



2017 PROPOSED BUDGET

Presented: November 7, 2016

Executive Overview

For calendar year 2017, Bear Creek Township (“Bear Creek” or “the Township”) puts forward a proposed budget which has no tax increases. This is the eighth consecutive year that tax rates have been the same or even lower than the prior year. Tax reductions previously implemented including the the Homestead Tax break and the elimination of the Township’s share of the Per Capita Tax remain in place.

| <u>Category</u> | <u>Operating Budget</u> |
|-----------------|-----------------------------|
| Revenue | \$784,590 |
| Expenses | \$527,633 |
| Net Cash Flow | \$256,957 |

Operating Revenue & Expense

- **Operating Revenues are expected to fall by \$52,349 or 6.25% compared to 2016.**
 - Earned income taxes in 2016 are projected to be about \$20,000 - \$30,000 higher than the levels of 2014 and 2015. To be conservative the 2017 revenue budget is set based on those years rather than projected 2016.
 - There were two large Real Estate Transfer tax payments received during 2016. It is not reasonable to budget these again for 2017. This budget for this line item is \$ about \$30,000 lower than 2016.
- **Operating Expenses are expected to increase by \$48,902 or 10.7% over 2016.**
 - Engineering services which were very low in 2016 are expected to increase by about \$33,000 in 2017. Special one-time project of MS-4 Compliance is anticipated to be approximately \$15,000. Additionally, the engineers will be involved in evaluating roadways as part of our comprehensive five-year capital planning process.
 - Salaries are approximately \$20,000 over 2016 due primarily to the full year salary for zoning compared to just under six months’ salary in 2016.

Capital Spending

- **Capital Expenditures (net of grants) increase from estimated \$328,822 in 2016 to \$760,000 in 2017.**
 - Grant for new Public Works Building of \$225,000 included in 2017 budget.
 - 2017 Capital Spending detailed below:

| Project – 2017 Budget | Total | Grant | Township Share |
|------------------------------------|-------------------|-------------------|-------------------|
| Consolidated Public Works Building | \$ 400,000 | \$ 225,000 | \$ 175,000 |
| Paving/Drainage – Old EE Blvd | \$ 400,000 | | \$ 400,000 |
| Flail Mower | \$ 100,000 | | \$ 100,000 |
| Tree Trimming | \$ 75,000 | | \$ 75,000 |
| Little League Field | \$ 15,000 | | \$ 15,000 |
| Total | \$ 985,000 | \$ 225,000 | \$ 760,000 |

Cash Flow

Consolidated Operations & Capital Investment yields a net reduction in cash of \$482,073 as detailed below.

| Category | Operating Budget | Capital Budget | Total Budget |
|-------------------------------|------------------|----------------|--------------|
| Revenue | \$784,590 | \$225,000 | \$1,009,590 |
| Expenses | \$506,663 | \$985,000 | \$1,491,663 |
| Net Cash Flow | \$277,927 | - \$745,000 | - \$482,073 |
| Appropriation from Prior Year | | | \$482,073 |
| 2017 Budget Net | | | \$ 0 |

The current projection of cash on hand for year end 2016 is \$1,269,676. The operations and capital spending reduces this figure to a projected \$787,603.

- **Next Steps**
 - Budget will remain available for inspection at office and on-line.
 - Public comment accepted tonight and at December 5, 2017 (6:00) public meeting.
 - Adjustments and corrections can be made to the original budget.
 - After public comment, the board may vote on the proposed budget so long as:
 - Total Revenues do not change by more than 10%.
 - Total Expenses do not change by more than 10%
 - No major category of revenue or expense changes by more than 25%

| Bear Creek Township Budget - 2017 | | Actual | Actual | Actual | Projected | Budget |
|-----------------------------------|--|----------------|------------------|----------------|----------------|------------------|
| | | 2013 | 2014 | 2015 | 2016 | 2017 |
| | 362.41 · Building Permits | 7,713 | 46,767 | 18,622 | 9,415 | 12,000 |
| | 362.43 · Sewage Permits | 2,625 | 4,090 | 1,976 | 4,468 | 3,600 |
| | 362.45 · Certificate of Occupancy | 600 | 1,050 | 450 | 685 | 600 |
| | Total 360 · CHARGES FOR SERVICES | 16,438 | 55,432 | 22,710 | 17,268 | 18,600 |
| | 380 · MISCELLANEOUS INCOME | | | | | |
| | 380.01 · Miscellaneous Income | 0 | 0 | 9 | 0 | 0 |
| | 390.10 · Sale of Fixed Asset | 0 | 15,177 | 0 | 0 | 0 |
| | 390.10 · Other Miscellaneous | 72 | 140 | 0 | 0 | 0 |
| | Total 380 · MISCELLANEOUS INCOME | 72 | 15,317 | 9 | 0 | 0 |
| | Total Income | 905,931 | 1,011,100 | 817,403 | 836,939 | 1,009,590 |
| | Expense | | | | | |
| | 400 · GENERAL GOVERNMENT | | | | | |
| | 400.00 · GOVERNING BODY | | | | | |
| | 400.11 · Salary - Supervisors | 9,375 | 8,910 | 9,375 | 9,376 | 9,375 |
| | 400.20 · Supplies | 873 | 739 | 0 | 60 | 0 |
| | 400.31 · advertising | 1,634 | 245 | 1,393 | 325 | 800 |
| | 400.33 · Mileage | 352 | 249 | 0 | 0 | 0 |
| | 400.42 · Dues & Subscriptions | 275 | 2,998 | 300 | 1,478 | 1,500 |
| | 400.46 · Seminars & Conferences | 210 | 386 | 20 | 60 | 500 |
| | Total 400.00 · GOVERNING BODY | 12,719 | 13,527 | 11,088 | 11,299 | 12,175 |
| | 402.00 · AUDITING SERVICES | | | | | |
| | 402.11 · Salary - Auditors | 0 | 0 | 0 | 0 | 0 |
| | 402.31 · CPA | 1,000 | 2,750 | 4,750 | 9,100 | 6,650 |
| | Total 402.00 · AUDITING SERVICES | 1,000 | 2,750 | 4,750 | 9,100 | 6,650 |
| | 403.00 · TAX COLLECTION | | | | | |
| | 403.11 · Salary - Tax Collector | 5,492 | 5,409 | 5,450 | 5,452 | 4,670 |
| | 403.13 · Luz County Tax Collection Comm. | 0 | 0 | 0 | 0 | 0 |
| | 403.21 · Postage & Supplies | | | 91 | 146 | 150 |
| | 403.34 · Printing & Binding | 2,352 | 2,312 | 2,273 | 2,408 | 2,400 |
| | 403.35 · Bonding Insurance | 56 | -5 | 102 | 0 | 0 |
| | 403.45 · Seminars & Conferences | 0 | 50 | 250 | 190 | 0 |
| | Total 403.00 · TAX COLLECTION | 7,900 | 7,766 | 8,167 | 8,196 | 7,220 |
| | 404.00 · SOLICITOR/LEGAL | | | | | |
| | 404.31 · Legal Fees | 24,139 | 66,202 | 12,472 | 22,442 | 24,000 |
| | Total 404.00 · SOLICITOR/LEGAL | 24,139 | 66,202 | 12,472 | 22,442 | 24,000 |
| | 405.00 · SECRETARY/TREASURER | | | | | |
| | 405.12 · Salary - Secretary | 27,934 | 30,821 | 31,342 | 37,894 | 32,888 |
| | 405.14 · clerk typist | 0 | 3,080 | 2,646 | 0 | 0 |
| | 405.21 · Office Supplies/Postage | 2,324 | 2,571 | 2,682 | 2,264 | 2,400 |
| | 405.27 · Computer Hardware | 0 | 73 | 50 | 0 | 0 |
| | 405.321 · Telephone Expense | 1,202 | 1,400 | 1,507 | 1,766 | 1,740 |
| | 405.33 · Mileage | 50 | 141 | 112 | 30 | 100 |
| | 405.34 · Advertising Expense | 147 | 0 | 0 | 110 | 100 |
| | 405.341 · Request for Copies | 0 | 0 | 0 | 0 | 0 |

| Bear Creek Township Budget - 2017 | | Actual | Actual | Actual | Projected | Budget |
|-----------------------------------|--|----------------|----------------|---------------|----------------|----------------|
| | | 2013 | 2014 | 2015 | 2016 | 2017 |
| | 405.35 · Bonding Insurance | 516 | 0 | 1,032 | 0 | 0 |
| | 405.45 · Contracted services | 2,579 | 3,588 | 2,127 | 2,670 | 3,840 |
| | 406.46 · Seminars & Conferences | 0 | 0 | 0 | 0 | 0 |
| | Total 405.00 · SECRETARY/TREASURER | 34,752 | 41,672 | 41,499 | 44,734 | 41,068 |
| | 408.00 · ENGINEERING SERVICES | | | | | |
| | 408.12 · Engineering Fees | 35,713 | 16,143 | 3,980 | 6,148 | 39,000 |
| | Total 408.00 · ENGINEERING SERVICES | 35,713 | 16,143 | 3,980 | 6,148 | 39,000 |
| | 409.00 · MAINTENANCE | | | | | |
| | 409.12 · Salary - Maintenance | 3,587 | 3,551 | 736 | 0 | 0 |
| | 409.22 · Supplies | 795 | 264 | 399 | 296 | 0 |
| | 409.25 · Repairs & Maintenance | 1,494 | 879 | 1,494 | 2,849 | 600 |
| | 409.361 · Electricity | 6,527 | 6,631 | 5,508 | 6,617 | 7,200 |
| | 409.362 · Heating Oil | 12,250 | 9,666 | 5,918 | 5,413 | 0 |
| | 409.45 · Contracted Services | 910 | 7,419 | 1,271 | 14,443 | 3,600 |
| | 409.70 · Capital Outlay | 0 | 435 | 80 | 31,555 | 0 |
| | Total 409.00 · MAINTENANCE | 25,563 | 28,843 | 15,406 | 61,174 | 11,400 |
| | Total 400 · GENERAL GOVERNMENT | 141,786 | 176,903 | 97,361 | 163,092 | 141,513 |
| | 410 · PUBLIC SAFETY | | | | | |
| | 410.45 · school flashing light Rt 115 | 424 | 431 | 404 | 85 | 0 |
| | 411.00 · FIRE PROTECTION | | | | | |
| | 411.361 · Electricity | 219 | 197 | 215 | 262 | 240 |
| | 411.45 · Contracted Services | 26,495 | 26,578 | 26,843 | 26,777 | 23,350 |
| | 411.54 · Firemen's Relief Contribution | 21,206 | 20,026 | 19,620 | 19,354 | 19,500 |
| | Total 411.00 · FIRE PROTECTION | 47,920 | 46,801 | 46,678 | 46,394 | 43,090 |
| | 413.00 · SEWAGE & CODE ENFORCEMENT | | | | | |
| | 413.100 · Code Charges | 5,435 | 29,091 | 9,779 | 9,052 | 6,360 |
| | 413.12 · Salary - Code Enforcement | 6,776 | 8,020 | 4,250 | 18,205 | 40,000 |
| | 413.13 · Sewage Enforcement Fees | 1,250 | 790 | 1,527 | 2,545 | 2,880 |
| | 413.231 · Vehicle Fuel | 0 | 0 | 0 | 500 | 3,000 |
| | 413.321 · Telephone Expense | 300 | 300 | 175 | 120 | 300 |
| | 413.33 · Mileage | 0 | 0 | 0 | 1,403 | 0 |
| | 413.34 · Advertising | 0 | 0 | 0 | 0 | 0 |
| | 413.46 · Seminars and Conferences | 0 | 0 | 0 | 0 | 2,000 |
| | 413.70 · Capital Outlay | 0 | 0 | 0 | 35,103 | 0 |
| | 413.00 · Other | 0 | 0 | 0 | 0 | 0 |
| | Total 413.00 · SEWAGE & CODE ENFORCEMEN | 13,767 | 38,200 | 15,730 | 66,929 | 54,540 |
| | 414.00 · PLANNING & ZONING | | | | | |
| | 414.12 · Salary - Planning/Zoning | 600 | 600 | 300 | 525 | 900 |
| | 414.21 · Office Supplies/Postage | 228 | 0 | 0 | 90 | 0 |
| | 414.238 · Clothing and Uniforms | 0 | 0 | 0 | 75 | 80 |
| | 414.27 · Computer equipment | 0 | 0 | 0 | 1,792 | 0 |
| | 414.31 · Legal Expense | 975 | 875 | 0 | 604 | 0 |
| | 414.31A · Planning & Consulting | 0 | 0 | 0 | 418 | 0 |

| Bear Creek Township Budget - 2017 | | Actual | Actual | Actual | Projected | Budget |
|-----------------------------------|---|------------------|----------------|---------------|----------------|------------------|
| | | 2013 | 2014 | 2015 | 2016 | 2017 |
| | 414.321 · Telephone Expense | 25 | 0 | 0 | 0 | 0 |
| | 414.33 · Mileage | 651 | 768 | 277 | 0 | 0 |
| | 414.34 · Advertising Expense | 390 | 803 | 380 | 2,209 | 1,800 |
| | 414.40 · Zoning Hearings | 1,195 | 550 | 110 | 223 | 0 |
| | 414.42 · dues and subscriptions | 102 | 102 | 102 | 102 | 100 |
| | Total 414.00 · PLANNING & ZONING | 4,166 | 3,697 | 1,169 | 6,038 | 2,880 |
| | 415.00 · EMERGENCY MANAGEMENT | | | | | |
| | 415.20 · Supplies | 0 | 1,450 | 0 | 0 | 0 |
| | Total 415.00 · EMERGENCY MANAGEMENT | 0 | 1,450 | 0 | 0 | 0 |
| | Total 410 · PUBLIC SAFETY | 66,277 | 90,579 | 63,981 | 119,446 | 100,510 |
| | 427 · SANITATION | | | | | |
| | 427.00 · Garbage Collection | 900 | 781 | 910 | 1,040 | 1,080 |
| | 427.10 · Recycling Rebates/Expenses | -5,915 | 922 | 812 | 2,268 | 2,400 |
| | 427.12 · Recycling Payroll | 2,639 | 2,722 | 2,354 | 2,246 | 3,240 |
| | Total 427 · SANITATION | -2,375 | 4,424 | 4,076 | 5,554 | 6,720 |
| | 430 · ROADS & STREETS | | | | | |
| | 430.00 · General Services | | | | | |
| | 430.11 · Supervisors' Hourly | 65 | 3,036 | 1,878 | 297 | 1,320 |
| | 430.12 · Salaries | 88,171 | 72,945 | 72,497 | 78,607 | 80,847 |
| | 430.22 · Operating Supplies | 5,423 | 4,073 | 5,339 | 3,007 | 2,400 |
| | 430.231 · Vehicle Fuel | 11,644 | 13,058 | 7,664 | 4,564 | 4,800 |
| | 430.24 · Other Operating Supplies/Safety | 0 | 261 | 88 | 0 | 0 |
| | 430.25 · Bldg. Repairs & Maintenance | 0 | 672 | 620 | 3,380 | 7,500 |
| | 430.26 · Small Tools & Minor Equipment | 0 | 1,231 | 133 | 350 | 400 |
| | 430.27 · CDL Testing | 60 | 160 | 120 | 215 | 200 |
| | 430.321 · Telephone Expense | 939 | 650 | 600 | 550 | 600 |
| | 430.33 · Mileage | 0 | 0 | 0 | 0 | 0 |
| | 430.361 · Electricity | 693 | 743 | 705 | 708 | 720 |
| | 430.362 · Heating Oil | 5,671 | 4,492 | 3,469 | 2,709 | 4,000 |
| | 430.45 · Contracted Services | 241 | 0 | 0 | 0 | 0 |
| | 430.46 · Seminars | 0 | 0 | 0 | 0 | 0 |
| | 430.00 · General Services Other | 491 | 0 | 0 | 0 | 0 |
| | 430.70 · Capital Outlay | 975,534 | 38,255 | 0 | 250,259 | 970,000 |
| | Total 430.00 · General Services | 1,088,932 | 139,529 | 93,114 | 344,645 | 1,072,787 |
| | 432.00 · WINTER MAINTENANCE | | | | | |
| | 432.22 · Operating Supplies | 30,950 | 39,716 | 45,371 | 21,107 | 30,000 |
| | Total 432.00 · WINTER MAINTENANCE | 30,950 | 39,716 | 45,371 | 21,107 | 30,000 |
| | 433.00 · Traffic Control Devices | | | | | |
| | 433.24 · Traffic Signs | 1,780 | 3,288 | 5,024 | 395 | 480 |
| | 433.00 · Traffic Control Devices - Other | 1,141 | 444 | 731 | 561 | 480 |
| | Total 433.00 · Traffic Control Devices | 2,921 | 3,732 | 5,754 | 956 | 960 |
| | 434.00 · Street Lighting | | | | | |
| | 434.361 · Street Lighting | 20,610 | 21,157 | 21,394 | 21,255 | 21,600 |

| Bear Creek Township Budget - 2017 | | Actual | Actual | Actual | Projected | Budget |
|-----------------------------------|--|-----------------|----------------|----------------|---------------|-----------------|
| | | 2013 | 2014 | 2015 | 2016 | 2017 |
| | Total 434.00 · Street Lighting | 20,610 | 21,157 | 21,394 | 21,255 | 21,600 |
| | 437.00 · Repairs to Tools & Machinery | | | | | |
| | 437.25 · Repairs - Tools & Machinery | 2,888 | 102 | 5,243 | 1,204 | 100 |
| | 437.251 · repair/maintenance/vechicle part | 4,974 | 12,288 | 13,366 | 7,505 | 700 |
| | 437.38 · Equipment Rental | 0 | 0 | 111 | 324 | 1,000 |
| | 437.45 · contracted services | 387 | 0 | 0 | 60 | 0 |
| | Total 437.00 · Repairs to Tools & Machinery | 8,249 | 12,390 | 18,720 | 9,092 | 1,800 |
| | 438.00 · Road & Bridge Maintenance | | | | | |
| | 438.25 · Repair to Roads | 987 | 484 | 560 | 567 | 1,000 |
| | Total 438.00 · Road & Bridge Maintenance | 987 | 484 | 560 | 567 | 1,000 |
| | Total 430 · ROADS & STREETS | 1,152,649 | 217,008 | 184,914 | 397,622 | 1,128,147 |
| | 450 · RECREATION | | | | | |
| | 454.00 · Parks | | | | | |
| | 454.21 · Expenses | 455 | 0 | 0 | 50 | 0 |
| | 454.361 · Electricity | 2,192 | 2,190 | 2,091 | 1,910 | 2,100 |
| | 454.45 · Contracted Services | 3,500 | 11,451 | 1,966 | 2,679 | 0 |
| | 454.54 · Donations | 3,000 | 0 | 0 | 0 | 0 |
| | 454.70 · Capital Outlay | 0 | 157,799 | 0 | 11,905 | 15,000 |
| | 454.00 · Parks - Other | 11,221 | 11,259 | 0 | 0 | 0 |
| | Total 454.00 · Parks | 20,368 | 182,700 | 4,057 | 16,544 | 17,100 |
| | Total 450 · RECREATION | 20,368 | 182,700 | 4,057 | 16,544 | 17,100 |
| | 480 · MISCELLANEOUS | | | | | |
| | 480.00 · Miscellaneous | 100 | 1,571 | 100 | 438 | 0 |
| | 483.00 · Pension/Retirement Fund | 8,794 | 10,927 | 9,721 | 8,782 | 12,700 |
| | 484.00 · Workers' Compensation | 12,262 | 15,215 | 15,321 | 20,187 | 23,590 |
| | 485.00 · Unemployment Compensation | 3,568 | 1,674 | 1,815 | 1,440 | 1,400 |
| | 486.00 · Insurance | | | | | |
| | 486.10 · Insurance-Liability | 2,066 | 1,990 | 3,771 | 0 | 0 |
| | 486.20 · Insurance-Property/Casualty | 7,645 | 7,857 | 4,192 | 15,739 | 16,000 |
| | 486.30 · Insurance-Automobile | 4,450 | 5,491 | 3,235 | 165 | 0 |
| | 486.40 · Insurance - Public Officials | 1,191 | 0 | 5,195 | 0 | 0 |
| | 486.xx · Other Insurance Expense | 355 | 1,191 | 907 | 919 | 950 |
| | 486.00 · Insurance - Other | -83 | -866 | 0 | 0 | 0 |
| | Total 486.00 · Insurance | 15,624 | 15,663 | 17,300 | 16,823 | 16,950 |
| | 487.153 · Disability Insurance | 644 | 798 | 649 | 650 | 650 |
| | 487.156 · Health Insurance | 19,202 | 14,504 | 19,034 | 24,390 | 28,680 |
| | 487.158 · Life Insurance | 415 | 263 | 400 | 450 | 450 |
| | 487.160 · Social Security (Employers) | 9,382 | 8,671 | 8,111 | 8,992 | 10,740 |
| | 487.161 · Medicare (Employers) | 2,194 | 2,028 | 1,897 | 2,172 | 2,513 |
| | 480.000 · Miscellaneous Other | 0 | -625 | 0 | 0 | 0 |
| | Total 480 · MISCELLANEOUS | 72,186 | 70,689 | 74,350 | 84,325 | 97,673 |
| | Total Expense | 1,450,890 | 742,302 | 428,738 | 786,583 | 1,491,663 |
| | Net Income | -544,959 | 268,798 | 388,666 | 50,356 | -482,073 |

Bear Creek Township
2017 Budget Summary

| | Total | | General | Capital | In-Kind | Liquid Fuels | UCC | Wind |
|-------------------------------------|--------------|-----|--------------|------------|-----------|-----------------|-----------|--------------|
| Actual Cash On Hand - Oct. 30, 2016 | \$ 1,276,799 | | \$ 465,928 | \$ 215,079 | \$ 20,323 | \$ 178,549 | \$ 62,322 | \$ 334,598 |
| Forecast Cash Flow: | | | | | | | | |
| November - December | \$ (7,123) | | \$ (7,123) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transfers to Capital Reserve | \$ - | | \$ (200,000) | \$ 400,000 | | | | \$ (200,000) |
| Est Cash Balance - Dec 31, 2016 | \$ 1,269,676 | | \$ 258,805 | \$ 615,079 | \$ 20,323 | \$ 178,549 | \$ 62,322 | \$ 134,598 |
| 2017 Budgeted Revenues | \$ 1,009,590 | | \$ 693,862 | \$ 226,834 | \$ 61 | \$ 38,932 | \$ 9,000 | \$ 40,901 |
| Total Available for Appropriation | \$ 2,279,266 | | \$ 952,667 | \$ 841,913 | \$ 20,384 | \$ 217,481 | \$ 71,322 | \$ 175,499 |
| Budget Expenditures: | | | | | | | | |
| General Government | \$ 141,513 | 9% | \$ 141,513 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public Safety | \$ 100,510 | 7% | \$ 100,510 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sanitation | \$ 6,720 | 0% | \$ 6,720 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Roads & Streets | \$ 1,128,147 | 76% | \$ 228,147 | \$ 800,000 | \$ - | \$ 100,000 | \$ - | \$ - |
| Recreation | \$ 17,100 | 1% | \$ 17,100 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Insurance & Benefits | \$ 97,673 | 7% | \$ 97,673 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Expenditures | \$ 1,491,663 | | \$ 591,663 | \$ 800,000 | \$ - | \$ 100,000 | \$ - | \$ - |
| Balance Transfer | \$ - | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Est Fund Balance - Dec 31, 2017 | \$ 787,603 | | \$ 361,004 | \$ 41,913 | \$ 20,384 | \$ 117,481 | \$ 71,322 | \$ 175,499 |