

MINUTES

The Moon Township Board of Supervisors met in special session at 6:00 p.m. in the Moon Township Municipal Building, 1000 Beaver Grade Road, Moon Township, PA 15108 to commence discussion of the proposed 2010 Municipal Budget and address other business as required.

Supervisors present: Jim Vitale, Frank Sinatra and Marvin Eicher Also present: Jeanne Creese, Lisa Lapaglia, Adam McGurk and Vince Maggio.

Public Comments: (There were none.)

REVENUES:

Ms. Lapaglia said for the Board to keep in mind that there will likely be minor adjustments, although not significant, as we move forward.

Real Estate Taxes:

Real Estate Tax – Current General: Ms. Lapaglia said that we are going to be up \$300,000 on the year-to-complete versus what we budgeted for 2009. The reason is because last year these taxes were based on 3.08 mills and this year they are based on 3.28 mills. So in going forward for 2010, we are recommending a little more than the amount for 2009. It is a conservative estimate. With the economy the way it is, she does not want to over-budget revenues and does not want to overstate things. Mr. Eicher asked the status of the Airside Business Park assessment appeal. Ms. Creese said that she called Al Bennett of the school district for a status report but has not heard anything new yet.

Real Estate Tax – Current Fire: Ms. Lapaglia said that this is money set aside (.2 mills) for fire department usage for apparatus and equipment. It is kept on a separate spread sheet, not necessarily in a separate fund. She is using the same number as last year. We can't really be more specific until we get Charlie Belgie's budget.

Reassessment refunds/reductions: Ms. Lapaglia said that we expect to finish around the \$28,000 mark. We are still budgeting an amount of \$50,000.

Real Estate Tax Delinquent: Ms. Lapaglia said that the delinquent rate is right on target so she is going to leave it the same. We anticipate about a 98 percent collection rate.

Prior Year Delinquent: -- Ms. Lapaglia said that we are right around the budgeted amount in collections this year. It will be the same next year. From 2006 to 2007 it has continually declined. The reason for this is that Keystone Municipal Collections has done a very thorough job in collecting this money.

Real Estate Tax Interim: Ms. Lapaglia said we anticipated a little higher this year, depending on construction status. It is a little low so she is not anticipating much more so she is recommending it remain a little low. She is recommending budgeting the same rate as last year. In speaking of interims, Ms. Creese said she received a message from Tax Collector Susan Charles. Ms. Charles said that she was leaving and has received a

large number of change orders and interim assessment changes. Since she was leaving, she felt that residents would not receive good service. She requested that Jordan Tax Service be named to collect the interim assessments. She spoke to Al Bennett at the school district who was fine with that. Ms. Lapaglia said that Ms. Charles gets paid to collect interim assessments. Ms. Creese said that the Township and school district jointly enacted a resolution that outlines the terms of Ms. Charles compensation and her term of service. After discussion, the Board felt that since we are so close to Election Day, we would know who the new tax collector would be for the upcoming term. We may want to wait until after the election. Susan Charles can then work with the new incoming tax collector for a smooth transition. Ms. Creese said that she would get more information and would talk with Al Bennett about this matter.

Ms. Lapaglia said that we are recommending \$5.1 million for real estate taxes for 2010. Mr. Sinatra asked if this amount is conservative. Ms. Lapaglia said that we will likely collect more based on the assessed valuations.

Local Enabling Taxes:

Per Capita Tax: Ms. Lapaglia said that this is pretty consistent. It is a little up this year and we are budgeting the same amount.

Per Capita Tax – Prior Year: This is a little higher and doesn't really have an explanation as to why.

Real Estate Transfers: This year we budgeted \$510,000. The amount collected last year was \$809,000. The reason is because of the Eaton expansion. With the housing market decline, she is recommending a decrease by \$125,000.

Earned Income Tax: This year we anticipated being close to the budgeted amount but are under budget. There are a couple of reasons. The first reason is the economy. The other reason is that the school district held a lot of money for non-resident earned income tax. As a result, we are now seeing a lot of bills coming through for us to pay to other municipalities. Earned income tax is now being collected by Keystone Municipal Collections. But previously, the Moon Area School District was the collector and kept the money until the other municipalities went after it and 50 percent of it has to come from the Township. As a result, we are faced with a big liability that we did not know about. After discussion, the Board felt that there needs to be some serious discussions with the school district. Keystone Collections has said that the previous years' records that they got from the wage tax office were so bad that it has been a challenge for them. Ms. Lapaglia said that we are budgeting the same amount for next year as this year as we did not want to decrease it until we get more information and can decrease it if we want to.

Delinquent Earned Income Tax: Ms. Lapaglia said that the delinquent earned income tax has been collected by Keystone Municipal Collections for the last few years. It is pretty consistent and we are going to budget the same amount.

Admissions Tax: This tax is a little higher this year than last year. The trend over the last four years has been that it fluctuates.

Mechanical devices/jukeboxes: Ms. Lapaglia said that revenue from mechanical devices, which are basically poker machines, is low. This is likely because of the new casinos that have recently opened. The Board inquired if Ladbroke's pays taxes. Ms. Creese and Ms. Lapaglia said that they would have to find out.

The local enabling taxes are all a little lower overall and real estate taxes are a little higher.

Licenses & Permits:

Ms. Lapaglia said that business licenses and transient retailers are basically the same.

Cable TV Franchise Fees: Ms. Lapaglia said that this account is a little above on collections. A new agreement with Comcast will soon be negotiated and it is anticipated that the collections will be a little higher with this new agreement.

Cable TV Capital Support Fees: These are fees associated with cable television such as premium channels, pay-per-view, etc. This account is down somewhat.

Road Encroachment: This is up significantly due to Verizon installing Fios. This was a temporary spike and it may increase a little but we will likely see this account go down.

Interest & Rent:

Interest Earnings: Ms. Lapaglia said that as everyone knows, the economy is really bad. As a result, interest earnings are only at 25 percent of the 2009 budgeted amount. We are, therefore, only budgeting interest earnings for next year at 50 percent of the 2009 budgeted amount. It may come up slightly.

Rental of Buildings: The Moon Township Municipal Authority is still going to allocate their rent but it will be offset by the tap fees. We still have to record the revenues but it will be offset by the expense.

Lease – Moon Township Recreation Authority (MTRA): This is the amount that is paid by the recreation authority for the golf course. They make payments in June, July and September.

State Shared Revenue:

Ms. Lapaglia said that we do show the individual amounts but do not budget them as revenue because there is no guarantee that we will get these grants.

County Snow Removal: This number is based on agreements that we have in place.

PUC Tax: We received that payment based on the PUC assessed values.

Interchange Utility Reimbursement: This is for traffic lights and signals at Montour Run. The signals are in Moon Township's name but, per an agreement with Robinson, they pay a certain percentage. We bill them quarterly.

MEIT Insurance Subsidy: Ms. Lapaglia said that we anticipated that this money would come in again, but it has not.

Reimbursement Crossing Guards: The Township pays for the salaries for the crossing guards and is reimbursed for 50 percent of the cost by the school district. We bill them semi-annually. With the installation of the new traffic signals, this amount may go down.

Beverage Licenses: This is money received from the Liquor Control Board for liquor licenses.

Act 205 State Pension Aid: We have gotten our aid for this year. Of the \$300,000, the police MMO will be paid from that amount. If there is any money left, it will go toward the non-uniformed pension plan.

Operating Grants:

Sales Tax Allocation: Ms. Lapaglia said that this, too, is low because of the economy. We used the same figure as last year.

Departmental Earnings:

Ms. Lapaglia said that development fees and zoning fees are down but she is not sure why.

Filing Fee for Land Development: Again, this is low as there is not a lot of building going on. We are budgeting the same as last year.

Sale of Maps: This is down because we recently printed a new map and community directory that was mailed to all residents.

Right-to-Know Collections: Ms. Lapaglia said that this is a new line item just so it shows up somewhere in order for us to keep track of it.

Police – Dispatch Services: This is for dispatching services for Crescent Township.

Police – Reimbursable Overtime: This is for police department traffic control, etc. for paving projects, school district events, Robert Morris University events, etc. for which the police department receives reimbursement.

Sale of Police Vehicles: Funds received for the sale of old police vehicles is put back into capital reserve.

Federal / State Funds: This is grant money that we receive from Federal and/or State agencies in grant money for the Police Department.

Building Permits: Ms. Lapaglia said that this year we will be lucky to receive \$100,000 in building permit fees. Hopefully, if the economy picks up, this will increase. Mr. McGurk said that we should have some big projects coming in next year, particularly the Moon Area Middle School.

Re-inspection Fees: When the Building Department got new software, this is a way to track re-inspections.

DCED Building Permit Charge: We are required to pay a \$4 charge back to them on each building permit.

Electrical Inspection Fees: We are down on these fees as well. It, too, can be blamed on the economy and lack of development. We are budgeting the same as last year.

Recreation Fees:

Shelter Rentals—Collections are basically the same.

Robin Hill Rentals—These rentals are up quite a bit.

Mooncrest Rental—This revenue amount is not significant.

Recreational Programming—Revenues from programming in 2008 were down as there was no one in the Parks Department so the programming revenue was low. Revenues are now up and we anticipate that to continue and are budgeting accordingly.

Parks Gifts & Fundraising—This is revenue from sponsorship of events in the Parks such as during July 4th.

Park Concessions—This is revenue from the sale of concessions during Family Fun Nights and other similar events.

Administrative Services Reimbursement—This is revenue from the Moon Transportation Authority for Adam McGurk's services as MTA director.

CATV Sponsorship: This is revenue received from the sale of DVD's, etc.

Miscellaneous Revenue:

Miscellaneous Revenue: This is a minor revenue account.

Lien Letters: The amount of revenue from lien letters is down, also due to the economy.

Sale of Township Property: This is revenue received from the sale of scrap metal.

Sale/Replacement of Street Signs: Ms. Lapaglia said that this line item has been added. Sometimes developers ask for street signs and we make them for the developers. They then reimburse us for the signs. In speaking about street markings, Mr. Eicher asked if there should be crosswalks where the new traffic lights have been installed on University Boulevard. Mr. McGurk said that he thought there should be but would check into it further.

Fund Transfers: This is money that is transferred from the Local Services Tax account less allocation allowable for the Homestead Exemption Act.

Ms. Lapaglia said that the general fund revenue for 2010 is budgeted at \$11,793,523 which is less than last year's recommended budgeted amount but it is still an increase over what we anticipate to collect. Mr. Sinatra asked how much a mill is worth. Ms. Lapaglia said that, based on our assessed valuation, a mill will generate \$1.7 million.

OTHER BUSINESS:

Moon Park—Ms. Creese said that at the Board's last meeting, they voted to approve Change Order No. 2, which extends the contract to next year. By doing so, the contractor can finish some of the items this year and move some of the items to next year. Mr. Petroccia has sent an email dated October 7, 2009 recommending the paving of portions of the tennis courts parking lot close to the baseball field. This will get some of the facilities that will be ready next spring accessible. In order to accomplish this, we need to free up some money in the amount of approximately \$47,000 to finish up that paving. There are funds available from the 2005 bond issue. This paving would also be done at this year's pricing rather than waiting until next year.

Olson Park—Regarding the paving at Olson Park Ms. Creese said that the cost for the paving of the roadway and parking area for just the binder would be \$16,305. The top coat could be put on next year. This paving would be done by the Public Works Department.

Since the end of the paving season is very near, approval from the Board of Supervisors on the above two items is needed this evening. Ms. Lapaglia said that we will do an overview of the 2009 road paving program as well to see if there are funds remaining from the road program that can be used for these paving projects. Mr. Sinatra expressed concern about the paving at Olson Park, indicating that his preference is to keep Olson Park as natural as possible. He also expressed concern that if a heavy rain would wash out the material, would it not also damage any asphalt that is placed there. Ms. Creese said that we would, of course, get a better effect if you address the items upstream, but that would be a very costly fix. Mr. Sinatra said that he would be more comfortable if the Township Engineer would look at it and make a recommendation. Ms. Creese said that she would contact Mr. Petroccia to do such a review.

Regarding the Moon Park paving, Mr. Eicher asked if we could take the \$138,000 out of the contract and do the paving ourselves by the Public Works Department. Ms. Creese said that if we did that, we would have to rebid the contract.

Mr. Vitale called for a motion to spend the \$47,395 to do the paving near the ball field at Moon Park this year using funds from the 2005 bond issue as recommended by the Township Engineer in his email dated October 7, 2009. Motion made by Mr. Sinatra, seconded by Mr. Eicher. Ms. Creese said that the \$2,509.34 is an additional cost of Change Order No. 3 and will be on the next workshop agenda for discussion. Mr. Petroccia will give a report on the paving at Olson Park. All Supervisors presented voted yes, motion carried 3-0.

There being no further business before the Board, the meeting adjourned at 8:11 p.m.

Respectfully submitted,

Janet L. Sieracki
Assistant Municipal Secretary