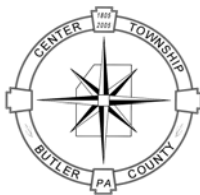


Board of Supervisors:
Edward Latuska, Chairman
Alan Smallwood, Vice Chairman
Ronald Flatt, Supervisor
Kenneth Frenchak Jr, Supervisor
Philip Wulff, Supervisor



Anthony Amendolea, Secretary/Treasurer
Michael Gallagher, Solicitor
Olsen Craft Associates, Engineer
Patrick Gauselmann, Zoning Officer

Center Township Board of Supervisors
2018 Budget Workshop Minutes
November 6, 2017
6:00 p.m.

CALL TO ORDER:

Chairman Edward Latuska called the 2018 Budget Workshop, of the Center Township Board of Supervisors, to order at 6:17 p.m. The meeting was held at the Unionville Volunteer Fire Company Firehall, 102 Mahood Road, Butler PA 16001.

ROLL CALL:

In addition to Chairman Latuska, present were; Vice Chairman Alan Smallwood; Supervisors Ronald Flatt and Phillip Wulff; and Township Secretary/Treasurer Anthony Amendolea. Supervisor Kenneth Frenchak was absent.

PUBLIC TO BE HEARD (3 Minute Limit): None

2018 BUDGET PRESENTATION:

Township Secretary/Treasurer Amendolea presented a balance proposed 2018 Budget in the amount of \$1,937,560.00. Projected revenues for 2018 is \$1,937,560.00 and expenditures are \$1,937,560.00. Latuska noted the following from the Budget Message:

"The major accomplishments for 2017 were:

1. Purchased 2018 Peterbilt Model 348 Truck replacing a 1995 International Truck
2. Replaced storm drains throughout the Township
3. Paid an additional \$70,000 on the debt for the Maintenance Facility
4. Maintain tax millage at the same rate as established in 2012
5. Purchased a 2018 Dodge Utility Truck replacing a 2003 Ford F550 Utility Truck

The budget is part of a dynamic, year round process that creates a level framework for financial matters in the coming calendar year. It is not realistic to believe every conceivable challenge and opportunity can be identified. The Budget is never used as an excuse to not to respond to an issue. The Board of Supervisors is presented with new and unexpected challenges throughout the year, which they must work within the framework of the Budget to turn those challenges into opportunities.

The 2018 Budget continues to fund all current programs and proposes enhancements in several areas. The following narrative will provide highlights of the various funds that comprise the 2018 Budget.

GENERAL FUND

The General Fund supports the core services of the Township, including community development and planning, public works and administration.

The General Fund millage remains at 2.75 mills for 2018, which represents approximately \$51.87 per year per homeowner with a \$200,000 market value home. The Board of Supervisors collect the Local Service Tax of \$52.00 per person employed within Center Township, which the school district receives \$5.00, emergency services receive \$11.75, and the Township receives \$35.25. Employees, earning \$12,000.00 or less, are exempt from paying the Local Service Tax. In addition to the real estate tax, the General Fund is funded by a .5% earned income tax, plus numerous fees and charges.

DEBT SERVICE FUND

The Board of Supervisors is repaying a twenty year loan. Current interest rate is 1.49%. The Board of Supervisors will be renegotiating with NexTier Bank to establish an interest rate for 2018. The Debt Service Fund millage remains at 2.5 mills for 2018. This represents approximately \$47.15 per year per homeowner with a \$200,000 market value home.

FIRE PROTECTION FUND

The Fire Protection Fund millage rate remains at 1.8 mills for 2018. This represents approximately \$33.95 per year per homeowner with a \$200,000 market value home. In addition, the fire company will receive approximately \$25,000 from the Local Service Tax. These funds provide 24-hour fire protection, a fleet of eight (8) firefighting vehicles, fire station, and a staff of thirty (30) volunteer firefighters.

STATE LIQUID FUELS FUND

This fund is dedicated to the maintenance of Township-owned streets. The revenue for this Fund is from the local municipal share of the state gasoline sales tax, which is 15% of the state tax levied. Center's allocation is based upon our 2010 population and the miles of Township-owned streets, which is 71.36 miles. Although 20% may be withheld for equipment purchases, the Board dedicates the total funds to be used for resurfacing of streets. The resurfacing schedule is determined by the Foreman of the Public Works and the Board to allocate these resources in the most efficient and effective manner.

ESCROW FUND

This fund is dedicated to the receipt of performance, maintenance, road bonds, and consultant review fees. Developers are required to post various bonds once their plans are approved. Performance bonds (110% of projected construction costs) are posted for twelve (12) months to ensure public improvements are completed. Once the improvements are made, a maintenance bond (15% of the cost of installation) is posted for eighteen (18) months to ensure improvements are maintained by the developer. Road bonds (\$12,500 per mile) are received for heavy hauling by contractors to maintain road in the same condition prior to the hauling. Consultant fees are collected at the time of application to ensure professional review fees are paid. The fees are \$750.00 for lot line revisions and minor subdivisions (4 lots or less) and \$2,500.00 for land developments and major subdivisions (5 lots or more). These funds are released to the contractor once a request is received and the required time restrictions are met.

CAPITAL PROJECTS FUND

This fund is used to replace Township equipment, including vehicles, along with improvements to Township facilities.

MARCELLUS SHALE FUND

The Act Amending Title 59 (Oil and Gas) of the Pennsylvania Consolidated Statutes (**Act 13 of 2012**) was signed by Governor Corbett on Feb. 14, 2012. The law provides for the imposition of an unconventional gas well fee (also called a drilling impact fee), and the expenditure of the funds generated by that impact fee to local and state purposes specifically outlined in the law. The law also contains a mechanism as to how the fees shall be distributed. A significant portion of the fees generated will be used to cover the local impacts of drilling. These funds are restricted to be used for certain permitted uses.

Township Secretary/Treasurer Amendolea noted that Medical Insurance (Line Items 400.156, 401.156 and 430.156) would increase one (1) percent for 2018.

Flatt stated the Debt Service Fund is projected to be paid off within three (3) years. This means the debt would be paid in ten (10) years instead of twenty (20) years. The Board of Supervisors established a reserve for the fire department. Liquid Fuels monies are entirely used for paving of the roads. Although the Capital Projects Fund has no dedicated funding, the Township does purchase equipment. The Marcellus Shale Fund was used to purchase two (2) trucks. Flatt commended Township Secretary/Treasurer Amendolea and the Board for their diligence in maintaining the budget.

ADJOURNMENT:

Latuska motioned to adjourn at 6:32 p.m. Flatt seconded. Motion carried.

Anthony A. Amendolea
Township Secretary/Treasurer

Edward G. Latuska
Chairman

Alan H. Smallwood
Vice Chairman

Ronald E. Flatt
Supervisor

Absent

Kenneth J. Frenchak Jr
Supervisor

Phillip B. Wulff
Supervisor