

MINUTES

NOVEMBER 1, 2023 -- SPECIAL BUDGET MEETING

LOWER SWATARA TOWNSHIP BOARD OF COMMISSIONERS

The November 1, 2023 Special Budget Meeting of the Lower Swatara Township Board of Commissioners was called to order at 6:30 P.M. by President Jon G. Wilt. President Wilt called for the pledge of allegiance followed by a moment of silence.

The following officials were in attendance:

- Jon G. Wilt, President
- Todd F. Truntz, Vice President
- Michael J. Davies, Commissioner
- Ronald J. Paul, Secretary
- Christopher DeHart, Commissioner
- Zachary Border, Manager
- Jean R. Arroyo, Secretary
- Michael McAuliffe Miller, Solicitor
- Rebecca McClain, Accounting Manager
- Shawn Fabian, HRG
- Don Fure, Director of Codes and Planning
- Scott Washinger, Public Works Director
- Brian Davis, MS4 Coordinator

Residents and visitors in attendance: (see attached sign-in sheet)

President Wilt welcomed everyone to this evening's Special Budget Meeting, which is to publicly present the draft of the 2024 General Fund Budget document.

Commissioner Davies, Budget & Finance Chairman, reported that this is the final draft of the General Fund 2024 budget. It is a balanced budget with no fund balance carry-forward and no tax increase. The total revenues and expenses for 2024 are \$10,020,953. This figure includes \$2,154,916 for the Shireman Tract Development. The revenues for the Shireman Tract Development will be transferred in from the Recreation Fund (\$963,657) and the American Recovery Act Plan Fund (\$1,191,259). The ARAP funds need to be spent or tied to a signed agreement to spend by December 31, 2024. The funds must be expended for the signed agreement by December 31, 2026. A 3% wage increase was used for the non-union employees in the 2024 budget. A 10% wage increase was used for the uniformed employees. Non-uniformed Teamsters

union employee salaries are set by the contract. The unfilled positions in the budget include three police officers and three Public Works laborers. The following Capital Purchases are included in this budget: HVAC repairs to the administration building, a fully outfitted police car, a F250 pick-up for Public Works, a dump truck, and a John Deere Tractor which was previously approved for purchase but not available.

Commissioner Davies then turned over the floor to Rebecca McClain, Accounting Manager, who provided a PowerPoint presentation of the details of the proposed 2024 General Fund Budget. While the stormwater fund is not being voted on tonight, Ms. McClain highlighted some of the upcoming expenditures from this fund. The Municipal Authority is preparing to close on a 2023 DCIB-G loan and proceeds from this loan will be used for the 2024 drainage improvement projects. Those projects include Fiddler's Elow Culvert Repair, Burd Road from Nissley to Richard, Lumber Street Improvements, Richard Road Stream Stabilization, and Lakeside Drive Stormwater Infrastructure. The stormwater fee will also cover the Rosedale Bridge scour repair and the outstanding tasks remaining on the 2023 drainage improvement projects.

Overall revenues are budgeted at approximately 3% more than in 2023. Real Estate taxes are presented in the budget at 95% of the assessed value. The total taxable real property assessment in 2023 was \$760,790,250. The 2024 total will not be out till later this month, but a small increase is expected. Act 511 Tax projections are provided to the Township by Keystone Collections Group and Berkheimer. These taxes include earned income tax, local service tax, per capita and occupation tax. Tax collection represents 55% of the budgeted revenues. 27% of the 2024 revenues is comprised of Interfund Operating Transfers. All other revenues account for the remaining 18%. The interfund operating transfers in 2024 include monies transferred to the General Fund from the Recreation Development Fund, the American Recovery Act Plan Fund and the Capital Improvements Fund. In the 2024 budget, funds will be transferred to the General Fund from the Recreation Development Fund for use in the development of the Shireman Tact. Monies in the Recreation Development Fund are not tax dollars; they are provided to the Township by developers for use on recreation projects only. ARPA was signed into law on March 11, 2021, and provided states and local governments with funding to recover from the Covid pandemic. ARPA funds must be obligated by the end of calendar year 2024 and expended by the end of calendar year 2026. In the 2024 budget, all the funds the Township received from ARPA will be transferred into the General Fund for the development of the

Shireman Tract. The \$2,154,916 from interfund operating transfers along with a \$300,000 grant will be used to offset the \$2,454,916 in expenditures that are budgeted in the 2024 budget. Capital Improvement Fund monies come from tax dollars and is used to pay the Township's debt service payments. In 2024 \$543,858 will be transferred to the General Fund from the Capital Improvement Fund.

Overall expenses are budgeted at approximately 3% more than in 2023. Expenditures remained fairly static from 2023 to 2024. General Government represents administrative functions and building maintenance of the Township. Public Safety includes the police department, expenses related to the volunteer fire department, the EMS service contract and the EMA activities. Protective Inspection and Planning and Zoning expenses include such activities as building permits, code and zoning enforcement. Public Works includes such expenses as highway maintenance, cleaning of streets and gutters, snow and ice removal, and traffic signals and street signs. Culture and Recreation include all expenses related to maintaining parks. In the 2024 budget the expenditures to develop the Shireman Tract are shown in culture and recreation. More than half of the budgeted expenditure is related to Public Safety and Public Works. Culture and Recreation expenses represent 27% of the budgeted 2024 expenditures due to the development of the Shireman Tract. The remaining 22% of the budgeted 2024 expenditures include general government, protective inspection, planning and zoning, debt service and miscellaneous insurance expenses. As mentioned previously by Commissioner Davies, 2024 Capital Purchases include: HVAC repairs for the administration building - \$75,000, a fully outfitted Police car - \$80,000, dump truck and accessories - \$265,000, F250 Truck for Public Works - \$75,000, John Deere Tractor (previously approved) - \$175,000

The budget presented this evening is balanced and no tax increase or carry forward from reserves will be required.

BOARD COMMENTS:

Commissioner Davies recommended the Board remove a few very small capital purchases from the 2024 budget and onto the 2023 budget in hopes of using some unexpended funds at the end of the year. These include new flooring for the administrative building (approximately \$40,000) and a new and updated security system (approximately \$40,000) that will include the

public works building. Quotes are being requested for both items for potential approval at the November meeting.

Commissioner DeHart thanked Mr. Border, Ms. McClain, and the staff for their assistance in answering his questions about this proposed budget document.

Vice President Truntz stated he has some line-item questions. On page 12, relative to police department and retirement, he observed the figure dropped significantly. Ms. McClain explained that is the Township's portion of the MMO and is based on the number of officers that the Township currently has – there were more officers last year. Vice President Truntz then referenced page 13, the Fire Department's budget. He and Commissioner DeHart are currently negotiating with the Fire Department to alleviate some of their budgetary issues by eventually owning the building, relieving them of the debt service and taking responsibility for building upkeep. He asked if there is anything built into the budget that would enable the Township to take on the financial responsibilities of the building. Ms. McClain explained that their debt service that they used to pay the Township was taken out last year, so the Capital Improvements Transfer that is being brought in from the Real Estate Taxes to pay the Township debt service is eating that portion of it. The only thing that is not in this budget is discussion about the issue with their driveway, although there is funding available if needed. Vice President Truntz referenced page 17 relative to Public Works salaries and wages, and observed they dropped significantly. He asked if this is due to personnel. Ms. McClain explained that it is due to personnel and also the fact that some of the salaries are broken out and shown throughout the budget – for example, in the parks category, the sewer fund, the stormwater fund, etc. Vice President Truntz referenced page 19 relative to Repair of Highway and Maintenance Costs, Material and Supplies which shows a \$400,000 budget this year and actual \$55,000; last year was \$125,000. Ms. McClain stated she believes this is due to the Bryn Gweled paving. This expenditure has not yet hit but will be seen by the end of this year. Vice President observed that the stormwater fund appears to be \$93,000 in the hole this year. He asked if the MS4 fee will need to be increased. Ms. McClain explained that there was discussion about this internally. If the Township goes out for another loan or has any large expenditures, this may need to be considered, although it will not need to occur in 2024. Commissioner DeHart asked how the payment rate is on this fee. Ms. McClain responded that collections are actually pretty good, although there is the issue with uncollected fees from the Airport.


Mr. Washinger added that while trucks were budgeted for in the Public Works budget, they may not come in until 2025. Commissioner DeHart agreed it takes significant time for orders to arrive, so equipment/fleet needs must be planned well in advance.

PUBLIC COMMENTS: None

ADJOURN:

Hearing no other comments, a motion was made by Commissioner Davies, seconded by Commissioner DeHart, to adjourn the Special Meeting. The motion was unanimously approved, and the meeting adjourned at 6:51 P.M.

ATTEST:



Jean R. Arroyo
Township Secretary

PLEASE PRINT NAME CLEARLY
BOARD OF COMMISSIONERS

**NOVEMBER 1, 2023 SPECIAL BUDGET MTG. (6:30 PM) &
WORKSHOP MEETING (7:00 PM)**

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