

**WARMINSTER TOWNSHIP BOARD OF SUPERVISORS
PRELIMINARY BUDGET MEETING OF OCTOBER 23, 2007
PUBLIC MEETING**

MEMBERS PRESENT: Richard J. Luce, Jr, Chairman
Leo I. Quinn, III, Secretary/Treasurer
Fred L. Gold

STAFF PRESENT: Bob Tate, Township Manager
Barbara Sultzbach, Assistant Township Manager

CALL TO ORDER: The meeting of the Warminster Township Board of Supervisors Preliminary Budget Meeting was called to order at 7:26 p.m., Chairman Luce presiding. Mr. Luce led the Pledge of Allegiance and observed a moment of silence. The meeting was held in the Warminster Township Building.

PRESENTATIONS

Mr. Luce stated there would be no action at this meeting. Prior to the meeting there had been an executive session with the Board of Supervisors on personnel issues. Ms. Davis and Mr. Johnson were both absent for personal matters.

Mr. Tate announced the 2008 budget is preliminary, and since the draft was presented four weeks ago, there had been changes regarding some taxes, revenue line items, personnel and benefits. Overall, without raising the taxes, the township is looking at a surplus of approx. \$105,000. He then announced Mr. Mullen from Public Works.

George "Buddy" Mullen - Public Works

Mr. Mullen reviewed his preliminary budget from Public Works. He stated he had to go up a little in kennel fees and health and safety supplies. He needs to build maintenance for sweep divisions, add to seminar training, purchase a new dump truck since the current one is from 1976, and add a new service truck. He then asked the Board to read over his Plan and that they may contact him with questions.

Mr. Tate asked Mr. Mullen for an estimate on the old loader. Mr. Mullen replied that it is worth \$22,000 and may go for more money. New equipment has been budgeted for \$140,000.

Mr. Quinn referred to the hand out Mr. Mullen presented before his speech. The major points have been highlighted on there.

Mr. Luce asked how many streets would be paved. Mr. Mullen stated that 9 roads would receive mill and overlay with additional work in the Heights. Mr. Tate stated this can be broken down on the last page of the budget (pg. 30) under Construction & Paving and under the PW breakdown, line 430-613, Paving/Warminster Heights.

Mr. Mullen said he would have a list of all the roads at the next township meeting. He said that the budget used to allow money for curbing (approx \$200,000 – \$300,000). He is hoping to get that money back in there and use it towards paving since we are 20 years behind in that area. He said he needs about 9.8 million to finish the township. He hopes to get a little bump in the general fund to get in some extra roads.

Mr. Tate thanked Mr. Mullen and all the department heads for getting the township in such a good position concerning the budget and for everyone's cooperation.

Mr. Quinn asked how much PW was able to trim out of their budget. Mr. Tate responded that the original draft was budgeted at \$1,828,556.000 and by this meeting it decreased to \$1,769,063.000. This is approx. \$60,000 shaved off in the PW line items. He pointed out there had been some shaving in the storm water and highway aide fund.

Chief S. Michael Murphy - Police Department

Chief Murphy presented his 2008 preliminary budget regarding the police department. The total budget is \$6,815,974.000. This is a \$162,929.000 (2.5%) increase from 2007. There is a 4% increase in salaries for sworn personnel and a 3% increase for non-sworn. He congratulated Mr. Tate on working with the numbers especially where insurance is concerned. The budget represents 4 additional positions: 1 deputy chief and 3 patrolmen. The overtime budget is higher but represents true figures from historical data going back from year 2000. Historically, the township has spent \$400,000 in overtime budget and for 2008, this figure is just under. Considering salaries have gone up over the past years, the projected cost is accurate. There is a significant increase in the traffic safety budget. There will be more equipment as neighbors ask to investigate speeding complaints and traffic issues. The equipment will consist of speed trailers and devices to provide traffic surveys. Fuel costs have risen 60% in the last 2 years and so they are not able to enter into any long-term contracts due to the volatility. The budget represents \$210,000 in discretionary spending: training, equipment costs and technology. The police department continues to pursue technology to give 2008 police vehicles in car computers and in car cameras. This will help reduce police liability and can provide good courtroom testimony with documented evidence.

Another increase is for general repairs to the police building. There have been problems with the way evidence vehicles are stored. Since the impound yard is full, money would go towards an on site impound yard. The remainder of money would be to continue to upgrade and fix up the station. There was money in 2007 that had been donated and redirected into the general fund. This was used to upgrade security and monitoring systems and other technology. Right now officers have been renovating the space by painting and putting new floors down. He commented that the building is 50 years old and is wearing thin.

Mr. Luce asked how big the impound lot would be. Chief Murphy stated it would be able to accommodate 3 cars and only for short term holding. He plans on taking 3 spots from civilian parking to make this lot. Mr. Luce asked if this would be open air or a garage. The lot would be open air and surveillanced by cameras and padlocks. Mr. Luce asked if the budget was based on 4 or 5 squads. It is based on 5 squads and there will be no cost difference.

Mr. Quinn asked how many vehicles are budgeted for in 2008. Chief Murphy responded there are 6: 3 marked, 1 unmarked, and 2 replacement vehicles for the detectives. Right now the vehicles are 10 years old. Mr. Quinn asked how many bike patrols there are. There are 12 police officers certified for bicycle patrol and the department owns 6 bikes. There has been great success with the bike patrolling. 2 weeks ago there had been a drug arrest off the bike. As of the evening of the budget meeting, 2 bikes were on duty. The chief does not anticipate having any more bicycles added. Mr. Quinn mentioned that the bikes would lower fuel costs, but Chief Murphy responded that the town area is too large to cover.

Joe Alvare - General Manager Five Ponds Gold Course

Mr. Alvare reviewed the 2008 preliminary budget for Five Ponds Golf Course and Restaurant that is summarized on pages 26-28. He commented that it is the Course's 20 year anniversary and would like to hold a special event. He stated that the Course was built to preserve open space, to provide a source of revenue for the township and is a place of recreation and dining for the public. Their mission is to offer value to the customer golf and dining at a moderate price. He listed the accomplishments in 2007 that included the joining of the Golf Association of Philadelphia, starting a 5 Ponds Golf Association with tournaments and championships, starting a junior golf clinic, and integrating the restaurant and pro shop with a new point of sales system. They were voted the Best of Bux Mont in 2007 by the Intelligencer newspaper. This would be the 4th time in 7 years. In 2008, the Course wants to add consistency management for customers. The management now has completed their first full year together and has worked well while producing great feedback. In 2008, there will be a new front entrance and driveway for safety purposes and an LED sign. This being paid for by Mcgrath Construction as part of the Villas Phase I. There will also be a new decorative pond to keep algae down and the building of a new pole barn. The Course is currently seeking approval for a rate change from the board. Mr. Alvare stated the rates are getting low compared to their competitors and would like to raise the weekend rate from \$55 to \$60. Cart rates would go from \$15 to \$17. The only other rate change would be for the off the street senior golfers from \$35 during the week (including a cart) to \$40. For Warminster resident seniors they offer a bulk rate for 6 rounds for \$210. Warminster resident seniors can still pay \$35 for a one time golfing.

Mr. Quinn asked what the current senior rate is to walk. Mr. Alvare stated it is \$20. His handout that was presented to the Board prior to his presentation lists the 2007 in season rates.

Regarding revenues, Mr. Alvare stated the new rate increase would affect the greens fees and gas cart fees. The total revenue is budgeted to go up from 2.359 million to 2.585 million (10% increase in revenues).

The 4th page of Mr. Alvare's handout stated the average per round revenue. He said that now things are picking back up. He said that 1 month ago 5 Ponds could net more than \$100,000. Since 1992, they have contributed 3.7 million back to the township. During the golf season they can generate \$300-350,000 total for the organization in one month while relying on 0 taxpayer dollars.

He reviewed the line items of significance, which include greens fees and cart fees and the addition of 2 new full time employees, one of which will be an assistant to the pro shop. He then thanked Gary Deetscreek, the PGA pro, for adding a lot to the club. He also stated the fertilizer and chemical line items would be increased. His handout included a capital list of improvements made in 2007 and 2008 purchases/improvements. The capital lists will be increasing from \$120,000 to \$175,000. This is due mainly because of the building of the pole barn. At the same time, the Course's contributions will be going up towards the township. In 2008, \$242,000 will go back to township in the form of inter-fund operating transfers. Mr. Alvare then stressed that the township cannot overlook money to go back into the golf course in the future and wants to be conservative with contributions. He mentioned the debt service the course is already paying. His ultimate goal is to first pay off this debt and then contributions towards the township will be greater in the future. He hopes the rate increase will solve many problems.

Mr. Luce asked if the rate increase would still keep the Course in line with competitors. Mr. Alvare assured that it would. He backed up his answer with saying other Courses charge \$60-\$64 a head on the weekend and their rates are even increasing. Mr. Luce would like Mr. Alvare to sit down with Mr. Tate in the near future to project future needs.

Mr. Quinn offered to sit down with Gary, and Mr. Alvare in the near future and have them present to him a spreadsheet comparing prices of the Courses in the area because he does not want to be too aggressive. Mr. Alvare stated the average public golf course generates a little over a million in revenue and 5 Ponds is able to do twice that amount. He agreed to provide a spreadsheet comparing the Courses.

Mr. Luce pointed out the improvements sponsored by McGrath Construction. They are taking the Course off a sewer pump system where the force main is going to a street a mile away and now going on a gravity system which will be tied into the new development. This is part of Phase II of the Miller Development.

Mr. Quinn asked about the budget regarding the assistant head pro. Mr. Alvare said the amount that was budgeted for the assistant head pro has caused a reduction in seasonal part time personnel. Mr. Quinn then asked about McGrath's lining up of the road, the timeline and how far down they plan to go. Mr. Alvare said the timeline has been abandoned and was told 12-16 weeks to finish. The clearing, brush chipping and fencing have been finished and they are currently waiting for the earth moving equipment. He hopes by April 1st it will be completed. Mr. Quinn asked how far they would pave. It would be from the existing driveway to the bottom of hill where the drain is. McGrath is paying for everything. This includes streetlights, curbing, landscaping, a wall and an LED sign. Mr. Alvare has requested from the project manager the updated prints but has not gotten them yet.

Jim Krueger - Fire Marshal / Director of Licenses & Inspections

Mr. Krueger reviewed the 2008 preliminary budget concerning the fire services and licenses and inspections. (Page 12). He commented that there have been no significant events and that the emergency budget has not really been touched. There is a national response network that the township is now responding to and Mr. Krueger feels if there is anything we need it would be grants to provide for additional emergency management equipment.

The fire marshal office has added 1 employee and removed 2 part time in order for the L&I department to acquire another full time inspector that looks for quality of life problems that exist within the township. The increase in the budget is approx. \$10,334,000. As of May 2007, the 2 new employees have met their budget. Their self-competence is why there is an elimination of the assistant fire marshal and administrative assistant.

The L&I budget was reviewed and Mr. Krueger went over the pending projects still on the books. This included the work involved with County View townhouses, Five Ponds Phase II, Christ Home Phase I, 222 Norristown Road, 333 Jacksonville Road, Ann's Choice final stage, Franklin Corporate Center Lot 3 and 13, County View storage, Elon Group, Warminster Equity, Mearns Road Acorn Construction, Jen Brook Industry- Park Avenue, and HP Investments.

Mr. Krueger stated that Warminster Plaza is under new ownership and looking for a renovation. He pointed out there is no storm water management on that property. Waterloo Gardens will be opening November 1st and they will be coming in after the beginning of the year with a preliminary plan to open green houses. Center Point Plaza also has Mealey's Furniture opening after the 1st of year. Walmart is also looking for a total face lift.

Mr. Krueger believes the L&I department will continue to see an expansion and more work going into next year. The departments as a whole are contributing 7% of the revenues at 1.7 million. L&I is requesting an increase of \$283,000 in budget. They are looking to cut back on the keystone contractors whose price had went up from \$47-\$50 per inspection hour and will investigate into looking outside inspections agencies.

Mr. Quinn asked if they would be acquiring any more vehicles. My Krueger responded with 2 more hybrid vehicles to replace 2 used police vehicles (100,000 miles and 99,520 miles).

Mr. Gold mentioned that the new inspectors have been answering fire calls. Mr. Krueger agreed that Danny Laurich and Jason Hauser have been supplementing the crews on the trucks for Hartsville and Warminster Fire Departments. They make about 85% of calls between 8-4pm during the day.

Mr. Luce asked if the new hire of the assistant fire marshal could be sworn in as an assistant zoning officer since the township is so large. Mr. Krueger agreed, and feels since the current 2 officers are close to retirement it is smart for someone else to learn the position.

Karen Whitney - Director of Parks and Recreation

Ms. Whitney presented the 2008 preliminary budget for the Warminster Parks and Recreation Center. She stated the park requires a separate fund, which supports the recreation programs in 420 acres of park space. The revenue comes from many different places. 43% comes from the taxpayers' budget through real estate taxes and the remainder (approx. \$900,000) is from program user fees (grants, fund raising, donations). They are still waiting for final numbers on the tax numbers on the Erickson pilot, but anticipate minor changes.

Park fees increased slightly because they are working with Penn State University on the acquisition of the Anochic chamber. This will be done by the hopes of a land swap with PSU with the Park picking up 4 to 5 acres while the University gets to have the chamber which sits on 1.5 acres. This is currently being worked out with the University.

State and capital grants have increased. A \$100,000 grant from the department of natural conservation and national resources has been allocated to the township. This money will be used towards improvements for the park that include a basketball court, dog park, labyrinth garden and a maintenance facility. She stressed how important the maintenance facility is so the workers do not have to run back and forth from the park and Public Works and would have a place to store maintenance trucks and equipment. This grant is a 3 year grant that needs to be completed within that time frame. Only 25% of the money can be received in the first year. During this time, the park will focus on the preliminary plans, engineering, and the approvals from the state that are required. After the projects are inspected and improved, the remainder of the money is granted. Pennoni Associates will be helping with the preliminary plans. The Park is shooting to begin physically working on the projects at the end of 2008, beginning of 2009. Ms. Whitney said that while working on the labyrinth garden and dog park more businesses have wanted to get involved in assisting. She believes this may help to stretch the money into further projects.

The Park is waiting to hear from the DC and Tree Vitalize Program about adding trees. In the past 4 years, 200 trees were donated through this program. In 2008, they foresee purchasing 50 bare root trees in order to try to create vistas and not one flat meadow.

In 2008, the Park is looking to change the summer program to meet the needs of working parents. They want to offer pre and post-camp care. They are looking for software to provide online registration.

She stated there will be no open space fund for this year, but they plan to set a block of funds aside if it becomes available within the municipality. Franklin Reality is continuing to improve lots and the Park is able to receive money per square foot. Also, the Golf Course has generously allocated \$30,000 to supplement the Park and Wrec budget. There has been a

decrease in the administrative budget due to the decrease in the medical and insurance liability cost.

Ms. Whitney stated there would be a minor increase in the personnel budget. The staff costs jumped due to the camp programs. They are going to try to do split camp shifts. The one issue they may face will be that since the locations are in the schools, they require additional costs on the schools' end. Hopefully this can be reimbursed through camp costs.

Rental fees are built into budget, which cover room usage and heat. Allocations will continue to be monitored for changes in supplies, instructors, and fees so they can keep on top of their spending track, but Ms. Whitney feels they have been on the mark.

The Parks department has a large decrease in budget due to only being able to receive 25% in first year of the grant. This is the last year of their mowing contract. In 2008, they will have an additional contract. Ms. Whitney gave Public Works credit for working closely with them. Capital projects were kept as single line items and will be prioritized as needed. There will be upgrading of park apparatus and continuation of ADA progress. She pointed out it is the end of the ADA agreement and they have done a lot of work to meet the requirements in that agreement. There are 30 new ADA accessible ramps on the road and the Park plans to add new entryways, update signs, and expand the Skate Park whose grand opening was in October.

The Park is working with an Eagle Scout for a fitness trail. Currently there are 6 miles of trails cutting through the Park, which divide the Park into segments. They are looking to add a sports segment and nature segment. The goal is to have different pieces so the community can use the Park as a whole and it can provide an active balance. There is a decrease in the Wrec budget due to the medical and insurance reductions. They have tried to reduce utility costs in the building, but allocations keep being provided due the age of the building. Electrical and plumbing systems remain a single line item. In 2008, they anticipate roofing. Also, they plan on buying a new play apparatus with grant money. Municipal authority has given a generator to the Wrec to replace an older gas one.

Mr. Luce asked if PSU would own or rent the Anochic chamber. Ms. Whitney replied that the process must go through the department of interior and department of education. The goal is to have a land swap where they get the chamber the township does not use that is sitting on 1.5 acres of land and we get 5 additional acres.

Mr. Luce asked the status of the tennis court at Ann's Choice. Ms. Whitney had not heard any updates. She did hear, though, the courts have been asked to move to the community gardens. Mr. Luce also asked if they have been offering programs for the seniors. Ms. Whitney stated that they try to offer something for everyone. They do not want to compete with the Ben Wilson Senior Center. Mr. Luce commented not to forget the green ways that are to connect the open space nodes around the township. Ms. Whitney agreed and is looking into that.

Mr. Gold asked to elaborate on the matching grant for the playground. Ms. Whitney informed that the grant is offered by Game Time, one of the leading park manufacturers in the area. Almost every fall they offer a program for communities to apply for a 50% grant match towards the purchase of equipment. She stressed how expensive playground equipment is and that new standards come out every day and the up keeping of the equipment is continuous. They will be applying for this grant.

Robert V. Tate, Jr. - Manager

Mr. Tate reviewed the general fund preliminary budget (Pages 6-10). He thanked Ginnie for compiling and entering the data. There will be no tax increase in this budget. He stated that these figures are estimates, but by using these numbers there will not be a significant increase from last year. He pointed out the L&I department possessed a big chunk of the budget. He had expected fees from McGrath in the range of \$200,000 in 2007 that have now been pushed back to 2008. On the expense side, pages 8, 9, and 10, show an increase of \$27,000 from the 2007 to 2008 budget (All line items).

In addition, the ambulance, fire, library and sanitation are passed through funds. Tax revenues are collected and then distributed. He noted that there was an extra allocation for purchasing a \$67,000 new ambulance.

Mr. Gold noticed there was nothing in the budget for the Senior Center. Mr. Tate directed him to page 8, line 400-318. The amended line item now reflects \$250.00 but Mr. Tate said if the Board elects they can increase that number. Mr. Luce mentioned that Mr. Gold had previously requested \$25,000 and asked if this amount was reasonable. Mr. Luce wants to know what they would use this money towards. Mr. Tate agreed and stated that the township already does their maintenance and mowing. Mr. Gold stated that \$25,000 is not necessary, but perhaps \$5,000 could be useful. Mr. Luce reiterated that he would like to see documentation on what the money is needed for. Mr. Gold said he would ask his wife, Rose, for this documentation. Mr. Tate asked that he receive it within the next 2 weeks and pointed out, again, that there is room for a monetary increase.

Mr. Tate pointed out that there are no land appropriations from fund balance that are necessary in order to balance the budget, except for one exception at the very end page 30 - Pennsbury project. The township has an outstanding liability with Pennsbury project 261. It has been re-budgeted year after year and will continue carrying until it is paid off. However, it will not utilize current year's tax dollars for it.

Mr. Tate thanked everyone again for their cooperation in getting this 2008 Preliminary Budget together.

PUBLIC COMMENTS

Frank Burstein, Lingo Drive, noticed a significant increase in line item regarding signage and wanted to know if it was for equipment or is it a PennDOT requirement to replace signs in the residential area. Mr. Carter from Public Works responded that the township is required in the past 3 years during the course of a 7 year project to replace street signs with different font, larger letters and brighter reflector material.

Stan Allen, Deer Run Road, asked what vehicles were involved in the Capital Outlay on Pg.15 (489-740 Capital Outlay/Vehicles). Mr. Tate did not have in the packet the details but can provide one. For police vehicles and L&I vehicles they have approx. \$150,000. There is \$112,000 for the PW dump truck, \$74,000 for a service truck and a net cost of \$118,000 for the front-end loader. This is net after the township sells the used vehicle they have.

Joy Capozzi, 530 Penrose Lane, stated how pleased she is with the preliminary draft. Regarding the traffic common measures, if all goes well with the traffic safety committee they would like to get a traffic common policy in place. She wanted to know where in the budget there would be room for potential money concerning this. She asked if it would come under the highway safety unit. Mr. Luce said the Board needs to determine what is needed before they can place a budget for it. He does think they will be able to anticipate funds for this. Ms. Capozzi

is hopeful in 2008 the township can provide brochures and educational material. She then asked if materials were to be provided would it be under the police budget. Mr. Luce stated that if involving printing then it would fall under administrative. Mr. Quinn recommended to approach the Parks and Wrec since they have a publication that comes out 3 times a year and possibly be able to put the information in there as to not increase any costs. Ms. Capozzi said she wanted people to be able to come to the committee and leave with a handout. Mr. Quinn said this could be in the publication as a tear out and ongoing publication.

Ms. Capozzi asked if the township has ordered an Enrad unit. Chief Murphy responded that they would be once funds are expedited. Mr. Luce asked the cost of the unit as to which Chief Murphy responded with approx. \$4,000. Mr. Luce commented that he wants to work out the purchasing on the side by trying to find money now to pay for the unit and then be reimbursed. Mr. Luce mentioned that Joy and her husband, John, have been helpful by attending the civilian police academy. He stated that they have become informed residents. He asked the chief to promote this program that is offered in Horsham Township. Ms. Capozzi is hopeful that Warminster will eventually offer this program, but understands the police force in this township does not have the manpower right now. She noted that Horsham has this program every fall. Chief Murphy mentioned that they have budgeted for 1 more speed trailer. He also said they will be doing away with Vascar and replacing it with another timing device. Chief Murphy campaigned for the need of radar stating it is the most effective tool and cost less. It also does not require personnel. He asked for people to write their state legislators asking for radar devices.

Ed Hoffman, 801 West County Line Road, remarked that the police department is the finest it has ever been. He believes the budget is well thought out. His one concern is public safety. Since he is a bus driver, he has seen more problems in the crossing guard situations. He thought perhaps the guards' salaries have decreased and wanted to know the reason why. Murphy defended that an exhausted research was done on the salaries. He mentioned that the number of crossing guards has not reduced from 2006 and he does not anticipate a reduction in 2008. He has been evaluating all school crossings to see if they are warranted for a guard. He does not want to waste tax dollars if they are not. He commented that today more children are getting to school via buses and parents driving. He said the guards are in contract to get increased pay. Ed apologized thinking the number of guards was reduced because of the pay and as a school bus driver, he sees problems at Wood. Since the number of guards have decreased he had been trying to understand the thought process in that and hence the question. Mr. Tate answered that the guards there were reassigned due to the sale of the property across the street. There is no legal crosswalk from there to the school anymore. He already has met with the school and long term solutions have been discussed that include another driveway or another stoplight at entrance/exit.

COMMENTS FROM THE BOARD OF SUPERVISORS

Mr. Quinn remarked on not being at the first budget meeting. He noticed \$100,000 was tweaked out since that last meeting. He also did not realize how much the golf course had given to the community in the number of 3.7 million since 1992 and was highly impressed.

Mr. Luce said the golf course is a weather dependent operation and looking at the overall picture it is great what they have provided to the township.

Mr. Gold congratulated all department heads on their great job putting this budget together. He feels it may need to be trimmed but still looks good. He also commented on the golf course giving while being strapped with the debt service.

Mr. Quinn added that this was the first time he had seen the budget and may have more questions at a later date. He still thinks the Board can wear more out of it.

Mr. Luce noted that Mr. Johnson and Mr. Davis still need to review the preliminary budget as well.

Mr. Luce commended on how smoothly the constructing of the budget went this year due to Mr. Tate's efforts and new format.

Mr. Gold stated that is was a shame Jack Diamond was not there to comment on the project. Mr. Tate mentioned he had it delivered to him. He also reminded everyone the PDF's are available on the website.

Joy Capozzi asked about anticipating any effects in the sale of the Warminster Hospital. Since it would be going from profit to non-profit, Mr. Tate said the impact could be between \$25,000-\$28,000. The Board has a meeting with Abington Hospital in the next couple weeks to discuss the lieu of paying taxes. They hope they will voluntarily agree to pay something. The Board is equally concerned about services and will talk further about that and the financial impact.

Mr. Luce will be looking to Abington Hospital to have a discussion on keeping up the annual medical exams for fireman and ambulance personnel. He also wants to settle who would pay the blood tests for DUI arrests. Mr. Tate responded saying usually the hospital would bill the person's insurance company, but in some cases there was no one to bill and the hospital would have to absorb the cost.

There being no further business to discuss, Mr. Luce adjourned the meeting at 9:04 p.m.

Respectfully submitted,

Leo I. Quinn, III / Secretary

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