

2010

HANOVER TOWNSHIP

BUDGET

*PREPARED BY THE
HANOVER TOWNSHIP STAFF*

2010 BUDGET SYNOPSIS

To: **Board of Supervisors**

From: **Lori A. Stranzl**

Date: **November 24, 2009**

Attached you will find the proposed 2010 Budgets for the General Fund Capital Reserve, State Fund and Recreation.

*The proposed Millage Rate is **3.90**, which is equal to 2009. Included in the **3.90** is a Fire Tax of **0.5** mills, which will be used for the purchase of Fire Company vehicles.*

Also attached are all Boards, Commissions, Committees, Hanover Township Volunteer Fire Company and Colonial Regional Police Departments requests along with all pertinent information from the staff.

General Fund

Restricted Beginning Balance for 2010	1,371,470
Unrestricted Beginning Balance for 2010	4,977,701
Revenues for 2010	7,456,106
Expenditures for 2010	7,456,106
Unappropriated Balance	<u>6,349,171</u>

Capital Reserve

Beginning Balance for 2010	3,836,786
Revenues for 2010	1,077,279
Expenditures for 2010	<u>1,565,032</u>
Unappropriated Balance	3,349,033

State Fund

Beginning Balance for 2010	569,939
Revenues for 2010	257,716
Expenditures for 2010	<u>337,254</u>
Unappropriated Balance	490,402

Recreation

Beginning Balance 2010	32,022
Revenues for 2010	956,814
Expenditures for 2010	<u>956,814</u>
Unappropriated Balance	32,022

2010 BUDGET FOR HANOVER TOWNSHIP - NORTHAMPTON COUNTY

The Administration of Hanover Township respectfully submits the 2010 Budget to the Board of Supervisors and to the residents of Hanover Township for their review. The Budget includes the revenues and expenses for the General Fund, Capital Reserve, State Fund, Recreation department and Debt Service.

The attached details the following funds for January 1, 2010 through December 31, 2010.

Estimated Revenue

General Fund	\$7,456,106
Capital Reserve	1,077,279
State Fund	257,716
Recreation	956,814

Proposed Expenditures

General Fund	\$7,456,106
Capital Reserve	1,565,032
State Fund	337,254
Recreation	956,814
Debt Service	734,176

Pertinent Account Balances

Debt Service Balance as of 12/31/2009	\$3,412,501
---------------------------------------	-------------

Tax Rates for 2010

Real Estate*	3.40 Mills
Fire Tax*	0.5 Mills
Earned Income Tax*	1.0% for non-residents; 0.5% for residents and 0.5% paid to the Bethlehem Area School District (BASD). In 2010 we will begin the transition to a County wide collection system as mandated by Act 320 of 2008.
Local Services Tax*	\$52.00 per person per year if earnings exceed \$12,000. Individuals not reaching the age of 18 on January 1st are not be subject to this tax.
Mercantile Tax*	<ol style="list-style-type: none">(1) On receipts attributable to the performance of services the rate shall be one and one half mills or \$1.50 per \$1,000 of gross volume of business.(2) On receipts attributable to wholesale sales of merchandise, the rate shall be one mill or \$1 per \$1,000 of gross volume.(3) On receipts attributable to retail sales of merchandise, the rate shall be one and one half mills or \$1.50 per \$1,000 of gross volume of business.

***Indicates NO change from 2009.**

The real estate tax will remain the same in 2010. Sewer fees will be collected from two districts, East and West as established in 2009. Per the fire and ambulance equipment replacement schedule one ambulance will be purchased in 2010 replacing Number 1582.

GENERAL FUND SUMMARY

During 2010 Hanover Township estimates receiving \$7,479,699 in General Fund revenue, which equates to a 1.1% increase or \$80,911.55 in revenue and a similar increase in expenditures for the year. Sources of this revenue include, but are not limited to, real estate taxes, fire tax, waste & recycling fees, earned income taxes, local services taxes, mercantile taxes, real estate transfer taxes, grants, building and inspection fees. The 2010 General Fund expenditures include costs associated with Public Works, Administration, Planning & Zoning and Inspections, Colonial Regional Police Department, Hanover Township Volunteer Fire Company No. 1, Refuse and Recycling Services, Commissions, Committees, Boards and the Bethlehem Area Public Library.

The majority of expenditures in the General Fund are recurring costs. There is one new expenditure item in 2010 for Tax Collection Committee Fees and a new revenue item for Convenience Fees.

Contained within the General Fund expenditures are the following park improvements projects:

Armed Services Park
Village View Park Entrance
Hanover Crossings North (Monocacy Park)

Recreation Fund Summary

*During 2010 Hanover Township estimates receiving \$956,814 in Recreation revenues, which is a 2.8% **decrease**. Sources of revenue include, but are not limited to, memberships, season pool passes, rental of facilities, daily pool receipts, swim lessons, fundraising, program fees, catering, advertising - newsletter, preschool tuition, programs and fundraisers. The 2010 Recreation expenditures include costs associated with salaries, operating expenses including utilities, supplies, equipment, pool and park maintenance and training, fundraising costs and services. Beginning in 2008 the recreation budget includes an allocation of all costs that historically have been captured in the General Fund, including Township pension obligation, payroll processing costs, park maintenance wages, workmen's compensation insurance, liability, accident, commercial, professional, and crime insurance coverage, and employee benefits. As in 2007, 2008 and 2009 and similar to the general fund revenues and expenses, the recreation budget items have been expanded to gain a better understanding of revenues and costs associated with individual programs and activities. Servicing of the pools will again be performed by Township staff in 2010.*

Payments Due During 2010 Include:

Community Center	\$ 326,312.50
Building Addition/Renovation	\$ 162,256.44
Brodhead Road Building	\$ 151,750.78
Fire Pumper	\$ 93,856.24

Capital Projects Scheduled in 2010 Include:

Siding of Municipal Garage, Pool Building & Pump House	\$ 35,000.00
--	--------------

GENERAL FUND REVENUE

Account Number	Name	Corresponding Revenue & Comments	Budget 2010
301.1000	Real Estate Tax - Current Year	<i>The property assessment for the Township of Hanover, as calculated by Northampton County, is \$489,585,000 (11/3/2009). It is expected that the number of abatement requests will continue to increase during 2010 as it did in 2009. Due to abatements revenue is expected to be 94% of assessment down from 97% in 2009. With a millage rate of 3.40 the 2010 Real Estate Tax receipts will be:</i>	1,569,707.43
301.2000	Real Estate Tax - Prior Year	<i>The money collected for the previous year prior to it going to the Tax Claim Bureau.</i>	11,357.94
301.4000	Real Estate Taxes - Delinquent from Tax Bureau	<i>This is money collected by the Northampton County Assessor's Office that the Township receives monthly.</i>	72,409.62
301.5000	Real Estate Taxes - Interim	<i>These are taxes that are assessed by the Northampton County Tax Bureau that the Township receives on a monthly basis from the independent tax collector on renovations and additions.</i>	5,707.23
301.7000	Fire Tax - Current Year	<i>In order to adequately prepare for the replacement of fire apparatus and ambulances the Township implemented a Fire Tax in 2008 with a rate of 0.5 mills. The 2010 Fire Tax receipts will be:</i>	230,839.33
301.8000	Fire Tax - Prior Year	<i>Began generating revenue in 2009.</i>	10,819.83

Account Number	Name	Corresponding Revenue & Comments	Budget 2010
305.1000	Local Services Tax	<i>Tax on individuals working in the Township. Individuals under the age of 18 or earning less than \$12,000 are not subject to this tax. Of the \$52 tax, \$5 is forwarded to the Bethlehem Area School District.</i>	432,195.78
310.1000	Real Estate Tax Transfer	<i>Any individual purchasing property is subject to a 1/2% tax.</i>	346,407.81
310.2100	Earned Income Taxes Current Year	<i>The Earned Income Tax is collected from any Township resident at a rate of 1/2% of their wages.</i>	1,765,255.22
310.3100	Mercantile Taxes Current Year	<i>Tax on businesses operating as a wholesaler, retailer or providing a service. Rate is between 1 and 1.5 mills.</i>	743,940.23
321.8000	Cable Television Franchise	<i>Cable operators within the Township are subject to a 5% tax on gross revenue.</i>	85,000.00
331.1100	Vehicle Code Violations	<i>These are fines given to motorists for a violation of the PA Motor Vehicle Code (speeding, running red lights, parking, weight, etc.).</i>	37,061.01
331.1120	Non-Traffic Violations	<i>These are fines for non-motor vehicle related ordinances such as property maintenance, littering, etc.</i>	16,584.54
331.1300	Semi-Annual State Police	<i>This amount is based on a formula of road miles and population. The Township receives payment in July and December of each year.</i>	4,800.00
341.0000	Interest Earnings	<i>Interest on investments during the year.</i>	21,781.68
342.2000	Rent - 248 Brodhead Road	<i>CRPD and County of Northampton District Magistrate. (No increase in 2010.)</i>	225,057.96

Account Number	Name	Corresponding Revenue & Comments	Budget 2010
342.2020	248 Management Fee	<i>Property Management of 248 Brodhead Road</i>	6,000.00
354.0000	Recycling	<i>It is anticipated that the Township will receive funds from the sale of recycling containers, a recycling performance grant, and the sales of recyclables.</i>	108,400.00
354.0400	Sanitary Sewer User Fees	<i>Income from the installation of sanitary sewers, developers tapping fees and the Borough of Catasauqua Sanitary Sewer fees.</i>	107,245.32
354.0401	Sanitary Sewer User Fees-East District	<i>Established in 2009</i>	27,364.65
354.0402	Sanitary Sewer User Fees-West District	<i>Established in 2009</i>	71,282.85
354.0403	Sanitary Sewer Delinquent User Fees	<i>Established in 2009</i>	1,000.00
354.0410	Compost ID	<i>Income from Compost ID's for use of the City of Bethlehem Compost Center.</i>	6,615.00
355.0800	Alcoholic Beverage Taxes	<i>The Township receives a \$200 fee for the nine establishments in the Township that dispense liquor.</i>	1,000.00
355.1300	Foreign Fire Insurance Program Tax	<i>Monies received in September that go directly to the Fireman's Relief Fund and passes through revenue.</i>	98,945.99
361.3110	Commercial Plan Review Fees-Deposits	<i>Fees collected for the review of commercial building permits by outside professionals</i>	20,350.53
361.3130	Residential Plan Review Fees-Deposits	<i>Fees collected for the review of residential building permits by outside professionals</i>	2,452.50

Account Number	Name	Corresponding Revenue & Comments	Budget 2010
361.3400	Zoning Hearing Fees	<i>Fees collected from an individual or business to appear before the Zoning Hearing Board.</i>	8,300.00
361.3450	Conditional Use Fees	<i>Separated from 361.3400 in 2008</i>	1,200.00
361.5000	Sale of Maps and Publications	<i>Sale of maps, comprehensive plan, zoning, SALDO books, etc.</i>	250.00
362.1400	Crossing Guard Reimbursement	<i>Bethlehem Area School District's contribution to the Township for crossing guards.</i>	6,735.82
362.2000	Fire Hydrant Rental	<i>Rental of hydrant on Prime Steak House property. City will not bill so Hanover collects and forwards to City.</i>	374.00
362.4100	Building Permits & Inspection Fees		242,500.00
362.4110	State UCC Fee	<i>\$2.00 fee collected for State on each building permit issued.</i>	1,500.00
362.4600	Road Occupancy Permits	<i>Contractors or utilities who cut into Township streets must first obtain a permit so that the Township can insure proper backfill & restoration is completed correctly.</i>	1,000.00
364.3000	Solid Waste Collection and Disposal Fees	<i>Annual fee for weekly waste and bi-weekly recycling curbside collection from residences.</i>	964,058.74
364.3100	Solid Waste Collection and Disposal Delinquent Fees		2,272.95
364.3200	Payments in Excess of Billings - Waste		500.00

Account Number	Name	Corresponding Revenue & Comments	Budget 2010
366.1030	Special Events	<i>Donations toward the various special events hosted by the Township.</i>	10,000.00
372.5600	Public Utilities Tax	<i>Monies received from the PUC for the railroad tracks in Hanover Township</i>	7,802.98
372.5610	1/2 Traffic Light Expense	<i>Income from Hanover Township - Lehigh County for shared traffic signals</i>	165.00
380.0000	Miscellaneous		10,000.00
380.0100	Dog Fines and Care		100.00
380.0110	Insurance Dividends		934.00
380.0120	Bank Charges and Fees		50.00
380.0130	Rental Fees for Towers	<i>Income from Sprint-Nextel, Verizon, T-Mobile & PPL for towers located in the Township.</i>	7,000.00
380.0150	Convenience Fees	<i>Fee charged to use credit card for municipal payments, offset by bank charges</i>	500.00
380.0200	Contributions from PA Pension	<i>Money received in September to defray the non-uniform pension plans</i>	81,328.35
380.0210	Regional Police Pension State Contribution	<i>Money received in September to defray the uniform pension plans</i>	79,576.67
380.0300	Sewerage Reimbursement	<i>Inspection fee for on-lot sewerage</i>	375.00
392.0000	Transfer from Other Funds		0.00
	TOTALS:		7,456,105.95

GENERAL FUND EXPENSE

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
400.1100	Salary of Elected Officials		12,500.00
400.2100	Office Supplies	Miscellaneous office supplies	8,500.00
400.2500	Contract Service Fees	Fees paid for maintenance of DocStar, Website, Copier, Postage Machine, Phone, Security, Harris Software, General Code, Berkheimer (User Fee); Service Contract for Folding Machine	28,500.00
400.2600	Office Equipment	Server Hard Drive; Misc. Computer Equip.	23,000.00
400.2610	Web Site Maintenance	Ongoing maintenance to keep site vibrant	3,000.00
400.2650	Computer Maintenance	Maintenance of server & support of network	10,000.00
400.3200	Communication	Phone, cell phones and internet service	8,300.00
400.3210	Postage	Includes recycling and refuse mailings, 2 annual permits for first class and bulk presorted	7,000.00
400.3220	Newsletters	Cost of newsletter	28,000.00
400.3400	Advertising and Printing	Legal notices, employment, recycling	3,900.00
400.4200	Association Dues and Expenses		3,700.00
400.4210	Supervisors Convention	State and County Conventions	5,000.00
401.0000	Township Manager Salary		99,294.98
402.1100	Auditing Services		12,000.00
402.2000	Payroll Preparation	Fees payable to ADP	3,850.00
403.3000	Tax Collection Charges	Payable to Berkheimer for collecting lines 305.100, 310.210 & 310.310	68,041.15

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
403.3010	Tax Collector Fee	<i>Fees payable to Berkheimer</i>	12,164.25
403.3011	Tax Collection Committee Fees	<i>Act 32 of 2008</i>	2,015.00
404.3100	Legal Services and Charges	<i>Fees payable for legal services</i>	42,000.00
405.1200	Secretary/Treasurer Salary		48,770.80
405.1210	Meetings Secretary	<i>Fee paid to Secretary for attending board meetings</i>	1,100.00
405.1400	Assistant Secretary/Treasurer		34,258.25
405.1410	Meetings Assistant Secretary	<i>Fee paid to Assistant Secretary for attending board meetings</i>	100.00
405.1420	Receptionist Clerk and Office Support Associate Wages		58,125.00
405.1440	Managers Secretary		35,000.00
405.3500	Bonding	<i>Bonding of Secretary/Treasurer, Assistant Secretary/Treasurer & Office Staff</i>	3,500.00
408.1000	Engineer Retainer Fee		2,520.00
408.3100	General Engineer Charges		38,500.00
409.2290	Heating Office		12,000.00
409.2300	Heating Shop		8,000.00
409.2500	Repair and Maintenance Supplies	<i>Items for office & shop</i>	8,000.00
409.2555	Cleaning	<i>Weekly cleaning of municipal building</i>	3,090.00
409.3610	Electric Office and Shop	<i>PPL increase of 30% in 2010</i>	14,000.00
409.3660	Water/Sewage Office/Shop		2,900.00
409.3670	Utilities - 248 Brodhead		34,000.00

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
410.0000	Regional Police Contributions	<i>Township share of CRPD budget</i>	1,468,476.44
410.3000	Crossing Guard Salaries		13,000.00
410.3190	Uniforms Crossing Guards		200.00
411.5400	Fire Company Allocation	<i>Township staff will process accounts payable in 2010.</i>	87,530.00
411.5410	Firefighters Relief Fund	<i>Pass through of revenue from State to Volunteer Fire Company</i>	98,945.99
411.5420	Fire Hydrant Rental	<i>Fee paid to City for use of hydrants</i>	117,006.00
411.5440	Fire Company Fuel Reimbursement	<i>Reimburse fire company members for calls & training; payable quarterly</i>	18,500.00
413.0100	Animal Control Supplies		25.00
413.0110	SPCA Charges		1,500.00
413.0200	Salary Zoning Officer		54,669.28
413.0210	Code Enforcement Assistant-Wages		30,000.00
413.0310	BOCA Examiner		15,000.00
413.0320	BOCA Appeals		1,000.00
413.0400	Zoning Officer, Building Inspector & Code Enforcement Officers Supplies		1,400.00
413.0410	State UCC Expense	<i>Money forwarded to state for UCC fees collected on building permits</i>	1,000.00
413.0500	Outside Prof Help		85,000.00
414.0000	Planning and Zoning	<i>Bills from Broughal & DeVito and Hanover Engineering Associates for developments</i>	40,000.00
414.0100	Planning Commission Clerk Meetings		1,450.00

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
414.0110	Planning Commission Clerk Mileage		160.00
414.1300	Salary Zoning Hearing Board	<i>\$25 per member per meeting, payable quarterly</i>	900.00
414.1350	Salary Planning Commission	<i>\$25 per member per meeting, payable quarterly</i>	1,000.00
415.3000	Emergency Management	<i>Tactical equipment, training exercise in 2010, communication equipment</i>	5,500.00
415.3010	Crime Watch		2,500.00
427.0000	Refuse Collection	<i>Payable Monthly to Haulers</i>	1,000,374.48
427.0100	Recycling	<i>Charge for use of Bethlehem Compost Center; Administration costs of recycling program</i>	11,000.00
427.0110	Compost ID	<i>Payable to the City for Compost Cards</i>	3,800.00
429.0000	Sanitary Sewer Expenses	<i>Act 537, Yeska, Hanover - Lehigh, Airport Road Sewer and Borough of Catasauqua.</i>	190,000.00
429.3000	Operations Charges Sanitary Sewer	<i>PageNet, PPL, phone, Catasauqua communication & Hanover Engineering</i>	8,200.00
429.3010	One Call Services	<i>PA One Call & Hanover Engineering One Call</i>	19,000.00
430.0000	Public Works Director Salary		68,381.00
430.0100	Road Crew Salary		455,250.00
430.0150	Roadmasters Salary		27,500.00
430.0200	Road Superintendent Salary	<i>Position eliminated in 2009</i>	0.00
430.2000	Supplies Public Works		8,411.00
430.3000	CDL Testing/PA Pesticide Reg.		510.00
432.0000	Snow and Ice Removal		36,000.00
433.0000	Traffic Signals/Street Signs/Markings		28,910.00

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
433.1000	Traffic Signalization /Maintenance	<i>Maintenance contract with TELCO (Traffic Lights)</i>	42,981.57
434.0000	Street Lighting		170,000.00
437.0000	Repair/Maintenance Tools/Machinery		40,000.00
437.0100	Purchase Tools/Equipment		24,280.00
437.0150	Purchase Communication Equipment		5,200.00
437.0150	Equipment Rental		6,000.00
439.0000	Road Materials	<i>Hot and cold patch</i>	31,400.00
439.2310	Vehicle Fuel		36,000.00
440.0100	Airport Advisory Board		2,000.00
454.4500	Fertilization of Lawns		9,700.00
455.0000	Shade Tree Commission		9,500.00
456.0000	Library Contributions		167,831.00
465.1200	Community Relations Director		34,524.43
480.0000	Miscellaneous		5,255.29
480.0050	Uniforms/Clothing	<i>Public Works staff</i>	9,910.73
480.0090	Mileage/Travel - Staff		1,000.00
480.0100	Seminars & Training		10,000.00
480.0110	Easements/ Rights-of-Way		25,000.00
480.0300	Special Events		31,750.00
480.1000	Bank Charges and Fees		2,000.00
483.0000	Employee Retirement State Contribution	<i>State contribution towards pension plan, pass through to PNC</i>	81,328.35

Account Number	Name	Corresponding Expenses & Comments	Budget 2010
483.0100	Employee Retirement-Defined Benefit Plan		349,135.00
483.0110	Regional Police Pension State Contribution	<i>State contribution towards uniform pension plan for CRPD - pass through</i>	79,576.67
483.0200	Employee Retirement-Defined Contribution Plan	<i>Township contribution towards retirement plan which was created 01/01/2007 for post 1/1/2007 hires.</i>	14,630.08
485.0000	PA Unemployment Compensation		4,645.19
486.0000	Social Security Taxes		77,651.95
486.1560	Employee Benefits		295,294.83
486.1590	Pension Life Insurance		11,614.46
486.3510	Insurance Fire/Liability/Building/ Equipment		34,944.29
486.3540	Workmen's Compensation		27,525.82
492.0000	Capital Reserve Transfers		898,175.96
492.1000	Capital Reserve Transfer - Fire Equipment		135,000.00
493.0000	Transfer to Other Funds	<i>Transfer to Recreation</i>	195,521.71
	TOTALS:		7,456,105.95

RECREATION FUND REVENUE

Account Number	Name	Comments	Budget 2010
341.0000	Interest Earnings		1,000.00
366.1000	Partners/Contributions		13,150.00
366.1020	Pavilion Rental		3,400.00
367.2000	Season Pool Pass		54,000.00
367.2010	Daily Pool Passes		18,010.00
367.2020	Swim Lessons		12,000.00
367.2040	Pool Concession		1,375.00
367.2050	Pool Party Rentals		2,000.00
367.2060	Swim Team Contribution		450.00
368.1000	Fundraisers		15,000.00
368.1015	Cheerleading Fundraisers		6,000.00
368.1020	Gift Certificates		500.00
368.3000	Community Center Memberships		185,000.00
368.3010	Program Fees		115,000.00
368.3011	Summer Camp Fees		48,400.00
368.3013	Summer Park Fees		3,000.00
368.3015	Cheerleading Fees		19,500.00
368.3020	Athletic Field Rentals		8,500.00
368.3021	Gym Rentals		30,000.00

Account Number	Name	Comments	Budget 2010
368.3022	Meeting Room Rentals		20,000.00
368.3030	Miscellaneous		100.00
368.3040	Concession Stand / Vending Machine Income		17,000.00
368.3050	Refunds / Bank Charges / Return Check Charge		200.00
368.3060	Catering		2,000.00
368.3070	Advertising / Newsletter Sales		5,000.00
368.3080	Preschool Program Tuition		120,639.00
368.6090	Preschool Programs		45,996.00
368.3095	Preschool Fundraisers		3,500.00
368.3100	Community Center Grants		0.00
368.3110	Preschool Grants		0.00
368.3220	Security Deposits		0.00
380.0200	Contributions from PA Pension		10,572.68
383.0000	Advertising		0.00
392.0100	Transfer from General Fund		195,521.71
	TOTALS:		956,814.39