

Union Township Board of Supervisors
Budget Meeting
November 15, 2016

The Board of Supervisors Meeting was called to order by Chairperson Deborah Sargent at 6:10 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 Larry Spahr, Paul Chasko, Heather Daerr and Deborah Sargent. Also in attendance was Judy Taylor–Treasurer and Debra Nigon–Secretary. Charles Trax arrived later.

Public Comment

The Treasurer announced that she received the new tax certification today which is the result of the reassessments in Washington County. It is estimated that there will be no significant increase or decrease in revenue

It was explained by Mr. Spahr, that the year after the assessments, the assessment has to be revenue neutral, no more than a 10% increase, with a cap put on increases in 2017 which is removed in 2018.

The Treasurer reviewed changes in the budget since the last budget meeting. All revised or updated numbers are bolded in the copy of the budget being reviewed.

Ms. Daerr inquired about rental fees and the reasoning behind who pays rent and who does not. It was explained that the tax collector is an elected official, not subject to the Board, who is independent and can choose to have office space elsewhere or at home as in some other Townships. Municipal Consulting Services, however, works under contract to the municipality. No changes were made to the rent figure.

The Treasurer had left the Soccer Lease and Ambulance Lease blank pending further information from the Board. A figure of \$1000 was provided for the Soccer Lease.

In terms of the LSA Grant Funds, the revenue for this item was reduced to \$0 due to the recent Supreme Court decision leaving a matter of uncertainty as to whether the Township can depend on that funding source. Should that revenue not be received, the fund balance remaining from prior years will be available for the Mingo Circle expenditures anticipated in 2017 but those expenditures will almost completely deplete that fund.

The Winter Services Agreement for Tuscany Estates was left blank since it has not yet been transmitted to the developer. However, Ms. Taylor provided an estimate of \$9800 if the developer signs the agreement. It was agreed that she would add that estimated number into the budget.

The Treasurer explained that the items for the spray tanker could be removed should the Board decide to eliminate that purchase. The roof on the Nike site buildings for \$20,000 is another item that could be removed. She reported that the Road Superintendent had informed her that the Township could lose those buildings if the roofs are not repaired as the roofs are leaking. It was discussed that use of a spray tanker presents issues for the Township as it necessitates notification to home owners prior to use. In addition, there would be materials costs. It was also discussed that the spray tanker would reduce manpower which would otherwise be required to weed whack the guard rails. It was noted that an option could be to leave the appropriation in the budget and decide during the year whether they wished to expend the funds for that purchase.

The total revenue in this version of the budget was \$1,603,100 which will be re-adjusted to reflect the changes just made.

In regard to expenditures, the Township Manager line item was reduced from \$100,000 to \$80,000 for salary and benefits per the Board's current thought process. Also, it was discussed that, since it may take some time to put someone in place, the salary and benefits would not be required for the full year.

Reimbursements for real estate tax reassessments were estimated by the Treasurer to be in the area of \$16,000 using an estimate based on 1/3 of those filing for reassessments winning their case.

Also, in regard to expenditures, there are decisions outstanding in regard to employees as to whether the vacant road crew position will be replaced, increases, and part time vs. full time.

There was a line item added for the grant writer that did not exist in other budgets as his expenses were included under government administration in the last budget. The billing for the one grant this year was \$2000 which was paid in September. The Treasurer put a figure in for the 2017 budget of \$1000 unless the Board would direct her otherwise.

There was a discussion of the number to use for the engineer expense. Per Mr. Harshman, half of the bills this month will be reimbursed from the escrow accounts. The escrow accounts have not yet been reconciled. Also, what remains in the escrow accounts may be reimburseable back to the party who put up the escrow. Per Ms. Taylor, for the older escrow accounts, the Township owes the outside party and not the other way around, and the revenue from the newer escrow accounts will not significantly reduce the engineering expenditures. It was noted that there will also be mandated MS4 requirements next year which will require engineering time. The Board decided on a figure of \$70,000 for the engineering item for next year.

In regard to the demolition at the Nike Site, the historical review is complete. Kerry Fox believes that he can perform most of the work for the \$66,400 grant but there may be a remainder for the Township to pay. Whether or not the Township will need to come up with additional funds depends on how the bids come in for the work.

The gas for the police in the sum of \$16,000 will stay as the budget figure. The police maintenance contract has included the Township paying for gas as was done under the SWRPD contract, although the amount actually expended for SWRPD part-time was approximately \$11,000.

Multiple items were adjusted under public works due to decrease of salt, the retirement of one road crew worker, the use of more gas vs. diesel, etc. There was \$26,000 for new equipment under public works that included a list of items needed by Tom Mellor. Ms. Daerr asked to review the list of items.

Although the engineer supplied options for redesign of Sugar Camp road there was no estimate provided since the last meeting to replace the Treasurer's temporary cost estimate of \$100,000. Mr. Trax noted that an option may be simply enforcing speed control by a police presence. Mr. Spahr was hesitant to eliminate the line item altogether since the Township was "put on notice" by a law firm of the situation. Mr. Spahr will speak with the engineer about a definite number to use for that project.

The Treasurer reviewed the Local Share Fund. Based on the recent decision, the \$82,000 we normally receive in the Local Share Fund was removed. There was a remaining balance that can be used in 2017.

In the Capital Reserve, the bucket truck purchase was removed in the capital reserve budget as the Road Superintendent was of the opinion that they could get by without a bucket truck.

It was discussed that the net effect of the changes today in the general fund would increase the deficit of (469,546) by roughly \$56,000 bringing the total deficit to (\$525,000) over revenue. The deficit would reduce the general fund balance by \$525,000 unless cuts are made. The Board decided to discuss the cuts they will be making at the next budget meeting. The preliminary budget will need to be advertised in the coming month.

The Treasurer noted that the \$220,000 received in impact fees was reduced to \$150,000 in the budget per the last allocation notice. Also it was noted that the local share grant applications the Township submitted are questionable due to the recent Supreme Court decision. In addition, the Township will need to have operating expenses in the general fund to cover expenses for the times when revenue is slow.

In response to inquiries as to how the Board afforded a full time police force in the past , it was explained that other areas of the budget were starved, also salaries would have been lower as well as other expenses. Mr. Spahr added that, at one time, half the budget was being used to fund the old Union Township police department.

Public Comment

Earl Hottel, 5028 Norman Avenue, inquired about the library donation. The County Library System has designated Monongahela Library to be the local library for Union Township residents.

John Smida, 5207 Lew Street, commented that the budget is no more than scientific guesses and it is not always possible to live to those numbers.

Ms. Taylor cautioned the Board that the current budget is unsustainable since it is not balanced. She also noted, as she does every year, that the Board needs to find a dependable funding stream for the police department since the impact fee monies are not a permanent or dependable source of revenue and are calculated to decrease over time.

Ms. Daerr and Ms. Sargent commented that they were excited going into the new year about the opportunities the Township has for progress and development and that they were pleased at seeing the Township's dollars being reinvested in the Township.

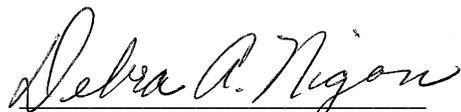
Ms. Henze, 10 Pumpkin Center, commented that she wants to see the Township grow as other close by areas have done. She commented that she had problems opening documents at the website and prefers not to use the website, preferring the Township map and folder that the Township distributed in the past. She asked for and received information concerning a complaint filed about cats which has taken a considerable amount of time to be resolved. Ms. Sargent informed her that the owner had a hearing at the magistrate who ordered she must remove the cats within a given time period. There was discussion about a spay program since the owner is permitted to keep four of the cats. Ms. Henze also mentioned an overweight truck which they had seen travelling on Pumpkin Center Road.

Ms. Carol and Craig Cadonic, 5018 Norman Avenue, commented about a vacant home on 5020 Norman Avenue.

Kevin Daerr, Route 88, Finleyville, commented that significant growth in the Township could offset any added expense.

Ms. Taylor will provide adjusted numbers to the Board tomorrow. She also supplied to the Board the MS4 budget numbers provided today by Mr. Harshman. It was noted that only a portion of the MS4 needs to be done each year.

The meeting ended at 8:20 p.m.


Debra A. Nigon, Secretary