

Bear Creek Township Board of Supervisors

**Budget Update
December 1, 2008**

Bear Creek Township 2009 Budget



- I live on a State Road. The additional property tax will not benefit me.
 - Taxes are never a direct benefit for all
 - School tax to households w/o children
 - State tax paid by those who live on township road
 - Less strain on the general fund budget means more for community. Recreation, parks, senior citizen events, etc.

Bear Creek Township 2009 Budget



- 12 Mills is only 2 fewer than BCT is allowed to impose by law without Court approval

Section 3205. Township and Special Tax Levies.-(a) The board of supervisors may by resolution levy taxes upon all real property within the township made taxable for township purposes, as ascertained by the last adjusted valuation for county purposes, for the purposes and at the rates specified in this section. All taxes shall be collected in cash.


(1) An annual tax not exceeding **fourteen mills for general township purposes**. If the board of supervisors petitions the court of common pleas for the right to levy additional millage, the court may order a greater rate than fourteen mills, but not exceeding five additional mills, to be levied.

Bear Creek Township 2009 Budget





§ 3205	Mills	Purpose / Millage allowed without Court approval
(1)	14	General government
(2)	5	Street lighting
(3)	7	Procure land or construct buildings
(4)	3	Purchase and maintain fire apparatus
(5)	2	Establish and maintain fire hydrants
(6)	-	Acquire and maintain parks & recreation areas
(7)	-	To pay interest and principle on debt
(8)	½	To support ambulance, rescue, and EMS
(9)	5	Fund street, sidewalk, water, or sewer improvements
(10)	2	Fund the purchase of road equipment
	38 ½	


Bear Creek Township 2009 Budget



§ 3205	Max	BCT	Purpose
(1)	14	2	General government
(2)	5	0	Street lighting
(3)	7	0	Procure land or construct buildings
(4)	3	3	Purchase and maintain fire apparatus
(5)	2	0	Establish and maintain fire hydrants
(6)	-	0	Acquire and maintain parks & recreation areas
(7)	-	0	To pay interest and principle on debt
(8)	½	0	To support ambulance, rescue, and EMS
(9)	5	5	Fund street, sidewalk, water, or sewer improvements
(10)	2	2	Fund the purchase of road equipment
	38 ½	12	

- ### Bear Creek Township 2009 Budget
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- There are no problems to be addressed
 - \$ 228,000 – Old Ford Road
 - \$ 95,000 – Promontory Drive
 - \$ 80,000 – Beech Road
 - \$ 80,000 – Azalea Trail
 - \$ 72,000 – Birch Lane
 - \$ 73,000 – Oak
 - \$ 32,000 – Tanager
- \$ 628,000

- ### Bear Creek Township 2009 Budget
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- There are no problems to be addressed
 - Laurelbrook Roads (???)
 - Culvert at Old East End Blvd (\$ 282,000)
 - Hillcrest Road
 - \$ 100,000 - DCED Grant
 - \$ 176,800 - Preliminary Cost Estimate
 - 1996 Dump Truck / Plow

- ### Bear Creek Township 2009 Budget
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- We should spend our savings/surplus
 - Spending the surplus is not the issue
 - Replacing the surplus is the issue
 - Case in Point – 2003 to 2008

Bear Creek Township 2009 Budget



- 2003 Year End Cash Surplus - \$ 776,980
 - Net spending by year:
 - 2004 – (-\$ 140,898)
 - 2005 – (-\$ 309,039)*
 - 2006 – (+\$ 50,242)
 - 2007 – (+\$ 42,092)
- * Year End Cash at 2005 was \$ 327,043. Net balance due on pavilion was \$ 144,813.

Bear Creek Township 2009 Budget



- EMS Tax is not being used for emergency services
 - Done via Ordinance 1 of 2008 (6/2/08)
 - State Law changed the permitted use:
 - Not less than 25% shall be used for emergency services
 - Road construction and/or maintenance
 - Reduction of property taxes

Bear Creek Township 2009 Budget



- Did we lose the Wind Park income which allowed taxes to be reduced to zero in 2005?
 - 2004 Property Taxes - \$ 41,972
 - 12 Turbines @ \$ 2,500 - \$ 30,000
 - Published reports indicated \$ 3,000 per turbine

Bear Creek Township 2009 Budget



- Weren't the Wind Park funds to be used for specific purposes
 - Yes – per initial ordinance
 - 5 Mill Property Taxes – General purposes
 - Eliminated and replaced by “restricted” Wind Park funds
 - Replace your paycheck with less money
 - And – only allowed to use this for car payments

Bear Creek Township 2009 Budget



- Aren't you just going to use these "restricted" funds for general purposes?
 - No
 - 5 Mills for Roadways
 - 2 Mills for Equipment
 - Committed to development of a capital improvements plan
 - Paving projects will begin in 2009

Bear Creek Township 2009 Budget



- Cut Expenses First
 - 2009 benefits from 2008 changes
 - Cell phone elimination
 - Revised recycling program
 - Taking "SALDO" administration in-house

Bear Creek Township 2009 Budget




- Cut Expenses First – Outsource road crew
 - Snow plowing
 - Tree removal after storms
 - Maintenance/improvements of recreation and parks
 - Pothole repair
 - Replacement of traffic signs
 - Replacement of pipes
 - And on and on and....

Bear Creek Township 2009 Budget



- Cut Expenses First – Employees
 - 3 Full Time employees
 - 1 Part Time Secretary / Treasurer
 - 1 Part Time Zoning/SALDO Officer
 - 2 students handling recycling (6 hrs/wk)


Bear Creek Township
2009 Budget



	BCT 2009	PSATS Low	PSATS Average	PSATS High
Roadmaster	\$10.00	\$10.00	\$14.92	\$20.00
Foreman	\$16.00	\$10.40	\$17.06	\$26.00
Road Crew	\$15.00	\$10.14	\$15.27	\$22.75
Secretary	-	\$10.00	\$14.91	\$21.20
Zoning / UCC (salary)	\$28,750	\$21,091	\$40,956	\$74,350
Treasurer	-	\$13.75	\$18.27	20.69
Secretary / Treasurer	\$13.50	\$8.45	\$14.81	\$23.83
Laborers	\$7.15	\$7.15	\$12.68	\$20.00


* PSATS source is from 2008 Wage & Salary Survey Results for townships with population between 2,001 and 4,000.

Bear Creek Township
2009 Budget




- Elimination of Supervisor’s Health Care
 - 5 Supervisors
 - Only 1 needs & takes health care
 - Under law this cannot be eliminated without eliminating health care for full time employees
 - Full family coverage allowed under township code (BCT does not offer this)
 - 12/2/08 – meeting scheduled with an insurance agent to evaluate all insurance options

Bear Creek Township
2009 Budget




- Our property tax numbers are wrong
- BCT Taxable Properties – 2,305
- BCT Taxable Property Value – \$ 9,851,118
- Mills (Value / 1,000) – 9,851.118
- 12 Mills (9,851.118 x 12) - \$ 118,200
- Average per property \$ 118,200 / 2,305
= \$ 51.28

Bear Creek Township
2009 Budget




- The township will see a windfall if reassessment is completed by year end.
 - Township is required to restate millage
 - Allowed to increase by up to 10%
 - No increase in taxes if reassessment done
 - Do not multiply new assessment x 12 mills

Bear Creek Township
2009 Budget

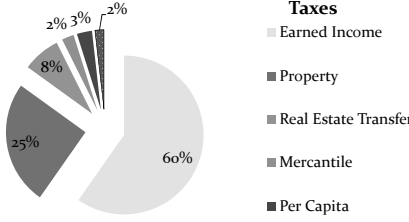


- The township will see a windfall if reassessment is completed by year end.
 - 12 Mill tax target - \$ 118,200
 - Taxable property value if reassessment is approved - \$ 275,490,500
 - \$ 118,200 / 275,490.5 mills = 0.429 mills

Bear Creek Township
2009 Budget




- Couldn't we raise other taxes?




Tax Category	Percentage
Earned Income	60%
Property	25%
Real Estate Transfer	8%
Mercantile	3%
Per Capita	2%
Other	2%

Bear Creek Township
2009 Budget



- Could we transition to 12 mills over a couple of years?
 - Yes
 - "Tax once & done" or "Tax every year"

Bear Creek Township
2009 Budget



- If No Reassessment
 - Average per property is \$ 51.28
 - 2,305 Taxable Properties
 - 39% Increase less than \$20.00/yr
 - 20% between \$20 and \$50/yr
 - 26% between \$50 and \$100/yr
 - 15% over \$100/yr

Bear Creek Township 2009 Budget



- If Reassessment is approved
 - Average per property is \$ 51.28
 - 2,305 Taxable Properties
 - 33% Increase less than \$20.00/yr
 - 23% between \$20 and \$50/yr
 - 33% between \$50 and \$100/yr
 - 10% over \$100/yr

Bear Creek Township 2009 Budget



- Summary
 - Never a “good time” to reintroduce millage
 - Township faces same rising expenses as residents
 - Will not change the way we operate
 - Continue to actively seek all available grants
 - Capital spending plan to be in place in 2009