

WILKINS TOWNSHIP BOARD OF COMMISSIONERS

BUDGET MEETING MONDAY, OCTOBER 27, 2014

The Budget Meeting of Monday, October 27, 2014 was brought to order at 6:30 PM by President Sylvia J. Martinelli. A quorum was present as follows:

Mrs. Martinelli Ms. Criner
Mr. Boyd Mr. Costa Mr. Wells

General Fund Budget

Mrs. Bradley presented an updated version of the 2015 budget. There has been a slight decrease (\$13,700) in total revenues and expenditures – from \$5,197,400 to 5,183,700. Changes in the last month were few. PennDOT sent out the 2015 Liquid Fuels allocation letters. The Township will receive \$154,000 in liquid fuels in 2015, an increase of about \$9,000 from 2014. Other changes in the general fund included a decrease in projected beginning balance from \$212,300 to \$189,600 due to changing projections in 2014. The paving account (438.210) was decreased to offset the difference between the increase in liquid fuels and the decrease in beginning balance (\$13,700). At this point, health care, workers compensation and the package insurance policy premiums are all unknown. An increase of 10% is currently included in the budget for each of these items. A meeting on health care premiums will be held later this week, but small group Highmark rates are as of yet unavailable.

There are three issues that the Board needs to be aware of. First, Mrs. Bradley continues to believe that the real estate number (\$2,200,000) budgeted for 2015 is too high. As of today, total current year real estate collections for 2014 are: \$2,157,806. Her current projection for December 31st collections is \$2,170,000, or about \$30,000 shy of budget. The Township has also refunded over \$30,000 of current year real estate tax collections (see account 491.000) because of successful reassessment appeals during the year. Therefore, beginning next year, the Township should expect to be about \$60,000 less than what we are actually budgeting. This will be revisited before the first reading of the budget on November 10th. There are also several appeals that have not been heard and/or settled, including: the Comfort Inn, VoCollect and the Marriot Residence Inn. These reassessments will continue to pull down the Township's real estate tax revenue.

The second issue that Mrs. Bradley discussed with the Board was a recent Commonwealth Court decision in the case of Fish, Hrabrick and Briskin v. Township of Lower Merion (Montgomery County). This case challenges the ability of the Township to collect business privilege tax on gross receipts derived from rental or lease revenues. The Township collects about \$25,000 in Business Privilege Tax (BPT) from these revenues. The loss of this, coupled with the ability of the payers to request and receive a refund for two years prior would create a \$75,000 hole in the Township's budget. At this juncture, Monroeville is reviewing the decision. It is anticipated that it will be appealed to the Supreme Court. In the meantime, the Township and Monroeville will need to make a decision as to whether or not to escrow payments received in 2015.

Finally, during the initial budget presentation last month, Mrs. Bradley failed to advise the Board that the Public Works Department budget does include \$31,000 for one new full time laborer position.

Liquid Fuels Fund:

The only other adjustment from last month was to change the revenue and expense streams in the liquid fuels fund to account for the receipt and expenditure of \$154,000 instead of \$145,000. This information was provided to the Board.

The next budget meeting is scheduled for November 10, 2014 beginning at 6:30 PM. The first reading of the 2015 Budget will be held at the regular meeting scheduled for that same evening beginning at 7:00 PM. Final adoption is scheduled for December 8, 2014.

The meeting adjourned at 6:45 PM.

Respectfully submitted,

Rebecca Bradley
Secretary