

**PLAINFIELD TOWNSHIP
BOARD OF SUPERVISORS
BUDGET WORKSHOP MEETING
OCTOBER 31, 2011**

Page 1

The Plainfield Township Board of Supervisors held a Budget Workshop Meeting on Monday, October 31, 2011 at the Municipal Building, 6292 Sullivan Trail, Nazareth, PA. 18064.

Chairman, Michael Engler called the meeting to order at 7:12pm.

ROLL CALL:

The following supervisors answered roll call: Chairman, Michael Engler, Glenn Borger, Randy Heard, Vice-Chairman, Joseph Lerch and William Schmauder. Also present were Treasurer, Virginia Koehler and Executive Secretary, Joyce Lambert.

2012 PROPOSED BUDGET:

Treasurer, Virginia Koehler reported that she had made the following changes to the proposed budget since the last Budget Workshop Meeting:

Account #411.360 (Hydrant Expenses)	Added an additional \$438.00 to this account in General Fund
Account #431.384 (Rent of Machinery)	Transferred from Highway Aid to General Fund
Account #432.200 (Materials/Salt)	Transferred from Highway Aid to General Fund
Account #433.300 (Traffic Signal)	Transferred from Highway Aid to General Fund and made a new account
Account 436.200 (Materials)	Transferred from Highway Aid to General Fund
Account 438.200 (Materials)	Transferred from Highway Aid to General Fund
Account 461.111 (EAC Secretary)	Put back into the budget

October 31, 2011

Page 2

Having made these changes, the Proposed 2012 General Fund Budget is now #2,739,883.00 and the Proposed 2012 Highway Aid Budget is \$336,100.00, with \$50,000 being allocated for Street Lighting and \$286,100 allocated for Highway Construction (Road Paving).

Steve Hurni questioned Account #433.300, for the Traffic Signal at Rt #512 & Sullivan Trail. He asked why PennDOT doesn't pay for that.

Ginny reported that PennDOT installed the Traffic Signals as part of that project, but the Township had to sign an Agreement before the project started indicating that once the project was completed, PennDOT would turn the signal over to the township and we would then be responsible for the street light bills for electric and maintenance of the lights.

ROAD DEPARTMENT:

Road Master, Joseph Lerch asked what the chances were of his being able to hire a full-time Road Department Employee for 2012.

Glenn Borger indicated that his chances were slim to none.

Randy Heard asked what the approximate cost would be for a full-time Road Department Employee. Joe indicated that the wages would be approximately \$45,000 a year, plus benefits (health insurance, pension, holidays, vacation, sick days, etc).

Joe indicated that the person he would like to hire is currently working part-time for him. He was laid off at his job before he started with the Road Department part-time this summer. He now has to move on and needs a full-time job.

Joe reported that next week, he would be asking for approval to advertise for part-time employees for snow removal. It is very hard to get people to plow snow. No one wants to be called out at 2:00 in the morning to plow snow on a part-time basis.

Randy Heard asked if the Road Department was really that busy that he needed another man.

Joe told the Board that the Road Department is not getting everything done. Joe said that they have pipes that need to be put in, yard markers that need to be put up, drains need to be cleaned, trees that need to be trimmed, leaves that need to be picked up, etc. He had planned for the Road department to be working on these items this week and they aren't getting done because they are out cutting down brush from the storm and doing clean-up of branches and trees.

October 31, 2011

Page 3

There are currently 4 full-time employees in the road department counting Joe.

Joe also informed the Board that next year we would have more roads to take care of because the roads in Janson Woods and Rolling Meadows subdivisions are almost ready for dedication. Once this is done, they will be our responsibility.

Marilyn Lieberman asked Joe if he didn't have a list of men that he could rotate for snow plowing on a part-time basis. She indicated that they have a business and they do snow plowing and they have a list of men that they call out on a rotating basis and they don't have a problem.

Joe stated that he used to have a list, but no one wants to be called out at 2:00 in the morning to plow for \$15 an hour.

Randy Heard again questioned the funding for the Host Retro Account. Ginny indicated that every month she receives a check from GCS, which is figured out by multiplying \$1.65 per ton times the total number of tons for the month. This check is deposited into the Host Retro Fund. If we need extra money, she then puts it into the General Fund (only when we need it).

The Host Retro Account is a separate account from the Host Fees (Account #392.200 – Transfer from Host Retro Fund). Ginny indicated that this money is already in the Host Retro Account. When we need it, the money is transferred. We have \$302,000 in the account right now.

Terry Kleintop asked what the breakdown was for the funds we get from GCS.

Ginny reported that we get \$1.65 per ton, which goes into the Host Retro, \$.45 per ton which is automatically sent to Smith Barney (Trust Fund) and \$1.00 per ton which goes into the General Fund quarterly.

Randy Heard indicated that in 2008, we found out that the Trust Fund was invested all wrong. We were able to get all of our money out of the company that was currently doing our investing and get it invested properly just in time before everything started to drop drastically. We saved the township a lot of money.

At this time, motion was made by Glenn Borger to approve a 2.5 Mill increase for the 2012 Plainfield Township Real Estate Tax Rate.

Kevin Phillips asked why the Board was considering a tax increase when the budget is balanced as it is right now. He and many other township residents are unemployed and can't afford another increase in taxes.

October 31, 2011

Page 4

Randy Heard reported that Mr. Phillips was correct. The budget looks like it is balanced, but there are a lot of iffy things in this budget. If we don't get the money that we are counting on from Grand Central, then we will be short money. Everyone wants the Board to run the township on a 3 or 4 Mill Real Estate Tax, but that won't work.

If you never need the police, you don't care and we would have to lay off 6 or 7 police officers to get everything that the residents want out of the budget. We just can't do that.

Steve Hurni asked what the Labor Lawyer meant when he said that the township would have to be able to prove a hardship.

Chairman, Michael Engler said that the Real Estate Tax income would have to be exhausted and we would have to be able to prove that we don't have any money coming in. You have to understand that this isn't a normal business. This is a government and the amount of money that we could collect from taxes must be at the limit that we are allowed to charge the property owners. We are nowhere near that limit.

Sitting up here on the Board as a Supervisor, you take the beating as you go along and try to learn as you go. You do the best you can.

Millie Beahn asked if there was really a need for the number of vehicles that the police have.

Randy Heard stated that if we were to cut down on the number of vehicles that the police have, it would mean that we would be putting more miles on each of the vehicles that we would have left. The chief has been lease purchasing used vehicles that are in good condition with low mileage for the last several years to keep the costs down. Now he has two vehicles that are in really bad condition and probably won't be running much longer.

Millie informed the Board that she could see in the paper where they do cut police and she wanted to know how they could do it. Joe is asking for 1 person for the roads and there is no money. There is \$1,122,381.00 in the budget for the police and nothing for the roads.

Jane Mellert stated that in 1990 the township went to a 24/7 police department. She sat in on the interview. You have to look at how we got to where we are today. At that time, we had updated vehicles. We may have only had 1 officer on at a time, but we had Mutual Aid.

Chairman Engler indicated that there is no more Mutual Aid from Wind Gap and Pen Argyl. We are covering for them. We do, however, get Mutual Aid from Bushkill Township and Washington Township and we also aid them.

October 31, 2011

Page 5

Millie told the Board that she was at the School Board Meeting the other evening. When asked if they were looking at raising taxes, she said they were.

Chairman Engler indicated that County is looking to raise taxes also, and we have to cut things in our budget. The programs and things that the School Resource Officer does benefit everybody.

Terry Kleintop felt that it should be the school's responsibility to subsidize his cost, but he was told that they are not able to do this without raising the taxes also, so you would wind up paying more in that case also.

Millie Beahn called the school and asked what the School Resource Officer does and she was given a list. Steve Hurni told the Board that he also has a copy of the list and if anyone wanted a copy, he would get them one.

Marilyn Lieberman asked if anyone had ever had an armed robbery. She and her family did. This was a long time ago, when we didn't have full-time police coverage. Five people were involved in the robbery and the State Police were called in. It took over an hour for them to get there.

It was asked how you get rid of police and Marilyn indicated that people retire. When that happens, you cut out that position and just don't fill it anymore. You can't just get rid of people.

Millie indicated that she had said earlier that the school district was going to raise the taxes and they did not actually say that at the meeting. It is her feeling that is what they are going to do because of the pension going up.

Both Millie and Jane told the Board that if they raised taxes, there would be a lot of people who don't have the money to pay.

Tracey Itterly indicated that 2.5 Mills is not inching the tax rate up. Keep in mind that you may now have more unemployed residents or people who would lose their homes so you will get less funds coming in.

Jane felt that the Board needed to look at all of the areas. As the incomes go up, you automatically get an increase. When income goes down, the people can't afford it. Everything else keeps going up and people can't pay an increase in the tax. You should base taxes on needs.

Randy Heard indicated that Jane's only solution is to get rid of police officers. You would have to lay off the four part-time officers first. They don't get benefits, so you would only save about \$80,000. That would then create a safety issue.

October 31, 2011

Page 6

William Schmauder felt that he had to go along with Glenn and approve a 2.5 Mill increase.

Marilyn Lieberman asked if the Real Estate payments are installments like the County tax bills and the township's garbage bills. Secretary Lambert informed the Board that the township's Real Estate Tax Bills are not payable in installments at the present time. If the Board is interested in the option, it can be looked into.

Randy Heard felt that he could go with a 1.5 Mill increase because he sympathizes with the taxpayers.

Chairman, Michael Engler indicated that we currently have a motion on the floor for a 2.5 Mill tax increase for 2012. He asked if we had a second to that motion.

William Schmauder seconded the motion for a 2.5 Mill tax increase for 2012. Motion denied with a 2-3 vote. Glenn Borger and Williams Schmauder voting yes and Randy Heard, Michael Engler and Joseph Lerch voting no.

Motion was made by Randy Heard and seconded by Vice-Chairman, Joseph Lerch for a 1.5 Mill Real Estate Tax increase for 2012. Motion approved. Vote 3-2. Randy Heard, Vice-Chairman, Joseph Lerch and Chairman, Michael Engler voting yes and Glenn Borger and William Schmauder voting no.

Treasurer, Virginia Koehler asked the Board where she was supposed to take money out of the current budget in order to put in the money from the tax increase to balance the budget. She indicated that she couldn't just leave the budget as it is and add the additional money to the revenue side. The budget has to balance.

Ginny asked if the Board wanted her to take the money out of Account #364.610 – Host Retro Emergency or leave that in there and add all of the additional funds into the expenditure portion of the General Fund Budget for roads.

Ginny was told that she would know what to do with the funds and to prepare the revised budget with the additional funds.

October 31, 2011
Page 7

Having no further business to come before the Board, motion was made by Chairman, Michael Engler and seconded by Vice-Chairman, Joseph Lerch to adjourn the meeting. Motion approved. Vote 5-0.

Meeting adjourned at 9:25pm.

Respectfully submitted,

Joyce A. Lambert, Executive Secretary
Plainfield Township
Board of Supervisors