



2019

ANNUAL BUDGET PROPOSAL

Borough of

MILLERSVILLE

Lancaster county, Pennsylvania





BOROUGH OF MILLERSVILLE
PENNSYLVANIA

PROPOSED ANNUAL BUDGET
FISCAL YEAR 2019

Prepared by:

Bradley N. Gotshall
Borough Manager

Jessie L. Ebersole
Finance Officer

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I. INTRODUCTION

Borough Directory

Mayor

Richard M. Moriarty – Term Ends: 1/2022

Borough Council

President: Daniel P. Ostrowski – Term Ends: 1/2022

Vice President: Lynn M. Miller – Term Ends: 1/2020

Assistant Secretary: Dianne M. Bates – Term Ends: 1/2022

Members: Scott A. Bailey – Term Ends: 1/2020

Linda L. Bellile – Term Ends: 1/2022

Bruce A. Cantey – Term Ends: 1/2020

Mary Ann Gerber – Term Ends: 1/2022

Borough Management

Borough Manager: Bradley N. Gotshall

Chief of Police: John D. Rochat

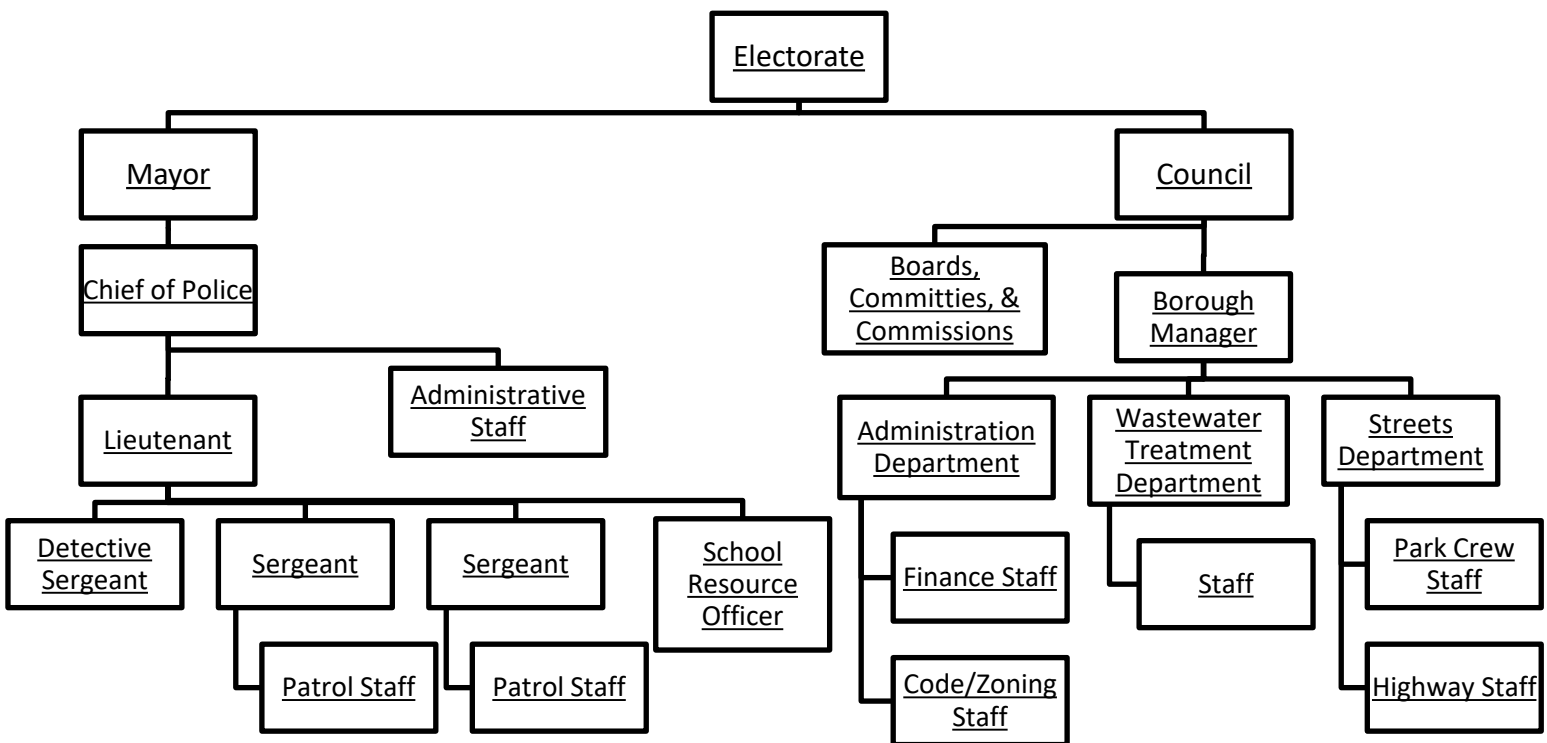
Streets & Parks Super.: Andrew Boxleitner

Finance Officer: Jessie Ebersole

Police Lieutenant: Jeffrey Margevich

Sewer Superintendent: Leslie McMullen

Code Enf. & Zoning: Michael Tuscan



Borough Profile

Date of Incorporation	1932
Form of Government	Council-Manager
Current Population (2016 Census Estimate)	8,370
Population Density (per acre)	6.53
Land Area (square miles)	2.0
Annual Unemployment Rate (2016 Census)	22.3%
Median Household Income (2016 Census)	\$41,455
Median Age (2010 Census)	22.1 Years Old
Building/Maintenance Permits Issued (2018)	631 Permits - \$12,023,852 Value
Miles of Borough Street	17.43
Number of Acres of Parks	21.1
Number of Streetlights	340
Number of Traffic Signals	7
Number of Housing Units (2016 Census)	2,771
Public Utility Accounts (active accounts)	2,857
Number of Employees	
Full Time	29
Part Time	5
Seasonal	4



BOROUGH OF MILLERSVILLE

DANIEL P. OSTROWSKI,

Council President

RICHARD M. MORIARTY,

Mayor

BRADLEY N. GOTSHALL,

Borough Manager



BOROUGH HALL:
100 MUNICIPAL DRIVE
MILLERSVILLE, PA 17551
(717) 872-4645
FAX: (717) 872-1895
MILLERSVILLEBOROUGH.ORG

Budget Message

October 10, 2018

Dear Members of Borough Council,

I am pleased to present you with the proposed 2019 budget, for your consideration. This message should serve as a brief introduction to the ensuing document and give further background to the Borough's fiscal state. Consistent with Title 8, Subsection 101 of the Pennsylvania Consolidated Statutes, "beginning at least 30 days prior to the adoption of the budget, a proposed budget... for the ensuing year shall be prepared in a manner designated by the council." As noted in the 2019 Budget Calendar, found hereinafter as labeled "Budget Process", this year's process really began in July, when I met with each department head, gaining a sense for what their upcoming budget requests would look like. To this point, we are right on schedule, and Council will be in a position to adopt this budget at the December 11th meeting.

Format

With this budget, you will note a considerable revision to the layout, feel, and overall theoretical objective of the financial plan. In keeping with the Borough's move, throughout 2018, towards a model of renewed efficiency utilizing a new set of technological tools, this document will continue to push the bounds of how we do business. This 2019 FY budget is not only a fiscal document, but one in which elevates communication and interaction with our residency, while exploring the deeper meaning of our finances.

A municipal budget best serves as a communication tool, explaining the stories behind each number on the page. By adding narratives and messages, it is my aim to give you, the reader, a better understanding of where we are, financially and otherwise.

This document encompasses the overall financial perspective of the Borough, including not only the General Fund, but all other Proprietary and Fiduciary Funds as well. I hope that this layout finds it easy to read, comprehend, and gives you a base upon which you may talk about the finances of Millersville Borough.

2018

Operational Capacity

Year 2018 should be known of Millersville Borough, as the year of increased digital presence. Throughout the year, the Borough made great strides in joining the rest of the growing online municipal community. With the launch of our Facebook page, enhanced mass notification system (SwiftReach 911), modern agenda and minutes platform, and finally the Borough's newly reinvigorated website, our elected officials want the world to know how important public interaction is to them. This year also marked a year of considerable change in the Millersville community. In January, of course, the Borough's long-time manager, Edward Arnold, retired after over 15 years at the helm. In taking Ed's place, I have found the Borough to be in solid fiscal shape, with sound current-year budget framework and an adequate Capital Reserve Fund and unreserved fund balance in the General Fund. Along with Ed's departure, Millersville University experienced departures of several senior administrators, including its President, Dr. John Anderson, and its Vice President of Finance and Administration, Roger Bruszewski. With such a change over occurring at both the Borough and the University, 2018 has presented itself, and still yet 2019 will pose even more an opportunity for enhanced partnership between our two organizations.

Future Considerations

Short-term Factors to Creating the Budget

The preparation of any municipal budget is impacted by both internal and external factors. Internal factors, such as personnel cost, operational concerns, or other discretionary items, are typically easier to foresee and account for in the budgeting process. It is those factors that fall outside the Borough's typical operational parameters, that can have substantial negative impact on the fiscal affairs of the organization. Going into the 2019 budget, however, we continue to be the beneficiary of capital projects on local educational campuses.

Over the last few years, Student Lodging, Inc. and Millersville University have embarked on a multi-million-dollar student housing project, demolishing and rebuilding dozens of complexes. As a result, annual budgets to this point have shown healthy building and zoning permit revenues. The 2018 budget, for example, assumed building permit revenues of \$6,000 from Student Lodging as a result of work at Brookwood Court. Additional building projects, such as at Lafayette Place, also contributed to this year's revenues. Moving into 2019's budget proposal, we continue to realize temporary increases in revenues as a result of building permits for capital projects.

As a result of the Penn Manor School District's High School renovation and rebuild project, this 2019 budget proposal shows revenues in the building permits line-item (01.362.410) at \$361,320 and in the zoning permits line-item (01.361.333) at \$155,000. Less these permit fees, this proposal would be hard-pressed not to have a higher tax than what is included here. For comparison, a 1.5 mill increase would bring the Borough an additional \$519,646 in revenues. We are lucky, here in Millersville, to find continued development.

Long-term Fiscal Outlook

Pennsylvania, and Lancaster County more precisely, are experiencing rapid population and economic growth. Out of the Commonwealth's 67 counties, Lancaster remained the sixth most populous, and had the sixth strongest one-year growth ranking during the most recent Census estimates of 2017. These rankings can be seen as good news to those with an eye for development. The County as a whole has vast potential for continued growth into the next decade. So much so, that the County Planning Commission is in the process of rolling out its comprehensive plan, Places2040, with a precise goal of enhancing development in specifically targeted "urban growth areas". Of the County's 604,038 acres, 99,526 are located within these growth areas. In the plan, which is now in draft form, the County seeks to push development particularly in the boroughs and cities and reach high density (9+ dwelling units per acre) in the remaining, buildable landscapes.

Millersville Borough just so happens to be one of these designated growth areas. Here, we have hundreds of acres of land which is eligible for future development, and the Borough Council and management have been working diligently to ensure sound use of this land. With private development comes one-time building and zoning permits, which could stave off a tax increase effort in a budget, but also comes increased real estate, earned income, and local service taxes year after year.

Municipalities that rely heavily on one type of land-use, such as residential, become tied to trends in personal wealth and housing cycles. If, for example, housing starts begin to slow, home-ownership dips, or a recession hits and mortgage defaults befall owners, municipalities that have an overabundance of residential zoning more quickly feel the burden of the falter. In addition to creating a more volatile environment, residential-heavy zoning brings artificially lower revenues as a result of assessed valuation. Larger properties and structures bring higher assessed valuation, which in-turn leads to higher real estate revenues overall. Out of the 2,107 parcels located in the Borough, 1,936, or 92%, is residential. These 1,936 parcels have a total assessment of \$316,353,100.

For these reasons above, the Borough is investing heavily in promoting the long-term development potential of Millersville. Just this year, Council President Ostrowski convened a revived Economic Development Advisory Committee, which will act as a citizen liaison to potential developers and seek to promote the Borough. Also, this year, Borough Council approved a memorandum of understanding with the Lancaster County Redevelopment Authority to provide technical consultation and project guidance on implementing the Borough's Downtown Overlay District.

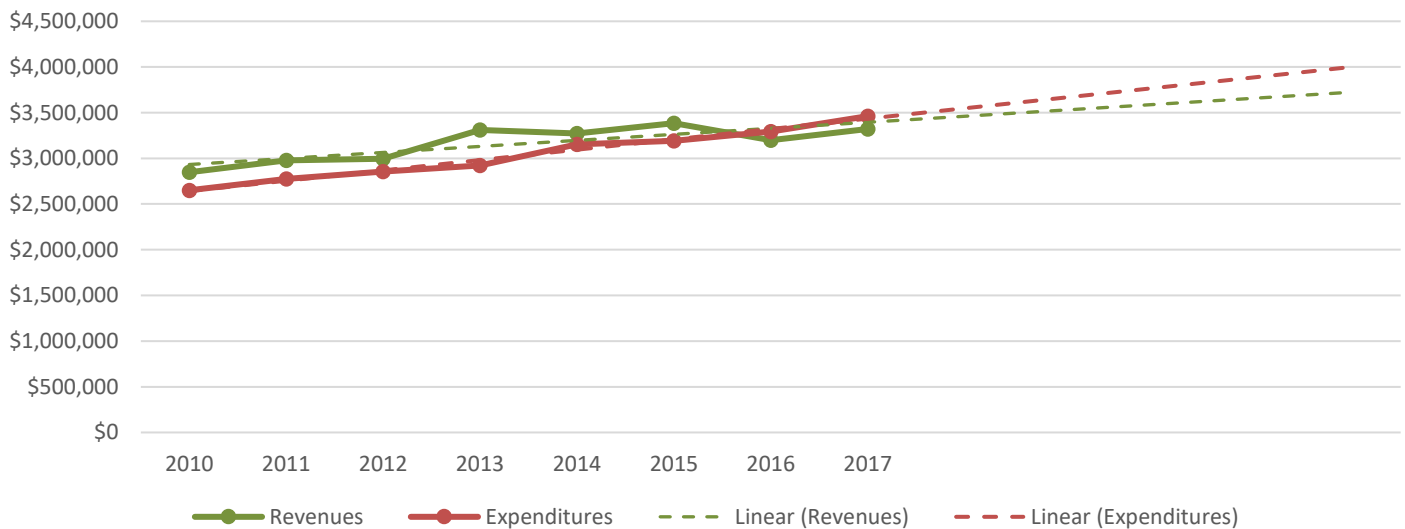
One major charm of this community is the educational offering we have here. Millersville Borough can truly be called an education center, being home to Millersville University and the location of Penn Manor's high school and an elementary

school. These facilities are large draws both in terms of daily economic impacts (employment, daily operational markets, festivals and athletic events), and factors in determining where one would potentially consider living. They create a warm, progressive, and welcoming town. All at the same time, however, our biggest offering is also the Borough's largest issue regarding long-term fiscal health and daily operational demand.

Across Lancaster County, Millersville Borough is home to the highest percentage of tax-exempt properties (as a percentage of assessed valuation) at 39%. The next closest, the City of Lancaster, is just 29% tax exempt. Having nearly 40% of assessed valuation untaxed is quite unsustainable in the long-run and poses grave concern for municipal well-being. Each year, the cost of providing all the services we offer here, goes up, while revenues remain particularly flat (unless Council raises taxes).

During the timeframe of 2010 to 2017, general fund expenditures have gone up approximately 4% annually on average. Items such as personnel salaries and benefits, insurances, debt service, and operational costs drive these figures. Conversely, while removing the impact of real estate tax increases, revenues have increased only approximately 2% annually on average. To illustrate this point, if Council would have kept the real estate tax millage at 4.85, where it was at 2010, by year 2016, the Borough would have had a structural deficit. Only through real estate tax increases and major building and zoning permit revenues (one-time benefits), was the Borough able to sustain sound fiscal health.

2010-2017 Revenues & Expenditures
(adjusted for real estate tax increases)



All this to say, the Borough does receive a sizeable PILOT (payment in lieu of taxes) from Student Lodging, Inc., to offset their particular portion of real estate tax exemption. In fact, their PILOT is dollar for dollar what their assessed valuation would have the organization pay in property taxes if not exempt. The PILOT, of \$155,502, covers Student Lodging's properties which are owned by the organization, not the University. The Commonwealth of Pennsylvania has put its municipalities in long-term jeopardy by giving the PASSHE schools and other institutions of higher learning tax exempt status. Until this issue is solved at the state level, municipalities like the Borough of Millersville will continue to buy time through tax increases and other creative fiscal measures.

Of the 39% tax exempt valuation, 33%, or \$738,555, is attributable to the University (non-PILOT). Through various state agencies and departments, such as Millersville University, the General State Authority, the Commonwealth of Pennsylvania, Department of General Services, and even the old designation of the Millersville State College, the University owns approximately 75 parcels throughout the Borough, all void of the responsibility to pay property taxes. The current Pennsylvania Borough Code does little to assist college-towns, like Millersville Borough, with self-determination. We are given very few tools in guarding against ever increasing costs.

Goals and Priorities

Operational

Operationally speaking, Borough departments seemed to be operating at the status quo heading into 2018. To a large extent, each department remains where it was when I took the position of Manager in January of this year. As outlined in the opening paragraphs of this letter, however, a few operational changes have been introduced largely by way of adopting newer technologies.

Moving into 2019 and beyond, each department will be pushed to find new ways of utilizing existing field technology. As we advance every year in technological means, adoption and utilization of these new tools becomes cheaper and more accessible. Citizens expect a government that is nimble, accessible, and ready to meet their needs and desires when they reach out, not when they too are at work.

Each department should also have the capacity to access their work from anywhere they may be. Every department in the Borough benefits from the ability to access data from their vehicles or out in the field. Not only does this make their jobs easier, but it also saves them time from having to take notes or handwritten reports in the field, only to return to their offices and be required to enter those notes into an electronic format. This double-handling takes time, costing the taxpayers money, and has the potential to lead to human error more rapidly.

Goal #1 – Advance the utilization of technology in the field over the year 2019

Yet another operational goal must be to ensure continued enhancement to Borough services. Moving into 2019, it shall be a priority to implement performance-based measures per department in an attempt to adequately track progress on the efficiency and effectiveness of our various programs. Without such benchmarking and tracking, there is virtually no way to determine the appropriateness of our programs, beyond anecdotal evidence. The International City/County Management Association (ICMA) has wonderful guidance and templates on performance-based metrics.

Goal #2 – Implement key performance indicators per operational department

Fiscal Readiness

Today, as stated, the Borough is fiscally sound, with few glaring systemic issues. We remain in good position to tackle economic contractions or other external implications that may typically work against the average Pennsylvania municipality. However, the Borough continues to have a lack of unreserved operating funds that would allow us to weather an emergency contraction or complete siphoning of revenues. In order for the Borough to meet these types of external events, such as natural disasters, large-scale economic collapse, or some other locally-based fiscal catastrophe, we must look towards putting in place policies and guidelines which continue to build on our fiscal health.

The Government Finance Officers Association (GFOA) recommends that local governments put in place particular policies which require an annual unrestricted fund balance in the general fund. Their recommendation goes further to suggest that such an unrestricted fund be maintained at, in a minimum, two months of regular general fund operating revenues or general fund operating expenditures. The selection of policy language indicating revenues or expenditures hinges on what historically is the more reliable of the two in your municipality – in Millersville’s case, such policy should most likely indicate revenues, as our stream of revenues seems to be quite stable, thus predictable, over the years.

Goal #3 – Put in place a fiscal policy requiring unreserved operating funds

Long-term Budgeting & Planning

Providing a sound fiscal environment does not stop at the annual budget. To keep pace with the ever changing technological, social, and globalized world, municipalities must look towards a landscape years down the road. The purchase of a major piece of equipment such as a dump truck, sewer plant press, or even the annual repair of streets only buys time until the next is purchased or the next phase begun. Budgeting on an annual basis, while sensible as it is, does a dis-service to the long-term financial wellbeing of the community.

Providing a five- or ten-year plan of major capital purchases or projects allows a municipality to put assets into a more thoughtful replacement schedule and gives an opportunity to spread out financial obligation over those years. As a minor example, if we know 5 years out that we need to replace a \$400,000 vac-truck, it would be helpful to begin placing \$80,000 aside over those 5 years, rather than being hit with an “unanticipated” \$400,000 budget allocation in year 5.

Beginning next year’s budget process, a priority will be to include the implementation of a Capital Improvement Plan (CIP). This plan will be structured as a five or ten year spending plan. These CIPs are merely a tool in which assists in the planning of major capital projects or purchases, not to encumber future budgets or councils with required annual spending.

Goal #4 – Implementation of a multi-year Capital improvement Plan (CIP)

Alongside a multi-year capital improvement plan, the Borough must better position itself to address long-term fiscal landscapes through an active understanding of where we are heading. Often among Pennsylvania’s municipalities, such an active look at the true financial well-being of the organization takes place only when prompted by external factors, such as the state, or some financial crisis occurs. A glaring weakness (or strength as the case may be) within Pennsylvania’s local government structure is the clear lack of guidance and assistance to those municipalities that are not yet “distressed”. It is only when a municipality becomes “distressed” does the Commonwealth enact measures to step in and assist through a state-appointed receiver. Until that point, it is up to each local government to chart its course.

Beyond the CIP, it is imperative that municipalities have a clear picture of where it will be in five or ten years down the road. Increasing taxes or user fees at the point when the revenues fail to meet the expenditures is already too late. This reactionary approach is a clear byproduct of the annual budgeting process utilized by most municipal governments across the Commonwealth. As these revenue shortfalls suddenly present themselves in an annual budget process, the governing body must react and boost tax or user fee rates in a knee-jerk fashion. Enter the five-year financial analysis.

The Pennsylvania Department of Community and Economic Development (DCED) administers a grant program, the Early Intervention Program (EIP), to provide a five-year financial and management analysis to those successful in obtaining the award. The Program, although awkwardly titled, does not indeed have anything to do with how well-off a municipality is. Any local government, rich or poor, may apply and obtain a grant, if successful, to implement this process.

Moving into next year, I implore Council to prepare an application to the DCED’s EIP, allowing the Borough to put out an RFP seeking financial consultants that will do a comprehensive long-range financial and management analysis. The grant, if so awarded, would cover 50% of the consultants’ fee, and subsequent product. Even more appealing, the Borough may then apply in subsequent years for additional phases of the grant that will go towards covering 50% of implementing the findings of the analysis of the original granting phase.

Goal #5 – Submit application to the Commonwealth’s Early Intervention Program (EIP)

Conclusion

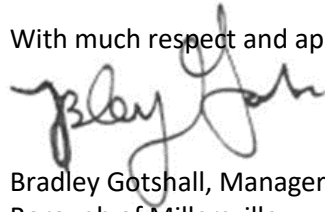
The Borough, as explained in this message, and as you will find in the remainder of this document, is well positioned to find long-term fiscal strength. At this point, although we do not have unreserved funds or long-term financial plans, adequate latitude in the budget exists to sustain short-term crisis. Our financial landscape also puts us in a position to plan from a perspective of ability and not out of a sense of dire need or imminent distress. While many municipalities find themselves dealing with financial hardships after they already hit, I feel we are in a position to begin to take a long-term view and build a true reserve for the moment we need it most.

The opportunity to restart relations with Millersville University, under new presidential and senior leadership, gives us the potential to further hone in on operational efficiencies within the Borough, and build upon an already cordial town-gown relationship. If ever were the time, now presents itself as the opportunity to begin renewed town-gown conversations. We must begin to utilize this vast resource in our own backyard to grow the Borough into the efficient and effective town we are capable of becoming.

The ever-present opportunity of economic vitality and growth also looms. The County of Lancaster continues to experience vast economic development, to which the Borough, as we have seen, is not immune. Borough Council has shown the willingness to embrace a change in identity, and the acceptance of development outside of the typical Millersville residential, and should continue to court these efforts. One-time building and zoning permit revenue windfalls help, but long-term commercial and industrial tax-bases assist even more.

In closing, I am vastly honored and pleased to have the opportunity to present this 2019 budget proposal to the board, and I look forward to assisting Council in the implementation of the financial and operational goals as outlined herein.

With much respect and appreciation,

A handwritten signature in black ink, appearing to read "Bradley Gotshall". The signature is fluid and cursive, with the first name "Bradley" being more prominent than the last name "Gotshall".

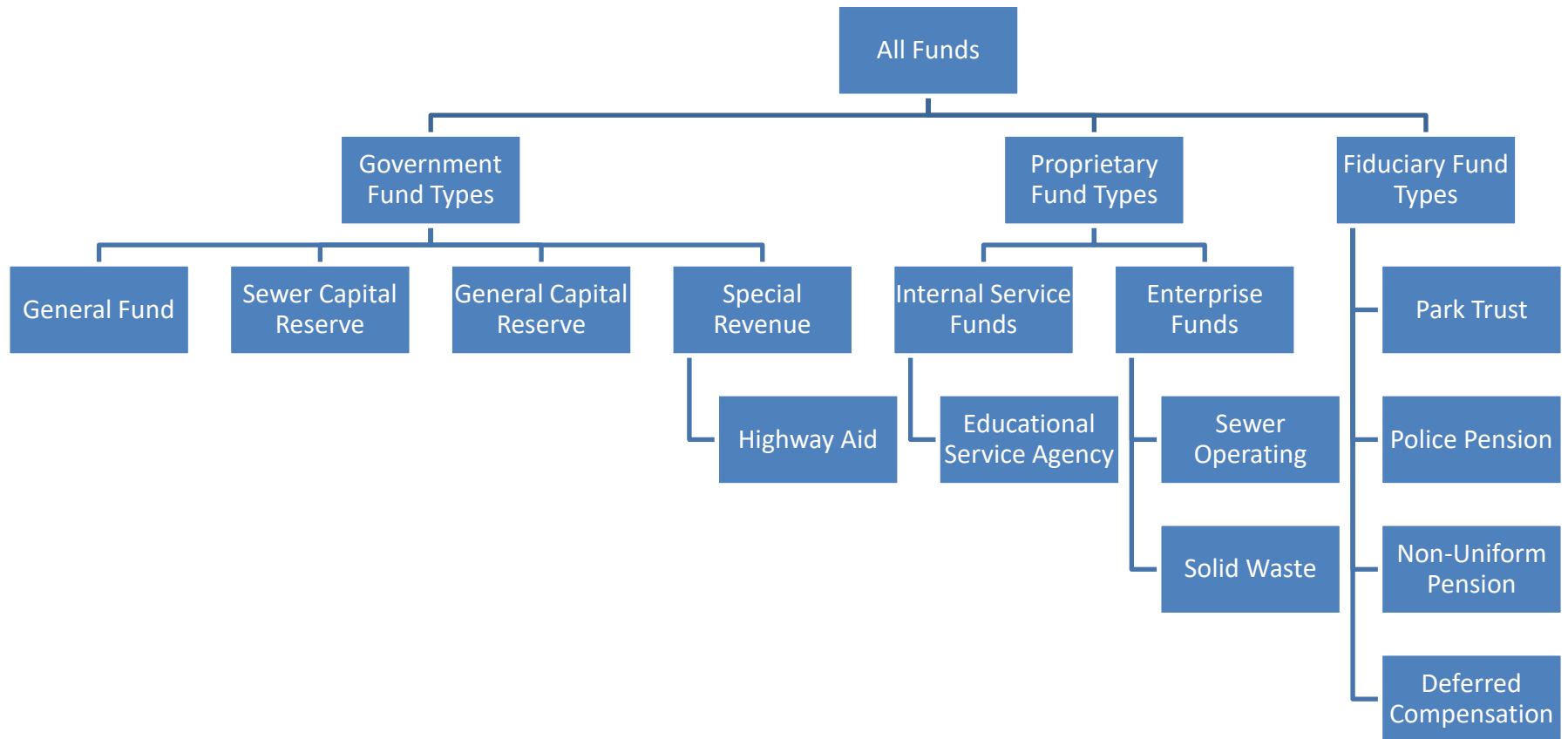
Bradley Gotshall, Manager
Borough of Millersville

Budget Process

Action	Date
Budget Calendar and Instruction Memo Distributed by Borough Manager	June, 2018
Borough Manager: Preliminary Meetings with Department Heads	July 2-6, 2018
Submission of Departmental Budget Requests to Borough Manager	July 31, 2018
Discussion of Council Goals with Finance Committee	Aug. 15, 2018
Committee Assignment – Personnel	Sept. 12, 2018
Committee Assignment – Public Welfare & Public Works	Sept. 20, 2018
Submission of Proposed Budget to Borough Council & Special Budget Meeting	Oct. 10, 2018
Special Budget Meeting	Oct. 11, 2018
Final Finance Committee Approval	Oct. 17, 2018
Authorization to Advertise Proposed Budget	Nov. 13, 2018
Adoption of 2019 Budget	Dec. 11, 2018



Fund Structure

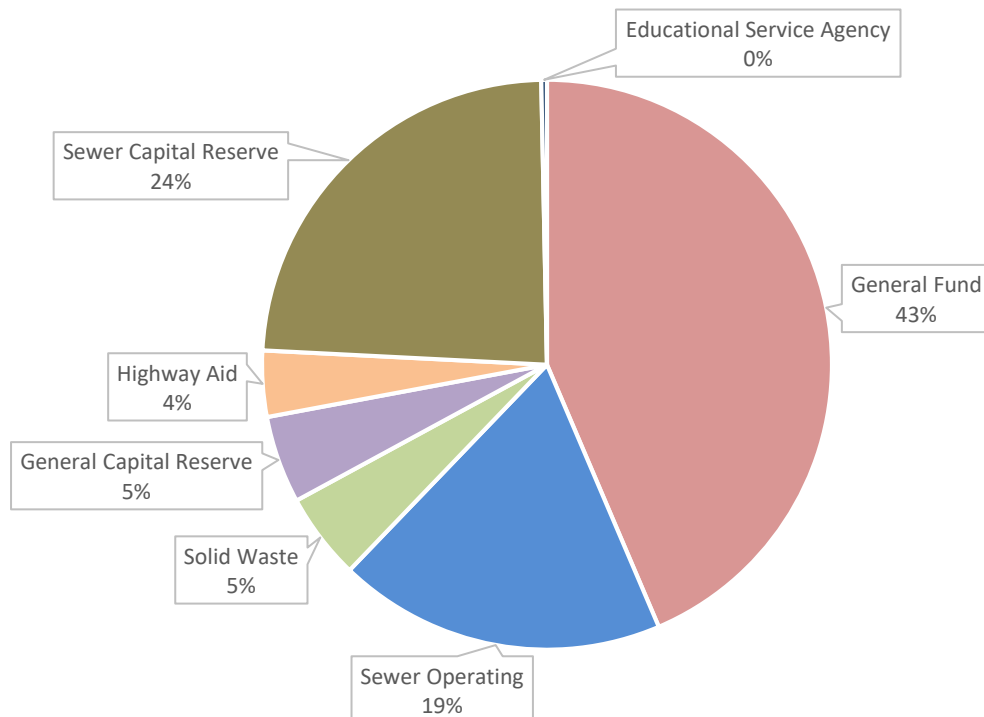


II. BUDGET SUMMARIES

Summary of All Funds

ALL FUNDS 2019	
Revenues	\$
(01) General Operating Fund	4,217,752
(08) Sewer Operating Fund	1,716,470
(09) Solid Waste Fund	448,050
(31) General Capital Reserve Fund	455,700
(35) Highway Aid Fund	221,000
(38) Sewer Capital Reserve Fund	356,200
(45) Educational Service Agency Fund	29,480
Total Revenues	7,444,652
Expenditures	\$
(01) General Operating Fund	3,996,213
(08) Sewer Operating Fund	1,705,701
(09) Solid Waste Fund	450,100
(31) General Capital Reserve Fund	455,401
(35) Highway Aid Fund	343,500
(38) Sewer Capital Reserve Fund	2,189,000
(45) Educational Service Agency Fund	29,556
Total Expenditures	9,169,471

Funds Allocation



(01) GENERAL OPERATING FUND 2019	
Revenues	\$
Real Estate Taxes	1,846,108
Act 511 Taxes & Franchises	799,000
Fines & Violations	138,000
Rents, Fees, & Permits	751,420
Grants & Reimbursements	668,224
Fund Transfers	15,000
Total Revenues	4,217,752
Expenditures	\$
Administration	328,083
Police	1,420,976
Community Services	162,995
Code Enforcement & Zoning	71,031
Streets	404,631
Parks & Recreation	46,881
Debt Service	176,508
Employee Benefits & Insurance	1,340,408
Fund Transfers	44,700
Total Expenditures	3,996,213

(08) SEWER OPERATING FUND 2019	
Revenues	\$
Total Revenues	1,716,470
Expenditures	\$
Administrative	232,698
Personnel	318,998
Collection System & Operations	469,750
Debt Service	207,635
Employee Benefits & Insurance	226,620
Fund Transfers	250,000
Total Expenditures	1,705,701

(09) SOLID WASTE FUND 2019	
Revenues	\$
Total Revenues	448,050
Expenditures	\$
Administrative	91,949
Collection System & Operations	330,100
Employee Benefits & Insurance	28,051
Total Expenditures	450,100

(31) GENERAL CAPITAL RESERVE FUND 2019	
Revenues	\$
Total Revenues	455,700
Expenditures	\$
Total Expenditures	455,401

(35) HIGHWAY AID FUND 2019	
Revenues	\$
Total Revenues	221,000
Expenditures	\$
Total Expenditures	343,500

(38) SEWER CAPITAL RESERVE FUND 2019	
Revenues	\$
Total Revenues	356,200
Expenditures	\$
Fund Transfers	0
Total Expenditures	2,189,000

(45) EDUCATIONAL SERVICE AGENCY FUND 2019	
Revenues	\$
Total Revenues	29,480
Expenditures	\$
Fund Transfers	0
Total Expenditures	29,556

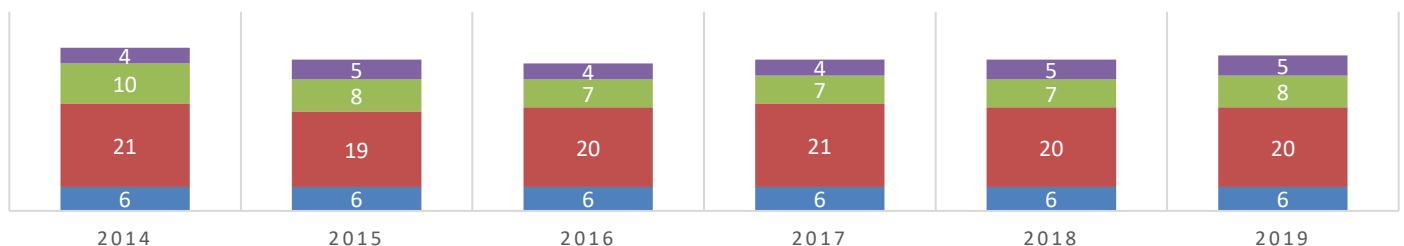
Workforce Summary

2019 Budget Employment by Department

Department	Position	Status	Number	Budget \$
Administration	Manager	FT	1	92,500
	Finance Officer	FT	1	55,208
	Bookkeeper/Accounts Receivable	FT	1	50,601
	Code Enforcement/Zoning Officer	FT	1	62,031
	Recycling Coordinator/Clerk	FT	1	43,103
	Clerk/Accounts Payable Clerk	PT	1	16.36/Hour
Police	Chief	FT	1	101,316
	Lieutenant	FT	1	87,599
	Detective Sergeant	FT	1	84,499
	Sergeant	FT	2	84,499 - 84,799
	Patrolman	FT	8	74,683 – 81,266
	Patrolman	PT	1	23.64/Hour
	Secretary	FT	2	47,702 – 54,359
	Crossing Guard	Season	4	11.00 – 13.25/Hour
Streets	Superintendent	FT	1	68,532
	Maintenance Worker II	FT	1	59,104
	Maintenance Worker I	FT	2	43,103 – 45,711
	Laborer	PT	4	9.25 – 13.75/Hour
Wastewater Treatment	Superintendent	FT	1	78,883
	Lead Plant Operator	FT	1	65,392
	Plant Operator	FT	3	49,261 – 58,680
TOTALS 2019		FT	29	
		PT	6	
		Season	4	
		ALL	39	

HISTORICAL EMPLOYMENT BY DEPARTMENT

■ Administration
 ■ Police
 ■ Streets
 ■ Wastewater



Summary of Fund Transfers

The planned movement of allocated monies from one fund to another occurs during any given fiscal year for various reasons. The General Fund, the main operating fund of the Borough, will show transfers out to reserve funds or to proprietary funds; the Sewer Operating Fund shows transfers to capital funds, funding short and longer-term capital purchases and projects; the Sewer Capital Reserve Fund shows a transfer to the General Capital Reserve Fund to proportionately fund a capital project.

<i>Fund</i>	<i>Transfers In</i>	<i>From Fund</i>	<i>Transfers Out</i>	<i>To Fund</i>
General Operating			(30,000)	General Capital Reserve
General Operating			(14,700)	Education Service Agency
General Operating	15,000	Park Trust*		
Total General Operating	15,000		(44,700)	
Sewer Operating			(250,000)	Sewer Capital Reserve
Total Sewer Operating	0		(250,000)	
General Capital Reserve	30,000	General Operating		
Total General Capital Reserve	30,000		(0)	
Sewer Capital Reserve	250,000	Sewer Operating		
Total Sewer Capital Reserve	250,000		(0)	
Education Service Agency	14,700	General Operating		
Total Education Service Agency	14,700		(0)	
TOTALS	309,700		294,700	

*As a fiduciary fund, the Park Trust does not show incoming fund transfers. The Trust was established through the contribution of a private estate for the ongoing maintenance and integrity of the Freedom Memorial Park.





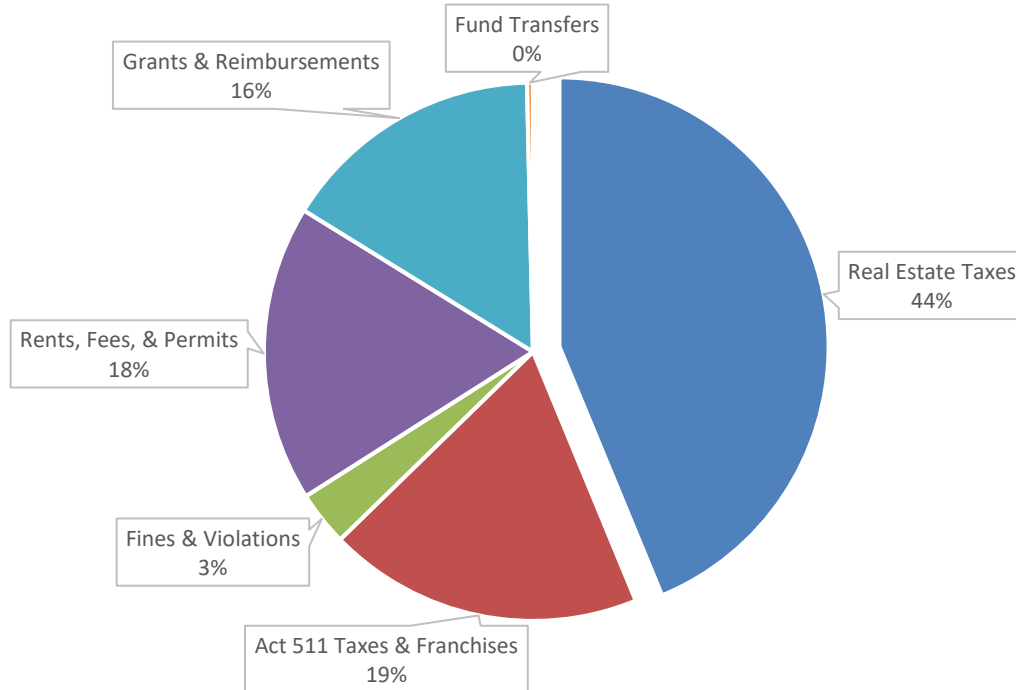
III. GENERAL FUND

General Fund Overview

General Fund Revenues Summary

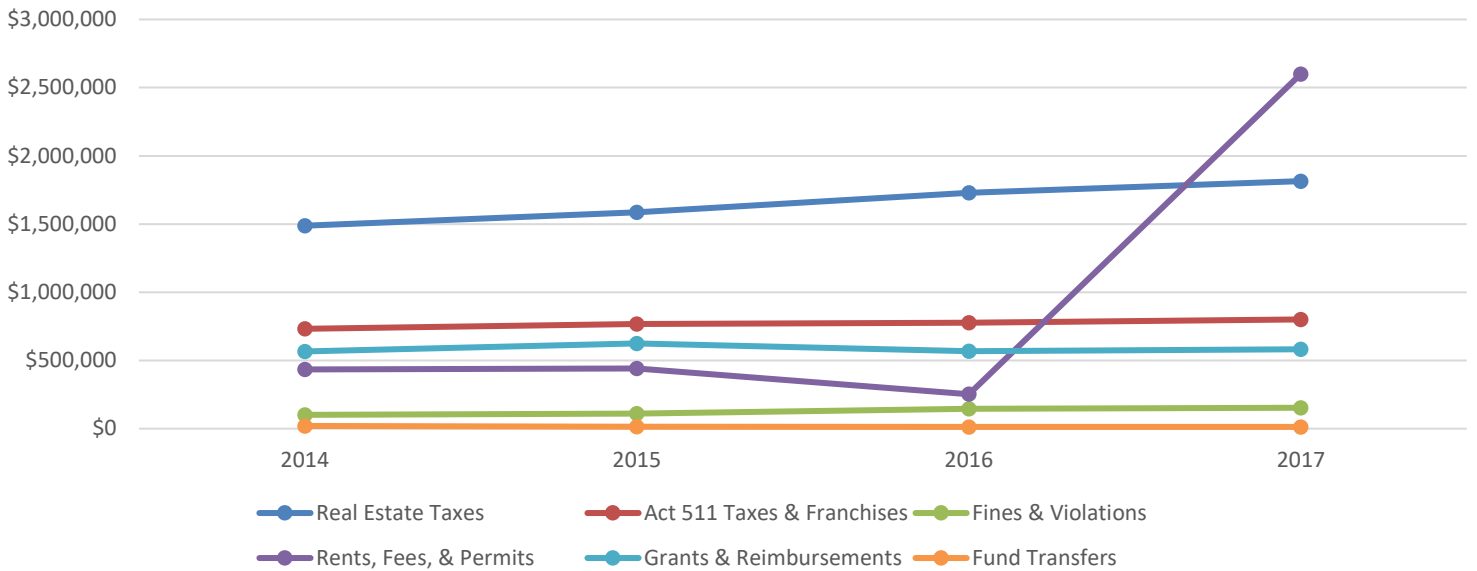
Major Revenue Sources 2019	
Revenues	\$
Real Estate Taxes	1,846,108
Act 511 Taxes & Franchises	799,000
Fines & Violations	138,000
Rents, Fees, & Permits	751,420
Grants & Reimbursements	668,224
Fund Transfers	15,000
Total Revenues	4,217,752

Revenues By Major Source



Fund:	Purpose:	Sources of Revenue:
Government Fund Type		
General Fund	The main operating fund of the Borough. This fund accounts for all financial resources except those that are required to be accounted for in other funds.	General taxes, business licenses, franchise fees, rents, permits, and other departmental earnings.

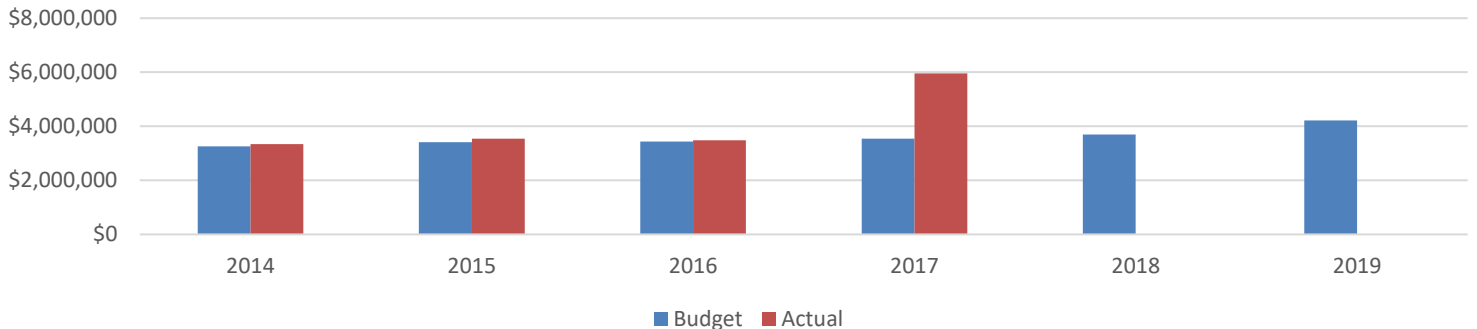
Historical General Fund Revenues



General Fund Revenue History Major Revenue Sources

	2014 Actual	2015 Actual	2016 Actual	2017 Actual
Real Estate Taxes	\$1,487,811	\$1,586,099	\$1,729,181	\$1,814,612
Act 511 Taxes & Franchises	732,151	767,056	776,928	800,754
Fines & Violations	101,341	111,025	145,353	153,299
Rents, Fees, & Permits	434,127	440,556	252,498	2,599,476
Grants & Reimbursements	566,155	624,761	567,388	580,940
Fund Transfers	20,000	15,000	13,000	13,000
Total Revenues	3,341,585	3,544,497	3,484,348	5,962,080

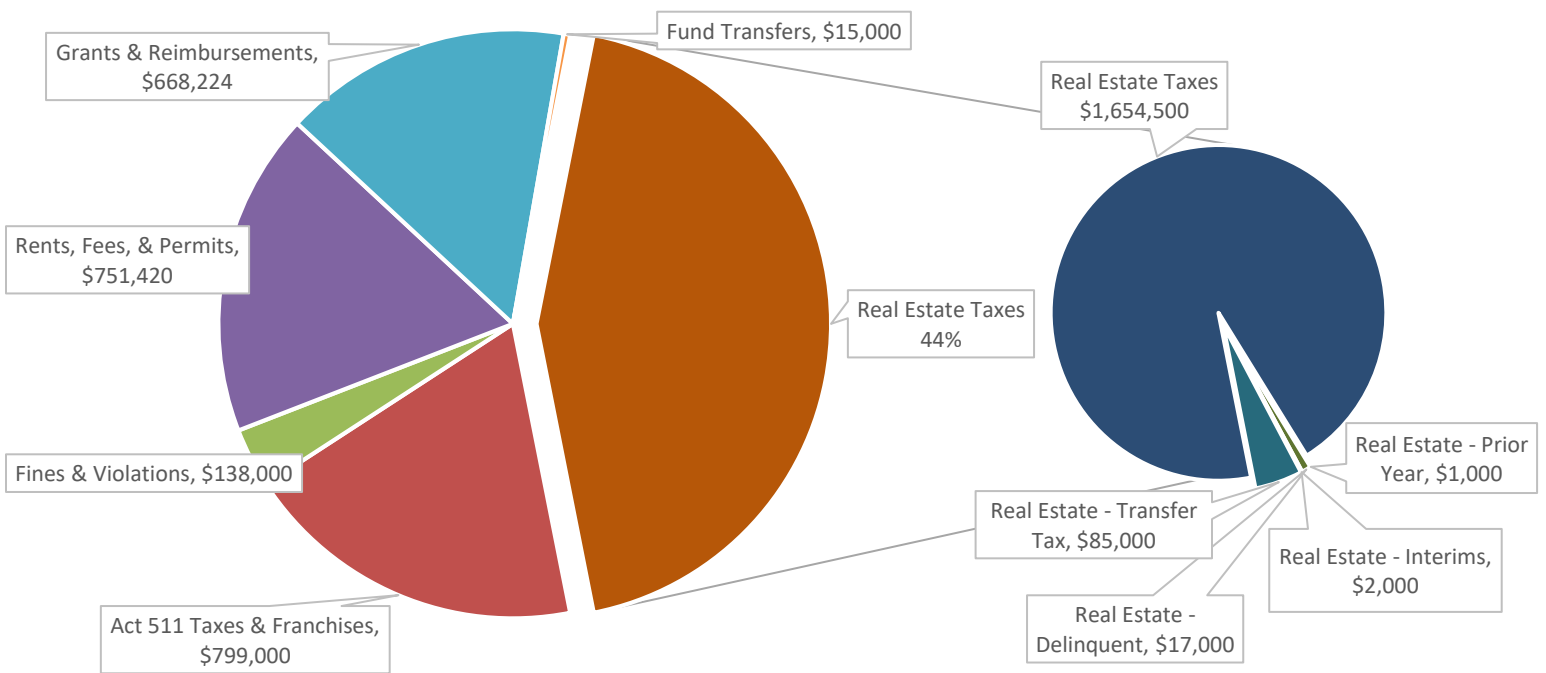
Historical Budget vs Actual - Revenues



General Fund Overview

Real Estate Taxes

Revenues By Major Source - Breakdown of Real Estate Taxes



The impact of property taxes on the general fund is substantial, as illustrated in the chart above. Of all sources, this line of revenue continues to be the largest in our main operating fund. Slight changes occur year to year with this source, unless a reassessment, development, major demolition, or annexation take place in the Borough.

What's in a mil? As told in this budget document, the largest revenue source for the Borough's General Fund, it's main operating account, is real estate tax. This source, accounting for 43% of our operating revenue, is heavily reliant on accurate property assessment. Counties in Pennsylvania are responsible for providing accurate assessments, through the process of intermittent reassessments. When a reassessment is done, it provides more current, accurate figures which boil down to revenues for Pennsylvania governments. A mil is one dollar per one thousand dollars of assessed property value (\$1 of tax = .001 = 1 mil)

Below is an example of a property tax bill with the Borough's millage rate at 4.90:

Value of Property: \$100,000

Millage Rate: 4.90

Tax Rate Calculation: $(4.90/1,000) * (100,000) = \underline{\$490.00}$ (annually)

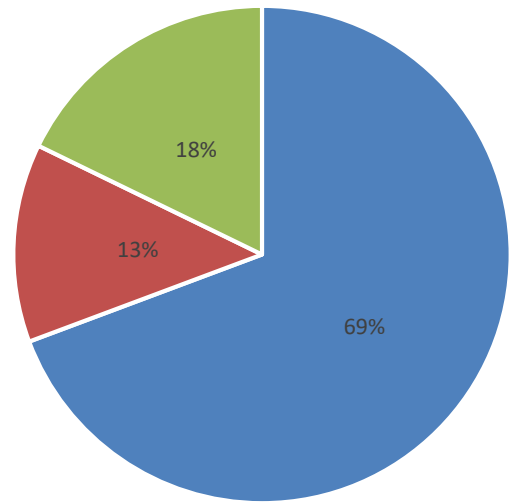
Millage Rate Breakdown

	# Total Parcels	Total Assessment Value	# Tax Exempt Parcels	Total Tax Exempt Assessment Value	% Tax Exempt Assessment
<i>Lancaster County Average</i>	3,134	\$829,897,566	96	\$82,225,990	9
<i>Millersville Borough</i>	2,107	\$572,590,200	145	\$226,159,000	39

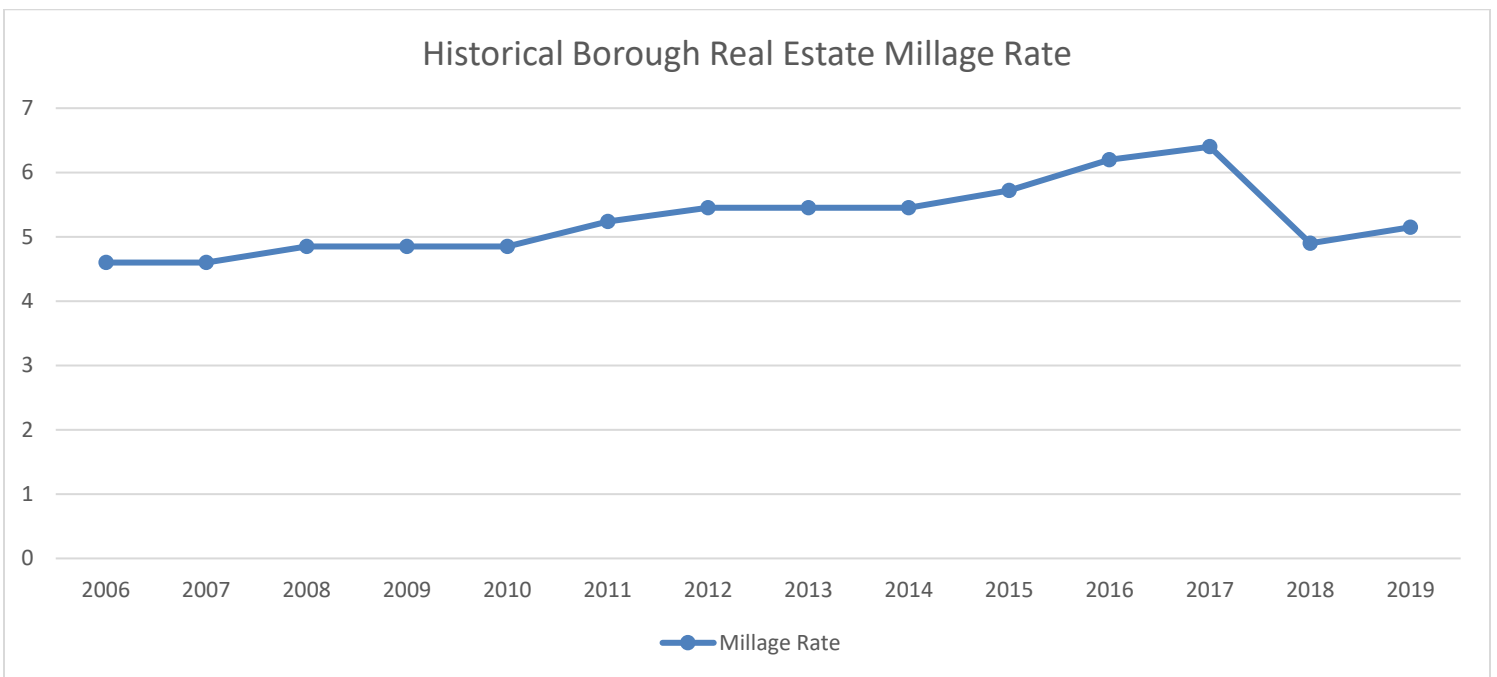
What Is Funded?

As a portion of an overall residential real estate tax bill, the Borough receives 17%, with the remaining being remitted to the County of Lancaster and the Penn Manor School District.

School Taxes – Penn Manor School District	20.06
County Taxes – Lancaster County	3.735
<u>Borough Taxes – Millersville Borough</u>	<u>5.15</u>
Total Millage for Millersville Residents:	28.945



Historical Borough Real Estate Millage Rate



General Fund Budget

Revenues

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
		Millage rate	6.2	6.4	4.9	5.15
		Real Estate Taxes				
01	301.100	Real Estate Taxes - Current Borough	1,602,785	1,652,914	1,654,500	1,741,108
01	301.200	Real Estate Taxes - Prior Year	882	590	1,000	1,000
01	301.300	Real Estate Taxes - Delinquent	18,491	20,746	14,000	17,000
01	301.600	Real Estate Taxes - Interims	1,061	0	2,000	2,000
01	310.100	Real Estate Transfer Tax	105,962	140,363	85,000	85,000
		Sub-Total:	1,729,181	1,814,612	1,756,500	1,846,108
		Act 511 Taxes & Franchises				
01	310.200	Earned Income Tax	558,730	576,987	575,000	575,000
01	310.510	Local Service Tax	121,516	123,181	126,000	124,000
01	321.800	Cable Television Franchise	96,682	100,586	100,000	100,000
		Sub-Total:	776,928	800,754	801,000	799,000
		Fines & Violations				
01	331.100	Court Fines	10,815	9,515	12,000	10,000
01	331.110	Vehicle Code Violations	24,240	34,698	34,000	30,000
01	331.120	Ordinance Violations	58,016	58,126	51,000	48,000
01	331.130	Parking Tickets	52,282	50,960	55,000	50,000
		Sub-Total:	145,353	153,299	152,000	138,000
		Rents, Fees, & Permits				
01	322.820	Street Encroachment (opening permits)	900	3,578	1,000	1,000
01	341.000	Interest Earnings	1,704	4,841	2,200	26,700
01	342.100	Rents - Water Tower	83,208	83,228	105,000	90,000
01	342.200	Rents - Building	30,110	30,055	25,000	25,000
01	342.450	Rents - Park	7,389	7,315	7,000	7,000
01	355.010	Public Utility Realty Tax	2,539	2,481	2,500	2,500
01	355.040	Alcohol Beverage Licenses	600	800	800	800
01	361.300	Subdivision and Land Development Fees	0	0	1,800	1,000
01	361.330	Zoning Permits	7,737	24,562	28,000	155,000
01	361.340	Zoning Hearing Fees / Bldg. Code Appeal	600	2,250	1,900	1,200
01	361.350	Stormwater Management Plan App Fee	325	500	625	600
01	361.400	Plan Review Fee	1,630	1,005	1,000	1,000
01	361.620	County Tax Collection Commission	1,454	1,441	1,500	1,500
01	361.650	Tax Certification Fees	4,925	4,545	4,000	4,300
01	362.110	Sale of Copies of Accident Reports	1,320	1,365	1,300	1,300
01	362.220	Parking Permits	2,485	2,125	2,500	2,200
01	362.410	Building Permits	36,728	40,093	81,000	361,320
01	321.000	Business License and Permits	325	475	500	500

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
01	362.480	Housing Licenses	68,520	68,668	66,500	65,000
01	393.000	GO Note Proceeds		2,320,150	0	0
		Sub-Total:	252,498	2,599,476	334,125	751,420
Grants & Reimbursements						
01	310.900	Payments in Lieu of RE Taxes (PILOT)	127,581	131,486	146,300	155,502
01	362.100	Reimburse SRO and other Police Services	69,791	75,718	95,180	99,200
01	380.000	Miscellaneous Revenue	9,667	25,468	22,000	13,000
01	361.320	Reimburse Engineering and Legal Fees	8,117	10,599	12,000	12,000
01	351.000	Federal and State Grants	17,244	20,774	22,800	22,100
01	357.000	County Grants		0	0	0
01	358.000	Reimburse County Drug Taskforce Salary	67,308	73,965	89,243	95,226
01	355.070	Foreign Fire Insurance Premium Tax	41,056	37,422	37,000	34,000
01	355.050	Pension System State Aid	174,986	183,530	183,200	196,560
01	355.080	Reimburse Non-Uniform Pension	11,787	13,841	24,062	35,136
01	395.000	Refund of Prior Year Expenditures	39,851	8,137	5,500	5,500
		Sub-Total:	567,388	580,940	637,285	668,224
Fund Transfers						
01	392.096	Transfer from Park Trust Fund	13,000	13,000	13,000	15,000
		Sub-Total:	13,000	13,000	13,000	15,000
Total General Operating Fund Revenues			3,484,348	5,962,080	3,693,910	4,217,752

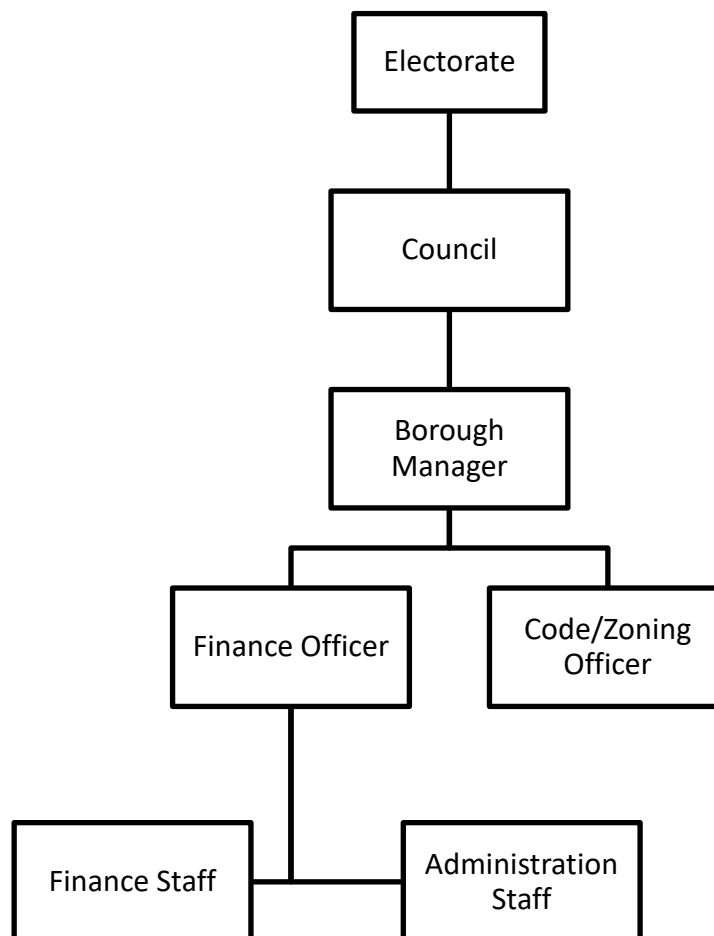
General Fund Budget

Departmental Budgets - Administration Department

Description: The administration department, headed by the Borough Manager, oversees the day-to-day operations of the Borough, through its various departments. The department is responsible for communicating the vision and desires of Council, and administratively enforcing the guidelines, policies, and ordinances established by the board. The Manager is also responsible for bringing forth an annual budget proposal to Borough council. Fiscal operations, under the guidance of the Finance Officer; and Code Enforcement and Zoning are also performed in this department.

- Highlights:**
- 1.) **Line-item #01.401.312 – Consulting Services:** This allocation will be utilized for a PA DCED Early Intervention Program grant local match (50%). The program will allow the Borough to obtain a financial consultant through an RFP process in order to prepare a long-range financial and management analysis. This local match is estimated to be approximately \$20,000. The remaining \$5,000 shall be utilized to perform a comprehensive road analysis and management plan.
 - 2.) **Line-item #01.401.316 – Labor Counsel:** The 2019 line-item allocation represents an 1,000% increase over the 2018 budget due to the non-uniformed contract negotiations taking place. Labor counsel may be utilized in the preparations for negotiations and any advanced mediation or legal research.

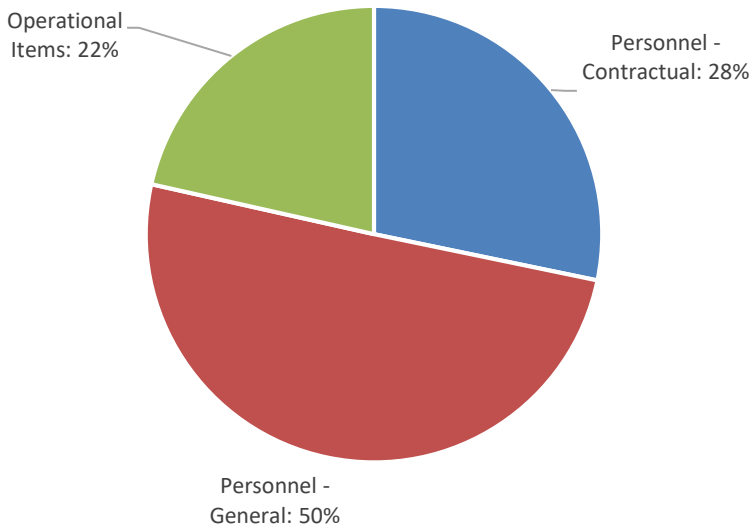
Administration Department – Organizational Structure



Department Personnel Complement

Position	Status	Number	2018 Budget \$	2019 Budget \$
Manager	FT	1	97,000	92,500
Finance Officer	FT	1	53,075	55,208
Bookkeeper/Accounts Receivable Clerk	FT	1	49,367	50,601
Code Enforcement/Zoning Officer	FT	1	59,933	62,031
Recycling Coordinator/Clerk	FT	1	42,052	43,103
Clerk/Accounts Payable Clerk	PT	1	14.87/Hour	16.36/Hour
TOTALS:	FT	5	301,427	303,443
	PT	1	23,965	26,334
	Season	0	0	0
	ALL	6	325,392	329,777

2019 Budget - Administration Department by Major Category

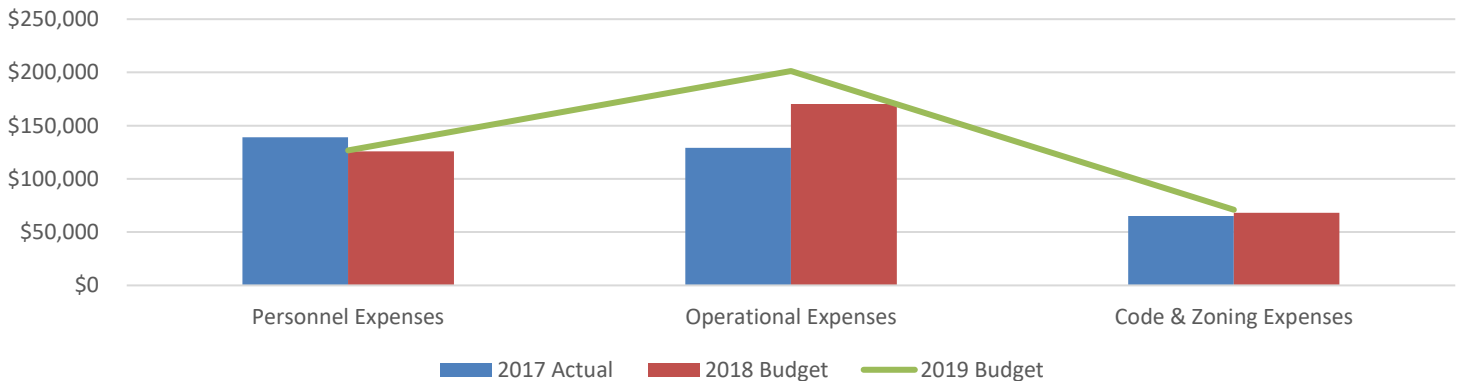


As noted in the graphs, presented at left and below, the Administration Department's contractual obligations account for approximately 28 % of the entire departmental budget – falling as the lowest contractual portion of any departmental budget within the General Fund. Contractual obligations within the Police Department budget, for instance, account for approximately 85% of the total sum.

Department Fleet Complement

Model	Make	Year	Number
GMC	Envoy	2008	1

2017 - 2019 Budget to Actual Comparison by Major Category



Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL OPERATING FUND – Admin.						
Administration Expenditures						
Personnel Expenses						
01	400.100	Mayor Salary	2,400	2,400	2,400	2,400
01	400.110	Council Salaries	16,800	16,600	16,800	16,800
<i>Each Councilor (x7) receives an annual stipend of \$2,400.</i>						
01	401.121	Manager Salary	38,652	55,014	38,800	37,000
<i>This line-item reflects 40% of the Borough Manager's salary. The remaining 60% is allocated through the Sewer Operating Fund (40%) and the Solid Waste Fund (20%), totaling an annual salary of \$92,500 across all funds for the 2019 year.</i>						
01	401.140	Clerical Salaries	63,320	64,716	67,372	69,989
<i>This line-item represents 40% of the salaries for the administration staffers (x4), minus the Code & Zoning Officer. The remaining 60% is allocated through the Sewer Operating Fund (40%) and the Solid Waste Fund (20%). See the Department Personnel Complement chart for the Administration Department to view each salary separately.</i>						
00	401.183	Overtime	687	499	500	500
Personnel Sub-Total:			121,859	139,229	125,872	126,798
Operational Expenses						
01	401.200	Office Supplies	1,912	1,955	2,700	2,100
<i>Routine purchase of office-related equipment such as pens, copier and citation paper, ink, envelopes, etc..</i>						
01	401.260	Minor Equipment	0	0	0	900
<i>Minor office equipment such as computers, calculators, printers, etc..</i>						
01	401.300	General Expense	1,453	1,791	2,000	2,000
<i>Bank fees, and petty cash reimbursements for meetings, meals, mileage, and miscellaneous items.</i>						
01	401.301	Cash Management Charges	25	-	-	-
<i>Fees associated with banking services. This line-item merged with General Expense, as outline above.</i>						
01	401.311	Accounting and Auditing Services	19,625	8,294	8,800	7,000
<i>This line-item reflects 40% of the fees for the professional service of our auditors, MaherDuessel. The remaining 60% is allocated through the Sewer Operating Fund (40%) and the Solid Waste Fund (20%), totaling \$17,500 across all funds for the 2019 year. The reduction over 2018 budget allocations represents a change to cash basis accounting.</i>						
01	401.312	Consulting Services	0	0	4,000	25,000
<i>If awarded, the PA Department of Community and Economic Development will provide 50% project contribution through the Early Intervention Program, which assists municipalities putting together long-range financial and management plans; Estimated cost = \$20,000. The remaining allocation is earmarked for a comprehensive road assessment.</i>						
01	401.313	Engineering Services	29,072	11,958	28,000	25,000
<i>Fees for the professional service of our municipal engineer in regard to plan reviews, designs, inspections, and street openings.</i>						
01	401.314	Legal Services	14,706	6,036	12,000	12,000
<i>Fees for the professional services of the Borough solicitor in regard to legislative review, preparation, and comment; general legal consultation; and</i>						
01	401.316	Labor Counsel	0	0	700	8,000
<i>This line-item represents the fees for professional service of the Borough's labor attorney for issues that may arise in relation to personnel.</i>						
01	401.321	Telephone and Cable	2,720	2,641	3,000	3,000
01	401.325	Postage	2,988	2,803	3,200	3,100
01	401.341	Advertising	7,296	4,217	6,500	6,000
<i>To fulfill public advertisement requirements of meeting, legislation, and other statutory notices.</i>						

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
01	401.350	Property and Liability Insurance	44,284	43,538	45,500	45,000
01	401.353	Bonding Insurance	719	756	1,100	1,000
		<i>Bonds required for the Borough Manager and Tax Collector.</i>				
01	401.361	Electricity	8,441	9,267	9,300	9,000
01	401.362	Gas	3,912	4,605	6,500	5,000
01	401.366	Water	-	572	600	600
01	401.373	Building and Grounds Maintenance	11,952	14,041	16,300	16,000
01	401.374	Equipment and Service Contracts	11,043	11,515	13,900	17,000
		<i>Office equipment and software maintenance contracts and building systems annual contracts.</i>				
01	401.376	Water Tank Maintenance	1,728	0	1,000	1,000
		<i>Annual structural upkeep to the Borough's defunct water tank, which now serves as a cellular tower site earning revenues for the Borough.</i>				
01	401.420	Dues, Subscriptions and Memberships	3,740	4,283	3,000	4,485
		<i>Annual fees assessed in regard to professional organizations and publications.</i>				
01	401.460	Training and Conferences	2,430	893	2,100	2,100
		<i>Staff attendance at professional development conferences or meetings, including travel and lodging.</i>				
01	401.461	Council & Mayor Meetings & Conferences	0	0	0	6,000
		<i>This line-item is a new addition to the 2019 budget, allocated to reflect elected officials' attendance at professional development conferences and meetings, including travel and lodging. Previously, this allocation was included in line-item's 01-401-460 and 01-410-460.</i>				
		Operational Sub-Total:	168,044	129,163	170,200	201,285
		Administration Sub-Total	289,904	268,392	296,072	328,083

Code & Zoning Expenditures

01	414.130	Code Enforcement Officer Salary	57,691	58,592	59,933	62,031
01	414.220	Operating Supplies	694	1,053	1,200	1,200
01	414.231	Vehicle Fuel and Maintenance	1,129	1,578	2,000	2,000
01	414.260	Minor Equipment	41	-	-	900
01	414.310	Court Reporting Services	110	220	300	300
		<i>Allocation for the cost of stenographic services during Zoning Hearings. These fees are split by the Borough and the applicant.</i>				
01	414.341	Advertising	786	794	1,000	1,000
		<i>Costs associated with fulfilling the statutory Zoning Hearing and appeal requirements.</i>				
01	414.374	Equipment and Service Contracts	2,399	2,546	3,100	3,100
01	414.460	Training and Conferences	340	385	500	500
		Code & Zoning Sub-Total	63,191	65,168	68,033	71,031

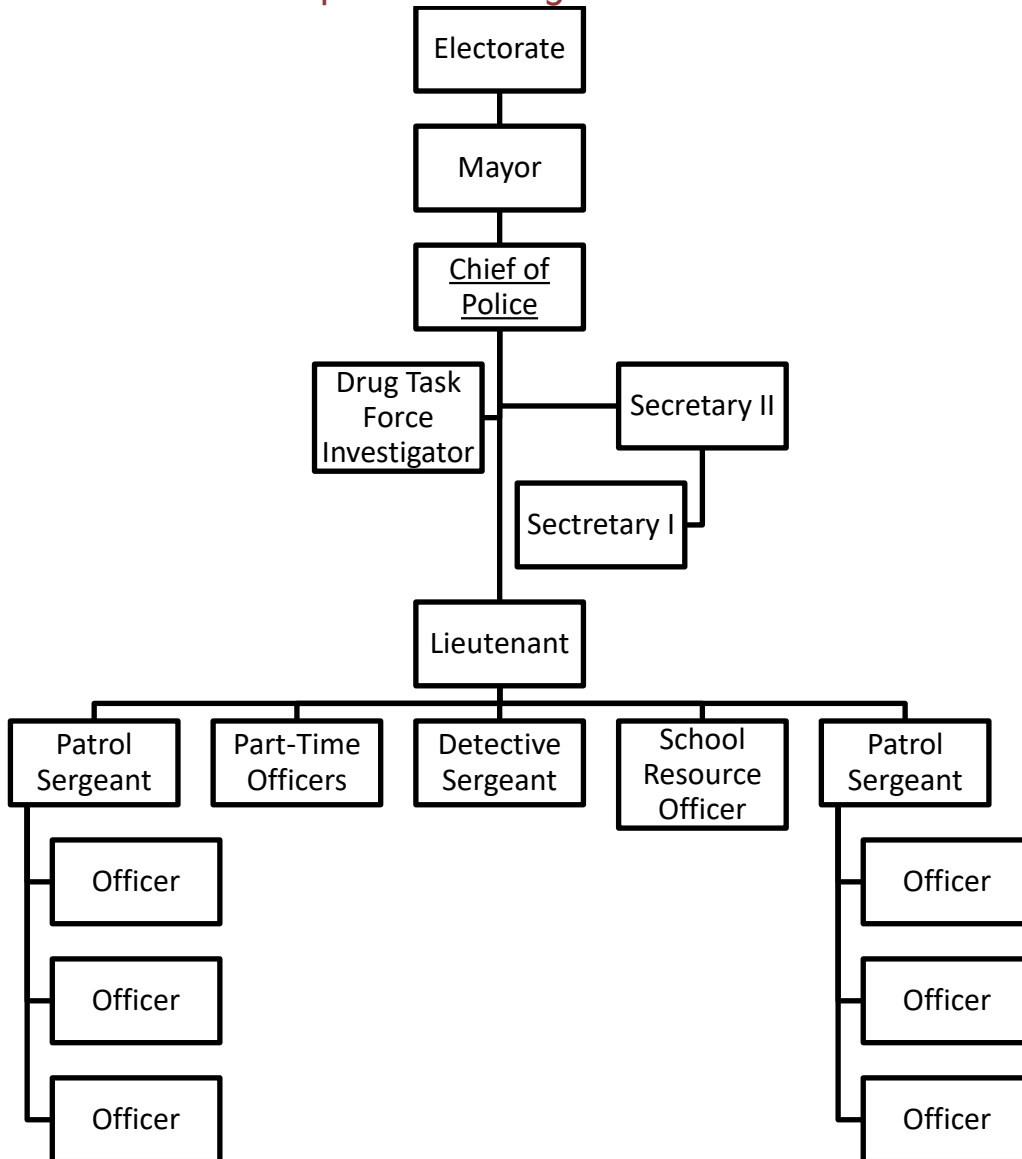
Total Administration Department	353,095	333,560	364,105	399,114
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General Fund Budget

Departmental Budgets - Police Department

Description: The Police Department is provided daily operational and administrative oversight by the Chief of Police, who is guided by the institutional oversight of the Mayor. The Department works to create a safe and healthy community by patrolling; enforcing codes, ordinances, and laws; and investigating varying levels of crime. The Department also employs a full-time School Resource Officer, who works within the Penn Manor School District, interacting with students, staff, and visitors to enhance the learning environment. *The Crossing Guard program is run out of the Educational Service Agency Proprietary Fund (Fund 45), but the employees are counted in the Police Department's personnel complement, as they are hired and administered by the Chief of Police.*

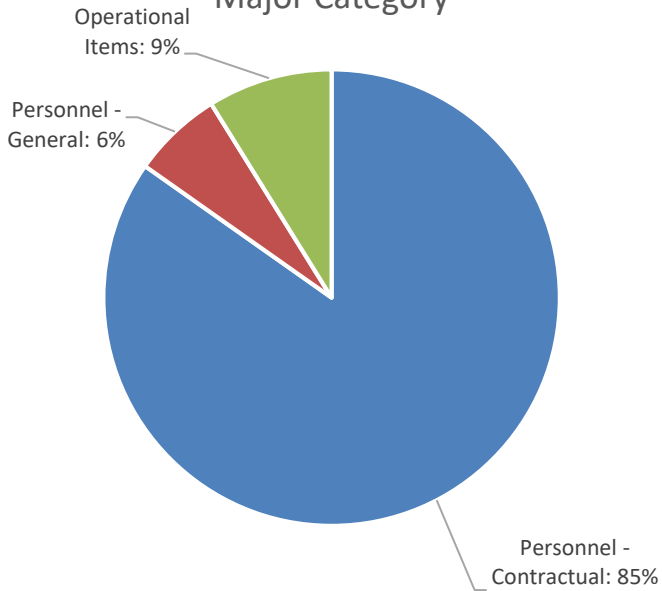
Police Department – Organizational Structure



Department Personnel Complement

Position	Status	Number	2018 Budget \$	2019 Budget \$
Chief	FT	1	99,722	101,316
Lieutenant	FT	1	85,841	87,599
Detective Sergeant	FT	1	82,741	84,499
Sergeant	FT	2	82,741-83,041	84,499-84,799
Patrolman	FT	8	68,025-79-691	74-683-81,266
Patrolman	PT	1	23.17/Hour	23.64/Hour
Secretary	FT	2	46,539-53,032	47,702-54,359
Crossing Guard	Season	4	10.50-12.25/Hr	11.00-13.25/Hr
TOTALS:	FT	15	1,139,005	1,176,750
	PT	1	23,170	23,640
	Season	4	24,670	25,656
	ALL	26	1,186,845	1,226,046

2019 Budget - Police Department by Major Category

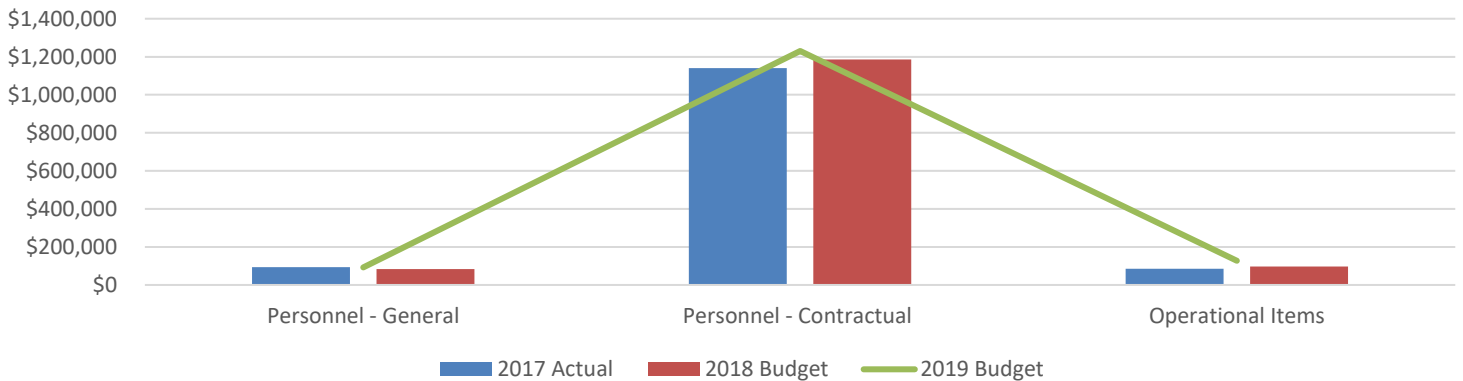


As noted in the graphs, presented at left and below, the Police Department's contractual obligations account for approximately 85 % of the entire departmental budget – This fact comes into play when contemplating any type of attempted reduction in budgets going forward. Council has relatively minor latitude when making fiscal impact when such a large portion of the budget is contractual.

Department Fleet Complement

Model	Make	Year	Number
Ford	Interceptor	2019	1
TBD	TBD	2019	1
Ford	Interceptor	2017	1
Ford	Interceptor	2015	1
Ford	Interceptor	2014	1
Jeep	Patriot	2010	1

2017 - 2019 Budget to Actual Comparison by Major Category



Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Proposal
GENERAL OPERATING FUND - Police						
Personnel Expenses						
01	410.122	Chief Salary	95,920	97,393	99,322	101,716
01	410.130	Police Officers' Salaries	857,151	900,420	939,712	973,333
		<i>This line-item reflects the salary and fringe benefits (including educational benefits, career development, shift differentials, but excluding health, pension, or other insurances) of twelve full-time officers, per the uniformed contract.</i>				
01	410.131	Part-time Police Officers' Salaries	8,173	18,881	19,000	23,640
01	410.140	Clerical Salaries	95,859	97,287	99,572	102,061
		<i>This line-item reflects the salaries of the two full-time secretaries.</i>				
01	410.183	Overtime	89,586	92,884	83,000	92,254
		<i>This line-item covers all holiday pay, court time, special details, and payment of comp-time as per the uniformed contract. Approximately \$12,500 of the 2019 budget figure is earmarked for overtime that is non-reimbursable. \$58,254 is earmarked for holiday pay, and the remaining balance is earmarked for reimbursed overtime (as provided by the Drug Task Force, PLCB grants, or school-related patrol events).</i>				
Personnel Sub-Total:			1,146,690	1,206,865	1,240,606	1,293,004
Operational Expenses						
01	410.200	Office Supplies	3,242	3,087	2,000	2,500
		<i>Routine purchase of office-related equipment such as pens, copier and citation paper, ink, envelopes, etc.</i>				
01	410.220	Operating Supplies	2,867	3,243	9,000	6,500
		<i>Items related to the operational function of the department, including first-aid, small tools, testing supplies, non-lethal tactical gear, etc.</i>				
01	410.231	Vehicle Fuel	12,165	10,359	14,000	15,000
01	410.238	Clothing and Uniforms	8,971	12,323	13,325	11,900
		<i>This line-item is used for the shoe and equipment allowance as provided for in the uniformed bargaining contract. Each officer gets an allowance, with specialized positions, such as Drug Task Force Investigator, the Chief, and School Resource Officer having increased allowances for more nuanced gear.</i>				
01	410.242	Ammunitions and Targets	2,141	3,529	4,500	4,500
01	410.260	Minor Equipment	1,103	-	-	5,000
01	410.300	General Expense	2,676	4,713	4,000	4,000
		<i>This line-item includes mostly reimbursed expenditures as a result of assistance from other jurisdictions in performing party patrols through a PLCB grant; and petty cash and other miscellaneous items.</i>				
01	410.316	Labor Counsel	975	900	5,000	5,000
		<i>Utilized for incidental costs related to personnel issues, if any.</i>				
01	410.321	Telephone and Cable	9,005	8,457	8,500	9,500
01	410.341	Civil Service (including advertising)	2,095	124	1,500	1,500
		<i>Legal services, advertising, and other costs associated with the hiring, discipline, and faithful discharge of personnel duties within the uniformed structure of the department.</i>				
01	410.374	Equipment and Service Contracts	15,738	16,791	34,000	35,304
		<i>Maintenance on weapons, bicycles, and minor equipment; calibration of truck scales and vehicle equipment; copier contracts; IT services and programing; and reporting software.</i>				
01	410.375	Vehicle Maintenance	8,299	6,916	11,000	11,000
01	410.420	Dues, Subscriptions and Memberships	2,201	2,066	2,100	2,100
01	410.450	Animal Control	800	200	1,000	1,000
		<i>Annual contract with the Lancaster County SPCA.</i>				
01	410.460	Training and Conferences	4,055	3,920	4,500	5,000
01	410.505	County Drug Task Force Operation	8,168	8,168	8,168	8,168
Operational Sub-Total:			84,502	84,797	122,593	127,972
Total Police Department			1,231,191	1,291,662	1,363,199	1,420,976



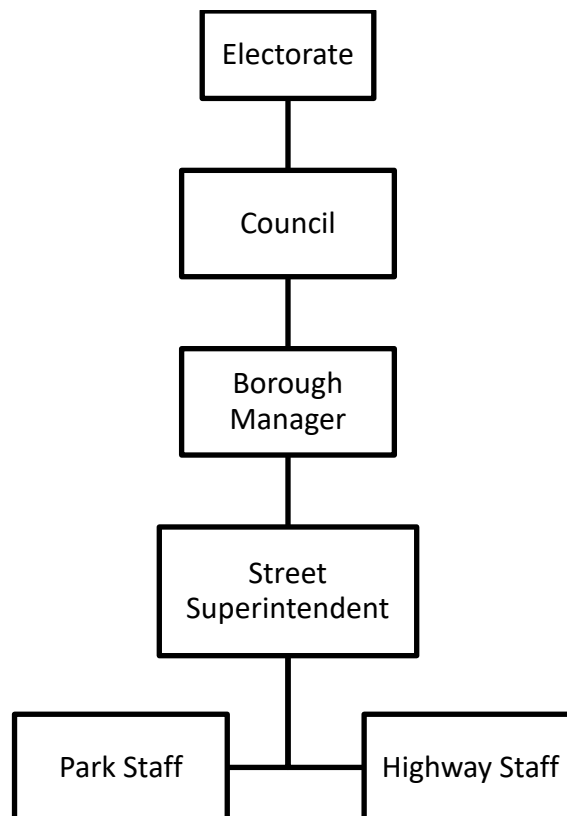
General Fund Budget

Departmental Budgets - Street Department

Description: The Street Department, headed by the Street Superintendent, is in charge of providing maintenance to all Borough streets, parks, and stormwater infrastructure. The Department also provides daily oversight to Borough-owned facility maintenance and upkeep. Duties include plowing snow, grounds-keeping, and providing safe streets and infrastructure.

In addition, the Department Superintendent oversees the MS4 (municipal separate storm sewer system) program, ensuring all Commonwealth-mandated MCMs (minimum control measures) are implemented. Projects under this program include streambank stabilization, sediment control, and public outreach efforts.

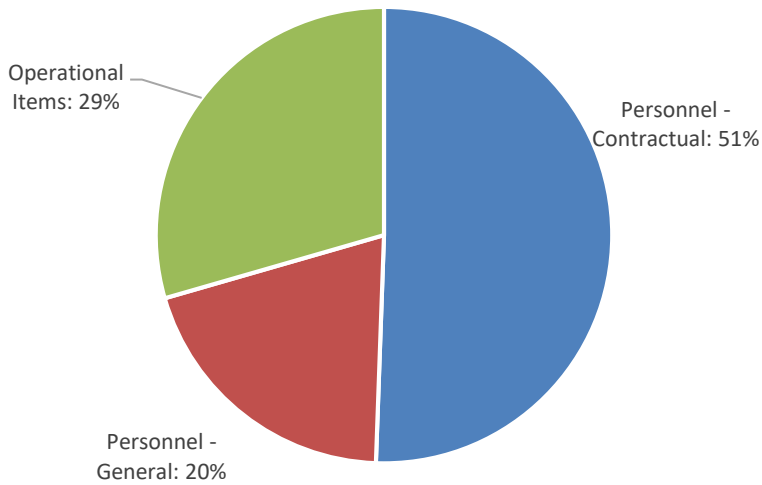
Street Department – Organizational Structure



Department Personnel Complement

Position	Status	Number	2018 Budget \$	2019 Budget \$
Superintendent	FT	1	65,581	68,532
Maintenance Worker II	FT	1	57,675	59,104
Maintenance Worker I	FT	2	40-749-44,108	43,103-45,711
Laborer	PT	4	9.00-13.50/Hr.	9.25-13.75/Hr.
TOTALS:	FT	4	208,113	216,450
	PT	4	47,061	47,113
	Season	0	0	0
	ALL	8	255,174	263,563

2019 Budget - Street Department by Major Category

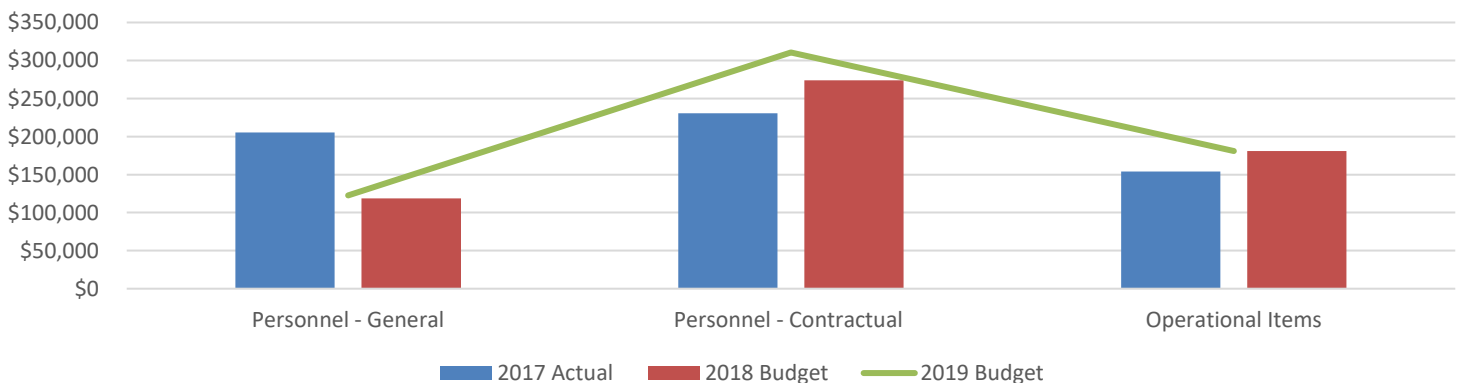


The charts to the left and below indicate the budget breakdown of the Streets Department, following the budget-wide pattern of majority-contractual allocations. The Streets department is no different than other departments, where contractual obligations outweigh operational or other personnel expenses.

Department Fleet Complement

Model	Make	Year	Number
Ford	F-550	2018	1
Ford	F-250	2015	1
Ford	F-250	2012	1
Ford	F-250	2011	1
International	7400 Dump	2011	1
John Deere	544J Loader	2006	1
John Deere	310 Backhoe	2001	1

2017 - 2019 Budget to Actual Comparison by Major Category



Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL OPERATING FUND - Street						
<u>Street Expenditures</u>						
Personnel Expenses						
01	430.122	Street Superintendent Salary	62,444	64,108	65,581	68,532
01	430.140	Street Department Salaries	149,084	136,363	157,621	165,249
01	430.183	Overtime	4,203	4,456	6,000	7,000
<i>Personnel Sub-Total:</i>			<i>215,731</i>	<i>204,927</i>	<i>229,202</i>	<i>240,781</i>
Operational Expenses						
01	430.220	Operating Supplies	3,582	3,359	4,150	5,000
01	430.231	Vehicle Fuel	6,624	4,009	9,500	9,500
01	430.240	Road Repair and Markings	7,520	6,087	10,000	12,000
<i>Routine street maintenance-related repairs (sealing, patching, etc.) and line painting.</i>						
01	430.245	Traffic Control Signs	5,560	4,583	5,000	5,000
<i>Allocation for the purchase of street signs and related upfitting.</i>						
01	430.246	Storm Sewer and Drains	9,663	11,784	12,000	12,000
01	430.260	Minor Equipment	429	-	-	2,000
01	430.313	Engineering Services	16,371	7,866	12,000	12,000
<i>Consulting and design work for street and MS4 work.</i>						
01	430.321	Telephone	702	675	750	500
01	430.361	Electricity - Buildings	2,550	2,595	3,000	3,000
01	430.362	Gas	3,142	3,337	5,500	4,000
01	430.366	Water	-	324	350	350
01	430.367	Electricity - Traffic Signals	2,681	2,897	2,700	2,800
01	430.368	Electricity - Street Lights	66,227	66,438	70,000	67,000
01	430.370	Traffic Signal Repair and Service Contract	4,166	11,067	9,500	9,500
01	430.373	Building and Grounds Maintenance	506	4,502	4,300	4,300
01	430.374	Equipment and Service Contracts	8,025	7,259	10,000	10,000
01	430.375	Vehicle Maintenance	7,006	4,001	4,700	4,900
<i>Operational Sub-total:</i>			<i>360,484</i>	<i>345,710</i>	<i>163,450</i>	<i>163,850</i>
Street Sub-Total			345,710	359,065	392,652	404,631
<u>Park Expenditures</u>						
01	454.140	Park Department Salaries	19,990	17,830	22,389	29,781
01	454.220	Operating Supplies	141	421	1,700	500
01	454.231	Vehicle Fuel	1,332	1,569	2,000	2,000
01	454.260	Minor Equipment	38	-	-	1,000
01	454.300	General Expense	258	355	500	600
01	454.361	Electricity	2,686	2,205	2,300	2,300
01	454.366	Water	334	293	330	300
01	454.373	Building and Grounds Maintenance	8,113	7,100	8,000	8,000
01	454.374	Equipment and Service Contracts	529	1,442	2,800	2,400
Park Sub-Total			33,422	31,213	40,019	46,881
Total Street Department			379,132	390,287	432,671	451,512



General Fund Budget

Non-Departmental Budgets

Description: The Borough's General Fund budget includes a number of allocations for items not categorized into the various departmental budgets. These items, such as contributions to various community organizations (Community Services), financing (Debt Service), and personnel insurance (Employee Benefits) are overseen by the Borough Manager but are not attributed to a particular department.

Community Services

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL OPERATING FUND – Comm Ser						
Community Services Expenditures						
01	411.450	Emergency Alert Services	0	0	1,200	2,495
<i>This line-item reflects the annual cost to maintain the Borough's new (2018) mass notification system, SwiftReach 911.</i>						
01	411.500	Fire Services - Blue Rock Regional Fire	120,012	119,432	119,500	120,800
<i>This allocation is the Borough's share, based on a formula driven by property assessment, of the annual Blue Rock Regional Fire budget (approximately \$968,000), split with Manor Township.</i>						
01	411.510	Firemen's Relief Association	41,056	37,422	37,000	34,000
<i>This line-item is a wash, as the Commonwealth of Pennsylvania provides a disbursement to the Borough from proceeds of "foreign" fire insurance carriers.</i>						
01	411.530	Contributions to County Library	2,500	2,500	2,500	2,500
01	411.540	Contributions to Meals on Wheels	350	350	350	500
01	411.550	Contributions to Lancaster EMS	1,500	1,500	2,000	2,500
01	411.590	Contributions - Other	200	200	200	200
<i>This line-item reflects minor contributions to miscellaneous organizations per the PA Borough Code.</i>						
Total Community Services			165,618	161,404	162,750	162,995

Debt Service

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL OPERATING FUND – Debt Serv.						
Debt Service Expenditures						
01	471.200	2007 Refi 2002 GO Note Princ.- BB&T	-	2,252,000	0	0
01	471.210	2017 Refi 2010&2007-GO Note Princ.-BB&T	-	122,500	69,210	120,530
<i>This line-item is allocated for the General Obligation Note (loan) principal for the construction of the current Borough Hall facility and an upgrade at the Wastewater Treatment Plant.</i>						
01	472.000	Financing Debt Charges	3,635	62,056	0	0
01	472.200	2007 Refi 2002 GO Note Interest-DVAL	-	26,537	0	0
01	472.210	2017 Refi 2010&2007-GO Note Inter-BB&T	-	40,002	57,798	55,978
<i>This line-item is allocated for the General Obligation note interest for the construction of the current Borough Hall facility and upgrade at the Wastewater Treatment Plant.</i>						
Total Debt Service			207,062	2,503,095	127,008	176,508

Employee Benefits

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL OPERATING FUND – Empl. Ben.						
Employee Benefits Expenditures						
01	487.152	Dental Insurance	16,362	17,389	18,100	19,400
01	487.156	Health Insurance	410,311	488,952	542,000	590,000
01	487.157	Health and Welfare	11,514	10,329	22,200	21,900
01	487.158	Life Insurance	3,403	3,323	2,900	2,900
01	487.160	Pension Plan: Non-Uniform	82,284	95,731	122,157	144,464
01	487.161	Police Pension	265,727	269,864	337,878	380,044
01	487.161	FICA and Medicare	119,704	124,290	126,942	132,300
01	487.162	PA Unemployment Benefit	0	0	0	0
01	487.354	Workers Compensation Insurance	34,604	36,978	37,500	49,400
Total Employee Benefits			678,182	776,993	1,209,677	1,340,408

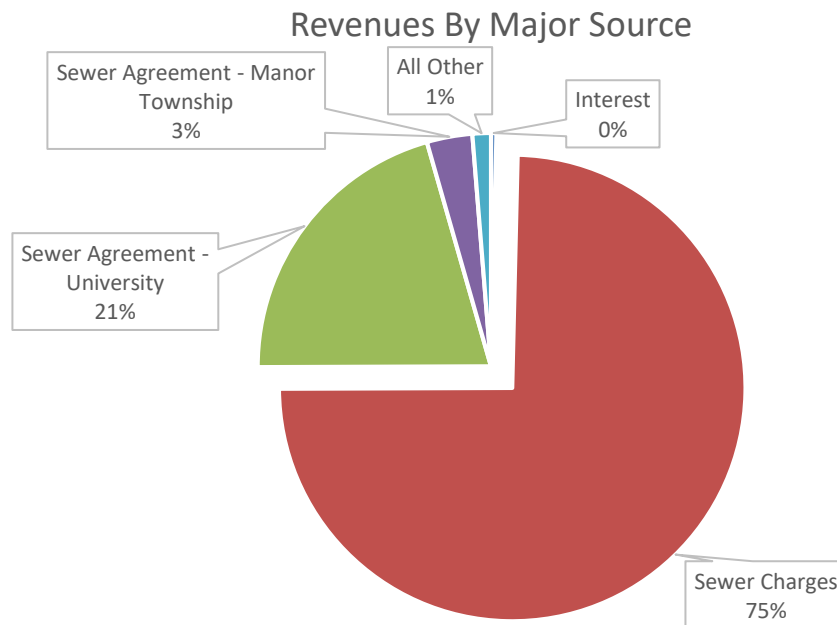
IV. SEWER OPERATING FUND

Sewer Operating Fund Overview

Fund:	Purpose:	Sources of Revenue:
<i>Proprietary Fund Type – Enterprise Fund</i>		
Sewer Operating Fund	All non-capital expenses of the collection and treatment systems of the wastewater department. Day-to-day maintenance and operational supplies are performed under this fund.	Quarterly residential, commercial, and non-residential sewer charges, and interest earnings.

Sewer Operating Fund Summary

(08) SEWER OPERATING FUND 2019	
Revenues	\$
Total Revenues	1,716,470
Expenditures	
	\$
Administrative	232,698
Personnel	318,998
Collection System & Operations	469,750
Debt Service	207,635
Employee Benefits & Insurance	226,620
Fund Transfers	250,000
Total Expenditures	1,705,701



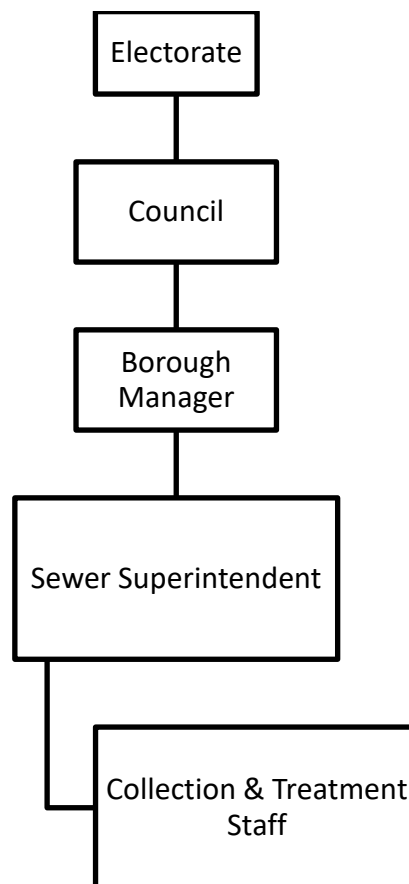
Sewer Operating Fund Overview

Wastewater Treatment Department

Description: The sewer department is overseen by the Superintendent, Mr. Leslie McMullen. This department's primary responsibility is the day-to-day operations of the Wastewater Treatment Plant (WWTP). The Borough's WWTP has a designed daily flow of 1.85 MGD, with a peak flow of 3.70 MGD. The Plant, constructed in 1941, underwent major reconstructions in the 1960's, and then again in 1994. The 1994 project came at a cost of \$3.7 million and provided long-lasting overhauls and rehabilitation to the system.

The Department also provides ongoing maintenance and replacement of all sanitary pipes and infrastructure, including pumping stations, throughout the Borough and Manor Township.

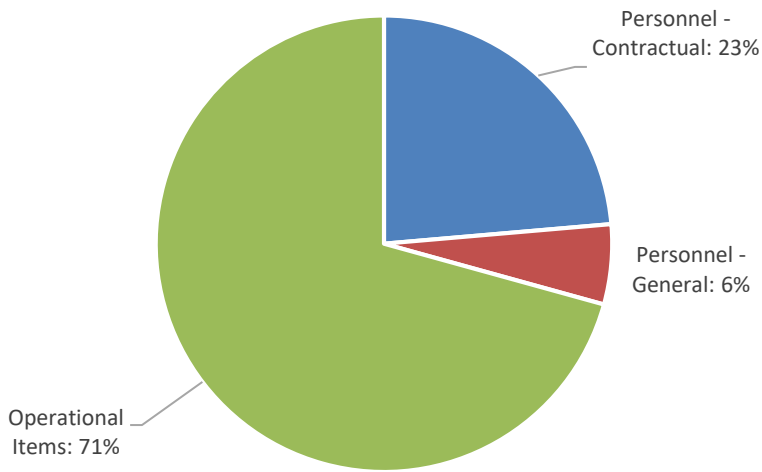
Wastewater Treatment Department – Organizational Structure



Department Personnel Complement

Position	Status	Number	2018 Budget \$	2019 Budget \$
Superintendent	FT	1	75,503	78,883
Lead Plant Operator	FT	1	60,514	65,392
Plant Operator	FT	3	42,829-55,228	49,261-58,680
TOTALS:	FT	5	280,602	304,498
	PT	0	0	0
	Season	0	0	0
	ALL	5	280,602	304,498

2019 Budget - Wastewater Treatment Department by Major Category

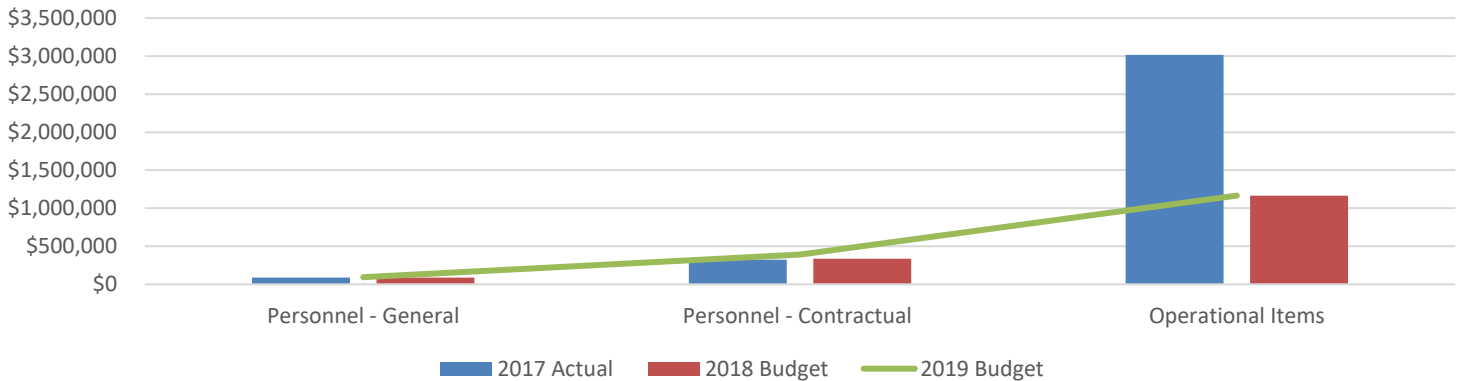


The Wastewater Treatment Department, as noted in the graphs to the left and below is the major exception to the trend of majority-contractual obligations found in the other departmental budgets. In this department, operational expenses amount to approximately 71% of the overall departmental budget.

Department Fleet Complement

Model	Make	Year	Number
Ford	F-250	2018	1
Ford	F-250	2017	1
Ford	F-250	2011	1
GMC	8500 Dump	2000	1
GMC	Sierra 3500	1999	1
Ford	LN 8000 Vac	1997	1
John Deere	544G Loader	1997	1

2017 - 2019 Budget to Actual Comparison by Major Category



Sewer Operating Fund Budgets

Wastewater Treatment Department – Revenues & Expenditures

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
SEWER OPERATING FUND						
(Residential rate per quarter)			\$110	\$110	\$110	\$110
Revenues						
08	341.000	Interest Earnings	1,121	1,379	1,300	6,400
08	364.100	Sewer Charges	1,282,953	1,279,292	1,280,000	1,280,000
08	364.102	Sewer Lien Income	51,052	13,185	49,000	20,000
08	364.120	Sewer Agreement - University	301,223	239,528	304,000	354,000
08	364.125	Sewer Agreement - Manor Township	58,506	47,443	47,960	54,120
08	380.000	Miscellaneous Revenue	0	0	250	250
08	393.000	GO Note Proceeds	0	1,369,850	-	-
08	395.000	Refund of Prior Year Expenditures	9,001	2,287	1,400	1,700
Total Sewer Operating Fund Revenues			1,703,856	2,952,964	1,683,910	1,716,470
Expenditures						
Administration Department Expenses						
08	401.121	Manager Salary	38,141	55,014	38,800	37,000
<i>This line-item reflects 40% of the Borough Manager's salary. The remaining 60% is allocated through the General Fund (40%) and the Solid Waste Fund (20%), totaling an annual salary of \$92,500 across all funds for the 2019 year.</i>						
08	401.140	Clerical Salaries	63,968	64,716	67,161	70,098
<i>This line-item represents 40% of the salaries for the Administration Department staffers (x4), minus the Code & Zoning Officer. The remaining 60% is allocated through the General Fund (40%) and the Solid Waste Fund (20%). See the Department Personnel Complement chart for the Administration Department to view each salary separately.</i>						
08	401.183	Overtime	687	499	800	800
<i>This line-item represents the allocation to cover overtime costs associated with staff members of the Administration Department. These costs are split among several funds as work is administrative work is performed by the Admin. Department on behalf of the Wastewater Treatment Department.</i>						
08	401.200	Office Supplies	2,793	2,711	2,600	2,800
08	401.300	General Expense	4,158	5,305	1,000	1,000
08	401.311	Accounting and Auditing Services	19,625	8,294	8,800	7,000
08	401.313	Engineering Services	32,646	33,643	37,000	35,000
08	401.314	Legal Services	10,006	9,190	11,000	11,000
08	401.325	Postage	4,095	3,759	5,000	5,000
08	401.350	Property and Liability Insurance	25,356	24,754	26,000	26,000
08	401.374	Equipment, Repair and Service Contracts	6,193	8,096	12,200	18,000
08	401.383	Rental of Building	20,000	20,000	16,500	16,500
08	401.420	Dues, Subscriptions and Memberships	1,198	1,079	2,500	2,500
<i>Administration Dept. Sub-Total:</i>			228,865	237,060	229,361	232,698
Personnel Expenses						
08	401.460	Training and Conferences	620	723	1,500	1,500
08	429.122	Sewer Plant Superintendent Salary	70,286	73,767	75,503	78,883
08	429.140	Sewer Plant Salaries	146,563	158,675	212,111	225,615
<i>Annual salaries for each of the non-management (x4) employees of the Department. See the Department Personnel Complement chart for the Wastewater Treatment Department to view each salary separately.</i>						
08	429.183	Overtime	8,356	13,276	13,000	13,000
<i>Personnel Sub-Total:</i>			225,825	246,441	302,114	318,998

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
Operational Expenses						
08	401.321	Telephone and Cable	4,894	5,534	6,000	6,000
08	429.220	Operating Supplies and related items	7,997	13,281	14,000	14,000
08	429.221	Chemicals	33,774	37,103	56,500	60,000
08	429.225	Laboratory Supplies	2,222	1,205	5,000	5,000
08	429.227	Outside Laboratory Services	23,184	23,487	27,700	36,000
08	429.231	Vehicle Fuel	2,634	2,836	5,500	5,500
08	429.361	Electricity	134,344	134,851	150,000	150,000
08	429.362	Gas	0	207	250	250
08	429.366	Water	6,613	6,570	7,500	8,000
08	429.373	Building and Grounds Maintenance	8,583	9,012	8,000	10,000
08	429.374	Sewer Treatment Plant Equipment Maint.	65,238	59,563	72,000	75,000
08	429.375	Vehicle Maintenance	13,100	7,263	10,000	10,000
08	429.378	Collection System & Pump Stations Maint.	38,279	48,026	41,000	55,000
08	429.450	Bio-Solids Management Contracted Srvs.	25,311	34,027	35,000	35,000
		<i>Operational Expenses Sub-Total:</i>	<i>366,174</i>	<i>382,966</i>	<i>438,450</i>	<i>469,750</i>
Debt Service						
08	471.210	2017 Refi 2010&2007-GO Note Principal -BB&T	0	190,250	166,870	181,000
		<i>This line-item is allocated for the General Obligation Note (loan) principal for the construction of the current Borough Hall facility and an upgrade at the Wastewater Treatment Plant.</i>				
08	471.300	2007Refi 2002RevenueNote Principal-DVAL	163,000	1,366,000	0	0
08	472.000	Financing Debt Charges	6,184	23,567	0	0
08	472.210	2017 Refi 2010&2007-GO Note Inter-BB&T	0	23,618	31,023	26,635
		<i>This line-item is allocated for the General Obligation note interest for the construction of the current Borough Hall facility and upgrade at the Wastewater Treatment Plant.</i>				
08	472.300	2007Refi 2002RevenueNote Interest-DVAL	60,825	15,834	0	0
		<i>Debt Service Sub-Total:</i>	<i>230,009</i>	<i>1,619,269</i>	<i>197,893</i>	<i>207,635</i>
Employee Benefits						
08	487.152	Dental Insurance	3,145	3,877	4,800	4,800
08	487.156	Health Insurance	78,816	108,919	136,000	138,300
08	487.157	Health and Welfare	2,763	2,809	6,100	6,100
08	487.158	Life Insurance	436	457	550	550
08	487.160	Pension Plan – Non-Uniform	10,842	12,486	23,488	32,370
08	487.161	FICA and Medicare	24,927	27,738	31,500	32,400
08	487.354	Workers Compensation Insurance	8,538	9,008	11,200	12,100
		<i>Employee Benefits Sub-Total:</i>	<i>129,467</i>	<i>165,294</i>	<i>213,638</i>	<i>226,620</i>
Transfers						
08	492.038	Transfer to Sewer Capital Reserve	400,000	775,000	300,000	250,000
		<i>Annual transfers to the Sewer Capital Reserve are for long-term capital projects at the Wastewater Treatment Plant or to the collection system.</i>				
		Transfer to General Capital Reserve			0	0
		<i>Transfers Sub-Total:</i>	<i>400,000</i>	<i>775,000</i>	<i>300,000</i>	<i>250,000</i>
Total Sewer Operating Expenditures & Transfers			1,580,341	3,426,030	1,681,456	1,705,701



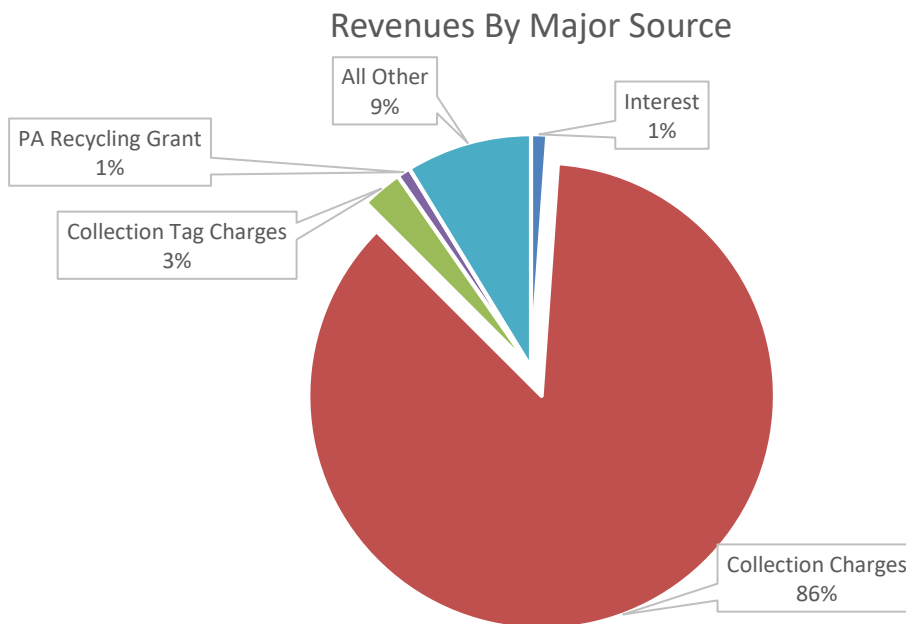
V. SOLID WASTE FUND

Solid Waste Fund Overview

Fund:	Purpose:	Sources of Revenue:
<i>Proprietary Fund Type – Enterprise Fund</i>		
Solid Waste Fund	All expenditures related to the collection, hauling, and disposal of all residential municipal solid waste and recycling within the Borough.	Quarterly solid waste billing charges, interest earnings, collection tag (extra service, oversized items, yard waste, and appliances) sales, grant funding, and hauling rebates through LCSWMA (Lancaster County Solid Waste Management Authority).

Solid Waste Fund Summary

(09) SOLID WASTE FUND 2019	
Revenues	\$
Total Revenues	448,050
<hr/>	
Expenditures	\$
Administrative	91,949
Collection System & Operations	330,100
Employee Benefits & Insurance	28,051
Total Expenditures	450,100



Solid Waste Fund Budgets

Revenues & Expenditures

The Solid Waste Fund, a proprietary level, enterprise fund, accounts for the revenues and expenditures for the solid waste collection, hauling and disposal implemented by the Borough. The program is administered by the Administration Department and carried out utilizing this enterprise fund. In this way, the Solid Waste Fund budget may sustain gains and losses, unlike the General Fund, which must carry a balanced annual budget. The Fund also is a programmatic budget and does not account for staff or other fleet complements, as it is not a department of the Borough.

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
SOLID WASTE FUND						
(Residential rate per quarter)					55	55
Revenues						
09	341.000	Interest Earnings	867	1,050	900	5,000
09	364.300	Solid Waste Collection Charges	390,448	386,827	385,000	387,000
09	364.302	Solid Waste Lien Income	30,479	7,806	31,000	25,000
09	364.330	Green Yard Waste Tags	7,002	7,690	8,500	8,500
09	364.331	Yellow Extra Service Tags	940	1,065	1,500	1,500
09	364.332	Red Oversize Trash Tags	2,444	3,104	2,200	2,200
09	364.333	Blue Large Appliance Tags	408	456	500	500
09	364.500	PA Recycling Grant	4,296	4,296	2,000	4,200
09	380.000	Miscellaneous Revenue (inc. Hauling Rebate)	14,630	14,091	15,000	14,000
09	395.000	Refund of Prior Year Expenditures	1,096	234	100	150
Total Solid Waste Fund Revenues			452,610	426,619	446,700	448,050
Expenditures						
Administration Department Expenses						
09	401.121	Manager Salary	19,071	27,507	19,400	18,500
<i>This line-item reflects 20% of the Borough Manager's salary. The remaining 80% is allocated through the General Fund (40%) and the Sewer Operating Fund (40%), totaling an annual salary of \$92,500 across all funds for the 2019 year.</i>						
09	401.140	Clerical Salaries	31,535	32,358	33,581	35,049
<i>This line-item represents 20% of the salaries for the Administration Department staffers (x4), minus the Code & Zoning Officer. The remaining 80% is allocated through the General Fund (40%) and the Sewer Operating Fund (40%). See the Department Personnel Complement chart for the Administration Department to view each salary separately.</i>						
09	401.183	Overtime	343	249	400	400
<i>This line-item represents the allocation to cover overtime costs associated with staff members of the Administration Department. These costs are split among several funds as work is administrative work is performed by the Admin. Department on behalf of the Borough's solid waste program.</i>						
09	401.200	Office Supplies	430	1,697	2,100	2,100
09	401.300	General Expense	592	235	700	500
09	401.311	Accounting and Auditing Services	0	4,147	4,400	3,500
09	401.313	Engineering Services	0	0	0	0
09	401.314	Legal Services	8,781	8,595	9,200	9,200

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
09	401.325	Postage	4,012	4,045	5,000	5,000
09	401.341	Advertising	1,233	193	500	500
09	401.374	Equipment, Repair and Service Contracts	2,834	2,858	3,700	7,200
09	401.383	Rental of Building	10,000	10,000	8,500	8,500
09	401.420	Dues, Subscriptions and Memberships	203	196	1,200	1,500
		<i>Administration Dept. Sub-Total:</i>	<i>79,034</i>	<i>92,081</i>	<i>88,681</i>	<i>91,949</i>
Operational Expenses						
09	427.220	Operating Supplies and related items	12,800	13,522	17,500	15,500
09	427.440	Solid Waste Disposal	113,229	111,514	126,000	126,000
09	427.450	Collection and Hauling Contracted Services	178,487	178,512	179,000	188,600
		<i>Operational Expenses Sub-Total:</i>	<i>304,516</i>	<i>303,547</i>	<i>322,500</i>	<i>330,100</i>
Employee Benefits						
09	487.152	Dental Insurance	544	537	650	650
09	487.156	Health Insurance	11,803	15,761	17,100	18,100
09	487.157	Health and Welfare	667	734	800	800
09	487.158	Life Insurance	66	65	85	85
09	487.160	Pension Plan-Non-Uniform	945	1,355	574	2,766
09	487.161	FICA and Medicare	3,850	4,471	4,100	4,100
09	487.354	Workers Compensation Insurance	1,348	948	1,500	1,550
		<i>Employee Benefits Sub-Total:</i>	<i>19,224</i>	<i>23,871</i>	<i>24,809</i>	<i>28,051</i>
Transfers						
09	492.031	Transfer to General Capital Reserve	0	250,000	0	0
		<i>Transfers Sub-Total:</i>	<i>0</i>	<i>250,000</i>	<i>0</i>	<i>0</i>
Total Solid Waste Expenditures & Transfers			402,773	669,499	435,990	450,100



VI. EDUCATIONAL SERVICE AGENCY FUND

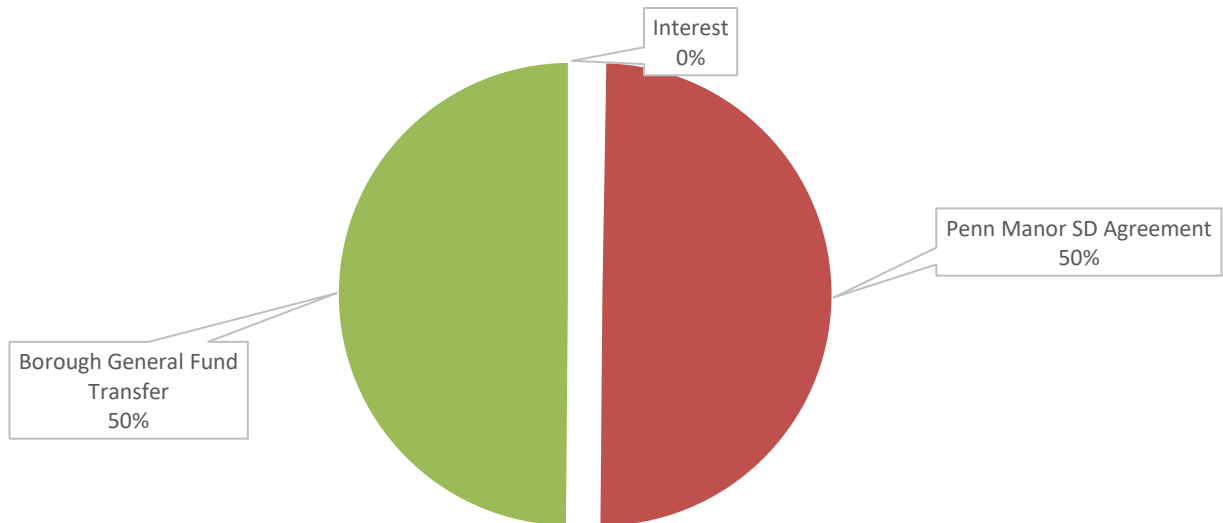
Educational Service Agency Fund Overview

Fund:	Purpose:	Sources of Revenue:
<i>Proprietary Fund Type – Internal Service Fund</i>		
Educational Service Agency Fund	All expenditures related to the crossing guard program as per the agreement between the Borough and the Penn Manor School District, in which each party covers 50% of the cost.	The Borough and Penn Manor School District each cover 50% of the cost of the program.

Educational Service Agency Fund Summary

(45) EDUCATIONAL SERVICE AGENCY FUND 2019	
Revenues	\$
Total Revenues	29,480
Expenditures	\$
Fund Transfers	0
Total Expenditures	29,556

Revenues By Major Source



Educational Service Agency Fund Budgets

Revenues & Expenditures

The Educational Service Agency provides the crossing guard services program to the Millersville Borough community. The program is administered through the independently appointed Educational Service Agency, a three-member board, who's responsibility it is to craft and implement an annual budget, setting salaries and other operational allocations. The program costs are split 50/50% between the Borough and the Penn Manor School District. Daily operational oversight and hiring and discharging crossing guards is done by the Borough's Police Department, through the Chief of Police. Since the Fund, much like the Solid Waste Fund, is a proprietary level, internal service fund, and not a department of the Borough, items such as staff or fleet complements are not allocated through this fund.

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
EDUCATIONAL SERVICE AGENCY FUND						
Revenues						
45	341.000	Interest Earnings	30	39	40	80
45	362.115	Crossing Guard Services to PMSD	13,365	13,136	14,500	14,700
<i>Penn Manor School District's share, representing 50% of the overall crossing guard program cost, per the Educational Service Agency agreement.</i>						
45	392.001	Transfer from General Operating Fund	14,875	14,500	14,500	14,700
<i>The Borough's transfer from the General Fund, representing 50% of the overall crossing guard program cost, per the Educational Service Agency agreement.</i>						
Total Educational Service Agency Fund Revenues			28,270	27,675	29,040	29,480
Expenditures						
General Expenses						
45	410.140	Crossing Guard Salaries	23,874	22,412	24,670	25,656
45	410.220	Operating Supplies and related items	92	120	500	500
45	410.238	Clothing and Uniforms	488	493	700	700
45	487.161	FICA and Medicare	1,826	1,715	1,890	1,965
45	487.354	Workers Compensation Insurance	450	474	630	735
<i>General Expenses Sub-Total:</i>			<i>26,730</i>	<i>25,213</i>	<i>28,390</i>	<i>29,556</i>
Transfers						
45	492.031	Transfer to General Capital Reserve	0	15,000	0	0
<i>Transfers Sub-Total:</i>			<i>0</i>	<i>15,000</i>	<i>0</i>	<i>0</i>
Total Educational Service Agency Expenditures & Transfers			26,730	40,213	28,390	29,556

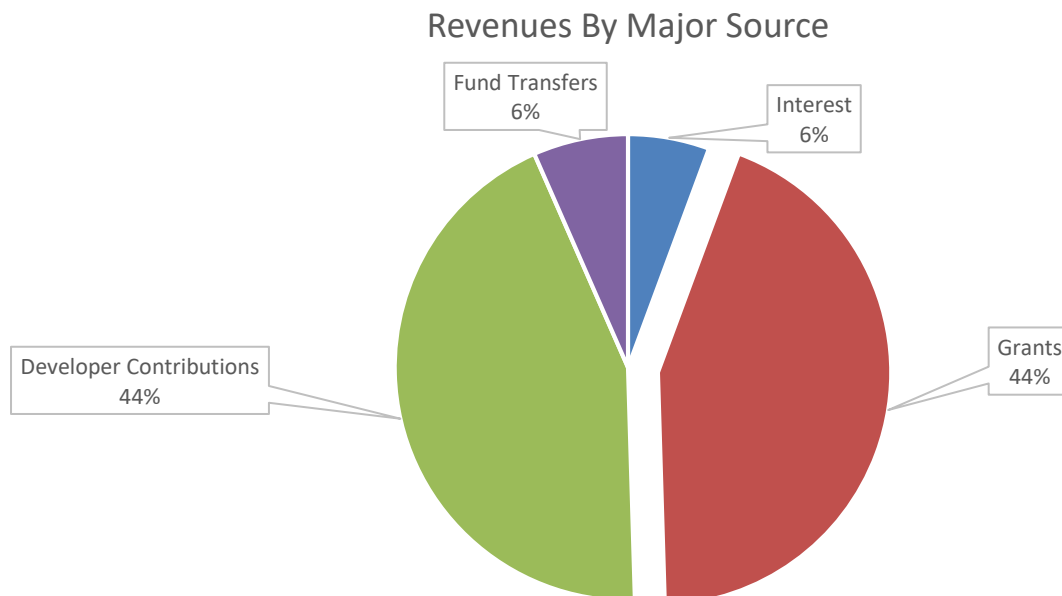
VII. GENERAL CAPITAL RESERVE FUND

General Capital Reserve Fund Overview

Fund:	Purpose:	Sources of Revenue:
Government Fund Type		
General Capital Reserve Fund	Capital programs and projects related to the general operation and long-term capacity of the Borough. Professional services, such as engineering or legal consultants, related to the implementation of such projects are also allocated through this fund.	Interest earnings, grant funding sources, developer contributions, and transfers from other Borough funds.

General Capital Reserve Fund Summary

(31) GENERAL CAPITAL RESERVE FUND 2019	
Revenues	\$
Total Revenues	455,700
Expenditures	\$
Total Expenditures	455,401



General Capital Reserve Fund Budgets

Revenues & Expenditures

The annual budget for the General Capital Reserve Fund is mostly dominated by special projects or one-time capital expenses. As noted in the graph on the previous page, the Fund does not receive any dedicated revenues, but instead relies on fund transfers, grants, or contributions from other sources. In this way, the Fund is heavily reliant on external environments, and as a result shows great fluctuation in revenues and expenditures from year to year.

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
GENERAL CAPITAL RESERVE FUND						
Revenues						
31	341.000	Interest Earnings	2,650	4,822	4,000	25,700
31	351.000	Grants - Federal and State	0	0	200,000	200,000
<i>The Borough received this ARLE (Automated Red Light Enforcement) grant from the Pennsylvania Department of Transportation in 2016 for the construction of a four-way traffic signal at the intersection of SR 3032 (Duke Street) and SR 3029 (Frederick Street).</i>						
31	357.000	Grant - County	0	0	497,200	0
<i>The Borough received this Smart Growth Transportation grant through the Lancaster County Transportation Coordinating Committee in 2015 for the realignment of the North/South Duke Street intersection. The grant, a federal funding passthrough, would require hundreds of thousands of dollars' worth of federal oversight and regulation compliance. For these reasons, the 2019 budget proposal calls for the rejection of the grant, as shown in the allocation reduction from 2018 to 2019.</i>						
31	357.090	Grant - Community Development	0	0	0	0
31	380.000	Miscellaneous Revenue	0	240,903	200,000	200,000
<i>As part of an anticipated increase in traffic as a result of a future residential and commercial development in Manor Township, the developers of the old Funks Farm pledged this contribution to the Borough to assist with the traffic signal and intersection upgrade at Duke & Frederick Streets.</i>						
31	391.000	Sale of Property and Equipment	0	0	0	0
31	392.001	Transfer from General Operating Fund	138,000	287,000	20,000	30,000
31	392.009	Transfer from Solid Waste Fund	0	250,000	0	0
31	392.038	Transfer from Sewer Capital Fund	115,000	66,951	50,500	0
31	392.045	Transfer from Education Service Agency Fund	0	15,000	0	0
Total General Capital Reserve Fund Revenues			255,650	864,675	971,700	455,700
Expenditures						
31	401.313	Engineering Services	11,950	38,431	25,000	20,000
31	401.314	Legal Services	4,947	241	10,000	2,500
31	401.341	Advertising	903	2,024	4,000	1,000
31	401.450	E-Code Contracted Services	10,093	4,125	8,000	6,000
<i>General Code's eCode360 is a service that codifies municipal law and also distributes it in bound and electronic formats. This line-item represents the Borough's annual cost to codifying its laws.</i>						
31	401.730	Building Improvements - Admin and Police	0	0	0	0
31	401.750	Equipment Replacement - Admin	0	1,185	0	0
31	410.745	Vehicle Replacement - Police	25,786	33,122	0	46,000
<i>The 2019 budget includes this allocation for the purchase of two vehicles for the Police Department. Two of the Department's current vehicles will be traded in during these transactions.</i>						

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
31	410.750	Equipment Replacement - Police	14,880	0	0	0
31	414.745	Vehicle Replacement - Zoning/Code Officer	0	0	0	0
31	430.600	N/S Duke St Corridor Roads, Curbs, Sidewalks	0	85,856	507,300	0
31	430.601	N/S Duke St Corridor Stormwater Mgmt.	0	79,506	305,500	0
31	430.602	N/S Duke St Corridor Sanitary Sewer	0	66,951	50,500	0
31	430.603	N/S Duke St Corridor Traffic, Misc.	0	162,900	467,500	350,000
<p><i>While this proposal does not include the entire scope of the North/South Duke Street realignment project, as mentioned in line-item 31.357.000 Grant – County, this line-item represents the allocation to upgrade the intersection and construct a traffic signal.</i></p>						
31	430.604	N/S Duke St Corridor Engineering, Environmental	53,856	49,889	327,000	0
31	430.605	N/S Duke St Corridor Land Acquisitions, ROW	127,439	0	425,000	0
31	430.700	Miscellaneous Street Projects	144,004	292,136	10,000	0
31	430.730	Building Improvements - Streets	0	0	0	0
31	439.710	Economic Development	0	0		0
31	442.610	RMS Package - Police	0	0	0	29,901
<p><i>The Borough's Police Department currently runs its records management software through the County of Lancaster. However, come 2019, the County is requiring its municipalities to branch off and utilize their own management systems. This allocation provides for the purchase and implementation of an independent records management platform.</i></p>						
31	442.620	Financial Package	3,596	0		0
31	454.730	Bldg. Imprvmnts.-Park Pavilions& Other Structures	0	0	6,600	0
31	454.750	Equipment Replacement - Park	19,109	5,349	20,000	0
Total General Capital Reserve Fund Expenditures			416,562	821,715	2,166,400	455,401



VIII. SEWER CAPITAL RESERVE FUND

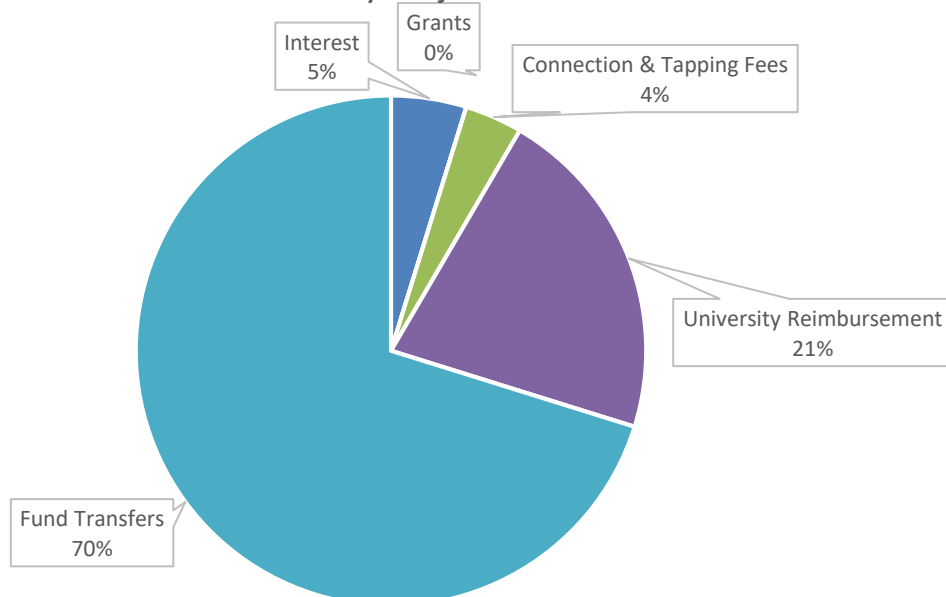
Sewer Capital Reserve Fund Overview

Fund:	Purpose:	Sources of Revenue:
<i>Government Fund Type</i>		
Sewer Capital Reserve Fund	Capital programs and projects specifically related to the operation and long-term capacity of the Borough's Wastewater Treatment Plant and collection systems. Professional services, such as engineering or legal consultants, related to the implementation of such projects are also allocated through this fund.	Interest earnings, grant funding sources, sewer connection and tapping fees, capital reimbursements from Millersville University, and fund transfers.

Sewer Capital Reserve Fund Summary

(38) SEWER CAPITAL RESERVE FUND 2019	
Revenues	\$
Total Revenues	356,200
Expenditures	\$
Fund Transfers	0
Total Expenditures	2,189,000

Revenues By Major Source



Sewer Capital Reserve Fund Budgets

Revenues & Expenditures

The Sewer Capital Reserve Fund is designed to account for annual allocations for the purpose of upgrading, maintaining, or replacing machinery, equipment, structures, or components of the Wastewater Treatment Plant and Borough-wide collection systems (including pumping stations). As our infrastructure ages, having a healthy Sewer Capital Reserve Fund is ever more important in keeping up with the replacement and maintenance of these components. Much like the General Capital Reserve Fund, this Fund does not have a departmental budget and does not show personnel or fleet complements.

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
SEWER CAPITAL RESERVE FUND						
Revenues						
38	341.000	Interest Earnings	2,450	2,954	2,600	17,000
38	351.000	Grants - Federal and State	0	0	0	0
38	357.000	Grant - County	0	0	0	0
38	364.110	Sewage Connection/Tapping Fees	0	56,459	273,609	13,000
<i>Fees assessed for the connection of new private or sewer facilities to the public collection system.</i>						
38	364.120	Sewer Capital Reimburse - University	58,661	58,588	440,000	76,200
<i>This line-item represents the reimbursements made by the University for their share of sewer capital projects and costs during the 2018 year.</i>						
38	380.000	Miscellaneous Revenue	0	0	0	0
38	392.008	Transfer from Sewer Operating Fund	400,000	775,000	300,000	250,000
Total Sewer Capital Reserve Fund Revenues			461,111	893,001	1,016,209	356,200

Expenditures						
General Expenses						
38	401.313	Engineering Services	53,029	61,558	43,000	150,000
38	401.314	Legal Services	2,590	140	5,000	5,000
38	401.341	Advertising	1,280	1,260	4,000	4,000
38	429.620	Financial Package	2,411	0		
38	429.710	Land Improvements - WWTP	0	12,692	107,000	0
38	429.715	Land Improvements - Pump Stations	0	0	25,000	0
38	429.716	Land Improvements - Pump Stations-Shared	0	0	0	0
38	429.730	Building Improvements to WWTP	0	30,500	50,000	0
38	429.731	Building Improvements to Admin Bldg.	0	0	0	30,000
<i>Improvements to the flooring within the Wastewater Treatment Plant administrative offices.</i>						
38	429.735	Bldg. Improvements to Pump Stations	0	0	0	0
38	429.736	Bldg. Improvements to Pump Stations-Shared	0	0	40,000	0
38	429.740	Machinery Replacements	0	0	0	0
38	429.745	Vehicle Replacement	0	35,825	38,000	0
38	429.750	Equipment Replacements to WWTP	0	28,104	35,000	0
38	429.751	Equip Replace to Dewatering Process	0	0	1,500,000	2,000,000
<i>This project, put out to bid in 2018, includes the deconstruction and removal of the current dewatering press, in preparation for the construction of a new cutting-edge dewatering press and associated systems.</i>						

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
38	429.755	Equip Replace to Pump Stations	0	135,806	0	0
38	429.756	Equip Replace to Pump Station-Shared	0	24,918	0	0
38	429.760	Sewer Main and Line Replacements	0	71,633	0	0
38	429.765	Sewer Pipe Slip Lining	0	67,334	0	0
38	429.766	Sewer Pipe Slip Lining-Shared	0	43,319	0	0
38	492.795	SBR Blowers	13,990	0	0	0
		<i>General Expenses Sub-Total:</i>	<i>73,300</i>	<i>513,089</i>	<i>1,847,000</i>	<i>2,189,000</i>
Transfers						
38	492.031	Transfer to General Capital Reserve	115,000	66,951	50,500	0
		<i>Transfers Sub-Total:</i>	<i>115,000</i>	<i>66,951</i>	<i>50,500</i>	<i>0</i>
Total Sewer Capital Reserve Expenditures & Transfers			188,300	580,040	1,897,500	2,189,000



IX. HIGHWAY AID FUND

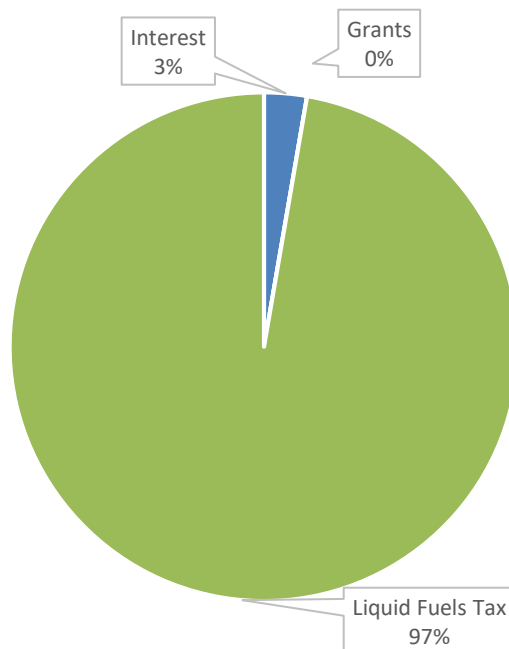
Highway Aid Fund Overview

Fund:	Purpose:	Sources of Revenue:
<i>Government Fund Type – Special Revenue</i>		
Highway Aid Fund	The Commonwealth of Pennsylvania distributes these funds as a result of special taxes placed on gas at the pump, which is designed to be utilized for the maintenance and upgrade of roadways and street department equipment.	The State’s liquid fuels tax, which is imposed on liquid fuels or fuels used or distributed in Pennsylvania.

Highway Aid Fund Summary

(35) HIGHWAY AID FUND 2019	
Revenues	\$
Total Revenues	221,000
<hr/>	
Expenditures	\$
Total Expenditures	343,500

Revenues By Major Source



Highway Aid Fund Budgets

Revenues & Expenditures

Each year, the Borough receives a liquid fuels allocation from the Department of Transportation (DOT), for the construction, reconstruction, maintenance, and repair of our roads and streets. This allocation also covers the purchase or certain repair of street department vehicles, or the payroll in conjunction with street maintenance or construction programs. As this allocation is based on the number of road miles and population, the Borough receives a rather steady source of revenue in this fund from year to year.

Fund	Object	Description	2016 Actual	2017 Actual	2018 Budget	2019 Manager's Proposal
HIGHWAY AID FUND						
<u>Revenues</u>						
35	341.000	Interest Earnings	964	1,374	1,100	6,000
35	351.000	Grants - Federal and State	18,388	0	0	0
35	355.020	Liquid Fuels Tax	196,503	205,557	211,000	215,000
Total Highway Aid Fund Revenues			215,855	206,931	212,100	221,000
<u>Expenditures</u>						
35	439.432	Winter Maintenance Supplies-Salt	15,104	6,188	30,000	30,000
35	439.450	Snow Removal Contracted Services	6,983	3,895	13,000	13,000
35	439.700	Miscellaneous Street Projects	3,046	0	5,000	5,000
35	439.710	ADA Ramps and Sidewalks	0	65,473	75,000	82,000
35	439.720	Paving and/or Recycling Multiple Streets	0	150,084	250,000	205,000
35	439.725	Microsurfacing Multiple Streets	0	0	0	0
35	439.730	Storm Sewers and Drains	0	102,212	0	0
35	439.740	Machinery Replacement	0	0	7,000	8,500
35	439.745	Vehicle Replacement	0	0	67,000	0
Total Highway Aid Fund Expenditures			25,132	327,851	447,000	343,500

