

BOROUGH OF GREENCASTLE
COUNCIL SPECIAL MEETING MINUTES
October 26, 2020
6:30 P.M.
60 N. Washington Street

MEMBERS PRESENT: Mayor Ben Thomas Jr., Council President Steven Miller, Councilmembers: Larry Faight, Joel Amsley, H. Duane Kinzer, Matthew Smith, Jeremy Layman, and Wade Burkholder. Also present was Finance/HR Manager Emilee Little.

President Miller called the meeting to order at 6:30 p.m.

An invocation was given by Duane Kinzer.

President Miller led the Council, staff, and audience in reciting the pledge of allegiance.

REGULAR AGENDA

Significant Overall 2021 Budget Highlights

1. Admin and Public Works Time Study
 - a. Staff completed a month long time study.
 - b. All wage and health care allocation based on results of time study data.
2. Staff Wages
 - a. Increases will be held at the COLA which is 1.3%.
 - b. Police contract states full time officers will receive an 8% increase.
3. Insurance Coverage Changes
 - a. Employee pays 100% dental coverage = Borough savings of \$15,793.44
 - b. Staff prepared employee contribution changes and the possible savings associated.
4. Taxation Increases to Cover General Fund Deficit
 - a. Increase Real Estate Millage by 3 mills to a tax rate of 18 mill.
 - b. Introduce a 1 mill Fire Tax to cover Rescue Hose personnel funding request.

2021 Sewer Fund Budget

Emilee Little presented the Sewer Fund Charts of Accounts and gave an overview of the proposed revenues and expenses for the Sewer Fund budget.

Notable changes to 2021 Sewer Fund revenues include:

1. As a result of the completed rate study, a sewer rate increase of 3% will be executed in 2021 to generate increased revenue necessary for various critical improvements to the Waste Water Treatment systems.
 - a. 3% rate increase = projected \$32,000.00 revenue increase

Notable changes to 2021 Sewer Fund expenses include:

1. Significant decrease in sewer expenses relative to 2020 budget due to majority of pumping station upgrades and construction costs being budgeted for in 2020.

Sewer Fund Chart of Accounts is projecting a budget surplus balance of approximately \$49,400.00.

2021 Stormwater Fund Budget

Emilee Little presented the Stormwater Fund Charts of Accounts and gave an overview of the proposed revenues and expenses for the Stormwater Fund budget.

Notable changes to 2021 Stormwater Fund revenues include:

1. Admin and Finance committee suggested reducing the Stormwater Pollutant Impact Fee rate.
 - a. Proposed rate = \$0.50 per 100 sq. ft
 - b. Projected revenue = \$58,000.00

Notable changes to 2021 Stormwater Fund expenses include:

1. Significant decrease in administrative expenses based on results of completed time study.
2. Operational expenses decreased to be more comparable to 2020 estimated end of year figures.

Stormwater Fund Chart of Accounts is projecting a budget deficit balance of approximately \$84,700.00 to allow for spending down of the fund balance and future zero base budgeting practices.

2020 General Fund Budget

Emilee Little presented the General Fund Charts of Accounts and gave an overview of the proposed revenues and expenses for the General Fund budget.

Notable changes to 2021 General Fund revenues include:

1. Staff proposed a 3 mill tax increase and a 1 mill Fire Tax
 - a. Increased revenue of approximately \$175,000.00
2. Conservative EIT estimation due to unknown impact of COVID
3. No grant money expected in 2021.

Notable changes to 2021 General Fund expenses include:

1. Elimination of expenses associated with the employment of a Code Enforcement officer.
2. Healthcare cost and wages allocated based on time study.
 - a. Increased healthcare costs - 4.9%
3. Overall significant reduction in spending for Street and Administrative accounts
 - a. IT office supplies, LED lighting, legal, engineering, N. Carlisle Street expenses
4. Increased expenses include
 - a. Alley name signage, HVAC system in admin office, heater unit in PW shed

With a Real Estate tax rate increase to 18 mills, implementation of a 1 mill Fire Tax, and conservative EIT planning the General Fund Chart of Accounts is projecting a budget deficit balance of approximately \$33,000.00.

Mayor Thomas presented information suggesting the elimination of curbing on East side of North Carlisle Street.

- Miller stated the necessary swelling could impact railroad property, requiring Norfolk Southern approval.
- Amsley stated the Water Authority is replacing the water main under N. Carlisle Street prior to Borough paving and has a strict timeline with significant associated expenses.

Council discussed the general fund balance and the possibility of a tax increase.

- Kinzer stated it was premature to implement a Fire Tax, requesting Rescue Hose Company present its Form 990 and explain current income and operating expenses.
- Mayor Thomas stated the EIT revenue could be projected at an amount closer to the estimated 2020 EOY projection of \$587,000.
 - Council agreed to increase budgeted EIT revenue (01.310.210) to \$550,000.00.
- Smith stated there is a substantial fund balance projected to be carried from the 2020 budget.
 - Smith suggested not implementing a tax increase and using the cash balance.

Council proposed no millage increase and no Fire Tax implementation

- Council suggested supporting the budget deficit of approximately \$123,000.00 with the cash reserve.

On an Amsley/Faight motion, the Council unanimously voted to adjourn the meeting at 9:27 pm.

Respectfully submitted,
Emilee Little
Finance/HR Manager