

MINUTES FOR THE FIRST IN A SERIES OF 2014 BUDGET MEETINGS HELD BY THE EXETER TOWNSHIP BOARD OF SUPERVISORS ON SEPTEMBER 30, 2013

A 2014 Budget Meeting of the Exeter Township Board of Supervisors was called to order on Monday, September 30, 2013, at 7:00 P.M. in the Township Building by Chairman Donald R. Wilson.

The purpose of the meeting was to update the Board and Taxpayers on the projected income for 2013 as well as the proposed 2014 income levels. Also reviewed were the Parks and Recreation Department and the Wastewater Treatment Plant budgets for 2014.

Supervisors Present: Donald R. Wilson, Chairman
Kenneth A. Smith, Vice Chairman
Gary E. Lloyd
Jeff Bukowski

Others in Attendance:
Troy S. Bingaman, Township Manager/Secretary/Treasurer
Carol I. Leinbach, Finance Manager
Joseph I. Seltzer III, Parks & Recreation Superintendent
Paul Herb, Wastewater Treatment Plant Superintendent

Absent from the meeting: Dona L. Starr

Pledge of Allegiance

The Meeting was opened with the recitation of the Pledge of Allegiance.

Overview of the Township Funds and Budget

Ms. Leinbach explained how the budget process worked and that the budget plan should be adopted by December 31, 2013. She stated General Fund accounts pay for the majority of expenses for operating all departments with the exception of the Fire Department and the Wastewater Treatment Facility. The General Fund also provides the funding needed to pay the debt service, with the exception of the Reading Country Club acquisition for previous Bond issues; to make contributions to the Exeter Community Library, Exeter Ambulance, Animal Rescue League, Crime Alert Berks, Center for Excellence in Local Government, the Greater Reading Economic Partnership & the Chamber; and, for the purchase of capital equipment such as computers, vehicles, maintenance equipment, etc., by transferring money to the Capital Fund.

She reported the **General Fund 2013 Revenue Highlights** stating \$200,000 of Earned Income Tax Revenue was projected over the budgeted amount; Real Estate Tax was lagging budget by approximately \$42,000; Real Estate Transfer Tax was expected to exceed budget by \$100,000 due to the recent sale of the Woodgate Apartments; and Landfill Host fees were under budget by \$50,000 due to the volume of trash disposal.

She itemized the revenue sources of taxes, licenses & permits, fines, interest received, grants & State funding, charges for services and miscellaneous noting the largest of the taxes was from Earned Income Tax and the smallest amount was from the Franchise Cable Tax.

The Summary of General Fund Tax Rates are as follows: *Real Estate Tax*: 1.815 mils = \$181.50 per \$100,000 of assessed value; *Per Capita Tax*: \$5 per resident; *Earned Income Tax*: .5% of Earned Income per resident; *Local Services Tax*: \$52 per person employed within the Township; *Business Privilege Tax*: .75% of Gross Receipts of businesses operating within the Township; and *Real Estate Transfer Tax*: .5% of consideration less 2% commission to Berks County.

Also detailed were revenues of actual, budget and projected tax revenues from 2009-2014. Projected revenues for 2013 are \$6,824,980 and the budget for 2014 is \$6,879,831.

The Utility Fund is used for Street Light and Fire Hydrant Tax revenues and to pay the cost associated with the same. The *Street Light Tax* is \$.40/foot (improved frontage) and \$.25/foot (unimproved frontage). The *Fire Hydrant Tax* is .09 mil (only for properties within 780 feet of a hydrant). Utility Fund Revenues have remained level. The 2013 projected expenditures are \$202,210 and, in 2014, \$196,974 was budgeted based on the 2013 budgeted amount of \$197,028. Mr. Lloyd asked why the street light electricity costs went up from \$70,040 to \$88,000 to which Ms. Leinbach stated that had to be researched. Mr. Bingaman stated with the new electricity rates he expected that number to go down. There was a general discussion regarding that number.

The Fire Services Fund created to support the Township Volunteer Fire Department had a current *Fire Tax Rate* of .505 mil or \$50.50 per \$100,000 assessment. Revenues for 2013 are projected at \$720,937 and the 2014 budget revenue is \$725,246. Ms. Leinbach detailed fire service expenditures stating they were projected at \$685,347 for 2013 and the 2014 budget was \$709,060. Mr. Bingaman stated more time would be spent on this fund during the November 7th meeting with Chief Jordan.

The Debt Service Fund is to re-pay the debt on the bond financing used for the acquisition of the Reading Country Club property and the necessary improvements and repairs. The current *Debt Service Tax Rate* is .55 mil or \$55 per \$100,000 of assessed property value. Projected total 2013 revenues are \$964,448 and the 2014 budget revenue is \$944,100. The expenditures for 2013 are projected at \$874,863 and the 2014 budget is \$877,746.

The State Liquid Fuels Fund is used strictly for road paving and repairs, road equipment, road signage, snow removal supplies and equipment maintenance. The revenue source for this account is from the State Liquid Fuels Tax allocated to the Township annually based 50% on population and 50% on road miles. The projected revenue for 2014 is \$579,292. State Liquid Fuels Fund 2013 projected revenue is \$599,019 and the 2014 budget is \$580,392.

The Sewer Fund's operating account for the Wastewater Treatment Plant. Associated revenues are deposited into this account and all operating expenses, including debt service are funded with these revenues. Revenues in 2013 are expected to exceed budget by approximately \$100,000 primarily due to the re-opening of the Birdsboro Kosher Farms Poultry Plant as well as the Septage Disposal Program. Expenses for 2013 are expected to be under budget by approximately \$89,000. Sewer Fund 2013 projected revenue is \$5,200,690 and the 2014 budget is \$5,145,790. Sewer Fund Expenses projected for 2013 are \$5,235,509 and for 2014 \$5,277,788 is budgeted.

Sewer Capital Projects Fund was established with borrowed funds to complete multiple capital improvements to the Wastewater Treatment Plant and collection system. Projects included replacement of 3 sections of the Schuylkill Trunk Line, cleaning out digesters and other miscellaneous equipment and improvements. Sewer Capital Projects Fund revenues projected for 2013 are \$8,005 and \$99,500 is budgeted for 2014. Projected expenditures for 2014 include the Glen Oley Sewer Extension at \$1 million; the Capital Purchase Sewer Replacement Project at \$593,000; Capital Purchase for Sewer Equipment at \$592,000 and the Capital Purchase for the Sludge Dryer at \$8,000 totals \$2,166,000 which is budgeted for 2014. Mr. Smith suggested the \$1,000,000 for the Glen Oley Project be removed from the budget as it had been withdrawn from the 537 Plan and the State was not telling the Township to do anything because it had not seen the results of the tests. He stated he would like to find other ways of funding the project if it had to occur. Mr. Bingaman noted Mr. Herb's 2014 projected budget spreadsheets were on the work space for the Board to review and Mr. Herb explained the details noting his department was looking at smaller projects that would improve the bottom line. He noted the Co-Generation Project, that would convert the methane being burned off in a flare from the digesters into electricity needed to operate the plant, would save money. There was a general discussion on equipment needing replacement, employment, credit card fees, engineering & legal, lab fees, uses of Biosolids, and various expenditures within the budget. Mr. Lloyd asked if Mr. Herb could say the sludge dryer was a success to which Mr. Herb replied, yes.

Ms. Leinbach continued with **The Parks & Recreation Fund** stating Parks & Recreation expense is approximately 5% of the General Fund Budget. The total proposed budget for 2014 is \$471,093 which is a 1.8% increase over the 2013 budget. Projected Revenues for 2014 are \$129,566 which is a slight decrease from the 2013 budget; but, an increase over the projected 2013 year-end income of \$123,158. **Park Capital Improvement Fund/Fund 32** is used for the construction and maintenance of park facilities within the Township. Revenues for these costs come from builders and developer upon the construction of new homes and from fees-in-lieu of land from Subdivisions. In 2013, funds were used to construct a new park in Farming Ridge, to upgrade the HVAC at the Dunn Community Center, and to replace carpet and flooring in the Dunn Center. In 2014, the Farming Ridge Park will be completed at a cost of \$20,000; the 2nd vestibule at the Dunn Center will be completed; and tables & chairs will be replaced at the Center at a cost of \$8,000. General Park Maintenance in 2014 will cost \$2,000. The total for Park Capital improvements will be \$30,000 for 2014.

Mr. Seltzer requested a raise of \$3,000 to bring his salary to \$60,000 annually. He stated Muhlenberg Township paid \$59,000 annually; Spring Township paid \$68,000 annually to their Recreation Superintendents, and noted two other municipal recreation salaries. He asked the Board to consider his request. Mr. Bukowski asked if the Township was undercharging residents for participation in recreation programs. Mr. Seltzer stated Exeter's fees were a little higher than fees charged by other municipalities. Mr. Bukowski felt the playgrounds program was providing supervised care for children throughout the week for far less than the cost of day care. Mr. Bukowski asked what the demand was and the plans were for additional ball field space in the future. Mr. Seltzer stated there was high demand for ball field space and the Township owned several acres on Rugby Road that could be used for Soccer and Lacrosse. There was a general discussion on expanding recreational opportunities to include concerts that could pay for themselves and make money. The Board expressed its interest in doing big things that included

festivals and concerts. There were suggestions about using more promotion with social media and networking with neighboring communities to develop events. Mr. Wilson suggested using the Country Club driving range for day or night recreation events. He also recalled Central Catholic putting up a portable stage and having concerts at the stadium.

Retirement - Terry L. Seyler

Mr. Bingaman stated Terry Seyler, heavy equipment operator, from the Highway Department had retired and Mr. Hamm requested posting his position in house.

MOTION by Mr. Smith, seconded by Mr. Lloyd, to accept the resignation of Terry L. Seyler and to authorize posting a Heavy Equipment Operator position. Motion carried unanimously.

Keystone Communities Enterprise Zone Designation Resolution #2013-16

Mr. Bingaman stated he received an email from Ed Swoyer from the Greater Berks Development Fund requesting Exeter's participation in a DCED application that would piggy back the City's Keystone Communities Enterprise Zone Designation Grant request. Mr. Swoyer indicated the DCED would prefer a multi-municipality application and he has reached out to neighboring municipalities to join the city's application. Cumru and Muhlenberg have signed on so far. Mr. Bingaman stated he reached out to Pam Shupp for information on this grant and she stated if the grant was awarded it would be for about \$350,000. Mr. Bukowski checked the internet and found this grant was for funding and technical assistance for disadvantaged industrial manufacturing and business sites. Mr. Bingaman stated if in the future Exeter could attract an industrial business for the Lincoln Road Industrial Park then an application could be made to Greater Berks for funds. Mr. Bukowski stated he knew Mr. Swoyer and his group had been doing this work for a long time and they were similar to Berks Industrial Development Fund. Mr. Bingaman read the proposed Resolution of Support. The Board agreed to participate. **MOTION** by Mr. Lloyd, seconded by Mr. Smith, to provide a Resolution of Support of the Keystone Communities Enterprise Zone effort for the Berks Greater Development Fund. Motion carried unanimously.

Executive Session

Mr. Bingaman requested a brief Executive Session following the meeting to discuss personnel.

Public Comment

Tom Howell, P.O. Box 4635, stated building in Exeter Township was slow and he did not know if the recreation fund was increasing or decreasing to which Mr. Lloyd stated it was going down. Mr. Bingaman stated at the end of 2014 the projection was to have \$88,000 in the Park Capital Fund. Mr. Howell suggested using guest speakers as special community events. He also suggested approaching Lowes to request parking on the empty spaces at Exeter Commons for special events. Mr. Bukowski suggested parking at the Promenade as well. Mr. Bingaman stated 28 new home permits have been pulled in Exeter this year and they were mainly on lots remaining in existing developments.

ADJOURNMENT

MOTION by Mr. Smith, seconded by Mr. Bukowski, to adjourn the meeting. Motion carried unanimously. The meeting adjourned at 8:25 P.M.

Respectfully Submitted,



Troy S. Bingham
Township Secretary

EXETER TOWNSHIP
RESOLUTION #2013-16

RESOLUTION OF EXETER TOWNSHIP SUPPORTING THE FILING OF AN APPLICATION TO THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, COMMONWEALTH OF PENNSYLVANIA, FOR THE DESIGNATION OF A KEYSTONE COMMUNITIES ENTERPRISE ZONE.

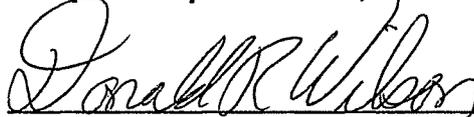
WHEREAS, Exeter Township supports the filing of an application to sure Keystone Communities Enterprise Zone designation from the Department of Community and Economic Development, Commonwealth of Pennsylvania, which would encompass certain industrial and manufacturing areas of Exeter Township; and

WHEREAS, Exeter Township is willing to participate in the implementation of a 5-year Business Development Strategy; and

WHEREAS, Exeter Township authorizes the Greater Berks Development Fund to prepare and submit said application for designation and to represent the Township in the implementation of the Program.

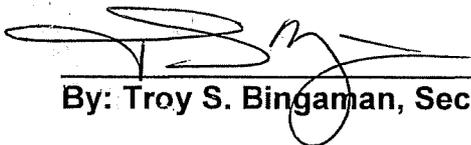
NOW, THEREFORE, be it resolved that the Chairman is directed to execute this Resolution and to furnish a copy of the resolution to the Department of Community & Economic Development.

Adopted September 30, 2013



By: Donald R. Wilson, Chairman

Attest:



By: Troy S. Bingaman, Secretary

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