

## MINUTES

### NOVEMBER 3, 2021 -- SPECIAL BUDGET MEETING

#### LOWER SWATARA TOWNSHIP BOARD OF COMMISSIONERS

The November 3, 2021 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
- Betsy McBride, Township Manager
- Jean R. Arroyo, Township Secretary
- Michael McAuliffe Miller, Eckert Seamans, Solicitor
- Shawn Fabian, HRG
- Don Fure, Director of Codes and Planning (via Zoom)
- Rebecca McClain, Accounting Manager

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 2022 General Fund Budget document.

Commissioner Davies, Budget & Finance Chairman, stated this is the first draft of the 2022 General Fund Budget. Proposed Total Revenues and Total Expenditures are \$6,715,324, which is less than last year's budget which was \$7,143,143. Consequently, there will be no tax increase for Lower Swatara Township property owners for 2022. However, the Board of Commissioners will continue to monitor the effects that the increase in remote work as a result of covid may have on its revenue streams, as well as the effect of inflation and the availability/lead time of essential materials needed. From an economic perspective, it is important to keep in mind that cost of living has increased 1.39% and inflation is at 2.4%.

A brief history of previous budgets was presented: 2021: \$7,143,143; 2020: \$7,729,631; 2019: \$7,122,428; 2018: \$6,424,309; and 2017: \$6,983,647. Figures from 2019 through 2021 show the Board approved projects that were either delayed or incomplete. Efforts will be made in 2022 and in future years to tend to these necessary road and park repairs and improvements. Some of these projects include: 217 Delmont pipe relocation, Cockley Road culvert replacement, Scarlett Lane pipe replacement, Spring Garden Drive pipe work, Swatara Drive sanitary and stormwater improvements, Greenwood Circle slope stabilization, and Bryn Gweled paving and infrastructure improvements. Funds for these projects will, for the most part, come from Liquid Fuels, Sanitary Sewer, Stormwater, and Capital.

Commissioner Davies turned the floor over to Rebecca McClain, Accounting Manager, who presented a PowerPoint showing more details of this proposed plan (see attached).

Ms. McClain first explained how the budget was developed. Departments prepared baseline budgets and developed budget requests for current services and for potential additional resources. Department heads met with the Budget Committee in July to discuss their baseline budgets for 2022. Budget proposals were reviewed and analyzed with department staff. A draft budget meeting was held with the Budget and Finance Chairman and Vice Chairman, Township Manager and Accounting Manager. Two separate review meetings were held with the remaining Commissioners

In order to present a balance budget, \$194,578 of unassigned fund balance from prior years will be assigned in the 2021 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 2020 the fund balance of the Township's general fund increased by approximately \$1,000,000.

Overall revenues are budgeted at approximately 6% less than in 2021. Real Estate Taxes are presented in the budget at 98% of the assessed value. The assessed value remains the same in 2022 as in 2021. Act 511 Taxes are projected to return to pre-covid collection rates. These taxes include Earned Income Tax and Local Service Tax. Parking revenues at the Airport and Penn State Harrisburg continue to decrease from 2019.

The biggest pieces of the revenue pie are Real Estate Taxes, Local Tax Enabling Act 511 Taxes and Interfund Operating Transfers. Interfund Operating Transfers include a transfer from Capital Improvement Fund for debt payments. The monies in the Capital Improvement Fund are

collected through Real Estate Taxes. The two biggest pieces of the revenue pie make up 70% of the General Fund 2022 budgeted revenues. The 2021 budget shows these pieces making up 57% of the pie. Real Estate Taxes are budgeted at the historical collection rate of 98%. Act 511 Taxes are budgeted based on estimates received from the collecting companies. Keystone Collections Group collects the Earned Income Tax and the Local Service Tax for all municipalities in Dauphin County. Per Capita Tax and Occupation Tax is collected for the Township by Berkheimer. In 2021 over 2,500 residents were added to the tax rolls for Per Capita and Occupation Taxes. A comparison of 2019 filed Earned Income Taxes and Per Capita Tax rolls was done to identify those that were not on the Per Capita Tax rolls.

General Government Fees represents revenue from zoning permits. Reimbursement from Developers is money the Township has paid to its engineering firm for monitoring and inspecting all development projects. The expense line for Engineering Services – SALDO is offset by this revenue. Public Safety represents revenues from various building permits.

Overall expenses are budgeted at approximately 6% less than in 2021. The following Capital Expenditures are budgeted for 2022: \$85,000 for HVAC upgrades to the Municipal Building, \$90,000 for two fully outfitted police cars, \$59,000 for payment 5 of 5 for the street sweeper, \$50,000 for a truck to replace Public Works truck 411 (a 1997 Chevy 2500), \$110,000 for upgrades to the fuel system, \$120,000 for a new salt shed, \$12,000 for a plow to fit the replacement Public Works truck and \$30,000 for a new mower. Culture and Recreation increased in the 2022 budget by 100%. This is in part due to the MARA supervisor position which was unfilled for most of the 2021 budget. The position is now filled. However, this expense is offset by a DCNR grant.

The expenditure pie shows that Public Safety and Public Works account for more than half the pie. Public Safety, which includes Police, Fire, Ambulance and Emergency Management, accounts for 44% of the total Township expenditures and Public Works accounts for 20% of the total expenditures. Of the remaining pieces General Government accounts for 13% of the total expenditures. These expenditures include the Legislative Body, Administration Staff, expenditures related to tax bills, IT Consultant and repairs and maintenance on both floors of the Administration Building. Debt Services is comprised of the telephone lease, DCIB 15 loan, DCIB 17 loan, and GO 16 Bond. These payments are offset by revenue transferred from the Capital Improvement Fund as discussed in the revenue review.

As Commissioner Davies mentioned previously, there are projects that will be focused on in 2022 which will use some of the Liquid Fuels money. The Liquid Fuels Act 655 allocation for 2022 which will be received from the state is estimated to be \$273,210.

The Township will also be seeking some grants in 2022. These include the Local Share Municipal Grant (Gaming Grant), grants for Shireman Park development, CDBG for ADA playground equipment, and remediation for flood-prone areas.

The budget presented here tonight, in the amount of \$6,715,324. is balanced with no tax increase required.

COMMENTS:

Commissioner Paul asked if the Township is in the process of getting a mower this year also. Ms. McClain confirmed that is correct; the one in this proposed budget is a different mower.

Commissioner Davies added there is a difference in budgeted revenues and expenses which has to do with the change in the way the Township pays for certain things, and whether it is part of the Township or part of the Sewer Authority. Ms. McClain agreed this is correct. For example, part of the money for the projects mentioned will not come from the General Fund but rather Liquid Fuels and the Municipal Authority side – both sanitary sewer and stormwater. Commissioner Davies stated this is a point worth making.

President Wilt asked if the public had any comment on the draft budget document. No comments were offered.

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:

A handwritten signature in dark ink, appearing to read "Jean R. Arroyo", is written over a horizontal line.

Jean R. Arroyo  
Township Secretary

PLEASE **PRINT** NAME CLEARLY

**NOVEMBER 3, 2021 SPECIAL BUDGET MEETING – 6:30 P.M.**

**WORKSHOP MEETING – 7:00 P.M.**

[illegible]



# FY 2022 TOWNSHIP BUDGET

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GENERAL FUND BUDGET PRESENTATION

LOWER SWATARA TOWNSHIP  
BOARD OF COMMISSIONERS  
NOVEMBER 3, 2021

# 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 July to discuss their baseline budget for 2022.

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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, Township Manager and Accounting Manager.

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Two separate review meetings were held with the remaining Commissioners.

# UNASSIGNED FUND BALANCE

The 2021 budget includes \$194,578 of unassigned fund balance from prior years.

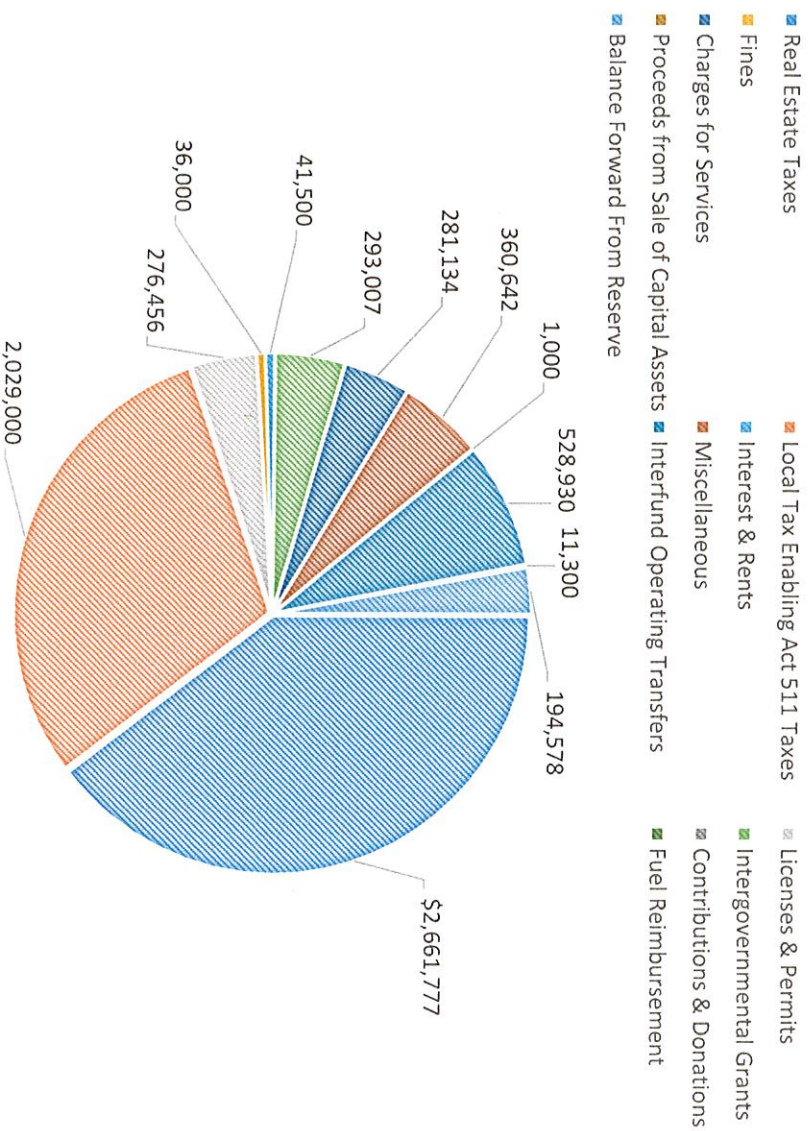
Unassigned fund balance is available for spending at the Township's discretion.

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

# BUDGETED REVENUES

	FY 2022	FY 2021	% CHANGE
Real Estate Taxes	\$ 2,661,777	\$ 2,731,894	-2.57%
Local Tax Enabling Act 511 Taxes	2,029,000	1,524,300	33.11%
Licenses & Permits	276,456	284,000	-2.66%
Fines	36,000	36,000	0.00%
Interest & Rents	41,500	47,000	-11.70%
Intergovernmental Grants	293,007	185,245	58.17%
Charges for Services	281,134	473,968	-40.69%
Miscellaneous	360,642	396,771	-9.11%
Contributions & Donations	1,000	800	25.00%
Proceeds from Sale of Capital Assets	-	-	
Interfund Operating Transfers	528,930	534,792	-1.10%
Fuel Reimbursement	11,300	11,525	-1.95%
Balance Forward From Reserve	194,578	916,848	-78.78%
	\$ 6,715,324	\$ 7,143,143	-5.99%

# BUDGET REVENUES (CONTINUED)



## Budget Revenues (Continued)

G.L. #	Account Title REVENUES	2020 Budget	2020 Actual	2021 Budget	2021 Actual 9/30/2021	2022 Budget
01-301-100	Real Estate Taxes – Current	\$ 2,186,379	\$ 2,227,670	\$ 2,325,983	\$ 2,202,966	\$ 2,282,801
01-301-400	Real Estate Taxes – Delinquent	60,000	84,748	50,204	35,386	30,600
01-301-500	Real Estate Taxes – Fire	329,639	338,727	350,687	331,963	344,176
01-301-550	Real Estate Taxes – Fire Delinquent	6,000	10,658	5,020	4,688	4,200
	Real Property Taxes	\$ 2,582,018	\$ 2,661,803	\$ 2,731,894	\$ 2,575,003	\$ 2,661,777
01-310-010	Per Capita Tax - Current	\$ 25,000	\$ 23,246	\$ 24,000	\$ 17,615	\$ 19,000
01-310-030	Per Capital Tax - Delinquent	5,000	3,449	4,000	3,164	4,000
01-310-100	Real Estate Transfer Tax	175,000	772,171	175,000	178,220	175,000
01-310-200	Earned Income Tax - Current	1,077,279	1,168,910	817,500	660,451	1,072,840
01-310-300	Earned Income Tax - Prior	202,721	89,655	110,000	120,223	227,160
01-310-410	Occupation Tax - Current	50,000	45,635	48,000	33,546	38,000
01-310-430	Occupation Tax - Prior	12,000	7,433	8,000	6,934	8,000
01-310-600	Local Services Tax - Current	503,978	489,127	333,000	248,490	481,000
01-310-650	Local Services Tax - Prior	16,022	2,963	4,800	104	4,000
	Act 511 Enabling Taxes	\$ 2,067,000	\$ 2,602,589	\$ 1,524,300	\$ 1,268,744	\$ 2,029,000

# Charges for Services

## General Gov't Fees (361)

		<b>2021 Actual</b>	
	<u>2022 Budget</u>	<u>9/30/2021</u>	<u>2021 Budget</u>
01-361-300	Zoning Permits	\$ 4,000	\$ 2,800
01-361-313	Reimb from Developers	\$ 100,000	\$ 165,000
01-361-315	Storm Water Mgmt	\$ 5,000	\$ 81,000
01-361-340	Zoning Hearing Bd	\$ 3,000	\$ 2,000
01-361-400	Staff Review Fees	\$ 2,800	-
01-361-500	Sale of Maps	\$ -	\$ -

# Charges for Services

## Public Safety (362)

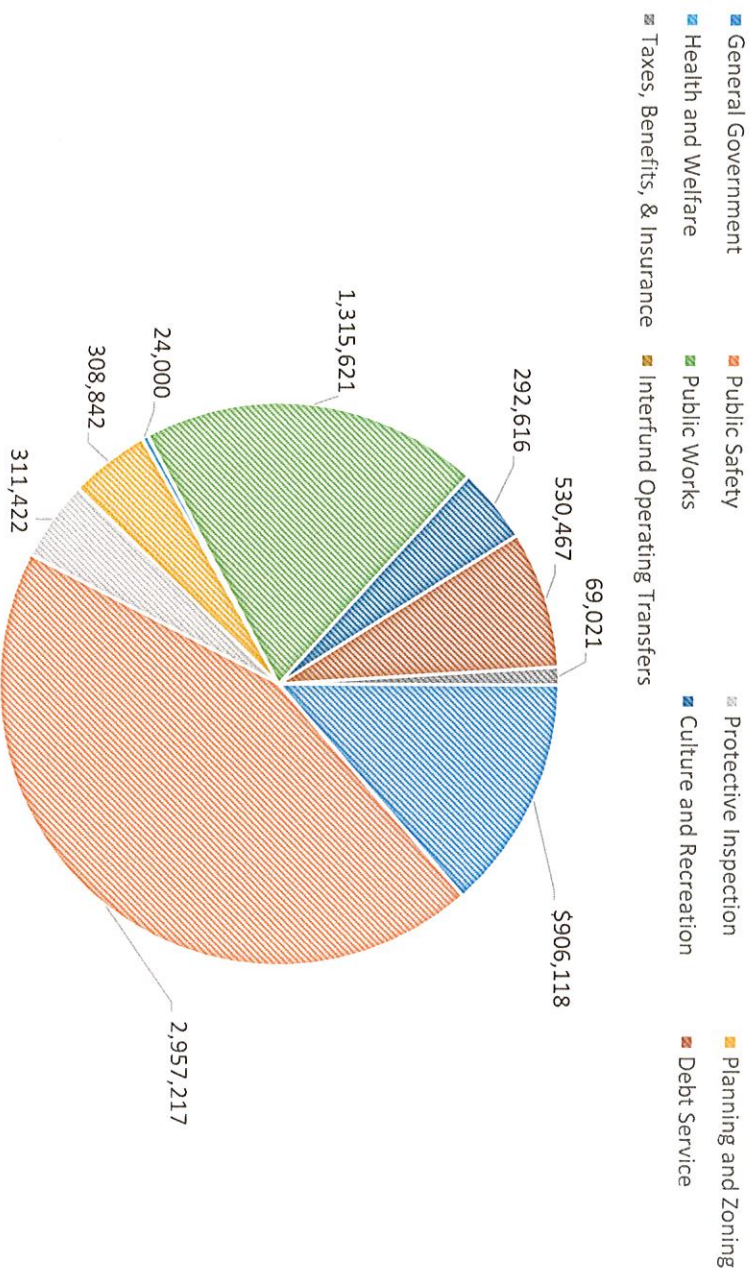
### 2021 Actual

	<u>2022 Budget</u>	<u>9/30/2021</u>	<u>2021 Budget</u>
01-362-410 Building Permits	\$ 7,000	\$ 8,061	\$ 4,500
01-362-415 Permit Review (>\$25,000)	\$ 100,000	\$ 174,914	\$ 160,000
01-362-420 Electrical Permits	\$ 100	\$ 100	\$ 100
01-362-430 Plumbing Permits	\$ -	\$ -	\$ 200
01-362-440 Sewage Permits	\$ 750	\$ 2,025	\$ 1,500
01-362-450 Use & Occupancy Permits	\$ 50	\$ -	\$ -
01-362-470 Mobile Home Permits	\$ 600	\$ 600	\$ 600

# BUDGETED EXPENDITURES

	FY 2022	FY 2021	% Change
General Government	\$ 906,118	\$ 954,611	-5.08%
Public Safety	2,957,217	3,246,590	-8.91%
Protective Inspection	311,422	347,373	-10.35%
Planning and Zoning	308,842	405,424	-23.82%
Health and Welfare	24,000	24,000	0.00%
Public Works	1,315,621	1,376,556	-4.43%
Culture and Recreation	292,616	145,663	100.89%
Debt Service	530,467	533,905	-0.64%
Taxes, Benefits, & Insurance	69,021	34,021	102.88%
Interfund Operating Transfers	-	75,000	-100.00%
	\$ 6,715,324	\$ 7,143,143	-5.99%

# BUDGETED EXPENDITURES (CONTINUED)



## 2022 LIQUID FUELS PROJECTS

- 217 Delmont Avenue Pipe Relocation
- Cockley Road Culvert Replacement
- Scarlett Lane Pipe Replacement
- Spring Garden Drive
- Swatara Drive Sanitary and Storm Improvements
- Nissley Drive Sanitary and Storm Improvements
- Greenwood Circle Slope Stabilization Project

# Grants being Sought in 2022

- Local Share Municipal Grant (Gaming Grant)
- Grants for Shireman Park development
- CDBG for ADA playground Equipment
- Remediation for flood-prone areas



# BUDGET REVENUES VS. EXPENDITURES

## REVENUES

\$6,715,324

## EXPENDITURES

\$6,715,324

Balanced Budget for FY 2022

