



2017 Draft Sewer Fund Budget Summary

October 25, 2016

Summary of General Fund Budget Process:

The 2017 Draft Sewer 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.

- **Publicly Advertised Finance Committee Meetings: October 5th, 12th, and 19th**
 - Borough Finance Committee held three publicly advertised meetings to review draft budget and develop budget before Council.

- **Publicly Advertised Special Council Meeting to Consider Budget: October 25th**

- **Public Inspection Period: October 26th to December 4th**

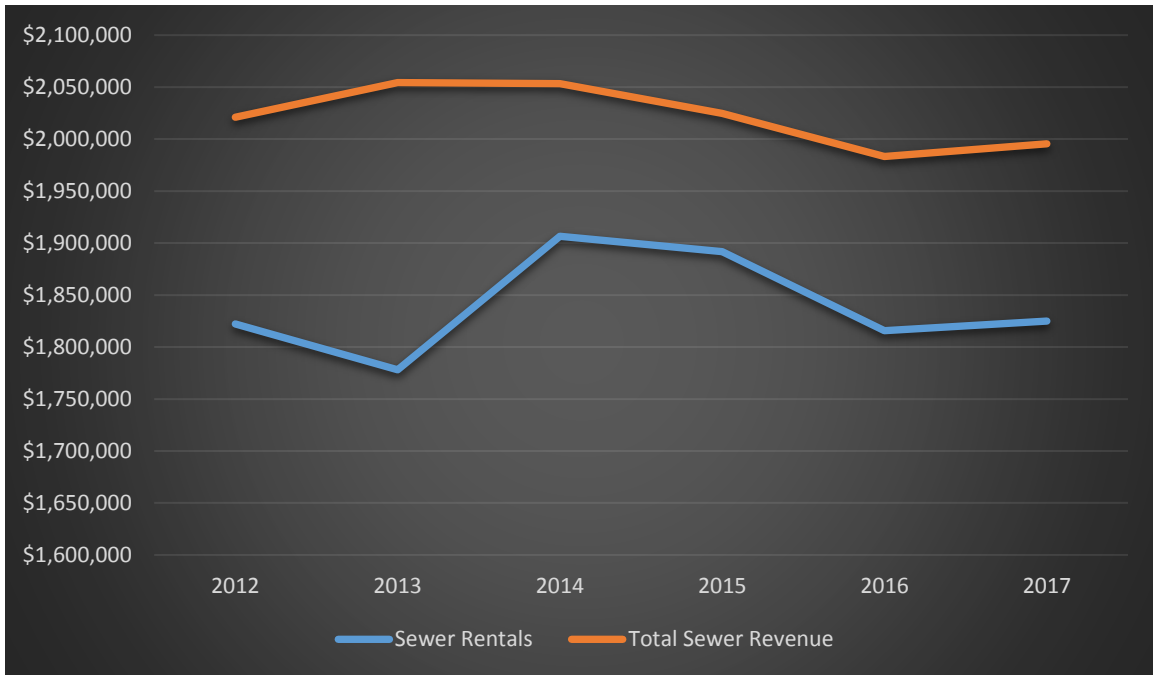
- **Formal Consideration and Adoption of 2017 Budget by Council: December 5th**

Overall Sewer Fund Outlook:

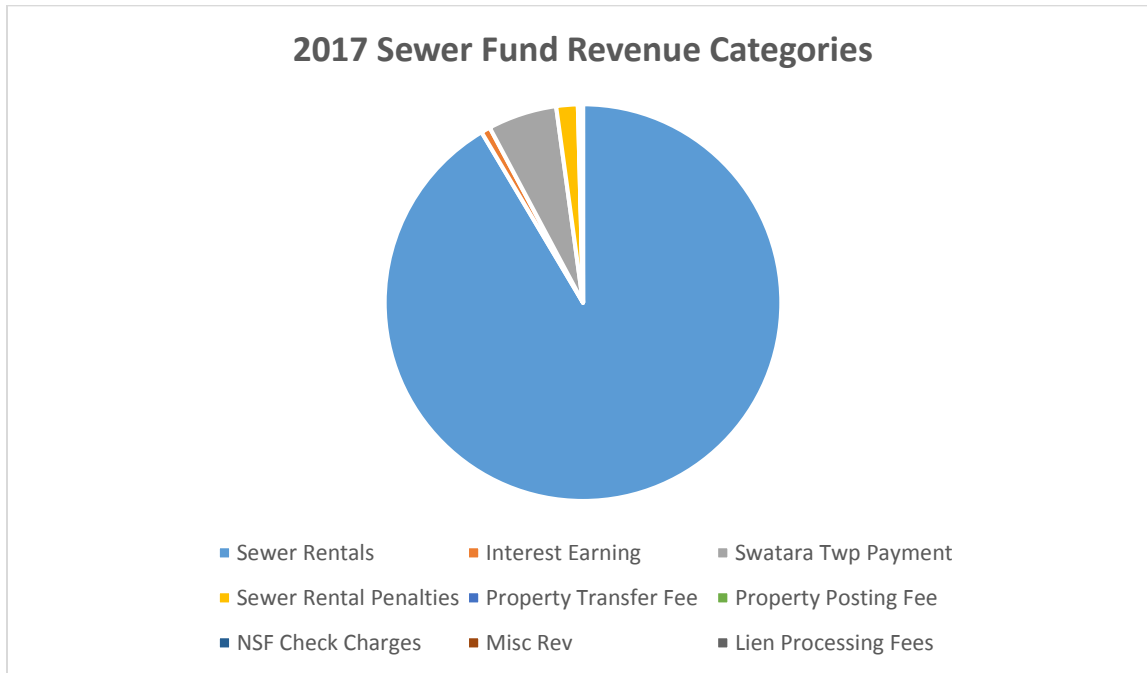
The Steelton Sewer Fund continues to exhibit consistent revenues, mainly through sewer rentals. Sewer rentals are collected quarterly, providing a consistent cash flow. In 2017, the Sewer Fund is projected to dip by approximately 4.7 percent. This is based on a historical average of past performance.

The Draft 2017 Sewer Fund Budget is a balanced budget of \$1,995,545.

Sewer Fund Revenue Trend



2017 Sewer Fund Revenue Categories



Expenses:

The 2017 Draft Sewer Fund Budget reduces expenditures by 4.73 percent compared to 2016. This is accomplished by modest investments, no changes in staffing, and expense projections based on historical spending.

Capital Purchases/Projects:

- 5 Year Capital Improvement Plan - \$6,000
- Installation of Safety Lighting in Pump Stations - \$4,973
- New Camera for televising sewer lines - \$82,000
- Sewer portion of Front End Loader - \$59,325

These modest capital purchases will supplement significant capital investments made in the sewer system in 2016. To date, these include:

- Purchase of a Sewer Flusher Truck
- Grant funded sanitary sewer inspection, cleaning, and repair
- Replacement of sewer lines at Harrisburg and Pine Streets
- Replacement of sewer lines at Mulberry/Bessemer Streets
- Grant funded pump station improvements

The Borough also has a budgeted reserve from a recent rates settlement of approximately \$614,702 which will be used for additional projects in the future. Allocation of this reserve will be part of the 5 year capital plan developed in 2017.