

WEST HEMPFIELD TOWNSHIP SUPERVISORS
Minutes of Budget Workshop on November 6, 2017

The West Hempfield Township Board of Supervisors met on Monday, November 6, 2017 at the Township Municipal Office, 3401 Marietta Avenue, Lancaster, Pennsylvania to conduct a Budget Workshop. David Dumeyer called the meeting to order at 2:30 p.m. Board members Frank Burkhart, Edward Fisher and Kent Gardner and Naomi Martin. Also in attendance were Andrew Stern, Township Manager, and Brenda Baumbach, Finance/Personnel Director, serving as recording secretary.

Andrew Stern, Township Manager, said he wants to thank Brenda for preparing the 2018 All Funds budget. He said there is \$531,000.00 budgeted for payment on the new municipal building.

He said the proposed budget has to be advertised for a 30 day public inspection period. He said because of the required time frame, the budget can not be adopted at the December 5 meeting. The proposed budget can be adopted at a Special meeting on December 13.

The estimated 2017 surplus for the general funds is about \$1.8 million, unless there would be an unforeseen event that occurred that the surplus would be needed.

Mr. Stern announced that the police contract expires 12/31/2017 and negotiation for a new 5 year contract has been in the works. The new contract will be 01/01/2018 – 12/31/2023. He said the negotiations for the new contract went well. The main issue is proposed raises, they will be 3% each year.

Andrew Stern, Township Manager, said the real estate tax rate was increased by .51 mills which brought the millage rate for 2017 to 1.85. He said the County Tax Assessment office performed their county wide re-assessment. He said we must use the new assessment numbers to compute a converted millage rate. This converted millage rate would maintain our real estate tax revenue flat for 2017. We will have the option to increase the millage rate up to 10%. A number of municipalities will be adopting two tax rate resolutions, the first to adopt the new millage rate keeping revenue flat, the second to increase the millage rate to account for 2017 growth. He said the impact to West Hempfield growth, he estimates a 1% growth. He informed the Board that the rate for 2018 will be about 1.45 mills. It is currently 1.85 mills. The exact number cannot be calculated until November 15, when the final reassessment numbers are provided to us from County.

Andrew Stern stated the fire company contributed \$940,000.00 towards the new building project and he wanted to clarify that the \$50,000.00 yearly donation would cease for five years starting with 2018 and that money will be applied to the expenses of the building. Mr. Stern said the Fire Company along with the Fire Relief Association allocated an additional \$23,702.50 each that will be applied towards the sprinkler system.

Andrew Stern explained the proposed 2017 All Funds Budget Revenues totals \$11,408,172.00.

GENERAL FUND (#01) - REVENUES

- #301.100 Real Estate Current – Proposed \$1,958,728.00 –using the latest assessment information received from the County.
- #310.210 Earned Income Tax – Proposed \$2,316,797.00 – This account produces and generates the most revenue funds.
- #310.510 Local Service Tax – Proposed \$280,000.00 – This is collected by Lancaster County Tax Collection Bureau.
- #321.800 Cable Franchise Fee – Proposed \$210,900.00 – With the current franchise agreement, the Township receives 5% of revenue that the cable company receives for the cable service provided to our residents.
- #341.000 Interest Earnings – Proposed \$8,750.00 – With the interest rates so low and the restrictions the Township has on how money can be invested.
- #361.340 Zoning Permit/Fees – Proposed \$11,500.00 – Projected fees for the issuance of those permits.
- #355.120 State Pension Aid – Proposed \$220,000.00 –The State contributes this amount per Act 205 to this pension account. The Township still has a financial responsibility beyond this amount. When the money is received into the General Fund it is dispersed within 30 days to an investment company.
- #355.130 Foreign Fire Insurance – Proposed \$100,900.00 – This amount is determined by insurance companies. This money is received into the General Fund and is dispersed within 60 days to West Hempfield Fire Company and Mountville Fire Company.
- #358.100 Police Service Contract – Proposed \$289,968.00. This is money we receive for providing Police Services in Mountville Borough.
- #391.000 Sale of Property – Proposed \$5,000.00 – The Township will sell a vehicle from one of the departments in 2018.
- #392.360 Transfer From PLGIT Highway Capital - \$72,000.00 – This is money to be used on Kames Hill Road Project.
- #393.100 Debt for Building Complex - \$3,614,500.00 – The amount estimated to be received for the construction of the building complex.

#395.000 Insurance Refunds - \$18,500.00 – Township receives from Municipal Trust.

STATE FUND (#35)

Revenue: \$552,819.00 – Proposed 2018 Allocation received from Dept. of Transportation along with \$10,560.00 Highway Turnback.

GENERAL FUND (#01) – EXPENDITURES:

Mr. Stern, Township Manager said the All Funds Expenditures total \$12,060,014.76.

#400.100 -400.500 – General Government – Proposed \$18,250.00 – This includes Supervisors' pay of \$216.66/month each and attendance at various seminars and meetings outside the regular business agenda. There is also \$1,250.00 included for dues to the LIMC.

#401.100 Compensation – Proposed \$158,600.00 – This is the salary for the Township Manager and the Finance Director.

Mr. Stern announced that he has proposed a 3% wage increase for all Non-Uniform Employees.

#402.140 Salary Clerical – Proposed \$72,239.00 – This amount reflects one full-time clerical worker's salary and includes funds allocated for a part-time employee. The other full-time clerical worker is budgeted entirely out of Refuse/Recycling.

#402.160 Pension – Proposed \$124,811.00 – This is the allocation for all Non-Uniform Employees annual pension contributions.

#402.300 General Expenses – Proposed \$10,000.00 – This includes office supplies, funds for the postage meter, and \$2,880.00 to the Lancaster County Tax Office for mailing of tax bills.

#402.314 Legal – Proposed \$15,000.00 – This includes work that the Township Solicitor does on behalf of the Administrative Department. Most of the legal fees are budgeted under Zoning.

#402.320 Communications – Proposed \$8,000.00 – This includes cell phones, postage, and telephone/cable.

#402.340 Advertising/Printing – Proposed \$15,000.00 – This includes the advertising of various meetings and the printing of the Township newsletter two times a year.

#402.450 Contracted Services – Proposed \$20,000.00 – This includes payroll service

(INOVA), maintenance of the Township web page, off-site back-up of computers and yearly consulting fees from Freedom Systems for our computer programs and cleaning of municipal office.

#402.700 Capital Outlay – Proposed \$3,800,000.00 – This includes the invoices from the contractor’s and the Architect and Engineering firms.

#409 Municipal Building – Proposed \$34,950.00. This includes the costs for maintaining the Township Building utilities, including heating fuel, electric, sewer and water.

#410 Police Department

Mr. Stern stated there was discussions made on the hiring of two additional police officers, the Board felt at this time they could not financially afford hiring any additional officers.

#410.120- #410.161 Accounts are the outlines of the salaries and benefits for the Police Department at \$3,139,764.00.

#410.460 Education & Training – Proposed \$15,100.00. Required training for all officers.

#410.740 Capital Outlay – Proposed \$93,425.00 Mr. Stern informed the Board that the following items are the components of this account:

- 3 computer workstations & 2 laptops
- Body Cameras
- Drome

#411 Fire Protection

#411.500 Township Allocation – Proposed \$61,000.00 - The proposed allocations are:

West Hempfield Fire/Rescue.	\$40,000.00
Hempfield Fire Co.	\$ 4,500.00
Mountville Fire Co.	\$10,500.00
Susquehanna Fire Co./Columbia #1	<u>\$ 6,000.00</u>
	\$61,000.00

#411.700 Capital Reserve – Proposed \$55,000.00 – Mr. Stern stated there is \$5,000.00 allocated to Columbia #1 to assist with the payment of their ladder truck purchase and projects. He said we are in year 4 for this allocation, which will continue for 1 more year.

Columbia #1 Fire Company – (Ladder Truck) \$ 5,000.00

#412.500 Ambulance Service – Proposed \$15,000.00 – This is the same budgeted amount as 2016 for ambulance service. Susquehanna Valley Emergency Medical Services stations one of its ambulance at the West Hempfield Fire and Rescue.

#414 Zoning and Planning

#414.140 Salaries – \$52,160.00 - This account includes the Zoning Officer and Zoning Hearing Board Members' wages.

#414.314 Legal Services – \$25,000.00 – This includes fees from both attorneys.

#414.324 MS 4 - \$111,000.00 – This is a new line item attributed to our obligations under the Municipal Separate Storm Sewer System (MS4) requirements dictated by the PA Dept. of Environmental Protection (DEP). The budgeted amount will be used primarily for engineering expenses to plan for our 2018-2023 MS4 General Permit Application preparation.

#414.600 Capital Outlay – Proposed \$4,000.00. This is the annual maintenance cost for the permit manager program. This program has the capability of tracking building and zoning permits and applications for new storm water basins.

#421.300 Health and Welfare/General Expense – Proposed \$3,750.00. Mr. Stern stated that we pay Marvin Stoner, the Township's Sanitation Officer, on a per inspection basis.

#430 – Highway Department

#430.140 Salaries – Proposed \$379,980.00 which includes, as in all salary line items, a 3% increase. There are times when the park maintenance crew assists the Road Department with fall leaf collection and if needed, helps with snow removal.

#430.245 Highway Material – Proposed \$1,200.00. Mr. Stern informed the Board that when a highway material is not covered by State Liquid Fuels money, the Township uses General Funds to purchase those material.

#430.330 Vehicle Operation Expense – Proposed \$6,500.00. Mr. Stern stated that this covers inspections, tires and preventative maintenance on vehicles for the Road Department.

#430.331 Gas & Oil – Proposed \$20,000.00. Mr. Stern informed the Board that if fuel prices keep going down, it will help to control the expense of this line item.

- #430.370 Repair & Maintenance to Road Maintenance Building – Proposed \$15,000.00. Mr. Stern stated this money is used for the maintenance and upkeep of the maintenance building.
- #430.460 Education & Training – Proposed \$1,000.00. Mr. Stern stated this amount covers training for MS4 and PA One Calls.
- #430.600 Capital Constructions – Proposed \$65,000.00. Mr. Stern informed the Board that this is for the Eby Chiques Project. The money used will be a transfer from the Highway Capital/PLGIT Fund.

#452 & #454 Park and Recreation

- #452.500 Contributions – Proposed \$35,000.00 - This amount reflects our share to participate in the Hempfield Area Recreation.
- #454.140 Salaries – Proposed \$50,000.00. Mr. Stern informed the Board that there are 3 part-time employees. He also said to keep in mind that this line item includes wages for our Road department working in the Township's parks.
- #454.600 Capital Construction – Proposing \$31,000.00 to be used to replace play equipment at Fairview Park
- #456.500 Library – Proposing to keep the allocation to the Library the same at \$27,900.00.
- #472.000 Debt Principal & Interest- \$531,000.00 – is the project municipal service complex debt payment.

#484, #485, #486 – Insurances - \$212,197.00 Includes Fire Company workers comp.

REFUSE/RECYCLING (#09)

Mr. Stern informed the Board that Republic Services contract is from 2017-2019. There will be no increase proposed, current rate is \$51/quarter.

- #426.100 Salaries – Proposed \$47,876.00 - One full-time employee's salary and benefits will be paid entirely from the Refuse/Recycling account. The proposed raise is also 3%.

SEWER (#08)

Mr. Stern informed the Board that LASA has purchased the township's sewer lines. He said the area of Raintree still needs sewer lines installed. He said to complete the installation for Raintree, a cost of \$276,000.00 will be due to LASA to complete that

installation.

STATE FUND (#35)

Expenditures:

#430.740 Major Equipment Purchase – Proposed \$10,500.00.

Mr. Stern informed the Board that the money received from Liquid Fuels will be used for maintenance and upkeep of our roads and the maintenance of the traffic signals.

#432.000 Snow/Ice – Proposed \$55,000.00. Mr. Stern stated that the anti-skid and salt purchased is used on the roads during the winter season.

TRANSFER DEVELOPMENT RIGHT'S – TDR's (#18)

Mr. Stern feels that there will be no expected activity in 2018.

FIRE HYDRANT – (#14) and STREET LIGHT – (#13)

Mr. Stern informed the Board that Sylvan View Development will have street lights and fire hydrants that will be billed to the adjoining property owners.

The Board of Supervisors directed Mr. Stern to advertise the adoption of the All Funds Budget for Wednesday, December 13, 2017 at 7:00 p.m.

Motion: Chairman David Dumeyer called for a motion to adjourn into Executive Session to discuss a personnel issue. Kent Gardner moved, seconded by Frank Burkhart, to adjourn the budget workshop at 4:15 p.m. and to go into Executive Session to discuss a personnel issue. Motion carried, 5-0.

The regular meeting was reconvened at 4:45 p.m., at which time the Board indicated that they have set the salary for the Township Manager at \$95,000.00 for 2018.

Respectfully submitted,



Andrew Stern
Township Manager

