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Our Mission

To strengthen, empower and advocate for effective local government.

The League is a nonprofit, nonpartisan organization established in 1900 as an advocate for Pennsylvania's 3rd class cities. Today, The League represents participating Pennsylvania cities, boroughs, townships, home rule communities and towns that all share The League's municipal policy interests. Our Board of Directors oversees the administration of a wide array of municipal services including legislative advocacy (on both the state and federal levels), publications designed to educate and inform, education and training certification programs, membership research and inquiries, programs, and group insurance trusts.

We are continually monitoring the needs of our members and are committed to providing the Commonwealth's municipalities with cost-effective programs and services required to meet the distinct needs of their communities.

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Original articles on subjects of interest to municipal officials are welcome, but subject to review by editorial staff. The publisher has the right to reject unsuitable advertising.

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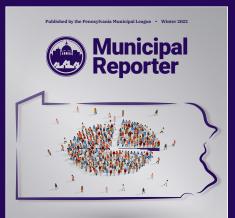
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COVER



CHANGING DEMOGRAPHICS IN PENNSYLVANIA

WINTER 2022 EDITION CONTENTS

- 3 Association Officers and League Staff
- 7 Calendar of Events
- 8 League President's Message
- 9 League Executive Director's Message
- 11 .. Inside The League
- 13 .. League Leaders -Mayor Rita Frealing, Gettysburg
- 16 .. Changing Demographics in Pennsylvania Articles
- 22 .. Business Leaders Network

- 24 .. U•COMP
- 26 .. Legislative Status Report State
- 27 .. Legislative Status Report Federal
- 29 .. Public Finance
- 32 .. Professional Directory
- 34 .. APMM President's Message
- 35 .. APMM News
- 36 .. PSATC President's Message

Annual subscription rate for The League's *Municipal Reporter* – \$45.

ENVISION 2032

Charting the Future for Pennsylvania's Municipalities



The League was pleased to meet with Governor Wolf to present and discuss our ENVISION 2032 – Charting the Future for Pennsylvania's Municipalities publication!

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Available at: PML.org/envision-2032



Mark Your Calendar



2023

APMM Lunch & Learn Webinar January 11

PSATC Executive Committee Meeting February 3-5 Sheraton Station Square Pittsburgh

APMM Executive Development Conference February 9-10 Hotel Hershey

PennPRIME Virtual Subcommittees and Board of Trustees' Meetings February 24

> U•COMP Board of Trustees' Virtual Meeting March 3

Annual PELRAS Conference March 15-17 Penn Stater Conference Center Hotel, State College

> League Board of Directors Meeting March 23-24 State College

NLC Congressional City Conference March 26-28 Marriott Marquis, Washington, D.C.



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The League President's **Message**



MICHAEL LOMBARDO MAYOR CITY OF PITTSTON



Happy New Year, and I hope that everyone had a Merry Christmas and blessed Holiday Season. As we progress through the first quarter of 2023, there is much work to be accomplished. We will continue to be guided by The League's mission to strengthen, empower and advocate for effective local government in an inclusive, non-partisan manner as we initiate the goals outlined in our ENVISION 2032 Forum.

Our legislative priorities for this year are based in three categories, Public Safety, Municipal Finance, Community Development and Infrastructure. Two priorities in Public Safety include local use of radar and ensuring that any legislation adopted regarding Post-Traumatic Stress Injury (PTSI) for first responders considers the unintended cost consequences for municipalities. The League supports PTSI legislation but is committed to insuring that an unfunded mandate is not thrust upon municipalities. In the Municipal Finance domain, The League is committed to advocating for modernization of local taxing structure to provide more opportunities for local government to appropriately fund municipal services and prevent municipal economic distress. Community Development and Infrastructure remain long-term priorities for The League. We will focus on blight remediation, recognizing the impact of blight on communities in terms of social, economic and public safety.

I continue to challenge each of you to actively engage and respectfully ask that each of you commit to bringing one new member to The League. Together, we can grow our influence and impact.

There undoubtedly will be challenges this year as we continue to work our way through the residual effects of the pandemic and the possibility of some unstable economic months but I am certain that with continued collaboration and open communication, we can successfully meet each challenge. As local elected and appointed officials, we need to demonstrate that good leadership is most important and ultimately has nothing to do with politics or political party. Let's be the example as we build our communities from the ground up and strengthen our Commonwealth.

Finally, I look forward to continue working with League Executive Director John Brenner and the entire talented staff of our Pennsylvania Municipal League.

Let's do this TOGETHER!!

Best Regards,

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Michael A. Lombardo Mayor, City of Pittston

The League Executive Director's Message

The face of Pennsylvania is changing. In this issue of the Municipal Reporter, we focus on the demographic changes taking place in our state, especially since the last census. Who lives here and who is staying here and coming here to study, work, live and "Pursue their Happiness" has a direct impact on our local communities.

Our Commonwealth has been a patchwork of peoples who want religious freedom since its inception. Our skilled workers, craftsmen and artisans are now joined by a new generation of folks thriving in the tech economy. A growing number of new hard working people have come to our cities, boroughs and townships bringing more diversity and a willingness to strengthen their families while bolstering our agriculture, industrial and service sectors. Change is never easy.

Local officials are already making a difference. A few are highlighted in this publication. Stay connected with our ENVISION 2032 section of the website to see more innovative and creative ideas being implemented in local communities. If we welcome and embrace the new face of Pennsylvania, we will undoubtedly lay an even stronger foundation for our economic future.

Yours in Service,

5. Brennel

John S. Brenner



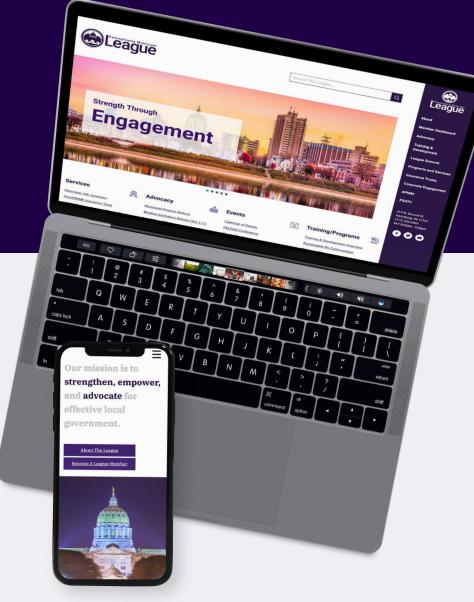
JOHN BRENNER





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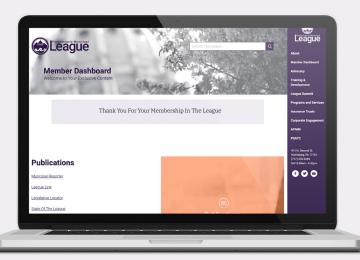


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League News ...

Inside **The League**

Paying close attention to Pennsylvania's changing demographics allows public servants to understand trends on how to better service their key constituencies. Between 2010 and 2021, Pennsylvania's population increased by 1.1 percent to nearly 13 million residents while the nation grew by just over seven percent during that period. Changing shifts in



ABE AMORÓS DEPUTY EXECUTIVE DIRECTOR -OPERATIONS

population impact local economies, budgets and local governments which are always looking for innovative ways to serve constituents. Understanding trends is important as population growth impacts economic growth along with job and economic development opportunities.

Did you know that the commonwealth's population made up of senior citizens (65 and over) was the fastest growing population by nearly 26 percent while those between 35 and 49 years of age dropped by more than eight percent between 2010 and 2021?

In addition, the fastest growing ethnic population in Pennsylvania is the Latino community which increased to more than 1.1 million residents between 2010 and 2021. If you have a significant Latino presence in your municipality, please consider offering materials in Spanish as it not only sends the right message regarding inclusion but also demonstrates a welcoming environment for another generation of Americans looking to assimilate. Translation services are not only affordable but can be found just about anywhere in Pennsylvania. (Should you need this service, please feel free to contact me directly at <u>aamoros@pml.org</u> for more information.) Pennsylvania also has a growing Asian population which increased from 1.1 percent in 1990 to 2.8 percent in 2020.

Nearly half of the immigrant population in Pennsylvania (49.5 percent) has been naturalized as U.S. citizens and is eligible to vote. The purchasing power of immigrant communities is also immense with Latinos in Pennsylvania totaling \$14.2 billion and Asians having a buying rate of \$12.2 billion, according to the Immigration Policy and Advocacy for the Center of American Progress. It should also be noted that undocumented immigrants also pay state and local taxes totaling more than \$135 million annually, according to the Institute for Taxation and Economic Policy. These same immigrants also contribute significantly to Pennsylvania's economy. If they were to be removed from the workforce, the Perryman Group estimates a loss of more than 27,000 jobs and more than \$5.3 billion in economic activity.

The Weldon Cooper Service for Public Service at the University of Virginia predicts that Pennsylvania's population will begin to contract over the next 20 years. If that comes to fruition, the commonwealth will be the sixth most populated state rather than fifth in the nation.

As many municipalities continue making decisions regarding their American Rescue Plan Act (ARPA) allocations, decision makers still have time to designate their resources as they have until the end of 2024 to provide a detailed spending plan with all expenditures required by the end of 2026. Median household income has risen since the 2010 Census and is now just over \$63,000 in inflation-adjusted dollars. Furthermore, the Census Bureau's 2020 American Community Survey shows more than 5.7 million housing units in Pennsylvania.

Changing demographics, including those based on ethnicity, should be followed closely by elected and appointed officials in order to properly allocate resources in response to every community's needs. Over the next seven years, that landscape will continue shifting with greater challenges ahead.

From Inside The League,

Ale Amorói

Abe Amorós





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Q&A with League Leader Rita Frealing Mayor Gettysburg Borough Director-at-Large



This Q&A feature section of the Municipal Reporter highlights an individual local leader who has been involved and engaged with their community and The League.



Q: Mayor, thank you for your service as mayor of Gettysburg. How did you get involved in local government?

Growing up on the outskirts of Gettysburg – and yes, I had a Gettysburg address – I was always interested in local government. As a child, one of my life's ambitions was to be the Mayor of Gettysburg. I can't even say what gave me the notion, it was just there. Some children imagine their lives' ambition early in life and very often, it happens. I began holding offices in the 8th grade when I was elected Class Vice-President. That was an inspiration that stayed with me as I grew into a young adult, with a desire to achieve and represent my peers. Later in high school, I was elected to Sophomore Class President, Junior Class President and then President of Student Council.

Throughout my life, friends invariably encouraged me to run for offices and engage in leadership roles. A few years ago, my husband and I were at a banquet facility tasting samples for our wedding reception. My best friend/maid of honor was with us. As other people entered the room and I mingled among them, my best friend who was with me, looked at my husband and said, "Get used to it, when you are with her, it's as though she's campaigning for an office of some sort." Intuition or perception, it was a prophetic revelation that I acknowledged immediately.

At that same time, I was living in the Borough taking care of my aunt, who had Alzheimer's disease. She was another one who always said to me "You should be Mayor of Gettysburg." After her passing, I made the decision to run for the Office of The Mayor. If there is one thing that gave me the confidence to pursue such a lofty goal, I had to look back over my professional career and my accomplishments. That was the boost that I



needed to move forward and consider how my experience could benefit the Borough that molded me.

With my husband as my campaign manager and chief supporter, I won the primary. Three months later he died unexpectedly of cancer. Having been married only thirteen months, and so much happening, I was moved to put one foot in front of the other and to go on. I held to the commitment I had made to myself and to the citizens of Gettysburg. I somehow found the strength to continue the campaign. Having won the general election, I became the first African American female mayor of Gettysburg. Thank you, citizens of Gettysburg! It was more than I could hope for. I represent all citizens of the Borough and continue to respect, listen to, and hear all of them.

Q: What leadership advice do you have for other local leaders?

Believe in yourself. Let your true self direct all that you do. Listen to and work with others and at times, compromise.

Q: What has been your most rewarding experience as a municipal official?

Interacting with Borough residents. Learning their thoughts, challenges and hopes. I like listening to their ideas on how to improve life in the Borough and seeing first-hand, their pride in their community and their hopes for the future.

Q: What has been the greatest challenge in your position?

A lot of time and effort is required in order to do the job of mayor in more than a simple, ceremonial fashion. It requires communication with other mayors and state officials via meetings and appearances to get Gettysburg on the map for programs, funding and recognition. Attending local events and interacting with citizens provides insight for optimizing the direction of my administration and to recognize opportunities and constraints. Responding to phone calls and emails constitutes a major commitment of time. Finding a balance with my responsibilities as Mayor and my personal life is a constant challenge.

Q: Thank you for serving on The League Board as a Director-at-Large. How has your involvement with The League helped you and your community?

Being a League Board member offers interaction with other community leaders and has afforded opportunities to see how they utilize limited resources and still improve the lives of their residents. Networking with other community leaders has endless benefits to the community. The League offers valuable online training opportunities. The Annual PELRAS Conference is a great opportunity to learn and meet other municipal leaders.

Q: What advice do you have for people considering municipal government as a career

Prepare by getting appropriate education and training. Develop interpersonal skills to assist in working with the public as well as coworkers. Value the citizens that you work for and represent.

Q: As a proud mayor, what would you say are some of Gettysburg's greatest attributes?

Its citizens and visitors. Gettysburg is a small town in many ways. There are approximately 7,500 residents. Gettysburg is becoming very diverse. We are surrounded by one of the bestknown battlefields in the country. The Battle of Gettysburg is part of the town's historical ambiance. We are fortunate to also have the presence of Gettysburg College, ranked #61 of top 210 colleges in the U.S. The presence of the students is a vital part of the community. The college's Majestic Theater brings a wealth of cultural and entertainment events, and of course movies to the Borough and visitors. The Borough also is home to the Gettysburg campus of the United Lutheran Seminary.

Q: Please discuss any programs or services Gettysburg has implemented to address this edition's topic of "The Changing Demographics in PA."

Gettysburg has several cultural interest groups analyzing and reaching out to the changing demographic in our area. The Borough has established a Nondiscrimination and a Local Human Relations Commission Ordinance. The ordinance serves to guarantee that all citizens of the Borough receive fair and equal treatment under the law. \Box





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Make Decisions for the Long Term

BY MAYOR SAL PANTO, CITY OF EASTON, LEAGUE PAST PRESIDENT

Even before the COVID pandemic smaller cities were growing at a faster pace than larger cities and even suburbs. Smaller communities still offer an urban style of living without the large cities' issues of noise, traffic congestion, air pollution and crime. However, since the pandemic, the talk has turned to reality and people are moving from the big cities to smaller, less more racially diverse between 2010 and 2020. Diversity, Equity and Inclusion (DEI) programs became integral parts of local government. City employees were recruited that spoke both English and Spanish; city documents now appear in both languages and DEI became an even more important component of local hiring practices.



crowded conditions of our nation's small urban centers. In small cities like Easton, residents can live in a walkable urban setting and have opportunities like restaurants, museums and live theaters, and other amenities that are part of a wanting to be with other people.

With this population shift also comes another issue that was foreign to current local officials and hasn't been an issue since the great immigration period of the early 20th century. The 2020 Census made it clear that nonwhite racial and ethnic groups, especially residents identifying as Latino or Hispanic, Asian American, or with two or more races, accounted for most of the growth nationally. Cities, small and large, became Easton isn't unique in this demographic shift, but we are making positive changes that reduce the impact of these new residents from the larger metro areas of New York and Philadelphia. However, with the influx of these new residents also comes the unfortunate

rise in the real estate market, further locking out the lower end of the socio-economic strata of residents and exacerbating the affordable housing crisis many successful cities like Easton are experiencing.

To address the issue of providing

affordable shelter, the Mayor's Task Force on Affordable Housing was created last year with recommendations endorsed by Easton City Council this year. The recommendations include the formation of a Housing Development Corporation, a Land Banking component, and assistance to the private sector for the construction of affordable houses and rental units. The first 53 units are now occupied with 55 more anticipated to start construction next year. The city, with our Redevelopment Authority, is also purchasing blighted properties and vacant parcels to build more units. We are also working on a policy that assists private sector builders of affordable owner-occupied houses.

On the other side of the spectrum, we are attracting market rate units that attract young professionals and empty nesters to our city. These new market rate units provide the tax base that is needed to continue providing the public safety and public services to our residents without raising the real estate taxes.

To date, the one billion dollars in development that has occurred over the last 15 years has been on former urban renewal parcels; so there has been no gentrification. As



an individual who grew up in public housing I am personally against gentrification. The goal is to keep Easton the diverse socio-economic city it has always been.

The best defense against gentrification is to attract family sustaining employment and provide affordable housing where needed. With that as our goal, we are also actively involved in an economic development program that attracts family sustaining jobs to our city.

Lastly, Easton was successful 15 years ago in obtaining a HUD Hope VI grant to rebuild the city's largest and most-dense public housing project. Today, it is a model of how a city can integrate low-income housing into its neighborhood fabric. Although that program no longer exists we were successful in receiving a HUD Choice Neighborhoods Implementation Grant which is the first step in being hopefully awarded a full grant to rebuild our low income housing projects in our West Ward neighborhood. This grant will add more needed housing for our low-income families in units that don't look like the traditional public housing "projects." This grant will help low-income families in many ways.

The demographics of urban centers is changing, and local officials must adapt to the new paradigm. Change is inevitable and local officials that evaluate the trends in their communities and provide a clear vision of where they want their community to be in ten years will be ahead of the curve. More importantly, it requires local officials to make prudent decisions for the long term and not just their political term.





PA Municipalities Should Plan Now for Demographic Changes

SUBMITTED BY THE PENNSYLVANIA ECONOMY LEAGUE, CENTRAL DIVISION

In the parlance of real estate, location is everything. That rule of thumb appears to be driving demographics in Pennsylvania, where proximity to a major urban hub near the east coast corridor, particularly the cities of Harrisburg and Philadelphia, is driving population growth that also tends to be more diverse, in contrast to the rest of the state.

Understanding these demographic patterns can help municipalities plan for their future, whether gearing up services for a growing, diverse population, looking to attract residents and businesses to a more sparsely populated area, or taking steps to remain financially sustainable in the face of challenging demographic trends.

Where is the most growth? Overall, Pennsylvania grew only 2.4 percent from 2010 to 2020, compared to total U.S. population growth of 7.4 percent. A close look reveals ten Pennsylvania counties swelled by over 5 percent from 2010 to 2020. Population in the major cities located in and around these counties tends to be flat or growing, often in contrast to prior decades of population losses.

Looking at a state map, the high growth counties cluster around Philadelphia (Philadelphia, Chester and Montgomery counties), moving westward to the cities of Lancaster (Lancaster and Lebanon counties) and Harrisburg (Dauphin and Cumberland counties) and north into the Lehigh Valley with its cities of Allentown, Bethlehem and Easton (Lehigh and Northampton counties). The one exception is Butler County, which is north of the city of Pittsburgh in western Pennsylvania.

Where did the growth come from? International migration appears to be one driving force, particularly in Chester, Dauphin, Lancaster, Lehigh, Montgomery and Philadelphia counties. Some is natural growth in certain large population counties where births exceed deaths. There is a smattering of domestic migration, particularly in Cumberland and Butler counties.

Except for Butler, all the highgrowth counties scored on the higher end of the Diversity Index.¹ The second largest ethnic or racial group was Hispanic in five of the growth counties (Lebanon, Lancaster, Chester, Lehigh and Northampton); Black in two counties (Dauphin and Montgomery); and Asian in Cumberland. In Philadelphia, Whites are the second largest ethnic or racial group.

In addition to these 10 counties, another 13 experienced smaller population increases. Most were in southeast or northeast Pennsylvania. Exceptions were Allegheny County, home to Pittsburgh; Washington County, which abuts Allegheny; Centre County, where Penn State University is located; and Snyder County.

Despite these growth areas, population fell in most of Pennsylvania's 67 counties, many of which are rural, less diverse, and already sparsely populated. In western Pennsylvania, proximity to a large urban hub did not necessarily translate to population growth. For instance, Erie County experienced a 3.5 percent population loss despite being home to Erie city, the state's third largest third-class city. And Westmoreland County, which abuts Allegheny County and Pittsburgh, experienced a 2.9 percent population loss.

The 44 counties that are losing population often experienced a double whammy of natural loss, or deaths exceeding births, combined with negative domestic migration (people moving out). International migration is often zero. These counties are home to many of the state's shrinking third-class cities and urban core boroughs that serve as the economic hubs for their region, housing tax-exempt government buildings, hospitals and educational institutions.

¹ The Diversity Index shows the probability that two individuals chosen at random in a given area will be from a different race or ethnic group.

What lessons can be learned? The Pennsylvania Municipal League's **ENVISION 2032 blueprint provides** guidance through its priority areas. Infrastructure tops the list of municipal concerns. Ease of transport from home to work to school is critical to maintaining and expanding population, whether that is ensuring the existing roads are clear and safe or looking to create new, more convenient routes. For instance, Butler's success was helped by development of roads that eased the commute to Pittsburgh.

Meanwhile, expanding broadband infrastructure is crucial especially to the state's rural municipalities. Economic development professionals are realizing that natural beauty, proximity to state parks and hiking trails, and smalltown charm is a draw for residents who are weary of crowded, expensive metro life. High-speed, reliable internet access is essential to attract this population.

Declining, aging populations represent a financial and operational challenge to many of Pennsylvania's communities. Municipalities might experience tax revenue loss as people migrate out or retire. Some are seeing increasing blight that can translate to lower assessment values and greater community development challenges as older residents pass away and leave behind vacant dwellings. Urban core municipalities, even in high-growth counties, tend to have lower wealth populations than the communities around them and often struggle to pay for services used by the entire county.

These demographic trends only make it more urgent to revisit the state's local government tax system, as outlined in the Pennsylvania Economy League's <u>"It's Not 1965</u> <u>Anymore: State Laws Fail to Meet</u> <u>Municipal Revenue Needs."</u> The findings in our study indicate the state should provide more flexibility so municipalities can design a tax menu that works for them based on their unique demographic factors, which vary widely.

Another key component is diversity. Although it is not clear whether more diverse counties are attracting more residents because of their diversity, a large part of Pennsylvania's growth is driven by international migration and increases in the non-White population.

That means all municipalities should take steps to move Diversity, Equity and Inclusion (DEI) to the forefront. DEI is about more than diversity; it encourages engaging all residents whatever their age, race, ethnicity or other factors to form common ground that strengthens the community. A Pennsylvania Municipal League survey found that over 60 percent of respondents are already embedding DEI as a core principle and are helping to build relationships and connections among residents from diverse ethnic, cultural, religious, and socioeconomic groups.

As they consider their individual demographic picture, municipalities should consider the impact these changes will have and begin planning now for future challenges and opportunities. The Pennsylvania Economy League, Central Division is in independent, nonpartisan voice for good government. A 501(c)(3) organization, PEL provides technical assistance to state and local government, independent research on state and local issues impacting our communities, and civic education through our e-alerts, issues forums and more.

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A Certified Welcoming City: Lancaster's Work to Welcome Newcomers

The City of Lancaster is a Certified Welcoming City, a designation it earned for its efforts to welcome all, including immigrants and refugees.

Lancaster has been a city of welcome for nearly 300 years, from the longstanding Amish community to newly arrived refugees. We are the first community in Pennsylvania to receive the Certified Welcoming designation by the national nonprofit organization Welcoming America in 2019, the City of Lancaster has led the way on how communities can be welcoming and inclusive to immigrants. In October 2022, the City of Lancaster was redesignated as a Certified Welcoming City, marking consistent progress in advancing policies and programs related to immigrant inclusion.

Our immigrant inclusion work is embedded into the Department of Neighborhood Engagement, launched in 2018 in support of strategic priority to strengthen our neighborhoods. The department has a deep commitment to ensuring all residents, including immigrants, have opportunities for dialogue, learning, partnership, civic leadership building, and action between the city government and neighborhood residents.

The impacts of immigrant inclusion work extend beyond our neighborhoods. According to a <u>New American Economy</u> <u>report</u> conducted in partnership with the Lancaster Chamber of Commerce and the Lancaster County Coalition for Refugees, foreign-born residents accounted for \$1.3 billion to the county's GDP. Additionally, while other counties have lost population, Lancaster's population has been attributed in part to increasing resettlement. Immigrants and refugees continue to provide an important source of talent for our city and county's workforce needs.

As part of our journey of becoming a Certified Welcoming City, the City of Lancaster has created and implemented a language access plan to ensure we can communicate with everyone regardless of what language they speak. Under the leadership of our Language Services Coordinator, Zayra Falu, we've implemented over-the-phone translation, translated hundreds of documents and communication pieces, and, in a city with lots

of Spanish speakers, we've been intentional in seeking out bilingual staff members. Now, we're getting ready to launch video remote interpretation across all city departments. These efforts take time, effort and resources, but they all started with a commitment to equity. Everyone deserves access to public services, and by providing services, we are practicing welcome.

Here in Lancaster, we know that refugees and immigrants make our community and economy stronger, and that we are better together. Being redesignated as a Certified Welcoming City is a testament to Lancaster's continued commitment to creating an inclusive community where everyone can belong – whether you are a newly arriving refugee or part of a family that has made Lancaster their home for generations. \Box



Welcome - City of Lancaster, PA Video

Proactive beats reactive.

Taking steps to prevent labor and employment issues is a far better strategy than trying to mitigate them after the fact. We partner with municipalities in every corner of the Commonwealth, helping them address potential risks and create work environments where people and public service can thrive. We'd like to do the same for you.

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Unemployment Eligibility: Poor Performance Discharge vs. Misconduct Discharge

BY ELIZABETH HENRY, TRUSTS MEMBER SERVICES MANAGER

Would you be surprised if you were informed by Labor and Industry (L&I) that an unsatisfactory work performance discharge can render the claimant eligible for unemployment benefits? It is often viewed by L&I that appropriate training of the employee is the employer's responsibility.

Unsatisfactory work performance is not considered willful misconduct.

Discharge: Section 402(e)

provides that an individual who is discharged from employment for reasons that are considered to be willful misconduct connected with his/her work, is not eligible to receive benefits. The employer must show that the employee's actions rose to the level of willful misconduct. "Willful misconduct" is considered an act of wanton or willful disregard of the employer's interests, the deliberate violation of rules, the disregard of standards of behavior that an employer can rightfully expect from an employee, or negligence that manifests culpability, wrongful intent, evil design, or intentional and substantial disregard of the employer's interests or of the employee's duties and obligations.

While it is the employer's prerogative to discharge an employee, an employee is not ineligible for UC benefits unless the discharge is due to willful misconduct. Pennsylvania's courts have provided guidance in determining an individual's eligibility in specific situations involving a discharge for willful misconduct.

Unsatisfactory work performance is when the employee is working to the best of his/her ability, but not satisfactory to the employer. If the claimant is performing at their best capacity and not satisfactorily to the employer, this should be clearly documented by the employer.

However, it is willful misconduct when an employee shows an intentional and substantial disregard of the employer's interests. This is where the employer shows that the claimant was capable of doing the work, but was not performing up to standards despite warnings and guidance.

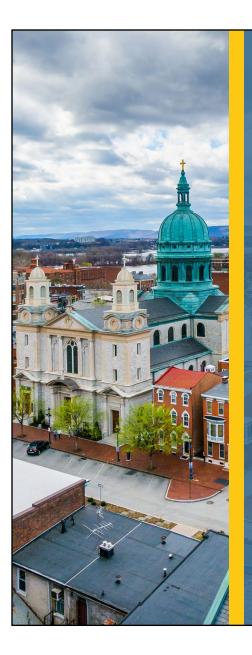
While it is the employer's prerogative to discharge an employee, that individual is eligible for Unemployment Compensation benefits unless the discharge is due to willful misconduct. Any deliberate disregard for the employer's policies can be documented and presented in writing to the employee for signature, not necessarily for the employee's approval, as part of a case to be presented at an L&I unemployment hearing.

In order to create a case/file on the employee, be it poor performance or misconduct, follow the advice of L&I ... document, document, document!

If you are a member of an unemployment program, such as U•COMP, you will have a representative in your corner interfacing with PA Labor and Industry.

Please contact Elizabeth Henry for a non-binding proposal at:

<u>ehenry@pml.org</u> or by calling 1-800-922-8063, ext *250. □







IT'S NOT 1965 ANYMORE: STATE TAX LAWS FAIL TO MEET MUNICIPAL REVENUE NEEDS

Pennsylvania's municipal tax authorizations have failed to keep pace with modern realities. Municipalities need more flexible revenue options just to keep the lights on.

> CLICK HERE TO VIEW PUBLICATION





Legislative Status Report STATE

2023 Legislative Priorities

The Pennsylvania Municipal League is a nonprofit, nonpartisan organization established in 1900. Today, The League represents participating cities, boroughs, townships, home rule communities and towns that all share The League's municipal policy interests.

The League is dedicated to advocating for and serving the interests of our membership.

With a mission to strengthen, empower and advocate for effective local government, The League supports the following 2023 legislative priorities.

Public Safety	 Local Use of Radar: Achieve authorization for municipal police officers to use radar as a modern public safety tool for speed enforcement. Post-Traumatic Stress Injury (PTSI) for First Responders: Achieve a compromise on legislation granting first responders an expanded PTSI benefit. The League supports language that will result in a benefit that is narrowly tailored, fiscally responsible and insurable.
Municipal Finance	 Local Taxation Reform: Educate the General Assembly on the need to modernize the 1965 local taxing structure, commonly referred to as Act 511, so that local revenue can appropriately meet today's expenses and help prevent fiscal distress. Recommendations include: Eliminate or raise tax rate caps on EIT Perform regular property assessments Allow flat taxes to grow with inflation Content of the tax and non-resident tax
Community Development and Infrastructure	Blight Remediation: Achieve tools to help in the on-going efforts to prevent and remediate blight in our communities. Specifically, The League supports increasing the 1994 fire escrow amount to reflect today's dollars, providing a simplified process to clear tangled titles and strengthening local code enforcement efforts and funding.

For more information, please visit pml.org.

For questions, please contact Amy Sturges, Deputy Executive Director for Advocacy, at asturges@pml.org.

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Smart City Practices for Equitable Development

BY AMIT COHEN, HOUSING & COMMUNITY DEVELOPMENT, NATIONAL LEAGUE OF CITIES

Community development leaders continuously balance resource, budget and land constraints. While smart city practices are still relatively new in city government, there are many practical applications for cities invested in advancing equitable community development. Contrary to popular belief, "smart city" projects often do not require a large investment in new technology or big data – there are many low-cost and low-tech ways to improve resource allocation, service delivery and improve residents' lives.

But while smart cities and data have the potential to improve residents' lives, it is important not to lose sight of the importance of resident feedback, otherwise known as qualitative data. The stories that people share are critical for contextualizing data and can reveal insights that are otherwise difficult to capture through numbers alone. Data findings are also not always objective, and qualitative data can help spotlight human-biases that get replicated in data analyses.

The examples presented in this blog are relevant to any local government looking to find stepping stones toward using smart city practices to build more equitable communities.

Smart Practices & Recommendations

Recommendation 1: Ground smart city practices in a community engagement process

Involve community members early in the planning process. Carefully planned conversations can help cities build trust, in particular with low-income residents and Black, Indigenous, People of Color who may have been targeted by extractive research practices in the past.

Collaboration with residents and other community organizations can help cities design smart city projects to collect and use data in ways that support low-income residents and communities of color, rather than harm them. For example, Portland, OR created the Smart Cities PDX Framework that mandates that all future smart city projects must benefit marginalized communities, feature community engagement processes, and publish resources to help residents understand and provide feedback on the project.

Little Rock, AR has made community engagement a central component of its efforts to create a "data house" that leverages open data to drive performance measurement. One project that stands out is Little Rock's effort to address public safety concerns. While the Little Rock team assumed 12th Street faced the most accurate need, digging into the data showed that the neighborhood with the highest level of crime and blight was actually a few blocks away in Midtown. Equipped with the knowledge of where to go, the city took to Midtown to give residents the opportunity to self-prioritize their concerns. By listening to the community, the city learned that residents' num-



ber one priority was broken streetlights. The Mayor's office has also been able to compare crime data with other factors such as food desert areas, income levels, abandoned properties and historical disinvestment to develop wraparound service programs and guide community investment.

Recommendation 2: Target lower-technology, higher-impact projects

Smart city projects need not require large investments or ground-breaking technologies. Low-tech efforts such as consolidating existing data sources between departments or analyzing free-to-access data can help cities improve service delivery.

New Orleans, LA created a model to predict which areas of the city have homes that are least likely to have a smoke detector and most vulnerable to fire fatalities using data from the American Housing Survey and American Community Survey (ACS). New Orleans prioritized these areas for its free smoke detector program. This strategy did not require any new data collection or technological investment, yet it improved program efficiency, helping the city distribute 8,000 smoke detectors to residents needing them most.

Baltimore, MD mapped existing and publicly available data to guide place-based investments to increase affordable housing and support local businesses in some of the city's most vulnerable communities. The city consolidated data such as sale history, permit and citation history, rental licensing status, zoning and ACS demographic data to help the city understand development trends. The publicly accessible map, CoDeMap 2.0, helped the city focus efforts on at-risk neighborhoods and identify areas where investment might be most beneficial. Proximity to hospitals and schools or redlining history are characteristics Baltimore prioritized. The city has also held over 20 training sessions with city staff and residents and created a user guide to help stakeholders understand how to use the map too.

Recommendation 3: Close the digital divide to help residents take advantage of smart city tools and data

The digital divide refers to the gaps in access to digital technologies and education. Digital literacy training and expanding access to computers, smartphones and broadband can help more residents use and understand smart city tools and data, making smart city projects more transparent. Addressing the digital divide can help those with poor access to technology and limited knowledge of how to use technology take advantage of services, employment opportunities and information that have moved online. Expanding digital access can also help a larger range of residents use and provide feedback on smart city initiatives, helping projects better integrate residents into smart city decision-making.

Chattanooga, TN took steps to advance its community development goals of closing the physical barriers of the digital divide. By partnering with the Electric Power Board of Chattanooga, Chattanooga has been a leader in providing low-cost, high-speed internet to residents and increasing the number of digital hotspots in the city, especially during the pandemic. Another cornerstone program is HCS Connect which distributes free internet to low-income students. The government partnered with the Enterprise Center on Tech Goes Home Chattanooga, a program that has provided more than 5,500 individuals with digital skills training and subsidized computers and tablets. The program includes specialized curricula for those who may face additional barriers to technology use such as the elderly, those who are hard of hearing and people with low vision.

Recommendation 4: Establish formal data governance procedures to build trust with residents and internal efficiency

A data governance procedure is a formal framework that guides how data is used and managed by an organization. Data governance procedures can create repeatable processes for data use, detail how data will be protected and describe how data collection and usage will benefit stakeholders. Creating a data governance procedure does not require a city to increase its data collection or analysis capacity. It allows a city to set the groundwork for all current and future data-related initiatives, no matter the scope.

Columbus, OH created a Data Management Plan for their Smart Columbus program to specify the scope and purpose of data collection in addition to how they would protect the data. Smart Columbus has included a variety of projects, including efforts to expand and optimize public transit service and micro-mobility options. The Data Management Plan frames how data should be shared, organized and used to create standards across the government and make residents aware of how their data is collected and managed. Columbus' smart city projects include evaluations to ensure that the data privacy, security and confidentiality standards detailed in the Data Management Plan are maintained.

What is Next for Cities?

Cities should work toward ensuring that smart city projects advance racial equity and justice goals. Cities should take steps to ensure that stakeholders can understand and benefit from the results of local efforts, whether that be data analysis to allocate community development funds or a large-scale project to retrofit homes. Residents should be partners is smart city projects. Within this framework, lower-investment, lower-technology projects are great stepping stones toward using smart city practices to build more equitable communities.

Public Finance What Are You Talking About? A definition of some of PLGIT's more frequently used words and phrases

BY COURTNEY MULHOLLAND, PLGIT SENIOR MARKETING REPRESENTATIVE

In our typical PLGIT columns, we offer information about current economic conditions, new products, or trends in municipal finance.

Despite our long history in serving the local governments and school districts of the Commonwealth, we sometimes take for granted that PLGIT's investors are familiar with all of terminology we regularly use to describe our organization and the work we do. With that in mind, the PLGIT staff has compiled a short list of some of the terms you're likely to come across most frequently in our articles and other communications.

Local Government Investment Pool (LGIP)

An LGIP is a cooperative investment product for the investment of short-term funds LGIPs are managed with the objective to maintain liquidity with a goal of a stable net asset value (NAV) of \$1 per share. The Pennsylvania Local Government Investment Trust (PLGIT) differs slightly in that, in addition to investing local government funds, we are also managed by our investors and overseen by a Board of Trustees from our sponsoring associations like The League.

Onsite Electronic Deposit

Onsite Electronic Depositing allows investors to make deposits digitally into an account using either a check scanner or the camera on a mobile device. Among the many benefits of this type of service are:

- Reduced risk of loss or mail theft
- Rapid availability of scanned funds
- Time savings by eliminating trips to financial institutions
- Improved organization and recordkeeping via access to check images
- Lower check processing costs at financial institutions

PLGIT recently introduced its own onsite electronic deposit program that allows local governments to invest funds into their PLGIT-Class account.

Reverse Positive Pay

This process enables an account holder to review checks at the point they are to clear their account, and notify an institution if a check should not be paid, which presents a valuable security measure.

For PLGIT investors, a local government's authorized Check Verifiers will receive notice any day checks are presented on a PLGIT account. Checks are viewable on PLGIT's new *Connect* online platform.

Bond Proceeds

A bond is a fixed-income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental). Bond details



include the end date when the principal of the loan is due to be paid to the bond owner and usually include the terms for variable or fixed interest payments made by the borrower.

Bond proceeds are very simply the funds realized from the sale of a bond.

Source: Investopedia. <u>https://www.</u> investopedia.com/terms/b/bond. asp

Procurement Card

Procurement cards – or *P-Cards* – work like a credit card and are issued to employees to make payments or purchases on behalf of municipalities. P-Cards offer these benefits to both local governments and their staffs:

- Municipalities can restrict spending by each individual cardholder to the specific departmental areas or vendors.
- Municipalities can access and monitor accounts via designated online portals.
- P-Cards chip circuitry and encryption technology offers extra protection against fraud.
- P-Cards offer an element of convenience in that they can eliminate the often-tedious requisition process involved in paying for products, and enable local governments to make purchases anytime.
- Vendors are typically paid much more quickly, often within two days of submitting a charge, as opposed to the standard 30 days or more when payment by check is involved.

• While not the case with all P-Cards, PLGIT's P-Card program offers rebates based on the volume of usage. Rebate details are available from your PLGIT representative.

Certificates of Deposit (CDs)

A certificate of deposit is an account with a fixed sum that sits untouched and accrues interest for a specific period of time (e.g. 6 months, 12 months, 5 years, etc.)

PLGIT has a CD Purchase program* through which a municipality can gain access to a range of competitive fixed-rate, FDICinsured CDs, with flexible terms, from banks across the nation that may have higher yields than some Federal Agency discount notes.

* Additional service authorized by the Board of Trustees and administered by PLGIT's Investment Adviser, PFM Asset Management LLC.

Source: "What Is a Certificate of Deposit (CD) and What Can It Do for You?" Investopedia, 18 May 2022, <u>www.investopedia.com/</u> terms/c/certificateofdeposit.asp.

Term

Term is essentially a length of investment time that provides participants with the ability to "ladder" investments to meet defined expenditure schedules.

PLGIT offers investors a product named PLGIT TERM, a fixed-rate, fixed-term investment for periods from 60 days to one year. PLGIT TERM investments can be made beginning at \$100,000 or more, with principal and dividend paid at maturity.

The Federal Reserve

The Federal Reserve – or The Fed – was created in 1913 by an act of Congress as an institution that could help smooth the cycle of business and prevent the periods of financial panic that regularly rocked the U.S. economy. It is centrally located in Washington, D.C., but collects information from 12 regional banks in different parts of the United States. The Fed is currently chaired by Jerome Powell.

Today, the Fed's main responsibilities include:

- Affecting monetary policy with a goal of full employment and stable prices
- Regulating banks and other financial institutions in an attempt to ensure their safety and soundness and seeking to protect the credit rights of consumers
- Maintaining the stability of the financial system and containing systemic risk
- Providing certain financial services to the U.S. government and U.S. financial institutions and foreign official institutions
- Playing a role in operating and overseeing the nation's payment systems

Perhaps the Fed's biggest impact on local governments is its influence over interest rates by periodically setting a target for a specific rate known as the federal funds rate. This is the rate that banks charge each other for overnight loans between their accounts at the Federal Reserve, and a benchmark rate from which other short-term treasury yields and bank deposit rates are derived.

Source: *The Fed and Rates in 2022,* PLGIT, 7 March 2022

Inflation

Inflation is a loss of purchasing power over time, meaning the U.S. dollar will not go as far tomorrow as it did today. It is typically expressed as the annual change in prices for a collection of goods and services.

In the United States, there are two main measurements of inflation. One is the Consumer Price Index (CPI), which measures the cost of things consumers buy directly, excluding fuel and food. The other, the Personal Consumption Expenditures (PCE) index, measures things people consume, but also takes into account things those consumers do not pay for directly, such as health care.

Inflation affects municipalities via the Fed's adjustment of interest rates as noted above. Since March of 2022, the Fed has raised its target overnight rate to a range of 3-3.25% in an effort to slow the rise of inflation.

Source: *Inflation: What Should A Municipality Do?*, PLGIT, 16 February 2022

It may seem simple, but municipal managers armed with a basic understanding of these terms may be better equipped to sort through their daily economic news – and may have a clearer sense of what may lie ahead for their local government.

If you have questions about these terms, or any other terms that you may encounter in your reading and research, contact your PLGIT representative.

Courtney Mulholland is a Senior Marketing Representative at PLGIT working with investors in the Eastern region of the Commonwealth. □



This information is for institutional investor use only, not for further distribution to retail investors, and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the investment objectives, risks, charges and expenses before investing in any of the Trust's portfolios. This and other information about the Trust's portfolios

is available in the current Information Statement, which should be read carefully before investing. A copy of the Information Statement may be obtained by calling 1-800-572-1472 or is available on the Trust's website

at <u>www.plgit.com</u>. While the PLGIT and PLGIT/PRIME portfolios seek to maintain a stable net asset value of \$1.00 per share and the PLGIT/TERM portfolio seeks to achieve a net asset value of \$1.00 per share at its stated maturity, it is possible to lose money investing in the Trust. An investment in the Trust is not insured or guaranteed by the

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*The Pennsylvania Powercard Program (the "Program") offers a Procurement Card (a "P-Card"), issued by Harris Bank, N.A., and marketed by PFM Financial Services LLC. PLGIT is a Program sponsor and the Program is marketed to PLGIT Investors. PLGIT receives no compensation for its sponsorship and the Trust is indemnified against any liabilities or costs relating to the Program.



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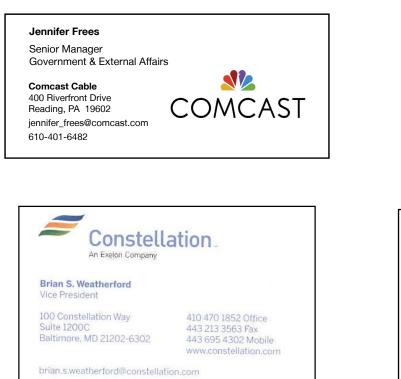




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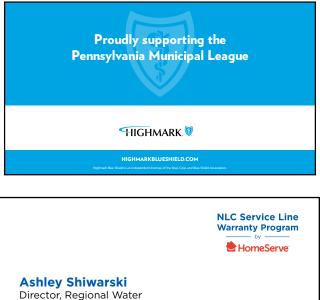


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APMM President's **Message**



<u>GREGORY A. PRIMM</u> <u>MANAGER</u> ALLEGHENY TOWNSHIP



APMM.net

Greetings colleagues and friends.

Another year has come to an end and if you are like me these years just keep exponentially going faster and faster. To slow down just a little, maybe this is the time of year for you to stop and reflect on the previous 12 months. I think we all get so caught up in the daily grind that often we don't think about everything we have accomplished over the past year. Taking time to do this might just astonish you a bit as you re-read each month's minutes and recognize everything that you were directly responsible for. Be your own advocate and cheerleader as you own your year and recognize that just not anyone can do the jobs we do. I am very proud to sit among every one of you as the best municipal leaders in the state. Keep up the high-quality work ethic you have and take pride in what you do for your communities each and every day, year after year.

It is also important for us to set goals for ourselves for the coming year. I personally want to work for a community where civil engagement is expected, where disagreements don't become disagreeable, where people talk to each other and not about each other. I want civil discourse to make a comeback, I miss it terribly. What are your wishes for the new year?

My holiday wish for everyone is to be able to spend some precious time with your family and friends and have an opportunity to simply relax.

Important dates to remember:

- 2023 APMM Winter Webinar Lunch & Learn, January 11, 11:30 a.m. 12:30 p.m., please attend, you should have received an email to register.
- APMM Executive Development Conference, Feb 9-10 at the Hotel Hershey
- APMM Annual Conference, May 22-24, at the Omni William Penn, Pittsburgh, PA

Happy New Year and best of luck to everyone as 2023 approaches.

Argan A Ali

Gregory A. Primm

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Ms. Lindsay Yeager

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Ms. Krista Watt

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SAM JULIANO COMMISSIONER NORTH VERSAILLES TOWNSHIP



PML.org/PSATC

It is a tremendous honor to serve as President of the Pennsylvania State Association of Township Commissioners (PSATC). PSATC has a decades long track record of successfully advocating for First Class Townships before the Commonwealth's Legislature. Together with our Executive Committee, in 2023, I know we will continue this outstanding work.

On behalf of every township commissioner, I want to thank and congratulate Upper Moreland Commissioner Sam Valenza for an outstanding term as PSATC President in 2022. Sam exemplifies the doctrine of "Service over Self." Sam, I look forward to continuing your great work.

To all township commissioners, our work does not end at our municipal boundaries, it must reach into the halls of the Capitol building and municipal buildings across the Commonwealth. In early February, the Executive Committee will set the 2023 Legislative Priorities. Our 2022 priorities included Municipal Public Safety Pensions, Binding Arbitration, Advertising Modernization, Local Use of Radar, Preservation of Local Authority, Consumer Fireworks, and funding for Water, Sewer and Storm Water Infrastructure repairs. Please, feel free to contact me or your regional Vice President, if you have suggestions for 2023.

Of primary importance, is public safety. No issue generates more constituent concern than speeding in our communities. It is time for the Legislature to enable municipal police departments to use radar. Radar is a reliable, accurate and efficient public safety tool. The local use of radar legislation has been stalled in the House since early 2021. Currently, our police departments use non-radar speed timing devices. This technology is becoming more and more obsolete. Radar is more accurate and can be used everywhere it is needed to keep our residents safe. The current technology hinders law enforcement and does not allow officers to effectively provide the safety needed in our communities. Join PSATC in contacting your Senator and House member to ask that they pass Local Use of Radar in 2023.

Advocacy and constituent services are two of the major roles of a township commissioner. Yet, our third responsibility of self-education must never cease. Each year, in conjunction with our friends at the Pennsylvania Municipal League, we jointly hold the Municipal Leadership Summit. This year, our Summit will be held October 5-8 in Bethlehem, PA. I invite you to attend. Learn not only from the speakers, but most importantly, from your municipal colleagues. We all face similar challenges, and each municipality addresses them in a different fashion. It is a great learning experience. In closing, I want to wish you and your families a happy, healthy and engaging New Year.

Truly yours,

Jamel Julions

Sam Juliano



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- Sustainable Pennsylvania Community Certification
- Online Training

INSURANCE TRUSTS

- PennPRIME Liability Trust/PennPRIME Workers' Compensation Trust
- Unemployment Compensation Trust (U-COMP)

PROGRAMS & SERVICES

- Public Employer Labor Relations Advisory Service (PELRAS)*
- Pennsylvania Local Government Investment Trust (PLGIT)
- Municipal Utility Alliance (MUA) Electricity Procurement Program
- Local Public Procurement Program (L3P)
- EfficientGov GrantFinder Program
- Municipal Job Junction+ (MJJ+)
- Statewide Municipal Administrative Resources Team (SMART)
- Civics and You: Your Key to Pennsylvania Local Government E-Book

NETWORKS

- Home Rule Network (HRN)
- University-Community Network (UCN)

Members of these programs and services also receive newsletters and/or special publications designed to keep them up to date on the latest developments pertaining to these topics. For information on any of the above services, please contact us at 800-922-8063 or 717-236-9469 or visit www.pml.org.

*Members of The League enjoy reduced membership fees when joining these programs.



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