

BUDGET WORK SESSION

October 25, 2016

A Budget Work Session of the Whitpain Township Board of Supervisors was held on Tuesday, October 25, 2016 at the Whitpain Township Building, 960 Wentz Road, Blue Bell, PA at 8:30 a.m. for the purpose of reviewing the proposed 2017 Budget. Vice-Chairman Melissa Murphy Weber and Supervisors Anthony F. Greco and Frederick R. Conner, Jr. were present. Chairman Adam D. Zucker and Supervisor Kenneth F. Wollman joined remotely. Township Manager Roman M. Pronczak, P.E., Assistant Township Manager David J. Mrochko, Director of Finance Christine M. Bauman, Police Chief Kenneth Lawson, Code Enforcement Officer Michael E. McAndrew, Director of Public Works Ronald J. Cione, Director of Parks & Recreation Kurt W. Baker, Township Engineer James E. Blanch, P.E., Fire Marshal David M. Camarda, Assistant Finance Director Kellen Jarrett, Human Resource Administrator Kathleen Yackin and Recording Secretary Virginia Papale were also present. Members of the Centre Square Fire Company including President Rich Moser, Chief Lee Miller, and Treasurer Tom Kozeniewski were also in attendance. There were no members of the public present.

Assistant Township Manager David J. Mrochko began the presentation noting that today's topics include the following funds: Fire Tax, Fire Hydrant, Fire Capital, Open Space, Manor House, Traffic Improvement, Highway Aid and Debt Service.

The .45 mills covering the Fire Tax and Fire Hydrant funds represents roughly 14% of the Township's millage, and equates to \$8.48/month on the average residential assessment. For that amount, traditional fire services include fire suppression, rescue, hazardous materials response, emergency medical services, fire prevention, education and community outreach. Our partnership with the CSFC is one of the most important and longest standing. Without the support of dedicated volunteers, costs for firefighting services would be massive. The Fire Hydrant Fund is clear-cut and consistent. An essential expenditure in 2017 includes extending the water line and adding a fire hydrant to service the Manor House. The long-term Fire Capital Fund includes equipment purchases and furnishings for the new building. The purchase of a new command vehicle in 2017 and a new pumper in 2018 will include a trade-in or outright sale of the current equipment.

Mr. Mrochko gave an update on the construction and funding of the new CSFC Station. Whitpain Township assisted with funding by allocating \$2.15M from the Capital Reserve budget toward the \$3.85M project. The remainder will be funded by CSFC with reserves and fundraising. Of the \$2.15M allocated toward the construction of the new fire house, \$94,000 per year will be transferred back into the Capital Reserve Fund from the Fire Fund for 20 years.

Mr. Mrochko then discussed the Open Space Fund. There are 446 acres of active, passive and conservation open space. The four major revenue sources for the Open Space Fund include fees paid by developers, County and State grants, Manor House revenue, and other project-specific funds and public/private partnerships. In 2017, a one-time real estate transfer tax from the sale of the COPT property will be used for open space projects.

The Manor House Fund followed, with Mr. Mrochko noting that \$200,000 from rental fees at the Manor House will be transferred to the Open Space Fund over the next five years. The Township's successful public/private partnership with Robert Fair Caterers helps control the cost of maintenance at the Manor House and enables a transfer to the Open Space Fund. When an event is held at the Manor House, a facility rental fee is paid to the Township.

Mr. Mrochko then discussed the Traffic Improvement Fund. Revenues are primarily from developer impact fees, which must be used for providing additional capacity to accommodate traffic from a new development. Grants are another major source of revenue for the Traffic Improvement Fund. Improvements to the intersection of Butler Pike and Skippack Pike are on their way; rights-of-way acquisitions are in the process.

The Debt Service Fund includes a drop-off in debt after 2017 with some outstanding debts paid in full. Mr. Mrochko explained that the Finance and Operations Committees are developing a long-term debt plan that matches the needs in the capital reserve program.

The Stormwater Outfall Fund receives revenues primarily from developer impact fees for new developments. Developers pay a fee based on front footage on an existing road, or the footage on a proposed road. These funds are used for any type of stormwater management projects or improvements.

The only source of revenue for the Highway Aid Fund comes from the state Liquid Fuels Fund, which is distributed to municipalities based 50% on mileage (67.96 miles) and 50% on population of the latest census figure (18,875). Because of decreasing revenues due to more efficient vehicles and less gas usage, the amount of revenue was decreasing. The Liquid Fuels monies are used 75% for resurfacing and 25% for snow and ice control.

The next Budget Work Session is scheduled for November 9th at 8:30 a.m. in Meeting Room A. Additional comments will be taken at the Board of Supervisors' meetings at 8 p.m. on November 15th and December 6th, with the budget adoption anticipated on December 6th. All of the presented information will be on the Township's website.

At approximately 9:45 a.m. the Budget Work Session was adjourned.

Respectfully submitted,

A handwritten signature in blue ink that reads "David J. Mrochko". The signature is written in a cursive style with a long horizontal stroke at the end.

David J. Mrochko
Assistant Township Manager

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