East Hanover Township, Lebanon County
Municipal Building
1117 School House Road
Annville, PA 17003
Special Session
September 21, 2026

The Board of Supervisors convened in special session at 6:30 pm for general and all purposes, including 2027 Budget Planning. The meeting was open for the public to attend.

In Attendance - ***Supervisor -*** Ed Heagy
Supervisor - Stefan Wentling
Supervisor - Dennis Grubb
Township Manager - Erik Harmon
Administrative Assistant - Sheila Seaman
NLFES Rep – Zach Zerbe
Residents – Bob Gibson
Frankleen Gibson

The meeting was called to order by Supervisor Heagy.

Northern Lebanon Fire and Emergency Services (NLFES) – Zach Zerbe

Zerbe was present to review the needs of the NLFES for the Board of Supervisors and request that the Supervisors consider increasing their annual donation to the NLFES in 2027 by 20%. If the increase is granted, it would result in a total donation of $70,000 + $14,000 (20% of $70,000) = $84,000 for 2027.

Zerbe cited increases in fuel costs, utilities, Basic Training for members and the cost of turn-out gear needed by volunteers as the basis for requesting the increase in the Township's donation in 2027.

Heagy agreed that costs are going up and noted that many of those same items are increasing for the Township as well.

Seeking to confirm funding sources for the NLFES, Heagy stated that he believes the Ono Women's Auxillary makes substantial contributions to their organization. Zerbe agreed that the Ono Women's Auxillary does provide donations to the NLFES. Zerbe also indicated that the NLFES was happy to be able to be included in the recent fundraising "Heroes Rodeo" that was just held in Lebanon, PA. He advised that the NLFES also try to participate in other fundraising activities throughout the year, as they are able, in an effort to raise financial support for the organization.

Discussion continued between Zerbe and the Board of Supervisors.

-Heagy asked if the Board of Supervisors could see the complete financial reports of the NLFES.

-Heagy confirmed with Zerbe that the NLFES recently applied for a grant to obtain new trucks and that they were awarded 5 new trucks from the Local Share Account in the

amount of $770,000.

Harmon advised that the Township does receive monthly activity reports from the NLFES and quarterly finance reports. He handed out copies of the NLFES reports to review, explaining that the complete financial picture of the organization is not presented in the reports that are provided to the Township. Harmon advised that since the Township's money is public funds we are responsible for full disclosure to the residents as to how the funds are used. The Board of Supervisors has asked for annual audit reports from the NLFES in the past, but have not been provided with any such document. Heagy stated that if the full picture of the financial situation were provide (i.e. how much is owed on vehicle loan payments, etc.) it may result in additional funds being given to NLFES if their complete needs were known by the residents.

Harmon suggested that one way the Township could know exactly how the public funds are used would be to have the Township hold the Fire Protection Funds and NLFES could submit appropriate bills to the Township to be paid by the Township, directly to the vendor.

The NLFES is asking for a 20% increase in giving from the three municipalities they service…
Jonestown Borough, Union Township and East Hanover Township
Harmon stated that there is no real agreed upon formula for how donations should be given. Currently the municipalities contribute the following amounts annually to NLFES:

Municipality	**Current Annual Giving**	**20% Increase Requested**
Jonestown Borough	$12,500	$2,500
Union Twp.	$65,000	$13,000
East Hanover Twp.	$70,000 + $28,000 = $98,000	$14,000

When asking for a 20% increase that makes East Hanover Twp's increase larger than any of the other municipalities. Harmon would like to see a formula created to fairly distribute the request for funds.

Zerbe indicated that it has been 10 years since the fire companies merged to create the NLFES. They are now needing more volunteers and more funds to operate successfully. Zerbe noted that despite their needs, there has only been one call since the merger that could not be responded to within their areas.

Harmon and Zerbe confirmed that the DCED fire study is ongoing. We are currently waiting for a progress report.

After hearing the discussion on the matter from both sides, Wentling proposed that maybe a 12% increase would put our Township's donation increase more in line with what Union Twp. is agreeing to pay. Wentling stated that the Board of Supervisors would definitely need to first consider …Where is the money coming from?

The Board of Supervisors agreed to continue discussing this matter and to try to come up with some increased amount in donation for 2027 to the NLFES.

Re. Gaming Fund Projections for 2027 – Harmon advised that the Township only received around $274,000 from Gaming Funds in 2025, instead of the full $280,000, due to decreased table games revenue. Based on that information, he is cautiously budgeting for $270,000 in 2027.

Interest Earnings should be set at $7,000 for 2027.

Regarding expenses from the Gaming Fund, Harmon stated that the Board of Supervisors typically allocated $40,000 for Recreation Expenses from this fund annually. He is suggesting that the amount for Recreation Expenses be lowered to $30,000. Harmon feels that Park Rentals are going well. We have been trying to do larger projects at the park every two years, partnering with grant providers. However, 2027 is not a year we are planning a project for the park. Therefore, Harmon feels the budget can work if the amount is lowered to $30,000.

Roads usually get about $150,000 per year from this fund.
Harmon wouldn't recommend cutting in this area as they have many areas for road work that will have increased cost because of the high oil/fuel prices.

Heagy suggested that perhaps funding be cut from libraries and moved to the NLFES.

More discussion regarding an increase for NLFES transpired, but no definite answer was determined at this meeting.

Re. Road Budget Projections for 2027 – The Road Foreman provided his "2027 wish list" for work projects to Harmon. Harmon reviewed the list with the Board of Supervisors and indicated which items he felt the 2027 Budget could support. Two items, an oil & chip project and a drain tile project, were put on hold until a later date. The items Harmon recommended to include in the new budget total approximately $280.000. He proposes paying for those expenses from the following funds:

$150,000 – Gaming Funds
$130,000 – State Funds

As the State Fund is anticipating revenue to be around $208,000 in 2027, Harmon advised that the difference between 2027 revenue and expenses ($78,000) will be held to be used for future road paving projects like Bull Frog Road.

Re. General Fund Projections for 2027 – Harmon gave an overview of the General Fund revenues for 2027.

Items of consideration:

-Transfer tax has been trending down this year. Therefore, he advised that he has conservatively estimated income for Transfer Tax in 2027 at $15,000 less than 2026. –
Earned Income Tax has been estimated by Keystone Municipal Collections to be $430,000 in 2027, however, based on where things stand this year, Harmon is cautiously setting that income projection at $410,000 for 2027.

-Zoning Application Fees are very inflated this year, but that is because Kreider Farms has obtained some Zoning Permits related to their Poultry Project that produced larger amounts of revenue. That is not really an expectation for 2027.

Harmon is not anticipating a lot of revenue growth for next year.

Harmon moved on to review General Fund expenses for 2027. He stated that his current draft of the expenses is currently around $10,000 short.

Items of consideration:

-Harmon stated that insurance costs are one area where he feels we should look to make a possible change. The Board of Supervisors granted their approval for Harmon to contact other providers to "shop around" for insurance.

-Costs in general are going up.

-We had a lot of Zoning Hearings this year. Such hearings carry a lot of cost with them. Perhaps this area of expense should be increased in the coming year.

-This past year we had a lot of equipment repair expenses. Hoping not to have as many next year, but Harmon bumped it up for 2027.

-An equipment fund was started for future capital purchases. If we have any surplus at year end, we would transfer some to that account.

-At some point, we need to consider some substantial building maintenance.

The Board of Supervisors will continue to think on how to cover the $10,000 shortfall and address that at the next budget meeting.

Re. Wages for Hourly Employees - Harmon provided the Board of Supervisors with various calculations for possible wage increases for employees in 2027. He also advised that the Consumer Price Index is up 3.9%. After consideration, the Board of Supervisors unanimously agreed to budget for an $.90/hour raise for the hourly employees. Salary amounts will be officially approved at the January 2027 Reorganizational Meeting.

Having no further business to discuss, the meeting was adjourned at 8:43 p.m.

Respectfully Submitted,

Sheila M. Seaman
Administrative Assistant