

MILLERSVILLE BOROUGH

2013

BUDGETARY INFORMATION

Municipal Budgetary Overview For Lancaster County:

The local demographics of the 60 municipalities in Lancaster County play significantly into the unique budgetary aspects of each. In comparing the chief revenue source for the 18 Boroughs including the City of Lancaster one must determine the taxable assessments available. Millersville Borough has the notoriety of having the largest tax exempt assessment in Lancaster County at 37%. That means the other 63% of assessment is responsible for funding the entire operating budget. 47% of the operating budget is financed through our tax millage rate applied to the taxable assessments balancing the 2013 budget at the current rate (2012) of 5.45 mills. Millersville Borough holds the fourth highest millage rates throughout the County when including Lancaster City and excluding Townships; however, Lancaster City's rate is 12.04 and Columbia Borough's is 8 mills, each substantially higher than ours.

Townships throughout the county have the advantage of increased taxable assessments from real estate developments mostly due to vacant land and the earned income tax which produces the greater part of all their revenue. However, in these economic times even the Townships are affected by decreased income tax revenue and a slowdown in construction. The Boroughs and Lancaster City's revenues are the reverse of that scenario with limited land for development and low per capita incomes to tax.

On the expense side, governmental entities with union labor are subject to contracts that determine eventual labor costs. Labor costs and associated fringe benefits are the chief expense in municipal budgets. Labor contracts are usually multi-year restricting municipal employers to negotiate at specific times depending on contract duration. Millersville Borough has 2 unionized labor forces. The non-uniform group signed a new contract that expires at the end of 2015. The police contract is currently under negotiations as it expires at the end of 2012.

MILLERSVILLE'S BUDGETARY COMPONENTS

REVENUES

PROPERTY TAX INCOME (49%) ---CHIEF REVENUE SOURCE

- A) GENERATED BY PROPERTY ASSESSMENTS: 37% percent of our entire assessment is non-taxable. We have the highest non-taxable assessments in Lancaster County. (Exemptions are comprised of Millersville University, Penn Manor School District and Student Lodging.) Student Lodging, a non-profit entity of the University filed and received an exempt status for property taxes in 2012. They have agreed through an in lieu of tax agreement to replace annually all Borough tax revenue lost as a result of their exemption status.
- B) LOCAL TAX ASSESSMENT COMPOSITION: Only 9.8% of our taxable assessment is attributable to non-residential type properties.
- C) BUDGETARY CONSEQUENCES: Any increase in taxes falls almost exclusively on residential properties.

REVENUE AFFECTED BY ECONOMIC FACTORS:

- 1) **HOME AND BUSINESS PROPERTY SALES (Property Transfer Tax)**
Declining property sales throughout the county have resulted in the continuance of historical low transfer tax revenues.
- 2) **EMPLOYMENT (Local Services Tax)**
The local \$52 dollar per employee annual service tax is not influenced significantly by the current economic climate because Millersville University is the Borough's chief employer. The University's effect on unemployment numbers is not as severe as private industry.
- 3) **EARNED INCOME TAX (Payroll withholding)**
Due to the transition of tax collections under PA State Act 32, tax revenues dropped temporarily in 2012. In 2013, the revenue stream is expected to return to its historical level of approximately \$416,000.
- 4) **INTEREST INCOME**
Interest earned on bank investments continues to reflect historically low levels and only contribute nominally as income.
- 5) **ZONING PERMITS**
Contrary to statewide economic construction indicators, the University is expected to begin some major capital improvement projects that will require local zoning permits. Permit amounts are based on construction values. The University is planning to rebuild its student dormitories over a four year period beginning in late 2013. Permit income is expected to increase to reflect this multi-million dollar construction activity.

MAJOR EXPENDITURES

- 1) As Millersville Borough is a public service entity; a majority of the anticipated expenses (69%) is for labor and labor associated costs. The 2013 budgets reflect contractual wage increases estimated for the police union and 2% for the non-uniform union contract previously settled. Medical benefit plan expenses continue to increase beyond the inflation rate. Our budgeted amount for 2013 has been increased 10%.
- 2) Approximately 49% of our budget is for providing police services.
- 3) Community Service Contributions which include the Blue Rock Regional Fire District has decreased by approximately 4% reflecting the efforts of the newly formed organization's more efficient way of operating regionally for Millersville Borough and Manor Township. Total fire services represent the average residential assessment taxed at approximately one half a mill or \$60 per year.

OTHER HIGHLIGHTS FOR 2013

GENERAL OPERATING FUND

On the expenditure side, the \$3,062,819 budget is 1.8% above the 2012 amount. The CPI is expected to fall at about 2%. The budget was balanced with the same 5.45 tax rate as 2012. The average residential property is assessed at \$123,760 producing a base tax bill of \$674.49 annually. The staffing levels (12 police officers and 15 non-uniform employees) have not changed from 2012. There is no transfer for capital purchases in 2012.

General Capital Reserve Fund

In 2013 we are planning to complete the installation of a security system at the Freedom Memorial Park. An aging police vehicle will also be replaced. A computer server and associated software will be replaced in the administrative department. A contribution toward the commercial project at Wabank Road and Barbara Street is budgeted at \$15,000. The County's radio communications system will be activated in 2013. Municipalities will be required to purchase compatible radios for the system. Police and Public Works will cost approximately \$67,000.

Wastewater Operating Fund

There is no change in quarterly sewer service charges. (Residential \$110) (Commercial \$167.30) The expense budget has increased .9%. The electricity budgeted line item was reduced (\$8,000) to reflect more current usage and the more favorable rates received in 2011 power bids.

Wastewater Capital Reserve Fund

The 2013 Capital Budget incorporates a West Frederick Street Phase 2 infrastructure project recognizing a CDBG grant of \$250,000 in revenue. The Creek Drive pumping station (\$700,000) was delayed in 2012 for permitting adjustments and will be completed in 2013. New digester blowers (\$200,000) are being considered to increase plant efficiency. PennDOT will resurface Blue Rock Road in 2013. The City of Lancaster will replace water lines and the Borough will slipline (\$71,000) their existing main minimizing line leaking potential. Also new to the Capital Reserve Fund is the accounting for sewer tap-in fees. This (\$201,000) revenue item reflects the construction of the commercial triangle at Wabank Road and Barbara Street.

Highway Aid Fund

The Borough Streets Department will recycle several cul-de-sac street locations in the Crossgates development area. As these areas do not require sidewalks, normally associated ADA type expenditures are minimal allowing for more street surface expenditure coverage.

Solid Waste Budget

There will be no change in the quarterly charges for residential solid waste removal in the Borough for 2013. The fee is \$55 per quarter. Bids were received in 2010 for 2011, 2012 and 2013. The Borough has an option to renew the contract in 2013 for another year.

MILLERSVILLE BOROUGH
2013 BUDGET

GENERAL FUND		2013	2012
		Budget	Budget
REVENUES			
	Real Property Taxes	0.00545	0.00545
01-301-100	Real Estate Tax -Current Year-	1,380,769	1,486,200
01-301-200	Real Estate Taxes- Prior Year	1,000	1,000
01-301-300	Real Estate Taxes- Delinquent	12,000	12,000
01-301-500	Real Estate Transfer Tax	48,000	50,000
01-301-600	Real Estate Taxes- Interim	13,000	3,000
	Total Property Taxes	1,454,769	1,552,200
01-310-210	Earned Income Tax	416,000	300,000
01-310-510	Local Services Tax	125,000	130,000
01-310-800	Cable Television Franchise	85,000	85,000
	Total Income, Local Srv, Cable Franchise Taxes	626,000	515,000
01-331-100	Court Fines	12,000	12,000
01-331-110	Vehicle Code Violations	37,000	42,000
01-331-120	Violations of Ordinances	50,000	52,000
01-331-130	Parking Fines	62,000	55,000
	Total Violations and Fines	161,000	161,000
01-361-010	Public Utility Realty Tax	2,800	2,800
01-361-030	Subdivision and Land Dev.Appl. Fees	500	500
01-361-050	Alcoholic Beverage Taxes	600	600
01-361-100	Interest Earnings	2,500	2,500
01-361-105	Parking Permits	1,600	1,600
01-361-110	Sale of copies of accident reports	1,000	1,000
01-361-250	Street Encroachment	900	900
01-361-290	Rent of Buildings	30,000	30,000
01-361-300	Rent of Water Tower	92,193	88,863
01-361-305	Park Rentals	5,200	5,200
01-361-310	Stormwater Mngmnt Application Fee	1,000	1,000
01-361-330	Zoning Permits	78,000	40,000
01-361-340	Zoning hearing Fees	2,000	2,000
01-361-350	Housing Hearing Fees	100	100
01-361-400	Plan Review Fees	200	200
01-361-410	Building/Construction Permits	38,000	35,000
01-361-420	Business Licenses and permits	800	800
01-361-480	Housing Licenses	45,500	45,500
01-361-500	Sales of maps and publications	50	50
01-361-600	Tax Certification Fees	3,500	3,500
01-361-620	County Tax Collection Commission	1,500	1,500
	Total Rents, Fees and Permits	307,943	263,613
01-363-110	Payments in lieu of taxes	108,000	3,000
01-363-200	Reimbursements-Police Salaries	65,000	65,000
01-363-380	Miscellaneous Revenue	6,000	6,000
01-363-403	Engineering Cost Reimbursements	20,000	10,000
01-363-405	Federal & State Grants	25,000	22,640
01-363-410	County Drug Taskforce	75,830	71,159
01-363-411	Foreign Fire Insurance Premiums	42,000	46,000
01-363-415	PA Act 205 Pension Aid	136,500	128,700
01-363-416	Reimburse Non-Uniform Pension Contribution	36,777	33,174
01-363-420	Refunds of Prior Year Expenses	5,000	20,000
	Total Grants and Reimbursements	520,107	405,673
	Total Revenues	3,069,819	2,897,486
01-392-396	Transfer from Park Trust fund	10,000	10,000
	Total Revenues and Transfers	3,079,819	2,907,486

MILLERSVILLE BOROUGH
2013 BUDGET

EXPENDITURES			
01-401-100	Manager's Salary	35,273	34,412
01-401-105	Mayor's Salary	2,400	2,400
01-401-110	Council Salaries	16,800	16,800
01-401-130	Salaries Clerical	57,343	55,395
01-401-183	Overtime Pay	300	100
01-401-200	Office Supplies	2,500	2,500
01-401-305	General Expense-admin	2,700	2,700
01-401-311	Accounting and Audit Services	15,500	15,500
01-401-313	Engineering services	48,000	38,000
01-401-314	Legal services-General	14,000	14,000
01-401-315	Legal Services-Zoning & Planning	20,000	6,000
01-401-316	Labor Counsel	2,000	9,000
01-401-321	Telephone Monthly charges	3,400	3,000
01-401-322	Cleaning Supplies	800	800
01-401-325	Postage	3,000	3,000
01-401-330	Postage - Tax Bills	920	920
01-401-341	Advertising	6,000	5,000
01-401-342	Printing	800	700
01-401-350	Property and Liability Insurance Program	36,500	35,000
01-401-361	Electricity	12,000	11,000
01-401-362	Gas - Heating	8,500	8,500
01-401-370	Equipment Maintenance - software	5,000	4,500
01-401-373	Building Repairs and Maintenance	16,000	15,000
01-401-374	Equipment Maintenance	9,000	8,000
01-401-446	Training and Conferences	3,000	3,000
01-401-460	Dues and Subscriptions	6,800	5,000
01-401-740	Machinery and Equipment	800	240
	Total Administrative/ Legislative Dept	329,336	300,467
01-410-122	Police Chief Salary	90,107	90,091
01-410-130	Patrolman Salaries	744,623	745,025
01-410-131	Part-time Patrolmen Wages	19,000	16,500
01-410-140	Salaries Clerical	87,572	85,855
01-410-160	Police Pension Contribution	111,773	108,159
01-410-183	Overtime Pay	77,438	80,125
01-410-200	Office Supplies	3,000	2,750
01-410-220	Operating Supplies	3,500	3,500
01-410-231	Vehicle Fuel	21,000	19,000
01-410-238	Clothing and Uniforms	7,500	7,500
01-410-242	Ammunition & Targets	3,500	3,500
01-410-253	Vehicle Supplies	1,500	1,500
01-410-260	Minor Equipment	11,000	7,500
01-410-300	General Expense	2,000	2,500
01-410-301	Labor Counsel	15,000	5,000
01-410-316	Humane League	1,400	5,000
01-410-320	Civil Service	1,500	1,500
01-410-321	Telephone Monthly Charges	9,750	10,500
01-410-327	Radio Equipment Maintenance	3,500	4,000
01-410-340	Advertising and Printing	1,000	1,250
01-410-374	Equipment maintenance (software)	10,500	9,500
01-410-420	Dues, subscriptions, memberships	2,100	2,100
01-410-440	Uniform Cleaning	1,800	2,000
01-410-451	Vehicle Maintenance	11,000	11,000
01-410-460	Training and Conferences	6,000	6,000
01-410-461	Training -Emergency Management	-	-
01-410-505	County Drug Task Force Operation	8,168	8,168
01-410-740	Major Equipment Purchases	-	-
01-410-745	Vehicle Replacement	-	-
	Total Police Department	1,255,231	1,239,523

MILLERSVILLE BOROUGH
2013 BUDGET

01-411-350	Worker's Comp.Insurance-Fire	-	-
01-411-366	Water - Fire Department	-	-
01-411-500	Fire Services BRRFD	123,324	133,000
01-411-510	Fireman's Relief Association	42,000	46,000
01-411-530	Contributions to County Library	2,500	2,000
01-411-540	Contributions to Meals on Wheels Program	350	250
01-411-550	Contributions to Ambulance Company LEMSA	1,500	1,000
01-411-590	Contributions - Other (Mville 250)	-	-
	Total Community Services	169,674	182,250
01-414-130	Zoning/Code Enforcement Salary	54,000	54,882
01-414-200	Supplies	500	300
01-414-231	Vehicle operating costs (fuel)	1,000	800
01-414-260	Minor Equipment	300	300
01-414-300	General Expenses	1,400	1,400
01-414-316	Court Reporter Services	400	400
01-414-341	Advertising	1,500	1,500
01-414-342	Printing	200	200
01-414-446	Training and Conferences	1,500	1,200
	Total Zoning and Codes Enforcement	60,800	60,982
01-430-122	Street Superintendent	57,988	57,774
01-430-140	Street Dept. Salaries	134,085	141,334
01-430-183	Overtime Pay	9,000	8,000
01-430-200	Road supplies	500	500
01-430-220	Operating Supplies	1,800	1,800
01-430-231	Vehicle Fuel	12,000	11,000
01-430-245	Signs and other Supplies	5,000	5,000
01-430-247	Supplies- storm sewers	11,000	9,000
01-430-248	Supplies- streets	6,000	6,000
01-430-260	Small Tools & Minor Equipment	500	500
01-430-300	General Expenses	1,800	1,800
01-430-313	Engineering Services	19,000	16,000
01-430-321	Telephone	700	500
01-430-327	Radio Equipment Maintenance	300	300
01-430-330	Rentals	300	300
01-430-360	Electricity- traffic signals	2,200	2,200
01-430-361	Electricity Streets Buildings	2,700	2,700
01-430-362	Gas Heat Service	8,000	8,000
01-430-363	Electricity- street lights	62,000	63,500
01-430-369	Equipment Maintenance	4,000	4,000
01-430-370	Signal Equipment Maintenance	6,500	6,500
01-430-373	Building Repairs and Maintenance	4,000	4,000
01-430-374	Equipment Maintenance-snow	4,000	4,000
01-430-375	Vehicle Maintenance	4,200	4,200
01-430-376	Water Tank Maintenance	7,860	7,860
01-430-740	Machinery and Equipment		-
	Total Streets Department	365,433	366,768
01-454-143	Park Wages	23,250	24,369
01-454-200	Supplies	400	400
01-454-231	Vehicle Fuel	1,800	1,600
01-454-260	Small Tools & Minor Equipment	600	600
01-454-300	General Expenses	1,000	1,000
01-454-361	Electricity	2,500	2,500
01-454-366	Water - Park	200	200
01-454-371	Grounds Maintenance	12,000	9,000
01-454-374	Equipment Maintenance	1,500	1,500
	Total Parks Department	43,250	41,169

MILLERSVILLE BOROUGH
2013 BUDGET

01-474-601	Financing Debt Charges	6,000	4,500
01-474-605	2005 refunded 1996 Bond Interest	-	-
01-474-610	2005 refunded 1996 Bond Principal	-	-
01-474-615	2002 Refunded 2007 Note Interest	43,062	44,912
01-474-620	2002 Refunded 2007 Note Principal	44,000	42,000
01-474-625	2005 New Building Bonds Interest	-	-
01-474-626	2005 New Building Bonds Principal	-	-
01-474-630	2010 Refunded 2005 Bonds Principal	70,900	70,900
01-474-635	2010 Refunded 2005 Bonds Interest	54,950	56,722
	Total Debt Service	218,912	219,034
01-487-152	Dental Insurance	15,000	15,000
01-487-156	Health Insurance Program	322,576	291,000
01-487-157	Health & Welfare Fund	13,500	11,160
01-487-158	Life Insurance	2,200	2,200
01-487-160	Non-Uniform Pension Contribution	115,373	125,357
01-487-161	FICA employer taxes	106,566	106,409
01-487-353	Unemployment Compensation	-	-
01-487-354	Worker's Compensation Insurance	44,168	46,567
01-487-357	Bonding	800	600
	Total Fringe Benefits / Employer Taxes	620,183	598,293
	Total Expenses	3,062,819	3,008,486
01-492-700	Transfers to Educational Srv Agency Fund	17,000	14,000
01-492-705	To General Capital Reserve Fund		
	Total Transfers	17,000	14,000
	Total Expenses and Transfers	3,079,819	3,022,486
	Total Revenues and Transfers	3,079,819	2,907,486
	Excess Revenue or (Expenses)	-	(115,000)
	Deficient to be covered by Fund Balance Reserve		115,000
			-

MILLERSVILLE BOROUGH
SEWER FUND
2013 BUDGET

SEWER FUND		2013 Budget	2012 Budget
(Residential rate per quarter)		\$ 110	\$ 110
REVENUES			
08-364-100	Sewerage Charges	1,250,000	1,250,000
08-364-102	Sewerage Lien Income	33,000	25,000
08-364-105	Interest Income	500	800
08-364-110	Sewer Connection/Tapping Fees	-	13,210
08-364-120	Sewer Agreement- University	300,000	300,000
08-364-380	Misc Revenue & Manor Township	32,500	31,100
08-364-420	Refund of Prior Year Expenses	1,000	1,500
Total Revenues and Transfers		1,617,000	1,621,610
EXPENSES			
08-401-100	Manager's Salary	35,273	34,412
08-401-130	Salaries-Clerical Employees	57,343	55,395
08-401-183	Overtime Pay	300	40
08-401-200	Office Supplies	2,400	2,300
08-401-300	General Expenses	12,000	12,000
08-401-311	Accounting & Auditing Services	15,000	15,000
08-401-314	Legal Services	8,000	7,500
08-401-325	Postage	5,500	5,500
08-401-350	Property and Liability Ins.	20,000	20,000
08-401-374	Equipment Maintenance Software	3,000	3,000
08-401-460	Dues and Subscriptions	1,300	1,300
08-401-740	Minor Equipment	1,300	240
Total Administrative Department		161,416	156,687
08-429-122	Superintendent's Salary	66,163	64,560
08-429-130	Sewer Plant Operators Wages	157,000	154,072
08-429-183	Overtime Pay	13,000	13,000
08-429-200	Supplies	600	600
08-429-223	Chemicals	55,000	55,000
08-429-225	Laboratory Supplies	5,000	5,000
08-429-227	Outside Laboratory Services	28,000	27,000
08-429-231	Vehicle Fuel	6,500	6,500
08-429-260	Small Tools & Minor Equipment	6,000	5,000
08-429-313	Engineering Services	25,000	25,000
08-429-321	Telephone Monthly Charges	5,000	5,000
08-429-327	Radio Equipment Maintenance	300	300
08-429-361	Electricity	204,000	212,000
08-429-366	Water	7,000	5,000
08-429-371	Grounds Maintenance	3,500	3,500
08-429-373	Buildings Maintenance	8,000	8,000
08-429-374	STP Equipment Maintenance	70,000	70,000
08-429-375	Vehicle Maintenance	7,000	7,000
08-429-378	Maint-Collection Sys, Pump Sta	35,000	35,000
08-429-383	Rent of Buildings	20,000	20,000
08-429-450	Contracted Sludge Disposal	40,000	40,000
08-429-460	Training and Conference	1,500	1,500
Total Collection System and Operations		763,563	763,032

MILLERSVILLE BOROUGH
SEWER FUND
2013 BUDGET

SEWER FUND		2013	2012
		Budget	Budget
(Residential rate per quarter)		\$ 110	\$ 110
08-474-601	Financing Debt charges	10,530	11,062
08-474-615	2007 Refundng of 2002 Note Int	79,712	85,416
08-474-620	2007 Refundng 2002 Note Princ	142,000	136,000
08-474-630	2010 Refunding 2005 bonds Princ	74,100	74,100
08-474-635	2010 refunding 2005 bonds Int	5,914	7,767
	Total Debt Service	312,256	314,345
08-487-152	Dental Insurance	3,700	3,700
08-487-156	Health Insurance	76,000	71,000
08-487-157	Health & Welfare Fund	5,100	3,360
08-487-158	Life Insurance	575	575
08-487-160	Non-Uniform Pension Contribution	31,818	29,637
08-487-161	FICA	25,100	24,600
08-487-354	Workers Compensation Insurance	10,500	10,760
	Total Fringe Benefits/Employer Taxes	152,793	143,632
	Total Expenses	1,390,028	1,377,696
08-490-750	Transfer to Sewer Capital Fund	230,000	240,000
	Total Expenses and Transfers	1,620,028	1,617,696
	Total Expenses and Transfers	1,620,028	1,617,696
	Total Revenues and Transfers	1,617,000	1,621,610
	Excess Revenue or (Expenses)	(3,028)	3,914

MILLERSVILLE BOROUGH
SOLID WASTE MANAGEMENT FUND
2013 BUDGET

SOLID WASTE MANAGEMENT FUND		2013 Budget \$55 per qtr	2012 Budget \$55 per qtr
REVENUES			
09-364-030	Solid Waste Collection Fees	376,000	376,000
09-364-045	PA Recycling Grant	4,500	4,500
09-364-100	Interest Income	500	500
09-364-102	Solid Waste Lien Income	18,000	15,000
09-364-330	Green Yard Waste Tags	7,000	7,000
09-364-331	Yellow Extra Service Tags	1,500	1,500
09-364-332	Red Over Sized Trash Tags	1,700	1,700
09-364-333	Blue Large Appliance Tags	600	600
09-364-380	Miscellaneous Revenue (hauling rebates)	15,000	15,000
09-364-420	Refund of Prior Years Expenses	200	200
Total Revenues		425,000	422,000
EXPENSES			
09-401-100	Manager's Salary	17,363	17,206
09-401-130	Salaries-Clerical	28,672	27,697
09-401-183	Overtime Pay	150	20
09-401-200	Office Supplies	600	550
09-401-300	General Expense	3,800	3,200
09-401-314	Legal Services	6,500	6,000
09-401-325	Postage	5,000	5,000
09-401-341	Advertising	500	500
09-401-342	Printing	1,500	1,500
09-401-370	Equipment Maintenance software	300	300
09-401-383	Rent of Building	10,000	10,000
09-401-460	Dues and Subscriptions	400	400
09-401-740	Minor Equipment	9,500	5,200
Total Administrative Department		84,285	77,573
09-427-355	Yard and leaf Bags	16,000	16,000
09-427-360	Solid Waste Disposal	126,000	130,000
09-427-450	Contract Collection and Hauling	167,200	159,000
Total Collections and Operations		309,200	305,000
09-487-152	Dental insurance	525	525
09-487-156	Health Insurance Program	9,600	9,000
09-487-157	Health and Welfare	680	480
09-487-158	Life insurance	85	85
09-487-160	Non-Uniform Pension Contribution	4,959	3,537
09-487-161	FICA Employer Tax	3,550	3,440
09-487-354	Worker's Compensation Insurance	1,500	1,505
Total Fringe Benefits/Employer Taxes		20,899	18,572
Total Expenses		414,384	401,145
Total Expenses		414,384	401,145
Total Revenues		425,000	422,000
Excess Revenue or (Expenses)		10,616	20,855