

**YORK AREA UNITED FIRE AND RESCUE COMMISSION
SPECIAL BUDGET MEETING**

**SEPTEMBER 18, 2012
APPROVED**

The York Area United Fire and Rescue Commission held a Regular Meeting on Tuesday, September 18, 2012 at 6:00 p.m. at the Springettsbury Township Offices, 1501 Mt. Zion Road, York, PA.

MEMBERS IN

ATTENDANCE: Austin Hunt, Vice Chairman
Don Bishop
John Fullmer
Cara Beth Zortman

MEMBERS NOT

IN ATTENDANCE: Bill Schenck, Chairman
Richard Guyer, Spring Garden Township
Julie Landis, Springettsbury Township

ALSO IN

ATTENDANCE: John Holman, Springettsbury Township Manager
Greg Maust, Spring Garden Township Manager
Tom Warman, Spring Garden Township
Matt Shorb, Spring Garden Township
Mike Bowman, Springettsbury Township
George Dvoryak, Springettsbury Township
Steve Hovis, Solicitor
Robert McCoy, YAUFR Chief
John Woods, YAUFR
Jay VanPelt, YAUFR
Dan Hoff, YAUFR
Sandra Ratcliffe, YAUFR
Don Eckert, YAUVFC
Jean Abreght, Stenographer

1. CALL TO ORDER

A. Opening Ceremony

1. Pledge of Allegiance

HUNT Vice Chairman Austin Hunt called the meeting to order and welcomed the attendees. He led the Pledge of Allegiance.

2. INTRODUCTION AND PURPOSE BY VICE CHAIRMAN HUNT

HUNT Mr. Hunt stated the purpose of the meeting was to review the proposed budget. He asked Chief McCoy to present the 2013 Proposed Budget.

3. 2013 BUDGET PRESENTATION

A. Chief McCoy and Sandy Ratcliffe

MCCOY Chief McCoy thanked everyone for their attendance. He noted that he would provide an informal presentation of the draft budget. The intent is to provide the township boards with the material for review during their individual budget sessions. The YAUFR Commission voted at the last monthly meeting in August to present the draft budget tonight. They will attend the individual budget sessions. He noted that no formal action was required this date. Everyone had been provided a copy of the PowerPoint presentation. A summary of his presentation follows:

York Area United Fire and Rescue – 2013 will enter the sixth year as a regional combination fire department and the second year that YAUFR, as part of the budget process, will be returning a fund balance to the two townships. Additionally, 2013 reflects the first budget year with a 60/40 funding split as stipulated in the Charter Agreement. The 2013 budget also reflects some contingencies that were factored in to address the potential moving of the Springetts Fire Station. There may be a period of time during construction of the new building where the existing location will have to be vacated and facilities provided during that time.

Responses in 2012 – As of August 31st 36% of First Due calls were in Spring Garden Township and 64% were in Springettsbury Township.

Responses Since Inception – May 5, 2008 through August 31, 2012 – Spring Garden Township 37%; Springettsbury Township 65%.

YAUFR Proposed 2013 Revenue/Township Funding –

Total Expenses -	\$4,615,453
Other Revenue Reimbursements -	(\$320,467).
Net Revenue from Township Funding -	\$4,294,986

Intergovernmental Funding for 2013 – Percentage change is 5%. The proposed Intergovernmental Revenue from the townships is \$4.2 million, which broken out with the 60/40 is \$2,576,992 for Springettsbury; \$1,717,994 for Spring Garden.

Fund Balance – Commission enacted a Fund Balance policy in 2011. The stipulation was to carry a minimum of 3% and no more than a maximum of 5%, a policy suggested by the Auditor. In 2013 the fund balance return to the townships will amount to \$548,010.

RATCLIFFE Ms. Ratcliffe stated that the suggested policy allows for adequate operating cash throughout the year.

Township Contributions – in 2013, based on the 60/40 split, the contributions will be \$2,275,587 for Springettsbury and \$1,471,389 for Spring Garden for the total contribution of \$3,746,976.

Proposed 2013 Revenue Breakdown: Intergovernmental Revenue constitutes 93% of the budget; Miscellaneous Revenue is 1%; Pension MMO Contribution is 4%; MMO contribution at 4%; and Township Unfunded Liability which is Springettsbury's at 2%.

Budget Comparisons and Expenses – Total projected for 2013: \$4,517,357 or 5%.

Expenses – 2013 including Workers Comp, Insurance and Benefits, Operating Expenses, Moving Contingency, Contract Services and Minor Capital for radios, a total of \$4,615,453 or 5% increase. Total Budget Expenses, Salaries and Benefits equal 82% of the budget; Operating Expenses equal 18%.

Five Year Capital Improvements Program – Current Capital Reserve Fund Balance of \$56,100; 2013 Contributions from Springettsbury \$248,340; Spring Garden \$165,560 for total of \$470,000. Potential purchases during 2013: Engine 89-3 at \$460,000 and Hose at \$10,000.

B. Comments from Joint Board

HUNT Mr. Hunt asked for additional details about the new pumper.

MCCOY Chief McCoy responded that a new pumper would replace the older pumper at Commonwealth.

WARMAN Mr. Warman asked how disposing of old equipment was handled.

MCCOY Chief McCoy responded that the equipment is advertised. Some of the older equipment had received no acceptable offers. Grants provided in previous years had flooded the market with pumpers.

HUNT Mr. Hunt asked Solicitor Hovis to discuss the next steps legislatively with regard to the budget process.

HOVIS Solicitor Hovis noted that the Charter Agreement calls for a joint meeting of the municipalities in order for YAUFR to present the budget. Following that 75% of the participating municipalities must approve the budget. If the budget is not approved YAUFR is required to operate under the 2012 budget.

- HOLMAN** Mr. Holman noted that the budget is normally adopted by December by resolution and is normally acted upon at the same time as the municipality adopts its budget.
- HUNT** Mr. Hunt noted for clarification that two budgets are being submitted to the townships this date: the Operating Budget and the Five Year Capital Budget to act upon individually.
- DVORYAK** Mr. Dvoryak asked whether there are opportunities to cut the budget from 5% to 2-1/2%.
- MCCOY** Chief McCoy responded that most of the increase related to union contracts.
- DVORYAK** Mr. Dvoryak asked what would be driving the wage and benefit increases noting that some of it is contractual. He asked whether staffing levels had changed at all.
- MCCOY** Chief McCoy responded that the staff and complement had stayed the same with a slight decrease shown in the employee costs. In addition, during 2013 the highest tenured employee from Springettsbury will retire and another employee will be brought on board.
- DVORYAK** Mr. Dvoryak asked whether there was an option not to do so.
- MCCOY** Chief McCoy responded that the employee will retire in October, and many times a new employee won't be hired until the recruit school runs. In addition, the benefit of the retiree is contractual, and changes made would be in the operational area.
- FULLMER** Mr. Fullmer added that there are areas where they had taken a conservative approach in the insurance and benefits area without reflecting any type of refund.
- MCCOY** Chief McCoy added that there may be adjustments for health insurance, Workers Comp, the move from Springetts firehouse, savings in utilities there, storing items in a tractor-trailer, potential receipt of grants, radios purchased only when needed, etc.
- DVORYAK** Mr. Dvoryak noted that Springettsbury is being shifted from 55% to 60%. He understood that was based on Call Volume. He asked what drove the proportion that much higher.
- MCCOY** Chief McCoy responded that there were many different factors involved with establishing the percentage. Following much discussion surrounding assessed value, population, call volume, road miles, etc., the constant factor always came back to call volume.
- MAUST** Mr. Maust added that in redistribution call sharing going into next year, five years ago it began at 55/45. The true adjustment reflecting call volume data will not occur in a one-

year adjustment; 5% of that occurs in 2013 but then there's a remaining adjustment because it is in the second year.

MCCOY Chief McCoy stated that the Charter Agreement states that it changes after the fifth year based on the call volume since inception and then is adjusted annually based on that inception total and it is capped at 5%.

DVORYAK Mr. Dvoryak noted that the litmus test, as it relates to the allocation split would be when it would make more sense for a township to not be in YAUFRR.

MCCOY Chief McCoy responded that he was correct; they are committed to the Charter Agreement until 2017. He noted that there are many variables, and he believed they are moving in the right direction as far as personnel.

FULLMER Mr. Fullmer noted that as YAUFRR grows the percentage equals out and would provide additional savings.

HUNT Mr. Hunt asked Chief McCoy to speak briefly on his justification for the pumper.

MCCOY Chief McCoy stated that the pumper in the fleet that is still running front line at Commonwealth is a 1988 Grumman.

HUNT Mr. Hunt added that the recommended service life for a front line pumper is 10 years.

MCCOY Chief McCoy added 10 for a pumper; 15 for a ladder truck and 20 for a rescue squad. The pumper is 24 years old. It is running front line and is still in decent shape to continue; however, only one is in reserve. If one pumper goes out there is no reserve pumper. He had instructed Battalion Chief Woods to investigate designing and working with vendors to bring on a smaller pumper that would be designed to run basic fire calls. This would be a smaller scale design. If the townships approve a pumper, the design is ready to go and one company projected a cost of \$399,000. The plans are ready, but they can be held until 2014.

HUNT Mr. Hunt commented that in order to provide fire protection, it's important to begin planning for the new pumper.

MCCOY Chief McCoy added that he understood the economy, as well as the building project going on. Additionally Spring Garden is involved in a building project as well. It is in the Capital Plan but can be moved into 2014 and do a year-by-year assessment.

FULLMER Mr. Fullmer added that if the Capital Plan is approved, both townships still have to approve a fire apparatus purchase.

C. Comments from Citizens

There were no citizen comments.

4. ACTION ON BUDGET

HOVIS Solicitor Hovis provided direction as to action to be taken, which is to forward the draft budget to the townships. Each township would need to close their portion of the meeting.

FULLMER Mr. Fullmer moved to adjourn the Spring Garden meeting.

BISHOP Mr. Bishop moved to adjourn the Springettsbury meeting.

5. ADJOURNMENT

HUNT Vice Chairman Hunt adjourned the meeting at 6:45 p.m.

Respectfully submitted,

(Signature on file at YAUFR Headquarters)

John Fullmer
Secretary

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