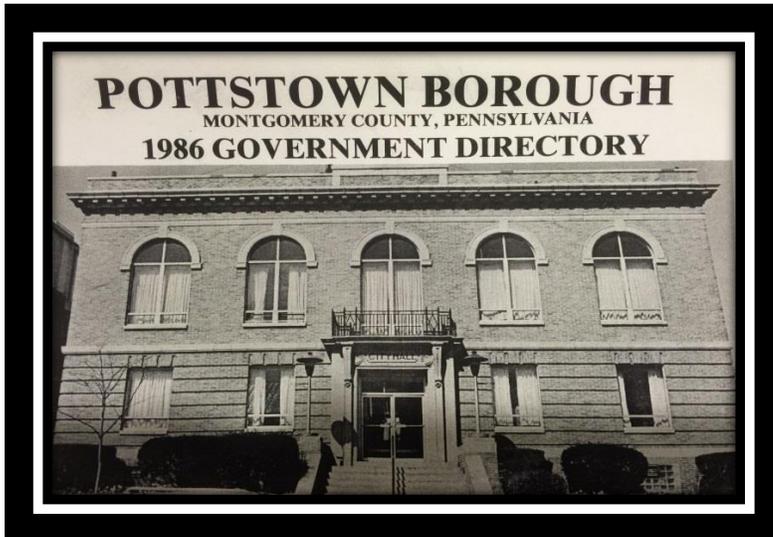


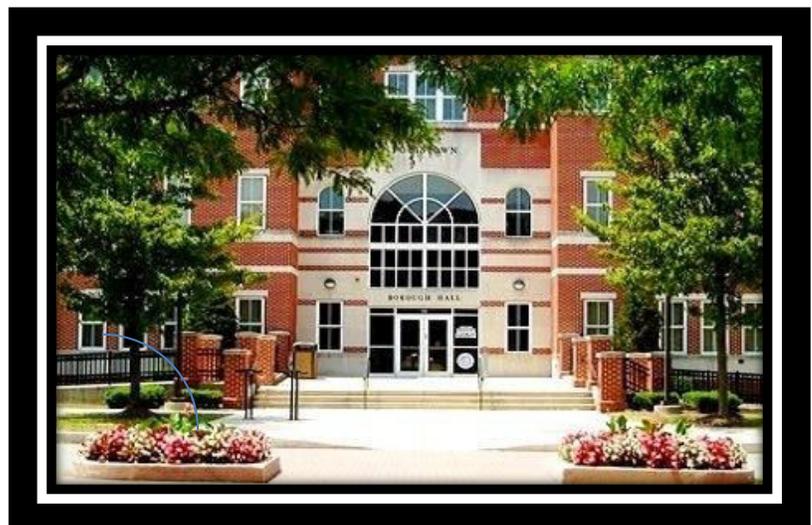
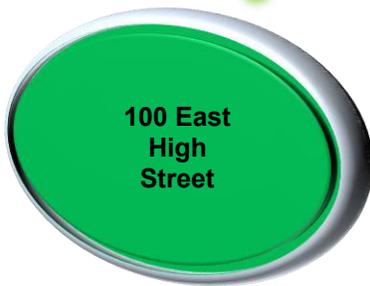
BOROUGH OF POTTSTOWN



2016 Annual Budget



30 Years Later . . .





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Maple Street Park

BOROUGH OF POTTSTOWN 2016 DIRECTORY

MAYOR

Sharon Valentine-Thomas, Term 2018 R

COUNCIL MEMBERS

Daniel D. Weand	President, Councilor – Ward 5 - Term 2018 D
Sheryl A. Miller	Vice President, Councilor – Ward 3 - Term 2018 D
Ryan R. Procsal	Councilor – Ward 1 -Term 2018 D
Carol L. Kulp	Councilor – Ward 2 -Term 2020 D
Rita H. Paez	Councilor – Ward 6 -Term 2020 D
Dennis N. Arms, Jr.	Councilor – Ward 4 -Term 2020 D
Joseph L. Kirkland	Councilor – Ward 7 -Term 2018 D

BOROUGH EMPLOYEE MANAGEMENT STAFF

Mark D. Flanders	Borough Manager
Erica L. Batdorf	Assistant Borough Manager
Sandi M. Chieffo	Human Resources Director
F. Richard Drumheller	Police Chief
Janice E. Lee	Finance Director/Borough Treasurer
Richard C. Lengel	Fire Chief
Michael A. Lenhart	Parks & Recreation Director
Keith A. Place	Licensing & Inspections Director
Virginia L. Takach	Admin Assistant/Borough Secretary
Brent M. Wagner	Utilities Director
Douglass M. Yerger	Public Works Director/Road Master



Smith Family Plaza December 2013



Borough of Pottstown

Borough Hall, 100 East High Street
Pottstown, Pennsylvania 19464-9525
(610) 970-6500

February 1, 2016

Dear Pottstown Borough Councilors, Mayor Valentine-Thomas,
and Pottstown Borough Authority Board Members:

I am pleased to provide you with the approved and adopted 2016 Annual Budget for the Borough of Pottstown.

This budget is more than an official statement about how much the Borough plans to spend in 2016 and how to pay for those expenses. It is a guide for Borough operations throughout the year and serves as a plan for the coordination of resources and expenditures. Further, in the form provided it serves as a meaningful reference and roadmap for staff, the Borough's elected officials, appointed legislative bodies, and the citizens of the Borough of Pottstown.

It is important to note that this year, the Borough's total assessed value declined from its 2015 valuation of \$811,000,000 to a low of \$804,630,169, nearly equaling the Borough's 2003 assessed valuation. Even in light of this decline in available funds, Borough staff has worked diligently to achieve a financially sound budget with no increase in property taxes. Further, this balanced \$60 million budget with a carry-over balance of approximately \$2.3 million, will fund the operations, programming, and services that embody the Borough's Core Values and fulfill the Borough's Mission Statement.

Highlights of the 2016 budget include, but are not limited to:

- The addition of staff in the Human Resources Department, the Licensing and Inspections Department, the Public Works Department (Water Distribution) and in the Utilities Department (Water Treatment and Waste Water Treatment Plants).
- In terms of capital expenditures, the newly adopted Capital Budget (2015) has helped to facilitate the acquisition of new equipment in nearly every department insuring that staff can continue to deliver quality services to the public.
- The Public Works Department will finalize plans to implement remote water meter reading for all users on the Borough's Water System.
- The Public Works Department will be implementing Phase-one of a three phase project to resolve drainage issues as they relate to storm water sump-pumps at various locations throughout the Borough.
- The Utilities Department, as a result of enhancements to the bulk collection system at the Waste Water Treatment Plant, is projected to see an increase in the volume of bulk sewage processed at the plant and as a result, expects an increase in revenues from bulk waste.
- The Utilities Department will continue to implement Asset Management protocols to insure continued high quality maintenance of its systems.

- Several improvement projects are slated at both the Water Treatment and Waste Water Treatment plants.
- Approximately \$5.5 million will be invested in repairs/upgrades to both the water distribution and sewer collection infrastructures.
- Approximately 5.0 miles of street will be re-paved or overlaid.
- The Licensing and Inspections Department will continue to advance the Rental Licensing Program while delivering quality services to our residential, commercial and industrial customers.
- The Borough will begin acquiring new mobile and portable radios and software, moving the Police Department and Volunteer Fire Department to a new and more robust County Radio System.
- Walk & Bike Pottstown will advance from engineering and design to construction, extending the biking and walking routes by nine miles throughout the Borough.
- The Borough will continue to implement sustainable, context sensitive capital improvements including the installation of LED lighting as a cost savings measure at Borough Hall.
- The Borough's plan to implement complete streets initiatives and retrofit Borough street lighting to LED lighting will be advanced.
- The delivery and implementation of a Storm Water Master Plan will move forward.
- The delivery and implementation of a Sustainability Plan will be moved forward.

2015 marked \$4.3 million in property investment in the downtown and we believe that this trend will continue in 2016. Staff projects that in 2016, those properties and others will be transformed into viable businesses in our downtown, contributing to a reversal in the trend of Borough property devaluation. Staff will continue to work with the Pottstown School District towards the adoption of a Borough wide Local Economic Redevelopment Tax Assistance (LERTA) program as an added incentive to invest in Pottstown. Additionally, staff will continue to work with stakeholders in the growth and development of the Gateway Tourism and Recreation District (TRec District) located in the western gateway of the Borough.

One of the biggest drivers of expenses in this year's budget is the costs associated with providing health care for our employees. In 2016 we will be entering into contract negotiations with the Pottstown Police Officers' Association (PPOA) and the American Federation of State, County and Municipal Employees (AFSCME). This affords us a unique opportunity to be able to hold discussions at the same time, with both Unions and Management Staff in the hope of developing a single insurance policy and controlling health care costs.

The adopted 2016 Budget for the Borough of Pottstown balances the need for investment, innovation, and preservation. The Borough's future is dependent upon a focused strategy to maintain and strengthen our services and programs in an ever changing global economy. This budget affords us the opportunity to continue to improve upon the quality of life for our Borough residents in directing resources to best deliver responsive, innovative and cost effective services.



Mark D. Flanders
Borough Manager

BUDGET AT A GLANCE

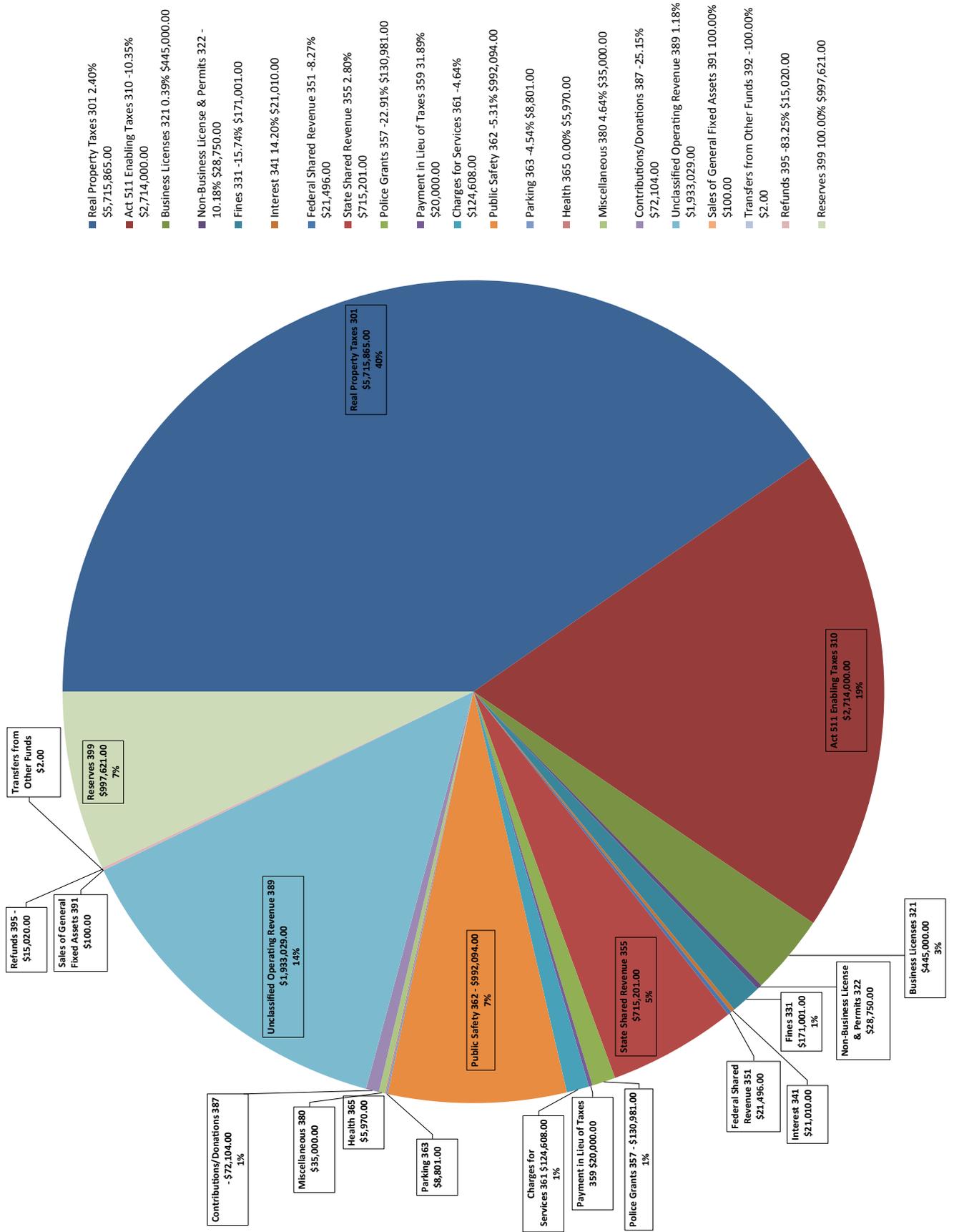
Borough of Pottstown 2016 Adopted Balanced Revenues and Expenses

<u>Fund</u>	<u>Fund No.</u>	<u>PROPOSED BUDGET Revenue*</u>	<u>PROPOSED BUDGET EXPENSES</u>	<u>Rev to Exp (Short)/Over</u>	<u>Tax Millage</u>
General Fund	1	\$14,169,984	\$14,169,984	0.00	7.218
Street Lighting Fund	2	\$264,791	\$264,791	0.00	0.337
Park and Recreation Fund	4	\$1,129,517	\$1,129,517	0.00	0.906
Library Fund	5	\$180,359	\$180,359	0.00	0.230
Water Fund	6	\$6,260,400	\$6,260,400	0.00	
Parking Lots Fund	7	\$79,212	\$79,212	0.00	
Sewer Fund	8	\$9,081,439	\$9,081,439	0.00	
Airport Fund	9	\$159,685	\$159,685	0.00	
Trash Fund	10	\$3,003,080	\$3,003,080	0.00	
Fire Fund	14	\$1,470,004	\$1,470,004	0.00	1.563
Water Capital Fund	16	\$4,985,235	\$4,985,235	0.00	
Sewer Capital Fund	17	\$9,553,375	\$9,553,375	0.00	
Sewer Lines Fund	18	\$569,312	\$569,312	0.00	
Debt Service Fund	20	\$346,251	\$346,251	0.00	0.057
Capital Savings Fund	31	\$1,798,801	\$1,798,801	0.00	
Liquid Fuels Fund	35	\$565,925	\$565,925	0.00	
Grant Fund	45	\$6,045,001	\$6,045,001	0.00	
		\$59,662,371	\$59,662,371	0.00	10.311

*based on 93% collection rate

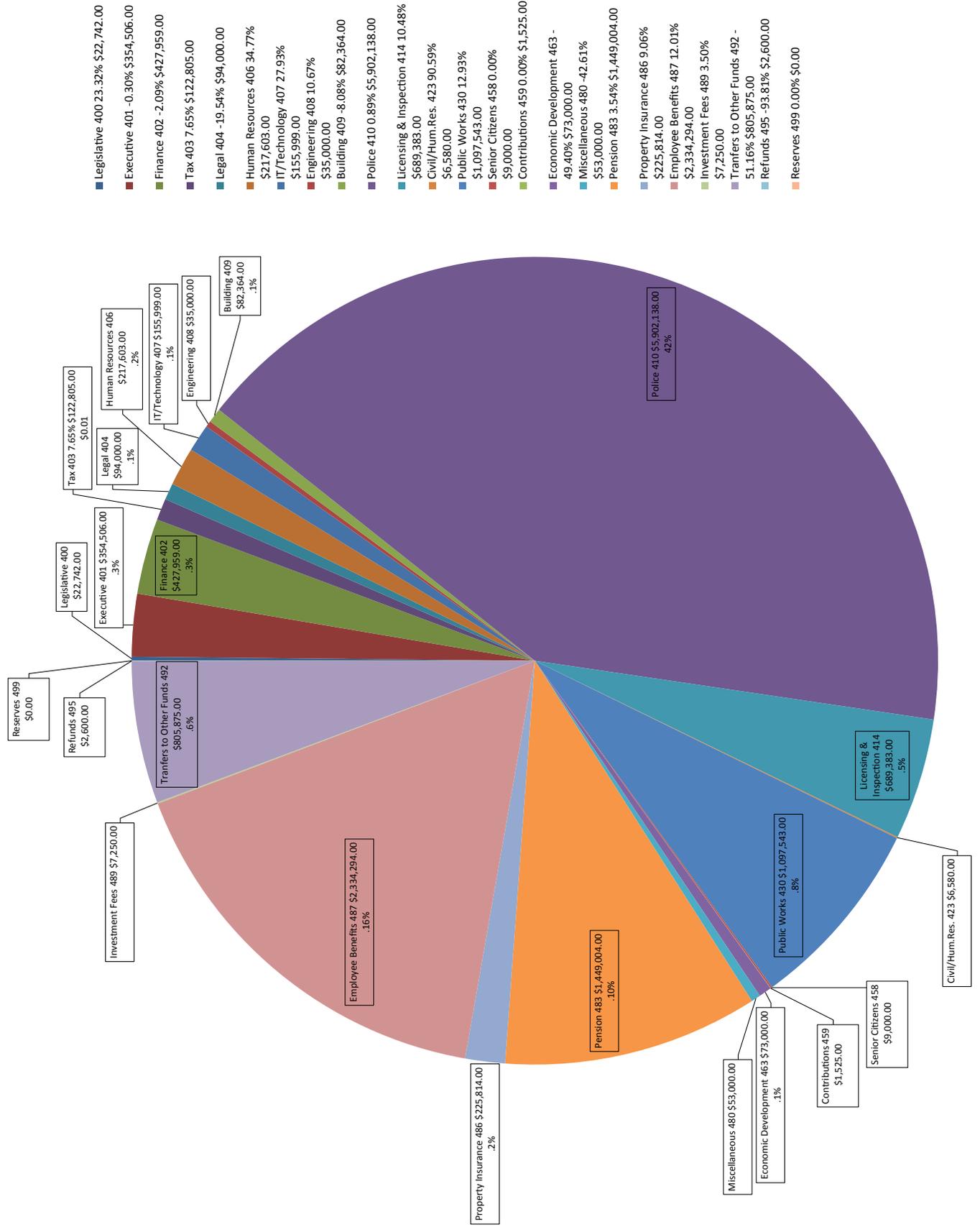
Budget Overview

2016 Borough of Pottstown – General Fund Revenues by Subsections



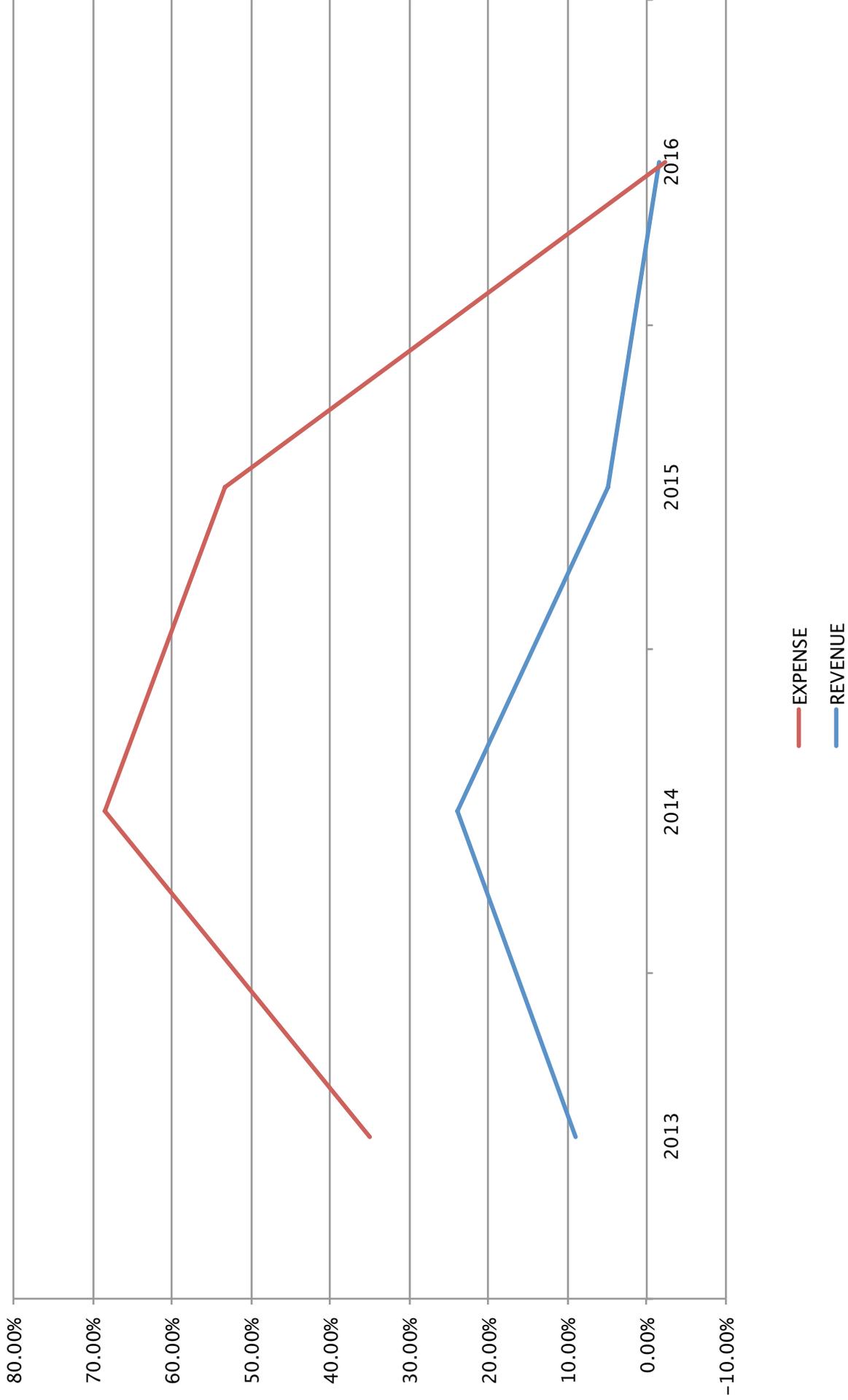
Budget Overview

2016 Borough of Pottstown – General Fund Expenses by Department



Budget Overview

2016 Borough of Pottstown – Variance in Change of Revenues and Expenses – Five Year Period



Strategic Goals and Strategy

On May 12th, 2014, by Resolution #2014-7, Pottstown Borough Council adopted the most recently updated version of the Pottstown Borough Comprehensive Plan. The Borough adopted its first Comprehensive Plan in 1960, and adopted a revision in 1986. In 2005, the Borough joined seven other municipalities in its adoption of the Pottstown Metropolitan Regional Comprehensive Plan, which continues to guide the growth of the Region. This 2014 Comprehensive Plan is generally consistent with the Regional Plan and establishes a more detailed set of recommendations for the Borough.

FOCUS: Council's vision is to return to a thriving prosperous community. This vision revolves around seven focus areas, each describing a distinct aspect within the community that is essential to achieving the desired vision. These seven focus areas do not work independently, and it is important to recognize their interrelatedness and interdependencies. They weave together and are achieved through measurable

objectives of accomplishment and end products.

GOALS:

- 1. Land Use** – Strengthen Pottstown as a center for business and employment.
- 2. Economic Development** – Strengthen Pottstown as a center for business and employment.
- 3. Housing** – Expand market choice for new housing and revitalize existing housing.
- 4. Mobility and Circulation** – Make improvements to the transportation network to promote the safe and efficient movement of people, vehicles and goods within and through the Borough.
- 5. Cultural and Historic Resources** – Preserve the historical as well as architectural qualities of Pottstown's built



environment through the creation of a comprehensive preservation program.

- 6. Parks, Recreation, and Open Space** – Support regional park coordination and cooperation.
- 7. Community Facilities** – Continue to enhance public safety in the Borough.

Strategic Goals and Strategy – cont’d.

STRATEGIES:

LAND USE	Eliminate vacant and blighted buildings; continue to update and streamline the zoning ordinance and other permitting and planning procedures with the Borough
ECONOMIC DEVELOPMENT PLAN	Enhance Pottstown's identity as the urban hub of the Region; develop a riverfront plan for reuse of key parcels; build on existing arts and culture activities as a tool to bring more visitors to town; promote redevelopment of suitable sites for new businesses; expand and enhance the Pottstown Municipal Airport.
HOUSING	Encourage development of properly located multi-family apartment complexes, attached townhouses, and the adaptive reuse of quality older structures for dwellings.
MOBILITY AND CIRCULATION	Expand and enhance Pottstown Municipal Airport; continue to support, expand, and upgrade public transit access and facilities in the Borough; capitalize on the Borough's existing rail infrastructure; improve access to and awareness of parking facilities; and ensure safe and efficient pedestrian and bicycle access within the Borough.
CULTURAL AND HISTORIC RESOURCES	Maintain an inventory of potential site landmarks and districts for identification of additional desired sites for preservation; provide incentives for private-sector reinvestment and restoration of historic properties; raise public awareness of Pottstown's historical artistic, cultural, recreational and environmental resources and their locations; take advantage of local, regional, and national marketing organizations to promote Pottstown's heritage offerings.
PARKS, RECREATION AND OPEN SPACE	Continue to develop recreational facilities and programs that benefit Borough residents and attract people regionally; promote the Borough's Parks and Recreation facilities and events to residents and the surrounding communities; implement the goals and recommendations of the Borough's Open Space Plan; and encourage the completion of the Schuylkill River Trail through the Borough.
COMMUNITY FACILITIES	Maintain and enhance services at existing community facilities; provide high quality emergency services, healthcare, and education; promote municipal community facilities as regional assets to help draw people to the Borough; strive to save costs and improve sustainability in the Borough by reducing energy and water consumption in municipal buildings; and improve the Borough's underground arch system.

BOROUGH OF POTTSTON: VISION

Keep Pottstown a desirable place in which to live, work, shop and play by maintaining high standards for new construction and redevelopment, and by providing quality community facilities and services to residents and visitors alike. (May 2014 Comprehensive Plan)



Smith Family Plaza 2014

MISSION

To provide responsive, innovative, and cost effective services.



Waste Water Treatment Lab 2014

CORE VALUES

ACCOUNTABILITY

We will obligate ourselves to account for all of our actions and accept responsibility for those actions.

CONTINUOUS IMPROVEMENT

We will provide the highest quality service with the resources available to meet the changing needs of the Borough.

ENVIRONMENT

We are aware of the importance of our natural, historic, social, and economic resources and will strive to preserve their sustainability for future generations.

ETHICS

We will strive to uphold the public trust by conducting ourselves with integrity, setting high standards in our personal, professional, and organizational conduct.

RESPECT

We will demonstrate respect by how we treat each other, by the contributions that come from our diversity, by the productivity of our relationships, and by a job well done!

SAFETY

We are dedicated to educate, promote, and encourage the practice of safety for all who live, work and play in our community.

TEAMWORK

We will operate collaboratively with an intense focus on a common goal, recognizing that we can always achieve more by working together.

TRUST

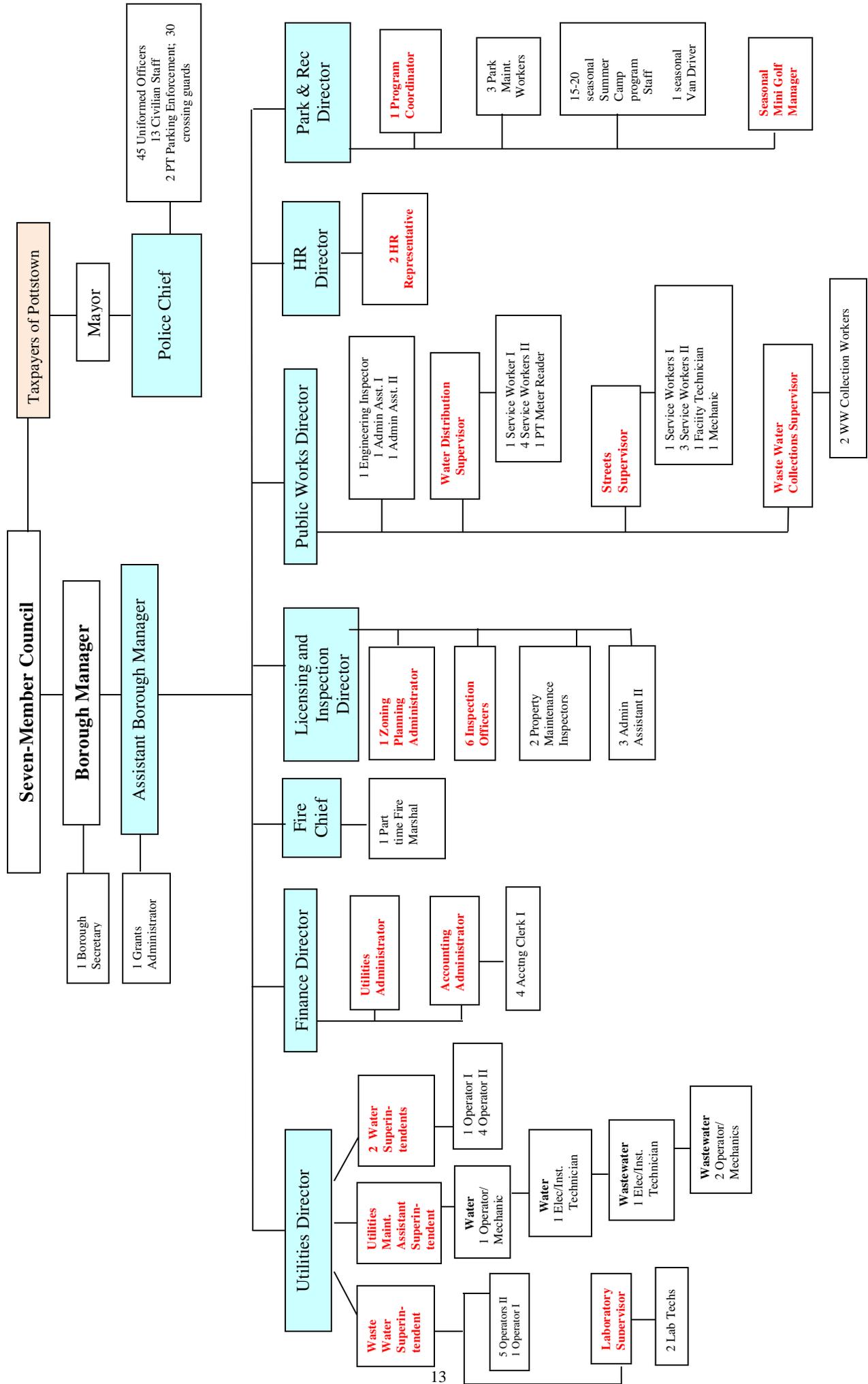
We will uphold the public trust placed in us by adhering to these Core Values.

Short-Term Organization-wide Factors

Goals:

- A. Improve the physical appearance of the Borough of Pottstown.
- B. Re-value Borough of Pottstown real estate at re-assessments.
- C. Work with partners -- the Pottstown School District, The Hill School, the Pottstown Area Industrial Development, the Montgomery County Community College, the Pottstown Downtown Improvement District Authority, and the Pottstown Health and Wellness Foundation -- on community projects and programs.
- D. Increase owner occupancy and decrease percentage of rentals.
- E. Reduce the crime rate in the Borough of Pottstown.
- F. Create a more inviting environment for new businesses.
- G. Streamline internal and external processes in Borough Hall.
- H. Develop culture of respect internally and externally.
- I. Do a better job at marketing the Borough of Pottstown.

Borough of Pottstown Organizational Position Chart



FUND DESCRIPTIONS

General Fund – The General Fund is the core for the general operations of the municipality. It is used to account for all financial resources, *except for* those required to be accounted for in a specific fund type. The primary revenue sources are real estate taxes, earned income tax, and during good economic periods the County transfer taxes. The primary expenditures are usually for public safety enforcement by the Police Department, in addition to maintenance and construction of roads and streets by the Public Works Department.

Proprietary Fund – This type of fund, referred to as an Enterprise Fund, is considered one of the major fund categories in governmental fund accounting. The Borough of Pottstown's Water and Sewer Funds are considered as proprietary funds where the operations are funded by the service fees collected. The full accrual basis for accounting is used where revenues are recognized when earned and expenses when incurred.

The Water and Sewer Funds are ran like small businesses in that the revenues collected, also referred to as user charges, are specifically allocated to the purpose of providing the service of water and sewer treatment throughout the Borough and the three surrounding municipalities where public sewer is provided.

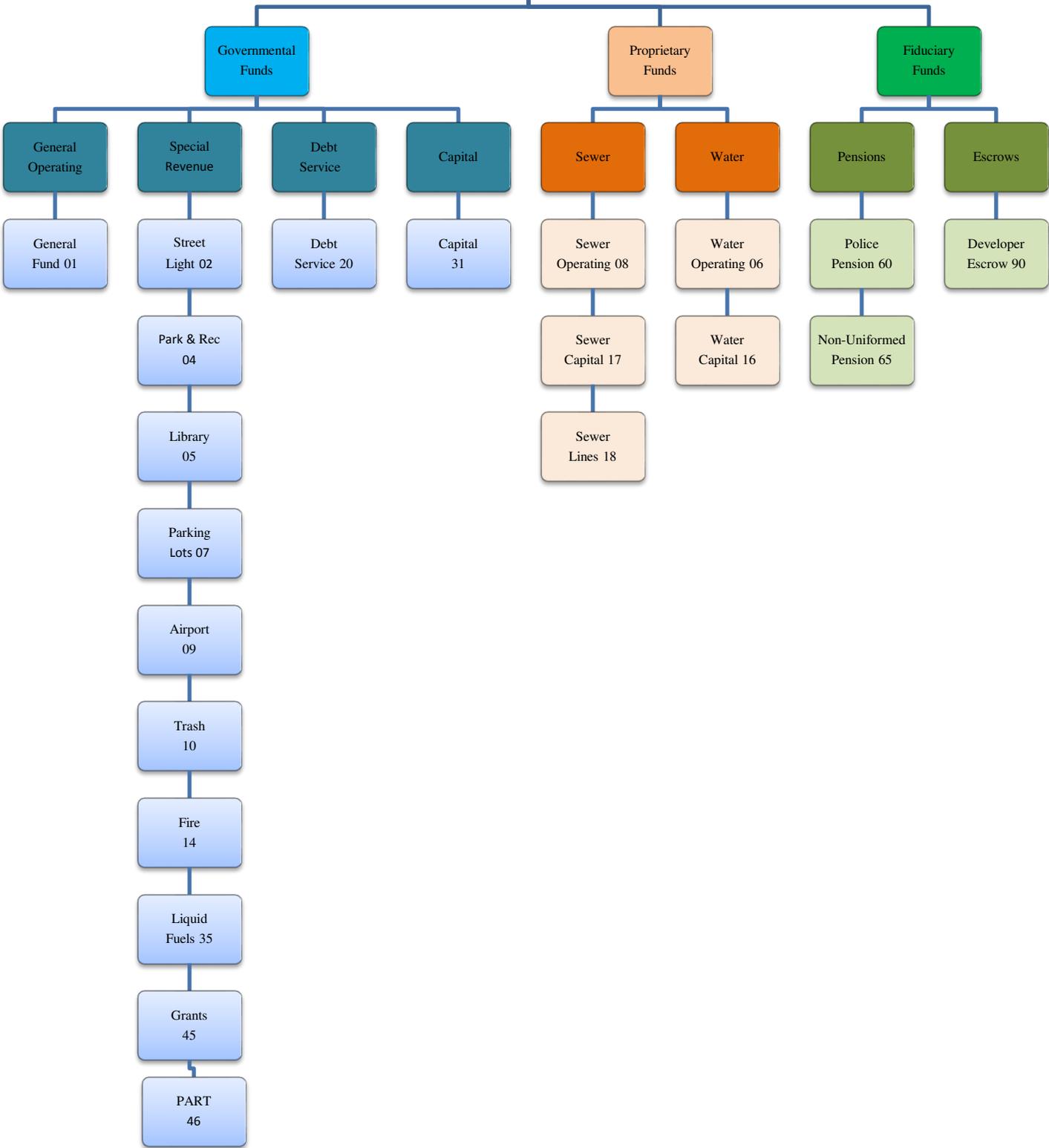
The Water Treatment Plant is managed by the Borough of Pottstown through an agreement between the Borough and the Pottstown Borough Authority. The Sewer Plant is leased by the Borough through an agreement between the Borough and the Pottstown Borough Authority. The water and sewer system is governed by a five member Authority Board appointed by the Borough Council. The system is operated by Borough employees as the Authority does not have employees.

Special Revenue Funds - These are funds used to account for revenue sources that are restricted to certain expenditures for specific purposes. Parks and recreation activities fall into this category, as well as the Street Light Fund, Library Fund, PCTV and the Debt Service Fund. The State Liquid Fuels highway aid fund also falls into this category because it can only be used for certain things as governed by the State of Pennsylvania.

Capital Funds– These funds are used to account for revenues that are to be used for the acquisition of major capital items or improvements in the future. This is the holding place for funds set aside towards proposed Capital expenditures.

Fiduciary Funds – Fiduciary funds include the Trust and Agency Funds, which are purely custodial, but assets must still equal liabilities. Trust and Agency Funds do not involve measurements of the results of any operations, such as a budget with revenues and expenses. However, they do account for the collection and disbursement of assets held in trust for an individual, a group of individuals, or another governmental entity. The Borough of Pottstown has Pension Trust Funds and the Developers Escrow Fund in this category.

Pottstown Borough Fund Structure



DEPARTMENTAL FUND RELATIONSHIP
WAGE ALLOCATION ACROSS FUNDS

Department	Staff Position	General 01	St. Light 02	Park & Rec 04	Library 05	Water 06	Parking Lots 07	Sewer 08	Airport 09	Trash 10	Fire Tax 14	Sewer Lines 18	PART 46	Total
Administrative	Admin Assistant	25.00%				25.00%		25.00%		17.00%			8.00%	100.00%
	Grants Administrator	17.00%				17.00%		17.00%		6.00%			43.00%	100.00%
Executive	Borough Mgr	20.66%				20.66%		20.67%		10.00%			28.00%	100.00%
	Assist Borough Mgr.	14.50%				14.50%		14.50%		13.50%			43.00%	100.00%
Finance & Tax	Finance Director	30.55%				30.55%		30.56%		8.34%				100.00%
	Tax Office Clerk	100.00%												100.00%
	Utilities Administrator	30.55%				30.56%		30.55%		8.34%				100.00%
	Accounting Asst. utility clerks	33.34%				33.33%		33.33%						100.00%
AP Clerk	AP Clerk	33.34%				33.33%		33.33%						100.00%
Fire Company	Fire Chief										100.00%			100.00%
	Fire Marshal										100.00%			100.00%
Human Resources	HR Coordinator	25.00%				25.00%		25.00%		25.00%				100.00%
	HR Representatives	27.00%				27.00%		27.00%		4.00%			15.00%	100.00%
Legislative	Council Members	33.34%				33.33%		33.33%						100.00%
	Mavor	100.00%												100.00%
Licensing and Inspection	Inspection Dept. Mgr	100.00%												100.00%
	Zoning Officer, Admin Assistants	100.00%												100.00%
	Enforcement Officers	100.00%												100.00%
	Property Maintenance									100.00%				100.00%
Park & Rec	Director & all Staff			100.00%										100.00%
Police Department	Police - Uniformed & Civilian	99.00%												100.00%
	Police - parking meter readers						100.00%							100.00%
Public Works	Public Works Director	40.40%				29.80%		0.50%		11.50%		17.80%		100.00%
	Sewer Collection Supervisor											100.00%		100.00%
	Water Distribution Supervisor	0.80%				99.20%								100.00%
	Streets Supervisor	10.00%				60.00%		30.00%						100.00%
	Streets Staff - K.H, A.B, J.M, B.R	94.70%	4.70%			0.60%								100.00%
	I Admin Asst. I	20.90%				36.90%		0.80%		20.10%				100.00%
	I Admin Asst. II	24.90%				30.50%		1.00%	0.80%	18.50%				100.00%
	I Engineering Inspector	92.70%				7.30%								100.00%
	I Mechanic	85.30%				7.00%		2.10%				1.60%		100.00%
	I Service Worker I - GM	4.40%		4.00%		94.70%								100.00%
	I Service Worker II - TT, EP	0.40%		0.90%		99.60%								100.00%
	Water Meter Reader					100.00%								100.00%
	WW Collection Workers - GM, JK											100.00%		100.00%
Sewer Plant	Maintenance Technician	70.20%	12.10%	12.50%	1.30%	2.90%			1.00%					100.00%
	Utilities Coordinator					50.00%		50.00%						100.00%
	Assistant Superintendent													100.00%
	Mech Operators							100.00%						100.00%
	Elec/Inst. Techs							100.00%						100.00%
	WWTP Operators							100.00%						100.00%
	Laboratory Supervisor & Staff							100.00%						100.00%
Water Plant	Superintendent					100.00%								100.00%
	Assistant Superintendent					100.00%								100.00%
	Mech. Operator					100.00%								100.00%
	Elec/Inst. Tech					100.00%								100.00%
	WTP Operators					100.00%								100.00%
	Operations & Maint. Super					50.00%		50.00%						100.00%

Departmental Fund Relationship – Revenue and Expenses by Series

Fund 01 – General Government

Series 300 Revenue

- 301 Real Property Taxes
- 310 Local Tax Enabling Act
- 321 Business Licenses/Permits
- 322 Non-Business Permits/Licenses
- 331 Fines
- 340 Unrealized Gain (Loss)
- 341 Interest
- 351 Federal Shared Revenue
- 354 County Grants
- 355 State Shared Revenue
- 357 State and Local Government Grants
- 359 Payments in Lieu of Taxes
- 361 Charges for Services
- 362 Public Safety – Police and Code Enforcement
- 363 Highways and Streets Permits
- 365 Animal Control
- 380 Miscellaneous Income
- 387 Contributions and Donations
- 389 Unclassified Operating Revenue (Wage Refunds)
- 391 Sales of General Fixed Assets
- 392 Interfund Operating Transfers
- 395 Refunds of Expenses
- 399 Balance Forward from Reserves

Series 400 Expense

- 400 Legislation – Council
- 401 Executive – Manager and Administration Staff
- 402 Finance Department
- 403 Tax Collection
- 404 Legal
- 406 Human Resources Department
- 407 IT – Web Network Services
- 408 Engineering
- 409 Building
- 410 Police Department
- 414 Licensing and Inspections Department
- 423 Commission of Human Relations
- 430 Public Works
- 458 Senior Citizen Center
- 459 Contributions
- 463 Economic Development
- 480 Miscellaneous
- 483 Pension Paid Benefits
- 486 Insurances – Property, Vehicle, Liability
- 487 Health and Other Employee Benefits
- 489 Investment Fees
- 492 Interfund Operating Transfers
- 495 Refunds
- 499 Transfer to Reserves (Revenue over Expenses)

Departmental Fund Relationship – Revenue and Expenses by Series –cont'd.

Fund 02 Street Lights

Series 300 Revenue

301 Real Property Taxes
341 Interest
359 Payments in Lieu of Taxes
380 Miscellaneous Income
389 Sale of Scrap Metal
391 Sales of General Fixed Assets
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
434 Street Lighting Costs
480 Miscellaneous
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 04 Park & Recreation

Series 300 Revenue

301 Real Property Taxes
341 Interest
342 Pavilion and Field Rentals
354 PA Summer Lunch Program Grant
357 State and Local Government Grants
359 Payments in Lieu of Taxes
367 Program Fees
380 Miscellaneous Income
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
404 Legal for Park and Recreation
406 Human Resources Initiative
407 IT – Web Network Services
430 Public Works – Subsidy to Fund 01 Wages
452 Administration and Programs
454 Parks Maintenance
456 Mini Golf Program
464 Donation to Ricketts Center
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 05 Library

Series 300 Revenue

301 Real Property Taxes
341 Interest
359 Payments in Lieu of Taxes
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
456 Library Costs
480 Miscellaneous
486 Insurances – Property
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 06 Water

Series 300 Revenue

341 Interest and Unrealized Gain/Loss
342 Rents and Royalties – Cell Towers
378 Water Revenues
380 Miscellaneous Income
387 Contributions and Donations
389 Unclassified Operating Revenue
391 Sale of General Fixed Assets
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

400 Legislation – Council
401 Executive – Manager and Administration Staff
402 Finance –Accounting and Audit Costs
404 Legal for Park and Recreation
406 Human Resources Initiative
407 IT – Web Network Services
408 Engineering
409 Building – Water Plant
430 Public Works
448 Water Purification – Plant Operations
449 Water Transport – Distribution Costs
471 Debt Service and Amort./Depreciation
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
488 Shared Employee Benefit Costs
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Departmental Fund Relationship – Revenue and Expenses by Series –cont'd.

Fund 07 Parking Lots

Series 300 Revenue

341 Interest
363 Parking Lot Meters and Permits
364 Penalties and Interest
380 Miscellaneous Income
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
445 Parking Facilities Expenses
480 Miscellaneous
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 08 Sewer

Series 300 Revenue

341 Interest and Unrealized Gain/Loss
364 Sewer Usage Fees and Contributions
380 Miscellaneous Income
489 Unclassified Operating Revenue
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

400 Legislation – Council
401 Executive – Manager and Administration Staff
402 Finance –Accounting and Audit Costs
404 Legal for Park and Recreation
406 Human Resources Initiative
407IT – Web Network Services
408 Engineering
409 Building
429 Waste Water Treatment Plant Operations
430 Public Works – Subsidy to Fund 01 Wages
471 Debt Service and Depreciation
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
488 Shared Employee Benefit Costs
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 09 Airport

Series 300 Revenue

341 Interest and Unrealized Gain/Loss
342 Rents and Royalties – Hangars

368 Fuel Sales
380 Miscellaneous Income
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
404 Legal for Park and Recreation
440 Airport Operations
463 Economic Development
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 10 Trash

Series 300 Revenue

341 Interest and Unrealized Gain/Loss
354 State Operating Grants
364 Trash Collection Fees
380 Miscellaneous Income
489 Unclassified Operating Revenue
391 Sale of General Fixed Assets
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

400 Legislation – Council
401 Executive – Manager and Administration Staff
402 Finance –Accounting and Audit Costs
404 Legal for Park and Recreation
406 Human Resources Initiative
407IT – Web Network Services
409 Building
414 Clean and Lien Operations
426 Trash and Recycle Operations
430 Public Works – Subsidy to Fund 01 Wages
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
488 Shared Employee Benefit Costs
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 14 Fire Dept.

Series 300 Revenue

301 Real Estate Taxes
341 Interest
355 State Shared Revenue – Relief Funds
359 Pilot Payment in Lieu of Taxes

Departmental Fund Relationship – Revenue and Expenses by Series –cont’d.

Fund 14 Fire Dept. –cont’d.

362 Public Safety - Permits
380 Miscellaneous Income
387 Contributions and Donations
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
404 Legal
415 Fire Operations Support
480 Miscellaneous
483 Pension Paid Benefits
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

FUND 16 and FUND 17 – Indenture revenue and expenses - see Consolidated Financial Schedules for further detail

Fund 18 Sewer Lines

Series 300 Revenue

341 Interest and Unrealized Gain/Loss
389 Unclassified Operating Revenue
392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
407IT – Web Network Services
409 Building
430 Public Works
436 Sewer Lines Operations
480 Miscellaneous
486 Insurances – Property, Vehicle, Liability
487 Health and Other Employee Benefits
488 Shared Employee Benefit Costs
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 20 Debt Service

Series 300 Revenue

301 Real Estate Taxes
341 Interest and Unrealized Gain/Loss
350 Intergovernmental Contribution
359 Payments in Lieu of Taxes

392 Interfund Operating Transfers
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

402 Finance –Accounting and Audit Costs
471 Debt Service Payments
480 Miscellaneous
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 31 Capital

Series 300 Revenue

341 Interest
387 Contributions and Donations
392 Interfund Operating Transfers
393 Proceeds of Long-Term Debt
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

409 Building
410 Police
414 Licensing and Inspection
430 Public Works
454 Park and Recreation
480 Miscellaneous
492 Interfund Operating Transfers
495 Refunds
499 Transfer to Reserves (Revenue over Expenses)

Fund 35 Liquid Fuels

Series 300 Revenue

341 Interest
355 State Shared Revenue
380 Miscellaneous
395 Refunds of Expenses
399 Balance Forward from Reserves

Series 400 Expense

432 Snow and Ice Removal
433 Traffic Control
436 Storm Sewers and Drains
438 Road Maintenance
439 Highway Construction
499 Transfer to Reserves (Revenue over Expenses)

Departmental Fund Relationship – Revenue and Expenses by Series –cont’d.

Fund 45 Grant Fund

Series 300 Revenue

- 341 Interest
- 354 State Operating Grants
- 392 Interfund Operating Transfers
- 395 Refunds of Expenses
- 399 Balance Forward from Reserves

Series 400 Expense

- 433 Traffic Control Devices
- 440 Airport Improvements
- 462 Home Owner Initiatives
- 464 Economic Opportunity
- 499 Transfer to Reserves (Revenue over Expenses)

Fund 90 Developer Escrow

Series 300 Revenue

- 341 Interest
- 380 Miscellaneous
- 389 Developer Payments
- 399 Balance Forward from Reserves

Series 400 Expense

- 408 Engineering
- 489 Developer Charges
- 492 Interfund Operational Transfers
- 495 Refunds
- 499 Transfer to Reserves (Revenue over Expenses)

Fund 46 PART Fund (Pottstown Area Rapid Transit)

Series 300 Revenue

- 341 Interest
- 351 Federal Shared Revenue
- 354 State Operating Grants
- 357 Local Government Grants
- 380 Miscellaneous
- 395 Refunds of Expenses
- 399 Balance Forward from Reserves

Series 400 Expense

- 401 Executive
- 402 Finance
- 404 Legal
- 406 Human Resources
- 409 Building
- 447 Transit Operating System
- 488 Shared Employee Benefits
- 495 Refunds
- 499 Transfer to Reserves (Revenue over Expenses)

FUND 60 and FUND 65 – Police and Non-Uniformed Pension Funds respectively. Not budgeted and not Borough Funds.

BASIS OF ACCOUNTING AND BUDGETING

The “basis of accounting and the “basis of budgeting” determine when revenues and expenditures are recognized.

The “basis of accounting” and “basis of budgeting” determine when revenues and expenditures are recognized for the purposes of financial reporting and budget control. Accounting on a “cash basis” means that revenues and expenditures are recorded when cash is actually received or paid out. This method is used by many small businesses, but it has limitations which make it unsuitable for larger, more complex organizations. Most large businesses employ “full accrual accounting,” in which revenues are recorded when earned (rather than when they are received), and expenditures are recognized when an obligation to pay is incurred (rather than when the payment is made). Capital expenditures (the costs of acquiring tangible assets) are recognized over the life of the asset, not when the asset is purchased.

The Borough of Pottstown, like most government entities, employs a hybrid basis of accounting termed “modified accrual”.

Governments typically employ a hybrid basis of accounting termed “modified accrual”. Under this system, revenues are recognized when they became measurable and available; expenditures are recognized when the obligation to pay is incurred. However, capital expenditures are recognized at the time of the purchase. This means that governments may experience significant increases and decreases in total expenditures from year to year, because capital expenses tend to be large and unevenly timed. To help explain year to year expenditure trends, governments frequently report capital expenditures separately from operating costs in their budget documents.

The “basis of accounting” and “basis of budgeting” are the same within each fund type.

The Borough of Pottstown uses modified accrual accounting and budgeting for its governmental fund types, including the General Fund, special revenue funds, debt service funds, and capital projects funds. For proprietary fund types, the Borough of Pottstown uses full accrual accounting and budgeting.

FINANCIAL POLICIES

Unlike private entities, there are no “bottom line” profit figures that assess the financial performance of the Borough, nor are there any authoritative standards by which Borough officials can judge themselves. Instead, Borough Council and management work together to set goals and objectives that measure the performance and effectiveness of municipal programs and services.

Financial policies can be used to establish similar goals and targets for the Borough’s financial operations, so that the Borough Council and Borough officials can monitor how well the Borough is performing. Formal financial policies provide for a consistent approach to fiscal strategies and set forth guidelines to measure financial performance and future budgetary programs.

The following pages contain policy frameworks in the following areas:

1. General Financial Goals
2. Operating Management
3. Revenues
4. Budget and Expenditures
5. Capital Management
6. Debt Management
7. Reserves
8. Financial Reporting

GENERAL FINANCIAL GOALS:

- To ensure delivery of an adequate level of municipal services by assuring reliance on ongoing resources and by maintaining an adequate financial base.
- To ensure that the Borough is in a position to respond to changes in the economy or new service requirements without an undue amount of financial stress.
- To maintain a good credit rating in the financial community and assure taxpayers that the Borough is well

managed financially and maintained in sound fiscal condition.

- To adhere to the highest accounting and management policies as set by the Government Finance Officers Association, the Governmental Accounting Standards Board, and other professional standards for financial reporting and budgeting.

OPERATING MANAGEMENT POLICIES:

Long-Term Financial Health – All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources, and future service requirements.

Forecasts – Balanced revenue and expenditure forecasts will be prepared to examine the Borough’s ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The reporting will be updated monthly, focus on a three-year horizon, but include a five-year outlook. (Note: the five year outlook is currently under draft version.)

Alternatives to Current Service Delivery – Alternative means of service delivery will be evaluated to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments, in cooperation with the Borough Manager, will identify and review all options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

Cash and Investments – Cash and investment programs will be maintained

in accordance with the Borough Code and the adopted investment policy will ensure that proper controls and safeguards are maintained. Borough funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal in that order.

REVENUE POLICIES:

Dedication of Revenues – Revenues will not be dedicated for specific purposes unless required by law or Generally Accepted Accounting Principles (GAAP). All non-restricted revenues will be deposited in the General Fund and appropriated by the budget process.

Financial Stability – Current revenues will fund current expenditures and a diversified and stable revenue system will be developed to protect programs from short-term fluctuations in any single revenue source.

Utility User Fees – Proprietary (Water, Sewer, and Trash) user fees and charges will be examined on a cyclical basis to ensure that they recover all direct and indirect costs of service and be approved by the Borough Council and Borough Authority as applicable. Any unfavorable balances in cost recovery will be highlighted in budget documents. Rate adjustments for proprietary operations will be based on two to three-year fund plans.

Non-Proprietary Charges for Services – All non-proprietary user fees and charges will be examined on a cyclical basis to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Borough Council through Fee Resolutions with Ordinances where necessary.

Grants – Grant funding will be considered to leverage Borough funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with

grant monies will be budgeted in separate cost centers and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, Borough resources will be substituted only after all program priorities and alternatives are considered during the budget process.

Credit and Collections – The Borough will follow an aggressive and consistent policy of collecting revenues to the limit of our ability. The collection policy goal will be for all adjusted uncollectible accounts to be no more than .5 of 1% of the total Borough revenue being adjusted for bad debts annually.

OPERATING BUDGET AND EXPENDITURE POLICIES:

Budget Adjustments – The budget process is intended to weigh all competing requests for Borough resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged.

Appropriations requested after the original budget is adopted will be approved only after consideration of the elasticity of revenues. Such appropriations will be approved by the Borough Manager. Mid-year budget adjustments will be done for the end of July to smooth out unexpected overage/underage projections and requests for expenditures outside of the budget process, with final approval from Borough Council.

Budget Development – Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and modified zero-base expenditure analysis that requires every program to be justified annually in terms of meeting intended objectives. The process will include a diligent review of programs by staff, management and Borough Council.

Addition of personnel will only be requested to meet program initiatives and policy

directives. After service needs have been thoroughly examined and it is determined that additional staffing will result in increased revenue or enhanced operating efficiencies or service levels to the extent feasible, personnel cost reductions will be achieved through attrition.

Current Funding Basis – Current operating expenditures will be paid from current revenues and fund balances carried forward from the prior year, after reserve requirements are met. The Borough will avoid budgetary and accounting practices that balance the current budget at the expense of future budgets.

Maintenance and Replacement Funding – A multi-year maintenance and replacement schedule will be developed and updated based on the Borough's projections of its future replacement and maintenance needs. The operating budget will provide for adequate maintenance and future replacement of the Borough's capital, plant and equipment.

CAPITAL MANAGEMENT POLICIES:

Capital Improvement Plan Development – A five-year Capital Improvement Plan (CIP) will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or constructions that result in a capitalized asset costing more than \$5,000 and having a useful life (depreciable life) of at least 5 years or more.

The CIP will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

Proposed capital projects will be reviewed and prioritized by a cross-departmental team regarding accurate cost (design, capital, and

operating) and overall consistency with the Borough's goals and objectives. Financing sources will then be identified for the highest-ranking projects.

Future operating, maintenance, and replacement costs associated with new capital improvements will be forecasted, matched to available revenue sources, and included in the Operating Budget. Capital project contract awards will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.

Pay-as-you go Capital Improvement Plan financing should account for a minimum of 25% of all capital improvement projects for each five-year planning period. Pay-as-you-go financing is defined as all sources of revenue other than Borough debt issuance, i.e., fund balance contributions, developer contributions, grants, endowments, etc.

DEBT MANAGEMENT POLICIES:

Improved Bond Ratings – The Borough strives to maintain and improve the current bond rating for the Authority's debt in order to minimize borrowing costs and preserve access to credit. This policy also applies to the Authority, which does currently have bonds guaranteed by the Borough, and the Authority will also seek to maintain and, if possible, improve the current bond rating.

Debt Capacity – An analysis showing how the new issue combined with current debt impacts the Borough's debt capacity and conformance with Borough debt policies will accompany every future bond issue proposal.

General Obligation Debt – General Obligation Debt, which is supported by property tax revenues and grows in proportion to the Borough's assessed valuation and/or property tax rate increases, can be utilized as authorized by Council. Other types of debt may also be utilized

when they are supported by dedicated revenue sources (e.g., fees and user charges).

- 15-20% Proprietary Funds – Sewer and Water

General Obligation Debt issuances will be managed on an annual basis to match funds to Capital Improvement Plan cash flow requirements while being sensitive to the property tax burden on citizens.

Funding of reserves will generally come from excess revenues over expenditures, or can be accumulated from one-time revenues. This policy is meant to be a guide for direction of identified balances that will be transferred to the Capital Savings Fund. To effectively manage the intent of this policy in light of the changing accounting nature of Fund Balance Reserves, an annual review must be done to determine what level of capital funding can be expected for the upcoming year.

Interest on Bond Proceeds – Bond interest earnings will be limited to funding changes to the bond financed Capital Improvement Plan, as approved by Borough Council, or be applied to debt service payment on the bonds issued for construction.

The use of reserves transferred into Capital Savings shall be limited to planned and anticipated capital and future obligations. The Borough Manager shall make recommendations to the Finance Committee as per the Capital Budget. The Committee will in turn make the appropriate recommendation to Council. A majority vote of the Borough Council will be required for the adopted Capital Budget. Annual transfers to the Capital Savings to sustain the fund and approved budgeted items are done as follows:

Debt Coverage Ratio - Utility rates will be set, as a minimum, to ensure the ratio of revenue to debt service meets bond ordinance requirements. The Borough goal will be to maintain a minimum of a 1.1% ratio of utility revenue to debt service. This will ensure debt coverage in times of revenue fluctuations attributable to weather or other causes, and to ensure a balanced pay-as-you-go Capital Improvement Plan.

1. General Fund – general items \$500,000
2. General Fund – building repairs \$250,000
3. Parks/Rec Fund- for use in parks - \$40,000

RESERVE POLICIES:

Undesignated and Designated Fund Balance – All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Borough’s five-year forecast.

Based upon the recommendation of Borough Staff, Annual Capital Expenditures from the Capital Fund should be limited to the maximum amounts listed below in order to build some reserves in these areas:

General Fund Undesignated Fund Balance – The Borough will strive to hold the amounts listed below in the fund balance, expressed as a percentage of the Borough’s annual operating budgets. These amounts are expressed as goal ranges to recognize that fund balance levels can fluctuate from year to year due to the normal course of local government operations:

1. General Fund annual spending - \$300,000
2. Building Repair annual spending \$125,000
3. Park & Rec annual spending \$30,000

- 15-20% Governmental Fund – General Fund Reserve
- 10-15% Other Governmental Funds- Special Revenue, Debt Service, Capital Savings

In situations where it would be prudent to expend beyond those amounts, Borough Council can opt to allocate the greater amounts based upon Borough staff’s recommendations.

Utility Reserves Fund Balance – Water and wastewater fund reserves will be maintained to ensure adequate funding for the maintenance and operation of the respective facilities. Similar to the Borough General Fund, the Utility funds shall keep 15 to 20% of the Utility's annual operating budget in the reserves.

FINANCIAL REPORTING POLICIES:

Accounting and Reporting Methods – The Borough's accounting and financial reporting systems will be maintained in conformance with all State and Federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

Distinguished Budget Awards Program –

The Borough's Budget will be submitted to the GFOA Distinguished Budget Presentation Program for Fiscal 2016. The Borough has not received this award in the past even though several attempts have been made. The budget should satisfy criteria as a financial and programmatic policy document, a comprehensive financial plan, an operations guide for all organizational units and a communications device for all significant budgetary issues, trends, and resource choices.

Internal Controls – Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis.

The Finance department will ensure that duties are segregated at every level in order to reduce the risk of fraudulent behavior. The Borough's Employee Handbook also addresses consequences of misappropriation of monies or assets.

Fiscal Monitoring – Monthly financial reports will present actual expenditures versus budget on a monthly and cumulative

basis. All revenue sources will be monitored on a monthly basis, noting the status of each revenue source as compared to budget.

A monthly report will be presented to the Borough's Finance Committee indicating the status of actual revenues and expenditures as compared to the budget on monthly and cumulative basis, and will note any actions necessary to maintain the Borough's financial position.

BUDGET PROCESS

BOROUGH OF POTTSTOWN

Benefits of the Budgeting Process –

- It provides standards against which performance can be measured
- Provides managers with additional insight in actual community goals
- Tends to be a positive influence on the motivation of personnel
- Causes managers to divert some of their attention from current to future operations
- Improves top management’s ability to coordinate the overall operations of organization
- Enables management to recognize problems in time to take necessary corrective action
- Facilitates communication throughout the organization
- Helps managers recognize when change is needed

The Council and staff have a three-stage Budget process as follows:

1. Requests for approval
2. Budget set and approved
3. Mid-year adjustment requests and approved

The following is the Budget Calendar as proposed to be used in 2016 for the 2017 Budget:

LOOKING AHEAD - Proposed Budget Schedule for the 2017 Budget

Due Date:	Activity
Fri, Sept 9, 2016	Receive budget projections from department heads for Finance compilation.
Fri, Sept 30, 2016	Present rough draft to-date to manager and finance committee
Wed., Oct 12, 2016	complete meetings with department heads as necessary
Wed, Nov. 9, 2016	Present FINAL to Finance Committee and power point to Council
Mon. Nov. 14, 2016	present to Council to adopt for advertising
Monday, Dec. 12, 2016	Regular Council meeting, where proposed and advertised budget should be given final adoption for 2017 Budget

**CONSOLIDATED FINANCIAL SCHEDULE
2016 Budget**

	Fund 01 General	Fund 02 St. Light	Fund 04 Parks	Fund 05 Library	Fund 06 Water	Fund 7 Parking Lots	Fund 08 Sewer
Revenues							
1 Taxes - All Types	8,449,865.00	264,737.00	713,019.00	170,240.00	0.00	0.00	0.00
2 Utility Rents (water, sewer, trash)	0.00	0.00	0.00	0.00	5,873,000.00	0.00	8,521,948.00
3 Local/County Sources	3,854,820.00	54.00	186,998.00	20.00	310,849.00	33,298.00	62,130.00
4 State Sources	846,182.00	0.00	150,500.00	0.00	0.00	0.00	0.00
5 Federal Sources	21,496.00	0.00	0.00	0.00	0.00	0.00	0.00
6 Interfund Operating Trfs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7 Trsf - TAKE from reserves	13,172,363.00	264,791.00	1,050,517.00	170,260.00	6,183,849.00	33,298.00	8,584,078.00
Total Revenues	997,621.00	79,000.00	8,500.00	111,955.00	145,253.00	8,584,078.00	
Expenditures							
8 Wages	7,951,107.00	5,410.00	420,281.00	0.00	1,397,541.00	56,627.00	1,190,824.00
9 Benefits - health and pension	3,783,298.00	150.00	139,304.00	0.00	412,597.00	0.00	467,364.00
10 Contracted Services	794,086.00	281.00	248,429.00	1,000.00	956,189.00	259.00	903,983.00
11 Supplies and Materials	361,437.00	0.00	83,200.00	0.00	309,151.00	3,500.00	520,818.00
12 Other Operating Costs	1,262,369.00	250,035.00	217,799.00	177,968.00	1,154,014.00	8,010.00	3,042,369.00
13 Debt Service	0.00	0.00	0.00	0.00	1,903,060.00	0.00	2,884,206.00
14 Capital Outlay	17,687.00	0.00	17,500.00	0.00	103,333.00	0.00	63,333.00
15 Trsf to reserves	14,169,984.00	255,876.00	1,126,513.00	178,968.00	6,235,885.00	68,396.00	9,072,897.00
Total Expenditures	0.00	8,915.00	3,004.00	1,391.00	24,515.00	10,816.00	8,542.00
	14,169,984.00	264,791.00	1,129,517.00	180,359.00	6,260,400.00	79,212.00	9,081,439.00
Proj. Net Change in Fund Balance	(997,621.00)	8,915.00	(75,996.00)	(7,109.00)	24,515.00	(101,139.00)	8,542.00
Beginning Fund Balance - January 01, 2016	2,301,567.34	96,344.27	101,493.97	13,237.70	6,318,534.82	116,923.60	6,113,805.98
Proj. Ending Fund Bal. - December 31, 2016	1,303,946.34	105,259.27	25,497.97	6,128.70	6,343,049.82	15,784.60	6,122,347.98

**CONSOLIDATED FINANCIAL SCHEDULE
2016 Budget**

	Fund 09 Airport	Fund 10 Trash	Fund 14 Fire	Fund 18 Sewer Lines	Fund 20 Debt Svc	Fund 31 Capital Svgs	Fund 35 Liq. Fuels	Fund 45 Grants	Fund 46 Grants
Revenues									
1 Taxes - All Types	0.00	0.00	1,200,917.00	0.00	325,106.00	0.00	0.00	0.00	0.00
2 Utility Rents (water, sewer, trash)	0.00	2,810,800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Local/County Sources	155,853.00	11,005.00	61,953.00	312.00	118.00	2,405,400.00	525.00	1.00	90,665.00
4 State Sources	0.00	60,000.00	130,000.00	0.00	0.00	0.00	482,000.00	3,305,100.00	1,194,445.00
5 Federal Sources	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	670,143.00
6 Interfund Operating Trfs	0.00	0.00	0.00	510,000.00	0.00	1,575,000.00	0.00	20.00	0.00
7 Trsf - TAKE from reserves	155,853.00	2,881,805.00	1,392,870.00	510,312.00	325,224.00	3,980,400.00	482,525.00	3,305,121.00	1,955,253.00
Total Revenues	25,000.00	52,000.00	27,000.00	0.00	0.00	0.00	50,000.00	762,500.00	0.00
	180,853.00	2,933,805.00	1,392,870.00	510,312.00	352,224.00	3,980,400.00	532,525.00	4,067,621.00	1,955,253.00
Expenditures									
8 Wages	1,304.00	288,869.00	43,988.00	214,363.00	0.00	0.00	0.00	0.00	95,000.00
9 Benefits - health and pension	0.00	79,040.00	72,000.00	112,714.00	0.00	0.00	0.00	0.00	65,750.00
10 Contracted Services	104,062.00	2,462,980.00	1,177,372.00	23,337.00	1,080.00	0.00	377,000.00	6,045,001.00	1,500,803.00
11 Supplies and Materials	300.00	57,652.00	33,700.00	10,650.00	0.00	0.00	188,925.00	0.00	219,000.00
12 Other Operating Costs	53,982.00	94,475.00	18,844.00	186,151.00	100.00	0.00	0.00	0.00	61,600.00
13 Debt Service	0.00	0.00	110,000.00	0.00	343,850.00	0.00	0.00	0.00	0.00
14 Capital Outlay	0.00	0.00	14,100.00	0.00	0.00	1,661,864.00	0.00	0.00	0.00
15 Trsf to reserves	159,648.00	2,983,016.00	1,470,004.00	547,215.00	345,030.00	1,661,864.00	565,925.00	6,045,001.00	1,942,153.00
Total Expenditures	37.00	20,064.00	0.00	22,097.00	1,221.00	136,937.00	0.00	0.00	13,100.00
	159,685.00	3,003,080.00	1,470,004.00	569,312.00	346,251.00	1,798,801.00	565,925.00	6,045,001.00	1,955,253.00
Proj. Net Change in Fund Balance	(24,963.00)	(31,936.00)	0.00	22,097.00	(25,779.00)	136,937.00	(50,000.00)	(762,500.00)	13,100.00
Beginning Fund Balance - January 01, 2016	106,822.96	2,494,659.53	754,376.38	172,956.05	412,925.94	-282,524.61	327,312.82	-337,080.79	417,180.55
Proj. Ending Fund Bal. - December 31, 2016	81,859.96	2,462,723.53	754,376.38	195,053.05	387,146.94	-145,587.61	277,312.82	-1,099,580.79	430,280.55

THREE-YEAR FINANCIAL SCHEDULE

	MAJOR FUNDS						NON-MAJOR FUNDS						ALL FUNDS COMBINED					
	GENERAL FUND 01			PROPRIETARY FUNDS ¹			OTHER GOVERNMENTAL FUNDS ²			TOTAL ALL FUNDS								
	2014 Actual	2015 Actual	2016 Budget	2014 Actual	2015 Budget	2016 Budget	2014 Actual	2015 Budget	2016 Budget	2014 Actual	2015 Budget	2016 Budget	2014 Actual	2015 Budget	2016 Budget			
Financial Sources																		
Real Estate Taxes	5,469,907	5,567,875	5,735,865	0	0	0	2,342,584	2,358,823	2,424,658	2,363,547	7,812,491	7,992,532	8,099,412					
ACT 511 Taxes	2,810,440	2,841,791	2,714,000	0	0	0	0	0	0	2,810,440	2,841,791	2,714,000						
Licenses & Permits	466,245	491,149	1,080,850	0	0	0	0	0	0	466,245	491,149	1,080,850						
Intergovernmental Rev.	699,706	773,737	902,679	0	0	0	2,071,829	4,293,145	3,595,453	4,887,206	4,369,190	5,789,885						
Charges for Services	120,652	131,122	141,709	13,544,881	14,288,537	15,131,444	3,053,653	3,185,783	3,206,226	3,198,376	16,719,185	18,468,792						
Fines & Forfeitures	158,740	169,695	171,001	0	0	0	0	0	0	0	158,740	169,695						
Interest & Refunds & Royalty	106,525	167,565	36,030	310,564	237,300	241,346	22,385	24,379	25,448	24,797	439,274	431,318						
Public Safety	1,039,686	1,031,371	372,994	0	0	0	0	0	0	0	1,039,686	1,031,371						
Other Financing Sources	1,499,163	1,659,711	2,017,235	135,778	138,136	145,237	328,605	2,421,452	205,755	2,422,628	1,963,546	2,010,702						
	12,370,863	12,834,016	13,172,363	13,991,223	14,663,973	15,514,986	5,476,472	12,283,582	9,457,539	12,896,554	34,181,143	37,806,541						
Interfund Transfers In	44,236	60,420	0	0	0	0	75,000	75,000	155,087	1,575,000	119,236	215,507						
	12,415,099	12,894,436	13,172,363	13,991,223	14,663,973	15,514,986	5,551,472	12,358,582	9,612,626	14,471,554	34,300,379	38,022,047						
Appropriations from reserves	0	0	997,621	0	0	0	0	289,598	0	1,114,455	0	2,228,005						
Total																		
Financial Sources	12,415,099	12,894,436	14,169,984	13,991,223	14,663,973	15,514,986	5,551,472	12,648,180	9,612,626	15,586,009	34,300,379	38,022,047	45,123,761					
Financial Uses																		
General Government	4,653,013	4,949,816	5,564,940	1,656,204	2,203,395	2,146,563	778,684	930,618	915,783	898,119	7,087,902	8,012,161	9,263,838					
Licensing & Inspection	427,068	489,159	689,383	0	0	0	179,292	204,631	198,345	136,966	606,360	687,504	826,349					
Police and Fire	5,394,596	5,597,118	5,902,138	0	0	0	34,936	32,665	32,665	34,613	5,429,532	5,788,019	5,936,751					
Public Works	802,560	884,999	1,097,543	599,881	718,753	764,160	69,169	91,249	90,522	147,967	1,471,609	1,979,056	1,447,575					
Facility Operating Expenses	0	0	0	4,012,551	5,280,262	5,158,029	4,375,735	5,256,582	4,802,846	5,387,837	8,388,286	9,960,874	11,481,509					
Comm. & Economic Dev.	21,425	92,266	73,000	0	0	0	1,102,846	2,421,950	1,880,693	3,195,100	1,124,271	1,972,959	3,268,100					
Culture and Recreation	12,519	14,580	17,105	0	0	0	0	0	0	0	12,519	15,402	17,105					
Capital Outlay	0	0	0	0	0	0	332,041	2,800,070	422,902	3,363,272	332,041	422,902	3,363,272					
Debt Service	0	0	0	4,639,360	4,801,066	4,822,160	436,606	507,519	506,954	350,940	5,075,965	5,329,114	5,138,206					
Interfund Transfers Out	11,311,181	12,088,984	12,426,370	10,907,996	13,003,476	12,890,912	7,309,308	12,245,284	8,850,709	13,514,814	29,528,485	34,167,991	40,742,705					
	609,142	75,100	152,987	1,010,000	1,040,000	1,340,000	0	0	50,000	75,000	1,619,142	1,542,987	2,305,875					
Appropriations to reserves	11,920,323	12,164,084	12,579,357	11,917,996	14,043,476	14,230,912	7,309,308	12,245,284	8,900,709	13,589,814	31,147,627	35,710,978	43,048,580					
Total Financial Uses	11,920,323	12,164,084	12,579,357	11,917,996	14,663,973	14,230,912	7,309,308	12,648,180	8,900,709	15,586,009	31,147,627	35,710,978	\$45,123,761					
Net Increase/Decrease in Fund Balance/Net Assets	494,776	315,078	(977,621)	2,073,227	620,497	1,284,075	(1,757,836)	113,298	711,917	881,740	3,152,752	2,311,069	(152,824)					
Begin Fund Balance Jan	2,919,041	3,413,817	3,728,895	15,683,849	17,757,077	17,757,077	1,796,476	38,640	151,938	863,855	1,796,476	4,949,228	7,260,297					
Ending Fund Balance Dec	3,413,817	3,728,895	2,751,274	17,757,077	18,377,574	19,041,151	38,640	151,938	863,855	1,745,595	4,949,228	7,260,297	7,107,473					
% Change	16.95%	9.23%	-26.22%	13.22%	7.23%	-0.30%	-97.85%	468.56%	102.07%	102.07%	175.50%	46.70%	-2.10%					

NOTES:

- Proprietary Funds include Water 06 and Sewer 08
- Other Governmental Funds include Street Light 02, Parks, 04, Library 05, Parking 07, Airport 09, Trash 10, Fire 14, Liquid Fuel 35, and Grants 45
- Used Unreserved Fund Balance from Balance Sheets Period 13 Dec. 2013

*Total Budget Less Funds 16 & 17

FUND BALANCE

ACCOUNTING CHANGES – GASB 54

The Government Accounting Standards Board (GASB) is the agency charged with establishing accounting standards for governments. GASB recently issued Statement 54 (GASB 54) which deals with two main areas: (1) Fund Balance Reporting and (2) Governmental Fund Type Definitions. GASB 54 is in effect for reporting periods after June 15, 2010.

FUND BALANCE REPORTING

Fund balance refers to the difference between assets and liabilities. Prior to GASB 54, there were two components to allocate fund balance: reserved and unreserved. Within unreserved fund balance, there were two sub components: designated and undesignated.

GASB 54 establishes an entirely new scheme for reporting fund balances. GASB 54 classification is only required for governmental funds. Therefore no presentation is included on Proprietary Funds or Fiduciary Funds. The new requirement establishes five different classifications of fund balance, summarized below. The municipalities are now required to report these classifications in their annual audits.

Non Spendable Cannot be spent -- (legally restricted or in a non-spendable form. i.e. inventory, long-term loans receivable or because they must be maintained intact – endowment principal)
Restricted Externally imposed (i.e. law, creditor, bond covenant, regulations, grantors)
Committed Constraints approved by Municipal Officials

*Borough of Pottstown:
Developer Fees paid In Lieu of trees, and parks and open space
Waste Management Leachate Agreement Funds*

Assigned Constrained by intent by Municipal Officials or by the Municipal Manager or by a body to which Municipal Officials delegates the authority

*Borough of Pottstown:
OPEB – annual contribution to sustain future liability as per Borough Council Resolution*

Unassigned Available to spend, unrestricted

REVENUES

Revenue Forecasting is a practice that the Finance Department refined to a more accurate process in recent years. A study is first done to determine the rate of collection from the previous year, and then take a three-year average for budgeting purposes. The actual process for projecting revenues is done by looking at individual revenues over time to get an idea of where they could be expected to migrate over the next five years. The forecast is also based on the economic forecast for the next year, and what developers are working on what projects. The revenue forecast is completed by establishing a historic forecast and comparing that to the historic decline in property values over time.

73% of total appropriated budget = \$33,000,000			
Total Budget		\$45,000,000	(not incl. Fund 16 & 17)
Source	Fund Type	% of Total Revenue	2016 Budget
Real Est. Tax -General	General	12.02%	\$5,407,630
Earned Inc. Tax	General	4.62%	\$2,080,000
Trsf Fr Reserves -General	General	2.22%	\$997,821
Water Sales	Enterprise	11.56%	\$5,200,000
Sewer Fees	Enterprise	12.00%	\$5,400,000
Sewer Bulk Sales	Enterprise	5.33%	\$2,400,000
Trash Fees	Gen. Special Rev	5.98%	\$2,690,000
Real Est. Tax -Fire	Gen. Special Rev	2.60%	\$1,170,979
Trsf fr Gen. Fund 01	Capital	1.72%	\$773,375
Trsf fr Gen Fund 01 - Garage	Capital	0.22%	\$100,000
Walk Bike DVNR Grant	Gen. Special Rev	3.45%	\$1,552,000
Airport RunwayPennDOT	Gen. Special Rev	4.44%	\$2,000,000
DCED St. Lighting	Gen. Special Rev	2.07%	\$931,000
Real Est. Tax -Parks	Gen. Special Rev	1.51%	\$678,763
Pension State Aid	General	1.40%	\$630,000
Wage alloc fr Fund 06	General	1.40%	\$628,187
		72.53%	\$32,639,755

The table to the left shows the top 76% of all the revenues of all the appropriated funds and their proportions.

Revenues – cont’d.

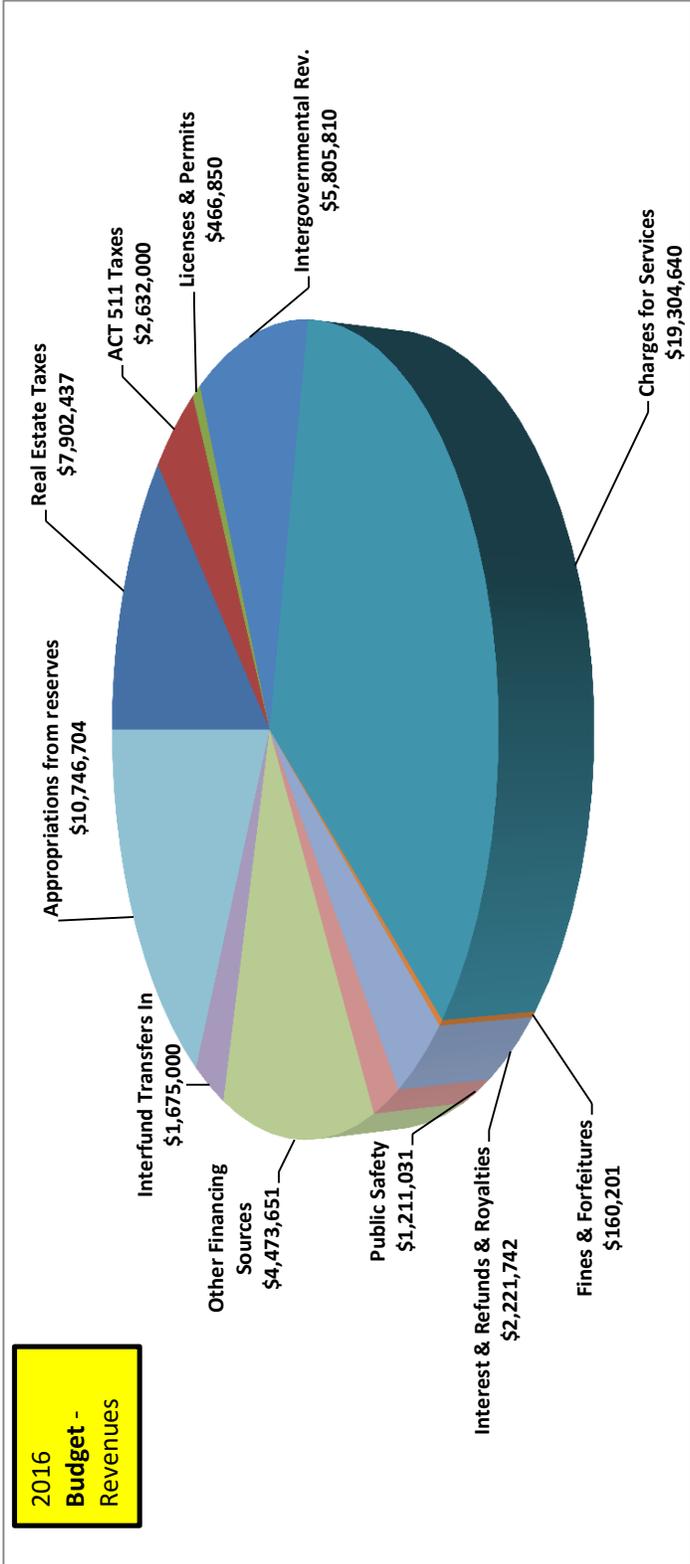
The table to the right lists all the revenue sources in the Borough Funds for the 2016 Budget, as well as their percentage of the total revenue budgeted.

Source	% of Total Revenue	Request 2016
Taxes	24.20%	\$10,859,543
Utility Fees	38.34%	\$17,205,748
Local/ County	15.93%	\$7,149,123
State	10.84%	\$4,865,103
Federal	0.03%	\$15,000
Interfund Trsfers	4.66%	\$2,085,023
Fr Reserves	6.00%	\$2,694,455
	100.00%	\$44,873,995

There are years when unexpected events happen and revenues fall short, or expenditures are greater than expected due to unforeseen circumstances. In order to counter this, the Borough budgets revenues conservatively as well as expenditures. Revenues are budgeted slightly lower than the forecasted amount and expenditures are slightly increased over what they are expected to be. This practice has resulted in bringing the municipality from a state of near bankruptcy in 2008 to being able to comply with the new policy of retaining approximately 15 to 20 percent of the budget in the reserves at the beginning of each budget year when revenues are at a minimum. Water and sewer rates are evaluated on a yearly basis to make certain they will generate enough cash flow to fund the water and sewer five-year capital plan.

The charts on the subsequent pages each reveal information regarding the revenue generated in all funds of the Borough, along with specific historical data on utility billing revenues. Following those charges is a table of five years of history for each revenue source, broken down by line item for the General Fund, but are left as entire funds for every other fund type, due to the vast amount of revenue sources within the General Fund. The General Fund five year revenue totals can be compared to actual Budgets for those year in order to ascertain the degree of accuracy to the applicable years at the end of the General Fund Five Year Trend of Revenue Sources report.

REVENUES
2016 - ALL FUNDS



Revenues	2014 actual	2015 actual	2016 budget
Real Estate Taxes	\$7,812,491	\$7,992,532	\$7,902,437
ACT 511 Taxes	\$2,810,440	\$2,841,791	\$2,632,000
Licenses & Permits	\$466,245	\$491,149	\$466,850
Intergovernmental Rev.	\$2,771,536	\$4,369,190	\$5,805,810
Charges for Services	\$16,719,185	\$18,468,792	\$19,304,640
Fines & Forfeitures	\$158,740	\$169,695	\$160,201
Interest & Refunds & Royalties	\$439,274	\$431,318	\$2,221,742
Public Safety	\$1,039,686	\$1,031,371	\$1,211,031
Other Financing Sources	\$1,963,546	\$2,010,702	\$7,535,956
Interfund Transfers In	\$119,236	\$119,236	\$1,675,000
Appropriations from reserves	\$0	\$0	\$10,746,704
TOTAL REVENUES	\$34,300,379	\$37,925,777	\$59,662,371

REVENUES:

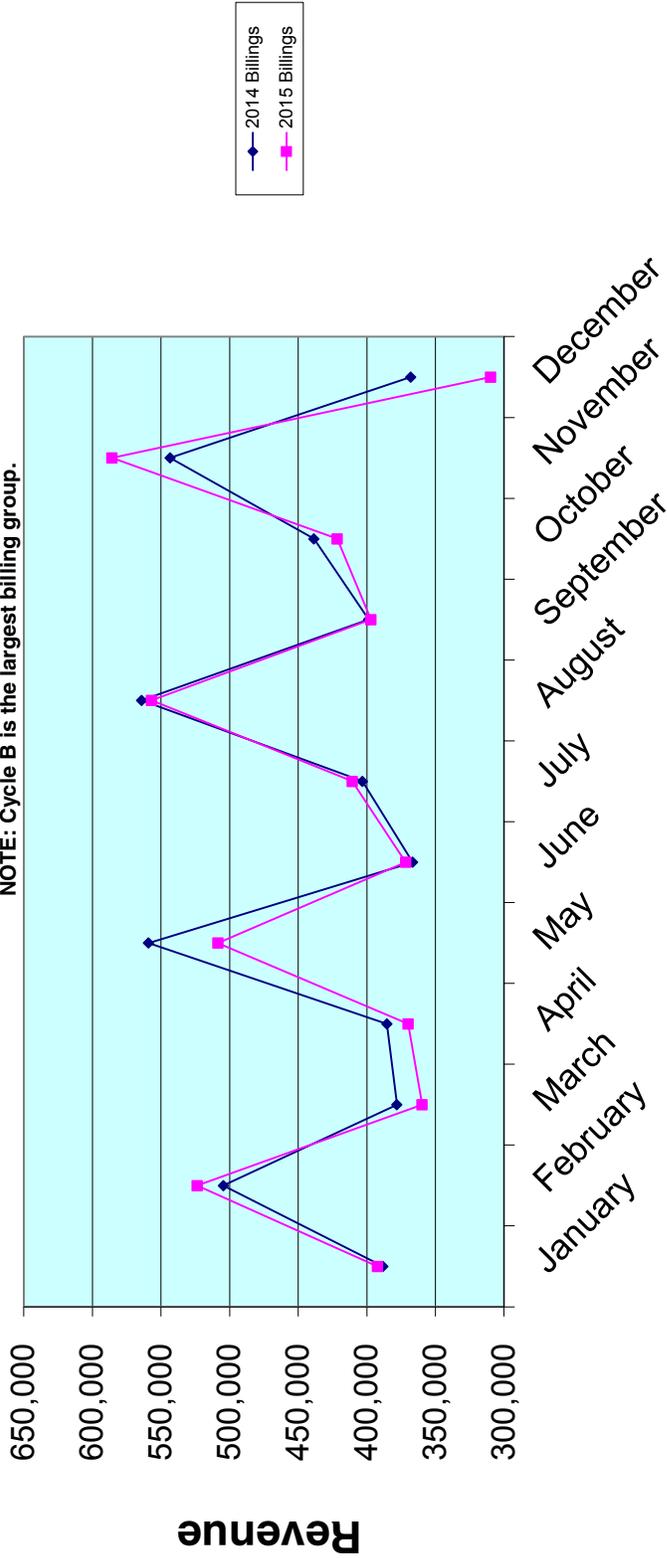
Pottstown Borough Authority Metered Water Billings 2015 vs. 2014

WATER SALES REVENUES: Water revenues are based on the number of units (700 gallons/unit) used by individual homes and businesses. Water rates are developed to recover the cost of providing potable water to the Borough and its extended users. The Borough currently owns its own water treatment plant, which has been in operation since the early sixties. The water customer base is approximately 70% residential. Water consumption varies from year to year for various reasons such as weather conditions and occupancy rates. Water revenues declined for 2015 for the second straight year due to a 3% decline in water consumption.

	January	February	March	April	May	June	July	August	September	October	November	December	Total	YTD
2014	388,241	504,576	378,066	385,319	559,062	366,585	403,185	564,102	398,727	438,624	543,364	368,022	5,297,873	5,297,873
2015	392,257	523,576	359,703	369,863	508,534	371,624	410,651	556,795	397,032	421,592	585,666	309,736	5,207,031	5,207,031
Change														-1.7% \$ (90,843)

Metered Water Billings - 2015 vs 2014 for three monthly cycles per quarter, A, B, and C;

NOTE: Cycle B is the largest billing group.

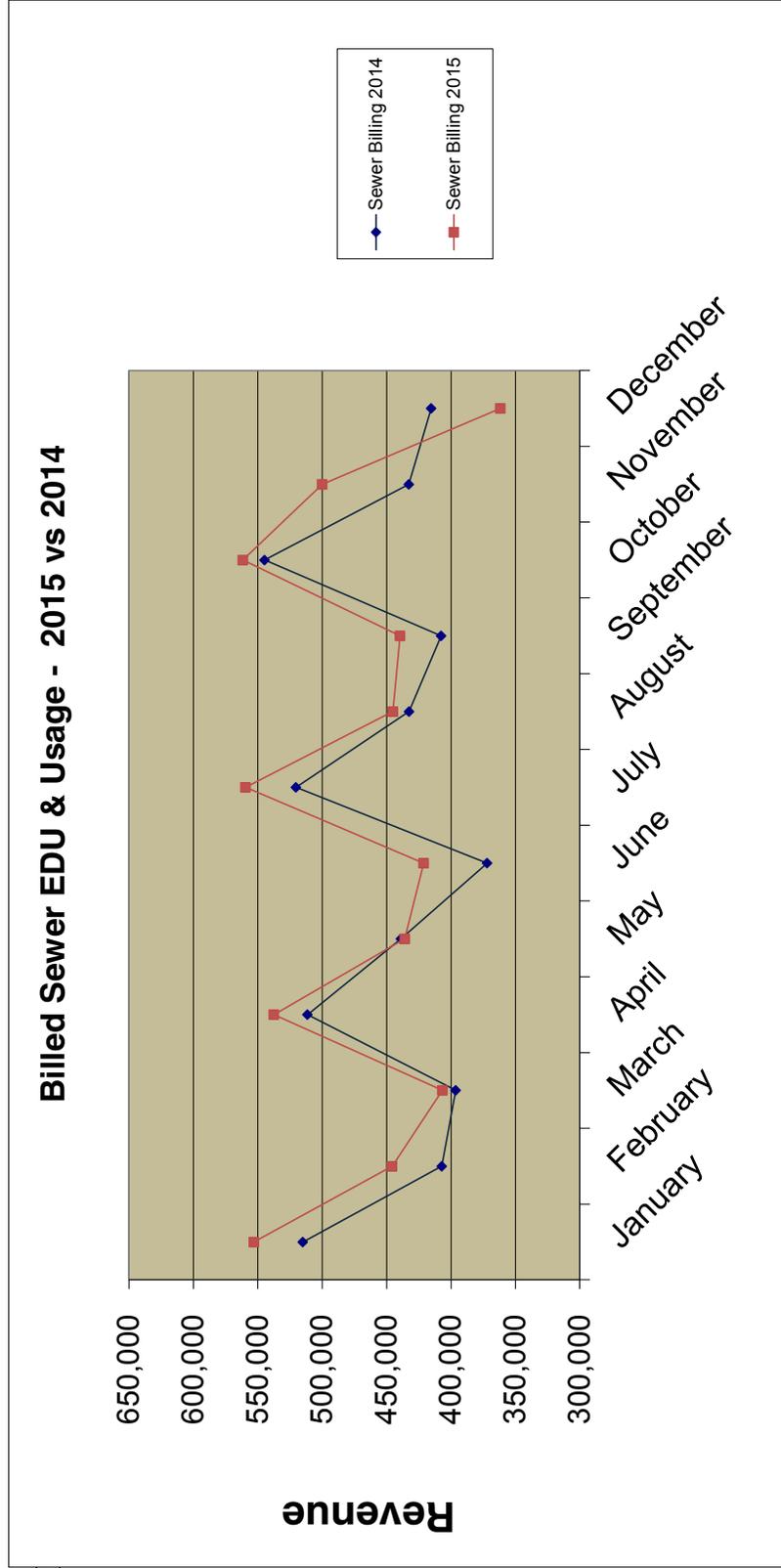


REVENUE:

Pottstown Borough Authority Billed Sewer EDU Usage 2015 vs. 2014

SEWER SALES REVENUES: Sewer revenues are based on metered consumption of water if there is a water meter, or on a sliding scale per the number of EDU's if there is no water meter. Sewer revenues increased in 2015 as a result of the second phase of a two-year rate increase at the end of 2014 in base fees which support capital projects. The final months of 2015 resulted in estimated reads due to inclement weather and the inability to get accurate reads. That information will level off in 2016 with the first quarter actual meter reads.

	January	February	March	April	May	June	July	August	September	October	November	December	Total	YTD	
2014	515,081	407,116	396,366	511,416	438,846	371,990	520,354	432,552	407,686	544,780	432,795	415,338	5,394,320	5,394,320	
2015	553,059	445,704	406,642	537,505	435,855	421,204	559,552	445,035	439,557	561,597	500,081	361,640	5,667,432	5,667,432	
Change														5.1%	\$ 273,112



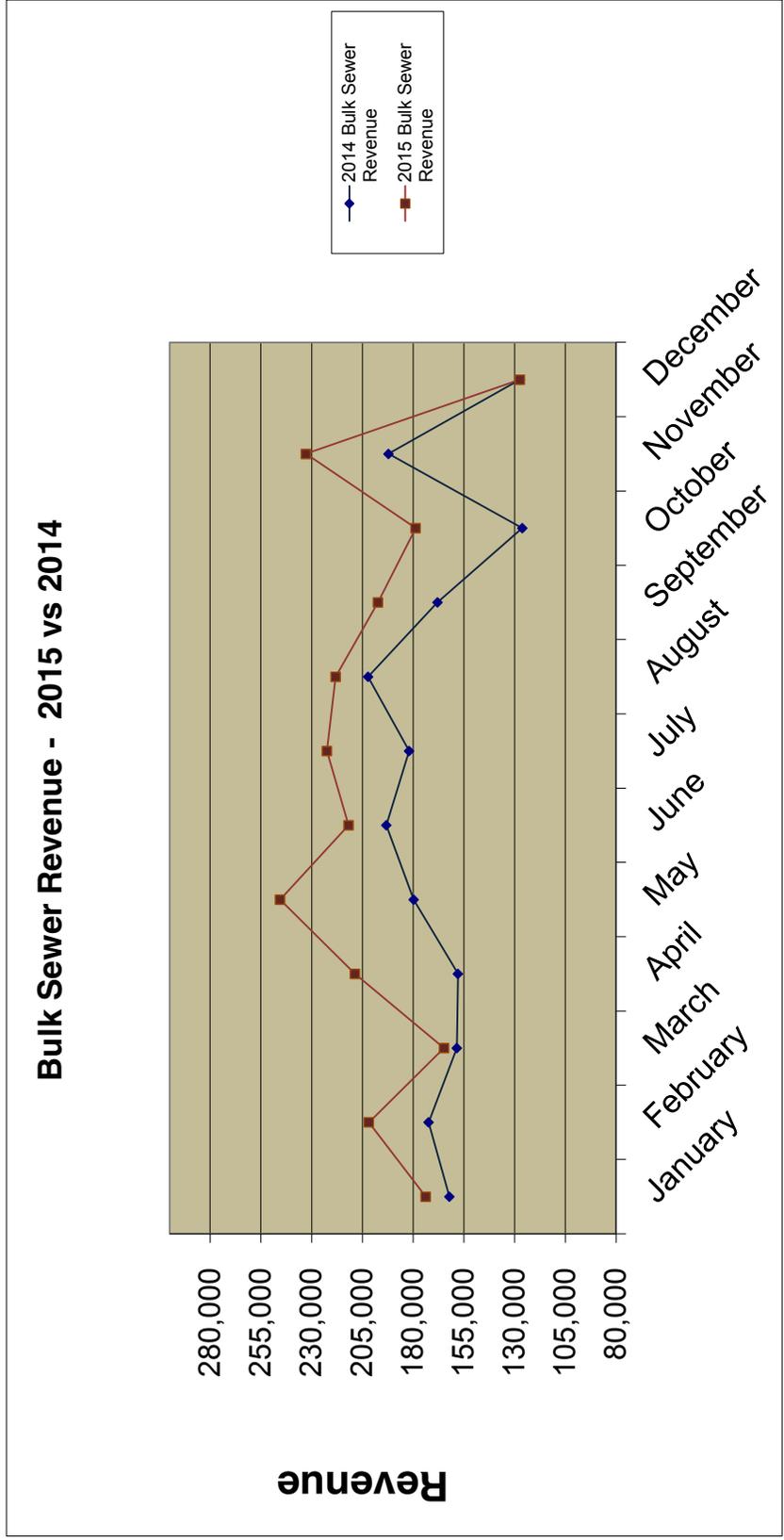
Source:08-364.010

REVENUE:

Pottstown Borough Authority Bulk Sewer Revenue 2015 vs. 2014

BULK SEWER REVENUES: The waste water treatment plant started a new revenue source from having bulk haulers drop their product for a fee as the plant dries it to help better dispose of the product. There are not many other facilities in the area that provide this service, resulting in an increasing trend. The waste water treatment plant has automated the system for better service to the haulers so that they can log in on the computer on site, have their load tested/inspected, dump their load, get paperwork processed, and be on their way in an extremely timely manner, and the data then is provided to the Finance Department for invoicing to the hauler's business offices.

	January	February	March	April	May	June	July	August	September	October	November	December	Total	YTD
2014	162,155	172,403	158,476	157,913	179,691	193,186	182,002	202,237	168,017	126,209	192,139	127,376	2,021,804	2,021,804
2015	173,823	201,808	164,756	208,661	245,554	211,769	222,519	218,163	197,362	178,726	232,834	127,376	2,383,352	2,383,352
Change														17.9%
														\$ 361,547



Source:08-364.120

Note: There is a one month lag in billing bulk revenues; for example August billing is for July collections.

General Fund and Other Funds Five Year Trend of Revenue Sources

Acct. No.	ACCOUNT DESCRIPTION	2015 Yr End Actual - Per. 13	2014 Yr End Actual - Per. 13	2013 Yr End Actual - Per. 13	2012 Yr End Actual - Per. 13	2011 Yr End Actual - Per. 13
01 GENERAL FUND						
01.301.100	Real Estate Tax - Current (@ 93% coll)	-\$5,245,431	-\$5,158,426	-\$4,712,551	-\$4,470,264	-\$4,566,940
01.301.300	Real Estate Tax - Delinq -avg 5% of current	-\$299,410	-\$273,532	-\$303,193	-\$476,719	-\$277,558
01.301.600	Real Estate Taxes - Interim .5% of curr	-\$9,361	-\$30,908	-\$6,614	-\$14,246	-\$11,118
	REAL PROPERTY TAXES	-\$5,554,203	-\$5,462,865	-\$5,022,357	-\$4,961,230	-\$4,855,616
01.310.010	Per Capita Taxes - Current	-\$48,731	-\$35,195	-\$22,897	-\$25,262	-\$39,620
01.310.030	Per Capita Taxes -Delinquent	-\$16,696	-\$17,757	-\$16,540	-\$43,083	-\$20,678
01.310.100	Real Estate Transfer Tax	-\$213,514	-\$273,171	-\$222,908	-\$150,300	-\$228,751
01.310.200	Earned Income Tax	-\$2,151,762	-\$2,106,015	-\$2,070,086	-\$1,871,189	-\$1,795,203
01.310.500	LST Local Emerg. Services Tax	-\$411,088	-\$378,301	-\$320,262	-\$482,945	-\$413,878
	ACT 511 ENABLING TAXES	-\$2,841,791	-\$2,810,440	-\$2,652,692	-\$2,572,778	-\$2,498,131
01.321.100	Misc. Licenses	-\$75	\$0	-\$1,600	-\$4,700	-\$800
01.321.320	Junk Yard License	-\$65	-\$130	\$0	\$0	\$0
01.321.400	Contractor License	-\$21,600	-\$14,600	-\$19,900	-\$20,769	-\$20,195
01.321.450	Business License	-\$10,750	-\$10,200	-\$6,650	-\$1,200	-\$1,900
01.321.600	Plumbers License	-\$10,225	-\$10,350	-\$11,275	-\$11,768	-\$13,475
01.321.610	Electrician License	-\$12,500	-\$12,700	-\$14,350	-\$13,775	-\$16,275
01.321.620	HVAC Mechanical License	-\$13,713	-\$4,100	-\$5,200	-\$5,700	-\$7,375
01.321.640	Garage License	-\$2,000	-\$2,600	-\$2,800	-\$2,668	-\$2,900
01.321.660	Towing License	-\$100	-\$2,083	-\$550	-\$150	-\$1,903
01.321.700	Coin Vending Machine License	-\$4,060	-\$5,670	-\$5,898	-\$6,930	-\$6,544
01.321.710	Amusement License	-\$3,080	-\$3,360	-\$2,310	-\$3,220	-\$6,659
01.321.720	Music Jukebox License	-\$420	-\$420	-\$420	\$0	-\$420
01.321.730	Solicitation License	-\$5,960	-\$1,510	-\$1,920	-\$1,590	-\$5,000
01.321.800	Comcast Cable Commission	-\$367,389	-\$352,306	-\$350,430	-\$334,563	-\$328,216
	BUSINESS LICENSES	-\$451,937	-\$420,028	-\$423,304	-\$407,033	-\$411,663
01.322.100	Bulk Pickup Stickers	-\$18,575	-\$15,460	-\$16,816	-\$13,817	-\$14,552
01.322.800	Curb & Sidewalk Permits	-\$5,820	-\$7,193	-\$2,593	-\$5,325	-\$5,206
01.322.810	Street Opening/Utility Repairs	-\$9,070	-\$14,694	-\$5,547	-\$5,652	-\$8,630
01.322.830	Fiber Optic Cable License	-\$250	-\$250	-\$250	-\$250	\$0
01.322.900	Street Event Closing Fees	-\$1,645	-\$743	-\$401	-\$276	-\$404
01.322.901	Parade Permits	-\$3,853	-\$265	\$0	\$0	\$0
	NON BUSINESS LICENSE & PERMITS	-\$39,212	-\$38,605	-\$25,607	-\$25,320	-\$28,792
01.331.100	District Court - Palladino - Fines	-\$32,346	-\$32,283	-\$34,891	-\$56,508	-\$60,702
01.331.101	Montgomery County - Clerk Fines	-\$13,331	-\$22,232	-\$31,536	-\$30,787	-\$26,274
01.331.102	Court Awarded Boro AR Billings	\$0	\$0	\$0	-\$1,390	-\$2,210
01.331.120	District Court - Kropp - Fines	-\$42,469	-\$51,442	-\$61,466	-\$57,678	-\$7,406
01.331.130	State Police Fines & Penalties	-\$10,520	-\$10,740	-\$17,148	-\$18,241	-\$17,226
01.331.140	Parking Ordinance Enforcement	-\$67,525	-\$37,834	-\$41,039	-\$57,113	-\$35,220
01.331.150	NSF Check Fine	-\$1,603	-\$1,047	-\$905	-\$645	-\$630
01.331.160	Penalty, Int., Bankruptcy Fees	-\$1,900	-\$3,162	-\$4,185	\$470	-\$24,787
	FINES	-\$169,695	-\$158,740	-\$191,171	-\$221,892	-\$237,703
01.341.100	Interest Earnings	-\$13,590	-\$11,393	-\$18,104	-\$22,654	-\$12,110
01.341.190	Interest Earnings From Fund 90	\$0	\$0	\$0	\$0	-\$41
01.341.200	Dividends (OPEB Svgs Trust Acct.)	-\$2,105	\$0	\$0	\$0	\$0
	INTEREST	-\$15,695	-\$11,393	-\$18,104	-\$22,654	-\$12,150
01.351.010	Fed. Stimulus - Police Vehicle Funds	\$0	\$0	\$0	\$0	-\$129,270
01.351.020	Fed. JAG - Veh Equip. Grant	-\$12,677	-\$22,664	-\$25,146	-\$27,735	-\$18,418
01.351.030	Fed. - Police Bullet Proof Vest Grant	\$0	\$0	-\$3,300	\$0	-\$3,995
	FEDERAL SHARED REVENUE	-\$12,677	-\$22,664	-\$28,446	-\$27,735	-\$151,683
01.354.070	County -Misc. Grants & Reimb.	\$0	\$0	-\$2,500	-\$1,575	\$0
	STATE & LOCAL GRANTS	\$0	\$0	-\$2,500	-\$1,575	\$0
01.355.010	Public Utility Realty Tax	-\$10,474	-\$13,636	-\$10,579	-\$9,892	-\$9,882

General Fund and Other Funds Five Year Trend of Revenue Sources

Acct. No.	ACCOUNT DESCRIPTION	2015 Yr End Actual - Per. 13	2014 Yr End Actual - Per. 13	2013 Yr End Actual - Per. 13	2012 Yr End Actual - Per. 13	2011 Yr End Actual - Per. 13
01.355.040	Alcoholic Beverages Licenses	-\$3,900	-\$6,950	-\$5,500	-\$6,220	-\$6,050
01.355.050	Pension State Aid Contribution	-\$627,374	-\$656,457	-\$586,482	-\$818,787	-\$572,567
	STATE SHARED REVENUE	-\$641,748	-\$677,042	-\$602,561	-\$834,899	-\$588,499
01.357.020	PA Emerg. Mgmt Grants - PEMA/FEMA	\$0	-\$16,270	\$0	\$0	\$0
01.357.021	Drug Task Force Program	-\$23,405	-\$15,515	-\$37,901	-\$29,788	-\$39,829
01.357.022	Seat Belt Program	-\$18,543	\$0	-\$29,794	\$0	-\$19,657
01.357.023	DUI Checkpoint Program	-\$48,805	-\$48,953	\$0	-\$49,549	-\$60,139
01.357.024	Smooth Operator Program	-\$28,559	\$0	-\$49,854	-\$14,088	-\$86,640
01.357.025	Police on Patrol Grant (Bright Hope)	\$0	\$0	\$0	\$0	-\$50,000
01.357.100	Police Misc. Local Grants	\$0	\$0	\$0	\$0	\$0
see 410188, 189	POLICE GRANTS	-\$119,312	-\$80,738	-\$117,549	-\$93,425	-\$256,266
01.359.100	Pymt in Lieu of Taxes - PILOT	-\$13,672	-\$7,042	-\$6,228	-\$9,010	-\$6,076
	PAYMENT IN LIEU OF TAXES	-\$13,672	-\$7,042	-\$6,228	-\$9,010	-\$6,076
01.361.310	Subdiv/Land Dev. Review Fee	-\$15,237	-\$18,491	-\$18,168	-\$4,357	-\$3,864
01.361.320	Codes Hearing Fees	\$0	-\$850	-\$850	-\$500	\$0
01.361.330	Zoning Permit	-\$13,080	-\$21,909	-\$11,181	-\$2,500	-\$1,500
01.361.340	Zoning Hearing Fees	-\$16,950	-\$8,300	-\$15,400	-\$7,500	-\$6,650
01.361.341	Zoning Hrg Costs Reimbursement	\$0	\$0	\$0	\$0	\$0
01.361.500	Sale of Maps & Publications	-\$803	-\$391	-\$711	-\$744	-\$726
01.361.620	County Reimbursement for Tax Collector	-\$2,844	-\$7,664	-\$7,959	-\$7,854	-\$7,609
01.361.630	School Refund Tax -1/2 staff, mailing, misc.expenses	-\$42,502	-\$47,486	-\$50,797	-\$67,146	-\$68,881
01.361.650	Tax Certs and Dup. Copy Fees	-\$39,706	-\$15,561	-\$13,721	-\$12,662	-\$10,714
	CHARGES FOR SERVICES	-\$131,122	-\$120,652	-\$118,787	-\$103,262	-\$99,944
01.362.101	Police Holding Cell Costs (& old Dispatch)	-\$22,300	-\$39,600	-\$53,680	-\$68,080	-\$63,800
01.362.102	Police Live Scan Fees	-\$41,707	-\$54,030	-\$56,088	-\$44,016	-\$36,431
01.362.103	Outside Reimb & Other Police Services	-\$26,074	-\$73,165	-\$82,844	-\$73,660	-\$28,001
01.362.104	Restitutions for Police Equip	-\$2,732	-\$1,243	-\$465	-\$1,242	-\$3,173
01.362.105	Police Civil Service Testing Revenue	\$0	-\$11,902	\$0	\$0	\$0
01.362.112	Sale of Police Copies/Reports	-\$11,705	-\$13,075	-\$11,760	-\$12,800	-\$14,105
01.362.120	Security Alarm Permits -3rd party	-\$12,464	-\$11,206	-\$9,555	-\$9,649	\$0
01.362.130	Security False Alarm Fee -3rd party	-\$2,629	-\$1,690	-\$4,329	-\$5,103	-\$32,625
01.362.140	Reimb -Schl Crsng Gurd-- 01410122 + pri tx	-\$189,769	-\$72,526	-\$74,026	-\$71,233	-\$70,428
01.362.141	Reimb Police Dean of Students	-\$91,467	-\$88,529	-\$85,435	-\$83,533	-\$82,304
01.362.150	Police Charge Backs	-\$267	-\$507	-\$324	-\$324	-\$345
01.362.410	Building Permits	-\$396,685	-\$465,918	-\$306,927	-\$318,335	-\$247,796
01.362.411	Bldg Code Violation Charges	-\$1,118	-\$1,519	-\$732	-\$1,174	-\$3,419
01.362.415	Hazardous Material Clean Up Fees	-\$120	\$0	\$0	\$0	\$0
01.362.430	Plumbing Permits	-\$22,679	-\$30,211	-\$31,233	-\$20,463	-\$29,283
01.362.440	Vacant Property Ord. Fees	-\$3,575	-\$1,850	\$0	\$0	-\$436
01.362.451	Use & Occupcy - Property Transfers	-\$84,003	-\$68,656	-\$73,868	-\$66,584	-\$58,952
01.362.452	Rental Inspection Fee & License	-\$112,521	-\$92,526	-\$124,082	-\$146,461	-\$96,101
01.362.460	PA UCC quarterly fee CLGS 13 - 01414300	-\$3,299	-\$3,165	-\$4,235	-\$4,867	-\$4,984
	PUBLIC SAFETY	-\$1,025,114	-\$1,031,318	-\$919,583	-\$927,525	-\$772,183
01.363.210	Parking Meter Permit	\$0	\$0	\$0	-\$4	\$0
01.363.220	Parking Permit - Residential	-\$7,417	-\$5,958	-\$5,100	-\$6,791	-\$5,257
01.363.221	Parking Permit - Dumpster	-\$2,896	-\$1,654	-\$1,414	-\$1,379	-\$1,466
	PARKING	-\$10,312	-\$7,612	-\$6,514	-\$8,173	-\$6,722
01.365.500	Animal Control	-\$6,257	-\$8,368	-\$5,970	-\$4,615	-\$3,795
	HEALTH	-\$6,257	-\$8,368	-\$5,970	-\$4,615	-\$3,795
01.380.100	Misc Income - pass thru see 01480100	-\$18,404	-\$30,907	-\$21,068	-\$11,537	-\$23,539
01.380.101	PAID Pass-thru Hill Sch Falcty Hsg #3 pymt	-\$25,000	\$0	\$0	\$0	\$0
	MISCELLANEOUS	-\$43,404	-\$30,907	-\$21,068	-\$11,537	-\$23,539
01.387.100	Contrib. & Donations - Misc.	\$0	\$0	\$0	\$0	-\$633
01.387.101	Contrib. for Shade Trees	\$0	\$0	-\$4,200	\$0	\$0

General Fund and Other Funds Five Year Trend of Revenue Sources

Acct. No.	ACCOUNT DESCRIPTION	2015 Yr End Actual - Per. 13	2014 Yr End Actual - Per. 13	2013 Yr End Actual - Per. 13	2012 Yr End Actual - Per. 13	2011 Yr End Actual - Per. 13
01.387.102	Contrib.- HOI Refunds	-\$2,857	-\$6,833	-\$12,856	-\$12,206	-\$32,618
01.387.104	One Time Contribution	-\$67,816	\$0	\$0	\$0	\$0
01.387.105	Contrib. - Penn Prime Safety Grt	\$0	-\$3,000	-\$2,671	-\$2,000	-\$2,000
01.387.110	Contrib. Police 2% Retire Med Acct	-\$59,114	-\$16,024	-\$63,907	-\$62,229	-\$61,017
01.387.115	Fee in Lieu of - Non Designated	-\$18,400	-\$22,730	-\$26,450	-\$150,000	\$0
01.387.400	Fee in Lieu of - Open Space	-\$4,000	-\$13,350	-\$1,225	-\$12,397	-\$500
	CONTRIBUTIONS/DONATIONS	-\$152,187	-\$61,937	-\$111,308	-\$238,832	-\$96,768
01.389.010	Bid Document Sale Fees	-\$125	\$0	\$0	\$0	-\$475
01.389.020	Mgmt Svc - Authority -change 06 line	-\$377,191	-\$282,441	-\$351,888	-\$350,495	-\$355,000
01.389.102	Refund Wage Allocation fr Fund 02	-\$9,223	-\$9,785	\$0	-\$10,312	-\$10,300
01.389.104	Refund Wage Allocation fr Fund 04	-\$4,455	-\$4,399	-\$1,853	-\$4,990	-\$8,500
01.389.105	Refund Wage Allocation fr Fund 05	-\$725	-\$1,132	\$0	\$0	-\$470
01.389.106	Refund Wage Allocation fr Fund 06	-\$535,598	-\$516,279	-\$505,258	-\$467,565	-\$480,525
01.389.107	Refund Wage Allocation fr Fund 07	\$0	\$0	\$0	\$0	-\$255
01.389.108	Refund Wage Allocation fr Fund 08	-\$227,906	-\$214,510	-\$211,777	-\$201,977	-\$202,170
01.389.109	Refund Wage Allocation fr Fund 09	-\$4,952	-\$835	-\$500	-\$640	-\$3,000
01.389.110	Refund Wage Allocation fr Fund 10	-\$113,149	-\$147,965	-\$60,163	-\$59,839	-\$26,200
01.389.118	Refund Wage Allocation fr Fund 18	-\$49,045	-\$46,158	-\$42,296	-\$42,348	-\$165,750
01.389.146	Refund Wage Allocation fr Fund 46	-\$55,791	-\$66,636	-\$171,232	-\$137,654	-\$146,000
01.389.200	PA One Call audit reconciliations	-\$595	-\$554	-\$505	-\$545	-\$503
01.389.201	Borough Contributions	-\$250,000	-\$250,000	\$0	\$0	\$0
01.389.300	Sale of Scrap Metal	-\$402	-\$2,545	-\$2,258	-\$5,413	-\$1,843
01.389.301	Realized Gains/Losses OPEB	\$27,808	\$0	\$0	\$0	\$0
01.389.400	N. Cov. Bridge Lighting pymt to Boro	-\$360	-\$353	-\$360	-\$455	-\$367
01.389.401	Unrealized Short-term Gain/Loss OPEB	-\$47,702	-\$1,008	\$0	\$0	-\$3,450
01.389.610	PCTV costs refunded --see 01480011	-\$11,411	-\$10,980	\$0	\$0	\$0
	UNCLASSIFIED OPERAT.REV	-\$1,660,822	-\$1,555,581	-\$1,348,090	-\$1,282,233	-\$1,404,809
01.391.100	Sales of General Fixed Assets	-\$19,491	-\$20,000	\$0	-\$21,234	-\$18,116
	SALES GEN FIXED ASSETS	-\$19,491	-\$20,000	\$0	-\$21,234	-\$18,116
01.392.031	Transfer from Capital Svgs. Fund 31	-\$50,000	-\$23,133	-\$140,000	\$0	\$0
01.392.090	Transfer from Escrow Fund 90	-\$10,420	-\$21,104	\$0	\$0	-\$19,295
	TRANSFERS FROM OTHER FUNDS	-\$60,420	-\$44,236	-\$140,000	\$0	-\$19,295
01.395.100	Refund - Current Year Expenditures	-\$7,348	-\$10,247	-\$2,982	-\$4,782	-\$28,467
01.395.200	Refund - Prior Year Expenditures	-\$20,143	-\$6,429	-\$46	\$0	-\$45,193
01.395.300	Refund -COBRA & Health	-\$32,009	-\$33,066	-\$2,480	-\$47,287	-\$47,963
01.395.400	Refund -Acc/Liab. Claim Pymt	-\$10,607	-\$29,586	-\$14,970	-\$21,798	-\$12,970
01.395.500	Refund-Workers' Comp Pmnts	-\$81,764	-\$15,604	-\$7,871	-\$72,091	-\$18,930
	REFUNDS	-\$151,870	-\$94,931	-\$28,349	-\$145,959	-\$153,523
01.399.100	Balance fr Reserves -HOI, police grants, etc.	\$0	\$0	\$0	\$0	\$0
	RESERVES	\$0	\$0	\$0	\$0	\$0
	TOTAL FUND 01 REV	-\$12,894,436	-\$12,665,100	-\$11,790,187	-\$11,920,919	-\$11,645,273
	Budgeted Amounts:	\$12,164,184	\$11,535,878	\$10,866,858	\$11,281,525	\$11,087,903
	Percent of accuracy:	-94.34%	-91.08%	-92.17%	-94.64%	-95.21%

General Fund and Other Funds Five Year Trend of Revenue Sources

Acct. No.	ACCOUNT DESCRIPTION	2015 Yr End Actual - Per. 13	2014 Yr End Actual - Per. 13	2013 Yr End Actual - Per. 13	2012 Yr End Actual - Per. 13	2011 Yr End Actual - Per. 13
Fund 02	Street Lights	-\$278,371	-\$268,154	-\$273,973	-\$275,120	-\$260,527
Fund 04	Park and Rec	-\$1,037,022	-\$992,348	-\$1,053,205	-\$1,342,920	-\$934,418
Fund 05	Library	-\$211,813	-\$158,117	-\$167,184	-\$166,421	-\$157,991
Fund 06	Water	-\$6,306,432	-\$5,945,647	-\$6,462,635	-\$6,369,040	-\$5,189,548
Fund 07	Parking Lot	-\$45,564	-\$33,114	-\$55,789	-\$55,789	-\$32,721
Fund 08	Sewer	-\$9,208,554	-\$8,045,576	-\$8,145,395	-\$8,145,395	-\$7,391,140
Fund 09	Airport	-\$140,081	-\$139,079	-\$172,514	-\$172,514	-\$127,115
Fund 10	Trash	-\$2,848,094	-\$2,632,124	-\$3,026,109	-\$3,026,109	-\$2,792,406
Fund 14	Fire	-\$14,368,876	-\$1,562,203	-\$1,461,472	-\$1,461,472	-\$1,176,251
Fund 18	Sewer Lines	-\$540,754	-\$510,269	-\$465,978	-\$465,978	-\$526,233
Fund 20	Debt Service	-\$456,616	-\$434,801	-\$887,213	-\$887,218	-\$864,832
Fund 31	Capital Savings	-\$177,106	-\$292,947	-\$1,549	-\$1,549	-\$1,550
Fund 35	Liquid Fuels	-\$448,569	-\$417,294	-\$426,095	-\$426,095	-\$408,983
Fund 45	Grants	-\$1,959,759	-\$453,607	-\$587	-\$587	-\$470,142

LONG-RANGE FINANCIAL PLANS

Borough of Pottstown - 2017 THROUGH 2020

PURPOSE

The purpose of the long-range financial outlook is two-fold. First, it provides a forward-looking view of the General Fund operating budget, allowing Borough officials and others to evaluate the long-term sustainability of the Borough. In addition, it provides a starting point for future decision-making regarding the budget by identifying the balance between potential spending needs and the projected revenue sources.

This long-range outlook provides a key tool for financial planning. The tables attached to this document are updated at the end of each year as the revenue and spending outlook becomes clearer. The Borough can use this information to:

- Identify preliminary spending priorities for future years;
- Incorporate necessary budget adjustments into the long-range financial projections;
- Ensure that both additions and reductions to the budget are sustainable;
- Maintain options to deal with unexpected contingencies; and
- Continue advance planning to anticipate factors affecting revenues and service needs.

The Borough has realized a “structural gap” between ongoing service needs and the Borough’s present revenue capacity. Although strong revenue growth may delay or reduce the size of the gap, the gap is likely to develop and grow, and will do so more rapidly during recessions. The long-term General Fund financial outlook scenarios described in this section confirm the nature of the gap in more detail. This section includes:

- An overview of the outlook for the General Fund from 2016 to 2020;
- A summary of the key assumptions used to build the projections;
- A table summarizing General Fund budget data for the years 2016 through 2020;
- A table showing future percentage increases expected in various parts of the budget;
- Detailed information on projected General Fund appropriations for each Borough department in each year of the outlook; and
- Tables showing amendments to the budget, including possible future adjustments.

The final page in this section also gives an overview of the Borough’s long-term OPEB liability and the plan for future funding. (see GASB 43 & 45: OPEB)

LONG RANGE FINANCIAL PLANS - cont'd.

GENERAL FUND OVERVIEW

The following scenarios of the Borough's General Fund future financial outlook were developed with the 2016 budget, plus estimated future increases related to compensation and other likely or mandated costs. Some of those costs would be for health care for current employees and retirees where applicable, regular police staffing requirements, debt service, fuel costs, utility rate increases, and other Borough insurances.

The first scenario excludes increases for wage compensation and health care costs for non-uniformed employees, meaning those increases are projected for police staff only. While no compensation and health increases for non-uniformed employees for the next five years is an unlikely scenario, they are excluded to display the impact of other mandated costs on the budget. Without compensation increases, a negative gap exists in the projected budget for 2017 of 1.7 million. This gap slightly decreases through the projected five-year plan to 2020. The decrease is too slight to measure, but the indication is that the projected revenues do not cover the projected costs even in this basic services scenario.

The second scenario presented includes a 4.0 percent per year pay increase and a 6.0 percent per year health insurance premium increase. The exact amounts of growth will likely be different. However, based on historical experience and projections of economic growth, some combination of health and compensation increases appears likely. The two scenarios taken together demonstrate that compensation increases will drive the already existing shortfalls to a much higher level over the term. The compensation increase scenario has a gap of \$2 million in 2017 growing to \$2.7 million by 2020.

Both scenarios employ assumed increases of 8.0 percent per year in utility costs and 7.0 percent per year increases in insurance and fuel costs. Other costs are included for pension contributions, adding an additional police officer every other odd year, and other mandated costs for operations. With historical compensation increases, these five-year budget projections suggest that a gap in future years is likely to occur even if annual revenues exceed current budget projections. As a result, it is expected that the ability to maintain capital projects will depend primarily on the Borough's ability to implement additional revenue enhancement measures as well as continuing to find operational efficiencies. These scenarios do not represent a spending or official plan for any year other than 2016, as adopted by the Pottstown Borough Council in December of 2015.

LONG RANGE FINANCIAL PLANS - cont'd.

FIRST SCENARIO

REVENUES		2016 Budget	2017	2018	2019	2020
Real Estate Taxes		-\$5,735,865	-\$5,832,801	-\$5,931,375	-\$6,031,616	-\$6,133,550
ACT 511 Taxes		-\$2,714,000	-\$2,803,291	-\$2,895,519	-\$2,990,781	-\$3,089,178
Licenses & Permits		-\$1,080,850	-\$1,125,381	-\$1,171,747	-\$1,220,023	-\$1,270,288
Intergovernmental Rev.		-\$902,679	-\$910,623	-\$918,636	-\$926,720	-\$934,875
Charges for Services		-\$141,709	-\$140,291.91	-\$138,888.99	-\$137,500.10	-\$136,125.10
Fines & Forfeitures		-\$171,001	-\$172,711.01	-\$174,438	-\$176,183	-\$177,944
Interest & Refunds & Roy		-\$36,030	-\$50,000	-\$50,000	-\$50,000	-\$50,000
Public Safety		-\$372,994	-\$380,453.88	-\$388,063	-\$395,824	-\$403,741
Other Financing Sources		-\$2,017,235	-\$2,037,407.35	-\$2,057,781	-\$2,078,359	-\$2,099,143
Interfund Transfers In		\$0	\$0	\$0	\$0	\$0
Appropriations from rese		-\$997,621	\$0	\$0	\$0	\$0
TOTAL REVENUES		-\$14,169,984	-\$13,452,959	-\$13,726,449	-\$14,007,006	-\$14,294,844
EXPENSES		2016 Budget	2017 Proposed	2018 PROPOSED	2019 PROPOSED	2020 PROPOSED
Leg.	400	\$22,742	\$22,905	\$23,237.29	\$23,439	\$23,639.84
Exe.	401	\$354,506	\$354,584	\$354,745.46	\$354,849	\$354,952.64
Fin	402	\$427,959	\$428,596	\$428,604.64	\$428,864	\$429,123
Taxes	403	\$122,805	\$123,984	\$124,197	\$124,741	\$125,285
Legal	404	\$94,000	\$95,880	\$97,760	\$99,640	\$101,520
HR	406	\$217,603	\$218,093	\$218,231.67	\$218,497	\$218,762.20
IT	407	\$155,999	\$158,990	\$155,999	\$155,999	\$155,999
Eng.	408	\$35,000	\$35,700	\$36,400	\$37,100	\$37,800
Bldg	409	\$82,364	\$83,756	\$84,512.88	\$85,373	\$86,233.12
Police	410	\$5,902,138	\$6,224,802	\$6,450,714	\$6,676,021	\$6,899,328
L & I	414	\$689,383	\$791,226	\$793,172.25	\$794,756	\$796,339
HumSrv	423	\$6,580	\$6,711	\$6,583.40	\$6,585	\$6,586.40
PubWrks	430	\$1,097,543	\$1,098,585	\$1,100,758.50	\$1,102,171	\$1,103,583.00
Cont	458	\$9,000	\$9,135	\$9,405	\$9,563	\$9,720
Cont	459	\$1,525	\$1,548	\$1,593.63	\$1,620	\$1,647
EcoDev	463	\$73,000	\$74,095	\$76,285	\$77,563	\$78,840
misc.	480	\$53,000	\$53,795	\$55,385	\$56,313	\$57,240
Pension	483	\$1,449,004	\$1,456,249	\$1,463,494.04	\$1,470,739	\$1,477,984.08
Liab insuranc	486	\$225,814	\$243,879	\$261,944.24	\$280,009	\$298,074.48
Health benef	487	\$2,334,294	\$2,404,323	\$2,474,351.64	\$2,544,380	\$2,614,409.28
misc.	489	\$7,250	\$7,359	\$7,576.25	\$7,703	\$7,830
inter trsf	492	\$805,875	\$805,875	\$805,875	\$805,875	\$805,875
refunds	495	\$2,600	\$2,639	\$2,717	\$2,763	\$2,808
to reserv	499	\$0	\$0	\$0	\$0	\$0
		\$14,169,984	\$14,702,707	\$15,033,543	\$15,364,561	\$15,693,580
		\$0	(\$1,249,748)	(\$1,307,095)	(\$1,357,555)	(\$1,398,736)
			Add police officer ea year (goal of extra man on 4 shifts by 2019)			
	D		4% ONLY Police payroll per year -			
	E		6% ONLY Police health care per year			
	E		.5% ONLY Police Pension - per year			
	F		2% contracted services per year			
	F		8% Insurances: liability; vehicles; property per year			
	F		2% Legal and Engineering per year			

LONG RANGE FINANCIAL PLANS - cont'd.

NO COMPENSATION INCREASE SCENARIO: This scenario assumes only increases for mandated costs as well as Police staff compensation and health insurance increases. The 2016 Budget was a balanced budget and is not included here. The deficit starting in 2017 is 1.2 Mil and increases approximately 13% to year 2020. A reduction in ongoing costs and/or an increase in revenues would reduce the deficit in future years.

Year	2017 Projected	2018 Projected	2019 Projected	2020 Projected
Surplus/Deficit	(\$1,249,748)	(\$1,307,095)	(\$1,357,555)	(\$1,398,736)

COMPENSATION INCREASE SCENARIO:

This scenario includes a 4.0 percent per year pay increase and 6.0 percent per year health insurance increase. Again, the 2016 Budget was a balanced budget and is not included here. A significant gap exists that begins in 2017 and increases each year through 2020. From the 2017 deficit, it is a 45% increase up to the year 2020. The approximate costs of the compensation increases are detailed below.

Year	2017 Projected	2018 Projected	2019 Projected	2020 Projected
4% compensation	\$147,909	\$295,818	\$443,727	\$591,636
6% insurance	\$23,370	\$46,739	\$70,109	\$93,479
Year	2017 Projected	2018 Projected	2019 Projected	2020 Projected
Surplus/Deficit	(\$1,427,748)	(\$1,663,095)	(\$1,891,557)	(\$2,110,737)

The Borough's commitment to long-term fiscal stability has been challenged over the past several years due to the economic downturn and loss of property tax revenue, which currently comprises approximately 40% of the revenue stream for the General Fund. Along with the Pottstown School District, the Borough is working with housing organizations and other buyer incentive programs to entice rehabilitation of older housing infrastructure as well as empty commercial properties.

It is important to realize that the projections represent estimates of the budget deficits, assuming that most Borough services remain at their current service levels with existing staff and operating budgets. Projections include cost escalations for expenditures to accurately represent the reality the Borough will face if no further budget modifications are made.

In summary, there are four major categories to focus on for the future:

- Revenue Generation
- Employee Compensation and Benefits
- Organizational changes and baseline reductions
- Outside agency allocations

LONG RANGE FINANCIAL PLANS - cont'd.

SECOND SCENARIO

REVENUES	2016 Budget	2017	2018	2019	2020
Real Estate Taxes	-\$5,538,890	-\$5,632,497	-\$5,727,686	-\$5,824,484	-\$5,922,918
ACT 511 Taxes	-\$2,632,000	-\$2,718,593	-\$2,808,035	-\$2,900,419	-\$2,995,843
Licenses & Permits	-\$466,850	-\$486,084	-\$506,111	-\$526,963	-\$548,674
Intergovernmental Rev.	-\$828,004	-\$835,290	-\$842,641	-\$850,056	-\$857,537
Charges for Services	-\$127,109	-\$125,837.91	-\$124,579.53	-\$123,333.74	-\$122,100.40
Fines & Forfeitures	-\$160,201	-\$161,803.01	-\$163,421	-\$165,055	-\$166,706
Interest & Refunds & Royalties	-\$57,210	-\$50,000	-\$50,000	-\$50,000	-\$50,000
Public Safety	-\$1,211,031	-\$1,235,251.62	-\$1,259,957	-\$1,285,156	-\$1,310,859
Other Financing Sources	-\$1,918,744	-\$1,937,931.44	-\$1,957,311	-\$1,976,884	-\$1,996,653
Interfund Transfers In	\$0	\$0	\$0	\$0	\$0
Appropriations from reserves	-\$1,580,000	\$0	\$0	\$0	\$0
TOTAL REVENUES	-\$14,520,039	-\$13,183,289	-\$13,439,741	-\$13,702,351	-\$13,971,289
EXPENSES	2016 Budget	2017 Proposed	2018 PROPOSED	2019 PROPOSED	2020 PROPOSED
Leg.	\$22,742	\$23,366	\$24,158.81	\$24,821	\$25,482.88
Exe.	\$354,506	\$368,541	\$382,659.30	\$396,720	\$410,780.32
Fin	\$427,959	\$444,285	\$459,983.44	\$475,932	\$491,881
Taxes	\$122,805	\$126,225	\$128,680	\$131,465	\$134,250
Legal	\$94,000	\$95,880	\$97,760	\$99,640	\$101,520
HR	\$217,603	\$225,649	\$233,344.71	\$241,166	\$248,988.28
IT	\$155,999	\$159,248	\$156,516	\$156,774	\$157,032
Eng.	\$35,000	\$35,700	\$36,400	\$37,100	\$37,800
Bldg	\$82,364	\$83,756	\$84,512.88	\$85,373	\$86,233.12
Police	\$5,902,138	\$6,224,802	\$6,450,714	\$6,676,021	\$6,899,328
L & I	\$689,383	\$814,123	\$838,966.89	\$863,448	\$887,928
HumSrv	\$6,580	\$6,711	\$6,583.40	\$6,585	\$6,586.40
PubWrks	\$1,097,543	\$1,139,466	\$1,182,521.94	\$1,224,816	\$1,267,109.88
Cont	\$9,000	\$9,135	\$9,405	\$9,563	\$9,720
Cont	\$1,525	\$1,548	\$1,593.63	\$1,620	\$1,647
EcoDev	\$73,000	\$74,095	\$76,285	\$77,563	\$78,840
misc.	\$53,000	\$53,795	\$55,385	\$56,313	\$57,240
Pension	\$1,449,004	\$1,506,964	\$1,564,924.32	\$1,622,884	\$1,680,844.64
Liab insurance	\$225,814	\$243,879	\$261,944.24	\$280,009	\$298,074.48
Health benefits	\$2,334,294	\$2,427,666	\$2,521,037.52	\$2,614,409	\$2,707,781.04
misc.	\$7,250	\$7,359	\$7,576.25	\$7,703	\$7,830
inter trsf	\$805,875	\$805,875	\$805,875	\$805,875	\$805,875
refunds	\$2,600	\$2,639	\$2,717	\$2,763	\$2,808
to reserv	\$0	\$0	\$0	\$0	\$0
	\$14,169,984	\$14,880,708	\$15,389,544	\$15,898,562	\$16,405,581
	\$0	(\$1,427,748)	(\$1,663,095)	(\$1,891,557)	(\$2,110,737)
		Add police officer ea year (goal of extra man on 4 shifts by 2020)			
D		4% payroll per year			
E		6% health care and pension per year			
F		2% contracted services per year			
F		8% Insurances: liability; vehicles; property per year			
F		2% Legal and Engineering per year			
G		1.25% Supplies & materials per year			
H		1.5% other operating costs per year			

GASB 43 & 45: OPEB (Other Post Employment Benefits) for Uniformed Employees

Contribution Record:

2013 - \$250,000.00

2014 - \$250,000.00

2015 - \$250,000.00

\$789,000.00

Account Balance with investment earnings year-to-date.

Current liability is \$26 Million

- increased liability approximately \$2 million per year
- audit finding if not addressed
- budget includes fourth annual \$250,000 payment
- funds held in secured account with Fidelity Bank
- Investments managed by Beirne Wealth

OPEB liability will continue to be funded by a \$250,000 annual payment in future years.

2016 BOROUGH OF POTTSTOWN - CAPITAL EXPENDITURES

	L & I	Police	Pub.Wrks	Boro Hall	Parks
	31,414.740	31,410.740	31,430.740	31,409.740	31,454.740
Parks - Ball Field Finisher	2,150.00				2,150.00
Parks - Gator	13,991.00				13,991.00
Parks - John Deere Mower Z970R	11,471.00				11,471.00
Parks - John Deere Mower Z970R Bagger	2,519.00				2,519.00
License & Inspection - 2016 Jeep Compass	25,000.00				
	25,000.00				
Painting of Borough Hall & other upgrades	84,000.00			84,000.00	
Boro Hall Phone Server	16,000.00			16,000.00	
Public Works - Share of Authority Vehicl	18,333.00		18,333.33		
	18,333.00		18,333.33		
Police barricades	2,600.00		2,600.00		
Police 4 cars (41,500)	166,000.00		166,000.00		
Police - camera system for transport van	5,500.00		5,500.00		
Police - detective area rehab	25,000.00			25,000.00	
Police Motorola Radios 5 yr purchase agrt	65,000.00			65,000.00	
Total Police 261,500					
Match for LED Street Lighting Grant	279,300.00		279,300.00		
Balance of building construction costs	945,000.00			945,000.00	
trsf to reserves if available	136,937.00				
Fund 31 total here					
	1,798,801.00	25,000.00	239,100.00	297,633.00	30,130.86
ACTUAL 2016 Budget	1,798,801.00	25,000.00	239,100.00	297,633.00	30,131.00
Fund 31 exp line					

Impact of Capital Investments on Budget

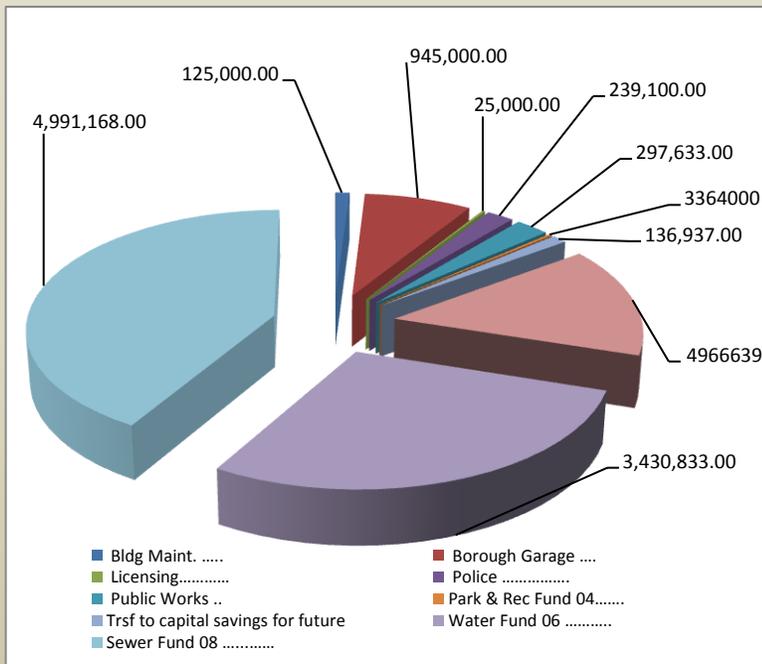
2016 Capital Improvement Plan

By Category:

General Fund 01:

Bldg Maint.	\$125,000.00
Borough Garage.	\$945,000.00
Licensing.....	\$25,000.00
Police	\$239,100.00
Public Works	\$297,633.00
Park & Rec Fund 04.....	\$30,131.00
Trsf to capital savings	<u>\$136,937.00</u>
TOTAL FUND 31	\$1,798,801.00

Water Fund 06 and 16.....	\$3,430,833.00
Sewer Fund 08 and 17.....	<u>\$4,991,168.00</u>
	\$10,220,802.00



Capital:

The Borough of Pottstown has included several significant projects in the 2016 capital budget that were pulled out of the proposed General Fund Operating Budget.

A project is considered significant if it has considerable impact on the operating budget and it will have a continuing life of more than five or ten years. Even though sometimes the projects do not re-occur and are one-time costs, there are portions of the Capital Budget for water and sewer mains that are replaced annually as the schedule of infrastructure improvements continues, as well as vehicle and equipment replacements to keep on the yearly rotation schedule.

A Capital Fund Policy was initiated by the Borough in 2015 which has enabled costs to be managed in the Capital and Savings Fund 31, separate from the operating General Fund budget. The 2016 Capital Budget highlights are:

- Licensing Dept. – adding a Jeep Compass for the Code Enforcement use for \$25,000.00.
- Public Works - A one-third cost of front end loader, shared with the Authority for \$18,333.00; and a possible grant match of \$279,300 for LED street lights if DCED grant is awarded to this project.
- Police Dept. – New road closure barricades and supplies and a

Impact on Capital cont'd.

transport van camera system at \$8,100; the first payment of \$65,000 on five-year interest free County radio loan; and four new police vehicles at \$166,000.

- Borough Hall – The Borough Hall building was built in 2000, and is in need of various interior upgrades for \$84,000; detective area rehab for \$25,000; and upgrade to Borough Hall phone server system for \$16,000.
- Water Distribution – replacement of selected water mains for 2016 for \$2,026,900; with smaller projects including pump station work, water holding tank maintenance and painting, and the start-up of automated water meter reading for \$535,000; plus one-third share of loader for \$18,333; and half of cost of back loader for \$40,000.
- Water Plant – Finishing upgrades to SCADA and Security and other smaller projects for \$770,600.
- Sewer Collection – replacement of selected sewer mains for \$2,936,900.00.
- Sewer Plant – Finishing upgrades to SCADA and Security for \$779,268; rehabilitation of screw pumps for \$485,000; and modifications to dryer processing for \$800,000;

DEBT - Borough of Pottstown Debt

as of 12/31/2015

1. VIST General Obligation Note, Series 2012	\$ 2,777,000
2. M&T Bank – Capital Lease – Various Equipment	\$ 137,463
3. Comerica – Capital Lease – Fire Truck	\$ 112,656
4. Santander – 2016 KME 79’ Ladder Fire Truck	<u>\$ 860,770</u>
Total Borough	\$3,939,226

The general obligation note balance reflects the drawdowns for the construction of a new public works facility, with a payoff by 2031.

The M&T capital lease that purchased vehicles, security systems, PCTV equipment, and building equipment will be paid off in July of 2019.

The Comerica capital lease on the KME Quint Fire Truck will be paid in September of 2017, and the Santander lease is for the new KME Fire Truck under construction and to be delivered in 2016.

Pottstown Borough Authority Debt

as of 12/31/2015

Sewer

1. Guaranteed Sewer Bonds-1991 Series	\$10,891,204**
2. Guaranteed Sewer Revenue Bonds-2006 Series	\$11,970,000
3. Guaranteed Sewer Revenue Bonds-2012 Series	<u>\$ 3,475,000</u>
Total Sewer	\$26,336,204

Debt Service- Sewer	2006 Interest	2006 Principal	2012 Interest	2012 Principal	Total Debt Service
2016	\$512,106	\$1,965,000	\$97,100	\$310,000	\$2,884,206
2017	\$421,256	\$1,835,000	\$90,900	\$315,000	\$2,662,156
2018	\$329,506	\$1,930,000	\$83,813	\$320,000	\$2,663,319
2019	\$252,306	\$2,000,000	\$75,813	\$330,000	\$2,658,119
2020	\$172,306	\$2,075,000	\$67,563	\$340,000	\$2,654,869
2021	\$89,306	\$2,165,000	\$58,213	\$350,000	\$2,662,519
2022			\$47,713	\$360,000	\$407,713
2023			\$33,913	\$370,000	\$403,913
2024			\$25,350	\$385,000	\$410,350
2025			\$12,838	\$395,000	\$407,838

** 1991 Series are Capital Appreciation Bonds with \$13,565,000 outstanding face value – No debt service because they are fully escrowed.

Water

- 1. Guaranteed Water Revenue Bonds-2007 Series \$ 2,938,767
- 2. Guaranteed Water Revenue Bonds-2009 AA Series \$ 5,070,000
- 3. Guaranteed Water Revenue Bonds-2012 Series \$ 5,210,000

Total Water \$13,218,767

	2007 Interest	2007 Principal	2009 A Interest	2009 A Principal	2009 AA Interest	2009 AA Principal	2012 Interest	2012 Principal	Total Debt Service
2016	\$132,170	\$188,705			\$184,325	\$1,205,000	\$117,860	\$70,000	\$1,898,060
2017	\$123,448	\$197,427			\$145,163	\$1,245,000	\$116,460	\$70,000	\$1,897,498
2018	\$114,322	\$206,553			\$101,588	\$1,285,000	\$115,060	\$75,000	\$1,897,523
2019	\$104,775	\$216,100			\$53,400	\$1,335,000	\$113,560	\$75,000	\$1,897,835
2020	\$94,786	\$226,089					\$112,060	\$1,470,000	\$1,902,935
2021	\$84,336	\$236,539					\$81,925	\$1,505,000	\$1,907,800
2022	\$73,403	\$247,472					\$48,063	\$1,535,000	\$1,903,938
2023	\$61,964	\$258,911					\$10,455	\$410,000	\$741,330
2024	\$49,997	\$270,878							\$320,875
2025	\$37,476	\$283,399							\$320,875
2026	\$24,377	\$296,498							\$320,875
2027	\$10,672	\$310,203							\$320,875

Bond Ratings

The Borough of Pottstown does not currently have bonds outstanding and therefore does not have a bond rating.

The Pottstown Borough Authority has issued guaranteed water and sewer bonds. The revenue bonds are secured by the authority’s net water and sewer revenues and additionally by a guarantee agreement between the Authority and the Borough. In the agreement, the Borough pledges its full faith and credit taxing power as additional security for the bonds.

In August 2014, Standard and Poor’s Rating Services raised its long term and underlying ratings on the Authority’s Guaranteed Water Revenue Bonds to AA from AA- and the Guaranteed Sewer Revenue Bonds to AA from A+. The upgrades are based on the Borough’s improved financial condition. They stated, “The stable outlook on all ratings reflects our opinion the Borough will sustain structural balance and very strong reserves”.

As can be seen by the preceding data and charts, the majority of the capital expenditures and debt are a part of the Enterprise Capital Funds: Sewer 17 and Water 16.

Over the years the Borough and the Authority have worked on a unified goal of eliminating debt by raising capital slowly through a portion of base rates for the utilities, as well as careful budgeting and spending through the General Fund. There is a Debt Service real estate tax millage specifically for General Fund debt payments in an effort to not affect the operating costs of the Borough through the General Fund.

Debt for the Borough:

1. In 2009 there was an M&T Bank borrowing with a remaining balance of \$137,463 and being paid off in July of 2019;
2. In 2008 there was a Coamerica lease purchase of a fire truck with a remaining balance of \$112,656 and being paid off in September of 2017;
3. In 2012 there was a VIST Bank borrowing for the new Public Works facility and some large equipment with a final construction drawdown total loan balance of \$2,777,000 and being paid off in December of 2031.
4. In 2015 there was an approval to start the construction of a KME 79' Ladder truck with a lease through Santander Bank with a balance of \$860,770 and being paid off in April of 2025.

Guaranteed Debt by the Borough for the Authority consists of:

Water:

2007 Borrowing paid off in 2027 – balance owed \$2,938,767
2009AA Borrowing paid off in 2019 – balance owed \$5,070,000
2012 Borrowing paid off in 2023 – balance owed \$5,210,000

Sewer:

1991 Borrowing – Capital Appreciation Bonds –balance owed \$10,891,204
2006 Borrowing paid off in 2021 – balance owed \$11,970,000
2012 Borrowing paid off in 2025 – balance owed \$3,475,000

Utility Revenue Bond Debt Coverage - 2016 Operating Plan Debt Ratios

The Pottstown Borough Authority has agreed through its bond indentures and debt covenants to maintain a minimum "times coverage" ratio of 1.10. The times ratio is calculated using the net revenue available for debt service from the respective enterprise funds and dividing by the debt service of the respective entity. The times coverage ratio is also reviewed by bond rating agency analysts when the Authority receives a rating for a potential bond issue.

The 2016 Proposed Operating Plan provides the revenue to debt ratios shown below. The Authority's Fiscal and Budgetary Policy requires that each fund maintain coverage of 15 to 20 percent of budget in their reserves. The excess coverage provided by each fund is used to pay for related utility system capital improvements and other uses approved by the Authority.

<u>REVENUE:</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
All Other Revenue	\$1,054,400	\$3,474,939	\$4,529,339
Interest	\$6,000	\$6,500	\$12,500
System Billings	\$5,200,000	\$5,600,000	\$10,800,000
<i>Total Revenues</i>	\$6,260,400	\$9,081,439	\$15,341,839
<u>EXPENSES:</u>			
Departments	\$4,332,825	\$5,034,357	\$9,367,182
<i>Total Expenses</i>	\$4,332,825	\$5,241,906	\$9,367,182
NET AVAILABLE FOR DEBT SERV	\$1,927,575	\$3,839,933	\$5,974,657
Annual Debt Requirement	\$1,903,272	\$2,884,206	\$4,787,478
Times Coverage Ratio	1.01 ⁽¹⁾	1.33	1.25

(1) The 1/1- times coverage requirement can be met from prior years surplus which is the case with the Water Fund in 2016.

Position Summary Schedule Borough of Pottstown 2016 Budget

Department	Ended FY 2014 For Comparison	Vacant Positions Starting 2015	Budget FY 2015	Vacant Positions Starting 2016	Total Positions Budget FY 2016	Variance FY 15 vs 16	Foot Note:
<u>Full-time</u>							
Executive	4		4		4	0	
HR	2		2		3	1	1.
Finance/Tax	7		7		7	0	
Police Uniformed	42	4	46		46	0	
Police Civilian	11	2	13		13	0	
Licensing/Inspections	9		9	2	10	1	2.
Public Works -Streets	9	1	9	1	11	2	3.
Public Works - Wtr Dist	5	1	5	1	6	1	3.
Public Works - WW Coll	3		3		3	0	
Water Plant	9		9		11	2	4.
Wastewater Plant	14		14	1	14	0	
Parks Dept.	5		5		5	0	
	120	8	126	5	133	7	
<u>Part-time</u>							
Parking Enforcement P/T	2		2		2	0	
Crossing Guards P/T	24		37		35	-2	
Public Works -Mtr Rdr P/T	1		1		1	0	
Parks Seasonal Maint.	1		1		1	0	
Parks Summer Staff P/T	18		20		18	-2	
Fire Chief and Marshal P/T	2		2		2	0	
	48	0	63	0	59	-4	

Foot Notes:

1. Addition of one full-time position in the Human Resources Department due to the increased employee reporting requirements due to healthcare reform, staffing and recruitment. HR supports the Borough's business strategy through human capital-related areas such as building, developing and maintaining the workforce.
2. In the 2015 budget year there were two full-time new inspector positions to accompany the new rental ordinance implementation. However, in early 2015 Borough Council's final version of the Rental Ordinance had changed slightly, and the one Property Maintenance Inspector was delayed until 2016 when the full impact of the new ordinance will apply.
3. The Public Works Department re-implemented the design of three divisions with three middle management positions under the Public Works Director. The Streets Supervisor was also responsible for Wastewater Collections prior to 2016. In 2016 each of those divisions has its own middle management staff member due to the volume of work around the aged infrastructure and associated work.
4. With the implementation of the new Asset Management software and the associated maintenance program to be implemented, it has been necessary to designate a middle management maintenance supervisor. In addition, scheduling on a second shift basis has proven the need for an additional water plant operator.

DEPARTMENT DESCRIPTIONS

Guide to the Borough of Pottstown Department Description Pages:

1. FUND – References the fiscal entity in which the department operates.
2. DEPARTMENT – Defines the physical and/or specific area in which the operation functions.
3. DEPARTMENT DESCRIPTION – A short overview and explanation of the services provided to the organization and/or citizens through the department staff.
4. GENERAL LEDGER SERIES – Guides the reader to the specific department expense category series using the universally accepted PA Chart of Accounts numbering system (i.e. 403 Taxes, 410 Police, etc.).
5. EXPENDITURES – Provides an at-a-glance summary of the main expense budget data categories for that particular department’s operation of services within the Borough.
6. INTERACTION WITH PUBLIC – Indicates the public meeting attendance exposures of certain staff within the department, but is not all inclusive of the entire department’s meeting attendances.
7. DEPARTMENT PERFORMANCE –Quantifies measures of work performed within the department.
8. DEPARTMENT STAFFING – Provides an overview of full time and part time positions planned for in the budget versus the actual fulfillment of those positions for current and past budget years.



Legislative
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Legislative
DEPARTMENT DESCRIPTION:



- The Borough Council, consisting of a seven member board, and a Mayor, all serve as the legislative and policy-making body of the Borough.
- There are seven wards, with one elected representative of each ward serving for a four-year term. The Mayor presides over the Police Department and serves a four-year term.
- The Borough Council sets guiding policy, passes all ordinances, approves major expenditures, and adopts the Borough of Pottstown annual budget, which includes the Capital Fund 31.

General Ledger 400 Series:

EXPENDITURES	2016 Budget	2015 Budget	2015 Actual	2014 Actual
Legislative Wages	\$10,700.00	\$10,700.00	\$10,165.04	\$10,993.38
FICA	\$819.00	\$819.00	\$777.59	\$840.96
Office Supplies	\$17.00	\$60.00	\$66.67	\$13.32
Mayor's Operating Expense	\$800.00	\$800.00	\$613.47	\$750.10
General Government Supplie	\$1,133.00	\$1,060.00	\$787.46	\$0.00
Advertising	\$4,775.00	\$3,820.00	\$3,441.94	\$3,668.90
Printing/Binding	\$32.00	\$90.00	\$117.43	\$56.67
Dues, Subscriptions & Memb	\$4,092.00	\$2,520.00	\$2,233.67	\$2,644.66
Meetings, Seminars, Confere	\$374.00	\$336.00	\$238.72	\$450.07
TOTAL LEGISLATIVE	\$22,742.00	\$20,205.00	\$18,441.99	\$19,418.06

NOTE: Because costs are spread across Fund 01, 06, 08, and 10, this represents only one quarter of the actual budget and expenses which is the part that affects Fund 01 only. Wages are all expensed in the Fund of origin, and shared costs are reimbursed through transfers to each other done quarterly.



Executive Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Executive
DEPARTMENT DESCRIPTION:

- The Executive Department, consisting of the Manager, the Assistant Manager, the Grants Administrator, and the Borough Secretary/Administrative Assistant, oversees all the employees and the operations of the Borough on a daily basis.
- The Executive staff establishes and sets operational policies, administrative provisions, and negotiates renewals of the two contractual bargaining agreements, and ensures that daily operations adhere to the mission statement and operational goals of the Borough.
- The Borough Manager also serves as the Authority Manager, overseeing both the Water and Wastewater Systems. The Executive staff members are responsible for implementing Borough Council initiatives and special projects.
- The Executive staff members engage in economic and community improvement strategies in coordination with local agencies including Pottstown Area Industrial Development (PAID) and the Pottstown Downtown Improvement District Authority (PDIDA). The Assistant Manager and Grants Administrator are responsible for managing Borough contracts related to the Pottstown Area Rapid Transit (PART) bus system, Pottstown Municipal Airport, and in overseeing grant funded programs. (see Grants Fund 45 for further detail)





Executive
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Executive – cont'd.



General Ledger 401 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Executive Wages	\$317,127.00	\$310,354.00	\$315,929.20	\$300,322.00
Overtime	\$5,000.00	\$6,800.00	\$9,599.25	\$6,797.73
Employee Wellness Prog.	\$2,000.00	\$1,000.00	\$1,150.00	\$2,000.00
FICA Tax	\$24,796.00	\$24,278.00	\$24,066.33	\$23,004.91
Office Supplies	\$1,300.00	\$920.00	\$804.80	\$1,329.03
Copier Usage Shared Costs	\$563.00	\$440.00	\$650.14	\$451.00
Vehicle Fuel-Gasoline	\$237.00	\$300.00	\$250.27	\$419.87
General Government Supplies	\$256.00	\$225.00	\$247.31	\$178.90
Vehicle Parts and Repairs	\$28.00	\$170.00	\$10.00	\$214.28
Small Tools & Minor Equip	\$53.00	\$96.00	\$57.40	\$76.65
Telephone	\$490.00	\$756.00	\$757.69	\$1,159.31
Postage	\$307.00	\$129.00	\$256.61	\$198.69
Advertising	\$63.00	\$75.00	\$16.21	\$0.00
Printing/Binding	\$23.00	\$55.00	\$41.88	\$0.00
Surety Bond - Manager	\$1,050.00	\$629.00	\$612.50	\$612.50
Machinery & Equipment	\$28.00	\$107.00	\$42.40	\$219.72
Dues, Subscriptions & Member	\$553.00	\$360.00	\$444.78	\$498.32
Meetings, Seminars & Conferen	\$384.00	\$360.00	\$499.89	\$883.97
Continuing Education -contract	\$38.00	\$180.00	\$21.75	\$198.00
Departmental Training	\$210.00	\$100.00	\$122.43	\$265.96
Capital	\$0.00	\$0.00	\$0.00	\$31,326.60
TOTAL EXECUTIVE	\$354,506.00	\$347,334.00	\$355,580.84	\$370,157.44

NOTE: Because costs are spread across Fund 01, 06, 08, and 10, this represents only one quarter of the actual budget and expenses which is the part that affects Fund 01 only. Wages are expensed in the Fund of origin, and shared costs are reimbursed through transfers to each other done quarterly.

Members of the Administration Department staff attend many committee meetings throughout the year, including the following public meetings:

1. Monthly Borough Council Committee of the Whole (work session)
2. Monthly Borough Council public meeting
3. Monthly Authority public meeting
4. Quarterly joint School Board and Borough Council meetings
5. Quarterly Police and Non-Uniformed Pension meetings

The Borough staff is responsible for the recorded official minutes at many of these meetings. The Right to Know Officer, as part of the Administration Staff, processed 460 requests in 2015 for various Borough records available to the public. This resulted in approximately 3,000 copies made throughout the year.



**Executive
Department**

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Executive – cont'd.

Department Performance:

Descriptions	2015	2014	2013
Ordinances Prepared	14	12	16
Resolutions Adopted	25	19	29
Proofs of Advertising	41	69	29
Right To Know Requests	460	302	215
Meeting Minutes Prepared	55	44	39
Processed Land Dev. Plans	3	2	10

Department Staffing:

AUTHORIZED POSITIONS	2016 Budget	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Borough Manager	1	1	1	1	1
Assistant Borough Manager	1	1	1	1	1
Borough Secretary	1	1	1	1	1
Grants Administrator	1	1	1	1	1
TOTALS	4	4	4	4	4



Finance Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General

DEPARTMENT: Finance

DEPARTMENT DESCRIPTION:

- The Finance Department consists of the Director, the Accounting Assistant, the Utilities Administrator, and four Accounts Clerk 1 positions.
- All real estate taxes, accounts payable, accounts receivable, cash receipting, developer escrows, utility billings, and budgeting is done through this department. The staff also provides assistance with the Federal and State reporting requirements for the Pottstown Area Rapid Transit bus operations.
- The Finance Director is the also the appointed Borough Treasurer and the Authority Bookkeeper. This position is responsible for creating the annual budgets in conjunction with the department heads and the manager, as well as maintaining those budgets throughout the year. Some other duties include administering the Borough's Non-Uniformed Pension plan and existing retirees; managing the developers escrows and agreements with the Borough and the Authority; and working with various auditors throughout the year.
- The Finance Director and Utilities Administrator act as the liaison for coordinating information between the Pottsgrove Townships (Sewer Plant participants) and the Authority Board Members (Authority governing entity) through monthly meetings and statistical reporting.
- The Accounting Assistant is responsible for the everyday operations of the department. Some of those duties include the daily payment downloads from various sources, payroll processing through a third-party agency, month-end procedures, annual DCED and Liquid Fuels reporting, overseeing real estate tax transactions, and customer assistance when needed.
- The Utilities Administrator is responsible for assisting in the creation and the maintaining of the Authority budgets, monitoring compliance with the bond indentures as well as the Pottsgrove's Operation and Maintenance Agreements. This position also directs the annual Landlord/Tenant water shut-off process, and assists in directing the course of the asset management program for maintenance of the utility plants.





Finance
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Finance – cont'd



General Ledger 402 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Finance Wages	\$359,661.00	\$354,684.00	\$322,574.93	\$345,066.32
Longevity	\$2,600.00	\$2,600.00	\$2,600.00	\$2,600.00
Overtime	\$500.00	\$300.00	\$776.54	\$80.10
Employee Wellness Prog	\$1,600.00	\$2,100.00	\$0.00	\$2,100.00
FICA Tax	\$27,874.00	\$27,470.00	\$23,980.06	\$25,991.96
Office Supplies	\$1,344.00	\$1,200.00	\$1,189.38	\$1,093.02
Copier Shared Usage Cos	\$308.00	\$300.00	\$270.87	\$276.64
General Government Supp	\$224.00	\$300.00	\$39.64	\$148.18
Accounting & Auditing Sv	\$21,168.00	\$22,326.00	\$22,325.09	\$23,213.75
Telephone	\$980.00	\$1,000.00	\$633.53	\$1,201.65
Postage	\$1,300.00	\$1,300.00	\$1,402.67	\$1,504.77
Printing/Binding	\$1,200.00	\$1,200.00	\$628.61	\$860.38
Surety Bond - Treasurer	\$448.00	\$400.00	\$356.50	\$356.50
Repairs to Machinery & E	\$896.00	\$600.00	\$647.82	\$391.70
Bank Charges	\$5,000.00	\$4,500.00	\$10,379.61	\$2,948.28
Dues, Subscriptions & Me	\$728.00	\$450.00	\$492.79	\$131.72
Meetings, Seminars & Co	\$1,680.00	\$1,000.00	\$733.03	\$615.36
Departmental Training Ex	\$448.00	\$400.00	\$173.40	\$0.00
TOTAL FINANCE	\$427,959.00	\$422,130.00	\$389,204.47	\$408,580.33

NOTE: Because costs are spread across 01, 06, 08, and 10, this represents only quarter of the actual budget and expenses which is the part that affects Fund 01 only. Wages are all expensed in the Fund of origin, and shared costs are reimbursed through transfers to each other done quarterly.

Some of the Finance Department management staff members are required to attend various of the following public meetings:

1. Monthly Borough Council Committee of Whole & Public meetings
2. Monthly Authority Pre-agenda & Public meetings
3. Monthly Authority joint Pottsgroves' meetings
4. Quarterly joint School Board and Borough Council meeting
5. Quarterly Police and Non-uniformed Pension meetings



Finance
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General

DEPARTMENT: Finance – cont'd

Department Performance:

Descriptions	2015	2014	2013
Biweekly Payrolls Processed	27	26	26
AR Invoices Mailed	7,690	7,360	6,713
AP Invoices Processed	8,540	8,672	9,071
AP Checks Printed	3,222	3,392	3,681
Utility Bills Mailed	44,310	46,482	48,567
Utility Payments - by Cashiers	40,528	40,493	38,509
Delinquent Notices	10,140	n/a	n/a
Shut-Off Notices	5,045	n/a	n/a
Landlord/Tenant Shut-off Processed	117	131	129
Tax Bills Mailed	8,704	8,701	8,700
Tax Payments - by Cashiers	16,383	17,035	16,875
On-line Payments -Utilities & Taxes	28,559	25,079	23103**
Bank Statements Reconciled	96	96	96

** Taxes were not taken On-line prior to 2015
N/A – information not available for these years

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Finance Director	1	1	1	1	1
Accounting Assistant	1	1	1	1	1
Utilities Administrator	1	1	1	1	1
Accounts Clerk I	4	4	4	4	4
TOTALS	7	7	7	7	7



Human Resources Department

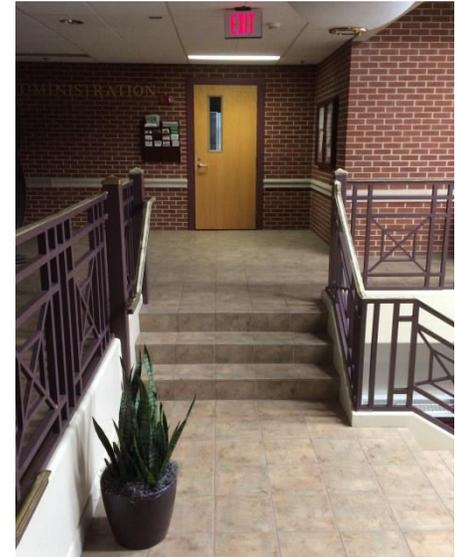
Borough of Pottstown

GENERAL GOVERNMENT

FUND: General

DEPARTMENT: Human Resources

DEPARTMENT DESCRIPTION:



- The Human Resources Department consists of the Director and two Human Resource Representatives.
- The Human Resources Department is responsible for the recruitment of new employees, benefits administration management, wage administration and job classifications, training and development, personnel records management, employee relations, and human resources information systems.
- This department also serves as liaison for the Pottstown Civil Service Commission, and for collective bargaining and contract management for both the AFSCME Local 2784 Union and the Pottstown Police Officers Association on behalf of the Borough.
- Human Resources Finance and work closely together on payroll issues and keeping in compliance with all the Fair Labor Standards and employment regulations.
- The Borough's Certified Workplace Safety Committee and the workers' compensation claims management programs are supported by the Human Resources staff members. By having a certified safety committee, the Borough has been able to reduce claims filed in 2015 by nearly 50 percent.



Human Resources Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General
DEPARTMENT: Human Resources – cont'd
General Ledger 406 Series:



EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Human Resources Wages	\$171,538.00	\$128,704.00	\$138,682.82	\$124,094.44
Longevity	\$1,300.00	\$1,300.00	\$1,300.00	\$1,300.00
Overtime	\$2,000.00	\$2,000.00	\$2,264.88	\$1,361.23
Employee Wellness Prog	\$650.00	\$0.00	\$0.00	\$0.00
FICA Tax	\$13,425.00	\$10,148.00	\$10,624.98	\$9,576.03
Office Supplies	\$2,240.00	\$270.00	\$26.25	\$0.00
Copier Shared Usage Cos	\$336.00	\$267.00	\$331.89	\$276.55
General Government Supp	\$2,100.00	\$1,800.00	\$1,663.72	\$1,775.77
Small Tools & Minor Equi	\$140.00	\$270.00	\$15.00	\$0.00
Professional Services -	\$8,600.00	\$2,400.00	\$0.00	\$100.00
Telephone	\$504.00	\$390.00	\$313.80	\$481.66
Postage	\$224.00	\$165.00	\$174.20	\$154.38
Advertising -all HR/employ	\$4,200.00	\$3,000.00	\$1,778.72	\$5,035.20
Printing/Binding	\$84.00	\$75.00	\$0.00	\$0.00
Repairs - Machinery and E	\$336.00	\$240.00	\$0.00	\$0.00
Dues, Subscriptions & Me	\$700.00	\$300.00	\$127.09	\$108.34
Meetings, Seminars & Co	\$560.00	\$360.00	\$78.80	\$287.75
Continuing Education - Co	\$546.00	\$125.00	\$100.00	\$0.00
Departmental Training Exp	\$1,120.00	\$0.00	\$122.34	\$0.00
Human Resources Initiati	\$5,600.00	\$6,000.00	\$2,709.05	\$4,202.55
Employee Assistance Pro	\$840.00	\$900.00	\$631.17	\$906.82
Safety Training Expenses	\$560.00	\$100.00	\$515.34	\$0.00
TOTAL HUMAN RESOURCES	\$217,603.00	\$158,814.00	\$161,460.05	\$149,660.72

NOTE: Because costs are spread across Fund 01, 06, 08, and 10, this represents only one quarter of the actual budget and expenses which is the part that affects Fund 01 only. Wages are all expensed in the Fund of Origin, and shared costs are reimbursed through transfers to each other done quarterly.

Some Human Resource Department staff members participate in the following public Borough meetings:

1. Quarterly Police Pension meeting

Department Performance:

Descriptions	2015	2014	2013
Applications Processed	465	798	776
Applicants Interviewed	35	75	72
New Hires Processed	16	42	24
Employee Terminations	9	9	12
Workers Compensation Claims	26	49	31

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Human Resources Director	1	1	1	1	1
HR Representative	2	1	1	1	1
Seasonal HR Representative	0	0	0	0	0
TOTALS	3	2	2	2	2



Police Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General 01

DIVISION: Police

DEPARTMENT DESCRIPTION:

- The Police Department consists of the Police Chief and 46 uniformed staff members. They consist of a Captain, six Sergeants, seven Corporals, twenty-one P-4 Officers, seven P-3 Officers, and three P-1 Officers. The Police Chief also has a civilian non-uniformed staff under the leadership of the Department Administration Manager, comprised of five clerks, eight processors, twenty-nine part-time crossing guards, and two part-time parking enforcement staff.
- The Police Department reports to the elected Mayor works closely with the entire Police Department as a community liaison and a municipal leader.
- The Patrol activity provides twenty-four hour, seven-day a week response to a multitude of calls for service each year, including crimes, traffic accidents, medical emergencies and neighborhood problems. The investigative activity provides follow-up investigation to all reported crimes and proactively investigates narcotics, vice, liquor and tobacco violations. Participation in the special C-MERT Team provides support for high-risk operations with highly trained and specially equipped tactical, hostage negotiation and bomb squad units. Three K-9 teams are also part of the patrol and response resources. Residents of the Borough will also observe the Officers on foot patrol in the downtown areas, and at times officers on bicycle patrol.
- There are a lot of cultural events and recreational weekend programs within the Borough, especially during the spring, summer and fall. The Police Officers play a large role in keeping order and safety for the participants who come out to the downtown and park areas of the Borough to enjoy these community and recreational activities.





Borough of Pottstown
GENERAL GOVERNMENT
 Police Department

FUND: General 01
DEPARTMENT: Police – cont’d



General Ledger 410 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Police Uniform Wages (1%	\$3,599,466.00	\$3,461,289.00	\$3,535,270.18	\$3,385,454.81
Police Civilian less mtr rea	\$656,012.00	\$646,414.00	\$491,111.51	\$437,978.86
School Crossing Guards - P	\$154,559.00	\$160,284.00	\$150,895.30	\$128,630.79
Police OT -Read-off	\$24,285.00	\$20,000.00	\$24,626.06	\$20,309.74
Police - Education Stipend	\$36,750.00	\$31,500.00	\$34,200.00	\$27,539.69
Police OT - Reg.,Mand Trng	\$190,000.00	\$180,000.00	\$291,888.13	\$275,592.51
Police Longevity/Residence	\$112,342.00	\$112,530.00	\$127,460.90	\$116,513.57
Civilian Longevity	\$3,550.00	\$3,900.00	\$3,900.00	\$3,900.00
OT - Civilian Regular	\$30,000.00	\$30,000.00	\$33,079.56	\$58,669.35
Police OT -D.J. & County Co	\$147,181.00	\$124,700.00	\$149,754.28	\$121,301.71
Employee Wellness Prog.	\$10,000.00	\$1,400.00	\$11,070.00	\$3,880.00
Police - Unused Vacation P	\$85,000.00	\$85,000.00	\$106,381.65	\$75,559.90
Police - Shift Differential	\$32,000.00	\$32,000.00	\$33,132.75	\$31,492.72
Civilian - Shift Differential	\$4,450.00	\$5,410.00	\$4,774.52	\$3,758.32
OT --All Reimbursed Wage	\$137,981.00	\$97,000.00	\$118,092.96	\$101,018.81
FICA tax Police@.0145 No	\$128,974.00	\$125,068.00	\$121,824.51	\$113,262.80
Office Supplies	\$17,500.00	\$17,500.00	\$25,956.03	\$30,340.39
Copier Usage Shared Cost	\$6,000.00	\$3,600.00	\$6,198.93	\$4,503.13
Laboratory Supplies	\$7,000.00	\$5,000.00	\$12,754.88	\$9,740.26
Photography Film/Processi	\$500.00	\$500.00	\$1,156.72	\$0.00
Animal Control	\$15,000.00	\$11,800.00	\$10,560.12	\$14,253.52
Food for Human Consump	\$1,500.00	\$3,000.00	\$1,286.66	\$979.87
Vehicle Fuel-Gasoline	\$80,000.00	\$90,000.00	\$71,921.22	\$82,665.66
Rifle Range Supplies - Amr	\$25,000.00	\$25,000.00	\$20,249.27	\$17,832.05
Civilian - Clothing/Uniforms	\$2,500.00	\$2,500.00	\$1,917.00	\$1,027.50
Police - Clothing/Uniforms	\$35,000.00	\$46,500.00	\$39,710.72	\$46,074.56
General Government Suppl	\$15,000.00	\$15,000.00	\$8,733.92	\$13,357.13
Closed Circuit Supplies	\$500.00	\$500.00	\$335.84	\$1,698.42
Vehicle Parts & Repairs	\$40,000.00	\$56,000.00	\$49,849.81	\$47,656.52
Vehicle Radio Maintenance	\$3,000.00	\$3,000.00	\$369.44	\$0.00
Vehicle/Vascar Maint	\$3,300.00	\$3,300.00	\$2,046.75	\$2,279.70
Vehicle Washes	\$4,000.00	\$4,000.00	\$1,703.00	\$1,710.00
Bike Repair/Maintenance	\$2,000.00	\$2,000.00	\$1,169.46	\$0.00
Small Tools & Minor Equip	\$15,000.00	\$15,000.00	\$10,637.20	\$11,447.47
Police Special Maint. Contr	\$53,091.00	\$42,030.00	\$38,268.25	\$41,567.39
Professional Services	\$15,000.00	\$15,000.00	\$9,223.65	\$10,875.33
Civil Service	\$16,000.00	\$16,000.00	\$37,714.02	\$13,738.32
CMERT Costs	\$6,000.00	\$6,000.00	\$3,000.00	\$4,750.00
Telephone, cells, pagers	\$35,000.00	\$36,560.00	\$34,228.31	\$31,878.87
Comcast Internet	\$2,760.00	\$2,000.00	\$2,641.20	\$725.72
Postage	\$7,000.00	\$7,000.00	\$6,183.09	\$5,962.15
Portable Radio Repairs	\$4,000.00	\$4,000.00	\$8,780.80	\$3,593.98
Automobile Allowance	\$250.00	\$250.00	\$77.00	\$107.54
Advertising	\$2,000.00	\$2,000.00	\$672.57	\$864.54
Printing & forms	\$8,000.00	\$8,000.00	\$10,222.82	\$7,031.01
Electric-Substation & Rifle P	\$3,200.00	\$3,200.00	\$3,170.58	\$4,357.04
Repairs -Mach & Equipmen	\$26,000.00	\$26,000.00	\$18,094.05	\$23,885.53
Dues, Subscriptions & Mem	\$10,000.00	\$10,000.00	\$9,068.10	\$8,597.14
Meetings, Seminars & Con	\$900.00	\$900.00	\$350.25	\$636.31
Continuing Education - Cor	\$4,600.00	\$4,600.00	\$5,185.00	\$4,500.00
Police Training - Tuition,Me	\$16,000.00	\$13,000.00	\$19,392.07	\$7,155.00
Civilian+ Training - Tuition,M	\$300.00	\$300.00	\$0.00	\$0.00
K-9 Costs - Handling, Vet,	\$14,000.00	\$14,000.00	\$11,133.46	\$8,476.29
OT Grand Funds -payout to	\$37,000.00	\$69,475.00	\$34,990.98	\$52,002.88
Capital Purchases - Major	\$0.00	\$23,500.00	\$91,094.79	\$321,986.20
Capital Purchase - Minor	\$15,687.00	\$1,800.00	\$2,614.08	\$12,233.07
TOTAL POLICE	\$5,902,138.00	\$5,726,310.00	\$5,850,124.35	\$5,755,354.07



Police
Department

GENERAL GOVERNMENT

Borough of Pottstown

FUND: General

DEPARTMENT: Police – cont'd

Some of the Police Department management staff are required to attend various of the following public meetings:

1. Monthly Borough Council Committee of Whole meeting
2. Monthly Borough Council public meeting
3. Quarterly Police Pension meeting

Department Performance:

Descriptions	2015	2014	2013
Calls for Service	24,118	22,431	21,855
Parking Related Issues	1,480	1,554	1,214
Parking Tickets Issued	4,522	4,943	4,033
Traffic Citations Issued	3,438	1,939	1,208
Misdemeanor & Felony Arrests	1,501	1,356	1,295
Summary Violation Arrests	1,186	1,021	909
Domestic Related Incidents	1,228	1,233	1,283
Response to Alarm Calls	903	876	732
Traffic Accidents	827	795	411
Abandoned Vehicles	271	292	221
Warrants Served	269	247	167

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Police Chief & Captain	2	2	2	2	2
Uniformed Officers	44	44	40	44	40
Non-uniformed Civilians	13	13	11	13	11
PT Parking Enforcement	2	2	2	2	1
Crossing Guards	30	30	29	28	27
TOTALS	91	91	84	89	81



Licensing and Inspection Department

Borough of Pottstown

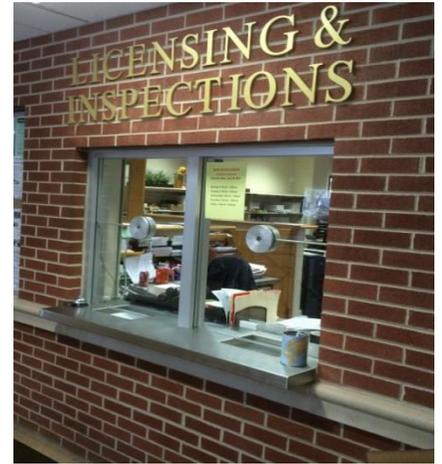
GENERAL GOVERNMENT

FUND: General 01

DEPARTMENT: Licensing and Inspection

DEPARTMENT DESCRIPTION:

- The Licensing and Inspection Department enforces the codes/ordinances of the Borough of Pottstown, the zoning regulations, and is responsible for recommending amendments to the existing Code of Ordinances. The staff consists of the Director, a Zoning Officer and five licensed code inspection enforcement officer, as well as three Administrative Assistant II positions.
- Approximately 46 percent of the residential properties within the Borough are rental properties with varying numbers of units. The Licensing staff is in the beginning stages of a 30-month program that will result in all the rental properties being registered, inspected, and issued rental licenses. When this program is complete, there will be a database of the rental properties and owner information. The properties will also then be on a permanent two-year inspection cycle which will help to enhance efficiencies within the Licensing and Inspection Department.
- Because of the demographics for a signification portion of property owners, there are many properties that are not maintained or cared for in accordance with the Borough Code. These situations occur mostly during summer months with lawn care and winter months with ice and snow removal. During 2015 a third-party contractor was used for maintenance under the Clean and Lien program. The deficient properties are identified by Borough staff, after which the owners are provided notice and a chance to comply. When there is no response, the contractor is directed to perform the work and the Finance Department invoices the property owner. If the invoice is not paid within 60 days, the property is officially liened at the County level for the maintenance costs plus filing fees.
- The Clean and Lien program revenue and expenses are accounted for in the Trash Fund 10. Below are the budget and expenditure tables for the Licensing and Inspection Department operations in Fund 01, as well as the Clean and Lien operations in the Trash Fund 10.





Licensing and
Inspection
Department

Borough of Pottstown
GENERAL GOVERNMENT

FUND: General 01

DEPARTMENT: Licensing and Inspection – cont'd

General Ledger 414 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Licensing & Inspections Wages	\$527,054.00	\$544,515.00	\$492,313.06	\$321,858.23
Longevity	\$1,300.00	\$1,300.00	\$1,300.00	\$1,300.00
Overtime	\$2,500.00	\$3,000.00	\$1,788.10	\$3,492.42
Employee Wellness Prog.	\$900.00	\$900.00	\$1,750.00	\$500.00
FICA Tax	\$40,679.00	\$42,053.00	\$37,003.46	\$24,549.06
Office Supplies	\$8,000.00	\$8,100.00	\$6,119.53	\$6,002.18
Copier Shared Use Costs	\$1,700.00	\$1,500.00	\$1,654.81	\$1,365.11
Vehicle Fuel-Gasoline	\$4,000.00	\$8,000.00	\$2,594.66	\$2,736.39
Uniforms	\$1,000.00	\$1,700.00	\$1,612.25	\$0.00
General Governmental Supplies	\$10,000.00	\$13,750.00	\$11,655.21	\$9,869.49
Vehicle Parts and Repairs	\$5,000.00	\$5,000.00	\$2,146.45	\$4,952.28
PA UCC Fee - Qrtly GLCGS 13 s	\$3,500.00	\$3,500.00	\$3,696.00	\$3,088.00
Lic./Inspect Prof. Services	\$5,000.00	\$19,800.00	\$0.00	\$18,500.00
Harb Costs	\$300.00	\$300.00	\$115.64	\$21.38
Planning Commission MCPC Fe	\$12,000.00	\$13,000.00	\$13,167.00	\$12,957.00
Codification of Code -General C	\$20,000.00	\$4,000.00	\$0.00	\$3,554.90
Zoning Hearing costs	\$10,000.00	\$14,000.00	\$22,352.24	\$16,974.79
Phones, Pagers, GPS, Wifi	\$7,500.00	\$9,700.00	\$8,555.40	\$6,442.51
Postage	\$6,500.00	\$8,550.00	\$5,697.93	\$5,086.48
Portable Radio Equip. Maint.	\$450.00	\$450.00	\$0.00	\$0.00
Advertising	\$2,200.00	\$2,200.00	\$2,130.95	\$1,171.54
Printing/Binding	\$700.00	\$750.00	\$599.47	\$168.24
Propt. Maint. Abandoned Parce	\$0.00	\$0.00	\$0.00	\$0.00
Repairs & Maint to Machinery/Eq	\$1,000.00	\$900.00	\$500.00	\$500.00
Equipment Rental Expense	\$5,000.00	\$10,000.00	\$0.00	\$40,123.00
Dues, Subscriptions & Members	\$2,600.00	\$2,300.00	\$3,123.86	\$1,886.25
Meetings, Seminars and Confer	\$2,500.00	\$4,500.00	\$2,930.99	\$1,409.33
Continuing Ed -Contractual	\$5,000.00	\$5,000.00	\$1,040.00	\$650.00
Departmental Training Expense	\$1,000.00	\$0.00	\$122.34	\$0.00
Capital Purchases -Major	\$0.00	\$0.00	\$0.00	\$0.00
Capital Purchases - minor	\$2,000.00	\$0.00	\$0.00	\$0.00
TOTAL CODES	\$689,383.00	\$728,768.00	\$623,969.35	\$489,158.58

FUND: Trash 10

General Ledger 414 Series

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Clean & Lien - PropMaintIn	\$102,346.00	\$46,019.00	\$46,581.06	\$158,507.89
Overtime	\$1,200.00	\$3,000.00	\$802.26	\$6,004.03
Employee Wellness Prog - S	\$500.00	\$0.00	\$500.00	\$500.00
FICA	\$7,960.00	\$3,765.00	\$3,527.00	\$15,599.44
Office Supplies	\$500.00	\$800.00	\$747.47	\$0.00
Copier shared costs	\$100.00	\$100.00	\$0.00	\$0.00
Fuel - gasoline	\$700.00	\$25.00	\$0.00	\$6,437.35
Clothing and Uniforms	\$150.00	\$100.00	\$48.00	\$762.75
Operating Supplies	\$879.00	\$2,250.00	\$1,763.63	\$3,563.24
Vehicle parts and repairs	\$500.00	\$500.00	\$121.99	\$782.96
3rd party C & L	\$78,000.00	\$78,000.00	\$74,788.68	\$0.00
Phone, Pages, GPS, Wifi	\$250.00	\$0.00	\$0.00	\$0.00
Postage	\$250.00	\$250.00	\$75.88	\$0.00
Portable Radio	\$50.00	\$50.00	\$0.00	\$0.00
Advertising	\$250.00	\$250.00	\$588.22	\$0.00
Property Maint. - Abandone	\$1,000.00	\$1,300.00	\$713.24	\$5,537.37
Repairs -Machinery & Equip	\$200.00	\$0.00	\$0.00	\$0.00
Dues, Subscripts, Members	\$0.00	\$20.00	\$0.00	\$0.00
Meetings & Conference	\$200.00	\$1.00	\$0.00	\$0.00
Continuing Education - Cont	\$500.00	\$1.00	\$0.00	\$650.00
Department Training Expens	\$100.00	\$0.00	\$0.00	\$0.00
TOTAL CLEAN & LIEN C	\$195,635.00	\$136,431.00	\$130,257.43	\$198,345.03

FUND: General 01

DEPARTMENT: Licensing and Inspection – cont'd



Licensing and
Inspection
Department

Some of the Licensing and Inspection Department management staff are required to attend various of the following public meetings:

1. Monthly Borough Council Committee of Whole meeting
2. Monthly Borough Council public meeting
3. Monthly Zoning Hearing Board meeting
4. Monthly Ad-hoc Zoning
5. Monthly HARB
6. Monthly Planning Commission meeting

Department Performance:

Descriptions	2015	2014	2013
Bulk Violations	598	536	495
Properties Secured	32	66	69
Trash Violations	125	65	68
Litter Violations	89	73	134
Interior Furniture on Porches	11	35	11
Lawn Maintenance Violations	1,028	661	611
Ice and Snow Violations	701	513	587

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Lic. & Inspect. Director	1	1	1	1	1
Zoning Officer	1	1	1	1	1
Codes Enforcement Officers	5	5	4	4	3
Property Maint. Inspector	2	1	1	2	2
Clean & Lien Maint. Wrks	0	0	0	2	2
TOTALS	9	8	7	10	9



Public Works Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General 01
DIVISION: Public Works
DEPARTMENT DESCRIPTION:

- The Public Works Department, one of two departments within the Borough that has multiple divisions, is headed by the Public Works Director and three division supervisors. The Director is assisted in the daily office operations by an engineering inspector and two Administrative Assistant positions. This department is also responsible for the Borough-wide trash collection (see Fund 10 for further information).
- Water Distribution is led by a supervisor with five service workers and a part-time water meter reader. They are responsible for the water mains and the flow of the treated water from the Water Treatment Plant, through some pumping stations and holding tanks/towers, and finally to the customers. Flushing hydrants and operating valves are reflective of some of the routine tasks, as well as obtaining water meter reads for billing customers.
- The Waste Water Collection is led by a supervisor with two service workers. This division is responsible for the sewer mains and the flow of the waste water from properties and facilities, through some pumping stations, and finally into the head works at the Sewer Plant. Although a part of Public Works, these expenses are reflected in Fund 18, Sewer Lines, as shown in the below chart separate from the General Fund.
- The Streets Division is led by a supervisor with four street workers, a facility technician, and a mechanic. They are responsible for the streets and alleys, traffic signals, street lights, storm water inlets and arches, line painting, and the maintenance of all vehicles and equipment throughout the Borough.
- On a monthly basis the Water Distribution Division works closely with the Finance Department providing meter reads using a hand-held device that downloads data into the Finance software package. A group of pilot test meters is in place currently as part of a project that will upgrade the existing water meters to be read and operated remotely. Members of this division also do the monthly water shut-offs and turn-ons for delinquent customers.





Public Works
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General 01
DEPARTMENT: Public Works – cont'd



General Ledger 430 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Public Works Wages	\$888,713.00	\$807,093.00	\$781,316.32	\$670,954.98
Longevity	\$3,900.00	\$3,900.00	\$3,900.00	\$3,900.00
Overtime	\$55,000.00	\$55,000.00	\$61,782.73	\$52,014.53
Employee Wellness Prog.	\$1,800.00	\$1,800.00	\$2,703.90	\$3,450.00
FICA Tax	\$72,630.00	\$66,386.00	\$62,588.10	\$53,878.56
Office Supplies	\$1,500.00	\$1,500.00	\$695.22	-\$96.00
Copier Usage Shared Costs	\$400.00	\$400.00	\$341.14	\$323.52
Heating Fuel - Garage	\$8,000.00	\$8,000.00	\$4,127.00	\$9,398.75
Vehicle Fuel- Gasoline	\$17,000.00	\$17,000.00	\$14,625.92	\$23,695.75
Supplies & Materials	\$0.00	\$700.00	\$0.00	\$269.28
Clothing and Uniforms	\$1,500.00	\$1,500.00	\$2,120.34	\$1,329.19
General Government Supplies	\$8,000.00	\$3,500.00	\$2,200.33	\$3,239.83
Vehicle Parts & Repairs	\$18,000.00	\$18,200.00	\$22,204.51	\$28,992.43
Telephone	\$6,000.00	\$8,650.00	\$6,780.19	\$2,626.17
Comcast Internet Connection	\$1,200.00	\$1,600.00	\$993.13	\$734.15
Postage	\$500.00	\$250.00	\$59.95	\$76.41
Portable Radio Equip Maintenan	\$1,500.00	\$400.00	\$0.00	\$75.70
Advertising	\$900.00	\$900.00	\$846.64	\$1,253.66
Printing/Binding	\$250.00	\$25.00	\$11.25	\$0.00
Surety Bond - Highway Restorati	\$200.00	\$10.00	\$0.00	\$0.00
Electric - PW Garage	\$1,000.00	\$3,200.00	\$808.80	\$3,298.33
Property Maintenance - Garage	\$2,500.00	\$1,900.00	\$1,405.07	\$10,234.40
Buildings - Garage repairs	\$5,000.00	\$1,000.00	\$1,123.71	\$5,048.10
Repairs -Mach/ Equip	\$1,000.00	\$1,000.00	\$948.49	\$417.32
Dues, Subscriptions & Member	\$250.00	\$250.00	\$110.09	\$150.00
Meetings, Seminars, Conference	\$500.00	\$500.00	\$60.03	\$0.00
Continuing Education - Contract	\$100.00	\$100.00	\$0.00	\$0.00
Departmental Training	\$200.00	\$0.00	\$122.34	\$0.00
Capital Purchase -Major	\$0.00	\$0.00	\$0.00	\$0.00
Capital Purchase -Minor	\$0.00	\$0.00	\$0.00	\$249,109.71
TOTAL PUBLIC WORKS	\$1,097,543.00	\$1,004,764.00	\$971,875.20	\$1,124,374.77

FUND: Sewer Lines 18

General Ledger 430 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Office Supplies	\$400.00	\$400.00	\$265.98	\$0.00
Copier Usage Shared Costs	\$0.00	\$0.00	\$0.00	\$0.00
General Misc Operating Exp	\$400.00	\$400.00	\$320.51	\$229.17
Postage	\$150.00	\$25.00	\$0.00	\$0.00
Radio Maintenance	\$500.00	\$50.00	\$0.00	\$0.00
Advertising	\$800.00	\$800.00	\$718.96	\$0.00
Printing/Binding	\$100.00	\$0.00	\$0.00	\$0.00
Buildings - Garage repairs	\$550.00	\$550.00	\$457.52	\$96.60
Repairs -Machinery/Equipm	\$100.00	\$100.00	\$0.00	\$0.00
Dues, Subscriptions & Mem	\$150.00	\$150.00	\$0.00	\$0.00
Meetings, Seminars, Confere	\$300.00	\$300.00	\$0.00	\$0.00
Departmental Training Exp	\$150.00	\$0.00	\$122.34	\$0.00
Subsidy to Fund 01 wages	\$38,783.00	\$40,799.00	\$40,799.00	\$48,327.00
TOTAL PUBLIC WORKS	\$42,383.00	\$43,574.00	\$42,684.31	\$48,652.77



Public Works
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: General 01
DEPARTMENT: Public Works – cont'd

Some of the Public Works Department management staff are required to attend various of the following public meetings:

1. Monthly Borough Council Committee of Whole meeting
2. Monthly Borough Council public meeting

Department Performance:

Descriptions	2015	2014	2013
Water Main feet replaced	10,000	705	780
Sewer Main feet replaced	3,818	none done	none done
Sewer Mains Cleaned	79,252	21,281	25,587
Street Sweeper - miles swept	75	77	not done
Street Sweeper - tons of grit	239	212	n/a
Miles of Roads Paved	2	2	none done
Recycled Residential trash tons	2,010	2,106	2,249
Recycled Commercial trash tons	2,006	2,021	1,994
Tons of Trash Collected	8,830	8,363	7,409
Yard Material Tons Collected	541	none done	none done
There are approximately 71 miles of roadways			
approximately 24 miles of alleyways			
1,650 storm water inlets			
41 Traffic signalized intersections			
1,800 street lights			

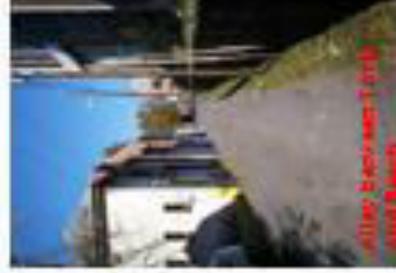
Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Public Works Director	1	1	1	1	1
Streets Supervisor	1	1	1	0	0
Strt Service Workers, Mech., & Tech	6	6	5	6	4
Water Distribution Supervisor	1	1	1	1	1
Water Dist. Service Workers	5	4	4	4	4
Water Dist. Meter Reader Part-time	1	1	1	1	1
Waste Water Collection Supervisor	1	1	1	0	0
Waste Water Coll. Workers	2	2	2	2	2
Engineering Inspector	1	1	1	1	1
Administration Clerks	2	2	2	2	2
TOTALS	21	20	19	18	16

Public Works - Roads



- Approximately 71 miles roadways
- Approximately 24 miles of alleyways
- 1,650 storm water inlets
- 41 Traffic signalized intersections
- Painting of traffic lines & crosswalks
- Installation & maintenance of thousands of signs
- 3 miles of paved roads





Parks and
Recreation
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: PARKS 04

DEPARTMENT: Parks and Recreation

DEPARTMENT DESCRIPTION:

- The Pottstown Parks and Recreation Department (PPRD) is a part of the municipal government of the Borough of Pottstown and is managed by the Parks and Recreation Director and a Programs Coordinator. There are three full-time year-round maintenance workers and one seasonal worker, as well as the Mini Golf seasonal staff.
- The Borough park system comprises 18 locations throughout the Borough.. Within these locations are multiple active and passive recreation facilities, including 13 playgrounds, a skate park, a BMX track, 5 public ballfields, a dog park and many other amenities. Three locations are currently leased to independent organizations and are primarily maintained by the lessee. Duties include field and lawn maintenance, playground inspection and repair, and park amenity repair and installation.
- Special event programs run solely by the PPRD and run by other local organizations with the support of the PPRD take place throughout the year and include sporting events, free community concerts, festivals, community outreach events, and bus trips. PPRD also runs multiple community, youth, and adult programs. These include recreation courses run by contracted leadership and public community events.
- Seasonal programs are hosted year-round in both the parks and school buildings through a partnership with the Pottstown School District (PSD). Recreation and education programs are run by contracted leadership with the exception of the Summer Youth Program, which is run by 15-20 seasonal, part-time employees hired by the Borough.
- Primary revenue streams for the PPRD consist of program tuition, mini golf fees, and facility rentals for select parks, primarily the Memorial Park Baseball fields and picnic pavilion. Additional revenue is derived from participation with the Pennsylvania Parks and Recreation Society (PRPS) ticket consignment program. An average commission of 3.5% of the sale price is repaid to PPRD at the close of each season.



General Ledger 452 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Wages -Park/Rec Admin	\$119,949.00	\$110,085.00	\$118,866.42	\$101,050.55
Wages -Summer Play ground & Seaso	\$39,000.00	\$38,669.00	\$34,038.63	\$37,719.03
Wages -Summer Food -Admn&2Drv	\$6,989.00	\$8,007.00	\$10,944.50	\$4,531.94
Overtime	\$2,200.00	\$2,100.00	\$2,658.00	\$2,702.28
Employee Wellness Prog. -Sick Days	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00
FICA	\$12,939.00	\$12,069.00	\$12,564.99	\$10,443.10
Office Supplies	\$1,500.00	\$1,500.00	\$1,487.51	\$2,018.29
Gen. Gov't -Seasonal Emp.	\$3,900.00	\$1,750.00	\$2,140.31	\$2,277.43
Program Supplies	\$6,100.00	\$7,070.00	\$7,203.33	\$5,484.03
Leadership Costs - Ice Skating -in wa	\$0.00	\$0.00	\$0.00	\$0.00
Leadership Costs Children Prog	\$14,300.00	\$9,000.00	\$13,137.50	\$11,478.00
Leadership Costs Adult Program	\$2,000.00	\$4,000.00	\$3,489.25	\$3,012.50
Trilogy Expenses	\$2,000.00	\$0.00	\$0.00	\$0.00
Summer Play ground Expenses - All	\$3,500.00	\$3,500.00	\$3,263.69	\$2,741.24
Roller Skating	\$600.00	\$600.00	\$600.00	\$300.00
Charter Bus Trips	\$27,000.00	\$37,000.00	\$25,473.52	\$38,238.38
Performances	\$5,000.00	\$5,500.00	\$5,265.00	\$2,329.21
Summer Play ground - All Trips	\$15,000.00	\$9,000.00	\$14,896.13	\$14,477.74
Special Events	\$3,700.00	\$3,700.00	\$3,684.08	\$1,334.59
Family Fest/Teen Summit	\$875.00	\$875.00	\$817.79	\$810.70
JUDO	\$1,500.00	\$0.00	\$0.00	\$0.00
Miscellaneous Programs	\$1.00	\$250.00	\$250.00	\$92.13
Phones	\$1,200.00	\$1,800.00	\$1,535.81	\$1,637.46
Postage	\$7,100.00	\$7,000.00	\$7,165.98	\$7,367.51
Advertising	\$3,200.00	\$2,500.00	\$2,717.31	\$619.50
Printing	\$8,500.00	\$8,000.00	\$5,098.10	\$7,473.44
Bank Service Charges	\$500.00	\$551.00	\$43.31	\$367.20
Dues, Subscriptions & Member	\$2,200.00	\$1,185.00	\$535.22	\$550.25
Meetings, Seminars & Conferences	\$500.00	\$200.00	\$75.63	\$0.00
Summer Food Program -pass thru +v	\$140,000.00	\$75,000.00	\$113,980.03	\$76,791.86
Continuing Education - Contractual	\$0.00	\$0.00	\$0.00	\$0.00
Departmental Training Expense	\$150.00	\$0.00	\$122.34	\$0.00
Major Capital Purchases see Fund 3	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL PARKS ADMIN	\$432,403.00	\$351,911.00	\$393,054.38	\$335,848.36

DEPARTMENT: Parks Maintenance

General Ledger 454 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Wages Park/Rec Maintenance	\$156,741.00	\$157,978.00	\$158,381.43	\$149,554.62
Overtime	\$21,000.00	\$17,500.00	\$22,588.54	\$18,151.92
Employee Wellness Prog. -Sick	\$1,500.00	\$2,000.00	\$1,500.00	\$1,500.00
FICA	\$13,712.00	\$13,577.00	\$13,306.15	\$12,423.52
Office Supplies	\$1,300.00	\$0.00	\$0.00	\$0.00
Vehicle Fuel-Gasoline	\$7,000.00	\$7,200.00	\$4,629.65	\$6,464.72
Operating Supplies -hand tools	\$1,500.00	\$6,100.00	\$6,090.93	\$3,559.74
Gen. Gov't/ Maintenance Suppl	\$34,000.00	\$38,200.00	\$41,314.39	\$38,955.46
Spray Park Supplies	\$5,600.00	\$6,200.00	\$3,160.47	\$6,954.79
Vehicle Parts & Repairs	\$5,000.00	\$6,400.00	\$3,480.86	\$7,136.42
Bark Park Expenses	\$1,300.00	\$0.00	\$0.00	\$0.00
Tele Monthly Charges	\$5,000.00	\$3,000.00	\$4,087.37	\$3,045.81
Electricity - Building & Memor	\$15,000.00	\$10,000.00	\$15,070.45	\$14,188.54
Heating Fuel/Gas	\$3,500.00	\$3,500.00	\$1,791.19	\$3,800.88
Minor Building Repairs/Expens	\$2,000.00	\$2,000.00	\$6,170.84	\$8,639.78
Repairs Equip & Maint.	\$5,000.00	\$5,000.00	\$3,685.84	\$5,244.36
Rent of Land - PECO/NorfolkS	\$300.00	\$250.00	\$250.00	\$318.00
Equipment Rental Expense	\$1,700.00	\$2,200.00	\$1,162.80	\$1,336.82
Dues, Subscriptions & Member	\$850.00	\$320.00	\$320.00	\$240.00
Meetings, Seminars & Conferen	\$500.00	\$2,500.00	\$0.00	\$2,598.95
Contracted Sve - Potties/WM/F	\$13,000.00	\$9,500.00	\$11,036.66	\$3,741.04
Departmental Training Expense	\$450.00	\$0.00	\$122.34	\$0.00
Playground Equipment -minor p	9800	0	5760	638.76
Major Capital - see Fund 31	0	5760	0	68111.73
Minor Capital - audio trlr/sec.c	15000	23320	4500.56	0
TOTAL PARKS MAINT.	320753	322505	308410.47	356605.86



Parks and
Recreation
Department

Borough of Pottstown

GENERAL GOVERNMENT

FISCAL YEAR
2016



Park and
Recreation
Department

Borough of Pottstown

GENERAL GOVERNMENT

FUND: Parks 04

DEPARTMENT: Miniature Golf Facility

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Wages Mini Golf/Concession -	\$13,853.00	\$22,866.00	\$20,597.10	\$15,435.12
Overtime	\$500.00	\$0.00	\$0.00	\$0.00
FICA	\$1,098.00	\$1,749.00	\$1,518.55	\$1,180.82
Golf Side - Operating Supplies	\$1,500.00	\$5,000.00	\$2,761.63	\$7,975.01
Concession side - Operating Su	\$12,000.00	\$8,500.00	\$7,315.78	\$41,148.81
Fund Raising Pay-outs	\$2,500.00	\$0.00	\$0.00	\$0.00
Prof. Svcs - Third Party Staffin	\$21,000.00	\$22,000.00	\$30,768.97	\$22,675.50
Tele Monthly Charges	\$300.00	\$500.00	\$255.16	\$316.17
Comcast - Internet	\$1,570.00	\$1,000.00	\$1,795.67	\$1,043.17
Electricity - Mini Golf	\$5,500.00	\$5,500.00	\$6,117.57	\$4,835.52
Concession Stand Repairs Equip	\$3,500.00	\$4,000.00	\$1,920.74	\$4,121.80
Golf Course - Repairs Equip &	\$2,000.00	\$2,500.00	\$2,887.09	\$2,820.63
Equipment Rental Expense	\$1,000.00	\$1,200.00	\$631.15	\$180.58
Major Capital - see Fund 31	\$0.00	\$0.00	\$0.00	\$0.00
Minor Capital	\$0.00	\$19,000.00	\$18,692.40	\$0.00
TOTAL MINI GOLF/CONCE	\$66,321.00	\$93,815.00	\$95,261.81	\$101,733.13

Department Performance:

Descriptions	2015	2014	2013
Work Orders Completed	110	0	0
Program Registrants	460	0	0
Mini Golf Concession Sales	4,912	0	0
Mini Golf Game Sales	4,982	0	0

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Park & Rec Director	1	1	1	1	1
Program Administer	1	1	1	1	1
Parks Maintenance Worker	3	3	3	3	3
Summer Camp Seasonal	14	19	15	13	23
Park Maintenance Seasonal	1	1	1	1	1
TOTALS	20	25	21	19	29

Parks and Recreation – Fund 04

Parks Locations:

- Riverfront
- Memorial
- Brookside
- Maple
- Terrace Lane
- Potts
- Pollock
- Cherry
- South
- Chestnut
- Walnut
- West
- Spruce
- Spray Park





Water Department

Borough of Pottstown/Pottstown Borough Authority

UTILITIES DEPARTMENT

FUND: Water 06

DEPARTMENT: Water Plant

DEPARTMENT DESCRIPTION:



- The Pottstown Borough Authority, through the Water Treatment Plant and its staff, is responsible for the supply of clean water to the residents of the Borough of Pottstown and the surrounding outside customers. The Water Treatment Plant is under a management agreement between the Pottstown Borough Authority and the Borough of Pottstown Council. The Borough employees at the plant, under the direction of the Utilities Director, operate on a daily basis in 2 shifts that are comprised of two water superintendents and five shared plant operators.
- The Pottstown Water Treatment Plant laboratory is a Certified Drinking Water Laboratory accredited by the Department of Environmental Protection. The Water Treatment Plant services all of Pottstown, as well as Upper, Lower, and West Pottsgrove. In addition, North Coventry Township currently purchases water from the Authority through a bulk meter, and a filling station open to bulk water haulers with payment via a swipe card system which is located at the Water Treatment Plant.
- The Laboratory Supervisor, or other qualified staff, collects samples weekly throughout the Water Distribution System and tests for Total Coliform and E. Coli to ensure the water is safe to drink and to use for cooking and bathing. The laboratory is also used to run these tests on private well systems for property owners as a service that can be purchased from the Water Treatment Plant Laboratory.

General Ledger 448 Series:



Water Department
 UTILITIES DEPARTMENT
 Borough of Pottstown/Pottstown Authority

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Water Plant Wages 125 new operators	\$583,925.00	\$534,436.00	\$509,308.90	\$483,372.91
Longevity	\$2,600.00	\$2,600.00	\$2,600.00	\$2,600.00
Overtime	\$26,000.00	\$26,000.00	\$23,312.84	\$31,760.90
License Holder Stipends	\$2,300.00	\$0.00	\$900.00	\$0.00
Employee Wellness Prog. -Sick Days	\$1,000.00	\$1,000.00	\$1,500.00	\$500.00
Shift Differential	\$2,000.00	\$2,000.00	\$1,943.54	\$2,001.26
FICA	\$47,264.00	\$43,302.00	\$39,507.42	\$34,594.68
Office Supplies	\$4,500.00	\$4,500.00	\$4,768.73	\$1,729.96
Chemicals	\$165,000.00	\$165,000.00	\$223,966.05	\$151,299.01
Laboratory Supplies/Equip 447.24 & 44	\$20,000.00	\$20,000.00	\$22,658.73	\$15,542.98
Heating Fuel	\$24,000.00	\$28,000.00	\$3,095.90	\$28,435.54
Vehicle Fuel - Gasoline	\$2,500.00	\$3,000.00	\$1,751.40	\$2,866.89
Off-Road fuel - diesel	\$1,000.00	\$0.00	\$3,064.10	\$2,905.79
Bldg Supplies & Materials	\$1,000.00	\$1,000.00	\$2,053.18	\$720.05
Clothing and Uniforms	\$4,800.00	\$4,500.00	\$3,433.15	\$4,355.51
Gen. Govern. Supplies 447.243	\$9,200.00	\$9,200.00	\$6,363.66	\$6,653.99
Vehicle Parts & Maintenance	\$2,500.00	\$2,500.00	\$821.68	\$1,879.84
Small Tools & Minor Equip	\$2,500.00	\$2,500.00	\$1,098.52	\$3,367.32
Computer Plant SCADA Equip.	\$2,500.00	\$3,500.00	\$2,262.27	\$2,401.40
Equipment Calibration Fees	\$3,500.00	\$1,500.00	\$755.29	\$2,394.88
Laboratory Tests	\$4,500.00	\$4,500.00	\$5,623.40	\$5,417.80
Telephone	\$6,500.00	\$6,500.00	\$4,944.20	\$6,822.53
Comcast Internet Connection	\$1,000.00	\$750.00	\$719.40	\$861.95
Postage	\$2,000.00	\$1,000.00	\$1,226.30	\$1,309.48
Advertising	\$500.00	\$500.00	\$0.00	\$227.50
Consumer Confidence Report	\$7,000.00	\$7,000.00	\$6,941.86	\$6,854.22
Electric - Consulting Services	\$4,000.00	\$4,000.00	\$3,750.00	\$5,625.00
Electric - Water Plant	\$150,000.00	\$150,000.00	\$163,057.87	\$151,247.16
Sewer Usage at Plant	\$1,000.00	\$1,000.00	\$797.24	\$983.49
Maintenance - Grounds	\$10,000.00	\$7,400.00	\$9,898.25	\$12,764.37
Maintenance- Lagoons Sludge	\$115,000.00	\$105,000.00	\$156,515.46	\$113,787.42
Maintenance - Building	\$70,000.00	\$53,000.00	\$20,973.24	\$30,972.24
Repairs -Machinery & Equipment	\$400,000.00	\$300,000.00	\$116,444.85	\$78,748.36
Dues, Subscriptions & Member	\$4,000.00	\$4,000.00	\$3,276.50	\$3,309.12
Meetings & Conference	\$4,000.00	\$4,000.00	\$4,156.00	\$156.16
Continuing Education	\$300.00	\$300.00	\$0.00	\$0.00
Departmental Training Exp	\$2,000.00	\$0.00	\$122.34	\$0.00
Subsidy to Fund 08 Wages (1/2 Brent)	\$44,084.00	\$42,405.00	\$42,405.00	\$41,582.00
Capital Purch. 1/3 ft end; 1/2 of backhoe; new t	\$98,333.00	\$123,000.00	\$124,603.60	\$52,555.50
Capital Purchases - Minor	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL PLANT OPERATION	\$1,832,306.00	\$1,668,893.00	\$1,525,820.87	\$1,240,051.71

Water - Public Works Distribution 06 General Ledger 449 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
PublicWork Wage PT meter rdr	\$33,019.00	\$32,779.00	\$25,880.16	\$31,657.07
FICA	\$2,000.00	\$2,000.00	\$1,979.80	\$2,421.81
Office Supplies	\$500.00	\$500.00	\$9.04	\$62.94
Copier Shared Usage Costs	\$450.00	\$525.00	\$561.55	\$446.54
Heating Fuel- Garage	\$4,500.00	\$5,000.00	\$2,820.31	\$4,503.71
Supplies & Materials	\$400.00	\$400.00	\$0.00	\$252.80
Clothing and Uniforms	\$100.00	\$100.00	\$124.91	\$25.48
General Government Supplies	\$2,500.00	\$2,500.00	\$1,838.86	\$2,047.08
Vehicle Parts and Repairs	\$800.00	\$800.00	\$204.71	\$22.98
Telephone	\$3,000.00	\$3,000.00	\$2,410.72	\$2,771.42
Postage	\$600.00	\$600.00	\$46.90	\$76.43
Radio Equip Maintenance	\$1,000.00	\$700.00	\$0.00	\$75.70
Advertising	\$1,500.00	\$1,200.00	\$2,019.28	\$1,642.96
Surety Bond - Highway Restoration	\$350.00	\$350.00	\$0.00	\$0.00
Electric - Public Works Garage	1000	0	176.19	\$0.00
Gas Heat - Public Works Garage	0	0	34.11	\$0.00
Property Maintenance - Garage -mow	10500	1000	732	\$9,665.00
Maint - Borough Garage	1000	1000	655.24	\$617.25
Repairs to Machinery and Equipment	500	500	0	\$0.00
Dues, Subscriptions & Member	500	500	233.33	\$0.00
Meetings, Seminars & Conferences	400	400	125	\$460.00
Departmental Training Exp	0	0	122.34	\$0.00
Subsidy to Fund 01 Wages -4 office staf	49925	66340	66340	\$58,464.00
Capital Purchase - Major	0	0	0	\$0.00
Capital Purchase - Minor	0	0	0	\$0.00
TOTAL PUBLIC WORKS	114544	120194	106314.45	\$115,213.17



Water Department

Borough of Pottstown/Pottstown Borough Authority
UTILITIES DEPARTMENT

FUND: Water 06
DEPARTMENT: Water Plant – cont'd

Some of the Water Plant Department management staff are required to attend various of the following public meetings:

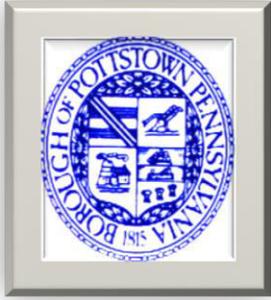
1. Monthly Authority pre-agenda meeting
2. Monthly Authority Board public meeting
3. Monthly Pottsgroves Utility Operations and Maintenance work sessions

Department Performance:

Description	2015	2014	2013
Routine samples analyzed	480	412	389
Water Main Break samples	15	23	6
new water lines sampled	22	2	0

Department Staffing:

AUTHORIZED POSITIONS	2016 Budet	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Utilities Director	1	1	1	1	1
Water Treatment Plant Superintendent	2	2	1	1	1
Utilities Maint. Assist. Superintendent	1	0	0	0	0
Water Plant Operator/Mechanics	1	1	1	1	1
Plant Operators I and II	4	4	3	4	3
Water Electrician/Instrument Technician	1	1	1	1	1
TOTALS	10	9	7	8	7



Borough of Pottstown/Pottstown Borough Authority
UTILITIES DEPARTMENTS
Sewer Department

FUND: Sewer 08
DEPARTMENT: Wastewater Treatment Plant

DEPARTMENT DESCRIPTION:



- The Pottstown Wastewater Treatment Plant is responsible for the processing of the wastewater from the residents of the Borough of Pottstown and the surrounding townships. The Wastewater Treatment Plant is leased to the Borough of Pottstown under an agreement with the Pottstown Borough Authority. The Borough employees at the Wastewater Plant, under the direction of the Utilities Director, operate on a daily basis with several shifts comprised of three supervisors, plant operators I and II, an operator mechanic, and an electrician/instrument technician.
- The Pottstown Wastewater Treatment Plant Laboratory is a Certified Wastewater Laboratory accredited by the Department of Environmental Protection. The Wastewater Treatment Plant services all of Pottstown, as well as Upper, Lower, and West Pottsgrove Townships. These Townships maintain their own collection systems and pump stations that generate the flows into the plant. All the municipalities work closely together on metering reads, Inflow and Infiltration exposures, unusual flow events, and normal processing operations.
- The Laboratory Supervisor, or other qualified staff, collects samples weekly throughout the Sewer Collection System and tests for pH, total suspended solids, dissolved solids, total solids, volatile solids, fecal coliform, BOD/CBOD, alkalinity, ammonia, chlorine residual and color. Tests are ran on the plant's influent, effluent, dryer, centrifuge, RAS, digester and thickener samples. The Laboratory is available to run these tests on private well systems for property owners as a service that can be purchased from the Wastewater Treatment Plant Laboratory.
- As a revenue generator, the Wastewater Treatment Plant has instituted a bulk hauling program. The Plant accepts holding tank waste, sanitary holding, leachate, portable toilet waste, and municipal sludge from sources outside of the Borough. This waste is discharged and treated at the Plant and the haulers are charged for services.
- The Municipal Industrial Pretreatment Program (MIPP) is a federal program that the staff enforces throughout the system whereby significant industrial users are sampled, monitored and inspected. Currently there are 11 such sites.



Sewer Department
UTILITIES DEPARTMENTS
 Borough of Pottstown/Pottstown Borough Authority

FUND: Sewer 08
DEPARTMENT: Wastewater Treatment Plant – cont'd



General Ledger 429 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Sewer Plant Wages	\$726,315.00	\$725,738.00	\$686,732.83	\$694,367.90
Longevity	\$3,900.00	\$3,900.00	\$3,900.00	\$3,900.00
Overtime	\$35,000.00	\$35,000.00	\$50,837.40	\$49,493.35
Employee Wellness Prog. -Sick Days	\$2,500.00	\$2,500.00	\$2,150.00	\$2,150.00
Shift Differential	\$2,500.00	\$5,000.00	\$3,119.46	\$3,559.67
FICA	\$58,921.00	\$59,069.00	\$55,012.73	\$55,868.07
Office Supplies & Forms	\$4,500.00	\$4,500.00	\$4,763.49	\$5,578.12
Chemicals	\$390,000.00	\$375,000.00	\$395,256.63	\$381,278.89
Lab Tests and Supplies	\$60,000.00	\$60,000.00	\$81,549.78	\$100,433.28
Vehicle Fuel-Gasoline	\$3,500.00	\$3,500.00	\$2,390.60	\$5,202.25
Off Road/Vehicle Fuel - Diesel	\$2,500.00	\$1,000.00	\$1,730.88	\$751.22
Building Supplies	\$500.00	\$500.00	\$7.77	\$818.26
Clothing and Uniforms	\$3,850.00	\$3,700.00	\$5,921.74	\$6,412.65
Grounds - Supplies & Matl	\$2,000.00	\$2,000.00	\$132.99	\$1,475.00
Gen Misc Operating Expense	\$5,000.00	\$5,000.00	\$12,950.00	\$10,740.93
Vehicle Parts and Maintenance	\$2,500.00	\$2,500.00	\$6,002.79	\$2,984.36
Small Tools & Minor Equip	\$8,000.00	\$8,000.00	\$4,959.82	\$8,619.01
Computer Maintenance	\$1,000.00	\$3,500.00	\$3,146.00	\$0.00
Calibration of Plant Equipment	\$6,000.00	\$4,200.00	\$3,718.05	\$2,820.99
Tele Monthly Charges	\$9,000.00	\$8,800.00	\$10,609.36	\$10,508.77
Comcast Internet Connection	\$1,200.00	\$800.00	\$1,196.98	\$659.45
Postage	\$2,100.00	\$2,100.00	\$2,151.75	\$1,999.75
Advertising	\$1,000.00	\$1,000.00	\$430.74	\$816.30
Printing/Binding-Forms	\$500.00	\$500.00	\$417.81	\$0.00
Electric - Consulting Services	\$7,500.00	\$7,500.00	\$4,375.00	\$8,194.61
Electric Plant	\$450,000.00	\$450,000.00	\$521,937.82	\$338,726.12
Natural Gas for plant operation	\$300,000.00	\$290,000.00	\$252,635.19	\$199,638.83
Electric - Pump Stations	\$23,000.00	\$20,000.00	\$22,142.75	\$25,221.63
Sewer -Porter Road Pu.Sta. Cost	\$21,000.00	\$21,000.00	\$20,203.02	\$20,529.45
Sludge Disposal Bio & Screening	\$550,000.00	\$507,500.00	\$526,004.74	\$540,517.64
Water - Usage at plant	\$5,000.00	\$5,000.00	\$2,230.44	\$1,932.98
Ground Maintenance & Equip	\$5,000.00	\$5,000.00	\$11,444.86	\$12,625.57
Building - Maint. & Contracts	\$35,000.00	\$35,000.00	\$19,577.27	\$17,449.19
Maintenance- Plant Equipment	\$600,000.00	\$530,000.00	\$712,548.44	\$781,922.76
Maintenance - Memorial Park pump st	\$25,000.00	\$25,000.00	\$22,434.67	\$21,579.48
Maintenance - WWTP lower pump hous	\$25,000.00	\$45,000.00	\$51,289.03	\$26,979.19
Rent of Equipment	\$500.00	\$500.00	\$0.00	\$0.00
Fines, Judgments & Damages	\$2,500.00	\$2,500.00	\$0.00	\$0.00
Dues, Subscriptions & Member	\$4,000.00	\$4,000.00	\$2,358.75	\$3,014.00
Meetings, Seminars & Conferences	\$3,500.00	\$3,500.00	\$3,179.84	\$11,469.08
Continuing Education -Contractual	\$300.00	\$300.00	\$0.00	\$0.00
Departmental Training Exp.	\$2,000.00	\$0.00	\$122.34	\$0.00
Subsidy to Fund 06 - (1/2 Maul)	\$38,479.00	\$38,479.00	\$38,479.00	\$38,479.00
Capital Purch. - 1/3 ft. end ldr; 1/2 backho	\$58,333.00	\$0.00	\$0.00	\$23,064.85
Capital Purchases - Minor	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL PLANT	\$3,508,398.00	\$3,328,086.00	\$3,550,051.06	\$3,398,717.75

Along with the Wastewater Treatment Plant Operations, the Borough of Pottstown Fats Oils and Grease (F.O.G.) Program has been established for the purpose of reducing the amount of fats, oils and grease that enter our sewer system. Any food serving establishment (i.e. restaurant, church, school, etc.) is inspected throughout the year to ensure proper function, cleaning and maintenance of its grease removal system. There are over 100 facilities within the Borough of Pottstown and the surrounding Pottsgroves' with flows entering the Wastewater Treatment Plant that are inspected from one to four times per calendar year under the F.O.G. program.



Sewer Department

Borough of Pottstown/Pottstown Borough Authority
UTILITIES DEPARTMENTS

FUND: Sewer 08

DEPARTMENT: Wastewater Treatment Plant – cont'd

Some of the Wastewater Treatment Plant Department management staff are required to attend various of the following public meetings:

1. Monthly Authority pre-agenda meeting
2. Monthly Authority Board public meeting
3. Monthly Pottsgroves Utility Operations and Maintenance work sessions

Department Performance:

Description	2015	2014	2013
Routine samples analyzed	9,120	9,200	9,320
Bulk samples analyzed	15,700	18,000	15,131

Department Staffing:

AUTHORIZED POSITIONS	2016 Budget	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Utilities Director	1	1	1	1	1
Sewer Treatment Plant Superintendent	1	1	1	1	1
Laboratory Supervisor	1	1	1	1	1
Laboratory Technicians	2	2	2	2	2
Plant Operators I and II	6	6	6	6	5
Electrician/Instrument Technician	1	1	1	1	1
Operator Mechanics	2	2	2	2	2
TOTALS	14	14	14	14	13



Fire Department
 GENERAL GOVERNMENT
 Borough of Pottstown

FUND: Fund 14
DEPARTMENT: Fire Administration
DEPARTMENT DESCRIPTION:

- The Fire Administrative Department within the Borough Hall consists of the appointed Fire Chief of the four Pottstown Fire Companies, as well as the part-time Fire Marshal. The members of the four fire companies are not Borough employees, but consist of mostly volunteers with three paid drivers at each station.
- The Fire Administrative Department is responsible for the continuing property inspections throughout the Borough done on an annual basis for Borough Code compliance and safety issues.

General Ledger 415 Series:

EXPENDITURES	2016 BUDGET	2015 BUDGET	2015 ACTUAL	2014 ACTUAL
Fire Marshall Wages	\$37,262.00	\$35,945.00	\$34,485.88	\$32,352.72
Appointed Fire Chief	\$3,600.00	\$3,600.00	\$3,420.00	\$3,600.00
FICA Tax	\$3,126.00	\$3,107.00	\$2,899.79	\$2,750.46
Office Supplies	\$1,000.00	\$1,000.00	\$435.00	\$691.95
Vehicle Fuel-Gasoline	\$4,000.00	\$5,000.00	\$2,829.22	\$3,797.70
Vehicle Fuel-Diesel	\$12,000.00	\$19,000.00	\$11,059.30	\$18,957.00
Gen. Govt Sup - Fire Prev. Prog.	\$1,000.00	\$1,500.00	\$35.00	\$615.05
Vehicle Parts and Repairs	\$8,000.00	\$8,000.00	\$3,321.91	\$6,938.05
Fire Truck Repairs/Maint.	\$2,000.00	\$12,200.00	\$8,002.55	\$116.00
Small Tools & Minor Equip	\$4,500.00	\$4,500.00	\$3,155.16	\$7,740.63
Air Time for County Radio	\$1,200.00	\$2,200.00	\$1,872.00	\$0.00
Professional Services	\$0.00	\$8,000.00	\$27,089.40	\$5,785.75
Telephone	\$1,500.00	\$1,900.00	\$1,690.76	\$1,321.67
Postage	\$200.00	\$200.00	\$64.05	\$56.51
Fire Hydrant Service	\$0.00	\$0.00	\$0.00	\$62,484.00
Fire Police Costs	\$4,400.00	\$4,400.00	\$5,347.10	\$4,185.50
Dues, Subscriptions & Memberships	\$1,500.00	\$1,400.00	\$1,307.00	\$1,165.50
Meetings, Seminars & Conferences	\$1,000.00	\$1,000.00	\$920.00	\$250.00
Fire Hazmat Cleanup Expense	\$10,000.00	\$8,000.00	\$8,244.30	\$0.00
Department Training Exp - in Boro	\$200.00	\$0.00	\$122.34	\$0.00
North End Fire Co -\$193K tax + health care	\$260,000.00	\$251,500.00	\$280,864.99	\$254,456.72
Empire Fire Co -\$193K tax + health care	\$260,000.00	\$251,500.00	\$274,581.55	\$251,381.77
Goodwill Fire Co \$193K tax + health care	\$260,000.00	\$251,500.00	\$267,894.01	\$246,580.41
Phillies Fire Co \$193K tax + health care	\$260,000.00	\$251,500.00	\$262,803.38	\$242,665.92
Capital Minor - 3 radios	\$14,100.00	\$0.00	\$0.00	\$0.00
TOTAL FIRE EXPENSES	\$1,150,588.00	\$1,126,952.00	\$1,202,444.69	\$1,147,893.31



Fire Department
 Borough of Pottstown
GENERAL GOVERNMENT

FUND: Fund 14

DEPARTMENT: Fire Administration – cont'd

Some of the Fire Administration Department management staff are required to attend various of the following public meetings:

1. Monthly Borough Council Committee of Whole meeting
2. Monthly Borough Council public meeting

Department Performance:

Descriptions	2,015	2,014	2,013
Total Fire Responses	962	905	881
In Borough Responses	920	856	836
Out of Borough Responses	42	49	45
Inspections	931	978	1,026
Violations Found	1,218	1,428	1,799
Fire Investigations	234	208	214
Total Fire Loss Dollars	735,560	702,543	312,635
Fire Injuries Civilian	3	12	6
Firefighter Injuries	4	3	2
Fire Deaths	0	0	0
Permit Revenues	74,616	54,368	150,000
Inspection Revenues	10,267	23,473	18,000
False Alarm Fees	5,400	6,000	5,700

Department Staffing:

AUTHORIZED POSITIONS	2016 Budget	2015 Approved	2015 Actual	2014 Approved	2014 Actual
Appointed Fire Chief	1	1	1	1	1
Part-time Fire Marshal	1	1	1	1	1
TOTALS	2	2	2	2	2

UNIT GOALS AND OBJECTIVES

Departmental Goals and Objectives	Executive	Finance	Human Resources	Police	Licensing and Inspection	Public Works	Park and Recreation	Fire	Utilities	Pottstown Area Rapid Transit
1. Provide responsive, innovative and cost effective services to the community.										
To facilitate key retail, industrial and residential development.	X									
To develop comprehensive written policies to address operational requirements.	X									
To ensure Council goals and objectives are met through budget and planning.	X	X								
To achieve a stable and strong financial position by prudently managing financial resources.		X								
To respond to community needs, investigate crimes and enforce laws.				X						
To conduct all police services in a proactive team atmosphere and in a professional manner.			X	X						
To recruit professional, qualified employees through a retainage strategy program.										
To update ordinances that ensure safety and uphold Borough standards as it grows.	X				X					
To assure that properties have properly maintained fire prevention systems.					X					
To provide availability of transportation services to all citizens.										
To provide customers with highest quality utility services while maintaining competitive rates.		X							X	
To provide services for maintenance and preservation of all roadways and equipment.						X				
To improve conditions of older infrastructure with as little interruption of services possible .						X				
To provide quality of life recreational and educational programs for all ages of citizens resources.							X			
2. Be a healthy, attractive and economically viable Borough										
To support and participate in Pottstown Health and Wellness Foundation programs.	X									
To budget conservatively and continue to grow capital funds.		X								
To effectively administer and manage benefits, training and development for employees.			X					X		
To protect life and property, reduce pain and suffering, through fire prevention education.				X				X		
To take appropriate actions to preserve historical areas along with community appearance.										
To protect and safeguard human life in everyday operations.				X				X		
To provide recreational uses through planned educational and entertainment programs.							X			
To provide programs for transportation resources that coincide with using the bus system.										X

Note: All Departments cross over on ALL the goals and objectives, therefore indication is referencing the primary department but not independent of the others.

POTTSTOWN – Past Trends, Emerging Problems, and New Opportunities

For more than 100 years, industry in Pottstown provided the means of livelihood to the town. Industry was the basis for most all local economic activity, and it formed the patterns of neighborhoods, social structure, and cultural values. Throughout the 20th century though, Pottstown’s role as a hub of economic and industrial activity diminished as major employers in the Borough closed or relocated.

Decades of a declining industrial base and population in the Borough helped to create and shape the challenges now facing Pottstown. As identified in the Borough’s Economic Development Strategy Plan, Pottstown currently faces problems related to its available industrial space, competition from surrounding communities, low income levels among its population, and distressed core residential neighborhoods, among other issues.

Emerging Problems:

INDUSTRIES: While the Borough was once a hub for industrial activity, the older buildings now stand vacant and unused in several areas where economic improvements could be done to bring back a viable means of financial security to the area with jobs and commerce. The difficulty is attracting the right match for the available spaces.

COMPETITION FROM SURROUNDING COMMUNITIES: The municipalities surrounding Pottstown have experienced significant growth in recent years. With lots of vacant and agricultural lands ripe for development, developers and residents alike have been attracted to the greenfield sites and newer housing units available outside of the Borough.

LOW BOROUGH INCOME LEVELS: Income levels in the borough are well below that of both Montgomery County as a whole, as well as the State (see chart below) and the surrounding municipalities. In 2010, the Borough had a median household income of roughly \$43,000 which is significantly less than the County’s median of \$76,000.00.

DISTRESSED CORE RESIDENTIAL

NEIGHBORHOODS: Residential areas in the vicinity of the downtown district have generally experienced a higher incidence of poverty, crime, rental tenure, and substandard housing than other neighborhoods in the Borough. The deterioration of downtown neighborhoods not only affects the quality of life for the residents who live there, but also undermines the efforts being made to revitalize the main street and downtown commercial corridor.

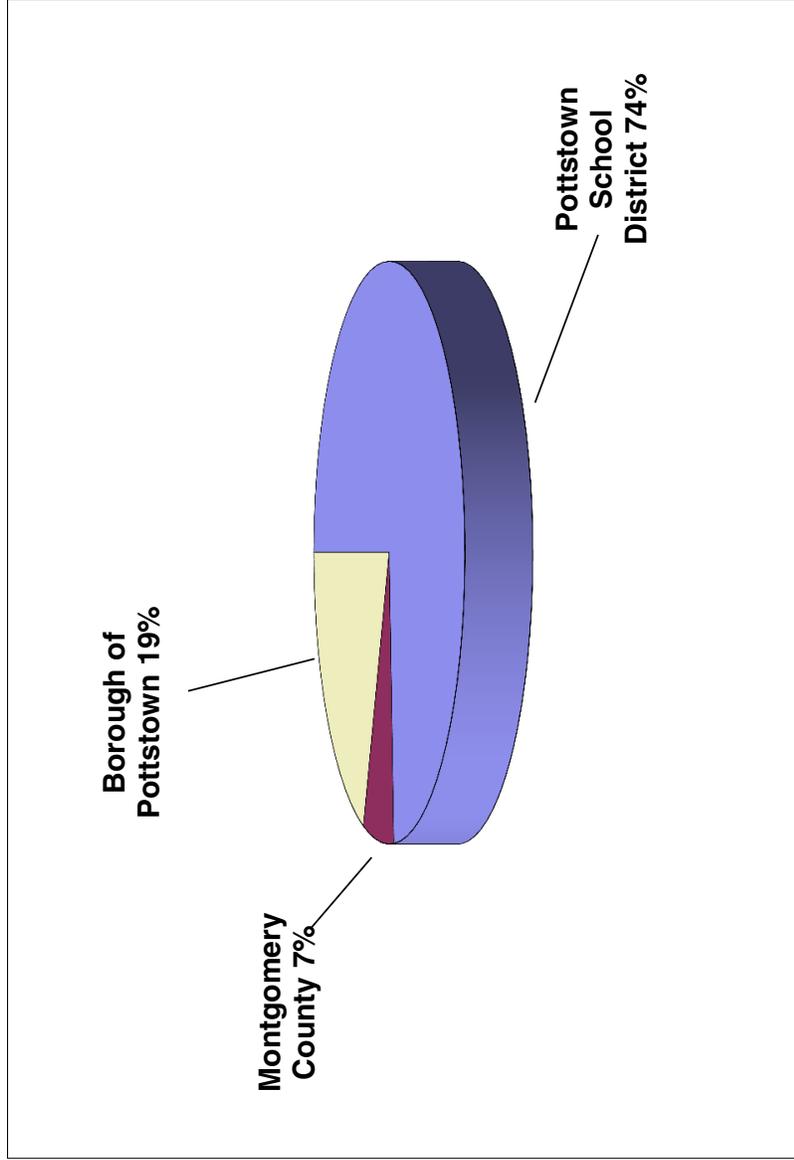
Opportunities:

CULTURAL, EDUCATIONAL, AND INSTITUTIONAL AMENITIES: Pottstown has a rich cultural heritage, including the Steel River Playhouse, the Public Library, Manatawny Green Mini Golf, ArtFusion 19464, and the performing arts facilities at the Hill School. The Borough is also home to one of Montgomery County Community College’s two campuses as well as the Pottstown Memorial Medical Center, the only general hospital in the Metropolitan Region.

EMPLOYER	No. of Employees
POTTSTOWN HOSPITAL COMPANY LLC	933
POTTSTOWN SCHOOL DISTRICT	579
DANA DRIVESHAFT PRODUCTS LLC	285
WALMART	258
THE HILL SCHOOL	236
PHILADELPHIA FREEDOM VALLEY YMCA	216
KEN CREST SERVICES	198
BOROUGH OF POTTSTOWN	175
CREATIVE HEALTH SERVICES INC	142
PRECISION POLYMER PRODUCTS INC	142
HEARTLAND EMPLOYMENT SERVICES LLC	139
GRAHAM MANAGEMENT LP	132
MONTGOMERY COUNTY COMMUNITY COLLEGE	117
BUDGET MAINTENANCE	107
RED LOBSTER RESTAURANTS LLC 789	96

RECREATIONAL AMENITIES: Pottstown boasts some of the region’s most noteworthy recreational facilities, including Memorial Park, Riverfront Park, the Schuylkill River Trail, Pottsgrove Manor, and the Carousel at Pottstown. Additionally, the Borough’s Park and Recreation Department works to provide numerous recreational events, attracting people from across the region. Events such as the Pottstown Volleyball Rumble and BMX bike races have helped to bring thousands of people from around the country to the Borough.

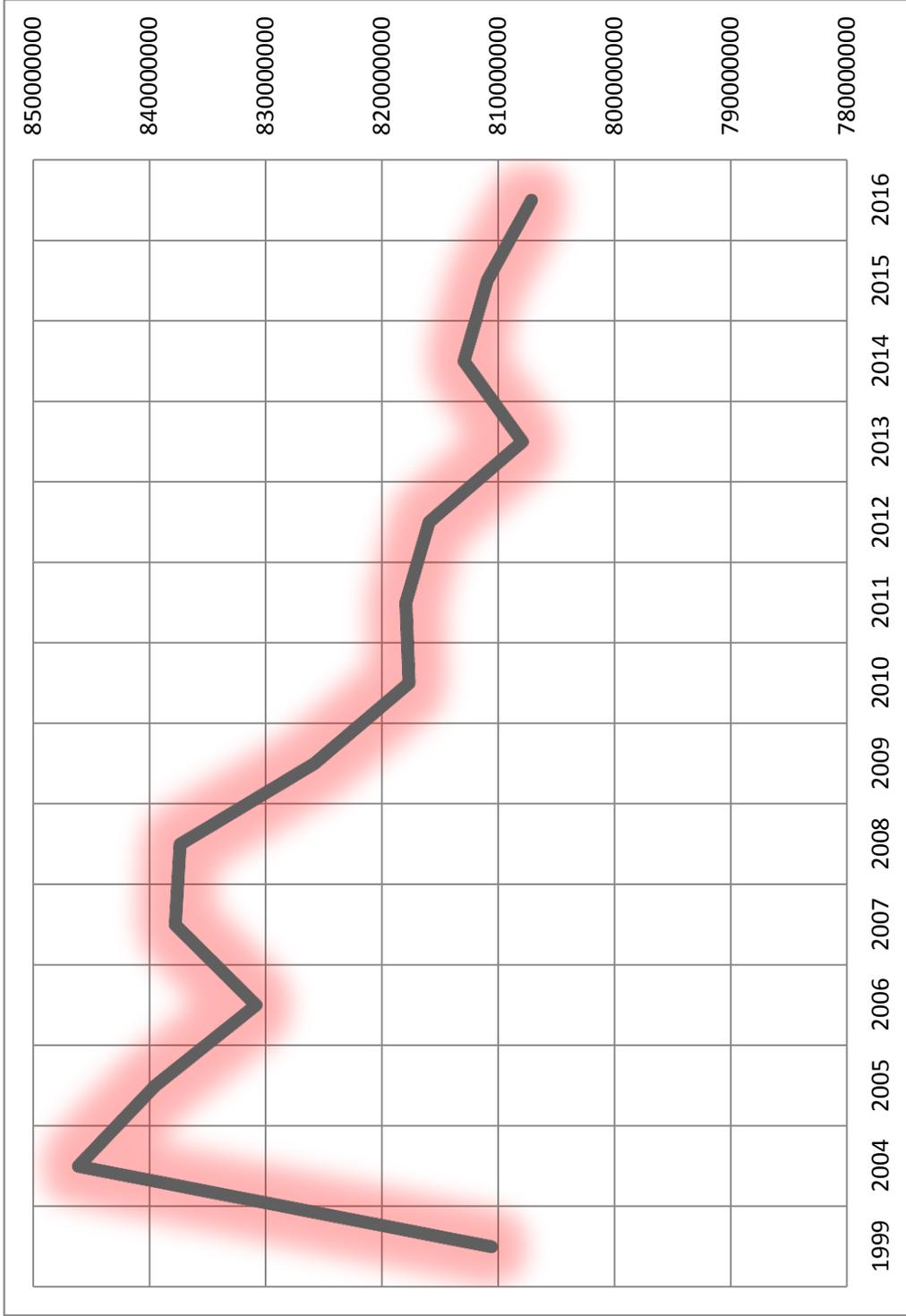
RATIO OF PROPERTY TAXES IN THE BOROUGH OF POTTSTOWN FOR 2016



74% Pottstown School District	39.2522 Mills	as of 07-01-15 to 06-30-16
7% Montgomery County	3.459 Mills	as of 01-01-16 to 12-31-16
19% Borough of Pottstown	10.311 Mills	as of 01-01-16 to 12-31-16
<u>100%</u>	<u>53.0222</u>	

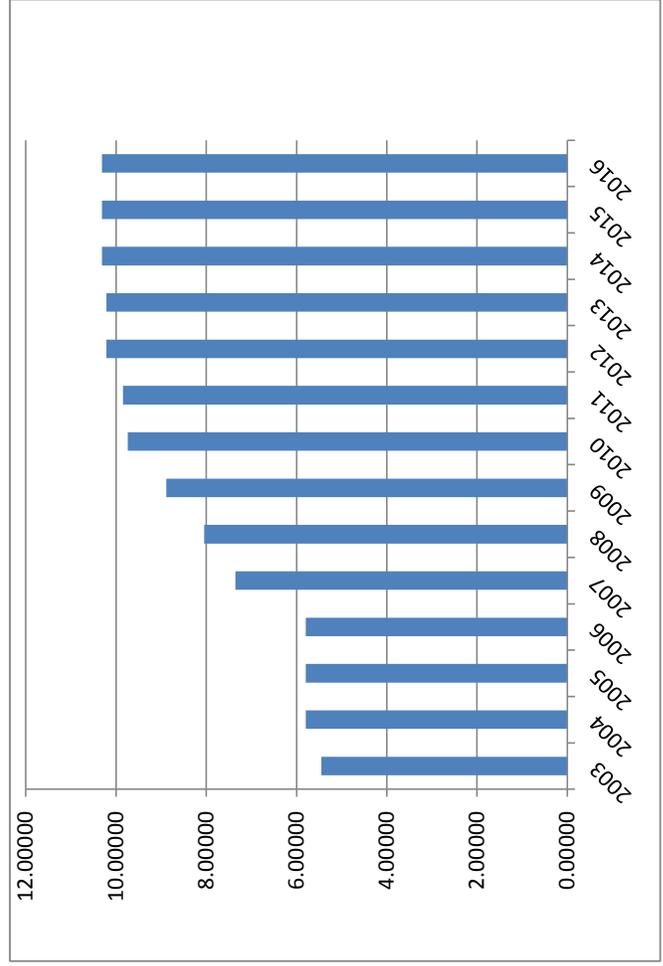
**BOROUGH OF POTTSTOWN
PROPERTY ASSESSMENT ANALYSIS AT YEAR END**

YEAR	Total Assessment
2016	\$807,200,000.00
2015	\$811,000,000.00
2014	\$813,000,000.00
2013	\$808,000,000.00
2012	\$816,000,000.00
2011	\$818,000,000.00
2010	\$817,728,017.00
2009	\$825,865,112.00
2008	\$837,392,007.00
2007	\$837,790,257.00
2006	\$830,864,017.00
2005	\$839,513,021.00
2004	\$846,116,369.00
1999	\$810,643,471.00



Borough of Pottstown Real Estate Millage Tax History

Year	01		02		04		05		14		20		Street Improv.	TOTAL
	General Fund Tax	St. Light Fund Tax	Park/Rec Fund Tax	Library Fund Tax	Fire Fund Tax	Debt Svc Fund Tax	Shade Tree Purposes	Street Improv.	Shade Tree Purposes	Debt Svc Fund Tax	Street Improv.	TOTAL		
2003	3.05520	0.24060	0.61500	0.16040	0.20620	0.81550	0.02500	0.33150	0.02500	0.81550	0.33150	5.44940		
2004	3.25420	0.30170	0.61500	0.16120	0.28430	0.82790	0.02500	0.32680	0.02500	0.82790	0.32680	5.79610		
2005	3.22440	0.30170	0.61500	0.16120	0.28430	0.86320	0.02500	0.32130	0.02500	0.86320	0.32130	5.79610		
2006	3.22440	0.30170	0.61500	0.16120	0.28430	0.86320	0.02500	0.32130	0.02500	0.86320	0.32130	5.79610		
2007	4.29300	0.30170	0.79660	0.16120	0.91410	0.86320	0.02500	0.00000	0.02500	0.86320	0.00000	7.35480		
2008	4.97925	0.31708	0.79388	0.16253	0.91103	0.88469	0.00000	0.00000	0.00000	0.88469	0.00000	8.04846		
2009	5.19803	0.33670	0.79388	0.18505	1.30635	1.06871	0.00000	0.00000	0.00000	1.06871	0.00000	8.88872		
2010	6.028156	0.33670	0.79388	0.197004	1.315494	1.06871	0.00000	0.00000	0.00000	1.06871	0.00000	9.739944		
2011	6.02816	0.33670	0.90502	0.19700	1.50624	1.06871	0.00000	0.00000	0.00000	1.06871	0.00000	9.84483		
2012	6.19695	0.33670	0.90502	0.19700	1.50624	1.06871	0.00000	0.00000	0.00000	1.06871	0.00000	10.21062		
2013	6.715	0.33700	0.906	0.197	1.507	0.55	0.00000	0.00000	0.00000	0.55	0.00000	10.212		
2014	6.79	0.33700	0.906	0.211	1.507	0.56	0.00000	0.00000	0.00000	0.56	0.00000	10.311		
2015	6.95	0.33700	0.906	0.211	1.507	0.4	0.00000	0.00000	0.00000	0.4	0.00000	10.311		
2016	7.218	0.337	0.906	0.23	1.563	0.057	0.00000	0.00000	0.00000	0.057	0.00000	10.311		



PA Legal Millage Limits	PA Legal Millage Limits
30 mills	no limit
no limit	1/2 mill
1/2 mill	1/10 mill
8 mills	no limit
no limit	5 mills
5 mills	no limit
no limit	3 mills
3 mills	8 mills
8 mills	2 mills
2 mills	no limit
no limit	1/2 mill
1/2 mill	no limit
no limit	no limit

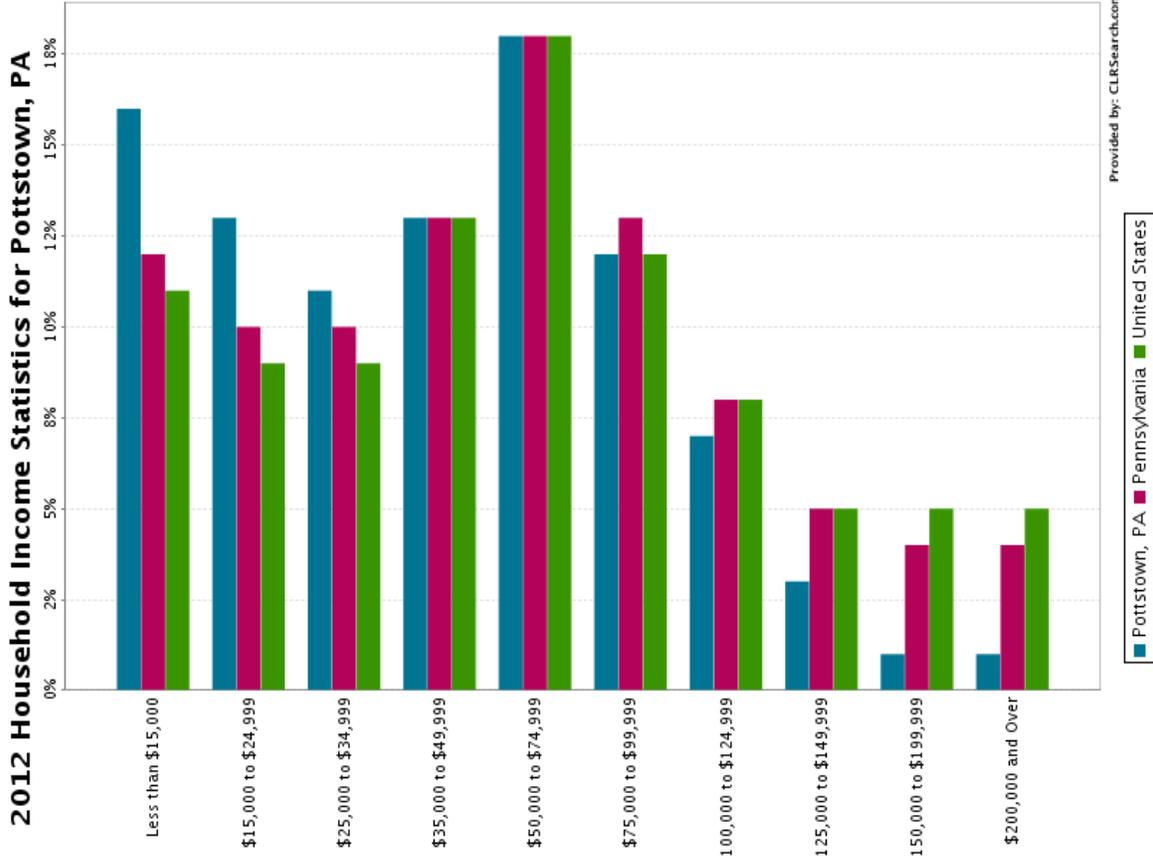
- Purpose**
- General - Real Estate
 - Debt Int & Sinking Fund
 - Pensions & Retirements
 - Shade Trees
 - Street Lighting
 - Library
 - Special Road Fund
 - Recreation
 - Fire Equipment & Firehouses
 - Gas, Water, Electric Light
 - Firehouse, Lockup or Municipal Building
 - Debt Payment
 - Ambulance and Rescue Squads
 - Distressed Pension System Recovery Program
 - Municipalities Financial Recovery Program

IMPACT OF REAL ESTATE ASSESSMENT APPEALS

Montgomery County allows property owners the opportunity to have their property re-assessed to update the taxable value according to recent sales of similar properties. Hearings are held throughout the summer months with determinations made by the end of the year. Municipalities are notified of the changes, whether negative or positive, in order to budget accordingly. This has been a factor in the revenue decline for the Borough.

Year	Assessment Decreased by:	Tax Millage Rate		County Hearing Assessment Change	Tax Revenues Budgeted	Actual Revenues Received
		Rate	Rate			
2012	\$6,111,880.00	0.01021062		(\$62,406.08)	\$4,622,342.00	\$4,712,551.00
2013	\$6,451,920.00	0.010212		(\$65,887.01)	\$4,991,662.00	\$5,158,426.00
2014	\$3,851,830.00	0.010311		(\$39,716.22)	\$5,133,749.00	\$5,245,431.00
2015	\$3,074,780.00	0.010311		(\$31,704.06)	\$5,237,230.00	\$5,237,230.00
2016	\$3,013,220.00	0.010311		(\$31,069.31)	\$5,407,630.00	

BOROUGH OF POTTSTOWN HOUSING STATISTICS



2012 Household Income Statistics	Pottstown, PA	Pennsylvania	United States
Total Area Household Income	\$27,881,450	\$369,468,622,559	\$9,110,376,126,223
Median Household Income	\$44,931	\$55,645	\$57,639
Average Household Income	\$57,061	\$73,402	\$77,190
Per Capita Household Income	\$23,999	\$28,954	\$29,126
Income Less than \$15,000	16.02%	12.06%	11.77%
Income \$15,000 to \$24,999	13.64%	10.13%	9.67%
Income \$25,000 to \$34,999	11.16%	10.12%	9.73%
Income \$35,000 to \$49,999	13.29%	13.54%	13.33%
Income \$50,000 to \$74,999	18.71%	18.38%	18.03%
Income \$75,000 to \$99,999	12.90%	13.05%	12.97%
Income \$100,000 to \$124,999	7.55%	8.49%	8.65%
Income \$125,000 to \$149,999	3.48%	5.10%	5.40%
Income \$150,000 to \$199,999	1.53%	4.59%	5.12%
Income \$200,000 and Over	1.71%	4.55%	5.34%

data taken from www.city-data.com

BOROUGH OF POTTSTOWN STATISTICAL INFORMATION

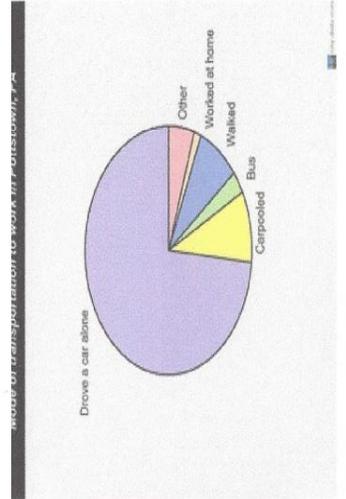
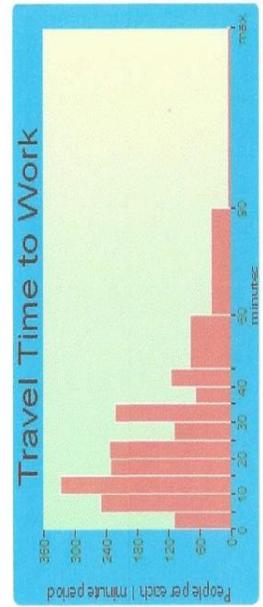
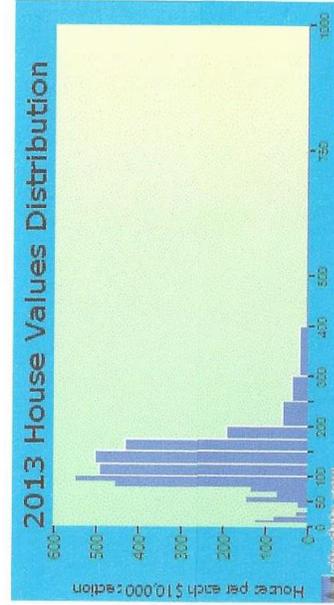
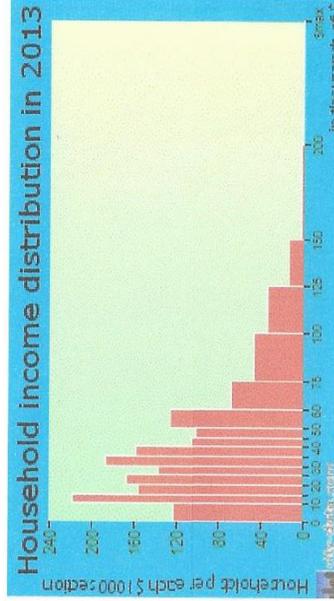
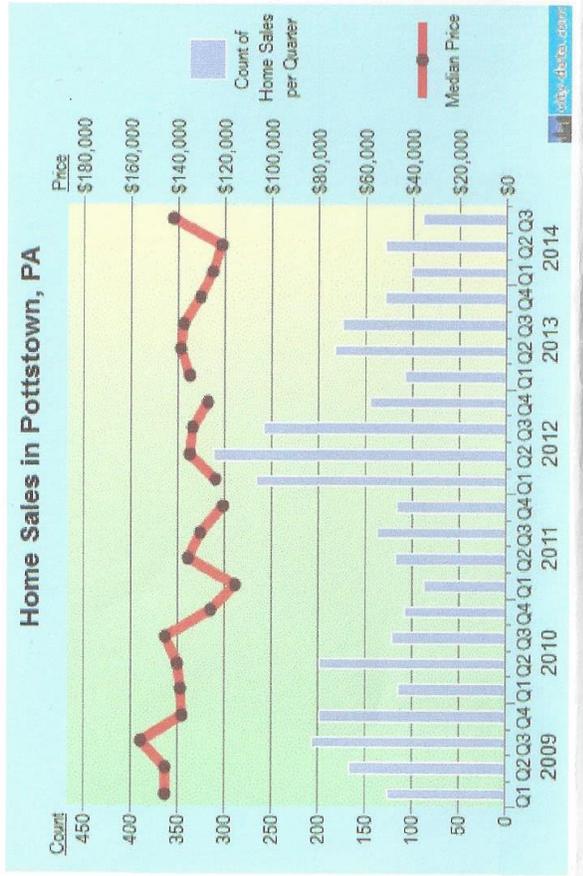
GENDER
 Males 10,525
 Females 12,037

MEDIAN RESIDENT AGE
 Pottstown 35.90
 State of PA 40.60

MEDIAN HOUSEHOLD INCOME
 Pottstown \$41,508
 State of PA \$52,007

ESTIMATED VALUE OF PROPERTY
 Pottstown \$135,582
 State of PA \$164,200

MEDIAN GROSS RENT \$795



data taken from www.city-data.com

GLOSSARY

Accounting System: The total structure of records and procedures that identify, record, classify, summarize, and report information on the financial position and results of operations of a government.

Accrual Accounting: A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred.

Adjusting Entry: A journal entry posted to the accounting records at the end of an accounting period to record a transaction or event that was not properly posted during the accounting period for various reasons.

Adopted Budget: A budget that typically has been reviewed by the public and “adopted” or approved by the Township Supervisors prior to the start of the fiscal year.

Appropriation: An authorization granted by a legislative body (e.g. the Council Members), which permits the municipality to incur obligations and to make expenditures of resources.

Assessed Valuation: An official value established for real or personal property for use as a basis for levying property taxes.

Assessment Ratio: The ratio at which a tax rate is applied to a tax base typically by the County.

Asset: A tangible or intangible item that provides for future economic benefit to an enterprise.

Audit: A comprehensive review of the manner in which the government’s resources were actually utilized. The main purpose of an audit is to issue an opinion over the presentation of financial statements and to test controls over the safekeeping of assets while making any recommendations for improvements where necessary.

Balance Sheet: A financial statement that discloses the assets, liabilities, reserves and balances of a specific governmental fund as of a specific date.

Basis of Accounting: A term used to refer to when revenues, expenditures, and transfers – including the related assets and liabilities – are recognized in the accounts and reported in the financial statements.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, bridges, and water and sewer lines.

Budget: A financial plan, or working tool, for a set time period, which identifies specific types and levels of services to be provided, proposed appropriations or expenses, and the recommended means of financing them.

Budget Adjustment: A procedure to revise budget appropriations. Each department head has the authority to adjust expenditures within department budgets, but no change can occur to the bottom line total of the adopted budget. Recommended budget adjustments occur at mid-year and do not require public advertisement, but do require a Council motion and approval.

Budget Year: The fiscal year for the Borough of Pottstown is January 1st through December 31st.

Cash Accounting: A basis of accounting in which transactions are recorded when cash is either received or expended.

Capital Projects Fund: A governmental fund type used to account for resources used for the acquisition or construction of major capital assets by a governmental unit.

Glossary – cont'd.

Chart of Accounts: A numerical system for classifying financial transactions. It is the heart of the accounting system because it provides the means by which all transactions are recorded, and the Borough follows the PA Chart.

Debt Service: The municipality's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

Enterprise Fund: A proprietary fund type used to account for the acquisition and operation of governmental facilities and services that are intended to be primarily (over 50 percent) self supporting from user charges. Examples are funds used for water/sewer authorities, airport authorities, and transit authorities.

Expenditure: This term refers to the outflow of funds paid or projected to be paid for an asset obtained or goods/services obtained regardless of when the expense is actually paid. (Note: An encumbrance is not an expenditure.) For example, the payment could occur into the next fiscal year and be accrued back by an adjusting entry.

Expense: A charge incurred for some operating cost in an accounting period, whether actually paid in that accounting period or not.

Fiduciary: One of the major fund categories that refers to the Trust & Agency Funds. These funds can use both the full and modified accrual basis of accounting.

Fixed Assets: Assets of long term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full Accrual: An accounting method whereby income and expense items are recognized as they occur and when they are measurable.

Fund: A separate accounting entity with a self-balancing set of accounts to record all financial transactions like revenues and expenditures, for specific activities or government functions. Funds are classified into three major categories: governmental, proprietary and fiduciary.

Fund Balance: The excess of assets over liabilities; also known as surplus funds or reserves. This term applies to governmental funds only.

General Fund: A governmental fund type used to account for the general operating fund of the township. It is used to account for all financial resources except those accounted for in other specific funds. The General Fund is the largest fund within the municipality and accounts for most of the financial resources of the government. This fund includes most of the basic operating services and general administration.

Governing Body: The Council in cities, boroughs, and incorporated towns; the Board of Commissioners in counties and Townships of the First Class; the Board of Supervisors in Townships of the Second Class; or the legislative, policy-making body in home-rule municipalities.

Governmental Fund: One of the major fund categories. It uses the modified accrual basis of accounting and refers to the General Fund, Special Revenue Funds, and Capital Fund.

Grant: Contributions or gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility.

Infrastructure: The physical assets of the municipality, i.e. streets, storm water and sewer systems, sidewalks, curbs, bridges, public buildings, and parks.

Glossary – cont'd

Liability: Probable future commitments that have come as a result of present operations. Most often a debt that appears on a balance sheet that will have to be resolved at some time in the future.

Line-item Budget: A budget that lists detailed expenditure and revenue categories separately, along with the amount budgeted for each specific category.

Millage: The tax rate on real property, usually based on \$1,000 of assessment.

Modified Accrual Basis: An accounting method whereby income and expense items are recognized as they are available and measurable. It is a modified version of the full accrual basis of accounting. This basis measures financial flow – taxing and spending -- of an organization, rather than the capital accumulation – profit or loss.

Ordinance: A formal legislative enactment by a governing board of the municipality. If it is not in conflict with any higher form of law, such as a State or Federal statute or constitutional provision, it has the full force and effect of law within the boundaries of the government to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Ordinarily, the code will specify or imply those legislative actions which must be by ordinance and those which must be by resolution.

Organization Chart: A chart showing the interrelationships of the positions and committees within an organization in terms of authority and responsibilities.

Property Taxes: Revenue received in a certain period from current taxes, delinquent taxes, and penalties and interest on delinquent taxes. Property taxes are levied on the assessed value of real property as established by the County.

Proprietary Fund: One of the major fund categories. It uses the full accrual basis of accounting and refers to the Enterprise (Sewer/Water) Fund.

Purchase Order: A document authorizing the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

Reserve Fund Balance: Those portions of fund balance that are not appropriated for expenditure or that are legally segregated for a specific future use as in the Capital Fund.

Revenue: Funds from various sources that the government receives as income.

Salary and Wages: An employee's monetary compensation for employment.

Special Revenue Fund: A governmental fund type used to account for specific revenues that are legally restricted to finance particular activities of government.

Tax Base: The total value of all real property within the Township. The tax base represents net value after all exemptions.

Tax Liens: Claims governments have upon properties until the taxes levied against them have been paid.

Trust and Agency Funds: A fiduciary fund used to account for assets held in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies.

ACRONYMS

BOCA – Building Officials and Code Administration - a non-profit, professional association for building and code officials.

CDBG – Community Development Block Grant – Federal program which is funded by the Department of Housing and Urban Development of the Federal Government.

DCED – Department of Community and Economic Development – State program which provides assistance and guidance to local governments to operate more effectively and efficiently. It was formerly known as the Department of Community Affairs (DCA).

DCNR – Department of Conservation and Natural Resources – State program which assists local government with environmental issues and provides grant dollars to local governments for various projects. It was formerly known as the Department of Environmental Protection and Resources.

FEMA – Federal Emergency Management Agency - governing agency for emergency services nationwide.

GFOA – Government Finance Officers Association - a non-profit, professional association serving government finance professionals throughout several districts in the US. GFOA is the equivalent to the American Institute of Certified Public Accountants (AICPA) in the private sector.

MMO – Minimum Municipal Obligation - amount calculated by an actuary to determine the portion a municipality pays into the retirement fund in order to keep the pension investments at a certain financial level each year.

MIPP – Municipal Industrial Pretreatment Program – federal program that the staff enforces throughout the system whereby significant industrial users are sampled and inspected.

NPDES – National Pollution Discharge Elimination System – permitting program mandated in PA by Congress and the EPA through the storm water regulations.

OPEB – Other Post-Employment Benefits – health care benefits for retired uniformed employees usually under a collective bargaining unit.

PEMA – Pennsylvania Emergency Management Agency - governing agency for emergency services within the State of Pennsylvania.

PURTA – Public Utility Realty Tax Act, which subsidizes non-taxed parcels to taxing districts for utility-owned properties.