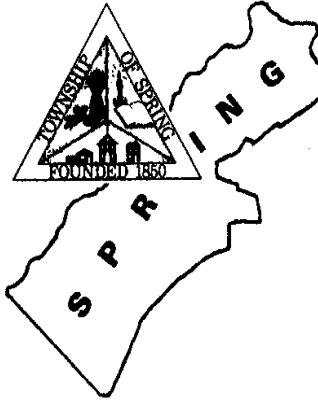


BOARD OF SUPERVISORS



TOWNSHIP OF SPRING

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BUDGET WORKSHOP

MINUTES

November 14, 2011

OPENING OF MEETING: A second budget workshop meeting of the Board of Supervisors was called to order by Chairman Collins, at 6:00 p.m., on Monday, November 14, 2011, in the Public Meeting Room of the Township of Spring Administration Building, located at 2850 Windmill Road, Spring Township, Berks County, Pennsylvania.

Upon roll call, Supervisors Collins, Hummel, Ulrich and Vaughan were present. Ms. Smith did not attend. Also present were: Leon Mazurie, John Groller, Sheryl Rowan, John Dallas, Greg and Linda Ganikon, Jeanette Campbell, Anne Seawall, Judy Avella-Keller, Robert Keller, Donna Bird, Sharon Daly, John Emerick and David Kostival of the Reading Eagle.

Chairman Collins reviewed pertinent information presented at the previous budget workshop held on October 24, 2011. The updated 2012 preliminary budget was then presented by Mr. Groller, as it relates to on-going negotiations, additional revenue data and questions raised during the last workshop session.

PRESENTATION BY DIRECTOR OF FINANCIAL SERVICES:

Mr. Groller distributed the following handouts:

1. 2012 Projected Budget
2. General Fund Budget Projections 2012-2014 (Scenario Summary)
3. Average Taxpayer Affect
4. 2012 Preliminary Budget – General Fund
5. 2012 Preliminary Budget – Capital Requests

6. Workshop Task Items

The updated preliminary budget for 2012 stands at **\$30,670,725.00** and includes \$11.3 million in capital expenditures and \$1.6 million in debt service.

In response to a question from the last workshop, Mr. Groller explained that the Engineering budget was increased by \$8,000.00 for the Wyomissing Creek Watershed study. A decision was made since then, however, to charge that amount against the current storm water budget, and it was removed from the Engineering budget. Also, there was a question relating to overtime in the event two police positions are left unfilled. Mr. Groller basically doubled the police overtime in the scenario in question.

Capital expenditures were reviewed, and scenarios for consideration were updated, as follows: (Calculations through 2014 attached.)

1. **.225 mill tax increase for ambulance; re place 1 retiree**
2. **.225 mill tax increase for ambulance; do not replace retirees**
3. **.30 mill tax increase for ambulance & library; replace 1 retiree**
4. **.30 mill tax increase for ambulance & library; do not replace retirees**
5. **.35 mill tax increase for everything; keep staff the same**

Mr. Groller pointed out that the longer a tax increase is deferred, and the Township continues to operate at the same level of service, the larger the impact could be on the residents. With an increase of .35 mills (#5), the shortfall would be \$404,777.00 in 2014, funding would be available for the ambulance and libraries and there would be no change in the staff. Since fire hydrant maintenance will be provided by Pennsylvania American Water, and the new electrical procurement contract will reduce the costs for street lights, the millage could be reduced for some residents. Mr. Groller thought that the fire tax could be reduced, as well, to offset any general fund tax increase.

All Supervisors agreed they want to keep services as they are. Chief Ross would like to replace the retirees with officers at the cadet rate. Once again, the ambulance and libraries were discussed. A possible membership fee was suggested to raise funds for the libraries. However, in that case there would be no funding from the state.

Chairman Collins was appreciative of the work performed by Mr. Groller and his department on the afore-mentioned scenarios. The Supervisors requested time to consider the options and will vote during the regular meeting.

There being no further business, Chairman Collins adjourned the meeting at 7:10 p.m.

Respectfully submitted,

Sheryl Rowan, Township Secretary