

## BUDGET WORK SESSION

October 29, 2009

A Budget Work Session of the Whitpain Township Board of Supervisors was held on Thursday, October 29, 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. Assistant Township Manager/Township Engineer Roman M. Pronczak, Director of Finance John Marcarelli, Fire Marshal David Camarda, Police Chief Mark A. Smith and Director of Public Works Ronald J. Cione were also present. Township Manager Phyllis C. Lieberman was absent. There was one member of the public present.

Mr. Pronczak provided an update on what all departments are doing to evaluate ways to bridge the gap between expected expenses and revenues for 2010. The department heads are preparing recommendations on how expenses can be reduced and what impact this will have on services. Additionally, potential revenue sources are being re-evaluated as are projections of current year revenues. Mr. Pronczak indicated that without a tax increase and without the use of a portion of the fund balance, departmental expenses would have to be cut by approximately 19%.

Mr. Camarda discussed staffing requirements for the fire department and explained that they are based on the types of calls that are being responded to and what agreements are in place with other departments. Mr. Camarda also explained that if staffing levels are reduced below current levels, adjustments would be required to present response policies. These would include QRS responses and the utilization of additional mutual aid and automatic aid arrangements.

Chief Smith presented the police department budget and discussed staffing levels. He explained that the current budget includes thirty-two sworn officer positions, but that there are currently two vacancies and a third vacancy would occur in 2010 with retirement of an officer. Chief Smith indicated that although thirty-two officers would enable him to operate at the best level, the minimum number of officers needed to perform basic services is thirty. Mr. McKernan asked what is being sacrificed with a reduction in staffing to the minimum level. Chief Smith replied that things like selective speed enforcement may not be able to take place during commuting times or officers may be pulled off from similar assignments to respond to emergency calls. He added that as major roadways continue to become congested, motorists look for alternatives and speed through residential areas. The Police Department attempts to alleviate residents' concerns by conducting selective enforcement during peak commute times.

Chief Smith also discussed that Whitpain police officers are required to have higher qualifications than larger departments prior to being hired. He added that they are also required to perform tasks that other departments use specialized personnel for.

It was determined that the 2010 budget would include funding for thirty officers, which would reduce the proposed budget by approximately \$160,000. Additionally, \$20,000 will be reduced from the line item for IT services. Chief Smith will also provide additional recommendations for reducing the size of the fleet, as well as other cost saving measures.

Mr. Cione summarized the Sewer Fund capital budget and expressed concern with a significant increase in capital expenditures that will be needed at the Ambler treatment plant in 2012. The total cost of the project is approximately \$11 million and Whitpain Township would be responsible for approximately 11% of that cost or \$1.2 million. Mr. Palmer indicated that it is important to make elected officials at the federal and state levels aware of the financial impacts to local government of environmental regulations they enact and the impact of unfunded mandates.

Mr. Cione also discussed infiltration/inflow removal efforts and how these efforts affect the operating budget. He explained that the primary benefit is realized from a reduction in the volume of wastewater that has to be treated, but added that electrical costs are also reduced because the time sewage pumps need to operate is decreased.

Mr. McKernan noted that operating expenditures continue to exceed revenues and that the fund balance is being depleted at a rate of approximately \$500,000 each year. The Supervisors agreed that this trend could not continue, but felt that a sewer rate increase could be delayed until 2011. The Supervisors also felt that sewer rates would likely have to be increased over a 4 to 5 year period.

Mr. Pronczak informed the Supervisors that department heads continue to look for ways to reduce the proposed expenditures for 2010 and to look for other potential revenue sources. He added that additional information will be provided at the meeting on November .

At approximately 11:20 AM the Budget Work Session was adjourned.

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