

Budget & Finance Committee Meeting Minutes
August 27, 2025, 10:00 AM to 11:30 PM
Farm & Home Center Room 111, 1383 Arcadia Road, Lancaster, PA

Attendees present: Dan Heller, Roger Rohrer, Kent Weaver, Sonia Wasco, Geoffrey Rohrer, Chris Thompson, Matt Kofroth, Stacey Hertz

Guests: Robert Hoffman (Fulton Financial Advisors)

- I. Update/Review Raymond James Investments - *Robert Hoffman from Fulton Financial Advisors provided a thorough recap of where the District's Raymond James investment account currently stands. Overall, the accounts are performing very well with a good return on investment. Bob talked about the future of the market and interest rates and where he predicts things will go. The bottom line is that he feels, and the committee agrees, that the investment we are currently in are working for us and there does not appear to be a need to change anything at this time. The small change Bob did recommend was moving funds from the Invesco High Yield Municipal Fund to the Carillon Reams Unconstrained Bond fund. This recommendation was purely due to poor performance by the Invesco fund. The committee took Bob's recommendation on this fund transfer.*

 - II. Update regarding Auditor RFP – *In June the District administrative team put out an RFP for a potential new auditing firm for the next three fiscal years, 2025-2028. Over 6 different firms were solicited for this RFP and two responded back with proposals. Both were firms the District either worked with in the past or are currently working with now. The committee reviewed both proposals from costs, timelines, experience, and the overall proposal. In the end the committee felt SEK auditors out of Chambersburg were the right fit for the audits needed for both the District and the Foundation moving forward. This recommendation will be taken to the September District Board mtg for formal approval.*

 - III. District Overview
 - a. *We have a staff of 42, salary and benefits account for 9% of the General Operations' budgeted expenses. A 4% COLA is being proposed along with a 9% Benefit cost increase.*
 - b. *The District will be moving its Healthcare services from Eliance to Benecon in 2026. Benecon uses Highmark services for their coverage. Eliance costs were going up 19% and Benecon could match our plan benefits that Eliance was providing. It will still be a self-funded high-deductible plan with Benecon but part of their IIC program which is a larger pull of municipal and government workers to reduce healthcare costs. The committee was updated on when this move will take place and how things are progressing.*
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1. Overview of proposed 2026 draft budget with each sub-budget
 1. *2026 Grants & Activities Budgets – The District's current grants were provided to the Committee to review. This provided the committee with what grants are ongoing and which ones are ending in 2025 or 2026. This budget sheet also provides what carries over from year to year with each grant which assist in longer term planning efforts. The committee also reviewed an activity budget for the numerous activities within the District. Activities like*

the tree sale, banquet, Envirothons, Youth Conservation School and Employee support. These activity budgets are not factored into the larger overall District budget but are important from a planning standpoint and were shared with the committee for feedback.

2. *2026 General Operations Budget – The Committee then reviewed the overall 2026 Draft District Budget, which includes all the various District programs. They were able to see how all these programs fed into the overall budget. Currently there is a deficit of about \$300,000 for the 2026 budget. There are many reasons for this deficit from no formal state budget, to increases salary and benefit costs, higher IT costs, and insurance costs. All play a factor in this deficit. Administration and staff have been working on reducing this deficit which was nearly million dollars back in July. If administration and staff cannot find ways to close this gap options were discussed to fill this void. From using reserve funds, to decreasing services, to increasing fees, to taping into investment reserves. Staff will continue to fine tune the budget to narrow this gap, and the budget and finance team will reevaluate in September at their next mtg.*

2. Significant budget changes projected for 2026

- a. *Capital Improvements – The committee heard from administration the needs for a redesign of the upstairs office and what might be needed for this endeavor. Preliminary designs were requested by a design firm so that will dictate how much funding would be needed. With NRCS collocated with us and restrictions on what they can presently do this process might be slower than anticipated but the District is still looking to do something within it's footprint upstairs. This will be shared at the next Budget and Finance committee mtg, future board mtgs, and at future planning mtgs.*
- b. *Potential New Positions – Administration talked about some future positions within the District. From a new Watershed Tech position, a new E&S Tech position and even a new Stormwater engineer spot in the future. The tech positions are in the 2026 budget the engineer position is not and will need to be carefully planned due to the size and requirements for this position. Staff just want to inform the committee of these future needs.*
- c. *Additional funding – Finally, the committee was informed of some possible new funding opportunities in 2026. Most are small in nature, and some are still not fleshed out with the PA budget impasse, but the committee was informed of what else could be forthcoming in 2026.*