HARRIS TOWNSHIP

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TO: Board of Supervisors

FROM: Amy Farkas, Township Manager

RE: 2019 Operating Budget

DATE: October 24, 2018

I am pleased to present the 2019 Operating Budget to you.

We spent 2018 working on some long standing projects in the Township. We kicked off a multi year sidewalk replacement project in the Village of Boalsburg, we worked on designs for the maintenance facility and we completed the planning process for Tussey Pond Park.

The Township is poised to have a very busy and exciting 2019, as we move our largest capital project forward, complete upgrades to our parks and work to move the Boal Avenue road diet from study to implementation.

Maintenance Facility

The Maintenance Facility project will move from planning to construction in 2019. Our goal is to have the maintenance facility ready for occupancy by 2020. We will start work on the borrowing in early 2019. One item the Board will need to take care of in 2018 is the execution of a reimbursement resolution. This will allow us to reimburse ourselves out of the borrowing for the $200,000 we spent on the design for the facility. Without this reimbursement, our fund balance will be dangerously low.

Parks Projects

The Township will complete several parks projects in 2019. We will use $55,000 of fee in lieu funds, plus additional money from the General Fund, to build the pedestrian bridge from the Elksview Community to Fasick Park. We hope to complete this project in the spring, so residents can enjoy the park all summer.

We will also partner with Lezzer Lumber to complete the installation of an amphitheatre in Yoder Preserve. The Boalsburg Village Conservancy donated unused funds from the purchase of the Preserve to this project.

Lastly, the Township will move forward with constructing the pathways at Tussey Pond Park. These paths will connect with the first phase of the planned community hike/bikeway from Torrey Lane to Rothrock State Forest. The park will become a destination off of that trail.

Financial Management

The Township will continue its efforts to upgrade its financial management systems. One item the Board will need to consider during 2019 is setting a fund balance policy. This policy will help ensure we have funds to be used to advance projects (we were able to fund the design work on the maintenance facility this year because we had a healthy fund balance) and to carry us through until tax funds are received each year. We will present more information to the Board about fund balance policies later in 2019.

We will also work to upgrade our IT systems. The Township was working with Angel Hernandez from State College Borough on ideas for our IT system. Mr. Hernandez recently left his position. Staff will find a new consultant to help us upgrade and secure our IT systems.

Final Thoughts

The Township continues on a fairly tranquil financial pattern, thanks largely to the work of Mr. Miller and the good financial decisions made over the last 2 years by the Board. We stand on firm financial footing as we move into the borrowing for the Maintenance Facility. We also have the ability to tackle multi year projects, thanks to the Board's foresight in creating the dedicated millage for special projects.

As growth begins to slow in the Township, we will need to continue our diligence with our finances to ensure we remain in good financial shape.

As always, please do not hesitate to call or email me if you have any questions about the budget.

Harris Township - 2019 Proposed Budget
Summary By Fund

2019 Budget2		Fund									
Type	Category	01 General Fund	02 Light Fund	03 Fire Hydrant	04 Fire Equipment	05 Special Projects	30 Capital Fund	35 State Fund	50 Memorial Fund	51 Tree Comm	Grand Total
Fund Balance											
	01 Assigned FB								(6,241)	(5,000)	(11,241)
	02 Unassigned FB	(381,183)	(3,331)	(19,523)	(740,009)	(25,000)	(170,681)	(239,542)	(49)	810	(1,578,509)
Fund Balance Total		**(381,183)**	**(3,331)**	**(19,523)**	**(740,009)**	**(25,000)**	**(170,681)**	**(239,542)**	**(6,291)**	**(4,190)**	**(1,589,750)**
Revenue											
	03 Tax Revenues	(1,924,257)	(6,254)	(17,704)	(267,496)	(41,154)	(61,730)				(2,318,595)
	04 Other Revenues	(3,120,291)		(180)	(5,000)		(8,500)	(201,851)	(30)	(35)	(3,335,887)
Revenue Total		**(5,044,548)**	**(6,254)**	**(17,884)**	**(272,496)**	**(41,154)**	**(70,230)**	**(201,851)**	**(30)**	**(35)**	**(5,654,482)**
Expense											
	05 Government Services	53,451									53,451
	06 Administration	690,175									690,175
	07 Public Safety	583,420		17,000	150,000						750,420
	08 Public Works	488,206	6,500			25,000		127,200		6,300	653,206
	09 Maintenance	2,625,138									2,625,138
	10 Finance	54,785									54,785
	11 Professional Services	92,000									92,000
	12 Regional Programs	572,203									572,203
	13 Celebrations	3,292							500		3,792
	14 Capital Expenditures	6,000					127,000	176,000			309,000
Expense Total		**5,168,671**	**6,500**	**17,000**	**150,000**	**25,000**	**127,000**	**303,200**	**500**	**6,300**	**5,804,171**
Ending Fund Balance		**(257,060)**	**(3,085)**	**(20,407)**	**(862,505)**	**(41,154)**	**(113,911)**	**(138,193)**	**(5,821)**	**2,075**	**(1,440,061)**

DESIGNATED RESERVE FUND: ROAD EQUIPMENT REPLACEMENT

		1	2	3	4	5	6	7	8	9
		2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
			Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Fund Balance January 1		$211,530	$170,681	$116,773	$85,327	($15,618)	($96,390)	($160,920)	($300,920)	($290,920)
Revenue										
Tax Funds		60,500	64,592	64,592	0	0	0	0	0	0
Grants		0	0	0	0	0	0	0	0	0
Loan from the General Fund		0	0	0	0	0	0	0	0	0
Other - Use of prev. year's LF equipment %										
Interest		3,500	3,500	3,500	3,000	0	0	0	0	0
Rebate on Equipment		0	0	0	0	0	0	0	0	0
Sale Of Used Equipment		0	5,000	5,000	5,000	7,500	5,000	10,000	10,000	10,000
Total Revenue		$ 64,000.00	$ 73,092.00	$ 73,092.00	$ 8,000.00	$ 7,500.00	$ 5,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
Expenditures										
Repayment of General Fund when grant received		0	0	0	0	0	0	0	0	0
Air Compressor & Generator		(14,697)								
Door Replacement		(3,457)								
Maintenance Vehicles										
Truck 1 - Ford F-550 T-Tag	2018	(86,695)								
Truck 2 - Ford F-550 T-Tag	2011			(104,538)						
Truck 3 - 2017 International	2017									
Truck 4 - Ford F-550	2007		(92,000)							
Truck 5 - 1997 International	1997									
Truck 6 - 2016 International	2016									
Ford F-550 T-Tag	2006									
Office Vehicles										
Ford Explorer	2005		(30,000)			(32,835)				
Off-Road Vehicles										
Hussler Zero Turn Mower	2016									
Boom Mower										
JCB Backhoe	2016									
1975 John Deere Grader	1975						(42,030)			
Bob Cat skid loader	2008				(58,944)					
Trailer - Moritz dual axle	1997									
Bomag Roller BW 900-2	2004						(2,500)			
Woodchuck Chipper	1997		(5,000)							
Woodchuck Chipper 120	2005					(36,246)				
Old Dominion Leaf Loader	2004					(19,192)				
John Deere Tractor	2001				(50,000)					
Leaf Truck	2009							(150,000)		
Aeriol 4-ton Asphalt Box Hauler							(25,000)			
Vibra Plate WP 1550										
Hydraulic Post Pounder	2013									
Solar Message Board Sign	2017									
Total Expenses		-104,849	-127,000	-104,538	-108,944	-88,273	-69,530	-150,000	0	0
Fund Balance December 31		$ 170,681.00	$116,773	$85,327	-$15,618	-$96,390	-$160,920	-$300,920	-$290,920	-$280,920

2019 Payroll Budget

Position	Hourly Rate	COLA	Merit	New Rate	Annual Hours	Total	Social Security	Medicare	UC	401a	Health Insurance	Dental	Life /Disability	Personnel Total
Township Manager	39.34	3.00%	2.00%	41.33	2,080.00	85,966.40	5,329.92	1,246.51	90.00	6,576.43	20,307.60	617.65	489.60	120,134.51
Administrative Assistant	18.80	3.00%	0.00%	20.36	2,168.00	45,152.88	2,799.48	654.72	90.00	3,454.20	40,857.84	1,235.29	425.83	94,244.41
Zoning Officer	33.83	3.00%	2.00%	35.54	2,110.00	76,709.34	4,755.98	1,112.29	90.00	5,868.26	40,857.84	3,705.88	527.05	133,099.59
Finance Assistant	20.06	3.00%	2.00%	21.08	1,040.00	21,923.20	1,359.24	317.89	90.00		-			23,690.33
Maintenance Superintendent	35.99	3.00%	2.00%	37.81	2,150.00	82,614.86	5,122.12	1,197.92	90.00	6,320.04	42,655.68	1,235.29	724.00	139,235.91
Maintenance Worker	20.80	3.00%	2.00%	21.85	2,150.00	47,742.25	2,960.02	692.26	90.00	3,652.28	40,857.84	1,852.94	279.68	97,847.59
Maintenance Worker	20.48	3.00%	2.00%	21.52	2,150.00	47,021.19	2,915.31	681.81	90.00	3,597.12	20,307.60	617.65	317.87	75,230.68
Mechanic/Laborer	18.35	3.00%	0.00%	19.90	2,150.00	43,481.50	2,695.85	630.48	90.00	3,326.33	20,307.60	617.65	182.87	71,149.41
Maintenance Worker	25.08	3.00%	2.00%	26.35	2,150.00	57,574.75	3,569.63	834.83	90.00	4,404.47	20,307.60	617.65	571.49	87,398.93
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Total						517,561.37	32,088.80	7,504.66	810.00	37,199.13	246,459.60	10,500.00	3,518.39	852,123.56

2019 Payroll Budget

Position	Hourly Rate	COLA	Merit	New Rate	Annual Hours	Total	Medicare	Social Security	UC	401a	Health Insurance	Dental	Life /Disability	Personnel Total
Township Manager	39.34	3.00%	1.50%	41.13	2,080.00	85,550.40	5,304.12	1,240.48	90.00	6,544.61	20,307.60	617.65	489.60	119,654.86
Administrative Assistant	18.80	3.00%	1.50%	19.65	2,168.00	43,578.30	2,701.85	631.89	90.00	3,333.74	40,857.84	1,235.29	425.83	92,428.91
Zoning Officer	33.83	3.00%	1.50%	35.37	2,110.00	76,342.41	4,733.23	1,106.96	90.00	5,840.19	40,857.84	3,705.88	527.05	132,676.51
Finance Assistant	20.06	3.00%	1.50%	20.97	1,040.00	21,808.80	1,352.15	316.23	90.00		-			23,567.18
Maintenance Superintendent	35.99	3.00%	1.50%	37.63	2,150.00	82,221.55	5,097.74	1,192.21	90.00	6,289.95	42,655.68	1,235.29	724.00	138,782.42
Maintenance Worker	20.80	3.00%	1.50%	21.75	2,150.00	47,523.75	2,946.47	689.09	90.00	3,635.57	40,857.84	1,852.94	279.68	97,595.66
Maintenance Worker	20.48	3.00%	1.50%	21.41	2,150.00	46,780.84	2,900.41	678.32	90.00	3,578.73	20,307.60	617.65	317.87	74,953.55
Maintenance Worker	18.35	3.00%	1.50%	19.18	2,150.00	41,908.30	2,598.31	607.67	90.00	3,205.98	20,307.60	617.65	182.87	69,335.51
Maintenance Worker	25.08	3.00%	1.50%	26.22	2,150.00	57,290.71	3,552.02	830.72	90.00	4,382.74	20,307.60	617.65	571.49	87,071.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Supervisor	156.25			156.25	12.00	1,875.00	116.25	27.19			-			2,018.44
Total						512,380.06	31,767.55	7,429.52	810.00	36,811.51	246,459.60	10,500.00	3,518.39	846,158.24

Revenues
General Fund

	Sub Title	Description	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
General Fund						
1	Tax Revenues	Real Estate Taxes - Current	(693,018)	(706,849)	(710,000)	(753,578)
		Real Estate Transfer Tax	(160,000)	(231,634)	(260,000)	(160,000)
		Earned Income Tax	-	(609)	(609)	
		RE tax, prior year levy	(10,000)	(8,973)	(8,973)	(10,000)
		Earned Income Tax-CTA	(963,000)	(763,553)	(963,000)	(987,075)
		Local Services Tax	(47,000)	(27,175)	(47,000)	(47,000)
	Tax Revenues Total		(1,873,018)	(1,738,794)	(1,989,582)	(1,957,653)
2	Other Revenue	Contributions from Private Sec	-	-		
		Interest Earnings	(2,500)	(7,103)	(9,000)	(10,000)
		Miscellaneous Income	(2,500)	(1,530)	(2,500)	(2,500)
		Other State grants	-	-		(2,314)
		Refunds of Prior Year Expendit	-	-		
		Tax collection	(6,200)	(13,086)	(13,086)	(13,000)
		COG lease	(17,387)	(13,040)	(17,387)	(17,387)
		Engineering Fee reimb.	(5,000)	(18,456)	(19,000)	(15,000)
		Forest Reserves	(20,000)	-	(21,000)	(21,000)
		PSU Contribution	(11,400)	(11,375)	(11,375)	(11,400)
		Public Utility Tax	(2,000)	-	(2,000)	(2,000)
		Park In-Lieu Funds	-	-		
		RE Cert Fees	(3,000)	(6,750)	(6,750)	(6,800)
		Municpal Pension State Aid	(34,000)	(29,619)	(29,619)	(30,000)
		CRPA reimb.	(2,100)	(164)	(164)	
		Fire Equip Fund transfer	-	-		
		Police services	-	(39,656)	(39,656)	
		Tussey bus service	(1,800)	-	(1,800)	(1,800)
		Fireman's Relief Assoc.	(40,000)	(37,243)	(37,243)	(38,000)
		Alcohol Beverage Tax	(800)	(800)	(800)	(800)
		Public Water Systems	-	-		
		Marcellus Shale Impact Fee	(1,400)	(1,683)	(1,683)	(1,700)
		Vehicle Code Violations	(7,000)	(5,077)	(7,000)	(7,000)
		Violation of Ordinances	-	(20)	(20)	(50)
		General Obligation Bonds - Non-Elect	-	-		(2,700,000)
		Non recurring Grant	(41,250)	-		(40,000)
		State Grants - Parks	-	-		
		Subdivision Plan Fees	-	-		
		Zoning Application Fees	(15,000)	(14,679)	(15,000)	(15,000)
		Zoning Hearing Board	-	-		
		Sewage fee reimbursements	(2,500)	(5,925)	(6,000)	(6,000)
		Transient Retailer Permits	-	-		
		Sign Licenses	-	-		
		Cable TV Franchise Fee	(108,040)	(90,929)	(108,040)	(108,040)
		Road Occupancy Permits	-	(550)	(550)	(500)
	Other Revenue Total		(323,877)	(297,684)	(349,672)	(3,050,291)
General Fund Total			(2,196,895)	(2,036,478)	(2,339,254)	(5,007,944)

LINE ITEM DETAIL – GENERAL FUND REVENUES

TAX REVENUES

Earned Income Tax is levied at a rate of .5% for the Township, plus .95% for the School District. This tax increases as the population and earnings of the Township residents continue to grow. The tax is based upon Earned Income and Net Profits of Township residents. This line item also includes tax collections for the Local Services Tax which is based on the Township's share of the tax levied on individuals working in Harris Township. In 2009, this tax was raised from $5.00 ($10.00 total) to $47.00 ($52.00 total).

Real Estate Taxes are levied at the Township's millage rate on taxable real property. The number is derived by taking the total assessed value of all taxable property in the Township, as provided by Centre County, and multiplying by the mil rate. The general millage rate is 3.5.

In 2015, the Board increased the millage .5 mills for 3 years to fund capital expenses for the Maintenance Department. Revenue from this dedicated tax is deposited into the Capital Equipment Fund. The Township replaced single axle trucks in 2015 and 2016 and a backhoe in 2017. This tax is set to sunset on December 31, 2017, unless the Board chooses to renew it.

In 2017, the Board agreed to renew the dedicated millage and allocate it as follows - .3 mills for maintenance equipment and .2 mills for special projects. This dedicated tax will sunset on December 31. 2020.

Real Estate Transfer tax is generated each time property is sold in the Township. The tax is based on the transfer price of the property times half a percent.

Other Tax Revenues come from the Public Utility Realty Tax and the Alcohol Beverage Tax.

OTHER REVENUE SOURCES

Zoning Applications Fees & Licenses include permits issued to transient retailers, driveway zoning application fees, zoning hearing board fees and subdivision plan fees. Sign licenses are issued for various signs in the Township and are generally renewed every 3 years.

Cable franchise fees are paid to the Township on a quarterly basis as per the Township's agreement with Comcast. This fee is based upon the number of subscribers in the Township and the gross revenues realized by the cable company from the residents.

Tax Collection Reimbursements consist of tax collection cost sharing with the State College Area School District, Centre County government, fire department, and fire hydrant funds. The school district shares in the collection cost for real estate taxes. Revenues are also realized from charging finance agencies for tax certification fees.

Interest Earnings come from the Township's strategy of investing funds in various financial instruments. For example, the bulk of funds realized from real estate tax collections are received in April of each year. These funds are invested until needed later in the year.

COG Lease is paid to the Township for COG's lease of the new building.

Forest Reserves is an in-lieu fee based upon the amount of forest land in the Township. The state recently raised the fee in lieu allocation from $1.20 per acre to $2.00 per acre.

PSU Contribution is based upon the fee-in-lieu agreement between the County, several municipalities and Penn State University.

Engineering services are reimbursements from various developers for work done by our planner and engineer on plans throughout the year.

Tussey Mountain is a reimbursement for extended CATA bus service to the ski area. The Board recently renegotiated this fee with Tussey Mountain. The fee was lowered to $1,800 per year.

Sewage Fee Reimbursements are reimbursements for work performed by the sewage enforcement officer during the year.

Marcellus Shale Revenue is received annually from the state. When Act 13 was passed in 2012, it included money for municipalities in counties with active wells. The money is based on the total amount of well revenue collected statewide.

General Obligation Bonds - Non-Electoral is the financing for the new maintenance facility. $2,700,000 is budgeted for 2019. This number may change slightly as plans are refined and bids are received for the building.

LINE ITEM DETAIL – OTHER FUND REVENUES

LIGHT FUND

Real Estate Light Assessments are based upon $.40 per front foot and are charged to residents who live in proximity to street lights. This assessment is billed as part of the property tax bill.

Interest Earnings result from investment of the light fund revenues.

FIRE HYDRANT FUND

Real Estate Hydrant Assessments are based upon a .0015 mil charge on those property owners within 780 feet of a hydrant.

Interest Earnings are from the investment of the fire hydrant funds.

FIRE EQUIPMENT FUND

Real Estate Taxes are based upon a rate of 1.3 mils. It is assessed on all property owners in the Township.

Interest Earnings are from the investment of the fire equipment funds.

CAPITAL RESERVE FUND

Capital Reserve fund revenues consist of money generated from the .3 mills dedicated tax for maintenance equipment. Large equipment purchases, emergency funds and money for work on the municipal building are spent out of this account.

Interest Earnings result from the investment of the capital reserve fund into various financial instruments.

STATE FUND REVENUE

Liquid Fuels disbursements from the state are received yearly and are restricted for specific road maintenance uses prescribed by PennDOT. Our Liquid Fuels allocation increases as we add additional mileage to our road network.

Interest Earnings result from investment of liquid fuels money.

SPECIAL PROJECTS FUND

Special Projects Fund is revenue derived from the .2 mills dedicated tax. This money has been earmarked for the Village of Boalsburg sidewalk project and the Boal Avenue Tree Replacement in 2019.

Government Services
Supervisors

	GL#	Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Supervisors							
11	400	Payroll Expense	01 General Fund	9,375	7,031	9,622	9,375
		Transp.-Mileage reimb.	01 General Fund	2,000	1,890	2,000	2,000
		Meetings, Confer.,Seminars	01 General Fund	4,000	762	4,000	4,000
		Appreciation dinner & meetings	01 General Fund	3,000	-	3,000	3,000
		4th Fest	01 General Fund	500	500	500	500
		Friends of the PA Military Museum	01 General Fund	1,000	1,000	1,000	
		CCATO Scholarship Fund	01 General Fund	200	-	200	200
		Capital Purchases-Mach & Equip	01 General Fund	-	3,500	3,500	
		Capital purchases	01 General Fund	-	-		
		C-Net Contribution	01 General Fund	21,203	15,586	21,203	21,439
		Contribution to Spring Creek	01 General Fund	350	-	350	350
		Heritage Museum Contribution	01 General Fund	10,182	10,283	10,283	10,500
		BBG Village Conservancy	01 General Fund	1,100	1,200	1,200	1,250
		Get Outdoors	01 General Fund	100	100	100	100
		Slab Cabin Run	01 General Fund	20,000	20,000	20,000	
		Spring Creek Watershed Commission	01 General Fund	487	-	487	487
		Leadership Centre County	01 General Fund	-	-		250
Supervisors Total				**73,497**	**61,853**	**77,445**	**53,451**

Government Services
Administrative

	GL#	Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Administrative							
12	**401**	**Payroll Expense**	01 General Fund	123,408	89,289	122,186	129,129
		Office Supplies & Postage	01 General Fund	5,000	3,587	5,000	5,000
		Operating Supplies	01 General Fund	-	-		
		Admin. services	01 General Fund	2,500	30	2,500	2,500
		Communication	01 General Fund	5,000	3,155	5,000	5,000
		Transportation, Mileage reimb.	01 General Fund	700	259	700	700
		Advertising - legal	01 General Fund	3,500	4,343	4,500	4,500
		Repairs & Maint.-Office	01 General Fund	-	-		
		Rentals-Office Equip.	01 General Fund	5,100	3,137	5,100	5,100
		Dues, subscrip., memberships	01 General Fund	4,975	3,652	4,975	4,975
		Meetings, Confer., Seminars	01 General Fund	2,000	2,469	2,500	2,500
		Lunch & breakfast meetings	01 General Fund	500	232	500	500
		Capital Equipment-Office	01 General Fund	-	-		
	470	**Land Purchase**	01 General Fund	176,500	-	176,500	
	471	**Gen Obligation Term Bond**	01 General Fund	-	-		
		Fees	01 General Fund	-	-		70,000
	472	**General Obligation Bonds - Interest**	01 General Fund	-	-		43,200
		Stormwater - Regional Project	01 General Fund	-	-		
	481	**Social Security (FICA) _ Emplo**	01 General Fund	30,060	21,807	29,842	31,768
		Medicare _ Employer Paid	01 General Fund	7,039	4,919	6,559	7,430
		COG Admin	01 General Fund	-	-		
	486	**Insurance & Bonding**	01 General Fund	77,000	63,425	77,000	77,000
	487	**Payroll Expense**	01 General Fund	810	1,061	1,414	810
		Retirement plan cont.	01 General Fund	19,839	22,354	29,805	21,093
		Health & Dental Insurance	01 General Fund	141,167	174,490	232,653	259,036
	492	**Transfer To State Fund**	01 General Fund	-	-		
Administrative Total				**605,098**	**398,209**	**706,733**	**670,239**

EXPENDITURES – LINE ITEM DETAIL

Supervisors:

The expenditures made in the Supervisors category of the General Fund include payroll, payment for attendance at various meetings, and other expenses necessary to enable the Supervisors to perform all of their various responsibilities.

400 **Payroll Expense:** Each Supervisor receives $1,875 per year as compensation—the maximum prescribed by law in the Second Class Township Code.

Appreciation Dinner: Funds are designated for the payment of Supervisors' attendance at various dinners, as well as the cost of providing lunch for noontime meetings. The expenses for the yearly appreciation dinner also comes from this account.

Contributions: This line includes contributions to CNET, the Heritage Museum, the Boalsburg Village Conservancy, the Spring Creek Watershed Monitoring Project, the Spring Creek Watershed Commission, the Friends of the Pennsylvania Military Museum, Get Outdoors Day event, the Centre County Association of Township Officials Scholarship Fund and 4th Fest. In 2013, the Board approved an annual allocation of .05 mills to the Boalsburg Heritage Museum every year.

EXPENDITURES – LINE ITEM DETAIL

Administration:

The administration department consists of the Township Manager and Administrative Secretary. The primary goal is to provide support to the Board of Supervisors and to provide excellent customer service to Harris Township residents. In addition, the Township Manager oversees all other Township staff and is responsible for the day-to-day activities of the Township.

401 **Payroll Expense:** This includes the salaries of the Township Manager and Administrative Secretary.

Office Supplies: This accounts for office supplies for all Township staff and includes copy paper, general office supplies, storage boxes, budget binders and small office equipment.

Communication: This line item is used to pay for the Township's monthly line charges for the telephone and for any maintenance on the telephone system.

Transportation: This line item is used to reimburse employees for use of their personal vehicle or to pay for travel to various conferences or trainings.

Advertising - Legal: This expenditure pays for legal advertising in the *Centre Daily Times*.

Repairs and Maintenance: This covers the repair of office equipment and also pays for maintenance agreements on any equipment.

Rental – Office Equipment: This is the monthly lease charge for the copier and a maintenance contract that includes all the supplies, except paper.

Dues & Subscriptions: This pays for memberships to PSATS, PML, CCATO, ICMA and APMM.

Conventions & Seminars: This line item will fund the Manager's attendance at the annual APMM, ICMA, PSATS, PML and PELRAS conferences. It will also be used to fund training for the Administrative Secretary and Supervisor attendance at conferences. Additionally, staff members in other departments who wish to attend training can do so using any additional funds remaining in this account.

Lunch & Breakfast Meetings: This account will be used when it is Harris Township's turn to host the monthly Regional Manager's Breakfast and also for other lunch meetings that may be necessary to discuss Township business.

471 **General Obligation Bonds:** This account is used to pay the fees associated with the borrowing for the maintenance facility project. These fees will be paid out of the borrowing itself.

472 **General Obligation Bonds:** This account is our interest payment on the loan for the maintenance facility. It is based on a $2,500,000 borrowing. This number may be adjusted slightly, if they borrowing is increased.

486 **Insurance and Bonding:** The Public Officials bonds, Treasurer's Bond, Workmen's Compensation Insurance and vehicle insurance are all paid from this account. In addition, the vehicle insurance and Workers Compensations Insurance for the Boalsburg Fire Company are also paid from this account.

487 **Employee Benefits:** In 2013, Harris Township became a member of the Pennsylvania Municipal Health Insurance Cooperative. The Township's health insurance premiums will increase 12.1 percent in 2018. The Township self funds its dental and vision insurance through TASC. The Township's share of Social Security and retirement plan contributions and PA Unemployment Compensation are also paid from this account.

Government Services
Finance, Legal, & Engineering

Sub Title		Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Finance, Leagal & Engineering							
13	Financial Administration						
	402	**Payroll Expense**	01 General Fund	20,852	15,003	20,531	21,809
		Professional Services	01 General Fund	20,400	15,300	20,400	21,012
		Transportation, Mileage reimb.	01 General Fund	-	-		
		Bank Services Charges/Fees	01 General Fund	-	334	334	-
		Auditing Services	01 General Fund	6,000	5,813	5,813	5,900
		Computer & software	01 General Fund	2,500	832	832	1,200
	407	**IT-Networking-Data Processing**	01 General Fund	2,000	-		2,000
	Financial Administration Total			51,752	37,282	47,909	51,921
14	Tax Collection						
	403	**Payroll Expenses - tax collect**		-	-		
		Tax Collection Fees - CTA	01 General Fund	-	-		-
		Office Supplies & Postage	01 General Fund	2,500	1,893	3,000	3,000
		Tax Software Maint.	01 General Fund	3,000	840	850	1,000
		Communications	01 General Fund	-	-		
		Contracted Mailing Services	01 General Fund	2,000	318	318	500
		Meetings, Confer.,Seminars	01 General Fund	250	-		250
	Tax Collection Total			7,750	3,050	4,168	4,750
15	Township Solicitor						
	404	**Legal services**	01 General Fund	12,000	8,541	12,000	12,000
	Township Solicitor Total			12,000	8,541	12,000	12,000
17	Township Engineer						
	408	**Engineering services**	01 General Fund	50,000	31,325	50,000	50,000
		MS4-Clearwater	01 General Fund	2,500	-	2,500	2,500
		MS4-DEP	01 General Fund	3,000	2,500	2,500	500
		Regional Storm Water Study	01 General Fund	5,000	-	5,000	25,000
	Township Engineer Total			60,500	33,825	60,000	78,000
Finance, Leagal & Engineering Total				**132,002**	**82,699**	**124,077**	**146,671**

Finance & Tax Collection:

The Township is transitioning its accounting to the Borough of State College. The Borough will be responsible for maintaining all of the Township's funds, accounts and investments and for payment of monthly invoices. The Township hired a part time Finance Assistant to collect and distribute taxes on behalf of the School District, Centre County and the Boalsburg Fire Company. The Finance Assistant also provides bookkeeping services to the Boalsburg Fire Company.

402 **Auditors:** The Township contracts with Maher Duessel to complete the yearly audit, as required by DCED.

Payroll Expense: The funds the Township's part time Finance Assistant. This employee works 20 hours per week and provides tax collection services and bookkeeping for the Boalsburg Fire Company.

Professional Services - Financial Administration: In late 2016, the Borough of State College began providing accounting services to the Township. The fee for this service will increase to $21,012 in 2019.

IT Services: The Township hired an on call IT person in 2016 to help maintain its computers and software. In 2019, the Township will continue to work to upgrade its IT system, including the use of a cloud or a server to backup data.

403 **Tax Software Maintenance:** This expenditure is needed to keep the tax system updated.

Office Supplies: This line item is used to purchase envelopes, forms and other supplies that are needed by the Finance Assistant to collect taxes. One-half of this cost is borne by the school district.

<u>EXPENDITURES – LINE ITEM DETAIL</u>

Other Professional Services:

The Township contracts with College Township for engineering services, McCormick Taylor for traffic engineering services and with Fanelli & Willett to provide legal advice on an as-needed basis.

404 **Legal Services:** This line item is budgeted as an estimation of the cost of legal services for the upcoming year. The actual expenditure will depend upon the amount of legal services that are used in 2019. A portion of this line item will also be used for the Township's share of the countywide tax collection committee's costs for legal services. The Township will also pay for its share of the Centre Area Cable Consortium's attorney out of this account.

408 **Engineering Services:** As per the agreement with College Township, the Township pays a portion of Don Franson's time as part of our shared engineering services agreement. The Township also pays our traffic engineer, McCormick Taylor, and other miscellaneous engineering bills out of this account. The majority of these fees are reimbursed to the Township by developers.

MS-4 Permitting: Expenses related to our NPDES permit are also included in this line item. Expenses are also paid to Clearwater Conservancy to help with public education efforts related to our MS-4 permit.

Regional Stormwater Study: Money is budgeted to start funding the projects listed in the MS4 Chesapeake Bay Pollution Reduction Plan. The Township is required by DEP to reduce its nutrient credits.

Public Safety

	Sub Title	Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Public Safety							
31	Police Services						
	410	**Police services**	01 General Fund	444,171	333,128	444,171	458,211
		Contracted Services	01 General Fund	-	-		
	Police Services Total			444,171	333,128	444,171	458,211
32	Zoning & Ordinance Enforcement						
	414	**Payroll Expense**	01 General Fund	71,876	52,689	72,101	76,342
		Professional Services	01 General Fund	1,195	2,437	2,437	2,500
	422	**Animal Control - Cont Services**	01 General Fund	-	137	200	1,500
	Zoning & Ordinance Enforcement Total			73,071	55,263	74,738	80,342
33	Sewage Enforcement						
	413	**Code Enforcement - SEO**	01 General Fund	3,500	5,925	6,500	6,500
	Sewage Enforcement Total			3,500	5,925	6,500	6,500
36	Fire Protection						
	411	**Fire Operating Support**	04 Fire Equipment	150,000	54,588	150,000	150,000
		Firemen's Relief	01 General Fund	40,000	37,243	37,243	38,000
	Fire Protection Total			190,000	91,831	187,243	188,000
37	Fire Hydrant Fund						
	411	**Maintenance Services**	03 Fire Hydrant	17,000	14,130	17,000	17,000
	Fire Hydrant Fund Total			17,000	14,130	17,000	17,000
Public Safety Total				**727,742**	**500,277**	**729,652**	**750,053**

EXPENDITURES – LINE ITEM DETAIL

Public Safety:

Public Safety includes the services provided by State College Police, the Zoning Officer, the Sewage Enforcement Officer and the Boalsburg Fire Company.

410 **Police Services:** For 2019, 75 hours per week are budgeted at a cost of $117.49 per hour. This service is contracted from the State College Police Department.

411 **Fire Protection:** These funds are generated from the fire tax and are given to the Fire Company each year for their use.

413 **Code Enforcement –SEO:** This account pays the fees of the SEO for her services. Fees related to the on lot sewage management program are also included in this line item.

414 **Payroll Expense:** This account pays the salary of the Zoning/Ordinance Enforcement Officer, including overtime expenses.

492 **Transfer to General Fund:** This transfer is from revenue generated by the fire hydrant tax and is used to reimburse the Township for the cost of collecting the tax.

	Sub Title		Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Maintenance								
41	Public Works							
		430	Transportation-Fuel, Mileage r	01 General Fund	200	-		
			Uniforms	01 General Fund	5,000	4,636	6,181	6,200
	Public Works Total				5,200	4,636	6,181	6,200
42	Equipment							
		430	Machinery and Equipmen	30 Capital Fund	110,000	101,392	101,392	127,000
			Minor Machinery and Equipment	30 Capital Fund	-	-		
		437	Payroll -Tools & Mach. Repair		29,644	18,345	25,103	27,176
			Tool & equipment repair	01 General Fund	5,000	6,346	7,000	7,000
			Small Tools & Equip.	01 General Fund	1,000	55	1,000	500
			Repairs of tools & mach.	35 State Fund	5,000	-	-	
			Tools & Equip. Maint.-Hwy Eq.	01 General Fund	20,000	15,347	20,000	20,000
		492	Transfer to other funds	01 General Fund	-	-		
	Equipment Total				170,644	141,485	154,496	181,676
	Parks & Grounds							
		409	Capital Purchases - Building	30 Capital Fund	5,000	3,457	3,457	
	Parks & Grounds Total				5,000	3,457	3,457	
	Snow and Ice Control							
		432	Payroll Expense	01 General Fund	19,924	20,112	27,522	31,097
			Operating Supplies - snow & ic	35 State Fund	25,000	17,474	25,000	25,000
			Winter Maintenance-Bike Paths	01 General Fund	2,000	-	2,000	2,000
	Snow and Ice Control Total				46,924	37,586	54,522	58,097
43	Traffic Signs & Signals							
		433	Payroll-Traffic Signs	01 General Fund	2,598	2,620	3,585	3,906
			Traffic signs & devices	01 General Fund	4,000	1,533	4,000	4,000
			Traffic Control Dev	35 State Fund	10,000	-	2,000	14,000
			Traffice Studies	01 General Fund	10,000	-		10,000
			Repairs & Maint.Traffic Lights	01 General Fund	5,700	5,651	5,700	5,700
			Repairs & Maint-Traffic Lights	35 State Fund	1,000	-	1,000	
	Traffic Signs & Signals Total				33,298	9,804	16,285	37,606
44	Road Maintenenace							
		434	Repairs & Maint-Street Lights	35 State Fund	-	-		
			Street light repair & maint.	01 General Fund	500	8,461	9,000	2,500
		437	General exp.	35 State Fund	-	-		
		438	Payroll-Highway Maint.	01 General Fund	170,769	118,831	162,611	181,970
			Personal Services	35 State Fund	-	-		
			Diesel Fuel	01 General Fund	-	-		
			Low sulfur diesel fuel - road	35 State Fund	15,000	9,744	15,000	15,000
			Maintenance - Roads & Bridges	01 General Fund	10,000	19,319	25,000	15,000
			Road Maintenance	35 State Fund	-	-		
			Line Painting	35 State Fund	7,000	8,154	8,200	8,200
			Tar & Chip Sealing	35 State Fund	10,000	-	10,000	15,000
			Microsurfacing	35 State Fund	25,000	-	-	50,000
			Transportation, Mileage reimb.	01 General Fund	100	21	100	100
			Rentals	35 State Fund	-	-		
			Highway equip. maint.	35 State Fund	2,000	-	2,000	
	Road Maintenenace Total				240,369	164,531	231,911	287,770
45	Parks & Grounds							
		439	Tussey Pond	01 General Fund	10,000	-	10,000	

Maintenance
Public Works

	Sub Title	Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
45	**454**	**Payroll Expense**	01 General Fund	4,896	4,833	6,614	6,195
		Operating Supplies - Parks	01 General Fund	-	-	10	100
		General Oper Supplies - Parks	01 General Fund	-	164		200
		Parks	01 General Fund	-	-		
		Parks & Recreation	01 General Fund	7,000	3,728	7,000	7,000
		Parks - Fasik Park	01 General Fund	-	1,960	1,960	80,000
		Parks - Liberty Hill	01 General Fund	-	-		7,102
		Nittany View Park	01 General Fund	-	-		12,000
	455	**Payroll Expense**	01 General Fund	-	-		
		Operating Supplies	01 General Fund	-	-		
		Shade Tree Exp.	01 General Fund	-	-		5,000
		Contracted Serv.-Shade Trees	01 General Fund	13,500	12,175	13,500	15,000
	Parks & Grounds Total			35,396	22,860	39,084	132,597
46	Brush & Leaf Collection						
	431	**Brush & Leaf Collection**	01 General Fund	22,811	7,260	14,000	14,856
		Contracted Services	01 General Fund	2,500	1,188	2,500	5,000
	Brush & Leaf Collection Total			25,311	8,448	16,500	19,856
	Physical Plant						
	409	**General Govt**	01 General Fund	-	-		
		Payroll Expense	01 General Fund	4,287	4,252	5,818	7,760
		Operating supplies & services	01 General Fund	5,000	1,337	3,000	5,000
		Highway Fuels-Diesel, Gasoline	01 General Fund	800	636	800	800
		Public Utility Services	01 General Fund	500	350	500	500
		Repairs & Maintenance - Bldg.	01 General Fund	2,000	2,939	7,000	5,000
		Contracted Services	01 General Fund	6,000	5,873	6,000	6,000
		Capital Improvements	01 General Fund	-	-		
		Capital Expenditures-Building	01 General Fund	-	84,069	100,000	2,600,000
	433	**Heating - maint. shed**	01 General Fund	1,000	2,632	4,000	4,000
		Heating - meeting room	01 General Fund	4,000	1,613	3,000	4,000
		Utilities-Electric	01 General Fund	8,000	4,563	8,000	8,000
	Physical Plant Total			31,587	108,263	138,118	2,641,060
Maintenance Total				**593,729**	**501,070**	**660,554**	**3,364,862**

EXPENDITURES - LINE ITEM DETAIL

Maintenance Department:

The Maintenance Department is responsible for maintaining all aspects of the Township's infrastructure. The department maintains all Township roads, performs snow removal, conducts leaf/brush pickup, mows Township property and performs all other functions necessary for the upkeep of the Township. The Maintenance department is responsible for providing a safe, clean environment and for preserving the character of Harris Township for its residents.

430 **Uniforms:** This account is used to pay for the Maintenance department uniforms, as well as to provide a $200 allowance to purchase boots.

432 **Payroll Expense:** This account is used to pay the salary of employees performing snow removal.

Operating Supplies: This account pays for the salt that is used during snow removal.

Winter Maintenance - Bike Paths: This account pays for the winter maintenance of the paths on South Atherton Street and Warner Boulevard.

433 **Traffic Control Device:** The Township will purchase a pre-emption device for the Boal Avenue/Church Street traffic signal and a battery backup for one of its traffic signals in 2019.

438 **Payroll Expense:** This is the payroll account for time spent on maintenance and repairs of roads.

Low Sulfur Diesel Fuel: This account is used to purchase diesel fuel used in Township equipment. Low sulfur diesel fuel is paid out of the liquid fuels fund and off-road fuel is paid out of the general fund.

Tar and Chip Sealing: The Township will chip seal the following roads in 2019: Mountain, Houser Roads, Schempf and the shoulders on Kay Street and Kaywood Drive.

Microsurfacing: The Township will microsurface West Main Street from the Diamond to Wagner Street, Ramsey Way and Forbes Field Circle in 2019.

439 **Road Construction:** The majority of the expenses for road projects will be paid for from Liquid Fuels funds in 2019. Projects for 2019 are detailed on a separate sheet.

437 **Tools and Equipment Maintenance- Highway Equipment:** Money from this line item is used to maintain our vehicles throughout the year.

Small Tools: This year, $500 is included to purchase various tools, saw blades, drill bits and any other equipment that may be needed.

Tool and Equipment Repair: The funds in this account are used for repair of any Maintenance equipment during the year.

454 **Payroll Expense:** This account pays the salary of employees who are working in Township parks.

454 **Parks and Recreation:** The Parks and Recreation Advisory Committee uses this account to make purchases for our parks. Expenses for the Pollinator Festival are also paid out of this account.

Parks - Fasick Park: The Township will complete the pedestrian bridge from the Elksview Community to Fasick Park in 2019. This project will be offset with fee in lieu funds from the developer of the Elksview project.

455 **Contracted Services - Shade Trees:** The annual contribution to the Shade Tree Commission ($6,500) and the annual contribution for hazardous tree removals ($8,500) are in this account.

455 **Shade Tree Expense:** The Shade Tree Commission will work with Bill Elmendorf and Ed Meek to complete a tree plan for the Village of Boalsburg in 2019.

Physical Plant:

The maintenance of the Township buildings and general physical plant is provided in this account.

409 **Payroll:** This account covers the salaries of Township employees when they perform maintenance of the physical plant.

Heating and Operating Supplies: These expenses include cleaning supplies, paper products, fuel oil, minor building repairs and other supplies that may be needed for upkeep of the Township building.

Repair & Maintenance: This expense is for any repairs to physical plant that may be required, such as roofing or electrical systems.

Contracted Services: This account pays for the Township's janitorial service.

Capital Expenditures - Building: This will fund construction on the new maintenance facility. This money will be paid for from the borrowing.

Roads

Sub Title		Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Roads							
62	Roads						
	439	**North Academy and Willowbrook**	01 General Fund	7,500	-		6,000
		Smith Lane	35 State Fund	-	-		10,000
		Rockey Lane	35 State Fund	23,000	-	23,000	
		East Hubler/East Harris/Outer Drive	35 State Fund	40,000	-	40,000	
		Fairfield Drive	35 State Fund	60,000	47,337		50,000
		Elks Club Road	35 State Fund	-	-		70,000
		Brush Valley Road	35 State Fund	-	-		46,000
Roads Total				130,500	47,337	63,000	182,000
Roads Total				**130,500**	**47,337**	**63,000**	**182,000**

Road Projects: We will pay for the following road projects out of the Liquid Fuels Fund.

Smith Lane **$10,000.00**

The Township will use a $2,341 Dirt and Gravel Road grant in addition to $10,000 from our Liquid Fuels fund to complete a stormwater and road stabilization project.

Fairfield Drive **$50,000.00**

Fairfield Drive will be overlayed from the loop to Route 45.

Elks Club Road **$70,000.00**

Elks Club Road will be overlayed.

Brush Valley Road **$46,000.00**

Fiber mat will be applied to the entire length of Brush Valley Road.

We will pay for the following road projects out of the General Fund:

Willowbrook Curb and Gutter **$6,000.00**

Failing sections of curb and gutter in Willowbrook will be replaced.

Regional Programs

	Sub Title		Description	Fund	Budget 2018	Y-T-D Actual	2018 by End	Budget 2019
Regional Programs								
21	COG							
		414	**Planning Commission CRPC CRMPO**	01 General Fund	93,823	70,367	93,823	104,082
		415	**Emergency Management**	01 General Fund	11,903	8,927	11,903	12,121
		450	**Parks & Recreation Dept.**	01 General Fund	256,270	218,363	256,270	273,178
		456	**Schlow Library Cont.**	01 General Fund	103,988	77,991	103,988	111,333
		406	**COG Administration**	01 General Fund	39,774	29,831	39,774	39,489
	COG Total				505,758	405,479	505,758	540,203
22	CATA							
		447	**Contribution to Government**	01 General Fund	30,000	22,195	30,000	32,000
	CATA Total				30,000	22,195	30,000	32,000
24	Celebrations							
		457	**Payroll-Celebrations**	01 General Fund	4,400	2,873	3,931	2,765
			Operating Supplies	01 General Fund	250	384	400	500
	Celebrations Total				4,650	3,257	4,331	3,265
Regional Programs Total					**540,408**	**430,931**	**540,089**	**575,468**

EXPENDITURES – LINE ITEM DETAIL

Regional Programs/Special Services:

This portion of the budget funds the COG and its various agencies in the performance of their duties with the Township's share being based upon the COG Formula. CATA is also supported, as well as the Memorial Day festivities that take place each year in the heart of Boalsburg.

447 **Contribution to Government- Capital/Operating:** This is the Township's portion of CATA's budget, which was approved by the Board in July 2018.

414 **Planning – MPO/CRPA:** The Township's share as a voting member in the MPO is represented in this account. In addition, the Township's payment for regional and local planning services provided by CRPA is charged to this account. The Township purchases 40 percent of Mark Boeckel's time each year.

450 **Parks & Recreation:** The CRPR Maintenance staff is responsible for the upkeep of all Township parks. This includes mowing and general maintenance of the park apparatus. The Township's contributions to the Regional Parks program, the Regional Pool Program, the Regional Pool Capital Program and the Millbrook Marsh Nature Center are all included in this line item.

454 **Operating Supplies:** This account is part of the Memorial Day funds and is used mainly to pay for all of the plantings and flowers that are placed in the Village as part of the Memorial Day celebration.

456 **Schlow Library Contribution:** These expenses are for the operating costs of the Schlow Centre Region Library.

457 **Payroll Expense:** This line item pays for time spent by employees working on the Memorial Day festivities.

481 **COG Administration:** This account pays for the administrative activities of the COG.