

NORTH HUNTINGDON TOWNSHIP MUNICIPAL AUTHORITY
 BUDGET WORK SESSION, APRIL 3, 2013, 7:30 P.M.
 YOUGHIOGHENY WATER POLLUTION CONTROL PLANT
 4222 TURNER VALLEY ROAD, NORTH HUNTINGDON, PA 15642

Roll Call:

Todd Fry	- Present	Kate Petrosky, Manager	- Present
Timothy Hondal	- Present	Charles J. Gilbert, System Supt.	- Present
Joseph Korenic, Jr.	- Present	Mike Branthoover, Finance Director	- Present
William Miller	- Absent	Chris Sanner, Asst. System Supt.	- Present
Edward Shields	- Absent	Donald Snyder, Solicitor	- Absent
		David A. Coldren, KLH Engineers	- Present

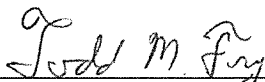
The Budget Work Session of the North Huntingdon Township Municipal Authority was called to order at 7:30 P.M.

Mr. Branthoover presented a summary of the draft 2014 Operating Budget which shows variances in the revenues due to the \$5.00 per month increase from WWMA which has been passed onto the rate payers in the entire system at \$2.50 per month.

The capital improvement surcharge variance is due the request for another \$1 in the capital improvements. Mr. Branthoover is recommending \$1 this year and \$1 next year. This will provide a total of \$12.15 going into capital improvements every month. The Authority is generating almost \$1.8 million annually into the capital improvements program which eliminates the need to borrow money for any capital expenditures.

Although revenue projections versus expenses show a slight deficit, Mr. Branthoover believes that the carryover fund balance will be more than sufficient, and does not believe that an operating fund increase is absolutely necessary. However, the Board will continue to consider this matter until the May meeting as there is a reluctance to adopt an unbalanced budget.

Mr. Coldren presented the updated 5-year Plan. With the capital improvement surcharge, the Authority is generating about \$1.8 million per year. By increasing the surcharge by \$1 in 2014 and \$1 in 2015, at the end of fiscal year 2014 (with the beginning capital balance being \$3.16 million), the anticipated ending balance will be \$1.45 million. There is no capital surcharge for 2016, 2017 or 2018. At the end of five years, the projected balance is just under \$400,000. The Board discussed raising the capital surcharge by \$2 this year, eliminating the need for an increase in 2015.



Todd M. Fry, Assistant Secretary/Treasurer