

**RYE TOWNSHIP  
SUPERVISORS' BUDGET WORKSHOP  
October 5, 2017**

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**PRESENT:** Chairman Ken Quigley, Vice-Chairman Jim Sabo, Supervisor John Stahl, and Daisy Lightner, Secretary/ Treasurer and Cathy Sabo.

This special meeting of the Board of Supervisors was held at the municipal building and proof of publication is on file. Chairman Ken Quigley called the meeting to order at 6:40 PM.

**CITIZEN PARTICIPATION:** None was offered.

**BUDGET WORKSHOP:**

The Secretary/Treasurer previously provided the Board with a budget preparation schedule to follow to assure the 2018 budget is adopted by the last regular meeting of the year 2017, which is rescheduled for the third Monday, December 18, 2017 due to the Holidays.

The Secretary/Treasurer also provided the Board with a budget worksheet for the General and Solid Waste Funds including information for prior year budgets for each line item account.

Cathy Sabo was reviewing the 2016 Audit Report prepared by SEK and noted that a liability was on the books for over \$80,000 at the end of 2016. The Secretary/Treasurer explained that usually the Township does not have liabilities to carry into another year. However, this money was being held in escrow per Act 93 for the Matsko family until their new home was completed in early 2017. The Matsko's house burnt completely in July of 2016. The funds have since been returned to the Matsko's and the liability account has a zero balance.

The Board began their review and discussion of line items in the **General Fund-Revenues, Section 300 Taxes, account #s 01.301.10 to 01310.20**. The Secretary Treasurer provided a preliminary budget for the tax revenues. Upon review of the YTD figures, the Secretary/Treasurer recommended no increase in the Real Property Tax values for 2018. There may be a few new homes in process but the full value of the tax on the property will most likely not be completely realized in 2018. Per Capita tax values were increased by \$100. She attributed this to diligent follow-up by the office to add new residents moving into the Township to the per capita tax rolls. This information is found when she reviews the monthly earned income reports provided by Capital Tax Collection Bureau.

There was no discussion relating to even a minimal real estate tax increase for 2018. With the unemployment rates decreasing and more people working, Cathy Sabo suggested increasing in the Earned income account #01.310.210 to provide additional funding when balancing the budget. The Secretary/Treasurer noted that the auditors also mentioned that this budget line item could be increased since it is currently budgeted very conservatively although it has been increased every year. The economy is unstable, but indications are it is improving. This account definitely would be an area to look for additional revenue to fund the expenses proposed.

The Secretary/Treasurer continued to discuss the **General Fund - Revenues**.

The following items were noted:

1. 01.321.800 The franchise fee for Blue Ridge Cable will increase to \$1,700 with BRC. The five year agreement renews again in the year 2022.
2. 01.341.010- Interest revenue will increase by \$200 to \$12,200. Interest rates on deposits are increasing slightly on CDs and the general checking account.
3. The Board decided to budget for two (2) zoning hearings at \$1,500.00.

4. 001.391.100 Sale of Fixed Assets- the Board is not aware of any assets to be sold in 2018. They agreed to re-advertise the 1996 Truck for sale this year.
5. The Budget will be balanced without recognizing Prior Year Balances as a Revenue. No increase in the tax levy is anticipated for 2018.

With no further discussion on the General Fund revenues, Chairman Quigley moved the discussion to the **General Fund-Expenses**. The Board began their review with account #01.400.110 and continued to account # 01.492.650. The following items were noted:

1. 01.400.110- Elected Officials' Salary. Cathy Sabo asked why the budgeted amount was so much more than the actual amount expended in 2016. The Secretary/Treasurer explained that Supervisor Stahl was in the hospital 99 days last year and also in rehab. He missed quite a few meetings, which lowered the amount expended.
2. 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 in February.
3. 01.404.310- Legal expenses will increase to \$15,000.
4. The Administrative expenses for the office are all in line with prior year's figures.
5. Full time wage increases for 2018 were established in the employee contract at 3%. Part time temporary road crew wages will remain the same for 2018. The Board will review the current Fee Schedule and anticipates only slight increases in some of the fees.
6. 01.429.239- Upon review of the YTD expenses, the sewage enforcement account was increased slightly for the third year in a row due to more activity with building and also the requirement for alternate site testing, which increases the amount paid and due.
7. 01.409.740- Capital Improvements - The Board discussed repairing the roof on the storage shed directly behind the municipal building. The Board directed the Secretary/Treasurer to acquire several estimates for shingles and for a metal roof. Depending on the cost, this roof should be repaired this year before bad weather.
8. 01.430.260- Minor Tools & Equipment. The purchase of a plasma cutter is anticipated at a cost of approximately \$1,500. The amount will be researched for a more accurate cost.
9. 01.430.740- Road Equipment Capital Purchase – None for 2018. Future purchase of a new skid loader was discussed.
10. 01.439.010- Road Construction - Discussed annual road paving projects for 2018. Chairman Quigley anticipates paving next year to include: The portion of Cove Hill Road from SR 850 to the end of the paving completed this year, approximately 700 feet; Rebuild and widen a ¼ of a mile area of Dutch Cemetery Road and a portion of Mountain Road from SR 850 to approximately near the Page property at 165 Mountain Road including several pipe replacements. The majority of these projects will be paid for with State Highway Aid or Liquid Fuels Monies. The developer of the lots along Dutch Cemetery, Mr. Wessel, is also required to assist with funds to rebuild the base on the road and widen the shoulder areas that were damaged during construction.
11. 01.441.316- Discussion ensued regarding mowing of Oak Grove Cemetery. Chairman Quigley offered that employee Brad Sloop's son Derek might be interested in mowing the cemetery one more year. If not, a local vendor was suggested and will be pursued.
12. 01.457.156- Health insurance expense will be estimated at 105% of the current annual amount. PCI Chamber Insurance is unsure of renewal rates with the Federal government seeking to change the current insurance regulations.

12. 01.486.351- Property and liability insurance expense will increase approximately \$1,000 for 2018 per an insurance review with a representative from H. A. Thomson.

The Board moved the review and discussion to the Solid Waste Fund. The Secretary/Treasurer provided a worksheet for the **Solid Waste Fund**. She discussed the **Revenue** accounts:

The main sources of revenue generated by the Fund are a small amount of interest, the collection fees paid by residents for residential & commercial trash fees, a small amount of recycling grant monies, & a small amount of cash back from the VISA used for payment of recycling hauls. The Secretary/ Treasurer noted that delinquencies are still high, but recently a payment of \$3,700 was collected from a municipal lien filed for 2105 Sites Circle. Keystone Collections is doing a great job filing the liens and collecting the delinquent accounts. She mentioned that this fund was in the red last year & encouraged the Board to consider a minimal increase in the trash fees to keep up with rising costs.

The Board continued their review & discussed the following **expense accounts in the Solid Waste Fund** beginning with account # 09.403.320 to & including # 09.492.300 as follows:

1. Costs for recycling expenses will remain the same in January 2018 at \$235.00 per pull. Rye averages 6.5 pulls per month X 12 X \$235 = \$18,330.00.
2. The contract with Penn Waste was renewed for two years per a clause in the contract. The cost increases from \$11,000 per month to \$11,200 per month X 12 = \$ 134,400.00 per year for residential trash collection in 2018.
3. The expense for tipping fees will remain set at \$600.00 for disposal of tires from the bulk clean up at Mahantangos in Liverpool and an occasional interim clean-up of trash/debris by the road crew along the mountain roads within the Township. It was noted that the Township is now required to acquire an annual permit and stickers for each truck to recycle tires at Mahantangos in Liverpool.
4. Salary expense includes labor for the clean-up and administration/accounting for the fund, delinquent accounts, & phone calls, updates and changes to billing, preparation, mailing of low income and commercial trash bills etc.
5. The Board agreed to only hold one clean up in 2018 to save expenses.
6. Overtime expense includes labor worked on Saturdays by full time employees to assist with the Bulk Clean-up.
7. Keystone Collections will be contacted relating to billing costs. Postage is to increase by 2018, which in turn will increase the bulk mailing fees for billing.

The Secretary/Treasurer indicated she would research a few items discussed and attempt to balance the Budgets for both funds. Drafts would be provided for review at the next budget meeting on Thursday, October 19, 2017. She appreciated the discussion and input from the Board.

**ADJOURNMENT OF THE MEETING:** Chairman Quigley made a motion with a second from Supervisor Sabo to adjourn the budget workshop at 9:20 pm. Motion carried unanimously.

Respectfully submitted,

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Daisy Lightner, Secretary/Treasurer