

MINUTES

SWATARA TOWNSHIP

SPECIAL MEETING I

JANUARY 23, 2024

BOARD OF COMMISSIONERS

1. **Call to Order:** President Ellis called the Special Meeting I of the Swatara Township Board of Commissioners to order at 6:02 p.m. on Tuesday, January 23, 2024. The meeting was held at the Swatara Township Municipal Building, 599 Eisenhower Boulevard, Harrisburg, PA.
2. **Pledge of Allegiance:** President Ellis led the audience in the Pledge of Allegiance.
3. **Moment of Silence**
4. **Roll Call:** Commissioners Christine Zubeck, Michael Tuckey, Tom Connolly, Shane Steele and Shaela Ellis were present. Also present: Solicitor Scott Wyland, Director of Planning and Zoning Robert Ihlein, Deputy Fire Chief and Sergeant-At-Arms Thomas Stauffer, Treasurer Brittany Yarzinsky and Secretary Jen Yesavage. Manager Jim Fosselman was absent due to illness.
5. **Visitors Requests and Comments:**
 - A. **Meghan O’Neil, 5870 Bell Road:** Asked about payment status of PP&L Easements and Norfolk Southern, spoke about the timeline that she generated referencing previous budgets, wanted some clarification around money that was moved into and out of the general fund and commented that it was difficult for her and potentially others to get to this meeting due to the earlier than normal scheduled start time. President Ellis stated that most of these concerns were about the budget and that these questions could be addressed at the first meeting in February. The meeting time was simply because there was a previously scheduled meeting in the room at 7pm.
 - B. **Tom Garlick, 6060 Hocker Drive:** questioned whether the borrowing of this TRAN would affect the credit rating of the Township. He also asked for the terms of the agreement, interest rate and length of the loan. President Ellis stated the specifics of the loan would be discussed during item #4 of the agenda and that the Oberlin Sidewalk Project was added to this agenda due to the time sensitivity with requesting the grant to fund the project. Vice President Steele noted that this borrowing would not affect the credit rating of the Township.
6. **Discussion and Approval of Tax Revenue Anticipation Note:** Commissioner Tuckey questioned if under the First-Class Township, does a special meeting need to have 7 day notice when resolutions would be passed. Solicitor Wyland stated that this meeting was correctly advertised and proper notice was provided.

Commissioner Connolly explained the purpose of the meeting and the need for the TRAN to bridge the current gap in revenue until tax revenues started to come in later in

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the year. The plan is to use only a portion of the \$5 million that is being requested and that the repayment would only be the portion that was used. Vice President Steele gave the current financial overview of the Township and why this TRAN is being requested at this time.

Tim Horstman from McNees Wallace and Nurick in Harrisburg spoke as this firm has drafted the resolution authorizing the TRAN in the maximum amount of \$5 million. The note would need to be paid in full by December 31, 2024. Solicitor Wyland asked Mr. Horstman for some clarification around the Local Government Unit Debt Act which supersedes the First-Class Township Code confirming that this meeting had proper notice given. Commissioner Zubeck asked whether there were any limitations on what these funds could be used for by the Board. Mr. Horstman stated that these funds could be used for items like payroll, routine bills but items that would not be considered capital expenditures. Commissioner Connolly thanked Mr. Horstman for coming out to the meeting on such short notice and for working to prepare the resolution. Vice President Steele asked if these TRANs are out of the ordinary for schools and local governments. Mr. Horstman stated that he has documented many of these TRANs over his many years of work.

Miro Gomerak from Orrstown Bank spoke on the specifics that he was working to get approved by Management within the bank. He has proposed SOFR (Secured Overnight Financing Rate) plus 1.5% which would be around 6.5%-7%. This would be a lien on tax revenue but there would also be some transactions fees as well.

Mr. Horstman concluded that as counsel working on behalf of the Township, he stated in the resolution, there is a reference to acceptance of the proposal from Orrstown but as there is no formal proposal, yet, the Township could proceed with authorizing the acceptance of the note, the board could revise the resolution on specific parameters. The board would then have a designated officer negotiate with the bank to come to a final proposal which would be within the specific parameters laid out in the resolution.

Commissioner Zubeck made a motion to stop subsidizing Stormwater, seconded by Commissioner Tuckey.

Commissioner Tuckey – yes
Commissioner Zubeck – yes
Commissioner Connolly – no
Vice President Steele – no
President Ellis – no

Vice President Steele made a motion to approve the Tax Revenue Anticipation Note Resolution R-2024-09, seconded by President Ellis. She then mentioned that there will

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be quarterly budget meetings in the hopes of avoiding this type of financial situation. She also reported that past Treasurer Reports will be posted online for residents to view.

Commissioner Tuckey – abstain
Commissioner Zubeck – no
Commissioner Connolly – yes
Vice President Steele – yes
President Ellis – yes

7. **Approval of Construction of Oberlin Sidewalk Improvements:** Commissioner Steele made a motion to approve, seconded by Commissioner Connolly. President Ellis explained that this was for a grant, the 2024 CDBG ADA. These ramps would be at Main Street & Horner Avenue and Main Street & Pleasant Avenue. The grant will cover the total cost of all expenses.

Motion carried unanimously.

8. **Visitors Requests and Comments:**

- A. **Paul Yesavage, 630 Barbara Drive:** asked the Commissioners to respect each other and look ahead instead of continuing to look back at previous boards.
- B. **Debra Noles, 6080 Hocker Drive:** she questioned some previous loans, the proposed plans for a new firehouse and the amount of the new load that was approved tonight, she asked the Commissioners to stop infighting and work together. She concluded by asking that we cut spending on unnecessary expenses until the Township is in a better financial position.
- C. **Meghan O’Neil, 5870 Bell Road:** she questioned where the Township Manager and if he was unable to attend in person, could he have participated in the meeting virtually. President Ellis stated that she could not force anyone who is ill to participate or attend the meetings. She also questioned if Stormwater could use any of the money approved in the new loan. President Ellis stated that this load would be to pay bills, some of which are from Stormwater but that a Stormwater budget was being drafted and would be presented at a later date. She asked if the State Rep was contacted to help with any of the issues facing the Township. Commissioner Connolly responded that a meeting was set but needed to be rescheduled by the Rep.
- D. **Tom Garlick, 6060 Hocker Drive:** He stated that with the SOFR rate and the additional interest, the rate of the loan would be around 6.8%. He asked about a short-term municipal rate verses the TRAN.
- E. **Zoe Loftus, 5631 Plainview Drive:** She once again asked the board for more transparency. She asked about establishing a Citizen’s Panel to oversee the books and propose some new ideas about the spending and saving within the Township.

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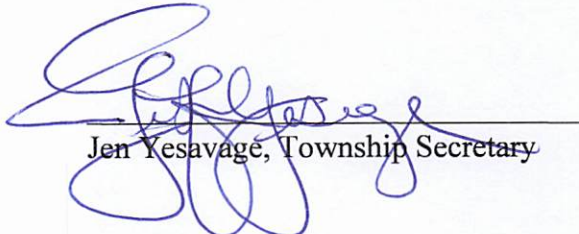
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9. **Commissioners Requests and Comments:**

- A. **Commissioner Tuckey:** He stated that he was a no on the TRAN vote. He liked the suggestion about the Citizen's Panel about finances in the hopes of getting more residents involved. He spoke about the previous board and the careful way that they handled and spent the tax payers money. He concluded that only having 24 hours notice of a meeting is not enough when there are difficult decisions to be made and time is needed to review the information.
- B. **Commissioner Zubeck:** She is going to be asking hard questions and should have the time to prepare for these meetings. She stated that there was no overspending in previous budgets and gave some examples of the amount of tax revenue that was lost over the past few years.
- C. **Commissioner Connolly:** He stated that one of his goals once we get the outstanding bills covered is to balance the spending and rebuild the capital reserve to \$4 million.
- D. **Commissioner Steele:** He thanked those watching, those that came to the meeting and those that stood up to speak their minds at the meeting. He concluded by commending the work of our police and public works for their services during the recent snowstorms.
- E. **Commissioner Ellis:** She thanked those watching and those attendance. She thanked the representatives from McNees Wallace and Orrstown Bank for their presentations.

10. **Adjournment:** Vice President Steele made a motion to adjourn the meeting at 8:07 p.m., seconded by Commissioner Connolly. Motion carried unanimously.


Jen Yesavage, Township Secretary