

## **BUDGET MESSAGE TO THE CITIZENS OF WAYNE TOWNSHIP:**

The Board of Supervisors has proposed a 2010 budget with no tax increase. Total expenditures are estimated at \$753,222. These expenditures include the General, Liquid Fuels, Sewer, and Light Funds. In addition, \$136,000 will be transferred out of Capital Reserve Funds for expenses associated with the paving of Sciota Street and purchase of a 2010 International truck. Fund reserves will total \$397,882.

We expect earned income tax revenue to significantly decrease for 2010 due to industry lay-offs. The board has been able to maintain all current levels of service and pursue capital purchases and projects because of a past dedication to the funding of our capital reserve funds.

Permanent employees will see a 2% wage increase in 2010. The proposed budget anticipates a return to higher diesel fuel prices in 2010. We will experience only a 4.3% increase in health insurance premiums for our full time employees.

The biggest item in the 2010 budget is the purchase of a new 2010 International dump truck with plow assembly for \$162,592. This truck was ordered in 2009 to avoid an additional \$8000 price tag on 1/1/2010 for mandated emission controls. Asphalt surfacing of Sciota Street from Sciota Road to the current blacktop surface at Plastics Road remains a priority and \$59,000 has been budgeted towards this project. We are pursuing this project in cooperation with the Corry Area Industrial Development Corporation (CAIDC). We are optimistic that CAIDC will obtain grant funding in 2010 for half of the \$118,000 price tag.

We are also pursuing additional Dirt & Gravel Road Grant funding for work on Proctor Road and for additional work on Wheelock Road. In addition, we are optimistic that our application for Erie County Emergency Liquid Fuels will be approved allowing us to continue our annual gravel reconstruction projects. Last year's projects were postponed when extensive flood damage to some our roads demanded our limited road dollars.

## **ACCOMPLISHMENTS IN 2009:**

2009 found the road department fighting with Mother Nature. Two heavy rains caused significant damage to some of our roads. Our annual project budget had to be redirected to their reconstruction or reinforcement. The men did accomplish more bank cutting and tree trimming in 2009 that will serve us well during snow removal operations.

The road crew also finished erection of a 30x30 steel truss building for salt storage.

## **GOALS FOR 2010:**

All current services will be maintained in 2010. The annual tire collection is scheduled at the EBHC parking lot for the first weekend in June. Gravel reconstruction of 1-2 miles of township roads will continue. The township has again budgeted an annual transfer of monies from the General Fund to the Equipment and Asphalt Capital Reserve Funds.

Purchase of the new 2010 International Truck with dump body and plow assembly is the biggest ticket item in 2010. Delivery is anticipated for February-March. Paving of Sciota Street will greatly improve our road system. In recent years, this stretch of road has seen increased car and truck traffic and has become difficult to adequately maintain as a gravel road.

### **2010 GENERAL FUND:**

Total projected general fund revenue is \$333,240 for 2010. In addition, \$136,000 will be transferred out of Capital Reserve Funds for expenses associated with the paving of Sciota Street and purchase of a 2010 International truck. The Earned Income Tax continues to be the major source of revenue for the General Fund, accounting for nearly 36% of the revenues. Projections for this revenue are significantly less due to the local job market. The township anticipates no more than 2% interest from investments in 2010. The real estate tax rate will remain at 1.5 mills. A resident with a \$100,000 assessment will pay \$150 in 2009.

Expenses are projected at \$554,487 in 2010...the major cost items being the truck purchase and the proposed paving of Sciota Street. We have budgeted for a return to higher fuel costs, but anticipate lower equipment repair bills with the updating of our fleet. We have also been fortunate to contain all insurance premiums.

### **2010 LIQUID FUELS FUND:**

Our Liquid fuels allocation is projected to be \$3545 lower in 2010. Since 2008, this funding has decreased \$7100. Funding is received from the state based on road miles and population. The amount available for distribution is determined by taxes collected on fuel purchases. The high cost of motor fuel in recent years has resulted in fewer gallons being purchased, and ultimately fewer taxes being collected. In 2010 the township anticipates receiving \$86,370 in Liquid Fuels funds from the Commonwealth. This fund supports street and road maintenance and pays for the majority of snow removal materials and summer road maintenance activities.

### **2010 SEWER FUND:**

The Sewer Fund is an enterprise fund that charges for a service provided. The intent is to recover the costs of providing the service on a continuing basis through user charges. No increase in sewer rates is proposed in 2010. Treatment charges will remain steady, and our share for the debt service on the Corry Wastewater Treatment Plant will decrease in 2010. We have seen a continued reduction in electric costs for pump station operation with the replacement of all pumps for W. Smith Street/ Route 6 system. We annually pay \$32,000 in debt service on a 20-year loan from Pennvest. These funds were used to construct the Wayne Township sewer collection system. Currently, no rate increase is projected for Wayne Township sewer customers.

### **2010 STREET LIGHT FUND:**

The Street Light Fund is a special purpose governmental fund that maintains street lights in two neighborhoods in the township. The properties benefiting from these lights pay an assessment that covers the electric costs. In 2010 these rates will remain unchanged. Beaverdam residents will pay \$ .23 per frontage foot. Hillcrest residents will continue to pay \$ .28/foot.

### **2010 CAPITAL RESERVE FUNDS**

The Township maintains five capital reserve funds for future large ticket purchases or projects. These include Equipment Purchase, Asphalt Maintenance, Sciota Street Paving, Waterline Installation, and Jim Brown Bridge Repairs. In 2010, \$25,000 will be transferred to the Equipment fund from the General Fund; and \$12,000 to Asphalt Maintenance. \$55,000 in the Sciota Street reserve fund and \$81,000 from the equipment fund will be transferred to the General fund for those intended purposes.