

Doylestown Township - Ways and Means Committee

Meeting Minutes for August 26, 2020

Meetings held 4th Wednesdays at 7PM.

No meeting in November, December meeting is 2nd Wednesday.

Resident Members	IN	Township Participants	IN
Brenda Bray Chairman	X	Jennifer Herring- Board of Supervisors - Liaison	X
Robert Salanik –Vice-Chairman	X	Stephanie Mason – Township Manager	X
Colleen Mullin	X	Ken Wallace – Township Finance Director	X
Joe Delikat		Dave Tomko - Township Director of Operations	X
Mike Paulosky	X	Ed Ebenbach – Budget Consultant	X
Eric Cornwell	X	Keith Haas – DTMA Executive Director	X
Joe Volk	X	Ed Denton Pension Advisory Chair	X
		Nancy Santacecilia – Member Board of Supervisors	X
Various guests	X	Sinclair Salisbury – Director of Code Enforcement	X

Ms. Bray called the meeting to order at 7:00 pm. A quorum was present and the following matters were discussed.

1. Approval of Prior Meeting Minutes

The minutes of the July 22, 2020 meeting were approved unanimously upon a motion by Ms. Mullin and seconded by Mr. Paulosky.

2. Pension Advisory Committee Presentation

- Mr. Ed Denton the chair of the Pension Advisory Committee (PAC) reviewed a PowerPoint presentation outlining the combined status of the townships two defined benefit pension plans.
- Mr. Denton explained the current financial status of the plans and PAC members concern regarding the continued underfunding of the pension plans. He explained the concern with the future obligations of the plans and used the analogy of paying our funding obligation with a credit card.
- The presentation outlined several options for controlling the plan costs and also for increasing the funding levels of the plans.

3. 2020 Earned Income Tax Collection Results

- Ken Wallace reported that as of 8/25 the EIT collections were down 5.3% or approx. \$125,000 from the prior year, factoring in the budgeted increase in 2020 for EIT the dollar value is closer to \$ 150,000 below budget. He also reported that the Local Services Tax was down about 4.0% or about \$ 25,000.
- Ms. Bray indicated that she had attended a webinar with the two local EIT tax collectors who felt that the COVID -19 impact would not be as significant as originally projected in the Bucks County consortium reported.
- Mr. Paulosky also noted that two of our major employers, Doylestown Hospital and Central Bucks School District did not have significant layoffs of staff.

4. 2020 Revenue and Expense Update

- Mr. Ebenbach and Mr. Wallace reviewed the current status of the townships financials. It was noted that they are completing their second round of department interviews and will have the revised projections ready for discuss at the budget session on September 15th.

5. Doylestown Township Municipal Authority Audit (DTMA)

- Mr. Keith Haas the Executive Director of the DTMA was present and answered several questions regarding the cash balances reported in the audit. He indicated that the large balances were needed for future water department expansion projects and equipment replacements.

6. Doylestown Township Audit

- Mr. Wallace provided an overview of the audit and answered several questions from the committee members.

7. Bank note Action by the Board of Supervisors

- Ms. Bray questioned the status of the \$ 3,000,000 loan proposal and inquired whether the BOS had approved the proposal discussed at our last meeting. Ms. Mason indicated that the BOS had approved this loan at their last meeting of August 18th.

8. Community Recreation Center Update

- Ms. Bray asked for an update of the RFP and RPQ status and also the projected timeline for the project. Mr. Tomko responded
 - The RFP was advertised and proposal were due 8/4.
 - 17 proposals were received and the Admin staff reviewed and short listed 6 firms for follow-up interviews.
 - The interviews were conducted over two days with the short-listed firms by 2 members of the BOS and Admin Staff.
 - Consensus was reached by the group.
 - At the 8/18 BOS meeting MKSD Architects were selected for this project.
 - The RFQ was advertised and proposals were due 8/4.
 - 13 proposals were received.
 - A selection by the township has not yet been made.

9. 2021 Budget preparation for the September 15th meeting.

- Ms. Bray asked for an update on the revenue and expense projections for the 2021 budget and proposed cost cutting measures to be included in the preliminary draft of the budget. Mr. Ebenbach responded that the September 15th meeting will focus on the projected balances for 2020 and that the 2021 information would not be presented until October. He indicated that the September 15th budget information will be available to the BOS and this committee on September 11th. Ms. Bray indicated that the W/M committee would be submitting a Capital Expenditure request for bathrooms in the area of Kids Castle and the Amphitheater, even though the Parks and Recreation committee decided not to submit this request. Ms. Herring indicated the W/M should discuss with P/R so that they were aware of the request and it was agreed to do so.

10. New Business

- Mr. Paulosky indicated that money was available for Covid 19 relief through the PPP grant. He indicated that townships were excluded from this grant but felt that DTMA might be a candidate for this funding. However, when he asked about the payroll relationship between DTMA and the Township he does not now believe this is an option any longer.
- Mr. Volk asked for an explanation of the DROP (Deferred Retirement Option Program) that had been mentioned in the pension presentation. Ms. Mason gave a brief summary of the program and the pension advisory committee will provide a more in-depth explanation.

11. Old Business

- Mr. Salanik reminded the committee that the BOS agreed to look at additional funding to the pension plans in 2020 based on the results of the 2019 audit. He ask if the calculation could be made for this difference between the projected revenue and expenses for 2019 and the actual revenue and expenses for 2019.

12. Adjournment

- Upon a motion by Ms. Mullin and seconded by Mr. Paulosky, the meeting was adjourned at 8:58 pm.

13. Next meetings

- Ways and Means, September 23, 2020
- Budget Work session, September 15, 2020

Respectfully Submitted
Robert Salanik