

**PLAINFIELD TOWNSHIP
BOARD OF SUPERVISORS WORKSHOP MEETING
March 22, 2018**

The regular monthly workshop meeting of the Plainfield Township Board of Supervisors was held on Wednesday, March 22nd, 2018 at the Plainfield Township Municipal Building, 6292 Sullivan Trail, Nazareth, PA 18064.

Vice Chairman, Glenn Borger, called the meeting to order at 7:04 P.M.

The Pledge of Allegiance was performed.

ROLL CALL:

The following Supervisors answered roll call: Vice Chairman, Glenn Borger, Stephen Hurni, Joyce Lambert, and Jane Mellert.

Also present were Township Manager, Thomas Petrucci, and Administrative Assistant, Paige Gerstenberg.

Chairman, Randy Heard, arrived at approximately 7:16 P.M.

I. SECRETARY–THOMAS PETRUCCI:

1. Fiscal Policy Discussion #2- General Discussion on Operating Reserve Fund and Long-Term Revenue Fiscal Planning:

The Board of Supervisors has been discussing the possibility of opening an Operating Reserve Fund. The main goal of the Operating Reserve Fund is for economic distress, emergencies, and to simply put funds aside. Township Manager, Tom Petrucci, noted that the Operating Reserve Fund would not be used for removing funds in order to keep taxes low.

The members of the Board were given a memorandum which articulated possible scenarios for the future of Plainfield Township in terms of finances. Mr. Petrucci added that the monthly fees are deposited into the Host Retro account and the quarterly fees are deposited into the General Fund account. Currently, the Host Retro account would be used when there are economic downturns. Ultimately, the Operating Reserve Fund would be categorized as a hybrid form of the Host Retro account.

There were many questions raised by the Board of Supervisors. The main question of concern was whether or not to raise Plainfield Township taxes. At some point in the future, taxes will need to be raised in order to compensate for the lost funds of the landfill host community funds.

Township Manager, Tom Petrucci, previously spoke with Holly Fishel, who is the Policy and Research Manager for PSATS. In that conversation, PSATS does not recommend using the landfill host community funds primarily as a source of General Fund revenue. Ms. Fishel was aware of the fact that many Townships utilize host community funds to balance their General Fund. Ms. Fishel recommended that the funds should be primarily allocated towards capital projects, but recognized that there is often a delicate balance which needs to be achieved between weighing the needs of residents, the fiscal needs of the Township, and fiscal recommendations made in accordance with best practices.

Mr. Petrucci added that PSATS would always recommend that the host community funds not be used to balance the General Fund if that question is asked on face value. The Operating Reserve Fund should not be used to balance out the Township funds and revenue. This was in fact done in the past, however, the budget was not level. It is not the intention of the Board of Supervisors or the Township Manager to utilize the Operating Reserve Fund for anything other than for economic distress, emergencies, and to place funds aside.

Mr. Petrucci questioned whether the Board would like to close the current gap and fix the issue at hand. Mr. Petrucci added that the surplus was exhausted in 2015. There was a large sum of funds that were extracted at one time. The main issue at that time was attempting to have the Police Department move forward.

The next topic of concern was the amount of time that the Landfill will operate at its maximum capacity. The Landfill is set to run for approximately 8.4 years. The Landfill could also be granted an extension if it were so requested once their operations begin to dwindle. The Board of Supervisors would be notified of such possibilities five years prior to an expansion. Currently, the Township relies much on the revenue from the Landfill which is ultimately the reasoning for the Township taxes to continuously stay low. At some point in time, the Landfill will no longer be in operation and the revenue that is currently being received and used from their operations will no longer be available to the Township for use.

The Operating Reserve Fund and the Capital Reserve Fund would have funds split between the two accounts. Mr. Petrucci stated that the General Fund is not currently used for any road work, culverts, etc. within the Township. Chairman, Randy Heard, added that the General Fund should hold enough funds to pay for all of the Township's bills.

Vice Chairman, Glenn Borger, noted that the Township owns the 8th Street Bridge. Once this bridge is in need of replacement, the cost of this project will be a multi-million dollar project.

Mr. Petrucci stated that it is important to rectify the current issue. Road work in the Township will be a constant cycle. Supervisor, Stephen Hurni, requested that Mr. Petrucci provide the cost of everything that will need to be done within the Township in the next 10 to 15 years in order to evaluate what funds will be needed for those expenditures. Mr. Petrucci will gather the information requested and will provide the information as soon as possible to the Board of Supervisors. No further comments were made at this time in regards to creating an Operating Reserve Fund.

CITIZEN'S AGENDA/NON-AGENDA:

1. None

BOARD OF SUPERVISORS REPORTS:

1. *Glenn Borger, Vice Chairman*- No Report
2. *Joyce Lambert*- No Report
3. *Jane Mellert*- No Report
4. *Stephen Hurni*- No Report
5. *Randy Heard, Chairman*- No Report

ADJOURNMENT:

Having no further business to come before the Board of Supervisors, motion was made Glenn Borger and seconded by Joyce Lambert to adjourn the meeting. Motion approved. Vote 5-0.

The meeting adjourned at 8:42 P.M.

Respectfully submitted,

Thomas Petrucci, Township Manager/Secretary
Plainfield Township
Board of Supervisors

These minutes were prepared with the assistance of the Administrative Assistant of the Township, Paige Gerstenberg, under the direction of the Township Manager/Secretary.