

MINUTES

NOVEMBER 6, 2019 -- SPECIAL BUDGET MEETING

LOWER SWATARA TOWNSHIP BOARD OF COMMISSIONERS

The November 6, 2019 Special Budget Meeting of the Lower Swatara Township Board of Commissioners was called to order at 6:20 P.M. by President Jon G. Wilt. President Wilt called for the pledge of allegiance followed by a moment of silence.

Roll call was taken with the following officials in attendance:

- Jon G. Wilt, President
- Todd F. Truntz, Vice President
- Michael J. Davies, Commissioner
- Ronald J. Paul, Assistant Secretary
- Christopher DeHart, Commissioner
- Elizabeth McBride, Manager
- Jean R. Arroyo, Secretary
- Rebecca McClain, Accountant
- Don Fure, Director of Codes & Planning

Residents and visitors in attendance:

PLEASE 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 2020 General Fund Budget document. He then turned over the floor to Commissioner Davies, Budget & Finance Chairman.

Commissioner Davies thanked Commissioner Paul, Vice Chairman of the Budget & Finance Committee, for his assistance in putting this document together. The 2020 budget is a balanced document, and does not include any tax increases. The combined millage for the Township, capital improvements, and fire will remain at 4.28 mills. The 2020 revenues will be approximately 7.7 million dollars which will include a roll over from revenue of 2019 in the amount of \$330,000. Largest sources of revenue are the real estate taxes and the local enabling taxes. The biggest expenditure category is public safety. Several years ago, the Township agreed to participate in a state program that was known as the EIP, or Early Intervention Program (now known as the Strategic Management Planning Program). As a result of the Township's participation in this program, grants have been received to help with services and offsetting of the costs of new

computer servers and an integrated computer program which is in the process of being installed in all departments. Commissioner Davies stated that he feels the current Board of Commissioners, with this budget, has been very prudent in the handling of public funds and tried to be very respectful of its responsibility towards the taxpayers. This 2020 budget is very reflective of that. He then turned over the floor to the Township's accountant, Rebecca McClain, one of the architects of this document.

Ms. McClain provided a PowerPoint presentation of the 2020 budget. She explained that meetings were held with department heads to prepare a baseline budget. Departments developed budget requests for current services and for potential additional resources. Budget proposals were reviewed and analyzed by the department staff and budget meetings were then held with the Budget and Finance Committee -- Commissioner Davies and Commission Paul -- to formulate this draft budget. As mentioned by Commissioner Davies, this 2020 budget will include a roll forward of excess fund balance from 2019 in the amount of \$330,000. The excess fund balance was generated from the real estate transfer tax. The real estate transfer tax is levied at the rate of 2%. The state receives 1% and the other 1% is split evenly between the Township and the School District. This amount is based upon the transfer price of real property sold within the Township. Real estate transfer tax is line item 01.310.100. The 2019 budget reflects an amount of \$175,000. Due to commercial property being sold in 2019, the actual amount of real estate transfer tax collected through October 31, 2019 is \$863,549.46.

Revenues budgeted for 2019 versus 2020 was referenced, and the 2020 budget reflects about a 4% change. Most revenues were static, although Interest and Rents increased 98.58% from 2019 to 2020. This is due to higher interest rate being offered to the Township by its bank, Mid Penn Bank. Intergovernmental Grants increased by 143.22% in 2020, since the Township expects to receive grant monies to offset the MARA Director, Mariner East II Grant, local share and STMP (Strategic Management Planning Program). The Mariner East II Grant will be used to offset expenses related to the basin retrofit at Greenfield. The local share grant will be used to offset a new salt shed and continuation of police radio upgrades. The STMP (formerly known as the EIP -- Early Intervention Program) monies will be used for additional training/HR module of Caselle (Dallas Data). This increase can be attributed to the Manager seeking and applying for more grants. Charges for Services decreased by 32.91%. Ms. McClain asked Don Fure, Director of Codes, to explain this decrease. Mr. Fure explained that the department expects two

large permits to come in: UPS and D&H. He noted that he budgeted about 60% of the anticipated revenue, should one of these projects back out. Mr. Fure added that the Township has had some zoning and stormwater fees that it has been passing through with HRG. Ms. Hursh will start doing this in-house. There will be \$500 per permit for review to start off. With the recodification, there is also a large increase to the street cut category. Mr. Fure added that Campus Heights will also be fully completed now in 2020, instead of 2022.

Ms. McClain referenced a pie chart of revenues, and reported the largest piece of the pie is Real Estate taxes, followed by Local Enabling Act 511 taxes. This chart shows that the two biggest pieces of the revenue pie make up 61% of the General Fund 2020 budgeted revenues. Real Estate taxes are budgeted at the historical collection rate of 94%. Act 511 taxes are budgeted based on estimates received from the collecting companies. Keystone Collections Group collects Earned Income tax and Local Service tax for all municipalities in Dauphin County. Per Capita tax and Occupation tax is collected for the Township by Berkheimer.

Next discussed was budgeted expenditures, which reflect a 7.45% increase over 2019. Capital expenditures budgeted for 2020 include HVAC upgrades for the Municipal Building. The quote for \$250,000 was received from James Craft and is referenced in the study completed by an HVAC engineer in 2017. Also included is continuation of purchasing radios for the Police Department in order to be compatible with the County. The Emergency Management office is also budgeting for two radios and a base. The budget includes \$59,000 for payment three of five for the street sweeper, and \$19,000 for a new lawn mower. As mentioned earlier, the 2020 budget includes the salt storage shed replacement. The replacement costs will be offset by the local share grant if awarded. MS4 expenditures increased by 48.25% mostly due to the fact the expenditures for the basin retrofit at Greenfield are budgeted in line item 01-446-371. These expenditures will be offset by the MEII Grant. Interfund Operating Transfers increased by 337.50%. The \$350,000 budgeted here is to be transferred to the Recreation Development Fund for future use. Other expenditures included in the 2020 budget include continuing training on the new Caselle software that will go live January 1, 2020. Currently all departments are working in the system for practice and paralleling purposes. Two vacant positions in the Public Works Department are budgeted to be filled in 2020. Monies are also budgeted for a spring and fall newsletter and the second installment of the website upgrade. The new website will be live November 15, 2019. The pie chart for the expenditures shows the biggest portion is Public Safety (39%), followed by

Public Works (19%). The Police budget includes cost for new police uniforms and purchase of two new vehicles, which was approved at a prior meeting. The department will be going with a gray/black color combo.

Road repairs/repaving is not part of the General Fund. These expenditures are paid from the State Highway Aid Fund 35. The State Highway Aid Fund receives funding from the State Liquid Fuels program. The 2020 Township estimate received from the PA Dept. of Transportation is \$292,838.71. Roads to be repaired/repaved in 2020 include Greenfield Drive, Horseshoe Drive, Davis Drive, Ebenezer Road, and Cockley and/or Strites. A study was completed, and these were the top roads that need to be addressed.

As Commissioner Davies reported, with the transfer from the 2019 budget, there will be a balanced budget of \$7,739,304. This budget does not reflect a tax increase.

Ms. McBride stated that this was the first part of two budget presentations; she recommended the Board not take action later tonight to advertise. At the November 20 legislative meeting, once pencils are sharpened a bit more, the Board can authorize intent to advertise the proposed budget.

President Wilt opened the floor for public comments.

PUBLIC COMMENT: None

ADJOURN:

Hearing no comments from the Board or public, a motion was made by Vice President Truntz, seconded by Commissioner Davies, to adjourn the meeting. The motion was unanimously approved, and the meeting adjourned at 6:34 P.M.

ATTEST:

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

Jean R. Arroyo
Township Secretary

PLEASE **PRINT** NAME CLEARLY

NOVEMBER 6, 2019

SPECIAL BUDGET MEETING - 6:15 PM

WORKSHOP MEETING - 7 PM

Name/Organization	Address/Contact Information
Lawn Hays	Pd 11
Stephen Hefner CPSF	Central Records Inc.
Tracey Bechtel	2 Berkley Dr
Dale Messing	Greenfield Dr
Nancy Quolesse	North Union St.
Beth Malpass	2047 Market St Ext
CHRIS MALPASS	2047 MARKET ST EXT.
Shawn Fabian / HRG	
Jeff Ash	5 Ray Rd.
KEITH GUTHALL SR	509 ROSENALL AVE
John Lewis	1017 meadow view ct
Ed Halpern	804 Nissley Drive
John Weikle	L3 ED
Tina Sherry Santoro	1890 N UNION
RUTH SHREMAN	LONGVIEW DR
Tom McChaffie	State Rep 106th Dist