

Funding Subcommittee			
Region/Entity	Name	Type	Attended
NECORE	Todd Weaver, Northampton	Primary	
NECORE	<i>Vacant</i>	Alternate	
North Central	Jeremy Brown, ECEN	Primary	X
North Central	<i>Vacant</i>	Alternate	
Northern Tier	Nate Burgett, McKean	Primary	X
Northern Tier	John Grappy, Erie	Alternate	
South Central	Matt Hobson, York	Primary	X
South Central	Tim Baldwin, Lancaster	Alternate	X
South Central Mountain	Chris Stevens, Huntingdon	Primary	X
South Central Mountain	Mark Taylor, Blair	Alternate	
Southeast	Kelly Collins, Philadelphia	Primary	X
Southeast	Brian Gottschall, Berks	Alternate	X
Southwest	Frank Jannetti, Mercer	Primary	X
Southwest	Gary Thomas, Allegheny	Alternate	X
CCAP	Melissa Gates	Advisory	X
PEMA	Jeff Boyle	Advisory	X

1. Legislation Update

- No movement since last meeting
- It is anticipated the House and Senate will take some type of action in the coming weeks; details to be determined

2. Formula Suggestions

- PEMA provided an overview of the “Formula Comparison” spreadsheet shared with the Subcommittee last week.
- **Current formula:** Column C provides the amount counties receive today
 - 37 counties received an allocation in 2021, 2022, and 2023 based on the 2020 Subcommittee recommendation of 3% equal distribution, then 97.5% population and 2.5% population density. (Supported by 15% assistance)
 - 30 counties receive an allocation based on the interim distribution formula
- **“PEMA Recommendation”:** 3% Equal Distribution, then 70% Avg. Revenue from 2021 & 2022, 30% Population
 - Average revenue is not simply a reflection of the interim distribution formula. The data takes into account the distribution of funds using the 97.5% population and 2.5% density formula for 37 counties.
 - The use of population would resolve outliers remaining from the pre-Act 12 wireless process gradually over time.
 - Factor used have reliable data for all counties; all counties would benefit from this formula
- **“New Subcommittee Recommendation”:** 3% Equal Distribution, then 90% Population, 5% Population Density, 5% Square Miles
 - Population, population density, and square miles are factors with reliable consistent data for all counties
 - Six counties would see a revenue decrease under this recommendation @ \$1.97 and

would require continuation of 15% formula assistance. A few counties would see a minimal increase. PEMA indicated we would not support this formula.

- **“Hybrid Recommendation”**: 3% Equal Distribution, then 65% Avg. Revenue from 2021 & 2022, 30% Population, 2.5% Population Density, 2.5% Square Miles
 - Reflects a combination of the PEMA & New Subcommittee Recommendations.
 - Factor used have reliable data for all counties; all counties would benefit from this formula
- **Next Steps**: PEMA would support the PEMA Recommendation or Hybrid Recommendation
 - Subcommittee members to discuss both formulas with regional partners
 - PEMA to solicit advice/recommendations from subcommittee member on Friday
- **Other formula discussion**:
 - “Was a multi-step calculation considered to achieve consistency in the % increase a county receives as much as possible?” Yes, a 20% increase in a class 2 county is not equivalent to a 20% increase in a class 7 county. Such a formula would only take funding away from class 4 – 8 counties for redistribution. PEMA would not support this approach.
 - “What happens with the formula if a fee increase is not included in the reauthorization?” The current formula will remain in place including 15% formula assistance. Should this occur, it will have a significant impact on 15% funding going forward and the ability to support regionalization, shared services, etc. Roughly \$13.5 million of 15% funds is required to support formula assistance annually.
 - “We aren’t fixing the formula”.
 - PEMA fully recognizes that definitions of what it means to fix the formula or implement the right formula vary. But the PEMA & Hybrid recommendations accomplish the following:
 - ✓ Beginning in 2021, a notable but temporary improvement was made to the formula. Today, 37 counties receive an allocation based on 97.5% population and 2.5% population density. The formula payments for these 37 counties are reflected in their average revenue calculation for 2021 & 2022.
 - ✓ The PEMA & Hybrid recommendations lock in the increase for the 37 counties while including a current revenue baseline that is most beneficial for each county to ensure all benefit from a fee increase that may result from the legislative process.
 - ✓ The PEMA & Hybrid Recommendations take another step forward by using reliable factors such as population, population density, and square miles to distribute at least 30% of revenue to all counties.

3. New Business

- None