

**I. OPENING**

**CALL TO ORDER:** The Budget Hearing of Lower Saucon Township Council was called to order on Tuesday, October 16, 2007 at 6:25 P.M., at 3700 Old Philadelphia Pike, Bethlehem, PA, with Mr. Glenn Kern, Council President, presiding.

**ROLL CALL:** Present – Glenn Kern, President; Thomas Maxfield, Vice President; Priscilla deLeon, Council Members; Jack Cahalan, Township Manager; Assistant Township Manager, Leslie Huhn; Roger Rasich, Public Works Director. Absent: Sandra Yerger and Ron Horiszny

**PLEDGE OF ALLEGIANCE**

**ANNOUNCEMENT OF ANY EXECUTIVE SESSION (IF APPLICABLE)**

<p><b>Mr. Kern said Council did not meet in Executive Session.</b></p>
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**II. PUBLIC COMMENT/CITIZEN AGENDA ITEMS**

Mr. Kern said for citizen agenda items – Council operates under Robert’s Rules. What that means is during agenda items, Council will talk amongst themselves and amongst staff and the interested parties. At the conclusion of that, we open it up to the public for public comment. There is an opportunity for non-agenda items at the end of the meeting to discuss whatever your business might be. We do have a microphone and there are microphones up at the table. There is a sign-in sheet in the back of the room. Please print your name and address and email address. It is very helpful in transcribing the minutes. For those who want to receive emailed agendas, please give your email address to Diane, Leslie, or Jack or call the Township office. Please state your name and address. If you can’t hear, please let us know. Mr. Kern asked if anything was taken off the agenda this evening? Mr. Cahalan said no.

Mrs. deLeon asked that from now on to please let Council members know ahead of time when the budget or special meetings are going to be as she had a conflict with this evening. It would be a courtesy for the Administration to let the Council members aware of this. When we have any special meeting, agendas are sent prior to the meeting by email according to the Administration code. The press is supposed to be notified of the meeting. Please make sure this happens in the future.

**A. PRESENTATION OF TOWNSHIP BUDGET**

Mr. Cahalan said he is here tonight with the Finance Director, Cathy Gorman; Police Chief, Guy Lesser; Public Works Director, Roger Rasich; Assistant Manager, Leslie Huhn, and Marty Wallach. Mr. Cahalan said Cathy and him have been working on preparing the budget for the last couple of months. They gathered recommendations and information from all the department heads, consultants and committees. Accomplished during 2007 budget year: they approved and strengthened the storm water and management grading ordinances and began working on improving the SALDO ordinance

- Following the passage of Open space EIT referendum in 2006, they adopted the Open Space Action Plan and began putting in place policies and procedures to administer the townships open space preservation program.

**Budget Meeting  
October 16, 2007**

- They began working with consultants hired by SVP on the multi municipal comprehensive plan process with Hellertown Borough. They continued working with the DCED consultants on police consolidation study with Hellertown Borough. In April, they opened the compost yard center, a joint operating yard waste center.
- They are in the process of completing the final phase of Polk Valley Park and the connector trails between park and the SV Campus to be prepared for the opening in 2008. They are moving toward design phases for the Kingston Park and for the additional space acquired for Steel City Park.
- The Public Works Department has finished installing drainage water system along Silver Creek Road which has eliminated the icing and storm water issues we have been dealing with for the past several years in that area.
- The upgrade of the township's website has been completed increasing the amount of Township information that will now be available to our residents. We have taken the first steps toward paperless operation by outfitting the Council with laptops and reducing Council packets to disk and emailed digital copies.
- We are the first municipality to use bio-diesel fuel. We were awarded a grant of \$2,500 for alternative fuels and grant program.

For the 2008 budget, they were guided by the following goals and objectives set by Council:

1. To insure revenues from landfill tipping fees are set aside for investments and future use. We have funded the operating reserve fund for 2008.
2. We have continued funding for consulting services to enable our planner and engineer to continue the review of our SALDO and review of zoning ordinances for the consulting services for our open space program and for the negotiations and additional legal expenses for the non uniformed contract.
3. We are recommending we continue to fund upgrades and improvements to the townships technology tools to insure so we can keep pace with demands from township and residents to provide data needed for future planning. We have budgeted funding for additional GIS upgrades for Zoning and Police Department so they can map data they have available to them. To reach the goal of the paperless operation, we are recommending funding to continue the digital imaging and storage of documents coming into the township.
4. We are continuing to work with the EAC and alliance for sustainable communities Lehigh Valley on renewable energy such as solar energy system to reduce amount of electricity in township buildings and the conversion to traffic lights to LED lighting, and an upgrade to our fuel management system.
5. We are continuing to work on joint issues with Hellertown such as compost center, community swimming pool, combined lawn mowing bids and public works projects.

Mrs. deLeon asked about the community swimming pool. Mr. Cahalan said it's a concept of taking the Hellertown Pool and declaring it a regional recreation facility. It's in the joint initiatives with Hellertown Borough. We're looking at it for the first time tonight. She said it sounds like we are continuing to work on it, like it's already happening. This should be clarified. Mr. Cahalan said he will clarify it further. We have several proposals for funding for the pool for resident fees, non resident fees and it's in the budget for an initiative to join with Hellertown Borough on a community swimming pool concept for the region. A challenge they are faced with due to the slowed down real estate market, and the resulting permits and other

**Budget Meeting  
October 16, 2007**

actions that are generally followed by that activity, they are showing a decreased the amount of fees coming into the township and they project that will continue in 2008. The first one is the local services tax, EMS tax, that's been redesignated as a local services tax. Due to changes made by the legislature of this tax, we are forecasting that this amount we had been receiving \$60,000 will decrease to \$40,000. The interim tax will decrease by approx. \$9,000 due to the decline in building and home sales. The real estate transfer tax decrease of \$21,723 due to decline in home sales. Interest a decrease of \$7,000. Tax certifications we project fewer home sales decrease of \$1,430. Subdivision fees decrease of \$3,000 due to slow down of local housing market. Building permits decrease \$3,978, and sanitation permits decreasing \$3,425. We are also further challenged by projected budget loses that have to be factored in for 2008. The first is under Real Estate taxes, the process of getting township acquired property tax exempt at county level is a long and drawn out process. It takes over a year for this process to come to fruition, so we have to budget some funds to pay the real estate taxes, so we're budgeting \$5,000.

**Mrs. Yerger arrived. The time was 6:35 PM.**

In 2008, under payroll disbursement schedule, every 12 years, we are responsible for a 27<sup>th</sup> payday, which will be the case in 2008, and that additional pay is \$72,000. In 2008, we are faced with the expiration of Dept. of Justice grant which was a three year grant which paid for the investigator, the last amount was received in 2007, and they'll be a loss of \$25,500 in that line item.

Mrs. deLeon said the real estate taxes, do other municipalities have issues with the county regarding their tax exempt status? The process shouldn't be that long and complicated. Mr. Cahalan said we are doing everything on schedule. The process seems to take at least a year to submit it by the deadline before it actually shows up exempt at the county level. Mr. Maxfield said since the property is acquired for open space or recreation, can we ask the county to treat it retroactively? Mr. Cahalan said we have done that and it's not successful. Ms. Gorman said it just depends on what the appeals board decides.

Mr. Cahalan said in 2008, we are also facing some new additional expenses. The crossing guard expense with the SVP, we agreed to share 1/3 of the cost of the crossing guard, and that's \$4,500. Under open space expenses with the EIT tax collection beginning in 2007, and continuing, we will incur expenses of \$30,500 related to the collection of the tax and the administration of the open space program. The compost center we are anticipating new costs, but they will be offset by the DEP recycling award that we will be receiving. It's a very lean budget we are presenting to you tonight. We are only budgeting items that are mandated by law or the ones that have to carry out the mission of the township. He showed a chart of the comparison of expenses. In 2006 – 2007, we went up 3.05% in our expenses. From 2007- 2008 we held expenses to a 4.47% increase. There are only two line items there that you can see a jump in. One is the DUI grant which we had to show the receipt of those funds from that grant. The other one is the participant recreation, the \$1,916, which are some additional programs we will recommend to Council. We explained the \$4,500 for the crossing guard and the recycling \$22,433 and the matching allocation of \$10,000 and that brings up the total to \$5.26 million...still a very lean budget.

Mr. Cahalan said under General Government, we're actually showing a change from 2007 to 2008 and it's a decrease from \$50,739 to \$32,588. We have the same amount of contributions for grants and gifts. There's a decrease in contributions because of the amount listed for Steel City Fire Company. Everything else is about the same. No salary increases on there for salary heads. That's Council's decision later on in the year. Mrs. Yerger said on page 20, Law, the proposed budget for 2008 is significantly higher for Law, is there a reason why? Mr. Cahalan said special counsel for non-uniformed. We budgeted \$156,000 and it's down to \$146,000. Mrs. deLeon said going back to revenue, page 12, Pension State Aid Reimbursement, it's not what the MMO reflects? The Pension Committee met and we talked about the higher number. Ms. Gorman said this is under expenses. That would be on page 67 and it references non-

**Budget Meeting  
October 16, 2007**

uniformed is \$96,307 and police at \$159,046. It shows the MMO pension non union and MMO police and shows the amount it costs the township to run the pension plans. That's how much we have to put in yearly. The amount in the revenue is the amount we're getting for state aid. Ms. Gorman said this is showing we are not going to get enough state aid to cover this. Council adopted this MMO in September. Mrs. deLeon said the total you come up with \$255,000 there's a shortage of what? Ms. Gorman said a little over \$100,000 that has to come out of the General Fund and go into the Pension Fund. Ms. Gorman said last year was about \$60,000 and the year before \$30,000. Mr. Cahalan said the reason for the drastic increase is every two years the actuarial does a valuation of the plan, what the cost is and the cost of administering the plan. We're still factoring in some pension losses that went back to 2002 and they are blended into that whole picture.

Mr. Cahalan said Financial Administration, there's a decrease, nothing new under that on page 26. What is new is the Real Estate taxes, the \$5,000 item we are carrying. It's there if we are required to pay the taxes while we are waiting for the exemptions from the county.

Mr. Cahalan said page 30, Law, General Government and Administration, it is showing a decrease of \$10,000, but we have continued the special counsel funding at \$40,000 for legal work with the upcoming negotiations. The other amounts have stayed about the same. General Government, Data Processing we are showing some increases. There are some licensing agreements we are required to do and one in particular was a license that had to be renewed for our GIS program for zoning. We are recommending under software and licenses that we fund the continuation of the document imaging system to reach a paperless operation. We need additional hardware. We are needing to replace the server in the PD as it's been there more than five years. It's under Minor Equipment purchase. Since we finalized the website, we have downgraded the expenses under Data Processing by \$1,500. Mrs. deLeon asked if the library on the website was going to have their own page. Ms. Huhn said she will look into that. Mrs. deLeon said the SVP isn't on it either. Ms. Huhn said they will check with the web designer. There is a link to the Bethlehem Public Library. They will work on that.

Mr. Cahalan said Engineering, page 34, we are basically showing a continuation of the same costs that were budgeted for 2007 – no change, same funding for Engineering services for Planning and Zoning.

Mr. Cahalan said under General Government, buildings and plant, we are showing an increase of 7.85% over 2007. Up is office equipment rental, fuel expenses increasing, gasoline expense up, communication up slightly, the utilities Cathy has broken out, the \$2,000 is for our building sign we are continuing to put that in there as it will be outside Town Hall.

Mr. Cahalan said Police, showing an increase of 5.5%. Chief Lesser said relative to equipment line items, it's fairly similar to last year's budget. Under 410,700, Major Equipment Purchase, that would be decreased from what you have in front of you due to recent purchases and our two new police cruisers, a reduction of a little over \$10,000. We purchased the items a little sooner. We are waiting for some funds from grants. One item that is under Data Processing is a replacement of our lap tops. It's in their five year plan, and he asks you make a consideration of that. Our officer's are using lap tops and it's been five years. When they attempted to increase connectivity with EVDO, they had a lot of difficulty with that and couldn't have the air cards placed in the lap tops. They used the USP port and duct taped it. This is somewhat of a challenge. It's been their goal in the PD to push their officers out on the street to get them out of the PD and keep them on the street and the big part of that is these lap tops. They are on the street and doing their report, and they lose their connection, then they come into the PD and he can hear the frustration as they lost connection. The technology is very old. They only purchased four lap tops, with 20 different men carrying them in and out the PD for five years. They've outlived their usefulness. They need to be replaced. Mr. Rasich said the air card does provide much superior connectivity than what we used to have. It is cellular, however that air card works on multiple bands of technology, and it picks and chooses whatever is best. Your chances of dropping things are much less. Because it being new technology and the lap tops old technology they do not make anything to fit inside of these lap tops. Chief Lesser said if this

**Budget Meeting  
October 16, 2007**

was a perfect operation, we have no problem with the duct tape, but if it was a fine operation, no problem, but its not designed to work in that fashion. It's multiple issues with the old lap tops. Mr. Cahalan said there is a breakdown of expense for four units and equipment in the cruisers. That is a total of \$29,111.09 to replace the lap tops and to upgrade the equipment.

Mr. Cahalan said page 47, under Fire, we actually are showing a slight decrease of 1%. We are continuing the annual contribution of \$50,000 to the fire companies and the contribution to Dewey EMS and Bethlehem Township.

Mr. Cahalan said Planning and Zoning, a slight increase, less than 1%. We are ending the cost for the Harry Roth study and we are not showing anything new.

Mr. Cahalan said under Emergency Management, there's a decrease for the expenses for the Emergency Management Coordinator. He has some minor equipment purchases of about \$14,000 that he needs for incident support, some chairs, tables, and tent for inclement weather Under Public Safety they are showing 1/3 share of the crossing guard. Under recycling, we are showing a budget for 2008 under the total recycling costs, which include the Compost Center, and recommended by the State, we are proposing to appoint a Recycling Coordinator for the township. We have included a draft of a job description for this position. They would gather information about a recycling or yard waste program and disseminating that information to the general public, attend meetings, and have a hand in recruiting volunteers to work at the compost center. If the person can get involved with the program enough, the goal could be to replace the consultant we now use to do the performance grant award that is submitted each year, but that's in the future.

Mr. Cahalan said under Public Works, there is a decrease of about 15% as some costs were shifted to state fund. There is not anything significant here, still two seasonal employees, the cost for equipment rental, maintenance and repair of vehicles, maintenance agreement for traffic signals and light bulbs. Mrs. deLeon said we only have three intersections? Mr. Rasich said the three intersections would be Black River Road, Puggy Lane and Hickory Road. Seidersville Road is done already with the amber lights. The other two developments would be Creekside and the Giant, we would hope. We have six total in the township. Mr. Maxfield said what is the expended maintenance of the LED's? Roger said a they are much less prone to replacement. They do not generate nearly the heat, and they use much less energy. Overall you have the start up to get them in there, but once they are in there, they should save you money, and they are much brighter. Roger said when PennDOT identified a dangerous intersection, they actually took care of it, and is why Seidersville and 378 were done. They turned up one day and it was done. They don't have control over what intersections they do. We did not have to pay for it. Back on page 60, it says street lighting \$6,200. Roger said the explanation is incorrect and it has been removed. Mrs. deLeon is scratching off 1.434.360. Roger said yes, if you go back to page 57, you will not find that. It's being put into the state fund. The explanation will be removed on page 60.

Mr. Cahalan said Participant Recreation, page 61, is we are showing the cost for the portable toilets and are including cost for additional porta johns for the opening of Polk Valley Park in 2008, for rental and weekly cleaning of the toilets. Under the summer youth program, they have extended that to four parks including Heller Homestead and it increases the cost from \$27,000 to \$31,387. That also, in addition to the four playground programs, continues the summer program for Tots in Seidersville Hall. There are two are the Town Hall Park, one is at Heller Homestead, and removed for winter time, at Southeastern permanent restroom shut down at end of October, at Lutz Franklin there is one, and Polk Valley Park we are estimating at least four but could be less. The senior program is also continued, it's a very successful program. The cost is being kept the same as last year. We also received a proposal from the SVCC for a pre-teen club. This was discussed with the Park and Rec. board and they asked the community center to put together a proposal, the objective would be for a friendly place for 12 – 15 year olds could find an alternative means for their social and recreation needs offered at Seidersville Road, ping pong, computers, mentors, movie with pop corn, video games, billiards, job identification and sports, holiday parties, field

**Budget Meeting  
October 16, 2007**

trips and the hours would be Tuesday and Thursday from 2:30 PM to 4:30 PM. They've attached a budget for staffing and for other program costs for snacks and beverages, at a cost of \$6,535.00.

Mr. Cahalan said he wants to talk about potential revenue and one is the consideration of a fee for one or all of the recreation programs. They are very popular. The program in the park is filled to capacity every year and there's a waiting list. The teen program, they would hope to become popular, and the Tot and Senior programs are very well received. The costs for staff are increasing.

Mrs. deLeon asked when the Polk Valley Park will open. Mr. Cahalan said probably in April 2008, and they have to sit down with the sports managers and talk about the scheduling of the fields and possible cost of fields. Mrs. deLeon said if we charge one group, we should charge another group. Mrs. Yerger asked how the kids would get to the teen program? Mr. Cahalan said there is a van, but they haven't discussed this yet. It's a school year program and they probably shut it down for the summer. Ms. Vanessa Segaline said school doesn't end until 2:25 PM and there's a block five period until 3:00 PM. They might have to make the program later. Mr. Cahalan said they will get more information from the Community Center.

Mrs. deLeon asked what identification will they ask for the pool pass reimbursement. Ms. Gorman said the majority are LST residents. She figured out how much the Borough would cost and that's how much it would cost the Borough if we just paid it out for them, and the residents wouldn't have to come in and give us the passes or their driver's license and it would save the Township time. She went through all the passes which were issued and the revenue they would have received from non-residents would have been \$10,250. She marked it down pending both Council's approval that it's just one lump sum. They met with them and went over the figures and are trying to make it more of a community pool. That proposal would increase by about \$3,000. One of the things we proposed in here was to consider taking steps towards joining with the Borough and designating it as a regional recreational facility...moving with an arrangement with the Borough that we would share responsibilities and other long term costs. We proposed we join with the Borough and look at long term and consider it's a real definite community recreational asset. The pool is 50% Hellertown Borough, 49% LST, and 1% for other. We are just floating the idea, and we would look to the state for assistance for a report that would project what would be needed to run it as a joint recreation facility. We are not recommending we put money into it now. Everybody would be charged the same flat amount. Mr. Kern asked what the annual operating report was for the pool? Mr. Cahalan said they didn't get that information yet. Ms. Gorman thought about \$80,000 to \$90,000. They broke even this year. Mr. Cahalan said the only issue down the road is capital cost for repairs in the future.

Mr. Cahalan said the library cost, page 66. Mr. Maxfield said he brought it up because Ron was pretty upset about the increase. When we start breaking it down the cost per resident, is extremely high. Ron suggested maybe we look to other some place, maybe the Hellertown library. Mrs. Yerger said can you just go and belong to the Bethlehem Library. Mr. Cahalan said you had to be a resident. Mr. Maxfield said you can get any book from Bethlehem Library through Hellertown. Mr. Cahalan said the services in Bethlehem are bigger, it does have a lot of things it can offer to residents. The Hellertown Library is smaller, and has nice programs for children, and a limited computer access. There are residents who think that is the library for LST, and they tell them they have to go to the Bethlehem Public Library. Ms. Segaline said to actually use the computer, you need a library card. Where they live, they have to go to the Bethlehem Library to even get a Hellertown library card. She's working with the Hellertown Library now, and the Bethlehem library gets their funding through the library, the Hellertown library does a lot of fundraisers, so that might also be why. Their summer reading program is bigger than Hellertown's because of the funding. Mr. Maxfield said not every resident uses the library. Mrs. deLeon said if you don't take a book out, you are not in the number of ones using the library. Mr. Maxfield said its something to think about. Mr. Cahalan said using a card from another library, you can borrow books, but you may not use the other services like computers and that type of thing. Mrs. Yerger said it doesn't matter what Bucks County library you walk into, your card is good. They don't charge you for it. Mr. Maxfield said it went up so dramatically this year. If you look back, it's going up each year and will continue to go up. What if we only want to contribute \$150,000, would we be knocked out? Mr. Cahalan said we have to sign a contract

**Budget Meeting  
October 16, 2007**

and we would have to look into if we would be living up to the contract. We agreed to join into the system and participate as a member. Mrs. Yerger said you know how we make up the difference for the pool, could we do that for the library. Mrs. deLeon said we looked into this quite a few years ago and Hellertown said they would have to put an addition on and we would have to absorb that cost. Mr. Maxfield said he would like to look over it this coming year, and maybe by next budget, have a couple of options. Mr. Kern said this same conversation is happening in every town and some are backing out. Mrs. deLeon said we should send them a letter saying we approved the budget for this year, but next year, we like you to take steps in the regarding the increases. Mr. Cahalan said if we went with Hellertown, it would overwhelm the capacity of that library and there would be complaints. Mrs. Yerger said this is a discussion that is happening at all municipalities and we should send them a letter saying we are not happy with this and maybe they need to look at different methodology. They need to look at how other counties do this. If other municipalities opt out then we are going to be absorbing even more.

Mr. Cahalan said under Community Development, there is some funding in there. Mrs. deLeon asked what the Coldwater Heritage grant was? Mr. Cahalan said that is the end of the grant that Joe Hopkins from Barry Issett was doing on the Cooks Creek. The EAC has asked for a wrap up on that and he promised he would be sending something in the next month or so. He has to do a final report to the PA Trout Unlimited.

Mrs. deLeon would like a list of all the grants and their amounts. Mr. Cahalan said there are some pending. Chief Lesser said they have many grants. They apply for grants sometimes for equipment. Mr. Cahalan said the Chief was awarded a grant for the casino. There is a DCNR and the DEP Performance award for recycling. Mrs. deLeon said she urges that each department head should make it a part to find grants. Our expenses are going up and we're not taking advantage of tax grants out there. We need to be looking to get them. Chief Lesser said they have a list of grants in the PD.

Mr. Cahalan said Insurance and Employee Benefit's, there is a breakdown of the health insurance and compensation costs. They participate with the Co-Operative. They are looking for health insurance and there is a 13% increase. Despite being in the LV Co-Op, and in a modified self funded arrangement where we purchase insurance out in the market, we are looking at another increase for 2008. To offset that cost, we do anticipate a refund and last year it was \$55,000 of premiums and we also get refunded for the cost of the health insurance of the LSA employees. Workers Compensation, we have an excellent experience factor with Worker's Comp, we're under the MRM Pool Trust which is a non cooperative of 185 municipalities and the township employees and members of four fire companies are covered under the township Worker's Comp policy. We have a state certified safety committee that meets on a regular basis and that entitles us to a 5% discount. For 2008, we anticipate the premiums will decrease 3% and a savings of \$9,000 and a refund of \$10,000 in 2008. Mrs. deLeon said isn't Worker's Comp based on salaries, not claims? Ms. Gorman said premium calculations are based on a ratio of claims, and wages. Your reimbursements are strictly based on the number of premiums that are filed. Mr. Cahalan said there is an increase of 2.14% over 2007. Mrs. deLeon said you said you got notice today it went up 13%, does this budget reflect it? Ms. Gorman said she'll have to amend it. This is the preliminary.

Mr. Cahalan said one of the things with the increase of expenses and the decrease in revenue is this is a balanced budget we put together for this year, but our contingency balance is short of what we would recommend carrying into the new year. We're showing the contingency balance of \$327,767 in the General fund and we don't feel that is adequate going into the new year with anticipated expenses. It should be closer to 10% or \$6,000. We have tried to hold back expenses as best we could, but we still are short on the contingency even though the budget is balanced.

Mr. Cahalan said we can talk about that some more and we can review the special funds, page 75, which is the operating reserve fund. One of the goals is to put the land fill tipping fees away for investment and future use. This is a new fund and it's showing the first deposit of \$234,000 and then at the end of the year, Cathy would transfer at least \$225,000 from the budgetary fund balance into the operating reserve fund to be put away for future investment. Fire protection, there's basically no change in that. It's carrying the

**Budget Meeting  
October 16, 2007**

budgetary fund balance, and that was an amount they brought to Council's attention and you had given us the approval to close this fund and transfer the balance to the fire equipment fund. This will require bringing it to Council to close the account and use the money.

Mr. Cahalan said the landfill revenue fund is what the tipping fees are in 2008 and we're showing down what the expenditures that we are proposing to make from the landfill revenue fund in 2008. Council asked why it's down? Ms. Gorman said our estimated revenues this year was also calculating the extra money that we found out from the previous years, the \$60,000 plus the interest. They weren't calculating it right, and that's why it's \$155,900. She took it based on the tonnage with the increase the way it should be for next year. The refund was for one year. Mr. Kern said has the tonnage decreased? Mr. Cahalan said he doesn't believe so. Mr. Kern said why is it \$2.4 million down, page 79, actual 2004? Mr. Cahalan said that's carrying the budgetary fund balance down, but if you look at the \$361,700, you can track that across that it's gone up from \$1.39 million to \$1.55 million. Mrs. deLeon asked why there were two different lines for land fill host fee and host municipal fee? Ms. Gorman said that was an auditor adjustment and she wanted to keep it in there so they could track it. Mrs. deLeon had a correction in the landfill host fee she wanted to make, page 1 of the first tab, Operating reserve 2008 second paragraph, where did you get the 3% of the gross revenue? Mr. Cahalan said that may have been taken from the host community agreement and they'll correct that. Ms. Gorman said it's 4%. Mrs. deLeon said its not based on gross revenue, it's based on tonnage. You need to reissue this page. Ms. Gorman said they would correct it.

Mr. Cahalan said they gave them information on the payment of funds for debt service, the Township building loan, Polk Valley Park and land and acquisition. Principal and interest payments are attached. Nothing is going to the Polk Valley park fund this year. Mrs. deLeon asked about page 80, why is Meadows Revenue Connections Fees in there? Mr. Cahalan said that was from the Landfill closure grant from Northampton County. Mrs. deLeon said it went to Applebutter Road. Ms. Gorman said these fees were connect fees from the LSA. That was there historically from the prior budget, maybe it was as mistake, but she'll check into that and get a history.

Mrs. deLeon asked about the general fund, what line item? Mr. Cahalan said the transfer would be 492.010. She asked what was last year's amount? Mr. Cahalan said \$164,705 last. She said \$170,000 last year. Ms. Gorman said historically we were putting in every year \$300,000 to \$500,000. Mrs. deLeon asked what will happen in eight years when the landfill closes? Ms. Gorman said they created the operating reserve fund. Mrs. deLeon said she's bothered by that. Mr. Cahalan said we are taking out the \$225,000 from the budgetary fund balance, so it lowers it from the following year. Mrs. deLeon said if we weren't spending more money on expenses on the General Fund, there would be more money and we wouldn't have to put all that money in there. Mr. Cahalan said true, if expenditures were less and revenues. Mrs. deLeon said she's bothered by those numbers. Mr. Kern said you are bothered by the \$700,000. Mrs. Yerger said do you have any suggestions? Mrs. deLeon said cut expenses. She remembers being on other Council's when Administration was told to deduct every line item to a certain number. Mr. Kern said he's still not clear about the \$700,000, why you are upset? Mrs. deLeon said you are taking money from the land fill revenue and putting it in the General Fund. When did we first start adding to the general fund? Mr. Cahalan said four years. Mrs. deLeon said contingencies were made up from the General Fund, and she said it for years, we're digging a deeper hole, now we're up to \$700,000, and the landfill is going to close in eight years. Mr. Cahalan said that's correct, but at the same time the contingency balance five years ago was much smaller, so the cushion on the contingency was very small and the landfill was bigger. We're just moving one line item to another. We could leave it in the landfill revenue fund, and leave it there, but then you'd have a lower contingency fund. They are recommending best practices that it be \$500,000 or \$600,000. Mrs. deLeon said we had all these extra expenses, and we've operated with much less. Mr. Cahalan said you can do that, but we'd be cutting services to residents. Mrs. deLeon said she's uncomfortable with that number. Mrs. Yerger said obviously, where can we cut? You must have given it some thought where it needs to be cut and where it has to be cut? Mr. Cahalan said you have a balanced budget and there's \$327,767 in the General Fund, and the recommended contingency is another \$200,000 to \$300,000. In cutting, about 67% of this budget is fixed expenses that we

**Budget Meeting  
October 16, 2007**

contractually or statutorily cannot cut. We are looking at other discretionary line items. There isn't a lot of fat in some of those line items. It can be done if that's what Council wants to do, we can come back. Mrs. Yerger asked for the breakdown of the \$700,000. Ms. Gorman said the \$700,000 is coming from the fees and the balance from the landfill fund and going into the general fund. At the end of the year, the minimum amount would be \$225,000 to be rolled into the operating reserve fund. Right now we are looking at 13 years of expenses that we've been pulling money out of the landfill fund and we're pretty much at the breaking point, annually. Mrs. deLeon said what specific line item is the \$700,000 going? Mr. Cahalan said on page 2, you see Interfund Operating transfers, 01.392.000. Ms. Gorman said on page 16, that bolsters the General Fund balance to a balanced budget with a contingency of \$327,000. Ms. Gorman said on page 20, the contingency is shown, proposed 2008 is \$327,767. Your contingency is your projected fund balance for the next year. Last year the contingency was \$330,000, but we had a projected fund balance of \$900,000, which was pretty accurate. Mr. Kern said there is nothing extravagant in this budget. Taxes haven't been increased in this township for 14 years. There's no place to draw from in the budget and nothing to cut. All the big ticket items are things we can't cut. It's got to be made up somewhere, and the only thing he can think of is the 1 mill increase or drop the library. Mrs. deLeon said the landfill closes in 2014, did we think about where we're going to get the debt to pay the loans back? Mr. Cahalan said we would look into long term financing for that debt.

Mr. Cahalan said the Open Space Preservation Fund, we are showing what's projected to be collected in 2008 from the EIT. We are showing some expenditures such as cost of appraisals and some legal work, and if there's any engineering or planning work. There are some payments that must be paid to Berkheimer from the General Fund. Mrs. deLeon said why's it coming out of the General Fund? Mr. Cahalan said the Solicitor said it would not be able to be taken out of the Open Space Fund. Mrs. deLeon said did he put that in writing? Mr. Cahalan said he can get it put in writing. Mrs. deLeon said she's like it in writing.

- MOTION BY:** Mrs. deLeon moved that she wants the Solicitor to put it in writing whether it should come out of the Open Space fund or the General Fund.
- SECOND BY:** Mr. Kern  
Mr. Kern asked if anyone in the audience had any questions or comments? No one raised their hand.
- ROLL CALL:** 4-0 (Mr. Horiszny – Absent)

Mrs. deLeon said are there any other costs? She said legal, you are looking at the General Fund. On Linc's word, you put it in the General Fund. Mr. Cahalan said they got the opinion of Linc and Terry Clemons. He got an email. She said she was always taught that a legal opinion, unless it had a Solicitor's letterhead on it, she doesn't want to say what you can do with that. Mr. Cahalan said they will get it in writing. Mr. Kern said it was just for the preparation of the budget. Mrs. Yerger said what expenditures is she questioning? Mrs. deLeon said legal, engineering, any other costs like consulting. That should come out of this line item, not general fund. Mrs. Yerger said they are all coming out of their Open Space Fund. Mr. Cahalan said the only thing out of the General Fund was the cost of the tax collection by Berkheimer. Mrs. deLeon said we currently purchased property. Mr. Cahalan said the interest in the development, the conservation easement. She said where are the funds from those engineering costs coming? Mr. Cahalan said if the township is responsible, or if we have to hire a consultant, we have to not exceed \$10,000 with Heritage, those costs would come out of the Open Space Fund. Mr. Cahalan said we haven't paid any expenses. We have under the Heritage contract. There has been invoices, we received the second one for consulting services, and we previously paid for appraisals and that came out of the general fund as we didn't have this Open Space one established. This budget was established to list these costs in the open space fund, the only cost taken out of the general fund is the tax from Berkheimer. Mrs. deLeon said maybe Berkheimer should come out of Open Space. Mrs. Yerger said the Solicitor said it was not legal to do that. Jack just said it. Jack said he will provide the written opinion.

Mr. Cahalan said page 87, new building fund, that is another account that has outlived it's utility and we will be bringing a request to Council to close that account and transfer it to the Capital account.

**Budget Meeting  
October 16, 2007**

Mr. Cahalan said page 89, Storm Sewer Capital Fund, that balance has continued to remain around \$12,000 with a little bit of interest, there's no change or activity contemplated in that other than the purchase of Roger using \$5,000 for plastic storm sewer pipes.

Mr. Cahalan said page 91, Fire Equipment Replacement Fund, what we have normally done is we gave you a history on page 92. This is funding the fire equipment replacement fund. In 2007, we allocated to put \$500,000 in this fund bringing it up to \$1,118,000 and that was done and the hope was we could keep that fund growing and build it up a little bit so we'd have money in the long run. We have budgeted the one grant in there that the Council directed which was \$400,000 to Steel City Fire Company and the balance is decreased then to \$742,958. Mrs. deLeon said that \$400,000 is in 2007 budget? Mr. Cahalan said it isn't allocated yet or paid out. Mrs. deLeon said they are still waiting for Costars? Mr. Cahalan said they have not heard anything yet and are waiting for Costars.

Mr. Cahalan said page 93 & 94, the landfill closure fund has a balance of \$244,000 going into 2008 and each year we transfer \$25,000 from the landfill revenue fund to that account. Mrs. deLeon said there will be a time when the landfill will close which will be December 2014. That'll be it. We are going to still be getting DEP reports as it might take 30 years for post closure. There won't be a landfill so not to tax the General Fund, her and Tina came up with this idea if we put x number of dollars in the fund, it will grow and any expenditures after closure will come out of here. Mr. Kern said the fund it's more for legal fees. Mr. Cahalan said as far as clean up, there's a bond they have to hold which is \$12 million.

Mr. Cahalan said page 95, Capital Fund, is listed in here, with a contribution to the capital fund for \$200,000 for 2008. There is a list of expenditures where Council can make decisions on priority of these. There are none scheduled except the replacement of two cruisers for the PD and for Public Works we have the replacement of the John Deere Backhoe. The other items we put in here and provided information. Last year, we had put money in for an ID card system for Emergency Management and we understand the County is going to take care of that. The fuel tank monitoring system is something we recommend that we take action on in 2008. Pumps need some kind of tracking and security system and we are recommending a system for \$10,000 that would monitor the usage and who's using it. We would put in some installation of spillage control. The LED lights we recommended for the installation to provide savings for energy costs in the future. Another energy initiative was solar panels, which we want to start on a small scale before the electricity rates are increased in 2009. This is for electricity and hot water. We have the other amount in here for the roads and traffic improvements. In 2008, we are looking at 2008 for some costs which we would share with Hellertown Borough for the traffic light at Polk Valley Road.

Ms. Gorman said there was about \$62,000 in the capital accounts for open space or land purchases and she was requesting council reallocate expenses for repairs at Seidersville Hall, like roof, and some items really need to get fixed. Mr. Rasich said we have been developing leaks on pretty much at least five to six times a year at various locations. If you look at the roof from outside, you can see algae growing and see where the shingles are raised. There is damage inside now from the leaks. The shingles have been on there for 30 plus years. He had a professional come in and he said the roof should be replaced with an estimate of about \$30,000. Kunsman gave him that estimate and Roger said this will go out to bid. Mr. Cahalan said there was a concern about mold in the basement and we had the environmental testing, McDaniel's and they went down and did a mold test and sent it out to the laboratory and an air quality test downstairs and upstairs in the offices, and the report said there was no problem. The only problem downstairs was humidity control and Roger purchased another dehumidifier which is running down there. Eventually, they will have to remove the sheet rock as that acts as a sponge. There are no health issues. Roger said second priority on that building would be replacement of the windows which is more for economics, they are single pane. We need to think about that in the future.

Mr. Cahalan said on page 97, Detention Pond Maintenance Fund, there is about \$31,000 going into 2008. Mrs. deLeon said back in 2005, it was \$0, then in 2006, we got money. Ms. Gorman said she's just showing what was budgeted in 2006 and 2007. Mrs. deLeon said weren't we asking developers for

**Budget Meeting  
October 16, 2007**

money? Mr. Rasich said the detention maintenance money came from detention basins we could take over and it's been left untouched because some day these basins we own will require some kind of maintenance, as of now, they require no maintenance yet.

Mr. Cahalan said on page 99, State Aid Fund. Mr. Rasich said the only one is snow removal material and supplies has increased and that is due to snow removal supplies in General Fund have decreased to a \$0 number. Mr. Kern said you were drawing from the General Fund. Mr. Rasich said it was a split of \$30,000 from General Fund and the balance from General Fund. The road materials and supplies are the same thing, State fund has taken over the line share of the total amount in order to do the road work, this is where the street lighting is under.

Mr. Cahalan said page 102, Town Hall Park Fund, we are showing an annual \$5,000 from the General Fund into each of the park funds. We're showing \$46,976 and there are some normal repairs that Public Work does. In 2008, we are going to purchase bulletin boards for each of the parks with a glass front where we will hang schedules on and announcements for the general public. Mr. Rasich said \$10,000 of the \$17,000 is for the Town Hall replacement of the roof. Mr. Maxfield said what is the size of those bulletin board sizes? Mr. Cahalan said about five feet with a covered type of opening. Mr. Maxfield said he's seen a small map of the layout of parks at other parks. Mr. Cahalan said they want to do that at each of the parks.

Mr. Cahalan said on page 105, Heller Homestead Park, the \$5,000 contribution balanced \$38,585. The normal maintenance, and also carried forward the \$25,000 for the work in the kitchen. Windows was a more expensive item and it was deferred. Mrs. deLeon said we are losing heat through those windows, and that's a significant expense for a non profit group. Have you heard back from PHMC? Mr. Cahalan said the letter was submitted and you'd only hear from them if they did not approve the repairs. They will check, but they were supposed to notify them if they were going to do the work and PHMC was supposed to notify them. Mrs. deLeon mentioned the steps. She has rocks under the table in the sun room for the steps. Mr. Rasich said he'll be contacting her. She asked when the windows would get done? Mr. Cahalan said they haven't really gotten any estimate on window replacement. It was something on the Christine Ussler report. Mr. Kern said they were waiting from the PHMC to see about the style of windows. Mrs. deLeon said she anticipated seeing any monies not spent this year would be put into next year's money plus there would have been additional monies put into that line item and they are not, and she's disappointed. The windows are continuing to rot. Mr. Cahalan said there was an estimate from a local contractor to repair the window sills. Roger said it was \$500 a window for reglazing. Mr. Cahalan said that can be done, but the full replacement was deferred. Mrs. deLeon said it's historical. Mrs. Yerger said then grants should be looked into. SV Conservancy has been running it for years, so they should have looked into that. Mrs. deLeon said she found a letter from 1996, and it had on there about the windows. Mrs. Yerger said we went around and around on this. Mrs. deLeon said we should proceed with some windows for 2008. Mr. Kern said yes, but we need to find out what type is appropriate, what period. We can't put money in there until we find out. Mrs. deLeon said we can put money in there. Mrs. Yerger said we can have Roger go out and find out what we are talking about. Mr. Rasich said they did paint all the windows last year and they also stopped on the front windows where the water was coming down off the porch as they had a new gutter put up there to further halt any damage to that window. An estimate was \$50 an hour, 10 hours per window to repair based on disassembling the window, replacing the cables and weights, and everything has been painted over and over, so it's a pretty substantial job to do it where it will look nice. Mrs. deLeon said wait to see what PHMC comes up with and we'll go from there, but let's put money in there. Mr. Rasich said if there's any loose glass, they can replace, let him know. Mrs. Yerger said we need to first get an estimate. Mr. Rasich said he needs to know what type of material before he can get an estimate. Mrs. Yerger said what does the board want? Mrs. deLeon said to reflect the period of the house. Mrs. Yerger said which one do you want? Mrs. deLeon said we have to wait for the eligibility letter and the date period. In the meantime, we should put a number in here to start the replacement of the windows. Next year we'll be prepared for whatever they come up with. It costs us about \$8,000 a year for utilities. Mr. Kern said he had five windows in his attic be done with his glass and it was \$5,000, a \$1,000 a window. They were small attic windows. Mrs. deLeon said let's put \$5,000 in and we'll go from there. Mr. Maxfield said how

**Budget Meeting  
October 16, 2007**

many windows are we talking about? Mr. deLeon said realistically we are not asking the township to replace every window. Do the ones that are the worst, then we'll go from there. Council agreed to put \$5,000 in the fund.

Mr. Cahalan said on page 107, Southeastern Park Fund, we are showing \$5,000 contribution to that fund, also budgeting \$20,000 for the construction and improvements of the retail and the meadow. There is a plan from Larry Weiner. The meadow is showing definite growth and will be working on the plan with a build out of the trail next year. There is a \$5,000 grant from Karen Beyer that we are carrying forward.

Mr. Cahalan said page 109, Steel City Park, a \$5,000 contribution with normal maintenance. They have plans for improvements and will be scheduling a meeting in December to bring together various groups to give some input on how they want to improve this park. They want to improve its infrastructure, the field enlarged so it's playable for the sports teams and put some other amenities there. A lot will be done in-house by Public Works.

Mr. Cahalan said on page 111, Polk Valley Park Fund, we are showing a substantial balance in here for a final build out of the landscaping and the infrastructure that is needed there. The amenities, benches, playground equipment and what have you. We are looking to receive some grant funds to pay for some of these improvements. They also include the connector trail between the park and the school district and that includes a pedestrian bridge. We have not in this plan put in funding for a pavilion at this point. We want to get the parking lots and playing fields ready. It will be open for play in April 2008.

Mr. Cahalan said page 113, Historical Structure Fund, we are showing a balance of \$120,360 with a \$5,000 contribution from the General Fund. We have it allocated to the repair of the Old Mill Bridge and the estimate was about \$120,000 to \$170,000, which was a three year old quote with just taking the old paint off the superstructure and putting new decking on it, plus engineering cost. Mrs. deLeon said if it goes to \$170,000 where is that money coming from or would it be phased out? Mr. Kern said it doesn't include the damaged steel underneath. Mr. Cahalan said correct. Mrs. deLeon said if it goes over that, would it be phased to the next year then? Mr. Cahalan said possibly. Mrs. deLeon said what if this number is off? When did we start doing work on this bridge? Mr. Cahalan said three years ago we repaired the pillar and that was expensive also. The process we asked the engineer to do was painting and replacing the deck. Mr. Maxfield said we could save some money doing it in-house, but the decking would have to be replaced. Mrs. deLeon said it's almost that the non profits groups, we are fighting over \$5,000 and here we have \$110,000 and nothing is being done and no one bats an eye. This township is setting a terrible example for historic preservation. Mr. Kern said this is the most historic place in the township and it's a pedestrian bridge. Mr. Cahalan said they are recommending restoration in place which is rehabilitation which would remove the wood plank deck, and remove existing paint and replace the deck and repaint and work for the PHMC and other record keeping. That cost back in 2005 was \$70,000 to \$140,000, and the engineer said he would estimate that has increased by 120% so the cost would be \$85,000 to \$170,000 for rehabilitation. Council said that's quite a big range. He also indicated if you were going to do the rehabilitation it would be done in one season. Mr. Maxfield said we might be able to get volunteers and save a lot of money. Mr. Kern said couldn't you get estimates from a paint removing company? Mr. Cahalan said yes, it would have to be done properly with permits and he will get an estimate. Mrs. Yerger said give Bob Dourer a call, he's done things for historic Bethlehem. Mr. Maxfield said we could get referrals from PennDOT also.

Mr. Cahalan said on page 115, Lutz Franklin Schoolhouse Site Fund, \$5,000 contribution from the General Fund and some basic repairs. We don't have anything targeted. The site is in good condition. Mrs. deLeon said didn't someone bring something up about a problem in the floor with one of the beams? Mr. Cahalan said they have a truck load of beams, so he has to set it up so he can take a look. They will follow up on this.

Mr. Cahalan said page 117, Land Acquisition Parks, we put some money from that account into PVP to finish Phase I and II improvements. We are also showing money coming back into that fund that was put

**Budget Meeting  
October 16, 2007**

for the purchase of the development rights on the open space property. Mrs. deLeon said to date \$12,000 was spent for engineering services. Ms. Gorman said most of anything in the fund was used to fund other funds. Mrs. deLeon said where are all the funds for Kingston Park? Mr. Cahalan said we are on land acquisition parks.

Mr. Cahalan said on page 119, Kingston Park, nothing has been said. There are planning bills coming in. Mrs. deLeon said she'd like a print out of all the expenses. Ms. Gorman said sure. Mrs. deLeon said what about construction improvements for \$50,000. Mr. Cahalan said they budgeted that in anticipation of making improvements to Kingston Park. It would include various improvements to the property and some minor equipment which could be a pavilion building. Mrs. deLeon asked where is the garden expense? Mr. Cahalan said these are general costs and not broken down specifically. Mrs. deLeon said shouldn't Ella's Garden be under here? Mr. Cahalan said he doesn't have an amount estimated. We are still talking about the design stage. Mrs. Yerger said it wasn't broken up by landscaping, parking lots. Mr. Cahalan said we don't have anything from the engineering or planner to what's going in the park.

Mr. Cahalan said we have information on various millage rates, information about alternative revenue sources like an amusement tax, and a fire equipment tax that's in place in Hellertown Borough, information about fees for recreation programs. We are suggesting the popularity of the programs and some consideration for possibility of charging a nominal fee for like \$20 for each participant which would provide a source of revenue, \$5,800 for the recreation program, and finally, we gave you another idea on business registrations which are done in Hellertown Borough and a nominal fee of \$50 would produce an annual revenue of \$13,850 which would provide information to emergency management and notification purpose. We have discussed with the Fire Chief moving toward a commercial property maintenance code where they go out and inspect commercial properties to see they are up to code. We'd have a code master who does our third party. We covered projected revenue budget losses, joint initiatives with Hellertown Borough. He wanted to focus on the canine dog. The Chief indicated that Csaszar is nearing retirement age. We are recommending with the canine dog that we look at this as a regional service. We've spoken to the Regional Borough Manager and it's being used for the school, the borough that we seek grant funds from legislators to pay for the cost of a replacement guard. Chief Lesser said the purpose is to get all we can out of our equipment including our Csaszar. Last year, he was contacted by the canine trainer, and Csaszar's physical ability is deteriorating and barely made it through certification. In the last month, he was with a canine team, and at that moment, he felt he was pushing too hard with Csaszar and he is physically at the end as a complete canine dog. They will still certify her through the training and drug search, but it would be time to move onto another canine. They have an opportunity to purchase another canine, a Malinoise, a Belgium dog, which looks like a German Shepherd. The new trainer presented a package which is more under priced than any of the competitors. He's included training, equipment and a young energetic dog, and he'll be an outstanding candidate. He forwarded his proposal to do that for \$8,500. It's their strong recommendation that they move ahead and purchase this dog. Mr. Maxfield said how would we utilize this with Hellertown? Mr. Cahalan said that's still in the workings, and we want to see if we can come up with some process. Chief Lesser said these dogs have more longevity.

Mr. Cahalan said that the Emergency Management Coordinator dropped off information today about an alerting system. The meeting was held in Hellertown and they talked about the system. There are hand outs for Council. The Emergency Management Coordinator feels this is an excellent system but they do not have any comparisons. Ms. Gorman said the LSA's system, 50,000 calls it would be 10 cents a call or \$4,990, or if you made 1,000 calls it would be 15 cents a call. This is one time fee of \$2.50 per household,

Mrs. deLeon said under analysis of the EIT Collection...Ms. Gorman looked into this. The cost is about \$50,000 to \$60,000 if we did it internally. She spoke with Manager at Southern Lehigh and it's getting more and more expensive. Mrs. deLeon said the more we pay out for outside services, the less we have to pay for benefits and employee benefits, so wherever we can contract out, it would save us money. Her point is the consulting of the consolidation of services is the goal of the partnership, she never thought of it like that, and she doesn't like the way it is said. She doesn't like the word consolidation. Mr. Kern said it

**Budget Meeting  
October 16, 2007**

was one of the first things they talked about like consolidating. Mrs. deLeon said she'd like to see it in writing. She doesn't remember that. Mr. Cahalan said it's not a merger, it's just working together on joint projects, services that are provided. Mr. Rasich said revitalization. Mrs. deLeon said that's a better word. Mrs. Yerger said under potential revenue services, amusement tax Upper Saucon it says \$90,000, annually, then you talk about two copies of ordinances from other townships, Penn & Skippack Townships. Mr. Cahalan said they didn't provide you the ordinances from Penn or Skippack Township.

Mr. Maxfield said with the proposal for the Recycling Coordinator, can't we make that a joint position also? Mr. Cahalan said DEP, we both are getting different funding grants from them and they'd ask each municipality that is getting a grant would have their own Recycling Coordinator, but we can look into that. It would be part time positions. Mr. Maxfield said a suggestion of Ron's, was a line item in there about pay for a volunteer dinner for our volunteers, maybe a pot luck at a fire company. Mrs. Yerger said that's not a bad idea. This would give the other boards an opportunity to meet the other boards. Mr. Maxfield said maybe even a staff appreciation, it wouldn't have to be much, so maybe we could make a line item for that. Mr. Cahalan said we have about 35 to 50 volunteers.

Margie Segaline, resident, from Leithsville said she's a little concerned with the open space referendum and she didn't remember that any additional monies would be funded by the community. If we are going to be taxed again, even for the management, then that's going to be brought to the public if they want to pay for that. Mr. Maxfield said the township doesn't pay for any of that. The tax was ¼ of one percent. Margie said she's talking about the Berkheimer. Mr. Cahalan said there's a tax associated with collecting that tax, and it has to be paid for out of the general fund. They were discussing about doing tax in house or with Berkheimer. We have to pay additional monies to collect the tax. Mr. Kern said if you voted for open space preservation, that would dilute the money for open space preservation. Ms. Gorman said it's a percentage. It would be \$10,000 possibly over a year, so \$1 a year per person. Margie said everyone should be notified as it wasn't mentioned in the referendum. Mrs. Yerger said she didn't know it wasn't legal, so no one knew about this. Mr. Cahalan said in order to have that money collected, there needs to be some tax involved whether in house or given to a tax collection. There is a cost to that. Mrs. deLeon said will we be getting two bills? Ms. Gorman said when you file your tax returns for next year, it will calculate your gross wages by 1.25%. Your EIT in May had it on your tax this year. Margie said if we are paying a lot out of the Township General Fund for the pension fund, can we look for a new administrator or is that governed by the state? Mr. Cahalan said we just recently had the administration of the Pension fund transfer it to the PA State Assoc. of Boroughs municipal retirement trust as Council was dissatisfied with the former administrator. The Pension Advisory Committee went into a long process interviewing various firms to see who would be the best. The selection process came down to the best was the current one who is doing a good job. He hasn't heard anyone on the Pension Advisory Committee or the Council not satisfied with that administrator. Mr. Kern said it's the fund itself that is costing, into the administrator. Mr. Cahalan said it's the cost of operating a pension fund and a different cost factor that have to be factored in every year. The investment activity is factored in to the cost of the program. Their performance has been good and he has no problems with the performance of the administrator. Mrs. deLeon said she sits on the Pension Committee and there were issues in the past years and they just met in September and they are all very comfortable with the people behind it now. They are answering our questions, they give reports, and it's much better. What happened in the past is the past, and there are consequences what happened in the past and the tax payers have to absorb that. She's not happy with that, but we have issues with the police pension about the police to contribute more money and it's all in negotiations. The longer it takes the more the taxpayers have to pay. That's been her concern at the Pension Board meeting, at a previous Council meeting in September, and she will say it again now.

Margie said if the PD gets new computers, it would be nice instead of recycling them to donate them to an organization. She's just making a suggestion. Chief Lesser said that would not be his decision, but it would be the Township's decision. Mr. Cahalan said you'd have to remove the hard drive for that to happen. Mr. Rasich said there are a lot of issues with doing that.

**Budget Meeting  
October 16, 2007**

Margie said if anyone has thought about applying for recreational grants. She's positive that the community center has been trying to apply for grants as she's familiar with their infrastructure over there. She's going to talk to them about the teen program you were talking to them about earlier. Timing is everything, and if you don't plan for a time when people can come, obviously they aren't going to be there. There are grants out there, it's just who is allowed to apply for them. There's a grant out there if a teenager starts a program, they can get a grant for \$5,000.

Margie said you were talking about the Bethlehem Library, they do not let a person who resides outside of the supporting communities, those communities who actually pay that fee, in our case \$160,000, they don't let those people take part in certain programs. The children's programming, it's only open to people in the supporting communities. Bethlehem is very clear about that. Mr. Kern said how many LST residents take advantage of those programs? Margie said she could find out. Bethlehem has a staff of 40 to 50 people whereas Hellertown has a staff of 2 or 3. There's a huge difference and what they are able to give the community. With the few people they have, they are doing an incredible job at Hellertown. Mr. Kern said what programs we would not be eligible if we withdrew from the library and how many people use those programs. Margie said you could forewarn them next year. Hellertown Library is currently fundraising so they can get a library. They have a grant, but it has to be a matched grant. Everything they do at Hellertown Library is pretty much done through fundraising.

Margie wanted to know if the bulletin boards were going to be placed in non field parks or just field parks? Mr. Cahalan said they will be put up at the Hellertown Homestead.

Margie said when windows are in very poor condition, they could fall out and they would be a big safety hazard. She thinks giving the Homestead a line item of \$5,000 to fix the windows is pretty sad. Mr. Kern said that just is for preliminary windows that need to be fixed. We are going to put windows in and need to know what kind of windows we are going to be put in, and that money is just to fix the windows that need fixing, he thinks \$5,000 is a pretty fair amount. Mrs. deLeon said for most of the years she would meet the Manager and walk the Homestead and look at area of concerns, and it was said it would be put in the budget and we're going to be doing this year, etc., and last year it kind of hit the fan. It is what it is. We'll wait for Christine Ussler's list, and that was 2005, and it seems that it's all we are just doing – talking about it. Mr. Cahalan said everything that is on the list that Council paid for and all that's list is the windows, and that will be completed. We've been diligent at the staff level as sure as these things are getting done. Last year we came to Council and said the windows can be done with \$100 a window or replacement, and Council discussed it and no action was taken. There hasn't been any negligence on the part of staff of taking care of needed repairs. Mrs. deLeon said she has a very different opinion. Mr. Cahalan said he can go and get the report and 90% of the repairs were taken care of.

Mrs. deLeon said will a letter go out to the Bethlehem Library of our concern?

**MOTION BY:** Mr. Maxfield moved to send a letter out to Bethlehem Library

**SECOND BY:** Mrs. deLeon

Mr. Kern asked if anyone in the audience had any questions or comments? No one raised their hand.

**ROLL CALL:** 4-0 (Mr. Horiszny – Absent)

Mr. Kern asked what would be the next step if there was a tax increase? Mr. Cahalan said what we've done, we'd give you the proposed budget, we have to go back and do some refiguring. Some new items were discussed and we have to bring that back to you. You have to see what the bottom line is and discuss it, and consider what you want to do. The next time the budget is discussed is November 7.

**III. PUBLIC COMMENTS/CITIZEN NON-AGENDA ITEMS**

**IV. COUNCIL & STAFF REPORTS**

**A. Township Manager**

Nothing to report.

**B. Mrs. Yerger**

Nothing to report

**C. Mr. Maxfield**

Nothing to report

**D. Mr. Kern**

Nothing to report

**E. Mrs. deLeon**

Nothing to report

**IX. ADJOURNMENT**

**MOTION BY:** Mr. moved to adjourn. The time was 10:27 PM.

**SECOND BY:** Mr. Maxfield

Mr. Kern asked if anyone in the audience had any questions or comments? No one raised their hand.

**ROLL CALL:** 5-0

Submitted by:

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Mr. Jack Cahalan  
Township Manager

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Glenn Kern  
President of Council