

WEST HEMPFIELD TOWNSHIP SUPERVISORS MEETING

Minutes of November 1, 2021

The Budget Work Session meeting of the Board of Supervisors was held at the Township Municipal Office, 3476 Marietta Avenue, Lancaster, Pennsylvania on Monday, November 1, 2021. This was an advertised meeting open to the public. Chairman David Dumeyer and Board members Edward Fisher, Kent Gardner, Naomi Martin, and Robert Munro were present. Also in attendance were Township Manager Andrew Stern, Finance Director Brenda Baumbach, and Assistant Finance Director Amy Slutter.

A. CALL TO ORDER.

- a. Chairman David Dumeyer called the meeting to order at approximately 2:30 pm.
- b. Mr. Dumeyer made note that the Board held an executive session immediately preceding this meeting to discuss personnel matters.

B. PUBLIC COMMENT.

- a. No members of the public were present.

C. 2022 BUDGET DISCUSSION.

SUMMARY

	<u>2021</u>	<u>2022</u>
Property Tax:	1.75 Mills	1.75 Mills NO CHANGE
Fire Tax (Hydrants):	0.10 Mills	0.10 Mills NO CHANGE
Fire Tax (Capital/Operating):	0.10 Mills	0.10 Mills NO CHANGE
Trash Collection:	\$72.50/quarter	\$72.50/quarter NO CHANGE
	\$285.00/year	\$285.00/year NO CHANGE
Street Lights:	\$0.57/Front Foot	\$0.57/Front Foot NO CHANGE

2021 Summary:

- Anticipate about \$510,000 actual general fund surplus to be carried into 2022 (Anticipated revenues less anticipated expenses).
- Anticipate about \$760,615 budgeted general fund surplus to be carried into 2023 (Budgeted revenue surplus PLUS budgeted expense surplus).
- Anticipated Revenues exceeded budgeted revenues by \$423,358.
 - Slightly higher than expected Real Estate collection rate.
 - Higher Delinquent Real Estate collection rate.
 - Higher Real Estate transfer tax revenue (QVC).
 - Higher Earned Income Tax (EIT) revenue.

- 2021 CARES funds from County.
- 2021 increased DTF reimbursement.
- 2021 HUGE refund from IIC Health Insurance (due to low insurance use in 2020).
- Anticipated Expenses fell below budget by \$337,256.85.
 - Fire contributions were significantly reduced as we moved contributions to a new fire fund.
 - MS4 funds were significantly reduced as we moved this to a new MS4 Fund.
 - Public Works had a \$25,200 error in the budget, so not spent in Public Works. Also, Health Insurance was reduced due to staff changes, and vehicle repairs were less than expected.

Personnel:

2021 Full-Time Employees: 36

2022 Full-Time Employees: 36 (37)

(Suggesting change of 1 part-timer to full time at some point in 2022)

2021 Part-Time Employees: 1

2022 Part-Time Employees: 1 (0)

2022: Police will receive 3.0% increases per contract.

2022: Proposing 3% increase for non-union employees, with slightly higher percentage adjustments for several positions. (CPI at time of this memo: 5.4%, SS-COLA: 5.9%)

(2021 Non-Union Dollar amount increases to bring lower paid staff up. Minimum 1.8% increases. 2020 Non-Union Employees received 2.5% increases.)

General Fund Revenue:

2022 General Fund Revenue is expected to be up \$226,847 (3.31%) from 2021 budget.

- 2021-2022 Real Estate Tax revenue is expected to increase 1.73%.
- 2021-2022 Real Estate Transfer Tax revenue expected to be FLAT.
- 2021-2022 Earned Income Tax revenue expected to be UP 4.97%.
- 2021-2022 LST (\$52) revenue expected to be FLAT.
- 2021 Bank Interest is DOWN significantly.
- 2022 Bank Interest is expected to remain DOWN.
- 2021 and 2022 DTF Reimbursement revenue UP.
- For 2022 I have added a "Ghost Revenue" line for employee contributions to health insurance, which had not been done in the past.

General Fund Expenses:

2022 General Fund Expense is expected to be down \$107,807 (1.52%) from 2021 budget.

- 2021 Building Loan Interest is DOWN slightly due to recent loan modification.
- 2022 Building Loan Interest will drop about \$60,000 from refinancing. This draft budget assumes the Board will elect to refinance.
- 2022 Police MMO is DOWN 12%.
- 2022 Non-Uniformed MMO is DOWN 35%.
- 2022 Health insurance premiums are UP 5.0% (8.7% in 2021).
- 2022 Vision and dental are FLAT.
- 2022 Police Minor Equipment is up as new police radios are need.
- 2022 Police Legal Fees is up as we will be negotiating a new contract in 2022.
- 2022 Police salaries are moved around due to the creation of the Captain position, and proposed promotions to Corporal and Detective.
- 2022 Drug Task Force – I have budgeted for \$1/capita. We have not yet contributed for 2021 and the Board will need to decide about 2022.
- 2022 Police Capital outlay – we ordered two new Ford Interceptors. We expect to receive and pay for one in 2021 and one in 2022.

OTHER FUNDS:

MS4 Fund Revenues and Expenses:

- Revenue will mostly be from loans, grants, as well as ARPA, and stormwater fees.
 - Loans will be brought in as drawn.
 - Grants are on a reimbursement basis.
 - ARPA is currently in an escrow account and will be brought in as needed.
 - Stormwater fees are in the Authority's account and will be brought in as needed.
- Expenses will be for the grant projects the Board is familiar with.
- Revenues and expenses will be dependent on construction timing and are thus educated guesses at this time.

Refuse Fund Revenues and Expenses:

- 2021-2022 Revenues expected to be FLAT.
- Proposing to carry 2021 refuse rates through 2022.
- 2022 Expenses will be UP slightly due to Republic rate increase per new contract.
- DEP 902 grant come from here as a pass through as reimbursed.

Street Light Fund Revenues and Expenses:

- No anticipated change for 2022.

Fire Company Fund Revenues & Expenses:

- 2022 Revenues up slightly.
- Fire Company is planning to replace their engine in 2022. We are waiting for their financial request from the Township.

Fire Hydrant Fund Revenues & Expenses

- 2022 Revenues up slightly.
- Fire company operating fund allocation moved here from General Fund.

TDR Fund Revenues & Expenses:

- No activity anticipated for 2022 at this time.

State Fund Revenues & Expenses:

- \$200,000 to East Hempfield for Stony Battery Road (delayed from 2020).
- \$125,000 for a new salt storage structure (educated guess – will need to be bid).
- Proposing to replace skid loader in 2022.
- We are proposing to dip into State Fund reserves in 2022 about \$348,585. At present we have about \$1,000,000 unencumbered in reserves. \$200,000 of this was placed in reserves for Stony Battery, so \$148,585 new, mostly for the proposed salt storage building.

ITEMS WE ARE STILL AWAITING TO FINALIZE BUDGET:

- Final Liability/Auto insurance renewal rates for 2022. We have been advised by our broker to expect a maximum overall increase of 5% for budgeting purposes.

D. ADJOURNMENT

- a. Chairman Dumeyer adjourned the meeting at approximately 3:15 pm.

Respectfully submitted,



Andrew Stern, Township Manager