

**WEST PIKELAND  
TOWNSHIP  
CHESTER COUNTY, PENNSYLVANIA**

**2009 BUDGET**

**REVENUES**

# 2009 PROPOSED OPERATING REVENUES for WEST PIKELAND TOWNSHIP

## REAL ESTATE TAX

**ACCOUNT NUMBERS: 301.100, 301.400 AND 301.600**

### ACCOUNT DESCRIPTION

The Real Estate taxes are authorized under Section 3205 of the Second Class Township Code. The Board of Supervisors may levy taxes upon real property within the Township made taxable by the Tax Duplicate prepared by the Chester County Tax Assessor's office. It is the responsibility of the County to provide the assessed valuation of the properties within the Township. In 1998 a new countywide re-assessment was completed. The assessed valuation is now based on 100% of the market value.

The supervisors are limited to a maximum of 14 mills for road, bridge and general township purposes. An additional 5 mills may be levied with approval of a petition by the county court of quarter sessions.

For budgeting purposes the real estate taxes are credited to three (3) accounts, 301.100 for current year taxes, 301.400 for delinquent taxes collected by the County and submitted to the Township, and 301.600 for interim taxes collected for new construction and increased assessments during the year.

### PROJECTION

The 2008 Real Estate Assessments are \$401,479,020 and \$93,070 on public utility properties.

The real estate tax is proposed to remain at **0.125** mills for 2009

Interim taxes are not anticipated because there are minimal un-built, approved lots in the township. Any developments approved in 2009 will more than likely not generate real estate taxes until 2010.

<b>301.000</b>	<b>REAL PROPERTY TAXES</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
301.100	Real Estate Taxes - Current Yr.	\$42,444.69	\$43,020.11	\$45,000
301.400	Real Estate Taxes - Delinquent	\$1,256.59	\$1,168.00	\$2,000
301.600	Real Estate Taxes - Interim	0	0	\$0
	<b>Total Real Property Taxes</b>	\$43,701.28	\$44,188.11	<b>\$47,000</b>

## **ACT 511 TAXES**

### **REAL ESTATE TRANSFER TAX**

**ACCOUNT NUMBER: 310.100**

#### **ACCOUNT DESCRIPTION**

The Real Estate Transfer Tax is authorized under the Local Tax Enabling Act (Act 511). The tax is on all real estate sold within the Township. The amount of the tax is 1% equally divided between the Township and the Downingtown Area School District. The tax is collected by the Chester County Recorder of Deeds office at the time that the transfer of ownership is recorded. The Recorder's office charges 2% of the taxes collected as a collector's commission. The funds are distributed to the Township on a monthly basis.

#### **PROJECTION**

The main source of transfer taxes in 2009 will be from the resale of houses within the township since a minimum of new homes will be constructed.

### **EARNED INCOME TAXES**

**ACCOUNT NUMBERS: 310.100, 310.210, 310.220**

#### **ACCOUNT DESCRIPTION**

The Earned Income Taxes are authorized under the Local Tax Enabling Act (Act 511). The municipality is permitted to enact a tax up to 1% of the earned income. If the local school district also adopts an earned income tax, one-half of the 1% goes to the municipality and one-half to the school district. West Pikeland Township and the Downingtown Area School District share in the earned income tax collected from residents of the Township, while the Township receives the full 1% of any person working in West Pikeland and living in a municipality which has not adopted an earned income tax. Berkheimer Associates are employed as collectors of the tax.

For budgeting purposes the earned income tax is credited to two accounts, 310.210 for current year taxes and 310.220 for prior year taxes. This is necessary since last quarter taxes for 2008 will not be received until 2009.

#### **PROJECTION**

Due to minimal population growth anticipated in the township for 2009 the amount of earned income taxes received will be below the 2008 level. Real Estate and EI Taxes collected in 2009 are proposed to be less than what was collected in 2008 due to a downturn in the economy.

<b>310.000</b>	<b>Act 511 Taxes</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
310.100	R.E. Transfer Taxes	\$ 215,392.43	\$118,456.00	100,000
310.210	Earned Income Tax - Current Yr.	\$1,362,220.15	\$1,301,144.00	1,200,000
310.220	Earned Income Tax - Prior	0	0	0
	<b>Total Act 511 Taxes</b>	<b>\$1,577,612.58</b>	<b>1,419,600.00</b>	<b>1,300,000</b>

## **LICENSES & PERMITS**

**ACCOUNT NUMBERS: 321.450, 321.600, 321.800, 322.820**

### **ACCOUNT DESCRIPTION**

The Township receives from the State Liquor Control Board \$200 for each liquor license within the Township.

In 2007 the township enacted a regulation requiring the licensing of building, plumbing and electrical contractors working within the township. This does not raise much revenue, but will allow the township to track the holders of building permits and the work performed pursuant to that permit.

In 2006 the township entered into a cable franchise agreement with Verizon to permit the use of the township right-of-ways for cable TV lines. Verizon joined Comcast in providing cable TV in West Pikeland. Under both agreements the township receives a percentage of the cable revenue generated in the township as a franchise fee. This fee is a portion of each customer's monthly bill.

Street Encroachment Permits are required for any openings made within the right-of-way of a township street. This includes any public utility or a property owner that proposed to connect a driveway or new street to an existing township street. If this type of work is proposed to a state maintained road, this permit must be obtained from PennDOT.

### **PROJECTION**

Liquor Control Board fees should remain the same as in 2008.

The Board of Supervisors adopted Resolution No. 2007-01-08 which requires all Contractors to be licensed in West Pikeland Township. Licenses run from January 1 to December 31 each year and are renewable.

The Cable TV Franchise Fee will only increase as additional residential units are constructed in the Township. The fact that two companies are now providing this service will have minimal effect on township revenues as few residents will obtain the service from both companies.

<b>320.000</b>	<b>Licenses &amp; Permits</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
321.450	Liquor Control Board Fees	\$200.00	\$200.00	\$200
321.600	Contractors License	\$10,475.00	\$11,500.00	\$2,000
321.800	Cable TV Franchise	\$35,346.21	\$43,120.00	\$43,000
322.820	Street Encroachment Permits	\$150.00	0	\$200
	<b>Total License &amp; Permits</b>	<b>\$46,171.21</b>	<b>\$54,820.00</b>	<b>\$45,400</b>

## **FINES**

**ACCOUNT NUMBERS: 331.100, 331.110, 331.120, 331.130, 331.140**

### **ACCOUNT DESCRIPTION**

Portions of the non-vehicle code fines assessed by the local district justice for violations that occur within West Pikeland are distributed to the Township monthly. Vehicle Code violation fines are distributed semi-annually, on June 30th and December 30th, from Harrisburg, to all municipalities based on the miles of municipal roads and population.

### **PROJECTION**

Since the amount of fines received is based on the activity of the police departments, fines for 2009 are projected to increase with the increased population and particularly the increased traffic in the Township.

<b>330.000</b>	<b>Fines &amp; Forfeits</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
331.100	Fines from District Justice	45,015.33	\$41,330.00	\$45,000
331.110	Vehicle Code Fines from State	\$4,568.40	\$1,900.00	\$5,000
331.120	Fines -Local Ordinances	\$2,753.94	600.00	\$600
331.130	Court Restitution & Misc. Fines	\$7,563.10	\$11,860.00	\$8,000
331.140	Forfeitures	\$502.00	0	0
331.150	Police Details		\$4,800.00	0
	<b>Total Fines &amp; Forfeits</b>	<b>\$60,402.77</b>	<b>\$60,490.00</b>	<b>\$58,600</b>

## **INTEREST EARNED**

**ACCOUNT NUMBERS: 341. 100 and 341.120**

### **ACCOUNT DESCRIPTION**

Section 708 of the Second Class Township Code requires all Township funds to be placed in a banking institution within the Commonwealth and that such funds must be insured by the Federal Deposit Insurance Corporation or other similar corporations of the Federal government. If funds in any account exceed the amount insured by the FDIC, the banking institution must pledge securities to protect the Township against any loss of funds. All West Pikeland Township funds are placed in interest bearing accounts or certificate of deposits with local banks; DNB First. Berkheimer Association makes direct deposit of taxes collected into DNB First.

The Manual of Accounting and Related Financial Procedures for Pennsylvania Municipalities requires the Township to segregate funds into separate accounts. While the funds may be co-mingled into one bank account, financial records must be kept for each separate account.

<b>341.000</b>	<b>Interest Earnings</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
341.100	Interest - General Accounts	\$29,568.71	\$11,800.00	\$3,000
341.105	Interest – Special Funds	0	\$2,150.00	\$1,000

341.110	Interest Earnings – escrow & other	4,020.11	\$2,150.00	\$500
	<b>Total Interest Earnings</b>	<b>\$33,588.82</b>	<b>\$16,100.00</b>	<b>\$4,500</b>

## **RENTS**

### **ACCOUNT NUMBERS – 342.000**

#### **ACCOUNT DESCRIPTION**

Rent received from each township rented property is recorded separately in order for a clear record to be maintained for each property. Rent from township land includes the properties rented for farming purposes. Rent for the Theatre and Meeting Room are required if the room is used by a non-governmental group or a non-profit that is not located in West Pikeland Township.

<b>342.000</b>	<b>Rents</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
342.100	Rent of Twp. Land	\$2,040.00	\$701.00	\$800
342.210	Rent from Palmer House	\$10,200.00	10,200.00	\$14,200
342.220	Rent from Gate House	\$10,200.00	10,200.00	\$11,200
342.230	Rent from Theatre Facility	\$750.00	\$6,150.00	\$6,000
342.240	Rent from Twp. Meeting Room	\$100.00	\$825.00	\$1,000
342.250	Miss Betty Day Camp	\$10,000.00	\$3,000.00	\$7,000
342.260	Donations	\$650.00	\$300.00	0
	<b>Total Rents</b>	<b>\$33,940.00</b>	<b>\$31,376.00</b>	<b>\$40,200</b>

## **INTERGOVERNMENTAL REVENUES**

### **ACCOUNT NUMBERS: 350.000**

#### **ACCOUNT DESCRIPTION**

Intergovernmental revenues are received from various Federal, State and County programs.

Under the provisions of the Public Utility Realty Tax Act utility realty tax equivalent to municipal and school board tax are distributed by the State. The allocations are based on the Township's total tax receipts ratio to the receipts of all municipalities and the aggregate amount of realty taxes which would be imposed on utilities if they were not exempt of local taxes.

The Township receives an allocation from the State Foreign Fire Insurance Fund. The State collects a tax on fire insurance which is written by a company from outside of the State. The allocation is based on the Township's population and the market value of the real estate in the Township. This money can only be used for the benefit of the fireman's relief association which services the Township.

The first year that West Pikeland was eligible to participate in the State program for assistance towards the Police Pension Program was 2006. This should continue as long as the Township provides a Police Pension.

Also included under this account are special grants. An application must be made and granted for individual projects. Grants of this type are explained below.

**PROJECTION**

Special grants anticipated in 2009: None are anticipated.

<b>350.000</b>	<b>Intergovernmental Revenues</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
352.010	DACPG Disbursement	0	\$1,790.06	0
354.071	County Tourism Grant	\$6,250.00	0	0
354.090	DCNR Grant – Windolph Knoll	0	\$7,500.00	\$7,500
354.110	Arts Grant (Chester Springs Std)	\$1,320.00	\$1,054.00	\$1,500
354.140	HHW Collection Grant	0	\$406.00	\$500
354.150	Act. 101 Recycling Grant	\$1,939.38	\$26,000.00	\$2,000
355.010	Public Utility Realty Tax	2,016.20	\$2,161.00	\$2,000
355.040	Alcoholic Beverage License	0	0	\$200
355.060	Foreign Casualty Insurance Fund	\$25,651.12	\$25,491.00	\$29,000
355.070	Foreign Fire Insurance Refund	\$45,000.00	\$46,447.00	\$44,000
355.080	Regional Police-Buckle Up, etc.	68,981.97	\$57,634.00	\$58,000
355.081	Miss Betty’s Day Camp Police Detail	0	0	\$3,000
355.082	Downingtown Sch Dist – Police Det	0	0	\$3,500
	<b>Total Intergovernmental Revenue</b>	<b>\$161,158.67</b>	<b>\$168,483.06</b>	<b>\$151,200</b>

**CHARGES FOR SERVICES**

**ACCOUNT NUMBER: 360.000**

**ACCOUNT DESCRIPTION**

Revenues in this account are derived from services provided by the Township, i.e., building inspection fees and subdivision and land development review fees. The fees charged compensate the Township for the cost of the service provided and are not to generate funds for any project not related to the fee.

**PROJECTION**

A decrease in permit and other fees is anticipated for 2009. Also, reimbursable engineering and legal fees placed in 361.310 in 2007 and 2008 will now be placed in account 395.110

<b>360.000</b>	<b>Charges for Service</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
361.310	Subdivision & Land Develop. Fees	\$40,464.74	\$61,380.00	\$5,000
361.320	S&LD Plan Review Fees	0	\$127.00	0
361.340	Zoning Hearing Fees	\$95.00	\$14,000.00	\$5,000
361.500	Sale of Maps & Publications	\$1,473.00	\$540.00	\$500
361.550	Finance Charges	\$262.23	0	0

361.560	Charge for Photocopies	\$251.00	\$125.00	\$150
361.990	Miscellaneous Fees & Permits	\$603.20	\$1,300.00	\$1,000
362.110	Police Reports Charge	\$860.00	\$900.00	\$1,000
362.120	Police Impound Charges	0	\$340.00	\$500
362.410	Building Permit Fees	\$49,448.75	\$53,000.00	\$45,000
362.420	Electrical Permit Fees	\$4,515.00	\$5,500.00	\$5,000
	<b>Total Charge for Services</b>	\$97,972.92	\$137,212.00	<b>\$63,150</b>

**MISCELLANEOUS REVENUES**

**ACCOUNT NUMBER: 380**

**ACCOUNT DESCRIPTION**

This account receives any funds which the Township does not designate in any other account.

<b>380.000</b>	<b>Miscellaneous</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
367.200	Spectator Recreation/Ticket Sales	\$8,864.97	0	0
378.500	Fire Hydrant Charges	\$1,172.29	\$14,000.00	\$13,000
390.100	Insurance Reimbursement – Police	0	\$5,498.00	0
391.100	PADOT reimbur for Clover Mill eas	0	\$1,462.00	0
394.100	Refund of Bank Charges	\$75.00	\$75.00	\$0
395.100	Refund of Prior Yr. Expenditures	\$4,422.43	\$30,844.00	\$5,000
395.110	Eng'g, Legal Fee Reimbursements	0	\$208.00	\$15,000
367.210	Sale of Former Township Bldg	\$336,000.00	(16,000.00)	0
397.100	Auction Revenue	0	\$6,754.00	0
398.100	Reimbursable Convention Costs	0	\$332.00	0
399.100	Reimbursable Postage	0	\$80.00	100
	<b>Total Miscellaneous</b>	\$350,534.69	\$43,253.00	<b>\$33,100</b>

<b>TOTAL 2009 Operating Revenues</b>	<b>\$1,743,150</b>
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## 2009 PROPOSED OPEN SPACE REVENUES for WEST PIKELAND TOWNSHIP

### Open Space Revenues

**ACCOUNT NUMBER: 310.230 and 341.115**

#### ACCOUNT DESCRIPTION

In addition, the Open Space Tax Referendum which passed in the 2007 November election allows the Township to collect one quarter of one percent (0.025) to be added to the earned income tax for Open Space purchases.

	<b>Open Space</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
310.230	EIT Special Open Space Tax	0	\$245,000.00	\$400,000
341.115	Interest Earnings for Open Space	0	\$1,500.00	\$1,000
	<b>Total Open Space</b>	<b>0</b>	<b>246,500.00</b>	<b>401,000</b>

## 2009 PROPOSED LIQUID FUEL REVENUES for WEST PIKELAND TOWNSHIP

### Liquid Fuels Revenues

**ACCOUNT NUMBER: 355.020**

#### ACCOUNT DESCRIPTION

Act 655 provides all municipalities with a portion of the State Liquid Fuels (gasoline) Tax. The allocation is based on mileage of township-maintained roads and population. This revenue must be used for road and street maintenance and improvements, and must be maintained in a separate fund, the State Highway Fund

	<b>Liquid Fuels</b>	<b>Actual 2007</b>	<b>Actual 2008</b>	<b>2009 Budget</b>
355.020	Liquid Fuels Tax	\$94,678.84	\$107,009.37	\$103,000
341.120	Interest – Liquid Fuels	\$9,582.12	\$5,790.00	\$2,000
	<b>Total Liquid Fuels</b>	<b>\$104,260.96</b>	<b>\$112,799.37</b>	<b>\$105,000</b>

## OTHER FUNDS

	<b><u>2009 Beginning Bal</u></b>
<b><u>Township Improvement Fund</u></b>	<b>\$57,700</b>
This fund is for capital expenditures that the Supervisors deem is needed to improve the township; i.e., new ball fields, open space, improvement of our cultural center, etc. The money for the fund came from our excess operating fund for any given year.	
<b><u>Township Highway Improvement Fund</u></b>	<b>\$59,410</b>
This fund is specifically for traffic lights, improving our roads, funding road improvement for a later date.	
<b><u>Capital Reserve Police</u></b>	<b>\$32,500</b>
<b><u>Capital Reserve Ambulance</u></b>	<b>\$30,995</b>
<b><u>Capital Reserve Fire</u></b>	<b>\$12,660</b>
<b><u>Street &amp; Clover</u></b>	<b>\$3,125</b>
<b>Total Other Funds:</b>	<b>\$196,390</b>