

EAST WHITELAND TOWNSHIP  
REGULAR MEETING  
September 8, 2010

Chair, William Holmes called the meeting to order at 7:00 p.m. Virginia McMichael, Vice Chair, John Mott, Member, William Lincke, Township Solicitor, Terry Woodman, Township Manager, Eugene Dooley, Police Chief, and Mary Lou Knight, Assistant Township Secretary, were present. There were approximately twelve (12) people in the audience at the onset of the meeting.

Everyone recited the pledge of allegiance.

Mr. Mott made a motion to approve the Minutes of the Regular Board Meeting of July 14, 2010, Mr. Holmes seconded and the vote was in the majority. Ms. McMichael abstained as she was not in attendance at the meeting. Mr. Mott noted a change in the August 11 Meeting Minutes as follows: page 38, penultimate paragraph, should read "...to be held on September 8, 2010.." Ms. McMichael made a motion to approve the Minutes of the Regular Board Meeting of September 8, 2010, as amended. Mr. Holmes seconded and the vote was in the majority. Mr. Mott abstained as he was not in attendance at the meeting.

ANNOUNCEMENTS

Mr. Holmes announced the following:

- The Chester County Commissioners will be marking the official opening of the Chester Valley Trail on Tuesday, September 21<sup>st</sup> from 5pm to 9pm at the East Whiteland Township facility.
- The East Whiteland Fire Association will be holding an Open House on Saturday, October 2<sup>nd</sup> from 5 pm to 9 pm at their station on Planebrook Road.
- Household Hazardous Waste Events are scheduled as follows:
  - Saturday, September 11<sup>th</sup> at the New Garden Township Maintenance Building, 8934 Gap Newport road, Landenberg, PA 19350, No computers will be accepted.
  - Saturday, October 9<sup>th</sup> at the Chester County Government Services Center, 601 Westtown Road, West Chester, PA. Computers will be accepted at this location.

PUBLIC COMMENT

There was no public comment.

REPORTS AND COMMUNICATIONS FROM BOARDS, COMMISSIONS AND  
TOWNSHIP OFFICIALS

In response to an inquiry from Mr. Mott, Ms. Woodman indicated that Whiteland Village plans include installation of solar panels on their property.

East Whiteland Volunteer Fire Association – Chief Hurley gave the Fire Company report. He indicated that the Association will hold a Car and Motorcycle Show on Sunday, October 10<sup>th</sup> from 9:00 am to 4:00 pm. The event will take place on the grounds of Penn Liberty Bank.

ACCEPTANCE OF THE TREASURER’S REPORT

Ms. Woodman summarized the Treasurer’s Report. Mr. Mott made a motion to accept the Treasurer’s Report dated August 31, 2010. Ms. McMichael seconded and the vote was unanimous. The Treasurer’s Report balance totals as of August 31, 2010 are as follows:

General Fund	\$ 3,810,678.14
Street Light Fund	11,256.26
Sewer Fund	3,876,979.93
Sewer Fund Reserve	6,221,187.51
Sewer Construction Fund	76.94
Park Development Fund	345,487.20
Capital Improvement Fund	2,399,433.97
Dare Fund	8,043.69
State Fund	29,424.78

APPROVAL OF THE PAYMENT OF BILLS AND PAYROLL

Discussion ensued regarding the earned income tax collection by the County planned for January 1, 2011. Ms. Woodman indicated that she will be sending a letter to Central Tax to terminate the current Agreement that runs through December 31, 2011. Ms. McMichael made a motion for approval of General Fund Voucher No. 2010-9, Sewer Fund Voucher No. 2010-9S, and Payroll Fund Voucher Nos. 2010-17 and 18. Mr. Mott seconded and the vote was unanimous.

### OLD BUSINESS

- a. Establishing fees pursuant to Act 46 of 2010 – Ms. Woodman gave background on Act 46 and stated that the State Legislature has said that plans approved prior to a certain date in 2008 have the right to stay fully vested until the year 2013, but the applicant would have to ask the Township for an extension. The Act would give the township the right to charge fees to cover administrative costs associated with the granting of the extension. Ms. Woodman indicated that this Act would allow the Township to charge for something the Township is currently doing at no charge. After discussion, the Board stated that they did not see the necessity for charging fees.
- b. Resolution No. 15–2010 establishing a Fund Balance Policy - Considerable discussion ensued regarding the pros and cons of establishing a fund balance policy. Ms. Woodman pointed out that the Township will require a bond issue to fund the sewer project, and a rating is required from a major bond rating bureau. A formalized financial policy is recognized as favorable practice within the rating bureaus. Discussion continued with input from Mr. Lincke. Mr. Mott made a motion to adopt Resolution No. 15-2010 establishing a Fund Balance Policy subject to review of the percentages, as shown in the policy, by the January 2011 meeting of the Board. Ms. McMichael seconded and the vote was unanimous.
- c. Federal Emergency Management Agency reimbursement for costs incurred during 2010 snowstorm – Ms. Woodman thanked Messrs. Lokken and Steele for their diligence in submitting paperwork to FEMA which led to reimbursement of \$29,785.61 to the Township for a portion of its costs associated with the 2010 snow storm.

### NEW BUSINESS

- a. Presentation of a plaque to memorialize the contributions to the Township’s Historical Commission made by Steve Weko - The plaque, honoring the services of Steve Weko, was presented to the Township by the Historical Commission. The plaque will be installed at the Gunkle Spring Mill.
- b. Resolution No. 16-2010 – Ms. Woodman summarized the Resolution for a new home on the corner of King and Summit Roads to connect to the Township’s Public Sewer System. Discussion ensued. Mr. Mott made a motion to adopt Resolution No. 16-2010 for Plan Revision for New Land Development. Ms. McMichael seconded and the vote was unanimous.
- c. Discussion of the Non-Uniform, Police, and Firefighters pension plans and the Minimum Municipal Obligation for 2011 – Ms. Woodman informed the Board that due to market conditions, the Township’s combined funding obligation in 2011 for the three pension plans will be higher than last year by approximately \$173,000. Mr. Woodman introduced Ron Bitner, Trollinger Associates, the Township’s

pension advisor. He gave background on the recent changes to Pennsylvania pension law. He said that the Public Employee Retirement Commission, the agency that receives reviews and analyzes the pension report data is now required to calculate a distress score for municipal pensions based on the funded status of the plans (funded status percentage is calculated on total assets divided by total liabilities of the municipality). The Township came in at 84% and, under the scoring system, this translated to a distress score of one. 90% is considered a zero which would have meant not distressed at all. Based on the distress score of 1, East Whiteland has no mandatory remedies that need to be implemented, but the State is recommending that municipalities elect voluntary remedies. Mr. Bittner recommends an assets smoothing technique. This involves taking into account the fact that Township assets had recovered after the measurement date of January 1, 2009. Also for consideration is the amortization requirement. The act allows for reducing the current year amortization requirement as part of the minimum municipal obligation (MMO). The liability of the plan that is not covered by the assets (unfunded liability) is amortized over the remaining active lives of the members. Each year an annual payment towards that obligation is made. Using the amortization option can reduce the annual payment by as much as 25%. The MMO is comprised of 3 items – 1) payroll cost of active members, percent of current pay, 2) amortization of unfunded liability, 3) expenses. These things added together minus anticipated member contribution results in the bottom line payment. Recommendation is not to use the amortization option if the Township has sufficient resources to cover the MMO. The State must be notified of the Township's voluntary remedy choices by the end of October, 2010.

- d. Selection of an alternative electricity supplier – Ms. Woodman indicated that due to deregulation, PECO energy charges will rise 10% at the end of the year. She outlined the Township's options which included brokers who charge a fee to negotiate with a supplier. Ms. Woodman suggested that Excelon might be the best choice since they have offered to provide direct service over the year 2011/2012. This quoted price will be fixed for the year. Discussion ensued. The Board gave Ms. Woodman permission to negotiate the best price for electricity generation.

Mr. Holmes called a break in the meeting at 7:55 p.m.

### PUBLIC HEARING

Court reporter, Elaine Parrish, recorded all testimony.

- A Public Hearing to consider an Ordinance amending the Township's Code of Laws that includes additions, insertions and changes to the International Fire Code as Codified in Chapter 90-3 of the Township Code

The hearing opened at 8:00 p.m. and at the conclusion of testimony, the hearing was closed at 9:18 p.m. A motion was made to direct the Solicitor to make the

revisions to the draft ordinance as discussed this evening, and give public notice so the Board can consider its adoption at a future meeting.

There being no further business, Ms. McMichael made a motion to adjourn the meeting. Mr. Holmes seconded. The vote was unanimous and the meeting adjourned at 9:20 p.m.

Respectfully submitted,

Mary Lou Knight  
Assistant Township Secretary