

Mount Joy Borough Council
Special Budget Meeting Minutes
November 7, 2024

The Mount Joy Borough Council held a Special Budget Meeting on November 7, 2024.

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

Invocation was given by Council President Hall, followed by Pledge of Allegiance.

Roll Call - Present were Councilors Crider, Eichler, Ginder, Greineder, Hall, Haigh, Kark, and Youngerman. Councilor Fahndrich was absent. Mayor Bradley was present via Zoom for a brief period of time. Also present were Police Chief, Robert Goshen, Borough Manager, Mark Pugliese; Assistant Borough Manager, Jill Frey; Public Works Director, Dennis Nissley; Codes & Zoning Officer, Brett Hamm; and Community and Economic Development Coordinator, Rachel Stebbins.

On a **MOTION** by Eichler, and a second by Ginder, approval was given to approve the agenda. *Motion carries unanimously.*

Public Input Period

No Public Input Period.

2025 Budget Discussion and or Motions

Pugliese reviewed the 2025 budget binders given to Council which included the Grant tracking spreadsheet, 5-year Capital Plan, and the General Fund, Capital Fund, and Refuse Fund budgets. He reviewed each line of the 5-year Capital Plan.

He announced that the bid opening for the Borough building project was moved from November 12, 2024, to November 14, 2024, at 2pm. He stated that the debt service is included in the 5-year Capital plan and that at some point there should be a discussion on how we are handling the financing.

Youngerman stated that a long-term financial plan is always useful. He said it is good to level out the cost of the road projects over several years and asked if \$400,000 is the correct amount to have in the 5-year plan for road projects.

Pugliese stated that we figured \$600,000 per year with \$200,000 being spent from Highway Aid fund and \$400,000 from Capital.

Nissley said that through the budget years the Borough could not afford more than \$600,000. Haigh said we needed \$800,000 per year but did not have it in the budget.

Hall asked what the Placer AI is. Stebbins said that it is a software program that allows us to take any point in the Borough and outside the Borough and see how many people travel to different places and what times, etc. Hall asked how it tracks the information. Stebbins said that it uses cell phones to track the information, it is supposed to be anonymous, and not specific to one person. She said it would be a good tool for the Borough, not only in terms of Community and Economic development, but also for applying for and writing grants, which often require statistics.

Chief Goshen said he thinks it is a good idea to have this in the Borough, especially for small businesses. Hall said he thinks it is a lot of money to spend at this time. He said he wants to know more about what plan the Borough has and then why we need this software.

Eichler suggested that Council investigate the software more for the next budget meeting.

Haigh said that after meeting with Florin Hill, he would like to put money in the budget for the design, permitting and testing for BMP125. He said he would like to see \$30,000 in the 2025 budget for testing, and \$48,000 in the 2026 budget for advertising, construction, and construction observation.

Pugliese suggested to put BMP125 on hold until we get Florin Hill under way. He said he just asked to meet with Kara from Rettew Engineering to discuss this.

Haigh said we can hold off until next Tuesdays budget meeting and revisit it then.

Hall suggested moving on to talk about the General Fund budget.

Pugliese stated that there is information in the budget folder concerning 2025 projected salaries as well as salary surveys. Haigh said that he is concerned about setting the floor at 2%. He said other Municipalities are at 2.5% or higher. Hall said that Council approved what we have in place, and it works well. He said that unless there is a motion, we should stick with the policy Council approved.

Hall said that the projected end of year 2024 budget shows we would have a surplus of \$390,000 and that we have \$116,781 showing from fund balance in the 2024 budget that we did not need to use. He said the two combined would bring us from a \$700,000 deficit in the 2025 draft budget, down to \$192,000 deficit, using those things from 2024's budget that we already planned. He said that from there we can see what we need to do milage wise to cover that. He said we still need to run down the line items to see if we can cut anything, but that there is currently a reasonable way to balance the 2025 draft budget.

Kark asked if we still have the Authority's commitment to the one million toward the building project. Pugliese said yes.

Youngerman mentioned the fund balance policy and advised Council to keep that in mind. He said it states that our fund balance must be 25% of our annual expenses and that the higher the expenses get, the more of a fund balance we will need to have. He said that at six million in general fund expenses, we will need to have \$1,512,250 remaining in fund balance.

Hall mentioned the idea of using the \$390,000 surplus from the 2024 budget of \$390,513 and the fund balance line item of \$116,781 from the 2024 budget that we did not use, for a total of \$507,294 to be put into line item 01.301.001 as a means to get closer to balancing the 2025 draft budget.

On a **MOTION** by Greineder, and a second by Haigh, approval was given to add a total of \$507,294 to line item 01.301.001 (transfer from fund balance). *Motion carries unanimously.*

Hall asked if the engineering for stormwater, line item 01.446.313 is an accurate number. Pugliese said we currently have \$50,000 put in for 2025. Haigh asked if this is for Locust Lane and Square Street. Pugliese said that this can be used for anything.

On a **MOTION** by Haigh, and a second by Ginder, approval was given to change line item 01.446.313 from \$50,000 to \$65,000. *Motion carries unanimously.*

Pugliese asked Council to confirm the contribution amounts to other organizations. Council discussed various contributions and various line items in General Fund, such as Police overtime and Police tuition. Chief Goshen reviewed his expense line items.

Eichler spoke of PD Minor Equipment Rental line item. He said that we did not use all we had budgeted in 2024, and now we are asking for more for 2025. Chief Goshen said he put in that number to purchase tasers for 2025.

Hall said he feels the Police overtime line item is too low for 2025. Chief Goshen said he gives his best educated guess and that it can be a tough one to budget for.

Greineder said that raising the milage rate from the current 4.47 rate to a rate of 4.82 would generate an additional \$207,243 for the Borough.

Youngerman mentioned the interest rates are projected to decrease going into 2025.

On a **MOTION** by Youngerman, and a second by Haigh, approval was given to change line item 01.341.001 (PLGIT General Fund interest earnings) from \$100,000 to \$70,000. Haigh said he prefers not to change anything. Hall suggested a roll call vote. Councilors Crider, Eichler, Ginder and Youngerman voting Yes; Councilors Greineder, Hall, Haigh and Kark voting No. 4 Yes to 4 No. *Mayor Bradley not present for the tie breaking vote, so Motion Fails.*

Haigh made a MOTION for the 5-year Capital Plan, to add a line item for BMP 125 retrofit of \$48,000 for the year 2026. Hall said there is no need for a second on the MOTION, that we would just add it in. Haigh said that the \$48,000 would be \$33,000 for the Borough's cost share and \$15,000 for construction observation.

On a MOTION by Greineder, and a second by Ginder, approval was given to adjourn the meeting. Council President Hall ruled the No's were greater. *Motion failed.*

On a MOTION by Eichler, and a second by Haigh, approval was given to change the Council meetings to a 6:30pm start time for the year 2025.

Hall said that if we set a start time half an hour earlier, we sill stay half an hour later. Kark said he likes the 7:00pm start time. Chief asked if there was any interest in two Council meetings in a month with no committee meetings. He said one meeting would be a work session, and the other would be a voting session. Haigh said he agrees with the idea and that it should be a discussion in 2025 for a change possibly in 2026.

Hall suggested a roll call vote. Councilors Eichler, Ginder and Haigh voting Yes; Councilors Crider, Greineder, Hall, Kark and Youngerman voting No. 3 Yes to 5 No. *Motion Fails.*

Public Input Period

No Public Input Period

Any Other Matter Proper to Come Before the Council

No other matter to come before the Council.

On a MOTION by Greineder, and a second by Haigh, meeting was adjourned at 9:16pm.

Respectfully Submitted,



Mark G. Pugliese
Borough Manager