

UPPER MILFORD TOWNSHIP  
BOARD OF SUPERVISORS  
TOWNSHIP BUILDING, OLD ZIONSVILLE, PA 18068  
OCTOBER 18, 2012 AT 6:00 P.M.  
SPECIAL WORKSHOP MEETING MINUTES

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**ATTENDANCE:** Supervisors; Daniel Mohr, Robert Sentner, George DeVault;  
Manager, Daniel DeLong; Solicitor, Marc Fisher;  
Secretary/Treasurer, AnnaMarie Zeravsky

**CALL TO ORDER:** 6:00 P.M.

**ANNOUNCEMENTS:**

Supervisor Mohr announced that the meeting was an advertised workshop meeting of the Board of Supervisors for the purpose of reviewing and considering a proposed 2013 budget and for any other reason that the Board saw fit.

**NEW BUSINESS:** - 2013 Budget

Manager DeLong stated that the he feels the Revenue projections are dead on. He does not feel anything will change much on the revenue projections. On the Expense side, Manager DeLong feels that there are a few things that could be added. The wage expenses do include a two percent increase on the current year expenses. Manager DeLong explained that the Township receives its revenues from Earned Income Taxes, which is a half percent of the wages that people in the Township earn. There is also a Real Estate Transfer Tax which is a four percent tax of any property sale, of which the Township receives two of that four percent. The Municipal Service Tax, formerly the Occupational Privilege Tax, is a ten dollar tax per employee within the Township and generates about \$15,000 of revenue. State Aid only generates about \$60,000. Part of the Township's revenue also comes from the Property Tax, which is the only tool that the Township has to change the Township's revenue. He further explained that the average person only pays \$37.08 to the Township but pays \$3,467.45 to the East Penn School District and \$882.62 to Lehigh County. Of the total amount that the average person pays in Property Tax, less than one percent is paid to the Township. That equates to about \$122,000 of revenue for the Township. Manager DeLong also stated that on the rare occasion, the Township will receive more state aid than expected but that is far and few between. However, the Township has recently discovered that our Recycling Grant monies from 2007 were forgotten and we should be receiving about \$6,000 later this year. The revenue projections for the Board's review are pretty close and we won't be seeing any earth shattering changes. Manager DeLong also mentioned the fund balance forward. The Fund Balance Forward is projected on the current rate that we are receiving the Earned

Income Tax and the expectation that that rate is going to continue. Manager DeLong stated that he and Secretary/Treasurer AnnaMarie Zeravsky agree that the projected number will be accurate. However, if we notice any changes, Manager DeLong stated that he will let the Board know. Manager DeLong explained that the net revenues are looking to be one million seven hundred sixty two thousand dollars which is consistent with slight increase from the actual numbers in the past. Supervisor Mohr asked if any of the property tax increases were taken into effect. He has heard from many people that their taxes are going up. Manager DeLong explained that the amount should stay about the same because for every person who had a ten dollar increase, there is a person that had a ten dollar decrease or ten people had a one dollar increase. The re-assessment is supposed to be revenue neutral; meaning that whatever The Township millage rate grossed on property will be what The Township's millage will be set at. Supervisor Sentner stated that he heard the Motor Vehicles Codes Violations money will be going away. Manager DeLong said that the state budget starts in June, so the Township will get half of that money. There is no doubt in his mind that it is going away in the future. Manager DeLong stated that there is currently \$250,000 in unreserved funds. If the Supervisors want to use a portion of that money for something, it is available. Supervisor Sentner questioned the Pool Dividends Health Care Revenue. Manager DeLong stated that the Township is in a Pool with other people and if the pool as a whole has a lot of claims, then the amount received would be impacted. Supervisor Sentner asked Manager DeLong about the Township's EIT Collection estimate. Manager DeLong explained that he is estimating \$200,000 to \$250,000 more than what was originally estimated for 2012. Manager DeLong also mentioned that he has faith in the new Tax Collector for Earned Income Tax. Manager DeLong also mentioned that the Cable TV Service is licensed to do business in the Township, by the Township with an agreement. That agreement requires them to pay the Township five percent of their gross receipts for cable only; the percentage is not paid on their receipts for telephone or internet services. They are projected to pay the Township \$95,000 this coming year which is a main source of income for the Township and the cable TV company is fighting it. Supervisor Sentner asked if we could add another provider to the area and give residents a choice. Manager DeLong stated that the current agreement does not allow that. Supervisor Sentner said that it seems as though, the revenue is what it is and there is not much that can be done to change it; everyone agreed. Manager DeLong said that Liquid Fuels revenues are set by the state which is based on the amount of gasoline taxes collected, then put into a formula based on population and road mileage. People are driving less because they can't afford the gasoline. The tax is sixty eight cents per gallon and if people are purchasing fewer gallons, there is less money being collected, which means the Township is looking at a four and a half percent decrease for 2013.

Manager DeLong mentioned that these line items are part of the Department of Community and Economic Development's chart of accounts. On to the Expense side of the budget, Supervisor Sentner questioned why so much has been paid to the elected auditors for the year already. Manager DeLong explained that it is because of having to do a mid-year audit because of the switch of secretary/treasurers within the Township and he does not expect to have to do a mid-year audit this coming year. Supervisor Sentner questioned the amount of the Wages for Administrative Assistance. Manager DeLong stated that the amount is half of Cindy Kuhn's wages as Administrative Assistant. Manager DeLong pointed out two new line items under Fire. The current officers of the fire departments are using their own vehicles to respond to events. In all fairness, Manager DeLong feels it would be in the Township's best interest to at least reimburse them for use of their own equipment and training expenses. All Supervisors' agreed. Manager DeLong stated that the amount to be contributed in 2013 for the fire companies is five percent higher than the amount contributed this year. Supervisor Sentner questioned the Emmaus and Macungie Ambulance and wanted to know if they are private. Manager DeLong stated that Macungie Ambulance is a 501C, which has nothing to do with Macungie Borough. Emmaus Ambulance, on the other hand, is an actual line item on the Borough of Emmaus' budget. Resident Phil Casey asked how much is in the budget to donate to the two ambulance companies. Supervisor Sentner said that eleven thousand dollars combined is budgeted for the two companies. Supervisor Sentner also questioned Building Code Program Wages. Secretary/Treasurer AnnaMarie Zeravsky stated that that line item is for half of Alan Brokate's wages. Supervisor Sentner then questioned if the amount for Keystone, for the Uniform Building Code Program, is completely reimbursable. Manager DeLong stated that the Township actually makes a profit on some of it. Manager DeLong also stated that this current year for the Uniform Building Code Program account is actually behind because the Township was not billing for failed electrical inspection for the Veracruz Sewer Project, which equated to nine thousand, six hundred dollars. Supervisor Sentner then questioned the Highway Maintenance account. Public Works Coordinator, Steve Ackerman, explained that that account is used for general operating expenses such as, nuts and bolts. Supervisor Sentner questioned the major equipment purchases budget of two thousand dollars. Manager DeLong stated that that would be for chain saws, leaf blowers and such. Supervisor Sentner then questions the Traffic Light Upgrade Account and which light the money is for. Manager DeLong stated that no light has been chosen yet to upgrade; it will be determined based on which light has the worst controller. Supervisor Sentner also questioned the account for Construction and Rebuilding. Manager DeLong stated that that is for the prep work for the liquid fuels work. Manager DeLong said that some of the nuisance projects will be knocked off of the list; but if the project is an official part of a final budget,

it is more likely to get done. Manager DeLong also discussed line item, Bridge and Culvert Design and Permitting, which is to have the Township Engineer look at some projects and give some direction. It is not too early to get some designs started and one of the designs that he would like to see done is the culvert at Salem Bible and Sigmund. Supervisor Sentner asked about line item Recreation. Manager DeLong stated that that account is just regular maintenance for the parks. Because of the amount budgeted, Supervisor Sentner asked if there was a project planned. Public Works Coordinator, Steve Ackerman explained that he has about ten projects plans, all ranging about one thousand dollars each, such as sealing. Supervisor Sentner questioned if the Pension Fund Obligation is an in and out account. Manager DeLong said that the state looks at the Township's reports and then they make a determination as to how much they will give the Township. Manager DeLong said that the Major Fire Fighting Equipment Fund is a five percent increase of this years budgeted amount. Supervisor Sentner stated that he wants a list from the fire companies with what it is they are looking to purchase in the future. Manager DeLong said that the amount the Township is donating to both fire companies is a combined total of one hundred twenty two thousand dollars which is more than the Township real estate tax generates. Resident Phil Casey asked about possibly merging the two fire companies to get better efficiencies for dollars spent. There would be duplication of equipment and a social hall which could become communal. Supervisor Mohr said that it would not work that way. He further explained that the fire companies are private organizations and the Township would have to create a fire company which would result in little to no volunteers which would ultimately result in having to have a paid fire company. Resident Jason Tapler said that the Township is better off having the two fire companies because they each cover opposite ends of the Township which reduces the response time. Supervisor Sentner said that he thought that merging the fire companies made more sense until he did some research and discovered that it is cheaper and more beneficial to the Township's taxpayers to have the two volunteer fire companies than to have one paid fire company. Supervisor DeVault said that he would like to have a discussion in the future on helping to ensure there will be workers when the fire calls come in. Manager DeLong said that he feels the Township needs to work on repairing Yeakels Mill Bridge before there is a problem. He feels it should work through from the 2013 and into the 2014 budget. Manager DeLong also said that the flat roof on the Township building is showing signs of leaking. The old administrative building has a 50 year old HVAC system that will need to be replaced eventually. Manager DeLong also asked the Supervisors how much they are looking to spend on a sign for the Township building; do they want the bare minimum or a color changing text sign. Supervisor Sentner stated that with what the Township is up against within the budget, he doesn't feel that a color changing text sign is an option. He asked Manager DeLong to get

pricing. Manager DeLong said he would start getting pricing options. Manager DeLong also mentioned the implementation of a building permit and property management software and records conversion. Manager DeLong feels that the Township needs to get to the point where the property records and building permits are better manageable which will lead into the state mandated septic management program. Supervisor Sentner agreed that the Township needs to look into getting management software. Manager DeLong also mentioned the possibility of additional staffing. He feels that at this point the Township is okay with the staffing it currently has but if the Board of Supervisors have any ideas, they should let him know. Another thing Manager DeLong mentioned was the possibility of resurfacing the parking lot for the Township building and relocating the entrance to the building which would be more than two hundred thousand dollars. Also, tied in with those projects could be the possibility of the intersection improvement. Manager DeLong feels the entire block area, where the Township building is located, is a problem. With the three projects combined, it is about a million and a half dollars. Manager DeLong wants to be sure the Board of Supervisors are aware of these projects that eventually have to be taken care of. When looking at the bridge and culvert needs, the Township is looking at a lot of money to do those but the Township does not have the money within the budget to do one a year. Manager DeLong feels it would be wise to at least move forward with the Yeakels Mill Bridge and have the Sigmund and Salem Bible Road intersection under engineer design so the Township knows where they stand next year at this time. Supervisor Sentner asked Public Works Coordinator Steve Ackerman which structure he felt was top priority. Steve Ackerman feels Salem Bible Road took top priority. Manager DeLong questioned if the Board had any thoughts on using any of the reserve funds for any of the discussed projects. Supervisor Sentner asked Steve Ackerman if he felt Salem Bible is worse than Yeakels Mill. Steve Ackerman stated that they are failing in two completely different ways. Steve Ackerman said that the Supervisors should think about that there are 45 empty lots sitting on Granville road. If the economy turns around, there could be 45 homes being built by crossing Yeakels Mill Bridge. Resident Phil Casey said that there is an easy solution. If there are 45 new homes being built, the property transfer tax would pay for the bridge. Steve Ackerman said he doesn't feel the problem can wait to be addressed until after the homes are built. Supervisor Sentner stated that every year the budget is dwindled down so that the Township can get by with just the every day processes but the Township needs to start planning for the future. With the revenues the Township has, there is not enough money to do that. Manager DeLong said that although it is a difficult question to ask, he asked if any of the Supervisors wanted to entertain the thought of a tax increase to raise more funds. Supervisor Sentner said that he feels the Township Residents need to see what the Township is up against and show the residents what is needed this year,

and every year after. Resident Phil Casey said that if the Township doubles the tax every year for the next ten years, the Township would be where they want to be but they would also be the highest for taxes. Supervisor Sentner said that the entire Township is operating on one point seven millions dollars. Everything that gets done in the Township is all done on one point seven million dollars. He said that the average person only pays thirty seven dollars to the Township per year for property tax, to provide the parks, the infrastructures, the grass cutting and everything else provided by the Township. He said if anyone has any ideas on how to fix all of the infrastructures within the Township, he would love to hear the idea. Resident Phil Casey said that at the last meeting, he mentioned about taking the Township trucks to local garages for maintenance. If the Township takes the trucks to a non-local garage, it is actually taking two trucks, two employees, plus the extra time of driving and wear on the vehicles. He feels that there is thousands of dollars that are not being thought out when they are spent which all leads into the one point seven million dollar budget. Supervisor Sentner said that yes, the Township could sit here and micromanage every line item but when you look at the big picture some times it doesn't make sense. Mr. Casey said that the personnel for the Township should sit down and micromanage five percent off the budget. Supervisor Sentner stated that the Township does not have enough personnel to micromanage to that extent. Supervisor Sentner said if the Township does nothing, we might as well just sit here and wait for the infrastructures to fail. Resident James Krippe said that everything that is being discussed now should have been planned for years ago and now the Township will be paying a lot more to fix the problems. Supervisor Sentner said that the bottom line is the projects on the list have to be taken care of. Resident James Krippe wants to know what was saved when the Township had a mild winter last year. Other companies have temporary layoffs, Mr. Krippe feel that maybe the Township should look into temporary layoffs when there is down time like that. Mr. Casey asked what the cost of Yeakels Mill Bridge is. Supervisor Sentner told Mr. Casey that the cost is estimated at two hundred forty one thousand dollars. Supervisor Sentner said that when you look at the property tax that the Township receives, it just doesn't go very far. Supervisor Sentner said that the bottom line is somehow, someway, revenue needs to be generated. He asked if he would be doing his Township any service if he sat back and said he was going to do nothing and waits until the infrastructures actually fail. Supervisor Sentner said the Township usually doesn't want to raise taxes and just muddles along to get by. Manager DeLong asked if the Supervisors want to add Yeakels Mill Bridge to the budget. He also asked if they wanted to use any of the reserve funds. Supervisor DeVault said that he wants to look into everything further before he can make any decisions. The Supervisors decided to have another Special Workshop meeting on October 24<sup>th</sup>, 2012 at 6:00 pm to discuss the draft 2013 budget.

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**UPPER MILFORD TOWNSHIP  
BOARD OF SUPERVISORS  
TOWNSHIP BUILDING, OLD ZIONSVILLE, PA 18068  
OCTOBER 18, 2012 AT 7:00 P.M.  
WORKSHOP MEETING MINUTES**

**ATTENDANCE:** Supervisors; Daniel Mohr, Robert Sentner, George DeVault;  
Manager, Daniel DeLong; Solicitor, Marc Fisher;  
Secretary/Treasurer, AnnaMarie Zeravsky

**ANNOUNCEMENTS:**

Supervisor Mohr announced that the workshop meeting will be discussed during the Regular Meeting under "Other Issues".

**PUBLIC INPUT:** - None

**OLD BUSINESS:** - None

**NEW BUSINESS:** - None

**ANY OTHER BUSINESS:** - None

**EXECUTIVE SESSION:** - None

**ADJOURNMENT:** 7:30 P.M.

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Daniel J. Mohr, Chairman

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Date

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AnnaMarie L. Zeravsky, Secretary/Treasurer