

GENERAL FUND

REVENUE NARRATIVE

301.10 - REAL ESTATE TAX

The Assessed Valuation provided by the County of Lehigh Assessment Office for 2010 is as follows:

	<u>Parcels</u>	<u>Assessment</u>
Total	1,640	\$130,037,350
Exempt	33	\$ 53,235,100 (= 40.9%)
Taxable	1,607	\$ 76,802,250

Using the proposed tax rate of 12.25 mills, which includes the Fire Tax at 0.25 mills and Library Tax at 1.0 mills, the amount generated in gross tax would be **\$940,828** (\$76,802,250 divided by \$1,000 x 12.25). One mill would net approximately \$76,802. The Borough typically collects approximately 97% of the gross tax during the calendar year. The net taxes budgeted for in 2010 is **\$917,141**. Out of this amount, the Borough then transfers 0.25 mills (\$19,200) to the Fire Truck Fund to be used towards any debt service on the purchase of Fire Trucks and payment of a PEMA Loan used to finance a Fire Truck purchase. In addition, out of the total taxes collected, the Borough will transfer \$76,802, or 1.0 mills, into the Library Fund to pay for Library services with the City of Bethlehem.

Millage History

<u>Year</u>	<u>Gen. Gov't</u>	<u>Fire</u>	<u>Library</u>	<u>Total Millage Rate</u>
1990	24.50			24.50
1991	6.09 (Reassessment)			6.09
1992	7.09			7.09
1993	7.09			7.09
1994	8.69			8.69
1995	10.00			10.00
1996	10.25			10.25
1997	10.25			10.25
1998	10.25			10.25
1999	10.25			10.25
2000	10.25			10.25
2001	10.25			10.25
2002	10.75			10.75
2003	11.25			11.25
2004	11.25			11.25
2005	11.25			11.25
2006	10.00	0.25	1.0	11.25
2007	10.00	0.25	1.0	11.25
2008	10.00	0.25	1.0	11.25
2009	10.00	0.25	1.0	11.25
2010	11.00	0.25	1.0	12.25

301.20 - PRIOR YEAR TAXES

The Borough anticipates receiving approximately **\$6,900** in taxes due from the previous year. Any balance of unpaid taxes from the previous year are then submitted to the Lehigh County Tax Claim Bureau for collection.

301.30 – DELINQUENT TAXES

This account reflects the amount of uncollected taxes from prior years anticipated to be collected by the LC Tax Claim Bureau. The Borough anticipates collecting around **\$34,872**.

310.01 - PER CAPITA TAX

The Borough levies a \$5.00 per capita tax on each resident, 18 years or over, who reside in the Borough. The Borough expects to generate approximately **\$9,000**.

310.02 - PER CAPITA – PRIOR YEAR(S)

Approximately **\$550** will be collected from prior year per capita taxes due.

310.10 - REAL ESTATE TRANSFER TAX

The Borough levies a 1% tax on all transactions (sales) of real estate in the Borough which is collected by the County Recorder of Deeds and remitted to the Borough. The Borough shares ½ with Bethlehem Area School District. This revenue item is largely influenced by the state of the economy and interest rates, therefore in 2010 the Borough is anticipating a reduction in the amount collected. **\$44,000**.

310.21 - EARNED INCOME TAX (EIT) – CURRENT YEAR

A general revenue purpose tax of 1% is imposed on earned income received by residents of the Borough; earned income received by nonresidents for work conducted in the Borough; net profits earned by residents and net profits earned from the operation of a business, profession or other activities, except corporations. The Borough expects to collect, through Berkheimer Associates, approximately **\$350,000**.

310.22 – EIT – PRIOR YEAR

The Borough anticipates collecting approximately **\$20,000** from prior year distributions.

310.30 - MERCANTILE & BUSINESS PRIVILEGE TAX

The Borough levies a tax on every dollar of the whole or gross volume of business transacted within the Borough calculated on receipts attributable to the provision of services (1.5 mills on every \$1,000 dollars of gross volume); 1 mill per \$1,000 dollars on receipts attributable to wholesale sales; 1.5 mills on every \$1,000 dollars on receipts attributable to retail sales. The School District collects the tax through Berkheimer Associates and remits 1/2 to the Borough. It is expected that the Borough will receive approximately **\$95,000**.

310.51 - LOCAL SERVICE TAX

A tax of \$52 is imposed upon the privilege of engaging in an occupation within the Borough. This tax is also shared with the School District (\$5 BASD/\$47 Borough). It is anticipated that the Borough will collect approximately **\$200,000**.

321.20 - HEALTH LICENSES

The Borough charges \$100 per license to food or drinking establishments. To date there are 27 establishments receiving licenses. Total revenue **\$2,700**.

321.80 - CABLE TV FRANCHISE FEE

The Borough, by Ordinance, levies a 5% tax (maximum allowed by Law) on prior year gross receipts of Cable companies such as Service Electric and RCN. It is anticipated that the Borough will receive approximately **\$51,000**.

321.90 - MOVING PERMITS

The Borough charges \$10 per permit to anyone who moves in, out and within the Borough limits. Therefore, the Borough expects to generate approximately **\$600**.

322.82 - EXCAVATING PERMITS

The Borough charges a fee of \$50 for cuts made beyond the curb line and \$75 (proposed \$100) for cuts made in the street cartway. It is anticipated that the Borough will receive approximately **\$1,500** from UGI, PP&L and other utilities.

322.83 - WARRANTS OF SURVEY

The Borough charges a fee based on the front foot rule of \$100 for the first 50 feet and \$1.20 per foot in excess of 50 feet. Total for this account **\$ 300**.

322.84 - SOLICITATION PERMITS

The Borough charges \$30 per permit to for-profit organizations. Estimated **-\$0**.

332. 85 - HANDICAPPED PARKING SIGN APPLICATIONS

The Borough charges \$25 for handicapped parking sign applications. Total **\$100**

331.11 - VEHICLE CODES

It is anticipated that the Borough will receive approximately **\$43,000** in fines collected from citations involving the violation of the PA Motor Vehicle Code.

331.12 - ORDINANCE VIOLATIONS

The Borough will receive approximately \$ **15,000** from fines concerning ordinance violations enforced by the Police Department.

331.13 - STATE POLICE

The Borough will receive in semi-annual payments approximately **\$1,600** in connection with arrests made by state police. Total **\$3,200**.

336.99 - CHARGES FOR SERVICES

The Borough expects to collect approx. **\$0** from curbing assessments.

341.00 - INVESTMENT INTEREST

The Borough holds monies in interest bearing accounts with PLIGT and East Penn Bank. The Borough only expects to earn **\$4,000** in interest as a result of low interest rates.

342.20 – RENT - SEWER

The Sewer fund reimburses the General Fund for office expenses associated with the administration of the Sewer Fund. Total \$6,000.

342.21 – RENT - HEALTH & SANITATION

The Health & Sanitation fund will reimburse the General Fund for office expenses associated with the administration of the H & S Fund. Total \$6,000.

342.22 – RENT - CONCESSION STAND

In the past the Borough would charge rent for the Concession Stand at the swimming pool if it was leased. Total \$0.

342.23 – RENT - LANTA

The Borough receives rent for the LANTA bus shelters. Total \$250.

351.01 - DCED GRANT

It is not known at this time if the Borough will receive grant funding for Storm Sewer Improvements.

351.02 – PUBLIC SAFETY GRANT

The Borough expects to receive \$2,000.

351.05 - VOLUNTEER FIRE RELIEF ASSOCIATION

The Borough receives funds from the state for distribution to its local volunteer fire company. Total estimated \$25,000.

351.61 - CDBG COUNTY STORM SEWER GRANT

It is anticipated that the Borough will receive \$100,000 from the Lehigh County CDBG Program to use towards the Stanley Avenue / N. Lynn Streets Storm Sewer Improvements project.

355.01 - PUBLIC UTILITY REALTY TAX

The Borough receives a share of revenues from properties in the Borough owned by utility companies. The company is the Railroad Co. Total for the year is expected to be \$2,500.

355.03 - SPECIAL AD HOC POSTRETIREMENT

The State will reimburse the Borough for the cost associated with AD HOC postretirement payments made to retired police officers. Total \$1,700.

355.08 - BEVERAGES LICENSE

The Borough receives approximately \$1,200 in licenses fees issued by the Liquor Control Board for drinking establishments, clubs and taverns.

359.00 - IN LIEU OF TAXES

The Lehigh County Housing Authority, per agreement, pays the Borough \$10,000 in PILOT (Payment in lieu of taxes).

361.10 - ADMINISTRATION FEE

The Borough charges nominal fees for the retrieval of records, bid documents and other miscellaneous services. Anticipated \$150.

361.20 – BID SPECIFICATION FEES

To offset the cost of preparing and photocopying sets of bid specifications, the Borough charges a fee to firms who may be interested in submitting a bid for a project. Most project bid specifications are prepared by the Borough Engineer's office who charges a fee but retains the fee and offsets their billing to the Borough. Total \$100.

361.11 – CIVIL SERVICE APPLICATION FEES

When the Borough calls for a new Civil Service exam for the position of Police Patrol Officer, a fee is charged to applicants taking the exam. \$100.

361.30 – SUBDIVISION FEES

The Borough charges a fee for the submission of a subdivision application which is based on a per lot calculation. \$100.

361.33 - ZONING HEARING BOARD FEES

The Borough charges \$300 for appeals relating to Special Exceptions for residential properties and \$750 for commercial properties. Total \$4,000.

361.50 - PUBLICATIONS

\$500 is estimated for the sale of Zoning Books (\$25), SALDO (\$35), Comprehensive Plan (\$50) and other printed materials.

361.51 - CHARGES FOR PUBLIC WORKS SERVICES

It is estimated that the PW Dept will perform certain services that will be reimbursed. Total \$500.

362.10 - SPECIAL POLICE SERVICES

This represents reimbursement of OT for officers assigned to various Task Forces (\$12,000) or for the Community Police Officer (\$27,000). Total \$39,000.

362.11 - ACCIDENTS REPORTS

The Borough charges \$10.00 per report. Total \$3,000.

362.41 - BUILDING PERMITS

The Borough expects to generate \$22,000 from building permits from residential and commercial construction in order to enforce the Uniform Construction Code (Act 45).

362.42 - ELECTRICAL PERMITS

The Borough expects to generate approximately \$2,500 in permits.

362.43 - PLUMBING PERMITS

The Borough expects to generate approximately **\$3,500** in permits.

362.45 - OCCUPANCY PERMITS

The fees associated with this category are \$25 per residential permit and \$50 for commercial permits. Also, Rental Inspections are charged to this account (\$35). Total **\$1,000**

365.50 - ANIMAL CONTROL

No revenues are anticipated as reimbursement for the cost of apprehending and transporting animals to the shelter.

367.10 – PLAYGROUND FEES

Minimal fees may be charged for certain Playground programs. **\$50.**

367.20 - SWIMMING POOL FEES

This represents revenues generated from the sale of season passes for the pool as well as daily passes. **\$30,000.**

367.30 – CONCESSION STAND REVENUE

It is not anticipated that the concession stand will be opened in 2010.

367.40 - CONTRIBUTIONS TO PARK

This item represents any donations received from residents for the Park. **\$100.**

380.01 - INSURANCE REFUNDS

This represents possible insurance premium refunds or reimbursement from insurance companies for any damage to Borough owned property. **\$650.**

380.02 - PEMA LOAN

PEMA Loan in 2004 for the Fire Truck and pay off the Lease. **Total \$0.**

380.03 - STREET SIGNS RESTITUTION

The Borough anticipates receiving **\$100** from reimbursement for sign damaged by motorists.

380.04 - STATE AID

The Borough expects to receive approximately **\$81,328** from the Commonwealth to be applied towards offsetting the Borough's contribution costs for two pension plans in accordance with the 2010 MMO approved by Borough Council.

380.10 - FALSE ALARMS/REGISTRATIONS

The Borough charges a penalty fee for each false alarm after the 3rd false alarm. Budgeted **\$5,500**

387.00 - CONTRIBUTION FROM PRIVATE SOURCES

The Borough occasionally receives contributions from private sources. **\$500.**

391.10 – SALES OF GENERAL FIXED ASSETS

Each year the Borough has miscellaneous equipment and/or vehicles no longer needed for Borough use which is auctioned off. This account represents the proceeds of the sale of these fixed assets. **\$100.**

392.10 – FROM SEWER FUND

This represents funds transferred from the Sewer Fund to the General Fund to offset costs for sanitary and storm sewer operations, maintenance and repairs (\$51,000) and funds borrowed to reduce the tax increase (\$26,000). Total **\$77,000.**

392.30 - FROM FIRE TRUCK FUND

The Borough anticipates using **\$11,584** from its Fire Truck Fund for the payment of the PEMA Loan debt service.

392.35 - FROM LIQUID FUELS

Liquid Fuels Fund will pay for the annual lease/purchase cost for a Public Works Dump Truck- **\$11,250.**

392.86 - PRIOR YEAR EXPENDITURES

The Borough anticipates receiving **\$3,500** from the BASD for reimbursement of 1/2 of the expenses associated with crossing guards wages.

392.87 - FROM CAPITAL RESERVE

The Borough is not anticipating the transfer of any funds from the Capital Reserve account into the GF.

392.91 - WORKERS COMPENSATION REIMBURSEMENT

No Workers Compensation reimbursements are anticipated.

392.93 - FROM LOCAL SERVICE TAX

The Borough will transfer **\$200,000** from LST Revenues to offset expenses relating to Emergency Services such as Police, Fire and for Street Improvements.

392.94 - FROM LIBRARY FUND

The Borough will transfer **\$82,100** from Library Fund revenues to offset expenses for Library Services from the BAPL.