



## HAMILTONBAN TOWNSHIP BOARD OF SUPERVISORS

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### **2018 BUDGET MESSAGE**

Since 2007, the Hamiltonban Township Board of Supervisors (Board) has issued a budget message to our residents to accompany the annual budget. This Budget Message is being issued with the 2018 Budget. As in previous years, we hope that through this annual budget message, and our Newsletters, you will agree that our Township operations are being managed as efficiently as possible. The Board of Supervisors and our employees continue to work very hard to responsibly plan how your tax dollars are spent by controlling costs. It should be noted here that Grant Funding is utilized to “ADD” needed services for our residents. Those funds are not reflected in this spending plan since grant funds are required to remain in a separate account until expended or they serve as a reimbursement to actual costs. We continually seek out any grant funds that become available for ANY and ALL needs of Hamiltonban Township.

We welcome, as of January 1, 2018, David Bradley Martin as our newest member to the Board of Supervisors. Your Board now consists of Robert L. Gordon, Douglas Woerner, J. Edward Deardorff, LuAnn M. Dille and David “Brad” Martin.

As noted last year, we had a “tight time” balancing the 2017 budget but we managed to work through it. We have not been so fortunate for 2018. The increased costs in every area of business plus the fact that we continue to address our numerous bridges with repairs or replacement have driven us into our Reserve Funds several times. As we all know from our own experiences at home, we can only “dip” into our savings a limited number of times without straining our ability to cover an emergency storm or need. The Board has not increased Township taxes since the year 2006. We have had 12 years of solid fiscal management to keep that tax need “at bay” for many years. The Board, however, feels the need in 2018 to raise taxes minimally in order to maintain that good financial standing. The millage in 2018 will increase by one quarter of one percent or .25 mills for a general budget millage rate of 1.4859 and we will continue the current .25 mill Fire Tax rate that has been dedicated solely to support our four area volunteer fire departments.

As a reminder, over three-fourths of revenue comes from tax levies with the real estate tax being the largest revenue and primary source of funding. Consistently, more than 65% of our annual budget is consumed by road improvements and road related expenditures. Road improvement remains our priority. The remaining 35% of the budget covers costs for consultants (engineers, solicitors), office administration, utilities, building insurances and maintenance of our vehicles and properties. Legalities of governing and changes in Law have changed dramatically and increased the time and attention that must be devoted to Township Government over these past 15 to 20 years. The Hamiltonban Township Board of Supervisors recognizes those challenges and hopes that our citizens will participate more freely in our local government for the good of all.

#### ***Detailed Review of the Budget:***

Each year three Budgets are adopted: The General Fund Budget, Sewer Fund Budget and State Liquid Fuels Fund Budget. The Board also reviews the Capital Improvements Plan. This document shows what building and vehicle improvements are planned in the future, by year.

***General Fund:***

This fund covers normal Township operations. The projected 2018 General Fund revenue which equals expenses is \$779,635.00. Several items are scheduled for purchase or repair by utilizing the additional tax monies received from the approved tax increase PLUS utilizing some funds from the Township Reserve Funds to balance this budget. The major expense included is the reconstruction of the Hickory Bridge Road bridge project from 2016. It was delayed from 2016 to 2017 to allow for a more favorable bidding climate with contractors. The bids were still not as favorable as Franklin Township and Hamiltonban Township had hoped, which caused us to re-evaluate the rehabilitation of the bridge versus the replacement of the bridge. We will now share in the costs to replace the bridge with a new concrete box culvert similar to the one that replaced Reeds Bridge on Mount Hope Road. This will insure the residents of both townships a better, safer and longer lasting product. Therefore, that estimated expense of \$50,000 has now moved into the 2018 budget along with radio upgrades of \$12,000 for all our trucks to be compatible with the 800 Megahertz County 911 system and the refurbishment of our John Deere tractor that will be accompanied by a new Tiger mower attachment at an approximate total cost of \$17,000.

***Sewer Fund:***

The Sewer Fund is strictly used for the Hamiltonban Township Municipal Authority (HTMA or Orrtanna Treatment Plant) and under the direction of the Hamiltonban Township Sewer Authority. On November 3, 2014, the Treatment Facility was sold to the Pennsylvania American Water Company (PAWC). PAWC built a sewage transfer pumping station on the property once owned by HTMA in 2016 and officially began sending the product from Orrtanna to the Franklin Treatment Plant via extended pipeline construction. The Township completed demolition of the spray field and settled on a sale of the property in December of 2017. The Hamiltonban Township Municipal Authority has successfully completed the liquidation of its properties and will begin to plan for its future in 2018 with the assistance of Solicitor Battersby. The 2018 total projected revenue which equals expenses is \$558,568.00. This amount consists of "field" property sale funds, proceeds from a small closed savings account, proceeds from the sale of the "plant" to PAWC and any expected delinquent sewer account payments.

***State Liquid Fuels Fund:***

State Liquid Fuels funds are derived from State taxes paid on gasoline (\$131,813.01) and on a State allocation that is calculated on the number of miles of paved road owned by a municipality (\$20,560.00). State Liquid Fuels funds are only available for specific Penn DOT approved items which includes: road surface improvements, culvert & storm drainage improvements and highway base work & rebuild. The projected revenue for 2018 which equals expenses is \$152,473.01. The repayment of loan proceeds for the reconstruction of Reid's Bridge on Mount Hope Road is scheduled from this fund for a period of four (4) more years. We work with Franklin Township on shared services and currently are working together on a joint bridge. We completed several projects in 2017 including, which not all were pulled from State Liquid Fuels Fund: Reids Bridge Replacement completion; county bridges in Township were inspected; shared road project with Special Granules' Inc. on lower part of Route 16, completed resurfaces and yellow lines; hot mix surface finish of 1200's of Lower Bullfrog Road; seal coat finish of one mile of Cold Springs Road; evaluation of all cross pipes and cleaning and corrections; replacement of several cross pipes and culverts; several miles of berm/shoulder rebuilding and resealing; removed edges of grass and debris from roads; 20% of Township has been completed with up to date sign reflectivity; yellow lines painted on all roads (1<sup>st</sup> time 100%); based repair and spot repair throughout Township; road mowing completed four times

yearly; and new equipment 2018 ten wheel Mack Dump Truck. Road projects for 2018 will be reviewed and prioritized by the Board as funding permits. Projected projects are: These projects are subject to change: shared work with SGI on Old Rt. 16; new ditch work and stabilization on down hill waterway; new payment surface on top 900 feet of roadway towards County line; seal coating of several road sections; lower Bullfrog Road to Township line new hot mix; Township maintenance and roadway areas; Scotch Trail complete area; Upper Mt. Hope Rd - Mountain Lane to first tree farm lot; Lower Mt. Hope Road - RxR tracks to stop sign (which will include new ditch work base repair and berm shoulder rebuilding); several miles of ditch cleaning/pipe replacement/shoulder and berm rebuilding; installation of joint SGI and Hamiltonban Township road repair; new yellow lines on entire Township. Our Road Crew is dedicated to excellent winter maintenance treating our roads with anti-skid/magnesium chloride mixture and complete snow removal. The average material cost is approximately \$17.50 per mile.

***Capital Improvements Plan:***

The Capital Improvements Plan (Plan) is a long-range plan, which identifies future capital projects and equipment purchases. In 2017 we installed a new furnace at the Township Office building. Our vehicle Reserve has assisted us in the purchase of a 2018 MACK Truck. Our 2005 Peterbilt could no longer service our folks on the mountain to our satisfaction so we researched and reviewed several vehicles before purchasing this new MACK. We feel that it will give us the best performance for the best price and serve the Township for many years. The 2005 Peterbilt will be offered for sale by advertised, sealed bid and proceeds will be directed back into our 2018 general budget. Our experienced road crew has routinely performed maintenance and upkeep on our vehicles which includes the proper maintenance of keeping them clean and waxed to protect them from the elements. Any needed major maintenance is done by a professional shop. The Township maintains a fulltime Roadmaster (Mr. Ray Herr Jr.), two fulltime road workers and one part-time worker. We occasionally utilize additional part-time personnel for flagging work.

Should you have any questions regarding this Budget Message, please contact the office Secretary/Treasurer, Mrs. Nina Garretson at 642-8509 or you may address your Board of Supervisors at a Board of Supervisors meeting. Meetings are held the first Tuesday of the month at 7:00 PM at the Township Office. You may obtain a copy of the entire 2018 Budget at [www.hamiltonban.com](http://www.hamiltonban.com) or at the Township Office.

The Board of Supervisors respectfully submits this 2018 Budget Message in conjunction with the 2018 Budget to the residents of Hamiltonban Township. We wish you a very Happy and Prosperous 2018.

