

**MILLERSVILLE BOROUGH**  
**2018**  
**BUDGETARY INFORMATION**

**BUDGETARY OVERVIEW**

**LANCASTER COUNTY MUNICIPALITIES:**

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 39%. That means the other 61% of assessment is responsible for funding the entire operating budget. During 2017, Lancaster County went through a reassessment. As a result, the average residential property in the Borough increased by 32% to \$166,000. To achieve the same real estate tax revenue as the Borough did in 2017, the millage rate was lowered to 4.9 mills. This results in a no tax increase for an average residential assessed property.

Townships throughout the county have the advantage of increased taxable assessments from property developments, chiefly due to vacant land. Additionally, due to their population size and per capita income, the earned income tax is typically accountable for a greater part of all their revenue. Typically Townships are affected significantly by decreased earned income tax revenue and a slowdown in construction. The Boroughs revenues are further worsened under this scenario because of limited land for development and low per capita incomes. An offset to this for the Borough is the local services and earned income tax that chiefly comes from the University that provides a constant revenue source as a large employer.

On the expense side, governmental entities with union labor are subject to bargaining 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's contract expires at the end of 2019. The police contract expires at the end of 2020.

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**MILLERSVILLE'S BUDGETARY COMPONENTS**

**REVENUES**

**ALL PROPERTY TAX INCOME (44.8%) ---CHIEF REVENUE SOURCE**

- A) **GENERATED BY PROPERTY ASSESSMENTS:** The majority of the Borough's 39% tax exemptions are comprised from Millersville University, Penn Manor School District and Student Lodging Inc. However, Student Lodging Inc. has agreed through an in lieu of tax agreement to replace annually at the respective millage rate, all Borough tax revenue lost as a result of their exemption status. This is a considerable annual benefit to the Borough.
- B) **LOCAL TOTAL TAXABLE ASSESSMENT COMPOSITION:** 8.5% of the total taxable assessment is attributable to commercial properties. The balance is residential properties. This is not expected to change through the end of 2018.
- C) **BUDGETARY CONSEQUENCES:** The taxable residential properties of the Borough will provide 91.5% of the General Operating tax revenue for the 2018 budget.

**REVENUE AFFECTED BY ECONOMIC FACTORS:**

- 1) **HOME AND BUSINESS PROPERTY SALES (Property Transfer Tax)**  
Property sales are predicted to remain strong throughout Lancaster County. Due to projected growth in activity we have increased revenue for 2018.
- 2) **BUILDING AND ZONING PERMITS**  
Permit revenue from these two sources are expected to increase, forecasting a residential restricted living housing complex and some residential home completions.
- 3) **EARNED INCOME TAX (Payroll withholding)**  
Continuing improved Lancaster County Earned Income Tax Bureau operations reflect a steady employment base throughout the county with our earned income tax revenue signifying the same.
- 4) **INTEREST INCOME**  
Interest earned on bank investments has increased slightly reflecting some modest rate increases.

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**MAJOR EXPENDITURES**

- 1) Millersville Borough is a typical municipal public service entity with a majority of its anticipated expenses (78%) going for labor and their associated costs. The 2018 budgets reflect estimated wage increases of 2.5% for the police union and 2.25% for the non-uniform union contracts. The Borough's medical plan benefit provided through participation in a municipal pool increased 10% when averaged for both police and non-uniform medical plans.
- 2) Approximately 60.4% of our budget is for providing police services. Police personnel are expensed 100% to the General Operating budget.
- 3) Community Service Contributions which chiefly include the Blue Rock Regional Fire District has been stable over the years averaging about \$120,000 annually. Their operation continues benefitting from the efficiencies of providing regional services for Millersville Borough and Manor Township. Total fire services represent the average residential assessment taxed at approximately one half a mil or \$60 per year.

**OTHER FUND HIGHLIGHTS FOR 2018**

**General Operating Fund**

On the expenditure side, the \$3,693,910 budget is 4.9% higher than the 2017 amount. The budget was balanced with a 4.9 millage tax rate that reflects a no tax millage increase based on the new residential average assessment of \$166,000.

The Borough's entire fulltime staffing level of 13 police officers and 16 non-uniform employees is the same as 2017.

There is a \$20,000 transfer amount budgeted to the General Capital Reserve Fund for 2018 to cover capital equipment.

**General Capital Reserve Fund**

The North/South Duke Street corridor project remains a priority project for the Borough. A \$497,200 Smart Growth Transportation Grant was approved by the County in 2015. The project has been delayed by the 2017 State budget issues.

A versatile tractor will be acquired in 2018 to enable snow removal on sidewalks and grass cutting chiefly at the Borough park.

**MILLERSVILLE BOROUGH**  
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**Sewer Operating Fund**

There is no change in quarterly sewer service charges. (Residential \$110) (Commercial \$167.30) The expense budget has decreased 1.7%. Revenue has remained stable throughout 2017 and we are expecting it to continue through 2018.

**Sewer Capital Reserve Fund**

The 2017 north stream bank erosion control project and the roof over the Creek Drive Pump Station were put on hold because of other priority project issues. We expect to bid the roofing project internally. We expect construction of these two projects to commence in 2018. Replacement equipment for the bio-solids dewatering system has been examined through 2016 and 2017. A final recommendation has been made that includes an entire new energy efficient equipment dewatering facility.

**Solid Waste Fund**

There will be no change in the quarterly charges for residential solid waste removal in the Borough for 2018. The fee remains at \$55 per quarter. 2018 will be the final fixed contract amount from the hauler. There are two optional years available for bidding.

**Highway Aid Fund**

The Borough Streets Department will be resurfacing and recycling Pennview Drive, Brookview Drive, High School Avenue and Shenks Lane in 2018. \$75,000 is budgeted to upgrade the ADA ramping at the intersections.

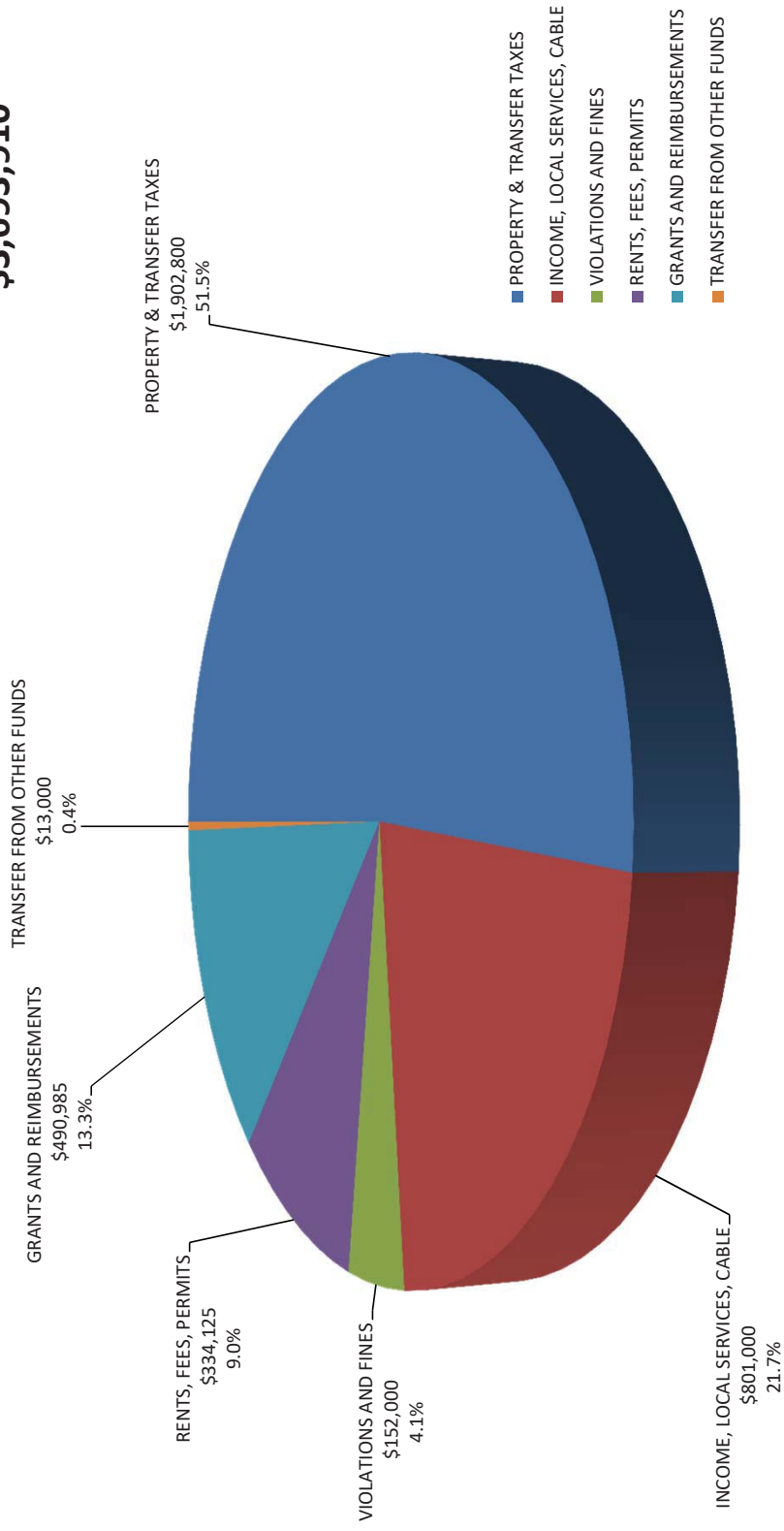
**Educational Service Agency Fund**

Total expenditures of \$28,390 are shared equally with the Penn Manor School District. 96% of the total budget is for Crossing Guard salaries and related expenses.

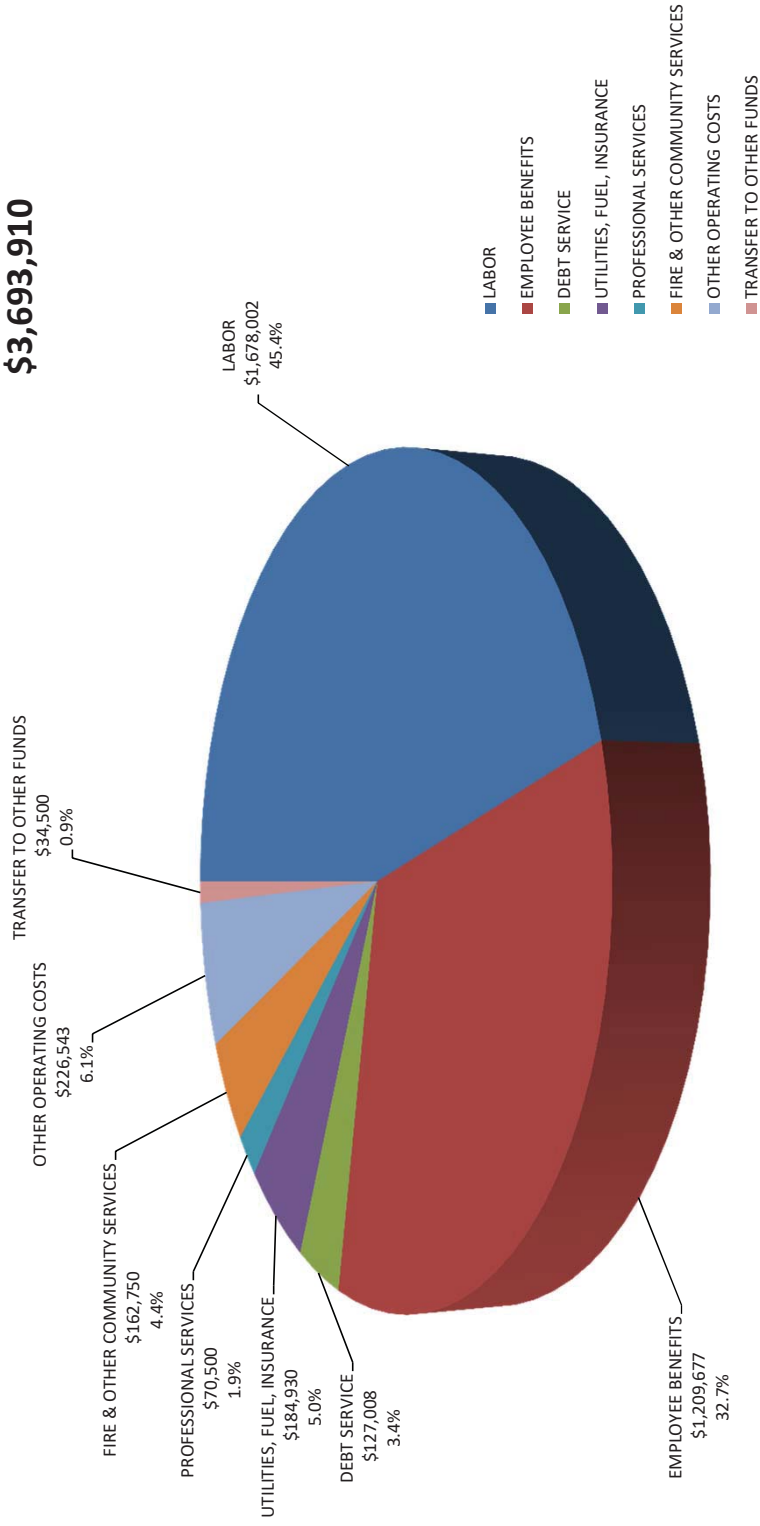
# GENERAL OPERATING FUND BUDGET

## 2018 REVENUES

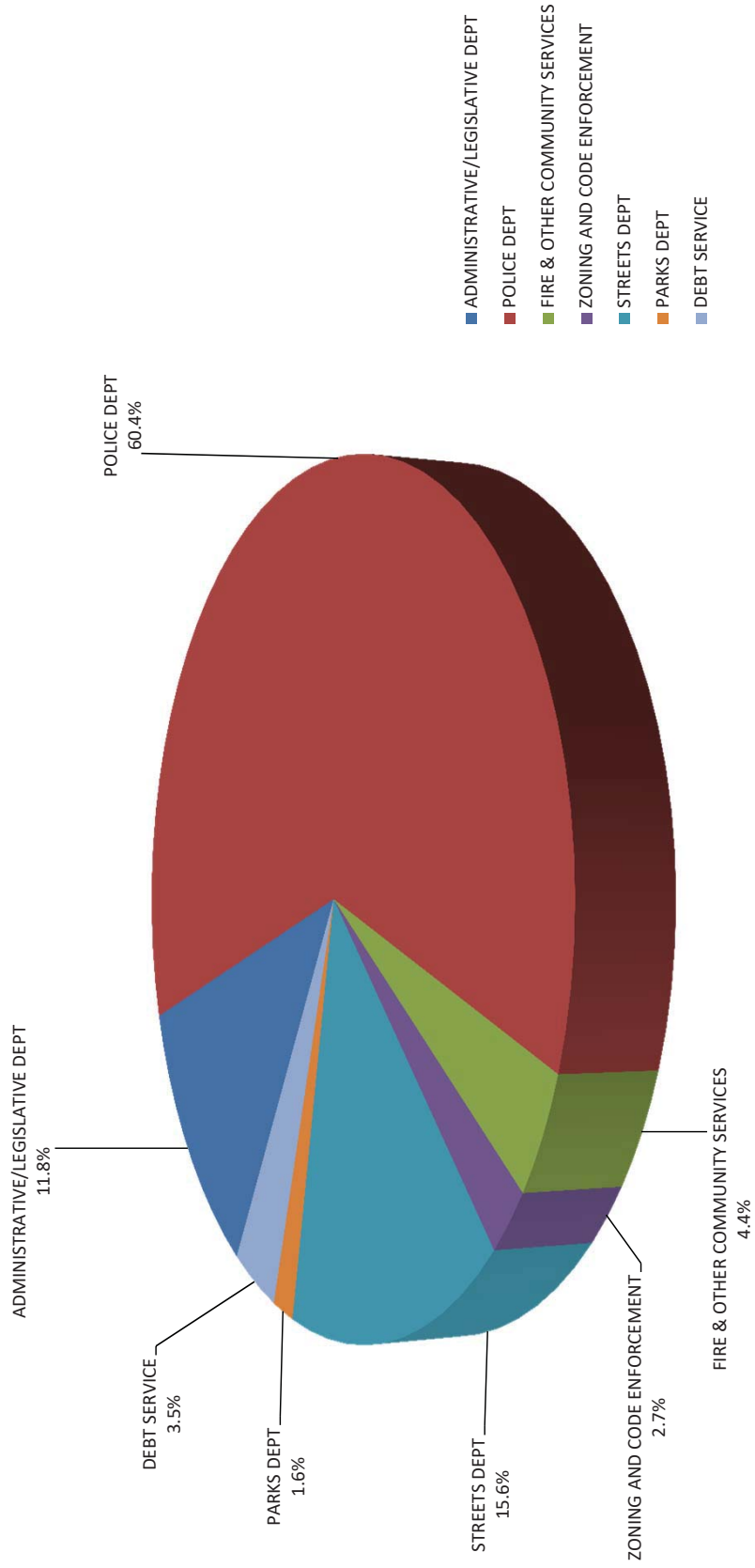
### \$3,693,910



# GENERAL OPERATING FUND BUDGET 2018 EXPENDITURES \$3,693,910



# GENERAL OPERATING FUND BUDGET 2018 DEPARTMENTAL SERVICES



**MILLERSVILLE BOROUGH  
2018 Budget**

Fund	Object	Description	2017 Budget	2018 Budget
<b>GENERAL OPERATING FUND</b>				
		(Millage Rate)	<b>0.0064</b>	<b>0.0049</b>
<b>Revenues</b>				
01	301100	Real Estate Taxes - Current Borough	1,654,460	1,654,500
01	301200	Real Estate Taxes - Prior Year	1,000	1,000
01	301300	Real Estate Taxes - Delinquent	14,000	14,000
01	301600	Real Estate Taxes - Interims	2,000	2,000
01	310100	Real Estate Taxes - Transfer Tax	75,000	85,000
01	310200	Earned Income Tax	560,000	575,000
01	310510	Local Service Tax	126,000	126,000
01	310900	Payments in Lieu of RE Taxes (PILOT)	130,700	146,300
01	321000	Business License and Permits	500	500
01	321800	Cable Television Franchise	94,000	100,000
01	322820	Street Encroachment (opening permits)	1,000	1,000
01	331100	Court Fines	12,000	12,000
01	331110	Vehicle Code Violations	32,000	34,000
01	331120	Ordinance Violations	45,000	51,000
01	331130	Parking Tickets	55,000	55,000
01	341000	Interest Earnings	1,800	2,200
01	342100	Rents - Water Tower	105,000	105,000
01	342200	Rents - Building	30,000	25,000
01	342450	Rents - Park	7,000	7,000
01	351000	Federal and State Grants	21,700	22,800
01	355010	Public Utility Realty Tax	2,500	2,500
01	355040	Alcohol Beverage Licenses	800	800
01	355050	Pension System State Aid	180,400	183,200
01	355070	Foreign Fire Insurance Premium Tax	41,000	37,000
01	355080	Reimburse NonUniform Pension	13,841	24,062
01	357000	County Grants	0	0
01	358000	Reimburse County Drug Taskforce Salary	72,042	89,243
01	361300	Subdivision and Land Development Fees	500	1,800
01	361320	Reimburse Engineering and Legal Fees	10,000	12,000
01	361330	Zoning Permits	19,500	28,000
01	361340	Zoning Hearing Fees / Bldg Code Appeal	1,900	1,900
01	361350	Stormwater Management Plan App Fee	1,000	625
01	361400	Plan Review Fee	1,000	1,000
01	361620	County Tax Collection Commission	1,500	1,500
01	361650	Tax Certification Fees	4,000	4,000
01	362100	Reimburse SRO and other Police Services	72,000	95,180
01	362110	Sale of Copies of Accident Reports	1,300	1,300
01	362220	Parking Permits	2,500	2,500
01	362410	Building Permits	31,000	81,000
01	362480	Housing Licenses	66,500	66,500
01	380000	Miscellaneous Revenue	9,500	22,000
01	392096	Transfer from Park Trust Fund	13,000	13,000
01	395000	Refund of Prior Year Expenditures	24,200	5,500
<b>Total General Operating Fund Revenues</b>			<b>3,538,143</b>	<b>3,693,910</b>



**MILLERSVILLE BOROUGH  
2018 Budget**

<b>Fund</b>	<b>Object</b>	<b>Description Expenditures</b>	<b>2017 Budget</b>	<b>2018 Budget</b>
01	400100	Mayor Salary	2,400	2,400
01	400110	Council Salaries	16,800	16,800
01	401121	Manager Salary	38,828	38,800
01	401140	Clerical Salaries	65,200	67,372
00	401183	Overtime	500	500
01	401200	Office Supplies	2,700	2,700
01	401300	General Expense	1,750	2,000
01	401311	Accounting and Auditing Services	8,300	8,800
01	401312	Consulting Services	0	4,000
01	401313	Engineering Services	40,000	28,000
01	401314	Legal Services	14,000	12,000
01	401316	Labor Counsel	700	700
01	401321	Telephone and Cable	3,000	3,000
01	401325	Postage	3,025	3,200
01	401341	Advertising	6,500	6,500
01	401350	Property and Liability Insurance	45,500	45,500
01	401353	Bonding Insurance	1,100	1,100
01	401361	Electricity	9,300	9,300
01	401362	Gas	6,500	6,500
01	401366	Water	600	600
01	401373	Building and Grounds Maintenance	16,300	16,300
01	401374	Equipment, Repair and Service Contracts	13,900	13,900
01	401376	Water Tank Maintenance	0	1,000
01	401420	Dues, Subscriptions and Memberships	5,200	3,000
01	401460	Training and Conferences	1,500	2,100
		<b>Total Administration/Legislative Department</b>	<b>303,603</b>	<b>296,072</b>
01	410122	Chief Salary	97,421	99,322
01	410130	Police Officers Salaries	901,288	939,712
01	410131	Part-time Police Officers Salaries	15,000	19,000
01	410140	Clerical Salaries	97,380	99,572
01	410160	Police Pension Plan	269,864	337,878
01	410183	Overtime	85,000	83,000
01	410200	Office Supplies	4,250	2,000
01	410220	Operating Supplies and related items	4,000	9,000
01	410231	Vehicle Fuel	16,000	14,000
01	410238	Clothing and Uniforms	9,800	13,325
01	410242	Ammunitions and Targets	4,500	4,500
01	410300	General Expense	4,500	4,000
01	410316	Labor Counsel	5,000	5,000
01	410321	Telephone and Cable	8,500	8,500
01	410341	Civil Service (inc Advertising)	1,500	1,500
01	410374	Equipment Repair and Service Contracts	23,000	34,000
01	410375	Vehicle Maintenance	12,000	11,000
01	410420	Dues, Subscriptions and Memberships	2,100	2,100
01	410450	Animal Control	1,000	1,000
01	410460	Training and Conferences	5,500	4,500
01	410505	County Drug Task Force Operation	8,168	8,168
		<b>Total Police Department</b>	<b>1,575,771</b>	<b>1,701,077</b>

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2018 Budget**

<b>Fund</b>	<b>Object</b>	<b>Description</b>	<b>2017 Budget</b>	<b>2018 Budget</b>
01	411450	Emergency Alert Services	1,200	1,200
01	411500	Fire Services - Blue Rock Regional Fire District	119,500	119,500
01	411510	Firemans Relief Associaiton	41,000	37,000
01	411530	Contributions to County Library	2,500	2,500
01	411540	Contributions to Meals on Wheels	350	350
01	411550	Contributions to Lancaster EMS	1,500	2,000
01	411590	Contributions - Other	0	200
		<b>Total Community Services</b>	<b>166,050</b>	<b>162,750</b>
01	414130	Code Enforcement Officer Salary	58,614	59,933
01	414220	Operating Supplies	1,400	1,200
01	414231	Vehicle Fuel and Maintenance	2,000	2,000
01	414310	Court Reporter Services	300	300
01	414341	Advertising	1,000	1,000
01	414374	Equipment, Repair and Service Contracts	2,700	3,100
01	414460	Training and Conferences	500	500
		<b>Total Zoning and Code Enforcement</b>	<b>66,514</b>	<b>68,033</b>
01	430122	Street Superintendent Salary	64,138	65,581
01	430140	Street Department Salaries	159,731	157,621
01	430183	Overtime	6,000	6,000
01	430220	Operating Supplies and related items	4,150	4,150
01	430231	Vehicle Fuel	9,500	9,500
01	430240	Road Repair and Markings	10,000	10,000
01	430245	Traffic Control Signs	5,000	5,000
01	430246	Storm Sewer and Drains	12,000	12,000
01	430313	Engineering Services	13,000	12,000
01	430321	Telephone	750	750
01	430361	Electricity - Buildings	2,700	3,000
01	430362	Gas	5,500	5,500
01	430366	Water	350	350
01	430367	Electricity - Traffic Signals	2,400	2,700
01	430368	Electricity - Street Lights	63,000	70,000
01	430370	Traffic Signal Repair and Service Contract	8,500	9,500
01	430373	Building and Grounds Maintenance	4,300	4,300
01	430374	Equipment, Repair and Service Contracts	9,800	10,000
01	430375	Vehicle Maintenance	4,700	4,700
		<b>Total Street Department</b>	<b>385,519</b>	<b>392,652</b>
01	454140	Park Department Salaries	24,362	22,389
01	454220	Operating Supplies and related items	700	1,700
01	454231	Vehicle Fuel	2,000	2,000
01	454300	General Expense	1,200	500
01	454361	Electricity	2,200	2,300
01	454366	Water	330	330
01	454373	Building and Grounds Maintenance	8,000	8,000
01	454374	Equipment, Repair and Service Contracts	2,800	2,800
		<b>Total Park Department</b>	<b>41,592</b>	<b>40,019</b>
01	471210	2017 Refi 2010&2007-GO Note Princ-BB&T	122,500	69,210
01	472000	Financing Debt Charges	10,654	0
01	472200	2007 Refi 2002 GO Note Interest-DVAL	0	0
01	472210	2017 Refi 2010&2007-GO Note Inter-BB&T	40,002	57,798
		<b>Total Debt Service</b>	<b>173,156</b>	<b>127,008</b>
01	487152	Dental Insurance	16,390	18,100
01	487156	Health Insurance	485,900	542,000
01	487157	Health and Welfare	12,700	22,200
01	487158	Life Insurance	3,400	2,900
01	487160	Pension Plan-NonUniform	95,731	122,157
01	487161	FICA and Medicare	123,450	126,942
01	487162	PA Unemployment Benefit	0	0
01	487354	Workers Compensation Insurance	41,445	37,500
		<b>Total Employee Benefits</b>	<b>779,016</b>	<b>871,799</b>
		<b>Total General Operating Fund Expenditures</b>	<b>3,491,221</b>	<b>3,659,410</b>
01	492031	Transfer to General Capital Reserve	287,000	20,000
01	492045	Transfer to Education Service Agency	14,500	14,500
		<b>Total Transfers</b>	<b>301,500</b>	<b>34,500</b>
		<b>Total General Operating Expenditures &amp; Transfers</b>	<b>3,792,721</b>	<b>3,693,910</b>
		<b>Excess (Loss) of Revenues Over Expenditures</b>	<b>(254,578)</b>	<b>-</b>

**MILLERSVILLE BOROUGH  
2018 Budget**

Fund	Object	Description	2017 Budget	2018 Budget
<b>SEWER OPERATING FUND</b>				
		(Residential rate per quarter)	\$ 110	\$ 110
<b>Revenues</b>				
08	341000	Interest Earnings	1,000	1,300
08	364100	Sewer Charges	1,260,000	1,280,000
08	364102	Sewer Lien Income	49,000	49,000
08	364120	Sewer Agreement - University	305,000	304,000
08	364125	Sewer Agreement - Manor Township	45,750	47,960
08	380000	Miscellaneous Revenue	250	250
08	395000	Refund of Prior Year Expenditures	5,000	1,400
		<b>Total Sewer Operating Fund Revenues</b>	<b>1,666,000</b>	<b>1,683,910</b>
<b>Expenditures</b>				
08	401121	Manager Salary	38,828	38,800
08	401140	Clerical Salaries	65,200	67,161
08	401183	Overtime	800	800
08	401200	Office Supplies	2,600	2,600
08	401300	General Expense	7,000	1,000
08	401311	Accounting and Auditing Services	11,000	8,800
08	401313	Engineering Services	35,000	37,000
08	401314	Legal Services	11,000	11,000
08	401321	Telephone and Cable	6,000	6,000
08	401325	Postage	5,000	5,000
08	401350	Property and Liability Insurance	27,000	26,000
08	401374	Equipment, Repair and Service Contracts	12,200	12,200
08	401383	Rental of Building	20,000	16,500
08	401420	Dues, Subscriptions and Memberships	1,300	2,500
08	401460	Training and Conferences	3,000	1,500
08	429122	Sewer Plant Superintendent Salary	73,851	75,503
08	429140	Sewer Plant Salaries	207,722	212,111
08	429183	Overtime	13,000	13,000
08	429220	Operating Supplies and related items	7,600	14,000
08	429221	Chemicals	55,000	56,500
08	429225	Laboratory Supplies	5,000	5,000
08	429227	Outside Laboratory Services	27,000	27,700
08	429231	Vehicle Fuel	5,500	5,500
08	429361	Electricity	160,000	150,000
08	429362	Gas	120	250
08	429366	Water	7,500	7,500
08	429373	Building and Grounds Maintenance	11,500	8,000
08	429374	Sewer Treatment Plant Equipment Maint	69,880	72,000
08	429375	Vehicle Maintenance	9,000	10,000
08	429378	Collection System & Pump Stations Maint	38,000	41,000
08	429450	BioSolids Management Contracted Svcs	33,700	35,000
08	471210	2017 Refi 2010&2007-GO Note Princ-BB&T	190,250	166,870
08	472000	Financing Debt Charges	20,071	0
08	472210	2017 Refi 2010&2007-GO Note Inter-BB&T	23,618	31,023
08	472300	2007Refi 2002RevenueNote Interest-DVAL	0	0
08	487152	Dental Insurance	4,800	4,800
08	487156	Health Insurance	136,000	136,000
08	487157	Health and Welfare	6,100	6,100
08	487158	Life Insurance	550	550
08	487160	Pension Plan - NonUniform	12,486	23,488
08	487161	FICA and Medicare	30,500	31,500
08	487354	Workers Compensation Insurance	11,200	11,200
		<b>Total Sewer Operating Fund Expenditures</b>	<b>1,405,876</b>	<b>1,381,456</b>
08	492038	Transfer to Sewer Capital Reserve	775,000	300,000
		<b>Total Transfers</b>	<b>775,000</b>	<b>300,000</b>
		<b>Total Sewer Operating Expenditures &amp; Transfers</b>	<b>2,180,876</b>	<b>1,681,456</b>
		<b>Excess (Loss) of Revenues Over Expenditures</b>	<b>(514,876)</b>	<b>2,454</b>

**MILLERSVILLE BOROUGH  
2018 Budget**

Fund	Object	Description	2017 Budget	2018 Budget
<b>SOLID WASTE FUND</b>				
		(Residential rate per quarter)	\$ 55	\$ 55
<b>Revenues</b>				
09	341000	Interest Earnings	500	900
09	364300	Solid Waste Collection Charges	385,000	385,000
09	364302	Solid Waste Lein Income	31,000	31,000
09	364330	Green Yard Waste Tags	7,000	8,500
09	364331	Yellow Extra Service Tags	1,500	1,500
09	364332	Red Oversize Trash Tags	1,700	2,200
09	364333	Blue Large Appliance Tags	500	500
09	364500	PA Recycling Grant	4,000	2,000
09	380000	Miscellaneous Revenue (inc Hauling Rebate)	15,000	15,000
09	395000	Refund of Prior Year Expenditures	700	100
		<b>Total Solid Waste Fund Revenues</b>	<b>446,900</b>	<b>446,700</b>
<b>Expenditures</b>				
09	401121	Manager Salary	19,414	19,400
09	401140	Clerical Salaries	32,600	33,581
09	401183	Overtime	400	400
09	401200	Office Supplies	2,100	2,100
09	401300	General Expense	700	700
09	401311	Accounting and Auditing Services	5,500	4,400
09	401313	Engineering Services	0	0
09	401314	Legal Services	9,200	9,200
09	401325	Postage	5,000	5,000
09	401341	Advertising	500	500
09	401374	Equipment, Repair and Service Contracts	3,700	3,700
09	401383	Rental of Building	10,000	8,500
09	401420	Dues, Subscriptions and Memberships	300	1,200
09	427220	Operating Supplies and related items	17,000	17,500
09	427440	Solid Waste Disposal	126,000	126,000
09	427450	Collection and Hauling Contracted Services	179,000	179,000
09	487152	Dental Insurance	650	650
09	487156	Health Insurance	16,100	17,100
09	487157	Health and Welfare	800	800
09	487158	Life Insurance	85	85
09	487160	Pension Plan-NonUniform	1,355	574
09	487161	FICA and Medicare	4,000	4,100
09	487354	Workers Compensation Insurance	1,500	1,500
		<b>Total Solid Waste Fund Expenditures</b>	<b>435,904</b>	<b>435,990</b>
09	492031	Transfer to General Capital Reserve	250,000	0
		<b>Total Transfers</b>	<b>250,000</b>	<b>0</b>
		<b>Total Solid Waste Expenditures &amp; Transfers</b>	<b>685,904</b>	<b>435,990</b>
		<b>Excess (Loss) of Revenues Over Expenditures</b>	<b>(239,004)</b>	<b>10,710</b>