

TOWNSHIP OF LOWER MAKEFIELD
BOARD OF SUPERVISORS
SPECIAL BUDGET MEETING
MINUTES – NOVEMBER 8, 2023

A special Budget Meeting of the Board of Supervisors of the Township of Lower Makefield was held in the Municipal Building on November 8, 2023. Ms. Blundi called the meeting to order at 6:30 p.m. and called the Roll.

Those present:

Board of Supervisors: Suzanne Blundi, Acting Chair
Daniel Grenier, Acting Vice Chair (joined meeting in progress)
John B. Lewis, Secretary (joined meeting in progress)
James McCartney, Treasurer
Colin Coyle, Supervisor

Others: David W. Kratzer, Jr., Township Manager
Alison Vogel, Assistant Finance Director

Mr. Kratzer stated the primary purpose of this evening's meeting is to continue the conversation that was started on October 25, and to provide an opportunity for Department Directors to share a little more context on their respective proposals within their functional Departments.

Fire Services

Mr. Tim Chamberlain, Director of Fire Services, was present and stated he will be covering the Hydrant Fund and the Fire Fund. He stated the Board was provided a packet explaining each Budget.

Mr. Chamberlain stated there is no increase proposed in the millage for the Hydrant Tax, and we can cover everything with what is being brought in currently. He stated over the past year, we have been reviewing the bills from PA American Water, and it was noticed that there are about 105 hydrants in the Township that we do not pay for, and they are in certain developments that are paid for by the Homeowners Association. He stated if they were to break, they could be out of service for months. He stated the water mains in there are covered by PA American, and in talking to them, we can take them over so that every fire hydrant in our Township will be covered by PA American, and would be put back in service within twenty-four to seventy-two hours depending on the need. He stated we will pay for them out of the Fire Hydrant Tax.

Mr. Grenier joined the meeting at this time.

Ms. Blundi asked for a further explanation about the fire hydrants that are not ours and asked if that is typical in a Township; and Mr. Chamberlain stated a lot of times when developments were built and the hydrants went in, there was a Contract signed as a qualified, private hydrant. He stated they would be paid for by the Homeowners Association or the property owner, and any maintenance or repairs would be covered by them. He stated the Fire Company would flow test them, but that is all that they would do. He stated if they broke, it would be the Homeowners Association's responsibility to fix them.

Mr. Chamberlain stated the reset of the hydrants in the Township are public hydrants other than the third type of fire hydrant in our Township which is a fully-private fire hydrant which is past the water meter and is the responsibility of the property owner. He stated the upkeep and maintenance of these is on property owner not the Township. He stated there are currently about eight of these in the Township.

Mr. Lewis joined the meeting at this time.

Mr. Chamberlain stated the packet provided indicates that we currently pay for 631 public fire hydrants, and there are 105 qualified private hydrants. He stated PA American increased the fee for each one in 2023. He stated those who are paying for the qualified private hydrants are also paying the Fire Hydrant Tax, and he believes we should make sure those are taken care of properly and get back in service quickly if they break.

Mr. Kratzer stated as Mr. Chamberlain noted, there is sufficient capacity within the existing Millage Rates in order to accommodate the recommended change just outlined.

Mr. Coyle asked if we need to enact an Ordinance in order to take responsibility for those hydrants or is there a mechanism to void those Agreements with the HOA's. Mr. Chamberlain stated the only thing that he is aware of under PA American is the Bill of Sale that we will sign to take over those fire hydrants. He stated he does not know that all of the Associations even know that they are paying for them, and it is something that might be built into their Clubhouse Fee.

Mr. Grenier stated with street lights, he understands that it is a Fee Assessment; and he asked if there could be a Fire Hydrant Fee rather than including it in the millage. Mr. Kratzer stated that would be atypical, and this is a Special Purpose Tax that is supporting the fire hydrants. He stated he is not aware of any alternative arrangement where a Fee could be levied in lieu of a Special Purpose Tax. Mr. Chamberlain stated he has never seen that either. He stated there are some Municipalities that have it built into their Fire Tax. He asked Mr. Grenier if he is asking if we could move this .33 over to the Fire Tax and it would all be built into one Fund as opposed to having two Funds, as that is the only other thing he has seen. Mr. Grenier asked if that should be done; and Mr. Kratzer stated there would be no impact, and it would just be shifting it over. He stated while we are not near the cap under the Second Class Township Code as it relates to the Special Purpose Fire Tax, there is a cap and shifting the Hydrant Tax to the Fire Tax would be using capacity under the cap in the event that there was a need to increase the Special Purpose Fire Tax to account for Capital, changes in staffing, etc.

Mr. McCartney asked what problems could occur that we would have to fix if we transfer the privately-owned fire hydrants. Mr. Chamberlain stated if we take them over, they would be considered public fire hydrants, and there is a requirement by the PUC that PA American follows that the fire hydrant has to be back in service within twenty-four to seventy-two hours; but if they are privately owner, there is nothing that falls under that category, and that hydrant could be out of service for months until funds are found from the Homeowners Association or the property owner to fix that qualified, private hydrant. He stated if it is a totally private hydrant that is separate, the Fire Department has that marked out and they do not use those hydrants unless they really need to. He stated they will use the public fire hydrant since they know there is service, they can get more water out of it, and the line is bigger underneath the ground. He stated his suggestion is to take over the qualified, private hydrants and make them public so they can be put back in service quicker and the Fire Company will not have to worry about dropping more hose and delaying water operations.

Mr. McCartney asked what will be the cost for taking over those hydrants. Mr. Chamberlain stated it estimated to be \$179,000 for the 736 public fire hydrants we would have as a result of taking over those qualified, private hydrants. Ms. Blundi stated that cost would be going forward, and Mr. Chamberlain agreed unless the rates are raised.

Mr. Grenier asked if there are any other private hydrants such as for businesses. Mr. Chamberlain stated the only two types of hydrants that will be in the Township would be public fire hydrants and totally private. He stated at Makefield Highlands, there are two hydrants down the road which are technically private hydrants, and they are our responsibility. He stated we have to test them and make sure that they flow water, and they are not the responsibility of the Water Company. He added there about eight to ten private hydrants in our Township. He stated they are past the meter, and any water that comes out of them is paid for by the owner.

Mr. Grenier asked if there is anything we need to look at for future developments; and Mr. Kratzer stated we can look to see if there is anything that specifically enables that in the Code, and it may just be an arrangement that is available through PA American Water. Mr. Chamberlain stated it is an arrangement that when a development goes in the Fire Marshall would sign those as qualified private or public fire hydrants. He stated over the years they were signed as qualified private to allow this to happen, and they should have been signed as public fire hydrants so that they were taken care of by PA American. Ms. Blundi stated prior Boards may have thought this was a cost savings, although it really is not.

Mr. Kratzer asked Mr. Chamberlain if he was making some modifications to existing hydrants in terms of connections; and Mr. Chamberlain stated when we modified the Fire Code last year, we modified the requirements for the fire hydrants to put on connections so that they could be hooked up quicker. He stated they will use funds from the Hydrant Fund in order to begin retrofitting the fire hydrants with the same connection that is on the fire hoses so they can get water flowing more quickly. He added this will be a multi-year project given the number of fire hydrants in the Township.

Mr. McCartney asked if PA American charges the Township to flush the hydrants. Mr. Chamberlain stated we basically rent the fire hydrants from PA American so every month we get a bill of \$20 each for the 631 fire hydrants. He stated that Fee includes flow testing every six months and repairs, maintenance, weather preparation, and clean-out. Mr. McCartney stated the cost is about \$163,000 a year, and Mr. Chamberlain agreed. Mr. McCartney stated they are now looking to add another \$737 or \$8,800 a year with an initial Capital cost of \$180,000 for the additional 59 fire hydrants. Mr. Chamberlain that it will be 631 plus 105. He stated the 59 fire hydrants shown are what we pay Morrisville Fire Company since Morrisville Water Authority is responsible for the fire hydrants in the

lower end of the Township. He stated we pay them a one-time Fee the beginning of the year of \$8,850 which he has estimated to be \$9,500 next year with their increase.

Mr. Kratzer stated Mr. McCartney had indicated it would be \$180,000 for an initial payment; however, he stated that is the total cost all in. He added that there is no lump sum purchase, and that was just the sum of what the respective monthly charges for the rental would be assuming we take on these additional hydrants.

Mr. Grenier asked if PA American Water sets the fee, and Mr. Chamberlain agreed. Mr. Grenier asked if there is a way to try to negotiate that, and Mr. Kratzer stated he assumes it is a regulated rate. Mr. Grenier stated it seems like a high rate for flushing; however, Mr. Chamberlain stated as he noted it is the flushing, the maintenance, and replacement within a quick timeframe if a fire hydrant breaks. Mr. Grenier stated when he met with them, he told them that they need to be kept up better with paint, etc.

Mr. Coyle stated on the Budget Worksheet it shows a projected shortfall of \$6,213 with respect to the Hydrant Fund. He stated next year assuming the \$179,290 for PA American Water which includes the purchase of the qualified private hydrants, we are moving in a bad direction for the Hydrant Fund especially if costs increase year over year. Mr. Kratzer stated they are currently showing that there is slight reduction in the ending Fund Balance, but there should be some growth from an assessment standpoint that will happen year over year although that is limited. He stated this seemed to be tolerable given everything else that is going on with the Budget.

With regard to the Fire Fund, Mr. Chamberlain stated included in the packet, he broke it down by Account. He stated with regard to Personnel it is up to \$165,000, and this accounts for an increase in the time for the two part-time Fire Inspectors. He stated when his position was created in 2022 so that he could become more involved with Plan review, inspection of new businesses, and being out on the road more, the time was needed by these Fire Inspectors to help him be able to be in the office more. He stated they work about 1,100 hours inspecting the 472 Commercial properties and not everyone gets inspected because of the hours. He stated the increased hours will help. He stated they also use their own cell phones and vehicles.

He stated he compared them to other local Fire Inspector salaries. Currently they are at \$26.46 an hour, and he is recommending increasing that to \$29.46 an hour because they are using their personal vehicles and cell phones when they are doing the inspections. He stated that is all included in the \$165,000 proposed for the Personnel Budget, and is the reason why it is up from the \$125,000. He noted the explanation of the offsetting from the Contracted Services for this year.

Mr. Chamberlain stated he kept uniforms to \$3,000. He stated the Fire Inspectors are represented very well with their identified uniforms which they never had before, and he would like to continue with that.

Mr. McCartney asked if we pay the Fire Inspectors through a 1099 or are they a W-2, and Ms. Blundi stated they are W-2.

Mr. Chamberlain stated Office Administration includes all of the printing of the reports that the Fire Inspectors use. He stated in June, they honored a lot of their Volunteer Firefighters, and this Fund was used so he could have something to present to them.

Mr. Chamberlain stated with regard to Fire Prevention and Safety Material, he increased that by \$2,000; and that category allows him to give out fire prevention material when he goes to the Schools as well as pamphlets given to the residents when he does smoke detector checks. Mr. Lewis asked when discussing fire safety with children are we using that as an opportunity to get their parents to volunteer, and Mr. Chamberlain stated we are.

Mr. Chamberlain stated with regard to volunteer recruitment, he kept that at \$10,000. He stated this year we put up banners and sent out postcards. He stated we also had pamphlets and other hand-outs promoting volunteerism; and this has been very successful. He stated last year we had thirty-one active members and to date we have forty-five active members. He stated more are participating in Fire Police activities than as firefighters; however, they are still active members of the Department. He stated he wants to continue with recruitment.

Mr. Chamberlain noted Fuel and Vehicle Maintenance. He stated there is \$5,000 to cover the cost of the Fire Director's vehicle and the maintenance for it. He stated he is proposing to increase that to \$30,000. He stated the Volunteer Fire Company pays about \$22,000 a year in fuel. He stated the Township bills them, and the Fire Company pays for that bill. He stated to alleviate some of the paperwork, he would like to put everything into a

lump sum for fuel for Fire Service since technically the Fire Company is paying for it with money the Township gives them anyway. He stated he also does not want to take away \$22,000 that we give the Fire Company in the Fire Tax money because they can offset something else with that money. Mr. Grenier asked if this is just an accounting move, and Mr. Chamberlain agreed. He added it will also be easier for the Finance Department instead of having to bill, and then the Fire Company having to send a check.

Ms. Blundi asked where the offset would be and which account would come down. Mr. Chamberlain stated he is asking that nothing come down. He stated the Township gives the Fire Company \$365,000 and they take \$22,000 of that and give it back to the Township for the fuel. He stated he is asking that everything be put in one lump sum of a Fuel Account. Mr. Kratzer stated this involves Line Item 530. He added that Mr. Chamberlain is proposing an increase in the contribution to the Volunteer Fire Company so there is no net out. He stated he is asking that the Township assume the additional cost associated with the fuel, and is also asking for additional support to the Volunteer Fire Company.

Mr. Grenier stated last year it was about \$511,000, and this year it is \$375,000. Ms. Vogel stated the \$511,000 includes the transfer that was Board-approved from the bottle filling stations this year so it is a little over-inflated. Mr. Grenier stated it is probably better to compare it to the \$365,000 or \$360,000 from years prior, and Ms. Vogel agreed.

Mr. Coyle stated effectively 530 is going up \$10,000 over the prior year's Budget, and we are removing a \$25,000 expense burden from the Fire Company so it is an effective increase of \$35,000 to the Fire Company which comprises the vast majority of the \$48,000 shortfall. Mr. Chamberlain agreed.

Mr. Chamberlain noted Contracted Services, which will drop down to \$1,200. He stated that was used in the past for the third party that oversaw the two part-time Fire Inspectors; and we do not have that anymore. He stated he is asking to keep \$1,200 because we have to have a Deputy Volunteer Fire Marshall go to Court because of helping with an investigation, and there are Court Fees that the attorney has to pay; and we will pay them for their time. He stated that will never go away because we will reimburse the attorneys when they pay.

Mr. McCartney stated in 2022, \$14,400 was kept in that account; and Ms. Vogel stated it should have been allocated up to the Personnel Account, and that \$14,400 has not been expensed for 2023. She stated it is offsetting the overage in the Personnel line item. Mr. McCartney asked if that should not have gone back to the General Fund, since the point of hiring Mr. Chamberlain was to eliminate that salary. Mr. Kratzer stated all of this is funded by Special Purpose Fire Tax, and it does not relate to the General Fund.

Mr. Chamberlain stated Training and Seminars was kept at \$2,000 to pay for any training the two part-time employees have to attend to keep up the Certifications. He stated he dropped Communications down to \$12,000. He stated this year he purchased a radio for the Fire Director's vehicle although it has not yet been received despite being ordered in January. He stated he would like to purchase a radio for the office as currently he is using one from the Fire Company. He stated he would also like to purchase a laptop to help with investigations and with the CAD system in the County. He stated he is also including in this Account offsetting using his personal cell phone, and the reimbursement would come from the Communications Fund as well.

Mr. Chamberlain stated the Dues noted is what is needed for us to be able to keep our memberships with different investigation companies for himself and the two Inspectors to be Certified.

Mr. Chamberlain noted Miscellaneous Equipment on Page 6. He stated he is asking to increase this from \$2,000 to \$3,500. He stated this year he purchased a lot of hand tools and equipment for the vehicle, and this year he would like to purchase a gas meter for the vehicle so that he can monitor gas levels. He stated he would also like to purchase a camera for fire investigations as well as some miscellaneous investigation equipment to put in the vehicle.

Mr. Grenier stated it seems that the Fire Police may have a similar role with regard to fire investigations to what Mr. Chamberlain is describing. Mr. Chamberlain stated the Fire Police assist the Police with directing traffic, crowd control, etc. He stated when it comes to an investigation, it is himself and four Deputy Volunteer Fire Marshalls who assist him if they are there. He stated they split up roles with one doing interviews, one going through debris, and one taking photos. He stated when an incident occurs, and he does not have all of those volunteers, he has to take on all those roles which is why he is trying to purchase a camera. He stated we usually do investigations as a team with one person leading; and if we have to go to Court, if he is there, he will be the lead or he will assign

that role to a volunteer. Mr. Grenier asked if the Fire Company does not have a camera that could be shared, and Mr. Chamberlain stated it is usually someone who likes to take pictures that does that job.

Mr. Chamberlain noted Account 530 – Fuel Maintenance. He stated he is asking to increase it to \$375,000 which is a \$30,000 swing. He stated the packet provided shows that everything that has been purchased the past few years were with Funds from the Township, and we gave the Fire Department \$365,000. He stated a lot of what they had to replace over the last few years has cost a lot.

Mr. Chamberlain stated along with this, to increase volunteerism and keep the volunteers an Incentive Program was started, and those Programs cost the Fire Company almost \$86,000 a year. He stated it has been successful and kept us from having to worry about hiring paid staff years ago. He stated he would like to try to help the Fire Company offset some of these expenses, and that is where taking over the fuel is coming from along with an increase of \$10,000.

Mr. Chamberlain noted the Benefits pages; and he stated they are all paid for by the Fire Company out of the Budget and the money we allot to them through the Tax.

Mr. Chamberlain noted the contribution that we get from the State allocation.

Mr. Chamberlain stated with regard to Revenue, it was kept at 1.2 mills, and he has provided a breakdown over the past twenty-two years of the millage and the contributions that each Department – Yardley and Morrisville received.

Mr. Lewis asked what happened between 2004 and 2005 where the millage dropped. Mr. Kratzer stated he does not know since everything he has read is that Bucks County has not done re-assessments since 1972, but there seems to be something that occurred in 2004.

Mr. Chamberlain noted Plan Review and stated nothing was Budgeted for this past year as he did not know what we would generate from being involved with this. He stated for 2024 he put in \$10,000 based on the fact that so far we have brought in almost \$18,000.

Mr. Chamberlain stated for Interest Earnings, this relates to the State Shared Revenue that he discussed, and we brought in “311.”

Mr. Chamberlain stated with regard to Fire Inspection Fees, we increased the Inspection Fees last year which increased the Revenue for that; and he has kept it the same for next year as it was for this year.

Mr. Chamberlain stated Page 14 lists proposed future items he would like the Board to think about. He stated the Township does own a fire truck which was bought in 2017. He stated at that time there was no money allocated to purchase that and money was taken from the 2016 Bond. He stated we are paying almost \$50,000 a year to pay that off. He stated the Fire Company has a Replacement Plan and NFPA recommends that any truck over fifteen years old should not be a first-out piece. He stated the rescue truck runs out from the Fire House across from McCaffrey’s on any kind of emergency. He stated while the truck is owned by the Township, all of the equipment, maintenance, and replacement of tools are all purchased by the Fire Company.

Mr. Chamberlain stated he would like to look at starting a Capital Reserve Fund so that we are planning for when this truck is due to be replaced. He stated these trucks cost \$1.5 million to \$2 million to replace. He stated because of how well the Fire Company maintains the trucks, when it is time for a truck to be replaced, they almost get half of what was paid for it. He stated while that helps with the cost, he would like to look into doing something with a Reserve Fund so that there is money available when we need to replace a truck. He stated if it is decided at that time that the Township is not going to purchase a fire truck and will let the Fire Company purchase all of the fire trucks, that money could be used to offset other things such as personnel, renovations to a Fire Station, or whatever needs to be done for Fire Service so that money would not go to waste.

Ms. Blundi stated the Fire Department is a separate entity from the Township with their own Budget, and Mr. Chamberlain agreed. He added that the Yardley-Makefield Fire Company is a separate company that the Township pays to provide fire protection for the Township through the Fire Tax. He stated a Relief Association has been set up so they can get the State Revenue Funds. He stated the Fire Company manages their own money and has their own Budget which is shown to the Township every year. He stated the Township is ultimately responsible for fire protection; and if the Fire Company were to fold or does not have manpower, it will fall back on the Township so our support to the Fire Company is needed.

Ms. Blundi asked about the two Fire Inspections who are proposed to be given an increase. She stated salaries are being paid in the amount of \$165,000 and we generate a much smaller amount related to Fire Inspections. Mr. Kratzer stated the \$165,000 includes Mr. Chamberlain's cost as well so it is not just related to the Inspection Services that fees are being charged for. He stated the Inspectors equate to about \$60,000 of that amount. Mr. Chamberlain noted Page 14, and stated with the increase of the time he would like to ask them to work it would be \$53,500 for the both of them for the year, and we generate about \$55,000 from the Registration Fees which does not include the Plan Review Fees so it covers their two salaries.

Mr. Grenier stated while that would cover their salaries, they still need training and equipment; and Mr. Chamberlain agreed that is where some of the miscellaneous costs come in.

Mr. Lewis stated with regard to the Fire Capital Reserve Fund, the 2018 truck is the only asset that the Township owns, and everything else is owned by Yardley-Makefield Fire Company; and Mr. Chamberlain agreed it is owned by the Fire Company or the Relief Association. Mr. Lewis asked if the idea is that the Fire Capital Reserve Fund would be only for that one truck. He asked if there an advantage for the Township to do it versus the Fire Company as it relates to borrowing cheaper or being able to do it quicker.

Mr. Chamberlain stated he will be considering this in the future. He stated currently the way the Fire Company makes purchases is that for any large piece of apparatus from a pick-up truck up, it is purchased by the Relief Association. He stated the way the Relief Association Guidelines work is that any career staff cannot use any of the Relief-purchased equipment. He stated at one time the Township actually owned two fire trucks. He stated when the Fire Company replaced the 2003 tower ladder, the Township told them to put it in the Fire Company's name so it was bought by the Relief Association. He stated when the Rescue Truck came up, the Township suggested keeping it in the Township's name just in case in if future career personnel were hired, there would be no red tape with their using Relief-owned equipment versus Career-equipment; and that truck could be used by Career staff as it would be owned by the Township. Mr. Chamberlain stated moving forward the Relief Guidelines are looking to change so that there would be no red tape anymore since more and more Fire Companies are becoming a combination.

Mr. Chamberlain stated in the future we could consider looking at the Fire Company purchasing all of the big equipment, and the Township would help them with personnel to fill any needs. He stated the Capital Reserve Fund he is suggesting could be used to offset salaries, modifying the Fire House to accommodate Career-staff personnel if there were to be offices there, etc. He stated he believes this should be created so that there is money available to use.

Mr. Lewis stated he is generally sympathetic specifically when it comes to replacement of equipment and creating and building up a fund so that we do not necessarily have to borrow for it, and he would not have an issue with some of the flexibility if things changed.

Mr. Lewis asked if we are up against the cap for the millage, and Mr. Kratzer stated currently we are at 1.1 and the Budget as proposed is still showing 1.1. He added that Mr. Chamberlain is communicating to the Board that these items being discussed are items that could be acted upon this year, but that would necessitate an increase in the Special Purpose Fire Tax, or are items that the Board might want to consider moving forward. He stated the Board could do an incremental set-aside for purposes of making a PAYGO purchase or it could be decided to just finance the purchase when the purchase materializes. He stated at that point there would be an asset that has a fifteen-year useful life based on FNPA recommendations, and there could be a ten-year Lease/Purchase arrangement. He stated he is not advocating for one or the other at this point. He stated the Budget as proposed at this point with the millage at 1.1 does not create the Capital Reserve Fund for the purpose of the apparatus purchase. He stated if the Board wishes to go in that direction, that could be done; but there are other options available if the need for the purchase of that apparatus would materialize at some point in the future.

Mr. Grenier stated it seems that the Township has a fire truck but only a Township employee can use it. He asked if we could gift or sell the truck to the Fire Company so that they would take ownership of it instead of the Township. Ms. Blundi stated that the Fire Company can drive our truck; and what Mr. Chamberlain was indicating was that if we ever had to have a paid Fire Department, our people could not drive any of the Fire Company's trucks. She stated if we were to gift our truck to the Fire Company no one but the Fire Company could drive any of the trucks.

Mr. Grenier stated Mr. Chamberlain had indicated that recruitment was going well, and he asked why we would need to hire more personnel if recruitment is working. Mr. Grenier stated he is in favor of Capital Reserve Funds, but he wants to understand if we could shape the ownership of the truck so that the Township does not have to carry it and replace it in the future directly through the Township Budget although we would normally help the Fire Company. He stated we would do a re-assessment in a few years depending on how recruitment is going as to whether we have to hire someone.

Mr. Chamberlain stated there is red-tape on the Relief Association side with regard to equipment that they own which he believes is going to change as he previously noted. He stated if those changes are made, and there is career staff hired in the future there should be no problem with using any of the equipment either the Township or the Fire Company owns.

Mr. Chamberlain noted the last two pages of the packet provided. He stated the recruitment numbers are up, and there are a lot of active members; but he noted the chart on Page 18 which indicates that the average age of the membership is 53.74 years old. Ms. Blundi asked if that includes the new volunteers, and Mr. Chamberlain stated that includes the new volunteers. Mr. Chamberlain stated some of the new recruits are 60 to 70 years old. He stated while there were some younger recruits, they are not off-setting the older volunteers.

Mr. Chamberlain noted the chart on Page 19 which shows the average age of the volunteers who respond with the Township-owned fire truck that is housed at the Woodside Station is 56 years old during the daytime. He stated in the near future it can be seen that we might need some day-time help getting firefighters out to fires. He stated the ownership of the truck could become key if we have to hire personnel in the next one to three years for daytime purposes.

Mr. McCartney asked if volunteering is limited to Township residents; and Mr. Chamberlain stated it is not, and we have volunteers who live outside of Lower Makefield and Yardley Borough.

Mr. Lewis asked if 2023 call volumes are tracking higher or lower than last year, and Mr. Chamberlain stated we had our 500th call today. He stated while it is not in the 1000's like you would see in a City, the amount of protection we provide is growing; and the amount we save with the Volunteer Company is invaluable.

Mr. Grenier asked when we do a Development Agreement for a new development, is there a Fee assessed for fire services. Mr. Kratzer stated there is nothing beyond the increased assessed value that is ultimately subject to the Special Purpose Tax that helps support the Fire Company. Mr. Grenier asked if it would be legal to do something like that in the future. Mr. Kratzer stated he does not know if it is legal, but he could look into it. Mr. Grenier stated we get a Park & Rec Fee-In-Lieu Funds and other Fee-In-Lieu Funds.

Mr. Grenier stated there are other sources of Revenue that were discussed at the last Board meeting with respect to fireworks, fire alarms, and Special Event Permits. Mr. Chamberlain stated there was also discussion about Use and Occupancy inspections under certain conditions which would include a Fee and an inspection by himself and the Building Code official. Mr. Grenier asked if any of those Revenues are contemplated in this Budget, and Mr. Chamberlain stated the only ones that were estimated to come in next year were the Fire Plan review and the Fire Permits. Mr. Kratzer stated there would be nothing that would prevent through adoption of a Fee Schedule addressing those issues Mr. Grenier has raised in 2024, but they have not been reflected from a Budgetary standpoint at this point. He stated there may be some opportunity for additional revenue to offset some of the utilization of Fund Balance.

The Board thanked Mr. Chamberlain for the presentation and the details provided, and Mr. Chamberlain asked the Board to contact him if they have any further questions.

Golf

Mr. Mike Attara, Spirit Golf, was present with Mr. Brian McCloskey, Spirit Golf Finance Director.

Mr. Attara stated he feels that the investments into the property over the years with Food and Beverage, banquets, and the driving range are showing great results. He stated they will hit their first \$1 million mark in Food and Beverage this year. He stated at the driving range with the Top Tracer investment, we are seeing great results; and we are currently about 12% over Revenue from last year which was up from the prior year. He stated they hit the \$200,000 mark through September, and will track over that as we get to November. He stated Top Tracer is great, and the sessions are up, and they are doing about 549 engagements up from 426 last year. He stated that is also helping with the lessons which are up from \$100,000 to about \$135,000 through September.

Mr. Attara stated rounds through October this year are 46,800, and last year it was 44,538. He stated we are going to continue to Budget in the 43,000 range due to weather. He stated for most part it was a good weather year.

Mr. Attara noted Golf Participation Fees, and slight increases are proposed. Ms. Blundi asked if that recommendation is based on a survey of Courses. Mr. Attara stated we still sit at the top tier of the pricing in the market as well as the top tier in the number of rounds of golf. He stated we are still tracking well, and the Golf Course was in great shape all year, and he feels it demands the rate we are looking for. Mr. Attara stated we are still looking at slight increases throughout the driving range and believe cart revenues will continue to go up.

Mr. Attara stated with regard to Food and Beverage they are at a little over \$1 million so in total it is \$3,846,950 versus a projection of \$3,773,000 this year.

Mr. Grenier stated with regard to Food and Beverage there has been a significant increase in Revenue for banquets, and he asked if they have been marketing more. Mr. Attara stated the Banquet Sales Manager has done a great job this year. Mr. Grenier asked if they have done a recent market analysis to see what a restaurant with a similar number of tables should produce in Revenue a year given the hours we operate to see what our goal might be for improvement. Mr. Attara stated he has not done an analysis comparing the Golf Course to a restaurant, as they are very different. He stated most Golf Courses look at F & B as a loss leader, and having a profitable Food and Beverage operation in a golf market is a positive. Mr. Attara stated that they are seeing more people staying and eating after golfing in addition to the banquet piece.

Mr. Grenier stated he goes with his family occasionally, and he will often try to call ahead to see if there is a banquet there, but he is not able to get through; and once they get there, there are times when something is going on and either they cannot get in or there is very slow service. He stated he knows that Mr. Attara has been active on social media with promotions, but it is also important to have reliability as to whether you are able to actually get served once you get there. Mr. Attara stated there have been issues with the phone this year, and that has since been resolved.

Ms. Blundi stated she is often there with her family, and does not understand why more people are not there. She stated she feels that we can do better. She stated there were signs on Woodside Road that were not intended to be long-term, and she asked if similar Golf Courses have a sign in front which might drive more people to come in. Mr. Attara stated they have had some issues with some of the neighbors about putting things on the fence so they have been careful about that. He stated they could look into signage. He stated the numbers speak to improvement and growth.

Mr. Lewis stated a number of years ago there was an analysis done of our average revenue per golfer compared to peers. He stated at that time, we were doing well on the Greens Fees, but were not doing as well as peers with Food and Beverage. He asked if we have looked into that recently. Mr. Attara stated we look at it fairly regularly. He stated there is starting to be more data because more Golf Courses are starting to participate in the program. He stated there was a 17% to 18% growth on the restaurant side.

Mr. Attara noted Page 2 - Course and Grounds, and they are struggling with chemicals, fertilizers, gas, and oil because of the costs continuing to rise. He stated they are budgeting a little higher in those areas for next year. He stated they have noted with regard to Equipment Leases that they will maintain the Lease number. He stated as Leases are falling off, we are starting to save some money. He stated the fairway mowers were ordered this year, and they will come in next year. He stated another Lease will fall off in 2025, and we will have the opportunity to continue our normal replacement of equipment without changing the dollars.

Mr. Attara stated there is \$30,000 shown for Repairs and Maintenance. He stated the Budget was \$33,000 and we are at \$26,000. He stated with the new fairway mowers and the new rough mower we bought this year, we do not feel we will be spending as much money since a lot of money was going into those pieces.

Mr. Attara stated at the bottom of the page with regard to the Driving Range there is a slight increase there since golf ball prices continue to increase.

Mr. Attara noted the next page with regard to carts. He stated he does not expect any real changes on the cart side.

Mr. Attara stated with regard to the Pro Shop, they have made a change in Payroll with greeters and starters who are handling some of the starting from the front of the building which is helping with customer service and will help save some money compared to what we were doing this year. He stated overall there are no real changes in this Department, and he feels we will end up where we budgeted.

Mr. Attara stated with Food and Beverage there is nothing of significance. He stated we hired a new chef recently who is doing a great job with new selections.

Mr. Grenier stated when we are looking at revenue versus expenditures Food and Beverage on the revenue side seems to be shown with a lot of golf stuff versus expenditures which are a specific Food & Beverage number. He stated it would be better if it were the same so that we could compare. Mr. Attara stated they do that on the financials. Mr. Kratzer stated we can look into that for presentation purposes, and that would make sense from a comparison standpoint. Mr. Lewis stated he would like to see the margins on the Pro Shop and Food and Beverage. He stated with regard to the Pro Shop, he understands that most of the salary is for the starters and not for the merchandise. Mr. Attara stated they do look at that. He stated this year Revenues are up about 18% over Budget, and they are trying to manage to that percentage and make sure we are not going the other way. He stated he can supply what Mr. Grenier has asked for.

Mr. Attara stated there is no real change with regard to Marketing, and so they left the Budget the same. He stated with General Administrative there is a little savings on the salary side; and while their long-time bookkeeper had retired she decided to come back, but there will be a salary savings there. Mr. Attara stated Legal is really the insurance, and this relates to the Liquor Insurance.

Mr. Grenier asked about the credit card charges, and Mr. Attara stated it is about 3% to 3.5%. He stated they are going to discuss this going forward, and they are going to start putting fees on some of the credit cards. He stated for some of the bigger events, outings, and banquets, they are putting those fees on when they use a credit card. He stated Golf Courses are putting the credit card fees on everything they are selling just like restaurants are so there is the opportunity to have a savings there or we could just consider raising prices.

Ms. Blundi asked about the issue with regard to golfers having cards on file. Mr. Attara stated we have been weaning them off that concept, and the only place we really use that is League nights where it is a convenience.

There were discussions about options for use of credit cards or tapping into their checking account. Mr. Lewis stated high-intensity customers might be in favor of that if they felt it was part of a loyalty program. Mr. Attara stated he is not sure how that would work at a public course although there are some golfers who are very comfortable with having their card on file. Mr. Attara stated he will look into Mr. Lewis' suggestion.

Mr. Attara stated he has earmarked a few hundred thousand dollars for Capital and a \$225,000 transfer to the Capital Fund. He stated he left the transfer to the General Fund the same and left the transfer to the Golf Bond Repayment the same. He stated we know we have a pond issue that has been discussed for many years, and this needs to be addressed. He stated the project was Bid out at one time; however, we did not follow through with the project. He stated it is a continuing cost, and the cost of water right now is getting more expensive. He stated if we did a transfer to the Capital Fund for the next year, we would guarantee that we would have the money available so that we could start working on getting the pond taken care of.

Mr. McCartney stated the pond is essentially the irrigation system, and Mr. Attara agreed. He added that there are two pieces to the project. He stated the pond liner has been leaking and needs to be repaired. He stated when there are hot, dry stretches, we spend up to \$60,000 to \$70,000 purchasing water; and we are looking to eliminate some of that cost if we can retain more of the water in the pond. He stated irrigation will need to be addressed in approximately ten years, and will be very expensive; and we want to make sure that we are reserving enough so that we do not have to take out a loan.

Mr. McCartney stated he feels we should also be looking at the paths. He stated there could be a partnership with Public Works if we are getting Contracts for Township paving work. Mr. Attara stated he did discuss the paths with Mr. Fuller and they mapped out the areas that need work the most. Mr. McCartney stated he assumes the equipment needed for a golf path would be different from what is needed to pave a street so there may be the need for smaller vehicles coming in.

Mr. McCartney stated in 2023, there was \$755,000 net at the Golf Course, and \$455,000 went to the General Fund for repayment of prior Debt, \$150,000 of that was sent to a Park & Rec Capital Fee, \$75,000 to a Bond payment, and \$75,000 to the Golf Capital. He stated it looks like this is also what is proposed for 2024, but instead of giving \$150,000 to Park & Rec, that will be re-captured for Golf Capital; and Mr. Attara agreed. Mr. McCartney agreed that the Golf Course needs that. Mr. Attara stated it is needed at the Golf Course, and it does not make sense to create debt going forward at the Golf Course when we know we have needs at the Golf Course that are going to be coming up, and we have money to put into a Reserve now.

Mr. McCartney stated conceptually what was done with the Sewer sale and paying off the Golf Debt was to be able to make the Golf Course profitable so that they could transfer money from the Golf Course back to the General Fund to repay the Township; but also to start creating the Capital Fund to make sure that the Golf Course maintains a high level of play that people expect. He stated he feels when golfers see the trails, they may feel that the Course is slipping and it is important to maintain those along with the work needed to be done with irrigation.

Mr. Attara noted Capital projects for this year that potentially could be accomplished are the deck, which creates Food & Beverage opportunities, and also the range. Mr. Attara stated at minimum we need to re-deck the entire deck. He stated several years ago an analysis of the entire Club House was done with an architect, and one of the proposals was to square off the deck to provide more space, make it a rectangle, and cover it as well so we could get away from umbrellas. He stated if we look at the \$200,000 a year for a Capital Fund, we could lay out a five-year Plan. He stated the Club House is also getting older, there are HVAC issues, and in five to ten years we may need a new roof.

Ms. Blundi stated she is in favor of what has been discussed, and she would like to see such a plan. She stated the Board of Supervisors wants to understand what will need to be done in the future. She asked that Mr. Attara put something like that together for the Board although he would not be locked into that Plan. Mr. Attara stated he will provide the Board a Five Year Plan. He stated the big items are the deck, bar updates including more seating which will result in more revenue, HVAC, siding, roofing, and walk-in coolers. He stated these have been planned out over the next five years within the \$200,000 number per year, and left \$50,000 a year to continue the bunker project. He stated they also feel there is more opportunity with

the range. He stated the field is worn out, and there is basically no topsoil left. He stated they would like to fix the drainage, put more topsoil back out, and re-seed. He stated there is also opportunity to use the range in the rain with covered bays or more indoor/outdoor simulators where they feel there is a lot of opportunity.

Mr. Grenier stated he believes that a big part of the reason for doing all of these things is to make the Golf Course that much better which will create more revenue for the Township. He stated he would like to see what the revenue increases will be back to the General Fund and Park & Rec. He added that some of the numbers that were quoted as part of the Sewer sale process indicated that the Golf Course would kick back double what is being discussed now. Mr. Attara stated what they had always indicated was that it would be around \$800,000, and Mr. McCartney agreed. Mr. Grenier stated it was discussed that it would be \$1 million a year; however, Mr. Attara stated they have never been at that number so that would not be possible. Mr. Grenier stated while he understands that from Mr. Attara's side, he was skeptical of some of the numbers he was hearing from others. Ms. Blundi stated it seems that there may have been a mis-communication, but at least we know where we are now, and we can move forward.

Mr. McCartney stated they are maximizing the Golf part, but we need to consider other revenue opportunities which he feels would be Food and Beverage. Mr. McCartney asked if they are still doing "tap take-overs" with local brewers, and Mr. Attara stated they are. Mr. McCartney stated he understands that there are now some local distilleries although he does not know what the rules are. Mr. Attara stated through our vendors we can do certain things. Mr. McCartney stated it is challenging as the facility is down a long driveway "off the beaten path;" and it is a golf destination but not a "foodie" destination. He stated he believes that most people coming to eat dinner are residents and not coming from outside of the Township. Mr. Attara stated Friday nights bring in more people when they have entertainment; and they see the value of that and they have been doing that more often than in the past.

Mr. McCartney asked if they are still predicting between \$700,000 and \$800,000 of profit; and Mr. Attara agreed. Mr. McCartney stated money would be going back to the Township General Fund in the amount of \$2 million as part of a four-year plan. Mr. McCartney stated after that those funds would go to the General Fund as a surplus to be divided as needed whether that is Park & Rec or something else. Mr. Attara stated

provided we keep putting the \$225,000 Reserve in, we will be in good shape to deal with the pond, irrigation, and the bigger items. Mr. McCartney stated that would leave the \$450,000 that we are not paying the General Fund after year four. Mr. Kratzer stated his understanding was that the intent was that they were amortizing the subsidy that occurred over a period of time; and that once the amortized subsidy was repaid, they would accelerate repayment back into the Golf Bond Repayment Fund which could be used for whatever the Board chose such as supporting General Operations, funding Capital, Park & Rec. etc. Mr. McCartney stated it becomes a revenue stream, and Mr. Kratzer stated that was his understanding. Mr. Kratzer stated while that will be a number of years in the future, it will provide the ability to push some revenue back to support other operations of the Township. Mr. Kratzer stated he does not know what was communicated in terms of what the expectation of performance was, but his understanding was it was pushing money out of the Golf Fund and supporting other aspects of Township Government. Chief Coluzzi stated that was the intent although it may not be reaching the amount that was predicted.

Mr. Kratzer stated Mr. Attara indicated that he can provide the Board with information that will explain the Capital needs of the Golf Course. He stated he feels that should be a primary purpose or else we will not have an asset that is pushing anything back to the Township which is what has happened in the past with other Enterprise Funds.

General Discussion by the Township Manager

Mr. Kratzer stated with regard to the General Fund as was noted at the last Budget meeting, in the 2023 Budget there was an Operating Fund deficit that was projected of approximately \$1.7 million. He stated there were some one-time transfers that were going into the Operating Fund; and if you were to remove those, the Operating deficit would be greater than the \$1.7 million. He stated it was indicated that there was not much opportunity to do much on the Revenue side, and not much that could be done on the Expense side. He stated there is not a lot of discretionary spending in a Municipal General Fund Budget, adding that a significant portion of the costs are related to labor, so short of reducing the labor force, which would in turn reduce service provision, there is very little that can be done.

Mr. Kratzer stated over the past two weeks, they have been working to refine the Budget, and that work will continue; however as he advised the Board of Supervisors by e-mail, the General Fund deficit is showing a \$1.2 million deficit. He stated the Revenues included some one-time transfers that are not insignificant which are non-recurring transfers. Mr. Kratzer stated there was discussion about maintaining flexibility with the liquid Sanitary Sewer sale proceeds, and there is about \$1.4 million being transferred to support General Fund operations. He stated there are also the remaining ARP dollars in the amount of about \$140,000 that are also being shown as a transfer into the General Fund. He stated if those one-time transfers were to be removed, the General Fund deficit, much like in 2023, would be close to \$2.7 million to \$2.8 million. He reminded the Board that there is a challenge in terms of being able to meet on-going, recurring operational expenses in the General Fund.

Mr. Kratzer stated the General Purpose Tax Rate is currently at 13.88 mills, and it is proposed to go up to 14 mills which is the Statutory cap. He stated because of relatively flat, outdated assessments that increase will generate about \$66,000 of additional revenue based on current and total assessments. He stated there is not much revenue generation potential within the existing General Purpose Millage Rate. He stated as was discussed previously, where we are at is largely a function of the fact that there has not been comprehensive reassessment done in Bucks County for some time; and as a result of that, we are now up against the Statutory cap. He stated there is the ability to exceed that cap, but that requires the Township to go to the Court of Common Pleas in order to obtain that. He stated we need to keep that in mind not only as it relates to 2024, but also as it relates to subsequent Budgets since eventually the Fund Balance will be spent, and we will not have anything.

Ms. Blundi stated we are fortunate to have funds that have come from the sale of the Sewer, which was a difficult decision to make, and Rescue Funds that are helping keep us to appear to be operating within the Budget. She stated we have the ability to levy taxes, and those taxes are regulated by the State as to what percentage we can have; and we are almost at the cap of 14 mills for the General Fund. She stated there is also the Park Tax and the Fire Tax, but we still do not have enough revenue to do everything we have promised the residents that we would do without dipping into those other funds.

Mr. Kratzer stated the average Residential assessment in Lower Makefield is \$43,600, and the General Purpose Tax at the cap that a resident is paying for Municipal services is \$610 a year. He stated while residents get tax bills that are substantially higher than \$610 a year, that is the average amount that goes to the Township which supports the Police Department, Public Works, and all of the services that come with living in Lower Makefield Township. He stated the School District has a cap in terms of the rate of escalation that they can propose under the Act 1 Index, and they have the ability to petition to go over that. He stated while there is a mechanism for the Township to exceed the cap, the exceedance is limited to five additional mills to go up to 19 mills. He stated the combination of that with assessments that are substantially lower than what the value of the Real Estate is in the community is creating the situation we find ourselves in.

Ms. Blundi stated it is important for the residents to understand that the majority of the taxes being paid are not going to the Township, although they are going to other important things like the Schools and the County. Ms. Blundi stated while she agrees with the residents that we need good roads and other things, the actual amount of money that we have to do all of those things is limited. She added the prices also go up, but our Revenue does not go up.

Mr. Kratzer stated some of the neighboring Municipalities have other forms of revenue that they are collecting; and their millage rates are not substantially different from Lower Makefield's or their millage rates are even higher despite the fact that they are collecting substantial sums of revenue through other forms. He stated this is largely a function of the assessments within Bucks County.

Mr. McCartney asked how other Municipalities are handling this issue. He asked if Upper Makefield, Buckingham, and other Municipalities are also running at a deficit. Mr. Kratzer stated in many other Municipalities there are other sources of revenue that they are collecting. He stated some of them have an Earned Income Tax and some have an Amusement Tax. He stated Middletown collects \$1 million in Amusement Tax revenue. He stated some Municipalities have a Business Privilege Tax; and while those who have it can keep it, that Tax is no longer an option.

Mr. McCartney stated we have been facing the assessment issue for forty to fifty years, and the chances are that it will not change in the next five years. He stated we probably have two to three years of savings left, but

we need to find a way to run at Budget. He stated he believes that it has to be related to expenditures as that is the only thing that we can change. Mr. Kratzer agreed it is a challenge to see how to make that work. He stated we are seeing revenue growth of less than 1% in the primary source of how we are funding services. He stated it has been that way for a number years. He added that if there was a reassessment, statutorily you are required to reduce your millage rate down to generate an equivalent amount of revenue. He stated the benefit is that it allows additional room under the cap, and if it went up four times of what it is currently based on the old assessment, you would essentially have one fourth of your millage rate, and your General Purpose Millage rate would drop down to 25% of what it is currently, and then you would have flexibility as costs go up to address those costs on the Revenue side.

Mr. Kratzer stated there was discussion as to how to address this in 2024 in terms of projects, and one was the DCED Strategic Management Planning Program which would do a trends analysis based on what has happened in the past the what trends moving forward would look like as well as an evaluation of Operations to see if there is an opportunity to reduce expenses or deliver services differently.

Mr. Grenier stated he feels that looking at new ways to do things is going to be key. He stated some of the revenues do not seem to be what we felt they were going to be, some of the expenses may be greater than we had previously been told, and there is also inflation and other forces. He stated he would be interested in public/private partnerships to see if we can manage things differently. He specifically asked about the Pool and asked if we could look at an outside management service like we do with the Golf Course such as the YMCA to see if we could save money there. He stated he would also want to look at fees rather than taxes where it makes sense, and he noted a Stormwater Fee. He stated if we look at some of the special projects as well as some other projects in total it is almost \$3 million. He reviewed a number of stormwater projects being considered adding we are going to be seeing more of those over the years, so getting that Fee started is important so that funds for that can be built up and we do not have to assess more taxes.

Mr. Grenier stated a Special Events Permit may not be a huge revenue generator, but there are some large special events that we have that have not gone through that process in the past. Mr. Grenier stated there has been discussion about “rainy day funds” over the last few years, and he feels we should be looking into getting more money from other sources so that we do not have to assess it all at one time.

Mr. Grenier stated he believes that the RFP process generates competition which should in theory drive some costs down. He stated a Resolution was passed that we should RFP a number of things, but he does not believe that is always being done. He stated we could RFP for Food and Beverage at the Golf Course to see if we might get a Food and Beverage professional that might be a little bit better at it, and just have the Golf Course management team continue to manage the Golf Course since they are so good at that. Mr. Grenier stated he is trying to think of way to reduce the need for additional taxes and additional expenditures while still offering a solid level of service.

Chief Coluzzi stated he agrees with Mr. Grenier. He stated the Philadelphia Police Department has over a \$500 million Budget, and they have a Public/Police Partnership Program. He stated he was involved in that a number of years ago, and they raised close to \$1 million a year for Police and Police equipment. He stated this was done in partnership with businesses in Philadelphia, donations, and fundraisers at the Union League each year.

Police Department

Chief Coluzzi stated at the last public meeting there was discussion about the needs of the Police Department. He stated some corrections were since made in the salary schedule that had been overlooked, and some of the figures have been adjusted.

Chief Coluzzi stated for Fiscal Year 2024, the Budget includes a 4.25% increase in salaries for uniformed employees as well as a 4% increase for non-uniformed administrative personnel. He stated the uniformed-employee increase is based on the January 1, 2023 through December 31, 2026 Collective Bargaining Agreement. He stated that is a non-flexible item in the Budget because they are all Contractual issues. Chief Coluzzi stated the correction was that the 2024 Budget now comes in at \$7,073,282 which is a 5.79% increase over the 2023 Budget.

Chief Coluzzi stated the flexible portion of the proposed Budget consists of Office Administration, which is not salaries, and includes supplies, minor equipment, crime prevention, training, range maintenance, dues and subscriptions, and miscellaneous items and equipment. He stated that flexible portion of the proposed Budget is 1.12% of the overall proposed Budget. He stated that does not include any Capital purchases.

Chief Coluzzi stated in 2023 the Police Department received \$170,564 in Grants, and \$65,520 is remaining and will carry over to the 2024 Budget. He stated it is anticipated that the Police will receive \$49,800 for Police Services and Overtime reimbursement which is for investigations conducted with the Attorney General's Office, the District Attorney's Office, some investigations, and some drug investigations. He stated in addition we get \$102,059 from the Pennsbury School District toward our School Crossing Guard salaries as School Crossing Guards come under the Police Department.

Chief Coluzzi stated in the 2024 Budget he is asking for a replacement Officer for an Officer who retired, one Police vehicle, which is a leased vehicle, and one fixed license-plate reader for the Township. Chief Coluzzi stated with regard to the Police Officer replacement, this will try to keep our minimum-approved level of staffing of forty-one Officers. He stated we will not quite get there because we have some Officers who are injured and are out of work at this time; but what we are trying to maintain forty-one sworn Officers. Chief Coluzzi stated the new replacement Officer would have a starting salary of \$67,000, and he will be replacing an Officer who had a top salary of \$120,000. He stated this replacement Officer will probably not be on the payroll until the third quarter of 2024 so it would not be an immediate \$67,000 hitting the Budget, and there will be a reduction of \$120,000 for the Officer who is being replaced.

Mr. Grenier asked if the full cost of the replacement Officer is showing up in the 2024 Budget or is it just some portion that is anticipated that is in the Budget. Chief Coluzzi stated it might be a small portion of it depending on the time of hire and training involved. Chief Coluzzi stated the full salary is shown in the \$7 million.

Chief Coluzzi stated the Lease cost for the one Police vehicle being requested for 2024 will be \$14,000. He stated that will be added to the Lease from the vehicles purchased in 2022 and 2023. He stated the total amount of Lease cost shown in Account #420 is \$169,709 total for 2024. Mr. Kratzer stated the 5.79% increase overall is netting out the \$169,709. He stated that cost was being shown in the Capital Fund. He stated it is an on-going Operating expense and is not a Lease-Purchase arrangement. He stated while you can build equity in those vehicles, you are ultimately turning the asset back to Enterprise and then capturing any equity. He stated part of the increase when you look at Budget to Budget is not a new cost, and it is just a cost that is being presented differently here. He stated it was in the Capital Fund, and we are recommending putting it into the Departmental Fund recognizing that it is an on-going Operating Expense.

Mr. Grenier asked how long is the Lease Agreement with Enterprise good for, and Chief Coluzzi stated we can cancel at any time.

Mr. McCartney asked if it is known what we would have been paying for car expenses, and Chief Coluzzi stated on average it was around \$200,000 to \$250,000. Chief Coluzzi stated in the past they were asking for three to four vehicles a year. Mr. Kratzer stated with upfitting a vehicle could easily cost \$50,000 to \$60,000.

Chief Coluzzi stated the reimbursement to the Township for all Police vehicles that we turned over to Enterprise was substantial as well those being \$42,000 in 2022, \$30,600 in 2023, and we anticipate in excess of \$15,000 for 2024.

Chief Coluzzi stated he is requesting a Capital purchase in the amount of \$25,000 for a stationary license plate reader. He stated this is a fixed license plate camera, and we have two of these already. He stated the first one which was received was through Homeland Security money, and our Command Staff worked to place license plate readers in almost every Township and Borough in Bucks County. He stated in a previous Budget year the Township purchased another one, and we are not looking to get a third one to complete the loop of the Township. Chief Coluzzi stated these are fixed and are not mobile. He stated we have mobile ones in the Police vehicles.

Mr. Coyle stated he has seen that the license plate readers that the Township has have been very productive in helping apprehend some serious criminals moving through the Township. He stated he understands that there was a hit on an arsonist just this past week, and Chief Coluzzi agreed. Mr. Coyle stated he knows through his work with other Municipalities throughout the Country that license plate readers are often seen as one of the better tools that Law Enforcement can employ. He stated there are a lot of Municipalities looking at private partnerships, especially when new developments come in that have an HOA, encouraging the HOA to purchase and deploy an LPR within the boundaries. He stated he feels we should try to pursue this with any future development that contemplates an HOA as it improves the overall safety of the Township.

Chief Coluzzi stated in addition to the arson Mr. Coyle mentioned the license plate reader technology resulted in six felony arrests, five misdemeanor arrests, three Arrest Warrants on individuals, and fifteen investigative leads including information related to a robbery of a resident in Newtown Township

who resided at the Township border. He stated the individual was followed home, pulled from his vehicle and robbed by two masked men with a gun. He stated the license plate reader identified the location of one of the vehicles which was traced to Philadelphia.

Chief Coluzzi stated this is a bare-bones Budget. He stated there are set costs under the Contract with regard to the salaries although we did gain some contributions from Officers with regard to Pensions and Medical.

Mr. Grenier asked when we look at our current staff and our replacement rate, do we have a good idea over the next few years how many Officers will be retiring. Chief Coluzzi stated he believes that in 2025 we will have at least one Officer and possibly two who will be retiring. Chief Coluzzi stated the median age of the Police Officers is about 43 years old.

Mr. McCartney stated under Grants and Reimbursements it is anticipated that the Police will receive \$49,800 for Police services and overtime reimbursements. He stated Chief Coluzzi had mentioned the DA's office and other investigations, and he asked if any of the overtime includes time spent at Shady Brook Farm during the Light Show; and Chief Coluzzi stated it does not as that is all paid for by Shady Brook Farm which is billed each year.

Mr. Grenier asked when Officer services are required for Special Events is it strictly labor that is paid on an overtime rate or do they also pay for administration, vehicles, etc. Chief Coluzzi stated it is based on the hourly rate of the Officer. He stated he believes in the Fee Schedule it was shown as \$85 or \$90 an hour. He stated that is an average because some of the Officers have higher or lower salaries. He stated we feel that it covers mileage, gas etc. but the equipment costs are not calculated in the reimbursements. Mr. Grenier stated when we look at Special Events Permits that should be addressed to see what is equitable.

Ms. Blundi stated we are coming into a big Election Year, and typically Lower Makefield draws the attention of National candidates, and we often end up with a bill. She stated possibly something could be done so that before we issue the Permit, they actually pay for the extra costs associated with their visit so that the Township does not end up losing so much money. Mr. Kratzer agreed to look into that.

Mr. Kratzer stated that the current reimbursement for Police personnel is \$80 an hour with a minimum of four hours so that \$320 would be the minimum charge per the Fee Schedule.

Chief Coluzzi stated the Lower Makefield Township Police Department is a full-service Police Department. He stated some Police Departments respond to calls for service from Dispatch, write their report, and they are done. He stated we have never operated that way in Lower Makefield. He stated the Department responds to every request by a citizen to talk to a Police Officer even if it is not crime-related and has nothing to do with public safety or policing. He stated if we cannot help the individual, we will send them to the right person who can help them; and it is mandatory that an Officer follows up with that individual afterwards to see if they were satisfied or not.

Chief Coluzzi stated there were 448 active investigations/cases in 2023 to date. He stated the Police Department received over 10,200 Dispatch calls for service, and that does not include walk-in requests or what he just discussed regarding interactions with residents. He stated it also does not include traffic citations, warnings, or vehicle or pedestrian stops unless it amounts to an arrest. He stated the Department has responded to several incidences of violent crime and crimes against persons; and the Police responded to approximately 18 assaults, both aggravated and simple, in 2023, and in addition there were 8 sexual assaults in the Township. He stated a robbery occurred when a resident was returning home, was assaulted and robbed in the Makefield Glen Development; and the incident remains under investigation, and we are awaiting results of DNA testing. He stated there was also a murder/suicide in Heritage Oaks during which a father murdered his young son before committing suicide. He stated in Cornerstone there was a homicide where an individual shot and killed his neighbor, which turned into a barricade situation for several hours; and when the Police entered the home the individual had killed himself.

Chief Coluzzi stated the Department continues to respond to and investigate property crimes, and the Department has responded to and investigated over 22 burglaries to date. He stated the Detectives follow up on each burglary, collecting information and submitting evidence for testing. He stated they also share the information with other agencies. He stated one of these incidents included a residential burglary in which information indicated that the suspects were part of a Chilean organized crime gang targeting Asian residences and businesses; and they would be follow individuals home, attack, and rob them. He stated we had one of these incidents in Lower Makefield and there were two in Northampton Township.

Chief Coluzzi stated with regard to criminal mischief and vandalism complaints, there were 43 vandalism complaints from January through October in 2022, but this year we have had 79 complaints during the same period. Mr. Grenier stated he read that there were a number of egging incidents at one point, and he asked if those are included in that number; and Chief Coluzzi stated they are. He stated there were a number of them in the Yardley Hunt area, and the juveniles involved have been identified. Chief Coluzzi stated fraud and identity theft continue to be a significant issue with 178 residents reporting to date that they were targeted, and many of them were Seniors in the Township.

Chief Coluzzi stated the Patrol Officers continue to be proactive using the newer tools that were discussed including the license plate readers. He stated Lower Makefield also played a vital role in convicting a State-wide catalytic converter organized theft ring when making an arrest in Lower Makefield and providing information leading to the conviction of the gang involved.

Chief Coluzzi stated the Police responded to multiple overdose deaths in the Township. He stated six lives were saved due to the quick response by Police on the scene and administering Narcan and medical treatment. He stated we were the first Police Department several years ago that initiated Narcan, and we made it available through donations to all the Police Departments in Bucks County which started the program. He stated every Officer in Bucks County now carries Narcan.

Chief Coluzzi stated given the increased threats against the Jewish community, additional Police are assigned to learning centers and during religious services. He stated he met with a lot of the Jewish leaders recently, and they expressed their concerns and discussed their needs, and were thankful for the Police coverage.

Chief Coluzzi stated in late August intelligence was obtained that there was an unauthorized car rally planned around the Kohl's Shopping Center and the Oxford Valley Mall. He stated there was coordination with Officers from Middletown Township with multiple other jurisdictions on stand-by. He stated when the car rally attempted to take place, individuals were cited, there were arrests made for DUIs, and several cars were towed. Chief Coluzzi stated these events have taken place with hundreds of cars involved resulting in some injuries and even deaths at a number of locations in the area. He stated when we get intelligence about these events, we make sure to respond so that these events do not take place in Lower Makefield.

Chief Coluzzi stated the Administrative staff maintains numerous Administrative and Regulatory programs and requirements including monthly submissions of data to the State and Federal Government agencies. He stated we also navigate through the Pennsylvania Accreditation process, and we are again preparing for the re-Accreditation evaluation and visit next month.

Chief Coluzzi stated the increase in the growth of the Township through Regency, Yardley Woods, Artis, Heartis, and soon the Wegman's Retail complex with the apartment housing all add additional demands on public safety as well as all other emergency services. He stated there has been some indication that there will be additional development close to the Wegman's as well.

Mr. Grenier asked how the Police Department handles fraud and identity theft which ranges from a few hundred dollars up to tens of thousands of dollars. He asked what is the protocol for residents who experience that and what can the Police Department can do other than file a report. Chief Coluzzi stated a Police Officer will receive the information, do a detailed report, and send it to the Detectives, and a Detective will be assigned to investigate, contact the individual, and walk them through the process depending on what happened. He stated there are times when Seniors will provide cash to individuals, and the Detectives work hard to find out who that individual is. He stated where there is no loss to an individual, it is written up in a report, and we help the victim navigate through the system. He stated others are highly investigated and we try to find who that individual was.

Mr. Grenier asked about the co-responder program that is starting. Chief Coluzzi stated we will be housing the co-responder in Lower Makefield. He stated it is no cost to the Township for two years. He stated the co-responder will have Lower Makefield, Yardley, and Morrisville as their area to work. Chief Coluzzi stated if it is justified and works out well, the Board will be approached in two years requesting that it be continued and paid for. Mr. Lewis stated that is something that we need to plan for if we find that the program works adding that initial testing had indicated that the co-responder program has been successful.

Mr. Lewis noted the UCR reports have resolution on there as well. He asked if we have the numbers for the last five years to see the trends. Chief Coluzzi stated he does not know if the FBI is still publishing the status from the UCR because they are transferring over to another system, but he will look into that.

Mr. Lewis stated we have had concerns about increases in crime post-COVID, and we need to know if there are certain trends and investments in the future that we should be considering.

Mr. Lewis asked Chief Coluzzi if they covered all the possible communication issues when he spoke with members of the Jewish community and the Synagogues to make sure that if there is an event which needs a response we can communicate successfully, and Chief Coluzzi agreed. Chief Coluzzi also stated he urged them to communicate with each other even about minor situations. He stated they also spoke about their own security which some of the Synagogues have, and he advised them that our Officers need to know who these individuals are in the event that we have to come into an area and confront someone who is armed so we know who is actually security. Chief Coluzzi stated their concerns are not as much from an organized terror threat, but from a lone wolf or copy-cat.

Mr. Lewis stated we do not have any groups in Lower Makefield that are classified as hate group although he understands that there was one in Newtown Township. He stated he feels that this is something that we still need to monitor. Chief Coluzzi stated we regularly look at the intelligence reports.

Mr. Lewis stated he believes the revisions that were made were helpful, and people should feel comfortable with what is in the Budget. Chief Coluzzi thanked the Board for their support over the years helping the Police Department to do their job as best they can.

Mr. McCartney noted Line 152 which is "Other Benefits," and he asked what that entails. Ms. Vogel stated that is holiday, education, and the vision benefit. Mr. McCartney stated in 2022 it was approximately \$300,000, in 2023 we Budgeted \$355,000, but our year-to-date is \$8,000. Ms. Vogel stated the holiday and education is being paid this week so that has not been posted yet, and that will be about \$320,000. She stated she will provide the year-to-date numbers next week for the Board, and that number will be updated. Ms. Vogel stated holiday is the holiday pay for the Officers, and they get a lump sum the first pay of November. She stated education is a bonus for their education levels.

Mr. McCartney asked if holiday pay is covered in overtime. Ms. Vogel stated holiday is in the "Other Benefits" category. Mr. McCartney asked if there could be a combination of holiday and overtime pay. Ms. Vogel stated they

are not getting paid the holiday. She stated there is a Township holiday this Friday, and the Officers who are working would just get their regular shift pay, and they would not get the holiday pay until the November payment.

Ms. Blundi asked if there could be a situation where an Officer has worked all week and reached forty hours and then works this Friday which is a holiday, would he get overtime for Friday and then also get the holiday payment for working on the holiday. Chief Coluzzi stated if that individual would get called in on the holiday, they would get overtime for the hours worked on the holiday, and they would also get paid the holiday check when it is time for the holiday check.

Mr. Kratzer stated straight time associated with the holiday pay is paid as part of the holiday pay lump sum payment that is Contractually provided. He stated there are thirteen holidays in the Police Contract, and an eight-hour day is the basis so there is 104 hours of time that they get in the form of a lump sum. Chief Coluzzi stated with regard to the education bonus the Contract spells out the percentages which are 3% for a Master's Degree, 2.5% for a Bachelor's Degree, and 1.5% for an Associate's Degree.

Ms. Vogel stated the other things included in "Other Benefits" are the accreditation bonus, vision benefits, and tuition reimbursement.

Mr. McCartney asked why vision is included in this category, and asked if it should not be considered part of health care. Ms. Vogel stated there is no vision coverage, and this is a reimbursement.

Mr. McCartney asked about "longevity," and Ms. Vogel stated that is based on years of service. She stated it begins after five years of service, and goes up in increments by Contract.

Public Works

Mr. Fuller was present. He stated the Township maintains about 138 miles of roads and the work Public Works does includes paving, snow plowing, etc. He stated there are approximately 40 bridges and culverts in the Township, some of which are as old as 1964. He stated Public Works is also responsible for 5,500 street signs, 270 street lights, 90 storm basins and 180 acres of grass and basins that we maintain and mow in addition to open space parcels totaling

about 500 acres. He stated Public Works also takes care of the Municipal Building, the Public Works garage, and a few other facilities throughout the Township including the Patterson Farm, Farringer House, and Dalgewicz.

Mr. Fuller stated there are currently sixteen employees in the Department including himself and his Administrative Assistant so there are 14 collective-bargaining employees. He stated one of them is a part-time associate. He stated we also currently use about 4 to 6 seasonal hires that maintain and help with the basin maintenance and leaf collection services.

Mr. Fuller stated Public Works is listed in the General Fund, and there have been some large expenses which have increased over the 2023 Budget. He stated one of these is Labor; and in this Budget he is requesting a new hire with about \$50,000 of his salary contemplated in this Budget or about eight months of salary due to the hiring process since he would not be on board until about April or May.

Mr. Fuller stated there is also a change in how the prior Budget allocated Personnel Labor Expense. He stated past practice was that there is Liquid Fuels money which is money that comes from the State based upon how many miles of roads we have. He stated this year we are getting about \$1,013,000. He stated past practice was to use about \$150,000 of that to offset our labor costs. He stated that ultimately reduces our road paving so he is recommending taking that \$150,000 back into the General Fund and using that labor in the General Fund to allow us to use the full Liquid Fuels for road paving so we can increase our Road Paving Program.

Mr. Fuller stated the other large labor increase will be spread through Building Maintenance, Recycle Yard Overtime, Leaf Collection, and Highway Maintenance of about \$1.1 million. He stated there is also about \$50,000 under that for part-time labor. He stated we use seasonal hires in the summer months to cut grass, but it would be beneficial to have a full-time, part-time laborer available to help with snow plowing in the winter months, stream maintenance, and general maintenance as the crews are "getting overwhelmed with work because things have been neglected for so long." He stated part-timers would help fill the gap especially in the winter months when some employees go on vacation. Mr. Fuller stated between accrued vacation and sick time most of the crew have about 30 days off throughout the year so sometimes there are only eight or nine workers in.

Mr. Fuller noted Minor Equipment 430-260 of \$99,000. He stated this includes \$35,000 for a new heavy equipment trailer. He stated the Department does not have a trailer of an adequate size for the equipment that we are using and renting. He stated that we rented a paver this past year, and we had to pay a hauler to move it for us. He stated if we owned this piece of equipment, we could pick up equipment ourselves. He stated the other large item in the \$99,000 is \$50,000 to upgrade our two-way radio system. He stated while the workers do have cell phones, when they are plowing, they are not legally allowed to use a cell phone, and they have to use the radios. He stated our radio system is outdated, and you cannot talk from the north end of the Township to the south end. He stated a newer system would have a repeater on the cell tower behind the Municipal Building so there would be more coverage for communication and response.

Mr. Coyle stated Mr. Chamberlain is waiting a year for a radio because he is ordering one radio at a time, and he asked if there is a possibility to converge these radios into a single radio system. Mr. Fuller stated Mr. Chamberlain works the emergency frequencies which are run by the County. He stated what he is asking for is a simple, two-way radio with a repeater. Mr. Coyle asked if the County might have a spectrum available that Mr. Fuller could use; however, Mr. Fuller stated that would be \$3,000 for a radio, and what he is requesting would be \$600 for a radio. He added that we do not need that frequency or that coverage to talk to other Townships. He stated we just need more coverage in our Township.

Mr. Fuller stated Yardley participates in our frequency so that we could talk to them and try to clear paths for them for their fire truck; however we do not have that capability at this time because our system is outdated and not functioning properly.

Mr. Fuller stated there is an increase in Contracted Services. He stated the projection for 2023 is at \$638,000 versus our Budget of \$216,000. He stated for next year he is budgeting \$430,300. Mr. Fuller stated the reason it was so much more in 2023 is related to Maplevale, and \$475,000 has been spent to date on work in Maplevale through contractors. He stated we want to start a line-stripping program in the Township, and about \$27,000 will get us ten miles of striping. He stated we have about thirty miles of striped roads, so we are going to start a three-year program. He stated about \$45,000 is allocated for pavement markings at the signalized intersections. He stated stop bars and crosswalks are getting worn out, and we need to address those for public safety.

Mr. Fuller stated Material Costs are going up with asphalt and stone costing more money. He stated he is trying to do more of this type of work, and the more work that is done, the more materials have to be bought to do the work. He stated Equipment Fuel is going up slightly due to the cost of fuel.

Mr. Fuller stated the other increase that is seen is under Benefits. He stated vision is included as well as DOT testing, and physicals. He stated there are Contract negotiations taking place; and while we have a Contract right now, an increase is being shown for potential stipends for on-call pay and uniform allowance.

Mr. Fuller stated the Road Machinery Fund is a separate tax source in the amount of .3 mills, and there is some equipment that is coming off Lease. He stated he is recommending the replacement of a 2007 Ford small dump truck which has about 90,000 miles. He stated a comparable new vehicle would cost about \$160,000, but he is recommending that we lease that as we have been doing a Lease-Purchase so that we would own it after the Lease terms. He stated the Road Machinery Fund is healthy now and will still possibly be healthy next year, but we have a couple of larger machines that cost in the \$250,000 range; and in about three years the Road Machinery Fund will need help.

Mr. Fuller stated he had previously discussed Liquid Fuels and pulling out the salaries. He stated he believes Mr. Kratzer has about \$150,000 allocated from Capital Reserve so those two combined give us about \$1,050,000 for the Road Paving Program for 2024 which will do about 2.58 miles. He stated we need to start increasing what we have been spending in the past of \$750,000.

Mr. Coyle stated the 2.58 miles is out of 138 miles in the Township, and Mr. Fuller agreed. Mr. Coyle asked the lifespan of a mile of road in the Township. Mr. Fuller stated neighborhood roads should last about twenty to thirty years. He added that we have some high-volume roads such as Township Line Road, Edgewood Road, and Makefield Road, which would be in the ten to twenty-year range. Mr. Fuller stated a lot of the roads have not been done since the 1970s and 1980s. Mr. Coyle stated assuming we were caught up today, we would need to find a way to maintain about 6.5 miles of road every year to cover what is the average lifespan; and Mr. Fuller agreed. Mr. Fuller stated the problem is that a vast majority of our roads are already over thirty years old. He stated it would take another \$9 million over the next three years to do roads that he knows need to be done.

Mr. Fuller stated there is not a Road Program Fund, and some of it is paid for out of Liquid Fuels and there is a \$150,000 set aside out of Capital Reserve.

Ms. Blundi stated she has been here since 1995 and Mirror Lake near the McCaffrey's has been repaved at least two if not three times. Mr. Fuller stated in looking at the paving history of the Township, a lot of roads that were paved in the 1990's are in worse shape than roads that were paved in the 1970's and 1980's. He stated in the 1990's PennDOT changed their paving mix and added more recycled asphalt product into it, and it did not work; and twenty years later, they went back to the original mix. He stated therefore road lifespan has a lot to do with when it was paved. He added that Mirror Lake also has a high traffic volume. Ms. Blundi stated her development is twenty years old, and the roads are cracking.

Mr. Fuller stated while it is not Budgeted, he feels it would be good for the Township to have a road assessment done to get a non-biased AI opinion of the roads. He stated a lot of other Towns have success with micro-surfacing, etc.; and in developments with roads that are fifteen years old, you can lay a micro-surface down which would cover the cracks and seal the road and may give another fifteen years. He stated this would be an option for some but not all of the roads.

Mr. Grenier stated that there is also a fair amount of work that Public Works has done outside of the Road Program in terms of extended patch work. He stated there were large potholes in his neighborhood, and extensive patch work was done. He asked how much of that is proposed for next year. Mr. Fuller stated the in-house crews either rent or borrow machinery to do that operation. He stated that is why the Materials Budget is slightly increased. He stated he believes we laid about 350 ton this year. He stated they look at the roads that need something done but are not on the list to be repaved for over a year. He added the residents advise them of issues. He stated the Department has been run as a reactive department, and he is trying to make it more proactive.

Mr. Lewis stated the Second Class Township Code has an option under Section 3205 #9 – Annual tax not exceeding 5 mills to create and maintain a revolving fund to be used for permanent street improvements. He stated if we were to enact that millage, we could recapture the \$150,000 that is coming out of the General Fund. Mr. Fuller stated there are Municipalities that use more than that so that they can do more with the Liquid Fuels money. Mr. Lewis asked the total Budget for street repair, and Mr. Kratzer stated proposed for 2024

is \$1,050,000. Mr. Lewis stated if we were to enact the 5 mills, that Fund balance would keep growing, and we would not have to spend all of it in the next couple years. He stated we could list a number of Bid Alternates to get us on track, and the 5 mills would be a way to get our core road funding up for a longer period of time. He stated the money spent on road paving is a reduction in cost for homeowners who blow out tires or re-weld wheels.

Mr. Lewis stated while he understands people are not happy with increases in property taxes, we have the sixth lowest Municipal tax in Bucks County. He stated if other Board members are open to that we have time to discuss it, and it would allow us to increase road spending which he believes most people are in favor of. Mr. Grenier stated whenever we look at millage specific to some fund, that can take pressure off of the General Fund, and the General Fund millage could be reduced. Mr. Grenier stated the Supervisors are often asked by residents why their roads are not paved so that if we are going to consider this, we should look for reductions in other areas as much as we can to make sure that we are not just adding another tax and not reducing somewhere else. He stated we also need to look at groupings of roads so that we are as efficient as possible. Mr. Lewis stated if we did 1.5 or 2 mills, we could increase the Road Budget by \$800,000.

Ms. Blundi stated she feels the Board may want to consider the suggestion made by Mr. Fuller of having an analysis of the roads. She stated we could then come up with a more objective way of what roads should be considered next, and then move into mills which would help us do that in subsequent years. Mr. Lewis stated we could help pay for that study with the millage now. He stated he does not know how much such a study would cost. Mr. Kratzer stated that would depend on what the Board would want to do. He stated in his prior Municipality they did PCI scanning of all the roadways, and it cost between \$100,000 to \$150,000. He stated he believes that there is other technology that can be done at this point. Mr. Fuller stated the PCI tells you how bad your roads are; however, there is other technology. He stated Middletown is pursuing robotics which is more AI driven. Mr. Fuller stated he was talking to a vendor about this, and we would gather the data, with their help with the mapping, and you drive with a camera on the dash. He stated a simple analysis like that would probably cost \$20,000 to \$25,000. Mr. Fuller stated while he does not have plans for the next five years, he knows that there are 23 miles of roads that need to be done in the next five years.

Mr. Grenier asked how much more information would be given in terms of rating a road as to how bad it needs repaving versus someone driving the roads who knows what they are looking at. Mr. Fuller stated with the robotics, it is non-biased. He stated it will capture the data, map it, and give a color-code on each of the roads. He stated while it is not as precise as a PCI Index as to the size of the cracks, it is a map. He stated the Board can then decide where they want to allocate funds in the Township. Mr. Fuller stated there may be instances where you get a “red” on a cul-de-sac but it does not get a lot of through-traffic, and that could be deferred. He stated cul-de-sacs also do not have a lot of ADA ramps or storm inlets, and you would still need to consider how to assess each road.

Mr. Kratzer stated one segment of a road may be worse than another segment, but it may make sense from a project-implementation standpoint to address the whole road. He stated he and Mr. Fuller noticed that a lot of times, there was a lot of “jumping around.” He stated while he understands wanting to address areas throughout the Township, some of the efficiencies are lost because of the need for the contractor to mobilize in different areas of the Township or where there is a gap in a segment that was not addressed.

Mr. Kratzer stated the Section of the Code that Mr. Lewis has identified is the basis for funding Capital roadway improvement programs in many Municipalities. He stated there has also been discussion about the fact that many neighborhoods have sub-surface utilities that should be evaluated before a mass paving program is done since if there is a need to retrofit a neighborhood to install stormwater or any other type of sub-surface infrastructure, you should be making those investments a year or two before the roadway construction is done.

Mr. Kratzer stated in terms of offsetting some of the pressure from the General Fund, there are internal costs that are incurred for roadway improvement-related work that could be offset.

Mr. Lewis asked if the Board would be in favor of having the Township Manager look into this further for 1.5 to 2 mills. He added he would recommend leaving the General Fund millage as is. Mr. Kratzer stated he talked to the General Counsel of the Pennsylvania Association of Township Supervisors. Mr. Kratzer stated the language in the Statute talks about a “revolving fund” and “property owner assessment.” He stated he had asked if it is compelling property owner assessment in order to use this, and the General Counsel

stated his reading is that it does not. Mr. Kratzer stated he understands that “revolving fund” is the fact that there is reoccurring revenue that is going into the Fund more so than an assessment basis.

Mr. Grenier stated he feels 2 mills seems like a lot, and he would be interested in different levels in $\frac{1}{4}$ and $\frac{1}{2}$ mill increments to see what that would mean over the next few years. He stated he feels it is key to do a study to understand exactly what we need, and that might be a $\frac{1}{4}$ mill in year one. Mr. Lewis stated the reason he suggested the 1.5 mills was because it would clear up part of the General Fund concerns in terms of improving our ability to be at Safe Harbor for a longer period of time, and it will also help build up a reserve for us to do more roads. He stated we can tell the residents that while we are increasing the taxes, this is all going toward roads or stormwater.

Mr. McCartney asked if you can have a separate stormwater assessment, and it was noted that you can have both. Mr. McCartney stated he understands that the stormwater assessment is only for stormwater, but the other could contribute to roads and stormwater; and Mr. Kratzer stated that the Stormwater Utility Fee could contribute to roads because the roads are part of the conveyance system

Mr. Coyle stated he would be concerned about a very small millage here since we are already four miles behind on roads that we have to do this year; and if we only spend the money this year as an assessing year, we would have to do ten miles next year just to meet our annual obligation in addition to any other catch-up. He stated he feels we need to be a bit more aggressive; and while we need an objective Plan for the long-term, we also need to put more pavement down.

Mr. Grenier asked Mr. Fuller if he would be able to come up with more miles of roads to be done this year. Mr. Kratzer stated he understands that the Plan Mr. Fuller had went through 2025, and Mr. Fuller agreed. Mr. Fuller stated Mr. Ferguson and Mr. Hucklebridge had started a Three-Year Road Program. Mr. Fuller stated 2025 would have been a “mega-year.” Mr. Kratzer stated there have already been roadways identified as part of a multi-year plan. Mr. Fuller stated the Three-Year Plan was for 2022, 2023, and 2024; and he prepared the 2025 Plan. Mr. Kratzer stated 2025 roads have already been identified, and some of those roads could be advanced if we had the resources to do that. He stated that would either lessen the obligation in 2025 or permit us to start catching up. Mr. Fuller stated he has eight miles of roadways already identified for 2025.

Mr. Kratzer stated the 2025 mega-year was contemplated to issue another debt which would require an associated increase in the Debt Service. Mr. Fuller stated theoretically the road loan that was previously taken out should be paid off as it was a three-year cycle. He added the cost of money has gone up. Mr. Kratzer stated there is the potential that we would have been faced with a millage rate increase within the Debt Service Fund in order to implement 2025, and Mr. Fuller agreed.

Mr. Grenier stated there can be an issue when there is an attempt to do too many roads at one time. Mr. Fuller agreed there is a limit as to how much to do at one time, and we would also not want to create the same issue where the Township would have to face thirty years from now having so many miles of roads needing to be repaved in one year. Mr. Fuller stated Liquid Fuels requires that you do the ADA improvements and the paving, and a lot of Municipalities try to do their curb ramps a year in advance of paving, and that would help a lot of the issues that occurred in 2022.

It was noted that the millage could also address sidewalks, curbs, and bike paths. Mr. Lewis stated it would also get a match if we wanted to do the Taylorsville Road. He stated it can also be used for stormwater. Mr. Grenier stated there a lot of positives to this, but he wants to consider the overall millage increases.

Mr. McCartney asked if the “mega-year paving” for 2025 would be roughly \$2.5 million, and he asked if that would involve a three-year loan; and Mr. Fuller stated he believes that is how it was structured previously. Mr. McCartney asked how that will impact the Debt Millage. Mr. Fuller stated he does not know what the cost of money was when that prior road loan was taken out. Ms. Blundi stated we also have another loan that will be paid off the end of 2024. Mr. McCartney asked if it would be better to have the special millage for roads which would bank more money versus the loan process. Mr. Fuller stated we are very far behind at this point. He stated if we were able to do a lot for the next five years, we may be able to go back to the three-year approach. Mr. Fuller stated we will never get caught up if we continue doing two small years and one mega-year.

Mr. Coyle stated we will also be adding miles over the next three years. Mr. Fuller agreed adding that we keep taking dedication of things. He stated there are fifty miles of roads in the Township that are over 93 years old.

Mr. Lewis stated based on the current interest rates, we would be looking at a half mill in interest expense. Mr. McCartney stated that was why he was asking what would be the difference in the Debt Service versus the millage. He stated his only concern with adding the special millage would be making sure that future Boards keep to the plan that we are putting forward as these funds could be used for stormwater projects and other things. He stated if there is a loan, you are insuring that is what it is to be used for. Mr. Lewis stated he is concerned that taking out a loan could involve a half mill cost.

Ms. Blundi stated we are talking about reducing the General Fund millage to create this new millage, and she is in favor of a dedicated fund that has a broad use related to stormwater and roads; but that allows the General Fund millage to start going back up again which will significantly impact taxes.

Mr. Coyle asked if it is possible to protect the use of a fund by Ordinance, or is it true that once we create the fund and put the money in, the Township Manager could direct that fund to be used for any purpose. Mr. Kratzer stated the Statute does not permit that. He stated all of the uses relate to roadways whether it is sub-surface utilities in roadways, curbs, sidewalks, etc. adjacent to roadways. Mr. Coyle asked if there is a way to make sure that a Board in the future does not decide that they want to replace every curb in the Township with these funds. Mr. Kratzer stated you are limited to the language in the Statute. He stated all of the purposes fundamentally relate to the roadway. He added he is not sure that it could be for bike paths; however, Mr. McCartney stated a bike path would be an alternative to a sidewalk.

Mr. Coyle stated he feels making small adjustments where we lower the millage in the General Fund does create room to move back up to the ceiling, but it only creates a small amount of room. He stated he feels that using this dedicated fund and creating a little breathing room in the General Fund cap allows the Board to contemplate smaller increases.

Mr. Grenier stated as we are considering a Stormwater Fee, it might be possible as the stormwater fee builds its own "nest egg," to be able to reduce this particular millage.

Mr. Lewis stated we know that cost of roads is going to increase in the future which is why he feels this is a way to get us in a better position with the roads. He stated he feels residents will appreciate this. He stated there is accountability as it relates to roads.

Ms. Blundi stated while this is a good discussion, it does not address the fact that we are operating with a structural deficit. She stated while this millage would be an addition, we would be reducing the General Fund by that amount. Ms. Blundi stated she also does not feel that we have the right to bind future Boards since Supervisors who are voted in by the residents have the right to do what they want to do. Ms. Blundi stated we have an issue that she does not feel can all be solved by creating new fees or new taxes. She stated while we may have the sixth lowest taxes in the County, we are still operating at a structural deficit.

Mr. McCartney asked about the strategy of going to Court to ask for an increase to the cap and if that would only effect the Township and not the Township and the School District, and Mr. Kratzer stated it would be just the Township. Mr. McCartney asked how common are these requests, and Mr. Kratzer stated small Boroughs are doing this, but he does not know that any large Townships are. Mr. McCartney asked if \$2.5 million would get us to a break even, and Mr. Kratzer stated it is close. Mr. McCartney stated there is the interest that will be coming from the Trust in the future. Mr. Kratzer stated while this tax would help, he would not want to levy it and then not advance a robust roadway improvement program since that is the purpose of the tax. Mr. Kratzer stated for that tax, the Board would just do it as part of the annual tax rates. Mr. McCartney stated he is asking what is the process for going to the Court for an increase on the cap. Mr. Kratzer stated he assumes that there is a filing and a Court date is set. Mr. McCartney stated doing that and having the interest from the Trust could get us almost to break even.

Mr. Lewis asked if the Township Manager should be asked to revise the Budget for a 2 mill road assessment, and with that to also reduce some of the increases in the millage by .001 or 2 in addition to addressing that portion of the General Fund that is road-related.

Mr. Coyle stated there has been talk about how the Township got to this point, and he believes some of that is because of use of the General Fund as a General Fund when there was an option of a Special Purpose Fund where if you know you are budgeting \$600,000 a year for roads, and you start doing General Fund transfers that is an early-warning sign that you are not funding the roads at the right level.

Mr. McCartney asked what the 1.5 or 2 mills would mean per household. Mr. Kratzer stated every mill is \$43.60. Mr. Lewis stated if it is 1.5 it would be an additional \$65. Mr. Lewis stated the money is being spent either way, and

if we ask for it now and use it for something that will be a net benefit for the residents we will have to pay for in the future, it would be less expensive to spend it now than to ask for it later or have to pay interest on it. He stated if we had consistently increased our millage in the past since 2008 on, we would have a Safe Harbor with the General Fund, and would not be talking about the cap. He stated if what has been given to roads over the years was taken out, we would not be talking about the cap. He asked if the Board would agree to 2 mills.

Mr. Grenier stated while he could agree to 2, he would be looking for reductions in other areas for things that while nice to have, could be considered at a later date. Mr. McCartney stated he would agree that there would have to be an effort on both ends. Mr. Lewis stated some of that effort would not have to be road-related, and Mr. Grenier stated that is what he is talking about. He noted the projects that have been listed in the packet which are expensive projects but may not all be necessary, although some of them may be able to be partially funded by this approach. He stated other projects may not, and we need to discuss how to address those and consider putting some of them on the “back burner.”

Mr. McCartney asked the number of households in the Township, and Mr. Kratzer stated it is between 11,000 and 12,000.

Mr. Kratzer stated he does not feel that much cost will be shifted from the General Fund to the Special Purpose Fund, and does not feel that is an answer to the General Fund issue. He noted the projects being referenced by Mr. Grenier are proposed to be funded through Bond proceeds which are restricted in some fashion and Fees which are limited in terms of their allowable use.

Mr. Grenier stated it would not have to be just the General Fund, and there are several funds where increases are being proposed. He stated he wants to see where we can make cuts across the board.

There was discussion about possible Revenue-producing opportunities in Public Works. Mr. Fuller stated there is minor revenue in Road Encroachment Permits, and any time a utility opens up our roads, we charge them a Permit Fee. He stated in 2022, we brought in about \$9,500. He stated when he came on board, he re-assessed the Fees, and we are currently at about \$45,000 adding that utilities are doing more work. He stated that does help offset one of his employees that coordinates with the utilities. Mr. Fuller stated we also have

the PennDOT Winter Maintenance Agreement, and PennDOT pays us to plow Dolington Road and Oxford Valley Road. He stated we also have the Leaf Assessment that comes in. He stated the Leaf Assessment generates about \$644,000. He stated in the Budget under Public Works we do have costs for leaf collection at about \$495,000 which is strictly Township and Contracted Labor and minor equipment and parts. He stated the \$495,000 is probably closer to \$644,000 when you consider all of the Capital that is allocated for the leaf collection.

Mr. Grenier stated he has discussed previously that for those who may have complimentary or overlapping skill sets across different Departments, there may be ways to have some of the higher-cost staff with higher skill levels to be deployed differently versus them mowing the basins and fields. He stated there may be ways potentially to work as a larger group to save some money. Mr. Fuller stated he and Ms. Tierney did discuss that briefly. He stated the more you cross-utilize, you are taking them out of the Special Purpose Millage Funds and bringing them into the General Purpose Fund which is maxed out. Mr. Fuller stated he is not sure how much of a savings there would be, but he feels that more work could get done.

Mr. Grenier stated there are facilities in Park & Rec that need work, and if we had some of the highly-skilled Public Works employees working on that, it might help move that work quicker. Ms. Tierney stated we do that now. She stated this year Public Works paved the bike paths rather than it being done externally. She stated her workers also help with the leaf collection and snow plowing. She stated they do cross-utilize, and they also communicate quite a bit. She added she does not know how much of a change it would be, adding she feels that they are both short-staffed on the maintenance side so that is why they are not really getting things done.

Park & Recreation

Ms. Tierney stated she watched the previous meeting and recognized that we needed to “dig in more.” She stated she met with Mr. Kratzer and Ms. Vogel, and they have made a number of changes.

Ms. Tierney stated her Department uses two types of funding – Alternative Funding which is User Fees, Grants, and Sponsors and Special Use Tax Millage which is the Park & Rec Tax Millage. She stated according to NRPA (National Recreation and Parks Association) Townships on average recoup about 25%

of expenses from User Fees. She stated in 2023, Lower Makefield will recoup 53% of our funds which includes the Pool because the Pool is included in the NRPA standards. She stated if we pulled Pool out of it, we will have recouped 28%. Ms. Tierney stated the County recoups 41% including their Pool, and Middletown Township is about 30%. She stated we are at a high level with regard to User Fees in comparison to other Townships and across the Country.

Ms. Tierney showed a slide of the differences in expenses pre and post-COVID. She stated there have been some significant increases particularly with trees as we have been doing a lot of tree maintenance. She stated we have a dead, dying, dangerous standard, and we do either removal or trimming. She stated we also try to do some preventive maintenance if a tree is on the border. Ms. Tierney stated some tree projects are on hold. She stated the \$70,000 expense is as of October 4, and there are still some tree projects to fit in for the year. Ms. Blundi stated that does not include planting, and Ms. Tierney agreed it is only trimming or removing and not planting.

Mr. Grenier asked about the increase in the Waste Management number, and he asked if that will come down given the trash can removal project. Ms. Tierney stated that program has not made much of an impact yet because we only did it in the passive parks. She stated next year, we are removing them from the athletic complexes. She stated she assumes we will have some challenges before we are able to remove the waste removal expense. She stated she would expect that there could be changes in this expense two to three years in the future.

Ms. Blundi asked if there is an opportunity to explore other vendors as her family from Waste Management because of their high fees. Ms. Tierney stated they could look into other vendors. She stated we do get cross-contamination fees which add up because people dump their trash into our recycle bins.

Ms. Tierney stated the cost of replacing the old bulbs and ballasts of the lighting system has gone up over the years. Mr. Grenier asked if that is mostly at Macclesfield, and Ms. Tierney agreed although there have been some replacements at the Pool as well. Mr. Grenier asked if we could replace those lights with LED bulbs, and Ms. Tierney stated we could not at Macclesfield. Ms. Blundi stated the Macclesfield lights are so old that they are almost not even serviceable. Ms. Tierney stated they would have to be replaced although we may be able to use the poles. She stated evaluating the lights is included in the Macclesfield Park Study.

Ms. Tierney showed a slide related to the Fees. She stated the athletics, the Dog Park, pickleball, and Summer Camp are covered 100% through User Fees, and the taxes are paying for maintenance and operations costs.

Mr. Grenier stated we have heard the comment that the League User Fees are paying for the Park & Rec Program. Ms. Tierney stated while they do not pay for the Park & Rec Program, they pay for what they are using. Mr. Grenier stated with regard to the fields, they need to be mowed and the bathrooms need to be maintained. Ms. Tierney stated we aerate the fields every year and do a lot of turf management that would not be done to a passive park. She stated there was a loss last year, so she intends to raise the League Fees this year. She stated it does recoup \$125,000 of staff time for the mowing, extra seeding, and turf maintenance.

Mr. Grenier asked if it covers parking lot maintenance at Macclesfield, and Ms. Tierney stated that is not incorporated into the Fees at this time. She added anyone can use the parking lot at Macclesfield; however, Mr. Grenier stated if someone went there on a Saturday it would be filled with cars of people who are usually tied to the sports Leagues.

Ms. Tierney stated the Special Events are expensive. She stated the number being shown does not include staff costs. She stated the largest part of this expense is Community Day; and while some of that is paid for by sponsors, it also involves taxpayer dollars. Mr. Kratzer stated Ms. Tierney had indicated that about \$30,000 of the \$47,000 for Special Events was for Community Day. Mr. McCartney asked if there are not vendors who are paying a fee to be there; and Ms. Tierney stated that is part of the Revenue that we make, but \$30,000 is still coming from the taxpayers. She stated the fireworks cost about \$20,000 and the rides are about \$13,000. She stated Mid-Atlantic Event Group donates the staging, which is about a \$40,000 value.

Mr. McCartney asked if there are Police costs, and Mr. Kratzer stated none of the staffing costs associated with this event are included in the amount being shown. Mr. McCartney asked how much staffing is involved; and Ms. Tierney stated it is the entire Park & Recreation staff, along with the entire Pool staff, the entire Public Works staff, and a lot of the Police. Mr. McCartney asked the “pay off” of Community Day, and Ms. Tierney stated it is to bring the community together.

Mr. McCartney asked the turn-out over the last two to three years; and Ms. Tierney stated it depends on the weather, and last year the turn-out was very low. She stated she feels that the turn-out is getting less and less, and she has talked to the Park Board about re-evaluating how we offer Community Day. She stated it seems like it is two separate events with some people coming in the morning and some people who come just for the fireworks, and there is a gap in between. She stated we could sell tickets for the rides, but it is already expensive buying a meal at Community Day.

Mr. McCartney asked what the vendors are paying, and Ms. Tierney stated they paid \$50 to \$75 this year. Mr. McCartney stated the Township is spending \$40,000 to \$60,000 on an event for which vendors are giving us \$50 to make "\$1,000." Ms. Tierney stated she feels that the food vendors could be charged more, but she is not sure that we would get as many other vendors.

Mr. Grenier stated the rides are really not rides and they are more bounce houses. Ms. Tierney stated the other type of rides would cost even more. Mr. Grenier stated he would like to know if there is the opportunity to make more money if we had more carnival-type rides. Ms. Tierney stated in 2017 we did have some smaller carnival-type rides; and while we looked into larger carnival rides, they will not bring those rides unless it is going to be a multi-day event.

Ms. Blundi stated if Ms. Tierney feels it is not the best time of year to hold this event, we should be discussing that to see when it would be the most impactful. She stated we should also consider if it needs to be all day or if it should be re-purposed as something else. She stated the cost being shown on the slide is a lot of money, and that does not even include the staff costs. Ms. Tierney stated she feels it would be good to find out what the community would like to see for Community Day. Ms. Blundi stated she has heard that people feel we are surveying too much.

Mr. Lewis stated we should think how valuable the fireworks are to people versus the full-day event as it is late by the time we have the fireworks if you have been there all day. He stated if there were no fireworks it would cost \$20,000 less. He stated in the alternative, people may feel strongly about the fireworks which could be done at some other time. Mr. Grenier stated maybe they could have the event on the July 4th weekend so that it ends with fireworks, and it could be a multi-day event which would generate more revenue.

Mr. Lewis stated while another day might work better, he feels that there is a lot that goes on over July 4th. Ms. Tierney stated we might also consider a different location, and she agreed to evaluate this.

Mr. Coyle stated Harvest Day charges \$100 for a 10 by 10 booth, \$250 for a 10 by 20, and then scales up from there. Ms. Tierney stated she believes we charged \$75 last year. Mr. Coyle stated he feels we could use Harvest Day fees as a base line since they run a very successful event.

Ms. Tierney stated at the Community Center we cover 60% of the costs through User Fees; and we also do a number of things at the Community Center that are non-User Fee based which are a benefit to the community including staff training, public meetings, staff meetings, community events, program sign-ups, community education, it is a shelter in the event of extreme storms, and we also do partner programs with Pennsbury and sometimes house them for their luncheons if they do something nearby.

Ms. Tierney stated we also offer discounts to non-profit organizations including the Girl Scouts, Boy Scouts, a Quilters Guild, Daughters of the American Revolution, the Makefield Lions Club, the Lower Makefield Women's Association, and the Makefield Women's Association. She stated there is very high traffic at the Community Center. She stated there is not enough parking, and this should be considered at some point.

Mr. Grenier stated more programs are being offered every year which generate User Fees. He asked how our Fees compare to the YMCA or other organizations who offer similar programs. Ms. Tierney stated we are competitive with other organizations, and as part of our accreditation, we need to do an analysis every three years of all recreation offerings. Ms. Tierney stated part of how we accept a program is that we are not "over-producing something as well." She stated we are competitive in pricing. She stated our yoga class prices are low because we are not a yoga studio, and we do not offer a yoga studio experience.

Mr. Kratzer asked Ms. Tierney to discuss the money-sharing arrangement with the instructors who are brought in. Ms. Tierney stated it is 75/25 which is typical across the board. She stated we work with the instructor to come up with a rate that they feel comfortable with receiving and what we feel we would be making what we need on our end. Ms. Tierney stated we do the marketing and registration, and the instructor does all of the education and communication with those who are registered, and she feels it is a great partnership. She stated it is standard across most Municipalities with the Municipality getting 25%.

Mr. McCartney stated he would assume a partnership would be 50/50. Ms. Tierney stated the instructors do more of the work as they do the instruction, and they have to have their certifications and insurance. Mr. McCartney stated the Township builds and maintains the facilities, and he feels it should be 50/50 and not 75/25. Ms. Tierney stated she would not get any instructors if it were 50/50. Ms. Tierney stated we require “heavy certifications,” and experience, and they are very well vetted. Mr. McCartney asked if that is required for those coaching LMFA or YMS. Ms. Tierney stated the Township does not run LMFA, and they just use our fields. She stated she does not vet them, and they are volunteers. She stated they do have to do background checks, but it is not her organization to run.

Mr. McCartney stated he understands there is pickleball instruction for one hour a week. Ms. Tierney stated she believes that there are four classes. Mr. McCartney stated it would then be four hours a week. He asked the total number of students in each class, and Ms. Tierney stated she believes that it is twenty. Mr. McCartney asked the Fee per student, but Ms. Tierney stated she did not recall as there are numerous different Fees being charged for the various programs. Ms. Tierney stated it could be \$100. Mr. McCartney asked if we could not find anyone else at 50/50. Ms. Tierney stated she could not get anyone to teach pickleball, and this was the first certified instructor who came to her. Mr. McCartney stated the pickleball instructor is a tennis instructor, but Ms. Tierney stated he is also a certified pickleball instructor.

Ms. Blundi stated she believes that the Board has some concerns about public assets being used to help fund businesses in a way that does not feel fair. Mr. Grenier stated one concern is whether they are using our facilities in a way that is fair and equitable; and the other concern is that we have built these facilities that we want the public to be able to use. He stated there are pickleball classes taking place on Township resources that people are paying a lot of money for. He stated there are also a lot of people who want to play pickleball, but they cannot because they are not paying the Fee.

Ms. Tierney stated most of the people who sign up for pickleball are residents who want pickleball instruction. She stated we could offer it for free to be paid for by the taxpayers, and the Township could pay the instructor to teach pickleball to residents. Ms. Blundi stated if there are twenty people in a class paying \$100, that would be \$2,000 a class. Ms. Tierney stated that would be for a series of classes. Ms. Tierney stated she can do an analysis as to how much instructors make. Ms. Blundi

stated she understands that is what Pennsbury Racquet Club is paying people, but the difference is that is a private club. Ms. Tierney stated she will look at Municipal comparisons.

Mr. McCartney asked how many pickleball players are non-residents; and Ms. Tierney stated she would have to look at the Registrations, and she could let the Board know. Ms. Tierney stated she would be glad to do any analysis. She stated the Township could pay for pickleball through taxes since the residents want pickleball. Mr. McCartney stated he believes they wanted pickleball courts to play on, but he does not feel they wanted to be charged to learn how to play pickleball. Ms. Tierney stated we are offering lessons because they want to learn how to play. Mr. McCartney stated they could learn how to play at Pennsbury Racquet Club or somewhere else, and he does not feel that the taxpayers should be subsidizing people learning how to play pickleball.

- Ms. Tierney stated with regard to League User Fees, last year we lost money; and we were spending about \$160,000, and we will make approximately \$115,000 at the end of this year. She stated while she has not yet brought this to the Park Board, she is proposing to increase the League User Fees to \$25 for a resident and \$50 for a non-resident. She stated it is currently \$16 for a resident and \$36 for a non-resident. She stated DCNR regulates at properties they have funded that you can only double the cost of your resident rate to non-residents. She stated we are actually in violation now by \$1.

Mr. McCartney asked the percentage of non-residents; and Ms. Tierney stated we are about 80% residents. Mr. McCartney asked if we charged the residents \$100, we could charge non-residents \$200; and Ms. Tierney stated that would be a very big increase. Mr. McCartney stated we are losing money, and Ms. Tierney stated that is why we are raising the Fees to \$25 and \$50. Mr. McCartney asked if that would bring us to break even. Mr. Grenier asked how much it costs to join a League. Ms. Tierney stated the Leagues put the User Fees onto the players. Mr. McCartney asked if raising the Fees \$25 and \$50 will recover the \$45,000, and Ms. Tierney agreed.

Mr. Coyle stated in some of the smaller Leagues like Girls Softball, there are not as many residents who play in the off-season Leagues so we do need non-residents to participate in the fall League. He stated we would not want to discourage non-residents from all Leagues.

Ms. Tierney noted the Summer Camp Fees. She stated we made money this year, but that was because we did not hire enough staff for the growth we had this year. She stated we struggled this year, and if someone went on vacation she or “Elizabeth” had to cover. She stated we need to hire more staff this year. She stated she is also looking to have a Director for Summer Camp so that some of the load is taken off the Program Manager. She stated that is why the Budget is showing a big expense increase on the staffing side. She stated next year the proposal is to increase the Summer Camp Fees by 12% which will cover a little bit of our full-time staff and all of the additional staff needed so that we should break even next year.

Mr. Kratzer asked the typical margin for a Camp like this, and asked if the aspiration is to break even or should there be some profit. Ms. Tierney stated this will also cover \$10,000 to the Pool. She stated generally speaking when you are operating a Municipal Camp, you are looking to break even. She stated our Camp Fees compared to other Municipalities is high, but it is very low compared to private camps which can cost \$6,000 for eight weeks. She stated we are at \$1,500 for eight weeks and other Municipalities are at about \$1,200.

Mr. McCartney asked the percentage of Township residents attending Summer Camp, and Ms. Tierney stated it is 90%. Ms. Tierney showed a slide of the rates with the 12% increase. She noted the Tween Camp rates are also shown. Mr. McCartney asked if the Fees from the Camp cover any Capital expenditures at the Community Center. Mr. Kratzer asked if there should be an offset of costs incurred. Ms. Tierney stated this covers equipment and items that are replaced every year such as the arts and crafts. She stated this year since we used Pennsbury, we had to pay a rental fee, and the Fees covered that as well.

Ms. Blundi stated she does not feel that we should be competing with private camps, but she also does not feel that the goal should be to break even. She stated we should have more of a margin than just breaking even. Mr. Coyle stated he believes that there are costs that are not being contemplated in the idea of break-even such as additional wear and tear on Township roads, parking facilities, use of the building spaces, etc. He stated it would not really be a profit, and it would be more of a contribution back to the Capital fund for the facilities that we are making use of which he feels is very important.

Mr. Grenier stated he agrees with Mr. Coyle. He stated in terms of staffing for this and some other Programs, we are looking at trying not to increase taxes; and currently the increase for Park & Rec is .5. He stated he would

want to look at ways to try to get that back to 0, adding that this probably relates to staff increases which he is concerned about. Mr. Grenier stated while we have not yet discussed the Pool, there may be a way to reduce the burden on the Park & Rec Department and on the Township by seeing if there are outside groups that run Camps and outside groups that could manage the Pool so that the Township does not have to subsidize so much of it through taxes. He stated these are operations that are like running a business. He stated we are doing that somewhat with some of the class offerings since we are working with small business owners. He stated he feels while outside management may not work as well with the Camps as it could at the Pool, he still feels it is worth investigating to see if we would be able to do that.

Mr. McCartney stated some margins could equate to Capital contributions that could be the parking lot that Ms. Tierney was speaking of earlier. He stated long-term the Community Center is going to have ongoing operating expenses.

Ms. Tierney noted the slide with regard to pickleball, and she stated with the Fee increase proposed for next year, we anticipate breaking even at minimum.

Ms. Blundi asked if that includes the \$50,000 drainage project, and Mr. Kratzer stated it does not. Ms. Tierney stated that is not on the courts.

Ms. Tierney stated currently we charge \$27.50 a year for pickleball Meet-Up, and we are looking to go to a model that is more like a membership. She stated there are 7,500 members at the Pool and 450 pickleball members, but she gets more calls about pickleball than she does about the Pool during the summer. She stated last summer rather than using one of our maintenance staff, we brought on someone for the summer to answer pickleball questions and help with the app. Ms. Tierney stated while that individual worked very minimal hours, it was a great relief. Ms. Tierney stated she is bringing her on year-round because pickleball does not stop; but her hours will vary based on the time of the year, and she will work more during the summer and maybe very few hours during the winter months. Ms. Tierney stated her salary including FICA would be included in the \$35,000 plus we are getting a new app. She stated with the app we use now, we cannot help people if they have a problem. She stated with the new app, they will register on that app, and we can help them on the back-end with their programming.

Ms. Tierney showed a slide of the proposed Pickleball Fees. She stated the proposal is \$120 annual Fee for residents and \$150 annual Fee for non-residents. She stated there is also a snowbird rate for those who go away for part of the year. Mr. Grenier asked if these are DCNR-funded courts, and Ms. Tierney agreed. Mr. McCartney asked if we could go to \$240 for non-residents; and Mr. Tierney stated we could, although we do not have many non-residents.

Ms. Tierney stated at the Dog Park, she is proposing a Fee increase. She stated we lost money at the Dog Park, and she is looking to increase the Fees in order to capture our costs. She stated it cost \$13,500 to run the Dog Park last year. She stated the estimated projected Revenue for this year is \$11,000; and the proposed Fee increase will cover the cost and a little extra.

Ms. Blundi stated she believes that Fee is much lower than the Park at Core Creek; however, Ms. Tierney stated it is the same. Ms. Blundi stated she believes that the Board is saying that in this difficult fiscal climate, where there is an opportunity to do more than break-even, that is what we should do especially with higher fees for non-residents who have not had the burden of paying for the facilities. Ms. Tierney stated she will come back with higher Fees.

The Pool

Ms. Tierney stated there are intangible benefits of having the Pool. She stated the Pool has provided jobs for thousands of our residents who got to meet new people, learn new things, and is an introduction to teamwork. Ms. Tierney stated the Pool is a “summer savior for parents,” provides a source of water-safety education, people meet new friends and old, it is a place for wellness for all demographics, and is a reason to live in Lower Makefield Township. She stated the Pool has great value beyond just what we make in sales.

Ms. Tierney stated we are struggling financially with the Pool, and she is proposing we continue the Study that was started in 2019 but expand its scope. She stated she got a quote to include the out structures, and she would like to get a quote to expand it even further to cover programming and finances as the company will do that. She stated this would be more of a Master Plan versus a Feasibility Study to bring the Pool into the future. She stated we had a Contract with Aquatic Facility Design that was never finished, and they are willing to honor the old Fee to do what had been promised, and they have

added a little to add the outbuildings. She stated the Plan with just the outbuildings added is \$17,850, but she is not sure how much more it would be to include the full financial and programming analysis.

Mr. Grenier stated he does not feel we should be spending money on this next year given our financial situation. He stated while his family were members of the Pool pre-COVID, they are no longer members because they were not using it enough to justify the fee. He stated they would not use most the amenities there, and would just go to the YMCA or the beach. Mr. Grenier stated he was a lifeguard at his community pool growing up, and it did get a lot of use; but it was a true community pool and not like our Pool. He stated he does not consider Lower Makefield's Pool a community pool and it is more like a water park. He stated he would like the Township to consider looking to see if there is an outside group who would manage the Pool similar to what is done at the Golf Course. He stated that way the Township is not funding the Pool through taxpayer dollars since we are now having to subsidize the Pool because of equipment etc. in the amount of several hundred thousands of dollars. He stated he feels that the Fees should be covering the cost of the Pool, and it should be self-sufficient. He stated he agrees that the Pool does provide a benefit, although he does not believe having the Pool would keep him in the Township.

Ms. Tierney stated an outside management company might not hire our residents or provide the same level of training.

Ms. Blundi stated she disagrees with Mr. Grenier. Mr. Grenier stated he has worked at pools. He stated he would eliminate the slides and the high dive as he feels they have a high cost of ownership, and do not provide "a ton of benefit." He stated he feels the Pool "is a massive yoke on the taxpayers." He stated while there is a benefit to having a pool, there are levels of benefit that we can look to address the Pool through reduced costs and still provide a very positive access to aquatics.

Ms. Blundi stated she "loves the Pool," but she feels that we have to address the pricing structure because she does not feel it works as intended; and she understands that Ms. Tierney is looking at that. Ms. Blundi stated she does not know that the Pool has to be self-sufficient, and she thinks that would be an "extraordinary ask especially given the lack of maintenance that was done for so many years, and to now say that anyone who wants to use the Pool has to take on this burden that was built up over time."

Ms. Tierney stated the Pool did manage the day-to-day needs, but there are a lot of infrastructure needs because the Pool is old. She stated we should have a goal rather than “piecemealing and band-aiding things.” She stated the Study would evaluate the whole situation and provide a package of what might be best for the Township. Mr. Grenier stated any private company that would come in to manage the Pool would do that as part of their assessment.

Mr. McCartney stated he believes that any Capital improvements would still fall on the Township, and Ms. Tierney agreed. He stated the Capital improvements at the Golf Course fall on the Township; and unless the Pool is at least self-sufficient or profitable at some point Capital improvements and any shortfalls in membership will fall back on the Township whether there is a management company or not.

Mr. Grenier stated while he does not disagree, he feels that the Pool is very expensive. He stated we are talking about millage increases and very expensive filter replacements at the Pool as well as a number of other issues in the Township.

Ms. Tierney asked who would have to pay if the management company were to come up short. Mr. Grenier stated he is saying that there are things at the Pool that he feels are superfluous although some may disagree.

Mr. Coyle stated he does not believe that we have the money to execute a Master Plan at this time and it would not be valuable to spend \$18,000 to learn how much money we do not have to spend on projects next year or years in the future. He stated we have to cut something somewhere, and we cannot keep agreeing to everything. He stated he does not feel this \$18,000 is vital for 2024.

Mr. McCartney stated he likes to see income-producing aspects, but he understands the intangible aspect of having the Pool in the community. Mr. Grenier stated there is a benefit to having a pool; but he questions at what cost, and when does it become more of a burden.

Ms. Tierney stated based on feedback from the community, we are considering some re-structuring. She stated one of the big problems was that part of the Fee Structure included a parent associated with a child in their household. She stated a child under the age of 14 would have to sign up with a parent. She stated there could be an adult who is baby-sitting a child for the entire summer. She stated they are proposing a

Gold/Premier Membership where the member can bring in two guests a day. She stated the cost for that Membership would be \$500 for a resident and \$550 for a non-resident. She stated those members could bring two guests a day and not have to pay the daily guest fee. Ms. Tierney stated this might generate extra revenue for us in that more people may decide that they want to join the Pool, and it would solve a few issues that we were having last year.

Ms. Tierney stated we lost \$91,900 in discounts last year. She stated she feels the Discount Period is important because it encourages people to sign up early, but she feels we can reduce the amount of discount that we offer so we can have cost savings in the back end. She stated rather than a \$15 discount across the board, she is proposing changing it to a 10% instead.

Ms. Tierney stated we do not offer a Military Discount, and she is proposing to offer one. She stated while that will not make us money, it does honor those who served. Ms. Tierney stated people were also complaining about the cost of the Guest Passes, and she is proposing a non-refundable, one-time offer to get ten Guest Passes for \$100 only during the Discount Period. She stated it may generate some additional revenue in that people will pre-purchase their Guest Passes. She stated we are also looking to remove the Caregiver Pass because the flexibility now allows for a caregiver to get a Season Pass. She stated we are also recommending increasing all Swim Lesson Fees across the board by 10% since our Swim Lesson Fees are very low compared to others.

Mr. Coyle asked if the Military Discount is only for the individual in the military. He added he does a lot of work for the Military and does not like military discounts that do not apply to their spouse and children since they serve as well.

Mr. Coyle stated his family has been Pool members, but they chose not to do the Swim Lessons at the Pool after having invested in them as they felt the quality of the Swim Lesson Program that is offered at the Pool is not up to par with other private offerings in the area. He stated for his youngest children, there was not really any instruction going on. He stated he would be concerned about a 10% increase in cost without a commensurate increase in quality. Ms. Tierney stated there were some complaints, and they discussed how we would better train our instructors for next year, and there is a new system planned. Mr. Coyle stated a few years ago the NAC adopted a Certification Program through the Red Cross or some other

organization; and when they made that adjustment, their program quality improved significantly. Ms. Tierney stated she will look into what program they used.

Mr. McCartney asked the number of non-residents at the Pool, and Ms. Tierney stated it is about 75% residents. Mr. McCartney asked if they are looking at increasing the non-resident Fee, adding he feels \$50 from resident to non-resident seems low.

Ms. Blundi asked about the food vendor, and Ms. Tierney stated she does not have that in the presentation. Ms. Blundi stated she understands that we are doing a new RFP for the food vendor this year, and Ms. Tierney agreed. Ms. Blundi stated we need to see if that structure makes sense.

Ms. Tierney showed a comparison for the Pool pre-COVID and post-COVID.

Ms. Tierney stated what is proposed at this time is a 12% increase in the Budget, and she showed a slide of what the prices would look like.

Mr. Coyle stated there had been some discussions about a household fee to contribute toward some of the Capital projects. He asked if we have looked at even a small contribution such as a \$10 contribution. Ms. Tierney stated we could consider a \$10 per family Capital Improvement Fee. She stated they looked at this in a number of ways.

Ms. Blundi stated while she does not know how many large families there are, she believes that there comes a point when it is cost prohibitive. She added that she knows they were trying to find a way to help the single-parent family. She stated possibly there could be a cost per individual up to six people. She stated she feels part of the reason we have seen some changes in who is coming to the Pool is because of the structure. Ms. Tierney stated generally people are complimentary unless they have a large family, and possibly it could be capped or after so many there could be a reduced rate. She stated the second year we had this structure there was no negative feedback. She stated she agrees that there could be a cap or some way to benefit the larger families.

Capital Projects

Ms. Tierney showed a slide of the Capital projects. She stated we pushed off the Veteran's Square project, and we tried to focus on more infrastructure related projects and projects for which we have very large Grants.

Mr. Grenier stated he feels we need to look at which projects we have Grants for and which are taxpayer dollars. Mr. Kratzer stated the only project that is Grant-funded currently is Memorial Park East Expansion at \$300,000.

Ms. Tierney stated including the engineering it is \$330,000. Mr. Grenier asked if that is on top of the Grant or inclusive of the Grant, and Mr. Kratzer stated that Grant is \$900,000. Mr. Kratzer stated it is a \$1.2 million project, and \$900,000 of that is being funded through receipt of a Grant. Mr. Grenier asked about the MTF bike path match; and Mr. Kratzer stated that is Grant dependent, and the amount shown would be our match. He stated that project would not advance unless we received funding for it. Mr. Kratzer stated the Heacock Pocket Park has been started because the Board authorized purchase of the equipment, and Ms. Tierney agreed that has been committed for completion in the spring.

Ms. Tierney stated the Memorial Park shade structure and rubberized surface could probably be pushed off a year. She added that the rubberized surface is going to have to be replaced, but she feels it could wait another year.

Mr. Lewis stated that is coming from Bond proceeds as opposed to a recurring fund.

Mr. Lewis stated the challenge is could we even do all of these projects in a year. He stated if we wait a year it would cost more. He stated he knows what bad shape the Memorial Park basketball court is in. He stated the funds needed for that would be coming from Fee-In-Lieu, and that is just a resurfacing. He stated he feels that could be delayed since other projects are Grant related.

Mr. Grenier asked the life of the Pool filter, and Ms. Tierney stated the Pool filter absolutely has to be replaced next year. She stated there is also another filter that needs to be replaced, and she deferred that to the following year so that is not in the 2024 Budget.

Mr. Kratzer stated the Grant for Memorial Park East needs to be used by June 30, 2026. Ms. Blundī stated while she understands that we could be giving up a big Grant, she does not know that we should do the Memorial Park East project. She stated we need to do the Memorial Park playground

work if not this year, then soon since it is the only accessible park that we have; and we need to make sure that people with special needs can access it. Ms. Blundi stated we build things, but we do not think about what the future maintenance will be on them. She stated while we are getting better, we need to accelerate that. She stated with regard to the \$1.2 million Memorial Park Expansion Project, she is concerned what the impact of that will be seven to eight years in the future.

Mr. Coyle stated he had thought about that as well as to what the \$1.2 million Memorial Park project will cost to operate, and whether it will be \$200,000 every six or seven years. He stated he agrees with Ms. Blundi.

Ms. Blundi stated you can get Grants to build new things, but you cannot get Grants to repair or maintain things.

Mr. Lewis asked if there is a reason why we have to use Fee-In-Lieu funds for the match for the Memorial Park East Expansion or could those be Bond proceeds as well; and Ms. Tierney stated she believes that we can use either. Mr. Lewis asked when we will be out of 2016 Bond proceeds. Ms. Vogel stated there is \$488,000 left. Mr. Lewis stated if we were to use those Bond proceeds, it would not come from Fee-In-Lieu, but it is still dollars.

Mr. Coyle asked if it makes more sense to use the Bond proceeds that are remaining for something like accelerating the other pool filter that we are putting off a year so that it is not further deteriorating and so that we are not continuing to pay Debt Service on that money that it sitting there. Mr. Kratzer stated the 2016 Bond proceeds should be spent in their entirety as soon as possible. He stated when you issue tax-exempt debt there is a requirement that you spend the tax-exempt debt down within a certain period of time; and while we have exceeded that time, there has been COVID and some other things. He stated there are a number of projects that are not on the list Ms. Tierney is showing but were included in the e-mail to the Board including the Hidden Oaks Basin Retrofit Project, the Charles Boehm streambank restoration, and Five Mile Woods porous pavement. He added we have applied for a significant sum in Grant funds for these projects, although you cannot depend on receiving those Grant funds. Mr. Kratzer stated for Hidden Oaks there was a Grant Application for \$500,000, so our net cost would be \$95,000. He stated we are doing an evaluation with Land Studies, and there will probably be some additional work there. He stated there was also discussion this evening about Taylorsville Road whether it could be a sidewalk/combination drainage project.

Mr. Grenier stated there are some items included that he feels are placeholders. He noted the Quiet Zones; and while we have not been told we have to do it, we have been anticipating it for a few years. Mr. Kratzer agreed that a project allowance has been set aside. Mr. Grenier asked about the Five Mile Woods porous pavement, and Mr. Kratzer stated that is a PRP project. Mr. Kratzer stated the Five Mile Woods, Hidden Oaks, and Charles Boehm are PRP Projects that have been identified and the Board has committed to doing. Mr. Grenier asked if the parking lot could be included in a Road Fee. Ms. Blundi stated if there is a new Fee for roads, we should just consider roads; and while at some point we might consider parking lots, the impetus is roads. Mr. Coyle stated since it is pervious paving, it could also relate to stormwater management. Mr. Kratzer stated with regard to those three projects, he does not feel we should be optimistic thinking we could get \$996,000 in external funds, although we could get something.

Mr. Kratzer noted the Highland Drive Drainage Improvement Project adding that we have the PA Small Water and Sewer Grant that was \$147,537, and the scope of that project has expanded greatly; but if we are awarded Commonwealth financing, he would try to amend the scope to see if that could be partially funded through that.

Mr. Kratzer stated the use of the Bond proceeds is more flexible than the Park & Rec Fee-In-Lieu of Funds.

Mr. Kratzer asked if there is a consensus of the Board to defer the Memorial Park East. Mr. Grenier stated he recalls that there was a Motion to defer the RFP until January, although he argued for deferring it a little bit longer. He stated if we decide to defer it, we need to look at the schedule to make sure that we do not defer it to long if we are going to actually do the project so that we do not lose the Grant. Ms. Tierney stated the RFP was just for the design, and it was not for the build. Mr. Grenier stated it is still expensive to do the design. He stated he would be in favor of deferring it as long as possible.

Mr. Kratzer asked if the Board would like more time to think about these projects, and Mr. McCartney stated he would like more time. Mr. Lewis stated he feels that for anything that we can use the Bond proceeds, we should try to do that. Mr. Lewis stated with the Fee-In-Lieu money, if we are going to continue with the rate increase, we should keep it so that we can use it for certain things we know are coming like the Pool and other projects. He added that he feels that we also need to consider how many projects we can successfully handle in a year.


Ms. Blundi asked the Board to consider what they feel should be the priorities. She stated if we are considering how much we can do in one year, she feels that it has to include Patterson Farm, and we have to move forward with that. Mr. Lewis stated while he agrees, “there may be more helpers there.” He stated outside of the Budget-funding process the Board needs to think about how many projects we can do at a time and how we can manage them better.

Mr. McCartney asked Mr. Kratzer about a timeline with regard to the Budget. Mr. Kratzer stated the schedule initially contemplated that at the Boards’ meeting on November 15, that the Board would make a Motion to make a proposed Budget available for public inspection so that the Board would be in position to adopt the Budget at the December 6 meeting. He stated the Board would not be able to make a Motion on December 6 to make the Budget available since the Boards’ last meeting in December would occur before the conclusion of the twenty-day inspection period required by Statute. He stated we would have to schedule a Special Meeting at the very end of the year to adopt the Budget. He stated in the alternative, the Board could hold a Special Meeting at some point the end of November/beginning of December to get to twenty days to be able to adopt the Budget at the last meeting in December.

Mr. McCartney asked if it would be appropriate for the five Supervisors, Mr. Kratzer, and Mr. Truelove to meet in Executive Session to go through how we want to consider the Preliminary Budget and the presentation to the public. Mr. Kratzer stated that could be discussed.

There being no further business the meeting was adjourned at 11:50 p.m.

Respectfully Submitted


John B. Lewis, Secretary