

HANOVER TOWNSHIP, LEHIGH COUNTY
SPECIAL COUNCIL MEETING

October 21, 2020
6:30 P.M.

Present: Councilmen Heimbecker, Lawlor, Paulus, Tocci, Woolley; Melissa A. Wehr; Josef Fragnito; Vicky Roth; Pina Romano

Absent: J. Jackson Eaton, III, Esquire; Al Kortze, P.E.

Attendance: 1

Courtesy of the Floor: None

Approval of Minutes: None.

New Business:

1. Public Hearing – Proposed 2021 Operating, Capital, Liquid Fuels, Water and Sewer Budgets (Review and Discussion)

Mrs. Wehr addressed Council. She said for everyone's notification the staff had Public Works look at the sound system. As long as everyone keeps their mikes close, they should be no problem hearing. If someone still has difficulty hearing, she has a few amplifiers which will help if that assistance is needed.

Mrs. Wehr said this evening Council has before them the Preliminary Budget for 2021. Township staff has put in many hours in presenting to Council a balanced Budget. As this is Mrs. Wehr's first Budget and an interesting one due to the economy. As a result, unfortunately, she had to scale back in all departments in all portions of the Budget. Mrs. Wehr would like to begin by summarizing the proposed Budget instead of going line item by line item, but it's Council's call. Bruce Paulus, Chairman, replied that it's Mrs. Wehr's floor and she should proceed her way. Councilman Heimbecker asked Mrs. Wehr if there are any changes that they need to be aware of, i.e. any major Budget issues that Mrs. Wehr found while going through it or what Mr. Heimbecker calls what might be an excessive hike. Mrs. Wehr reiterated that it was an interesting year. She said the Township has a great staff. Josef Fragnito, Public Works Director, spent many hours fixing things that came up as well as Pina Romano, Administrative Assistant, and Vicky Roth, Township Clerk. When the staff came across some things that needed to be straightened out and shifted around because they felt they were not in the correct place, new line items needed to be created in the Budget. This is why Council will see that there is no history associated to these new line items. The Emergency Management Coordinator also requested a few new line items. Mrs. Wehr added a few new line items just to characterize them so that they would be more fitting for some of the things that staff went through this past year. Mrs. Wehr reiterated that staff put in a lot of hours putting together this Budget for Council. There are no large, major changes. There are some highlights that Mrs. Wehr would like to review with Council. Mr. Heimbecker said since it's Mrs. Wehr's first Budget, he has been asking the same question for 28 years.

Mrs. Wehr began the Budget review with General Fund, Fire Department's Budget since Garren Knoll, Fire Chief, is in attendance this evening. Generally looking through the Fire Department's Budget, there are some categories which Mrs. Wehr would like to bring to Council's attention. The line item Preliminary Design for Building Addition has been removed. At this time, Mrs. Wehr does not feel that with the state of the funds and the uncertainties of next year's funds, staff felt that this was something that they should remove from the Budget and not move forward with at this time. Perhaps this line item can be revisited in the future. As Council can see, most of the categories under the Fire Department's Budget are relatively close to what they were last year. There were some minor line items that staff scaled back on. Some line items such as the Truck, Liability & Building Insurance due to the cost of things going up and in looking at all the equipment. Mrs. Wehr told Council that the Fire Department, although late in getting it to her since it was due in January and she did not receive it until late September, an equipment inventory list that the Township needs for the insurance. Mrs. Wehr said that a lot of time and effort was put into preparing the inventory list by the Fire Department. She said it is above and beyond the expectations that she had for them for getting the task completed and it will be very helpful for the insurance to get more accurate coverage on the equipment. Mrs. Wehr thanked the Fire Department for their time in getting the base together to keep it going for many years to come. Councilman Tocci asked if this was the first time that an inventory list was completed. Mrs. Wehr replied that there was one done but not to this extent. It was not documented as well as the one that was turned in this year. The Fire Department went through each and every bin on each truck, the inventory is labeled per truck, per section of the truck. They are completing the inventory for the financial portion of it so that the Township staff can get it over to their insurance representative so that the Township has a more accurate fee total for the insurance and that the equipment is insured properly instead of being underinsured or over insured. Mr. Tocci asked Mrs. Wehr if she thought that they've been underinsured all this time and if the detailed information is going to help. Mrs. Wehr replied that it is hard to say. Any time that you have such a large inventory, the only time that you would truly know is if there is an event that happens and then you need to pull that document out and go from there. This is a great starting point for everyone to keep the inventory and to see what they have. It just makes it more complete. In the line item for Fireman's Relief, as Council knows, this is a passthrough fund. Staff came up with the proposed total for this line item based upon this year and past years.

Emergency Management – The line items Public Outreach and Disaster Preparedness were added as new categories. Mrs. Wehr feels that these are two very good categories to add to this Budget. These categories include different materials to reach out to individuals in the Township such as the banners for Fire Safety Awareness that were displayed. They go to daycares, etc. in the Township with supplies for the children and other means to get the word out. Mrs. Wehr also put an additional \$2,000 in Minor Equipment Purchase for a camera for Steve Kosik, Fire Marshall, so he has a camera for investigative purposes. Mr. Kosik was using an outdated camera. Mrs. Wehr felt it was appropriate to get him more modern-day equipment which will allow him to take pictures and email them directly from the camera with a hot spot. Mr. Tocci asked Mrs. Wehr to repeat what her vision is for Public Outreach. Mrs. Wehr reiterated that this is the category that the Emergency Management Coordinator requested be added to the Budget which will be used for things such as coloring books and supplies for the children and

signs for public safety and awareness, i.e., October is Fire Safety Month, etc. Mrs. Wehr feels it is a good category and will get hopefully bring in new junior firefighters, anything to get the word out for the Fire Department. Councilman Woolley asked if these types of things were in another line item and now, they are being broken out. Mrs. Wehr replied that they are new categories. The Township did not have anything like these two-line items before. Mr. Woolley said it sounds like a good program to him. Mr. Heimbecker said the \$1,500 in Public Outreach would not cover today's mailing costs. Mr. Knoll replied that this would not include mailing costs. Emergency Management does not mail anything out. They hand things out at events such as when they go to the daycares or the Mr. and Mrs. Santa Claus event, etc. Also, they display banners as a public outreach. Mr. Heimbecker said he didn't see a category for Public Outreach under the Fire Department's Budget. Mrs. Wehr reiterated that Public Outreach is a new category requested by the Emergency Management Coordinator to be added under his Budget to be able to help with Public Outreach such as fire prevention, disaster preparedness, and more. Mrs. Wehr said typically these things would be taken out of Training or Minor Equipment where this is now a separate category which will be specific to that. Mrs. Wehr supports the addition of the Disaster Preparedness category which will give the Emergency Management Coordinator the ability to stock up on masks, sanitizers, etc. Mr. Heimbecker asked if monies were in the Budget for these things before and Mrs. Wehr reiterated that they were charged to other line items and adding the Disaster Preparedness line item would be specific to these needs. Mr. Heimbecker suggested staff watch the number for Disaster Preparedness as he feels the number should be higher especially if there is a resurgence of COVID-19. Mrs. Wehr said it's a new category and needed to start somewhere. With everything going on with COVID-19 there are many grants being offered. It's new territory for the county, state and countrywide. Supplies were given out through the Red Cross and Emergency Management does have some of those. It will just be a stockpiling event until they get where they need. Mr. Tocci asked, looking at the Budget, what does it mean for example looking at line items such as Haz Mat Setup Cost where there are dollar amounts in each year, but a line under 2020 Actual Amounts with no dollar amount. Mrs. Wehr replied that at this time that means no monies have been spent in 2020 to date. Where there is a dash under 2020 Actual Amounts, it means no monies have been spent in 2020 to date. Mrs. Wehr has had discussions with all departments regarding this and it's a new year, a challenging year, and just because a line item is budgeted does not mean, like some mentalities were, that if you don't spend it, you won't get the same amount the next year. Even though it's been a strange and unique, different year on so many levels, this is not the case. The staff has had to tighten their belts this year for next year because it is not known what it is going to be and the effect. The projections staff received are very low. It's concerning to some point, but staff can manage and do it if everyone stays in their lines. Because something is not budgeted this year does not mean it won't be next year. Mrs. Wehr said if staff can be fiscally responsible, if we don't need it, we won't spend it. Makes it all the better for the Township for the next year. Mr. Tocci said since Mrs. Wehr brought up the projection, does she have a percent decrease that is anticipated. Mrs. Wehr replied, no, she does not. Since it's a pandemic, one day the stores are open 25% and the next day it's 50% then back down to 25%. Fortunately, for Hanover Township, there have been no protests like in other areas that would hinder things further. It's been up and down all over the place. Mr. Tocci said he misunderstood that Mrs. Wehr did have a projection and that it would be low for next year. Mrs. Wehr said she meant it in general. When staff contacted Berkheimer Associates, the Township's Tax Collectors, and they gave

their projections, it was low. Mrs. Wehr said it is right where she and Mrs. Roth put it at. They weren't too far off, which was good to know. Councilman Woolley noted that the Township taxes off business revenue and if businesses do well the Township does well. The Township taxes differently than other communities because of it. Mrs. Wehr noted that we get monies in for cars parking at the airport, but this year no one is flying. It has been picking up, but nowhere near the projections they were hoping for.

On the first page, Council will see a General Fund Summary with Receipts and Expenditures. There are no real highlights other than with the pandemic. The Township did well this year with Deed Transfer Taxes. As Council can see, Deed Transfer Tax was budgeted for \$50,000 and the Township is already at \$393,594.86 for the year. Staff never knows what this line item will be. There were some large properties that sold which the Township was fortunate for them to sell to keep that money coming in. Unfortunately, in September there were no deed transfers. Staff projected \$50,000 for 2021. It could hit it again or far exceed it. This is a good starting point.

Commercial Property Life-Safety Inspection was removed for 2021. It's a negated category, but kept in as a line item since it has history. It will remain until the history goes away.

Interest Earnings is a new line item. This is to keep better track of the Township's interest earnings. It will give a clearer picture as to where the monies are coming from and what it is.

Zoning Verification is a new line item. As Council knows, they passed it in the Fee Schedule so when businesses are looking for zoning verification on a property, there is a fee for that.

Troxell Area Curbing Project – Property Owner Reimbursement a line item that is removed. As Council can see, there is no dollar amount for 2020 Actual Amounts or any projected dollar amount for 2021. The monies coming in for this project from the residents has been and will be put back into the Capital Reserve/Future Roads which it came out of. Mr. Tocci said Miscellaneous Reimbursements jumps out when the budgeted amount for 2020 was \$500 and the 2020 Actual Amount was \$93,877.13. Mrs. Wehr asked Mrs. Roth to address this question. Mrs. Roth replied that any monies that come in that do not specifically fit into these categories goes into Miscellaneous Reimbursements and then when the Township Auditor does his audit, he will change it to what categories he wants it to go into. Mrs. Roth said if the Township has a windfall of monies coming in from Rockefeller and there isn't a category, this is where it will go into.

Administration – the Receptionist line item has been kept in with no dollar amount projection for 2021. Mrs. Wehr spoke with Jackson Eaton, Township Attorney, and he told Mrs. Wehr that she would have to do an ordinance to have the position removed. Mrs. Wehr was going to fund it; however, this was one of the line items she decided to cut and red line because she does not know what the situation will be. Staff felt, especially this past year, that the Receptionist position really wasn't necessary and the position was vacated but not removed from the Budget in case the position is needed in the future. Mr. Heimbecker asked if the monies spent on the Receptionist worked out

and Mrs. Wehr replied, absolutely. Looking over the Administrative Budget nothing large has been projected for 2021. Mrs. Wehr did negotiate when she started with the Township. The Township received a newer copier and negotiated for a longer term with the lease giving the Township a better price. That is why Council will see that the line item Business Copy Machine went down slightly. Mrs. Wehr budgeted more monies for the Training line item to make sure there were funds available for the office staff to necessary required training. Mrs. Wehr feels it's important to keep staff up-to-date. In the end, it will make the office run more efficiently. In the line item for IT/Computer/Software Maintenance, there were upgrades and maintenance done this year and will be ongoing with different things going on and needing more upgrades to a point that the equipment is more efficient. Staff purchased a data backup which will be another system on another level with all the cyber malware being encountered, risks and attacks. This is just another level of keeping our data safe and protected. Mr. Tocci said it's only been his second term going through a Budget and asked how many meetings have been scheduled for Budget review. Mrs. Wehr said there are four more scheduled in addition to this evening, but if they are not needed, they won't be used. Mr. Tocci said with that being said, he doesn't feel he can skip some of the line items that he does not understand. Mr. Tocci asked why the line item for Printing/Mailing of Newsletter & Calendar has been projected at more than double what was projected in 2020. Mrs. Wehr said this was one of the line items that staff found was insufficiently funded in the past years. With the calendar that is sent out throughout the Township which staff is presently working on, they received a cost estimate and based upon what is being spent on the calendar in the fall and the newsletter in the spring, there wasn't enough monies in the line item which prompted staff to bring it back up to where it should be. Mr. Tocci questioned where in the past years it was budgeted for \$3,000, has the Township been spending much more than that. Mrs. Roth said the report in front of Council shows budgeted items instead of the actual monies spent and Mrs. Wehr anticipated some of these questions and she will hand out to Council a Statement of Expenditures so that Council can see where the monies have been spent. Mrs. Wehr and all three staff members present this evening went over each Expenditure and compared year to year expenses. A lot of the line items were very eye opening and Mrs. Wehr did not feel comfortable not correcting certain line items and bringing them back up. Mrs. Wehr hopes that the Statement of Expenditures for present and past years will give Council more information on where and how the monies were being spent and see why current staff did what they did. Mr. Tocci said the Statement of Expenses is very helpful. Mr. Woolley asked if the line item for Bank Charges is just for the writing of checks or are, they charging the Township as a nonprofit and having the Township's accounts. Mrs. Roth said the bank is charging the Township for every deposit, the checks that are written, and the processing of everything. The dollar amount in this line item is for all of the Township funds, which includes General Fund, Water, Sewer, Capital Reserve, Escrow, etc. Mr. Woolley said the reason he asked is that he comes from banking and a lot of banks cut a huge break to anyone that is a nonprofit including municipalities. They get a fraction of the cost. Mr. Woolley asked if any of staff has ever talked to PNC about this. Mrs. Roth replied, no. Mr. Woolley said when the previous Township Manager, Sandra Pudliner, was with the Township, the Township was paying taxes on certain utilities because they weren't aware that the Township was nonprofit. Mrs. Roth said that honestly, she did not know what the previous Township Manager, Chris Garges, negotiated with the bank. Mrs. Wehr said she would look into this further. Mrs. Wehr said there was an incident this past year where the Township had to go back and get copies of cancelled checks per the Audit and

the bank was going to charge the Township per check. Mrs. Wehr did contact the bank to waive that fee due to us being a municipality and the total amount of monies the Township has invested with them. PNC did waive the fee.

Municipal Building – Mr. Fragnito was very instrumental in keeping everything in line in the line item for Materials & Supplies and in making sure staff budgeted the appropriate dollar amount for 2021. Staff looked at past and present history. Council will see under Capital Reserves a new line item for Building Maintenance was added for 2021. This will encompass all the municipal-owned buildings. If there is a problem with roofs, the HVAC unit or any major repairs, the Township will have monies set aside for that. The line item for CR: Pole Building at Salt Shed was underbudgeted for the amount that was spent. Monies are not be budgeted for this line item in 2021. Mr. Tocci asked Mrs. Wehr to differentiate the line item for Preventative Maintenance and the CR: Building Maintenance. Mrs. Wehr replied that the CR: Building Maintenance is for all major repairs that are anticipated. The present Municipal Building was dedicated in 2012 and eight years old. If something major comes up with the HVAC system, the roof, or something major with the windows, this would be the line item to pay for these types of repairs. Preventative Maintenance is the every day upkeep of the building.

Code Enforcement – No major changes.

Planning & Zoning – Mrs. Wehr scaled back on the line item for Comp Plan & Zoning Ordinance Update. This includes the River Central Plan for updating the Township's Comprehensive Plan which the Township is in with other municipalities which Council recently voted on. However, Mrs. Wehr is hoping to get started yet this year for updating the Township's Zoning Ordinance, which is in need of an update desperately. It is antiquated. There are things that should be changed around and getting more modern with language especially when it comes to Fair Housing.

Highway – As Council will see, in some categories nothing has been spent. A new line item has been added for Licensing Fees, which will include all operator licenses, i.e. CDL, pesticide license fees, etc. This line item was added to have a better idea of where the fees are going and to have it better characterized. The line item Traffic Signal Maintenance has been reduced slightly. The line item Vehicle Repair & Maintenance has been reduced slightly in keeping with a balanced budget. The line item Uniform Rentals/Clothing went up slightly due to having a full Public Works Department. The line item Equipment Repairs was added as a new line item. This is to better track the spending so to have a clearer picture. The line item Subcontractor Services was reduced slightly but tried to keep it where it needed to be. The line item On-Call Pay has been removed and included in the Budget since it has history.

Recreation – The line item for Maintenance was scaled back slightly. Mrs. Wehr is hoping to have a meeting with the Recreation Committee in the near future. Mrs. Wehr met with them over the summer but due to COVID-19 a second meeting got pushed back. Mrs. Wehr is anticipating getting the Recreation Commission back active again and get recommendations from them and move forward with a clear plan for all the Township parks and recreation areas.

Mr. Tocci asked Mrs. Wehr to go over the Highway-Capital Reserve categories, in particular, Sinkholes/Misc Storm Water and why it was budgeted for \$475,000 in 2020 and it has been reduced to \$175,000 and why there is a significant increase in Traffic Congestion Improvements from \$25,000 budgeted in 2019 and 2020 and \$150,000 projected in 2021. Mrs. Wehr said the amounts were based on projects that were projected out. If Council will recall when they went over the Capital Reserve Projects in July, that is where those numbers are coming from, i.e. if there are some traffic improvements that the Township wanted to do that line item was increased to complete the cycle that staff wanted to complete. With Sinkholes/Misc Storm Water, the major projects that were completed, there doesn't need to be expended quite as much monies in those categories. It could be scaled back. Same for Future Road Construction. The big project was Troxell Street, but staff still wants to leave a fair amount in that line item since it depletes fast and takes a long time to bring back up.

Miscellaneous – the line item for Employee Health/Dental/Vision will not increase for 2021. Staff budgeted this line item for \$190,000 due to some life event changes in 2021 which will fluctuate for a bit. The line item for Employee Life 7 Disability Insurance did increase slightly. The line item for Greater Lehigh Valley Visiting Nurses Association has been removed and the line item Catasauqua Community Cares Program (C3P) has been added to the donations list. Mr. Heimbecker asked when the last time was that the Township increased its donation to the State Police Camp Cadet Fund. Mrs. Wehr replied that it has been a \$2,000 donation since 2018. Mr. Heimbecker recommends that Council increase this donation by at least \$500 or possibly \$1,000. He feels their job hasn't gotten any easier and the Cadet Program can use the support. A discussion ensued and it was decided to increase the donation by \$500. Mr. Heimbecker said it is money well spent. The Township will be contributing to training our future.

Adjournment:

The meeting was adjourned at 7:15 P.M.

Respectfully submitted,

Melissa A. Wehr
Township Manager