

EAST FALLOWFIELD TOWNSHIP
BOARD OF SUPERVISORS MEETING
November 14, 2023 **Approved Minutes**
6:30 p.m.

Members Present

Wilson Lambert, Chairman
Joe Heffern, Vice Chairman
Katja DiRado, Member
John Nielsen, Member
Al Wright, Member

Township Staff Present

Scott Swichar, Township Manager
Lisa Ionata, Treasurer
Chad Osborn, Police Chief
Township Solicitor
Mike Crotty

1. CALL TO ORDER, SILENT MEDITATION, PLEDGE OF ALLEGIANCE

Chairman Lambert called the meeting to order at 6:32 PM.

Chairman Lambert stated that there was an executive session tonight to discuss personnel matters.

2. DISCUSSION

A. APPROVAL OF MINUTES

October 24, 2023 BOARD OF SUPERVISORS MEETING MINUTES

MOTION: Vice Chairman Heffern made a motion to approve the October 24, 2023 Board of Supervisors meeting minutes as presented. Supervisor Wright seconded.

VOTE: 4-0. Supervisor Nielsen abstained.

B. FIRE DEPARTMENTS & DEPARTMENT OF EMERGENCY SERVICES

1. October Westwood Fire Company Fire Chief's Report submitted for Board and resident review.
2. October Westwood Fire Company EMS Report submitted for Board and resident review.
3. October Modena Fire Company Fire Chief's Report submitted for Board and resident review.
4. October Modena Fire Company Fire Chief's Report – East Fallowfield Calls Only submitted for Board and resident review.
5. October Modena Fire Company EMS Report submitted for Board and resident review.

3. TREASURER'S REPORT

- 1) October 31, 2023 Treasurer's Report.

MOTION: Vice Chairman Heffern made a motion to approve the October 31, 2023 Treasurer's Report as presented. Chairman Lambert seconded.

VOTE: 5-0.

2) Payment Authorizations.

MOTION: Chairman Lambert made a motion to approve the Payment Authorizations for the period of October 25, 2023 through November 14, 2023 in the total amount of \$441,996.91 as presented. Supervisor Wright seconded.

VOTE: 5-0.

3) Establish Meridian Bank Sweep Account

MOTION: Supervisor DiRado made a motion to authorize the Township Manager to establish the Insured Cash Sweep Account with Meridian Bank and sign all documents. Chairman Lambert seconded.

Treasurer Ionata stated that a Sweep account keeps a minimum amount in the Township's account. Meridian Bank will move whatever is left to multiple investment accounts. There is no risk of the principal being lost. The Township will earn interest and if a check is presented that goes below the bank balance, Meridian will sweep money back into the account so that the check is not bounced. The current interest rate is approximately 5%.

VOTE: 5-0.

4. TOWNSHIP MANAGER'S REPORT

1) Second Presentation of Proposed 2024 Budget.

Mr. Swichar stated tonight is the second presentation of the budget. The Board could authorize the advertisement of the budget tonight. If the board approves the advertisement tonight, we will advertise the availability of the budget this week and make it available for public inspection. The budget must be advertised at least 20 days before adoption. December 12 is the date we have scheduled for adoption. If the budget is not approved on December 12, there are other meetings scheduled in December: December 19 and December 26.

Mr. Swichar provided budget highlights. The Township does not propose using fund balance as revenue to balance the 2024 budget. The 2024 budget is a balanced budget.

There is no real estate tax increase proposed in the 2024 General Fund.

There is a proposed tax increase of .75 mills in the Fire/EMS budget to fund the provision of advanced life support (ALS) and provide for a full-time firefighter at Westwood Fire Company and a full time fire fighter at Modena Fire Company.

The Township has done an exceptional job keeping the trash fee steady over the years, however there is a proposed annual fee increase of \$140. The fee would increase from \$310 to \$450 next year due to rising costs.

The 2024 General Fund revenues are \$3,014,556. The 2024 general fund budgeted revenue is \$380,515 greater than 2023 General Fund Revenue of \$2,634,041. This is largely attributed to larger Real Estate property taxes and increased Earned Income Taxes (EIT) that we are projecting.

The 2024 General Fund expenditure Budget is \$3,014,556, which is \$320,242 greater than 2023 General Fund Expenditure budget of \$2,694,314. Mr. Swichar stated that the 2024 expenditure budget includes a \$155,922 interfund transfer from the general fund into the capital fund. This is reflected on line item 492.18 in the general fund budget. When you remove the interfund transfer, the 2024 expenditure budget is \$164,320 greater than the 2023 General Fund Expenditure Budget

The Township budgeted increases of 5% into insurance costs and operating expenses.

The proposed budget includes continued investment in infrastructure. The Township budget includes \$350,000 for road paving, \$275,000 for Traffic Calming in Newlinville Village, \$275,000 for repairs to Saw Mill Road, and a new fuel Master Pump. The Township received two separate grants for the Newlinville project. The Township received a grant for the gas pumps.

Supervisor Nielsen questioned if the \$275,000 for the Newlinville Traffic Calming will be reimbursed.

Township Manager Swichar stated yes. The Township would receive grant reimbursement after the project is completed.

The Township budgeted \$75,000 to complete a feasibility study for a new municipal complex. This year, we took a major step forward by purchasing 10.9 acres of land on Wilmington Road which will become the site of a future municipal complex. A feasibility study would be the logical step.

Mr. Swichar discussed comparisons between the 2023 adopted budget and the 2024 proposed budget. There is a 51.2 increase in the Fire/EMS budget. This reflects the proposed tax increase in the Fire/EMS Budget. There is also a large increase in the Trash Budget, which reflects the much more expensive trash collection contract with A.J. Blosenski,

The Park and Rec Fund reflects a large increase in spending. This is attributed to the costs associated with the Open Space Plan. The Township received a \$30,000 Vision Partnership Grant, so a lot of the money will come back to the Township.

The Capital Fund reflects \$996,244 in spending reflecting a large number of projects planned for next year .

The remaining funds in the ARPA account will be spent next year to repair the large underground pipe on Saw Mill Road that is failing.,

Fire/EMS budget starts at line 301 in the budget.

The Township has not increased its millage rate since 2018. In 2018, the millage rate was set at 3 mills---2 mills for General Purpose and 1 mill for Fire/EMS.

Westwood Fire Company and Modena Fire Company approached the Township this year and requested that the Township increase the Fire/EMS tax so that they can hire paid firefighters. Both fire companies are struggling to recruit volunteers.

The proposed budget increases the Fire/EMS tax from 1 mill to 1.75 mills, which is an increase of .75 mills.

The increase of .69 mills would go toward one paid firefighter at (Westwood Fire Company) and one full-time fire fighter at Modena Fire Company.

The .06 millage increase would go to Westwood Ambulance to continue to provide Advanced Life Support (ALS) to the entire township. Westwood started providing this service to East Fallowfield Township in 2021, but the Township never increased millage to pay for it. There is an extra \$49,308 reflected in the Subsidy to EMS Budget (411.542), which is money paid directly to Westwood for the ALS service.

Mr. Swichar explained what a .75 mill tax increase would look like:

The average Homeowner currently pays \$408.35 a year in Township real estate property taxes (General Purpose and Fire/EMS) The average property in East Fallowfield Township has an assessment of \$136,116. Some properties will be more than this amount, some will be less.

If the Fire/EMS mills are increased by .75 mills, the average homeowner will see an increase of \$102 next year. Therefore, the average tax bill would increase from \$408.35 to \$510 next year.

The 2024 Fire/EMS budget will increase from \$451,232 (2023) to \$767,166 in 2024 due to the proposed millage increase and because the assessment value has increased slightly.

The 2024 proposed Fire/EMS Budget continues to set aside \$73,200 so that both fire companies can make capital purchases for items such as fire trucks or ambulances. The Township has been doing this since at least 2018.

If the Township increases millage by .75 mills, we projected there would be an excess of about \$100,000 next year in the Fire/EMS Fund. The board would need to have a separate discussion on how to best use that extra money to support the fire companies related to capital needs.

Mr. Swichar discussed the trash Fund. The Township went out to bid this summer and awarded a 3 year Hauling Contract to the low bidder---AJ Blosenski. A.J. Blosenski was almost \$500,000 cheaper than the second lowest bid from Whitetail Disposal. The new contract with Blosenski will start in 2024. The Township is aware that A.J. Blosenski is working through operational issues as a result of a corporate acquisition. AJ Blosenski assured the Township operational issues will be ironed out by January 1. There is a provision in the agreement that would allow the Township to terminate the agreement at its discretion with 6 months' notice.

the contracted price for waste hauling went up dramatically. The hauling expense increases from \$477,000 in 2023 to \$727,176 in 2024 which is a 52% increase.

The Tipping Fees (disposal costs paid to Chester County Solid Waste Authority) are projected to increase from \$200,000 (2023 Projected) to \$250,000 (2024 Proposed).

Trash Fund reserves are currently healthy, however if there is no increase to the Annual Trash Fee of \$310, the Township would deplete its reserves in 2024 and there would be no operating capital to operate the trash fund in 2025. The administration is strongly recommending an increase in trash fee from \$310 to \$450 in 2024 to balance the trash fund and protect required operating capital. Mr. Swichar discussed the three-year projection for the trash fee. If the Township increases the trash fee to \$450 in 2024, we expect that we can keep it steady in 2025 and not raise it again until 2026, when it would be increased to \$480.

Supervisor Nielsen questioned if the hauler would collect trash on Jane Street. He questioned if the collection fee also includes recyclables.

Mr. Swichar stated yes. The hauler fee includes collection of recyclables.

Mr. Swichar discussed real estate tax millage history since 2016. 2018 was the last time there was a tax increase, when the township increased millage in the general fund by .75 mills.

Mr. Swichar discussed what the average township resident pays for their township real estate tax as well as the trash fee. The average homeowner currently pays approximately \$407 for their township real estate taxes and \$310 for trash which amounts to \$717.00. Mr. Swichar stated that that is not a lot of money considering all of the services that township residents receive including 24x7 police coverage, trash collection, fire and ambulance protection paving, public works, park and recreation.

Mr. Swichar discussed the distribution of real estate taxes in East Fallowfield. You can see that your real estate tax dollar is made up of three components: the school district, Chester County, and East Fallowfield Township. The school district, which is a separate taxing authority receives 85 %, Chester County receives 9%, and East Fallowfield Township also receives only 6 %

Mr. Swichar discussed the surplus funds in the General Fund every year since 2014 and discussed total reserves in the General Fund since 2014. The Township has done a great job building up its Fund balance while also transferring funds to the capital fund to pay for capital projects. The Township has built up its General Fund Reserves to \$3.4 million since the end of last year. The Township had managed its funds exceptionally well. We have always looked for ways to save money, the Earned income tax has done well past several years and the Township has relied heavily on grant funds to complete major capital projects.

The 2023 Revenue is projected to be \$3,108,736 compared to the 2023 Budgeted Revenue of \$2,634,041. EIT and Transfer Tax well exceeded budget estimates. The Township expected to end the year with a positive balance of \$474,695. The Township will likely recommend a transfer of \$400,000 to Capital Fund in 2023 to fund capital projects proposed in 2024.

2) Advertisement Availability of 2024 Budget.

MOTION: Supervisor Wright moved that the Township authorize the advertisement of the availability of the 2024 budget. Vice Chairman Heffern seconded.

VOTE: 5-0.

3) BAWA Fellowship Escrow Release No. 17 (Phase 1)

MOTION: Supervisor Nielsen made a motion that the Township approve Escrow Release No.17 for the BAWA Fellowship Residential Subdivision Phase 1, in the amount of \$79,080.00. Supervisor Wright seconded.

Township resident Clarence Rhoades questioned the amount of escrow remaining.

Mr. Swichar stated the balance is \$394,440.95.

VOTE: 5-0.

4) Authorize Simone Collins, Inc. to complete grant consulting work for 100 Mortonville Road

Mr. Swichar stated that the Township is looking at land as part of its open space plan. The motion would allow the township to hire Simone Collins, Inc to write a grant proposal to get funding for a park master plan of the property.

MOTION: Vice Chairman Heffern made a motion authorizing Simone Collins, Inc. to complete grant consulting work for a park master plan of 100 Mortonville Road at a cost not to exceed \$2,500. Chairman Lambert seconded.

Resident Teri Dickinson questioned why the property is being investigated prior to completion of the Open Space plan.

Mr. Swichar stated that the motion would not authorize the purchase of the property. The motion is to submit a grant to receive funding so that the township can complete a plan to further evaluate the property.

Supervisor Wright questioned whether Simone Collins would take into account the specifics of the property.

Mr. Swichar stated that the \$2,500 is only for the grant proposal.

Township resident Clarence Rhoades discussed the property.

Vice Chairman Heffern discussed the purpose of the grant proposal. Supervisor Wright questioned the timing of the grant proposal.

VOTE: 5-0.

5) Resolution for DCED Statewide Local Share Assessment Grant

Township Manager Swichar stated that a resolution is required as part of the grant submission package to LSA.

MOTION: Supervisor Wright made a motion approving the submission of Resolution 2023-20 authorizing the submission of a grant application to DCED's Statewide Local Share Assessment (LSA) Grant in the amount of \$75,000 for a Park Master Plan of 100 Mortonville Road and authorizing the Township Manager to execute all documents. Supervisor Nielsen seconded.

VOTE: 5-0.

5. LEGAL

- 1) 2023 Independent Auditor Appointment, 2023 Reorganizational Meeting and Elected Auditors Meeting.

MOTION: Supervisor Nielsen moved that the Township authorize the advertisement of the intent to appoint BBD as its Auditor, to be considered at the Board meeting on January 2, 2024, as well as to advertise the organization meeting of the Board of Supervisors for 6:00 p.m. on January 2, 2024, and notice of the elected Township Auditor's meeting on January 3, 2024 at 6:00 p.m. Chairman Heffern seconded.

Vice Chairman Heffern questioned who the elected auditor was.

There was a board discussion on the matter.

VOTE: 5-0.

6. PLANNING COMMISSION

- 1) No Planning Commission Report Submitted.

7. POLICE DEPARTMENT

- 1) October Police Report submitted for Board and resident review.

8. PUBLIC WORKS DEPARTMENT

- 1) October Road Department Report submitted for Board and resident review.

9. HISTORICAL COMMISSION

- 1) No report submitted.

10. PARK AND RECREATION BOARD

- 1) No Report Submitted.
- 2) Chairman Lambert stated that Holiday Tree Lighting event is December 9 at 6:00PM
- 3) Supervisor Nielsen stated that he removed the plastic coverings on the trees during the park cleanup event.

11. OLD BUSINESS: none

12. NEW BUSINESS

- 1) Signage for Shale Run

Motion: Supervisor Nielsen moved that the Township authorize the installation of signage denoting "Shale Run" in the Township right of way where the stream crosses South Bailey Road, Oaklyn Road and South Caln Road. The signs to be of similar color and size of signs denoting the West Branch of Brandywine Creek. Supervisor DiRado seconded.

Supervisor Nielsen stated that Herbert MacCombie mentioned in a report about an unnamed tributary to the west branch of the Brandywine as exceptional value. The naming committee of the USGS approved the name. The hope is that there would be watershed protection as a result of the signage.

VOTE: 5-0.

13. PUBLIC PARTICIPATION:

Mr. Steve Bower, township resident, questioned capital expenditures for next year.

Mr. Swichar provided an overview of capital projects scheduled in 2024.

Mr. Clarence Rhoades, township resident discussed fire hydrants in the township and other issues in the township.

Mike McWilliams stated that fire hydrants are maintained by PA Water.

Vice Chairman Heffern questioned if the township looked at placing a parking lot at the township owned site on Goosetown Road.

Mr. Swichar stated that Brandywine Conservancy paid for the engineering plans to build a parking lot. There would be extensive excavation needed to build a parking lot at the site.

Township resident, Jennifer Wright discussed plans to build a new elementary school at the site South Brandywine Middle School.

Jerry Dickinson, questioned why the Township can't take surplus in the general fund to offset increases in the Fire/EMS fund.

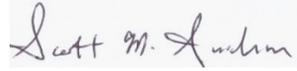
Treasurer Ionata stated that the township should have between 6-12 months revenue in the bank. The Township will need money in the future to pay for future projects.

14. ADJOURNMENT

MOTION: Supervisor DiRado made a motion to adjourn the November 14, 2023 of Supervisors Meeting at 7:37 PM. Supervisor Wright seconded.

VOTE: 5-0.

Respectfully Submitted,

A handwritten signature in black ink that reads "Scott M. Swichar". The signature is written in a cursive style and is placed on a light gray rectangular background.

Scott Swichar,
Township Manager/Secretary