

BUDGET WORK SESSION

October 22, 2009

A Budget Work Session of the Whitpain Township Board of Supervisors was held on Thursday, October 22, 2009 at the Whitpain Township Building, 960 Wentz Road, Blue Bell, PA at 9:00 AM for the purpose of reviewing the proposed 2010 Preliminary Budget. Chairman Joseph J. Palmer was present with Supervisors Brian W. Young, Anthony F. Greco, William L. McKernan III, and Adam D. Zucker. Township Manager Phyllis C. Lieberman, Assistant Township Manager/Township Engineer Roman M. Pronczak, and Director of Finance John Marcarelli were also present. Also present for the second portion of the meeting were Centre Square Fire Company President Douglas Thomas, Treasurer Edward Ross, and Chief Nelson Miller. There was one member of the public present.

Mr. Marcarelli presented the 5 year summary for the General Fund Operating Budget and offered three alternatives regarding taxes. With no real estate tax increase the projected fund balance would be \$1.8 million at the end of 2010 and there would be \$465,000 deficit at the end of 2011. With a 0.71 mill increase in 2010 there would be a positive fund balance through 2013 and a \$1.0 million deficit at the end of 2014. An increase of 0.71 mills in 2010 and a 0.5 mill increase in 2011 would result in a positive fund balance in all years of the 5 year projection. The supervisors expressed concern with raising real estate taxes during current economic conditions, especially the impact this would have on residents who are on a fixed income.

Mr. McKernan discussed the possibility of enacting a 0.25% earned income tax increase for open space purposes, which could lessen the burden on real estate taxes. Mrs. Lieberman discussed the possibility of negotiating a fee in lieu of taxes with the Montgomery County Community College, adding that they have a significant impact on our infrastructure and require services from many departments. Mr. Palmer indicated that it would be beneficial to meet with the County Commissioners to discuss these issues as well as regionalization of public safety services.

Various issues regarding personnel costs were discussed and included cost of living adjustments, a hiring freeze, and potential layoffs of employees. Mr. Palmer stated that the Board needs to provide the staff with guidelines on acceptable funding levels and ask the staff to develop a budget that conforms to those guidelines.

The representatives of the Centre Square Fire Company joined the meeting at this point and the discussions focused on the Fire Tax Fund. The Centre Square Fire Company presented a budget request which included operating expenditures in the amount of \$312,900 and capital items in the amount of \$117,700. Mr. McKernan noted that there is a significant increase in the line item for apparatus maintenance and asked whether this was related to the age of the equipment. The representatives from Centre Square Fire Company stated that this was the primary reason and it was agreed that this line should decrease as equipment is replaced. The possibility of consolidation of Stations "A" and

“B” was also discussed, which would have an impact on many of the operating and capital budget items that were requested. Mr. Thomas indicated that the primary concern associated with relocation of Station “A” has to do with ownership of the land.

Mr. Palmer discussed the need for an assessment of the benefits of the fire company responding to QRS, especially with presence of Second Alarmers and the quick response times they have provided. Mr. Miller indicated that this is currently being discussed.

At this point it was determined that there was insufficient time to review the fire marshal’s budget and that he would be asked to present his budget request at the next meeting.

At approximately 11:05 AM the Budget Work Session was adjourned.

Roman M. Pronczak, P.E.
Whitpain Township Engineer/
Assistant Township Manager