about the making of signs. Ms. Creese said that she and Ms. Lapaglia are still working on the sign-making report. She will also have a cost analysis for the salt-brine for the Board next week. Ms. Lapaglia said that obviously there is an increase associated with wages and benefits. It is the same contract that covers the Parks Department employees. There is a slight increase in gasoline just based on the price of gasoline. The radio maintenance budget was increased this year. This increase is due to the narrow banding and the fact that we may have to purchase new radios. Another item that was increased was for NPDES Phase II. Last year we budgeted that at \$10,000. Baker is performing what they need to do for NPDES. That cost will be approximately \$16,000. As a result, we increased the budget to approximately \$15,000. We want to try to incorporate some in-house procedures next year to try to minimize

that cost. The NPDES is a mandate from the DEP. This phase is the testing of the stormwater outflows. This is another example of an unfunded mandate. A discussion ensued on the Road Department contract and health care costs.

Protective Inspections

Ms. Lapaglia said that this department is basically identical to what it was last year. Because it is a small budget, there is not a whole lot there. The amounts for legal fees and engineering services were reversed for next year. Part of that reason is because Babst Calland has been able to pinpoint code issues, more so than planning and zoning issues.

Planning / Zoning

With Adam McGurk leaving, this budget is somewhat different in that the year-to-complete numbers appear to be almost identical to the approved budgeted numbers. The reason is that when the Planning Director left, Ms. Creese relied on Babst Calland for information and direction in planning matters. As a result we are significantly over budget on that.

Personnel issues

Ms. Lapaglia said that one of the issues we have is that Dana Kasler is requesting to hire a full-time person. What he has asked is that this full-time person will work part of the time in the Parks Department seasonally and when necessary between the months of February and August/September. This person would also work at the Mooncrest Knowledge Connection. Ms. Creese said that a copy of a memo detailing this request is in the Board's packet. This is the same situation that was discussed last year when we temporarily transferred this employee to the Recreation Authority. The Knowledge Connection program is clearly being utilized—more so than last year. As a result, that employee needs to remain there. That is the same employee that is being used part-time in the Parks Department. If we continue to utilize that employee in that fashion, we will exceed the 30 hours per week work limit. As a result, we would have to pay her benefits. If we cut that person from either one of those programs, we lose the skill and knowledge of that employee and she feels sure that the Board would not want to discontinue the Mooncrest program. We would have to hire two employees into two part-time jobs. She does not feel it appropriate to continue the practice of having that staff person continue to be paid by the Recreation Authority beyond December. The funds are in this budget for this employee. She explained the unique needs for this particular individual in the Mooncrest Knowledge Connection and said that the Mooncrest Community Center fits best under the recreation budget because programming crosses over there. It is a bad situation, but the Mooncrest residents do not really have access to the Moon Township library and other programming because of Port Authority cuts and because of the nature of that neighborhood. Mooncrest was broken out for the Board in the budget because the per-resident cost of that neighborhood is higher than any other in Moon Township. It is a socio-economic reality that we need to be conscious of. After discussion, the Board felt this was a valuable program, was a worthwhile investment and to keep the employee.

Vehicle Inventories

Ms. Creese said that, per the Board's request, administration has been working with departments to inventory their vehicles. She will give the Board some recommendations and ask for the Board's input. In the Board's packet is an inventory of police vehicles as well as a written report. She asked that the Board read the report for all the details. She summarized the inventory and report for the Board. The department requests and is typically budgeted for three vehicles, which was done this year. One of the cars, however, was just totaled. We will receive an insurance check for that vehicle. So we will be looking at getting four new vehicles next year. But in looking at the report and how the vehicles turn over, we really could look at getting two vehicles next year and still stay on the normal rotation. Our recommendation is not the four that the Board will see in the request but actually three—two now and one to replace the vehicle just totaled. The fleet reduction will come off the bottom end of the list. A discussion ensued on the Police Department fleet and usage. Ms. Creese said that there are additional vehicle inventory reports in the Board's packet from the Road Department and Parks Department. Dana Kasler supplied the Board with additional information on the type and use of the new vehicle that he is requesting to purchase.

Ms. Creese said that on October 20 the Township received from Civil & Environmental Consultants a final land development package from Wal-Mart. A copy is in the Board's packet. She was unsure what to do with it as she was unclear on whether Wal-Mart thought that they needed final land development approval or if Wal-Mart made a substantive change to their plan and are coming back through. She wanted to have this first looked at by the engineer and the attorney to make a determination prior to distribution. The opinion of the engineer and the attorney is that Wal-Mart is not resubmitting, and there are no changes in the plan. Copies of their reviews are also in the packets. The Planning Commission will also be receiving a copy. A discussion ensued on the plan submitted.

Ms. Creese said that this is all she has. The next budget meeting will deal with capital.

Ms. Creese said that she spoke to the Board previously about the two different proposals for the earned income tax and the local services tax. The Township has to make a decision regarding who we are going to use to collect our local services tax. We have received two proposals and we may need to enact an ordinance to make this change. She copied for the Board a series of emails that she received from the school district's financial manager, Al Bennett, on this matter. She asked the Board to look at the proposals and let her know what they want her to do. She has concerns about both proposals but will be making a recommendation. Jordan Tax Service will be the new collector for the earned income tax starting on January 1. This is only for the current earned income taxes—not the delinquent earned income tax or the Act 511 taxes. She explained why she had concerns about Jordan's proposal for collection of the local services tax, which is paid by those who work in Moon Township, regardless of where they live and this is the Township's third-largest source of income. To be competitive, we also received a proposal from Keystone collections—our current local services tax collector. Moon Township has not had a problem using Keystone Collections. It is the school district's preference that the Township makes a recommendation and appointment first. After discussion, the Board felt they wanted to review the proposals and make a decision next week. Some minor changes to the Township's existing ordinances' terminology will have to be made in January.

Ms. Creese showed the Board copies of flyers that will be sent to all Township residents and Township employers advising them of the new procedures for the collection of earned income taxes that will occur in January 2012. This is informational for all the changes that will occur as a result of Act 32.

There being no further business before the Board, the meeting adjourned at 9:30 p.m.

Respectfully submitted,

Janet L. Sieracki
Assistant Municipal Secretary