

Union Township Board of Supervisors  
Budget Workshop  
October 6, 2015

The Board of Supervisors Meeting was called to order by Chairperson Larry Spahr at 6:45 p.m. The meeting was held at the Union Township Municipal Building, 3904 Finleyville-Elrama Road, Finleyville, PA. Board Members in Attendance by roll call were Steve Parish, Charles Trax, Larry Spahr and Ed Frye. Also in attendance, Judy Taylor–Treasurer, Debra Nigon–Secretary. Paul Chasko did not attend.

In this initial rendition of the budget, revenue is roughly \$1.7 Million. Expenditures are roughly \$1,752,340. If there are no changes, \$56,590 would need to be cut to balance the budget.

The Treasurer went through items adjusted or affected in the 2016 budget.

The Act 511 LST Tax has diminished. LST is paid by employers having employees working in the Township. She will call Keystone and ask for an employer's list. It could be the drop is due to the closing of Mitchell Power Plant.

There were adjustments in the legal category. Expenses have increased for the solicitor. Also, although the electronic posting of the Township Code is free for the first year, payment to General Code will be necessary to incorporate new ordinances. Also, eventually annual payments will be required to keep the Township Code posted on-line at the General Code site.

Engineering expenses were up in 2015 due to the number of projects handled on behalf of the Township. In regard to the budget, Ms. Taylor asked the Board to think about what type of projects they may be considering in 2016 and providing her with an estimate of the anticipated engineering time for those projects so that she can make adjustments.

Utilities will increase due to the garage addition. The additional cost is unknown until more utility bills are received.

In terms of police coverage, the Treasurer asked the Board to let her know what they have in mind in regard to any increases. Also she asked what is being planned in regard to the canine officer in light of Kyros no longer being in service.

Code Enforcement was higher in 2015 due primarily to the Ringgold School project and Tomko project, but this is not anticipated to continue into 2016.

The Treasurer included a 3% increase in salaries for public works for 2016; however, an open question exists in regard to the Teamsters health coverage which she left at approximately \$75,000, the same as in 2015. The current number will need to be increased by another \$24,000 to \$25,000 if the Board is considering hiring another road crew worker. Although the Teamsters have communicated that their health plan is not a Cadillac plan, there is still a question as to whether the coverage could be subject to a Cadillac tax. The funds to cover a Cadillac tax are also not currently included in the budget. If a Cadillac tax does apply, that will

add an even larger expenditure to the budget. Comparatively, the UPMC coverage for the Road Superintendent (family coverage), Treasurer (employee-only), and Secretary (employee-only) is \$20,000 total for all coverage annually.

Salt has increased to \$75/ton, increasing the sum to \$108,000 for all 1500 tons contracted through Co-Stars.

The Treasurer explained that the Road Superintendent requested that signs and signals be broken out into separate categories as he would like to replace the deteriorating signs and needed a clear amount for this purpose. This is a change in the 2016 budget compared to prior budgets.

The road maintenance line item may need to be reviewed. The Treasurer raised it to \$50,000 in the 2016 budget as the 2015 budget is already near \$38,000 in this category due to the crew this year doing more road maintenance in-house such as the McClelland drainage and McChain work. The in-house paving budget was set at \$75,000 for routine patching and so forth but can be adjusted depending on any foreseen paving projects. The yearly paving project which is contracted out is budgeted under Liquid Fuels.

In regard to the recreation budget, it was noted that Jason Jaki recommended repair and widening of the road into the park. Mr. Parish questioned the proximity of the high pressure gas line right of way. He also mentioned a spring which is coming out of the hillside on the opposite side of the gas line. Some patching of the roadway and a catch basin may be needed. Individuals from the gas company may need to come over and mark the right of way.

The non-uniform pension category was increased in 2016 to account for the addition of a new road crew employee.

In terms of the Local Share budget, an increased donation to the fire departments which had been discussed in 2015 would leave the Township short on matching funds should the Union Valley Local Share grant application be approved. The current rendition of the budget, would require taking \$50,000 out of the General Fund or elsewhere should the Township be approved for the Union Valley LSA grant.

There will be a \$191,000 renewal coming into the Liquid Fuels budget; however the current budget shows \$200,000 going out towards the paving project. Any extra over \$200,000 will have to taken out of the General Fund.

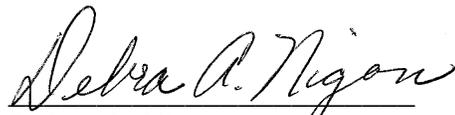
The Capital Reserve budget would be used to fund the Overlook sewerage project which is estimated by the Township engineer to cost nearly \$721,560. If the Township were to receive the \$500,000 requested in grant funds from the Local Share, the Township would have to obtain \$220,000 in matching funds from PennVest and possible tap-in fee from the customers. Since Ms. Taylor was informed that a completed Act 537 Plan may be necessary to obtain the grant, and the Township's Act 537 Plan is not complete, it is quite possible that any possible LSA grant will not be awarded. However, Mr. DeiCas said that Mr. Leithauser will have the Committee look at the application.

*Subject to Board Approval: October 26, 2015*

The Treasurer explained the Long Range Five-Year Plan which shows that any grant monies received for the Union Valley project would go into the Capital Reserve in 2016.

Mr. Parish discussed replacing the oldest Ford F-450 and replacing it with another Ford F-550 with a stainless bed. The oldest truck has about 90,000 miles. The Kubota lawn tractor may also need to be replaced. Mr. Mellor is to get a quote from Murphy Family, LLC. The truck and tractor are being planned for 2016. Heaters for the municipal building will eventually need replaced but not next year. Mr. Parish also noted the need for a new Front End Loader which was put into the Long Range Plan in 2017.

The meeting ended at 7:30 p.m.

  
Debra A. Nigon, Secretary