

Mount Joy Borough Council
Special Budget Meeting Minutes
November 14, 2023

The Mount Joy Borough Council held a Special Budget Meeting on November 14, 2023.

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

Invocation was given by Bill Hall, followed by Pledge of Allegiance.

Roll Call - Present were Councilors Eichler, Fahndrich, Ginder, Greineder, Hall, Haigh, Ruschke, and Youngerman. Councilor Castaldi was absent. Also present were Police Chief, Robert Goshen, Borough Manager, Mark Pugliese; Assistant Borough Manager, Jill Frey; Public Works Director, Dennis Nissley; Parks Superintendent, Barry Geltmacher; and Codes & Zoning Officer, Duane Brady Jr.

On a **MOTION** by Greineder, and a second by Ruschke, approval was given to modify the approve agenda with an amendment to adjourn by 9pm. *Motion with amendment carries unanimously.*

On a MOTION by Ruschke, and a second by Ginder, approval was given for the minutes from the November 2, 2023, Special Council Meeting. *Motion carries unanimously. Youngerman abstains due to his absence at the meeting.*

Public Input Period

Dale Murray, 120 Farmington Way, said that he was unable to attend the last budget meeting and heard Council was looking at a \$832,699 deficit and asked why. Hall explained that different departments are needing more funds, there are a lot of Capital Fund projects, and the final phases of the building project are projected.

2024 General Fund Budget Discussion

Hall stated that we now have two different scenarios for the General Fund budget. He said scenario #1 is where we left things at the end of November 2, 2023, budget meeting with a deficit of \$832,699. He said he worked with staff and threw out an idea that involves a change in the borrowing and would bring the budget down to a deficit of \$395,000. He said he directed staff to look at projects, such as street projects, stormwater projects, etc., that will last over 25 years, and include them in the borrowing. He said that staff did eliminate and reduce some other expenses as well.

Pugliese reviewed the changes with Council and the 5-year plan. He reviewed the items that will not last 25 years and those items that will last 25+ years and those items that the Borough has the funds to pay with Capital Fund balance. He reviewed the loan and/or bond and what would be needed for that. He said he spoke with Zach Williard from PFM to see if the new borrowing would be feasible, and he said yes. He said that there is a stipulation that 85% of the funds will need to be spent within three years. He said the amount of debt service we have put in the budget is probably on the low side because we did not get a final number from Zach yet.

Haigh asked if the figuring includes the sale of the other Borough properties. Pugliese said no. Hall said the figuring does not include the second round of RACP money either.

Eichler asked if prices for budgeted items showing in the 5-year plan are going to change come 2027. Pugliese said they may, and that pricing is always a prediction. He said the only ones that are accurate are 2024.

Hall asked what Council feels about the Capital plan concept; if it is a good plan or not, and if it is not then we will start with Scenario 1 where we left off.

Youngerman said that borrowing and bonds is a common trick in government, and it does not look like it will have that much of an impact on the tax dollars because the borrowing is spread out over a period of time. He said the burden would be passed on to the next generation and he does not like the concept and that there are other obligations to think about, such as roads, OPEB benefits, safety, and fire protection, etc., and there is never money put back for those things.

Fahndrich said that it is hard to make a fast decision, but that the idea is a viable solution. She said that the Council still needs to figure out what we are going to do about the \$395,000 shortage. She said

the idea is a good tool, but she would like to have a discussion on the deficit first.

Pugliese said that we did not get through the rest of the budget, and the expenses to see what we can do with the deficit.

Haigh said that the idea is a viable solution and that he would want to go with Scenario 2. Eichler said he likes Scenario 2 as well. He said that taxpayers want services and the services come at a cost.

Hall said that even if we get to a solution tonight, we will not adopt it as our budget until all Council members have some time to look over it and come back again for our next budget meeting.

Hall asked each Council member what their opinion is about Scenario 2. All Council members agree to go with Scenario 2.

Haigh said that we do not need to include money in line item 01.400.420 (Dues Subscriptions Conventions) for him to attend the conference. He said to reduce it to \$5,550. Council agreed and change was made.

Pugliese suggest to zero out line item 01.400.179 (Tuition Reimbursement) because there is no person that is going to school this year. Council agreed and change was made.

Hall said the \$21,250 that was in line item 01.414.137 (Part-time Inspection Clerk) was zeroed out and may need to be put back in. Haigh asked if the position will be revenue neutral. Brady said yes. Haigh agreed that it needs to be put back into the budget. Mayor Bradley said that if we contract out for inspections, it is still revenue neutral and does not feel we need to hire a person to do that. He said if the bottom-line figure is close to neutral either way, he does not feel we should take the risk of finding a good employee, training them to do the job, and hoping they do a good job. He said it is the perfect circumstance to use a contracted service and does not feel we should push that on to the taxpayer.

Hall said that there is still administrative work that goes along with inspections and that an inspection company only does just the inspection. He said a part-time inspection clerk would do more than just the inspection.

Hall, Haigh and Brady discussed the annual fee for apartment licenses and the cost of inspections and the number of inspection units and the new proposed fee for the inspections.

Hall said there is \$7,500 of revenue that was missed in line item 01.361.340 (Apartment License Fees), taking the number to \$127,500. He said that with the \$7,500 of additional revenue for line item 01.361.340 (Apartment License Fees), and the \$6,500 in line item 01.414.470 (Inspection Fees) that we would not need in the budget if we were to have a part-time inspection clerk, we would have \$14,000 toward covering the cost of a part-time inspection clerk. He said we would only, essentially, have to cover \$7,250 to have an in-house inspector. He suggested putting the numbers back for Brady's line items, changing 01.361.340 (Apartment License Fees) to \$127,500, and 01.414.137 (Part-time Inspection Clerk) to \$21,250, and 01.414.470 (Inspection Fees) to \$0. Council agreed and change was made.

Fahndrich asked about line item 01.387.000 (Fee-In-Lieu of Taxes) and who pays this. Frey said the Janus School and more recently, Mount Joy Gift and Thrift voluntarily pays. Goshen asked if any churches participate in the Act 53 PILOT program. Frey said no, this is all who participate at this point.

Hall asked about line item 01.435.600 (Recon of Sidewalks & Crosswalks) for \$126,400, and if we can put it under the borrowing. Haigh said he would be comfortable doing that but would like to keep some in there. He suggested keeping \$16,400 in General Fund and moving \$110,000 to the borrowing. Council agreed and change was made.

Hall asked why 01.430.470 (Building Maintenance & Repair) is so high. Nissley said the number is for repairs needed for the Public Works building and that the A/C unit is 30 years old, and the same with the gate operator.

Mayor Bradley asked if anyone investigated other health care plans or separating the current plan. Pugliese reviewed the outcome of the health care options.

Hall asked what the \$16,000 in line item 01.454.600 ((Parks Reconstruction/major Repairs) entails. Geltmacher said it is for cameras at Kids Joy Land and Kunkle Field.

Hall suggested reducing line item 01.463.174 (Training) to \$1,000. Council agreed and change was made.

Hall suggested reducing line item 01.463.122 (Salary of Comm & Econ Develop Coordinator) down to \$59,000. Pugliese said that his intention was to start in at \$58-59,000 and after 90 days increase to \$60,000. Hall said he thinks we can lower this. Mayor Bradley said that we were giving \$50,000 to the other organization that handled community and economic development, which included salary, and that the amount in the budget seems like a lot of money for the position. Fahndrich agreed. Hall recommended reducing this line item to \$55,000. Council agreed and change was made.

Haigh said he would like to look at line item 01.410.183 (PD Overtime Wages). He asked why, if we will be fully staffed with Officers, we are asking \$70,000 for overtime for 2024 when we asked and used \$60,000 in 2023 and we were down an Officer for 8 months. Goshen said that it is hard to predict what overtime will be needed and that it is used for shift coverage or when court appearances are needed, etc. He said we never know what is going to happen and we need to make sure shifts are covered. Haigh asked if we could reduce the overtime to \$60,000. Goshen said no.

Mayor Bradley said that we have not hired a person yet and that the hiring process takes time. He said that out of the consortium list there were 18 prospects, out of which only 4 have the Act 12, which the Borough requires. He said that we do not get full use of the individual for 18 weeks with the training involved and such.

Haigh said that some departments in the Borough are making tremendous sacrifices, and he does not see why the Police could not cut back. Haigh suggested reducing line item 01.410.183 (PD overtime Wages) to \$50,000. Council did not agree.

Hall said that we have looked at the PD overtime for years and years and that Chief Goshen controls the overtime better than any other.

Hall suggested to put the debt service of \$220,000 into line item 01.471.100 (General Obligation Notes) where it belongs. This would leave \$106,500 in line item 01.492.100 (Transfer to Capital Reserve). He said it does not change the bottom line but should be shown in the correct place. Council agreed and change was made.

Hall suggested that since there is a 9pm end time, we move on to Public Input. He said for staff to see all of Council receives the updated budgets to include General Fund, Capital Fund, Refuse Fund, and Highway Aid Fund for Council to review until next budget meeting.

Public Input Period

Dale Murray, 120 Farmington Way, said that it is sad that when he left Council the Borough was \$0 in debt. He asked if there will be a roll call vote on the new building. Hall said they intended to have a roll call vote at the Council meeting in December, but he cannot say they will. Murray said that taxpayers deserve to have a roll call vote.

Any Other Matter Proper to Come Before the Council

Haigh asked Eichler if he would like to report on the Rapho Township's Planning Commission Meeting where they discussed Chiques Crossing. Eichler said that Dave Christian and Dale Murray were present and spoke. He said the parking space ratio and the wall were discussed. He said that concerning the wall, the developer wanted to change the text of the Zoning Ordinance to allow walls higher than 6 feet. He said he does not understand the purpose of the wall and that the resident would be facing the creek and nature. He said concerning the parking spaces, they want more. He said Rapho Township is having a Supervisors meeting on Thursday night, November 16, 2023.

On a **MOTION** by Greineder, and a second by Ginder, meeting was adjourned at 9:00pm.

Respectfully Submitted,



Mark G. Pugliese I
Borough Manager