

**SPRINGETTSBURY TOWNSHIP
BUDGET WORK SESSION**

**NOVEMBER 15, 2017
APPROVED**

The Springettsbury Township Board of Supervisors held a Budget Work Session on Wednesday, November 15, 2017 at 6:30 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
Kathleen Phan, Assistant Secretary/Treasurer
Blanda Nace
Bill Schenck

ALSO IN

ATTENDANCE: Benjamin Marchant, Township Manager
Charles Rausch, Solicitor
John Luciani, Civil Engineer
Dennis Crabill, Environmental Engineer
Jessica Fieldhouse, Director of Community Development
Teresa Hummel, Finance Director
Mark Hodgkinson, Director of Public Works/WWT
Nitza Sanchez-Bowser, Director of Human Resources
Dori Bowders, Manager of Administrative Operations
Dan Stump, Chief, Police Department
Dan Hoff, Chief, YAUFRR
Jean Abreght, Stenographer

1. CALL TO ORDER

SWOMLEY Chairman Swomley called the Budget Work Session to order. He asked Mr. Marchant to present the draft budget.

2. PROPOSED BUDGET REVIEW

MARCHANT Mr. Marchant provided a PowerPoint overview of the Proposed 2018 Budget. During the initial sessions there was a deficit budget of \$1.3 million. Through several work sessions some modifications were made reducing expenses and increasing some revenues resulting in a \$1.1 million deficit. Revenues are expected to be about \$12,926,800; Expenditures at \$14,088,696, resulting in the expected deficit of \$1,151,896. Mr. Marchant indicated that there had been many adjustments and further cuts of expenses, none of which would affect the services of the township. Further details are provided on the township website.

Mr. Marchant discussed the Sewer Fund Budget Revenue, which is projected at \$9,025,750. Wastewater Expenses are projected at \$10,974,449 resulting in a Total Wastewater amount of \$1,948,698. Without depreciation of almost \$2

million depreciating the assets, there would be a cash surplus of \$163,502. Discussion had been held previously surrounding a sewer rate increase.

Mr. Marchant discussed additional significant projected budget allocations projected, which can be reviewed on the township website. The goal is to maintain a strong fiscal position to approve the quality and scope of services. A Five-Year Projection plan will be pursued in the near future with a target of maintaining a conservative revenue structure model that will fund 100% of the annual operating expenses. The tools available are fee increases, tax increases and discretionary use of Fund Balance. The policy is to maintain at least 10% of annual expenses and reserve, which is being maintained.

In conclusion Mr. Marchant itemized the Budget Summary. General Fund balance, \$3,742,360; Revenues of \$12,926,800; Expenses of \$14,088,696 showing a deficit of \$1,161,896, which will reduce the ending Fund Balance to \$2,580,000.

A suggested millage increase to \$1.7 mils would increase revenues and close the deficit leaving a small surplus of \$100,000.

SWOMLEY Chairman Swomley opened the meeting up for questions from the board.

DVORYAK Mr. Dvoryak commented that he had compared budgets during the 2005 to 2011 time period. He reviewed Mr. Marchant's 10 Years in Hindsight slide, which he thought had some differences. He noted that the figures from those years ago were pulled from the audited financials.

MARCHANT Mr. Marchant responded that had been where he found his numbers but added that comparing budgeted numbers and audited numbers are different. He and Mr. Dvoryak agreed to continue their discussion.

DVORYAK Mr. Dvoryak had reviewed the expenses for 2014, 2015, 2016 and 2017 versus the expense detail in the budget for 2018. He noted a significant increase and asked for an explanation.

MARCHANT Mr. Marchant responded that during 2017 there had been extraordinary expenses involved with staffing changes. A consultant had been provided for some staffing services as well.

DVORYAK Mr. Dvoryak noted that if there were unusual expenses, the costs would revert back to normal in the 2018 budget.

MARCHANT Mr. Marchant indicated that the expenses had come down significantly from prior years.

DVORYAK Mr. Dvoryak stated that he thought the expenses were mainly driven by the EMS which will be going away. In addition, there was a contribution to YAUFRR that was dropped.

DVORYAK Mr. Dvoryak brought forward the Sewer Budget. He asked about the FOG program.

MARCHANT Mr. Marchant responded that it was the Fats, Oils and Grease receptor.

DVORYAK Mr. Dvoryak understood the two positions but asked about the revenue from that for them.

HODGKINSON Mr. Hodgkinson noted those figures are not provided yet.

DVORYAK Mr. Dvoryak stated that if filling those positions is contingent upon getting into the program, there would be revenue in the budget.

MARCHANT Mr. Marchant responded that there would; however, no Ordinance had been passed, and no rate has been identified for budgeting purposes. At the appropriate time an Ordinance will be passed with the revenues and then be able to budget it. He and Mr. Dvoryak agreed to discuss the issues in a separate meeting.

3. PUBLIC COMMENT

SWOMLEY Chairman Swomley opened the meeting up to the public for comment. There were no public comments.

4. ADJOURNMENT

SWOMLEY Chairman Swomley adjourned the meeting at 6:58 p.m.

Respectfully submitted

Doreen K. Bowders
Secretary

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