

**RYE TOWNSHIP
SUPERVISORS' BUDGET MEETING
October 4, 2012**

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PRESENT: Chairman Robert Lightner, Vice-Chairman, Ken Quigley, Supervisor Ron Cree, and Daisy Lightner, Secretary/ Treasurer.

The meeting was held at the municipal building and called to order at 7:00 PM with Chairman Lightner convening the meeting.

CITIZEN PARTICIPATION: No citizens were in attendance to offer citizen participation.

BUDGET WORKSHOP:

The Secretary/Treasurer provided the Board with a budget preparation schedule to follow to assure the 2013 budget is adopted at the last regular meeting of the year 2012, which is rescheduled for the third Monday, December 17, 2012 due to the Holidays.

The Secretary/Treasurer also provided the Board with a budget worksheet and an updated fund balance report for October of the General and the Solid Waste Funds, which shows the MTD-month to date and YTD-year to date and the corresponding YTD budget balance figures for 2012 for all accounts.

The Board began their review of line items in the **General Fund-Revenues**. The Secretary /treasurer placed tentative amounts in the tax revenue accounts and a few other accounts and asked the Board to review the amounts for approval or revisions for each line item. They reviewed and discussed each revenue account in the General Fund beginning with account number 01.301.10 to and including 01.492.65. Evaluating tax revenues received to date following the County-wide reassessment, the Secretary/Treasurer recommended approx. a 1% increase in the Real Property Taxes values. Per Capita tax values will remain the same as last year. The Tax Levy will remain at .90 mills for 2013.

The following items were noted:

1. The Secretary/Treasurer noted a decline in the Earned Income Tax Account 01.310.20. \$250,000 was budgeted in 2012 and the YTD is at \$236,000 with two months remaining. The Secretary/Treasurer recommended that the value of this line item might be increased slightly. This account, although recovering, slightly continues to reflect the high unemployment rate. EIT is the Township's largest revenue.
2. The franchise fee 01.321.80 will remain the same at \$1,500 with BRC. The two year agreement renews in the year 2014.
3. Interest revenue was once again decreased to \$14,000 with rates at all time lows.
4. The Board decided to budget for one (1) zoning hearing at \$500.00.
5. YTD Zoning permits 01-362.48 was reduced to \$2,000 with only 18 permits issued to date. This is the slowest year for building in the last 20 years.
6. Funds from the Capital Reserve will be utilized to fund the following:
 - ◆ \$27,000 to assist with Road Paving
 - ◆ \$17,000 for Engineering-Bridge Replacement/Pine Hill Road
7. The Budget will be balanced without recognizing Prior Year Balances as a Revenue. No increase in the tax levy is anticipated for 2013.

8. The Board reviewed the 2010 Fee Schedule and increased amounts accordingly. It was suggested that the Secretary/Treasurer check on charging a fee for notary services for non-residents.

With no further discussion on the General Fund revenues, Chairman Lightner moved the discussion to the **General Fund-Expenses**. The Board began their review with account #01.400.11 and continued to account # 01.492.65. The following items were noted:

1. 01.400.460 Funds are budgeted for one supervisor to attend the Hershey Convention next year and all three supervisors to attend the Perry County Convention.
3. Legal expenses were discussed. The amount was decreased with the resolution of the police arbitration.
4. The Administrative expenses for the office are all in line with prior year's figures.
5. Wage increases for 2013 were discussed. Issues with union employees are pending.
6. Budgeting for SEO wages is not necessary since the Board chose to outsource the sewage enforcement to Lenny Sizer of Madden Engineering.
7. Discussion ensued relating to expenses for engineering. Proposed projects included design fees and permit for a large culvert pipe replacement on Millers Gap Road and the ongoing engineering studies and design with Wilson Consulting for the Pine Hill Road Bridge replacement. The Pine Hill Road Bridge is funded 80% State and 20% Township. Wilson Engineering estimated the 20% cost for engineering at \$17,000 for 2013. The project is reimbursable, which means we pay for the expense up front and then the State reimburses us 80% as the project progresses. The Board discussed improvements and costs for engineering for Evergreen Drive. Supervisor Quigley suggested \$8,000 for engineering and stormwater design to begin to resolve the drainage concerns on Evergreen Drive before paving is scheduled for completion.
8. 01.409.740- Capital Improvements- The Board discussed expansion of the Administrative office and replacement of the carpeting, which is over 20 years old.
9. 01.430.260- Minor Tools & Equipment. The Board discussed the purchase of a different type of welder. \$1,500 was budgeted for this purchase in this account.
10. Road Equipment Capital Purchase – No major equipment purchases are anticipated for 2013.
11. 01.439.01- Road Construction - Discussed annual road paving projects for 2013. Supervisor Quigley anticipates paving next year to include: a portion of New Valley Road and Dicken Drive. Supervisor Quigley will take measurements and provide the Secretary/Treasurer with a more accurate costing. The consensus was to keep the costs for paving to half of the anticipated Liquid Fuels disbursement of \$90,000. The Board agreed to add \$25,000 from the General Fund to assist with payment for the two proposed paving projects. With the unstable costs of fuel and oil, estimates are hard to establish a year in advance.
12. Health insurance expense will be estimated at 106% of the current annual amount.
13. Property and liability insurance expense anticipates a 4-5% increase.

The next regularly scheduled budget meeting is Thursday, October 18th at 7:00 PM at the Township building. The Secretary/Treasurer indicated she would work with the information discussed and attempt to fill in the blanks and balance the General Fund budget.

With no further discussion on the General Fund, Chairman Lightner moved the discussion to the **Solid Waste Fund-Revenue** accounts.

The (2) two main sources of revenue generated by the Fund are from a small amount of interest and the collection charges paid by residents for trash collection fees. Interest income was decreased slightly for 2013.

The Board continued their review and discussed the 2013 balanced budget prepared by the Secretary/Treasurer. The expense accounts in the Solid Waste Fund beginning with account number 09.403.310 to and including 09.492.30 were reviewed and appear to be in line. The following items were noted:

1. Costs for recycling expenses remain constant with the renewal of the annual contract with Interstate Waste at a cost of \$230.00/pull. Rye Township averages 4.5 pulls per month. However recycling may increase with the co-mingling so 5 pulls per month = $\$1,150.00 \times 12 = \$13,800$.
2. The contract with Penn Waste was renewed for two years per a clause in the contract. The cost increased from \$9,900 per month to \$10,170 per month $\times 12 = \$122,040.00$ per year.
3. The expense for tipping fees was set at \$650.00 for disposal of tires from the bulk clean ups at Mahantangos in Liverpool and an occasional clean up of trash/debris by the road crew along the unpaved mountain roads.
4. Salary expense includes labor for the spring and fall clean ups and administration/accounting of the fund, delinquent accounts, & trash billing changes etc.
5. Overtime expense will include labor worked on Saturdays in relation to the Spring and Fall Clean ups.
6. The Solid Waste Budget is balanced at \$181,000 for the year 2013 with no increase in the residential or commercial quarterly trash fees.

ADJOURNMENT OF THE MEETING: Supervisor Cree made a motion and Supervisor Quigley seconded to adjourn the budget meeting at 9:00 pm. Motion carried unanimously.

Respectfully submitted,

Daisy Lightner, Secretary/Treasurer