Wolf Township

2010 OPERATING BUDGET

"BY GAINING A PERSPECTIVE ON WHERE THE ECONOMY IS AND WHERE IT MAY BE HEADED, TOWNSHIP OFFICIALS CAN MAKE INFORMED DECISIONS."

GENERAL FUND

The 2010 Budget has been reduced by $16,895.00. The Board of Supervisors have concluded from economic reports, building permit statistics, unemployment rates, cost analysis and basic uncertainties apparent in all aspects of finance that this is the appropriate route to take to preserve the welfare of all residents. The policy of those serving as Wolf Township Supervisors has always been to protect tax dollars as if they were their own. Consequently, the Township has substantial savings as protection for unexpected occurrences that may arise.

Unfortunately, the State continues to mandate various policies that local governments are responsible to enforce. As we prepare this budget the State threatens to discontinue the funds for many of these mandated programs, such as Act 537 enforcement. This item alone could possibly add an additional $14, 000.00 to the Budget and has been included in account 405.31 Professional Services.

In most cases, historical data will be used to determine the new budget unless specific facts can be obtained to back up income and expense figures. Several accounts have a zero balance. Per Capita Tax was eliminated in 1999. This was a nuisance tax that basically became a head count and it was extremely difficult to maintain accurate records. The collection agency still is trying to recover some of the unpaid taxes but, this is not considered a reliable source of income.

Everything paid into the State UCC Fee is transferred to the Commonwealth of Pennsylvania by Code Inspections Inc. Plan Review Fees are monies collected from subdividers for reimbursement purposes. It becomes necessary on some occasions to have plans reviewed by professionals to solicit an opinion and protect the Township. Ordinance Book sales have dropped tremendously with the launching of the Township website www.wolftownship.org. Zoning and Construction Permit fees collected, pay for the services provided by Code Inspections Inc. to enforce the International Building Code and the Township Zoning Ordinance. No miscellaneous income is expected.

Just like last year a major concern of the Township is forecasting energy costs. According to the Energy Information Administration, Official Energy Statistics from the U.S. Government, they predict that residential heating oil prices during 2010 will be $2.80 per gallon. Annual average gasoline prices are projected to be $2.69 per gallon for 2010. Diesel prices are projected to average $2.79, per gallon.

Electricity prices are expected to increase by 20 - 30 percent in 2010. Rate limits on the electricity generation portion of customer bills expire at the end of 2009. Customer bills will begin to reflect the true cost of power purchased by PPL Electric Utilities on the open market.

No plans for purchasing equipment have been anticipated. 2010 will hopefully be the same as 2009, the only expense was emergency repairs which is difficult to predict. All donations will remain the same. Less will be allocated to roads due to a current balance of $107,000.00 in the State Fund.

It again will not be necessary to raise real estate taxes in Wolf Township. The amount received remains consistent even with the bad economy. Assessment values have not been reduced and delinquent accounts do not seem to be on the rise. The Homestead Act, that gives a break on School Real Estate taxes, has helped residents have the money needed to pay County and Township taxes.

A budget, in theory, is a map to the future, a guideline to assist the staff with their decisions during the upcoming year. Calculations must be made on the conservative side, taking into consideration the facts that are known and trying to predict from the available statistics and articles what may occur.

CAPITAL RESERVE

The purpose of the Capital Reserve Fund is for special unexpected projects that would benefit a majority of the residents of the Township. The deposits made to this account over the past few years have consisted of payback features set in place by investments in waterline extensions and the original sewer line project. Currently, the only income for this account would be property owners hooking up to the municipal water line which extends to Trinity Estates on Elm Drive.

$100,000.00 is set aside for expenses connected with improvements of the Rte. 405/Rte. 220 intersection. Also, a transfer to the Fire Hydrant account may be necessary until all home construction is completed in the new developments. The hydrants are functional although the developments are not finished.

HYDRANT FUND

The Real Estate Tax budget figure remains the same as last year. The fund is used exclusively to pay the bills received from the Hughesville Borough Water Authority. Residents located 600 feet from a hydrant are charged on their real estate tax bill. The current rate is .136%.

The calculation from the Hughesville Water Authority is $30.00 per hydrant per quarter – 40 hydrants. Additional fire hydrants will be added to the system at

Greggs Run Court and the Meadows at Wolf Run. We also anticipate adding the hydrants in Trinity Estates although no ownership agreement has been received from the Hughesville Borough Authority.

STATE FUND

The Township receives an annual allocation of Liquid Fuels Taxes from the State's Motor License Fund that is used strictly to maintain roads. The funds come from the taxpayers and should be spent to insure safe roadways.

All Liquid Fuels Funds received will be spent to pave roads. The number of miles paved depends on available funds, and the criteria will be based on condition of the road and the amount of traffic. $107,000.00 from 2009 will be carried over. The Roadmaster chose not to pave last year due to the possibility that gas companies would be moving into Wolf Township.

Normally, the Township is notified in September by Penn Dot concerning the amount of allocation for liquid fuels. With the State Budget still not settled this notification may come at a later date so last years figures will be used for Township budget purposes.

FIRE PROTECTION

This tax is calculated on the value of real estate in the Township. The amount collected is totally distributed to those fire departments servicing Wolf Township. Currently, 80% is paid to the Hughesville Wolf Township Volunteer Fire Department and 20% is paid to Picture Rocks Volunteer Fire Department. The Township is simply the agent collecting the funds and has no jurisdiction on how it is spent. This contract was set up with the fire companies several years ago and they agreed at that time they would not solicit the residents of the Township for funds because of the tax. The Ambulance Funds are not included in this agreement.