



2023 PATTON TOWNSHIP BUDGET

**PATTON TOWNSHIP 2023 BUDGET
LINE ITEM DETAIL
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INTRODUCTION

The proposed 2023 Patton Township budget is presented in two-parts. The Township Budget presents each major revenue and expenditure category in a two-page section, highlights changes from year to year, and summarizes actual, projected, and proposed appropriations for a three-year period. To help anticipate and plan for future service needs, a 2024 Forecast is provided as a short term “look ahead”. For longer range planning, staff completed the Capital Improvement Plan for 2023-2027. This document has been incorporated into the annual operating budget where appropriate.

This companion document, the Line Item Detail, shows the detail of revenue and expenditures and has a description of each proposed line item. The Line Item Detail is organized to follow the same outline as the Township Budget.

The Line Item Detail summary includes a brief review of expenditures by major source and expenditures by major category (page ii) and a listing of employee salaries (page iii).

The final section of the Line Item Detail contains the information on each of the Township’s restricted and/or designated reserve funds. These funds have been separated into capital funds and operating funds. The capital funds have a longer term presentation with forecasts of revenue and expenditures to 2027. The operating funds forecast revenues and expenditures to 2023.

PATTON TOWNSHIP
2023 Budget Summary

	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
PROPOSED 2021 PATTON TOWNSHIP BUDGET: REVENUES			
REAL ESTATE TAX	\$4,777,712	\$4,873,266	\$5,263,127
EARNED INCOME TAX	2,570,808	2,725,056	2,983,936
OTHER TAXES	848,403	882,340	952,927
INTERGOVERNMENTAL PAYMENTS	2,478,117	5,157,625	5,171,364
OTHER NON-TAX SOURCES	1,266,084	1,141,450	933,473
TOTAL	\$11,941,124	\$14,779,737	\$15,304,827
PROPOSED 2021 PATTON TOWNSHIP BUDGET: EXPENDITURES			
GENERAL GOVERNMENT SERVICES	\$1,598,422	\$1,792,065	\$1,702,036
POLICE	3,409,020	3,877,117	4,028,919
PUBLIC WORKS	2,863,916	6,804,258	6,678,771
COMMUNITY SERVICES - PLANNING, PARKS	1,656,318	1,753,502	1,808,318
COMMUNITY SERVICES - OTHER	1,153,589	1,241,575	1,277,461
DEBT SERVICE/CAPITAL PROJECTS	910,332	906,257	911,675
TOTAL	\$11,591,597	\$16,374,774	\$16,407,180
REVENUES LESS EXPENSES	\$349,527	(\$1,595,037)	(\$1,102,353)
CARRY FORWARD FROM PRIOR YEAR	3,443,616	3,793,143	2,198,106
CASH TO START THE NEXT YEAR	\$3,793,143	\$2,198,106	\$1,095,753

<u>PERSONNEL</u>		<u>Y/E</u> <u>GRADE</u>	<u>BLENDED</u> <u>ANNUAL</u> <u>PAY</u>
Erickson	1 Manager		\$ 139,298
Weston	Comm Spec-PT	B-17	\$ 32,716
Lyncha	Receptionist	O-10	\$ 3,430
Moore	Secretary/AP	I-29	\$ 3,337
Urbanic	Accountant-PT	I-30	\$ 37,526
Pegher	FD	W-22	\$ 89,525
Albright	Records Clerk	B-32	\$ 49,180
Long *	Secretary	I-28	\$ 42,845
Castrechini	Asst. Engineer	W-14	\$ 56,916
Grimm	Building Mtce	D-32	\$ 47,815
Bennett, S	Crew Leader	F-24	\$ 36,344
Confer, E.	Crew Leader	F-31	\$ 19,532
Confer, R.	Engineering Technician	H-28	\$ 38,364
Miller	Mechanic	J-31	\$ 45,580
Soder	PW Dir. Ops.	W-8	\$ 48,910
Wheeler	PW Proj. Mgr-PT	R-24	\$ 84,029
Barnes	Road Crew	D-31	\$ 37,580
Bennett, Q	Road Crew	D-17	\$ 14,210
Feagley	Road Crew	D-17	\$ 16,949
Habovick	Road Crew	D-18	\$ 7,547
Johnstonbaugh	Road Crew	D-17	\$ 10,443
Lee	Road Crew	D-18	\$ 1,404
New Hire	Road Crew	D-16	\$ 33,384
Parker	Road Crew	D-19	\$ 18,738
Coakley	Road Superintendent	F-28	\$ 67,435
Good	Secretary	F-13	\$ 38,862
Harter	Zoning Officer	N-13	\$ 51,011
Bainey	Asst. Road Super.	M-22	\$ 14,586
Benshoof	Lead Tax Spec	I-32	\$ 37,428
			<hr/>
			\$ 1,124,927
Jolley*	Chief	W-22	\$ 110,334
Albright	Sergeant	10/18/99	\$ 102,311
Federinko	Detective	08/01/94	\$ 98,522
Haas	Detective	09/13/90	\$ 98,522
Sooahoo	Police Officer 5	08/09/04	\$ 94,733
McElrath	Police Officer 5	07/29/96	\$ 94,733
Sunderland	Police Officer 5	01/10/00	\$ 94,733
Swindell	Police Officer 5	07/16/90	\$ 23,683
Snyder, T	Detective	09/06/02	\$ 98,522
Stroud	Sergeant	07/07/06	\$ 102,311
Shupenko	Sergeant	07/06/06	\$ 102,311
Shaffer	Police Officer 5	06/26/09	\$ 94,733
Carter	Police Officer 5	06/29/09	\$ 94,733
Tuskovich	Police Officer 5	07/24/12	\$ 94,733
Sallade	Police Officer 5	05/29/15	\$ 94,733
Vardzel	Police Officer 5	02/12/18	\$ 94,733
Finochio	Police Officer 5	02/20/18	\$ 94,733
Snyder, M	Police Officer 5	06/04/18	\$ 94,733
Kaufmann	Police Officer 2	11/15/21	\$ 74,839
McCaslin	Police Officer 2	04/12/21	\$ 74,839
Wolfinger	Police Officer 2	01/24/22	\$ 74,839
			<hr/>
			\$1,908,358
Total Salary and Wages			<hr/>
			<u>\$ 3,033,284</u>

REVENUE: REAL ESTATE TAXES

In 2023, real estate taxes will account for approximately 32% (40% in 2021) of all revenues raised by the Township, excluding loan proceeds. This is due to the grants we expect to receive in 2023 versus the grants we expected to receive in 2022, including funds we will utilize from the American Rescue Plan Act. Real Estate Taxes accounting for a higher percentage of all revenues has become the norm as the need for increased revenues translates into an increased burden on property owners. The real estate tax for each property in the Township is determined by applying the Township's tax rate to the assessed value of the property as established by the Centre County Board of Assessment. The most recent reassessment took place in 1994. At that time, the assessed value was established to be 50 percent of that year's market value. The most recently completed computation of ratios of assessed value to current market value, as determined by the Pennsylvania Department of Revenue, is 21.4 percent (down from 24.2 percent in 2021 and 23.3 percent in 2022). The depressed factor is likely to continue until a reassessment is completed. No reassessment is planned by the County. Municipalities are suffering repercussions from assessment appeals which result in less revenue because the market value of a property is lowered to the new lower common level ratio.

The cost of a mill of tax to the taxpayer is determined by multiplying .001 times the assessed value of the property or, it can be determined by the rate of \$1.00 of tax for each \$1,000 of assessed valuation. The following table shows the cost of 1 mill of property tax for several typical examples of properties in Patton Township:

<u>EXAMPLE OF PROPERTY</u> (1)	<u>FORMULA</u> (2)	<u>CURRENT YEAR</u> <u>2022</u> <u>COST OF 1 MILL</u> <u>(0.233)</u>	<u>PROPOSED YEAR</u> <u>2023</u> <u>COST OF 1 MILL</u> <u>(0.214)</u>
Town Home (\$200,000 Market Value)	$\$200,000 \times .214 \times .001$	\$46.60	\$42.80
Single Family Home (\$400,000)	$\$400,000 \times .214 \times .001$	\$93.20	\$85.60
Large Single Family Home (\$600,000)	$\$600,000 \times .214 \times .001$	\$139.80	\$128.40
Commercial Property (\$2,000,000)	$\$2,000,000 \times .214 \times .001$	\$466.00	\$428.00

(1) Market Value is the current (2023) value of property.

(2) 0.214 is the 2023 factor needed to convert current market value into assessed value as determined by PA Department of Revenue.

REVENUE: REAL ESTATE TAXES (CONT'D)

The estimated fall assessed value of Patton Township property is \$524,288,229, which is a \$9,389,240 or a 1.8% increase over 2022. Taking into account discounts earned for early payment, exonerations, uncollectible taxes, and properties added between the adoption of the budget and publication of the tax duplicate, each mill of tax will bring in approximately \$524,288 in current revenue. Each 1/10 mill will produce \$52,429.

An increase in the real estate tax rate of 6/10ths of a mill or 6.7% was imposed in 2016. On November 4, 2014, the voters approved a referendum authorizing the borrowing of \$3.5 million to acquire and preserve additional open space lands in the Township. To fund this acquisition a borrowing (loan) was made in late 2017. The debt is being paid through a dedicated real estate millage estimated to be 6/10ths of a mill levied beginning in 2016. This millage was approved in the budget in November 2015.

The proposed rate of 9.5 mills for 2023 is allocated as follows:

Tax Purpose	2022 Rate	Proposed 2023 Rate
General	6.2 mills	6.2 mills
Debt	1.2 mills	1.2 mills
Open Space Preservation	0.6 mill	0.6 mill
Library	0.4 mill	0.4 mill
Parks Capital Improvements	0.7 mill	0.7 mill
Fire	0.4 mill	0.4 mill
TOTAL	9.5 mills	9.5 mills

In addition to the Township tax, Centre County and the State College Area School District tax real estate in Patton Township. The 2023 County tax remained at 7.84 mills; the 2022-2023 School tax is 47.6544 mills, which is a 3.4% increase over the previous year. This totals 64.9944 mills on property.

Real estate taxes are collected by the elected or appointed tax collector. The incumbent collector has arranged with the Township to collect taxes and therefore, the function is performed by Township staff. The collection of real estate taxes actually takes place in three stages: current, prior, and delinquent.

REVENUE: REAL ESTATE TAXES (CONT'D)

Current: #301.100

Based on the forecasted 2022 assessed values of property in Patton Township and a two-year average collection percentage, revenue for 2023 current year collections is estimated to be \$4,536,393. This growth reflects approximately \$9 million in anticipated additions of property to the tax base in Patton Township but as no change in the millage.

Open Space Preservation #301.101

On November 4, 2014, the voters approved a referendum authorizing the borrowing of \$3.5 million to acquire and preserve additional open space lands in the Township. To fund this acquisition, a borrowing (loan) was made in late 2017. The debt will be paid through a dedicated real estate millage estimated to be 6/10ths of a mill levied beginning in 2016. This millage was imposed beginning in January 2016. Current year collections for 2023 is estimated to be \$305,635.

Prior Real Estate Tax: #301.200

Each February and July, the County Assessor's Office publishes supplements to the tax rolls for the preceding year. These supplements add homes and buildings completed during the previous year after the tax duplicate was issued in March. The 2023 receipts are for 2022 taxes with consideration given to known large additions.

Prior Open Space Preservation: #301.201

Dedicated "Open Space" preservation taxes collected for years prior to 2023 will be reflected in this line item and will be transferred to a reserve fund for debt payments as described in # 301.101.

Delinquent: #301.300

In December, the list of unpaid real estate taxes is turned over to the County for collection. The proposal for 2023 is based on an average of uncollected real estate taxes for the prior three years.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
301	REVENUES: REAL ESTATE TAXES					
	<u>REAL ESTATE TAXES</u>					
.100	Current	4,416,713	4,582,601	4,447,444	4,536,393	4,899,304
.101	Tax for Open Space Preservation	297,639	308,939	299,642	305,635	330,086
.200	Prior - Real Estate Tax	1,881	1,015	8,487	8,657	9,350
.201	Prior - Open Space Preservation	112	55	871	888	959
.300	Delinquent	56,189	34,243	21,268	21,693	23,428
	TOTAL REAL ESTATE TAXES	4,772,535	4,926,853	4,777,712	4,873,266	5,263,127

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUE: EARNED INCOME TAX

In 2023, the Earned Income Tax will produce approximately 18.5 percent of all revenues raised by the Township excluding loan proceeds. The rate of tax is one-half of one percent of the earned income of each Township resident. The School District also levies this tax at the rate of 0.95 percent. This tax is at the maximum rate permitted by State code for Second Class Townships.

The earned income tax is imposed on wages paid by an employer as well as the profits from self-employment. The tax is levied for residents in the Township. Because it is a flat rate, it applies equally to persons of all income levels. For most residents the tax is withheld by the employer, reported on the federal W-2 form and is submitted directly to the Centre Tax office. The taxpayer files a short form by April 15 of each year with any balance due or to request a refund.

The earned income tax is not assessed on pensions and investment income and certain payroll deductions like benefits paid for by a cafeteria plan; therefore residents with large earnings from investments are not subject to this tax, although they are subject to state and federal income taxes.

In 2008, Act 32 became law that mandated that earned income tax be collected, beginning in 2012, at the county level (but not by the County). A tax collection committee (TCC) composed of an appointed delegate from each taxing jurisdiction in the County oversees the collection of taxes. In 2010, the Centre County Tax Collection Committee voted to appoint the State College Borough to collect earned income taxes for each of the political subdivisions in Centre County which began in January 2012. A new 3-year agreement was signed in January 2018. This agreement allows for two one-year options following the 3-year agreement.

The voting rights of each delegate are weighted based on a combination of revenue collected and population for their jurisdiction. Patton Township is a relatively small stakeholder in the overall committee because it is dominated by several school districts, the State College Borough and Ferguson Township but mostly because those jurisdictions have higher earned income tax rates and generate more revenue than the small jurisdictions.

REVENUES: EARNED INCOME TAX (CONT'D)

The Earned Income Tax revenue for 2023 is proposed to be 6% higher than the 2022 projected revenue. Staff has used a linear regression function to help estimate next year’s number. In estimating the percentage increase in earned income tax the following factors were also considered: demographics of the Township’s growth, the Consumer Price Index for the year ended August 31 of the current year, and judgment about the economic outlook for the community. Growth of actual revenue in the last several years has been somewhat linear. Although population and development in the Township has been on the rise, the linear growth rate of this tax implies a shift away from higher income earners who are retiring but remaining in the municipality to most likely, younger workers who may earn relatively lower wages. We expect this trend to continue over time as “boomers” retire from the workforce in greater and greater numbers. In light of the current pandemic, we have been conservative in our estimate of growth. There have been significant layoffs in town, but we will continue to be on the watch for economic indicators showing a potential for a change in budgeted revenues. The table below illustrates the growth in earned income tax collections the last fourteen years.

PATTON TOWNSHIP EARNED INCOME TAX REVENUES			
(in thousands)			
	YEAR	REVENUES	INCREASE
ACTUAL	2011	1,727	8.9%
	2012	1,786	3.4%
	2013	1,915	3.4%
	2014	1,898	<0.9%>
	2015	1,939	2.2%
	2016	2,182	12.5%
	2017	2,176	0.0%
	2018	2,207	1.4%
	2019	2,290	3.8%
	2020	2,231	<2.6%>
	2021	2,326	4.3%
Projected	2022	2,571	10.5%
Proposed	2023	2,725	6.1%
Forecast	2024	2,984	9.5%

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUES: EARNED INCOME TAX (CONT'D)

In late 2011, the Township adopted an ordinance amending its tax collection process as required by Act 32 of 2008. This enables the tax to be collected by a county wide tax collector as appointed by the Centre County Tax Collection Committee. The ordinance maintains the 0.5% earned income tax rate paid by residents of Patton Township which is combined with the State College Area School District rate of 0.95% for a total combined resident rate of 1.45%. The ordinance did change the rate nonresidents paid from 0.5% to 1.0%. Nonresidents do not pay any earned income to the school district.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
310 .210	REVENUES: EARNED INCOME TAXES					
	<u>EARNED INCOME TAX</u>	2,326,018	2,356,393	2,570,808	2,725,056	2,983,936
	TOTAL EARNED INCOME TAXES	2,326,018	2,356,393	2,570,808	2,725,056	2,983,936

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUE: OTHER TAXES

The Local Tax Enabling Act (Act 511) of 1965 grants to municipalities the power to levy a broad variety of taxes. Patton Township currently uses two of the taxes authorized by Act 511 in addition to the earned income tax. These taxes, listed below, are enacted by ordinance and continue from year to year unless the ordinance is amended. Act 511 taxes account for approximately seven percent of Township revenues. In late December 2004, the state amended Act 511 to rescind the Occupational Privilege Tax and create a new tax called the Emergency and Municipal Services Tax (EMST). In 2007 Act 7 amended Act 511 to create the Local Services tax, replacing the EMST.

Tax	Patton Township			State College Area School District		
	Year Enacted	2022 Rates	Limit	2021-2022 Rates	Limit	Paid By
Real Estate Transfer	1960	0.5%	0.5%	0.5%	0.5%	Owners of property sold
Local Services Tax (Formerly the Emergency and Municipal Services Tax)	2005 Amended 2007	\$47.00	\$47.00	\$5.00	\$5.00	People employed in the Township- Replaced OPT

Real Estate Transfer: #310.100

The real estate transfer tax is levied by the Township and the School District at the rate of 1/2 of one percent of the value of each real estate transaction that occurs in the Township for a combined rate of one percent which is the maximum allowed. In addition, one percent is collected by the State for a total of 2.0% levied on eligible real estate transactions in the Township. This tax is generally split equally between the buyer and the seller.

The revenue from this tax is the most difficult of any of the Township's taxes to predict because the number and value of real estate transactions vary widely. Much analysis goes into estimating this budget number, generally with little success in approximating actual numbers. In the past, staff has tried to be very conservative in predicting this widely variable number (ranging from \$200,000 in 2001 to \$1,100,000 in 2016) because a significant shortfall in revenues could make cash flow management difficult.

Modest increases are projected for 2023 and 2024.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUE: OTHER TAXES (CONT'D)

Local Services Tax (formerly the Emergency and Municipal Services Tax): #310.511

In December 2004, the Pennsylvania legislature passed Act 222 amending Act 511 (Local Tax Enabling Act) to allow for the establishment of a new Emergency and Municipal Services tax (EMST). Within the limitations of the Act, the Township adopted an ordinance on January 3, 2005 to allow for the collection of this tax.

In June 2007 the Governor signed Act 7 which imposed certain conditions on the levying and collection of the Local Services Tax (LST.) This tax is levied on persons employed within the Township and the maximum amount collected from any employee is \$52 regardless of the number of jobs a person has in a year. It will continue to be allocated \$5 to the School District and \$47 to the municipality. The following is a list of major changes:

- Standardizes the low income exemption to a state-wide standard of \$12,000.
- Modifies the collection pattern from a lump sum payment to withholding of no more than \$1 per week.
- Provides for an upfront self-exemption from withholding if a taxpayer reasonably believes that he/she will not earn more than \$12,000 in that year.
- Provides for certain other exemptions for people serving in the military and those with certain disabilities.

The revenue received from this tax will be used to offset emergency services and road maintenance expenditures.

Modest increases are projected for 2023 and 2024.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
310	REVENUES: OTHER TAXES					
	<u>OTHER TAXES</u>					
.100	Real Estate Transfer	588,812	565,920	576,315	599,368	647,317
.511	Local Services Tax	253,126	245,367	272,088	282,972	305,610
	TOTAL OTHER TAXES	841,938	811,287	848,403	882,340	952,927

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUE: INTERGOVERNMENTAL PAYMENTS

Patton Township expects to receive about 35 percent of its revenue from intergovernmental payments from the County, State, and Federal governments in 2023. The Township has no regular source of Federal funds. Most Federal funds received are grants for specific purposes funneled through the State or County.

The Annual Payments of intergovernmental revenues received each year come from the State. These funds fall into two categories. Dedicated Use funds must be used only for the purpose provided in the law. The budget must show matching expenditures for these receipts. The General Fund Use intergovernmental revenues are counted as receipts available for any budgeted expenditure.

Grants received by the Township are the result of competitive applications approved by a County, State, or Federal funding body. Grant funds must be used for the specific purpose identified in the grant program.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: DEDICATED USE

Liquid Fuel Tax: #355.020

The Liquid Fuel Tax (LFT) receipts collected by the state are shared with municipalities based upon population and miles of Township roads. This is a return of some of the tax each purchaser pays when purchasing gasoline. The amount actually received depends upon how much the State collects and how Patton Township compares to other municipalities' miles of roads and population. The 2023 budget estimate is based on the State's October 2022 estimate of \$464,733. These funds are matched to eligible expenditures in the Public Works budget for maintenance and operation of Township roads and streets.

The growing availability of alternate fuel vehicles will decrease the growth rate of LFT funds. At some point the State and Federal governments will need to adopt revised standards for collecting user fees from road users. The Township should work with our municipal associations to start lobbying for such changes.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: DEDICATED USE

Act 13 Marcellus Impact Fee: #355.100

Act 13 became a law in 2012 and provides for the imposition of an unconventional gas well drilling impact fee by the State. The allocation of these funds will be as follows:

- \$25 million to State agencies to offset the statewide impact of drilling
- 60% of the remaining funds go to Counties and Municipalities (36% allocated to Counties with wells, 37% to municipalities with wells and the remaining 27% to all municipalities based on a municipality's budget).
- 40% for statewide initiatives.

The money must be spent on water, wastewater, road improvements, infrastructure, maintenance, social service delivery, emergency preparedness, environmental programs, tax reduction, increased safe/affordable housing, employee training or planning initiatives.

The Township received \$3,044 in 2022 and \$1,822 in 2020. In 2023 and 2024, revenue from the source is estimated to be \$3,050 each year based on the current year. These funds have been used to offset the costs of conversion of two vehicles to bi-fuel (gasoline and Compressed Natural Gas) and the installation of a CNG fueling station on premise.

State Pension Aid: #355.120

Each non-Pennsylvania (foreign) insurance company that writes a casualty insurance policy in the Commonwealth pays a tax to the state. Act 205 of 1984, the Public Employee Retirement Act, provides that the eligible municipalities receive their share of the state funds based upon the amount of actual expenditures and/or amounts necessary to maintain actuarially sound funding for the pension plans up to a limit established by the State. The amount received for 2022 is based on the calculation of the Township's minimum municipal obligation (MMO) (completed in the fall of 2021). The funding is based on the lesser of the Township's need and the state-determined unit value of funding multiplied by the number of eligible Township employees. In years when investment returns are good, a municipality may not receive all the funds they would otherwise be entitled based on the unit value calculations because investment gains may reduce the amount that needs to be paid into a plan.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: DEDICATED USE (CONT'D)

State Pension Aid: #355.120 CONT'D

In years with bad investment returns, the total amount the Township is entitled to receive from the State may still not be adequate to fund the pension plans, and therefore, general funds and/or employee contributions will be needed.

The 2023 MMO, calculated using the 2022 actuarial valuations for the total pension expense, is expected to be \$362,012. For 2022, police contributed 2% of their base wages. This amount continues in the 2023-2026 contract.

The revenues received are subject to a "post-audit" to determine whether all funds were actually required for the Township's pension plans.

This revenue is offset against pension expenses in employee benefit line items for each department.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: GENERAL FUND USE

Act 205 Volunteer Fire Relief Association Aid: #355.130

Each non-Pennsylvania (foreign) insurance company that writes a fire insurance policy in the Commonwealth pays a tax to the State. These funds are distributed based upon the population and the market value of property in the township (weighted equally). These funds must be turned over to the volunteer fire company serving the area, the Alpha Fire Company. The funds must be used by the Fire Company for the health and welfare of the company members; the funds may not be used for operations or capital expenditures. (See expenditure account 411.533 for matching expenditures.) The proposed revenue for 2023 is based on the 2022 actual receipts.

Police Programs Reimbursement Grants #355.200

These revenues represent payments for participation in special task force programs such as the Centre County Drug Task Force (Bureau of Narcotics Investigations), the Centre County Alcohol Task Force and DUI patrols, State College School District School Resource Officer, football game details reimbursed by Penn State University and other reimbursements for police goods and services. The 2023 proposal is based on anticipated duty assignments.

Public Utility Realty Tax: #355.010

Some Public Utilities are exempt from property taxes but pay into a state fund in lieu of property taxes. The 2023 budget is based on the 2022 amount received.

Beverage Licenses: #355.040

The State charges and remits to the Township a permit fee of \$200 per year for each establishment in the Township that serves beer and/or liquor. There are five types of establishments in Patton Township: hotels, such as Toftrees, Carnegie House, and Holiday Inn Express (Outback Steak House); restaurants/bars like the Ale House and Hi-way Pizza; microbreweries like Otto's Brew Pub; Continuing Care Retirement communities like the Village at Penn State and transfers such as the Olive Garden and Applebee's.

Prior to 2001, the state allowed only one licensed establishment for every 3,000 residents. (Hotel/motel and Micro-Brewery licenses are not included in the numerical restriction.) In 2001, in-county license transfers were approved

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: GENERAL FUND USE

Beverage Licenses: #355.040 CONT'D

as a new category for licenses. When approved by the Township and the Liquor Control Board, an establishment may transfer a license from another area of Centre County into the Township. Five such transfers have been brought to Patton Township.

2023 proposed revenue is based on 2022 experience. The State waived all these fees for 2021.

Motor Vehicle Code State Distribution: #355.090

These funds are remitted to the Township by the state as the local share of tickets issued by the State Police. The 2023 proposed amount is based on a three-year average of receipts and receipts year-to-date.

State Payment in Lieu of Taxes - Game Commission: #356.020

This is a payment by the state for Township services to State Game Lands. There are 975 acres of State Game Lands in Patton Township, and the Township is reimbursed \$1.20 per acre. These funds are paid from gambling proceeds earned by the State.

GRANTS

Pennsylvania DOT Community Transportation Alternatives: #357.016

The Township will apply for funding through PennDOT to acquire rights-of-way for bikeways in the amount of \$32,000.

PennDot Automated Red Light Enforcement (ARLE): #357.017

The Township sponsored an application for a grant from PennDOT for funding the pedestrian crossing signal improvements on Valley Vista Drive at the Park Forest Middle School.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: GENERAL FUND USE

GRANTS CONT'D

County Liquid Fuels Tax Awards: #357.030

The Centre County Board of Commissioners receive letters of Application each year for County Aid grants that can be used for street and road improvements. In the past Patton Township has received grant money for portions of Meeks Lane and Upper Julian Pike. Patton Township was awarded \$48,300 for 2022 to fund 30% of the costs to improve safety issues on Purdue Mountain Road.

Valley Vista Drive Adaptive Signaling: #357.050

The Township deployed the next generation signal controller software along the Valley Vista Drive corridor including intersections with Carnegie Drive, Lowe's Driveway, North Atherton Street and Green Tech Drive. A grant of \$198,082 was awarded for this project in 2020.

CFA MTM – Bernel/Fox Hill Intersection: #357.070

The Township was awarded a grant to upgrade the intersection of Bernel Road and Fox Hill Road to a classic "T" Intersection. The State has awarded this grant in the amount of \$700,000. Construction work was completed in 2021.

RACP Nittany Valley Sports Complex Phase 2: #357.080

The Township has sponsored an application for a grant of \$1,500,000 for Phase 2 of the Nittany Valley Sports Complex on Bernel Road. Grant closed out in 2022.

Abington Equine Hospital: #357.090

The Township has sponsored an application for a grant of \$370,000 for construction of state-of-art equine care facility. Construction completed in 2022.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: GENERAL FUND USE

GRANTS CONT'D

Atherton & Woodycrest Improvements: #357.100

The Township sponsored an application for a grant of \$1,792,222 to reconstruct and upgrade intersection that will serve as entrance to Patton Crossing development. The grant requires no monetary match from the Township. The Township Manager and Director of Engineering, Planning & Zoning will be involved in managing the relationships between the project partners and may expend some funds for legal advertising purposes and other minor items. Costs for project management, the bidding process, inspections, and other ancillary costs will be paid with grant funds or by the developers. Any additional costs for construction of the project will be borne by the developers.

HVAB Grant – Nittany Valley Sports Complex Phase 2: #357.140

The Township has sponsored an application for a grant of \$300,000 from 2019 through 2021 for the construction of the Nittany Valley Sports Complex Phase 2.

Atherton Street Signal Improvements: #357.120

The Township will sponsor an application for a grant in 2022 for the upgrade of signal controllers and communication systems to provide more responsive operations along the corridor from Patton to Harris Township. Estimated cost is \$270,000.

NVSC-Bernel/Fox Hill Intersection: #357.150

The Township received proceeds from a PIB loan in the amount of \$1,837,500 in 2021. According to an agreement, NVSC will pay the PIB loan. The amount of debt service for the PIB loan, due from the developer in 2023, is \$212,466.

REVENUE: INTERGOVERNMENTAL PAYMENTS (CONT'D)

ANNUAL PAYMENTS: GENERAL FUND USE

GRANTS CONT'D

Toyota Prius Replacement: #357.160

The Township will apply for funding to replace the Toyota Prius with another hybrid, EV, or other alternative-fuel vehicle.

Hamer Foundation Grant for Open Space: #357.170

Grant to fund creation of Conservation Plan for Haugh Family Preserve and Gray's Woods Preserve and implement forest management practices on Gray's Woods Preserve.

Hamer Foundation Grant for Open Space: #357.180

Grant to fund purchase a leaf collection unit and one-man leaf truck with an installed leaf collection unit.

Toftrees Resort RACP Grant Sponsorship: #357.190

Sponsor \$2,500,000 state grant for redevelopment of Toftrees Resort.

Waddle Conversion from Centracs-TST Grant: #357.200

Township applied for PennDOT TST grant funds to convert the existing Waddle corridor from Centracs to Kinetic signals (PennDOT network). This is in lieu of a more costly new maintenance agreement in 8/2023 with Signal Control Products for Centracs.

Colonnade GLG Grant-Pedestrian Upgrades: #357.220

Township applied for GLG funds in 2022 for pedestrian upgrades to Colonnade Blvd at multiple intersections. Work completed as a result of Penn Highlands Micro-hospital, should be done prior to this project.

Waddle/Vairo ARLE Grant-Pedestrian & Signal Upgrades: #357.230

Township applied for ARLE funds in 2022 to make signal, pedestrian, and safety upgrades to the intersection of Waddle/Vairo Blvd.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	REVENUES: INTERGOVERNMENTAL PAYMENTS					
	<u>ANNUAL PAYMENTS</u>					
	DEDICATED USE					
355 .020	LIQUID FUEL TAX	456,316	449,452	460,061	464,733	473,306
	OTHER DEDICATED USE					
354 .040	DEP Grant - Hydro Dig	206,923	0	0	0	0
355 .100	Act 13 Marcellus Impact Fee	1,822	1,367	3,044	3,050	3,850
355 .120	State Pension Aid	287,837	292,155	316,008	346,935	418,167
355 .130	Act 205 Volunteer Fire Relief Association	98,002	98,000	121,827	151,444	153,715
355 .200	Police Programs Reimbursement	160,964	144,622	174,451	180,500	191,330
351 .130	American Rescue Plan Act	0	827,148	500,000	500,000	500,000
	SUB-TOTAL	755,548	1,363,292	1,115,330	1,181,929	1,267,062
	GENERAL FUND USE					
355 .010	Public Utility Realty Tax	7,425	7,425	7,425	7,425	8,594
355 .040	Beverage License	0	5,400	5,383	5,400	6,000
355 .090	Motor Vehicle Code State Distribution	6,342	6,700	6,367	6,500	7,500
356 .020	Pay in Lieu of Taxes-Game Commission	1,171	1,171	1,171	1,171	1,171
	SUB-TOTAL	14,938	20,696	20,346	20,496	23,265

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	REVENUES: INTERGOVERNMENTAL PAYMENTS (CONT'D)					
	<u>GRANTS</u>					
357 .016	Pennsylvania Community Transportation Alternatives	0	32,000	75,000	32,000	10,000
357 .017	PennDot Automated Red Light Enforcement (ARLE)	108,403	0	0	0	0
357 .030	County LFT	0	48,300	0	0	0
357 .050	Valley Vista Drive Adaptive Signaling	0	0	0	0	0
357 .060	Solar Panels	0	20,000	0	0	0
357 .070	CFA MTM - Bernel/Fox Hill Intersection	464,520	235,480	235,480	0	0
357 .080	RACP Nit. Valley Sports Complex Phase 2	1,462,500	792,353	37,500	0	0
357 .090	Abington Equine Hospital	0	100,000	370,000	0	0
357 .100	Atherton & Woodycrest Improvements	0	1,000,000	0	1,000,000	250,000
357 .110	Toftrees Corridor Improvements	0	0	0	572,606	1,200,000
357 .120	Atherton Street Signal Improvements	0	864,138	0	270,000	0
357 .130	Bernel Road Park Phase 2A	0	155,000	0	0	0
357 .140	HVAB-Nittany Valley Sports Complex Phase 2	62,500	0	0	0	0
357 .150	NVSC-Bernel/Fox Hill Intersection	0	212,466	0	0	0
357 .160	Toyota Prius Replacement	0	3,000	0	7,500	0
357 .170	Hamer Foundation-Gray's Woods Open Space	0	164,400	164,400	0	0
357 .180	DEP Recycling Grant - Leaf Truck	0	0	0	151,261	246,478
357 .190	Toftrees Resort RACP Grant Sponsorship	0	0	0	1,250,000	1,250,000
357 .200	Waddle Conversion from Centracs-TST Grant	0	0	0	33,444	0
357 .220	Colonnade GLG Grant-Pedestrian Upgrades	0	0	0	0	70,838
357 .230	Waddle/Vairo ARLE Grant-Ped&Signal Upgrades	0	0	0	0	368,725
357 .231	Police Grants	0	0	0	173,656	11,690
	SUB-TOTAL	2,097,923	3,627,137	882,380	3,490,467	3,407,731
	TOTAL INTERGOVERNMENTAL PAYMENTS	3,324,724	5,460,577	2,478,117	5,157,625	5,171,364

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

REVENUE: NON-TAX SOURCES

The Township will receive approximately 7.6 percent of the budgeted 2023 revenues from non-tax sources, other than loan proceeds.

As noted in the following sections, some of these funds must be used for specified purposes. The balance is available for general Township expenditures.

ASSESSMENTS #301

Assessments differ from taxes in that they are limited to certain geographic areas of the Township. In particular, for Patton Township, assessments are related to a property owner's proximity to a fire hydrant, or streetlight, and for roads in the Homestead Farms Neighborhood Improvement District. These funds are used to cover the costs for providing those services. Assessment funds are separately accounted for and are designed to be self-supporting. If there is a surplus in one of these funds it cannot be transferred to the general fund; it must be held in reserve to cover future rate increases, major repairs or replacements, or to decrease rates. The power to set such assessments is established in the Second Class Township Code. In 2007, the Township hired an engineering technician, one of whose duties was to update all records to ensure completeness of all streetlights and fire hydrants assessments. This has been completed and is reflected in the current assessments.

Streetlight Assessments: #301.930

Each property within 250 feet of a streetlight is assessed 23 cents per front foot. Vacant lots are assessed at 25 percent of the current rate (5.75 cents). This 4:1 ratio is set in the Township Code. All the funds collected from these assessments are deposited in the Streetlights Restricted Reserve Fund for payment of streetlight bills and required repairs (see Line Item 434.361). The current assessment rates should be sufficient to cover additional costs. The Township has entered into a cooperative program to purchase electricity. At this time, no increase in streetlight assessments should be necessary to cover electrical costs.

REVENUE: NON-TAX SOURCES (CONT'D)

ASSESSMENTS #301 (CONT'D)

Fire Hydrant Assessment: #301.940

Each property within 780 feet of a fire hydrant is assessed a charge based on the front footage of the property. The assessment rate is 23 cents per front foot. All funds collected from these assessments are transferred to the Fire Hydrant Restricted Reserve Fund (see Line Item 411.363). Due to increase costs per fire hydrant from \$125 per year in 2019 to \$375 per year in 2020, a 75% increase in the assessment was reflected in 2020. An additional 50% increase was implemented in 2021. An additional 25% increase will be implemented in 2022. In addition to the fire hydrants, there is a charge to one homeowners' associations for a dry hydrant in a rural development to ensure sufficient funds for their replacement on a twenty-year cycle.

Homestead Farms Neighborhood Improvement District: #301.950

In October 2011, the Township began the process to establish a Neighborhood Improvement District in the Homestead Farms area. At the request of the Homeowners' Association (HOA), the Township took over road maintenance in this area where, until this time, the roads have been privately maintained. Each parcel (43 in Patton Township and 5 in Ferguson Township where another neighborhood improvement district has been formed) will be assessed \$316 annually until 2023 to provide for the cost of bringing the roads up to Township Standards. In 2012, the HOA transferred \$45,187 to the Township to begin the improvements. Future assessments will continue at \$13,605 (one property owner paid full assessment in 2014 and one property owner paid full assessment in 2020) until 2023. Any amounts greater than this amount represent late payment penalties. Construction work was finished in 2021.

LICENSES AND PERMITS #321

The Township requires a variety of business licenses and permits. In some cases, the licenses are issued for a token fee and serve to establish the presence of regulated business activity rather than to generate revenues. In other cases, the fees are designed to cover the costs of the activity being permitted or licensed.

Health-Food Establishments Permit: #321.200

Each Patton Township food establishment pays an annual fee of \$165 to \$265, based on type and size of establishment, to cover the cost of required health inspections. In addition to these permit fees, the fee schedule has been adjusted to include other establishments which would need a permit, such as temporary establishments and farmers markets, and fees for re-inspections and plan reviews.

REVENUE: NON-TAX SOURCES (CONT'D)

LICENSES AND PERMITS #321 (CONT'D)

Zoning Permits: #321.330

Each new construction and alteration/addition to a building in Patton Township requires a zoning permit. 2023 permits are based on anticipated construction known at this time.

Rental Housing Permit Application Fee: #321.334

A \$20.00 fee is required on new or transferred rental housing permit applications. The township sends out notices to property owners whose real estate tax billing address is different from the property address. This is an effort to ensure that any properties that are actually rentals are properly permitted and inspected to ensure the safety of renters.

Rental Housing Permit Surcharge: #321.335

This fee of \$3 per permit issued helps offset regulatory and enforcement costs directly associated with rental housing in the Township. This fee is charged annually when permits are renewed. Centre Region Code collects this fee for the Township. Currently, there are approximately 3,300 rental units in the Township.

Fee for Issuing Dog Licenses: #321.340

The Township Office is an authorized Centre County dog license issuing location as a service to Township residents. The Township receives a one-dollar commission for each license issued.

Solicitor's and Peddler's, Chickens': #321.610

A solicitor or peddler's license costs \$20.00 and chickens are \$35.00 per issuance. Typically, Patton Township only has a few of these each year.

Sign Permits: #321.900

Fees for sign permits are based on the Township fee schedule. Revenue is expected to remain stable.

REVENUE: NON-TAX SOURCES (CONT'D)

LICENSES AND PERMITS #321 (CONT'D)

Road Occupancy Permit: #322.820

This permit is required for a cut into a Township road or right-of-way. Most of these fees are generated by utility companies (gas, phone and electric) servicing or extending their underground lines. The amount budgeted for 2023 is based on a three-year average plus any discussions with utility companies regarding work proposed in the Township.

Cable TV Franchise: #321.800

Comcast acquired Adelphia in 2006. It is still the only cable television company providing service to Patton Township residents. A new cable franchise agreement was negotiated and became effective January 1, 2020. The agreement is for ten years. Revenue in this line item is dependent on company revenues from Township residents. No significant changes were made to the agreement.

Small Cell Antennae Fees: #321.801

In 2014 the Board approved a contract with Crown Castle to install small cell antennae on 8 existing traffic signals in order to improve cell phone reception in the Township. Crown Castle rents their equipment to cell service providers. The contract will provide for an initial fee of \$15,000 plus rental income to the Township of \$750 per antenna per year.

COURT FINES #331

Patton Township receives revenues from three types of fines: violations of the Pennsylvania Motor Vehicle Code, violations of Township ordinances, and violations of Pennsylvania Crimes Code. Revenue from fines is less than 0.3% of all Township revenues.

Motor Vehicle Code Violations: #331.110

The revenue in this category comes from the citations issued by our Township Police Officers for violations of Pennsylvania's Motor Vehicle Code (speeding, stop sign violations, DUI, etc.). The budget is based on a three-year average.

REVENUE: NON-TAX SOURCES (CONT'D)

Ordinance and Pennsylvania Crimes Code Violations: #331.120

Citations for violations of Township ordinances are issued by the Township Police. These violations include handicap, fire lane and snow parking, weeds, snow on sidewalks, noise, and animal violations. This category also includes citations for violations of the Pennsylvania Crimes Code. The budget is based on the prior years' experience. It is difficult to estimate with any degree of accuracy, the number of citations that will be issued in any period.

INTEREST #341.000

Earnings from investment of Township resources are a function of two factors: interest rates and the amount of cash available for investment. Under normal circumstances, in the early part of the year when real estate tax money starts to flow into the Township, there is usually a substantial amount of cash available for investment. Interest rates have risen dramatically in the last year. It will be very difficult to accurately predict rates beyond a few months out.

DEPARTMENTAL EARNINGS

Fees and charges are levied for various services performed by the Township. A resolution adjusting fees was most recently adopted in 2021.

Zoning Hearing Board Fees/Rezoning Applications: #361.340

Fees are charged for a zoning/sign variance request, an appeal of the zoning officer's interpretation, or a rezoning request to cover the cost of processing these applications. Fees for single-family homes on non-conforming lots are \$60. Fees for a curative amendment request are a minimum of \$600.00, subject to increase based on actual costs, but are refunded to the applicant if the application is approved.

Plan Review and Inspection Fees: #361.400

The fee for subdivision plan review ranges from \$250.00 for up to 3 lots to \$1,250.00 for 21 or more lots. The plan review fee for new land development of less than 1 acre is \$375.00 with a \$187.50 fee for revision to an approved plan. The time for the Engineer and Zoning Officer to review plans is charged on an actual time basis and is in addition to the basic review fees. The proposed amount is based on a three years' experience.

REVENUE: NON-TAX SOURCES (CONT'D)

DEPARTMENTAL EARNINGS (CONT'D)

Plan Review Handling Fees: #361.410

This fee represents a surcharge from the review of land development plans.

Sale of Miscellaneous Ordinances: #361.520-540

Copies of the Township subdivision ordinances, zoning ordinances and maps are made available to developers and residents. The proposed amount is based on a three-year average. Since these are available digitally, there is not a high demand for paper copies.

Sale of Accident Reports: #362.110

State Law allows the Township to charge up to a \$15.00 fee for copies of accident reports. Patton Township charges \$10.00. In 2019, the Township began using CARFAX to provide reports to the public.

Sewage Permits/Soil Log Test: #362.440

The Township charges the cost of obtaining a sewage permit for an on-lot septic system to the developer or property owner. These fees are used to cover the cost of the Township Sewage Enforcement Officer. The actual amount received in this category depends upon the development activity in areas outside the Township's sewer service area. The amount proposed is based on the year-to date and last years' experience.

REVENUE: NON-TAX SOURCES (CONT'D)

TAX COLLECTION FEES #361

Real Estate Tax Collection Fees: #361.640

Patton Township collects Real Estate Taxes for itself, Centre County, and the State College Area School District. The other entities pay a fee for collection services to the Township based on the number of parcels billed for the County (\$2 per parcel) and the number of parcels collected for the School District at \$3 per parcel.

Charges for Tax Payment Confirmations: #361.650

The Township charges \$15 for each written confirmation of Real Estate tax payments on given property.

PENN STATE IMPACT FEES: #380.410

In November 1992, the settlement of longstanding litigation with Penn State by all Centre Region taxing bodies was announced. This line item shows the anticipated payments in lieu of taxes from the University. The first year of the Penn State Impact Fee agreement provided for a lump sum payment to the school district and a 2.83 percent share for Patton Township from the \$600,000 initial payment. After 1993 the School District received a separate amount based on tax rates and assessed values. The total increases every two years based upon the consumer price index. The fee is expected to remain at less than one percent of the total Township budget. Penn State must give 18 month notice to withdraw from the agreement.

REVENUE: NON-TAX SOURCES (CONT'D)

BUILDING RENT REVENUE: #389.420

In 2002, the Township undertook, as part of its debt financing of that year, to borrow funds for its share of the COG Housing Project. The Township is part owner of the COG building, and as such, gets a share of rent paid by the self-supporting departments of COG. This payment is fixed for 25 years. Also included in this line item is the rent paid by Clearwater Conservancy to use the former municipal building.

MISCELLANEOUS

This revenue category incorporates those general revenues that do not fall into a specific section of the budget.

Miscellaneous Revenue: #380.000

Revenue in this category includes payments for small non-recurring or infrequent items such as copies, towing bills, rebates, etc.

Private Contributions/Bus Subsidy: #387.000

The Colonnade has committed to help pay for bus service to their stores. These payments are based on total square footage leased out in the Colonnade. These contributions help defray the Township's contributions to CATA bus services, see #447.531 and #447.532.

REVENUE: NON-TAX SOURCES (CONT'D)

MISCELLANEOUS (CONT'D)

Community Gardens Revenue: #387.350

In 2009, Township residents were surveyed via our newsletter regarding their interest in renting community garden plots. Beginning in 2011, a number of plots were made available at the Haugh Family Farm Open Space Preserve for those interested. These fees will offset fencing, water, and other costs. A 1.5-acre expansion was completed in 2017. This program has been very successful endeavor with most of the plots rented.

Traffic Mitigation Fees: #387.430

This line-item detail describes funds contributed by developers to help defray the cost of conducting traffic studies and completing traffic projects required because of a new development. Currently the fee is \$300 per residential unit at the Village at Penn State. For other development in the area, the fee has been set with an adjustment for inflation. In 2022, with the approval of the Penn Highlands Micro-hospital and Medical Arts Building a significant contribution has been made to the fund.

The funds flow through the General Fund and are ultimately transferred to a restricted reserve fund (see last section of budget) where they are matched with the Township's share of capital needed to complete the project. Expenditures for debt service will be shown in the reserve fund.

Insurance Proceeds: #389.100

This line item represents insurance proceeds for stolen or damaged property. The expenditure for replacement equipment and/or repairs can be found in the appropriate departmental expenditure account.

REVENUE: NON-TAX SOURCES (CONT'D)

MISCELLANEOUS (CONT'D)

Sale of Surplus Property: #391.100

This line item represents the proceeds from the sale of surplus property. Currently the Township uses an internet-based auction facility for its sales.

Return Encumbrances to Fund Balance

Funds for projects which have previously been encumbered but, for a variety of reasons, do not occur and must be returned to the Fund Balance for other uses.

Refund: Prior Year Expenditure: #395.000

This account includes refunds (dividends) on our insurance policies and other expenditures previously paid out. For 2022, no refund from the health insurance cooperative was received for having claims that were lower than premiums. Based on a year-to-date experience, no refund is expected in 2023.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	REVENUES: NON-TAX SOURCES					
301	<u>ASSESSMENTS</u>					
.930	Streetlight Assessments	44,143	28,880	28,892	28,892	28,892
.940	Fire Hydrants Assessments	61,067	75,432	75,463	90,556	108,667
.950	Homestead Farms Neighborhood Improvmt District	13,668	13,605	14,934	12,276	0
	SUB-TOTAL	118,879	117,917	119,289	131,724	137,559
321	<u>LICENSES & PERMITS</u>					
.200	Health-Food Establishments	11,230	11,200	11,630	13,500	15,500
.330	Zoning Permits	38,878	45,335	92,385	49,800	56,077
.334	Rental Housing Permit Application Fee	1,900	2,000	1,115	1,500	1,575
.335	Rental Housing Permit Surcharge	12,258	10,000	13,426	13,500	14,175
.340	Fee for Issuing Dog Licenses	79	85	53	53	55
.610	Solicitors, Peddlers, & Chickens	160	60	100	100	100
.900	Sign Permits	1,937	1,430	1,202	1,200	1,260
322 .820	Road Occupancy Permits	2,385	2,750	3,672	3,750	3,938
	SUB-TOTAL	68,827	72,860	123,583	83,403	92,680
321 .800	CABLE TV FRANCHISE	236,349	241,555	225,653	215,441	226,213
.801	Small Cell Antennae Fees-Crown Castle	5,625	5,625	5,625	5,625	5,625
331	<u>COURT FINES</u>					
.110	Motor Vehicle Code Violations	22,856	24,100	21,854	22,000	23,760
.120	Ordinance & Crimes Code Violations	19,404	14,025	9,035	9,500	10,260
	SUB-TOTAL	42,259	38,125	30,889	31,500	34,020

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	REVENUES: NON-TAX SOURCES (CONT'D)					
341 .000	<u>INTEREST</u>	4,539	4,750	6,981	9,500	9,500
	<u>DEPARTMENTAL EARNINGS</u>					
361						
.340	ZHB Fees/Rezoning Applications	720	360	720	720	720
.400	Plan Review and Inspection Fees	14,612	13,348	13,567	13,750	15,892
.410	Plan Review Handling Fees	0	0	0	0	0
.520-.540	Sale of Misc.Ordinances	0	55	5	50	50
362						
.110	Sale of Accident Reports	2,580	2,599	2,990	3,000	3,250
.440	Sewage Permits/Soil Log Test	11,575	8,000	12,175	12,250	12,500
	SUB-TOTAL	29,487	24,362	29,457	29,770	32,412
361 .600	<u>TAX COLLECTION FEES</u>					
.640	Real Estate Tax Collection Fees	23,426	23,293	22,588	23,040	23,550
.650	Charges for Tax Payment Confirmation	6,935	10,774	4,385	4,750	7,855
	SUB-TOTAL	30,361	34,067	26,973	27,790	31,405

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	REVENUES: NON-TAX SOURCES (CONT'D)					
380 .410	<u>PENN STATE IMPACT FEES</u>	49,001	48,066	49,001	49,954	52,452
387 .420	<u>BUILDING RENT REVENUE</u>	37,683	37,683	37,683	37,683	37,683
	<u>MISCELLANEOUS</u>					
380 .000	Miscellaneous Revenues	4,801	11,312	15,072	13,000	15,164
380 .300	Winter Maintenance Contract - Private Road	0	2,300	0	0	0
387 .000	Private Contributions/Bus Subsidy	10,544	10,544	10,544	10,544	10,544
387 .080	Private Contribution for Atherton & Woodycrest	0	0	0	250,000	0
387 .081	Private Contribution from NVSC	0	0	212,466	212,466	212,466
387 .350	Community Gardens	3,920	3,920	4,550	4,550	4,750
387 .430	Traffic Mitigation Fees	0	7,500	172,778	7,500	10,000
389 .100	Insurance Proceeds	48,862	0	139,576	0	0
391 .100	Sale of Surplus Property	5,099	1,000	31,895	1,000	1,000
	Return Encumbered Revenues to GF		0		0	0
395 0	Refund-Prior Year Expenditure	407,239	20,000	24,069	20,000	20,000
	SUB-TOTAL	2,317,964	56,576	610,950	519,060	273,924
	TOTAL NON-TAX SOURCES	2,940,974	681,586	1,266,084	1,141,450	933,473

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: GENERAL GOVERNMENT SERVICES

General government services include three areas of Township activity as well as an accounting of other expenses not assigned to a department.

- A. **General Government** - Major general Government expenses include outside professional services (legal counsel, actuary, and auditor), liability insurance, advertising, building operations and Centre Region Council of Government (COG) administration.
- B. **Administration** - The Township's Administrative Office includes the Manager, Secretary, Receptionist, and Communications Specialists (4 FTE: full time employees) and the Finance Office (1.875 FTE). The Manager is responsible for day-to-day operations of the Township within the policy and budgetary parameters established by the Board of Supervisors. Department heads report to the Manager. The Director of Finance and Administration is responsible for all financial reporting, tax operations and accounting for the Township, as well as human resource administration and communications.
- C. **Tax Collection** - The Township Tax Office collected the Township/School District Earned Income Tax (EIT) through the end of 2011. In 2012 collection of EIT shifted to the Centre County Tax Collection Committee. The Committee appointed the State College Borough Tax Office as the tax collector for 2012 through 2022.

During the period when the Manager (or another staff member) is appointed by the Board of Supervisors as the elected Tax Collector, the collection of real estate taxes for the Township, County and State College Area School District is assigned to the staff of the Tax Office. The Tax Office provides 1 FTE for Real Estate Taxes and that person also handled the close out of pre-2012 EIT collections. The Tax Office is supervised by the Director of Finance and Administration.

- D. **Other** - This minor category provides for items that do not fit elsewhere in the budget.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT

GENERAL EXPENDITURES: #400

Salaries - Governing Body: #400.113

The Second Class Township Code, based on the 2010 census figures, provides that each member of the Board of Supervisors may be paid up to \$4,125 per year. Changes in the pay rate must be made by ordinance. No pay change for incumbents is permitted during their term of office. For 2023, all five Supervisors will be paid \$4,125.

Professional Services – Financial Services: #400.311

The Township appoints a Certified Public Accounting firm to perform an annual audit of the Township's financial records. The amount budgeted for 2023 is based on an estimate from the auditor. This line item also reflects the costs of mandated actuarial valuations for the Township pension plans; but additional actuarial services will be required annually because of a new financial reporting standards regarding pension liabilities. Beginning in 2015, the Government Accounting Standards Board requires that any unfunded pension liability be included in the audited financial statements. This new standard will require additional actuarial and auditing services.

In 2021, a Single Audit was performed because of the Township receiving greater than \$750,000 in federal funding. No Single Audit is budgeted for 2023 and 2024.

Professional Services - Codification: #400.316

A complete recodification of the Township's ordinances was completed in 1996. The amount allocated is for regular updates of the Code of Patton Township as new ordinances are adopted. This line item includes a maintenance fee for the codification software.

In 2022, an additional \$15,990 was incurred for the re-codification of the Township's ordinances.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

GENERAL EXPENDITURES (CONT'D): #400

Communications – Telephone/Data: #400.321

This line item covers monthly service charges for all Township phone lines, long distance calls for administration, internet services, email, and miscellaneous service charges. These services are provided by Comcast Business, Microsoft 365 and KINBER (replaced by WISP in second half of 2023) and are hosted at the Borough of State College.

This line includes partial reimbursements for Township use of cell phones to the Manager and Director of Finance and Administration.

Advertising: #400.341

This line item covers the cost of required legal advertisements for Township meetings, public hearings, bid notices and two issues of the Township newsletter. This includes ads for special services such as leaf collection and volunteer recruiting. The 2023 proposal is based on the current year's experience.

Printing: #400.342

The cost of printing Township forms, letterhead, envelopes, and the budget are included here. Minimal costs are incurred these days as most printing is completed in-house.

Insurance - Business Liability: #400.352

The insurance coverage for the Township provides protection for liability, errors and omissions, and an umbrella policy to cover excess claims. Courts have forced municipalities to increase taxes to pay claims when insurance coverage was not sufficient. 2023 rates are estimated to increase by 5%.

Electricity-Charging Station: #400.361

The electricity usage for the two-bay electric vehicle charging station located in the parking lot.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

GENERAL EXPENDITURES (CONT'D): #400

General: #400.421

General expenses include the annual appreciation dinner for residents who serve on the Township Authorities, Boards, and Commissions and an employee appreciation event, reference books, coffee supplies, memorial contributions, and other miscellaneous expenses. The 2023 appropriation is based on anticipated costs of services as well as a small contingency to cover unforeseen expenses.

LST Collection Fee: #400.423

This line includes the cost of Local Services Tax (LST) collection services provided by the State College Borough (SCB) Tax Office. These costs have doubled since the imposition of the EMST in 2005 because the LST is a more labor intensive tax to collect than the EMST. The costs reflected are for taxes collected in the previous year. In 2013, Patton Township and the State College Borough agreed on a revised collection fee of 3% rather than an accounting of extra costs. This should result in a lower fee for future years.

Centre County Tax Collection Costs: #400.424

This line item includes the Township's share of cost for the Centre County Tax Collection Committee (CCTCC); the body responsible for overseeing the collection of earned income taxes under Act 32, as well as the fee of 2.4% of revenue collected that the Township pays State College Borough (SCB) as appointed Tax Collector for the CCTCC. Actual cost will be reconciled by SCB at year end and payments will be adjusted. The 2023 budget equals 2.1% of the Earned Income tax revenue line because each year there has been a refund when actual costs are reconciled to fees paid.

COVID 19 Expenses: #400.430

This line item includes the cost of personal protection equipment, software and personnel costs associated with the ongoing pandemic.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

GENERAL EXPENDITURES (CONT'D): #400

Employee Appreciation: #400.425

To show appreciation to staff for the exceptional efforts they make to serve our residents, a small amount of money has been set aside to use as needed to provide tokens of thanks. It is also used to purchase additional tickets for the 4th of July fireworks which is very popular with employees and their families. An increase in 4th Fest is included for 2023.

Wellness Program: #400.426

In 2008 an Employee Wellness Committee was formed to motivate employees to improve their quality of life through fitness, health programs, etc. This line item is funded from the premium rebates received from the self-insured health plan. Keeping people healthy and fit has a direct correlation to the cost of health insurance paid by employees and the Township. Based on survey results, funds are allocated to pay a monthly stipend to employees to offset fitness club memberships, to have a service come to the building to do health screenings for employees and family members. The 2023 appropriation is to support the continuation of this initiative.

Training and Seminars: #400.460

This line item covers the cost of attending the training sessions offered by the Pennsylvania State Association of Township Supervisors (PSATS) at the annual conference as well as other training sessions and classes for the Board of Supervisors. The Board has also elected to join the Pennsylvania Municipal League and attend the annual conference. The amount for 2023 reflects anticipated costs for conference attendance.

Centre Region COG Administration: #400.530

This item includes Patton Township's share of the general costs of membership in the Centre Region Council of Governments (COG). The Township's share of each COG program's cost is budgeted in appropriate sections of the Township budget. The COG budget provides a complete description of services, proposed 2023 activities, and allocations of municipal shares.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

LEGAL SERVICES: #404

Legal Services: #404.314

Each year the Board of Supervisors appoints a firm to serve as Solicitor for the Township. As of January 1, 2007, the firm representing the Township is Babst Calland Clements and Zomnir, with Elizabeth Dupuis serving as the principal solicitor for Patton Township. This line item provides for an annual retainer for the firm. Costs for special cases such as defending the Township at major Zoning Hearing Board cases are billed as an extra expense. A modest increase in included in 2023 and 2024

Other Legal Expenses: #404.316

This line item covers filing fees, recording fees, expert testimony, and other fees excluding such major cases as Bellefonte Lime. The 2022 expenditure includes the cost to negotiate the 2023-2026 Patton Township Police Officers' Association Collective Bargaining Agreement. The 2023 proposal provides funds for minimal services not covered by retainer.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

TOWNSHIP BUILDING: #409

On January 29, 2004, the Township reoccupied the renovated municipal building. The expanded facility provides adequate space for current employees with sufficient room for expansion over the next decade. It also includes a large meeting room for Board and ABC meetings and has been used for various other functions such as, Citizen's Police Academy, PSATs classes, Patton Township Business Association, the Spring Creek Water Shed Community, and other community meetings.

Wages for Building & Grounds Maintenance and Overtime: #409.143 and #409.183

This line item reflects the wages for the employee who is responsible for routine building maintenance, janitorial services, landscape maintenance and building snow removal. Wages for this position are set by the Township's pay plan. Additional costs from the road crew are included when they have assisted on a building project.

Longevity: #409.182

This account provides for a scheduled payment to non-salaried employees completing six or more years' employment with the Township.

Cleaning and General Supplies: #409.226

This line item includes the cost of cleaning and other supplies as needed. The 2022 amount is based on the current year's experience.

Heating and Fuel: #409.230

Until 2015, this line item covers the cost of heating the old Municipal Building. Beginning in 2016, the cost of heating the old Municipal Building is paid for by Clear Water Conservancy. Heat for the Township Building is electric (see line item #409.361 below). The Public Works facility is heated by gas (see line item #409.362 below). The 2023 proposal only includes the cost of fuel for the emergency generator.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

TOWNSHIP BUILDING (CONT'D): #409

Repair and Maintenance Materials: #409.250

This line item includes paint, carpentry supplies, light bulbs, and so on for the buildings. The 2023 proposal is based on the current year's experience.

Property Insurance: #409.351

This category provides insurance for the Township Buildings and contents. The fire station building is included in the Township's policy but is reimbursed by COG. The numbers proposed for property insurance in 2023 are based on estimates from the agent.

Public Utility Service - Electric: #409.361

This item provides for electricity used in the Township Buildings and the exterior lights. The proposed budget is based on the current year's experience.

Public Utility Service - Gas: #409.362

This line item provides for the natural gas used to heat the Public Works facility.

Public Utility Service – Trash Removal: #409.365

This line item includes trash and recycled materials collections from the Municipal Building and Public Works facility. The 2023 budget proposal is based on the cost of contracted services. The Township's employees have made concerted effort to recycle as much as possible thereby reducing the amount of waste hauled. Service needs were reviewed and the Township was able to reduce the number of trash pick-ups per month.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

TOWNSHIP BUILDING (CONT'D): #409

Public Utility Service - Water: #409.366

This fee is for water used at the Municipal Building and shop. The amount budgeted is based on current year's costs.

Repair and Maintenance - Building: #409.373

This line item is for maintenance and repair services in and around Township Buildings such as HVAC, major cleaning, and generator maintenance contracts.

Capital Equipment: #409.740

This line item represents the addition or purchase of assets related to the Township buildings.

For 2023, the proposed budget includes costs for elevator maintenance, utility software costs, website fees, software license fees, computers, monitors and a \$1,000 contingency for unexpected costs.

Landscaping: #409.742

The 2023 proposal includes costs for general maintenance of the building landscape.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

GENERAL GOVERNMENT (CONT'D)

TOWNSHIP BUILDING (CONT'D): #409

Allocation to Buildings Refurbishment Reserve: #409.743

In order to maintain the building appearance over time, the 2021 budget proposed the creation of a reserve account for future refurbishment, replacements and major maintenance projects such as painting, carpet, furniture, and fixture replacements. In 2007, staff created a replacement/refurbishment schedule for the fund, which includes all of the Township facilities, including the office building and the shop buildings. The capital and building maintenance needs of the fire station are now the responsibility of the Alpha Fire Company and COG.

The allocation for 2023 is based on funding the replacement schedule.

New Website: #409.746

This proposal involves upgrading our current website. Many residents have expressed a desire to improve the website to make it more user-friendly. The cost to upgrade was \$30,831 in 2022.

Broadband Expansion: #409.747

This proposal involves engaging consultant(s) to create a “roadmap” to extend fiber optic, very high-speed internet connectivity to neighborhoods in the Township in 2022. Deliverables include defining infrastructure needs, funding scenarios and operational models. Phase 2 – Identify potential areas for deployment, select funding and operational model. Phase 3 – Implementation. The portion of the cost to implement is estimated at \$10,000 in 2023.

Emergency Generator Upgrades: #409.748

The emergency generator is now 15 years old and in need of upgrades to continue to be available at all times. Upgrades include new controller technology and other items as recommended by our dealer.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

ADMINISTRATION #401

Finance Director Salary: #401.114

This position is a professional position requiring training in financial administration, accounting, budgeting, and appropriate computer operations as well as the supervision of the Tax Office. Five percent of the Director of Finance and Administration's salary is reflected in the Tax Collection Staff section of the budget. The 2023 Budget is based on the Township Pay Plan.

Manager Salary: #401.121

The Manager reports directly to the Board of Supervisors and is responsible for all administrative and operational activities of the Township. The Board of Supervisors establishes the salary of the Manager. The Current Manager is set to retire in 2023, this expenditure includes an overlap in salary from the current Manager to the new Manager. The proposed amount is consistent with the Township Pay Plan.

Accountant Salary: #401.140

This line item provides for a part time Accountant to perform bookkeeping, payroll, financial analysis and other clerical work for the Township. This position is a .875 FTE position.

Administrative Secretary Salary: #401.141

This position serves as the secretary for the Township Manager and the Director of Finance and Administration and as Assistant Township Secretary. In 2018, this position assumed the duties of Accounts Payable clerk. This position is cross trained in Tax Collection and payroll which is valuable to the Township as those duties have no other back up in the event of an emergency. The Township Manager now serves as Township Secretary as defined by the Township Code.

Receptionist Salary: #401.142

The salary proposed is based on the Township's pay plan.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

ADMINISTRATION (CONT'D) #401

Communications Specialist: #401.144

This part-time position was created in 2021. This position performs functions that include website maintenance, social media announcements and communications with residents regarding the current events in the Township. Due to increased duties, this position will be increased to full-time in 2023.

Employee Benefits: #401.150

This account provides for the cost of pension, health, life and dental insurance, workers' compensation, unemployment insurance, employee education assistance benefit, and social security for Administration employees. It also includes the manager's additional life insurance. The 2023 proposal is based on the renewal costs of benefits, taking into consideration rate increases where appropriate.

Longevity: #401.182

This account provides for a scheduled payment to non-salaried employees completing six or more years' employment with the Township.

Office Supplies: #401.210

Operation of the Township office requires a substantial supply of paper, pens, copier paper, computer accessories, etc. The amount budgeted for 2023 is based on current experience.

Repair/Maintenance Office Equipment: #401.250

This line item covers repair and maintenance for office equipment.

Communications - Postage: #401.325

Most postage in this line item is used by Township Administration for correspondence and distribution of meeting agendas and minutes. The amount for 2023 is based on this year's experience with a rate increase built-in.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

ADMINISTRATION (CONT'D) #401

Auto Allowance: #401.337

This account is used to reimburse Township administration employees, including the Manager, for use of their personal vehicles for Township business. The reimbursement rate is the current IRS rate.

Surety and Fidelity Bond: #401.353

The Bond for the position of Treasurer (Director of Finance and Administration) is required by the Second Class Township Code and has been set at \$3 million. This line item provides for the purchase of this bond.

Dues and Subscriptions: #401.420

Dues and subscriptions include the cost of Township membership in the Pennsylvania Association of Township Supervisors (PSATS); membership in the Pennsylvania Municipal League; subscriptions to municipal publications; membership for the Township Manager in the International City/County Management Association (ICMA) and the Association of Pennsylvania Municipal Managers (APMM); and membership in the Government Finance Officers Association (GFOA) and the State GFOA for the Director of Finance and Administration, as well as other memberships in professional associations as appropriate. It also covers various periodicals pertinent to government administration and finance. The amount budgeted for 2023 is based on estimated costs.

Training and Seminars: #401.460

This line item covers the cost of attending required training for administrative staff and the annual conferences of the professional associations of the Director of Finance and Administration and the Manager. The budgeted amount is based on an estimate of the cost for state and national conferences.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

ADMINISTRATION (CONT'D) #401

Information Technology Services: #401.530

In late 2013, State College Borough proposed a change to the way technology services would be provided going forward. The relationship has changed to a vendor (State College Borough)/customer (Patton Township) relationship and the pricing model has changed to what the Borough refers to “industry standard” pricing based on equipment owned rather than hours of service used. Since the Township is linked, technologically to State College Borough for internet, tax and police software and shared servers, it is very hard to extricate from State College Borough’s services. After many years of service under this agreement, staff feels that the Township has been receiving adequate service and has renewed for 2023.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

ADMINISTRATION (CONT'D) #401

Machines & Equipment: Capital: #401.740

This category is used to purchase machines and equipment including such items as computers for general administration and finance, and copiers for the Township. The expenditures for 2023 included \$5,000 in lease and maintenance payments for the color copier, one computer system, software updates, financial software maintenance, capital improvement plan software, SeeClickFix software and a \$500 contingency for unexpected requirements.

TAX COLLECTION:

TAX COLLECTION: ELECTED # 402

Collection of the Township, County and School District real estate taxes has been assigned to the Township Tax Office since 1986.

Salaries and Benefits: # 402.140

In 2001, 0.5 FTE was allocated for the collection of real estate taxes. With earned income tax being transferred to the county wide collection system under Act 32, the tax office was reorganized in 2012.

This represents the salary of one full time employee and 5% of the Director of Finance and Administration's salary as supervisor of the Tax Office.

Benefits: # 402.150

This account provides for the cost all benefits including pension, health and life insurance, workers' compensation and unemployment insurance and FICA taxes for 1 FTE.

Longevity: # 402.182

This account provides for a scheduled payment to non-salaried employees completing six or more years of employment with the Township.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

TAX COLLECTION: (CONT'D)

TAX COLLECTION: ELECTED (CONT'D) # 402

Office Supplies: # 402.210

This line item is for envelopes, forms, and other office supplies for real estate tax collection. Expenditures are shared with the County and State College Area School District as appropriate.

Other Operating Expenses: # 402.241

This line item details the costs of postage, printing of real estate bills and duplicates, computer services, mailing service charges and other expenses relating to real estate tax collection.

Software maintenance costs are included in this line item. Every three years a blanket bond for the Tax Collector is paid as required by the County.

Telephone: # 402.321

This account provides for the expense of any long distance calls by the Tax Office. Basic telephone service for the Tax Office is included in the General Government budget.

Capital Purchases: #402.740

This line item reflects costs for a computer replacements in future years.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

TAX COLLECTION (CONT'D):

TAX COLLECTION: STAFF #403

Up to 2012, the tax office collected the Earned Income Tax for the Township and the State College Area School District. Since July 2002, the School District paid the Township a fee based on half the actual costs of collecting this tax. Previously 1.65 FTEs had been assigned to collection of Earned Income Taxes and .5 FTE was assigned to collect Real Estate Taxes. Under Act 32, the Township is required to transfer collection of earned income tax to a county wide collector. In Centre County, the collector will be State College Borough (SCB). SCB began collecting taxes from employers and individuals for tax year 2012 and beyond. The Township was responsible for collecting 2011 fourth quarter employer reports and processing 2011 individual earned income tax returns. To that end, staff was assigned to this function throughout 2012. For 2013, .3FTE was assigned to this function finishing up claims and distributions paid to other municipalities for taxpayers in Patton Township as well as collection of delinquent balances. No further staff time is assigned to this function.

EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)

OTHER EXPENDITURES:

This category accounts for expenditures that do not fit elsewhere in the budget.

Refund Prior Year Revenues: #491.000

This account provides for refunds of Real Estate Tax, Local Services Tax, and Real Estate Transfer Tax payments received in a previous year that were paid in error or reversed by the State. No amounts are budget for 2023 and 2024

Accrued Compensated Absence: #492.170

This account shows the annual expense to the reserve fund for severance obligations (sick leave, personal leave and vacation leave). As recommended by the Auditors, the Township began setting aside funds in 1993 as a reserve to normalize the unpredictable year- to-year variations in expenditures. See the Designated Reserve Fund: Accrued Compensated Absences for more information. In 1998 the Board of Supervisors approved a policy to budget \$5,000 for this account only if the balance fell below 10% of our obligation. As of the December 31, 2021 audited financial statements, this obligation is approximately \$821,000. A number of separations are anticipated over the next several years in police and public works, therefore, the allocation is being increased over the next several years. Finally, 2023 includes the cost of accrued compensation for the outgoing Manager position.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: GENERAL GOVERNMENT SERVICES					
	<u>GENERAL GOVERNMENT</u>					
	GENERAL					
400 .113	Salaries - Governing Body	20,625	20,625	20,625	20,625	20,625
.311	Professional Services-Financial	42,684	48,493	51,750	43,500	19,258
.316	Professional Services-Codification/Recodification	2,453	20,460	19,258	3,268	3,314
.321	Communications-Phone/Internet	23,707	26,059	28,049	28,610	36,811
.341	Advertising	17,354	20,146	18,589	18,961	19,226
.342	Printing	0	200	0	200	203
.352	Insurance-Business Liability	35,263	37,026	39,301	42,445	43,039
.361	Electricity-Charging Station	75	500	100	250	254
.421	General	7,515	16,452	19,832	16,832	17,068
.423	LST Collection Fees	7,627	7,384	7,982	8,301	8,417
.424	Centre County Tax Collection Costs - EIT	55,822	53,604	59,937	63,533	64,422
.425	Employee Appreciation	0	1,350	0	1,350	1,369
.426	Wellness Programs	1,741	1,700	1,801	1,801	1,826
.430	COVID 19 Expenses	39,367	0	5,719	0	0
.460	Training & Seminars	4,801	7,700	5,870	7,700	7,808
.530	Centre Region COG-Administration	107,386	137,174	135,055	131,987	133,835
	SUB-TOTAL	366,420	398,873	413,868	389,363	377,475
	LEGAL SERVICES					
404 .314	Legal Services	12,324	24,000	30,000	25,500	26,500
.316	Other Legal Expenses	11,924	6,000	5,785	2,500	2,500
	SUB-TOTAL	24,248	30,000	35,785	28,000	29,000

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)					
	<u>GENERAL GOVERNMENT (CONT'D)</u>					
409	TOWNSHIP BUILDINGS					
.142	Wages for Building, Grds Mtce, Road Crew	45,919	47,997	49,068	54,209	55,835
.182	Longevity	1,150	1,200	1,200	1,250	1,300
.183	Building and Grounds Maintenance Overtime	690	650	1,446	1,598	1,646
.226	Cleaning & General Supplies	6,592	6,300	7,603	7,983	8,095
.230	Heating & Fuel	0	800	0	1,375	1,394
.250	Repair & Maintenance Materials	883	1,000	1,332	1,399	1,419
.351	Property Insurance	18,291	19,205	21,626	22,275	22,587
.361	Public Utility Service - Electric	17,947	18,985	20,962	21,591	21,893
.362	Public Utility Service - Gas	2,692	3,369	3,044	3,348	3,395
.365	Public Utility Service - Trash Removal	2,017	2,044	2,031	2,133	2,163
.366	Public Utility Service - Water	2,362	2,451	1,871	1,871	1,897
.373	Repair & Maintenance Services	16,850	15,153	16,646	17,145	17,385
.740	Capital Equipment	3,384	4,581	4,476	4,000	4,056
.742	Landscaping	3,850	3,908	0	4,235	4,294
.743	Allocation to Building Refurbishment Reserve	0	38,500	38,500	35,000	36,000
.745	Kinber Internet Service	4,980	2,490	6,002	6,518	0
.746	New Website	1,855	26,268	30,831	0	0
.747	Broadband Expansion	5,250	75,000	500	0	10,000
.748	Emergency Generator Upgrades	0	35,000	24,373	0	0
.749	Office Door Lock Upgrades	0	0	0	23,500	0
.750	Township Facilities Planning	0	0	0	60,000	65,000
.751	New Township Sign	0	0	0	0	15,000
	SUB-TOTAL	134,712	304,901	231,511	269,430	273,359
	TOTAL GENERAL GOVERNMENT	525,380	733,774	681,164	686,793	679,834

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)					
	<u>ADMINISTRATION</u>					
401 .114	Finance Director Salary	105,076	110,692	110,357	119,101	122,674
.121	Manager Salary	124,925	131,040	129,418	139,298	143,477
.140	Accountant Salary	49,162	60,293	53,782	58,866	60,632
.141	Administrative Secretary Salary	56,601	59,109	60,256	65,957	67,936
.142	Receptionist Salary	34,665	38,057	39,187	44,081	45,403
.144	Communications Specialist-Part-Time	14,580	31,829	39,116	69,269	71,347
.150	Employee Benefits	199,318	200,360	201,833	217,980	228,879
.182	Longevity	2,950	3,050	3,100	3,200	3,300
.210	Office Supplies	3,743	3,787	4,817	5,010	5,080
.250	Repairs / Maintenance - Office Equip.	0	0	0	0	0
.325	Communications-Postage	2,103	2,328	3,142	3,268	3,314
.337	Auto Allowance	1,366	1,028	1,363	1,365	1,384
.353	Surety & Fidelity Bond	3,703	4,000	3,703	4,000	4,056
.420	Dues, Subscriptions	16,034	7,569	6,375	6,694	6,788
.460	Training & Seminars	3,194	8,000	6,262	6,888	6,984
.461	Hiring Expense	0	0	0	30,000	0
.530	Information Technology Services	80,348	70,047	55,646	60,098	60,939
.700	Wage Study	0	8,500	0	0	0
.740	Machine & Equipment Capital	20,491	32,478	32,349	33,319	31,585
	TOTAL ADMINISTRATION	718,260	772,167	750,706	868,394	863,778

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)					
	<u>TAX COLLECTION</u>					
402	TAX COLLECTION: ELECTED					
.140	Salaries	58,513	64,866	64,848	70,619	72,738
.114	Finance Director 5%	5,584	5,826	5,808	6,268	6,456
.150	Benefits	32,695	33,727	34,489	37,429	37,990
.182	Longevity	1,350	1,350	1,350	1,350	1,350
.210	Office Supplies	71	0	55	0	0
.241	Other Operating Expenses	14,556	9,021	13,535	13,600	13,790
.253	Surety & Fidelity Bond	1,045	1,045	1,035	1,100	1,100
.321	Telephone	0	0	0	0	0
.740	Capital Purchases	0	0	0	0	0
	SUB-TOTAL	113,814	115,835	121,120	130,366	133,424
	TOTAL TAX COLLECTION	113,814	115,835	121,120	130,366	133,424

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: GENERAL GOVERNMENT SERVICES (CONT'D)					
	<u>OTHER EXPENDITURES</u>					
491 .000	Refund Prior Year Revenues	0	0	0	0	0
489 .000	Prior Years Expenditures (Insurance Bills)	0	0	0	0	0
492 .170	Alloc. to Accrued Comp. Absence Reserve	54,689	25,000	45,432	106,512	25,000
	TOTAL OTHER EXPENDITURES	54,689	25,000	45,432	106,512	25,000
	TOTAL GENERAL GOVERNMENT SERVICES	1,412,142	1,646,776	1,598,422	1,792,065	1,702,036

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: POLICE

The Patton Township Police Department is responsible for public safety and law enforcement in the Township. The Department currently has a force of 20 sworn personnel: a chief, three full-time detectives, three patrol sergeants, a half-time designated crime prevention officer (0.5 FTE), and 12.5 FTE patrol officers. The crime prevention officer also serves as a school resource officer (SRO) for the three public schools located in Patton Township. There are two full-time and one part-time civilian employees in the police department as well.

The third detective was appointed in April 2010. This was to relieve the workload which was being covered by patrol officers and provide a proactive response to drug-related activities by working more closely with the State Attorney General's Bureau of Narcotics Investigation.

A four-year labor contract was approved in 2022 covering the period of January 1, 2023, to December 31, 2026. The Patton Township Police Officers' Association (PTPOA) represents all sworn personnel except the Chief. Related benefit costs pertaining to the contract have been incorporated into the budget.

The 2023 vehicle fleet will consist of fourteen vehicles: six sedans and eight 4x4 utility vehicles. Cars are assigned to the following uses: eight cars to active patrol use (1 specifically for K9), two for criminal investigations, the Chief's vehicle, and two staff vehicles used for traffic, tactical driving training, travel to training, and as a patrol vehicle if one is out of service (see 410.741 and Appendix A: Designated Reserve Fund-Police Vehicle Replacement). In 2019, an extra retired patrol vehicle stayed in-service for the Ordinance Officer. In 2012, one patrol car was not taken out of service but instead kept as part of active patrol. Having eight patrol vehicles allows officers to be assigned a car, therefore allowing for longer vehicle life expectancy. In 2007, the policy on cruiser rotation was changed from a 5-year life to 6 years. This policy change accommodates the increase in staff size, and the increase in traffic and other police details.

EXPENDITURES: POLICE (CONT'D)

Computers and radios are essential in law enforcement. The Patton Township Police Department is a member of an area-wide Record Management System (RMS). A companion to the records system is Communications. The Patton Township Police Department is part of a regional digital (800 MHz), P-25, radio system with dispatch from the Centre County Emergency Communications Center (911). The Public Works department also uses the 800 MHz radio spectrum, further consolidating the area's emergency communications system. In 2000 the Township began equipping cars with Mobile Computer Terminals (MCTs). The MCTs allow officers to access information such as calls for service, driver's license/registration, and warrant information from their cars. All seven marked patrol vehicles have MCTs.

In January 2017, a contract was awarded to Spillman Technologies, Inc. for a new records management system. The system did "go live" in January 2019. The consortium is seeking proposals for a new system for the near future.

The RMS integrates with the County 911 dispatch center and MCTs, thereby allowing officers to efficiently complete reports in the field. Furthermore, the incident data, once reviewed for approval, will automatically update the records database eliminating the need for manual data entry. This will permit officers to remain on patrol and visible in the community instead of requiring them to return to station to manually complete a report.

The police department uses a function-based budget. Emergency Response and Patrol account for the majority of the Department's expenditures. Crime Prevention, Criminal Investigation, and Communications/Records are broken out as separate functions. The following budget sections provide the details of each functional category in the police department budget.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: POLICE (CONT'D)

EMERGENCY RESPONSE AND PATROL #410

Emergency Response and Patrol are the basic functions of the Patton Township Police Department. The department provides response to calls for assistance from Township residents, businesses and the public, 24 hours per day, 365 days per year. Examples of calls to 911 include crimes-in-progress, traffic accidents, general requests for assistance (RFA), assistance at fire/ambulance scenes, and enforcement of Township ordinances such as weed violations, parking, dogs at large, and sidewalk obstruction (failure to remove snow/ice) violations. In addition to emergency response, patrol officers conduct neighborhood patrol, traffic enforcement, follow-up investigations, school walkthroughs, home vacation and business checks, child seat checks, and warrant details.

Another element of Emergency Response is critical incident intervention. Township officers may respond to incidents in Patton Township or in other Centre Region jurisdictions. The Patton Township Police Department has joined with other area agencies to mutually equip and train special response personnel to respond to any type of critical incident including hostage or high risk warrant situations.

Chief Salary: #410.122

The Chief is responsible for managing the operations of the police department. This position reports to the Township Manager. The Chief's salary is established by the Township's pay plan. Ninety percent of this salary is charged to Emergency Response and Patrol and ten percent to Communications and Records.

Sergeant Salary: #410.130

The patrol sergeants are responsible for direct supervision of the patrol officers and report to the Chief of Police. The appropriation for 2023 includes the salary for three full-time sergeants. The hourly wages are set by contract with the PTPOA (see 410.141).

EXPENDITURES: POLICE (CONT'D)

Police Officer Salary: #410.141

All police officer wages are set by negotiations between the PTPOA and Patton Township. A new four-year police contract will begin in January 2023. All but three officers (one hired in April 2021, one hired in November 2021, and one hired in January 2022) will be in the Police Officer 5 category in 2023. One Police Officer 5 is assigned 50 percent to Crime Prevention/Community Relations/School Resource Officer and 50 percent to Emergency Response and Patrol. Annual wages are calculated based on 2,160 hours per year per officer including holiday pay which is regularly scheduled as part of our 24 hour/day patrol coverage.

School Crossing Guard: #410.142

The Township has two crossing guard positions covering two shifts: one at Grays Woods Elementary School and the other at School Drive and Douglas Drive for Park Forest Schools. The 2023 budget includes funds for two crossing guards.

In-House Automotive Services: #410.143

This line item accounts for the township mechanic's time used in police vehicle maintenance and repair. By hiring an onsite mechanic, the Township is saving on costly repairs because of an effective preventative maintenance program. The turnaround time on vehicle repairs is exceptional. This limits the likelihood of a vehicle shortage for patrol.

Enforcement Officer: #410.144

A Part-Time Enforcement Officer was added in 2019. This position is responsible for enforcing the Township's Code of Ordinances.

Employee Benefits: #410.150

This item provides for the cost of pension, health, dental, and life insurance, workers' compensation, unemployment insurance, and social security for police department employees assigned to emergency response patrol. The cost shown here is the Township's cost net of officers' contributions for health care and pension. Officers are required to contribute up to 2% of their base pay to the pension plan and 9% of health care premiums for 2023. In 2013, based on the actuary's recommendation, the Township changed to an updated mortality table for pension calculations. The 2023 Pension contribution will be \$303,589 spread amongst all police divisions.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: POLICE (CONT'D)

Longevity Pay: #410.182

This item is set by negotiations with the Patton Township Police Officers' Association and applies to all incumbent officers completing 6 years of service. The payment schedule starts at \$800 per year and goes to \$3,000 after 25 years of employment.

Overtime Pay: #410.183

Overtime is required by contract when officers attend court or magistrate hearings scheduled at times other than during their regular shift, when officers work additional hours or shifts to fill in for others on leave, attend training outside their regular shift, or when an investigation requires work beyond the regular shift. The proposed 2023 budget is based on the 2022 experience of projected overtime hours and hours for the following: special traffic enforcement, outside requests for assistance by neighboring police jurisdictions and miscellaneous duty assignments. Any overtime incurred at Penn State Football games is reimbursed to the Township at two times the overtime rate, including benefits and overhead.

Supervisory Overtime: #410.187

This item covers sergeant's overtime resulting from patrol and supervisory duties. The proposal for 2023 is based on the 2022 budget plus the contracted salary increase. Any overtime incurred at Penn State Football games is reimbursed to the Township at two times the overtime rate, including benefits and overhead.

Office Supplies: #410.210

These include stationery and supply items used by the police department (e.g., print cartridges/toner, paper, tablets, calendars, staples, clips, pens, etc.).

Gasoline: #410.231

This item reflects the cost of unleaded gas for the patrol vehicles as well as the staff and Chief's vehicles. The Township purchases gasoline at a 24-hour vendor's pump. The 2023 budget is based on the projected usage calculated at an estimated cost per gallon.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: POLICE (CONT'D)

Clothing, Uniforms, Ammunition: #410.238

This category covers items such as uniforms, accessories, ballistic body armor (\$7,800), leather goods, and ammunition (duty and practice, \$10,900), Taser® cartridges (\$2,300), and an annual \$350 per officer boot and glove reimbursement as provided by the PTPOA contract (\$6,650). The proposed budget for 2023 is based on routine uniform and ammunition replacement, and other equipment items.

Other Operating Expenses: #410.239

A wide variety of items and services are necessary to ensure that the department functions properly. Examples of some of the costs involved include speed timing unit calibrations (\$2,755/year) which must be certified every 60 days, fire extinguisher recharges, criminal justice reference books (900), and command post costs (\$2,500). Additional costs include a fee (\$1,000) for medical oversight of the department's AED (automated external defibrillators) and naloxone program (\$500), license plate reader hosting fee (\$650) and a resource search program (\$2,000). Funds (\$1,000) are also set aside here for equipment for the crisis negotiation team.

Small Tools/Minor Equipment: #410.260

Included for 2023 are funds for the following: New ballistic shields (2) for marked patrol vehicles (\$3,278) Portable Breath Test device (\$650), Thermal Imaging Monocular (\$2,300), Mats for Defensive Tactics Training (\$2,500), Aimpoint Red Dot Magnifier (\$1,800), Accident Reconstruction Team equipment (\$3,000) and miscellaneous minor equipment.

Communications - Phone: #410.321

This account includes all long distance and cellular phone charges for the seven marked patrol vehicles, and staff. The 2023 budget continues to include reimbursement to officers for cell phone costs that allow them to be easily accessible for emergency call outs.

Communications - Postage: #410.325

Stamps, stamped envelopes, special postage service fees, and shipping costs are included in this category.

EXPENDITURES: POLICE (CONT'D)

Communications - Radio Equipment: #410.327

All police mobile radios, as well as the police base station, operate on a computer-controlled 800 MHz, P-25, digital system. This maximizes channel usage potential. Included in the proposed 2023 budget are funds for spare batteries for the portable radios.

Auto Allowance: #410.337

This is the reimbursement paid to officers who use their own vehicles for non-patrol functions such as court, etc. The rate is established by the police contract which follows the current IRS rate.

Advertising: #410.341

Advertising expenses for the police department include notice of hiring and seasonal advisories

Printing: #410.342

This account is used for the printing of departmental forms, such as ordinance warning/violation forms, and citations.

Property Insurance: #410.351

This line item represents the cost of insurance coverage on department property including police cars.

Liability Insurance: #410.352

This line item provides for police professional liability insurance.

Cruiser Maintenance: Parts and Service: #410.374

Parts for repair and vehicle upgrades (such as lighting) are included in this line item.

Laundry Service: #410.440

This line item includes cleaning of uniforms and other items.

EXPENDITURES: POLICE (CONT'D)

Meetings, Conferences, Seminars, Dues: #410.460

The Department continues to emphasize the importance of training. Training ensures officers remain at their most efficient and effective in their public service duties. Whenever possible, free training or outside funding sources are utilized. Also included are law enforcement membership fees and publications.

Officers are required by the Municipal Police Officers' Training Commission to complete yearly training updates. This will be completed online. Officers are certified by in-house instructors in first aid and in the use of AEDs (automated external defibrillators), oxygen and CPR. Annual certification is also conducted in the use of firearms, expandable baton and Tasers®.

The Department will send officers to non-mandatory training courses in areas such as: less-than-lethal force, accident investigation, crime scene management, firearms, supervisory skills, hostage negotiations, crisis intervention team, De-escalation, professional standards training, tactical, and leadership training. Specialized training for the three detectives (see #416.460) and the crime prevention officer (#413.460) is found in the respective program budgets.

Previously listed training will continue on an annual basis. The 2023 budget proposes the following training: supervisory training, crisis negotiations training, executive development, Taser recertification and crime scene training, annual in-service/specialty training including implicit bias/cultural diversity (\$3,000), accident reconstruction, use of force, and crisis intervention training (\$2,600), firearms and drug recognition expert training. The annual fee for the Accreditation Program (\$1,000) is also included here.

Hiring/Promotion Expense: #410.461

The most current police officer entry certified list expired on May 31, 2022. One officer will be retiring in December 2023. The police department will test (\$2,000) in 2023 to develop a list of qualified candidates to fill this vacancy. This line item includes funding for expenses related to testing and attending the police academy (tuition, room and meals), medical and psychological testing. The police department will also be promoting a Detective as the officer retiring is currently assigned to Criminal Investigations.

EXPENDITURES: POLICE (CONT'D)

Machinery and Equipment (Major): #410.740

Items costing more than \$4,000 are included in this line item. The 2023 budget includes funding for a forensic light-source (\$5,631). Rather than paying \$8,000 per year for warranty, (\$5,000) contingency funds have been added for any potential body camera or mobile video recorder equipment issues.

Allocation to Police Vehicle Replacement Fund: #410.741

This account provides for the annual appropriation for the police vehicle replacement (see Restricted Reserve Fund – Police Vehicle Replacement). All patrol car vehicles are purchased through cooperative, or state contract bid programs. In keeping with the police vehicle replacement fund matrix, two new police vehicles are proposed for purchase in 2023 (due to difficulties purchasing vehicles, two vehicles were ordered in September 2022).

Police K-9: #410.742

Police K-9's have proven to be invaluable resources to police departments and their handlers. The K-9 will be trained in narcotics detection and tracking. The dog would also be utilized at community relations events to facilitate positive community engagement. Ongoing costs for food (\$800), veterinary care (\$1,000), and insurance (\$1,350) are included here.

EXPENDITURES: POLICE (CONT'D)

CRIME PREVENTION / COMMUNITY RELATIONS #413

The primary functions of the crime prevention/community relations division include working with businesses and homeowners on crime prevention and security, instructing bank employees and other local businesses on how to deal with robberies and potential fraud, Junior Police Academy, Patton Township Safety Fair, providing training on Run-Hide-Fight, and Citizens' Police Academy.

Currently, a police officer is assigned, half-time, to School Resource Officer and crime prevention/community relations activities. That time and associated costs are included in the Crime Prevention/Community Relations portion of the police department budget. The balance of this officer's time is charged to the Emergency Response/Patrol section.

Beginning in 2018, a police officer was assigned as a School Resource Officer and a Community Relations Officer. The State College Area School District will reimburse the Township for 38.5% of this Officer's pay plus benefits and overhead.

The School Resource/Community Relations officer has a strong and amicable relationship with the Patton Township Business Association and Township schools. A great deal of support for the annual Patton Township Safety Fair comes from the Happy Valley Business Association.

The police department hosted the 20th annual Children's Safety Fair in September of 2022. The Safety Fair provides opportunities for children and adults to meet first responders during a relaxed and fun-filled day. Patton Township would like to commend the Happy Valley Business Association for their tremendous support of this important community event.

Funding for the Crime Prevention/Community Relations officer to attend crime prevention related courses is budgeted in 413.460.

EXPENDITURES: POLICE (CONT'D)

CRIME PREVENTION / COMMUNITY RELATIONS (CONT'D) #413

Police Officer Salary: #413.141

This reflects fifty percent of the salary of a Patrol Officer 5. Benefits are reflected in the Patrol category.

Overtime Pay: #413.183

Overtime compensation is required when this officer performs functions outside his regular duty. This account includes extra time for Junior Police Academy, financial institution security training, safety programs at various businesses (run-hide-fight), Law Enforcement Day activities and the Safety Fair.

Other Operating Supplies & Minor Equipment: #413.242

This line item provides for supplies (coloring books, hats, pamphlets, stickers and rulers, etc.) for community safety and awareness activities. Items for Junior Academy and Safety Fair are included as well.

Meetings, Conferences, Seminars, Dues: #413.460

Specialized training in the crime prevention/community relations and SRO training is funded in this line item.

Machinery and Equipment (Major): #413.740

No items are budgeted for 2023.

EXPENDITURES: POLICE (CONT'D)

CRIMINAL INVESTIGATION #416

This division is comprised of three full-time detectives assigned to investigations. One of the detectives provides a more proactive response to drug related activities by working more closely with the State Attorney General's Bureau of Narcotic Investigation and all three assist in relieving excess workload currently covered by patrol officers.

Detectives usually work in 'plain clothes' and are responsible for the investigation of most crime reported in the Township. The Emergency Response/Patrol officers routinely handle minor incidents. Major investigations requiring extensive work hours, special technical capabilities, etc. are coordinated with outside agencies such as the State Police, FBI and State Attorney General's office. The detectives work together, with other local police agencies, and the county District Attorney's office.

Each detective is assigned an unmarked car. The Centre County District Attorney's Office provides the use of a county vehicle to the department for investigative work.

Police Officer Salary: #416.141

One officer has been assigned full-time to this function since 1989. A second detective was appointed to the position in July 2000. The newly assigned third detective assumed responsibilities in April 2010. Their salaries are set by contract with the PTPOA. Detectives' rates are 4% above a Police Officer 5 salary (Police Officer 5 - see #410.141).

In-House Automotive Services: #416.143

This line item provides for maintenance work on the detectives' vehicles by the Township mechanic.

Employee Benefits: #416.150

This line item provides for the cost of pension, health, dental and life insurance, workers' compensation and unemployment insurance and social security of the officers assigned detective duties. The explanation in Patrol #410.150 regarding pension obligation and health insurance contributions applies to the detectives' benefits in this line item.

EXPENDITURES: POLICE (CONT'D)

CRIMINAL INVESTIGATION (CONT'D) #416

Longevity Pay: #416.182

This item is set by the contract with the PTPOA. The payment schedule is found in the Emergency Response/Patrol section of the budget.

Overtime Pay: #416.183

Overtime compensation is required when the detectives attend court, hearings or have interviews or calls for investigations not occurring during the regular shift. Any overtime incurred at Penn State Football games is reimbursed to the Township at two times the overtime rate, including benefits and overhead.

Gasoline: #416.231

This account provides for the gasoline used in the detectives' vehicles.

Clothing, Uniforms, Ammunition: #416.238

The detectives receive an annual clothing and shoe reimbursement. This amount is set by contract with the PTPOA.

Other Operating Expenses: #416.239

This account provides for minor items for the detectives. The 2023 budget includes crime scene materials, reserve for possible DNA services (\$4,500), Co-Subscription to GrayKey with FTPD (\$5,200), cell phone forensic analysis software (\$5,300) and vehicle rental fee for the drug investigator (\$4,600).

Small Tools/Minor Equipment: #416.260

This line item includes tools and equipment costing less than \$4,000. Included for 2023 is funding for crime scene processing equipment (\$3,875), and miscellaneous small tools (\$1,400).

Communications - Phone: #416.321

This account provides for the service of all land and cell phone service by criminal investigation (three detectives).

EXPENDITURES: POLICE (CONT'D)

CRIMINAL INVESTIGATION (CONT'D) #416

Communications - Radio Equipment: #416.327

This account covers spare portable radio batteries.

Property Insurance: #416.351

This account provides for the cost of the insurance for the detectives' vehicles.

Liability Insurance: #416.352

This account covers a prorated share of the department's police officers' liability insurance coverage.

Repair and Maintenance of Vehicles: #416.374

This account provides for the maintenance and repair parts and service for the detectives' vehicles.

Laundry Service: #416.440

Because the detectives wear business clothes instead of uniforms, this line item accounts for the cleaning of their attire as negotiated in their contract.

Meetings, Conferences, Seminars, Dues: #416.460

Specialized training in the criminal investigation field is funded in this category. Courses in child abuse, narcotics investigation, cell phone forensics, sex crimes, homicide, photography, crime scene and hostage negotiations are examples of training programs that our officers have attended. Membership dues for investigative organizations such as the Pennsylvania Narcotics Officers' Association, PA Homicide Investigators and MAGLOCLEN (Middle Atlantic-Great Lakes Organized Crime Law Enforcement Network) are included.

EXPENDITURES: POLICE (CONT'D)

COMMUNICATIONS/RECORDS #417

The key support systems for the department are in the Records Section and the communications apparatus. In 1998 the Patton Township Police Department joined in a then state-of-the-art program (CRIMES III) with other area police departments. This section of the budget provides for the costs of maintaining and upgrading those systems. It also includes the mobile computer terminals (MCTs) which allows patrol car computers access to call for service information and the ability to access driver's license/registration information, warrant information, etc.

In January 2017, a contract was awarded to Spillman Technologies, Inc. for a new records management system. The system did "go live" in January 2019. The consortium anticipates switching to a new system in 2024.

The system interfaces with the MCTs, thereby allowing officers to efficiently complete reports in the field. Furthermore, the incident data, once reviewed for approval, will automatically update the records database eliminating manual data entry. This will permit officers to remain on patrol and visible in the community instead of requiring them to return to station to complete reporting paperwork.

Patton Township is a partial owner (12.5%) of the system along with other local municipalities and the Pennsylvania State University.

Chief Salary: #417.122

One-tenth of the Chief's time is assigned to this function. The Chief oversees the recording and entry of data as well as the preparation of reports. The balance of the Chief's salary is assigned to Emergency Response/Patrol.

Secretary Salary/PT Secretary: #417.140

The police secretary position is a full-time position, with responsibilities for the police department reception and for police records. The salary is set by the Township's pay plan.

Records Clerk Salary: #417.141

This full-time position operates under the supervision of the police secretary. The clerk performs intermediate clerical work in logging and inputting of reports and related data.

EXPENDITURES: POLICE (CONT'D)

COMMUNICATIONS/RECORDS (CONT'D) #417

Employee Benefits: #417.150

This item provides for the cost of pension, health and life insurance, workers' compensation, unemployment insurance and social security for the police department's civilian employees and a prorated share of the Chief's benefits.

Longevity: #417.182

This account provides for a scheduled payment to non-salaried employees completing six or more years' employment with the Township.

Overtime Pay: #417.183

This account covers any overtime required for the department secretary and records clerk.

Contracted Services (Computer): #417.450

This account covers maintenance costs related to the new records management system. Patton Township is a 12.5% owner of the new system. Included in the proposed 2023 budget is \$8,000 for RMS Hosting Fees. RMS Maintenance Fee (\$17,300 for 2023). The Mobile Computer Terminal (MCTs) airtime costs for eight computers (\$5,800) are in this line item. Also included in this line item are costs related to the operation of the Centre County Central Booking Center that is located at the Centre County Correctional Facility (\$0 in 2023, Centre County Commissioners agreed to cover this fee).

Meetings, Conferences, Seminars, Dues: #417.460

Included in this category is training for the police secretary, records clerk and new part-time secretary.

Hiring Expense: #417.461

This line item covers hiring expenses as needed.

EXPENDITURES: POLICE (CONT'D)

COMMUNICATIONS/RECORDS (CONT'D) #417

Machinery and Equipment: #417.740

The proposed 2023 budget includes funding for 3 new computer systems (\$6,900), a new LaserJet printer (650) and a contingency of \$1,258.

Records Management System Software Upgrade: #417.741

The current Records Management System went live in January 2019. \$40,101 has been encumbered onto 2023 to complete the purchase and installation of the records management system which went live in 2019.

Emergency Communication Upgrade: #417.742

In 2007, the Centre County Commissioners contracted a consultant to assess the County's current public safety communications systems (which police and public works use) and to make recommendations for upgrades and improvements. Several years ago, the Centre County Commissioners hired a project manager to oversee the implementation of the system upgrade. Centre County went live with the new system in 2014. As part of the radio upgrade, the department's mobiles, portables and base units have been either upgraded or newly purchased.

Automatic License Plate Recognition: #417.744

The Automatic License Plate Recognition (ALPR) system consists of high-speed cameras that compare images of license plates with databases of license plates of interest to law enforcement. The system will alert officers to stolen, wanted, or suspect vehicles, identify license plates which are suspended, and can assist with locating missing persons. One marked patrol vehicle is outfitted with the ALPR system. \$600 is included here to cover the yearly license plate reader hosting fee.

External Consultant: #417.745

To ensure that the Patton Township Police Department is providing the best possible public safety services to the residents of Patton Township, the policies and procedures of the department should be reviewed by an independent source. This project would set aside money to hire an external consultant to review the policies and procedures and make recommendations to strengthen these guidelines for the department. Contemporizing the policies and procedures will limit or eliminate liability the department and its officers could face in the future. An external review should be conducted at least every 10 years.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: POLICE (CONT'D)

Consulting and Support for new RMS: #417.746

The Patton Township Police Department is a 12.5% owner of our current records management system (RMS). The current system went "live" in January 2019. Many issues were identified and to date are still outstanding. Our consortium believes that our current product will never operate at an acceptable level for our needs. Discussions have begun to identify what our RMS options are moving forward. Initial conversations have identified the need for a consultant to help guide the purchase of our next system. Early searches have identified companies who will provide support from identifying our needs, identifying vendors, ensuring contract compliance, project management, and all the way through to implementation of our next system.

Body Worn Camera/Mobile Video Recording: #417.747

Mobile Video Recording (MVR) Units were installed in the marked patrol vehicles to record police incidents in 2013. Body Worn Cameras (BWC) were purchased for all patrol officers in 2018. Camera systems have become a necessity in policing to protect both the police and public. They have become a way for the police to increase their transparency to the public. The camera systems are an imperative tool for all officers to utilize as part of their daily duties. The original equipment is beginning to show its age and repairs/replacements have become necessary. Purchasing this new equipment will enable the police department to continue recording incidents on BWC's and MVR's uninterrupted

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: POLICE					
410	<u>EMERGENCY RESPONSE PATROL</u>					
.122	Chief Salary	100,053	105,085	105,047	113,064	116,456
.130	Sergeant Salary	273,948	298,047	289,522	315,824	323,720
.141	Police Officer Salary	999,593	1,063,658	1,042,357	1,104,898	1,138,045
.142	School Crossing Guard	13,165	12,883	16,480	18,696	19,257
.143	In-house Automotive Services	20,768	18,645	15,929	17,920	18,458
.144	Enforcement Officer	14,245	15,086	20,652	21,953	22,612
.150	Employee Benefits	780,665	799,339	792,890	856,321	899,137
.182	Longevity Pay	21,200	22,600	19,300	20,400	21,500
.183	Overtime Pay	48,855	64,317	47,728	51,370	52,911
.187	Supervisory Overtime	9,347	11,287	10,944	11,601	11,949
.210	Office Supplies	2,312	2,390	2,620	2,798	2,878
.231	Gasoline	35,648	35,135	44,709	41,876	43,132
.238	Clothing, Uniforms, Ammunition	26,959	31,120	30,214	31,120	32,053
.239	Other Operating Expenses	11,862	11,455	11,280	11,618	11,966
.260	Small Tools/Minor Equipment	5,872	11,056	10,985	13,528	13,933
.321	Communications-Phone	7,836	7,833	7,823	9,263	9,540
.325	Communications-Postage	818	998	823	844	869
.327	Communications-Radio Equip.	620	972	644	984	1,154
.337	Auto Allowance	286	1,712	1,280	1,318	1,357
.341	Advertising	0	2,500	0	5,000	2,000
.342	Printing	214	435	527	642	714
.351	Property Insurance (Cruisers, Radios, etc...)	11,108	10,272	11,696	12,281	12,895
.352	Liability Insurance	13,883	13,155	15,476	16,250	17,063
.374	Cruiser Maintenance: Parts and Service	14,451	16,140	14,960	15,408	15,870

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: POLICE (CONT'D)					
	EMERGENCY RESPONSE PATROL (CONT'D)					
410 .440	Laundry Service	5,871	6,687	5,907	6,075	6,257
.460	Meetings/Conferences/Seminars/Dues	12,300	17,524	16,038	18,988	19,557
.461	Hiring / Promotion Expense	1,490	21,328	4,870	21,328	21,967
.740	Machinery and Equipment (Major)	5,180	10,305	6,878	17,731	10,980
.741	Allocation to Police Vehicle Reserve Fund	0	55,000	55,000	60,000	65,000
	TOTAL EMERGENCY RESPONSE PATROL	2,438,546	2,666,964	2,602,579	2,819,099	2,913,230
413	CRIME PREVENTION/COMMUNITY RELATIONS					
.141	Police Officer Salary	45,561	44,683	44,683	47,366	48,905
.183	Overtime Pay	0	500	0	500	500
.242	Other Operating Supplies & Minor Equipment	4,486	5,824	5,798	6,548	6,744
.460	Meetings/Conferences/Seminars/Dues	0	1,000	932	1,000	1,000
	TOTAL CRIME PREVENT./COMMUN. RELAT.	50,047	52,007	51,413	55,414	57,149

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST	
416	EXPENDITURES: POLICE (CONT'D)						
	<u>CRIMINAL INVESTIGATION</u>						
	.141	Police Officer Salary	272,585	278,811	278,811	295,566	302,955
	.143	In-house Automotive	1,916	855	2,123	2,257	2,325
	.150	Employee Benefits	183,630	182,296	157,010	167,992	176,392
	.182	Longevity Pay	8,100	8,250	8,250	8,400	8,550
	.183	Overtime Pay	49,049	59,111	30,424	32,249	33,297
	.231	Gasoline	3,410	3,534	5,801	5,217	5,373
	.238	Clothing, Ammo	3,435	3,450	3,450	3,450	3,450
	.239	Other Operating Expenses	58	13,239	12,448	19,758	20,358
	.260	Small Tools/Minor Equipment	5,455	7,860	7,485	5,275	5,433
	.321	Communications-Phone	1,034	1,183	1,089	1,594	1,641
	.327	Communications-Radio Equipment	0	339	140	539	601
	.351	Property Insurance	1,394	1,464	1,608	1,688	1,772
	.374	Repairs & Maintenance of Vehicles	0	848	658	789	824
	.440	Laundry Service	1,032	1,089	1,028	1,258	1,295
	.460	Meetings/Conferences/Seminars/Dues	1,018	6,414	3,749	6,861	6,976
	TOTAL CRIMINAL INVESTIGATION	532,115	568,743	514,074	552,893	571,242	

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST	
417	EXPENDITURES: POLICE (CONT'D)						
	<u>COMMUNICATIONS / RECORDS</u>						
	.122	Chief Salary	11,261	11,676	11,672	12,563	12,940
	.140	Secretary Salary/PT Secretary	56,267	80,137	59,961	65,631	67,600
	.141	Records Clerk Salary	45,426	47,523	48,581	53,670	55,280
	.150	Employee Benefits	47,937	50,711	48,942	61,521	64,597
	.182	Longevity	2,700	2,700	2,700	2,700	2,700
	.183	Overtime	14,184	12,935	14,861	16,266	16,754
	.450	Contracted Services (Computer)	23,444	49,908	28,987	31,100	42,655
	.460	Meetings/Conferences/Seminars/Dues	3,306	5,851	4,261	5,851	5,967
	.740	Machinery & Equipment (Major)	1,579	6,897	5,389	8,808	4,500
	.741	Records Management System	0	40,101	0	0	150,000
	.742	Emergency Communications Upgrade	0	0	0	0	0
	.744	Automatic License Recognition	0	0	15,600	600	600
	.745	External Consultant	0	20,000	0	50,000	0
	.746	Consulting and Support for new RMS	0	41,250	0	41,250	0
	.747	Body Worn Camera/Mobile Video Recording	0	0	0	15,551	23,105
	.748	K-9 Patrol	0	0	0	84,200	13,600
	.749	Firearms Replacement	0	0	0	0	27,000
		TOTAL COMMUNICATIONS / RECORDS	206,105	369,689	240,954	449,711	487,298
		TOTAL POLICE EXPENDITURES	3,226,813	3,657,403	3,409,020	3,877,117	4,028,919

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: PUBLIC WORKS OPERATIONS

I. Overview

The Public Works Operations Department is responsible for both short- and long-term maintenance of Township roads, facilities, and other assets. The Director of Public Works Operations oversees the department's activities. The Road Crew provides maintenance for facilities and is under the direction of the Assistant Road Superintendent. The Road Superintendent, the Engineering Technician and Department Secretary provide support. In 2014, the duties of the Road Superintendent were reevaluated, and it was determined to hire an Assistant Road Superintendent to directly manage the Road Crew and have the Road Superintendent assist with responsibilities that were previously performed only by the Director. The major functions of the Public Works Operations Department are:

A. Maintenance

1. Roadways - the Road Crew maintains roadways, curbing, sidewalks, traffic signs, traffic signals, pavement markings and roadside vegetation.
2. Snow and Ice Control – the Road Crew schedules shifts in the winter so that plow and salt trucks are on the streets when needed for vehicle safety. At times there will be 24-hour coverage during prolonged snowfalls. The Crew follows a rotating on-call schedule to ensure coverage for events or emergencies that happen outside of normal work hours.
3. Leaf and Brush Collection – In addition to the regular spring and fall leaf and brush collection, the Crew conducts monthly leaf/brush collection from residential areas, on the first week of the month. About 800 truckloads of leaves are collected from early October to early December.
4. Stormwater System Maintenance – the Road Crew maintains the Township's system of pipes, catchbasins, inlets, swales and culverts.
5. Other – provides maintenance for parks, open spaces and Township buildings.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

I. Overview (CONT'D)

B. Asset Management

1. The department conducts roadway pavement inspections twice a year, issues and inspects roadway occupancy permits, locates the Township's underground pipes and lines for PA ONE CALL requests, manages the Township's traffic signals and carries out the in-house portions of the Park Development Program.
2. The department maintains all township vehicles and equipment, including police vehicles, and programs the periodic replacement of department equipment.
3. Other duties – The Department responds to citizen inquiries regarding drainage, traffic and pedestrian issues; maintains contacts with other municipalities, authorities, PennDOT, DEP, and utilities in the region.

C. Construction Contracts

Each year the Township bids the road-resurfacing program for completion by contract. Other contracts are bid, awarded, and managed as needed for Township projects such as storm sewer replacement, gasoline, diesel fuel, concrete, aggregates, and asphalt.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

II. Commentary

Some of the noteworthy elements of the 2023 budget include the following:

A. Road Maintenance

In 2023, the Budget includes a \$62,000 increase in the general fund contribution to the Road Resurfacing Reserve Fund to \$165,000 due to price increases in material necessary to complete upcoming road resurfacing projects. The typical overlay projects recommended by the Fall and Spring Road Report will continue in 2023.

B. Salt Prices

The 2023 budget includes our projected salt usage at \$84.48 per ton, which is the fixed per ton price in the 2023-2024 COSTARS Sodium Chloride Contract. This is a 14.5% increase from last year's contract.

C. Stormwater MS4 Project

The project required by the recent MS4 project will begin with hiring an engineer to complete the engineering and design for the streambank restoration project identified in the joint Pollutant Reduction Plan. This project must be completed by 2025 in accordance with the MS4 Permit.

D. Road Equipment Reserve Fund

The Public Works Department is proposing an allocation of \$100,000 to the Road Equipment Reserve Fund. A detailed description can be found in the Designated Reserve Fund of the budget.

E. Leaf Composting

The leaf composting fee is based on the Patton Township's share of the costs for the processing site and operation. The billing period for the leaf composting fee runs from October to October. The costs to dump will increase to \$114,300 in 2023 because of a long-overdue assessment of actual costs by State College Borough. Over the past few years, Patton Township's leaves accounted for 35% to 40% of the total tonnage hauled to the site.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

II. Commentary (Cont'd)

Blank

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

III. LFT Expenses

Each year the Township receives an allocation from State Liquid Fuel Taxes (LFT) collected on gasoline and diesel fuel sales. The amount provided is based on a municipality's road mileage and population. The expected allocation for 2023 is \$464,733. This is an increase of approximately 3.4% from the 2022 actual liquid fuels funds.

The growing availability of alternate fuel vehicles will decrease the growth rate of LFT funds. At some point the State and Federal governments will need to adopt revised standards for collecting user fees from road users. The Township should work with our municipal associations to start lobbying for such changes.

Each year the Township expends these LFT funds on eligible road maintenance and related items such as asphalt, road salt, and electric expenditures for traffic signals. Beginning with the 2006 budget, the Department provided a detailed plan of the specific expenses that will be paid with LFT funds. Where LFT funds are allocated to Reserve Funds, separate allocations from the LFT funds and General funds are denoted. Following are the proposed 2022 allocations:

<u>Line Item</u>	<u>LFT Expense</u>	<u>General Fund Expense</u>	<u>Total</u>
Repair & Maintenance Supplies (SALT)	\$ 30,667	\$ 34,265	\$ 64,932
Repair & Maintenance of Vehicles	\$ -	\$ 36,000	\$ 36,000
Electricity/Traffic Signals	\$ 15,804	\$ -	\$ 15,804
Allocation to Equip. Replacement Res.	\$ 92,947 ⁽¹⁾	\$ 100,000	\$ 192,947
Allocation to Road Improvement Res.	<u>\$ 325,315</u>	<u>\$ 165,000</u>	<u>\$ 490,315</u>
Total	<u>\$ 464,733</u>	Total <u>\$ 335,265</u>	Total <u>\$ 799,998</u>

⁽¹⁾This is the maximum allowable amount of LFT funds (20%) that may be utilized for equipment purchases.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

IV. Line Item Detail

PUBLIC WORKS #430

Salary - Road Superintendent: #430.122

The Road Superintendent's salary is established as part of the Township's pay classification plan.

Assistant Road Superintendent – Salary: #430.125

The Assistant Road Superintendent's salary is established as part of the Township's pay classification plan.

Public Works Operations Director - Salary: #430.130

The salary is established as part of the Township's pay plan.

Secretary - Salary: #430.140

This position is assigned half-time to the Department. Duties include secretarial services for the Public Works Operations Director, Assistant Director, Zoning Officer, Planner, Parks Projects Manager, and Road Superintendent; the maintenance of zoning and sign permits; and secretarial work for the Planning Commission, Zoning Hearing Board, Sign Review Board and Water Authority. One-half of the secretary's salary is assigned to the Department of Engineering, Planning & Zoning.

Engineering Technician – Salary: #430.142

This employee is assigned half-time to the Department. Duties include assisting the Director as needed by performing field work and maintaining mapping and databases. In 2010 the Engineering Technician provided the complete data base of all Township road signs including condition. This information will be utilized to determine the extent of the work to be performed over the next four to five years replacing signs that do not meet sign retro-reflectivity standards. The salary is set by the Township's Pay Plan.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Salaries - Road Crew: #430.143

Road crew salaries are established as part of the Township pay plan. Proposed 2023 staffing consists of twelve (12) full-time road crew employees, 1 building maintenance employee, and 1 mechanic position. This is an increase of one versus level of staffing in 2022. Portions of the road crew salaries are assigned to the Police, Buildings, and Parks budgets to account for services performed to support these functions. Seasonal workers if required may be available on standby during the winter months if additional assistance is needed. The Public Works Operations Department created a new position in 2014, the Assistant Road Superintendent to directly supervise the Road Crew. The Road Superintendent will take on higher level responsibilities to assist the Director.

Employee Benefits: #430.150

This item covers the cost of pension, health and life insurance, workers' and unemployment insurance and social security for the Department employees. When Road Crew employees work on police vehicles, building maintenance and in the parks, their wages are assigned to those departments but benefits are still assigned to this line.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Longevity: #430.182

Longevity pay was initiated for the Road Crew in 1986 and is provided in accordance with the schedule published in the Employee Handbook.

Secretary Wages - Overtime: #430.181

Overtime is paid when the secretary must attend meetings or otherwise work longer than the regular workweek. Approximately 75% of the secretary's overtime is related to Planning Commission meetings and is accrued under account # 414 (Engineering Planning & Zoning). The remaining 25% is assigned to roadwork maintenance and engineering.

Engineering Technician Overtime: #430.183

This item provides for overtime pay for the Engineering Technician. Little overtime is anticipated for 2023.

Overtime Pay: #430.184

The majority of overtime for the Road Crew is due to snow and ice removal since this work cannot be scheduled. Overtime may also be incurred due to leaf collection because leaves may not fall proportionately throughout the dedicated collection period. The funds budgeted for 2023 are based on the last few years' experience.

Office Supplies: #430.210

This line item includes regular office supplies and equipment used in the Public Works Operations office. The projected expenses are based on 2022 experience.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Vehicle Fuel - Gasoline: #430.231

The budget amount is based on the expected usage determined by the fleet size, road mileage and estimated price-per-gallon. In 2009, the Public Works Department completed the conversion of all large trucks from gas to diesel. The remaining gas usage is for all Public Works administrative vehicles, two pick-up trucks and both bi-fuel (CNG & Gas) trucks, and miscellaneous smaller equipment within the department.

Over the past year the Public Works Operations Department has purchased gas at prices ranging from \$3.52 per gallon to \$5.52 per gallon. The usage of gasoline has declined in recent years due to additions of two CNG vehicles. The Township pays market price per gallon minus state and federal fuel taxes. Usage for 2023 is projected to be equivalent to 2022. 2023 costs are expected to be higher than 2022 according to the Short-Term Energy Outlook – October 2022 prepared by the United States Energy Information Administration.

Vehicle Fuel - Diesel: #430.232

This line includes pump purchases for trucks and bulk purchases for other equipment. The budget is based on the expected usage based on previous experience. Over 2022, the Public Works Operations Department has purchased diesel fuel at prices ranging from \$3.87 per gallon to \$6.48 per gallon. Usage for 2022 is projected to be equivalent to 2019. 2023 costs are expected to be higher than 2022 according to the Short-Term Energy Outlook – October 2022 prepared by the United States Energy Information Administration.

Oil, Lubricants & Other Operating Expense: #430.234

This line item includes the costs of oil and lubricants for the operation of Township vehicles. The 2023 expenses are expected to be close to 2022 experience.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Clothing Allowance: #430.238

This line item provides an allowance of \$375 for each full-time crewmember for the annual purchase of one pair of work boots, rubber boots, work gloves, T-shirts, sweatshirts and safety glasses for all crewmembers and prescription safety glasses for employees requiring corrective lenses. It also provides for the bi-annual purchase of coveralls and a jacket for the full-time employees

Road Materials (Salt): #430.245 & L432.245

The use of salt is critical to effective snow and ice control. The projected amount for 2022/2023 winter includes purchases to date for last winter and approximately 400 tons (at \$84.48 per ton) to manage snow through the end of the year. The budgeted amount is based the last few years' experience.

Due to the mild 2022/2022 winter the Township has a near full salt shed to start the season. The current per ton price under the State COSTARS contract is \$84.48 which is a 14.5% increase per ton from the previous contract price.

Operating Supplies: #430.246

This line item provides for the purchase of miscellaneous supplies used in public works, such as shop supplies, cones, barricades, rakes, grass seed and materials for mailbox repairs in the winter. 'Supplies' includes items noted above and consumable materials. Materials of a durable nature that become part of the infrastructure are included in line 430.247.

Road Materials (Road Work & Drainage): #430.247

This line item covers materials used in road and drainage maintenance, including pipe, signs, asphalt for paving shoulders and repairing roads, and stone for maintaining shoulders. As the Township maintains an aggressive resurfacing program, the material requirements for roadway maintenance are reduced. In contrast, expenditures for materials to replace drainage facilities have increased in the last three years indicating that pipes installed in Park Forest Village 30 to 40 years ago are reaching the end of their service life.

The 2023 budget is based on the last few years' experience.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Repair and Maintenance: Vehicles: #430.250 & L437.250

This line item covers the cost of all parts and supplies, used in the upkeep of the Public Works Operations fleet of 8 trucks, 5 vehicles and 16 motorized pieces of maintenance equipment.

The 2023 budget amount is based the last few years' experience.

Small Tools and Minor Equipment: #430.260

This line item provides for the purchase of small tools and minor equipment costing less than \$4,000 This line item also includes an allowance of \$50 for each road crew member to purchase small tool items.

Line Painting: #430.310

This line item covers costs associated with painting double-yellow centerline and white edge line along Township streets. The 2022 projection includes additional contract work for major intersections that was needed due to lack of manpower on the road crew. The 2023 estimate also includes the additional contract work for major intersections and includes an additional amount for an increase in the costs of materials.

This work is managed through a contract bid and administered by Ferguson Township on behalf of Patton and other Centre Region municipalities.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Professional Services - General: #430.313

The appropriation in the budget covers specialized services (such as geotechnical, surveying and testing) that may be needed for roadways, and maintenance fees for software. The 2023 budget includes the maintenance fees of Public Works Operations software to track work orders within the Township.

Other Services: #430.316

This item includes outside services and miscellaneous items:

Drug & Alcohol testing	\$1,200	Winter Maintenance for Purdue Mtn. Road	\$1,100
Scheduled maintenance of traffic signals	\$1,100	Meals & Lodging for crew for extended snow storms	\$ 600
Traffic Signal Repairs	\$4,015	ONE-CALL Fees	\$1,100
Tree removal/care	\$5,600	Miscellaneous	\$3,000
Employment Physicals	\$ 410	Paint for Intersections	\$6,470
Fiber Optic Rental	\$3,840		

Leaf Composting: #430.317

The leaf composting fee is based on the Patton Township's share of the costs for the processing site and operation. The billing period for the leaf composting fee runs from October 2021 to October 2021. The costs to dump will increase to \$114,300 in 2023 as a result of a long-overdue assessment of actual costs by State College Borough. Over the past few years, Patton Township's leaves accounted for 35% to 40% of the total tonnage hauled to the site.

Communications - Phone: #430.321

This covers services for long distance and cell phones. Some employees of the Department are reimbursed for maintaining personal cell phone service for Township business use, in lieu of using Township owned cell phones.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Communications - Postage: #430.325

This item covers postage for the Public Works Operations Department.

Communications - Radio: #430.327

This item includes expenses for the Public Works Operations radio network. In 2023 this cost reflects maintenance and repairs as needed.

Auto Allowance: #430.337

This item is for reimbursement of Public Works Operations Department employees' for use of their personal cars when staff cars are not available.

Insurance: #430.351

This item covers the cost of insurance for the road vehicles and Township car, tools, equipment and traffic signals.

Electricity: #430.361 & L433.361

This line item covers the cost of electricity for operating the Township's traffic signals. The budget includes 22 existing signals. Since 100% of these costs are paid with the liquid fuels fund, this expense is reported in the Liquid Fuels Tax Designated Reserve Fund and Line Item L433.361 of the budget.

Landfill Fees: #430.365

The budget covers the disposal of street sweepings and miscellaneous items picked up from the streets and Township property, and the disposal of excavated materials from Crew roadway and drainage projects. With the purchase of a new sweeper truck in 2019 and the inability of The Recycle Center to take waste wood from oak wilt trees this little item will increase in the future.

EXPENDITURES: PUBLIC WORKS OPERATIONS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Equipment Rental: #430.384

This line item covers the rental of not often used equipment that may be necessary for the road crew to perform certain project tasks, such as sewer cleaning apparatus from University Area Joint Authority for clogged drains, specialized mower, or a larger excavator for larger jobs.

Dues & Subscriptions: #430.420

This account covers the cost of subscriptions, professional association dues, engineering software and reference materials for the Director, Road Superintendent, traffic signal technicians, etc.

Laundry Service: #430.440

This account covers the cost of cleaning the road crewmembers' uniforms. The budget amount is based on the 2022 projected cost plus inflation.

Training and Seminars: #430.460

This account provides for road crew attendance at Local Technical Assistance Program (LTAP) seminars, and Department of Community and Economic Development sponsored seminars. The Department's philosophy is that maintaining and/or improving the skills of the crew member benefits the community. This account also provides for the continuing education of the engineers, the Superintendents, the mechanic, the department secretary and for hosting two lunch meetings per year of the area's Public Works Directors.

Hiring Expenses: #430.461

This line reflects advertising, pre-employment drug and background screening expenses for filling department positions. Previously these costs were carried under General Government Advertising.

EXPENDITURES: PUBLIC WORKS (CONT'D)

PUBLIC WORKS (CONT'D) #430

Capital Equipment: #430.740

Items costing more than \$4,000 are included in this line item. The 2023 budget includes funding for a computers and miscellaneous equipment. Also, contingency funds have been added.

Allocation to Road Equipment Replacement Reserve Fund: #430.741 & L430.740

This line item provides the funding for the capital equipment replacement program. The current schedule budgets for the timely replacement of trucks and other equipment. A more detailed discussion is located in the Designated Reserve Fund for Road Equipment Replacement section of the Budget. The projected allocation for 2023 is \$100,000.

Allocation to Reserve Fund for Emergency Assistance: #430.750

The 2004 budget established a new Designated Reserve Fund to provide funds for responding to extraordinary weather events and other emergency conditions. In light of the COG establishing an Emergency Management Contingency Fund, the Township has maintained the fund at its current level. Storm cleanup expenses in October 2009 were paid from this fund and Oak Wilt tree removal and injection expenses were paid as needed. Allocations were made in 2012, 2013, and 2014 to replenish the fund. An allocation \$2500 was included for 2018. In 2018 and 2019 costs to contain Oak Wilt at several locations were incurred. An allocation of \$25,000 is included in 2023 and 2024.

EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT #439

Traffic Mitigation Project: #439.430

In 2003 the developer of the Village at Penn State (Toftrees East) agreed to begin contributing \$300 per residential unit for mitigating traffic issues on roadways adjacent to Toftrees Planned Community. The contribution is made to the Township when a zoning permit is issued. In recent years, this contribution fee has been renegotiated to recoup the private half of the engineering design fees relating to the Waddle Road Interchange Project. The contributions by type of development is shown in the table below. Contributions from other developers affecting this process will continue with new properties developed in 2023.

Table 1. 2022 Contributions for Each Type of Development

Type of Development	Measurement Unit	Contribution Per Unit
Single Family Detached	Per unit	\$ 603.11
Townhomes/Condo	Per Unit	\$ 322.45
Apartments	Per Unit	\$ 370.22
Hotel	Per PM PH Trip	\$ 597.13
Commercial	Per 1,000 sf	\$ 2,233.28
Office	Per 1,000 sf	\$ 889.73

Note: Beginning December 1, 2012, the above contribution amounts per unit shall increase annually by 3.13%. The annual increase shall continue until January 1, 2022. After this date, the annual increase shall be equal to the current rate of interest on the outstanding balance at that time.

Homestead Farms Road Development: #439.599

The details of this line item can be found under Designated Reserve Fund: Homestead Farms Neighborhood Improvement District section of the Budget. All construction was completed in 2021.

Allocation to Road Resurfacing Reserve Fund: #439.610 & L439.610

The details of this line item can be found under Designated Reserve Fund: Road Resurfacing and Reconstruction section of the Budget. The allocation for 2022 from the General Fund shown on this line (G439.610) is \$110,000. An allocation from Liquid Fuels Tax Funds (L439.610) totaling \$325,315 will also be included in the Road Resurfacing Reserve Fund.

EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT (CONT'D) #439

Bernel Rd/Fox Hollow Rd Interchange: #439.630

This project was completed in 2021. The Township pledged a total of \$100,000 to the project that was used for utility relocations, consultant fees and debt service.

MS4 Stormwater Projects: #439.631

It is anticipated that during the next MS4 permit term 2020-2025 best management practices (BMPs) will need to be installed to reduce the amount of sediment transported to local streams by 10% from baseline. Expenditures in 2021 include engaging an engineering consultant to begin the work for a streambank restoration project that was identified in the joint Pollutant Reduction Plan. (This will be a Department of Engineering, Planning & Zoning Project)

Toftrees Corridor Improvement: #439.632

The Board of Supervisors approved of this project to comprehensively look at the Toftrees Corridor with respect to traffic, on-street parking, stormwater, and pedestrian and bicycle facilities and prepare a plan for a first Phase such that the Township could work to secure grant funding for these improvements. (This will be a Department of Engineering, Planning & Zoning Project)

County LFT Grant Expenses/Purdue Mountain Road: #439.615

Includes guiderail installation and drainage improvements for 2022 for \$48,300 to be reimbursed by Centre County. Milling and paving in 2023 will be included under the Road Resurfacing Reserve Fund. (Guiderail - Department of Engineering, Planning & Zoning)

EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT (CONT'D) #439

Colonnade GLG Grant-Pedestrian Upgrades: #439.639

Township applied for GLG funds in 2022 for pedestrian upgrades to Colonnade Blvd at multiple intersections. Work completed as a result of Penn Highlands Micro-hospital, should be done prior to this project. (This will be a Department of Engineering, Planning & Zoning Project)

Waddle Conversion from Centracs-TST Grant: #439.640

Township applied for PennDOT TST grant funds to convert the existing Waddle corridor from Centracs to Kinetic signals (PennDOT network). This is in lieu of a more costly new maintenance agreement in 8/2023 with Signal Control Products for Centracs. (This will be a Department of Engineering, Planning & Zoning Project)

Waddle/Vairo ARLE Grant-Pedestrian & Signal Upgrades: #439.641

Township applied for ARLE funds in 2022 to make signal, pedestrian, and safety upgrades to the intersection of Waddle/Vairo Blvd. (This will be a Department of Engineering, Planning & Zoning Project)

Installation of Flashing Yellow Arrows at Green Tech Drive: #439.642

Conduct an engineering study and install one or two flashing yellow arrows at the intersection of Valley Vista Blvd and Green Tech Drive. PennDOT requires a sight distance study with speed data. (This will be a Department of Engineering, Planning & Zoning Project)

Equipment for Bike/Walking Trail Maintenance: #439.643

Add a new piece of equipment for use on the bike/walking trails for snow and ice control along with the ability to use it for herbicide application to control vegetation if needed. The cost associated with this would be \$90,000. The amount of Bike/walking trails has increased by 5.3 miles since 2014.

EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT (CONT'D) #439

Atherton Street Traffic Signal Upgrade #439.625

A PennDOT proposed project to be funded through state funding and grants. A local Sponsor is required to receive the grant funding. Involves upgrading signal controllers and communication systems to provide more responsive operations. The grant funded construction is anticipated in 2023. (Admin Dept project)

Stormwater Pipe Rehabilitation #439.622

Going forward, this work will be incorporated into the Road Resurfacing and Reconstruction Reserve account.

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EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT (CONT'D) #439

Other Projects:

Following is a list of the other projects combined on this line:

NAME OF PROJECT	2023	2024
Office and Shop Roof Replacements	\$37,200	\$48,000
Atherton & Woodycrest Improvements	1,255,000	255,000
Sidewalk from Galen to Sheetz	30,000	60,000
Replace 2008 Toyota Prius	50,000	0
Cricklewood Drive Pedestrian Access	103,500	5,750
Toftrees Resort RACP Grant Sponsorship	1,250,000	1,250,000
TOTAL	\$2,815,700	\$1,618,750

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EXPENDITURES: PUBLIC WORKS (CONT'D)

CONSTRUCTION CONTRACT (CONT'D) #439

Liquid Fuels Tax Related Expenditures: #L430.740

This is the transfer of liquid fuels revenue received from the Commonwealth to the reserve fund for approved expenditures on roads, salt, equipment maintenance, and allowable capital expenditures.

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ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: PUBLIC WORKS OPERATIONS					
430 .122	Salary-Road Super.	74,028	84,928	85,687	92,456	95,230
.123	Assistant Road Superintendent	53,619	66,806	67,683	73,624	75,833
.130	PW Ops Director - Salary	82,391	81,521	95,018	101,085	104,118
.140	Secretary - Salary (50%)	25,199	26,710	26,064	23,556	24,263
.142	Engineering Technician (50%)	26,261	27,989	28,413	31,217	32,154
.143	Salaries of Road Crew	421,584	506,253	387,898	411,172	423,507
.150	Employee Benefits	575,858	549,525	536,410	579,323	596,703
.182	Longevity	11,913	11,200	8,600	5,950	6,050
.181	Secretary Overtime/temp	0	250	0	250	258
.183	Engineering Technician Overtime	0	250	0	250	258
.184	Road Crew Overtime	4,118	9,900	11,268	9,900	10,500
.210	Office Supplies/Minor Equipment	1,853	1,200	1,164	1,200	1,250
.231	Vehicle Fuel - Gasoline	659	8,000	1,204	8,000	8,200
.232	Vehicle Fuel - Diesel	14,776	46,400	5,392	16,176	16,985
.234	Oil. Lub & Other Oper. Ex.	7,559	2,000	14,975	16,000	3,000
.238	Clothing	5,437	7,500	4,744	5,000	5,000
.245	Road Salt	450	31,350	31,350	34,265	32,300
.246	Operating Supplies	11,546	12,500	10,553	12,500	13,000
.247	Repair & Maint. Supplies (ROAD WORK)	56,783	40,000	4,190	55,000	57,062
.250	Repair & Maintenance of Vehicles	21,695	30,000	23,155	36,000	37,080
.260	Small Tools/Minor Equipment	2,089	4,000	10,739	4,000	4,500
.310	Line Painting	18,024	30,000	30,000	50,000	51,500
.313	Prof. Services - General	22,622	22,500	11,170	22,500	23,000
.316	Other Svcs.-Road Work	9,161	25,000	7,208	25,000	25,000
.317	Leaf Composting	47,200	48,000	48,000	114,300	114,300
.321	Communications-Phone	5,828	6,000	6,271	6,000	6,000
.325	Communications-Postage	1,690	2,600	1,554	2,600	2,700
.327	Communications-Radio	43	1,000	129	1,000	1,000
.337	Auto Allowance-Public Works	0	250	48	250	250
.351	Property Insurance	9,926	10,400	10,678	11,212	11,773

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: PUBLIC WORKS (CONT'D)					
.365	Landfill Fees	137	800	412	800	800
.384	Equipment Rental	192	2,500	462	2,500	2,500
.420	Dues & Subscriptions - Public Works	3,096	4,000	4,400	4,000	4,000
.440	Laundry Service	14,309	15,000	14,176	15,000	16,000
.460	Training & Seminars	2,576	7,000	8,947	9,000	9,000
.461	Hiring Expense	924	3,000	2,156	3,000	3,000
.740	Machines/Equip. Major/Cap.	265,738	29,253	5,449	15,353	14,500
.741	Allocation to Equip Replacement Reserve Fund	0	80,000	80,000	100,000	120,000
.742	Road Equipment Purchase-DEP Grant	0	0	0	168,068	273,864
.750	Reserve for Emergency Assistance	0	0	0	25,000	25,000
	TOTAL PUBLIC WORKS	1,799,283	1,835,585	1,585,567	2,092,507	2,251,438
	CONSTRUCTION CONTRACT					
439 .430	Allocation to Toftrees Traffic Mitigation Proj.	0	7,500	172,778	7,500	10,000
.599	Homestead Farms Road Development	51,862	29,700	51,862	0	0
.610	Allocation to Road Resurfacing Reserve Fund	1,933	107,000	107,000	110,000	130,000
.630	Bernel Rd/Fox Hollow Rd Interchange	1,298,751	0	0	0	0
.631	MS4 Stormwater Projects	0	0	0	40,000	40,000
.632	Toftrees Corridor Improvements Project	11,093	0	0	780,660	1,623,984
.615	County LFT Expenses	0	48,300	48,300	0	0
.617	Douglas Ditch Stabilization Project	0	4,041	0	0	0
.618	Traffic Signal Battery Back-up	0	49,988	0	0	0
.624	Bikeway Development	116,087	79,715	0	79,715	34,120
.625	North Atherton Traffic Signal Upgrade	0	869,138	0	270,000	0
.628	Adaptive Signaling on Valley Vista Drive	0	166,176	0	0	0
.638	Stormwater Pipe Rehabilitation	0	20,000	20,000	0	0
.639	Colonnade GLG Grant-Pedestrian Upgrades	0	0	0	0	88,448
.640	Waddle Conversion from Centrac-TST Grant	0	0	0	33,443	0
.641	Waddle/Vairo ARLE Grand-Ped&Signal Upgrade	0	0	0	0	368,725
.642	Installation of Flashing Yellow Arrows at Grn Tch	0	0	0	20,000	40,000
.643	Equipment for Bike/Walking Trail Maintenance	0	0	0	90,000	0
.999	Other New Projects	1,934,262	1,192,648	418,348	2,815,700	1,618,750
	TOTAL CONSTRUCTION CONTRACT	3,413,989	2,574,206	818,288	4,247,018	3,954,027

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST	
L430 .740	LIQUID FUELS TAX RELATED EXPENDITURES						
	Allocation to Liquid Fuels Fund	456,316	449,452	460,061	464,733	473,306	
	TOTAL LIQUID FUELS RELATED PROJECT	456,316	449,452	460,061	464,733	473,306	
	TOTAL PUBLIC WORKS	5,669,587	4,859,243	2,863,916	6,804,258	6,678,771	
	* Liquid Fuels Tax related expenditures previously combined in Public Works line items are now budgeted separately						

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: ENGINEERING, PLANNING, AND ZONING

ENGINEERING, PLANNING, AND ZONING: #414

In 2021 the Township Manager divided the Township Engineer and Director of Public Works Operations into two separate positions, and created the Engineering, Planning, and Zoning Department to be headed by the Director of EPZ/Township Engineer. The Engineer will oversee the development plan review process, provide engineering and technical support to other staff, and manage construction contracts for new assets and major upgrades. The Department personnel also include the Zoning Officer, the Project Manager, the Engineering Technician, and the contracted COG Planner. The Public Works Administrative Assistant also provides support.

Zoning Hearing Board: #414.100

The expenditures here include legal advertising costs for ZHB hearings and the legal costs for written decisions prepared by the Board's Solicitor. The costs incurred each year are highly variable and depend on the number and complexity of matters brought before the Board. The proposed amount is approximately what was spent in 2022.

Township Engineer – Salary: #414.125

The Township Engineer/Director of Engineering, Planning and Zoning coordinates activities within the department and provides staff assistance to the Planning Commission. The Director manages the NPDES Stormwater permit program with assistance from the Engineering Technician.

Zoning Officer/Open Space Property Manager - Salary: #414.131

The Zoning Officer administers the zoning ordinance and sign ordinance, issue permits, conducts inspections, assists in the preparation of Planning Commission agendas, and provides staff assistance to the Zoning Hearing Board. In 2007, additional responsibilities were placed upon this position. Beginning January 2007, the Zoning Officer became responsible for managing the conservation easement attached to the Haugh property. This includes working with the Soil Conservation office, USDA, forester, wetland consultant and a third-party monitor that will ensure the conservation easement is being followed. A portion of his salary is assigned to the Open Space Fund. The Zoning Officer's salary is based on the Township's Compensation Plan.

Administrative Assistant - Salary: #414.140

This line item provides for the fifty percent share of the Public Works Administrative Assistant assigned to the Department and providing support for the Planning Commission and Planning Staff.

EXPENDITURE ENGINEERING, PLANNING, AND ZONING (CONT'D)

ENGINEERING, PLANNING, AND ZONING: #414 (CONT'D)

Engineering Technician – Salary: #414.142

This employee assists the Director by collecting traffic data, performing routine field work, and maintaining mapping and databases. In 2009, the Engineering Technician began providing the Police Department mapping showing all reportable crashes within Patton Township. This information will be utilized to possibly alert Police, Public Works, and Engineering, Planning and Zoning Staff of possible areas to further investigate. In 2010 the Engineering Technician provided the complete data base of all Township Road signs including condition. This information will be utilized to determine the extent of the work to be performed over the next four to five years replacing signs that do not meet sign retro-reflectivity standards. This full-time position was created in April 2007. In 2012, this position was provided an increase in pay due to the additional responsibilities picked up with the departure of the Assistant Engineer. The salary is set by the Township's Pay Plan.

Project Manager - Salary: #414.145

The salary is established as part of the Township's pay plan. The Project Manager will assist the Director by managing the day-to-day administration activities of assigned projects. A portion of this position's salary is paid from the General Fund – Parks where a small number of duties are still required to be managed by this position in 2023.

Employee Benefits: 414.150

This line item provides for the employee benefits for personnel assigned to the Engineering, Planning & Zoning Department.

Longevity: 414.182

Longevity is provided in accordance with the schedule published in the Employee Handbook.

Administrative Assistant Wages - Overtime: 414.183

This line item provides for a share of the Public Works Administrative Assistant's overtime relating to planning and zoning activities. Attendance at 23 meetings is budgeted.

Clothing Allowance: #430.238

The Engineer, Engineering Technician, and Zoning Officer are allocated \$100 each for boot purchases.

EXPENDITURE ENGINEERING, PLANNING, AND ZONING (CONT'D)

ENGINEERING, PLANNING, AND ZONING: #414 (CONT'D)

Professional Services - General: #414.313

The appropriation in the budget covers specialized services (such as geotechnical, surveying and testing) that may be needed for roadways, and maintenance fees for software. The annual MS4 permitting program contracts with Clearwater Conservancy to administer the educational components of the permit.

Training and Seminars: 414.460

This line item continues membership for the members of the Recreational Advisory Committee in the Pennsylvania Recreation and Park Society and for the cost of the annual educational programs that they or the Project Manager may attend. It also covers any trainings for all EPZ staff.

Contributions to CRPA/CCMPO: #414.530

The Centre Regional Planning Agency provides the planning staff for the Township. In 2004, the Metropolitan Planning Organization became a countywide MPO administered by the CRPA. The Centre County MPO (CCMPO) provides transportation planning for Patton Township. The CRPA/CCMPO is part of the Centre Region COG and its programs are fully described in the COG budget.

The amount budgeted for 2023 is the sum of the following amounts in the Tentative COG Budget:

- Planning \$125,873
- CCMPO \$ 30,213
- \$156,086

EXPENDITURE ENGINEERING, PLANNING, AND ZONING (CONT'D)

ENGINEERING, PLANNING, AND ZONING: #414 (CONT'D)

Contributions for Water Quality Monitoring: #414.531

This account represents the Township's share of an inter-municipal program to monitor water quality in the Spring Creek Watershed including, in particular, Buffalo Run through Patton Township. The work is performed under contract by the Clearwater Conservancy.

The data from the monitoring provides a base line for determining the impact of growth, development, and other activities on water quality in our community. It will also help to identify when remedial action might need to be considered.

Machine/Major Equipment/Capital: #414.740

This account includes major non-consumable items to be used in planning and zoning.

EXPENDITURES: COMMUNITY SERVICES: PARKS AND RECREATION

PARKS AND RECREATION: #454

Programming, operation and routine maintenance of the Township parks is performed by Centre Region Parks Department, part of the Centre Region COG. Park improvements and major maintenance projects are the responsibility of the Township. In 1998, the Board adopted a permanent funding millage of 0.7 mills to provide funds for the completion of Circleville Park (formerly the Haugh Tract) and Bernel Road Park (formerly the Crust Farm) to pay for the annual debt payments for these two properties, and to fund capital improvements to our other parks. See line item 454.610 and the Designated Reserve Fund - Parkland Acquisition and Improvement for more information. In 2004, the Board retired the former “matching funds” policy and endorsed the scheduled improvements as detailed in the current parks plan and those to be detailed in all future parks plans.

In 2007, the Master Plans for both the last phase of Circleville Park and for Bernel Road Park were presented to the Recreation Advisory Committee (RAC), and then adopted by the Board. The cost for Circleville Park was estimated at \$1.4 million and the cost for Bernel Road Park was estimated at \$5.8 million. Circleville Park was completed in 2011. Phase I of Bernel Road Park was completed in 2012. With development of the “Patton Township Parks and Bicycle/Pedestrian Path Plan 2020-2029”, the RAC considered the issue of financing park development. With attractive circumstances for borrowing, design, and construction, the RAC recommended financing the construction of Phase 1 of Bernel Road Park through bonds.

Project Manager Salary and Benefits: #454.145

In 2003, the Township hired a fixed term Parks Project Manager to supervise park improvements. In 2005, the position became permanent half-time, in recognition of the scope of duties the Parks Project Manager had undertaken. The Parks Project Manager is the primary staff contact for the RAC, works extensively on grant applications, provides design for improvements to small park projects, manages the bidding and construction management of all large park projects and completes an update every five (5) years to the Patton Township Parks Plan (the policy statement and guiding document for future park improvements). In 2007, the Parks Project Manager position increased from 20 to 30 hours per week.

In the intervening years, design and construction of both Circleville Park and Phase I of Bernel Road Park have been completed, as well as improvements to existing parks. As a result of the extensive work completed and the lack of availability of new funds, the Parks Project Manager position was modified to become the Public Works Project Manager. Two-thirds of salary and benefits will be allocated to Engineering, Planning & Zoning and one-third will be allocated to the Park Fund.

EXPENDITURES: COMMUNITY SERVICES: PARKS AND RECREATION (CONT'D)

Project Manager Salary and Benefits: (CONT'D): #454.145

For 2011 and 2012 all local park expenditures have been paid from the Park Fund to help offset tax increases, meaning less funding for park development and improvements. In 2013, 10% of the Parks Project Manager's salary and benefits were allocated to the General Fund. In 2014, this position was incorporated into a Public Works Project Manager position. One-third of the 30 hour per week employee's salary and benefits are charged to the Park Fund and two-thirds is charged to Public Works. In 2021, this position was moved under the Engineering, Planning and Zoning Department as the Project Manager. In 2022, this position was increased from 30 hours to 35 hours per week.

Centre Region Pools - Capital: #454.529

This amount is Patton Township's share of the capital expenses for the Park Forest and Welch Pools renewal. This program is part of the COG budget. In 2008, the COG Finance Committee and the COG Recreation Authority secured a 20-year, \$7.9 million drawdown bank loan at 3.95%. In 2012, the General Forum approved a refinancing of this loan which reduced payments to \$74,011 in 2013 and are being maintained at this approximate level through transfers of excess funds from the Pools Operating budget, which at this time is self-sustaining. For 2015, the pools operating fund could no longer afford to offset the debt costs for pools, therefore debt service costs to municipalities increased. In 2021 the debt was refinanced again.

Patton Township's share for 2023 will be \$172,601.

Centre Region Parks and Recreation - Operating Program: #454.531

This line item covers the cost of Patton Township's share of the Centre Region Parks and Recreation (CRPR) programs, including the Millbrook Marsh Nature Center. The activities of CRPR are detailed in the COG budget.

Centre Region Parks and Recreation – Capital Equipment:

In 2014, COG separated their capital budget from their operating budget. This line item reflects allocations to replace capital equipment for parks operations and maintenance.

EXPENDITURES: COMMUNITY SERVICES: EPZ, PARKS AND RECREATION (CONT'D)

PARKS AND RECREATION (CONT'D): #454

Contribution to Regional Parks: #454.532

In 2005, COG established a fund to provide for future planning and development of the Regional Parks (Oak Hall and Whitehall Road properties). The initial funding level was set at 1/10th of a mill of real estate tax. During 2006, the participating municipalities adopted the Articles of Agreement associated with Regional Parks which set the parameters for ownership, development of and contributions. The contribution level beginning in 2007 was set at 2/10th of a mill of real estate tax. Master Plans have been developed for the two Regional Parks.

The participating municipalities agreed to purchase Hess Field and the transaction was completed in September 2010. By spring 2011, safety improvements were made to the field to prepare them for the 2011 season. The funds from the COG Regional Parks Capital account were used to pay for the acquisition and will be used for necessary repairs.

A drawdown loan for \$7.5 million was closed on June 1, 2011 to fund development at Oak Hall and Whitehall Road Parks. Construction of Phase 1 of Oak Hall Park is complete, and Phase 1 of construction at Whitehall Road Park is scheduled to begin in 2022.

The debt has been re-negotiated several times and was re-financed in 2021 along with additional funding for WRRP.

For 2023 the debt service cost will be \$106,349.

EXPENDITURES: COMMUNITY SERVICES: EPZ, PARKS AND RECREATION (CONT'D)

PARKS AND RECREATION (CONT'D): #454

Allocation to Patton Township Park Fund (Tax Revenue): #454.610

This account provides for the transfer of the dedicated 0.7 mills of real estate tax to the Park Acquisition and Improvement Fund (see Reserve Funds) and any private contributions. No private contributions are anticipated.

Contribution to Community Fireworks: #454.615

In 2003, Centre Region COG discontinued its program of contributing to the region's fireworks display on July 4th. The decision to contribute was left up to individual municipalities. The Township has allocated \$2,500 for this purpose.

Contribution to Spring Creek Watershed: #454.616

The Spring Creek Watershed Commission was established through an intergovernmental agreement of 11 of the 14 municipalities in the watershed. The amount of this line item represents contributions for 2023.

Senior Citizens Center: #458.530

Patton Township pays a share of the COG program for senior citizens based on the share of the service used by Township residents.

Community Gardens: #459.100

In response to residents' interest in community garden plots, the Township provided space, equipment and water at the Haugh Family Farm Open Space Preserve beginning in 2011. In 2011, several start-up costs were incurred for such items as a yard hydrant, fencing, a shed and tools. Due to success and demand the Township constructed another fenced 64 plot area with separate extension of water service and shed for gardening tools. As of 2022, a fee of \$50 per plot plus a security deposit are required to rent a plot.

EXPENDITURES: COMMUNITY SERVICES: OTHER

FIRE PROTECTION: #411

Hydrant Service: #411.363

This line item provides for the transfer of the fire hydrant assessments received during the year to the Fire Hydrant Reserve Fund. The costs of fire hydrants are paid from the reserve fund.

Alpha Fire Company-Operating: #411.531

Fire protection is provided to Patton Township by the Alpha Fire Company. The main station is located in downtown State College. The satellite station built by Patton Township opened in early 2001. The Alpha Fire Company budget is part of the Centre Region COG Budget.

Alpha Fire Company-Capital: #411.532

This allocation goes towards replacement of major equipment and property improvements as detailed in the COG budget.

Act 205 Volunteer Fire Relief Allocation: #411.533

Each non-Pennsylvania (foreign) insurance company that writes a fire insurance policy in the Commonwealth pays a tax to the State. These funds are distributed to municipalities based upon population and property values and must be turned over to the volunteer fire company servicing the area. The funds must be used by the fire company for the health and welfare of the company members; the funds may not be used for operations or capital expenditures. These costs are matched by the revenue source (355.130). The proposed amount is based on the current years experience.

EXPENDITURES: COMMUNITY SERVICES: OTHER (CONT'D)

HEALTH AND WELFARE: #421

Professional Services - SEO: #421.316

The Township is required by State Law to have a qualified Sewage Enforcement Officer (SEO). The Township retains the service of Mary Kay Lupton of Clearfield for this position. Her responsibility is to inspect all subdivisions and lots when on-lot sewage disposal systems are requested. In the past, up to half of the costs of this service were reimbursed by the State and the remainder by fees charged to developers/property owners. In 2009, the State reduced, without notice, reimbursements for this service as part of their budget cuts and currently pays no reimbursement for this service. The permit fee rate is set to cover the costs of service.

Contract Services - Health Officer: #421.452

This line item covers the costs of using the State College Borough Health Officer for health inspections of restaurants and other facilities in the Township, as required. (See offsetting revenue in # 321.200)

Contract Services - Gypsy Moth Suppression: #421.453

Centre County has established a program for coordinating inspection and spraying for gypsy moth caterpillar suppression for the spring of 2008. An egg mass survey will be conducted in 2023 and some spraying may be required.

Centre Region Emergency Management: #421.531

This amount represents the Township's share of the Centre Region's Emergency Management Program. This program is described in the COG budget.

COG Emergency Management Contingency Fund: #421.531A

The COG Budget proposes continuing a contingency fund for responding to disasters and emergencies. This amount reflects the Township's obligation. No funds are required for 2023.

EXPENDITURES: COMMUNITY SERVICES: OTHER (CONT'D)

HEALTH AND WELFARE: #421 (CONT'D)

Contribution to Community Housing: #421.537

This line item represents a \$6,000 contribution annually to Affordable Housing Coalition for sponsorship of their annual summit meeting.

Contribution to First Night: #421.538

This represents an annual contribution to the First Night Celebration in State College.

Contribution to Regional Economic Development: #421.539

The Township has been working with the County, other municipalities, Penn State University, and the Chamber of Business and Industry of Centre County (CBICC) to expand economic development activities. These activities include fostering new companies through the CBICC's incubator, working to retain and grow existing companies in the county, and developing programs to attract new employers to our communities.

In 2012 a \$20,000 contribution to the CBICC was approved to assist with creating new jobs; these funds are encumbered and may be used for future incentive programs to encourage job creation in Centre County. In 2013 the CBICC proposed developing an Economic Development Partnership to be funded by private businesses, institutions, the County government and municipalities in Centre County. Patton Township has made a \$37,500 contribution in 2021. No contribution is forecasted for 2022. \$2,000 is proposed for 2023.

Contribution to COG-Library for Loaner Laptops: #421.542

Provide contribution to COG/Schlow Centre Region Library as requested under ARP program.

Contribution to Home Foundation: #421.543

Contribution to Home Foundation for education program.

Contribution to Habitat for Humanity: #421.544

Contribution to HFHGCC for buy-back of units in Patton Township.

EXPENDITURES: COMMUNITY SERVICES: OTHER (CONT'D)

HEALTH AND WELFARE: #421 (CONT'D)

Contribution to COG-Fire; Handheld Chemical/Explosive: #421.545

Provide contribution to COG as requested under ARP program.

Contribution to Centre County Housing & Land Trust: #421.546

Contribution to CC Housing & Land Trust for land purchases and rental survey.

Contribution to Centre Life Link: #421.547

Provide contribution to Centre Life Link as requested under ARP program.

Create First-Time Home Buyers Fund: #421.548

Create pool of funding for subsidizing first-time buyers in Twp. See attached info from CCHLT regarding program development and growth.

CABLE TV - C-NET: #442

Contributions - C-NET: #442.411

C-NET is the Centre Region's interactive information services network which functions as an access hub to connect the public, government, educational, and social agencies to facilitate communication within and beyond Centre County. The Township's share of C-NET is based on a "use" formula adopted by C-NET.

TRANSIT SYSTEM - CATA: #447

The transit system serving Patton Township is the Centre Area Transportation Authority (CATA). These line items are Patton Township's share of the annual costs of operating the transit system. CATA works on a July to June Fiscal Year.

Contributions - CATA Capital: #447.531

This line item represents capital contributions to CATA for equipment.

EXPENDITURES: COMMUNITY SERVICES: OTHER (CONT'D)

Contributions - CATA Operating: #447.532

The Township's contributions to the CATA operating costs are determined by the annual CATA fiscal year budget.

LIBRARIES #456

Schlow Library: #456.531

The Township pays a share of the costs of Schlow Library based on the use of the Library by Township residents. This budget is part of the Centre Region COG budget.

STREETLIGHTS: #434

Electricity: #434.361

The line item provides for the transfer of streetlight assessments (#301.930) received during the year to the Streetlight Reserve Fund. The cost of electricity to power streetlights and necessary repairs are paid from the reserve fund. This assessment is 35 cents per frontage foot.

OPEN SPACE LOAN PROCEEDS #435

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ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: COMMUNITY SERVICES - ENGINEERING, PLANNING & ZONING, PARKS & RECREATION					
414	<u>ENGINEERING, PLANNING & ZONING</u>					
.100	Zoning Hearing Board	3,442	2,000	3,674	4,000	4,000
.125	Assistant Engineer	65,018	92,114	101,917	108,966	112,235
.130	Public Works Director-Salary	20,085	20,380	0	0	0
.131	Zoning Officer-Salary	58,896	78,716	63,878	69,575	71,662
.140	Secretary - Salary (50%)	26,245	26,710	26,064	23,557	24,264
.142	Engineering Technician (50%)	26,261	27,989	28,413	31,217	32,154
.145	Public Works Project Manager (65%)	42,805	45,248	48,219	55,422	57,085
.150	Employee Benefits	64,694	92,036	80,040	86,443	90,765
.182	Longevity	1,350	1,350	3,100	3,394	3,688
.183	Secretary Wages - Overtime	388	1,000	250	500	500
.210	Office Supplies	229	0	472	500	500
.314	Professional Services - General	1,865	0	401	6,000	1,000
.321	Communications - Phone	235	0	189	400	450
.351	Auto Insurance	714	1,200	796	1,200	1,300
.420	Subscriptions, Dues	0	2,500	3,064	4,000	4,000
.460	Training and Seminars	335	2,500	3,916	3,500	3,500
.530	Contributions to CRPA/MPO	152,099	178,334	178,334	156,086	161,549
.531	Contributions to Water Quality Monitoring Project	0	5,105	5,105	5,105	5,105
.740	Capital Equipment		0		2,200	0
.741	Revised PAD regs		85,000		15,000	0
	TOTAL ENGINEERING, PLANNING & ZONING	464,660	662,182	547,832	577,065	573,757

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: COMMUNITY SERVICES - ENGINEERING, PLANNING & ZONING, PARKS & RECREATION (CONT'D)					
454	<u>PARKS AND RECREATION</u>					
.145	Parks Project Manager Salary and Benefits (35%	24,470	25,911	29,592	33,988	35,438
.529	Centre Region Pools-Capital	136,985	161,140	161,140	172,601	178,642
.530	Centre Region Pools-Operating	32,132	0	0	0	0
.531	Centre Region Park & Rec. Program -Operating	331,676	432,575	432,575	466,991	483,336
	Centre Region Park & Rec. - Capital	0	0	0	0	0
.532	Contribution to Regional Parks	173,685	106,652	106,652	106,349	110,071
.532	Contribution to Parks Mtce Facility Debt	0	0	0	0	0
.610	Allocation to PT Park Fund (Tax Revenue)	347,530	360,429	349,799	356,795	385,339
.611	DCNR Grant for Circleville Park Transfer					
.615	Contribution to Community Fire Works	0	3,000	2,225	2,500	3,000
.616	Contribution to Spring Creek Watershed	2,388	2,388	2,527	2,500	2,500
.617	Millbrook Marsh Nature Center	0	0	0	0	0
	Myers/Everhart Farm Conservation	0		0		
458 .530	Centre Region Senior Citizen Center	29,121	18,726	18,726	29,213	30,235
459 .100	Community Gardens	1,792	2,500	5,250	5,500	6,000
.110	Community Gardens - Capital Expansion	2	0	0	0	0
	TOTAL PARKS AND RECREATION	1,079,781	1,113,321	1,108,486	1,176,437	1,234,561
	TOTAL COMMUNITY SERVICES - ENG., PLANNING & ZONING, PARKS & RECREATION	1,544,441	1,775,503	1,656,318	1,753,502	1,808,318

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
411	EXPENDITURES: COMMUNITY SERVICES - OTHER					
	<u>FIRE PROTECTION</u>					
.363	Transfer to Hydrant Fund	72,774	72,744	90,372	90,372	90,372
.531	Alpha Fire Company-Operating	277,384	263,589	263,589	300,826	311,355
.532	Alpha Fire Company-Capital	78,796	80,123	80,123	88,798	91,906
.533	Act 205 Volunteer Fire Relief Allocation	98,002	98,000	121,827	123,045	153,715
	TOTAL FIRE PROTECTION	526,956	514,456	555,911	603,041	647,348
421	<u>HEALTH & WELFARE</u>					
.316	Prof. Services-SEO	10,935	11,013	9,400	10,200	11,013
.452	Contracted Svcs./Health Officer	5,177	5,027	9,519	9,750	7,075
.453	Contracted Svcs./Gypsy Moth	6,240	6,000	12,350	18,000	18,000
.531	Centre Region Emergency Management	30,636	38,219	33,752	30,378	31,593
.531A	COG Emergency Mgt Contingency Fund		0		0	0
.537	Contribution to Community Housing	5,000	6,000	6,000	6,000	6,000
.538	Contribution to First Night	600	600	600	600	600
.539	Contribution to Regional Econ. Development	37,500	2,000	0	2,000	2,000
.540	Community Diversity Conference	0	0	1,000	0	1,000
.541	Transfer to Economic Development Fund	0	23,300	25,000	25,000	25,000
.542	Contribution to COG-Library (Laptops)	0	0	0	2,500	0
.543	Contribution to Home Foundation	0	0	0	10,000	0
.544	Contribution to Habitat for Humanity	0	0	0	50,000	0
.545	Contribution to COG-Fire (Chem/Exp)	0	0	0	24,118	0
.546	Contribution to CC Housing & Land Trust	0	0	0	50,000	0
.547	Contribution to Centre Life Link	0	0	0	25,000	0
.548	First-Time Home Buyers Fund	0	0	0	55,000	0
	TOTAL HEALTH & WELFARE	96,088	92,159	97,621	104,428	77,281

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	EXPENDITURES: COMMUNITY SERVICES - OTHER (CONT'D)					
442	<u>CABLE TV - C-NET</u>					
.411	C-NET	39,235	40,280	39,836	40,219	41,023
	TOTAL CABLE TV - C-NET	39,235	40,280	39,836	40,219	41,023
447	<u>TRANSIT</u>					
.531	CATA Capital	14,402	14,402	14,402	14,402	14,402
.532	CATA Operating	97,568	103,711	108,896	114,341	120,058
	TOTAL TRANSIT	111,970	118,113	123,298	128,743	134,460
456	<u>LIBRARY</u>					
.531	Schlow Library	304,624	310,754	310,754	336,358	348,131
	TOTAL LIBRARY	304,624	310,754	310,754	336,358	348,131

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
434 .361	EXPENDITURES: COMMUNITY SERVICES - OTHER (CONT'D)					
	<u>STREETLIGHTS</u>					
	Transfer to Streetlight Fund	29,376	28,651	26,169	28,786	29,218
	TOTAL STREETLIGHTS	29,376	28,651	26,169	28,786	29,218
	<u>OPEN SPACE LOAN PROCEEDS</u>					
	Transfer loan proceeds to reserve fund	0	0	0	0	0
	TOTAL OPEN SPACE LOAN PROCEEDS	0	0	0	0	0
	TOTAL COMMUNITY SERVICES - OTHER	1,108,248	1,104,413	1,153,589	1,241,575	1,277,461
TOTAL COMMUNITY SERVICES	2,652,689	2,879,916	2,809,907	2,995,077	3,085,779	

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

EXPENDITURES: DEBT SERVICE

DEBT SERVICE: # 470

Patton Township finances major capital projects through the issuance of municipal bonds or other long-term borrowing. In 2002, the Township consolidated its existing debt and secured additional financing for capital needs. In 2003, the Township issued voter-approved bonds for \$2.5 million to be used for open space acquisition. The referendum was presented in the fall of 2001 the information provided to the voters stated that a \$2.5 million bond issue would cost 1.0 mill of Real Estate Taxes per year for 20 years. Because of low interest rates available at the time of issue, the amortization period was shortened to 11.5 years.

In 2006 the Township closed the deal to acquire the 466-acre Haugh Family Farm located on Circleville Road around Circleville Park. The cost of this acquisition, which was a very generous gift from Ms. Helen Haugh and Mr. Hubert Haugh, was \$2.5 million. The property was appraised at \$8 million. For more details on the acquisition, refer to the Open Space Preservation Reserve Fund.

Over the years the value of one mill of Real Estate Tax has grown resulting in more tax revenue than needed to cover the debt service costs. In 2007 the millage collected for Open Space Preservation was reduced from 1.0 mill to 0.9 mills and to 0.7 mills in 2009. This provides adequate funds to cover debt costs. Staff has analyzed the possibility of retiring this debt early but recommended that the millage rate be lowered in 2009; shifting the millage to general operation. This helped to minimize the overall tax increase. In 2010, the millage was reduced to 0.3 mills and continued at that rate. For 2013, only 0.1 mill of tax was required to adequately fund the remaining debt service payments through 2014 when the debt was scheduled to be extinguished.

In 2017, the Township was able to take advantage of historically low interest rates to refinance all outstanding debt as well as borrow new money for the purchase of new Open Space Preservation property. The refinancing saved \$138,172 over the remaining life of the 2010 debt and the 2011 debt. These savings which are reflected in the general fund as well as the open space fund, have helped considerably in keeping significant tax increases at bay for the next several years.

EXPENDITURES: DEBT SERVICE (CONT'D)

DEBT SERVICE (CONT'D): # 470

2003 BOND ISSUE

2010 Debt Refinancing: #472.111

In 2017 the Township's financial advisor, Concord Public Finance, told the Township that it might be financially advantageous to refinance existing debt. Because of historically low interest rates, the Township also determined it would be worthwhile to combine outstanding debt with the \$3,500,000 new borrowing for Open Space Preservation. \$3,800,000 remaining in the 2010 bonds were refinanced. Debt service payments are based on the amortization schedule established at auction.

EXPENDITURES: DEBT SERVICE (CONT'D)

DEBT SERVICE (CONT'D): # 470

2011 General Obligation Note: #472.121

The Township issued a request for proposals for a \$3 million, 25-year bank loan to pay for engineering and preconstruction costs associated with the Waddle Road Interchange Project. The loan was awarded to Kish Bank which provided a loan with drawdown access over the first 30 months, interest only payments during the drawdown period, a fixed rate of 3.13% for the first 10 years and then a variable rate with a 6% cap for the remaining period.

This project did not occur at the pace anticipated because of additional traffic studies requested by PennDOT. Money was not drawn at the expected pace; therefore, debt payments were lower than budget.

In the spring of 2014, the Township and Kish Bank agreed to extend the drawdown period of the loan for one year to June 2015 because the project had been going more slowly than originally anticipated, mainly because of PennDOT's review process. In the spring of 2015, the Township and Kish Bank agreed to an additional extension of the drawdown period of the loan for two years to June 2017.

In 2017 the Township's financial advisor, Concord Public Finance, told the Township that it might be financially advantageous to refinance existing debt. Because of historically low interest rates, the Township also determined it would be worthwhile to combine outstanding debt with the \$3,500,000 new borrowing for Open Space Preservation.

\$1,781,970 remaining in the 2011 note was refinanced. Debt service payments are based on the amortization schedule established at auction.

EXPENDITURES: DEBT SERVICE (CONT'D)

DEBT SERVICE (CONT'D): # 470

Open Space Preservation Phase 2

The referendum question included on the November 4, 2014 ballot passed by a with 63% support. The question asked voters if they support the expansion of the Open Space Preservation program. The question reads: "Shall debt in the sum of 3,500,000 dollars for the purpose of financing acquisition of development rights, conservation easements, and land for the preservation of open space be authorized to be incurred as debt approved by the electors?"

To fund this acquisition a borrowing (bond or loan) was made in 2017. The debt will be paid through a dedicated real estate millage estimated to be 6/10ths of a mill levied in 2016. This millage was approved in the budget in prior budgets.

In 2017 the Township's financial advisor, Concord Public Finance, told the Township that it might be financially advantageous to refinance existing debt. Because of historically low interest rates, the Township also determined it would be worthwhile to combine outstanding debt with the \$3,500,000 new borrowing for Open Space Preservation.

On December 5, 2017, the Township borrowed \$3,500,000 and refinanced the 2010 Debt Refinancing and the 2011 General Obligation Note. The total amount borrowed was \$9,126,000 at a rate of 1.98% fixed rate for the first 7 and one-half years of the loan, followed by a variable rate of 30 Day London Inter Bank Offering Rate ("30 Day LIBOR) plus 135 basis points for the remaining 12 and one-half years. The Note is issued by Jersey Shore State Bank.

PA Infrastructure Bank Loan/Capital Project Line of Credit

The Capital Improvement Plan and this Budget proposed a number of capital projects over several years (Valley Vista Left Turn lanes, etc.). Although some grant funding is available, these awards are on a reimbursement basis. The Township was awarded an \$800,000 PIB loan. The PIB loan began payback in 2018.

PA Infrastructure Bank Loan/Bernel Rd/Fox Hill Rd Intersection

In 2021, the Township sponsored a PIB Loan in the amount of \$1,837,500 for improvements to the Bernel Road/Fox Hill Road intersection. The funds will be used to make the intersection a classic "T" intersection to improve safety. An agreement was made with the developer of the Nittany Valley Sports Complex to pay the debt service on this PIB Loan (See #393.121). The PIB loan began payback in 2022.

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
470	EXPENDITURES: DEBT SERVICE					
	<u>DEBT SERVICE</u>					
	<u>2003 Bond Issue</u>					
472 .110	Allocation to Open Space Preservation Fund	0	0	0	0	0
	<u>2010 Debt Refinancing</u>					
472 .111	Principal and Interest	365,094	355,974	355,974	351,896	357,316
	<u>2011 General Obligation Note</u>					
472 .121	Principal and Interest	122,277	122,273	0	0	0
472 .130	Allocation to Open Space Preservation Phase 2	240,435	245,432	245,432	245,435	245,433
472 .132	PIB Loan/Line of Credit	96,460	96,460	96,460	96,460	96,460
472 .135	PIB Loan-Bernel Rd/Fox Hill Rd Intersection	0	212,466	212,466	212,466	212,466
	TOTAL DEBT SERVICE	824,266	1,032,605	910,332	906,257	911,675

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

TOTALS/CASH BALANCE

This section illustrates the Total Revenues, Total Expenditures and the use of the Cash Balance each year.

Cash balance is the amount remaining in the General Fund account at the end of the year. It is the cumulative difference between revenues and expenditures. A healthy balance provides the needed cash to pay bills early in the year before tax revenues are received. It is also important to have a cash balance to cover unexpected expenditures and to ensure a solid bond rating. The overall revenue projection for year-end 2022 is that revenues will be approximately 2% above the budgeted amount mainly because of the utilization of the American Rescue Plan funds. Likewise, overall expenditures are approximately 1% below the budgeted amount.

The Government Finance Officers' Association best practice recommends approximately 17% fund balance as a minimum which equates to approximately two months expenses. The target range for the ending cash balance is between 8% and 12% of expenditures.

	2021 Actual	2022 Budget	2022 Projection	2023 Proposed	2024 Forecast
Ending Cash Balance	\$3,443,616	\$3,604,369	\$3,793,142	\$2,198,105	\$1,095,752
Expenditures	\$13,785,497	\$14,075,943	\$11,591,597	\$16,374,774	\$16,407,180
Percentage of Expenditures	24.98%	25.61%	32.72%	13.42%	6.68%

ACCOUNT NUMBER	ACCOUNT TITLE	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
	<u>TOTALS</u>					
	TOTAL REVENUE	14,206,188	14,236,696	11,941,124	14,779,737	15,304,827
	TOTAL EXPENSES	13,785,497	14,075,943	11,591,597	16,374,774	16,407,180
	NET + (-)	420,691	160,753	349,526	(1,595,037)	(1,102,353)
	FUND BALANCE					
	BEGINNING BALANCE	3,022,925	3,443,616	3,443,616	3,793,142	2,198,105
	NET + (-)	420,691	160,753	349,526	(1,595,037)	(1,102,353)
	ENDING BALANCE	3,443,616	3,604,369	3,793,142	2,198,105	1,095,752
		24.98%	25.61%	32.72%	13.42%	6.68%

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

**PATTON TOWNSHIP 2023 BUDGET
LINE ITEM DETAIL
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DESIGNATED RESERVE FUND: POLICE VEHICLE REPLACEMENT

The Patton Township Police Department's vehicle fleet will consist of fourteen vehicles: six sedans and eight 4x4 utility vehicles. Cars are assigned to the following uses: eight cars to active patrol use (1 specifically for K9), two for criminal investigations, the Chief's vehicle, and two staff vehicles used for traffic, tactical driving training, travel to training, and as a patrol vehicle if one is out of service. In 2019, an extra retired patrol vehicle stayed in-service for the Ordinance Officer. In 2012, one patrol car was not taken out of service but instead kept as part of active patrol. Having eight patrol vehicles allows officers to be assigned a car, therefore allowing for longer vehicle life expectancy. In 2007, the policy on cruiser rotation was changed from a 5-year life to 6 years. This policy change accommodates the increase in staff size, and the increase in traffic and other police details.

The patrol division averages 120,000 miles per year in total; the detectives each account for an additional 9,000 miles per year. In 2013, the service life of patrol sedans was increased from five years to six to allow for an increase in the patrol fleet to seven cruisers. The Township mechanic is consulted on which vehicles should be decommissioned.

The schedule of replacement is as follows:

- on average, one cruiser per year is replaced. Each has a six-year life as a marked vehicle. At the end of six years the vehicle may become a staff vehicle. For 2023, one patrol vehicle is scheduled to be decommissioned. After its secondary use, a vehicle may be used as a non-police staff vehicle or sold. The additional K-9 vehicle is being funded out of the General Fund.
- other vehicles such as nonstandard cars are replaced as provided for in the schedule in this section. It is anticipated that these cars will have a longer life than six years because of the nature of their use.
- Patton Township contributes approximately \$1,000 for the maintenance of the mobile command post. This vehicle has been used numerous times for Patton Township critical incidents and for community relations functions.

DESIGNATED RESERVE FUND: POLICE VEHICLE REPLACEMENT (CONT'D)

The Police Vehicle Replacement Fund provides a schedule of annual appropriations for police vehicle acquisitions.

The expenditures for 2023 are as follows:

1 Patrol Hybrid SUV and Computer	\$41,472 + \$11,034
----------------------------------	---------------------

Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029				
# of cars to replace	two	one	one	two	one	two	one	one	two	two	two	two	two	one	one				
Cruiser 1	38-1	2013 Dodge Charger		1							1	6 year replacement							
Cruiser 2	38-2	2015 Dodge Charger				1				1	6 year replacement								
Cruiser 3	38-3	2014 Dodge Charger			1						1	6 year replacement							
Cruiser 4	38-5	2016 Ford Taurus					1				1	6 year replacement							
Cruiser 5	38-6	2014 Dodge Charger		2							2	6 year replacement							
Cruiser 6	38-7				2018 Dodge Charger					1									
SUV	K-9								1					6 year replacement					
SUV		2008 Ford Expedition															No cash outlay-old SUV		
38-4	SUV				2017 Ford Escape					2				1	6 year replacement				
Detective Car 1		2015 Ford Fusion									2						10 year replacement		
Detective Car 2		Car Loaned by District Attorney's Office																	
Detective Car 3		2018 Ford Fusion										2						10 year replacement	
38-12	Chief Car	2014 Ford Fusion							2							10 year replacement			
38-11	Staff Car	2006 Ford Crown Victoria															No cash outlay-old cruiser		

DESIGNATED RESERVE FUND: POLICE CAR REPLACEMENTS

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 FORECAST	2024 FORECAST	2025 FORECAST	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST
# CARS PURCHASED	ONE	ONE	ONE	ONE	TWO	TWO	TWO	TWO	TWO	ONE
	38-2	38-5	38-5	38-4	38-7 AND CHIEF'S CAR	38-1 AND DETECTIVE	38-3 AND 38-6	38-2 AND DETECTIVE	38-5 AND DETECTIVE	38-4
<u>REVENUE</u>										
REVENUE AMOUNT TO FUND	\$50,000	\$55,000	\$55,000	\$60,000	\$65,000	\$90,000	\$95,000	\$100,000	\$105,000	\$75,000
Insurance			20,457							
<u>EXPENDITURES</u>										
CAR	33,290	38,610	58,936	41,472	43,546	85,136	87,690	90,321	93,031	46,516
COMPUTER REPLACEMENT	10,203	10,891	22,069	11,034	11,586	16,256	16,763	17,285	17,804	8,902
	43,493	49,501	81,005	52,506	55,132	101,392	104,453	107,606	110,835	55,418
BALANCE, BEGINNING OF YEAR	36,534	43,062	43,062	43,062	50,656	60,624	49,332	39,979	32,473	26,738
INTEREST	21	50	29	100	100	100	100	100	100	100
BALANCE, END OF YEAR	\$43,062	\$48,611	\$37,543	\$50,656	\$60,624	\$49,332	\$39,979	\$32,473	\$26,738	\$46,421

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: PARKLAND ACQUISITION AND IMPROVEMENT

In July 1989, the Board of Supervisors (Board) adopted a Township recreation plan providing for the development and improvement of the Township's existing parks and acquisition of two (2) future park sites, one suburban and one rural. The Recreation plan was to be funded by a dedicated tax. In 1990, the suburban Haugh Tract (38 acres) was acquired and in 1991, the rural Crust Tract (74 acres) was purchased.

In 1998, the Board approved a dedicated 0.7 Recreation Millage as recommended by the Recreation Advisory Committee (RAC). This millage funded acquisition and development of Circleville Park (formerly known as Haugh Tract) and the Bernel Road Park (formerly the Crust property).

In 2006, the Board retired a "matching funds" requirement policy and endorsed the schedule of improvements as detailed in the "Patton Township Parks Plan 2006-2015".

In 2007, the Master Plans for the last phase of Circleville Park and for Bernel Road Park were presented to the Recreation Advisory Committee (RAC), and then adopted by the Board. The cost for Circleville was estimated to be \$1.4 million and the cost for Bernel Road Park was estimated at \$5.8 million. Circleville Park was completed in 2011. Phase 1 of Bernel Road Park was completed in 2012.

With adoption of the "Patton Township Parks Plan 2011-2020", the RAC considered the issue of financing park development. With attractive circumstances for borrowing, design, and construction, the RAC recommended financing the construction of Phase 1 of Bernel Road Park through bonds.

The RAC developed the "Patton Township Parks Plan 2015-2024", which was adopted by the Board in July 2015.

The RAC developed the "Patton Township Bicycle and Pedestrian Path Plan 2019-2024", which was adopted by the Board in February 2019.

The RAC developed the "Patton Township Parks & Recreation/Bicycle Path Plan 2020-2029", which was adopted by the Board in November 2020.

DESIGNATED RESERVE FUND: PARKLAND ACQUISITION AND IMPROVEMENT (CONT'D)

REVENUE

Private Contributions

- **Payment in Lieu of Land:** Developers have a choice as to whether they provide land in their developments for a park or, at their discretion propose a payment to the Township instead of providing land. The fee is based on negotiations between the developer and Township staff. If the developer prefers to make a payment, it is assigned to one of two categories.
 1. General: Applied to the New Park Development Fund for future use. The Village of Penn State made a payment of \$120,000 in 2018 for future bikeway development.
 2. Specific: Applied to the specific project identified in the subdivision/land development plan. No such payments are anticipated in 2022.
- **Payments for Equipment:** In some cases developers provide a payment for playground equipment or other improvements in a park. These funds are reserved for general or specific uses, as appropriate. No funds are anticipated in 2022.

Tax Revenue

As described in the introduction to this section, a dedicated amount of the total real estate tax millage is assigned to Patton Township parks. In 2021, 7/10ths of a mill of tax is expected to generate \$349,799 of revenue. For 2023, the same millage is anticipated to produce \$356,795.

Bond Proceeds

In 2010, as part of an overall debt refinancing, the Board of Supervisors authorized issuance of additional debt of \$2.105 million to fund the expenditures that had been scheduled for the next decade at Bernel Road Park. These bonds were repaid in 2020.

Interest

Available funds are invested in approved accounts. The interest earned on these investments is credited to this fund.

DESIGNATED RESERVE FUND: PARKLAND ACQUISITION AND IMPROVEMENT (CONT'D)

EXPENDITURES

Parks Project Manager Salary

At times in the past 15 years, a portion of this salary was paid from the dedicated park funds. For 2023, two-thirds of salary and benefits will be allocated to the Engineering, Planning and Zoning Department and one-third will be allocated to parks in the General Fund. In 2022, this position was changed to Project Manager in the Engineering, Planning and Zoning Department and increased to 35 hours a week.

Parkland Improvements

A schedule of improvements has been developed by staff and approved by the Patton Township Recreation Advisory Committee. All capital and major maintenance work expected through 2023 is included in the "Patton Township Recreation/Bicycle Path Plan 2020-2029", adopted by the Board in November 2020.

Minor repairs and maintenance work such as line-stripping on courts, re-mulching, electricity, water, and mowing make up the bulk of the costs for this category for the next several years.

In 2022, renovation of tennis courts into pickleball courts at Bernel Road Park, ADA accessibility to Green Hollow Park and convert back to tennis courts after the Green Hollow Park pickleball courts was completed.

DESIGNATED RESERVE FUND: PARKLAND ACQUISITION AND IMPROVEMENT (CONT'D)

New Park Development

- **Bernel Road Park Development:** The master plan was developed in 2007. Construction of the playground was substantially complete in 2011, however extreme wet conditions delayed the completion of the parking lot and tennis courts until 2012. In 2016, the RAC and their design professional began the task of updating the Master Plan for Phase 2 of Bernel Road Park. The original Master Plan included only play fields and the revised Master Plan was developed to reflect the current needs of the residents. The revised Master Plan was approved by the Board in 2017. A detailed plan for development of Phase 2A was completed in 2018 allowing the Township staff to seek grant or private funds to begin construction of Phase 2A in 2023 .
- **Gray's Woods Park**
The 43-acre Gray's Woods Park encompasses a large wetlands complex. A species survey was completed in 2010 and the identification of species of concern was made. Location and a plan for protection was developed with regulatory agencies in advance of any park master planning efforts. The master planning process for this park was completed in 2013. Design for Phase1 was completed in 2017. Construction of Phase 1 was completed in 2019.
- **Valley Vista Multi-Use Path**
Patton Township received a \$1,041,212 grant to construct a multi-use path along the west side of Valley Vista Drive from Carnegie Drive to Circleville Road in Ferguson Township. Construction was completed in 2021.
- **Patton Township Parks & Recreation/Bicycle Path Plan**
The Township Recreation Advisory Committee (RAC) has completed the "Patton Township Parks & Recreation/Bicycle Path Plan 2020-2029"

RESTRICTED RESERVE FUND: PARKLAND ACQUISITION AND IMPROVEMENT

	2021 Actual	2022 Budget	2022 Projected	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
REVENUE:								
Tax Revenue	347,530	360,429	349,799	356,795	385,339	396,899	408,806	421,070
Due to General Fund	8,982	0	347,530	0	0	0	0	0
Grants	0	155,000	0	355,000	800,000	0	0	0
Interest Earnings	7	250	1,676	500	500	250	250	250
Total Revenue	\$356,519	\$515,679	\$699,005	\$712,295	\$1,185,839	\$397,149	\$409,056	\$421,320
EXPENDITURES:								
Due from General Fund	347,530	0	0	0	0	0	0	0
Parks Project Manager Salary and Benefits	0	0	0	0	0	0	0	0
Debt Service Payments	0	0	0	0	0	0	0	0
Parkland Improvements	3,666	110,000	17,995	55,000	110,000	0	0	0
New Park Development								
Green Hollow Park	82,996	40,000	126,273	0	0	0	0	0
Bernel Road Park	7,611	270,000	86,062	805,000	0	0	0	0
Shared Use/Bike Paths	0	140,000	45,507	239,000	920,000	0	0	0
Gray's Woods Park	515	0	0	0	0	0	0	0
Total Expenditures	\$442,318	\$560,000	\$275,836	\$1,099,000	\$1,030,000	\$0	\$0	\$0
Difference	(85,799)	(44,321)	423,169	(386,705)	155,839	397,149	409,056	421,320
Cash Balance, January 1	85,923	125	125	423,293	36,588	192,427	589,576	998,632
Cash Balance, December 31	\$125	(\$44,196)	\$423,293	\$36,588	\$192,427	\$589,576	\$998,632	\$1,419,952

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION

2023 Budget

2014 Open Space Referendum

On November 4, 2014 the voters of Patton Township approved a ballot question to authorize the borrowing of \$3,500,000 to acquire and preserve additional Open Space lands in the Township. In 2015, the Township convened an ad-hoc committee of residents to work through that process and identify those undeveloped properties with willing sellers that would have the highest value as publicly owned Open Space. To begin making debt service payments, the Board of Supervisors approved a 2016 Budget with a 0.6 mill property tax increase dedicated for Open Space. The tax increase was included in property tax bills for 2016. In late 2016, the Open Space Task Force (OSTF) completed review of the potential properties and compiled a list of the highest rated properties.

2017 Open Space Property Acquisitions

The owners of the top-ranked properties were approached regarding the potential sale to the Township. The Township commissioned appraisals on three properties to establish the current fair market value (FMV). Following the appraisals, one property owner declined to continue in the program. Negotiations with the remaining owners resulted in a donation to the Township of \$750,000 from the Hamer Foundation and the following acquisitions in December 2017:

150 acres in the Gray's Woods Planned Community for \$4,250,000 (fee-simple purchase at 36% below FMV)

31 acres in Toftrees Planned Community for Rail-Trail and Conservation Easements (donation of \$950,000 FMV)

2020 Open Space Property Acquisitions

In 2019, the Township was informed that the late Ms. Marjorie Seward had bequeathed a 36.74-acre parcel (18-001-0010) to the Township for use as a "passive-use public park". This parcel is on top of Bald Eagle Ridge adjacent to "old Rte. 322". The parcel was conveyed by deed to the Township in May 2020. The Open Space Property Manager will work with the Stewardship Committee to develop a conservation plan for the parcel.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION (cont'd)

Previous Referendum

In 2001, the voters of Patton Township approved a \$2.5 million bond issue for Open Space Preservation. The Board of Supervisors appointed an Open Space Task Force in January 2002, and approved the report of the Task Force in September 2004. This report identified the top five properties for preservation as Open Space based on a systematic evaluation of all open properties in the Township using criteria developed by the Task Force with input from the community.

In 2006 the Township closed the deal to acquire the 466 acre Haugh Family Farm located on Circleville Road. The cost of this acquisition, which was a very generous gift from Ms. Helen Haugh and Mr. Hubert Haugh, was \$2.5 million. The property was appraised at \$8 million. In addition to the gift reducing the price on the land purchase, the Haugh Family also established an endowment with the Centre County Community Foundation. The income from this endowment will help fund maintenance and monitoring of the conservation easement of the property.

To fund the debt service (principal and interest) on the bond issue the Board began levying 1.0 mill of property tax. Because of low interest rates and growth in the value of one mill of Township property taxes, it was only necessary to amortize the bond issue over 11.5 years instead of the 20 years originally anticipated. Because the tax base continued to grow, the 1.0 mill tax brought in more funds than necessary for debt service. Funds in excess of debt service were to be reserved for transaction costs associated with the land purchase, but because it was a private sale only minimal costs were incurred.

With the 2007 budget, the Board reduced the Open Space Tax by 1/10th mill to 0.9 mill and the 2009 budget reduced the Open Space Tax by another 2/10th mill to 0.7 mill. To retire the debt on the original schedule in 2014 the millage was reduced to 0.4 mills in 2010 and will remain at 0.3 mills from 2011 through 2012. The dedicated millage was reduced to 1/10th of a mill in 2013 and eliminated for 2014.

The cash balance on the attached schedule shows the funds as designated for specific purposes. The Real Estate Tax revenues are designated exclusively for debt service on the bond issue and transaction costs associated with the financing. Additional monies in the cash balance primarily were generated from interest earned on the bond proceeds between 2003 and 2006, proceeds from the sale of Township property along North Atherton Street in 2006, farm rental for 2006 and 2007, and other interest earned on the account balance. These monies (with the exception of \$8,000 carried forward to 2008 for maintenance expenses) were designated as the "Township Endowment" for the Haugh Family Farm Open Space.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION (cont'd)

For maintenance and monitoring of the property for the future, four revenue streams are available: the Centre County Community Foundation Haugh Family endowment, the Township endowment, the farm lease, and income from forestry management practices developed through the Forest Stewardship Plan. These revenues are forecasted to be sufficient to fund anticipated maintenance, monitoring, and improvements through 2027. No additional tax revenue is required.

Also in 2007, the Board approved the establishment of an Open Space Stewardship Committee. The committee works with the Open Space Property Manager and Township Manager to develop policy recommendations for the Board's consideration.

REVENUE

Forestry Best Management Practices

"To promote biological diversity, improve forest health and productivity, control invasive species, improve wildlife habitat, protect water resources, and improve recreational access," the Forest Stewardship Plan recommends certain activities that are anticipated to produce income from the sale of saw timber and pulpwood. The revenue shown is the selling price from the harvest activities.

Dedicated Real Estate Tax

These are the funds received annually from the dedicated property tax millage for Open Space Preservation (current and prior).

A referendum passed in November 2014 authorizing the Board of Supervisors to spend up to \$3.5 million to acquire land to preserve open space. The debt service is to be funded by a dedicated real estate tax of approximately 6/10ths of a mill. The dedicated millage will be implemented in 2016 and debt service payments began in 2018.

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION (cont'd)

Hamer Foundation Grant

This grant was awarded in 2021 to assist with developing a conservation plan for the Haugh Family Preserve and the Gray's Woods Preserve, update the Forestry Stewardship Plan for the Haugh Family Preserve and development of Forestry Stewardship projects on the Gray's Woods Preserve.

CCCF Endowment Income

This is the income expected from the endowment fund established by the Haugh Family. The income is dependent on the earnings of the investments of the Centre County Community Foundation and is set by their Board of Directors.

Farm Rental Income

The sales agreement provides for the continuation of farming. The 2023 rent is based on 230 tillable acres at \$65 per acre.

Interest

This is the amount earned from investment of the funds in the reserve fund.

EXPENDITURES

Real Estate Taxes

This line reflects the State College Area School District and Centre County real estate taxes that are paid on the portion of the property covered by the farming lease.

Stewardship Expenses

This line includes funds expended to create/update stewardship plans, prepare biological studies and for third-party monitoring of the conservation easement requirements.

Forestry Management Practices

In conjunction with harvest activities noted in the revenue section, the Forest Stewardship Plan recommends additional activities to promote the health of the wooded areas. These include herbicide applications to control invasive species and installation of deer fencing to protect saplings until they reach browse height. When a harvest is done using a percentage split of revenues, the proceeds to the harvester will be included on this line.

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION (cont'd)

Maintenance

These costs reflect work performed by Township employees and contractors and include potential improvements such as paths, tree maintenance, and fencing, as well as mowing and brush removal.

Committee Expenses

These are meeting costs for the Open Space Stewardship Committee that meets 4 to 6 times per year. Costs are primarily for food for the 5 pm meetings and rental of gators for the annual property tour.

Allocation of Property Manager Costs

In addition to his other responsibilities, the Township Zoning Officer was promoted to take over the management of the Haugh Family Farm property. A portion of his salary and benefits is reflected here, with the remainder in account 414.131. The allocation was increased to \$8,500 in 2016 and \$9,000 in 2019.

Property Acquisition

Includes costs for survey and appraisals for right of way acquisition for the Bellefonte Central Rail Trail.

Debt and other Closing Costs

Includes costs associated with acquiring the property and securing the funding. These costs were funded from monies remaining in the "Reserved for Debt Service (Tax Revenue)" portion of the "Balance at Year End".

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION (cont'd)

Debt Service Payment-Principal and Interest

The final payment on the 2003 loan was made in 2014.

In November 2017, the Township secured financing from Jersey Shore State Bank for the open space acquisition and to re-finance additional Township debt. The debt service for the open space acquisition is shown on this line.

Balance at Year End

The cash balance includes funds generated from "Tax Revenue reserved for Debt Payments" and funds "Designated for Operating Costs". Operating costs include real estate taxes (on the portion of the property which is farmed), stewardship expenses, forestry management practices, maintenance, and allocation of a portion of the property manager's salary.

DESIGNATED RESERVE FUND: OPEN SPACE PRESERVATION

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST	2025 FORECAST	2026 FORECAST	2027 FORECAST
BEGINNING YEAR BALANCE	\$873,671	\$934,293	\$934,293	\$1,106,324	\$1,112,251	\$1,155,780	\$1,244,487	\$1,343,223
REVENUE								
Other Revenue Sources								
Loan Proceeds - 2014 Referendum	0	0	0	0	0	0	0	0
Interest (Tax Revenue Account)	343	0	318	300	300	300	300	300
Hamer Foundation Grant	0	164,000	164,400	0	0	0	0	0
Operational Revenues								
Forestry Best Management Practices	0	5,000	0	2,000	2,000	0	0	2,000
Dedicated Real Estate Tax	297,751	308,939	308,939	316,662	326,162	335,947	346,025	350,000
CCCCEndowment Income	12,793	13,100	14,270	14,000	14,000	14,000	14,000	14,000
Farm Rental Income	14,910	14,950	14,950	14,950	16,000	16,000	16,000	16,000
Reimbursement Grant	0	0	0	0	0	0	0	0
Interest from Operating Accts and Endowment	121	100	115	100	100	100	100	100
TOTAL REVENUE	325,918	506,089	502,992	348,012	358,562	366,347	376,425	382,400
EXPENDITURES								
Operational Expenditures								
Real Estate Taxes	2,992	2,992	3,079	3,150	3,200	3,200	3,200	3,200
Stewardship Expenses	5,520	97,000	70,000	20,000	10,000	8,000	8,000	8,000
Forestry Management Practices	0	6,000	0	60,000	41,900	6,500	6,500	6,500
Maintenance	2,176	3,000	3,000	3,000	4,000	4,000	4,000	4,000
Committee Expenses	76	950	950	1,000	1,000	1,000	1,050	1,050
Allocation - Property Manager	9,500	9,500	8,500	9,500	9,500	9,500	9,500	9,500
Capital Expenditures and Debt Service								
Property Acquisition	4,597	0	0	0	0	0	0	0
Debt and other Closing Costs	0	0	0	0	0	0	0	0
Debt Service payment-principal and interest	240,435	245,432	245,432	245,435	245,433	245,440	245,439	245,439
TOTAL EXPENSE	265,296	364,874	330,961	342,085	315,033	277,640	277,689	277,689
BALANCE AT YEAR END	\$934,293	\$1,075,508	\$1,106,324	\$1,112,251	\$1,155,780	\$1,244,487	\$1,343,223	\$1,447,934
Reserve Fund Balance								
Reserved for Debt Service (Tax Revenue)	\$701,401	\$764,550	\$764,550	\$836,512	\$917,974	\$1,009,221	\$1,110,546	\$1,215,107
Bond Revenue								
Township Endowment	\$196,842	\$197,144	\$196,644	\$196,644	\$197,487	\$196,842	\$197,685	\$197,040
Operating Funds	\$36,051	\$113,814	\$145,130	\$79,095	\$40,319	\$38,424	\$34,992	\$35,787
	\$934,293	\$1,075,508	\$1,106,324	\$1,112,251	\$1,155,780	\$1,244,487	\$1,343,223	\$1,447,934

DESIGNATED RESERVE FUND: LIQUID FUELS TAX EXPENSE FUND

Each year the Commonwealth of Pennsylvania provides funds to municipalities from the Liquid Fuels Tax Fund generated from the sale of gasoline and diesel fuel. These funds are allocated to municipalities based upon population and local road mileage. The Pennsylvania Department of Transportation Bureau of Municipal Services has indicated that the 2023 allocation totals \$464,733. In the future this is expected to decline as more vehicles are powered by electricity. PennDOT is beginning to consider how to deal with the short fall that keep paved roads in good shape.

In 2010 a separate fund for reporting Liquid Fuel Tax (LFT) expenditures has been created to more accurately track, forecast and report the use of LFT revenue for eligible LFT expenses.

Budgeted LFT expenditures for 2023 are as follows:

- \$30,667 for Repair & Maintenance Supplies (Rock Salt)
- \$15,804 for Traffic Signal Electricity
- \$31,400 for Vehicle Repair & Maintenance
- \$31,750 for Road Maintenance Materials
- \$325,315 Road Resurfacing Project Allocation
- \$92,947 Road Equipment

The total LFT eligible expenditures for 2023 are \$527,883.

DESIGNATED RESERVE FUND: LIQUID FUELS TAX RELATED EXPENSES
DESIGNATED RESERVE FUND: LIQUID FUELS TAX FUND

	2021 Actual	2022 Budget	2022 Projections	2023 Proposed	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Cash Balance, January 1	\$ 420,963	\$ 44,454	\$ 44,454	\$158,990	\$96,090	\$30,375	\$61,750	\$24,429
<u>REVENUE</u>								
L355020 LFT Revenue	456,316	449,452	460,061	464,733	469,450	474,220	479,030	483,889
L341000 Interest	270	300	90	250	250	250	250	250
Transfer from General Fund	-	-	20,034	-	-	-	-	-
Refunds	360	-	-	-	-	-	-	-
County LFT Grant	-	48,300	-	-	-	-	-	-
Total Revenue	456,946	498,052	480,185	464,983	469,700	474,470	479,280	484,139
<u>EXPENDITURES</u>								
Transfer to General Fund	20,034	-	-	-	-	-	-	-
L430740 Equipment Purchase	91,225	89,890	92,012	92,947	93,890	94,844	95,806	96,778
L430741 Minor Equipment	14,140	-	-	-	-	-	-	-
L431250 Repair Street Cleaning Vehicles	569	-	-	-	-	-	-	-
L432245 Repair & Maint. Supplies (SALT)	97,365	63,945	84,918	30,667	31,587	32,535	33,511	34,516
L432250 Repair Veh Snow & Ice Removal	-	-	3,398	-	-	-	-	-
L433246 Traffic Signal/Street Sign Op. Exp.	22,321	-	3,571	-	-	-	-	-
L433247 Street Signs/Road Maintenance	4,874	-	3,697	-	-	-	-	-
L433316 Traffic Signal-Other Svcs	3,050	-	-	-	-	-	-	-
L433361 Traffic Signal Electricity	11,865	7,902	11,597	15,804	16,278	16,766	17,269	17,788
L435247 Sidewalks & Curbs Maint Supp.	1,007	-	2,309	-	-	-	-	-
L436246 Storm Sewers & Drains Opr Exp	-	-	12,200	-	-	-	-	-
L436247 Storm Sewers/Drains Maint Supp	14	-	25,511	-	-	-	-	-
L437250 Rep Tools & Mach Veh Maint	31,358	32,306	11,586	31,400	32,342	33,312	-	-
L438246 Road Maint Opr Exp	44,854	-	48,541	-	-	-	-	-
L438247 Road Maintenance Materials	31,753	48,300	13,569	31,750	32,703	33,684	34,694	-
L438310 Line Painting	4,091	-	37,207	-	-	-	-	-
L438610 Road Resurfacing	16,760	-	-	-	-	-	-	-
L439610 Road Resurfacing Project Allocation	438,174	255,409	15,534	325,315	328,615	231,954	335,321	335,321
Total Expenditures	833,455	497,752	365,649	527,883	535,415	443,095	516,601	484,403
Cash Balance, December 31								
Total Fund Balance	\$44,454	\$44,754	\$158,990	96,090	30,375	\$61,750	\$24,429	\$24,165
<u>Composition of Fund Balance:</u>								
Carry forward of Equipment reserve	\$1,279	\$1,318	\$1,318	1,318	1,318	\$1,318	\$1,318	\$1,318
Current Year's Equipment Allocation (20%)	\$91,263	\$89,890	\$92,012	92,947	93,890	\$94,844	\$95,806	\$96,778
Less Equipment Purchases	\$91,225	\$89,890	\$92,012	92,947	93,890	\$94,844	\$95,806	\$96,778
Reserved for Equipment Purchases	\$1,318	\$1,318	\$1,318	1,318	1,318	\$1,318	\$1,318	\$1,317
Available for other uses	\$43,136	\$43,436	\$157,672	94,772	29,057	\$60,432	\$23,111	\$22,848

DESIGNATED RESERVE FUND: ROAD EQUIPMENT REPLACEMENT

Beginning with the 1988 Budget the Board of Supervisors authorized a schedule of regular appropriations each year to finance the replacement of major equipment items used in the Public Works Department. A replacement schedule for the equipment, based on its estimated useful life, was set forth and is illustrated as a chart below. The present fleet consists of four 30,000 lb. gross vehicle weight (GVW) trucks, four 17,000 lb. GVW trucks, three pick-up trucks and 23 other pieces of motorized equipment.

Allocation History

In 1988 the Board allocated \$40,000 to this fund and planned for an annual increase of \$1,000. In 1997, the allocation was increased to \$51,000 with planned annual increases of \$2,000. Based upon the 1997 allocation formula the planned allocation for 2006 was \$69,000. However, with the approval of the 2006 budget the allocation was increased by an additional \$10,000 per year. In 2007, the allocation (based upon the modified 2006 formula) was \$81,000, \$83,000 for 2008 and \$85,000 for 2009. The 2010 allocation was reduced to \$61,822 due to economic conditions. As noted above, the allocation is augmented in some years by grants from DEP to help fund recycling collections for leaves and brush. Since 2007 equipment replacement purchases have been funded by \$674,469 from the General Fund, \$951,315 from Liquid Fuels Funds and \$282,747 from grant funding. The 2023 budget includes a proposed yearly increase in the equipment replacement fund of \$20,000 each year from the general fund to keep dependable equipment and avoid downtime or major repairs.

The 2023 budget is scheduled for an allocation of \$192,947 to continue the current allocation formula. 2023 allocation will be achieved by using \$92,247 from Liquid Fuels Tax Funds and the remainder \$100,000 from the General Fund.

Purchases proposed for 2023 include a new Collection unit for one of the one man leaf trucks, a new skid steer. DEP Grant funds have been requested for the leaf truck.

**PATTON TOWNSHIP
PUBLIC WORKS CHART OF EQUIPMENT REPLACEMENT**

Description	ID	Estimated Service Life	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Towable Air Compressor	AC-1	20 years																						
Asphalt Hot Box	AT-1	15 years																						
Brush Chipper	BC-3	15 years																						
Brush Chipper	BC-4	15 years																						
Backhoe	BH-1	15 years																						
Trailer (Concrete Forms)	CFTR-1	20 years																						
Motor Grader	GR-1	20 years																						
Mini Excavator	ME-1	15 years																						
Tractor Mower (John Deere)	MT-1	15 years																						
Leaf Collector	ODB-1	15 years																						
Bucket Truck	P-10	15 years																						
One-Man Leaf Truck	P-11	20 years																						
Sign Truck (Bi-Fuel)	P-12	10 years																						
11,000# Truck	P-21	12 years																						
11,000# Truck	P-22	12 years																						
30,000# Truck	P-23	12 years																						
30,000# Truck	P-24	12 years																						
11,000# Truck	P-25	12 years																						
11,000# Truck	P-27	12 years																						
1 Ton Truck	P-27	10 years																						
30,000# Truck	P-28	12 years																						
Pick-up Truck (Bi-Fuel)	P-4	10 years																						
30,000# Truck	P-5	12 years																						
Pick-up Truck	P-7	10 years																						
Street Sweeper	P-8	15 years																						
One-Man Leaf Truck	P-9	20 years																						
Pull Broom	PB-1	20 years																						
Asphalt Roller	RL-1	15 years																						
Skid Steer Loader	SL-1	15 years																						
Multi-use Tractor (Steiner)	ST-1	8 years																						
Multi-use Tractor (Steiner)	ST-2	8 years																						
SL Trailer	TR-1	20 years																						
Trailer (Portable Generator)	TR-2	20 years																						
PM Trailer	TR-3	20 years																						
Tilt Trailer	TR-4	20 years																						
Trailer (Steiner)	TR-5	20 years																						
Front End Loader	WL-1	20 years																						
used pick-up Truck	P-6	10 Years																						
17,000 # Truck																								

DESIGNATED RESERVE FUND: ROAD EQUIPMENT REPLACEMENT (E1074010)

	2021 <u>Actual</u>	2022 <u>Budget</u>	2022 <u>Projected</u>	2023 <u>Proposed</u>	2024 <u>Forecast</u>	2025 <u>Forecast</u>	2026 <u>Forecast</u>
Cash Balance January 1	\$27,350	\$120,992	\$120,992	\$75,739	\$211,316	\$298,380	\$258,324
<u>Revenue</u>							
General Fund Allocation	75,000	80,000	80,000	100,000	120,000	140,000	160,000
Equipment Purchases Paid from Liquid Fuel Funds	89,890	89,890	92,012	92,947	93,890	94,844	95,806
Grants	-	-	-	151,261	197,939		48,539
Loan from the General Fund	-	-	-	-	-	-	-
Interest	15	100	100	100	100	100	100
SCASD (School Drive Project)	-	-	-	-	-	-	-
Rebate on Equipment	-	-	-	-	-	-	-
Sale Of Used Equipment	20,000	20,000	20,000	20,000	20,000	20,000	-
Total Revenue	184,905	189,990	192,112	364,308	431,929	254,944	304,445
<u>Expenditures</u>							
17,000 GVW dump truck replacement	91,263	-	-	-	-	220,000	108,000
30,000 GVW dump truck replacement	-	190,365	190,365	-	-	-	205,000
Skid Steer replacement	-	-	-	50,000	-	-	-
One-Man Leaf Truck replacement	-	-	-	178,731	273,865	-	-
Tilt Trailer replacement	-	17,000	17,000	-	71,000	-	-
Sign/Utility Truck replacement	-	-	-	-	-	-	-
Backhoe replacement	-	-	-	-	-	-	-
Towable Air-Compressor replacement	-	-	-	-	-	-	-
Mini Excavator replacement	-	-	-	-	-	75,000	-
Bi-Fuel Pick up Truck replacement	-	-	-	-	-	-	65,000
Bobcat Toolcat	-	30,000	30,000	-	-	-	-
Total Expenditures	91,263	237,365	237,365	228,731	344,865	295,000	378,000
Cash Balance December 31	\$120,992	\$73,617	\$75,739	\$211,316	\$298,380	\$258,324	\$184,769

DESIGNATED RESERVE FUND: ROAD RESURFACING AND RECONSTRUCTION

In 2001, the Board of Supervisors established this reserve fund to finance the annual street overlay program and road reconstruction. The proposed annual appropriation to the fund is based on the township's road mileage 15 years ago, the projected value of the *Engineering News Record (ENR) Construction Cost Index* for July, and a fixed unit funding amount per mile per 100 ENR index points. A preliminary work plan for the next year is presented with the Fall Road Condition Report. The final list of streets to be overlaid will be finalized following the Spring Road Condition Report.

The 2022 program included an asphalt overlay over portions of Devonshire, Briarwood Lane and Weymouth Circle and curbing on Briarwood and Weymouth. A preliminary list of work for 2023 will be presented with the Fall 2022 Road Report. A final list will be proposed in the Spring of 2023 with modifications based on the Spring 2023 road inspection.

DESIGNATED RESERVE FUND: ROAD RESURFACING AND RECONSTRUCTION

	2021 <u>Actual</u>	2022 <u>Budget</u>	2022 <u>Projected</u>	2023 <u>Proposed</u>	2024 <u>Forecast</u>	2025 <u>Forecast</u>	2026 <u>Forecast</u>	2027 <u>Forecast</u>
Cash Balance January 1	\$183,062	\$81,491	\$81,491	\$38,776	\$44,141	\$49,806	\$45,510	\$43,921
<u>Revenue</u>								
General Fund Allocation	103,000	107,000	103,000	110,000	130,000	150,000	170,000	190,000
Liquid Fuel Tax	255,409	255,409	255,409	325,315	328,615	331,954	335,321	335,321
Rev. from SCBWA	-	-	-	-	-	-	-	-
Grants-County LFT	-	-	-	-	-	-	-	-
Loan from Road Improvements Fund	-	-	-	-	-	-	-	-
Developer Funds	-	-	-	-	-	-	-	-
Adjustment for payment of P&R Exp	-	-	-	-	-	-	-	-
Interest	101	50	61	50	50	50	50	50
Total Revenue	358,510	362,459	358,470	435,365	458,665	482,004	505,371	525,371
<u>Expenditures</u>								
Overlays -Expenditures	459,919	400,000	401,186	400,000	420,000	450,000	470,000	480,000
Patching	-	-	-	-	-	-	-	-
Road Crew materials (General Fund)	161	28,000	-	30,000	33,000	36,300	36,960	40,656
Total Expenditures	460,080	428,000	401,186	430,000	453,000	486,300	506,960	520,656
Cash Balance December 31	\$81,491	\$15,950	\$38,776	\$44,141	\$49,806	\$45,510	\$43,921	\$48,636

DESIGNATED RESERVE FUND: BUILDINGS REFURBISHMENT

2022 Budget

Beginning in 2005 the Township set aside funds for the refurbishment needs of the building.

Beginning with the 2008 budget, staff compiled a comprehensive schedule of replacements and major maintenance items for the Township's building facilities to include the:

- Township Office Building
- Road Crew Shop and storage buildings

The schedule includes carpet replacements, painting, HVAC and other mechanical systems, appliances, furnishings, phone system, roofing and parking lot overlays. For items such as carpeting and appliances, replacement is scheduled to occur on a regular basis in accordance with the expected useful service life of the item. For items such as HVAC systems funds are scheduled for significant repairs and replacement parts on a recurring basis (e.g. every 5 years for HVAC systems.)

DESIGNATED RESERVE FUND: BUILDINGS REFURBISHMENT

Expected expenditures for 2023 and 2024 include:

<u>2023 Expenditures</u>		<u>2024 Expenditures</u>	
Office Carpet - meeting room	\$12,126	Office HVAC (PTAC)	\$ 3,800
Office Door Systems	\$12,500	Office Water Heaters	\$ 4,504
Office HVAC (PTACs) - 2	\$3,700	Office Water Cooler	\$ 257
Office HVAC shared	\$20,000	Parking Lot - Fire Station	\$ 25,223
Office TVs	\$1,559	Office Contingency	\$ 2,000
Office - Gym Equipment	\$1,250	Shop - Vehicle Lift	\$ 22,427
Office Exterior Paint	\$12,993	Shop - Welder	\$ 6,715
Municipal Building Contingency	\$2,000	Shop Contingency	\$ 600
Shop Doors (fobs)	\$2,500		
Shop HVAC	\$4,356		
Shop Refrigerator	\$1,343		
Shop Overhead Doors	\$1,885		
Generator Tank Replacement	\$20,000		
Shop Contingency	\$600		
	<u>\$96,812</u>		<u>\$65,526</u>

2023 PATTON TOWNSHIP LINE-ITEM DETAIL BUDGET

DESIGNATED RESERVE FUND: BUILDING REFURBISHMENT FUND

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 FORECAST	2024 FORECAST	2025 FORECAST	2026 FORECAST	2027 FORECAST
BEGINNING YEAR BALANCE	\$116,761	\$134,000	\$134,000	\$103,737	\$42,075	\$12,699	\$9,128	\$10,672
<u>REVENUE</u>								
Appropriation	40,000	44,000	44,000	35,000	36,000	37,000	38,000	39,000
Interest	50	150	8	150	150	150	150	150
TOTAL REVENUE	40,050	44,150	44,008	35,150	36,150	37,150	38,150	39,150
<u>EXPENSE</u>	22,811	106,834	74,271	96,812	65,526	40,721	36,606	27,015
YEAR END BALANCE	\$134,000	\$71,316	\$103,737	\$42,075	\$12,699	\$9,128	\$10,672	\$22,807

DESIGNATED RESERVE FUND: TOFTREES TRAFFIC MITIGATION PROJECT

In 2003, based on the original traffic studies conducted in connection with development at the Village of Penn State, the Patton Township Board of Supervisors negotiated with the developers to share in the cost of future road improvements, primarily the widening of the bridge on Waddle Road. Developers, who impact this traffic corridor, are required to contribute to this fund. Fees have been established based on development type and are indexed for inflation.

In 2009, the Township began the process of evaluating the needed improvements for the Waddle Road Interchange. The Township has also contracted with Delta Development to apply for Federal and State grants to fund the proposed construction.

The Township issued a request for proposals for a \$3 million, 25 year bank loan to pay for engineering and preconstruction costs associated with the Waddle Road Interchange Project. The loan was awarded to Kish Bank who provided a loan with drawdown access over the first 30 months, interest only payments during the drawdown period, a fixed rate of 3.13% for the first 10 years and then a variable rate with a 6% cap for the remaining period.

In the spring of 2014, the Township and Kish Bank agreed to extend the drawdown period of the loan for one year to June 2015 because the project had been going more slowly than originally anticipated, mainly because of PennDot's review process. In the spring of 2015, the Township and Kish Bank agreed to an additional extension of the drawdown period of the loan for two years to June 2017. In December 2017, this note was refinanced through Jersey Shore Savings Bank.

In 2014, PennDOT announced that \$12 million had been earmarked for the construction of the Waddle Road Interchange Improvements. In October 2015, the project will be bid out as a PennDOT Design-Build contract. Work was completed in 2018.

DESIGNATED RESERVE FUND: TRAFFIC MITIGATION PROJECT

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
BEGINNING YEAR BALANCE	\$314,252	\$206,159	\$206,159	\$242,645	\$128,118
<u>REVENUE</u>					
Bank Loan - Drawdown	\$0	\$0	\$0	0	0
General Fund Allocation	\$0	\$0	\$0	0	0
General Fund Allocation for Debt Service	\$14,021	\$122,273	\$0	0	0
Traffic Mitigation Fee	\$0	\$7,500	\$172,778	7,500	7,500
Interest	\$162	\$250	\$36	250	250
<u>TOTAL REVENUE</u>	<u>14,182</u>	<u>130,023</u>	<u>172,814</u>	<u>7,750</u>	<u>7,750</u>
<u>EXPENSE</u>					
<u>Due to General Fund</u>	0	0	14,052	0	0
Debt Service	122,276	122,277	122,276	122,277	122,273
Consulting Fees - Delta	0	0	0	0	0
Consulting Fees - Design	0	0	0	0	0
	<u>122,276</u>	<u>122,277</u>	<u>136,328</u>	<u>122,277</u>	<u>122,273</u>
YEAR END BALANCE	<u>\$206,159</u>	<u>\$213,905</u>	<u>\$242,645</u>	<u>\$128,118</u>	<u>\$13,595</u>

DESIGNATED RESERVE FUND: HOMESTEAD FARMS NEIGHBORHOOD IMPROVEMENT DISTRICT

In 2011, the Township and the Homestead Farms Homeowners Corporation came to an agreement to have the Township assume the ownership of the three roadways within the Homestead Farms Subdivision approximately one mile of roads in the neighborhood, bringing them up to the width and pavement structure standards of the Township and maintaining the roads into the future. The agreement and subsequent Township Ordinance included the formation of a Neighborhood Improvement District (NID) consisting of the 43 homes located within the subdivision. These homeowners are assessed fees to cover the costs to bring all the roads up to Township standards. In 2012, the homeowner's association paid \$30,000, on behalf of the property owners, towards the assessment for the improvement of these roads. In addition, each property will be assessed an additional \$3,792 payable at \$316 per year (approximately \$15,168 annual total) for 12 years. Of the 48 affected properties, 43 are in Patton Township and 5 are in Ferguson Township. Ferguson Township has also created a neighborhood improvement district and assigned the assessment authority to Patton Township.

The schedule of road improvements to be made over the next ten years is included in the Plan for Establishing Neighborhood Improvement Districts for Homestead Farms in Patton Township and Ferguson Township. No construction was completed in 2020. Replacement of the curbing and asphalt overlays on Crandall Drive was performed in 2022, thus completing the NID upgrades.

ASSIGNED RESERVE FUND: HOMESTEAD FARMS NEIGHBORHOOD IMPROVEMENT DISTRICT

	2021 Actual	2022 Budget	2022 Projected	2023 Proposed
Balance January 1	\$32,836	\$14	\$14	14
Revenue:				
Interest	20	20	6	-
Due to General Fund	5,200	-	-	-
Assessment	13,384	13,605	14,934	12,276
	18,604	13,625	14,940	12,276
Expenditures:				
Bank Service Charges	37	-	-	-
Due to General Fund	-	-	-	12,290
Labor Costs	-	-	-	-
Road Improvements	51,389	-	-	-
	51,426	-	-	12,290
Balance December 31	\$14	\$13,639	\$14,954	\$0

DESIGNATED RESERVE FUND: TRAFFIC LIGHT REPLACEMENT

Over the past few years, Patton Township has seen a significant increase in the number of traffic signals in the township. Over time the traffic signals and the electronic controller equipment will fail and need to be replaced. As some of these traffic signals are approaching the age where replacement will be required, a fund has been set up to set aside funds to pay for future replacements.

The sum of \$20,000 was appropriated to this fund in 2016 with a similar amount in the following years to fund traffic signal equipment replacement. \$25,000 has been appropriated in 2023 to replace the signal cabinet at North Atherton Street and Hawbaker Industrial Drive.

DESIGNATED RESERVE: TRAFFIC LIGHT REP

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST	2025 FORECAST	2026 FORECAST	2027 FORECAST
BEGINNING YEAR BALANCE	\$88,229	\$88,229	\$88,229	\$88,229	\$47,241	\$83,241	\$121,241	\$36,241
<u>REVENUE</u>								
Allocation	0	0	0	34,000	36,000	38,000	38,000	38,000
<u>TOTAL REVENUE</u>	0	0	0	34,000	36,000	38,000	38,000	38,000
<u>TOTAL EXPENSE</u>	0	0	0	74,988	0	0	123,000	0
YEAR END BALANCE	\$88,229	\$88,229	\$88,229	\$47,241	\$83,241	\$121,241	\$36,241	\$74,241

DESIGNATED RESERVE FUND: FIRE HYDRANTS

	2021 Actual	2022 Budget	2022 Projected	2023 Forecast	2024 Forecast
Balance January 1	\$3,893	\$2,736	\$2,736	\$3,377	\$2,275
Assessments	61,067	75,432	75,463	90,556	108,667
Due To General Fund	10,000	0	15,000		
Reserve for Dry Hydrant	0	0	0		
Ferne Smith	0	0	0	0	0
Cedar Cliff	550	550	550	550	550
Transfer to PT Water Authority	0	0	0	0	0
Due From General Fund	0	0	0	0	0
Payments	(72,774)	(72,744)	(90,372)	(92,208)	(94,081)
Balance December 31	\$2,736	\$5,974	\$3,377	\$2,275	\$17,411
<u>Cash Balance Allocations</u>					
General	(\$10,464)	(\$7,776)	(\$10,373)	(\$12,025)	\$2,561
Dry Hydrants	13,200	13,750	13,750	14,300	14,850
Total Cash Balance	\$2,736	\$5,974	\$3,377	\$2,275	\$17,411

	Cedar Cliff	Ferne Smith
	12,100	8,250
	550	(8,250)
	<u>12,650</u>	<u>0</u>

DESIGNATED RESERVE FUND: FIRE HYDRANTS

Each property in the Township within 780 feet of a fire hydrant is assessed on a front-foot basis at 23 cents per front foot. The current rate for hydrant services from the State College Borough Water Authority is \$375 per year per hydrant.

In 2014, water lines were installed to the Ridgemont and Ferne Smith Estates neighborhoods. Ferne Smith Estates had been contributing towards maintenance and replacement of its dry hydrant. With the installation, a dry hydrant was no longer necessary. With the Homeowners' Associations permission, \$8,800 of accumulated funds were transferred to the Patton Township Water Authority to offset its \$250,000 contribution towards the project.

The Township also collects contributions from Cedar Cliff Homeowners' Associations for maintenance and replacement of storage tanks/dry hydrants in this rural area of the Township.

DESIGNATED RESERVE FUND: STREETLIGHTS

Each property in the Township within 250 feet of a streetlight is assessed an amount of 23 cents per front foot. Vacant lots are assessed 5.75 cents per front foot. This 4:1 ratio is set in the Township Code. The main purpose of this fund is to pay for the electricity that powers the streetlights in portions of the Township. Excess funds are reserved for future replacements and repairs to streetlights.

The Township participates in an Electricity Consortium which provides a reduction in the cost of electricity. No increase in the assessment is deemed necessary at this time.

DESIGNATED RESERVE FUND: STREETLIGHTS

	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Projected</u>	<u>2023 Proposed</u>	<u>2024 Forecast</u>
Balance January 1	\$59,236	\$74,003	\$74,003	\$76,726	\$76,832
Assessments	44,143	28,880	28,892	28,892	28,892
Net Assessment transferred From General Fund	44,143	28,880	28,892	28,892	28,892
Payments	29,376	28,651	26,169	28,786	29,218
Repair/Replacement	0	0	0	0	0
	<u>29,376</u>	<u>28,651</u>	<u>26,169</u>	<u>28,786</u>	<u>29,218</u>
Balance December 31	<u>\$74,003</u>	<u>\$74,232</u>	<u>\$76,726</u>	<u>\$76,832</u>	<u>\$76,506</u>

DESIGNATED RESERVE FUND: ACCRUED COMPENSATED ABSENCES

This account reflects the expenditures incurred during the year for severance obligations for accumulated sick leave, personal leave and vacation leave up to specified limits. The amount of the Township's obligation is approximately \$827,000 as of December 31, 2021. In 1993 the Board instituted a reserve appropriation of \$5,000 per year. It is the Township's intention to fund approximately ten percent of current obligations as well as any anticipated departures known during the budget production process in an attempt to normalize the unpredictable year-to-year variations in expenditures.

A number of separations occurred between 2015 and 2022, with more anticipated in the next several years, therefore it is necessary to continue to contribute to this fund at a higher rate.

DESIGNATED RESERVE FUND: ACCRUED COMPENSATED ABSENCES FUND

	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Projected</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2022 Projected</u>	<u>2023 Proposed</u>	<u>2024 Forecast</u>
Balance January 1	\$24,953	\$50,006	\$50,006	\$50,006	\$30,202	\$30,202	\$30,145	\$30,170
<u>Revenue</u>								
Appropriation	44,820	25,000	25,000	0	25,000	45,432	106,512	25,000
Interest	52	54	17	16	25	13	25	25
Total Revenue	44,873	25,054	25,017	16	25,025	45,445	106,537	25,025
<u>Expenses</u>								
Payments made from fund	19,820	25,000	45,457	19,820	25,000	45,502	106,512	25,000
Total Expenses	19,820	25,000	45,457	19,820	25,000	45,502	106,512	25,000
Balance December 31	\$50,006	\$50,060	\$29,566	\$30,202	\$30,227	\$30,145	\$30,170	\$30,195

DESIGNATED RESERVE FUND: EMERGENCY ASSISTANCE

As a result of a number of severe weather events that the Township has experienced, a fund was established in 2004 to provide for the hiring of temporary workers, purchase of materials, rental of equipment, and/or use of contractors on a short-term basis to enable the Township to respond quickly to emergencies and to enable the quick resumption of regular operations.

At the end of 2006, this fund had a balance of approximately \$31,000. In light of the initialization of the COG Emergency Management contingency fund, allocations to this fund were suspended but the balance, and interest earnings, are preserved for purposes detailed above.

Over the years, this fund has been used for clean up after early season snowstorms, ice damage, and oak wilt mitigation. This fund will be maintained at the \$35,000 level.

DESIGNATED RESERVE: EMERGENCY ASSISTANCE

	2020 ACTUAL	2021 BUDGET	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
BEGINNING YEAR BALANCE	\$34,918	\$56,924	\$56,924	\$11,966	\$11,966	\$3,407	\$18,457
<u>REVENUE</u>							
Allocation	30,000	0	0	0	45,183	25,000	25,000
Interest	69	50	28	50	5	50	50
<u>TOTAL REVENUE</u>	<u>30,069</u>	<u>50</u>	<u>28</u>	<u>50</u>	<u>45,188</u>	<u>25,050</u>	<u>25,050</u>
<u>TOTAL EXPENSE</u>	<u>8,064</u>	<u>10,000</u>	<u>44,986</u>	<u>10,000</u>	<u>53,747</u>	<u>10,000</u>	<u>10,000</u>
YEAR END BALANCE	\$56,924	\$46,974	\$11,966	\$2,016	\$3,407	\$18,457	\$33,507

DESIGNATED RESERVE FUND: ENCUMBERANCES

Each year there are several projects that are budgeted but, for a variety of reasons, must be deferred. In an effort to show the impact of these projects on the fund balance in the General Fund, we have shown these expenditures as having been made in the appropriate line of the General Fund but the funds are reserved here for the future cash outlay.

For major projects which require more than one budget year to be fully completed, we will show the money reserved in this fund. Only funds for capital projects, consultant studies and major expenditures noted in the budget narratives are eligible for carry-over in this designated reserve fund.

Example of these projects are police record management software, emergency communications upgrades, contributions to regional economic development, and traffic signal upgrades. If planned projects did not transpire, the funds were returned to the General Fund.

The developer of the Trader Joe's Plaza, formerly Green Tree Commons, was required to make a contribution, based on occupancy, towards traffic signal upgrades. Their contribution for 2012 was \$46,300. \$3,678.50 went to general fund to repay expenses already incurred for traffic signal upgrades. In 2013, four more intersections were outfitted with emergency battery backup units that will maintain traffic signal functions in the event of a power failure.

There is no remaining balance at the end of 2022.

DESIGNATED RESERVE FUND: ENCUMBRANCES

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 FORECAST	2024 FORECAST
ENCUMBERED FUNDS, Beginning Balance	\$308,988	\$193,488	\$193,488	\$0	\$0
Police Records System	0	0	0	0	0
Regional Economic Development	0	0	0	0	0
Bernel Rd/Fox Hollow Rd Interchange	0	0	0	0	0
Solar Panels	0	0	0	0	0
Stormwater Pipe Rehabilitation	34,500	0	0	0	0
Bikeway Development	0	0	0	0	0
	<u>34,500</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXPENDITURE					
Police Records System	0	0	0	0	0
Return Excess Funds to General Fund	0	0	34,000	0	0
Traffic Signal Upgrades-Battery Backups	0	49,988	49,988	0	0
Valley Vista Adaptive Signalling Project	0	0	0	0	0
Regional Economic Development (2013 Contribution)	0	0	25,000	0	0
Bernel Rd/Fox Hollow Rd Interchange	150,000	0	0	0	0
Solar Panels	0	0	50,000	0	0
Valley Vista Left Turn Lanes	0	0	0	0	0
Stormwater Pipe Rehabilitation	0	34,500	34,500	0	0
Bikeway Development	0	0	0	0	0
	<u>150,000</u>	<u>84,488</u>	<u>193,488</u>	<u>0</u>	<u>0</u>
YEAR END BALANCE	<u>\$193,488</u>	<u>\$109,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Balance Reserved For:					
Economic Development (2012)	25,000	25,000	0	0	0
Traffic Signal Upgrades-Battery Backups (2014)	49,988	0	0	0	0
Valley Vista Adaptive Signaling Project (2014)	34,000	34,000	0	0	0
Police Records System (2015 & 2016)	0	0	0	0	0
Bernel Rd/Fox Hollow Rd Interchange (2017)	0	0	0	0	0
Solar Panels (2017)	50,000	50,000	0	0	0
Stormwater Pipe Rehabilitation (2021)	34,500	0	0	0	0
Bikeway Development (2017)	0	0	0	0	0
	<u>\$193,488</u>	<u>\$109,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

DESIGNATED RESERVE FUND: ECONOMIC DEVELOPMENT FUND

On October 23, 2019, the Board of Supervisors of Patton Township established a Designated Reserve Fund for Economic Development. Commencing with the 2020 Township Budget, five percent (5%) of the budgeted Real Estate Transfer Tax (RETT) revenue will be allocated to the Economic Development Reserve Fund (EDRF) for the budget year. In addition, twenty percent (20%) of RETT funds received that exceed the prior year's budgeted amount will be allocated to the Economic Development Reserve Fund.

DESIGNATED RESERVE: ECONOMIC DEVELOPMENT FUND

	2021 ACTUAL	2022 BUDGET	2022 PROJECTED	2023 PROPOSED	2024 FORECAST
BEGINNING YEAR BALANCE	\$23,000	\$23,000	\$23,000	\$23,000	\$28,000
<u>REVENUE</u>					
Allocation	25,000	23,300	25,000	30,000	30,700
<u>TOTAL REVENUE</u>	25,000	23,300	25,000	30,000	30,700
<u>TOTAL EXPENSE</u>	25,000	0	25,000	25,000	25,000
YEAR END BALANCE	\$23,000	\$46,300	\$23,000	\$28,000	\$33,700