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MINUTES OF THE NEW SALEM BOROUGH COUNCIL MEETING

October 11, 2022

The New Salem Borough Council met in a budget planning session on Tuesday, October 11, 2022. The meeting was called to order at 7:00 pm by President Mundorf who led those in attendance with the Pledge of Allegiance to the Flag. The primary purpose of this meeting was consideration of the Borough's 2023 budget.

BOROUGH COUNCIL PRESENT:

Edward R. Mundorf, President
Kim E. Martin, President pro tem
Sue Ann Becker
Peter E. Partridge
Harvey E. Thumma Jr. (departs at 9:00 pm)

BOROUGH OFFICIALS PRESENT:

Erica Delp, Secretary/Treasurer

OTHERS PRESENT:

BOROUGH COUNCIL ABSENT:

William F. Baldauf, Vice President
Cecelia Harvey

BOROUGH OFFICIALS ABSENT:

Ron Franklin, Mayor

1. Call to order and Pledge of Allegiance to the flag
2. Public Comment: None
3. Old Business: None
4. New Business –
 - A) MS4 Waiver was approved
 - B) Northern York County Regional Police are offering 10 hrs of police work a week. It will be considered by council in the future.
5. Mark-up of the 2023 Budget Proposal

A draft of the Borough's 2023 budget was considered and discussed line item by line item and several changes and adjustments were made. No decision was reached as to the increase in the milage rate and those present were asked to give it some thought before the November 1st council meeting when a decision has to be made.

 - A) Highway Fund: Revenues & Expenses
 - 1) Palmer Avenue was discussed, but for 2023 it is not an applicable issue because we have missed the liquid fuels deadline for 2023. It also is possible that Palmer Avenue would not qualify due to the short

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length of the street. There was discussion that resurfacing Palmer Avenue would need to be considered soon either from the ARPA funds or the general fund.

2) Street Cleaning: It was proposed that this expenditure come out of the liquid fuels funds in 2023.

3) Spring Grove Public Works: last year \$6,000.00 was budgeted for 2022. It was suggested that it be requested that Spring Grove public works clean out the vegetation of the storm drains.

4) Emergency/ Repairs Funds: Planning to budget within the Highway Aid Fund to fix 122 S. Main, Sealing Robinhood Drive, Borough manholes #71 & 72 and surrounding depression was discussed. ARPA funds may be used for some of this but could quickly be depleted. General consensus was that additional budgeting may be necessary.

B) Sewer Fund: Revenues & Expenses

1) Arrearages: It was requested that either the secretary or assistant secretary contact the solicitor to see how much money has already been recovered in arrearages and get a projection how much money may be recovered in the future. It was discussed that there may be advantages to compensating the solicitor using only the general fund in order to pay off the sewer loan faster and save property owners some cost in sewer usage fees. The advantages and disadvantages of paying legal fees pertaining to the sewer from sewer from the sewer fund were discussed. It was decided that \$2500.00 would be allocated for legal fees pertaining to sewer usage and arrearage collections.

2) It was confirmed that secretary fees are no longer transferred from the sewer fund to the general fund for payment of the secretary. This is because the secretary doesn't devote a large percentage or time to sewer management any longer.

3) It was requested that either the secretary or the assistant secretary contact Spring Grove about who is the system operator is since it is believed it is no longer the same municipal official as it was before. ACH fees have been disabled for same day transaction

4) There was a discussion of budgeting to hold back funds for the TV 5 year inspection. It was decided that each year 10,000.00 could be retained toward that cost.

5) It was decided to allocate \$150 toward water shut off fees

6) There was a discussion of what the administrative costs of Sewer management are. It is believed that the costs should be reduced now that some first-time costs are completed.

C) General Fund: Revenues & Expenses

1) President Mundorf disclosed that he may need to abstain from a vote pertaining to milage increases due to a conflict of interest, since his spouse is the property tax collector and such increases also raise her compensation.

2) The real estate transfer tax was discussed. It was confirmed that the borough does get some income from this, but it is uncertain what percentage. Recent revenues were likely from house sales, construction of the Dollar General and the purchase of the sharpening business.

3) Earned income tax was discussed. A greater depth of information was provided from YATB to estimate the figures used in this year's budgeting.

4) ARPA: It was confirmed that all ARPA funds have been received and there will be no future ARPA funds.

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- 5) In reference to recycling grants, it was discussed if more recycling bins should be purchased. It was decided to make no changes at the present time.
- 6) There was a \$1,740.00 unidentified ACH deposit that needs to be identified in order to place it correctly in the financial records.
- 7) It was noted that Council Member and Mayoral pay could be increased and hasn't been increased in many years. It was discussed if increasing pay may increase participation in council. \$1500 was proposed as an increase. It was discussed that it may not be prudent to raise the council pay and millage simultaneously. At this time, it was decided not to increase the council member and mayoral pay.
- 8) Some discussion was had regarding doing incremental increases in millage to be prepared for upcoming road repairs.
- 9) It was acknowledged that PSAB membership has been beneficial.
- 10) Legal Services were discussed, and it was speculated that they have increased because of non-compliance, sewer arrearages and violations.
- 11) There was some discussion of office equipment. It was discussed that an intercom would be useful to budget for to improve safety features of the borough building.
- 12) A discussion regarding the office restoration was discussed and it was agreed that it has been beneficial. Alternative electronic file storage was identified as a next project that would help free up cabinet space.
- 13) The Advertising budget was discussed, and it was noted that it can't change because the legal newspaper publishing requirement still stands, though it may be revised in the future.

CM Thumma Departs at 9pm

- 14) A brief discussion of engineer costs was had. It was discussed that costs could be saved if projects were finished sooner. It needs to be determined if some of the Sunoco Costs could be recovered. The hours spent on a job will be examined in the coming months. A breakdown of costs was requested.
- 15) Increase of borough utilities cost was discussed. It was suggested that improvements to the building in the areas of thermostat timers, emergency lights, and motion lights were possibilities. Electricity still needs to be connected to the heater in the storage room.
- 16) Police service was discussed. It was decided that no changes would be made to police agreements at this time.
- 17) The fire company allocations were discussed. A breakdown of the costs of the gear for the 2022 year needs to be reviewed and the commitments made previously compared to the invoice submitted. The borough will continue to cover the insurance costs. Anything over and above insurance contribution could come out of the ARPA funds this year
- 18) It was agreed that the \$1,000 Tri Community ambulance contributions would remain the same
- 19) Zoning and Code Enforcement was discussed with no changes suggested
- 20) It was discussed that having a line item for Highway Maintenance could be beneficial when the highway fund can't be used to cover an expense. Palmer Avenue needs to be resurfaced in the near future. It was discussed that \$40,000.00 could be allocated from the general fund to this line item and another \$40,000.00 of ARPA funds could be allocated to this line item to provide for Palmer Avenue.

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There was general agreement that it would not need to meet liquid fuels requirements since it isn't essential to add the road to the liquid fuels list.

21) Discussion was had if a celebration should be planned for 150 years as a municipality. It is debatable if there is enough interest currently. No allocation will be given at this time.

D) ARPA Funds: Funds must be obligated by contract no later than December 31st, 2024. Projects, however, may be completed by December 31st, 2026. The following suggestions were discussed as potential projects to utilize ARPA funds.

- 1) resurfacing Palmer Avenue
- 2) Sealing the Curbs
- 3) Repairs at 122 S. Main
- 4) Digitizing files
- 5) Supporting Fire Company
- 6) Supporting Ambulance Service

6. Action Items: The secretary and assistant secretary will revise budget based on discussions and will prepare this for the November 1st council meeting. There will also be a need to advertise, and also approve the budget by December.

7. The meeting was adjourned at 10:00PM until next regular meeting on Tuesday November 1, 2022 at 7:00 pm.