

LOWER PAXTON TOWNSHIP
BOARD OF SUPERVISORS

Minutes of Workshop Meeting held November 7, 2011

A workshop meeting of the Board of Supervisors of Lower Paxton Township was called to order at 6:04 p.m. by Chairman William B. Hawk, on the above date in the Lower Paxton Township Municipal Center, 425 Prince Street, Harrisburg, Pennsylvania.

Supervisors present in addition to Mr. Hawk were: William C. Seeds, Sr., William L. Hornung, Gary A. Crissman, and David B. Blain.

Also in attendance were George Wolfe, Township Manager; Steven Stine, Township Solicitor; Robert Fox and Melanie Walderon, ReMax Realty; Mark G. Romeo, Romeo Land Surveying, Inc.; and Watson Fisher, SWAN.

Pledge of Allegiance

Mr. Blain led in the recitation of the Pledge of Allegiance.

Public Comment

No public comment was presented.

Discussion with Bob Fox and Melanie Walderon,
ReMax, regarding first-time homebuyer/workforce housing

Mr. Wolfe noted that the purpose of this agenda item is to discuss the opportunities for the first-time homebuyer and what the market is in the Township. He noted if the Township wants to encourage first-time homebuyers housing or workforce housing, it should do so in light of the market demand. He noted when this was discussed last week, the Board acknowledged that it did not know what the market demand was. He noted that Mr. Blain remembered the Mr. Robert Fox had made a presentation to the Rotary Club in regards to the local real estate market and other issues affecting housing in the greater Harrisburg area. He noted that Mr. Fox agreed to make a presentation to the Board on this issue, and he has brought his daughter, Melanie Walderon to assist.

Mr. Fox noted that he had some general information regarding the real estate market that may help the Board get a better grasp on current market trends. He noted that Ms. Walderon will

speaking to that and then he will speak to the Lower Paxton Township market, especially the under \$150,000 market.

Ms. Walderon explained that she would start her presentation with some statistics from the year 2006 for the housing market for the Central Pennsylvania area. Mr. Crissman questioned what that will encompass. Ms. Walderon answered that it takes in Dauphin, Cumberland and Perry Counties, and parts of Northern York, Lebanon and Lancaster Counties.

Ms. Walderon noted that the charts show the number of units sold, average and median price, number of days on the market, and the active days per quarter.

Year 2006 – Total \$1,707,178,981

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
1 st	1834	\$175,785	\$152,000	53	2236
2 nd	2697	\$187,990	\$162,947	47	2531
3 rd	2511	\$185,962	\$161,900	44	2933
4 th	2168	\$189,215	\$160,000	51	2793
Total	9210	\$185,361	\$159,900	48	

Year 2007 – Total \$1,658,091,419 – Appreciation 2%

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
1 st	1854	\$184,151	\$160,000	62	2889
2 nd	2542	\$189,445	\$167,350	54	3458
3 rd	2411	\$196,856	\$173,000	57	4077
4 th	1923	\$187,458	\$160,100	62	3608
Total	8730	\$189,930	\$166,600	57	

Year 2008 - Total \$1,340,093,201 – Depreciation 1.5%

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
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1 st	1453	\$182,028	\$164,870	74	3832
2 nd	2097	\$193,585	\$168,000	74	4437
3rd	2127	\$184,074	\$168,000	70	4666
4th	1482	\$179,075	\$158,000	72	3608
Total	7159	\$187,190	\$164,000	72	

Year 2009 – Total \$1,316,656,540 – Depreciation -3.75%

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
1 st	1227	\$178,040	\$157,400	87	4072
2 nd	1975	\$182,643	\$164,767	86	4279
3rd	2180	\$182,458	\$165,000	77	4418
4th	1946	\$174,521	\$158,000	85	3940
Total	7305	\$180,228	\$161,900	83	

Year 2010 – Total \$1,184,240,625 – Appreciation 1.85%

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
1 st	1266	\$176,007	\$158,600	99	4444
2 nd	2249	\$187,389	\$166,900	93	5466
3rd	1517	\$186,876	\$165,000	103	5465
4th	1391	\$183,980	\$156,000	102	4502
Total	6423	\$183,563	\$163,900	99	

Year 2011 Current Inventory Level – 8.5 Months

Quarter	Units Sold	Average Price	Median Price	Days on Market	Active Listings
1 st	1169	\$171,091	\$150,000	127	5356
2 nd	1766	\$176,196	\$158,500	111	5267
3rd	1777	\$181,958	\$158,000	108	5492

Ms. Walderon noted in 2010, there was a first-time homebuyer tax credit and it is reflected in the second quarter for 2010. She noted that it provided an increase in the average and medium sale prices but an overall a decrease in the number of units sold. She noted when you

compare the second and third quarter of this year to 2010 it shows that the same numbers of units were sold and she is not sure how much the tax incentive helped the industry. She noted for 2011, the median price is not where it was last year with more than 5,000 listings for each quarter. She noted in 2006, the active listings per quarter were fewer than 3,000 but there is a large inventory of housing at this time. Mr. Hawk questioned if many listings are carried over from the previous year. Ms. Walderon answered that some are. She noted that the current inventory is 8.5 months, meaning, if you look at the number of units sold as well as pending transactions at the end of the 3rd Quarter, along with the how many homes are sold on a monthly basis in comparison to the number of active listings. She suggested that it would take 8.5 months to get through the current inventory.

Ms. Walderon noted that another graph shows how the active listings and number of days on the market has steadily increased from 2006. She noted that her next slide shows the downward trend for the number of units sold from 2006 up to the present time. She explained that there was a little blip in 2009, but not a significant increase. She noted 2011 only reflects through the 3rd quarter, and the average and median sales price are pretty much consistent in ups and downs. She noted that she is seeing the median sale price relative to what was experienced in 2006. She stated that the following chart lists statistics for Dauphin County to include the City of Harrisburg that lists properties that can bring the overall price down. She noted that the current inventory level is nine months for Dauphin County. She noted that this provides a perspective for how Lower Paxton compares to Dauphin County and the Central Pennsylvania Area.

Dauphin County 2011

Month	Units Sold	Average Price	Median Price	Days on Market	Active Listings
Total Q1	410	\$145,424	\$129,950	127	2113
Total Q2	589	\$163,312	\$149,000	112	2028
Total Q3	605	\$173,001	\$149,000	112	2012

Mr. Fox noted that the following information shows the listing for the Township.

	2011 Township	Up to \$250,000	\$250 - 400K	+ \$400K	Up to \$150K	- \$150 K Detached	\$150 and below Attached and Semi Detached
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Active Listings	306	189	68	49	56	38	16
<i>Days on Market</i>	209	174	209	348	147	137	176
Listings Under Contract	62	42	18	2	16	12	4
<i>Days of Market</i>	143	131	142	405	107	107	105
Listings Sold	311	235	61	15	106	84	22
<i>Days on Market</i>	111	106	133	113	92	95	76
Inventory (Mo.)	7.5	6	8	26	4	3.5	5.5

Mr. Fox noted that the under \$250,000 market is moving fairly well. He noted for the \$400,000 plus market some of the homes are in the custom market and it might reflect a little less time on the market. He noted that the inventory for this market is over two years.

Mr. Fox noted that he reviewed the under \$150,000 market and split it further to detached and semi-detached and attached. He noted that the demand for housing in the Township is the under \$150,000 market. He noted that the following information shows the ages of the homes that were sold:

- Built 2000-2011 5
- Built 1990-1999 18
- Built 1980-1989 28
- Built 1970-1979 14
- Built 1960-1969 13
- Built 1950-1950 71
- Built 1940-1940 14
- Built 1930-1930 7
- Built 1929 and earlier 8

He noted that these homes are primarily 1,100 to 1,200 square feet in size, other than older townhomes.

Mr. Crissman questioned what the biggest difference between the detached and semi-detached homes in the under \$150,000 market is. Mr. Fox answered that the biggest difference was the inventory levels were unbalanced in the detached housing as compared to the attached housing. He noted if you did not have what he called the “funny money” that had been in the market place as short as two years ago, when anyone could get a mortgage with zero down, many of the people caught in the cheaper housing market would not qualify for a loan today. He noted that the credit scores that were acceptable at that time were 550 and now they are more like

590 to 610. He noted that there is no 100% financing for a home, other than through the Veterans Administration loans.

Mr. Hawk questioned if these would include bankruptcy sales. Mr. Fox answered that they would include all sales that were listed properties, short sales, foreclosures, etc. He noted that new construction would not show in these statistics. He explained that he spoke to a developer at the Rotary Club after he made his presentation and was told that he had four townhouse projects locally, two on the East Shore and two on the West Shore, building townhomes under \$175,000, and three years ago he was building 135 units per year, last year he built 25 units, and this year he built 23 units.

Mr. Wolfe questioned what the biggest impediment for the under \$150,000 market is. Mr. Fox suggested that the largest issue that may keep people from buying as opposed to renting is the age of the homes, noting that most were built more than 40 years ago. He noted a large bedroom built in a home 50 years ago was 12 x 11 feet. He stated that you can't get a king size bed in that room. He noted that people can find larger bedrooms and closets in apartments. He noted that many of the younger people coming out of school do not have the relevant jobs that our generation did 20 years ago, noting that the incomes are not as high and the students are burdened with a lot of debt. Mr. Crissman noted that they have college and vehicle debt. Mr. Fox suggested that they may not need to have the debt but they have it.

Ms. Walderon noted that many first time homebuyers in this price range may have the money to purchase the house but they struggle to come up with funds to make the necessary updates. She noted that many of the kitchens and bathrooms are original, and they don't have a lot of cash to update the homes. She noted that they take advantage of the sellers assistance, which they can ask for. She noted that typically the homes are purchased with a Federal Housing Association (FHA) Loan requiring 3.5% down, but the buyer can ask for up to 6% of the closing costs to be covered by the seller. Mr. Wolfe noted that it continues to be a financing issue and we are still playing the game. Mr. Fox noted that the financial institutions are ensuring that the buyers have a job that can provide for the payments and also have a certain credit level.

Mr. Crissman questioned if the profile for the under \$150,000 homes are young couples or other types. Ms. Walderon answered that they can be divorced people who need less space,

but predominantly it is the first-time homebuyers. Mr. Crissman questioned if seniors who are downsizing are buying these homes. Mr. Fox answered not normally.

Mr. Hawk questioned how a home inspection falls into this buying market. Mr. Fox answered that most buyers have home inspections, even for new homes. He noted that home inspections are far more extensive than what a FHA inspection would be. He noted for a FHA inspection, they check to see if the furnace works, commodes flush, water works for all the water faucets and they inspect the electric box to insure that it has a 100-amp service or better. He noted that a home inspection is very thorough, noting that many of the older homes have older electric panel boxes that may need to be replaced, although they are rated by Underwriters Association. He suggested that an inspection can be the source of a renegotiation for the pricing and for good reason. He noted for the most part it is getting items brought up to code. He noted that the City of Harrisburg may cease to continue their own inspection process since many homes require a home inspection as part of the deal. He noted that some of the sellers have the home inspections done before they put their home on the market so they are not under the gun to get items repaired before the final sale. Mr. Hawk noted, in some instances people have no money to furnish their living or dining rooms. Mr. Fox suggested, in this market, the homes have never been upgraded and they still have the original kitchens and countertops. He noted that a home in that range that has been updated sells very quickly.

Mr. Hornung questioned what most first-time homebuyers are looking for in a home. Ms. Walderon answered that they are looking for at least two bedrooms with one and a half baths. She noted that they also are looking for a third bedroom since they may plan to start a family. They may want a basement for storage. Mr. Fox noted that they usually want a garage providing a place to put their car. He noted that the rooms in older homes are not very large. He noted that most want a large bedroom, at least 13 x 15 feet, and an overall home of roughly 1,200 square feet in size. He noted that they prefer an eat-in kitchen as opposed to a dining room that is mostly for show, especially since they usually eat their meals in front of a TV.

Mr. Blain questioned if Mr. Fox deals with tax credits for low income housing. Mr. Fox answered that he has not dealt with that for some time. He suggested that he dealt with that many years ago. He noted that you might consider providing credits from one area to another to

make exchanges if you have an area that you want developed. He noted if someone does a project in one area, you may provide an incentive for another area.

Mr. Hornung questioned if there is potential for a low-income housing or under \$150,000 market since many people are struggling in the current economic conditions to achieve the American Dream of owning a home. He suggested it could work if everyone got together to take a little reduction in their profits to build a fairly nice house for the first-time homebuyer. He noted that he is speaking on a smaller scale, not a huge development where a couple developers could get together to do this project. Mr. Fox suggested that they may cut back on what they are doing but developers have to get rewarded for their risk. Mr. Hornung suggested that the risk would be lower since the demand is higher, and in speaking to developers they might be willing to split the risk between multiple builders.

Mr. Fox noted that many developers are sitting on numerous projects, and they might want to get involved in something that will move.

Mr. Hawk noted that a house listed at \$79,000 but the buyers paid \$84,200. Ms. Walderon explained that was the seller's assistance, noting that a buyer might offer the full price, noting that the extra cash is more important to them than \$5,000 on a 30-year mortgage. Mr. Wolfe noted that is true as long as the property appraises for that amount. Mr. Hawk noted that many homes sold for what they were listed for, but for others the seller did not get close to what they were asking. Mr. Fox noted that there is a correlation to what the property owner got for his home and the number of days that the house was on the market.

Mr. Fox noted that the current selling market shows that the lower priced housing demand is strong. Ms. Walderon noted that people are being very conservative with the money. She noted that she hears them say that they can afford one thing but they only want to pay another amount. Mr. Fox noted if you looked at many of the addresses on the list, and even if you borrowed 100%, many of the homes would rent for more than what the monthly payment would be. He noted that many investors are purchasing these homes and getting a decent rent for them.

Mr. Hornung questioned what a monthly payment would be for a home that has a mortgage of \$200,000. Mr. Fox suggested that it would be roughly \$800 a month in addition to taxes and insurance with a 3.5% down payment. Mr. Hornung questioned what the rent would be

for a two bedrooms, one and a half baths apartment with a basement or garage. Mr. Fox noted that you most likely would not get one with a garage and suggested that it would be \$800. Ms. Walderon noted that most apartments rent for \$800 or \$900 and that is the point where occupants want to consider purchasing a home. Mr. Fox noted that a single house could rent for \$700 and up. He noted that apartment life is very different, noting that pricing for apartments is different based upon where the apartment is located. He noted that many apartments are old, with small rooms and have not been upgraded. He noted that some of the newer ones with larger bedrooms and two bathrooms rent for \$950 a month. He noted that most people are trying to find a way to purchase a home, but they are being exceptionally cautious. He noted that the demand is there for the \$150,000 range home and he does not see it going away. He noted that a change in the economy would only provide the buyer with more money to spend.

Mr. Fox noted at one time homebuyers would ask him how much they could borrow, and he would usually say enough to choke on, noting that they couldn't afford to have a sudden emergency since they would have to choose which bill to pay. He noted that he is not seeing that happening as much anymore, which is good. Mr. Crissman noted that is a good lesson that has been learned. Mr. Hawk thanked Mr. Fox and Ms. Walderon for their presentations. Mr. Wolfe noted that this information is exactly what the Board was looking for.

Discussion regarding sidewalk installation per the preliminary/final
subdivision plan for Givens at 4041 Valley Road

Mr. Wolfe noted that Mark Romeo is present in regards to the Givens subdivision plan to discuss the Shade Tree Commission's report regarding the sidewalk.

Mr. Romeo thanked the Board for revisiting this issue, noting that the Shade Tree Commission (STC) did an inspection of the trees and provided a written response. He noted, in light of the Shade Tree recommendation, his client is asking, knowing that it would be a precedent that the Board is not overly happy in making, for the one lot to forgo the sidewalk requirement. He suggested that a condition could be placed on the deed that if the tree came down that a sidewalk would be installed. He noted that the client continues to ask for the waiver on Lot 1 only, the lot with the existing old house and the Copper Beech tree. Mr. Seeds

questioned what the front for that lot was. Mr. Romeo answered that it is all one lot at this time, however, to the east where the development ends, lots two and three would have sidewalks.

Mr. Crissman questioned if the property is being marketed as one lot or could it be subdivided. Mr. Romeo answered that he did not know how his client had the property listed, but most likely Steve Givens would want it listed with the new configuration. Mr. Crissman noted that originally it was listed as one property. Mr. Romeo noted that Ms. Givens had an offer for purchase, and she purchased a home in Forest Hills based upon that offer and the deal fell through. He noted that she purchased that home based upon selling the Valley Road home. He noted that the Givens' have a lot of sentimental feelings for the house and the tree. He noted that based upon the Shade Tree Commission recommendation, the Givens have asked for the additional waiver. He noted that he would like to move forward with the re-submittal of the plan. Mr. Wolfe suggested that it is listed for up to four lots. Mr. Romeo noted that technically it could be, however, they are only applying for three lots. Mr. Stine noted that typically when a Victorian Home was built they normally planted a Copper Beech tree at the house.

Mr. Hawk noted that the Shade Tree Commission noted that the placement of the sidewalk between the tree and the curb would jeopardize the health of the tree. Mr. Seeds noted that there is room for the sidewalk but the roots are close. Mr. Romeo noted that that Shade Tree Commission letter states that the surface roots extend to the back of the curb. Mr. Seeds noted that roots would have to be removed for a sidewalk to be installed, and he questioned if the tree would die. Mr. Romeo noted that the Shade Tree Commission letter states that it would jeopardize the health of the tree, creating a hazard for wind throw, and surface roots to the back of the curb.

Mr. Hornung questioned if sidewalks were needed in that area. Mr. Blain noted that this is the entire issue suggesting that sidewalks would assist people to get under I-83 Interstate bridge to the other side. Mr. Givens noted that there are sidewalks along Valley Road to their eastern property line and they would agree to construct new sidewalks for the new homes to be built. He noted that Mr. Givens feels that sidewalks beyond that would jeopardize the tree and it would be a sidewalk to nowhere as it would terminate at the I-83 abutment. He noted if the sidewalk was built to the specifications in the design manual, it would end up behind the guiderail, noting that there is a ditch in that location. Mr. Hawk noted if the sidewalk was

installed, the tree would have to come down or the tree limbs would be in the pathway. Mr. Romeo noted that Mr. Givens stated that there is very little pedestrian traffic in that area and bicycles use the street and joggers use the shoulder of the roadway.

Mr. Wolfe noted that there will be potential for development to the west of the property on the other side of I-83 on Valley Road. Mr. Romeo noted if sidewalk was built all the way up along the west side and if they expanded the underpass, his client would have no argument. Mr. Seeds noted that the tree has been trimmed. Mr. Romeo noted that Mr. Givens told him that they cut the branches every once in a while.

Mr. Hawk noted from I-83 to the west to Ridgeview Road there is large lot. He noted that old Olivetti building is located next to Caughey Drive and then the Shoppes at Susquehanna Marketplace. Mr. Romeo noted that there are no sidewalks in that location at this time, but if the land was developed there would be a requirement for sidewalks. Mr. Blain noted that they would most probably require sidewalks. Mr. Hawk questioned where the development would be. Mr. Blain suggested that there might be a complete reclamation and they could demolish the old Olivetti building. Mr. Hawk noted that the Shoppes at Susquehanna Marketplace are there, where the development would be. Mr. Blain noted that the front parcel in front of the homes on Ridgeview Drive could be developed. Mr. Hawk suggested that the development would occur in Susquehanna Township. Mr. Crissman noted that Mr. Mahoney owns the land on the other side of the Interstate.

Mr. Blain noted that he is a big fan of sidewalks but he does not believe that it should be installed if it would not serve a purpose. He questioned if there was development to the west, who would walk to those areas. Mr. Hawk noted that Valley Road is a cut-through from Progress Avenue to Colonial Road. Mr. Romeo noted that joggers use the area running on the shoulders, as well as bicyclists, and there appeared to be no hazard for their use of the roadway. He noted that the roadway was widened in the 1980's. Mr. Crissman noted that he wanted the sidewalk to be installed. He noted when he looked at the property he would have insisted that a sidewalk be installed or he would not have purchased the property. He noted that if a family moves in, there is a driveway but he would want a sidewalk as well.

Mr. Seeds noted if the Board grants a waiver for the sidewalk for trees it would set a precedent, and they would get other requests for that. He noted that he would consider the waiver

due to the underpass limitations. Mr. Blain noted that the Board already set a precedent for a sidewalk due to trees and bank for the Colonial Park Animal Clinic on the corner of Route 22 and Bryon Avenue. Mr. Romeo noted that there is the tree, a dead-end issue, and a culvert next to the underpass.

Mr. Hawk suggested that he is siding towards granting a waiver. Mr. Hornung agreed. Mr. Seeds noted that the sidewalks would be installed for the two lots to the east. Mr. Romeo noted that the third lot would end east of the driveway. He noted that you could put a condition on the plan that if the tree comes down by natural causes that they would have to install sidewalks. Mr. Seeds suggested that no one is really concerned about the Cypress tree. Mr. Romeo noted that Mr. Givens was concerned about the tree but the Shade Tree Commission report stated that the tree was not very healthy. He suggested that there may be a sight triangle issue with that tree for the existing driveway. He noted that they have used the driveway for decades without any issues from the tree.

Mr. Hornung questioned if there are other construction type of sidewalks that are non-invasive for trees. Mr. Wolfe answered that blacktop could be used to lessen the impact on tree roots. Mr. Romeo noted that a boardwalk type sidewalk could be used but the other issue is the low canopy of the tree. Mr. Wolfe noted that the tree would have to be trimmed to eight feet. He noted that you can do anything to make it work. Mr. Hornung questioned if anyone had ever seen deck sidewalks. Mr. Wolfe answered, not for trees but for wetland areas. He noted if you build a deck you would have to install pylons and it would have an impact on the roots. He noted that you are not doing significant excavation.

Mr. Hawk noted if you put a sidewalk in, a person would have to walk out into the street in the area of the tree and then return to the sidewalk. Mr. Romeo noted that there is no sidewalk on the other side. Mr. Hornung noted that is if the sidewalk was installed. Mr. Seeds questioned who would pay for the sidewalk past the bridge. Mr. Romeo noted that it would have to be PENNDOT. Mr. Seeds noted that they would never do that. Mr. Romeo suggested if there was a major widening of the interstate they might. Mr. Wolfe noted that it could very well happen as part of the I-83 Master Plan. He suggested that all the underpasses would be widened. Mr. Romeo noted that condition could be added to the waivers. Mr. Seeds questioned Mr. Stine if the underpass was widened could it be added as a condition. Mr. Stine answered that you can't have

it as a condition on the plan as it would be a condition that you would never know if it would be satisfied. He noted that there would be no answer to that condition. He noted that you could never record the plan as it would be a condition for the future that may or may not happen. He noted that the Township cannot enforce a deed restriction; it would have to do a land development agreement that would be recorded. He noted that it would be long forgotten in the future. Mr. Romeo questioned if the Township has the right to tell someone to put sidewalks in where there are no sidewalks. Mr. Stine noted that a sidewalk assessment could be done. Mr. Romeo suggested that could be the next step. Mr. Stine noted to his knowledge, the Township has never done that. Mr. Romeo noted if sidewalks were installed on both sides of Lot 1 but not on Lot 1, that might be a trigger to do a sidewalk assessment. Mr. Seeds noted that there are missing sidewalks all over the Township and there is no easy solution to this problem.

Mr. Wolfe explained that the Board is not required to make any decisions at this time, in fact it can't, however, the plan can't move forward until the developer has an indication of how the Board would vote when the plan is brought to the Board.

Mr. Seeds questioned Mr. Romeo if he was only looking to save one tree. Mr. Romeo noted that originally Mr. Givens wanted to save both trees but he has not discussed the second tree because his main target is the Copper Beech tree. Mr. Seeds noted that it is a lot of money to install sidewalks. Mr. Romeo noted that Mr. Givens is a realtor and he feels that the tree enhances the value of the home. Mr. Crissman noted that the property has been on the market for over a year. Mr. Romeo suggested that Mr. Givens will find it easier to sell the property if it was subdivided. Mr. Crissman noted that the kitchen needs to be completely redone as well as other work in the house. Mr. Romeo noted that it has very nice features. Mr. Crissman noted that someone buying the home would have to invest a lot of money in it as well. Mr. Seeds noted that old homes cost money to keep up.

Mr. Hawk explained that the Board can't take a vote during the workshop session. Mr. Romeo questioned what the next step would be since the Planning Commission did not approve the waiver for sidewalks. Mr. Wolfe noted that the Board has never seen the plan yet. Mr. Seeds noted that according to Mr. Romeo, the Planning Commission recommended to deny the sidewalk waiver. Mr. Wolfe noted that this was brought to the Board in a previous workshop discussion for the same reason. Mr. Romeo noted that there were a total of five waiver requests:

and he was going to remove one since he found out that he could satisfy that condition after speaking to Mr. Fleming. He noted that the Planning Commission granted three waivers and denied one. He noted that they dealt with the preliminary plan, traffic impact studies, hydrologic study and water quality testing.

Mr. Wolfe provided Mr. Romeo with a time extension document from Ms. Moran. Mr. Romeo suggested that Ms. Givens already signed her copy and sent it in. Ms. Heberle noted that Ms. Moran has not received a signed copy of the time extension. Mr. Romeo noted that he would follow up on it tomorrow. He questioned if he must resubmit the plan to Ms. Moran. Mr. Wolfe noted that Mr. Romeo must address the comments and then the plan will be scheduled for a Board of Supervisors business meeting. Mr. Romeo questioned if a vote would be taken tonight. Mr. Wolfe explained that no official action would be taken at this meeting, and if any plan corrections need to be made they should be done prior to resubmitting the plan. Mr. Wolfe noted that future Board meetings would be held on Tuesday November 15th, December 6th, or December 20th.

2012 Budget Preparation

Status of revenues and expenditures against 2011 budgets
and pre-draft budgets for the 2012 fiscal year
and
Forecast of future financial conditions in the
General Fund, including State Aid
and
2012 General Improvement Fund Budget

Mr. Wolfe explained that he updated the budget document from the October 18th meeting. He noted that he would not focus on the 2011 Budget items at this time. He noted that year-end expenditures are based upon the 3rd Quarter Key Indicator Report. He explained that the total spending plan for the Township for 2011 is roughly \$50 million. He noted that the budget that was prepared at staff level and the one that was viewed on October 18th for the General Fund (GF) possessed a deficit of \$435,506, to include a transfer of \$40,000 to the General Improvement Fund (GIF) for ongoing capital projects. He noted that the GIF had a balance of \$1.165 million. He stated that the GF savings account was \$3.3 million, with the Friendship Center Operating Fund revenues being \$2.1 million against expenditures of a little more than

\$2.1 million with a slight deficit of \$15,000. He noted that the Authority Operating Funds will be addressed during the Authority meeting to be held on November 22nd. He noted that the Authority Budget is scheduled for adoption at that time.

Mr. Wolfe noted that a budget deficit of \$435,506 was discussed during the last budget session with an expected year-end balance for 2011 of \$100,000. He noted to eliminate the deficit and to provide for a balanced budget staff proposes the following items: potential tax increase of 1.1 mills providing a 14.3% increase in the mileage rate generating a net of \$375,000 to the GF, with an additional \$35,000 going to increase the tax revenues to the three fire companies. He noted that it was his impression that the Board wanted, if possible, to increase the tax revenues to the fire companies. He noted that the Board discusses a one-year suspension of the Fire Equipment Capital Plan which would add \$200,000 to the GF in 2012. He noted that the lease of the Public Works equipment and vehicles for the Police Department for a three-year program would provide a savings of \$160,000. He noted that due to delays in the closing of the Pennsylvania Infrastructure Bank (PIB) Loan, all funds would be recognized in 2012. He noted that this would provide for \$188,000 in 2012 for a transfer to the GIF for stormwater projects over and above the funds from the PIB loan that is already budgeted for that line item.

Mr. Wolfe noted that the 2012 GIF is proposed at \$1.35 million with revenue sources of \$650,000 from Dauphin County bonds for the Linglestown Road project; \$425,000 PIB loan funding; \$50,000 or more in Dauphin County Local Share grant; and \$188,221 transfer from the GF. He noted that the expenditures would include the Village of Linglestown payoff, stormwater improvements, PIB loan using \$350,000, traffic signal improvement in the amount of \$40,000; pavement management system in the amount of \$75,000, and a local share grant project in the amount of \$50,000. He noted that the Board has also discussed the potential sale of the cell tower located at the Public Works building in the amount of almost \$300,000. He noted that he has not budgeted any of these funds into the 2012 budget; those funds could be used for operations or capital projects.

Mr. Wolfe noted that staff has proposed a Real Estate Tax increase to 1.1 mills from the current .9625 mill rate. He noted that a house assessed at \$200,000 in the Township at .9625 mills would cost \$192.50. He noted that based upon 1.1 mills, with an assessed value Township-wide of \$3,000,000,000 he is proposing the following millage breakdown: .809 mills for general

purposes; .17 mills for fire protection, an increase of \$35,000 net for the three fire companies in total for tax revenues; no millage for the FEFCF; .8 mills for fire hydrants; and .041 for the Dauphin County Library. He explained that the purpose for further breaking out the millage is that currently staff lumps the millage rate into a line item that includes fire and EMS and it becomes very difficult to track it. He suggested that the EMS should be removed from the GF fire line item and that it be used for fire purposes only. He noted that a proposed millage rate increase to 1.1 mills provides a home assessed at \$200,000 would cost \$220.00, an increase of \$27.50 for the year.

Mr. Wolfe distributed the new spreadsheets that provide the future financial projections. He noted on the last page, the revenue spreadsheets shows that staff expects to end 2011 with a surplus of \$75,000. He noted that he expects to end 2012 with \$188,000 which is proposed to be transferred to the GIF for stormwater and the deficits in out years which previously were \$1.1 to \$1.2 million are now down to \$500,000.

Mr. Wolfe noted that he included the tables and narratives for the major departments. He explained that he put the budget together with a tax increase due to the Board's discussion during its last workshop meeting.

Mr. Wolfe noted that these figures are only projections based upon current revenues and expenditures. Mr. Hawk noted that many things could change as the housing market and tax income could improve.

Mr. Seeds noted that he had some questions in regards to the stormwater figures. He noted that he hopes to be able to do more by either paying for it with a tax increase or by floating a bond. He noted that the funds from selling the cell tower would be put towards stormwater improvements. He noted that Mr. Wolfe had \$492,000 in his power point presentation for stormwater improvements. Mr. Wolfe noted if you take the \$292,000 from the sale of the cell tower and add the PIB loan funds, it totals \$492,000. He noted that this would be funded at the discretion of the Board. He stated that you could add prior year's revenues, year-end balance, sale of the cell tower, or the PIB loan which is earmarked for stormwater improvements. Mr. Seeds stated that he did not think the PIB loan was earmarked for stormwater. Mr. Wolfe explained that \$200,000 was earmarked for those improvements. Mr. Seeds noted that he wants to get a good start in 2012 for stormwater improvements. Mr. Blain noted that \$200,000 was set

aside initially for those projects and if you sell the cell tower for \$292,000 it would amount of \$492,000.

Mr. Hornung questioned if the \$800,000 line item for the Linglestown project is all committed to that project. Mr. Wolfe noted that the Township has not made its payments for the project for construction. He noted that the Township will be billed once the project is completed and all those funds would be used for that line item.

Mr. Hornung noted that there is a \$500,000 shortfall in 2013 and he questioned if it would be prudent to do something this year to prevent that. Mr. Wolfe noted the more the Board can do now, the less it will impact the out years. Mr. Hornung noted if we increase the 2012 budget it would automatically carry over to 2013. Mr. Crissman noted that it would provide for two years to offset the \$500,000 deficit. Mr. Hornung questioned if the selling of the cell tower is included in these figures. Mr. Wolfe answered no, since no determination has been made as to what to do with it. Mr. Hornung questioned if the 2013 figures include reestablishing the \$200,000 contribution to the FECF. Mr. Wolfe answered yes. Mr. Hornung suggested that the Board should increase the millage for the fire services to include the \$200,000. Mr. Crissman noted if the Board chooses to eliminate the \$200,000 contribution for 2012, it will need to fund \$400,000 next year and he does not want to do that. He noted that he would prefer to keep it in the budget for next year even if the Board has to rate the millage rate. Mr. Seeds agreed. He noted that Mr. Wolfe is showing a different tax that has never been shown before, noting that staff took the funds out of the GF for the fire company but now Mr. Wolfe is showing a .17 mill fire tax. He noted if people look at their tax bills they could see where their money is going. He noted if the Board restores the \$200,000 contribution to the FECF and added it to the fire tax, the .17 rate might become .27 for fire tax services. Mr. Wolfe suggested that it might be .25 mills. Mr. Seeds suggested that we should do the same thing for the EMS services. Mr. Wolfe noted once you dedicate dollars to something it has to go there and if you change how you define the service then you are stuck. Mr. Crissman noted that he had no problem with that as it is good stewardship and good accounting. Mr. Wolfe noted if the Board added an EMS tax, and the Board contracts with a third party to provide EMS at no cost to the Township, then it still exists. Mr. Hornung noted that it would have to go away. Mr. Wolfe noted that you could not remove it for that year once it is on the tax bills. He noted that you could show a tax for police, EMS,

roads, etc. Mr. Hornung questioned if the Board could eliminate a tax in mid-year. Mr. Stine answered that you could not as the budget already provides for it and the bills are already printed. Mr. Seeds suggested that the EMS should not be shown as a dedicated tax, at this time, due to the situation. Mr. Crissman questioned if we sell the cell tower, should all of that money go to stormwater improvements. Mr. Seeds noted that he does not care where it comes from he only wants to see more work done. He suggested that the \$200,000 could be used to keep the fire companies to the level that we need, however, we could cut back on the \$348,000 for stormwater improvements since there is already \$200,000 in the budget for it.

Mr. Seeds questioned Mr. Robbins if he knew what it would cost for the stormwater improvements. Mr. Crissman noted that it would be more than \$500,000.

Mr. Hornung noted in 2000, the Health Department spent \$82,000 and now it has \$385,000 in revenues. Mr. Wolfe suggested that it was the result of the sale of recyclables.

Mr. Blain questioned what is the status of the PinnacleHealth discussions for EMS services. Mr. Wolfe answered that he spoke to Mr. Logan this week and was told that they won't be able to provide a proposal until the end of the year or the beginning of January. He noted that they are trying to close deals with two other municipalities in the area and the paperwork is taking longer than expected. He noted that they are very interested in providing services to the Township.

Mr. Seeds noted that the Dauphin County Local Share Grant is listed for bridge or alleys work. He noted that the Township has applied for the bridge grant. Mr. Wolfe explained that the Township applied for the bridge, alley, intersection of Mountain Road and Blue Ridge Avenue, reduction of debt for Linglestown Fire Company, and also for Heroes Grove. He suggested that the Township should receive something out of that list and that is why he listed \$50,000 at this time. He noted that it could be more than that.

Mr. Seeds noted that there is nothing in the GF for the Wolfersberger Tract. Mr. Wolfe answered that he does not know what the Board wants to do at this point. Mr. Seeds noted that a payment will have to be made for the property. Mr. Wolfe noted that the Township paid \$5,000 this year from the GF budget. Mr. Seeds noted that he did not see anything in the administrative budget for vehicles and questioned if there is a projection to lease administrative vehicles. Mr. Crissman noted that it is planned to lease vehicles for Public Works and the Police Department.

Mr. Wolfe noted that it is shown in their individual budgets. He noted that administration has never bought vehicles as it has used the hand-me-downs for over 20 years.

Mr. Seeds noted park improvements were listed as \$27,200 and he questioned what they would include. Mr. Wolfe noted that it includes \$10,000 for fertilization, \$8,000 for fencing and backstop, \$5,000 for safety surfacing for playgrounds, \$3,000 for crack sealing ball courts, and \$1,200 for something else.

Mr. Hawk noted that it would make sense to sell the cell tower. Mr. Seeds agreed. Mr. Crissman and Mr. Blain agreed. Mr. Hornung noted that it makes sense. Mr. Blain noted that it would take more than ten years to get the money back on it.

Mr. Seeds noted that he would want to keep the \$200,000 for the FECEF. Mr. Crissman noted that the funds from the sale of the cell tower could be used for that. Mr. Hornung noted that Mr. Seeds wanted it to go for stormwater. Mr. Crissman noted that he would divert the funds where he thinks they need to go since there is already \$200,000 in the budget for stormwater improvements. Mr. Seeds questioned what was spent this year for stormwater. Mr. Wolfe answered that it was \$350,000. Mr. Seeds questioned if the work was done by Public Works employees work or a contractor. Mr. Wolfe answered that most of it was paid to contractors. Mr. Seeds noted that it was an additional \$350,000 over and above what he Public Works employees did other than the price of materials that they bought and use.

Mr. Hornung noted that a concern that he had regarding the fire companies is that there is a considerable amount of emotional significance that we put with the \$200,000 in the fund. He noted, if you look at the savings the volunteer fire companies bring to the Township, it is in the neighborhood of \$3 million a year. He suggested putting \$200,000 in the budget each year as compared to \$3 million is not that much. He noted that we have made an ongoing commitment of \$200,000 and if we revoke it, it will become an emotional issue. He noted that they provide a savings of \$2.8 million to the Township each year and he questioned if it was worth it to alienate the fire companies by not making the \$200,000 contribution. He noted that it would be better to raise the taxes to accommodate that amount and it would help the Township in 2013 by depositing another \$200,000 into that fund. Mr. Seeds noted that the fire chiefs did not seem to be upset when it was mentioned to them during the workshop meeting that the Board was considering not making that contribution in 2012. Mr. Crissman noted that they understood the

fiscal situation and they were willing to make a sacrifice for one year. He noted that they know that the Township has dire financial issues.

Mr. Hornung questioned if the Board should wait until 2013 to tack on .08 mills to compensate for the \$200,000 or should we do it in 2012. Mr. Crissman noted that he would prefer to add it now or use the funds from the sale of the cell tower to fund it. He noted that the sale is a one-time deal but once you include the \$200,000 in the tax structure it will always be there. He noted that selling the cell tower is only a one-year fix and does not provide for ongoing revenue to run the Township. Mr. Hawk noted that we could raise the taxes from 1.1 mills to 1.2 mills and then use that money for the fire services. Mr. Hornung noted that it would only be .08 of a mill so it would be 1.18 mills. He suggested that it would be easier for everyone to understand. Mr. Hawk noted that we will be taking action now for what will occur in the future and it would be better to do it now.

Mr. Blain questioned if Mr. Hornung was concerned about the deficit of \$500,000 in 2013. Mr. Hornung answered that we make the projections using our best guess, noting that it may be less or it could be more, but to ignore it because we are not sure of the numbers is not a good answer. He noted that the Board is not looking for a one-year fix; it needs to look beyond next year trying to fix the shortfall for a longer time period.

Mr. Blain noted if we go from showing a surplus of \$118,000 with a tax increase and next year show a deficit of \$547,000, it is a swing of \$665,000. He questioned how do you reconcile that, how do we get from a surplus to a deficit. Mr. Crissman noted that it should not be a result of a debt service. Mr. Wolfe noted that the \$200,000 is part of that equation, noting that part of the surplus for 2012 is because we are not putting the \$200,000 into the FECF. He noted that there is a large increase in the debt service in 2012, shown on line 536 of the budget document. Mr. Blain noted that we are projecting a budget surplus in 2012 of \$188,000 even though tax revenues will be down 2.1% even with a property tax increase. He noted that you have to remember that the \$200,000 is not included in the budget. Mr. Blain noted that EIT is down \$100,000. Mr. Crissman noted that debt service increases from 2011 to 2012. Mr. Blain noted that EIT is projected to be lower, as well as Real Estate Transfer Taxes. Mr. Blain noted that the pension funds would be lower as well. He noted that the Township is due a one-time adjustment for pension aid in the amount of \$1.1 million. Mr. Wolfe noted that it saved the

Township \$350,000 and the transfer of the mall was an increase in the Real Estate Transfer Tax in the amount of \$220,000 resulting on two big increases for the Township. Mr. Blain noted that there are a couple of items in this year's budget that we will not see in out years for revenues and they total roughly \$500,000 that will need to be made up in 2013. Mr. Hornung questioned if we need to look harder at 2013 to correct this issue now. Mr. Crissman noted that we need to start to correct it now as it will be harder to do it then. He noted that it is easy to take little steps, then to do nothing and mandate a large increase later on.

Mr. Hornung questioned why the debt service is going up. Mr. Wolfe noted that it is not really increasing; it went down because we refinanced it.

Mr. Blain noted for expenses, the Township is proposing a 2012 budget that shows the expenses going down 3% and in 2013 it rises 5.17%. He noted that part of the reason for the decrease is due to not paying the \$200,000 for the FECP. Mr. Blain noted if we added the \$200,000 it would be more consistent with this year's budget.

Mr. Wolfe noted that part of the problem with out years is that they are more dependent on trend then on actual occurrence and when you go into a specific year things happen that change and they are not always good, but we usually know what the bad things are and budget for them. He noted that revenues are far more difficult to budget since it is an unknown when extra funding would come from the State.

Mr. Blain noted that the budget shows a surplus of \$77,000 and for next year if we increase taxes, it would be \$118,000. He questioned where this puts the GF in relation to the 25% threshold for operations. Mr. Wolfe noted that the surplus does not provide enough revenue to make the threshold; it doesn't come close to make up the difference.

Mr. Blain questioned if we are still paying for the Wolfersberger Tract. Mr. Wolfe answered that the final payment was extended out by only making a payment of \$5,000 out the remaining \$50,000. He noted for all intensive purposes the Township has that asset. Mr. Hornung questioned what the income is from renting the land to the paint ball company. Mr. Wolfe suggested that it might be \$12,000 a year. Mr. Hornung questioned if the Township could rent it to the same company when it owns the land. Mr. Stine explained that it would have to be bid. Mr. Wolfe noted that the Township still owes \$40,000 on the land. Mr. Hornung suggested that it would make sense to pay it off and get the rent for the paint ball business. Mr. Wolfe

noted that there are no plans for what the Township wants to do with the land. Mr. Hornung noted that the \$12,000 would help to pay for the land. Mr. Seeds noted if there is no money to develop it as a park then the Township would have to pay taxes on the land.

Mr. Blain questioned, if the Board ran the Township for base operations what could be cut as a frill operation. Mr. Wolfe noted that the Township is not obligated to give the fire companies the \$200,000; it is only obligated to provide workers compensation coverage, so all the funds spent for the fire companies are not required. He noted that the Township is not required to have a library tax, indoor recreation center, fund the senior center, or run the large number of park and recreation programs and activities that are break-even. Mr. Seeds noted that the Township has to provide fire protection for public safety. Mr. Blain noted that the Township is not required to give the three fire companies money. Mr. Seeds noted that the payroll for paid fire protection would be close to \$3 million, typical of what is paid for police services. Mr. Wolfe noted that townships of the Second Class are only required to maintain roads. He noted that they are not required to have a Police Department, or a Planning and Zoning or Community Development Office.

Mr. Blain noted that the Township offers many community services that could be cut back to balance the budget, but this is a decision that the Board must make. He noted that we must make the decision of what we want to be. He suggested that the tax increase to 1.1 mills is not enough since it does not meet the GF 90-day cash reserve. He noted that we have a requirement to do that and it is important to have those funds to prevent the need for a tax anticipation note. He noted that the budget does not make that even with the surplus in the budget. He noted that Mr. Seeds wants to do stormwater improvements, provide \$200,000 to the FECP, continue Parks and Recreation programs, and maintain the senior center. Mr. Hornung noted that he agrees that the increase to 1.1 mills is not enough of a tax increase. Mr. Blain noted even if we choose to raise the taxes to 1.1 mills, the Board must cut expenses if it wants to make the 25% threshold.

Mr. Wolfe noted from last year's budget discussions, the millage rate for the following local municipalities is as follows: Derry Township 1.1 mills; Susquehanna Township, 2.6; and Swatara Township, 2.2 mills. He noted that this is dated information; noting that the Township is far lower than the vast majority of the 40 municipalities in Dauphin County. He noted that the

yearly average from last year was nearly 2 mills and the Township is not even at 1 mill. Mr. Seeds questioned how Derry Township has such a low millage rate. Mr. Stine noted that they have a huge amusement tax. Mr. Blain noted that the Board eliminated the personal income tax of \$10 per person. Mr. Wolfe noted that it also eliminated the occupational and per capita assessment taxes. Mr. Blain questioned if that occupation assessment tax was for every working person in the Township. Mr. Stine answered that the per capital tax was paid by everyone who lived in the Township. Mr. Wolfe noted that those two taxes generated \$500,000 a year. Mr. Blain noted that we are discussing raising real estate taxes which only impact those who own property, but shouldn't we be looking at a tax that is based upon income or those who are working so that everyone shares in the payment of taxes. Mr. Wolfe suggested that there is no option for that tax anymore since the Emergency Municipal Services Tax which predated the Local Service Tax eliminated it. Mr. Wolfe noted that the reason for the elimination of those taxes was that the cost of collection was relatively high in comparison to the revenues collected by the Township.

Mr. Hornung noted that one of the reasons why the EIT is decreasing is that more people are retiring so they are no longer paying that tax. He noted that people who own large real estate in the Township are some of the more wealthy people and they can afford to pay more than someone who has a low income or is renting.

Mr. Seeds questioned Mr. Stine what Derry Township gets in their amusement tax each year. Mr. Stine noted that he had no idea, but he suggested that Hersheypark must bring in good tax revenue. Mr. Wolfe noted that he would research that for Mr. Seeds. Mr. Blain questioned what percentage of the total tax revenues for the above three mentioned municipalities are made up of Real Estate tax. Mr. Blain noted that the total revenue for the Township is \$18.7 million, of which \$3.2 is for Real Estate tax making of 20% of the total tax revenues. He noted that it is the only tax rate that the Board can control. He questioned what if the neighboring municipalities are at 40% for their total revenues. Mr. Wolfe noted that he could research that information for the Board. He noted that the Township raised taxes for the first time in 20 years while the other ones have been raising their taxes all along.

Mr. Wolfe noted the most telling statistic is what the average homeowner pays for services in the Township, and that is currently \$192.50 with a potential increase to \$220 or \$230

per year. He noted that is not much money for all the services provided to the residents. Mr. Seeds noted that they are also paying EIT. Mr. Wolfe noted, only if they are working.

Mr. Hornung questioned what the average home value in the Township is. Mr. Wolfe noted that the average assessed value is over \$200,000. He noted that most municipalities when they use this example use \$100,000 in place of \$200,000. He noted that someone who has a \$500,000 home would be paying a lot more.

Mr. Hawk noted that someone approached him last week and commented that he pays all these taxes and questioned what he got for it. He noted that this person had no concept of what he is talking about. Mr. Hornung noted that we have to do better in promoting what the Township provides to its citizens. He noted that there are many more avenues to use now than what we had before. He noted that the citizens don't realize the services that they get from the Township. He noted that the Board is required to provide stormwater management and road improvements, but these are the items that the Board has fallen behind on as compared to the items that everyone notices that we are doing.

Mr. Wolfe noted that he could redo the numbers maintaining the \$200,000 contribution in 2012, and increase the millage rate accordingly for another workshop session. He noted that he can't schedule a meeting for next week since there is an Audit Committee meeting. Mr. Blain suggested that we are running out of time. Mr. Hawk noted that he would not be in attendance at the November 15th meeting.

Mr. Wolfe suggested that the Board could schedule a budget meeting at 4 p.m. prior to the start of the 6 p.m. Authority meeting. Mr. Wolfe noted that food would be available at 5:30 p.m.

Mr. Seeds noted that he wanted funds in the 2012 budget for storm sewer improvements.

Mr. Hawk requested Mr. Wolfe to include the sale of the cell tower, and step up tax increase to provide scenarios for 1.1 mills, 1.2 mills, 1.3 mills and 1.4 mills.

Mr. Hornung suggested that Mr. Blain and Mr. Wolfe could meet to discuss how to correct the problem going out five years and what it would take to do that. He noted that we have to start replenishing the savings account as well. Mr. Hawk noted that he does not want to go through this same scenario year after year. He noted that he does not want to raise taxes every year, especially since we are experiencing such a poor economy. Mr. Seeds noted that he does

not want to raise taxes to get the reserve fund to the level it should be; however, he would do it for fire protection, stormwater and road maintenance.

Mr. Blain noted that he would get together with Mr. Wolfe to come up with a strategy to balance the future budgets.

Mr. Hornung explained that he was confronted by Michael Coleman at the bank on Sunday morning and he wanted to know what the Board was going to do about his leaf situation with his neighbor on Taunton Drive. He eventually told him that there was nothing the Board could do about the fact that his neighbor's leaves fall into his property. He noted that he hoped that his fellow members are not upset that he spoke for them in this matter. He noted that Mr. Coleman proceeded to tell him that the neighbor is putting yard waste into the storm sewer grate. Mr. Hornung informed Mr. Coleman that he never told the Board members about that. Mr. Coleman stated to him that he was saving that information for later. Mr. Hornung noted that the Board could look into that matter but there is no way the Board can stop a neighbor's leaves from falling onto someone else's property. Mr. Hawk noted that it was representative of what the Board is thinking. Mr. Hornung explained that he was threatening him at that point of the conversation.

Review of the proposed Lower Paxton Township Recreation and Park Plan

Mr. Hawk requested Mr. Wolfe to table discussion on this item until the December workshop meeting.

"Otta Know" Presentation: HB278; increasing municipal bid thresholds

Mr. Hawk noted that the House Bill increased the bid threshold from \$10,000 to \$18,500. He noted that Pennsylvania State Association Township Supervisors was lobbying for \$25,000 but it didn't pass.

Improvement Guarantee

6009 Jonestown Road

A change in ownership and in the financial institution to a letter of credit with Metro Bank, in the amount of \$58,839.99, with an expiration date of November 7, 2012.

Mr. Wolfe explained that the improvement guarantee is for a change in ownership and financial institution.

Mr. Crissman made a motion to approve the improvement guarantee. Mr. Seeds seconded the motion. Mr. Hawk called for a voice vote, and a unanimous vote followed.

Mr. Crissman questioned why the Board can approve an improvement guarantee during its workshop meetings. Mr. Stine answered that the Board chooses not to take action during its workshop meetings. He noted that it is a publicly advertised meeting and the Board could take action if it so desired.

Adjournment

There being no further business, Mr. Blain made a motion to adjourn the meeting. The meeting adjourned at 8:37 p.m.

Respectfully submitted,

Maureen Heberle
Recording Secretary

Approved by,

Gary A. Crissman
Township Secretary