

October 22, 2012

SPECIAL MEETING MINUTES

A special meeting of Dover Borough Council was held at Borough Hall, 46 Butter Road on October 22, 2012 at 7 pm. All council members and the mayor were present. President Sabold called the meeting to order, a moment of silent prayer followed.

There was no one present to offer public comment.

The meeting proceeded to preparation of the 2013 budgets. Mrs. Shirey had prepared preliminary budgets for each of the five funds. The changes between the proposed budget and the final Council recommended budget will not be addressed individually due to space. Only those items of particular importance or requiring explanation will be highlighted.

The Wallace Fund preliminary budget was reviewed. The endowment, paid alternating years with Dover Township, will be received in 2013. It was decided the entire \$1,000 library donation would be paid from the fund in 2013. In 2012, this was split 50/50 with the General Fund. The Dover Lions Club had requested the council consider sharing the cost of planting more trees for Ketterman Park next year. The initial budget included \$300 for this. This was increased to \$400. There were no other changes.

The proposed Highway Aid preliminary budget was reviewed. Mrs. Shirey noted Dover Township had not billed for the street work done this year, so the projected amount was estimated. The subject of purchasing a new dump truck was debated. Mr. Lentz recommended purchasing a new truck in 2013, with an estimated cost of \$60,000. Mrs. Shirey explained she split the purchase between four funds. The Highway Aid Fund paying 20%, or \$12,000. The remaining \$48,000 was split with the General Fund paying 50%, or \$24,000. The Sewer and Water Funds would each contribute 25%, or \$12,000. The council felt the purchase should be budgeted over two years. It was decided the amount in the budgets would not be amended until the income and expenses in all of the budgets were reviewed. No changes were made to the preliminary budget.

Mr. Lentz was asked what street work he planned for 2013. He recommended paving Edgeway Road, Fairview and Gross Avenues. He reported the Dover Area School District plans to do base repairs on Edgeway Road and a portion of Fairview Avenue to repair areas damaged by construction vehicles. He planned to overlay these streets after the repairs. Several council members stated they believed the school district was responsible for repairing the damage, as well as, repaving the damaged areas to bring them back to pre-construction condition. Additional research would need to be done to determine if the school district was liable for repaving.

The Water Fund preliminary budget was reviewed. The preliminary budget showed a shortfall of about \$46,000. Mr. Kroft noted the total income line on the budget was incorrect. There was an addition error in the spreadsheet. The corrected total reduced the shortfall to \$3,975. It was noted there is no money designated as savings for the Water Fund. The cost to replace the water meters would prohibit any savings with the current income. The possibility of increasing the water rates was discussed. A spreadsheet showing the amount of income generated by various rate increases was reviewed. It was decided the minimum charge would be increased from \$28 to \$32 for up to 3,000 gallons. The charge per thousand, after the minimum, would not be changed. The amount to budget for payroll and FICA/Medicare will be adjusted after a decision is made regarding payroll increases. There were no other changes.

The Sewer Fund budget was reviewed. There were no changes to the proposed amounts. The amount to budget for payroll and FICA/Medicare will be adjusted after a decision is made regarding payroll increases.

The General Fund budget was reviewed. The shortfall in income was examined. The possibility of raising taxes to increase income was debated. The real estate millage had not changed since 2006, when it had to be reduced due to property reassessment. No one could recall when the tax rate was raised prior to this. The council discussed increasing the Local Services Tax from \$30 to the maximum allowed \$52. This would create enough income to cover the cost of the fire company and ambulance club donations. Increasing the Local Services Tax would only affect people who work in the borough, which would lessen the impact of a tax increase on the residents. Mrs. Koch noted at least 25% of the money collected from this tax must be used for emergency services. The amount budgeted for EMA Expenses (Item 415.50) was decreased from \$2,500 to \$1,000, since the cost has been under \$1,000 for several years. The amount budgeted in Cash Reserve could be reduced if the purchase of a replacement dump truck is budgeted over two years.

It was decided the meeting would adjourn and budget preparation would continue at the next scheduled budget meeting on October 29. A motion to adjourn was offered by Mr. Kroft at 9:20 pm. Mr. Seidel seconded his motion, and it carried.

Respectfully submitted,

Janet T. Shirey
Secretary/Treasurer