

## MINUTES

### NOVEMBER 2, 2022 -- SPECIAL BUDGET MEETING

#### LOWER SWATARA TOWNSHIP BOARD OF COMMISSIONERS

The November 2, 2022 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
- Ronald J. Paul, Assistant Secretary
- Michael J. Davies, Commissioner
- Christopher DeHart, Commissioner
- Jean R. Arroyo, Township Secretary
- Brett Shower, Eckert Seamans, Solicitor
- Shawn Fabian, HRG
- Rebecca McClain, Accounting Manager
- Dominic Visconti, Chief of Police

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 2023 General Fund Budget document.

Commissioner Davies, Budget & Finance Chairman, reported that this is the final draft of the General Fund 2023 budget. The 2023 budget is a balanced budget with no tax increase. Proposed total revenues and total expenditures are both at \$9,730,230 which is more than last year's budget of \$6,715,324. The Board of Commissioners will continue to monitor the effects of inflation and the availability/lead time of essential materials needed. It is important to keep in mind that the cost of living has increased from 5.9% in 2021 to 8.7% in 2022 and the consumer price index has increased 9.1% over the 12-month period ended June 2022.

Some major projects included in the 2023 General Fund Budget are Richard L. Shireman Park and the Bryn Gweled paving and infrastructure project. Funds for the Shireman Park will come from the Recreation Development Fund and from the American Recovery Act Plan Fund. No tax dollars will be used for this phase. Funds for the Bryn Gweled project will also partially come

from the American Recovery Act Plan Fund with the remainder coming from stormwater fee collections since a portion of that project involves stormwater infrastructure. Commissioner Davies added that he and Commissioner Paul recently met with staff and Pointsolve Technologies, the Township's IT support provider, to discuss options for more timely support. One option is to increase on-site time from four hours every other week to four hours every week. The increased on-site time will cost an additional \$900 a month. The staff feels this option will help alleviate some of the issues with IT Support. The 2023 budget does allow for these costs to be absorbed.

Commissioner Davies then turned over the floor to Rebecca McClain, Accounting Manager, who provided a PowerPoint presentation (attached) of the details of the proposed 2023 General Fund Budget.

Ms. McClain explained that budget development included preparation by departments of their baseline budgets which include current services and potential additional resources. Department heads met with the Budget Committee in September to discuss these. The budget proposals were reviewed and analyzed with department staff, and a draft budget meeting was then held with the Budget & Finance Chairman and Vice Chairman, and Accounting Manager.

There are many components to the General Fund 2023 Budget, including a \$601,475 transfer for the General Fund from the Recreation Development Fund. Monies in the Recreation Development Fund are provided to the Township by developers for use on recreation projects only. The boat launch project is anticipated to be completed in 2022 and therefore that grant match is not included in the 2023 budget. The CDBG (Community Development Block Grant) match is to purchase ADA compliant swings, one for each park, for a total of \$50,000. There is a 50% match, so \$25,000 will come out of the Recreation Fund. The Shireman Grant Match of \$576,474 is a portion of the \$1,000,000 that is required to be spent for the \$300,000 grant.

The Township received its second and final disbursement of ARAP funds in 2022. In 2021, the Township used a portion of these ARAP funds to provide a Covid bonus for all employees. The remaining funds are projected to be spent in 2023. Per the guidelines for the disbursement, all funds must be under contract or spent by December 31, 2024. The 2023 budget assumes \$423,525 will be transferred into the General Fund from the ARAP fund. These funds, along with the transfer from the Recreation Fund, will provide the Township with the match for Shireman Grant. The remaining \$457,046 ARAP funds will be transferred into the Stormwater Fund to offset costs of the Bryn Gweled project.



The Capital Improvement Fund is tax dollars used to pay the Township's debt service payments. In 2023, \$536,349 will be transferred to the General Fund from the Capital Improvement Fund. If the Board decides not to charge the Lower Swatara Volunteer Fire Department for their lease payment, this Capital Improvement Fund is where the lost revenue will be seen. The monthly lease payment is a revenue to the Capital Improvement Fund to offset the transfer to the General Fund for the 2016 General Obligation Bond.

In order to present a balanced budget, \$1,500,000 of unassigned fund balance from prior years will be assigned in the 2023 audit. Unassigned funds are available for spending at the Township's discretion. The unassigned fund balance is generated when revenues exceed expenditures. For example, in 2021 the fund balance of the Township's General Fund increased by approximately \$293,000.

Overall, revenues are budgeted at approximately 45% more than in 2022. Approximately 19% of the increase is due to the Interfund Operating Transfers and Balance Forward from Reserves which was referenced earlier. Real Estate Taxes are presented in the budget at 98% of the assessed value. The assessed value increased in 2023. Act 511 Tax projection is provided to the Township by Keystone Collections Group. These taxes include Earned Income Tax and Local Service Tax. Licenses & Permits increased 23% due to parking revenue at the Airport steadily increasing as people return to traveling. Ms. McClain referenced a pie chart showing that approximately 53% of the Township's revenue is taxes. Another 31% of the 2023 revenues is comprised of Interfund Operating Transfers and balance forward from Reserves. All other revenues account for the remaining 16%.

Overall expenses are budgeted at approximately 45% more than in 2022. Expenditures remained static from 2022 to 2023. The difference is attributed to the Interfund Operating Transfers and Culture and Recreation. The Interfund Operating Transfers include a \$500,000 transfer to the Recreation Fund and a \$1,000,000 transfer to the Capital Reserve Fund. Culture and Recreation includes the Township parks. The 2023 budget assumes the land development for Shireman will be \$1,062,000 and equipment purchases for Shireman will be \$115,000. Also included in the increase is the \$50,000 expenditure for the ADA accessible playground equipment. The Public Works budget increased by 31.33% due to the paving associated with the Bryn Gweled Project. The paving is estimated to cost \$398,380.

Ms. McClain referenced a pie chart showing that almost half of the budgeted expenditures are related to Public Safety and Public Works. Public Safety includes expenses related to the Police Department, Fire Department, and EMS. Public Works expenses include general maintenance services, street sweeping, leaf collection, snow and ice removal, traffic signals, street signs, and road repairs. Interfund Operating Transfers accounts for 15% of the 2023 budget. Culture and Recreation expenses equal 14% and 10% of the expenditures attributed to General Government. General Government consists of the following departments: Legislative, Township Manager, Finance and Administration. This category also consists of IT support services, costs to different agencies for tax collection and office equipment rentals. The remaining 11% piece of the pie consists of the Codes and Planning, Debt Service, and miscellaneous insurance expenses.

2023 Capital Purchases will include HVAC repairs for the administration building (\$93,000), a fully outfitted police car (\$70,000), final payment on the street sweeper lease (\$59,000), F250 truck to replace Truck 411 (\$65,000), decommission of the fuel system (\$40,000), and a plow for replacement F250 (\$11,000).

As Commissioner Davies stated, this is a balanced budget with both revenues and expense projected at \$9,730,230.

#### BOARD COMMENTS:

President Wilt remarked that he was not aware that the proposed budget is a such a large increase over last year's budget. He asked what this is attributed to. Commissioner Davies explained that projects like the Bryn Gweled project are actually being paid with federal ARAP money; even though the numbers are reflected on the budget as increases, this is not money that is coming directly from the taxpayers, but from the federal government. President Wilt asked how much ARAP money was received and stated he didn't realize it was around \$3,000,000.

Ms. McClain explained the figure is approximately \$636,000. President Wilt noted, then, that the difference between the \$6,715,324 budget this year versus the \$9,730,230 next year is not just a result of these funds. Commissioner Davies explained there is also money being forwarded from the previous year's budget. Ms. McClain agreed it is the transfer in from the ARAP Fund and the Recreation Development Fund that has increased the budget.



PUBLIC COMMENTS:

Chet Hartz asked the location of the boat launch project. Commissioner Davies explained it will be located at the end of Fulling Mill Road.

ADJOURN:

Hearing no other comments, a motion was made by Commissioner Davies, seconded by Commissioner Paul, to adjourn the Special Meeting. The motion was unanimously approved, and the meeting adjourned at 6:45 P.M.

ATTEST:

  
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Jean R. Arroyo  
Township Secretary

**WORKSHOP MEETING – 7 pm**

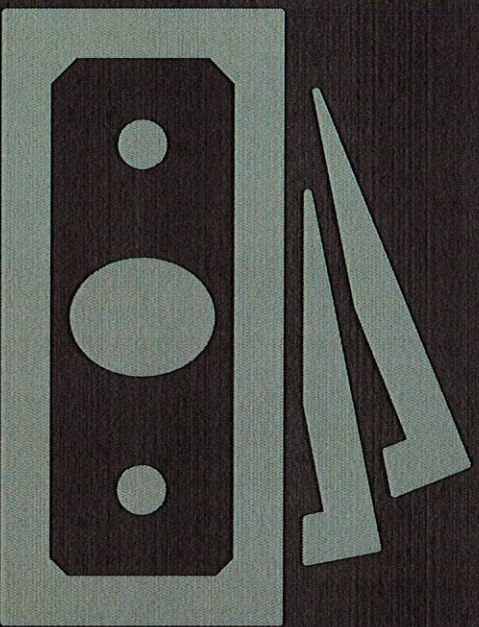
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# FY 2023 TOWNSHIP BUDGET

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GENERAL FUND BUDGET PRESENTATION



LOWER SWATARA TOWNSHIP  
BOARD OF COMMISSIONERS  
NOVEMBER 2, 2022



# BUDGET DEVELOPMENT

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Departments prepared baseline budgets.

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Departments developed budget requests for current services and for potential additional resources.

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Department heads met with the Budget committee in September to discuss their baseline budget for 2023.

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Budget proposals were reviewed and analyzed with department staff.

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A Draft Budget meeting was held with the Budget and Finance Chairman and Vice Chairman, and Accounting Manager.

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A photograph of a swing set in a park. The swing set has two swings with dark seats and metal chains. The background is filled with trees showing vibrant autumn colors in shades of orange, red, and yellow. The ground is covered with fallen leaves. The text "Recreation Development Fund (Fund 49)" is overlaid in white, centered vertically.

# Recreation Development Fund (Fund 49)



- ❑ Boat Launch Grant Match - \$122,193
- ❑ CDBG Grant Match - \$25,000
- ❑ Shireman Grant Match - \$576,475



# American Recovery Act Plan

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FUND 10



- ❑ Shireman Grant Match - \$423,525
- ❑ Bryn Gweled Project - \$457,046



# Capital Improvement Fund Debt Service

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FUND 29



# UNASSIGNED FUND BALANCE

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The 2023 budget includes \$1,500,00 of unassigned fund balance from prior years.

Unassigned fund balance is available for spending at the Township's discretion.

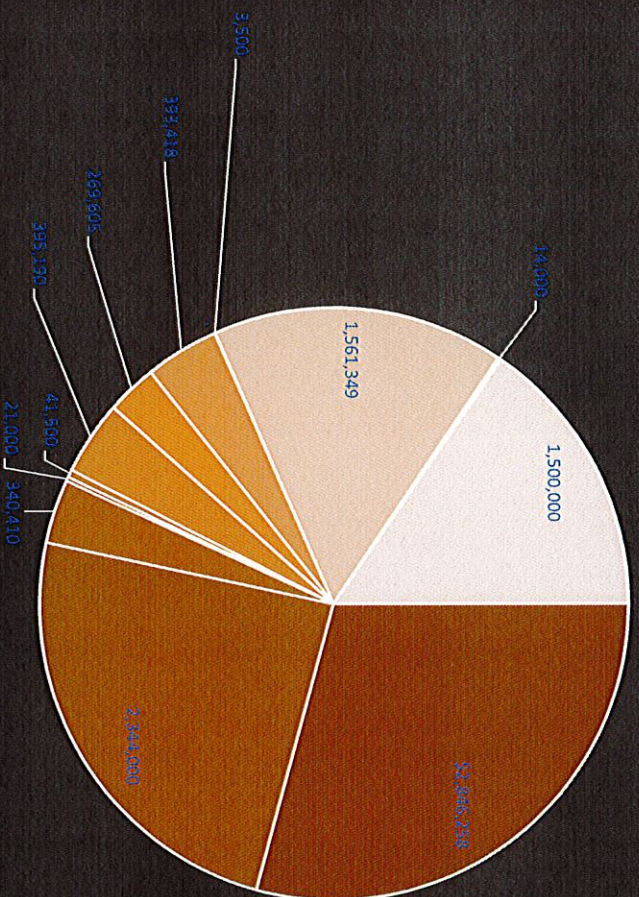
The unassigned fund balance was generated from previous years revenues exceeding expenses.



	FY 2023	FY 2022	% Change
Real Estate Taxes	\$ 2,846,238	\$ 2,661,777	6.93%
Local Tax Enabling Act 511 Taxes	2,344,000	2,029,000	15.52%
Licenses & Permits	340,410	276,456	23.13%
Fines	21,000	36,000	-41.67%
Interest & Rents	41,500	41,500	0.00%
Intergovernmental Grants	395,190	293,007	34.87%
Charges for Services	269,605	281,134	-4.10%
Miscellaneous	393,418	360,642	9.09%
Contributions & Donations	-	1,000	-100.00%
Proceeds from Sale of Capital Assets	3,500	-	
Interfund Operating Transfers	1,561,349	528,930	195.19%
Fuel Reimbursement	14,000	11,300	23.89%
Balance Forward From Reserve	1,500,000	194,578	670.90%
	\$ 9,730,230	\$ 6,715,324	44.90%

# BUDGETED REVENUES





- Real Estate Taxes
- Intergovernmental Grants
- Intergovernmental Grants
- Intergovernmental Grants
- Local Tax Enabling Act 511 Taxes
- Charges for Services
- Fuel Reimbursement
- Local Tax Enabling Act 511 Taxes
- Licenses & Permits
- Miscellaneous
- Balance Forward From Reserve
- Fines
- Contributions & Donations
- Interest & Rents
- Proceeds from Sale of Capital Assets

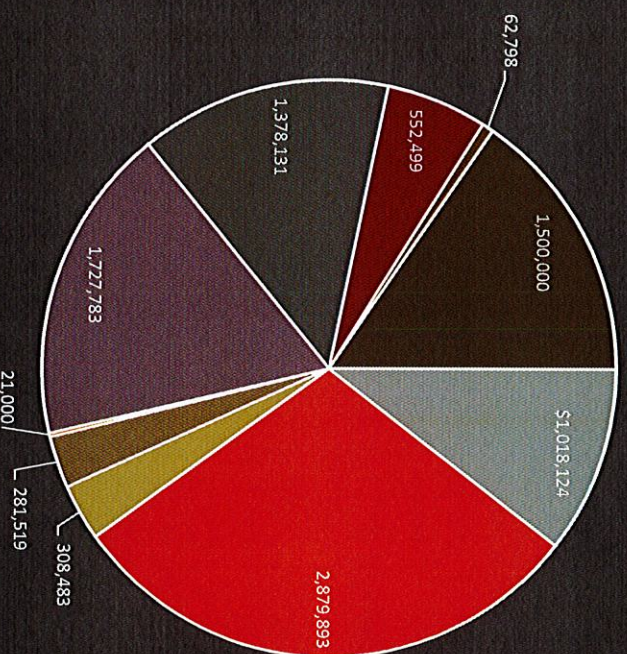
## BUDGETED REVENUES (CONTINUED)



	FY 2023	FY 2022	% Change
General Government	\$ 1,018,124	906,118	12.36%
Public Safety	2,879,893	2,957,217	-2.61%
Protective Inspection	308,483	311,422	-.94%
Planning and Zoning	281,519	308,842	-8.85%
Health and Welfare	21,000	24,000	-12.50%
Public Works	1,727,783	1,315,621	31.33%
Culture and Recreation	1,378,131	292,616	370.97%
Debt Service	552,499	530,467	4.15%
Taxes, Benefits, & Insurance	62,798	69,021	-9.02%
Interfund Operating Transfers	1,500,000	-	100.00%
	\$ 6,715,324	\$ 7,143,143	44.90%

## BUDGETED EXPENDITURES





General Government

Public Safety

Protective Inspection

Planning and Zoning

Health and Welfare

Public Works

Culture and Recreation

Debt Service

Taxes, Benefits, & Insurance

Intertfund Operating Transfers

# BUDGETED EXPENDITURES (CONTINUED)



# 2023 CAPITAL PURCHASES

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HVAC Repairs:  
Administration  
Building - \$93,000

Fully Outfitted  
Police Car -  
\$70,000

Final Payment on  
Street Sweeper  
Lease - \$59,000

F250 Truck to  
Replace Truck 411  
- \$65,000

Decommission  
Fuel System -  
\$40,000

Plow for  
Replacement F250  
- \$11,000





## BUDGET REVENUES VS. EXPENDITURES

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### REVENUES

\$9,730,230

### EXPENDITURES

\$9,730,230

Balanced Budget for FY 2023