

**Cumberland Township Board of Supervisors
1370 Fairfield Road, Gettysburg, PA 17325
Minutes of the November 17, 2016 Budget Workshop**

Chair Barbara Underwood called the workshop to order at 7:00 p.m. Present were Supervisors Underwood, Toddes, Shealer and Paddock; Township Manager Ben Thomas, Jr., Police Chief Don Boehs, Police Lieutenant Tim Guise and Secretary Carol Merryman.

Public comment:

Mr. Speros Marinos, 912 Baltimore Pike, spoke about the National Park Service, tax dollars lost on the Baltimore Pike and the need for the zoning on Baltimore Pike to go back to Commercial.

Mrs. Jean Stone, 1745 Mummasburg Road, stated that she submitted a question by email regarding a difference in the excess reported in the 2017 proposed budget for 2015 and the excess shown in the 2015 Audit report. Mr. Thomas stated that the question is still under review and the Township will respond when prepared to do so. Mrs. Stone also stated that she feels that the 2016 excess shown will cover the addition of staff and that a tax increase is not necessary. She asked the Board to consider all employment options including: part-time, seasonal, college students and retirees. Lastly, she asked why the Township would provide more funds to Gettysburg Area Recreation Authority than Gettysburg Borough (as reported in the newspaper).

Manager Thomas presented the preliminary 2017 budgets for the following funds: Capital Reserve (restricted for capital purchases), State Liquid Fuels (restricted for road maintenance as approved by the Pa. Dept. of Transportation and a portion for equipment purchases), Traffic Impact Fee (Act 209 Study currently being updated and restricted to projects identified in the study), Fire Tax (restricted for reimbursements to three fire companies) and Park and Rec (restricted for parks). Mr. Thomas answered questions from the Supervisors and citizens.

Mr. Thomas then revisited the 2017 Preliminary General Fund Budget. Mr. Thomas added that the Township has continued to work on the budget, has been watching revenue projections, every department has made cuts and the revised fund balance is now \$9,255.00. Mr. Thomas reiterated that this is a maintenance only budget that does not fill the increased workload or capital vehicle / equipment replacement and he went over those costs. Mr. Thomas again answered questions. Mr. Ferranto asked the Supervisors not to raise the taxes, but rather make cuts and he went into some detail about where the cuts could be made.

Mr. Shealer, as a member of the Finance Committee, went over several points regarding a proposed .25 mill tax increase:

- Would generate approximately \$175,000.00
- Would equate to 4.8% of the total revenues in the budget
- Tax increases should be a part of any long-range budget plan review
- It has been seven years since taxes have been raised
- The Consumer Price Index has increased 1.5% over the past 12 months
- The inflation rate has increased 10.1% in the past seven years since taxes were last raised
- Two additional full-time Police Officers have been hired and promotions have been made in the department over the past seven years and this has a financial impact to the budget
- For everyone dollar that the Township takes in, it costs \$1.15 for residential land use (source: American Farmland Trust)

- We are designated as a residential community by the Comprehensive Plan, currently very limited commercial growth is forecast not keeping pace with tax income diversity with a high percentage of lands that are tax-exempt or tax-deferred
- A year-end fund balance needs to be maintained to carry the Township through the first three or four months of the year until revenues start coming in or the other option is a Tax Anticipation Loan that has costs associated with it
- The residue amount along with the proposed revenue from a .25 mill increase would be designated to building fund improvements, capital infrastructure improvements, public safety and law enforcement upgrades, additional staffing, interest and principal payments to reduce the Township's debt, unfunded mandates such as MS-4 stormwater requirements and others as needed
- Studies have shown that designating funding for building and infrastructure upgrades increases productivity and has high quality of life returns

Mr. Shealer, as a member of the Finance Committee, recommended that the Board highly consider the .25 mill tax increase for the 2017 General Fund Budget instead of drawing down on the General Fund balance to cover the professional services the Township should provide to its' taxpayers.

Supervisors adjourned the workshop at 8:05 p.m. for an Executive Session with no action to follow.

 Carol A. Merryman, Secretary

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