

non-primary entitlement funds for the Airport. These Federal funds in the amount of \$150,000.00 will be combined with the State share of \$8,333.00 and a local share of \$8,333.00 to make the first reimbursement to the County on the \$600,000.00 Promissory Note for the taxiway work. The Airport Authority has approved the local share contribution.

BOARD APPOINTMENT...CITIZENS' ADVISORY BOARD / CYS

A motion was made by Mr. Baker, seconded by Ms. Evanko and unanimously carried to approve the appointment of Ashley Miller, Shelocta, PA to the Citizens' Advisory Board; term to expire January 1, 2015.

BOARD RE-APPOINTMENT...SOIL CONSERVATION

A motion was made by Mr. Baker, seconded by Ms. Evanko and unanimously carried to approve the re-appointment of Rodney D. Ruddock, Commissioner to the Soil Conservation Board; term to expire January 1, 2016.

APPOINTMENT...DIRECTOR OF HUMAN SERVICES...LISA K. SPENCER

A motion was made by Mr. Ruddock, seconded by Ms. Evanko and unanimously carried to approve the appointment of Lisa K. Spencer as the new Director of Human Services beginning December 1, 2014. The Commissioners said they are excited about the appointment and it is noted that she was employed at the Communities at Indian Haven.

2015 GENERAL FUND BUDGET

Mr. Baker made the motion, seconded by Ms. Evanko and unanimously carried to approve the tentative General Fund Budget as follows:

Opening Balance.....	\$1,395,764
Total Revenues.....	\$32,427,705
Total Expenditures.....	\$33,823,469

The real estate tax will remain the same. This will allow a real-estate tax rate of 37.40 mills. 7.40 mills of 37.40 are applied to debt service with the remaining millage of 30.0 to general operating fund. The per-capita tax rate will remain at \$5.00

2015 CAPITAL FUND BUDGET

Mr. Baker made the motion, seconded by Ms. Evanko and unanimously carried to approve the tentative Capital Fund Budget as follows:

Opening Balance.....	\$132,000
Total Revenue.....	\$18,000
Capital Fund Expenditures.....	\$150,000

2015 LIQUID FUELS BUDGET

Mr. Baker made the motion, seconded by Ms. Evanko and unanimously carried to approve the tentative Liquid Fuels Budget as follows:

Opening Balance.....	\$513,440
Total Revenue.....	\$336,560
Liquid Fuels Expenditures.....	\$850,000

Commissioner Ruddock read the following statement:

Today we are presenting our 2015 general operating fund budget, capital fund budget and liquid fuels budget for Indiana County. Specific to the general fund operating budget, again, this will not call for any increase in taxes but instead maintain the current level of funding millage.

As you may recall, in 2012 President Judge Bill Martin approved a 5 mill tax increase to be applied in year 2013. This capped our ability to raise any additional general fund tax until the completion of our current tax reassessment. The dollars resulting from this one time millage adjustment needed to be judiciously applied, not only to our 2014 budget plans, but 2015 as well.

When you look at our current balance sheet you will find that we have maintained a reasonable reserve through the strong fiscal oversight and prudent application of dollars. I want to commend Lisa Bowser and Mark Lundquist for keeping us floating for this period of time without tax revenues. This reserve fund has carried us and will continue to carry us through 2015.

While the reserve fund looks solid, it has been created with the intent that through 2016 it will continue to be drawn down offset what tax dollars would normally be applied. As we are going through this period of reassessment, we are cautiously looking at our program needs. Our challenge has been to balance a rather static tax base against normal incremental inflationary costs.

Achieving a balanced budget for 2015 and the out years is not an easy task. It does mean that there will be a lot of difficult work to be done in the years ahead. We remain committed to providing services and programs that the citizens and taxpayers of Indiana County require and deserve.

In 2015, we want to develop a small committee involving our financial team and members of the community who have been involved in developing budgets to sit down with us and take a look at what we do and to see if there are any other options that we may want to consider as future budgets are developed.

In 2015, we have seen a modest increase in our revenue dollars. This represents a substantial increase over last years of revenue. Much of these monies are attributed to our ability to secure grants, fees and gain a modest increase in the value of each mill.

Our expenditures have increased this past year and exceed our revenue projections. However, we must also include the legacy costs which follow us from our previous year's budget. We also must consider a debt service entry which had been programmed for 2015. The total shortfall will be taken from our reserve fund.

This two year legacy growth reflects increases in wages and benefits, an annual increase in general operating expenses and funding losses in costs, fines and/or fees in the amount. Yet, our shortfall was significantly minimized through the protection of set aside dollars in our contingency fund, debt service savings through our reinvestment strategies and solid investment strategies in our employee pension program.

We recognize that every dollar matters. We recognize the responsibilities and programs that county government is mandated to provide. We will continue to do our very best to move forward in a very practical, sensible and commonsense manner.

The Departments have done an outstanding job in minimizing costs. They have come in knowing of what we are dealing with through the reassessment and have not created any unusual costs, yet there are some concerns that we know we have to address at some point.

This county continues to face many financial and economic challenges. We need to remain focused on growing our tax base and improving our economic climate. We will continue to monitor our business practices to improve the method and manner by which we provide service to our citizens.

This proposal along with our capital fund budget and liquid fuels budget will be on view for your consideration and will be presented for adoption at our December 17th Commissioner's Board Meeting.

Commissioner Ruddock said when you look at the Capital Fund Budget we have a very modest amount of money set aside for Capital Fund Expenditures of \$150,000.00. In a county this size that is not a lot of capital investments. Monies have been put aside in contingency for those needs such as the elevators. Once monies are put in a capital fund account, they must remain there and be committed only to capital fund expenditures. It makes more sense to have a contingency fund that we can use those dollars for any type of expenses such as court matters that are unexpected.

The Liquid Fuels budget helps offset some of the costs for bridges of Indiana County and some dollars are set aside as a competitive kind of fund for township and boroughs to try and help them where they can't seem to plug the holes of financial need.

Commissioner Evanko thanked all of the departments because they have really worked with us over the last three years and this year they were exceptional. With their help we were able to maintain where we want to be in this point and time and over the last three years we weren't able to have a tax increase to sustain us through that time period. She also thanked the financial team for their input of the budget.

Commissioner Baker said this was his first budget as County Commissioner and it was the first time on the other side of the table in the budget process and he has a new appreciation that he didn't have before. He echoed Commissioner Ruddock and Evanko in commending the department heads that have come here with zero balanced budgets and have been essentially sacrificial in many ways and did not place any requests that would have placed the county in a difficult financial position. He also thanked the financial team in helping them balance the process.

OTHER BUSINESS

There was no other business.

COURTHOUSE CLOSED... THURSDAY & FRIDAY, NOVEMBER 27 & 28, 2014
THANKSGIVING DAY HOLIDAY

Commissioner Ruddock announced that the courthouse will be closed on Thursday and Friday, November 27 & 28, 2014 in observance of the Thanksgiving Day Holiday.

NEXT REGULAR MEETING...DECEMBER 17, 2014 AT 10:30 A.M.

The next regular scheduled Commissioners' Public meeting will be held on Wednesday, December 17, 2014 at 10:30 a.m. in the Commissioners' Hearing Room.

ADJOURNMENT

With no other business to come before the Board at this time, Commissioner Ruddock adjourned the meeting at 11:05 a.m.

Patricia A. Evanko, Secretary

Rodney D. Ruddock, Chairman