

# WEST HEMPFIELD TOWNSHIP SUPERVISORS MEETING

## Minutes of November 7, 2022

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 7, 2022. 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 Amy Slutter, and Assistant Finance Director Ellen Rinier.

### **A. CALL TO ORDER.**

- a. Chairman David Dumeyer called the meeting to order at approximately 2:30 pm.

### **B. PUBLIC COMMENT.**

- a. No members of the public were present.

### **C. 2022 BUDGET DISCUSSION.**

#### **SUMMARY**

	<u>2022</u>	<u>2023</u>
<b>Property Tax:</b>	1.75 Mills	1.75 Mills <b>NO CHANGE</b>
<b>Fire Tax (Hydrants):</b>	0.10 Mills	0.10 Mills <b>NO CHANGE</b>
<b>Fire Tax (Capital/Operating):</b>	0.10 Mills	0.10 Mills <b>NO CHANGE</b>
<b>Trash Collection:</b>	\$72.50/quarter	\$72.50/quarter <b>NO CHANGE</b>
	\$285.00/year	\$285.00/year <b>NO CHANGE</b>
<b>Street Lights:</b>	\$0.57/Front Foot	\$0.57/Front Foot <b>NO CHANGE</b>

#### **2022 Summary:**

- Another GREAT year!
- Anticipate about \$287,000 actual general fund surplus to be carried into 2023 (Anticipated revenues less anticipated expenses).
- 2022 General Fund Revenues higher than budgeted.
- 2022 General Fund Expenses slightly higher than budgeted. (includes the purchase of three unbudgeted police cars).

**Personnel:**

2022 Full-Time Employees: 36 (at beginning of 2022)

2023 Full-Time Employees: 37 (extra police officers to start year, until retirements)

2022 Part-Time Employees: 1 (at beginning of 2022)

2023 Part-Time Employees: 2 (changed Asst. Director of Finance to part-time)

2023: Police will receive increases per contract, ranging from 5%-32%

2023: Proposing 6% increase for non-union employees, with one increase/adjustment for our lowest paid position (CPI at time of this memo: 8.3%, SS-COLA: 8.7%)

**General Fund Revenue:**

**2023 General Fund Revenue is expected to be up \$307,567 (3.31%) from 2022 budget, and relatively flat from 2022 actuals.**

- 2022-2023 Real Estate Tax revenue is expected to be FLAT (from 2022 actual)
- 2022-2023 Real Estate Transfer Tax revenue expected to decrease (no major sales anticipated).
- 2022-2023 Earned Income Tax revenue expected to be UP 6.7%. (due to increasing salaries)
- 2022-2023 LST (\$52) revenue expected to be FLAT and remain flat until Saadia begins to build their staff back to QVC levels.
- 2023 Bank Interest should be up significantly. Our budget estimates are conservative.
- 2023 DTF Reimbursement revenue will increase slightly as our Detectives salary has increased.
- For 2023 we still show a "Ghost Revenue" line for employee contributions to health insurance. In 2023 we will find a better way to show this amount.

**General Fund Expenses:**

**2023 General Fund Expense is expected to increase about 5.9% from 2022 budget.**

- 2023 Building Loan Interest is DOWN slightly due to recent loan modification.
- 2023 Police MMO is UP 6%.
- 2023 Non-Uniformed MMO is UP 19%.
- 2023 Health insurance premiums are DOWN SIGNIFICANTLY. (See separate memo.)
- 2023 Police expenses are up as they intend to replace their service weapons.

## **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.
  - 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:**

- 2022-2023 Revenues expected to be FLAT.
- Proposing to carry 2022 refuse rates through 2023.
- 2023 collection expenses will be UP 4% due to Republic rate increase per new contract (as compared to prior contract which used CPI, and would have resulted in an 8-9% increase).
- 2023 disposal expenses will be UP SIGNIFICANTLY due to LCSWMA's major rate increase.
- We intend to use a portion of our accumulated reserves (about \$100,000) to supplement our 2023 disposal costs. We had anticipated a LCSWMA increase a couple of years ago and had thus begun increasing our reserves for when this finally occurred.
- DEP 902 grant come from here as a pass through as reimbursed.

### **Street Light Fund Revenues and Expenses:**

- No anticipated change for 2023.
- We are locked in for electric supply rates until May 2026 at \$0.06270/kWh; the PPL 'Compare To' rate is \$0.11695/kWh).

### **Fire Company Fund Revenues & Expenses:**

- 2023 Revenues expected to be flat.

### **Fire Hydrant Fund Revenues & Expenses**

- 2023 Revenues expected to be flat.

### **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).
- \$400,000+ for the paving of Farmdale/Ferndale.
- We are proposing to dip into State Fund reserves in 2022 about \$517,390, UNLESS the Board agrees to use ARPA funds instead). At present we have about \$1,000,000 unencumbered in reserves.

## **ITEMS WE ARE STILL AWAITING TO FINALIZE BUDGET:**

- Final Liability/Auto insurance renewal rates for 2022. We have used an overall increase of 4% for budgeting purposes, based in part on discussions with our broker.

## **2023 Goals - DRAFT**

- **HAS TO HAPPEN:**
  - Complete con-ed to renew certifications (AICP, Floodplain, SW, Notary)
  - Monitor awarded grants to ensure compliance
- Financial:
  - Create new revised budget with condensed line items which are easier to track and line up with QuickBooks.
  - Continue refining accounts and funds (in progress)
  - Establish NEW billing system and online bill-pay (via third-party)
- Implement Stormwater Fee billing (if approved by Authority)
  - Create consistency with 'crediting of expenses' in financial system (revenue credits an expense instead of showing as a revenue)
- Personnel:
  - Monitor new Health Insurance with employee input.
  - Review less costly Health Insurance options for employees
  - Update personnel manual (Current version adopted late 2021 – needs a few adjustments based on 2022 experiences).
- Emergency Services:
  - Continue working with WHFR and Mountville on a long-term financial plan for operating and capital needs
- Planning / Zoning:
  - Complete Comprehensive Plan.
  - Begin planning for a Village Plan, Recreation Plan, and Transportation Plan (to be led by our new Director of Planning).
  - Explore options for a property maintenance code for Board to consider

- Projects:
  - Finish DEP 902 Grant projects (leaf collection vehicle & woody waste)
  - Start (and finish?) PRP stormwater projects.
- Miscellaneous
  - Tackle whatever 2023 brings to us unexpectedly

**D. EXECUTIVE SESSION**

The Board entered a brief executive session to discuss personnel matters. They then returned to regular session to complete the budget work session.

**E. MOTIONS**

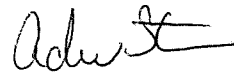
Motion by Rob Munro, seconded by Ed Fisher, to accept the 2023 draft budget and authorize staff to advertise the budget and public review period. Motion carried 5-0.

Motion by Rob Munro, seconded by Ed Fisher, to provide 5% bonuses to all non-uniformed staff in the first paycheck of 2022 to address increased cost-of-living and an excellent year for the Township financially, plus an additional \$2,000 bonus for Amy Slutter, Ellen Rinier, and Andrew Stern for their extra work with finances and new software in 2022, include a 6% increase for all non-uniformed staff in the 2023 budget. Motion carried 5-0.

**F. ADJOURNMENT**

- a. Chairman Dumeyer adjourned the meeting at approximately 4:15 pm.

Respectfully submitted,



Andrew Stern, Township Manager

