

**Mount Joy Borough Council Special
Budget Meeting Minutes
November 15, 2022**

The Mount Joy Borough Council held a Special Budget Meeting on November 15, 2022.

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 Castaldi, Eichler, Fahndrich, Ginder, Hall, Haigh, Roering, Ruschke via Zoom, Youngerman, and Mayor Bradley. Also present were Borough Manager, Mark Pugliese; Assistant Borough Manager, Jill Frey; Public Works Director, Dennis Nissley; and Chief Goshen.

On a **MOTION** by Eichler, and a second by Roering, approval was given to approve the agenda for the Mount Joy Borough Council Special Budget meeting for Thursday, November 15, 2022. Mayor Bradley asked for an amendment to the agenda for an executive session.

On a **MOTION** by Roering, and a second by Ginder, approval was given to amend the motion to include an executive session. Hall suggested adding it to the agenda as item 6A. *Motion to amend the agenda carries unanimously.*

Vote on original motion to approve the agenda. *Motion carries unanimously.*

Public Input Period

No public input.

Executive Session

6:35pm Council went into Executive Session.

7:44pm Council came out of Executive Session.

2023 General Fund Budget Discussion

Budget discussion ensued concerning General Fund, Refuse Fund and Capital Fund with the focus on transfers to Capital. Hall asked how we are at over a million dollars for transfers to Capital. He said we need to settle Capital Fund before we go to General Fund.

Pugliese reviewed the Capital Fund transfer requests. Mayor Bradley said that we cannot do the two streets requested to do. Roering asked if we can hold off on those streets. Hall and Haigh said no. Mayor Bradley said that Pinkerton Rd and N. Angle St. was not done the year they were supposed to be done either.

Hall asked what percentage of fund balance the Auditors recommend the Borough keep. Youngerman said that the policy adopted by Council in 2014 states 25% of total expenditures. Hall said we need to keep 1.5 million in the General Fund balance so we could take 1.1 million and still meet that threshold.

Haigh explained the breakdown of the street plan. Mayor Bradley said that amount is too much to absorb in a year with the two large projects and that we need to push the projects back by a year. Hall asked what prep work is done on Charter Lane and if sidewalks have been started. Nissley said that they are putting in curbs now.

Nissley provided a breakdown of the streets to be completed and gave recommendation for those that could be pushed back for this year. He stated that if we were to keep only Farmington (\$36,096.63), Charlan Blvd., connecting Farmington (\$31,437.45), and Wood St. reconstruction (\$744,419.62), which he strongly suggests being done, the total needed would be \$811,953.70. If we were to pay \$200,000. of that from Highway Aid Fund, the total needed for streets from General Fund would then be reduced to \$611,953.70. Hall suggested we take Nissley's suggestion. All of Council agreed.

Hall stated that the total from General Fund for Capital Fund transfer would be \$779,212.10. He suggested that amount be covered with fund balance. All of Council agreed.

Haigh made a **MOTION**, with a second by Castaldi, that as of 1/1/2023 line item 01.402.130 (Assistant Borough Manager) be set at \$70,000.00, and as of 7/1/2023 be moved to \$71,000.00, based on recommendation of Borough Manager. *Motion carries unanimously.*

Haigh made a **MOTION**, with a second by Castaldi, that as of 1/1/2023 line item 01.430.122 (Public Works Director) be set at \$70,000.00, and as of 7/1/2023 be moved to \$71,000.00, based on recommendation of Borough Manager. *Motion carries unanimously.*

Haigh suggested we put seed money into economic development. He said it is a good financial practice to generate revenues without just taxes. Mayor Bradley said he does not think it is good time for seed money. Castaldi made a **MOTION**, with a second by Youngerman, to budget \$5,000.00 for economic development for 2023. Hall asked what we are going to do with the money. Haigh said he envisions having a private consultant. Mayor Bradley said it does not make sense to pay a consultant for a recommendation. Roering suggested we pay an organization that is already there, such as Main Street Mount Joy, Rotary, Mount Joy Chamber, etc. Hall called for a roll call vote. Councilors Castaldi, Haigh and Youngerman voting yes. Councilors Eichler, Fahndrich, Ginder, Roering, Ruschke, and Hall voting no. 3 Yes. 6 No. *Motion defeated.*

Youngerman asked for a discussion on how to close the deficit, possibly cost saving suggestions or raising taxes. Mayor Bradley stated that money is included in the budget when we decide to work on streets. He said that there are costs up front because property owners have to be notified etc. He asked if there are any other costs that would be reduced due to holding off on some of the street projects, such as line item 01.430.313 (Public Works Engineering). Haigh said no; that engineering for Charter Lane still must be done in 2023. Mayor Bradley asked if there is a breakdown of the \$161,000.00 allotted in Public Works engineering line item and asked what the benefit is of doing engineering in 2023 for Charter Lane. Nissley said we do not need a lot of engineering for Charter Lane in 2023.

Roering made a **MOTION**, with a second by Eichler, to remove \$60,000.00 from line item 01.430.313 (Public Works Engineering), being Charter Lane has been deferred. Haigh said that agreeing to this decision will set the Borough back like Pinkerton Rd. and that engineering must be done two years in advance of a project. Roering said that we need to plan to fund road improvements before we plan for the projects. Hall called for a roll call vote. Councilors Eichler, Fahndrich, Ginder and Roering voting yes. Councilors Castaldi, Haigh, Ruschke, Youngerman and Hall voting no. 4 Yes. 5 No. *Motion defeated.*

Castaldi made a **MOTION**, with a second by Roering, to remove \$30,000.00 from line item 01.430.313 (Public Works Engineering). Haigh stated this would bring the engineering fees down to \$131,000.00 and can be used for whatever Public Works decides. Mayor Bradley said there would still be funds allocated in this line item that are unnecessary. Hall called for a roll call vote. Councilors Castaldi, Eichler, Fahndrich, Ginder, Haigh, Roering, Ruschke and Youngerman voting yes. Councilor Hall voting no. 8 Yes. 1 No. *Motion carries.*

Youngerman made a **MOTION**, with a second by Roering, to reduce line item 01.301.001 (Transfer from Fund Balance) to \$682,110.55. Youngerman said that with a larger deficit, we need to increase revenues. Roering asked why that amount. Youngerman said that you must start somewhere. He said it is always difficult to raise taxes, but something must be done. Hall said it is never a good time to raise taxes and that it is best to do smaller increments over time. Hall called for a roll call vote. All Councilors voting yes. *Motion carries unanimously.*

Youngerman made a **MOTION**, with a second by Roering, to increase line item 01.301.100 (Real Estate Taxes – Current Year) by \$130,160.27. This would be a milage rate of 4.20. Mayor Bradley stated that he is opposed to the amount of tax increase and feels additional funds could be cut in Public Works under engineering. He said he is not comfortable signing for more than a milage rate of 4.15 and will not sign the Ordinance. Castaldi said that a 4.19 milage rate is better, and that he is opposed to 4.20 milage rate. Castaldi made a **MOTION** to amend the motion from the dollar figure \$130,160.27 to \$124,244.95. *Motion fails for lack of second.*

Hall said there is a motion on the floor to increase line item 01.301.100 (Real Estate Taxes – Current Year) by \$130,160.27 and called for a roll call vote. Councilors Castaldi, Ginder, Haigh, Roering, Ruschke, Youngerman and Hall voting yes. Councilors Eichler and Fahndrich voting no. 7 Yes. 2 No. *Motion carries.*

Roering made a **MOTION**, with a second by Youngerman, to change line item 01.301.001 (Transfer from Fund Balance), from \$682,110.55 to \$682,111.55. *Motion carries unanimously.*

Youngerman made a **MOTION**, with a second by Roering, to adopt the draft General Fund budget. Councilors Castaldi, Eichler, Ginder, Haigh, Roering, Ruschke, Youngerman and Hall voting yes. Councilor Fahndrich voting no. *Motion carries.*

Youngerman made a **MOTION**, with a second by Ginder, to advertise the draft budget for 2023, and an Ordinance for the milage rate to be set at 4.20 mills. Councilors Castaldi, Eichler, Ginder, Haigh, Roering, Ruschke, Youngerman and Hall voting yes. Councilor Fahndrich voting no. *Motion carries.*

Hall stated that Highway Aid Fund budget and Capital Fund budget look good. All of Council agreed.

Hall suggested discussion on the Refuse Fund. It seems that an increase in the refuse charge is inevitable due to the increase in collection and tipping charges that the Borough is going to incur in 2023. Hall said if we increase the rate to \$324.00 for the year, we would be the same rate as Elizabethtown Borough and less than Manheim Borough. Mayor Bradley suggested we look at the prices for compost site materials for those municipalities outside of the Mount Joy Borough.

Hall stated that there is a final budget meeting scheduled for Tuesday, November 22, 2022. He said we will keep it on the calendar and notify Council via email if the meeting will need to be held.

Haigh stated that there may be additional building costs. Josh Deering, Building Ad-Hoc Committee Chairman, explained that there is additional survey work on the upper lot that needs to be done for the cost of \$8,000.00.

Public Input Period

Josh Deering, 33 Frank St., gave his opinion for options for additional income for the Borough, one being a major project going through LERTA and the other is an organization that can participate in the PILOT program.

Any Other Matter Proper to Come Before the Council

Eichler wished Happy Thanksgiving to everyone.

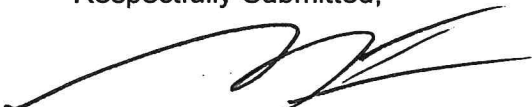
Youngerman stated that he would like to have a table set up at Winterfest. All of Council agreed.

Pugliese thanked Youngerman for the lights at Gateway Park.

Hall stated the Christmas tree decorating will be Saturday, November 19, 2022.

On a **MOTION** by Roering, and a second by Eichler, meeting was adjourned at 11:08pm.

Respectfully Submitted,



Mark G. Pugliese I
Borough Manager