
PINE GROVE TOWNSHIP SUPERVISORS

175 OAK GROVE ROAD, PINE GROVE, PA 17963

OCTOBER 22, 2018 BUDGET MEETING MINUTES

CALL TO ORDER - Vice-Chairman Howard Lengel called the October 22, 2018 meeting to order with the Pledge of Allegiance at 6:33 PM. In attendance were Supervisor Ray Stump, and Township Manager Kathy Ferguson. Chairman Bruce Kosack was absent.

PUBLIC COMMENT – No public was present.

OLD BUSINESS

Swatara Creek Restoration Project / Planning Commission Review – Stump moved to have the Planning Commission review and give their recommendation to the Board of Supervisors on accepting ownership of the Villas at Pine View Lot 41 (to be used for the Swatara Creek Restoration Project) in lieu of recreation fees. Lengel seconded the motion, motion carried 2 to 0.

Liquid Fuels Fund Transfer – Stump moved to approve the transfer of \$302,000 from Liquid Fuels Fund to Capital Reserves Fund to repay the funds used to pay for the 2018 Road Paving Project. Lengel seconded the motion, all were in favor and motion carried 2 to 0. Stump said he would call the PennDOT rep regarding reviewing the invoice for asphalt price adjustment for a later payment from Liquid Fuels Fund.

NEW BUSINESS

2018 Budget Year to Date Report – Ferguson submitted a year-to-date 2018 budget report along with a detailed revenue and expense year-to-date report; the reports show a \$295,000 budget deficit as of October 17th.

Ferguson said \$173,000 of that deficit can be attributed to the 2018 Tar & Chip Road Project that budgeted from Liquid Fuels Fund but was paid from the General Fund; other expenses not in the budget were emergency flood related road repairs and contracted services. Ferguson said the Board can act tonight to allocate funds for the 2018 Budget over-runs.

Lengel asked if Williams (Pipeline Company) was billed for the drop box on Beuchler and the work on Oak Grove Road. Ferguson said she has the bill for Oak Grove Road pulled, but needs to pull the one for Beuchler; she will be emailing them to Allan Berenbrok for payment and it would reduce Highway & Street expenses approximately \$9,000.

Liquid Fuels Fund – Stump asked if Liquid Fuels Fund money is added to the Revenue in the budget. Ferguson said Liquid Fuels Fund and Capital Reserves Fund are separate from General Fund, each are treated as an individual company with General Fund acting as the parent company. Ferguson said checks are issued only from the General Fund and the budget only shows money coming in from Capital Reserves Fund and Liquid Fuels Fund as transfers under “Other Funding Sources”.

Ferguson said expenses using Liquid Fuels Funds are budgeted by entering the amount as a transfer into General Fund Revenue and entering the same amount in the Expense line item for the intended use. Ferguson reviewed current Liquid Fuels Fund balance and proposed 2019 allocations; she noted there would be approximately \$136,000 available for spending on equipment in 2019.

2019 Proposed Budget - Ferguson said she was unable to balance the 2019 budget including the bridge expenses and requested items submitted to her without using almost \$500,000 of Capital Reserves Fund money. The Supervisors discussed the following items.

Revenue & Expenses

- ▶ **409.700 Capital Purchases** – Ferguson said there is \$125,000 in Capital Purchases for a new blade and a new mower per Lengel’s request. Lengel said a new snow blade costs about \$13,000 to \$14,000 and asked for it to come out of the General Fund. Stump said we need a new mower and tractor. Discussion was held on the funding for the equipment. Ferguson said the allowable amount for equipment in 2019 Liquid Fuels Fund would be \$135,000. Stump said the total cost of the tractor and mower is about \$173,000. Ferguson asked who it was from and if it was purchased through Co-Stars. Stump said they got other prices, but the best one was from Stephenson

Revenue & Expenses

▶ **409.700 Capital Purchases, cont.**

Equipment and it was through Co-Stars. The Board agreed to budget \$135,000 of Liquid Fuels Fund equipment fund money and approximately \$38,000 of General Fund money to purchase a new tractor mower.

▶ **391.10 Sale of Fixed Assets** – Discussion was held on selling the tractor mower and selling the grader. Lengel will check into what the grader may be worth and work on the specs for advertising. \$10,000 was added to Sales of Fixed Assets for the tractor mower.

▶ **492.300 Transfer - Cap Reserves Fund** – Ferguson said \$25,000 is budgeted to open an Equipment Fund account in the Capital Reserves Fund requested by the Board; money can be added each year and plans made for equipment replacement on a regular basis.

▶ **410.250 Police - Contracted Services** – A temporary amount of \$195,000 was put into the budget until the Supervisors have more information to work with, no decision was made on this expense.

▶ **439.000 Highway Construction /Rebuilding** – Stump said \$300,000 should be enough for the roads this year; Old Forge Road must be paved. Lengel said the pipeline is paying for some of the resurfacing of Old Forge Road and part of Darkwoods Road. Stump said Nut Grove Road should be done at the top and the pipes put in, the whole road does not need to be paved.

- **Swopes Valley Bridge Grant** - \$364,983 is included for bridge construction in 2019, receipt of funds is included in Revenue under line item #354.10

▶ **Employee Benefits** – Stump said the Board will keep the employee insurance benefits the same in 2019 and they will receive a cost of living raise.

▶ **430.113 Road Crew (Full Time) Wages** – Ferguson said she increased this amount as requested for an additional full time employee at an estimated \$15.75; other employee expenses were also adjusted for the additional employee.

▶ **411.317 & 411.318 Fire Company (Ravine & Suedburg)** – Ferguson said the donation amount to the fire companies was increased to \$14,500 per Stump's recommendation.

▶ **454.700 Rec Area - Capital Purchases** – Ferguson said the Recreation Board submitted budget items including a Capital Purchase amount of \$6,000 to build a hip roof on the side of the large pavilion to protect the electrical outlets from the rain. Ferguson noted the Board has an option to use money in the Recreation Area bank account to pay for expenses they incur; it could be transferred to the General Fund checking account at the end of the year as a reimbursement. Stump said he would like to do that this year in light of the Township being over budget.

PUBLIC COMMENT – No public was present.

ADJOURNMENT – At 7:20 PM Stump moved to adjourn the meeting, Lengel seconded the motion; all were in favor and motion carried 2 to 0.

Respectfully submitted,

Kathy Ferguson, Township Manager

Approved by the Board of Supervisors on December 12, 2018.