

**The Township Building remains closed to the public.
This meeting will be held through a Zoom teleconferencing link.
Information to join the meeting will be provided on our website.**

I. OPENING

- A. Call to Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Announcement of Executive Session (if applicable)
- E. Public Comment Procedure

**REVISED WITH COMPARISON
DOCUMENTS**

II. PUBLIC COMMENT – TOWNSHIP RESIDENT ONLY – 3 MINUTE TIME LIMIT – NON-AGENDA ITEMS

III. PRESENTATIONS/HEARINGS

IV. DEVELOPER ITEMS

V. TOWNSHIP BUSINESS ITEMS

- A. Presentation of 2021 Draft Budget – Leslie Huhn, Township Manager & Department Heads
- B. Questions and Answers

VI. MISCELLANEOUS BUSINESS ITEMS

VII. COUNCIL & STAFF REPORTS

- A. Township Manager
- B. Council
- C. Solicitor
- D. Engineer
- E. Planner

VIII. PUBLIC COMMENT ON NON-AGENDA ITEMS – NON-RESIDENTS ONLY

IX. ADJOURNMENT

UPCOMING MEETINGS

Parks & Recreation: November 2, 2020
Township Council: November 4, 2020
Environmental Advisory Council: November 10, 2020
Saucon Valley Partnership: November 11, 2020 @ 6:00 p.m. @ HB
Planning Commission: November 19, 2020
Saucon Rail Trail Oversight Commission: November 23, 2020 @ 6:00 p.m. @ UST
Zoning Hearing Board: November 23, 2020

I. OPENING

CALL TO ORDER: The Budget Meeting of Lower Saucon Township Council was called to order on Wednesday, October 28, 2020 at 6:00 p.m., via the Zoom teleconferencing link at Lower Saucon Township, 3700 Old Philadelphia Pike, Bethlehem, PA with Mrs. Sandra Yerger, presiding.

ROLL CALL: Present: Sandra Yerger, President; Jason Banonis, Vice-President; Priscilla deLeon, Tom Carocci and Kristen Stauffer, Council Members; Leslie Huhn, Township Manager; Cathy Gorman, Director of Finance; Jim Young, Zoning Officer; Roger Rasich, Director of Public Works and Lou Mahlman, Controller. **Absent:** Brien Kocher, Township Engineer and Linc Treadwell, Solicitor.

PLEDGE OF ALLEGIANCE

ANNOUNCEMENT OF ANY EXECUTIVE SESSION (IF APPLICABLE)

Mrs. Yerger said Council did meet in Executive Session prior to this evening to discuss employment and compensation issues to be included in the 2021 budget. Council can make a motion based on those discussions. Mr. Banonis said the Township staff has done a tremendous job this year and it's really been some difficult circumstances that we've operated in, especially them, in keeping the Township services functioning and keeping the Township offices working and open for the public. It's to their credit the budget we have shows that we actually have about a \$1.8 million surplus this year, which is fantastic. Some of that is because of an increase in the Earned Income Tax (EIT) and some is because of the increase in the landfill, where we got an extra \$350,000 and also expenditures have been very well controlled.

MOTION BY: Mr. Banonis moved for approval to bring the salary of Diane Palik in line with Brenda Detweiler since they are compatible and provide the same services and functions for the Township. That would mean an increase of \$1,230 for Diane to bring her salary in line with Brenda's, which is \$46,637.50.

SECOND BY: Mr. Carocci

ROLL CALL: 5-0

MOTION BY: Mr. Banonis moved for approval of a 3% increase across the board for Township staff including Roger Rasich, Jim Young, Cathy Gorman, Diane Palik and Brenda Detweiler for the tremendous job they have done this year really is testament to their hard work, their character, and he's sure the taxpayers have appreciate all their efforts throughout the year.

SECOND BY: Mr. Carocci

ROLL CALL: 5-0

MOTION BY: Mr. Banonis moved for approval of a 4% increase for Township Manager, Leslie Huhn, and Chief of Police, Tom Barndt, recognizing the tremendous work they've done this year to really provide top notch services and managing their staff in difficult circumstances. They've put in a lot of extra hours during the time and they need to be recognized for all of their hard work because without their leadership, their skills and their management, this Township and its offices would not be running as smoothly and effective as they currently are. Their efforts at cost savings have been remarkable and they deserve to benefit from it.

SECOND BY: Mr. Carocci

Mrs. deLeon said she appreciates everything that Leslie and Tom do, but she's sticking with the 3%. Mrs. Stauffer said she will have to vote no as she's comfortable with the 3%.

ROLL CALL: 3-2 (Mrs. deLeon & Mrs. Stauffer – No)

II. PUBLIC COMMENT – TOWNSHIP RESIDENTS ONLY – 3 MINUTE TIME LIMIT – NON-

AGENDA ITEMS – Mrs. Yerger said the 2021 draft budget is being presented this evening. The Manager and Director of Finance will review the draft with Council and Council will have the opportunity to discuss items as they are presented. Residents wishing to speak will be given that opportunity at the conclusion of the discussions with Council. Please make a note of the items you wish to address and you'll have the opportunity at that time. There will be a three-minute time limit on non-agenda items. Mrs. deLeon said she appreciates the page numbers on the pages but when we do the different versions, can Mrs. Gorman put a date on those numbers so we know. Mrs. Gorman said yes.

III. PRESENTATIONS/HEARINGS – None

IV. DEVELOPER ITEMS – None

V. TOWNSHIP BUSINESS ITEMS

A. PRESENTATION OF 2021 DRAFT BUDGET – LESLIE HUHN, TOWNSHIP MANAGER & DEPARTMENT HEADS

Mrs. Huhn said “This evening it is her pleasure to present the Township’s draft budget for 2021. The Township budget is our financial blueprint for the policy decisions which will be implemented in the upcoming fiscal year. Council and Township staff use the budget process to maintain a culture of perpetual improvement and it is the most important instrument that Council has in establishing control over cost and directing revenues. Budget decisions determine the level and quality of services provided which in turn guide our community’s future. Our goal is to provide the best service to our residents while doing so in the most economical way. The Director of Finance has prepared the 2021 budget which includes a narrative, graphs and financial charts as the means of accomplishing our goal. Tonight we are presenting a budget that provides for no tax increase. I am happy to report that the Township is in sound financial shape. Early on, in 2020, we were hit with a global pandemic. At that time there was much uncertainty to our country’s economic direction. We could not predict how our revenue stream would be affected. We did not know how our resident’s jobs and families would be affected. With that in mind, we informed Council that we would hold the line on expenses, whenever possible, and that strategy appears to have worked in the Township’s favor. Due to additional unexpected revenue received, along with certain line item expenditures falling under budget, we are anticipating a surplus this year. In short, our Township revenues were approximately \$730,000 higher than the 2020 budget projections and due to our strategy of limiting cost, the expenses were approximately \$1.2 million lower than budgeted. The increased revenues were mostly the result of higher than anticipated EIT, landfill host fees, and self-insurance reimbursement payments. The decrease in spending was across the board in all areas with no one item standing out in particular. The General Fund budget being presented tonight is balanced at \$8,531,936.00. The overall budget is \$11,736,226, which includes the General Fund; the Capital Fund in the amount of \$934,490; and the Special Fund in the amount of \$2,269,800. The Township will continue to make the same prudent decisions in 2021 as we have done in the past. I would like to thank all the department heads for their contribution for the preparation of the budget presented to Council tonight and to the Director of Finance, Cathy Gorman, who oversees the budget process. Cathy will present the draft 2021 budget for your review and discussion”.

Mrs. Gorman said she will start with the General Fund. Every year we add this information for Council so they can see a history over the last 30 years, how the Township has grown and through our Real Estate Assessment.

Council has historically asked what we use the landfill funding or comparison between our three major sources of funding, the Real Estate Tax, EIT and Landfill funding and there’s a breakout as to how much is received annually through those three main sources of income. We also include how we use that funding. In 2020, this is our first year where we had not used the landfill funding for our debt, since we are debt-free. Most of that funding is geared towards Reserves or Capital. Revenue for our Real Estate Tax, we’re at an assessment of \$454,453,200 at the beginning of 2020 and our projected transfer Real Estate Tax is a total of \$2,416,940 and that is based on a 5.39 General Real Estate Tax assessment. Revenue for Enabling Taxes includes our Real Estate Transfer Tax, EIT, and our Local Services Tax. Last year we had a drop in our EIT that was unexpected. We modified our budget before passing to reflect that going into this year and as the detailed information she provided to Council from our EIT, as of September, we are 11% ahead of that and considering we are going through this global pandemic that signifies to her that a lot of our residents are working from home or are emergency workers. We haven’t really seen the impact

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that many other places have with this pandemic. The Real Estate Transfer Tax she budgeted the same amount. We are expecting an increase the end of this year. There's a huge housing bubble right now and a lot of people are refinancing and a lot of people are buying and selling. She doesn't want to project an increase for next year too much because that's inflated and we shouldn't be projecting as much as we going to get this year going forward.

Business Licenses Fees, the biggest one is the Cable Franchise Tax. She's going to assume that we will be getting a little bit less as people are moving towards streaming options as opposed to cable and we're going to see that trend continue. We'll look at it again each year and see what the percentage of difference is going forward.

Police Fines, we had somewhat been on track this year, but we continue to monitor these fluctuations, but this seems to be the norm for some of these fees. Intergovernmental is just a pass-through revenue line item. Interest, we are working with three different banks now and have funding in each one of them. She speaks with them on occasion for investments and trying to get the best interest rate we can for the Township.

Grant Funding, they are pretty much the same as last year when it comes to some of our normal annual grants which is the Host Municipal Inspector and some of the police funded grant opportunities. We are adding in some of the funding for COVID and she does anticipate that Tropical Storm Isaias will be approved at some point next year. The last major storm that was significant, it took us a year and a half for the Federal Government declared an emergency so she's keeping tabs on that and working with Northampton County Emergency Services to make sure we have all our data recorded on time and that covers a lot of the damage that was done to Sanbrook and Reading Drive.

State Shared Revenue are taxes we get from the State, Fire Relief Funding was pretty much the same as last year. We have been notified with our Pension that the funding may drop. A lot of these funding's are funded through taxes on insurance policies so as insurance policies drop and people are getting refunds from their insurance, we're estimating that the State is giving us fair warning that some of these may decrease next year.

Zoning and Financial Revenues, we have had some increases in Tax Certification Fees and Zoning Permits but that's kind of a bubble for this year as well. She doesn't want to anticipate that the money we're getting this year and going forward, this has been the norm for us, so to be conservative, we should stay on course on reporting revenue as close as possible. Police Services, Accidents Reports, and Security Alarms Fees, the Security Alarm Fees have dropped and she thinks that's because most people are at home so they can turn off their alarms instead of the Police coming out. Same thing with Accident Reports, a lot of people between May and July weren't even out driving, so there was a decline in accidents and the Police Services fees with the schools not having graduations and that nature, we're anticipating that to continue into next year.

Building Permits, that is running approximately the same. She anticipates to increase steadily in the next couple of years due to some of the subdivisions that are coming in and there are people that have been spending the time to look at their homes and do improvements, however there are a lot of people being cautious doing that as well and saving as much money as they can. Sanitation Permits, they've reviewed this for the last couple of years and are going to make an administrative decision going into next year that we are going to handle this much like we are handling our Grading Permits. We will charge a base administrative fee and any applications that come through instead of it being fee-based that Hanover has provided for us, we are going to handle it as a Plans and Appeals and have an escrow and go from that. That way we can manage it a little bit better and save some taxpayers dollars going forward for permits that have exceeded the amounts that were billed.

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Contributions is for the Compost Center, so that is an in and out in our General Operating Budget. We will contribute \$10,500 of that and that's the expenses we will maintain and manage at that facility. Landfill Hosting Fees she always budgets around \$2 million and some people might ask why. We cannot determine whether or not the landfill will slow acceptance of tonnage and we cannot anticipate whether or not they will shut down at some point and we do have a reserve amount in our funding that will provide for if in an emergency situation if the landfill does close down and we will continue operations and have time to discuss and modify our budget going forward.

Health Charges is a budgetary in and out. The Lower Saucon Authority is on our medical plan and our short-term disability and life insurance policies. We get billed for it, we bill them and they pay us. The Recreation Fees and other Miscellaneous items are pretty much the same and the refund of our insurances is very good this year and it's going to be good next year and one of the reasons why they are saying that is a lot of people will have put off medical care in the last eight months and since we are self-insured, they reimburse us at the end of that period. She budgets conservatively with Revenue and hope for a better return. It seems to be holding well for us for the last couple of years.

Council expenses you will see that has dropped down to \$36,497. This includes Council's compensation of \$9,750 and Mr. Banonis and Mr. Carocci are waiving their compensation. We have the contributions, grants and subsidies that are the same; however, we are increasing or putting in a \$1,000 for the Saucon Valley Partnership because by the end of this year the Comp Plan will be done and that funding will be exhausted in that account. Mrs. deLeon said it's in twice. Mrs. Stauffer said she's wondering if one got substituted in for another. Mrs. deLeon said that's our dues. We're not doubling it. Mrs. Gorman said no, she'll modify that.

Under Executive, it's at \$467,217 which is less than last year and you'll notice that we'll modify the budget based on your decisions this evening and you will notice that our medical insurance has not gone up that much. It's only gone up for the exposure of our life or short-term disability insurance. Our medical insurance coverage was a negative 1.4 so we had small cost savings and some reimbursements from this program. Under this we're funding for the pension. For Administrative Expenses, that is supplies, the newsletter, code codification updates, general expenses and administrative IT. She's starting to break that out as well to get a clear idea as to what each department is costing. We do need two computers to be replaced in this Department. Mrs. deLeon said didn't we used to do that with the old way of the budget, we had it all broken down by each department. Mrs. Gorman said that was on an inventory schedule which Council said they didn't want to see anymore. All IT was booked under 407 since she's been here. She will explain that later.

The Finance Department is \$260,791 which is for her and her assistant, the other expenses are for our annual audit and for our billing for our Real Estate Tax. The bigger expense is the Unemployment Insurance is projecting to go up so they had to modify the budget to anticipate for that. Mrs. Stauffer said she asked about the Benefits line item, she doesn't know how that works each year in the Township. Do we have a consultant who takes it to market? Are we part of a consortium or bargaining power? Mrs. Gorman said we are part of a consortium. It is a self-insured program. If one municipality go and fall under what's anticipated, everybody kind of shares in that loss and then at the end of the year, we'll get a refund if there's money left over for us.

Legal is a \$226,800, our Solicitor is not requesting an hourly rate increase, so we did budget more as we are looking into contract negotiations and other legal items for next year. Mrs. Stauffer said the budget copy that Council has says the last increase was 2017 for \$5.00/hour. She's almost 100% positive that changed in January of this year to the \$200 amount. Mrs. Gorman said he's still

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at \$200. Mrs. Stauffer said did that change in 2020? Mrs. Gorman said no. She will double-check when his last increase was. Mrs. deLeon said why couldn't you just put in their hourly rate with the narrative. Mrs. Gorman said we do it at Reorg. by resolution. Mrs. deLeon said it's just a couple of words. Mrs. Gorman said when she budgets, she estimates if he's increasing his rates but she's looking more at what he might be entailed to do as opposed as what is in conjunction with his hourly rate. Mrs. deLeon said she'd appreciate that.

IT and Data Processing is at \$18,600 and we had broken some of it out so we can isolate two specific departments. This is Township-wide, any work that is necessary for our website our server, those sorts of things. Software and Licensing are used by everybody and not just one specific department.

Engineering, she is anticipating we might be spending more than this year. We've had a lot of projects that are drawn out. Lower Saucon Road Bridge is one, and that's due to DEP and PennDOT requirements that we have to jump the hoops for but she is anticipating a lower amount going into next year as most of the projects that she's working with Brien, should be done by the first quarter or first half of next year. That includes the bridge, Reading Drive, and the waterline. After that, unless there's something Council specifically wants them to do, we'll be okay. We budgeted \$10,000 for the Sewage Enforcement Officer to handle complaints as we can't bill residents for complaints. Mrs. deLeon said she's glad to see about the bridge inspections. She always thought they did that anyway, and with all the storms, this is very important as well as our other property buildings.

Buildings and Grounds is the building and maintenance of all Township buildings is at \$293,706. We had experienced an increase in the maintenance end of it, with the COVID related expenses for cleaning the buildings is falling under here. We will be getting reimbursements from FEMA and PEMA for that. We are also recognizing some savings in fuel costs. You'll see there was a huge spike between 2008, 2010, 2014, 2016, we tried to maintain that level of funding, but it looks like going forward the price per gallon through EIA is going to be pretty close to what we're paying now. We dropped the amount of money that's required there and also in electricity we dropped it. We got a new generation cost through contract MUA, which is Municipal Utility Alliance, a partnership that bids for this work for a bunch of different municipalities through PSATs. Also we have installed LED lights and are hoping to keep continue to keep doing that so our generation costs will drop.

Police Department, she sent you a memorandum before regarding this as she missed an item, so we are at \$3,410,452 and that includes all operational costs and salaries for the officers, their pensions and the equipment the Chief needs is pre-limited. We've downscaled the items that we needed even in the Capital Plan that we needed for the Police Department recognizing this might be another tough year, but the Chief is asking for \$18,000 for IT which is normal and paying for the Crime Watch. We are trying to keep everything stable within his department. There area couple of items that will go over in the Capital Plan. It's more noticeable in this budget as this year we are recognizing 27 payrolls for our hourly employees so that was almost an extra \$100,000 that we had to budget for this year. That dropped going into next year so we are down to the 26 payroll periods.

Fire we are at \$395,306, and anticipating an increase in our Workers' Compensation coverage, we really don't get that until the end of the year. With the COVID, we're insured by the State and she's anticipating that an increase. Our insurance agent has stated that 10% probably would be safe. The other items, we do have the money for the contributions to the Fire Department. We will come back to Council prior to releasing any of that money at a regularly scheduled Council meeting. Mrs. deLeon said can you explain that. Mrs. Gorman said the money for the fire departments, there was a motion at the last meeting regarding limiting or decreasing that funding to

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the Fire Departments if they don't meet certain expectations. She thinks it would be prudent for us, within the Administrative Staff, to come back to Council to insure they are in compliance with what Council had recommended. Mrs. deLeon said she knows the motion passed, but she voted against it, she's totally against this concept. She thinks you are holding the Fire Companies hostage and they already have to meet certain requirements and a resolution already passed and if they continue to do X, Y and Z, what is required in that resolution policy, then they should get their money, they shouldn't have to wait. Mrs. Stauffer said with that motion at the end of the 3-4 hour meeting last time that having the Budget Workshop was the opportunity to review that and include those details in the budget for people to comment on since this is the workshop meeting. Is that not correct in terms of procedures and talking about the budget? Mrs. Yerger said anyone can speak about the budget at the end of Cathy's presentation. Mrs. deLeon said she feels this is a disservice to the firemen. She has the utmost respect for them for what they do and they are volunteers, they put their life out every time there's a call. It could be a burning building, a rescue on I-78, a car accident, and we just had a horrific accident on I-78. She thinks that this is leaving a bad taste in the Township with our volunteers, and we're trying to recruit members all the time because of lack of volunteers and you are just making it harder for them. She's feeling that we all agree that we want one fire company, she just doesn't think this is the best way to do it. She's totally against holding the money hostage. She would ask her peers to reconsider this action.

Planning and Zoning is at \$255,082 which covers the Zoning Officer and his Administrative Assistant. She made a minor modification that he is requesting under Minor Equipment, he's asking for \$5,000 as he needs two filing cabinets for plans. For consulting services, we don't have a Planner currently, however, we did budget funding for consultants to review any of the landfill applications that may be coming forward next year.

Emergency Management Coordinator and Crossing Guards are the same. There may be some Crossing Guard changes but until we get a final determination, it's safe to keep the expense level at what it is. Mrs. deLeon said maybe next year it might be helpful for us to get these slides so we can read them because it's kind of hard to look at the budget and the PowerPoint. Mrs. Gorman said okay. She said Emergency Management is at \$3,500 and Crossing Guards are at \$5,000.

The Dog Control program has been working pretty well. We are not expecting any increases from this department either. The Compost Center is a Joint Venture between us and Hellertown. Both Hellertown and LST fund the program \$10,500 a year to keep it in operation. Mrs. deLeon said what does landline service cancelled mean. They had a phone line and it was cancelled. Mrs. Huhn said we discontinued it. Mrs. Gorman said there was no reason for a landline up there.

Public Works is budgeted at \$1,376,334 that is covering all of our employees' salaries and benefits, it's also including repairs and maintenance to traffic signals, signs, their equipment, removal of trees. We had \$4,000 for funding for battery backups for the generators. We received a grant from Northampton County Gaming Authority several years ago and we have one installed at every traffic light and our Director of Public Works has recommended that we replace one battery a year so it's not such a hard cost for one particular year. It's proven effective over the course of several years purchasing those items. Materials and supplies this is where we usually do some of our tar and chip and we also keep some funding in there in case something should happen in our parks or on our roadways.

Parks and Recreation budget is \$130,878. We've pretty much kept this in line except for park services where we are going to go out for bid for lawn mowing so we added additional for that; and we kept the same line items for the Saucon Valley Community Center and will address those when and if we get things open and if the State allows us to continue those programs. The Pool Pass reimbursement is at zero as we didn't have anything to reimburse since the pool was closed this

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summer. Mrs. deLeon asked where the amount would be for the monies for the different parks when developers give us money. Mrs. Gorman said we put them in the Capital Fund.

Library Contribution has no change. Conservation is EAC, the only money that is needed for next year is their website. Charges for the year Intergovernmental Expenses are always the same. That is an in and out also. We sponsor the DUI program, we administer the DUI program and it also includes Freemansburg and Hellertown Borough, so we pay them their portion once we receive the funding from the State. Insurance is at \$269,000 and covers our business, vehicles, workers compensation, and public officials bond. We anticipate a small increase in that area as well.

Employee Benefits is the in and out and the revenue outset is under 365. \$22,000 for unpaid prior bills, we're on a modified cash basis so we keep a little bit of money at the end of the year for bills that should have been booked in 2020 that we are paying in 2021. We're requesting transferring \$265,000 again to our Capital plans and then we would have a surplus revenue of \$1,028,667 and that would balance the budget at \$8,531,936.

Special Funds, Mr. Carocci and Council had requested a reduction in the Fire Tax by a quarter of a mill which leaves us with \$333,000 for Fire. With the expenses of the \$5,000 for consultation for grants, if there are any available and based on the Fire Departments providing information of their loan agreement to Council, they budgeted \$136,235 for that which then leaves a transfer to the fund balance to revenue of \$191,765. For Open Space, we have EIT at \$1,245,000 and out of that we have expenses for property, maintenance of property and consulting fees, and once all those budgetary items are addressed, there's \$153,000 going into reserves for next year.

Mrs. Gorman said the only fund we have in our Special Funds that's utilizing their fund balance is the State with the fuel funding and part of that reason is because there's a drop in motor vehicle monies that we are getting from the State and that's due to the fact that people were not driving and this is a tax that's based on fuel that is purchased so they anticipated a reduction. There is Sale of Fixed Assets and then the expenses are itemized under the 430 accounts. There is plenty of funding for addressing the vehicle maintenance safety, snow removal, traffic signals, traffic lighting, and \$100,000 to help offset the cost of vehicles that the PW is requesting in the Capital Fund, and also their PennDOT project and any additional funding available once the bridge is completed. When the bridge is completed, we are going to use Capital funding and State Liquid Fuel funding that was approved. That will balance our budget at \$2,269,800.

Capital Plan, we have a budget of \$934,490, a lot of our revenue is in grants that will be coming probably next year. This year we are going to be expending the money for the radios as we got awarded the grant. She's sure it's going to be a pretty quick turn around, but she's going to assume we're not going to get the money offset for that which is 100% until next year. That's also inclusive of the body cameras, all of the work that's being done at Seidersville, and the water line replacement and some of the park grants we were awarded. Mrs. deLeon asked about the body cameras. Mrs. Gorman said the body cameras we ordered them and are waiting to get them scheduled to have the server done and the training done. Mrs. deLeon said will that be by the end of the year. Mrs. Gorman said the Chief is pushing for the end of the year. Mrs. deLeon said this is the 2020-2021 and the windows at the Heller Homestead, what's the timeline on that. Mrs. Gorman said she has preliminary specifications drawn up, and has gotten confirmation from the State that the award is on hold and we did get it. She hasn't been able to contact anybody there to make sure the contract agreement was signed by them. She wants to make sure before we move forward with anything that document is signed. Mrs. deLeon said we should try to get them in as soon as we can because of the weather. Mrs. Gorman said she's hoping it's not a bad winter and is hoping we can start as soon as we can. Right now, she's just holding on waiting for the State to give her the green light. Mrs. deLeon said that's more expense to the Conservancy for the heat and all that.

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Capital Plan next year, once again, we have \$135,000 to finish out the Town Hall waterline project and we are also looking forward to applying for another grant from one of the Gaming Authorities to do some more improvements in Seidersville that we have noticed that should be done. We are looking at painting and repairing some of the walls and we are also looking at replacing the carpet that is in the Administrative building. We did have damage that was done, and we filed an insurance claim. We did receive the money for that claim but it would be very prudent for us to just replace the whole area as opposed to the hallway that is needing repair.

Police, we are looking at replacing Unit Nos. 162 and 164, Council gave permission for Unit No. 163 at the last Council meeting. For Public Works, we are carrying over the backhoe for \$175,000 that should be replaced. Our Director of Public Works is also requesting a replacement of his brush chipper and a boom mower head. The total of that coming out would be \$165,000 and the other \$100,000 would be coming out of the State Liquid Fuel Funding which is specifically earmarked to replace Public Works vehicles that are used on the roads.

We budgeted again \$75,000 for stormwater. We're going to look at projects that we can do as they come to us. She was provided information from our Director of Public Works that the work needed to be repairs on Mt. Pleasant Drive and the estimated cost is \$20,988.50. He is requesting that he order those materials this year. She's asking Council permission to do that now. If he can get that work done this year, that's great, if not, he'll have everything ready to go so when the weather clears he can go and work on it. If that's okay, our Director of Public Works is here and he can chime in on that if need be. Mrs. Yerger said are we looking at a motion for that. Mrs. Huhn said if we can get a motion, it will be put in the proposed budget that we will bring back to you.

MOTION BY: Mr. Carocci moved for approval for our Public Works Director to order materials for repairs on Mt. Pleasant Drive that have to be done at an estimated cost of \$20,988.50.

SECOND BY: Mrs. Stauffer

ROLL CALL: 5-0

Mrs. Gorman said the funding we have appropriated for the Lower Saucon Road Bridge is again going to be paid partially by a grant through PennDOT and we also have funding of \$55,000 for Parks Improvements. We have a grant for \$25,000 for installation of handicap equipment at our Town Hall Park and Polk Valley Park. Once our Public Works Department is able to get the property graded to the point where we can start construction, we can contact our provider and he can schedule something to get that started. Mrs. Gorman said the last would be the funding for the windows at the Widows House, she put some extra money in there just in case there might be an overage of some amount. We do have \$50,000 that was guaranteed to help us pay for that. Mrs. deLeon said what's next on the list for repairs. Mrs. Gorman said she's sure there's a list, but she thought priority-wise, there was the sidewalk from the back for the ADA, and that probably should be one of the next things on that list. Mrs. deLeon said we need to get an updated list. Mrs. Gorman said we can update the one we have. Mrs. deLeon said that wouldn't be in the budget then if we did the handicap access. Mrs. Gorman said there's still funding in reserves so if it does come up, she can always put money in there or ask Roger how much it costs so we can add that.

Mr. Banonis said he'd like to make a motion to reduce the Real Estate Tax by one (1) mill which is about \$400,000. He said Cathy did a fantastic job in putting that information together for us. It looks like we have about a \$12 million surplus in savings and that will carry us for about 18 months if we have no revenue coming in. We had about a \$1.9 million surplus this past year because of the increase in the EIT and the landfill and a decrease in the expenditures. It's only fair to give back to the taxpayers and the fair way to do that is to do it across the board for Real Estate Taxes. Everybody who is a taxpayer in the Township owns real estate and that tax relief is beneficial to those individuals because it's not subject to the EIT which is depended on upon what their earnings are from year to year and it's only fair to reduce taxes by one mill to recognize the solid foundation in which the Township is currently and to provide relief from people during

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COVID-19 as there are some who are out of work and there are senior citizens who have fixed incomes and it's appropriate to do that.

MOTION BY: Mr. Banonis moved for approval to reduce the Real Estate Tax by one (1) mill, which is about \$400,000.

SECOND BY: Mr. Carocci

Mrs. Yerger asked if anyone had any comments or questions. None at this time. Mrs. Gorman said for clarification it would be a reduction in the current level by 1.25 mills, 1 mill for general and .25 mills for Fire. Mr. Banonis said his motion is strictly for the General Fund. Maybe we should do a separate motion for the .25 mills. Mrs. Gorman said we've done that already at the last meeting. Mrs. Stauffer said we're essentially reducing Real Estate Tax while also trying to reduce the Fire Company funding. Mr. Carocci said the motion is just for the Real Estate Tax. Mrs. deLeon said she wants to know what the millage would then be. Mr. Banonis said he thinks it was 5.39 mills and this would drop it down to 4.39 mills. Mrs. Gorman said we are currently at 6.39 mills, if we take it down, 1.25 mills, it will be 5.14 mills, .75 of that would be fire and 4.39 would be general. Mrs. deLeon said what do you mean the Fire. Mrs. Stauffer said she's not including the fire, but she's talking about the overall scope of what the changes would be. Mrs. Gorman said correct. Mrs. Stauffer said what is the current tax rate of LST in comparison to surrounding communities. Mrs. Gorman said we are about in the middle, 10th of 17 Second Class Townships. Mrs. Stauffer said some of the Townships below us would be and who would be above us. Mrs. Gorman said Moore, Lehigh, Mt. Bethel, Lower Mt. Bethel, Allen, Lower Nazareth, Hanover and Williams Township are lower than us. With Jason's recommendation, that would put us down to 5.14 mills, so we would be right about Lower Mt. Bethel. Mr. Banonis said this is a situation where we want to be at the bottom of the list. Mrs. deLeon said Cathy as your role of Director of Finance, what are your thoughts on this? Mrs. Gorman said it is definitely doable. We are at a point that we do have plenty in reserves to cover us for a while. Our debit is done and that was her biggest hurdle to get through. We have to go into this knowing there is potential that we'll be using the landfill funding for general operating purposes but we will have the funding to do that and still have reserves left over so she doesn't see a negative and doesn't think it will hurt our financial position in the near future. Mrs. deLeon said why didn't you put that in the budget and just do that? Mrs. Gorman said previous Councils have made a concerted effort to not use the landfill funding or not being relied on that funding and she certainly wouldn't be the one to modify that policy. Mrs. Stauffer said this would make us more dependent on landfill funding in the future. Mrs. Gorman said it's been a tough year with COVID-19 and we're looking at breaking even. We had some high revenues and we had some conservative expenses and if we can hold that going forward, we should be fine. We do have plenty in reserves and the goal was to make sure we would be fiscally sound if the landfill closed, that we had time and not to hit the residents with a huge tax increase if the landfill shut down. Mrs. deLeon said the landfill has three more years in this current phase and she forgets how much with the Northern Expansion. Mr. Banonis said five more years. Eight years for the imminent closure. Mrs. deLeon said last year or the year before, we didn't know about the next phase so we were planning for the closure. Mrs. Gorman said that was always the goal. Mr. Banonis said now we know about it and we are sitting on \$12 million of taxpayer money. Mrs. deLeon said we should always keep in mind that eight years from now when the landfill closes, we are okay. Mrs. Gorman said she certainly thinks that everybody would be in agreement that it wouldn't be good for us to hold off and wait until we get to a position that we have to raise taxes that high in one shot. Mrs. Stauffer said that seems to be a hurdle. Mrs. Gorman said we will definitely be watchful and mindful of that so we aren't going to hurt the residents in that way. Mrs. Stauffer said that would certainly be difficult to predict as we don't know the mentality of future Councils to come. Right now, the landfill is about \$2 million in income and we are running about a million surplus overall. Mrs. Gorman said yes, if you look at our actuals, we are actually doing very well this year. Mrs. Stauffer said the \$2 million coming in from the landfill, we're not clearing it. We couldn't make it without the landfill money today without going into our savings. Mrs. Gorman said budgetarily speaking, yes. Of the \$2 million, \$1.3 million of that is either being appropriated to Capital or our reserves and we know that going in. Mrs. Gorman said based on her

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projections, our fund balance for the General Fund account is basically where we use the funding. We will be at a level of \$1.4 million that will be able to carry us for the two months of operations next year. We are not going to be dipping into our reserves to insure we are covering cost at the beginning of the year. Mrs. Stauffer said will we have debt with the upcoming fire company purchase? Mrs. Gorman said that's not ours. Mrs. Stauffer said no debt attached to us? Mrs. Gorman said correct.

ROLL CALL: 4-1 (Mrs. Stauffer – No)

Mr. Banonis said it's his understanding there's about \$510,000 from the loan proceeds from Fire Lane that did not need to be used and we have some MS4 funding that are going to need to be addressed. He'd like to make a motion to re-appropriate those funds for the MS4 projects. Mrs. Yerger said can we do that? Mrs. Gorman said the ordinance that was passed to take out that debt did say Fire Lane and other stormwater projects. Since the debt has been retired, Council can re-appropriate that. Mr. Banonis said what are our future MS4 obligations going to be? Mrs. Gorman said she's not sure about that. We're still waiting on a financial review from HEA. Mr. Banonis said let's assume it's \$4 million, that satisfies 12.5% of that pending obligation. Mrs. Yerger said as long as it can be moved.

MOTION BY: Mr. Banonis moved for approval to re-appropriate the funds from Fire Lane and use those funds for future MS4 obligations.

SECOND BY: Mrs. Yerger

Mrs. deLeon said do you think it's a little premature right now. Mrs. Yerger said as far as having the stormwater issues, no. Mrs. Huhn said this is our MS4, it's our sedimentation requirements. Mrs. deLeon said she's just saying about Fire Lane. Mrs. Huhn said we are doing it as we speak. Mr. Rasich said we're finishing paving Black River Road today. We did the requested gutter improvements last week. It's a little early to tell how effective they are going to be. Mrs. deLeon said that's her point. She agrees. This is way too premature and we should hold off. It's a good idea if it's okay, but we don't know that answer yet. Mrs. Stauffer said is it something that we could move this money at a future time. Mrs. Gorman said yes, we can move it at a later date. Mrs. Yerger said theoretically could it be moved back to Fire Lane? Mrs. deLeon said that's complicated. Mr. Banonis said it's no more complicated than moving it now and then moving it back later as necessary. He'd prefer having it allocated now so that at least we have some of those obligations satisfied and protected when they come due. It's having foresight and an understanding of what our obligations are going to be so we're not surprised and have to scramble to fund those needs when they do arise. Mrs. Stauffer said would we have to scramble to do Fire Lane if need be. Mrs. Huhn said based on what we saw in the past, it would potentially be part of Fire Lane but we were way over \$510,000 in the estimated cost of that project even to start. You would have to borrow more. Mrs. Stauffer said if we moved it tonight and then we had to move it back to Fire Lane, is that what you meant. Mrs. Huhn said if you don't move it, it's still not enough to cover the Fire Lane project. Mrs. Yerger said if we have another project that comes up and needs to be funded, we are going to spend that money anyway. Mrs. Stauffer said it seems we don't know what's going to come first. Mr. Banonis said we don't know about Fire Lane. We do know we are going to have an MS4 obligation so his choice is to place the money where we know for sure we are going to have that obligation. Mrs. deLeon said what are our plans for MS4. We have money aside for that. Mrs. Gorman said we've been allocating part of our inter-fund of the Capital Plan to stormwater projects, but certainly not enough for what might be coming. Mrs. Stauffer said how do we even begin to start allocating. Mrs. Yerger said it would be better to do it slowly. Mrs. Stauffer said maybe if we didn't cut taxes, just to make the numbers work. Mrs. Yerger said in time, this is a very questionable time and some people are going to be needing relief next year as it's going to hit predominantly next year.

ROLL CALL: 3-2 (Mrs. deLeon and Mrs. Stauffer – No)

B. QUESTIONS AND ANSWERS

Mr. Carocci said we make some contributions to some 501c3's and some of them are the sporting leagues. We have Saucon Valley Partnership, wrestling, baseball, soccer, lacrosse, cheerleading, basketball, football, he doesn't have any problems with that. Some of the other stuff like Lehigh Valley Coalition of Affordable Housing, the Miracle League of Northampton County, Meals on Wheels of Greater Lehigh Valley and the County of Homeless Veterans, do we know how much of LST residents are using those services that the taxpayers are contributing to. Mrs. Huhn said we do review that. Meals on Wheels who usually provides an estimated number of residents that use the service, we did verify that 14 residents that are currently using the service. Some of the other entities have not reported to us. The Miracle League of NC has 7 residents registered, so that is all they were able to provide us at that time. Mr. Carocci said we give Meals on Wheels, we've allocated previously \$1,500 a year for 14 residents. The Miracle League of NC we've allocated \$2,500 for 7 residents. We don't know about the LV Coalition for Affordable Housing and the Veterans. His concern with the veterans, it's the County of Lehigh Veterans, is there a Northampton County. We are in Northampton County. Mrs. Yerger said she also asked Leslie that. Mr. Carocci said we are sending LST taxpayer money to Lehigh County, why wouldn't it stay in our county. Mrs. Gorman said when the entity was originally created and managed by Lehigh County, it was for the Lehigh Valley. Mr. Carocci said do we know how many homeless veterans in LST are in NC that are participating. Mrs. Huhn said they do not keep a count. Mr. Carocci said we are taking taxpayer dollars and sending it, in one case, out of the county. In another case, for the affordable housing, we don't know. That's a concern for him. If Township residents want to support these charities, they should personally. He's not sure tax dollars need to be spent on some of these charities if Township residents are not benefiting. Mrs. Yerger said is there a way we can check on that. Mrs. Huhn said we will follow up with them.

VI. MISCELLANEOUS BUSINESS ITEMS – None

VII. COUNCIL & STAFF REPORTS

A. TOWNSHIP MANAGER – No report

B. COUNCIL

Mrs. Yerger – No report

Mrs. deLeon

➤ She attended the Chamber event last night at Lost River Caverns and it was a lot of fun and exciting. They plan on making it an annual event and it's good for our community.

Mrs. Stauffer

➤ She said it would be helpful on the fire company concerns that were brought up tonight. She's unsettled by the language of the motion for reducing funds and she's unsettled by the millage change in this draft document. She doesn't even know if we have a majority to change that right now, but it's unsettling to her as she believes the fire company do a lot. Those are the guys that are going to come and help if she needs it. She doesn't know what these actions are doing to our overall morale and service in a profession that can be life threatening. Mr. Banonis said it needs to be perfectly clear to the public that the fire companies are still fully funded. There's nothing in this proposed budget that cuts the \$150,000 paid to LSFR and nothing that cuts the \$50,000 that goes to Steel City on an annual basis. In fact, they are getting a brand new ladder truck that cost over \$1 million. They've got great equipment that's been funded in large part by the Township taxpayers and all of us appreciate all of the hard work all of our first responders engage in on a daily basis to keep us all safe. To the extent that there's some message suggested here, he doesn't see it as there's been no reduction in funding and he fully supports their hard work and he appreciates them. Mrs. Stauffer said the motion says if they don't prepare by April 1, 2021, that funding would be cut by 50%. If they do not merge by May 1, 2020 the funding would be cut again and they would only receive \$37,500 and \$12,500. If they do not merge by June 1, 2021, they receive nothing. We don't even know if that timeline

merger is feasible and having that in this draft budget makes her incredibly uncomfortable. Mrs. deLeon said she agrees.

Mr. Banonis – No report

Mr. Carocci – No report

C. **SOLICITOR** – Not present

D. **ENGINEER** – Not present

VIII. PUBLIC COMMENT ON NON-AGENDA ITEMS – NON-RESIDENTS ONLY

- Kendra Snyder, resident, said she's trying to get an idea how the fire tax situation works. What exactly are those dollars used for and how will the volunteers, if we reduce that fire tax, what are their opportunities to increase those dollars and insure they have the right training and equipment that they need. Mrs. deLeon said that's a good question. Mrs. Snyder said she respects the fact they are trying to reduce the Real Estate Tax dollars and everyone likes lower taxes, but she's trying to understand the fire tax dollars, what does that tax support and if that tax is reduced, where do you anticipate the volunteers are going to potentially recoup those monies to insure they have the proper training, equipment, supplies, safety protocols, all the things increase to their safety. Mr. Carocci said the fire fund can only be used for equipment, not training and stuff like that, only for the purchase of equipment. Mrs. Gorman said yes, that was a resolution for them to use it for the purchase of equipment/vehicles only. Funds don't go directly to the fire departments unless Council is approving them. We created a grant process specifically address that. The funding for training and COVID, there's plenty of funding now from the State through FEMA and PEMA, and she's sure all of the fire departments have applied for funding through those sources under the CARES Act and they have the Fire Relief funding that can be used for training and the funding that the Township provides out of the General Fund. Mr. Carocci said when you add the total funding this year, what was that number? Mrs. Gorman said the budget line item is over \$333,000. Mrs. Stauffer said part of it is going to the truck. Mr. Carocci said part of that is not going to the truck. We said that before and often. They are getting over \$333,000. Last year when they filed the financials, LSFR had \$800,000 in the bank and Steel City had \$300,000 in the bank. Mrs. Gorman said correct. Mr. Carocci said he has information Cathy provided to him that the current balance in the money that goes into the truck fund is \$684,000 which only can be used for truck purchases. At the one mill would be in about \$430,000 a year. When we cut it to .75 mills, it still brings in \$323,000 a year. Mrs. Snyder said for example, Steel City has an old truck, and they are anticipating trying to purchase a truck with LSFR and there's been challenges associated with that. She's just trying to see if we reduce that tax, we are also talking about a merger, and trying to build this process with them and the merger will take some time, maybe a year or so, and you are also talking about potentially challenging the funds you give them each based on the timing of that merger. How do we insure they have the funds they need to build these trucks and get the equipment if we reduce the tax and also challenge them with the timeline of doing the merger? Mrs. Yerger said how long have they been working on this merger? Mr. Carocci said about 12 years they've been trying to merge into one fire company. There's \$684,000 currently in the truck fund and that money can only be used for truck purchases. The fire tax will raise an additional \$323,000 every year starting in 2021 that will be added to the \$684,000. You're looking at a lot of money buying fire trucks and you are starting out close to \$700,000 which only can be used for purchase of fire trucks. He feels that is an appropriate amount. If there need to be a large additional fire truck purchases in the future, and it's not enough money, future Councils can always raise the tax, but to have \$684,000 in a truck fund balance, that's enough. Taxpayer money is not meant to be held in bank accounts, it's their money and his feeling is the Township, whether it's fire or anything, the Township should only be asked for what they need and \$323,000 a year on top of the \$700,000 already in there is plenty. He also feels the fire companies combined have over \$1.1 million in the bank. There's a lot of money there, he's doesn't think they are hurting for trucks. The Township is paying for 75% of the truck. Mrs. deLeon said the money they have in the bank, should there be a problem in one of their buildings or a vehicle breakdown, she would think that money would go towards that, so that's a cushion for them. Mrs. Gorman said the resolution says

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specifically vehicles. Mrs. deLeon said the monies the fire companies have in their own accounts, so it's good they have that in there as a cushion for them. Mr. Carocci said he agrees. Mrs. Stauffer said by changing the structure of the funding, can we review when it was raised to one mill which was just two years ago. What was the purpose of doing it then and why would we change it now. Mrs. deLeon said putting funds in for truck payments is her recollection. Mrs. Yerger said they have gotten their truck, haven't they. Mrs. deLeon said over the years there was a list of what gets funded with the replacement schedule. Mrs. Huhn said there's a replacement schedule in the study and the study also said there was equipment that did not need to be replaced. Mr. Banonis said that study provided an analysis of how the capital equipment in LST's volunteer companies as compared to other volunteer fire companies and how much funding LST provided compared to other Townships in Lehigh Valley. Mrs. Huhn said she doesn't believe the study included the funding. They may have looked at the amount of equipment we have for the departments we have which we can look at. In conjunction with that, we have done some surveys of surrounding municipalities and funding levels so she can pull that out. Mr. Banonis said off the top of your head, do you know how we compare. Mrs. Huhn said we do very well in supporting our fire companies compared to other municipalities.

- Andrea Wittchen said congratulations on reducing the millage. Any Township that raises \$8 million budget and has \$12 million sitting in the bank is over taxing the citizens. Any time you have an 18-month cushion based on absolutely zero revenue, your way ahead of the game, so that was absolutely the appropriate move and thank you very much Jason for bringing that up. She said they couldn't see any line items numbers or details like that, it would be really nice if ahead of a meeting, it could be provided to the rest of us. Does she understand correctly that the budget includes relatively round numbers, \$3 million for police out of an \$8.3 million budget, so that means 35% of the Township's budget actually goes to pay for the Police Department? Mrs. Gorman said yes. Ms. Wittchen said under Council expenses, you indicated you are not budgeting for the Council compensation that Mr. Banonis and Mr. Carocci are not taking; however, there is never nothing more certain in life than change, wouldn't it be prudent to actually budget for that compensation. People move, change jobs, resign, God forbid die, get sick, all kinds of reasons there might be some kind of a change in the course of a year where the replacement Council person might not be willing to sign on to refuse their compensation. She couldn't imagine this isn't a large amount of money, but it would be prudent to budget that money even based on the current circumstances. Mrs. Huhn said that would be covered in our contingencies. Mrs. Gorman said certainly. The reason it was removed was because we had it in writing that they are waiving it for their entire term. If for whatever reason Mr. Banonis or Mr. Carocci stepped down, we would do a budgetary resolution to modify the budget to add that additional compensation. Ms. Wittchen said how do you determine what your contingency fund is composed of or what percentage of the budget fills the contingency fund? Mrs. Gorman said on the agenda if you pull it down, it has a spreadsheet of all the General Ledger items on there. Ms. Wittchen said is this available for the general public as of 6:00 p.m. Mrs. Huhn said there was a revised agenda which was put on the website. Ms. Wittchen said as of 5:30 p.m. that was not there. Mrs. deLeon said an email didn't go out to say there was a revised agenda. She didn't get any. Mrs. Gorman said there is a line item marked for overage of revenues compared to expenditures and we would take it out of there. Ms. Wittchen said you just don't pick a number out of the air, do you use 10% of the total budget, 5%, what do you use to create a contingency amount. She budgets projects all the time and uses a straight 10%. Mrs. Gorman said in this case since we are overfunded, we don't use a contingency in the budget as we are anticipating more revenue than expenditures. If she was anticipating not having that revenue, then she would put a contingency amount in there. The actual fact that we are reporting to you now, that we are going to have more revenue than we are expending, that would be the contingency. Ms. Wittchen said that seems strange to her as a former CFO. Mrs. Huhn said Mrs. Yerger are we watching the timer, so Ms. Wittchen isn't aware of that. Mrs. Yerger said we do have the three minute time limit. Ms. Wittchen said she's concerned as Mrs. Stauffer is... Mrs. Yerger said you've reached your three minutes is what we're saying. Ms. Wittchen said she'd like some more minutes. Mrs. Yerger said let's let someone else have a question. Mrs. deLeon said

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before we move on, she'd like to ask Cathy once we start the next year, isn't there a date that's set by the government that we can't change a line item in a budget. Mrs. Gorman said April 1st. Mrs. deLeon said go through a scenario, we have a Council member that has waived their salary and they resign prior to April 1st, we wouldn't be able to put money in that line item to pay that new Council person. Mrs. Gorman said correct. Mrs. deLeon said therefore to avoid a situation like that, the five salaries should be there and as a note where they waived their compensation, it should be there in parenthesis the total. Mrs. Huhn said so she understands, and the date is April 1st we can't transfer money, however if there was a line item where there was some money available, could we take that to Council and ask for that money to be spent. Mrs. deLeon said you can't transfer. Mrs. Huhn said not transfer, you just use it from another fund. Mrs. deLeon said that's sloppy. Mrs. Huhn said she's just asking. Mrs. deLeon said well it's sloppy to her, she's not the Finance Director, but her organization wouldn't do that. Mrs. Gorman said for her to do it, it would have to be in the minutes. Mrs. Huhn said that's what she's saying, for Council approval. Mrs. Stauffer said what if Council wouldn't approve it, she'd be worried about that. Mrs. deLeon said that's skirting the issue. Mrs. Huhn said that's another good question. Mrs. Stauffer said future freshman Council member.

- Donna Louder said maybe she can help with some clarification with the Fire Tax going up. She thinks we did that and Cathy will have to correct her if she's wrong, we did it because the landfill was closing and what we wanted to do was make sure the fire companies were safe and the tax carried them out for five years. The \$200,000 that's given to the fire companies comes out of the landfill money. Mrs. Gorman said it's coming out of the General Fund but the appropriations to the fire department through the General Fund, the increases over the last 20 years has been, well you have the landfill money. Taxes were never raised to address the increases for certain things, a lot of things were not addressed in previous Council's before she was here. When she got here, we were relying on that landfill money a lot more than we should have been so we made a concerted effort to try to itemize things that we were using the landfill money for. One was that, one was Capital, one was fire and one was the use of it in our General Fund. It's been a struggle for 14 years. We are now at a point where we can breathe a sigh of relief. We based percentage and the millage amount off of the study that was provided stating when things needed to be replaced, how much the depreciation costs were of those vehicles, and that certain apparatus was going to be removed from service and certain other apparatus was going to be replaced. Certain apparatus has not been removed from service as far as she knows and certain vehicles she was told, they are fine with it and they don't need to be replaced. The .75 is covering our expenses now. The funding that was allocated to the Steel City vehicle last year is still there, and if they go through the process and submit an application this year, as part of the policy we set up, that is where the fire funding goes. Over the years, the money in the General Fund has historically been the increases over the years has always been you have a landfill fund you can pay the increases for, so we are trying to get out of that and get at a baseline where we're not relying on it as much as we were. Ms. Louder said that's exactly what she's saying. The landfill money was designated for the fire companies, that \$200,000 every year and when we were looking at the landfill closing in three years, she was on Council, that's when we looked at it and tried to figure out we can make sure the fire companies can be sustained in the Township. That's where that tax got raised and why it got raised. Right now there is such a lack of volunteers and this is nationwide, the Township really needs to consider what happens if we need to build a paid fire company, that's close to \$1 million per year. She just thinks that cutting the fire company in half, and the money doesn't have to be spent just because it's in the bank. It can be there, but it has to be designated for the fire companies if we need to go to paid. Mr. Carocci said with all due respect, it doesn't need to be taken from taxpayers if it's not needed at this time. Ms. Louder said okay, she said she understands that. What happens if the landfill closes. The tonnage of the landfill is going down. The Township is taking in less money right now. Mr. Carocci said he understands that. Ms. Louder said you have to take that into consideration as well. That's how the fire tax came about.

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- Scott Krycia said he wants to share a statement from the fire company, they appreciate what the Township has done for them, and they have a statement on the current budget process. “LSFR has made every attempt this year collaboratively with Council to share information in an open and transparent manner to respond quickly to their requests. We view LST Council as our partners, and in our work to serve the Township and community, and we desire a positive working relationship which is beneficial to the Township and to the community. We understand LST’s Councils objective for 2021 of consolidation to a single fire company in LST. We are actively working with Steel City and have a joint merger meeting scheduled with an attorney in about two weeks. We are working towards the goal of April 2021 merger as previously discussed with LST Council. After consultation and meeting with our merger attorney today, he has concerns that the final approval process for the merger through the Commonwealth of PA would not be completed by April and that the secondary ongoing global COVID-19 pandemic would possibly cause a shutdown of the State. Our attorney has significant backlogs with multiple agencies and departments within the Commonwealth as many of these governments agencies are not operating normally. We propose working with LST Council, staff and Attorney Treadwell to identify milestone dates that are within the fire companies control in the interest of public safety in LST, potentially defunding the fire company in 2021 due to potential delays outside of their control is not reasonable. We therefore request Council to remove the budget proposal of any stipulations that require a full merger process to be completed by any date as the State merger portion of the process is completely out of our control. Thank you for your time”.
- Andrea Wittchen said one question has to do with the Fire Marshal along with the concerns Mr. Krycia just pointed out, she’d like to say it’s pretty hard to define these days what the words to the satisfaction of Township Council means, and secondly as charity donations, she’d ask you also question the sports donations just assuming they are valuable and put in place the process for anyone requesting funds to apply and identify the value they deliver to the Township before those types of donations are awarded. Mrs. deLeon said the idea of a process to follow up with the donations as they will send a letter thanking us for the donation from last year, and we’re requesting funding again for next year. Before the process was more involved than just a letter, but then once they got the money it was a formality. Mrs. Gorman said they follow the 501c3 policy as documentation. Mr. Carocci said his only concern is the Township residents are using these, if not, we can find other organizations that Township residents are using and donate to them. Mrs. deLeon said if you know someone who needs Meals on Wheels, the numbers are flexible. If you are in a situation where you don’t have anyone to help you, you need that. Mr. Carocci said his main concern was sending money to Lehigh County veterans. He’s sure NC Veterans could use the money.

MOTION BY: Mrs. Stauffer moved to remove the previous motion from this draft budget for dates of April, May and June as deadlines the fire companies of LST, which are LSFR and Steel City.

SECOND BY: Mrs. deLeon

ROLL CALL: 3-2 (Mr. Banonis, Mrs. Yerger and Mr. Carocci – No). Motion failed

Mrs. deLeon asked Mrs. Gorman if she’s going to change the Council compensation to the five Council members. Mrs. Gorman said she can certainly do that, it makes it legit. Mr. Banonis said are you making a motion for that. Mrs. Yerger said it is it onerous to do that. Mrs. Gorman said no she can do it, she will put a special notation in the budget that states Mr. Banonis and Mr. Carocci compensation they are waiving.

IX. ADJOURNMENT

MOTION BY: Mr. Banonis moved for adjournment. The time was 8:07 p.m.

SECOND BY: Mrs. Yerger

ROLL CALL: 5-0

Submitted by:

Leslie Huhn
Township Manager

Sandra B. Yerger
Council President