



***The Mayor's Report presented to members of Council and our citizens
November 2, 2020***

I am pleased to present my review and analysis of the current 2020 and proposed 2021 GENERAL FUND BUDGETS that, based on information received at the full Council budget workshop of October 26, 2020, does not substantiate a tax increase. It is my understanding that non-uniform employees will receive a cost of living wage increase of 1.3% that is not being afforded to part-time police officers and meter enforcement. I request our PT employees also receive this cost of living increase as they work nights, weekends, and holidays, to protect our community and often sacrifice times away from their families. This would cost approximately \$1,500 in 2021. All other employees' wages are partially paid out of General Fund, Water Fund, Sewer Fund, and Storm-water Fund except police officers.

Due to full-time officers' medical leave the PT officers have clearly stepped up to fill shifts and protect this community in 2020; even sacrificing working at some of their full-time jobs where their income would have been greater. That is dedication to this community.

Subject to confirmation, here is my analysis:

1. Leaving the current real estate (RE) tax rate of 15 mills there is an estimated 2020 year-end General Fund (GF) revenue over expenditures of \$301,446.
2. Also based on a real estate tax rate of 15 mills (no RE tax increase) an estimated fund balance by December 31, 2021 (revenues exceeding expenditures) is estimated at \$41,400.
3. With a 1.3% wage increase for PT police personnel the estimated 2021 year-end revenue over expenditures would be over \$38,000.
4. The Police legal services line item (Dr. 01.410.314) has always been high. Why? The Conrad enforcement was paid partially (50%) debiting the police legal expense line item which I constantly have disagreed with. This line item could be reduced by \$1,000 as the Conrad matter is closed. Chief Phillippy advised me that he has contacted our law firm on one occasion during his over 13 years as Chief. With cost of prosecution revenues received in the future, will any of this be returned to the police budget?

GREENCASTLE MAYOR'S REPORT

5. The training line item (Dr. 01.410.331) for college tuition has been reduced by \$4,000 based on information I received from the Collective Bargaining Unit members. The \$4,000 will also support a PT cost of living wage increase.
6. This year's estimated December 31, 2020 general fund balance is \$1,131,600 based on the following formula: Sept. 31 fund balance @ \$1,177,850 (Oct. 31 fund balance is \$1,243,142); Estimated fourth quarter revenues (less RE taxes already collected) @ \$286,000; Estimated fourth quarter expenditures @ \$332,400.
7. 25% of the expenses for 2021 is \$440,000 + - . A fund balance of \$1,243,142 is over 60% of expenditures exceeding the 25% by over 35%.
8. Recall exactly 12 months ago, Borough Management was again suggesting a General Fund tax increase until the Budget Committee and Mayor worked together to balance the current budget. Now we are seeing an estimated \$300,000 surplus predicted for 12/31/2020. A suggested tax increase 12 months ago was not warranted.
9. Police debit line item 410.740 budgets \$9,000 for body cameras. It is my understanding that our Pa. legislators may ultimately mandate the use of police body cameras. If this happens, I believe municipalities providing law enforcement should mandate these expenses be paid by Commonwealth grants. Approximately 1/3 of Pa. municipalities have police departments.

SUMMARY: With the above recommendations the General Fund would begin January 1, 2021 with a surplus of approximately \$1,131,600 and end the year (12/31/2021) with a revenue / expenditure surplus of \$38,000 plus an estimated General Fund balance of \$1,169,000. There is no need for a real-estate tax increase.

MAYOR'S REQUEST: During Administration and Finance budget meetings a deficit was originally forecast. Therefore, all capital expense requests from the Police Department were cut from the GF budget totaling \$35,000. The Committee is aware and has blessed my seeking outside funds to support these expenses in which I've been actively doing so from other government agencies. One such expenditure of \$10,000 was new police reporting software to replace the antiquated C-NET (Commonwealth Network) software @ \$10,000. 2021 C-NET software support is \$1,800 which makes no sense to continue with this system that keeps our officers off the street due to the unreasonable time consumption required. Therefore, I recommend that if the Mayor is unable to receive outside funding for police capital items by February 1, 2021, a new police records management system be funded (\$10,000) from the Capital Reserve Fund. That fund balance as of Sept. 1, 2020 was \$240,507. I will actively continue to seek outside grants for the additional items.

FINAL NOTE: A North Carlisle Street modified street design would promote storm water best management practices, help mitigate further hydraulic overload of the underground Moss Spring pipe system and save the GF approximately \$40,000.

COMMUNITY UPDATES:

GREENCASTLE MAYOR'S REPORT

- On October 5, I was a guest at the Franklin County Association of Township Officials Convention. The officials passed a Resolution and forwarded to our legislators supporting increasing the “Local Services Tax” from \$52 annually to \$104 annually. These funds are restricted to public safety and street maintenance. The recently completed Franklin County Fire / EMS Study was reviewed in detail with a one hour power point presentation presented by the author. Affirmed proposed Pa. Senate Bill 1274 for the creation of “Public Safety Municipal Authorities for fire / EMS, excluding police services.”
- I was pleased to attend various budget meetings and offer input. It was good to see citizens in attendance.
- Fish with a Cop was held on Saturday, October 10. Thanks to members of the Greencastle Police Dept. (sworn and civilian) for setting up such an important mentoring program.
- On Oct. 11 I attended an American Legion recognition program for Vietnam era veterans.
- It is exciting to see more businesses opening in Greencastle. I've observed some remodeling in progress at several retail locations and have noticed a meat and deli market sign that will soon open on S. Antrim Way at the former BBS Jewelers location.
- I will personally promote free parking in downtown Greencastle to the Franklin County and Washington County, MD (Hagerstown) market and encourage folks to “VISIT GREENCASTLE; ENJOY OUR SHOPS AND RESTAURANTS AS PARKING IS FREE IN NOVEMBER AND DECEMBER!”

Submitted by: Ben Thomas, Jr.