

MINUTES
EXETER TOWNSHIP BOARD OF SUPERVISORS BUDGET MEETING
OCTOBER 10, 2019

Budget Meeting

A Budget Meeting of the Exeter Township Board of Supervisors was called to order on Thursday, October 10, 2019 at 6:00 P.M. in the Township Building by John Cusatis, Chairperson.

Mr. Howell stated that he was videotaping the meeting

Supervisors Present: John Cusatis, Chairperson
David Speece, Vice Chairperson
Vinny Biancone
Jeff Anderton
Daron O'Donald

Absent:

Others in Attendance: John Granger, Township Manager
Michele Gilbert, Operations Director
Jen Savage, Finance Director

The Meeting was opened with the Pledge to the Flag

Final Discussion

Mr. Granger reviewed a number of items which the Administration is seeking direction on;

Impact of Homestead Exemption

The Homestead Exemption affects each of the Township's real estate taxes. A \$50,000.00 Homestead Exemption will have a negative impact as follows:

- General Fund \$668,569.00
- Fire Tax Fund \$188,571.00
- Debt Service Fund \$224,415.00

The institution of the Homestead Exemption will require that the Township not raise real estate taxes in order to provide the Homestead Exemption. This means that the lost revenue must be provided for by another source. The Administration is recommending that the lost revenue from the tax be made up from interest earnings from the balance of the proceeds of the sale of the Wastewater System.

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Fee Schedule

The Fee Schedule includes new golf rates, adjustments to the recreation rates, primarily summer recreation program, and modifications to the fees charged by the Engineering Department.

Per Capita Tax

The Administration is recommending that the Board eliminate the Per Capita Tax. The Tax provides \$60,000 in General Fund revenue on an annual basis.

The appropriate Per Capita Tax Collector receives renter information from each of the rental complexes in the Township on an annual basis. He updates his database using this information. In addition, the School District provides him with individuals whose children have enrolled in the District. The names from the School District list often coincide with the names from the rental list however additional names are often included on a School District's list from individuals who are renting houses. The only group of individuals who the Tax Collector does not have a source of information are those who rent single family homes or town houses and do not have children.

The appropriate Per Capita Tax is assessed on residents over the age of eighteen (18). There is no forgiveness for elderly or disabled.

Utility Fund

The Administration recommends that the Board modify the Utility Fund as follows:

- Streetlight Tax: Increase millage from .00009 to .000095
- Hydrant Tax: Increase per linear foot fee:

	<u>2019</u>	<u>2020</u>
Improved property	\$.40	\$.42
Unimproved property	\$.25	\$.2625

Sewer Revenue

Upon the sale of the Wastewater System, all revenue currently in the Sewer Revenue Fund and any and all future receipts from unpaid sewer balances, will become unobligated General Fund revenue.

Expenditures

Mr. Granger stated that the Library is requesting an additional \$5,000 donation in 2020. The Administration recommends that the Board approve the request.

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Equipment for Reading Country Club

The Budget that was presented by the Department Head does not include funding for the following:

- Driving range – concrete pad \$12,000.00
- Back steps from Pro Shop to patio \$10,000.00
- Sand for bunkers \$ 3,500.00

The Administration is seeking direction from the Board whether or not to include any of these items in the Budget.

The proposed lease for the golf carts is \$34,200/year for four (4) years. The rental charge for the golf carts is proposed to be increased from \$15.00 to \$17.00 which would provide sufficient revenue for the carts. If the carts were leased, the maintenance expense for the carts would be reduced from \$32,000.00 to \$1,500.00.

The increase in the cost of golf cart rentals will yield approximately \$30,000 in additional revenue, leaving approximately \$4,200 to be recovered through the decrease in maintenance expense.

If the Board so desires, the cost for the improvements to the driving range could be budgeted using some of the maintenance expense savings. The Administration would caution that, while the Board may budget this expense, the improvement could be subject to negotiation with a prospective operator as could the improvements to the bunkers.

The Administration would recommend funding the improvements to the steps as they are a safety issue. Funding could be from the savings in maintenance expense.

The Administration recommends that the Board lease new carts.

Two (2) mowers were requested to be replaced, as well as a tractor. The purchase costs for each piece of equipment:

Tees mower	\$33,000.00
Surrounds mower	\$39,000.00

If the two pieces of equipment are purchased, the equipment maintenance expense can be reduced from \$23,000.00 to \$15,000.00.

The Administration is seeking information about leasing the above equipment rather than purchasing it directly and should have that data available for the meeting. The leases would need to be assignable should a new operator be selected.

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Clubhouse

At a minimum the following improvements need to be completed at the Clubhouse:

Replace A/C unit	\$230,000.00
Windows/doors	\$250,000.00
- Westside windows replacement	
- Doors four seasons room replacement	
- Four seasons room emergency exit relocation	
Reroof Parapet roof	\$ 20,000.00

The Administration recommends that the Board fund the reroofing project in the 2020 Budget. The remaining improvements/upgrades can be subject for discussion with the new operator.

Animal Control

Mr. Granger stated that the Administration has received communication from Animal Rescue League (ARL) with respect to the proposed services for 2020. The documents have been forwarded to the Board.

Mr. Speece asked if the current program placed a burden on the Police Department.

Chief Morris stated that at times it does however additional resources would benefit the Department.

Mr. Granger asked if Mr. Sandritter if the lease for the golf carts would be assignable.

Mr. Sandritter responded yes.

Mr. Biancone asked if the T-mower was a specific mower.

Mr. Ahrens indicated that it would be a specific mower due to the height required to cut the grass. If it was used for a different purpose, the tires and cutters would need to be modified.

Mr. Biancone asked about the proposed relocation of the air conditioning unit in the Clubhouse.

Mr. Hamm stated that the unit would need to be taken out and installed in pieces. In addition, the contractor would need to install a deck in the ceiling on which the new air conditioning unit would need to be installed. Due to the efficiency of the new air conditioner unit, a heater would also need to be installed in the ceiling to prevent the sprinkler system from freezing.

Mr. Anderton asked what part of the building did the air conditioning unit cool.

Mr. Hamm stated that the unit just serves the ballroom.

Ms. O'Donald asked what would happen if the windows and doors were not replaced.

Mr. Granger stated that security of the building would not be a problem. He suggested that the windows and doors not be replaced by the Township but be subject to negotiations with the ultimate user of the

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facility.

Mr. Granger stated that the in-car camera system should be viewed as an insurance policy.

Mr. Piersol stated that the Township has a small grant available through DVIT to assist in the acquisition of in-car cameras.

Mr. Biancone asked the Chief if he had prior experience with in-car cameras.

Chief Morris replied that he has had extensive experience with in-car cameras. He stated that in prior years in-car cameras were in use in the Township however they were removed due to the poor quality of the equipment. He stated that the Post equipment is used extensively in the County and throughout the country.

Mr. Biancone asked where the Parks Superintendent salary was budgeted.

Mr. Granger indicated that it was 75% Country Club and 25% General Fund.

Mr. Speece stated that things may change during the year based on large part on the ultimate agreement with the Teamsters.

Mr. Cusatis thanked the Administration for the update.

MOTION of Mr. Cusatis, seconded by Mr. Anderton, the meeting adjourned at 6:40 P.M.

Respectfully Submitted,

John A. Granger
Township Secretary