

## MINUTES

Upper Saucon Township Board of Supervisors  
Regular Meeting  
Monday, November 13, 2017 – 6:30 P.M.  
Township Municipal Building

Members Present: Stephen Wagner, Chairman  
Patrick M. Leonard, Vice Chairman  
Dennis E. Benner  
Brian J. Farrell  
Philip W. Spaeth

Staff Attending: Thomas F. Beil, Township Manager  
Robert E. Kassel, Jr., Assistant Township Manager  
Jeffrey Dimmich, Township Solicitor  
Charles Unangst, P.E., Township Engineer  
Chris Cope, Director of Water and Sewer Resources  
Joseph Geib, Special Projects Coordinator  
Patricia Lang, Director of Community Development  
Donald Eck, Jr., Director of Roads and Properties  
Dan Guerrero, Asst. Director of Roads and Properties  
Thomas Young, Director of Finance  
Charles Castetter, Fire Chief  
Thomas Nicoletti, Police Chief

### CALL TO ORDER

Chairman Wagner called the meeting to order at 6:30 p.m., in the Public Meeting Room of the Upper Saucon Township Municipal Building, 5500 Camp Meeting Road, Upper Saucon Township, Lehigh County, PA.

### PLEDGE OF ALLEGIANCE

Mr. Wagner asked all in attendance to stand and recite the "Pledge of Allegiance."

### NOTIFICATION

Mr. Wagner announced that all public sessions of the Upper Saucon Township Board of Supervisors are electronically recorded. The recordings are maintained as part of the record of the meeting until the minutes are transcribed and approved by the Board.

**PUBLIC COMMENT**

None

**PUBLIC ANNOUNCEMENTS**

None

**ADMINISTER OATH OF OFFICE TO NEWLY-HIRED POLICE OFFICERS**

Chairman Wagner administered the oath of office to newly-hired police officers Christopher Litz and Austin Bartholomew. Christopher Litz was first to take the oath of office, followed immediately by Austin Bartholomew taking the oath of office.

**SUBDIVISIONS & LAND DEVELOPMENTS**

None

**MINUTES**

Regular Meeting of October 9, 2017

Motion made by Mr. Leonard and seconded by Mr. Benner to approve the minutes of the regular meeting of October 9, 2017.

The motion was approved by a vote of 5 to 0.

Regular Meeting of October 23, 2017

Motion made by Mr. Leonard and seconded by Mr. Benner to approve the minutes of the regular meeting of October 23, 2017.

The motion was approved by a vote of 4 to 0. Mr. Wagner abstained from voting because he was not present at the Board meeting on October 23, 2017.

**ORDINANCES**

None

**RESOLUTIONS**

None

## MOTIONS

### Sale of Used Township Vehicles

Motion made by Mr. Leonard and seconded by Mr. Benner to authorize the sale of a 2008 Ford F-450 Utility Truck (VIN #1FDXW47R08EE06752) to Michael Winderman for \$11,900.00.

The motion was approved by a vote of 5 to 0.

Motion made by Mr. Leonard and seconded by Mr. Farrell to authorize the sale of a 2008 Ford F-450 Utility Truck (VIN #1FDXW47R28EE06753) to Anthony Renner for \$14,300.00.

The motion was approved by a vote of 5 to 0.

Motion made by Mr. Leonard and seconded by Mr. Farrell to authorize the sale of a 2004 Expedition XLT (VIN #1FMPU16L14LB42206) to Robert Miller for \$1,550.00.

The motion was approved by a vote of 5 to 0.

Motion made by Mr. Leonard and seconded by Mr. Benner to authorize the sale of a 1995 Ford L8000 35,000 GVW Dump Truck (VIN #1FDYK82E2SVA78513) to Robert Losell for \$12,000.00.

The motion was approved by a vote of 5 to 0.

Motion made by Mr. Leonard and seconded by Mr. Farrell to authorize the sale of a Karcher HDS 600Ci Power Washer (s/n 49250) to Scott Ziegler for \$675.00.

The motion was approved by a vote of 5 to 0.

Motion made by Mr. Leonard and seconded by Mr. Farrell to authorize the sale of various Traffic and Crosswalk Signals, lot of 30 total to Ian Anderson for \$877.00.

The motion was approved by a vote of 5 to 0.

### Release of Funds – Traditions of America – Phase 3 – Certification No. S-2

Motion made by Mr. Benner and seconded by Mr. Farrell to authorize the release of construction security in the amount of \$56,692.92 for Phase 3 of the Traditions of America development in accordance with the Community Development Director's memo dated November 7, 2017.

The motion was approved by a vote of 5 to 0.

Release of Funds – Traditions of America – Phase 4 – Certification No. S-1

Motion made by Mr. Benner and seconded by Mr. Farrell to authorize the release of construction security in the amount of \$337,091.24 for Phase 4 of the Traditions of America development in accordance with the Community Development Director's memo dated November 7, 2017.

The motion was approved by a vote of 5 to 0.

Release of Funds – Springhill Suites (a/k/a High Hotels LTD) – Certification No. 3

Motion made by Mr. Benner and seconded by Mr. Farrell to authorize the release of construction security in the amount of \$345,222.68 for the Springhill Suites hotel project in accordance with the Township Engineer's recommendation made by letter dated November 7, 2017.

The motion was approved by a vote of 5 to 0.

Release of Funds – Springhill Suites (a/k/a High Hotels LTD) – Certification No. S-1

Motion made by Mr. Benner and seconded by Mr. Farrell to authorize the release of construction security in the amount of \$87,027.00 for the Springhill Suites hotel project in accordance with the Community Development Director's memo dated November 7, 2017.

The motion was approved by a vote of 5 to 0.

Release of Funds – Posh Properties – 2615 Saucon Valley Road – Certification No. 1

Motion made by Mr. Benner and seconded by Mr. Farrell to authorize the release of construction security in the amount of \$84,796.25 for the Posh Properties project in accordance with the Township Engineer's recommendation made by letter dated November 7, 2017.

The motion was approved by a vote of 5 to 0.

**CORRESPONDENCE & INFORMATION ITEMS**

Chairman Wagner announced that the next meeting of the Board of Supervisors is scheduled for Monday, November 20, 2017 at 6:30 p.m.

**DIRECTION/DISCUSSION ITEMS**

New State law granting municipalities the authority to prohibit the location of Category 4 casinos within their municipal boundaries

Solicitor Dimmich explained the details of a new State law that gives municipalities the option to prohibit the location of Category 4 casinos (mini-casinos) within their boundaries.

Mr. Beil presented the Board members with a copy of proposed Resolution No. 2017-37 for their review and consideration. Proposed Resolution No. 2017-37 would prohibit the

placement and operation of Category 4 casinos within the boundaries of Upper Saucon Township.

Solicitor Dimmich said the Board would have to adopt this Resolution and deliver it to the State Gaming Control Board by December 31, 2017 in order for the casino prohibition to be valid.

A discussion ensued as to whether the Board should adopt proposed Resolution No. 2017-37.

Motion made by Mr. Leonard and seconded by Mr. Benner to adopt Resolution No. 2017-37 prohibiting the location of Category 4 casinos within the municipal boundaries of the Township.

The motion was approved by a vote of 5 to 0.

### **PRELIMINARY 2018 TOWNSHIP BUDGET**

#### **Presentation of preliminary Township budget by Staff**

Messrs. Beil and Kassel gave a PowerPoint presentation on the preliminary 2018 Township budget. A copy of the presentation is attached hereto, made a part hereof, and identified as Attachment A.

Chairman Wagner thanked the staff and Finance Committee for all their work on the budget.

It was the consensus of the Board that input on the budget would be accepted at tonight's meeting and the Board would vote on possible changes to the budget at next week's meeting.

Messrs. Wagner, Farrell and Leonard spoke in favor of increasing the contribution to the Library.

Mr. Wagner questioned whether it was appropriate for the Township to spend \$14,000 for a children's summer program at the Park.

A discussion ensued as to whether the budget should include installation of a video surveillance system at the Park. Mr. Beil noted vandalism has not been a serious problem at the Park in recent years.

Mr. Wagner commented that the budget includes \$510,000 to upgrade the electrical system at the Sewer Plant. He strongly suggested the Township staff make every effort to attract multiple bidders for this project as some projects at the Sewer Plant in the past only had one bidder. He said competition among bidders will ensure the Township gets the best price for the work.

Mr. Leonard liked the idea of creating a new fire inspector position which is proposed in the budget. He suggested the Township Solicitor be consulted regarding this matter in light of the recent court decision in the Emmaus Borough firefighters' case.

Mr. Leonard questioned the need for a children's summer program at the Park.

Chairman Wagner asked if anyone from the public wished to comment on the preliminary budget.

Leslie Staffeld, President of the Southern Lehigh Public Library Board of Directors, thanked the Board for supporting the Library. She spoke in support of the Township fully funding the Library's budget request of \$185,640. She said the Library would be very interested in partnering with the Township to offer summer programs at the Park.

Mr. Beil noted the proposed budget does not call for a tax increase and utility rates remain unchanged from 2017 levels.

Chairman Wagner noted the preliminary 2018 Township Budget will be considered for possible adoption at the Board's next regular meeting which is scheduled for Monday, November 20, 2017 at 6:30 p.m.

#### **COMMITTEE REPORTS**

None

#### **BILLS, PAYROLL, AND COMMISSIONS**

Motion made by Mr. Leonard and seconded by Mr. Benner to authorize payment of the Prepaid Invoice List and Warrant List #11132017 dated 11/08/2017.

The motion was approved by a vote of 5 to 0.

#### **ADDITIONAL BUSINESS**

None

#### **COURTESY OF THE FLOOR**

None

#### **EXECUTIVE SESSION**

None

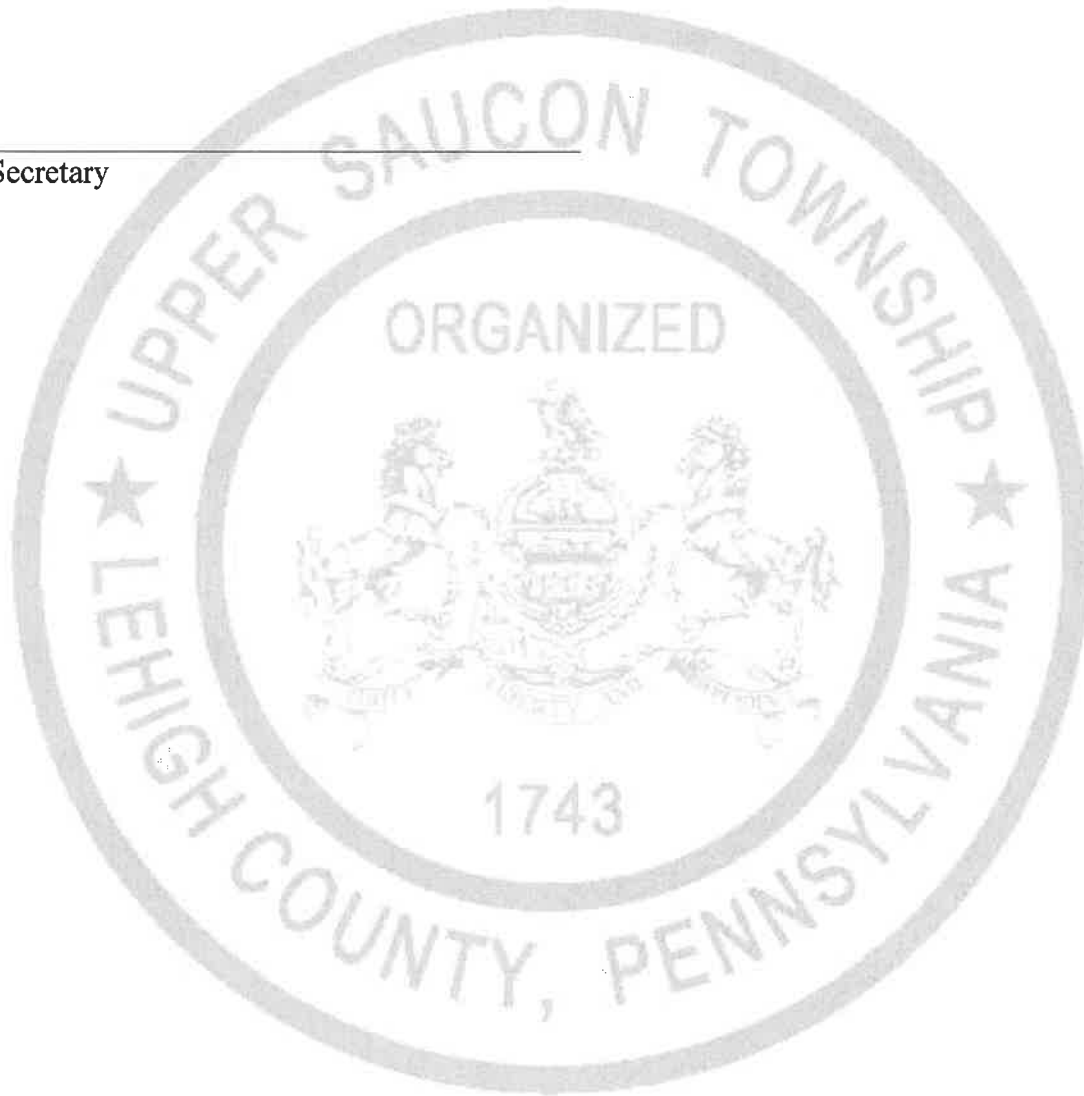
**ADJOURNMENT**

Motion made by Mr. Benner and seconded by Mr. Farrell to adjourn the meeting.

The motion was approved by a vote of 5 to 0.

The meeting was adjourned at approximately 8:12 p.m.

\_\_\_\_\_  
Secretary



# Upper Saucon Township

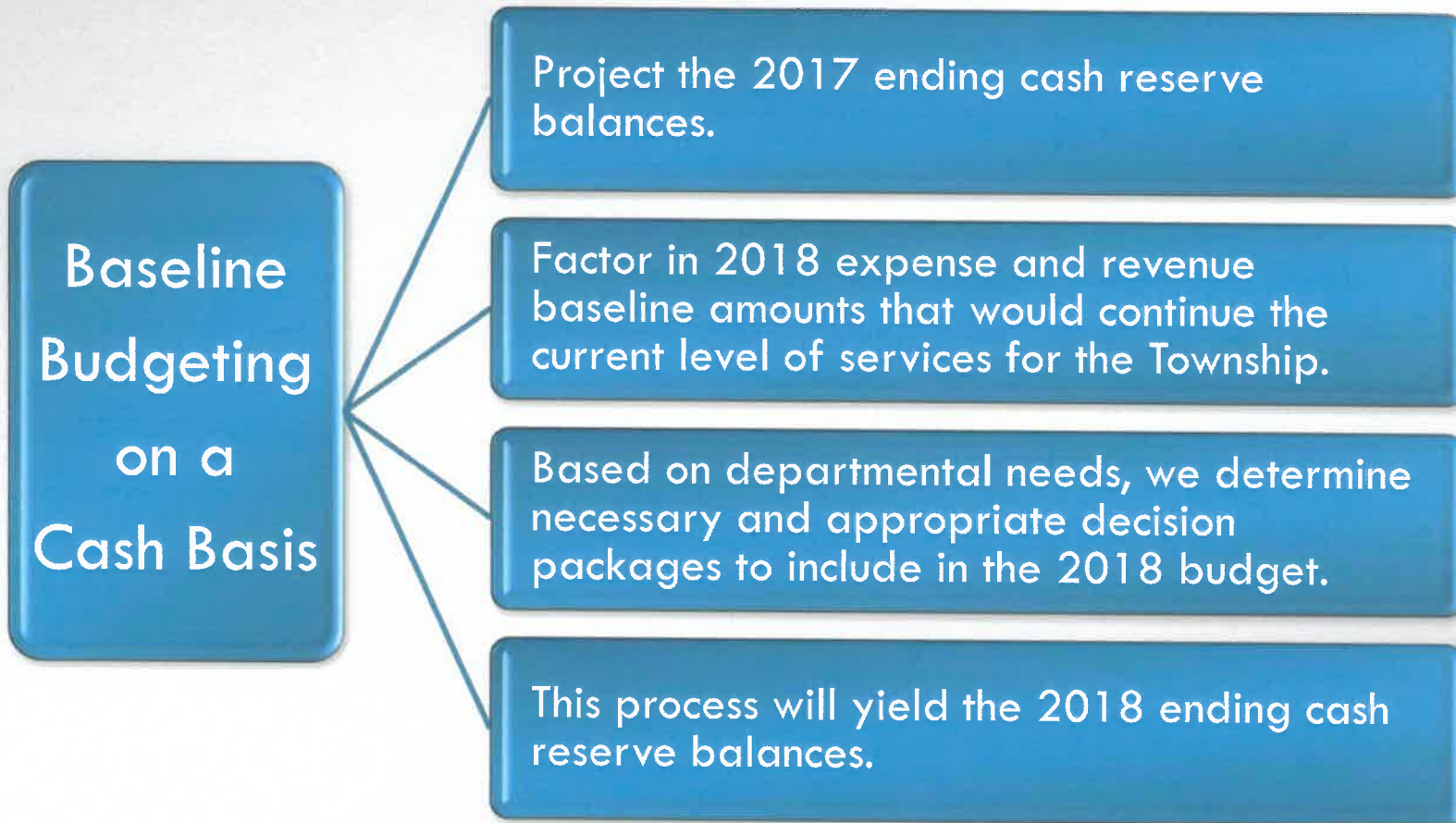
## 2018 Budget Review

November 13, 2017

As Recommended by Staff  
with input from the Finance / Administration Committee



# Upper Saucon Budget Process



*Upper Saucon Township 2018 Budget Review  
November 13, 2017*



# 2018 Budget Timeline

**JULY**

Staff meets with Admin and Finance Committee to discuss upcoming Budget

**AUGUST – SEPTEMBER**

Staff develops baselines and decision packages

**OCTOBER 4<sup>TH</sup> – 11<sup>TH</sup>**

Staff reviews decision packages w/ Admin and Finance Committee

**NOVEMBER 1<sup>ST</sup>**

Staff reviews preliminary budget w/ Admin and Finance Committee

**NOVEMBER 13<sup>TH</sup>**

Staff presents preliminary budget to Board of Supervisors

**NOVEMBER 15<sup>TH</sup>**

Admin and Finance Committee finalize preliminary budget to be presented to BOS

**NOVEMBER 20<sup>TH</sup>**

Board of Supervisors adopt preliminary budget and authorize advertising

**DECEMBER 18<sup>TH</sup>**

Board of Supervisors adopt final budget

*Upper Saucon Township 2018 Budget Review  
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# 2018 Funds

## Fund Titles

01 General	30 Capital Reserve
03 Fire Hydrant	31 Road Construction Cap Reserve
06 Water Operating	32 Library Capital Reserve
08 Sewer Operating	33 Land Acquisition
11 Maintenance Trust	35 Liquid Fuels
12 Recreation	55 LOSAP
13 Transportation	60 Police Pension
18 Water Capital Reserve	62 Non Uniform Retirement
19 Sewer Treatment Capital Reserve	65 Non Uniform Pension



# 2018 Fund Groups

Fund Group	Fund Titles		
GENERAL	General Recreation Capital Reserve Road Construction Reserve Liquid Fuels		
WATER	Water Operating Water Capital Reserve		
SEWER	Sewer Operating Sewer Capital Reserve		

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# 2018 Fund Groups

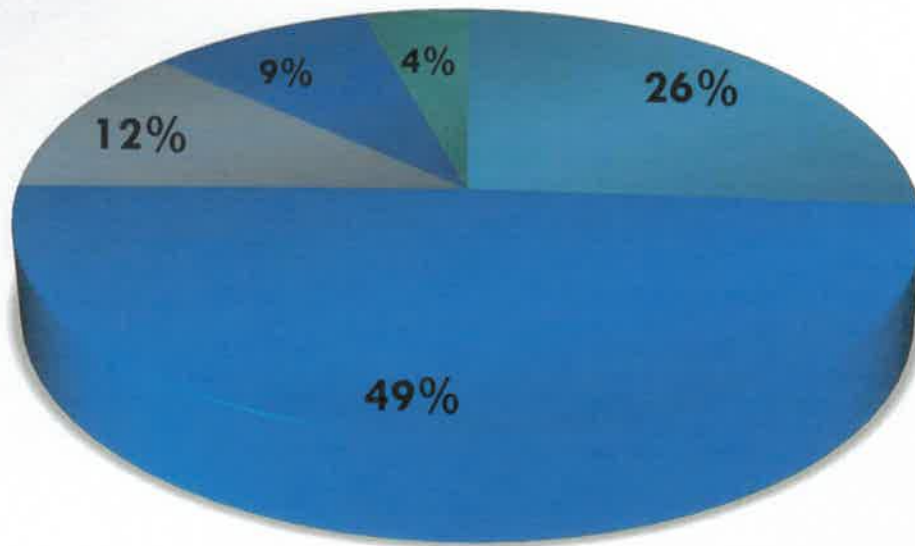
Fund Group	Fund Titles	Major Revenue Sources	
GENERAL	General Recreation Capital Reserve Road Construction Reserve Liquid Fuels	Real Estate Taxes Act 511 Taxes Licenses & Permits State Shared	
WATER	Water Operating Water Capital Reserve		
SEWER	Sewer Operating Sewer Capital Reserve		

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# General Fund Group Revenues

## 2017 Projected General Fund Group Sources of Revenue

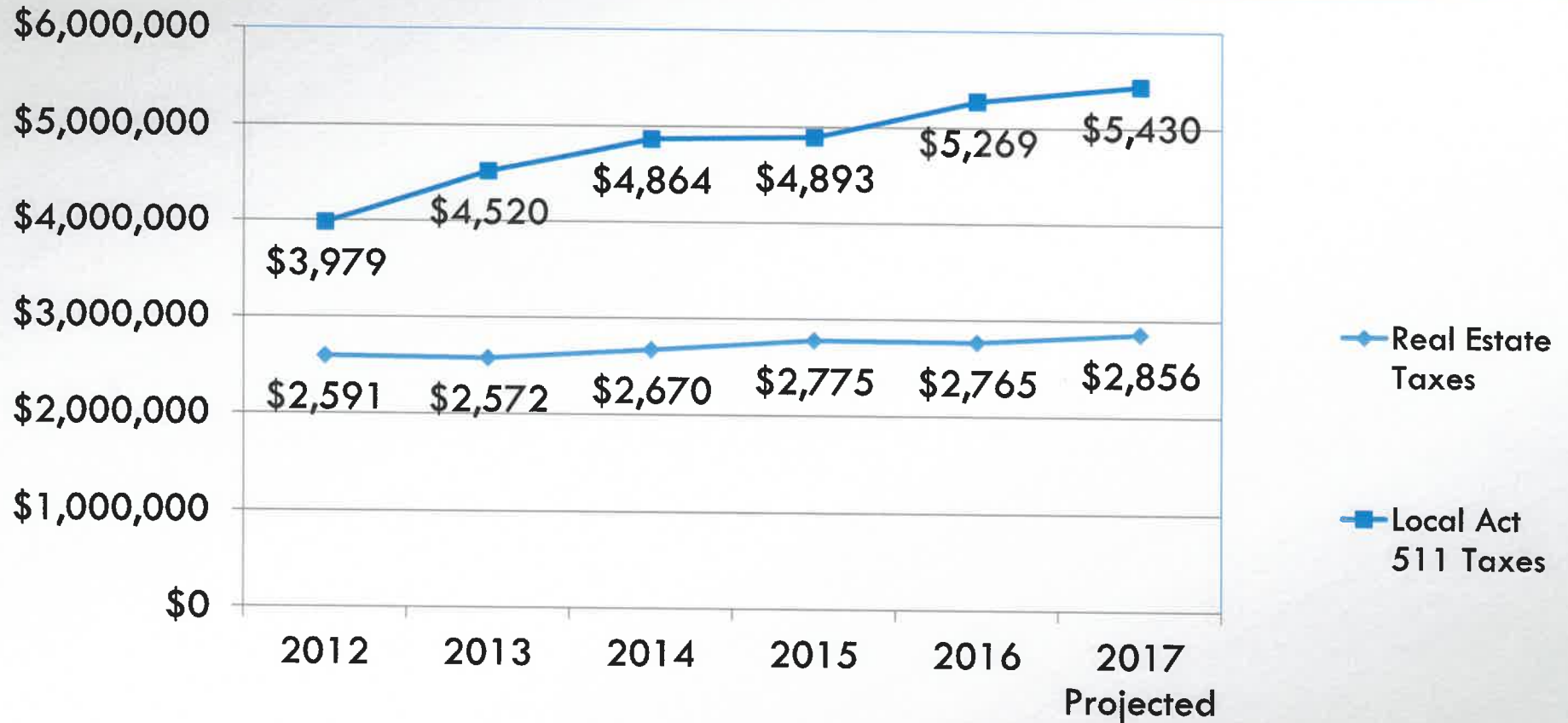


- Real Estate Taxes - \$2,856,000 (26%)
- Local Act 511 Taxes - \$5,430,000 (49%)
- Licenses & Permits - \$1,265,700 (12%)
- State Shared - \$1,021,000 (9%)
- Other - \$482,700 (4%)

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# General Fund Group Major Revenues



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# 2018 Proposed General Fund Group Revenue Budget

	2014	2015	2016	2017 Projected	2018 Proposed Budget
<b>Real Estate Taxes</b>	\$2,669,729	\$2,774,591	\$2,765,242	\$2,856,000	\$2,855,000
<b>Act 511 Taxes</b>	\$4,863,541	\$4,892,932	\$5,269,124	\$5,430,000	\$5,230,000
<b>Licenses &amp; Permits</b>	\$945,146	\$1,262,756	\$1,310,291	\$1,265,700	\$1,700,200
<b>State Shared</b>	\$841,202	\$887,576	\$1,043,260	\$1,021,000	\$3,289,800
<b>Other</b>	\$807,743	\$859,445	\$534,371	\$482,700	\$578,680
	\$10,127,360	\$10,677,301	\$10,922,289	\$11,146,680	\$13,653,680

\* Above revenue figures do not include transfers between funds or borrowing proceeds.

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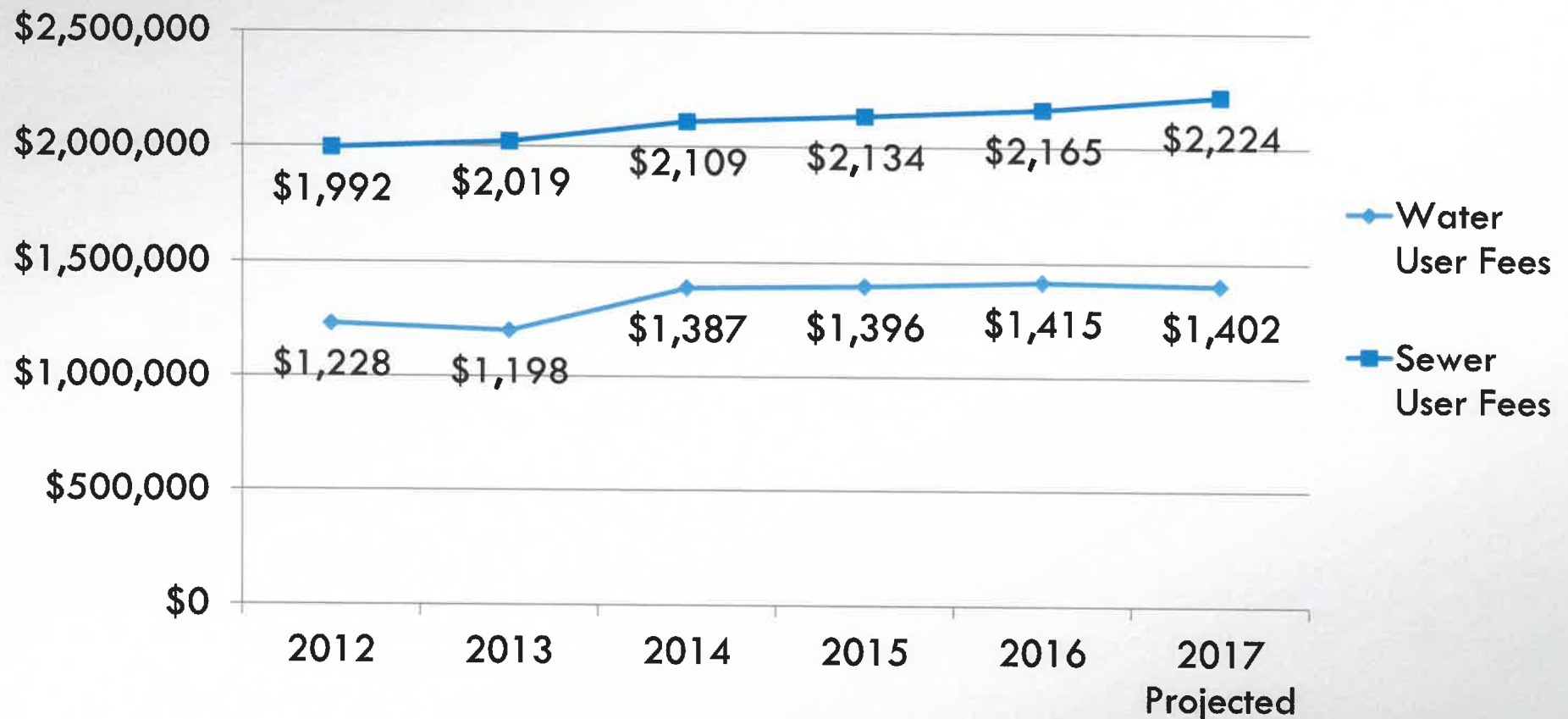
# 2018 Fund Groups

Fund Group	Fund Titles	Major Revenue Sources	
GENERAL	General Recreation Capital Reserve Road Construction Reserve Liquid Fuels		
WATER	Water Operating Water Capital Reserve	<b>User Fees</b> <b>Tapping Fees</b>	
SEWER	Sewer Operating Sewer Capital Reserve	<b>User Fees</b> <b>Tapping Fees</b>	

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# Water & Sewer Fund Group Major Revenues



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# 2018 Proposed Water & Sewer Fund Group Revenue Budget

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017 Projected</u>	<u>2018 Proposed Budget</u>
<b>Water User Fees</b>	\$1,387,222	\$1,396,179	\$1,415,367	\$1,402,020	\$1,430,000
<b>Water Tapping Fees</b>	\$39,000	\$115,050	\$473,850	\$205,000	\$50,000
<b>Sewer User Fees</b>	\$2,108,568	\$2,134,111	\$2,165,250	\$2,224,000	\$2,240,000
<b>Sewer Tapping Fees</b>	\$192,587	\$433,320	\$634,485	\$463,000	\$100,000
<b>Other</b>	\$328,630	\$430,535	\$419,928	\$557,151	\$495,041
	<b>\$4,056,007</b>	<b>\$4,509,195</b>	<b>\$5,108,879</b>	<b>\$4,851,171</b>	<b>\$4,315,041</b>

\* Above revenue figures do not include transfers between funds or borrowing proceeds.

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# 2018 Fund Groups

Fund Group	Fund Titles		Major Services Provided
GENERAL	General Recreation Capital Reserve Road Construction Reserve Liquid Fuels		<b>Public Safety</b> <b>Public Works (Highway)</b> <b>Parks &amp; Recreation</b> <b>Libraries</b> <b>General Government</b>
WATER	Water Operating Water Capital Reserve		<b>Drinking water and fire protection</b>
SEWER	Sewer Operating Sewer Capital Reserve		<b>Sewage collection and disposal</b>

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# Budget Approach

## Expenses

- Baseline Budget Approach

- The baseline is the minimum budget needed to offer services to citizens without cutting back on any services.
- The baseline is established by utilizing the prior year budget less all one-time expenditures as identified during the prior year budget process.
- Baselines include increases that do not fall under management's direct control. Examples include salaries, benefits, utility, insurances, debt service, etc.





# General Fund Group Baseline Expenses

## General Fund Group Operating Expenses

	<u>2017 Baseline</u>	<u>2018 Baseline</u>	<u>Baseline Increase</u>	<u>Baseline % Increase</u>
General Government	\$1,046,042	\$1,134,941	\$88,899	8.50%
Public Safety	\$3,084,572	\$3,190,610	\$106,039	3.44%
Community Development	\$1,390,328	\$1,405,341	\$15,013	1.08%
Public Works	\$1,562,262	\$1,578,964	\$16,702	1.07%
Recreation & Library	\$343,700	\$355,500	\$11,800	3.43%
Debt Service	\$1,116,271	\$1,220,399	\$104,128	9.33%
Employee Pension	\$560,187	\$543,660	-\$16,527	-2.95%
Insurance & Taxes	\$222,200	\$235,778	\$13,579	6.11%

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# Water & Sewer Fund Group Baseline Expenses

## Water & Sewer Fund Group Operating Expenses

	<u>2017 Baseline</u>	<u>2018 Baseline</u>	<u>Baseline Increase</u>	<u>% Increase</u>
Water	\$753,660	\$775,942	\$22,282	2.96%
Water Debt Service	\$375,488	\$377,985	\$2,497	0.67%
Water Insurance & Taxes	\$121,730	\$182,552	\$60,822	49.96%
Sewer Collection	\$702,992	\$664,478	-\$38,514	-5.48%
Sewer Disposal	\$862,286	\$878,073	\$15,787	1.83%
Sewer Debt Service	\$0	\$0	\$0	
Sewer Insurance & Taxes	\$363,430	\$324,351	-\$39,079	-10.75%

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# Budget Approach

## Expenses

- Decision Packages
  - Departments requesting funds for additional expenses are required to prepare Decision Packages. The Decision Packages assist in understanding:
    - What staff is requesting
    - Why staff is requesting the item
    - And alternatives, if applicable





# Proposed Budget Expenses

## 2018 DECISION PACKAGE WORKSHEET

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# 2018 Proposed Budget Expenses

## 2018 General Fund Group Proposed Expenses

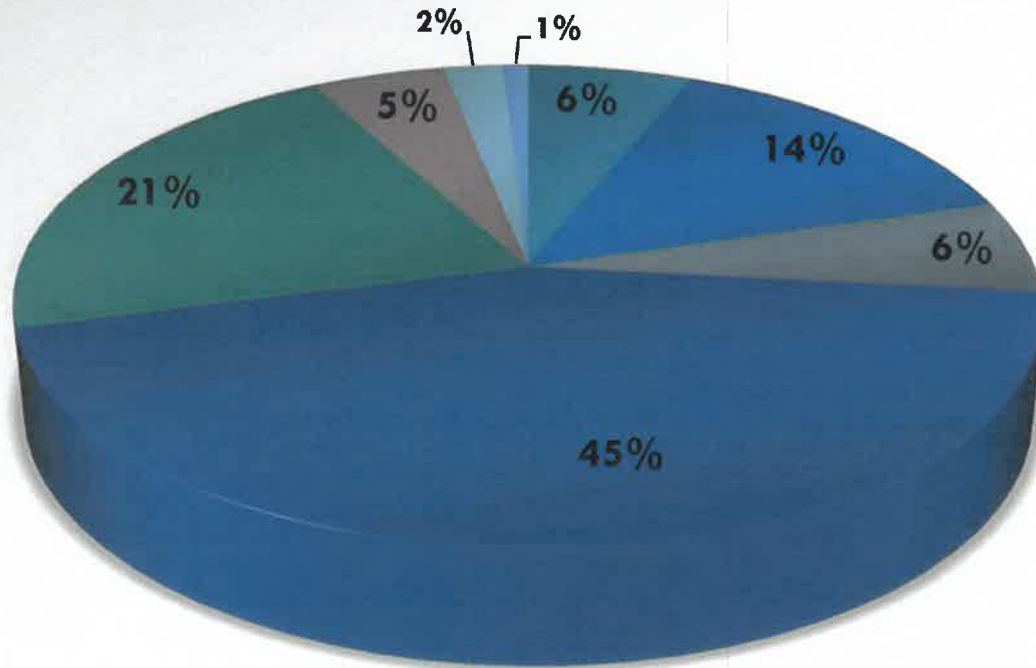
	<u>Baseline</u>	<u>Decision Packages</u>	<u>2018 Proposed Budget</u>
General Government	\$1,134,941	\$376,500	\$1,511,441
Public Safety	\$3,190,610	\$327,150	\$3,517,760
Community Development	\$1,405,341	\$144,429	\$1,549,770
Public Works	\$1,578,964	\$9,455,132	\$11,034,096
Recreation & Library	\$355,500	\$4,938,720	\$5,294,220
Debt Service	\$1,220,399		\$1,220,399
Employee Pension	\$543,660		\$543,660
Insurance & Taxes	\$235,778		\$235,778

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# 2018 Proposed Budget Expenses

## 2018 General Fund Group Proposed Expenses



- General Government - \$1,511,441 (6%)
- Public Safety - \$3,517,760 (14%)
- Community Develop - \$1,549,770 (6%)
- Public Works - \$11,034,096 (44%)
- Recreation & Library - \$5,294,220 (21%)
- Debt Service - \$1,220,399 (5%)
- Employee Pension - \$543,660 (2%)
- Insurance - \$235,778 (1%)

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# 2018 Proposed Budget Expenses

## 2018 Water and Sewer Fund Group Proposed Expenses

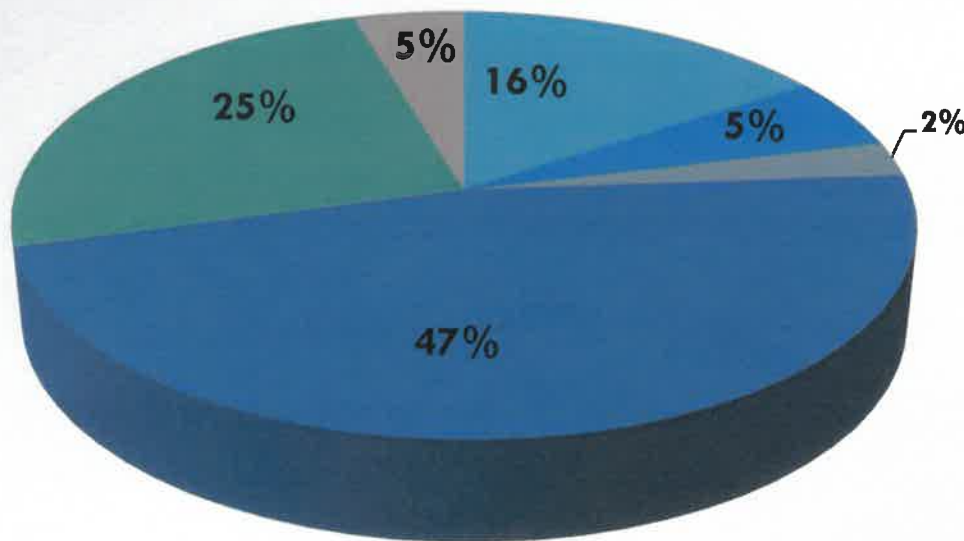
	<u>Baseline</u>	<u>Decision Packages</u>	<u>2018 Proposed Budget</u>
Water	\$775,942	\$318,286	\$1,094,228
Water Debt Service	\$377,985		\$377,985
Water Insurance & Taxes	\$182,552		\$182,552
Sewer Collection	\$664,478	\$2,622,586	\$3,287,064
Sewer Disposal	\$878,073	\$859,186	\$1,737,259
Sewer Debt Service			
Sewer Insurance & Taxes	\$324,351		\$324,351

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# 2018 Proposed Budget Expenses

## 2018 Water and Sewer Fund Group Proposed Expenses



- Water Operating - \$1,094,228 (16%)
- Water Debt Service - \$377,985 (5%)
- Water Insurance & Taxes - \$182,552 (3%)
- Sewer Collection - \$3,287,064 (47%)
- Sewer Disposal - \$1,737,259 (25%)
- Sewer Insurance & Taxes - \$324,351 (5%)

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# Proposed Fund Balances

## 2018 Proposed Budget Summary General Fund Group

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
General	\$ 2,678,541	\$ 10,145,680	\$ 11,429,975	\$ 1,394,246
Recreation	\$ 1,550,746	\$ 3,454,000	\$ 4,816,500	\$ 188,246
Capital Reserve	\$ 488,790	\$ 253,000	\$ 358,000	\$ 383,790
Rd Construction	\$ 2,270,351	\$ 6,180,000	\$ 8,086,000	\$ 364,351
Liquid Fuels	\$ 1,065,827	\$ 521,000	\$ 1,216,650	\$ 370,177

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# Proposed Fund Balances

## 2018 Proposed Budget Summary Water & Sewer Fund Group

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Water	\$ 293,584	\$ 1,486,941	\$ 1,677,265	\$ 103,260
Water Capital	\$ 1,735,415	\$ 257,000	\$ 177,500	\$ 1,814,915
Sewer	\$ 2,194,375	\$ 2,494,500	\$ 3,097,675	\$ 1,591,200
Sewer Capital	\$ 4,872,023	\$ 1,276,600	\$ 3,251,000	\$ 2,897,623

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# Proposed Fund Balances

## 2018 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Fire Hydrant	\$ 122,100	\$ 136,000	\$ 120,000	\$ 138,100
Maintenance Trust	\$ 1,200,371	\$ 8,000	\$ 16,800	\$ 1,191,571
Transportation	\$ 1,467,385	\$ 10,000	\$ 179,000	\$ 1,298,385
Land Acquisition	\$ 122,770	\$ 600	\$ 123,000	\$ 370
Library Cap. Res.	\$ 6,647	\$ 16,900	\$ -	\$ 23,547

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# Proposed Fund Balances

## 2018 Proposed Budget Summary Other Funds

Fund	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
LOSAP	\$ 274,459	\$ 99,200	\$ 45,000	\$ 328,659
Police Pension	\$ 5,896,128	\$ 288,411	\$ 363,000	\$ 5,821,539
Non-Uniformed Retirement	\$ 88,919	\$ 42,214	\$ -	\$ 131,133
Non-Uniformed Pension	\$ 7,072,468	\$ 424,124	\$ 293,806	\$ 7,202,786

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# End



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