

SPECIAL MEETING MINUTES

A special meeting of Dover Borough Council was held at Borough Hall, 46 Butter Road on Monday, October 27, 2014 at 6:30 pm. All members were present. President Sabold called the meeting to order. A moment of silent prayer followed.

The main purpose of this meeting was to finish work on the proposed 2015 budgets. Ms. Hartzler had updated the budgets to reflect changes from the previous meeting. On the Sewer Fund, it was decided to separate computer software and maintenance agreement expenses from the *Office Supplies* Line 429.21 category to more easily identify these costs. The sewer portion of the software agreements will be \$1,625 in 2015. *Advertising* (400.34) was entered as \$1,000 to cover bids for sewer projects next year. Seven hundred fifty (\$750) was allotted for *Office Supplies* (429.21). These changes increased expenses by \$1,375; this amount was deducted from *Contracted Services* (429.45) to balance the budget.

The General Fund budget was reviewed under Section 395 where reimbursements are listed. A line will be inserted to reflect the \$4,000 of auto expense income that is shown as an expense from sewer and water monies. This transfer is done yearly at a rate of 1/3 from each of the water and sewer accounts. The total income was changed to \$840,113. The expenses were discussed. Line 400.31 *Memberships/Subscriptions* was increased to \$340 since it had been consistently \$319 for 3 years. It appears that \$3,000 will cover advertising. The expenses for Borough Manager were budgeted the same as 2014.

The issue of elected auditors versus independent auditors was debated. Mrs. Andstadt will be compensated for the time she works on researching the errors in the audit at the same rate as the original time, up to the maximum amount permitted under the Borough Code. Several members were of the opinion an independent audit should be done as this has never been done in the borough and there have been recent issues with finding elected auditors who are willing and available to serve. Other members were not in favor of spending the taxpayer dollars for a CPA firm to perform the audit which would cost at minimum \$7,000, as reflected in two quotes received. The topic of the current discrepancies as stated by DCED in review of the audit filed in April of this year was discussed. This matter should be resolved as soon as possible before it is time for the auditors to begin work on the 2014 audit. Mrs. Andstadt may not have time or resources to accomplish this on her own. It was suggested that Mr. Eisenhart, a former auditor and council person, be contacted to see if he would help. Mr. Seidel felt the borough should continue to use the office of elected auditor. Ms. Koch stated that under the Borough Code appointing an independent auditor would require a resolution and the office of elected auditor would be abolished. It was decided to enter \$7,000 into the budget for an external audit, but the more urgent issue was resolving the questions arising from the previous audit.

The *Tax Collector Payroll* (403.11) has been under budget for two years due to more foreclosed homes being sold and payment of back taxes. This line was increased from \$3,600 to \$4,000. *Tax Collection Supplies* (403.22) was also increased from \$200 to \$1,000 to adjust for increased postage and stationary costs. The *Office Supplies* (405.20) for Secretary/Treasurer were assigned amounts based on separate line items instead of a lump sum for the category as previous. There was a discussion of replacing the banners. Earlier, the estimated income for this project had been removed. At this point, a figure of \$6,000 was entered under expenses (409.47) *Decorations/Banners* and also for income (387.00) *Borough Decorations* to offset the amount. Mayor Pope will research the current cost to replace the banners and which businesses have interest in purchasing them. Council reviewed the line items relating to the payout of the Minimum Municipal Obligation for *Police Pension* (410.30) and the reimbursement of this expense from State Aid and NYCRRP. The anticipated Police Pension MMO for 2015 is \$47,659. Mayor Pope indicated the pension is expected to peak in 2016 and then decrease. The borough donations to the fire company and ambulance club had not been issued for 2014. Mr. Slusser made a motion to pay the budgeted amounts for 2014 to Union Fire and Hose (\$12,500) and the Dover Area Ambulance Club (\$3,500). Mr. Dentler seconded the motion. It carried unanimously. It was decided to increase these contributions in the 2015 budget to \$13,000 for the fire company and \$4,000 for the ambulance club to match the income from Local Services Tax. The LST income for 2014 is \$19,000 YTD. Mr. Slusser amended his previous

motion to increase the fire company donation to \$13,000 and the ambulance club donation to \$4,000 for the 2014 contributions. Mr. Dentler seconded and all were in favor. It was decided to leave *Contracted/Prof Services* (430.45) at \$12,000 which includes repair of the planters and installation of banners not completed in 2014.

Mayor Pope was agreeable with reducing Line 450.20 *Rec Exp – Activities/Supplies* back to \$1,250 as in 2013. He asked if the Rec Board could have use of the remaining income brought in from donations and fundraising for the 250th Anniversary celebration. A lengthy discussion followed regarding the proper way to account for the income and expenditures of the Recreation Board as it related to the budgeted expense item and whether to “carry over” a cash balance into the following year. Mr. Seidel proposed the best way to assign the monies in question was to create a *Cash Reserve* line item which would designate the funds for Rec Board use. Mr. Kroft felt this was essentially the same as increasing the budgeted amount for the Rec Board. Line 450.20 was left at \$1,250 for 2015 with no objections to the Recreation Board having use of money brought in through their fundraising efforts or donations in 2014. The accounting aspect was tabled for later review.

The budgeted amount for *Park – Repairs & Maint* (451.37) was reduced back to \$500 since the line item was higher in 2014 for playground mulch. The *Library Donation* (456.00) for \$1,000 had not been issued in 2014. Mr. Seidel made a motion to pay the budgeted amount of \$1,000 to the Dover Community Library. It was seconded by Mr. Slusser and all were in favor. The National Night Out donation to NYCRP was not made this year and it was decided to omit it since the event was long past. The Conewago Garden Club donation for 2014 had not been paid. Mr. Seidel made a motion to pay Conewago Garden Club a donation in the amount of \$350. Mr. Slusser provided the second and the motion carried unanimously. Under Section 481.00 *Intergovernmental Expenditures*, changes were made to reflect the “actual” expenditure for each item since the matching reimbursement for the employees’ contribution is now being shown under income. The *Workers Comp Policy* (486.01) and *Insurance Policies* (486.00) were more than the budgeted amount in 2013 and 2014 so both line items were increased for 2015. Mrs. Hartzler will research the renewal date for the dental insurance to determine if a decision is needed regarding coverage going into 2015.

The 2015 General Fund budgeted expenses exceed the income by approximately \$45,000. The anticipated 2014 year-end bank account balance was discussed and how it would be affected by projected income and expenses for the remaining two months of the year. Another quarter of trash fees will come in before the end of the year as well as additional Earned Income Tax. The issue of adjourning and meeting again to adjust figures the following evening, October 28, was discussed. Mr. Kroft proposed that Mrs. Hartzler verify the totals from this evening’s session, enter them into the budget, and add the necessary amount, estimated around \$45-50,000, to balance the budget as *Transfer from GF Savings* (392.01). Council would review the proposed budget at the regular council meeting on November 3, 2014 and make additional adjustments if required.

Mr. Herrold would be reminded regarding the preparation and advertising of the tax ordinance for 2015.

Mr. Kroft made a motion to adjourn the meeting. Ms. Bishop seconded and all were in favor. The meeting was adjourned at 10:30 p.m.

Respectfully submitted,

Rebecca Hartzler
Secretary/Treasurer