

2019 Summerhill Boro. Budget Narrative

Borough of Summerhill Electric Department

Service Fee Increase: It is estimated that the cost to run the Christmas lights is approximately \$6,000 per year and the cost to operate our Street Lights is approximately \$15,000. With our Christmas lights being nearly 20 years old and a very large expense for the consumption of electricity, labor to replace burned out bulbs and installation the committee is recommending replacing these units with ones that are LED and have timers so they are not on all the time. The committee is also recommending a progressive replacement of our town streetlights with LED units that again have timer programming options. This will help improve light casting, allow for less electrical consumption and require less maintenance.

Many poles and transformers in town will need to be replaced over the next 10 years as preventative maintenance. To help pay for these upgrades, the committee is recommending raising the cost of our monthly service fee from \$7 per month to \$10 per month. This will allow approximately \$36,000 per year to be put into improvements of our electrical system and street lights. There will be a new income category for these Service Fees and the money is to always be kept separate and not subject to the annual Electric Transfer. In turn there will also be a new expenditure line for Infrastructure and Improvements.

Contracted Electrical Services: To cover emergencies and events that require more than our 1 man electrical crew, the Borough has been contracting with 2 local providers, Barclays and Turchacks, to accomplish many projects such as repairs after automobile accidents, replacing poles, fixing blown transformers. To help prepare for additional updates, the committee is recommending changing the line "Uncategorized Expenses" to "Contracted Electrical Services" and allocated additional funds for these improvements.

Electrical Donations: Many residents may not be aware of the large amount of power that is donated annually to help with local services; these include: Summerhill Volunteer Fire Department, Borough Building, Street Lights & Christmas Lights, Summerhill Ball Field, and small triangle park. It is estimated that these donations would cost approximately \$XXXXX XX

Borough of Summerhill Liquid Fuels Fund

Overall Summary: It is anticipated that the 2019 winter will be harsh and salt prices have already increased. The committee is recommending an increase to \$4,000 to help cover the cost of salt. Additionally, there is a large expenditure for Capital Construction to help improve several roads through town including: XXXXXXXXX

Borough of Summerhill General Account Budget

Capital Improvement Sidewalk & Curb Project: In Spring 2019 the Borough will undergo a large project to replace the curb and sidewalks from the top of New Germany Road down to and including the curve around the Summerhill Social Club and will include the addition of 2 new catch basins. This will help unify the sidewalks and improve overall safety for our residents and visitors while transferring the rain runoff under the road and under the pack as opposed to running though the volley ball court. The Borough was awarded a large grant to pay for a majority of the project, but the remaining \$160k will

come from the town. Rather than take a loan to pay for the project at an estimated 5% interest, the committee is recommending moving funds from savings. There will be a new line item under 3900 Other Financing Sources showing a Capital Construction Fund Transfer from savings for \$160,000 with the corresponding budgeted expender under 4390 Capital Construction.

Highway Maintenance: Due to the anticipate length of time our Street Commissioner will be spending as the town liaison with the construction company working on the sidewalk project, the committee is allocating additional funds in to the Department Head fund to cover additional hours that may be required of Tom Susko.

Park Project: The funds from our 125th Anniversary event in 2017 have been earmarked to help make improvements at the triangle park across from the ball fields. The funds were to be used in 2018 but from our very rainy season it was not accomplished. So in 2019 the committee is rounding the number to \$20,000 for the Capital Construction on line 46100.

Street Signs: Funds have been earmarked to start replacing street and safety signs with new signs or new decals that will be highly reflective and meet all safety guidelines. This will be a progressive project over the next few years to get all signs compliant and refaced. A new line item has been added to 4390 Highway Construction. The number may seem odd, but we allocated all funds remaining in the budget to balance out.

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Borough of Summerhill Electric Department

	2014		2015		2016		2017		3 Year Average 2015-2017 actual	2018	9 months 1/18 to 9/18	12 months adjusted	2019 Proposed Budget
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual					
Income													
3400 Interest													
34110 Interest on checking	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3700 Electric System													
37240 Sales of Electricity	355,000.00	349,302.24	355,000.00	156,271.64	355,000.00	338,032.10	355,000.00	281,201.89	320,000.00	256,993.66	342,658.21	336,000.00	336,000.00
37252 Service Call Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37256 Meter Deposits	500.00	0.00	0.00	500.00	0.00	0.00	0.00	166.67	1,250.00	1,500.00	2,000.00	1,250.00	1,250.00
NEW Service Fee													
subtotal	355,500.00	349,302.24	355,000.00	156,771.64	355,000.00	338,032.10	355,000.00	281,368.66	321,250.00	258,493.66	344,658.21	363,000.00	373,250.00
Total Income	355,500.00	349,302.24	355,000.00	156,771.64	355,000.00	338,032.10	355,000.00	281,368.66	321,250.00	258,493.66	344,658.21	373,250.00	373,250.00
Expense													
4420 Electric System Expenses													
42120 Billing Forms & Supplies	800.00	1,243.86	850.00	856.21	950.00	778.17	950.00	892.75	600.00	597.50	796.67	600.00	600.00
43110 Billing Services	350.00	0.00	0.00	10.00	0.00	0.00	0.00	3.33	350.00	0.00	0.00	350.00	350.00
43180 Collection Services	700.00	120.00	180.00	180.00	180.00	180.00	180.00	180.00	1,800.00	0.00	0.00	1,800.00	1,800.00
43181 Meter Deposit Credit	900.00	726.72	1,000.00	1,027.08	1,000.00	932.66	1,000.00	895.49	1,250.00	294.79	393.05	1,250.00	1,250.00
43520 Postage													
43610 Purchase of Electricity	260,000.00	237,762.14	260,000.00	241,697.95	260,000.00	244,332.01	260,000.00	241,280.70	250,000.00	1,194.95	266,435.08	1,750.00	1,750.00
42500.1 Dues & Subscriptions													
47400 Transfer of Electric to Gen Account													
NEW Vehicle Repair & Maintenance	3,500.00	1,874.09	3,500.00	881.84	3,500.00	5,349.54	7,000.00	0.00	44,000.00	30,000.00	97,000.00	2,000.00	67,000.00
NEW Machinery & Equipment													
NEW Infrastructure & Improvements (funds from Service Fee)													
NEW Contracted Electrical Services													
subtotal	266,250.00	241,726.81	265,830.00	244,443.08	265,830.00	251,672.40	265,130.00	249,914.10	315,630.00	8,956.43	321,303.64	15,000.00	373,250.00
6999 Uncategorized Expenses													
total	266,250.00	241,726.81	265,830.00	244,443.08	265,830.00	251,672.40	265,130.00	249,914.10	315,630.00	(8,831.43)	321,303.64	15,000.00	373,250.00
Total Expense	266,250.00	241,726.81	265,830.00	244,588.08	265,630.00	251,572.40	265,130.00	249,982.43	315,630.00	232,146.30	309,528.40	373,250.00	373,250.00
Net Income	89,250.00	107,575.43	89,170.00	(87,816.44)	89,370.00	86,459.70	(1,130.00)	36,406.23	5,620.00	26,347.36	35,128.81	0.00	0.00

	2017	2018	Actual 2018 9 months 1/18 to 9/18	12 months adjusted	2019
Income	Budget	Budget			Proposed Budget
Interest					
1st Summit Bank, Interest	0.00	195.00	158.91	211.88	160.00
S&T Bank; Int on Gen Ck.	25.00	20.00	0.00	0.00	0.00
subtotal	25.00	215.00	158.91	211.88	160.00
State Shared Revenue					
Liquid Fuels Tax	15,789.83	16,620.85	16,907.89	22,543.85	16,849.91
subtotal	15,789.83	16,620.85	16,907.89	22,543.85	16,849.91
Total Income	15,814.83	16,835.85	17,066.80	22,755.73	17,009.91
Expense					
Highway Construction					
Capital Construction	0.00	15,000.00	9,500.00	12,666.67	12,809.91
Salt	500.00	1,000.00	2,949.00	3,932.00	4,000.00
Vehicle Purchase	0.00	0.00	30,000.00	40,000.00	0.00
subtotal	500.00	16,000.00	42,449.00	56,598.67	16,809.91
Secretary					
Bank Charges	0.00	0.00	0.00	0.00	0.00
Office Supplies	0.00	200.00	0.00	0.00	200.00
subtotal	0.00	200.00	0.00	0.00	200.00
Total Expense	500.00	16,200.00	42,449.00	56,598.67	17,009.91
Net Income	15,314.83	635.85	(25,382.20)	(33,842.93)	0.00

Borough of Summerhill General Account Budget

	2014				2015				2016				2017				2018				3 Year Average 2016-2018 actual	2018 9 months 1/18 to 9/18	2018 12 months adjusted	2019 Proposed Budget
	actual	actual	actual	budget	actual	actual	actual	budget	actual	actual	actual	budget	actual	actual	actual	budget	actual	budget						
Income																								
3000 Taxes																								
30110 Real Estate Tax, Current Year	12,257.07	22,040.02	12,658.86	14,500.00	14,500.00	14,500.00	14,500.00	13,886.29	13,020.70	17,360.93	14,500.00													
30140 Real Estate Tax, Prior Year	1,353.37	676.97	789.66	500.00	500.00	500.00	596.55	439.42	439.42	585.89	500.00													
31020 Earned Income Tax	48,925.06	39,622.91	49,485.01	40,000.00	40,000.00	40,000.00	43,165.00	38,553.30	38,553.30	51,404.40	40,000.00													
31030 Realty Tax: Recorder of Deeds	2,800.84	3,519.63	4,384.19	1,000.00	1,000.00	1,000.00	2,131.40	3,778.83	3,778.83	5,038.44	1,000.00													
31040 Tax Information Requests									1,340.00	1,786.67	1,500.00													
subtotal	66,336.34	65,859.53	67,337.72	56,000.00	56,000.00	56,000.00	59,779.24	57,132.25	57,132.25	76,176.33	57,500.00													
3200 Licenses & Permits																								
32180 Cable TV Franchise	7,635.96	8,169.03	8,692.43	8,500.00	8,500.00	8,500.00	8,564.14	8,831.43	8,831.43	11,775.24	8,500.00													
32280 Street & Curb Permits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.47	43.47	57.96	0.00													
subtotal	7,635.96	8,169.03	8,692.43	8,500.00	8,500.00	8,500.00	8,564.14	8,874.90	8,874.90	11,833.20	8,500.00													
3300 Fines																								
33700 Fines - State and Local	632.23	396.50	915.77	500.00	500.00	500.00	638.59	241.70	241.70	322.27	500.00													
subtotal	632.23	396.50	915.77	500.00	500.00	500.00	638.59	241.70	241.70	322.27	500.00													
3400 Interest																								
34110 Interest on Checking Account	1.90	22.83	18.88	15.00	0.00	0.00	0.00	1.45	1.45	1.93	0.00													
34130 Interest on PNB CD: Truck Fund #1	19.77	39.81	40.06	150.00	0.00	0.00	11.29	0.00	0.00	0.00	0.00													
34160 Interest on New PNB Money Market	101.63	93.09	101.83	60.00	0.00	0.00	63.35	0.00	0.00	0.00	0.00													
34170 Interest on First Comm. Bus. Sav.	155.52	155.75	155.98	150.00	0.00	0.00	50.57	0.00	0.00	0.00	0.00													
34180 Interest on PNB CD: Truck Fund #2	19.59	39.45	39.70	15.00	0.00	0.00	15.199	181.33	181.33	241.77	200.00													
34190 Int. on 1stSummit Bank CD#1: 2836							18.23																	
34200 Int. on 1stSummit Bank CD#2: 2844							626.03	769.92	769.92	1,026.56	900.00													
34210 Int. on 1stSummit BankMoney Market							626.03	769.92	769.92	1,026.56	900.00													
34220 Int. on 1stSummit Bank General Chang							166.67	411.37	411.37	548.49	500.00													
34230 Interest: 1st Summit: 125 Ann.							166.67	450.53	450.53	600.71	500.00													
subtotal	298.41	350.93	1,112.59	1,880.00	2,650.00	1,880.00	1,880.96	2,653.42	2,653.42	3,537.89	3,083.00													
3500 State Shared Revenue																								
35600 Foreign Fire	2,537.78	2,462.80	2,452.10	2,500.00	2,500.00	2,500.00	2,484.03	2,031.14	2,031.14	2,708.19	2,000.00													
35500 Liquor Licenses	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	266.67	200.00													
35700 Liquor Fuels Tax	0.00	0.00	19,200.00	0.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00													
subtotal	2,737.78	2,662.80	21,652.10	2,700.00	2,700.00	2,700.00	9,084.03	2,231.14	2,231.14	2,974.85	2,200.00													
3700 Electric System																								
37240 Sales of Electricity	349,302.24	156,271.64	336,032.10	356,000.00	321,250.00	338,094.03	258,493.66	344,658.21	258,493.66	344,658.21	373,250.00													
subtotal	349,302.24	156,271.64	336,032.10	356,000.00	321,250.00	338,094.03	258,493.66	344,658.21	258,493.66	344,658.21	373,250.00													
3900 Other Financing Sources																								
39120 Compensation for Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00													
39500 Refunds of Prior Year Expenses	0.00	1,596.69	319.07	0.00	0.00	0.00	106.36	4.86	4.86	6.48	0.00													
39501 Refunds of Current Year Expenses	808.98	5,412.47	123.00	0.00	0.00	0.00	41.67	58,482.60	58,482.60	77,976.80	0.00													
39502 annual transfer from electric	349,302.24	192,545.91	89,000.00	83,493.00	60,000.00	77,467.67	30,000.00	30,000.00	30,000.00	89,000.00	0.00													
NEW																								
subtotal	809.98	199,655.07	89,444.07	83,493.00	79,966.82	84,307.30	88,487.46	117,963.28	88,487.46	117,963.28	240,000.00													
Total Income	77,450.70	276,993.86	189,364.68	153,073.00	150,316.82	164,246.17	159,620.87	212,827.83	159,620.87	212,827.83	669,035.00													
Expense																								
4000 Legislative Body																								
41130 Wages - Council & Mayor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00													
41610.1 FICA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00													
41620.1 Unemployment Compensation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00													
43310 Travel Expenses	0.00	0.00	0.00	0.00	0.00	0.00	166.67	0.00	0.00	0.00	0.00													
44200 Dues Subscrips & Membership	548.65	632.58	731.24	600.00	800.00	643.75	207.82	277.09	277.09	26.67	1,000.00													
44600 Meetings & Conferences	80.00	0.00	125.00	1,000.00	500.00	541.67	20.00	20.00	20.00	26.67	300.00													
subtotal	628.65	632.58	856.24	1,600.00	1,600.00	1,352.08	227.82	303.76	227.82	303.76	1,600.00													

4020 Financial Administration
43100 Auditor Fees

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