
PINE GROVE TOWNSHIP SUPERVISORS

175 OAK GROVE ROAD, PINE GROVE, PA 17963

OCTOBER 28, 2010 BUDGET MEETING MINUTES

CALL TO ORDER - Chairwoman Diane Tobin called the October 28, 2010 meeting to order with the Pledge of Allegiance at 4:05 PM. Attending were Vice-Chairwoman Judith Lehman and Supervisor Jeffery Zimmerman. Also present were Secretary/Treasurer Kathy Ferguson and Larry Hoffman.

PUBLIC COMMENT ON AGENDA ITEMS – Larry Hoffman said he wanted to hear about the volleyball court.

2011 BUDGET – Tobin asked if the Board had any preliminary numbers for the budget. Zimmerman said he did not and Lehman said she would discuss some as they came to the items. Tobin asked if the Board had received the Roadmaster's budget numbers and the Board said yes. The Board reviewed the budget by line items, discussing the following items:

- **Interest Earnings** – Ferguson said the only interest shown on the budget worksheet is from the General Fund, the auditors would like a cohesive budget showing all the funds in one. This item was tabled until next meeting so Ferguson can better project the numbers including the interest from CD's that will mature next year.
- **Sewage Facilities Act** – Ferguson discussed with the Board how DEP has not reimbursed the Township for the past two years and asked about changing the collection/payment process with our Sewage Enforcement Officers (SEO's). Ferguson said according to the SEO's, the Township must cash the payments the SEO's collect from residents for on-lot septic activity and then pay it back to the SEO's. Ferguson said the SEO's then charge the Township to complete a report at the end of the year documenting their activity. Ferguson compiles the reports into an application to DEP along with copies of all cancelled checks and sends everything in to DEP in triplicate for reimbursement of half the Township's cost to enforce the Sewage Act. Ferguson said the only cost is usually the costs of the SEO's reports and DEP has not reimbursed us for the last two years because they are out of funding. Ferguson said it is a waste of office time and is costing us money to do the bookkeeping; she would like to find out from DEP if the Township needs to follow this system if the Township does not request reimbursement from them. Ferguson said she has called Rob Stermer from DEP, but he will not return her calls. The Board agreed Lehman should contact DEP for more information and the line item was left at zero.
- **Subdivision / Land Development Fees** – Tobin said the Spruce Drive proposed development that was mentioned at a prior meeting is a major development with public roads, but they are banking on a large amount of grant money; Tobin is not sure when a plan will be brought to the Township. Lehman said they need to look at the administrative fees to see if they are covering the administrative costs. Tobin said the fee schedule can be discussed later. Lehman said she would look into the fees. The Board agreed on a conservative estimate for the revenue amount.
- **Host Municipal Benefit Fees** – The Board discussed the volume the Landfill has left to fill and the fees that would be generated. The Board agreed on a lower estimate and entered the revenue at \$300,000.
- **Contributions from Private Sources** – This includes money from the Landfill agreement: Landfill Trust Account - \$5,000, Host Municipal Inspector wages reimbursement - \$10,000 and Ravine street light reimbursement - \$3,500.

OTHER BUSINESS

Township Water Authority – Tobin said the process of the Authority acquiring the water system will require the Board to consider a temporary loan of \$10,000 to the Authority for the deposit that needs to go with the purchase agreement to the trustee. Tobin said in addition, Fulton Bank has given the Authority the financing agreement for \$250,000 and Fulton wants the Township to guarantee the \$250,000. Tobin said in order for the Township to guarantee the \$250,000, the Township would be required to have bond counsel, pay advertising fees and advertise an ordinance; those fees would be at least \$10,000. Larry Hoffman asked why it went to \$250,000. Tobin said it includes the \$100,000 bid; the \$100,000 decommissioning of the lagoon costs and \$50,000 of startup funds for operating the Authority.

Zimmerman moved to provide the \$10,000 deposit for the agreement of sale with no interest through closing. Lehman seconded the motion, all were in favor and motion carried 3 to 0.

The Board discussed loaning \$250,000 of Township money to the Authority and using it as an investment. Tobin said it would take time for it to be paid back. Zimmerman said he understands; he feels it would be a good return on the investment for the Township. The loan from Fulton was discussed and it was unclear whether the Authority had committed to the loan. Tobin said she would call the Authority chairman John Stahl.

MEETING RECESSED – Meeting was briefly adjourned at 5:47 PM and resumed at 5:57 PM.

Tobin said Authority Chairman Stahl said the Authority did accept the commitment letter contingent upon the Township agreeing to meet the bonding conditions of the letter. Tobin said the interest rate in the letter is 3.82% for a ten year loan with quarterly payments. Tobin said revenue from the Authority's existing customers would allow them to meet the terms of that loan. The Board discussed having DiNicola write up a loan agreement for the Township to loan the Authority the money.

Zimmerman moved to provide a ten year term loan of \$250,000 from Pine Grove Township to the Township Authority at 3.5% interest with quarterly payments. Lehman seconded the motion, all were in favor and motion carried 3 to 0. Tobin said she will contact DiNicola to start the paperwork. Closing fees and solicitor's fees were discussed, but tabled until a later time.

2011 BUDGET, cont.

- **Contributions** – Discussion was held on a donation to the Paraclete Foundation for the library. Tobin said if the funding from USDA goes through and they are a part of the state library system, they will need a contribution from the municipality in order to receive state funding. After discussion, the Board agreed on a \$10,000 donation to the Paraclete in the contributions.
- **Legal Fees** – The solicitor's invoices were discussed with the consensus more detail is needed on his invoices in order to bill land developers for reimbursable fees and identify what he is working on. Tobin said she will contact the solicitor. Tobin also discussed having complete transcriptions of every Zoning Hearing Board hearing on file in the Township, no decision was made on the issue.
- **Engineer Fees** – Fees expected in 2011 include engineering for bridge work and dry hydrants. Swopes Valley Bridge repairs needed were discussed and Tobin said she asked Joe Kretulskie to meet with the Roadmaster on site to discuss the bridge. Ferguson gave the Zoning Officer's request for zoning map modifications to the Board.
- **Fire Companies** – Zimmerman discussed a GPS and mapping system (Iron Compass Map System) the fire companies are interested in and gave the Board a quote on the system.

Supervisor Judith Lehman left the meeting at 7:05 PM.

2011 BUDGET, cont.

- **Building Repair & Maintenance** – Ferguson gave the Board prices of carpets at Ollie’s for the voting room downstairs. Tobin said Joan Schwer had a piece of carpet they can use. Zimmerman said the outside walls on the back of the building need repairs and they discussed the Dryvit system.
- **Capital Purchases** – The Board discussed replacing the furnace in the garage and insulation. Zimmerman said he will make some calls and they can address it next week.
- **Wages** – The Board tabled discussion of wages until the next budget meeting.
- **Highway & Street** – Expenses submitted by the Roadmaster were discussed. The Board questioned the amount for rental of equipment and said it was possibly for crack sealing. They will check with the Roadmaster on this item.
- **Recreation Area** – Ferguson suggested the expenses should be broken down into separate line items and the item was tabled until the next budget meeting.

OTHER BUSINESS

- **Personnel Handbook** – Tobin said she thought Lehman was going to have the handbook typed up. Lehman said she needs to work with the office assistant as she types it up; she was doing some of that today.
- **Eagle Scout Project** – Ferguson reported that Tim Unverdorben had come into the office and said to let the Board know he will not be able to do the volleyball court for his Eagle Scout Project because of the time limits, but he plans to do the volleyball court as his senior project.
- **Right-to-Know Law Class** – Ferguson asked the Board for approval to close the office for a half day on November 15th so she and Cindy Hummel can attend a class on the Right-to-Know Law to assist them in completing record requests. The Board approved the request.
- **Fire Company Meeting** – Zimmerman said the quarterly meeting scheduled for last night was cancelled due to his work schedule; he will be re-scheduling it in November.

PUBLIC COMMENT – No comments were received.

ADJOURNMENT – At 8:02 PM Tobin moved to adjourn the meeting, Zimmerman seconded the motion, all were in favor and motion carried 2 to 0.

Respectfully submitted,

Kathy Ferguson, Secretary / Treasurer

Approved by the Board of Supervisors on December 8, 2010.