



2017 Draft General Fund Budget Summary

October 25, 2016

Summary of General Fund Budget Process:

The 2017 Draft General Fund Budget was developed by the Finance Committee of Steelton Borough Council in consultation with the Borough Manager, Assistant Secretary-Treasurer, staff and consultants. The process for developing the budget was as follows:

- **Internal Department Meetings: September 2016**
 - Department heads submitted “wish list” budgets and justified new expense items.
- **Publically Advertised Finance Committee Meetings: October 5th, 12th, and 19th**
 - Borough Finance Committee held three publically advertised meetings to review draft budget and develop budget before Council.
- **Publically Advertised Special Council Meeting to Consider Budget: October 25th**
- **Public Inspection Period: October 26th to December 4th**
- **Formal Consideration and Adoption of 2017 Budget by Council: December 5th**

Overall Economic Outlook:

Steelton Borough continues to operate in the context of being a landlocked borough with limited growth/taxing capacity. However, the Borough is beginning to see an uptick in existing and potential development that provides a positive economic outlook. In 2016, Steelton Borough saw the following positive economic development trends:

- Opening of a new Doctor’s Office at the old Moose Building;
- Opening of additional small businesses including an art studio and appliance store with other small business interest contacts to the Borough Office.

- Partnership with Tri-County Housing Development Corporation to build a new townhouse community on Adams Street;
- Demolition of blighted structures in the North Front Street redevelopment zone
- Approval of developing a skate-park to generate outside traffic into the Borough
- Numerous capital improvements including a sewer cleaning and inspection project, pump grinder project, firehouse improvements project, and utility improvements/paving project.

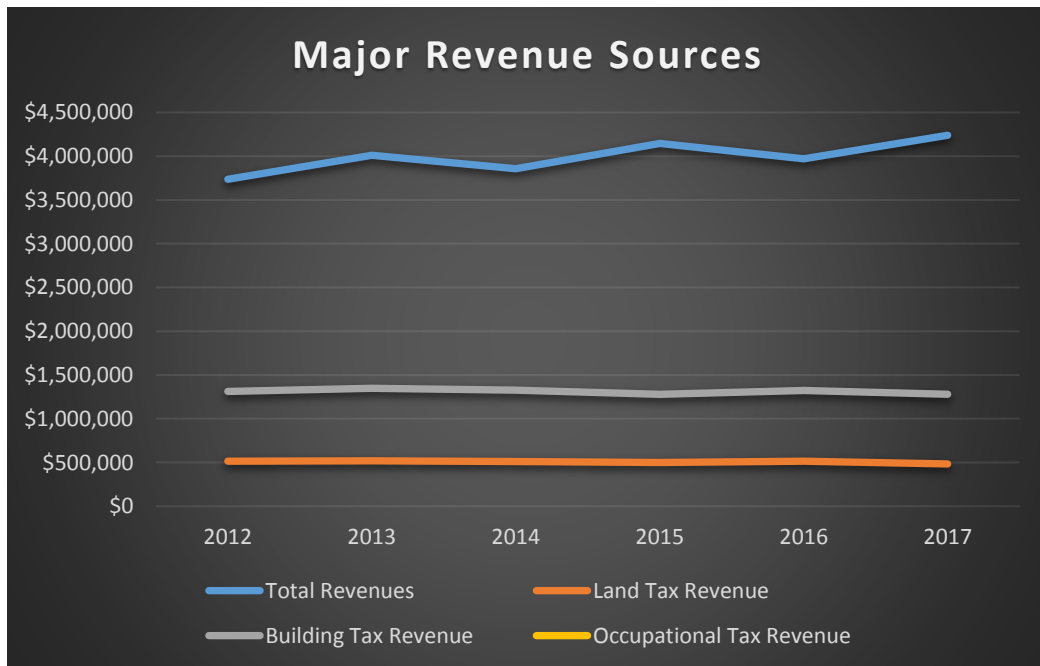
In 2017 the Borough anticipates:

- Completion of Phase I of the Adams Street Townhouse Development
- Construction of the Steelton Skate Park
- Continued development of the North Front Street development corridor

Revenues

General Fund Revenue Outlook: Stable

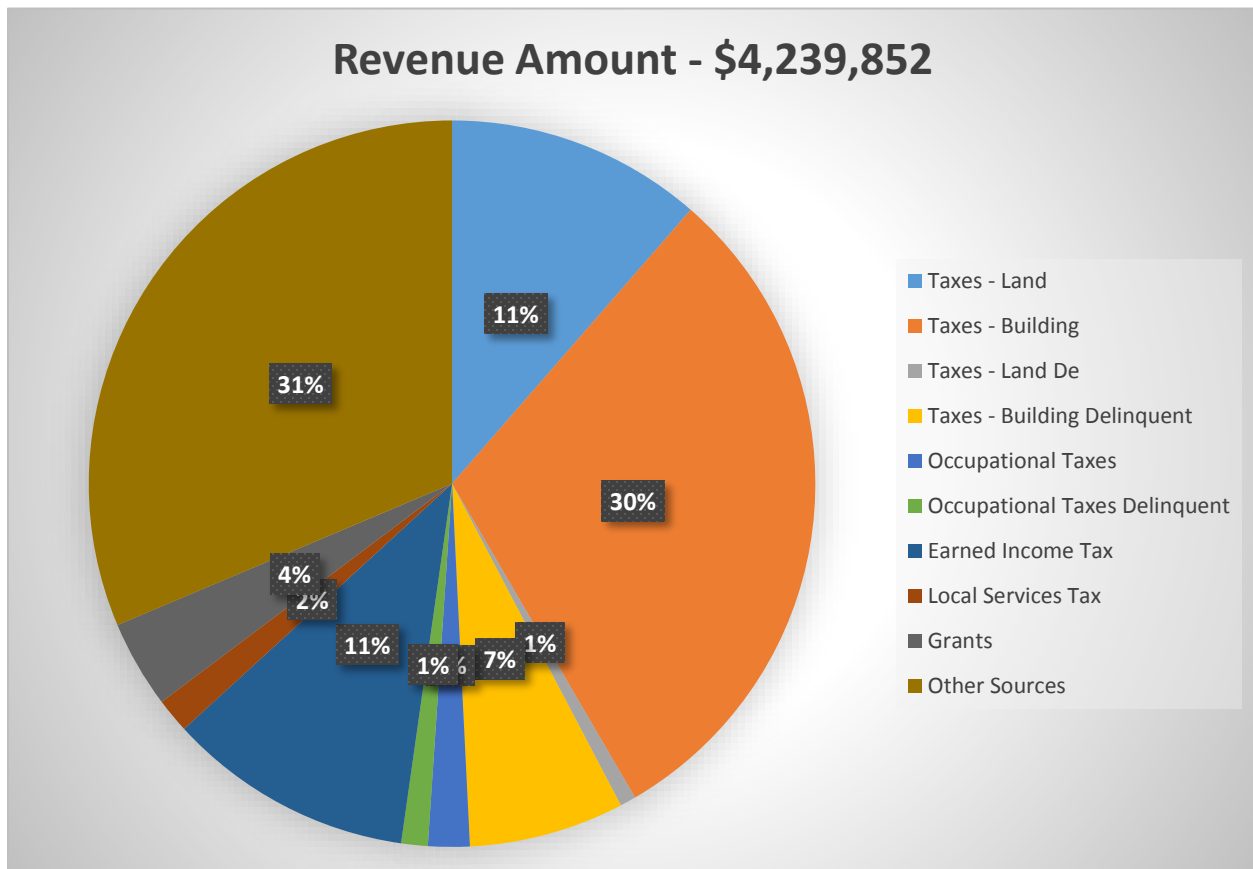
Overall Revenues and Major Sources of Revenue have remained stable as seen below.



2017 Draft General Fund Budget Revenue Projections

The 2017 Draft General Fund Budget is based on a revenue projection of **\$4,239,852**. Major revenue assumptions are as follows:

- No property tax increase.
- Land/Building property tax revenues are based on 2016 assessed value provided by Dauphin County reduced by 15 percent to account for delinquencies. This is a very conservative revenue projection.
- Occupational taxes and other recurring funds projected based on historical average.
- \$165,000 in grant funds for Codes (CDBG) and skate park (Tourism Grant).



2017 Draft General Fund Expenses

The 2017 General Fund Budget projects \$4,239,852 in expenses. For the most part, the budget holds the line on new expenses. The new expenses that are in the budget are outlined by department below:

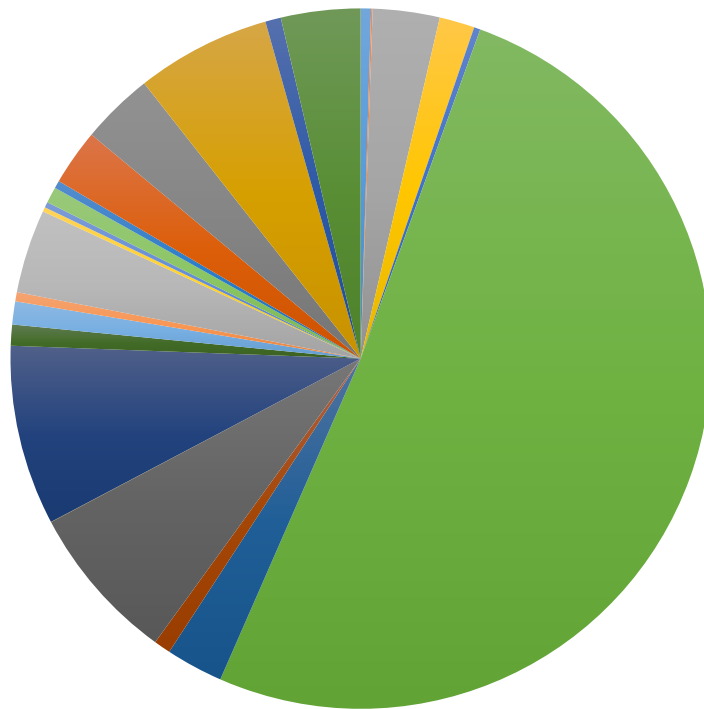
Codes Department:

- One Additional Part-Time Property Maintenance Officer: \$21,840
- Two handheld property maintenance devices to improve administrative efficiency: \$15,500

Police Department:

- Changing Officer Snyder from Part-Time to Full-Time

Expense by Category - \$4,239,852



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|----------------------|-----------------------|--------------------|---------------------------|
| ■ General Govt | ■ Executive | ■ Finance | ■ Tax Collection |
| ■ Municipal Building | ■ Police | ■ Fire | ■ Ambulance |
| ■ Codes | ■ Emergency Prep | ■ Highway | ■ Street Cleaning |
| ■ Snow Removal | ■ Signals | ■ Street Lighting | ■ Storm Sewers |
| ■ Street Repairs | ■ Parks | ■ Boat Doc | ■ NEDC |
| ■ Debt Service | ■ Interfund Transfers | ■ Firemen's Relief | ■ Contributions/Subsidies |

- Adding 1 Part-Time Police Officer at 20 hours per week
- Promotion of officers to 1 sergeant, 2 corporal
- Replacement of police vehicle 24 (Dodge Charger) with Ford Interceptor Utility vehicle - \$25,100.

Public Works Department:

- Share of purchase of new Front End Loader
- New Bed for Truck #7: \$20,000
- Repair of Storm Sewer at Jessamine - \$42,000
- Development of 5 Year Capital Improvement Plan - \$6,000

Other Investments:

- Downtown Front Street Flag Program - \$15,000
- Demolition Reserve - \$50,000

Personnel Assumptions in 2017 Draft General Fund Budget:

- 3 percent GWI for Teamster's Represented Employees
- 3 percent GWI for AFSCME Council 90 Employees
- 3 percent GWI for non-represented employees

Summary:

The 2017 Draft General Fund Budget continues to make common sense investments while holding the line on spending. The revenue projections account for historical averages as well as conservative estimates for property tax collection, as well as grant revenues and the debt service tax revenue for 2017.

The expenses found in the 2017 Draft General Fund Budget make modest investments to improve the operations of the Borough of Steelton.