

## BOARD OF SUPERVISORS MEETING December 17, 2013

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Minutes of the Pequea Township Board of Supervisors final budget adoption meeting held December 17, 2013 at 7:00 p.m. at the Pequea Township Municipal Building, 1028 Millwood Road, Willow Street, PA 17584.

### **Present at the meeting were:**

Harry Lehman, Chairman  
Jay Reynolds, Supervisor  
Bill Schall, Vice-Chairman

### **Others present:**

Connie Kauffman, Twp. Secretary  
Lori Leitch, Twp. Treasurer  
Rob Reidenbach  
June Reynolds  
Cynthia Evans-Herr

### **ANNOUNCEMENTS:**

- Public Meetings may be both audio and video recorded.
- The purpose of the special meeting held today is for a budget hearing. In addition, other business items needing consideration, discussion and/or official action will be addressed.
- The Pequea Township Supervisors held two workshops on October 24 and November 6, 2013 to arrive at the proposed budget for 2014.
- Notice has been properly advertised and a copy of the proposed 2014 Pequea Township Budget was made available at the Township office.

### **CHANGES TO 2014 PROPOSED BUDGET**

1. Amend the 2014 Pequea Township proposed General Fund Budget – Supervisor Lehman asked if there were any changes to the proposed budget and there were none.

### **BUDGET NARRATIVE:**

#### **2013 IN REVIEW**

GENERAL FUND: Active account for the operation of the township.

The 2013 General Fund Budget projected a deficit of \$(128,277.64), but prudent decision making and better than expected tax revenues will result in an estimated surplus of \$48,049.72.

2013 GENERAL FUND REVENUE: The 2013 Beginning Balance (Equity) was \$639,489.31. The projected balance at the end of 2013 is \$687,539.03, an increase of \$48,049.72. A significant reason the township did not experience the large loss that was budgeted for 2013 was Earned Income Tax revenues. The Lancaster County Tax Collection Bureau estimated conservatively due to the implementation of Act 32 which requires uniform withholding and remittance to a single collector. Year-to-date, we have received \$54,541.33 more than estimated.

Real Estate Transfer Tax revenue exceeded budget as well. We received \$28,897.74 more than anticipated. Diligence on the part of our Roadmaster also contributed to the increase in equity.

2013 GENERAL FUND EXPENSES: Estimated expenses for 2013 are \$1,377,924.86, which includes pass-through disbursements of \$33,607.75 for the Police Pension and \$35,333.16 for Firefighters' Relief. Net expenses equal \$1,308,983.95.

RECREATION FUND: Active account for the operation of Silver Mine Park. Funded by amusement/admission taxes levied under Ordinance No. 105-1997 as authorized by The Local Tax Enabling Act of December 31, 1965. Estimated 2013 Year-End Balance: \$13,616.90

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STATE HIGHWAY FUND: Active account for the construction/maintenance of roads and bridges. Funded by the Liquid Fuels Tax, only acceptable expenditures may be charged against this account as outlined in PennDOT Publication 9. Estimated 2013 Year-End Balance: \$24,819.42

STREET LIGHT FUND: Active account for the collection of street light taxes and paying the electric bill for those street lights. Residents in Manchester and Westwood Village are taxed each year to pay for the cost of street lighting in their developments. The current tax rate is .74 cents per front foot of property. Estimated 2013 Year-End Balance: \$5,926.28

PARK DONATION FUND: This account holds donations for park projects. Estimated 2013 Year-End Balance: \$6,095.54

PLGIT PLUS ACCOUNT FOR W. PENN GRANT RD. BRIDGE: This fund was created with \$50,000 from SLSA when building the pumping station on W. Penn Grant Rd. and has been accumulating interest. It can only be used to replace or repair this bridge. Estimated 2013 Year-End Balance: \$71,329.90

BRIDGE REPLACEMENT FUND: Used for the replacement or repair of township bridges. These funds may be transferred to the General Fund by Resolution. Estimated 2013 Year-End Balance: \$24,635.35

DEBT PAYMENTS: The 2012 purchase of a zero-turn mower for Silver Mine Park was financed at zero percent for thirty-six months. Monthly installment payments are made out of the Recreation Fund. The current balance is \$7,143.80, and it will be paid off by April of 2015. The Silver Mine Park loan was paid off in 2013 in the amount of \$35,095.56.

### **2014 PROPOSED BUDGET OVERVIEW**

2014 Budget Workshops held on October 24 and November 6, 2013.

#### GENERAL FUND:

THE 2014 PROPOSED GENERAL FUND BUDGET HAS A

PROJECTED INCOME OF	\$1,329,527.37
PROPOSED EXPENSES OF	\$1,352,830.99
RESULTING IN A SHORTFALL OF	\$ (23,303.62)

2014 GENERAL FUND REVENUE: The budgeted amounts for Real Estate Taxes are based on a rate of 1.9 mills on a total taxable assessed valuation of \$302 million (\$573,800) less discounts for early payment. Budgeted Amount for 2014: \$562,551.95.

The budgeted amount for Real Estate Transfer Taxes is an average of the past five years. Budgeted Amount for 2014: \$61,468.74

The budgeted amount for Earned Income Taxes was calculated using a Projection Tool provided by the Lancaster County Tax Collection Bureau. Budgeted Amount for 2014: \$504,969.29

2014 GENERAL FUND EXPENSES: The 2014 General Fund Budget is proposed at \$3,412.21 less than the 2013 Budget. Expenses in 2014 are estimated at \$1,352,830.99 compared to \$1,356,243.20 in 2013.

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RECREATION FUND: Estimated expenses paid out of the Recreation Fund in 2014 total \$46,054.00, which will be supported by Admission/Amusement Tax Revenue, Rental Income, and a Transfer from the General Fund.

STATE HIGHWAY FUND: Estimated expenses paid out of the State Highway Fund in 2014 total \$145,000.00, which will be supported by Liquid Fuels Tax Revenue.

STREET LIGHT FUND: Estimated expenses paid out of the Street Light Tax Fund in 2014 total \$6,476.38, which will be supported by Street Light Tax Revenue.

### **BOARD DISCUSSION:**

Supervisor Schall asked if we could take money out of savings to buy the Roadmaster a plow. Supervisor Lehman said we budgeted money for Forks in 2014 that can be reallocated to an account for the purchase of a plow.

### **PUBLIC COMMENTS ON 2014 PROPOSED BUDGET - none**

1. Adopt the 2014 Pequea Township Budget – Supervisor Lehman moved to adopt the 2014 Street Light Budget. Supervisor Schall seconded the motion. All voted in favor, none opposed. Supervisor Lehman moved to approve the 2014 Park and Recreation Budget. Supervisor Reynolds seconded the motion. All voted in favor, none opposed. Supervisor Lehman moved to approve the 2014 State Highway Fund Budget. Supervisor Schall seconded the motion. All voted in favor, none opposed. Supervisor Lehman moved to approve the 2014 General Fund. Supervisor Reynolds seconded the motion. All voted in favor, none opposed.
2. **Resolution #\_\_-2013** Levy Tax for 2014 – Supervisor Lehman moved to pass **Resolution #388-2013** Setting the Real Estate Tax rate for general purposes, the sum of 1.9 mills, Earned Income Tax at ½ of 1%, .Street Light Tax at the rate of \$.74 per front foot of improved property and \$.10 per front foot of unimproved property, Admission Tax at 10% as enacted under the Local Tax Enabling Act of December 31, 1965 P.L.1257. Supervisor Schall seconded the motion. Supervisor Reynolds AND Lehman clarified the consumer price index clause in the Admissions Tax and all voted in favor, none opposed.

### **PUBLIC COMMENTS:**

Supervisor Reynolds and Schall were thanked for their service as supervisors of Pequea Township and two red bud trees provided by the township staff will be planted at Silver Mine Park in their honor.

**MEETING ADJOURNED** at 7:16 p.m.

Respectfully submitted,



Connie Kauffman, Township Secretary