

**BOROUGH OF GETTYSBURG  
TROXELL COUNCIL CHAMBERS  
59 EAST HIGH STREET, GETTYSBURG, PA 17325  
COUNCIL BUDGET WORK SESSION MINUTES  
OCTOBER 17, 2022**

**President Wesley K. Heyser** called the meeting to order at 7:00 PM with the following  
**Councilors present:** Vice President Matthew Moon; Mr. Christopher Berger, Mrs. Judith Butterfield; Ms. Patricia Lawson; and Mr. John Lawver. **Absent Councilor:** Mr. Chad-Alan Carr  
**Staff present included:** Mayor Rita C. Frealing; Borough Manager Charles Gable; HR Coordinator Kara Riethmaier; Police Chief Robert Glenney; Director of Historic & Environmental Preservation Debra English; Planning Director Carly Marshall; Parking Manager Rebecca Fissel; and Public Works Director Robert Harbaugh; Absent Staff: Planning Director Carly Marshall; and Chad Clabaugh, Borough Engineer, C. S. Davidson, Inc.

**Others present included:** Filming by *Community Media-ACCTV*.

An executive session of the Borough Council of the Borough of Gettysburg was conducted immediately following the adjournment of the October 11, 2022 monthly general business meeting of the Council consistent with section 708(a)(1) and section 708(a)(5) of the Sunshine Act.

An executive session of the Borough Council will be conducted immediately following the adjournment of this evening's budget work session of the Council consistent with section 708(a)(1) and section 708(a)(5) of the Sunshine Act for the following purposes: (1) to discuss matters involving the employment, and the terms and conditions of employment relating to current Borough administrative employees; and (2) to review and discuss matters of Borough business which, if conducted in public, could lead to the disclosure of information or matters of confidentiality protected by law.

**President Wesley Heyser** announced the upcoming meetings as follows:

<b>Monday, October 24, 2022</b>	<b>6:30 PM</b>	<b>Council Public Hearing</b> RE: Tax Credits for Volunteer Fire Fighters
	<b>6:45 PM</b>	<b>Special Council Meeting</b> RE: CDBG Resolution
	<b>7:00 PM</b>	<b>2023 Budget Work Session</b> Budget Work Session Cancelled
<b>Monday, October 31, 2022</b>	<b>7:00 PM</b>	<b>2023 Budget Work Session</b>
<b>Monday, November 1, 2022</b>	<b>7:00 PM</b>	<b>2023 Budget Work Session</b>
<b>Thursday, November 7, 2022</b>	<b>7:00 PM</b>	<b>2023 Budget Work Session</b> (If needed)
<b>Monday, November 7, 2021</b>	<b>7:00 PM</b>	<b>Council Business Meeting</b> (Vote to Advertise 2023 Budget)
<b>Monday, November 28, 2022</b>		<b>2023 DRAFT Budget Issued for Public Review</b>
<b>Monday, December 12, 2022</b>	<b>7:00 PM</b>	<b>Council Business Meeting</b> (2023 Budget Adoption)

## Public Comment

There was no public comment at this time.

## 2023 Budget

**Manager Gable** presented Borough Council with the 2023 Budget Proposal. He said that he will review Funds 03, 04, 35, and 40 first, followed by Funds 96, 18, and 30 which directly interact with Fund 01. He gave a brief description and review of the following funds:

**Fund 03 – Fire Fund** – a 0.25 mill tax which is a pass through to the Gettysburg Fire Department and has remained steady since 2013. Council will need to discuss if adjustments are necessary, and the Adams County Council of Governments will need to revisit due to inflation.

**Fund 04 – Community Development Block Grant (CDBG) Fund** – this is a federal program by Housing Urban and Development (HUD) which the Adams County Office of Planning and Development manages for the Borough. The funds have been used for sidewalk improvements for the Gettysburg Inner Loop (GIL); and the numbers comprise the two funding years of 2021 and 2022, and money from 2021 will be expended as construction commences in 2023.

**Fund 35 – Liquid Fuels Fund** – this money is received from the state through gasoline taxes, and can be used for winter maintenance, bridges, traffic signals, street lighting, engineering fees, signs and road markings. The Borough has been consolidating several fund years anticipating road work in 2024 and 2025 related to the Capital Improvement Plan and has \$450,000 banked in the Liquid Fuels Account.

**Fund 40 – Revolving Loan Fund** – this fund was started by a grant for the rebuilding of Kennies Market which has since been repaid; and has been turned into a revolving loan program for businesses. These are restricted funds that must be used for economic development projects. Funds were used in the past for COVID-19 expenses but noted that there are no anticipated expenses in 2023. Council has approved a zero-interest loan program for property owners to improve their properties, but the Borough has not received any applications to date.

**Fund 96 – American Rescue Plan Act (ARPA) of 2021** – ARPA Funds help fund the General Fund, which in turn helps fund both the Capital Projects and Capital Reserve Funds. The Borough received \$3.1 million from the federal government during the pandemic, and staff recommendations are to replace the general fund revenue loss in 2020 for the “provision of government services”, and to return all department staffing to pre-pandemic levels. The reimbursement of big expenses in the General Fund must be used by the end of 2026 calendar year and are not available to balance the General Fund budget in 2017. Funds 18 (Capital Projects) and 30 (Capital Reserve) receive funding transfers from Fund 01 and will fund Capital Projects from 2022 through 2026.

**Fund 18 – Capital Projects Fund** – Restricted money earmarked for specific future projects sits in this fund until it can be used. Beginning in January 2023, this fund will have

\$500,490, much of which was transferred into it during FY2022 in the anticipation of significant capital outlays in 2023. Capital Reserve Funds totaling \$113,250 will need to be transferred into Fund 18 to cover the costs of the Capital Improvement Plan Projects for FY2023

**Fund 30 – Capital Reserve Fund** – Unrestricted money (not earmarked for a specific project) that is set aside and can be allocated for future projects in the Capital Improvement Plan (CIP) or used for whatever needs that Council would like to address. Fund 30 in FY2023 shows a deficit as some funds will be transferred into Fund 18 (Capital Project) with no substantive offsetting revenue expected in FY2023.

Manager Gable said that the Federal Land Access Programs (FLAP) Grant totaling \$800,000 in addition to the \$313,480 (local engineering match commitment) will be used for the Baltimore Street Project, but the Borough will attempt to use the \$14 million RAISE Grant to construct Baltimore Street. President Heyser noted that many CIP projects are “one-time” projects, but streets and alleys need to be addressed. Monies received from grants such as the DCNR (Department of Conservation and National Resources) and the TA (Transportation Alternative) in addition to the \$80,000 Borough match will be applied to the Gettysburg Innerloop Construction Project (ADA, bike transportation, infrastructure issues). Manager Gable explained that funding streams do not originate from the same source which presents a challenge to fund these projects.

**Debt Services** – must fund or the Borough defaults. These are loan payments made by the Borough for monies borrowed. There is \$555,466 in principle, and \$83,319 in interest for the DAC Bond, who assisted with the General Obligation Bonds in 2010 and 2016; noting that 2023 will be the last year financing the 2010 General Obligation Bond, and 2029 will be the last year financing the 2016 General Obligation Bond. A PIB Loan was used for the 2015 East Middle Street Project.

**Fund 01 – General Fund** – this fund must be balanced as required by state law and identify all revenues and expenditures.

**Manager Gable** reviewed both revenues and expenditures in this fund, reviewing the following revenues first. He said that ARPA could not lower the tax rate below normal taxes years, and that is why the current millage rate is set at 4.177, noting a significant tax increase in 2021 during budget discussions which occurred during the fall 2020 COVID Pandemic. He said that taxes decreased in 2022, and that property tax numbers reflect actual property taxes collected that year.

He proceeded to review and discuss the revenue sources for the Borough as outlined in his *FY 2023 Budget Line Item Report*, and that all categories are estimates: **321-Business Licenses and Permits** (Highway Occupancy Permit monies are reimbursed by services provided; Cable Franchise will take the full five percent and have not fluctuated); **331-Fines and Forfeits** (restitution for vandalism through small increases and estimated by state); **342-Rents and Royalties** (Cell Tower Rents are a 10-year lease consistent money received); **351-Federal Grants** (include the Public Safety Bullet Proof Vest Grant with two to three vest per year asking \$1500 allocation; DUI, Aggressive Driving, Clicket or Ticket, Pedestrian Enforcement are all grant allocations that fluctuate from the state asking \$6,000 allocation), **354-State Operating Grants**

(Act 101 Recycling monies received based on tonnage collected), **556-State Shared Revenue** (PURTA-Public Utility Tax, LCB Alcoholic Beverage License is status quo); **361-Charges for Services**-fluctuate because additional line items added; **367-Culture and Recreation** (are donations but cannot predict this revenue stream). He said that the total General Fund Revenue of \$5,262,972 requested for 2023 does not reflect the transfer that is showing under ARPA and monies included from Debt Services.

**Manager Gable** reviewed and discussed the following Fund 01 expenditures as outlined in his *FY2023 Budget Line Item Report*: **400-Legislative** (Council Salaries, Benefits, Telephone costs, Computer Software Fees, Travel Reimbursement, Contracted IT Services, Continuing Education/Training) and **401-Office of the Manager** (Staff Salaries; Personal, Leave, Holiday, Sick, and Vacation Compensation; Life, Disability, Dental and Health Insurance Benefits, Pension Contribution; FICA, PA Unemployment and Workman's Compensation Insurance) both are pretty straight forward. President Heyser said he and Vice-President Moon do not use Borough cell phones, and that many of the line items relating to personnel would be executive session conversation points.

**403-Tax Collection** – this expenditure is based upon monies collected by the Borough Tax Collector to include salary, benefits, operating supplies, tax collection fees and insurance (Surety and Fidelity, and \$32,424 is requested in 2023.

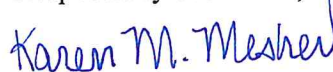
**409-General Government-Administration** – this expenditure covers the general costs of providing items needed by staff for government administration not specific to any department. Manager Gable said that the amount requested in 2023 to cover General Fund 01 expenditures for General Government is \$428,307. Mr. Lawver noted that the amount allocated for gas and electricity may need to be adjusted higher to offset any inflationary increases, especially for heating.

#### **Public Comment**

There was no public comment at this time.

**President Heyser** dismissed the meeting at 9:00 PM to an executive session.

Respectfully submitted,



Karen M. Mesher

Assistant Borough Secretary