

**SPECIAL MEETING MINUTES**

A special meeting of Dover Borough Council was held at Borough Hall, 46 Butter Road on Wednesday, October 14, 2015 at 7:00 pm for the purpose of preparing the 2016 budgets. Mr. Seidel, Mayor Pope, and Ms. DiGiovanni were absent. Mr. Slusser arrived late. All other members were present. President Sabold called the meeting to order. A moment of silent prayer followed.

**Water Fund** – The *Payroll and FICA/Medicare* (487.01) figures had been entered as determined by council during an Executive Session. With all the line items entered, this left a shortfall in the budget of \$47,740.40. The budget was reviewed for lines that could be reduced. It was agreed *Water Purchase* (448.24) should not be decreased as Dover Township recently advised their rates have increased. Line 448.74 *Capital Equipment/Machinery* was discussed and whether the borough should expect any purchases relative to Well #4 replacement. Since there are no planned capital equipment expenditures for 2016, this line was reduced to \$12,000. Reductions were also made to 408.0 (*Engineering Services – now \$2,500*), 448.25 (*Repairs & Maint Supplies – now \$5,000*), 448.36 (*Utilities – now \$9,000*). Mr. Kroft suggested a larger loan repayment be made in 2015 to the Sewer Fund since there is an anticipated budget surplus. The 2016 loan payment could be \$20,000 with a budgeted final installment of \$30,000 for 2017. Ms. Hartzler revised the spreadsheet for Health Insurance Reimbursement by Fund which reduced the Water Fund contribution (487.00) to \$12,391. After extensive review, no other potential reductions in line items were found and a figure of \$8,553.40 was entered under *Transfer from Water Savings* (392.06) to balance the budget.

**Sewer Fund** – Under “*Income*”, Line 392.09 (*Transfer from Water Fund*) was changed to \$20,000 based on the reduced loan payment budgeted from the Water Fund. Also, *Health Insurance* (487.00) was recalculated at \$15,428. The budget shortfall will be \$96,632.31 which was entered in Line 392.08 (*Transfer from Savings*) to balance the budget. The Sewer Fund checking account has a balance over \$400,000 and includes \$100,000 deposited when the CD matured and was cashed out this year. Sewer rates were increased several years ago and funds held in savings to cover the cost of sewer rehabilitation work mandated by DEP under the COA. The Delwood Project scheduled in 2015-2016 is a designated use of those funds. In addition, increased revenue was necessary to make repayment of the two loans for the WWTP expansion project. The 2004 Sewer Loan will be paid off by mid-2018 which will alleviate \$100,000+ of debt service per year, providing funds for future savings.

**General Fund** – Under *Income*, several “*Taxes*” line items were increased based on actual figures from 2013 – 2015. Per Capita (310.01) = \$5,500; Real Estate Transfer (310.10) = \$14,000; and Misc. Tax Distributions (310.80) = \$18,500. Lines 320.00–380.00 were carried the same as 2015. Penn Waste’s proposal to extend the current contract was discussed. All members felt the current contract language did not allow for an extension with a rate increase (as in Option #1) nor a change in terms (as in Option #2). Mr. Herrold will be contacted to review the contract in order to confirm council’s opinion that it should be bid. Line 387.00 (*Borough Decorations*) was entered as \$0; the high school has not yet submitted a quote/proposal for banner production. Line 395.05 *Employee Health & Dental Contribution* was reviewed; the dental figure will not be known until the renewal rates come in after 12/31/15. The Health Reimbursement was entered as \$7,189 based on 15% of the selected plan. The *Auto Expense Reimbursements* (395.06C & 395.08C) increased to \$3,000 to match the sewer/water budgets expense lines. The NYCPR Pension Reimbursement was entered as \$34,000 based on the NYCPR 2016 MMO less the estimated State Aid.

Mr. Lentz referenced the spreadsheets reflecting the proposed employee pay increase of 1% and the increase of employee health contribution from 10% to 15% of the plan cost. He expressed frustration that his income has been decreasing since he was changed from hourly wages to salary and would be about \$480 less in 2016. President Sabold indicated the rising cost of health insurance is hard on everyone and borough employees are getting a ‘good deal’ on their weekly deductions compared to many other employers. Mr. Lentz’ position had been switched to salary to comply with labor laws.

A motion was made to adjourn with all in favor. The meeting adjourned at 10:02 p.m.

Respectfully submitted,  
Rebecca Hartzler  
Secretary/Treasurer