

Doylestown Township
Ways and Means Committee - Meeting Minutes
September 14, 2010

Resident members	IN	Township members	IN
Mark Glassman – Chairman	Y	Barbara Lyons – Board of Supervisors Liaison	Y
David Nettina – Vice Chairman	N	Stephanie Mason – Township Manager	Y
Lee Schwarz – Secretary	Y	Ken Wallace – Township Finance Director	Y
Ed Ebenbach	Y	Richard John – Township Operations Director	Y
Brenda Bray	N	Sandra Zadell – Special Projects Manager	Y

Mr. Glassman called the meeting to order at 4:30 p.m.

A quorum was present and the following matters were discussed:

1. Mark went through the latest iteration of the long term budget planning model.
 - Info was updated through August, 2010 projections reasonably accurate.
 - Unfunded pension liabilities entered for 2011 and 2012.
 - Police building in 2012 still there but showing 100% financing to offset. Means annual amortization payment of \$120,000 is included.
 - Annual capex was reduced to \$1.2MM near term which was identified as the township's rough capacity to perform with existing staff.
 - Fund balances projected to drop \$2.1MM in 2011 from 2010 with status quo deficits through 2015 between \$1.6MM and \$2.3MM annually.

2. Items not yet reflected in the projection
 - Net effect of health care cost. Ken said current plan would increase 12%.
 - Barb set goal of overall cost reduction of 5% after revamping the healthcare plan and contributions from employees.
 - Rate stabilization figure for healthcare which represents around \$100,000. The 8% budget reductions from department heads not complete- and it was noted they are only looking at non-personnel reductions.
 - Employee pension contribution target of 5%.

3. Suggestions for revenue enhancement or cost reductions.
 - Ken suggested Business Privilege Tax.
 - Ken questioned the planned street light purchase and suggests it be reviewed.
 - Mark was looking at Parks and Rec actual net cost to the Township.
 - Ed suggested all programs in Parks and Rec be reviewed and the losers be pruned.
 - Mark suggested that township services be reviewed for necessity to the proper operation of township and that it's time to set staffing levels to those minimum requirements.
 - Dick to consider stretching out road maintenance schedules and delaying other projects.

4. The challenge is to close the expected future shortfall between revenue available vs expenses and mandated liabilities. The township is in the unusual position of defining exactly what it needs to be for the future. Everything needs to be on the table. The competing choices will come from the following areas:
 - New revenue sources,
 - Reduction of net operating costs,
 - Reassessment of capital expenditure plans,
 - Evaluation of every current township service vs available funding

- Match staff levels to the final list of essential services

5. Action items

- Work session with Supervisors is needed soon. Date suggested was Oct 7th at 4 but Mark is to check with Brenda and Dave to see if they can attend. Ed will be away.
- Estimated future pension liability figure will be added into projections for 2013
- Ken and Ed will collect the internal info from department heads for 2011 and get to Mark by 9-24 in prep for our meeting the 29th.
- Ken will survey tax policies of surrounding municipalities regarding the suggested Business privilege tax.

Respectfully submitted,

Lee Schwarz
Secretary