

EAST MANCHESTER TOWNSHIP
BOARD OF SUPERVISORS
BUDGET AGENDA

August 21, 2025 @ 9:00 AM

1. APPROVE OR AMEND AGENDA

2.1 August 21, 2025

2. SPECIAL REQUEST

2.1. Susquehanna Lions Club Donation Request for the Halloween Parade on Sunday,
October 19, 2025.

3. 2025 FINANCIAL WORKSHOP

4. PUBLIC COMMENT

ADJOURN MEETING

*All interested parties are invited to attend. People with disabilities may contact the Township office at (717)266-4279 at least five (5) business days prior to the public meeting to discuss how to best accommodate your needs.

*** Board of Supervisor Meeting Live Stream**

The East Manchester Township Board of Supervisors is providing viewing access to its meeting via live streaming on youtube.com. Channel Name [@EastManchesterTownship](#). This will allow the public to view the Board of Supervisors meeting live and will store on YouTube for a controlled amount of time. The meeting link will not allow public participation nor the submission of questions or comments. If any citizen would like to provide public comment during a meeting, they are encouraged to attend the meeting in person. The Township cannot guarantee that there will not be interruptions in the link or recording due to technical difficulties or failures. To ensure full access to any meeting, citizens are encouraged to attend in person.

EAST MANCHESTER TOWNSHIP
Board of Supervisors
August 21, 2025
Financial Review

Present: Chairman David L. Naylor, Vice Chairman Darryl Albright, and Supervisor Dean Kohr; Manager/Secretary/Treasurer Kristie Masemer; Public Works Director Shane Haugh; Accountant Jennifer Cox; and no citizens.

At a special meeting to conduct a financial review of the General Fund held at the Township building, Chairman Naylor called the meeting to order at 9:02 a.m. and dispensed of all formalities.

Approve or amend the agenda – No changes.

Special Request – Susquehanna Lions Club Donation Request for the Halloween Parade of Sunday, October 19, 2025

From Chairman Naylor, the bulk of the parade is within the boroughs, however, most of the township's residents are likely to attend. From Vice Chairman Albright, since \$5,500.00 is remaining within the Contribution account line, we should leave \$500.00 since the year is not complete in case something else comes up. **Motion by Vice Chairman Albright to donate to the Susquehanna Lions Club for the Halloween Parade in the amount of \$5,000.00. Second by Supervisor Kohr. All members voted aye; motion carried.**

2025 Financial Review

This is a quarterly review to see our year-to-date expenses and revenues to ensure we are on track for the 2025 Budget Year.

Beginning with total revenues, year to date (YTD) is \$2,774,305.49, which is 66.85% of what the Township budgeted (\$4,150,101.00). Compared to YTD expenses at 58.51% of budget when excluding the street sweeper purchase.

Expenses were budgeted at \$4,933,184.13 and YTD is \$3,232,515.89 (includes street sweeper purchase), which is 65.53% of the budget. The biggest expenditure was the street sweeper and without that, the Township is more in line with the budget. Therefore, there isn't extra cash available to pay down the loan balance at this time.

The initial principal loan balance was \$950,001.00 with a current principal balance of \$876,402.85. By 12/31/25 the loan balance is estimated to be \$839,602.85. Only interest was paid prior to the end of 2024, and then principal and interest payments began at the start of 2025. This allows the Township to keep a 40% operating reserve in cash for an emergency event/natural disaster/or other unforeseen major expense occurs. It appears all members agree the Township should continue to make required payments and evaluate additional principal payment in 2026. The money market account that the Township opened for getting a lower loan interest rate is where the loan was directly placed and has earned \$24,331.62. The interest paid on the loan thus far is \$37,499.93. Therefore, the money market interest earnings have offset almost \$13,000.00 in interest expense.

For the 2024/2025 winter the Township did go through more road salt than planned and will have to see what this upcoming winter holds. Therefore, the salt account line would have gone over budget, but funds were used from the State Liquid Fuel Fund. From staff, the Township should be careful in using the liquid fuels account for unplanned items because the Township tries to maintain at least \$1-million within this fund in case of a bridge failure. Otherwise, the Public Works Director plans road repairs/replacements from this fund for projects within a given year. What will the state do to make up the 2% annual decrease in Liquid Fuels? It appears PennDOT has begun to access an annual Road Use Charge (RUC) to Electric Vehicles and Plug-In Hybrid vehicle owners to offset the loss of gas tax revenues for these types of vehicles.

From the Board, Liquid Fuels is decreasing from the state, Emergency Service (fire and police) costs are going up, and the Township is attempting to start a Capital Expense Fund to save for future capital expenditures. There are some challenges for the 2026 budget that need to be addressed. How can the Township keep up with inflation without considering an increase in taxes, which the Township has been able to avoid for over 20 years. There were a lot of reasons why taxes were not raised, and it was because of the Township's natural growth in industrial and residential areas per the Comprehensive Plan. There was enough revenue brought in during that time to support the necessary government services provided by the Township. There is not much more available land to be developed and therefore it is slowing down. It is the opinion of the Township that taxes should be increased gradually and not a lot at one time. The current debt we have will be paid overtime with the existing plan the Township has and therefore, the loan is not the reason for considering a tax increase. Based on preliminary estimates to support the services provided by the Township for its citizens, there is not sufficient estimated revenues to cover expenses leading to a possible tax increase for 2026. Additionally, the state places upon the Township unfunded mandates to have an Emergency Operations Center and we rely on two volunteer fire departments which are a vital service that the Township needs to support at some level. The Township has been donating around the same amount annually for some time. The costs have increased for fire departments and for instance they need equipment, gear, and facility upgrades. This is another factor for raising taxes. If the volunteers went away and the Township had paid fire fighters, what the Township pays for now would rise steeply. It is in the best interest of the Township to maintain the volunteer fire departments for as long as possible. Lastly, the fire departments have expressed how the industrial calls have increased and is out pacing the department's resources. Additionally, police costs continue to rise by almost 3% due to cost of living.

From Mrs. Masemer, staff proposes a tax increase because of all the reasons already stated in this meeting and it is recommended to gradually increase on an annual basis to support the services provided by the Township. The proposed real estate tax increase should effectively eliminate the fire hydrant tax in the year 2026. The Township investigated other solutions: Adding a special tax for fire services is not allowed to go toward fire hydrant bills/maintenance and since fire hydrants are only taxed on property within 780 feet of a fire hydrant, then those property owners would end up taking on an additional tax. However, fire departments retrieve water for their tankers from the hydrants to put out fires outside of the 780 feet. Therefore, it is not fair that only property owners within 780 feet of a fire hydrant receive this tax which is state law. Currently the real estate tax is 1.04 mils based off the January 2025 total property assessment of \$889,601,228.00 which brings in approximately \$906,681.00 at discount (which most owners pay according to the Tax Collector). Staff did pull the County millage rates, and it appears East Manchester Township is lower than most municipalities. From Chairman Naylor, he noted that according the posted millage rates for the municipalities, Conewago Township is 1.32 mils and a .26 fire tax, Dover is 1.6 mils, Hellam is 3.10 mils, Spring Grove is 1.8 mils, and incomparable since they are boroughs, but to show what our neighbors are: Manchester Borough is 2.90 mils, and Mount Wolf Borough is 5.25 mils and a .25 fire

tax. Therefore, staff recommends a millage rate of 1.15 mils, which would bring in \$1,002,580.00 (\$98,899.00 increase from what we collect now). It appears this would cover the fire hydrant tax at .15mils, technically making those property owners pay .04 mils less than what they pay now if this change occurred. Essentially this amounts to an additional \$11.00 per \$100,000.00 of property assessment. At 1.04 mils on a property assessment of \$350,000.00 real estate tax is \$364.00. At 1.15 mils on a property assessment of \$350,000.00 real estate tax is \$402.50 (which is an increase of \$38.50/yr). From Board discussion, the elimination of the fire hydrant tax and increasing to 1.15 mils would not increase revenues for the Township, but instead would spread the fire hydrant tax across property owners in the Township, the Board seems inclined to possibly increase a little more than 1.15 mils to account for all the items mentioned previously in the conversation as 1.15 mils would not do anything for the budget. Another example would be 1.20 mils would bring in approximately \$1,046,172.00 (\$139,491.00 increase from what is collected now and after the fire hydrant bills would be an additional \$43,592.00). Only raising to 1.15 mils does not cover the cost of inflation and would be approximately a 10% tax increase. At 1.20 mils is an increase of approximately 16%. Mrs. Masemer recommends that this becomes a discussion point going forward at our regular scheduled board meetings. It appears at this time the Board agrees that the tax should be raised, but what millage rate is the question.

Details were discussed regarding setting up the Capital Expense Fund. Ms. Cox and Mrs. Masemer will need to call PLIGIT to see what the best account type is to place these funds in to earn the most amount of interest. Staff did contact the auditor and the township solicitor for the requirements and advice.

Motion by Chairman Naylor to take a short recess. Second by Supervisor Kohr. All members voted aye; motion carried. *The meeting recessed at 10:21am.*

The meeting was reconvened at 10:27am.

Mrs. Masemer went over an ongoing list of what to account for in 2026 and years to come:

2028 Ag Security - \$10k - possibly wait until a big development is complete.

MS4 – 2026 - \$25k, 2027 - \$40k, 2028 - \$40k – due to required implementation of the plan but the end of 2028. Another unfunded mandate.

York Water Company – August 1, 2025, increase by 20.3%, but since this isn't supposed to take effect until March 2026, make sure that shows in the calculations. *Please note that keeping these line items so close to the exact amount will create end-of-the-year problems because municipalities are required to do a transfer of unencumbered funds when account lines go over. From Supervisor Kohr he is fine with accounting for 20.3% the whole year, but let's note that if we are looking to cut somewhere, this would be a line we could cut from. So noted.*

EMC Trailer - \$15k – maybe from the Capital Expenses.

License Plate Reader for Police Department - \$30k – maybe a 2027 budget item with a grant. *Some Board members don't like this idea since the township is paying a huge bill already. PPU's may be increasing for 2026 and at least 3% increase.*

Comprehensive Plan - \$25k (this does not include attorney fees and only GLBA fee) – 2028 and it is possible to get a grant with \$5k out of pocket.

QuickBooks – Closer to \$3k – 2027? – Check with COSTARS, ask municipalities who consulted for them, keep Sage contract to overlap? Any other unforeseen costs?

GLBA – 2026 – no change to rates

MPL Law Firm – He assumed \$240.00/hr for now, which is still less than half of his private rate.

CM High for Traffic Signal Maintenance - \$21k

Ordinance Reviews – take off list because we did a large amount of ordinances at one time since it wasn't done for years. Going forward, it should not be at this scale if we conduct annual reviews.

Sound Studies - \$20k – Maybe this could be a capital item, and the board should scrutinize a noise complaint prior to initiating a sound study.

SPCA - \$14k

Upgrade each traffic signal - \$20k a signal, but not all signals need this. Newer signals are already equipped with radar, whereas the older signals are equipped with underground loops. Additionally, this is not a need, but it would be wise to migrate to this upgrade. Capital probably.

What would the Board like to see at the next financial review meeting? **October 22, 2025, at 4pm and the Budget meeting follows at 6pm.**

- 1.** Include the “why” for any increases over 3% within the comments section of the budget next to the account lines.
- 2.** Basic spread sheet on the expense increases annually without the building project in 2023 and 2024.
- 3.** Place the proposed tax increase on the digital sign board and on the website.

Mrs. Masemer stated that this should be an active discussion within the Board meetings to come because the Township should make a decision prior to the December meeting. Chairman Naylor stated that the York County Regional Police Department meeting is on October 15th and they will have the decision on the municipal payments for 2026, therefore, it will be an actual cost for the budget meeting on the 22nd. Also, it is possible that the police cost will increase by up to 3% and possibly 2 additional PPU's.

Supervisor Comments

Supervisor Kohr – Jen please take a closer look at the other funds.

Vice Chairman Albright – It's been a goal to raise taxes since he was elected and understands why it was not increased all these years; however, it is not sustainable to not increase rates.

Chairman Naylor – He looks forward for the public giving their input for the tax increase. Additionally, he spoke with Conewago Township and the York County Library about having a book return in our lobby. He will meet with them on Monday at 1pm.

Motion by Chairman Naylor, second by Vice Chairman Albright, to adjourn. All members voted aye; motion carried. The meeting adjourned at 11:45 a.m.

Respectfully submitted,

Kristie Masemer
Secretary/Treasurer/Manager