

MINUTES
FINANCE COMMITTEE BUDGET MEETING
OCTOBER 21, 2025

The Penn Township Finance Committee convened on Tuesday, October 21, 2025, at 6 p.m. Present were Chairman Arnold, Commissioners Baile, Elksnis, Fanelli and Heiland along with Township Manager Sweeney. The following items were discussed:

ANNOUNCEMENTS: Chairman Arnold announced an executive session held Monday, October 20, 2025, following the Board of Commissioners meeting to consult with counsel regarding legal and personnel matters.

CITIZEN'S COMMENTS: None.

2026 BUDGET REVIEW: The Committee reviewed the 2026 proposed revenue and expense budgets, beginning with the General Fund Administrative accounts.

GENERAL FUND REVENUE: Real estate tax revenue is budgeted at the current 4.4 mills. The Committee reviewed how one (1) mill or 0.1 mill would translate into additional revenue if ever needed. Earned income tax and other major revenues have not been changed. Comcast cable franchise fees are being reduced, with no change in interest earnings. Rent of buildings accounts were separated (municipal building vs. fire station) under the new software, and staff will re-check estimates. State pension aid and various grants are budgeted at 2025 levels, noting that these are money in/money out items in many cases.

ADMINISTRATION EXPENSE: Wages were discussed, with Commissioner salaries remaining unchanged, while other wages are yet to be finalized. The Township is awaiting additional healthcare information, which will be updated once received. IT/networking costs were reviewed in detail and will increase the budgeted amount to \$25,000. Audit services will remain at the current contract level. Health insurance costs are preliminarily assumed at a 25% increase for budgeting purposes until firm rates are received. The Tax Collector's bond renewal line is increased to \$1,000 based on prior history after election. The building insurance and public utilities are increased to reflect rising costs. Animal control services and SPCA contract lines were reviewed. A presentation from SPCA will be requested for next year. Hanover Library's fair share will tentatively remain at a \$50,000 contribution.

PUBLIC SAFETY EXPENSE: The Committee reviewed the proposed Police Department budget. Management salaries are yet to be finalized. Union salary lines reflect collective bargaining increases and current staffing. The Chief's request for five (5) additional patrol officers was discussed at length. The Committee directed that the budget be revised to reflect funding for one (1) additional patrol officer and one (1) detective. Related benefits, overtime, training, uniform, and equipment lines will be adjusted accordingly. Custodial staffing (two part-time custodians at the Police Station) was clarified as separate from the administrative building custodian. Several operating lines, clothing/uniforms, ammunition, cellphone/wireless, computer maintenance, digital services, and various Motorola camera/radio contracts were reviewed. Capital outlay for the Police Department is slightly reduced from 2025, due to completion of certain projects. Two police vehicles (SUV) and related upfitting remain in the

2026 capital request; the Committee noted that any transition to Enterprise fleet leasing is not yet reflected in this version and will be discussed further once pricing and budget impacts are clearer.

The Committee reviewed the proposed Fire Department budget. Fire captains and firefighter salaries are increased per the current CBA, including projected overtime. Health insurance and general insurance lines are projected at 25% and will be adjusted once the true costs are received. Hanover Area Fire & Rescue contribution will be revised after the Fire Commission finalizes its budget. Hydrant rental and hydrant repair costs remain unchanged. Several grant-related “money in/money out” lines (Fireman’s Relief, State Fire Commissioner grants) remain unchanged.

ZONING EXPENSE: The Committee reviewed the Zoning Expenses, wages and insurances will increase and have yet to be finalized. The Zoning/Property Maintenance salary and clerk lines include contractual increases; related Social Security and benefits were adjusted. Third-party building code inspections were split out from general expense to clearly track costs; based on 2024, costs are significantly higher than previously budgeted. Staff will review permitting fees and the fee schedule to ensure permit revenue more closely offsets these inspection expenses.

SOLID WASTE EXPENSE: Wages and Insurance will increase. With the phase-out of the pay-as-you-throw trash bag system, refuse and recycling revenues are significantly reduced; related bag purchase and tipping fee expenses are removed. The Committee acknowledged that a portion of recycling costs will now need to be supported by other funds and that this will be revisited as the new toter system and contract fully roll out.

PUBLIC WORKS EXPENSE: Public Works union wages include contract increases; benefits will be adjusted once costs are received. Engineering services include \$20,000 for signal timing studies on Baltimore Street signals. Capital requests include HVAC replacement for the public works building rooftop units, 50% share of a wheel loader, a Ford F-550 dump truck, and an Ingersoll Rand roller. The Committee requested that staff prioritize which units are most critical if reductions become necessary. Numerous road and culvert projects were reviewed. MS4 costs, HLS contract and landfill fees for street sweeping are increased modestly based on updated rates. Recreation improvements have been reduced as the parks improvement efforts nears completion.

HIGHWAY AID: Highway Aid revenues and expenses will continue to be budgeted to balance, with paving projects only undertaken when funding is available.

SEWER FUND: Sewer fund management wages have yet to be finalized, contracted employee wages reflect increases in the CBA, insurances will be adjusted once actual costs are received. Sewer collection expenses reflect slight increases for chemicals, bacteria, and engineering services, along with a restructuring of vehicle expenses to track costs by unit. Pump station electric and utility charges were updated based on actual usage. Capital outlay includes a standby generator for the Northview pump station, replacement of the 2007 Case 721E (shared with Public Works), and replacement of a 2004 tandem dump truck. The ongoing sewer lining and manhole coating program continues to be successful and is recommended to move forward. At the WWTP, costs for chemicals, PFAS-related lab analysis, and electric and gas

utilities have increased, and staff continues efforts to reduce the flow to the Borough. Several WWTP capital items were requested, grinders, valves, tank concrete repairs, HVAC replacement, valve operator, etc.

FEE RESOLUTION: The Committee briefly reviewed the current Township Fee Schedule and discussed items to be updated including aligning building permit fees with actual third-party inspection costs. Adding a fee structure for fire inspections related to the new mobile food truck ordinance. Reviewing possible cost recovery for SPCA/animal control services.

OTHER MATTERS: None

CITIZEN'S COMMENTS: Mr. Robert Holt, stated that the Pennsylvania Department of Agriculture already regulates food truck health and operations. The Committee and staff explained that the Township's new ordinance and inspection requirement are focused on fire and life safety under the adopted 2018 Fire Code (e.g., propane tanks, fuel systems), which is separate from state health inspections.

The meeting was adjourned at 8:09 p.m.

Respectfully submitted,

Donna M. Sweeney
Township Manager