

## FY2014 BUDGET MESSAGE

The Township remains in positive financial health.

**General Fund (GF).** The General Fund is balanced at \$1,492,000.00.

GF Revenue. There will be no real estate tax increase this year. For FY2014, the transfer tax revenue was much higher than projected due to two developments. The Township's largest revenue source is the Earned Income Tax. EIT has traditionally grown at an average of 7% per year. EIT fell 5.5% from 2009 to 2010, went up slightly 2.5% in 2011, went up approx 8% in 2012, went up 8.5% 2013 and is projected flat in FY2014.

GF Expenditures. The most significant single item this year is debt service of \$268,000/year. The Township has banked one year's debt service payments.

**Recreation Account**—the Township proposes a couple summer camp programs for James Umble Park in 2014

**Capital Reserve Fund (CRF).** The long range forecast for the CRF is positive, as there is no unfunded depreciation from equipment purchases that preceded the fund's inception in 2002. In 2014 the Township proposes to replace 2003-3500 GMC. The Township also proposes work on Talbotville Road Storm Sewer at approx \$14,000.

The Township also has a requirement to fulfill with regard to the TMDL program which has a budgeted amount of \$50,000 and will pursue any grant opportunities available.

**Land Preservation Fund**—this is a restricted account that is for the purchase of land easements. This fund enables the Township to preserve the development rights on farm land. The projected installment payouts for 2014 are \$238,000 for farmland easements.

**Operating Reserve Fund (ORF).** The Op Reserve Fund is healthy and available for contingencies. The Township set aside approximately 5% of annual revenue each year from 2002-2006 for emergencies. The ORF has reached its goal of \$350,000 in rainy day savings.

**State (Liquid Fuels) Fund (SF).** This money is allocated from the Commonwealth each year for road maintenance and equipment purchases related to road maintenance. The Township is to set aside 20% of its annual allotment each year for the purchase of road equipment. This year the Township proposes the purchase of a small roller for \$7,000. This year's operating expenditures will be used for the annual sealcoat, asphalt overlay and line painting. The Township typically sealcoats 7 to 8 miles of road and overlays 1 mile of road as preventive maintenance. In addition the Township will complete its reclaim/widening project for Poplar Road that started in 2013 and shall be completed in 2014.