

October 13, 2014

SPECIAL MEETING MINUTES

A special meeting of Dover Borough Council was held at Borough Hall, 46 Butter Road on Monday, October 13, 2014 at 6:30 pm. Mr. Seidel arrived late. All other members were present. President Sabold called the meeting to order. A moment of silent prayer followed.

Mr. Sabold stated an email was received from DCED indicating there were discrepancies in the 2013 audit filed in the spring. He felt the auditors who worked on and submitted the report should come back to help resolve this problem and all members agreed. Ms. Hartzler was instructed to contact Mrs. Anstadt and Mr. Laflamme to make them aware of the issue and request they work on finding the errors.

The main purpose of this meeting was to prepare the 2015 budgets.

The Wallace Fund was the first budget to be discussed. Mr. Sabold wanted all council members to participate in the discussion of proposed numbers and the decision to raise or lower specific items. The Wallace Fund trust income is paid in odd-numbered years and was higher in 2012 because the bank forgot to pay it in 2011. The income had been about \$1,700 for several years. The library donation was paid from General Fund in 2014 because the Wallace Fund would not have enough funds. In order to pay the \$700 annual clock maintenance from the Wallace Fund, the General Fund will continue to pay the library donation. There were no other changes to the budget.

The Highway Aid Fund budget was discussed. The state aid amount should be approximately the same and was entered as \$39,500. Mr. Slusser asked the status of our winter maintenance supplies. Mr. Lentz responded that 2 loads of salt and one load of cinders will be ordered this year. There are no capital expenses anticipated for the coming year. Salt, cinders and wear plates were added to *Winter Maintenance Supplies* (432.22) and projected to be \$5,400. \$1,000 will be needed for *Traffic Control Devices* (433.20) for state retroreflectivity compliance. The line for *Street Repairs* (438.30) is for repair of small items such as potholes and sinkholes that come up from time-to-time. *Contracted Street Work* (439.45) is for larger scale projects such as paving roads. Mr. Lentz suggested \$1,000 would be sufficient to cover the *Street Repairs* (438.30). The issue of a cash reserve amount was discussed as it would have to be designated for a specific use. Mr. Kroft felt that funds would be available in this fund whether they were designated as cash reserve or not since this budget is not typically balanced anyway. \$2,000 was put in *Cash Reserve* (430.70). The base repair bids for this year for Edgeway, Fairview and Gross came in around \$105,000. The paving for next year should be less than that. Mr. Slusser asked if we were bidding the paving with Dover Township and Mr. Lentz responded the bid would be on our own. Mr. Lentz felt \$80,000 would be adequate for *Contracted Street Work* (439.45). The price to purchase salt and cinders in 2014 was reviewed which would affect the bank account balance carried over into next year. At this point, the year-end total for the 2015 budget would show as a negative. Mr. Kroft felt the \$2,000 could be removed from the *Cash Reserve* (430.70) line to keep the year-end figure in the black. This change was made leaving the end of year total for 2015 to be \$113.37.

The Water Fund was the next budget to be reviewed. Mr. Lentz made the observation that water usage is down in the borough in general. The water income for 2013 and 2014 had been under budget so the income for *Water Fees* (378.10) was entered as \$264,000. The *USTIF Reimbursement* (395.02) was reduced to \$32,000 for 2015 because it was estimated high for '13 and '14 and should remain approximately the same for the coming year. The section for Payroll was skipped for now. Legal services (John Herrold's invoices) have always been paid from the General Fund regardless of the nature of the work. This topic was discussed and Ms. Hartzler was instructed to track Mr. Herrold's fees going forward to see if the General Fund should be reimbursed for legal services related to water and sewer issues. *Engineering Services* (408.00) were discussed and there will not be an expense in 2015 for the Water Allocation Permit budgeted for in 2014. \$7,500 was considered to be a sufficient amount for next year. Mr. Lentz proposed \$7,000 for *Equip/Repair/Maint Supplies* (448.25) and \$5,000 for *Analysis Fees* (448.31). We do not know if

the SOC Testing will be required again in 2015. No monies for *Auto Expense* (448.33) have been shown for this year. Ms. Hartzler will have to check the General Fund to see if auto expenses are over budget which should be reimbursed from water and sewer. *Utilities* (448.36) have been less than budgeted the past two years and the amount was reduced to \$10,000. *Mowing Contractor* (448.37) was reduced to \$3,500 since it has been under budget for two years. All the water meters have been installed so *Contracted Services* (448.45) was reduced to \$25,000. The higher amount of \$80,000 for *Capital Equip/Machinery* (448.74) in 2014 was for the purchase of water meters. The line item could be reduced back to \$30,000 for 2015. *Insurance Policies* (486.00) were a little over budget in 2014 so this was increased to \$2,800 for 2015. The Water Fund budget cannot be balanced until the figures for payroll and health insurance are confirmed. The issue of a loan repayment to the Sewer Fund was discussed at length. There would be cash on-hand at the end of 2014 to make a payment of 1/3 of the loan. This was entered on Line 392.06, *Transfer from Water Savings* as income in 2015 and Line 492.08 *Transfer to Sewer Fund* as an expense so it would not affect the balance of the 2015 budget. The decision to make another payment to the Sewer Fund in 2015 could be made later in the year after consideration of water receipts for the first part of the year and expenses for contracted work were known.

The health insurance renewal was discussed. A decision would need to be made regarding the health plan and raises before any of the budgets could be finalized. Mr. Seidel was concerned that the employees were assured the health insurance benefits provided by the borough were in line with or better than those provided by other employers. The renewal rates and plan options provided by Benefit Connections were reviewed and debated. It was decided to move forward with the Health America Gold Premier PPO \$25/\$75 plan. It was felt that making a decision regarding raises at this time would facilitate the progress of the remaining budget discussions.

Ms. Bishop made a motion to adjourn the budget meeting. It was seconded by Mr. Seidel and all were in favor. The meeting was adjourned at 9:30 p.m.

Council moved into an Executive Session to discuss personnel issues.

Respectfully submitted,

Rebecca Hartzler
Secretary/Treasurer