

**WEST LAMPETER TOWNSHIP
BOARD OF SUPERVISORS
SPECIAL BUDGET MEETING OF OCTOBER 14, 2020**

Chairman Barry Hershey called the Budget Meeting of the West Lampeter Township Board of Supervisors to order at 6:30 p.m. Those in attendance were Supervisors Geoff Beers, Rick Breneman and Randy Andrews. Randy Moyer was absent. Also present were Township employees Dee Dee McGuire, Vicki Harnish, Brian Wiczkowski, Amanda Hickman and Jim Kreider.

PUBLIC COMMENT

None.

The Board discussed the proposals to update the Township comprehensive plan from the ELA Group and Wallace Montgomery. Supervisor Breneman made a motion to award the contract to Wallace Montgomery and Supervisor Beers seconded the motion. The vote was 4 in favor, 0 against.

2020 and 2021 GENERAL FUND BUDGET OVERVIEW

Revenue Review –

Mrs. McGuire began the conversation by pointing out that many of the 2020 budget numbers may look askew due to the pandemic that began in March of this year. Revenues from some sources are down, and expenses are also down in some areas.

Real estate tax revenue is relatively consistent with the budgeted amount, although down slightly, and the 2021 projected property tax revenue is slightly higher due to an increase in the assessed value of the Township. The proposed budget for 2021 does not reflect an increase in the millage rate. Cable franchise revenue is close to what was budgeted, and Mrs. McGuire reminded the Board that a new franchise agreement with Comcast is now in place.

Although EIT tax revenue was expected to be down by as much as 30% this year due to the pandemic, as it turns out, WLT is only projecting a decrease of around 3% for the year. This is very important as this is the largest source of revenue for the Township. 2021 projections from the LCTCB were received and that amount has been used for the EIT and LST 2021 budget.

2020 interest earnings are lower than budgeted, and the 2021 proposed budget number has been adjusted accordingly.

Community Development revenues are greater than budgeted due to building permit revenue coming in higher than expected. However, contracted inspection fee revenue is down largely due to the fact that Lancaster Township essentially closed down for several weeks due to the pandemic.

Chief Wiczkowski gave an update on the state of the County DTF situation and unfortunately the County has not yet come up with a funding model that works for all entities involved in that effort. It is hoped that the County Commissioners will work with the new DA to come up with a way to move forward with this critical function that will benefit all Lancaster County residents.

The line item for 380.100 is much greater than budgeted because it contains the dollars received from the County as WLT's share of the CARES Act money received from the federal government, again due to the pandemic of 2020. Additionally, there were higher than expected rebates from our health and workers compensation consortiums in 2020 as reflected in 395.100.

At this time, 2020 revenues are anticipated to come in at \$7,030,733 (\$6,871,140 budgeted), and 2021 projected revenues are \$6,758,844.

Expenditure Review –

General government expenses are slightly lower than budgeted, and it was explained that 2020 salary numbers show a decrease due to a glitch in the payroll processing at the end of 2019. Additionally, 2020 has 27 rather than 26 pay periods which also adds to the confusion on the salary numbers. Mrs. McGuire told the Board that this will be the case for all departments and to please keep those two things in mind while going through the expenditure portion of the budget.

Although the 2021 salaries for police officers, Chief Wiczkowski and Manager McGuire have been agreed to and are reflected in this draft budget, no salary increases for all other non-uniform employees have been added to the 2021 budget. Supervisor Beers indicated that he and Supervisor Moyer will work with Mrs. McGuire on setting those pay rates.

The Board would like to give some thought to the allocation for both fire companies in 2021, but agreed to table that discussion until the next budget meeting.

Community Development and Recycling/Refuse budgets have held steady for 2020 and the proposed 2021 budget is consistent with 2020. The one exception noted is that the budgeted amount for line item 426.334 is off. Due to a personnel change last year, correct numbers were not received and unfortunately not used when the 2020 budget was prepared. That has been corrected for 2021.

The 2020 Public Works budget is running close to what was planned for and the 2021 budget is consistent with the 2020 budget. Winter maintenance costs are lower than anticipated for 2020 due to the fact that very little salt needed to be purchased for the last winter season which was very mild.

Stormwater expenses are fairly steady with what was budgeted for 2020. The arrangement with ELA providing Derrick to handle the Township Stormwater work has been working out well and we anticipate that he will remain here to handle this for us indefinitely. 2021 expenses are listed and consistent with 2020.

The Village Park improvement project has been a major undertaking in 2020 for the staff and the Township. The project itself has been over budget, and there are many unexpected costs that have arisen during construction. This is reflected in the general fund as well as the capital budget this year. Mrs. McGuire and the Board discussed ongoing maintenance requirements for the park with Mr. Kreider, and all agreed that we should put in extra effort to maintain what has been constructed and planted there. Staff will be meeting with Hummer Turf personnel next week to discuss the maintenance plan that they are proposing for Village Park.

Water and sewer costs for the park were also discussed, and those line items have also been added to the budget for 2020 and 2021. There was some discussion that a long term plan to possibly drill our own well to accommodate the needs on that property should be considered and researched.

The 2021 budget for library contributions has been increased by \$3,000.

Insurances for 2020 are generally equal to what was budgeted, and 2021 proposed numbers are consistent with what has been quoted to us by our various vendors. Health insurance costs for 2021 are actually decreasing by 1.4%.

Debt service interest for 2021 has been updated to reflect the refinancing of all long term debt agreed to this week by the Board. The Township was fortunate to receive a proposal from BB&T bank to refinance approximately \$2,625,000 at a fixed interest rate of 1.1 %. This debt will be paid off in six years or less.

At this time, 2020 expenditures are anticipated to be near \$5,961,632, and the 2020 budget was \$6,379,836. Projected 2021 budgeted expenditures are shown as \$6,409,101.

Suggested transfers to special funds in 2021 are as follows: Park fund - \$300,000, Capital Improvements fund - \$700,000, OPEB fund -\$50,000, and uniformed HRA fund - \$32,000.

Mrs. McGuire did point out that the 2021 budgeted surplus of \$349,743 is lower than budgeted in prior years, however the Township should begin the year of 2021 with a general fund reserve of nearly \$4,000,000.

2021 DRAFT CAPITAL BUDGET

Mrs. Harnish explained the uniform HRA and Other Post Employment Benefit (OPEB) worksheets to the Board. The HRA fund is mandated by the police bargaining unit agreement, and the OPEB fund was set up several years ago to protect the funds being set aside for future obligations to the retired uniformed police officers and their spouses.

The following items have been added to the 2021 capital budget dependent upon final approval by the Board:

Building and administration – Transfer of \$25,000 and an expenditure of approximately \$12,000 to upgrade the A/V system in the large meeting room.

Police – Transfer of \$75,000. Expenditures – 2 police vehicles totaling \$100,000, and a computer server costing approximately \$5,600.

Fire Equipment – a transfer of \$25,000 is budgeted.

Community Development – No transfer, and one expenditure of \$40,000 for the updated Township comprehensive plan.

Public works – Transfer of \$145,000, no expenses budgeted.

Liquid Fuels – Receipts of \$436,258. Expenditures – traffic signal utilities - \$6,500, traffic signal maintenance - \$346,161 (includes a grant from the State that was rescinded in 2020 due to the pandemic), and the Gypsy Hill/Long Rifle Rd. intersection construction project - \$500,000. There are also two paving projects scheduled for 2021 – Jefferson Square development at \$294,440, and Waterfront Estates at \$161,013.

The grant referenced above will be used to upgrade the remaining 6 traffic signals in the Township that have not yet been upgraded with radar detection devices, and we are hopeful that the State will reinstate the grant in 2021.

Transportation and Roads – Transfer of \$100,000 and a \$700,000 grant. Expenditures – Willow Street Pike Main St. project - \$105,000, and Long Rifle/Gypsy Hill Rd. intersection constructions costs of \$1,410,881,000. The \$700,000 grant is for the Long Rifle/Gypsy Hill intersection project.

Ms. Hickman discussed the Willow Street Pike Pedestrian project of which a \$1,214,652 grant was awarded a few years ago. This part of the overall project would only update four blocks of the Willow Street Pike. The design has gone through a few iterations, and the Township has already spent nearly \$100,000 on that engineering work. Due to complications with PennDot, rising costs for construction, and the upcoming comprehensive plan update, the Board agreed to put work on this project on hold for now.

Stormwater projects – Transfer of \$190,000. Expenditures – Otsu Rd - \$50,000, Long Rifle Rd. culvert - \$130,000, Candlestick Square - \$55,000, Gypsy Hill Rd. - \$25,000 and Hayward Heath development - \$232,000. (It was noted that the Hayward Heath development pipes will be “telescoped” this year to determine the extent of the repairs necessary, therefore this amount may be changed in 2021.)

Also, \$75,000 has been budgeted for the Willow Street Park rain garden, but a grant of \$50,000 for this work was recently awarded to the Township to offset the costs.

Debt principal payment – Transfer of \$140,000, expenditure = \$177,010 bond payment.

Park fund – Transfer of \$300,000 and \$125,000 which is the remainder of the DCNR grant, as well as \$73,550 from the WLTCF donations. Expenditures are the long term debt payment, final paving, player and park benches, wheel stops, lining, signs and fencing totaling \$361,942.

Post-retirement medical fund (HRA) – Transfer of \$32,000. Expenditures – HRA payments - \$32,000.

Other post retirement trust – Transfer of \$50,000 and retirees spouse contribution of \$6,580.
Expenditures - \$18,828.

The capital reserve ending fund balance on 12/31/2021 is projected to be \$1,912,859.

Mrs. McGuire distributed the 2019-2026 project worksheets and there was discussion about future year projects and expenditures. There are two high dollar projects being worked on right now (Village Park improvements and the Gypsy Hill/Long Rifle Rd. intersection project) that are using a large amount of Township resources. Once these two are completed, projects planned for the next five years are much smaller in scope and cost.

Although the Board requested no changes be made at this time, this worksheet has been and will continue to be updated as necessary.

OTHER MATTERS TO COME BEFORE THE BOARD

None.

Having no other business to discuss, the budget meeting was adjourned at 8:30 p.m.

Respectfully submitted,
Dee Dee McGuire, Township Manager, Assistant Secretary/Treasurer