

Mount Joy Borough Council

Special Budget Meeting Minutes

November 9, 2021

The Mount Joy Borough Council held a Special Budget Meeting on November 9, 2021.

Council President Hall called the meeting to order at 6:30pm.

Invocation was given by Mayor Bradley, followed by Pledge of Allegiance.

Roll Call - Present were: Councilors Deering, Fahndrich, Ginder, Reese, Ruschke, Youngerman, President Hall and Mayor Bradley. Councilor Eichler was absent.

Also present were; Borough Manager, Mark Pugliese; Assistant Borough Manager, Jill Frey; Public Works Director, Dennis Nissley; Assistant Public Works Director, David Salley; and Chief Goshen.

Executive Session

Council went into executive session at 6:35pm.

Council came out of executive session at 7:03pm. No decisions were made.

Public Input Period

Dave Schell, Main Street Mount Joy Manager, spoke concerning the use of American Rescue Plan Act (ARPA) money to fund Main Street Mount Joy (MSMJ) contribution for 2022. He requested, if Council decides to do that, the expense line item for MSMJ still show the contribution amount and a revenue line item be created titled 'Grants' so it be paid as a pass through. He said he is afraid the contribution money will not get put back in next year. He also asked Council to not discount the other requests MSMJ made concerning the spending of the ARPA funds.

Approval of the Minutes

With a **MOTION** by Ruschke, and a second by Youngerman, approval was given for the November 4, 2021, Special Budget Meeting. Pugliese stated that the minutes were not provided in the paper packet, only electronically. On a **MOTION** by Youngerman, and a second by Ginder, approval was given to table the motion until the next meeting. *Motion carries unanimously.*

2022 General Fund Budget Discussion

Pugliese spoke concerning the clarification of a few budget items.

He stated that 01.400.330 (Admin Vehicle Operating Expense) was increased due to the increase in gas prices. He said line item 01.487.156 (Hospitalization Major Medical) was adjusted due to the actual numbers coming in from the insurance carrier. He said he wanted to clarify concerning the use of the ARPA funds and line item 01.463.000 (Main Street Program Contribution). He said that it is suggested to not intermingle the ARPA funds with the regular budget.

Mayor Bradley asked concerning line item 01.432.450 (Highway Maintenance – Snow & Ice Removal – Contracted Services), if the \$3,000 budgeted is accounting for three snow removals on Main Street for the winter season, and if that will be enough. Nissley said yes, and that he thinks it will be enough.

Mayor Bradley said that the Chief feels line item 01.410.330 (PD Vehicle Operating Expense) should be increased to \$23,000. Council agreed and the change was made.

Reese said that at the last budget meeting it was determined that all employees would receive a 3% increase in pay for 2022 and that he is opposed to giving everyone the same percentage. He said we are not in the 3% market right now and he prefers Council go with the Managers recommendation. He said we have a terrific staff and management and feels we need to be competitive.

Castaldi said that Council decided the 3% for the wrong reason and the Manager made a recommendation and Council was wrong to go with the 3%.

Ginder said that our staff is the force of the Borough, and that we need to keep them.

Deering said he agrees and that in today's market, we need to retain our employees.

Mayor Bradley said he struggled with the proposed increases because they seemed to be all over the place and there needs to be a philosophy and justification for the increases.

Reese said that the philosophy was that we were to have a range for each title. He said the numbers were not just picked out of thin air and that he has faith in our manager, that he did what he was to do, and therefore, he has faith in the numbers.

Hall said the Manager is not proposing large salaries, just large increases. He suggested to look at the surveys and the job titles and those that are below the range should receive what the Manager proposes and those that are within the range should receive the 3%.

Mayor Bradley asked about reclassifying the Assistant Public Work Director within the budget and moving the position out of the Stormwater section and into the Public Works section. Pugliese said that the PSAB survey is divided by regions as well as population. Mayor Bradley said that it is good to know we are comparing similar Municipalities and that he likes the idea President Hall has proposed.

Fahndrich said she would like to see salary increases but would also like to see annual reviews and increments based on performance. She said she would like to see that we not wait until budget time for this. Hall said that we should make it formal to have this done before November. He said that we cannot do it within this budget and suggested to go through section by section to determine a number for everyone's salaries.

Hall said that for line item 01.402.130 (Salary of Assistant Borough Manager), the Manager recommends \$63,750, an increase of 6.35%. Reese said to follow the Managers recommendation, but that it is still below Columbia Borough and other surrounding Municipalities. Castaldi said he thinks it is a needed adjustment. Council agreed and the change was made.

Hall said that for line item 01.430.122 (Salary of Public Works Director), the Manager recommends \$70,000, an increase of 11%. Hall said that if we are within the range, we should go with 3%. Reese suggested 4%. Deering suggested 6%, for a total of \$68,848. Castaldi said he was thinking of the \$67,000 range. Ginder said she likes Deering's recommendation. Fahndrich said that we still did not put the Assistant Borough Manager up to where they should be. Hall cautioned Council that this is not a competition between employees. Hall suggested a 4.5% increase for a total of \$65,905. Reese and Castaldi said they are ok with that. Deering and Youngerman said no. Deering said he would like to see at least 5%.

Fahndrich said she is not comfortable with this process. She said she feels we should pay more, but that we do not seem to have a solid process. Ginder said we must be fair and maybe we should give 5-6% across the board and then compare to see where they fall within the ranges. Pugliese said we could do the 6% and let Council look at that. Mayor Bradley said that the Chief of Police is not included, and we have to keep that in mind as well. Ginder said we must make some type of decision. Castaldi said that he was comfortable with what we were doing with the wage surveys and going line by line and then it seemed to stop. Deering said that he thought we were adjusting to get the salaries within an appropriate range. Hall said he would like to keep going with the process. Mayor Bradley said we still have a deficit in the budget that needs addressed as well. Deering said that Council knew adjustments had to come with the change in job titles. Youngerman said we can cover the deficit in a few ways, raising taxes or taking from the bucket. Castaldi said that our budget is a statement of our values. He said as for salaries, we need to finish the process we started, and we need to put a value on each of these salary classifications. Ginder suggested to move forward and get salaries done. Castaldi said we needed to adjust based on the job market. Deering said it is also based on job titles and responsibilities.

Hall said that Council seems to be stuck on Public Works Director and suggested a 4.5% increase for a total of \$65,905. Majority of Council agreed, and the change was made.

Hall proposed a 4.5% increase, for a total of \$58,535, for line item 01.446.130 (Salary of Assistant Public Works Director). Castaldi and Fahndrich said yes. Deering said no.

Frey said that a 4.5% increase would equal a total of \$59,940.16, not \$58,535. Deering suggested to increase 01.446.130 to \$60,000. Majority of Council agreed, and changes were made. Deering did not agree.

Hall recommended line item 01.410.122 (Salary of Chief), be set to \$99,000. Fahndrich said yes, at a bare minimum. Hall suggested \$99,500. Council agreed and the change was made.

Pugliese spoke concerning Administrative Assistant wages. He stated that the Police Department Admin. Assistant (line item 01.410.140) makes a higher wage than the Borough's Admin. Assistant (line item 01.400.143). He suggested setting both positions at the same rate of \$41,600. Mayor Bradley stated that the Police Department's Admin. Assistant has different responsibilities than the Borough's Admin. Assistant. Hall stated that neither one could do the specific job of the other, but that they both have the same job title. Council agreed and the change was made.

Castaldi suggested that for line item 01.414.130 (Salary of Codes/Zoning Enforcement Officer), a salary be set at \$67,075., a 3% increase. Ginder said she would like to see it higher. Reese agreed. Castaldi said that we

were to adjust salaries as needed and he does not see it here. He said the salary is within the range and does not have to be a 6% increase. Deering said he would rather see it at \$69,000. He said he does not see how a formal review would justify increases. He said their actions speak for itself. Mayor Bradley said he does not see the guiding philosophy of this exercise if she gets a 6% increase. He said that a 3% increase is a good increase, and that puts her in the median of the range, and it is completely fair. Castaldi recommended \$67,500. Ruschke and Deering said yes. Ginder, Ruschke, Reese, Youngerman, Hall and Fahndrich said no. Hall again recommended \$67,075. Majority of Council agreed, and the change was made.

Hall suggested that for line item 01.401.121 (Salary of Borough Manager), a salary be set at \$87,980., a 6% increase. Council agreed and the change was made.

Pugliese spoke of line item 01.400.142 (Receptionist Wages) and recommended for receptionist wages to be increased by 3%, with receptionist #1 wages set at \$17.00/hr. for 16 hrs. a week, and receptionist #2 wages set at \$15.90/hr. for 18 hrs. a week plus meetings, for a combined total of \$29,598. Council agreed and the change was made.

Chief Goshen suggested for line item 01.410.137 (PD Parttime Clerks Wages), the hourly rate be set with the same hourly rate as the PD Admin. Assistant, of \$20.00/hr., for 25 hrs. a week plus meetings, for a total of \$27,000. Council agreed and the change was made.

Pugliese spoke of line item 01.430.130 (Public Works Laborer Wages). He stated that there are four different employees represented in this line item and each has different licenses and certificates which affect their wages and increases. He said the proposed combined total of this line item is \$205,712. Council agreed and the change was made.

Pugliese spoke of line item 01.454.122 (Parks Supervisor Wages), and proposed the salary be set at \$60,944. Council agreed and the change was made.

Pugliese spoke of line item 01.454.130 (Parks Labor Wages). He stated that this line represents one full time technician who has already received different licenses and certificates, one full time employee they are planning to hire in 2022, and two seasonal employees for the summer. He said the proposed combined total of this line item is \$88,920. Council agreed and the change was made.

Pugliese pointed out to Council that, with the proposed changes made, the Assistant Public Works Director salary now falls below the Parks Supervisor salary. Mayor Bradley suggested a salary of \$61,000. each and then address it moving forward.

Pugliese suggested to move the Assistant Public Works Director's salary to \$62,000. He said this would put him \$1,000 over the Public Works Field Supervisor and \$4,000 under the Public Works Director. Castaldi agreed and said that this suggestion seems to address several concerns. Hall said he has reservations with this recommendation and does not want a snowball affect concerning employees' salary. He suggested \$61,000. for Assistant Public Works Director. Majority of Council agreed, and the change was made.

Councilor Ginder excused herself from the meeting due to a work issue.

On a **MOTION** by Deering, and a second by Youngerman, approval was given to allocate \$50,000 of ARPA money to fund Main Street Mount Joy for 2022. *Motion carries 5 to 1, Hall voting no.*

On a **MOTION** by Youngerman, and a second by Deering, an amendment was given to set line item 01.463.000 (MSMJ Contribution) from \$50,000 to \$0, with a notation on the Borough budget spreadsheet stating that ARPA money is being used to fund MSMJ for 2022. *Motion carries 5 to 1, Hall voting no.*

Hall called for a vote on the main MOTION, as amended. *Motion carries 5 to 1, Hall voting no.*

Hall said that there has been no discussion on the Ad Hoc Building Committee and their recommendations. Deering stated that we are not going to raise taxes and that we have gone through a lot of line items in the General Fund. He said there appears to be money sitting in the Capital Fund that could be allocated for the building expense. He said realistically we would need to allocate \$360,000.

Frey said that there needs to be further research done with the Capital Fund, as well as consulting with the Auditors, and that a report can be provided to Council at the next budget meeting.

Mayor Bradley suggested that Council look at the Refuse Fund. Pugliese reviewed and explained the line items in the Refuse Fund and the cost of doing refuse business. Mayor Bradley spoke of the services provided by the Borough with the benefit of those services being offered to Mount Joy Township and East Donegal Township.

He said he is concerned that we undercharge people outside of the Borough at the expense of the Borough. He asked if staff could provide an increase sheet for the refuse fees similar to the increase sheet for the milage rate, showing the increments. He said that a \$10/yr. increase on the refuse/recycling rates would amount to \$30,000. Castaldi said that we should raise the rates in increments. Mayor Bradley agreed. Deering agreed that we should raise the rates. He said he would also like to somehow encourage the residents to pay online. Hall said the Borough may consider absorbing the credit card fees as a means to encourage people to pay on line. He also said another option is to raise the refuse/recycling rates by \$20/yr.

Any Other Matter Proper to Come Before the Council

None.

On a **MOTION** by Youngerman, and a second by Hall, meeting was adjourned at 11:25pm.

Respectfully Submitted,



Mark G. Pugliese I
Borough Manager