

**HILLTOWN TOWNSHIP BOARD OF SUPERVISORS
ADVERTISED 2014 BUDGET WORKSESSION MEETING
Tuesday, October 22, 2013
1:00PM**

The advertised 2014 Budget Worksession of the Hilltown Township Board of Supervisors was called to order by Chairperson Barbara A. Salvadore at 1:00PM and opened with the Pledge of Allegiance.

Also present: John B. McIlhinney, Vice-Chairman
James C. Groff, Supervisor
Richard C. Schnadter, Township Manager
Lorraine E. Leslie, Township Treasurer
Christopher E. Engelhart, Chief of Police
Lynda S. Seimes, Township Secretary

A. PUBLIC COMMENT ON AGENDA ITEMS ONLY: None.

B. YEAR 2014 PROPOSED BUDGET - Discussion/Questions/Comments: Mr. Schnadter presented the Proposed Budget with no projected tax increase for 2014. It was noted that the year 2014 contains 27 payrolls, which happens approximately once every seven years. The Police Department and Public Works Department salary categories indicate a 3% increase as per contract, however Administration salaries (including Police Chief, three civilian employees in the Police Department, and the Director of Public Works) are shown at 2013 levels including the 27th payroll. A narrative prepared by Mrs. Leslie was discussed with the following items noted:

General Fund:

- Real Estate Taxes are based on a total assessment of \$213,550,730.00 at 6.05 mills. All other revenue categories show modest increases or are maintained at 2013 levels.
- Medical insurance costs will increase 10% for 2014.
- A summer intern has been added to the Planning/Zoning category for the purpose of computerizing the tax map parcel files.
- The General Fund also indicates a transfer of funds of \$250,000.00 to the Capital Projects Fund to cover capital expenses and a \$200,000.00 transfer to the Stormwater Fund to cover anticipated projects in 2014, and to return the balance to include those funds set aside for the maintenance of basins in the Hilltown Ridge/Reserve at Hilltown developments.

Fire Fund:

- Real Estate Taxes are based on a total assessment of \$213,550,730.00 at 0.75 mills.
- The Fire Fund remains somewhat the same for 2013 with the exception of the insurance payments for Hilltown Volunteer Fire Company which has risen to \$31,000.00.

Park and Recreation Fund:

- Real Estate Taxes based on a total assessment of \$213,550,730.00 at 0.20 mills.
- No major changes from 2013.

Debt Service Fund:

- Real Estate Taxes based on a total assessment of \$213,550,730.00 at 1.25 mills.
- Current balance on the loan is approximately \$705,534.00. That amount will be reduced by approximately \$253,000.00 in 2014, bringing balance to approximately \$453,534.00, with a current interest rate of 1.95%.

Capital Projects Fund:

- Proposed \$100,000.00 of Municipal Building improvements (new carpet and interior painting).
- Upgrade 5 computers for the Admin. Dept. for total of \$5,000.00.
- Police Dept. capital expenses include 3 replacement vehicles, radios, in-car video system, Vascar speed timing device, Taser, and replacement computer equipment.

Recreation Capital Reserve:

- Former Municipal Building in Blooming Glen in very poor condition.

Discussion took place. The Board directed Mr. Wynn, Township Engineer, and Mr. Taylor, Building Inspector, along with Mr. Schnaedter, to inspect the former Municipal Building to determine whether or not the building is worth saving.

Open Space Fund:

- The only expense is the amount payable to collect and administer these taxes.

Stormwater System Reserve Fund:

- The proposed budget indicates the transfer from General Fund of \$200,000.00 as previously noted. Approximately \$80,000.00 in Public Works projects proposed for 2014. Balance of \$148,600.00 for any required repairs to basins in Hilltown Ridge/Reserve at Hilltown developments.

Road Equipment Fund:

- Real Estate Taxes based on a total assessment of \$213,550,730.00 at .50 mills.
- Replacement of a Boom Mower and a used Bucket Truck.

State Highway Aid Fund:

- Township will receive approx. \$372,000.00 from the Commonwealth in 2014.
- Proposed \$120,000.00 for paving, and \$219,000.00 for road materials, which can also be used for paving or patching. All other categories remain similar to 2013.

Operating Reserve Fund:

- A transfer from General Fund during 2013 of \$150,000.00, which begins the restoration of the original balance of \$250,000.00, representing 5% of revenues as allowed by the Second Class Township Code.

Supervisor McIlhinney mentioned that the Comprehensive Plan, last adopted in 2003, is due for review and possible updating every 10 years. As such, he suggested funds be allocated to begin that process in 2014. Discussion took place. The Board directed that a line item be added to the budget, and that Mr. Wynn be consulted for recommendations of possible planners for this project.

Chairperson Salvadore was pleased to see an effort to restore the Operating Reserve Fund. If the Board wished to increase funding to the Operating Reserve Fund in 2014, Mrs. Leslie suggested that an additional \$63,000.00 be allocated to reach the equivalent of one mill of taxes, which can then be used in the future if necessary. The Board was in agreement.

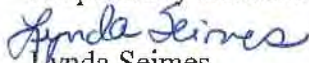
***1:21PM – The Board entered into Executive Session to discuss personnel and reconvened at 1:22PM.**

The Board directed that 3% increases be provided for administrative employees in 2014, including Police Chief, his administrative staff, and the Director of Public Works.

The Board will authorize advertisement of the 2014 Budget at their October 28th meeting for possible adoption at the November 25th meeting.

- C. PUBLIC COMMENT: No members of the public were in attendance.
- D. SUPERVISOR'S COMMENTS: None.
- E. PRESS CONFERENCE: No members of the press were in attendance.
- F. ADJOURNMENT: Upon motion by Supervisor Groff, seconded by Supervisor McIlhinney, and carried unanimously, the 2014 Budget Worksession meeting of October 22, 2013 was adjourned at 1:23PM.

Respectfully submitted,


Lynda Seimes
Township Secretary

(*NOTE: These minutes were transcribed from notes and recordings and should not be considered official until approved by the Board of Supervisors at a Public Meeting).