

Board of Supervisors Budget Workshop Meeting #1

Monday, October 9, 2023 | 6:00 p.m. | Middletown Township Municipal Center

1) Call to Order, Pledge of Allegiance, and Roll Call.

Supervisor Anna Payne called the meeting to order at 6:02 P.M. and led the Pledge of Allegiance.

Supervisors Payne, Hannah, Ksiazek, Quirple, and Kane attended the meeting, along with the Township Manager Stephanie Teoli Kuhls, Assistant Township Manager Nick Valla, Finance Director Mega Bhandary, Fire Chief Mark Antozzeski, Director of Parks & Recreation Paul Kopera, Chief of Police Joseph Bartorilla, Superintendent of Public Works Eric Gartenmayer, and Director of Building & Zoning Jim Ennis.

2) Public Comment.

None.

3) 2024 Budget Process.

Ms. Bhandary provided an overview of the budget process and work performed by staff to date.

4) Proposed 2024 Budget

Ms. Bhandary provided an overview of projected fund balances by December 31, 2023. There is expected to be \$59.5 million in total fund balance across all funds. The General Fund is expected to have nearly \$12 million in fund balance.

Ms. Teoli Kuhls shared about various factors impacting the General Fund budget in 2023, including strong income from interest and the Earned Income Tax (EIT). The \$1.1 million budgeted from the fund balance to balance the 2023 budget was not needed. A \$300,000 surplus is anticipated by year-end in the General Fund.

Ms. Teoli Kuhls outlined several factors impacting the 2024 budget, including contractual wage increases, ongoing collective bargaining with the police union, insurances, and anticipated police retirements. Revenues and expenses were reviewed in detail and discussed. More than 88% of the General Fund expenditures are fixed costs associated with personnel and benefits.

The current draft of the budget also portrays shifting 75% of the costs of the Fire & Emergency Services Department to the Fire Protection Fund to show the true cost of fire protection in the Township. An increase to the Fire Real Estate Tax is proposed, reaching the statutory maximum of 3 mills, to address the cost of fire response. Fire Apparatus is proposed to be separated into its own fund to better show and manage expenses related to fire apparatus.

Ms. Kane requested a long-range impact to the Fire Protection and Apparatus Funds from the proposed tax increase and anticipated expenditures.

Ms. Bhandary provided an overview of the other tax funds.

5) Other Business

None.

6) Adjournment.

The meeting was adjourned at 6:34 P.M.