



The Morrisville Borough Council met on Thursday, November 7, 2019 at 6:30 p.m. in Council Chambers at the Morrisville Municipal Building, 35 Union Street, Morrisville, PA for a Council Budget Meeting.

Ms. Smith stated, please rise for the Pledge of Allegiance and a moment of silence.

Those in Attendance:

Borough Council: Debbie Smith, President
Danielle Larison, Vice President
Justin Bowers
Eileen Dreisbach
Corryn Kronnagel
David Nay
Ted Parker
Michael Yager

Borough Officials: Scott Mitchell, Borough Manager
Micah Heitz, Finance Director

Not In Attendance: Dave Rivella, Mayor
Michael Levin, Solicitor
Virginia Cyphers, Assistant Borough Secretary

SPECIAL PRESENTATIONS

There were no special presentations this evening.

HEARING OF THE PUBLIC

There being that no one wished to speak, public comment portion was closed.

ACTION ITEMS

Mr. Mitchell stated, so the public is aware, there's not going to be any voting taking place tonight, this is basically a public work session and it is to get feedback from Council on the budget so that we can revise it and present you with a proposed budget for adoption at your November meeting.

Scott Mitchell and Borough Council reviewed the draft budget page by page. A copy was distributed to the public in attendance.

Ms. Smith stated that we are at 30 mils which is where we were last year. If the other ones, the dedicated ones are not increased you're at 16.85 so it's coming up as balanced at this point. Does anyone have anything they want to say about that first page?

Discussion ensued regarding revenues.

Discussion ensued regarding the Portnoff sanitation collection and the projections for next year.

Discussion ensued regarding Hough Associates and the Recycling Performance Grant.

We are proposing that the sanitation fees increase by \$10 for residents this year, \$20 for commercial and \$10 for non-participating, which will be \$320 for residents and \$620 for commercial.

Mr. Mitchell stated, I think you will find overall this budget is very much what I would call a status quo budget except for what we were suggesting to Council in terms

of your specific millage funds, because we have a number of those funds that are underperforming and there's some deferred maintenance issues that making adjustments would help, and certainly the need for road paving, because our roads are just in deplorable condition. With regard to permit revenue, he stated that this year there were several projects done throughout the Borough by private entities and one by the school district that are one-offs, something you are going to see this year but it's not something you are going to be able to bank on in the future years. One was the renovation project at the school district. One of the apartment complexes in the Borough was sold, so they had to get U&O's for every single unit and that was very involved. There were a couple of smaller ones too, but those are anomalies. He stated that the only material increases to this budget over current year budget is accounting for our contractual obligations in terms of employees and the projection for increases to insurance, primarily health insurance, which I think if you do back of the envelope math, we're projecting a 15% increase to that. We don't have that number yet because our plan doesn't actually renew until February 1st, every year that's the case, so we won't actually have a solid number to use versus the 15% projection until December.

Discussion ensued regarding whether or not Council could budget a more realistic number for the engineering services line. It should be considered in the future.

Discussion ensued regarding Council increasing the number of part-time police officers on the roster to ten.

Mr. Mitchell stated, the only adjustments that were accounted for are our contractual obligations for employees and insurance costs.

Mr. Mitchell stated, the contract with the MMA is set at a fixed amount, but our expenses increase every year. We are hoping to mitigate it throughout the year to keep it capped at \$650,000 but yes, anything that goes over the \$650,000 becomes a drain on the general fund. He stated that Council should consider having a built in provision for cost escalations in this contract, but also the fact that over the years with the way new technology is going, you're going to see cable franchise revenues decline

not increase because it's going to satellite and that eliminates their need to have fiber optics in our right of ways and pay us franchise fees for the privilege of using said right ways so I think that's going to extinguish itself over time. I think the collection of the AR portfolio with Portnoff is going to decline sharply over the next year or two and you're going to see less and less of that old debt recovered, so that all eats into the bottom line.

Mr. Mitchell stated that street lighting has been underfunded for years. This fund as you may recall caused the Borough some problems a couple of years ago where some money was used from Liquid Fuels as a temporary patch to help solve a problem in the Street Lighting Fund. In a later audit, remember last year, we had to put that back from the General Fund, not an ideal situation so it's been a problem since 2014 or 2015 based on prior years that I've looked at which is why we suggested the modest increase.

Discussion ensued regarding increasing the millage by .8 and bringing it to 2 mills.

Mr. Mitchell stated that the contract with Constellation Energy is expiring at the end of the year and we have been working with Pennsylvania State Association of Boroughs preferred energy broker which is APPI Energy and they have a bid out for the Borough's electricity for anyone interested in bidding on being the Borough's electricity supplier. We will get the bids on November 18th, the rates are locked for a 24 hour period for Council to make a decision and we will notify the supplier the next day. He is hoping it's going to be a savings so it might be an unpredictable hidden cost savings for next year.

Mr. Mitchell stated, the Public Library is an example of deferred maintenance, it is a nice big old building and I think we all know that nice big old buildings require a lot of maintenance and it is not getting enough of it, we need to give it more and the only way to do that is to commit more funds to doing so.

Discussion ensued regarding replacing the Library roof and other repairs that are needed at the Library.

Mr. Mitchell stated, regarding the Recreation Fund, I implore you to please, we've got to do something about the Manor Park Playground, the time is going to come where our insurance carrier is going to require us to close it and remove equipment that is there. Something has got to be done. That is one of the CDBG Grants because we looped that together with the parking lot there hoping to do that as one project. When it comes to playgrounds and playground certifications and playground safety, the world has changed dramatically and insurance carriers are very fussy about that and it's not the first time the Borough has experienced this problem, because it happened with Williamson Park. The grant application opens in December and it covers the existing playground area as it stands today with the safety surface, new equipment, it's absorbing that fenced in cage area to include that as playground area and to redo the parking lot. It's going to depend on how much money we get approved for, if any, as to what we do there.

Discussion ensued regarding the street fund contingency which is increasing.

Mr. Mitchell asked if Council would like to carve out some time at Tuesday's agenda meeting and talk about it more instead of meeting again tomorrow night.

Ms. Smith stated, you have the weekend to think about it and you can decide what you want to do. She asked if everyone was okay with officially cancelling the meeting for tomorrow night. Council collectively agreed.

ADJOURNMENT

Meeting adjourned at 7:55 p.m.