

North Newton Township

2021 Budget Message

The year 2020 began with a mild winter, which resulted in saving the township \$30,000 in manpower and materials due to little plowing activity. That was one of the only things mild about the year.

On March 16th, the Commonwealth announced a state of emergency declaration and issued a statewide shutdown order due to the imminent spread of COVID-19. On March 17th, the Township implemented modified employee staffing to comply with Governor Wolf's call to "flatten the curve" of cases in 14 days. By March 30th, the shutdown was extended to a stay-at-home order which resulted in a 3-color coded reopening plan (Red, Yellow and Green phases) used over the next 3 months. Rentals at the park were canceled, the playground and restroom facilities were closed. Governor Wolf labelled businesses as life sustaining, essential or non-essential and limited their daily operations.

The construction industry suffered a shut-down and building/land use permits were not issued for any projects that required inspections. Although the lobby was closed for a time, the office and Public Works Department maintained normal hours of operation on a reduced staff and a work-from-home basis.

The Board of Supervisors continued to have their monthly meetings in April, May and June by reducing staff present and practicing social distancing in seating. During this time, the ZHB met to review a request for a variance using social distancing and other CDC guidance. Seating was always available to the public and residents were encouraged to contact the office with any questions or comments they wished to relay to the Township boards. The Park Board took a break in meeting from March through June.

The governor declared Cumberland County as "Green" on June 12th and the lobby and park facilities reopened for business.

School and restaurant closures impacted the amount of waste disposed at the Cumberland County Landfill resulting in a decrease to the Host Municipality Benefit Fee of \$66,834 for the year.

The real estate industry was also closed down for a few months, but conservative projections and a seller's market caused the real estate transfer tax to exceed projections by \$1,161, with this income source bringing in \$21,161 through the end of November.

Reservations of the community room were refunded during the shutdown. Reservations picked back up toward the end of summer, but still resulted in a budget shortfall of \$2,198 as of November 23, 2020, with income of \$3,802.

The sale of two older trucks added an unbudgeted \$9,549.51 to the receipts. Year end 2020 receipts are expected to be just \$40,000 under budget and expenditures are on track to be \$90,000 under budget.

The 2021 Budget reflects the normal delivery of services to residents without any major expenditures for fixed assets other than the normal levels of annual road maintenance. Sealcoating will be applied to 3 to 4 miles of road using the WCCOG contract. Superpave will be applied to various sections of road through the equipment rental contract and material secured through the COSTARS purchasing program. All funds are balanced with projected income exceeding expenses and no draw on fund balance to meet obligations.

The Projected Expenditures for the 2021 General Fund Budget total \$835,830 while receipts are anticipated to be \$942,190 as shown below.

January 1, 2021 Projected General Fund Balance	\$2,290,000
2021 Budgeted Receipts	+ 942,190
Total of General Funds Appropriated & Un-appropriated	\$3,232,190
2021 Budgeted Expenditures	- 835,830
Total Un-appropriated General Funds	\$2,396,360

An amended agreement with Advanced Disposal will provide an additional 5 cents per ton of trash accepted by the Cumberland County Landfill in 2021. This brings the host municipal fee to \$1.15 per ton. Since daily trash disposal volumes have not yet returned to pre-pandemic levels, this income account category has been estimated at a very conservative \$630,000 or 67% of projected 2021 receipts. Waste Management acquired Advanced Disposal in 2020 and will be subject to the same agreement.

The earned income tax (EIT) assessment of ½% is the second largest source of revenue. The real estate transfer tax is normally budgeted at \$20,000, but has been projected at \$15,000 for 2021 in anticipation of a slowdown in the market. These two tax assessments are the only taxes levied by the Township (other than the street light assessment) and they will remain the same in 2021. Together, these two tax revenues provide 27% of 2021 projected receipts. The Township’s real estate and per capita taxes, first instituted in 1976, were abolished in 2013.

The \$35,000 received in 2020 interest income will not be repeated in 2021 as certificate of deposit interest rates have fallen from 1.75% to 0.15% and lower. Just \$5,000 is budgeted to be received in 2021 interest, half of which will be earned by a 1% CD maturing in March.

Additional income is received from reimbursements from the state, Magisterial District Justice and Pennsylvania State Police fines, and fees for permits and rentals.

In addition to regular operational, service and maintenance activities, the following lists represent advancements made in 2020 and goals for 2021.

Review of 2020 Accomplishments:

- Replaced drainage pipes on Running Pump and Worthington roads
- Tar & chipped of sections of Running Pump, all of Clouse, Nealy to dead end and 2 miles of Wildwood Lane
- Paving sections of Running Pump, Clouse, Willis, Worthington, Koser & Springfield roads
- Acquisition of 2021 Mack Truck
- Purchased 2014 Rosco Broom with enclosed cab

- Sold 2001 Chevy Pick up
- Sold 1996 International Dump Truck
- Trimmed trees in road right-of-way on Clouse, Springfield, Nealy Rd's dead end and Oakville
- Removed trees on Springfield and Horn roads
- Storm drains repaired in North Newton Hills
- Performed cold patching and crack sealing on various roads and park lot
- Worked together on agility projects with Penn, West Pennsboro, Southampton and Dickinson townships
- West Pennsboro performed street sweeping in neighborhoods around Newville
- 20 miles of traffic lines applied to various roads
- Spring Clean Up Day was modified as residents could take bulky waste directly to CCL
- Fall Clean Up Day held in usual manner filling six 30-yard dumpsters
- Pulled side gutters of Nealy, Wildwood and Clouse roads
- Installed delineators
- Painted the community room, kitchen and hallways
- Pressure washed siding on building 1A, and all concrete pads and benches at park
- 2 ball field dugouts were installed by the Big Spring Dawgs organization with NNT paying 90% of the materials cost
- Received a \$6,608 grant through the Renew Cumberland CARES Act for costs incurred due to COVID-19 response including personal protection equipment, sanitation supplies, legal fees, and work from home equipment.
- Compiled research for the Oakville Connector Path Feasibility Study including stakeholder interviews and first public meeting
- Grants or reimbursements from the Commonwealth included:
 - Host Municipal Landfill Inspector's wages and expenses (at 50%): \$386.41
 - Act 101 Recycling Program Performance Grant (from 2019): \$284.00
 - Fuel sales tax reimbursement: \$384.01
 - Act 205 fire relief: \$16,511.92
 - Retirement Plan reimbursement: \$14,437.69
 - PURTA (Public Utility Realty Tax): \$303.51
- As of November 30, 2020, park rental income for the year was \$3,802 (50% of 2019's rental income).

2021 Goals Include:

- Tar & chip 3 to 4 miles of roads
- Apply Superpave to various sections of roads
- Replace stormwater drain on Shepherd Road
- Trim tree branches in the road rights-of-way
- Pull side gutters
- Replace rocks in the Big Spring underneath the Nealy Road bridge as required
- Participate in a renewed trash contract through Southampton Township – Cumberland
- Finalize the Oakville Connector Path Feasibility Study

State Liquid Fuels Fund

The estimated 2021 State liquid fuels allotment is \$136,092.89 This is \$19,000 less than received in 2019, which was the highest allotment ever received by North Newton due to the state's adoption of Act 89 of 2013. The decrease can be attributed to Pennsylvania's high gas tax sending people across state lines to buy their fuel and the pandemic's resulting stay-at-home orders' impact on travel.

Projected January 1, 2021 State Liquid Fuels Fund Balance	\$ 55,330
2021 Budgeted Receipts	+ 136,393
Total of State Funds Appropriated & Un-appropriated	\$ 191,723
2021 Budgeted Expenditures	- 120,000
Total Un-appropriated State Funds	\$ 71,723

Street Light Fund

There will be no increase in the street light assessment this year. Properties in the village of Oakville will continue to be assessed at 60 cents per foot of road frontage.

The assessment for North Newton Hills' properties will remain at \$68 per lot.

Projected January 1, 2021 Street Light Fund Balance	\$ 3,619
2021 Budgeted Receipts	+ 6,543*
Total of Street Light Funds Appropriated & Un-appropriated	\$ 10,162
2021 Budgeted Expenditures	- 6,100
Total Un-appropriated Street Light Funds	\$ 4,062

**Includes a transfer from General Fund to cover payment for lighting at Township properties.*

Total of All 3 Funds

January 1, 2021 Projected Balance of All Funds	\$2,348,949
Total 2021 Budgeted Receipts	+1,085,126
Total of All Funds Appropriated & Un-appropriated	\$3,434,075
Total 2021 Budgeted Expenditures	- 961,930
Total of All Funds Un-appropriated	\$2,472,145

Summary

The 2020 pandemic did not prevent the township from meeting its goals of maintaining and improving roads, delivering services including processing plans, zoning applications, land use permits and more. While 2021 may still have its challenges, the township is positioned to continue to serve the residents of North Newton.

Respectfully submitted by *Bonnie L. Myers, Secretary/Treasurer*
December 1, 2020