

**BIRMINGHAM TOWNSHIP  
BOARD OF SUPERVISORS MINUTES  
OCTOBER 19, 2009**

**2010 BUDGET MEETING 9/28**

A meeting to consider the 2010 budget was called to order in the Township Building by Chairman Conklin at 6:30 PM. The following Township Officials were in attendance:

John Conklin	-	Chairman
William Kirkpatrick	-	Vice-Chairman
Al Bush	-	Member
Thomas Nelling	-	Chief of Police
Quina Nelling	-	Secretary/Treasurer

Sect./Treas. Nelling presented the Supervisors with the 2010 budget worksheets which included the 2009 revenues and expenditures to date; the 2009 projected revenues and expenditures; the 2010 proposed budget, with corresponding notes next to budget line items; and carry forward projections for 2010 and 2011.

2009 Budgeted Revenues	-	\$1,208,578.
2009 Projected Revenues	-	\$1,228,071.
2009 Budgeted Expenditures	-	\$1,336,330.
2009 Projected Expenditures	-	\$1,278,987.
2010 Budgeted Revenues	-	\$1,140,488.
2010 Budgeted Expenditures	-	\$1,240,624.

Because of no new house construction and a decline in the market value of properties, the 2010 assessed valuation projection will be decreasing, which will result in a decrease in tax revenues of about \$7,800.

The following items were discussed at the meeting:

- Projected revenues are \$20,000. more than budgeted and projected expenditures are \$65,000. less than budgeted. (AWB)
- Actual real estate transfer tax is projected about \$19,000. less than the \$130,000 budgeted.
- Vehicle Code Violations are projected @ \$90,000. with a budget of \$60,000.
- Building Permit Revenues need to be increased 25% - Expense to enforce zoning and building still won't come anywhere close to being equal even with an increase. BOS hasn't been happy with Yerkes doing this function. A change will need to be made.
- Electric expense for the traffic signals is not included in the budget due to the LED installation credit.
- No budget info was received from RPOS. Discussed replacement of fence rails at Sandy Hollow and mowing ideas for the Birmingham Hill trail.
- PD fleet will be reduced by one vehicle with the sale of the 2001 Expedition and the 2005 Crown Vic. Three PD vehicles will have over 100,000 miles by the end

of 2009. Budget proposes the purchase of a marked Expedition, pending approval by the Supervisors in the Spring of 2010.

- PD overtime is down from 2008 and less than budgeted.
- Efficiency in engineering costs isn't being realized by doing road programs every other year. Engineering cost for the 2009 road program was almost as much as the cost of the work. The BOS discussed getting quotes prior to all work being authorized. Mrs. Nelling noted that a large part of the engineering cost was for the permitting for the culvert in Spring Meadows.
- Liquid Fuels funds could be used to pay for snow removal expense if necessary.
- Roads in the Knolls of Birmingham and Birmingham Hunt will all come due for overlays at the same time.
- The overlay on the Township parking lot may be delayed another year with sealing only included in the budget.
- The administrative costs for the sewer fund should be increased. The BOS settled on \$30,000.

After reviewing the line items in the budget, the net change was an additional \$7,000. in expenses. The proposed carry forward into 2010 is projected at \$487,566. which Mr. Bush said has been satisfactory in the past so he did not envision a tax increase. The proposed carry forward into 2011 is \$387,430.

The Board discussed the possibility of a local services tax of \$52. The tax would be collected from each employer in the Township from each employee that earns over \$12,000./year.

There was little discussion on the sewer fund budget. The EQ pump replacement was realized in 2009. Sandy Morgan of URS Corporation was asked to update the capital reserve contribution. There has been a cost savings to the Township with direct billing of services, such as sludge disposal. An increase in the quarterly sewer rent is not anticipated.

At 9:30 PM, Chairman Conklin moved to continue the meeting until 6:30 PM on October 19<sup>th</sup>. The November 9<sup>th</sup> meeting will be cancelled. (Approved all in favor.)

### **2010 BUDGET MEETING 10/19**

The meeting to discuss the 2010 budget was called to order at 6:30 PM in the Township Building by Chairman Conklin. Township Officials in attendance for the 9/28 budget meeting were present. Also in attendance was the Township Solicitor, Kristin Camp. Mrs. Nelling updated the budget worksheets per the changes made at the 9/28 meeting.

#### **GENERAL FUND**

2009 Projected Revenues	-	\$1,248,488.
2009 Projected Expenditures	-	\$1,288,296.
2010 Budgeted Revenues	-	\$1,137,356
2010 Budgeted Expenditures	-	\$1,254,440.

The carry forward into 2010 is projected to be \$498,674. The carry forward into 2011 is projected at \$381,590.

SEWER FUND

2009 Projected Revenues	-	\$824,645.
2010 Budgeted Revenues	-	\$794,945.
2009 Projected Expenditures	-	\$346,875.
2010 Budgeted Expenditures	-	\$322,535.

2010 budgeted revenues includes a capital reserve carry forward of \$295,000. and a fund balance carry forward of \$182,770.

STATE FUND

2009 Projected Revenues	-	\$167,962.
2010 Budgeted Revenues	-	\$235,929.
2009 Projected Expenditures	-	\$ 41,240.
2010 Budgeted Expenditures	-	\$225,785.

2010 budgeted revenues include a carry forward amount from 2009 of \$126,722.

Mr. Kirkpatrick stated that budgeted expenditures are specific and tend to remain constant. However, the challenge in the budget is revenues. Reductions have been seen in the purchase price of homes since 2005. Assessed valuation of properties is being appealed; resulting in decreases to the tax base. The bottom line for total revenues in the budget needs to be addressed. Mr. Kirkpatrick proposed a modest 6.7% increase to the millage rate from 1.5 to 1.6 mills which would generate about \$46,000. in revenues at a cost of only \$0.63/home/week to the average homeowner. The Township runs a tight budget while constantly facing increasing costs. He would rather operate a fiscally sound budget without having to scramble and whacking the residents with a large increase if the Township gets into trouble. He added that there is still almost \$90,000. outstanding in general note obligation debt.

Mr. Bush was not in favor of a tax increase at this time. He felt that there were areas of the budget that could be addressed in order to avoid a tax increase. Mr. Bush proposed:

1. increasing building permit revenues by \$5,000. to \$25,000. and decreasing the cost of building and zoning by finding a way to get the work done at a more reasonable cost;
2. decreasing building maintenance from \$15,000. to \$5,000. and not overlaying the township parking lot;
3. reviewing discretionary items, such as the fence replacement at Sandy Hollow and timing on the purchase of the new police vehicle, in early 2010.

He said that police fines revenue was understated. He did not want to increase this budget item to indicate that a quota was being set on fines, but historically it has been higher than budgeted. These changes would increase the carry forward by \$25,000.

Chairman Conklin tabled discussion on a tax increase until the end of the meeting.

Other budget items discussed:

- \$1,000. donation to the West Chester Library which will be remitted in June after the discount period for property taxes.
- Sewer fund budget includes \$17,500. for manhole re-alignment which will be revisited at a Township meeting in 2010 with the Township Sewer Engineer present.
- Because of the decline in gas tax revenues there is a 4% decrease in the liquid fuels funds from the State.
- There will be a 20% increase in electric rates in 2011.
- The Township has had to absorb the effects of prevailing wage and other unfunded State mandates.

Chairman Conklin said that there was no good news on the revenue side of the budget. The Township has been fortunate in avoiding the imposition of an earned income tax. Open spaces have been able to be preserved without the addition of any special taxes. The implementation of a local services tax (LST) has been discussed in the past. He is a little less comfortable with “playing the hand” in the budget presented as well as drawing down on the carry forward “cushion”.

Mr. Bush estimated that the LST tax would generate about \$30,000., though in the first year it would only be three quarters as collections are for the prior quarter.

Mrs. Camp said that if the Board wanted to pursue an LST tax that it would have to decide tonight for implementation of the tax in 2010. DCED needs to be notified by December 1<sup>st</sup> of any tax changes and advertising requirements are three consecutive weeks with the effective date being thirty days after the ordinance was passed. There is a hierarchy of payment, so the tax is only collected by one township. It is a burden to administer. Berkheimer Associates is well prepared in this tax administration with notification form letters for collection and delinquents. It is the employer’s obligation to collect the tax from any employee that is anticipated to make over \$12,000./yr. with collection being weekly or bi-weekly, depending on the pay schedule.

Chairman Conklin moved to hold a hearing on the consideration of the implementation of the LST tax for Monday, November 16<sup>th</sup> @ 6:30 PM. (Approved all in favor.) Mr. Kirkpatrick noted that he will not be present on the 16<sup>th</sup>.

Harry Miller, Bottom Lane, thought the Township employees should be exempt from paying the LST tax and that some sort of compensation arrangements should be made for the employees. He is not in favor of the Township adopting the LST tax and he said that it was not a good time for a tax increase. People have lost jobs and income is tight. He agreed that there were areas in the budget that could be cut and he felt the Board should do whatever was necessary to avoid a tax increase.

Martin Wolf, Radley Drive, said that the tax increase would only affect the residents by \$35./yr. He would rather have a tax increase to keep the Township in a strong financial position in order to maintain the value of the houses in the Township.

Chairman Conklin moved to include a 1/10 mill increase in the 2010 budget. Mr. Kirkpatrick seconded the millage increase and it was approved. Mr. Bush opposed the tax increase saying that he thought it was one year premature. The motion was carried with two in favor and one opposed.

Chairman Conklin moved to close the budget meeting at 7:17 PM. (Approved all in favor.)

### **REGULAR MEETING**

The regular meeting of the Board of Supervisors was called to order at 7:31 PM in the Township Building by Chairman Conklin with the pledge of allegiance and a moment of silence. Township Officials present for the budget meeting were also present for the regular meeting.

Chairman Conklin moved to approve the October 5, 2009 minutes as written. (Approved all in favor.)

Mr. Kirkpatrick moved to approve the bills submitted for payment. General Fund bills totaled \$23,312.41. Sewer Fund bills totaled \$16,945.09. (Approved all in favor.)

### **MERCEDES-BENZ FACADE CHANGE**

Ross Unruh, Esq., representing Mercedes-Benz on Wilmington Pike, was before the Township to discuss a façade change to the facility, which is being requested by corporate, so that all the dealerships have “the same look”. The stone on the building would be replaced with metal rib siding of a gray and blue color with a blue overhang lip and blue columns. The change to the façade thin roof line will encroach into the front yard by an additional three and a half feet. Proposed changes to the signage will also be requested. The change would require a modification to the approved conditional use order. Mr. Unruh was looking for input from the Board as to whether they would support the change prior to the submission of the conditional use modification.

Mr. Kirkpatrick said that the change will create a more modern, industrial look. The Board didn’t have a problem considering the façade change. Chairman Conklin said that the conditional use modification would give the Township the opportunity to get up to date on two issues: 1. trash from Mercedes getting into the sewer tanks at the WWTP; and 2. maintenance of the retaining wall.

Possible encroachments onto Rt. 202 were discussed.

### **POLICE PERSONNEL**

Prior to tonight’s meeting the Supervisors interviewed Robert G. Inverso, Jr. for the position of part-time police officer. Mr. Bush moved to hire Mr. Inverso at the training rate of \$13.75/hr. (Approved all in favor.)

### **CONDITIONAL USE HEARINGS**

The Supervisors will be considering the application of Sprint Nextel on Monday, November 2<sup>nd</sup> @ 6:30 PM. Sprint proposes to install two microwave dishes and three panel antennas on the existing cellular communications tower at 1335 Wilmington Pike. The Supervisors will also be considering an application from Cingular Wireless at 7 PM. Cingular proposes to install twelve panel style communications antennas at a height of 125 feet on the tower.

Chairman Conklin moved to authorize a conditional use hearing for Wednesday, November 11<sup>th</sup> @ 7:30 PM to consider the application of Lisa and John Durham to use the former Bennigans Restaurant as an eating and drinking establishment to be known as "Bull Durham's Texas BBQ and Steaks" with live music and dancing as an accessory use. (Approved all in favor.)

### **PUBLIC COMMENT**

Chairman Conklin said that the Supervisors held an executive session on November 14<sup>th</sup> to discuss salaries and employees. A personnel interview was conducted.

Mr. Kirkpatrick said that the WWTP EQ pump project is complete and it has been operational for about two weeks. The WWTP will be visited on the road inspection.

Martin Wolf, Radley Drive, asked the Board if they had made a commitment to the preservation of the Brandywine Battlefield Park in Chadds Ford? It is no longer being run by the State. Volunteers are keeping the Park open. A flag was dropped off at the Township for flying to support the cause. There is a charge to rent or buy the flag. Chief Nelling said that the flag had been picked up by the person that dropped it off for the temporary flying. There was no prior discussion on a cost for temporarily flying the flag.

The meeting was adjourned at 7:55 PM. (JLC)

Respectfully submitted,

Quina Nelling  
Secretary/Treasurer