

WILKINS TOWNSHIP BOARD OF COMMISSIONERS

BUDGET MEETING, MONDAY, OCTOBER 8, 2012

The Budget Meeting of Monday, October 8, 2012 was brought to order at 6:00PM by President Sylvia J. Martinelli. A quorum was present as follows:

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

Mrs. Bradley presented the first draft of the 2013 Budget for the following funds: General, Capital Reserve, Combined Sewer, Emergency Contingency, Emergency Management, Industrial Development Authority, Liquid Fuels, Police Pension, Retired Members Death Benefit and WT Disaster Relief.

General Fund:

Revenues and expenditures are balanced at \$4,832,500. It is anticipated that a carry forward balance of approximately \$213,000 will be applied to next year's revenues along with the remaining funds in the Emergency Contingency Fund (\$450,000). It is not currently anticipated that there will be an increase in millage.

Mrs. Bradley expressed concern over what assessed value the Township will be required to use for 2013. Allegheny County sent out certified assessed rolls for 2013 back in March of 2012. These rolls increased the assessed value of property (cumulative) in Wilkins Township by 31% over the certified assessed value for 2012. If the Township is required to use these certified values, then the Board will need to decrease the millage rate to be in compliance with anti-windfall provisions. These provisions require the township to reap no more than a 5% benefit from the assessment. Presently, the Real Estate Tax revenue included in the 2013 proposed budget is comprised of the 2012 total budgeted number plus 5%. Once the manager is advised of the appropriate data to utilize, the value and millage rate will be recalculated. Mrs. Bradley also expressed concern regarding the amount of earned income tax that has been collected to date. As of the beginning of October, total collections exceeded \$625,000, which is more than the Township has ever received in any one fiscal year, let alone in a nine month period. Because of the change in the law and the change in collectors, it is possible that the increase in collection reflects an accurate accounting of funds due and remitted to the township. However, Mrs. Bradley has contacted Keystone and requested that they review the census of Township residents to ensure that the Township is not receiving funds due to other municipalities.

The General Fund budget does not project an increase in wages. The Collective Bargaining Agreement between the Township and the Maintenance Employees (non-uniform) Association calls for a 0% increase in 2013. The Township and the Wage Policy Committee (police) are currently participating in an arbitration to determine the level of wage increase, if any, for 2013. The 2013 budget also does not call for an increase in health care rates. The Township received a preliminary rate notice from Municipal Employers Insurance Trust (MEIT) that indicates a decrease in healthcare premiums from 2012 to 2013 of -0.2%. It should be noted that the Township and the Maintenance Employees Association are awaiting the results of interest arbitration relative to the parity provisions of the Collective Bargaining Agreement and the health insurance plan awarded by the Police arbitrator. The Township has not yet received renewal rates for the package policies or workers compensation and therefore, these rates are preliminarily estimated to increase by 10%. The General Fund includes the purchase of one Ford Interceptor 4x4 for the police department along with one new in-car video recorder. The budget also provides for the purchase of a new Case Backhoe to replace the existing which has

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reached the end of its useful life. This purchase will be aided by the use of grant funds from the DEP.

Capital Reserve Fund:

Currently, revenues and expenses are balanced at \$2,500. This fund has been depleted through the years. The remaining funds will be used to satisfy assessment appeals for years prior to 2013. Depending on the certified assessed value to be used by the Township for 2013, additional funds may be transferred to the Capital Reserve Fund to aid in refunds for 2013 as well.

Combined Sewer Fund:

The Township has not yet received notice from ALCOSAN relative to the required 2013 Budget Requirement (i.e., the amount of funding that is required to be budgeted for expenses). That requirement letter is usually received the first week of November and may require substantial modification to this budget. However, at this time, the Township is projecting a carry forward balance of \$250,000. Projects scheduled for next year include the next phase of the Dowling Avenue Sanitary Sewer Replacement, the completion of a CO&A mandated Feasibility Study and some spot repairs. The budget is currently balanced at \$1,312,200.

Emergency Contingency Fund:

The majority of funds remaining in this account will be utilized to balance the General Fund Budget. Additionally, the funds remaining in the Emergency Management Fund will be transferred to this Fund and the Emergency Management Fund, which was slated to be closed in 2012, will be closed in 2013. The transferred funds, estimated to be \$29,000, will be placed in the Contingency Fund to aid in the event of unforeseen losses. The Emergency Contingency Fund is balanced at \$479,100.

Emergency Management Fund:

As noted in the previous section, the Emergency Management Fund, which was to be closed in 2012 by a transfer to the General Fund, will remain open into 2013. However, these funds will then be transferred to the Emergency Contingency Fund. This fund is currently balanced at \$29,000.

Industrial Development Authority/IDA Fund:

This past year, the Public Works Department paved the Community Center parking lot and placed bike racks and new grills in the three parks. The IDA came through with a \$15,000 donation for that project. For next year, assuming an additional donation, Mrs. Bradley suggested working on the plan that was prepared for Lions Park. The budget for 2013, therefore, is balanced at \$57,950 with all expenditures geared toward park improvements.

Liquid Fuels Fund:

The Township received notice from the Commonwealth that the allocation for 2013 will amount to approximately \$129,767.11. It is anticipated that this number will increase slightly for the addition of Vineasian Place to the list of Township streets. These funds will be used to offset street lighting and public works wages for roadwork. The budget is balanced at \$130,000.

Police Pension Plan:

The Township is required to contribute a minimum of \$342,364 to the Police Pension Plan for 2013. It is anticipated that the Township will receive approximately \$105,000 in State Aid and employees will contribute \$48,000. Therefore the budget is balanced at \$392,000, with all funds transferring to the Police Pension Account held with PNC.

Retired Members Death Benefits (RMDB):

This fund is currently balanced at \$112,150. Mrs. Bradley shared with the Board a proposal to eliminate the annual contribution of \$8,050 to this account by insuring active employees for roughly \$4,000 per year and just using the balance of this fund to pay for existing retirees. This will be explored further before the next Board meeting.

Disaster Relief Fund:

This fund contains \$1,990 in fund balance to be used to aid in disasters, such as floods.

The meeting was adjourned at 6:45 PM.

Respectfully submitted,

Rebecca Bradley
Secretary