

The Springettsbury Township Board of Supervisors held a Work Session on Thursday, May 30, 2019 at 6 p.m. at the offices of Springettsbury Township located at 1501 Mt. Zion Road, York, PA.

MEMBERS IN

ATTENDANCE: Mark Swomley, Chairman
George Dvoryak, Vice Chairman
Charles Wurster, Assistant Secretary/Treasurer
Justin Tomevi
Robert Cox

ALSO IN

ATTENDANCE: Benjamin Marchant, Township Manager
Charles Rausch, Solicitor
Teresa Hummel, Finance Director
Chris Gibbons, Concord Finance
Andy Hinkle, Manager, Information Systems
Jean Abrecht, Stenographer

1. CALL TO ORDER

SWOMLEY Chairman Swomley called the meeting to order stating that it is an advertised township meeting to transact any township business that is required.

2. NEW BUSINESS

WURSTER Mr. Wurster stated that the Board of Supervisors, prior to the beginning of this Work Session, had the opportunity to interview Stacey Ankrum for the position of Alternate at the Zoning Hearing Board. She had submitted an application for this position expressing interest. As part of a New Business item the board presented the following Motion.

MR. WURSTER MOVED TO APPROVE STACEY ANKRUM AS THE ALTERNATE DELEGATE TO THE ZONING HEARING BOARD. MR. COX WAS SECOND. MOTION UNANIMOUSLY CARRIED.

SWOMLEY Chairman Swomley turned the Work Session over to Mr. Marchant and Ms. Hummel.

A. Cash and Investment Accounts

HUMMEL Teresa Hummel welcomed everyone to the Finance Work Session. She identified the items to be reviewed, which were documented on the Agenda provided to the board along with a printout of a PowerPoint presentation. In addition, she intended to review financial policies and the management of 25 investment/financial accounts. She identified sixteen checking and Money

Market Accounts, two Pension Funds managed by outside companies and seven Investment Accounts, which are currently managed by Morgan Stanley. The Police Pension Fund is managed by F.N.B. I.C.M.A. manages the Non-Uniform Pension Fund, and a small account with PLGIT is managed by PFM Asset Management. Morgan Stanley manages assets totaling \$15,911,888. Development Authority currently holds \$76,000. With all accounts and funds, including Pension Funds, \$27.2 million is being managed by the township.

B. Fats, Oils, Grease Acceptance Project Financing

Contracts for the mechanical and electrical contracts - \$8.4 million. Engineering Services Contract - \$665,000. Project to be financed with Sewer Funds and outside financing. CD Investment Account for the Sewer currently has \$8.2 million available. CD investments to be used as well. Chris Gibbons of Concord Public Finance was present to discuss the FOG project as well as additional refinancing options.

1) Concord Public Financing

GIBBONS Chris Gibbons provided a handout of plans showing several financing options. He reviewed the township's existing debt, the 20-year Municipal Bond interest rates, possibilities and options for debt service through 2035.

- FOG will create revenue – minimum revenue was projected at approximately \$200,000.
- Expected borrowing interest rate 3.8-3.9 percent on \$8.135 million.
- Board reviewed potential upgrades/capacities 10 to 15 years in the future.
- Option 1 – similar to a home mortgage; level payments over a 21 year term.
- Second option will retire the debt earlier and has less Total Debt Service. Options 2 and 3 have interest only for a period of time. Option 3 is a borrowing for a slightly longer period of time and a higher rate.
- PENNVEST not an option; must be involved prior to any bids; also a straight-line mortgage option.

2) Cash Requirements Schedule – 2019 – 2020

- Timing for borrowing – three months out. Contractor Draw due November.
- Police Station – 2020/2021; waiting for DCNR land results.

MR. WURSTER MOVED THAT SPRINGETTSBURY TOWNSHIP AUTHORIZES CONCORD PUBLIC FINANCE TO IMMEDIATELY BEGIN EFFORTS TO OBTAIN RFP'S FROM BANKS FOR THE PURPOSES OF BOND FINANCING AND FOR FINANCING OF THE CAPITAL SEWER PROJECT FOLLOWING THE OUTLINED OPTION TO WRAPAROUND DEBT SERVICE WITH THE DECISION TO BE

**PRESENTED IN JUNE FOR ADOPTION OF THE DEBT RESOLUTION IN JULY.
MR. TOMEVI WAS SECOND. MOTION UNANIMOUSLY CARRIED.**

C. Delinquent Accounts Collection Policy – Sewer Fund

HUMMEL Ms. Hummel brought forward the subject of increasing the Sewer Revenue by collecting delinquent accounts. Some statistics:

- Outstanding account balance is over \$625,000; 46 over \$1,000; 20 over \$3,000; 31 are over \$5,000 and six are over \$10,000. All are residential.
- Delinquent accounts amount to 1,385 out of 8,400 – 16 percent of accounts. Liens are placed on 145. Variety of accounts have multiple liens.
- Liens are placed after one year of delinquency which is over \$350 outstanding balance.
- Current lien processing fees are \$130 per account per lien.
- Late fee – 5% or \$3.50.
- Some municipalities have increased their late fee. Windsor Township late fee - \$25.00.

Board comments:

- Water shut off/York Water Co. Payment for shut off and restore service fee billed to township.
- Option for township to do the shut off or have York Water do it for the township. There is a proper notification and a very strict schedule for shut off, regulated through the York Water Company and the PUC. Costs to the township would be reimbursed.
- Residents need to be notified of township's planned action/change of policy. Place an article in the newsletter.
- Sell the outstanding debt.
- Ordinance to be adopted; will cover shut off policy and revenue loss issue.
- Specific legal process includes the lien first, then delinquent taxes, foreclosure, Sheriff Sale. Mortgage company notified; township takes back property.
- All shut off and restoration fee costs to be collected by the township.
- Aggressive move to address older and higher delinquencies.
- Postcard bills to be eliminated.

Consensus of the board:

- Delinquency of one year or greater than \$350 balance trigger for action.
- Increased late fee of \$25.00 to \$35.00
- Ordinance will begin initial action for water shut off; suggest 30 days after first missed payment over 120 days; another 60 days over 210 days.

D. Financial Policies Review

HUMMEL Ms. Hummel stated that she had reviewed a number of financial policies that had not been reviewed for the last 10 years. She plans to review and update those policies and will present them to the board through the summer months.

- 1) Budget Policy
- 2) Cash Investment Policy
- 3) Pension Investment Policy
- 4) Capital Planning and Reserves Policy
- 5) Debt Service Policy
- 6) Credit Card Policy

E. Event Sponsorship Plan - 2020

HUMMEL Ms. Hummel stated that she, Mr. Marchant and Mr. Lacey had been reviewing sponsorships for township events. Goals are to increase the sponsorship revenue for the events. She is working on a plan of action for 2020 to have event sponsorships in place in the fall, which will enable discussions with businesses to include in their budgeting.

MARCHANT Mr. Marchant commented that good news for this year is that the township is \$6,000 ahead of last year at this time. More money and donations are coming in. However, this is a \$70,000 a year program.

Discussion points:

- Budget process usually begins in August.
- Target – Sponsor the Rec Budget.
- Sponsorship opportunities – suggest one packet for different events. Suggest more effective fund raising is done through multiple requests.
- Program laid out in advance; follow up, contact and communication through the year to get sponsorships.
- Board involvement will increase fund raising opportunities.
- Person-to-person; face-to-face communication is great philosophy, especially with big donors.
- Send thank you letters signed by Management and Board members to large donors.
- Packet of opportunities; six-week campaign for sponsorship opportunities; board involvement.
- York City Parks Conservancy formed – Capital Campaign – Bruce Arians, Honorary Co-Chair; may be a model to adopt.
- Park and Rec Board to review for additional fundraising options.
- Stonewood Park – Insurance money to fund.

F. Casino Revenue Allocation - 2020

HUMMEL Ms. Hummel brought forward for the board’s consideration the Game Revenue Allocation for 2020. She questioned where to allocate potential revenue that could be used for long-term planning.

MARCHANT Mr. Marchant noted that a number of items have been developed: Operational Capacity, Budget, Capital Improvements Plan, Development Authority Capital Improvements Fund. Item that has not been budgeted: Capital Improvements Budget. Gaming Revenue would provide a means to fund the Capital Plans in the General Fund year after year and be prepared for the future with a five-year outlook. His plan would be to allocate Gaming Funds into specific budgetary priorities, such as Debt Service, Capital Investment, Park Programs, Park Capital Investments and Infrastructure, Stormwater, Transportation, etc. Mr. Marchant hoped to see the funds specifically directed.

Additional discussion summarized:

- Next Labor Union Contract with Police to be renegotiated.
- Unfunded Pension Liability deficit.
- Transportation Study – Legislative Grant Funding available. Could be dedicated to Capital Projects.
- Davies Drive Project.
- Print – Community map and advertising – No interest.
- Stevens & Lee - Assistance with grants.

3. PUBLIC COMMENT

There was no Public Comment.

4. ADJOURNMENT

SWOMLEY Chairman Swomley adjourned the meeting at 8:25 p.m.

Respectfully submitted,

Doreen K. Bowders
Secretary

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