

JEFFERSON TOWNSHIP COUNCIL

Budget Meeting

March 14, 2012

Municipal Building, Council Chambers

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Roll Call

Present

Mr. Dunham
Mrs. Merz
Mr. Birmingham
President Yocum
Lori Harvin, Township Clerk

Absent

Mr. Sanchelli
Arrived at 7:45 p.m.
Township Attorney, Lawrence Cohen

Mrs. Harvin said, "Let the record show that Administrator James Leach and Mayor Felter are not present this evening.

Salute to the Flag

Vice President Merz asked everyone to rise for the Pledge of Allegiance.

Notice of Presiding Officer

Vice President Merz said, "This Budget Council meeting for March 14, 2012, commencing at 7:00 p.m. has been properly noticed in accordance with the Open Public Meetings Act by notice to the official newspapers of the Township on March 8, 2012."

Recess

The Council adjourned for recess at 6:06 p.m. and reconvened at 6:35 p.m.

Township Auditor's Overview of the 2012 Municipal and Solid Waste Budgets

- Charles Ferraioli, Township Auditor

Ferraioli began with the Total Net Debt at the end of 12/31/11 in the amount of \$16,297,406. The Net Debt is divided by the Average Equalized Valuation for the last three years. This average is the true average real estate values at the end of 2009, 2010 and 2011. Ferraioli detailed the true real estate values from

	2009 - \$3,140,013,215
	2010 - \$2,970,326,691
	2011 - \$2,872,238,471
Average:	\$2,994,192,792

Ferraioli said that out of over 50 financial statements that he has checked this year everyone is showing this trend. The net debt divided by the average provides the net debt as a percentage. The three year average is \$2,994,192,792 versus last year's of \$3,105,612,048. The net debt this year is .54% versus last year of .48%. Ferraioli said the Township's debt is still at a very healthy position. Ferraioli noted that the way to keep the debt down is to cut back on the Capital.

Merz noted that the Capital total for 2011 was \$3,115,440 and the request for 2012 is \$1,539,317. Ferraioli said the Budget is at Levy Cap and to accomplish this \$40,588 of Cap Bank from prior years was used. Ferraioli said that if more is trimmed from the Budget, it may not be necessary to use these funds.

Yocum arrived at 7:45 p.m.

Ferraioli explained that funds can be used from the Levy Cap Bank and those funds expire after three years. Yocum commented that he has heard from the Administration and there is not an issue with going back through the Budget and pulling money from certain areas.

The Council discussed various anticipated revenues for 2012 including Municipal Court; Clean Communities; Dial-A-Ride; Recycling Tonnage.

Ferraioli said \$70,000 was budgeted this year for the General Capital Fund balance and the total is \$183,945. This total is created from the balance left over from Bond Ordinance funds after projects are completed. Ferraioli said the same is true of

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the Reserve for Debt Service. This year \$100,000 is being used from a balance of \$372,349. The Library Surplus is \$122,623 and this could possibly be zero next year. Ferraioli said the Total General Revenues this year are \$23,812,800 versus last year's \$23,098,551.

Ferraioli detailed 2011 began with \$1,618,744; excess from 2011 Operations totaled \$1,422,581; appropriated in 2011 Budget was \$1,200,000; balance as of December 31, 2011 is \$1,841,326. Ferraioli said there is a 3.36 percent increase and based on the average home it would be up approximately \$66. A tax point is \$267,105 and that is equal to \$30.32.

Merz noted that there is a 2 percent cap on budgets, however, there are parts of the budget that can exceed the 2 percent. Ferraioli suggested that the Tax Office post a sign listing the exclusions from the 2 percent cap levy.

Yocum suggested going back to the Administration to review the cuts to the Budget. Yocum said he would like to go in with a \$50 or less increase per home. The Council needs to more closely monitor the money that is being spent so next year some surplus can be realized. Yocum suggested a Budget meeting in August to review the status of the Budget.

The Council thanked Ferraioli for his presentation and Ferraioli left the meeting at 7:21 p.m.

New Business

MOTION: Proceed with Purchase of Datacard CP80 Plus Card ID System in the amount of \$8,000

Motion: Birmingham, second Dunham

Dunham asked what will happen if the money cannot be taken out of the Energy Improvement Funds. Yocum said the money will have to be taken out of the approved Budget. Merz commented that this purchase came up at the very end of the Budget presentation. The Council discussed the Kronos System that is not up and running yet and requested information on how this ID card system ties in with the timekeeper system. Yocum recommended that this be removed until further information is received.

Motion withdrawn by Birmingham.

Miscellaneous/Public Portion

No one came forward.

Adjournment at 8:24 p.m.

Motion: Dunham, second Yocum

Mr. Dunham	Aye
Mr. Sanchelli	Absent
Mr. Birmingham	Aye
Vice President Merz	Aye
President Yocum	Aye

Dated: March 14, 2012

Attested:

Approved:

Lori Harvin, Township Clerk

Richard W. Yocum, Council President