

**BOROUGH OF NORTHAMPTON  
1401 LAUBACH AVENUE  
NORTHAMPTON, PENNSYLVANIA 18067**

November 14, 2018

Dear Mayor and Borough Council:

For 2019, the total General Fund budget expenditures are projected at \$6,311,320. This represents a decrease of \$44,620 or approximately 0.71%. Fortunately it will not be necessary to increase taxes. I anticipate that the 2018 closing balance will be \$1,765,566, an increase of \$514,515 over the projected closing balance at the end of 2017. The projected 2019 closing balance is \$1,637,508; well over the state-recommended 10% balance.

Several items led to a successful financial year, including higher County real estate transfer tax, state pension aid, garbage collection fees, permit fees, a donation from North Catasauqua Borough toward the purchase of a paving machine and a return on medical insurance premiums. Coupled with the cooperation of all Department Heads, expenses were reduced while not impacting services provided to the residents of the Borough.

The largest Capital Projects include a new Chevrolet Tahoe and portable/mobile radios for the Police Department, Knox Box system software for the Fire Department, a 106" X-mark mower and a snow blower attachment for the skid loader for the Public Works Department, \$75,000 for the MS4 stream remediation project and \$10,000 to replace aging exercise equipment at the Recreation Center, although the Northampton Memorial Community Center has been historically generous in its support of the recreation program.

For 2019, the Sewer Budget is \$1,465,624, with the anticipated revenue providing \$1,641,700. Capital projects include a new lawn tractor, a six (6") inch trash pump and a continuation of the upgrade for the treatment facility. In light of the results of the study done by the Borough's environmental engineers, Gilmore and Associates, it has become apparent that Council may wish to consider a sewer rate adjustment within the not-too-distant future.

I wish to thank the Mayor and Council for providing a friendly and open environment for the administrative staff. Many thanks are to be extended to the Department Heads for their understanding and tolerance of my home-spun approach. Last but not least I need to thank the administrative staff, Barbara Matuczinski, Juliann Edelman, Mary Ellen Handlon and Meaghan Case. I would be lost without them. In any event, it must be remembered that a budget is nothing more than an educated guess and no one knows what the future has in store. Collectively, we will all do our best to ensure that the financial well-being of Northampton Borough is our paramount concern.

Sincerely,



LeRoy E. Brobst  
Borough Manager

## General Fund Summary

	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
<b>Income</b>				
<b>Opening Balance</b>				
Checking	\$1,088,709	\$1,195,898	\$1,567,852	
Savings Account & Investments	0	0	0	
Liquid Fuels	165,340	104,410	115,714	
Recreation Fund	84,000	81,962	82,000	
<b>Total Opening Balances</b>	<b>\$1,338,049</b>	<b>\$1,382,270</b>	<b>\$1,765,566</b>	
<b>Revenue</b>				
Taxes	\$3,463,964	\$3,498,568	\$3,507,846	
Licenses & Permits	241,700	206,224	243,200	
Fines, Forfeits & Penalties	33,500	36,700	36,250	
Interest & Rents	84,000	88,300	88,000	
Grants, Shared Revenue, Entitlements	498,328	562,421	575,466	
General Government	8,200	9,588	8,200	
Public Safety	70,950	94,015	74,000	
Streets	10,000	10,800	11,000	
Sanitation & Health	1,132,500	1,206,500	1,209,500	
Culture & Recreation	265,800	250,784	252,600	
Miscellaneous Revenue & Dispositions	90,000	163,670	107,200	
Other Financing Sources	370,000	505,830	70,000	
<b>Total Revenue</b>	<b>\$6,268,942</b>	<b>\$6,633,400</b>	<b>\$6,183,262</b>	
<b>Total Funds Available</b>	<b>\$7,606,991</b>	<b>\$8,015,670</b>	<b>\$7,948,828</b>	
<b>Expenditures</b>				
<b>General Government</b>				
Legislative - Borough Council	\$25,412	\$21,887	\$25,462	
Administrative & Executive	166,283	166,300	174,391	
Financial Administration	104,030	97,950	105,466	
Tax Collection	56,200	54,755	55,400	
Law - Counsel & Legal Advice	22,000	22,150	23,000	
Municipal Buildings - Operations, Construction & Maintenance	58,541	59,650	60,096	
<b>Total General Government</b>	<b>\$432,466</b>	<b>\$422,692</b>	<b>\$443,815</b>	
<b>Public Safety</b>				
Police Protection	\$1,741,123	\$1,805,392	\$1,827,984	
Fire Protection	134,117	129,344	145,400	
Northampton Emergency Squad	11,500	11,500	12,000	
Code Enforcement & Building Inspection	128,900	86,370	115,612	
Planning	29,875	22,500	32,613	
Emergency Management	1,550	900	1,550	
Zoning	36,149	30,100	37,262	
<b>Total Public Safety</b>	<b>\$2,083,214</b>	<b>\$2,086,106</b>	<b>\$2,172,421</b>	

## General Fund Summary (Continued)

	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
<b>Expenditures</b>				
<b>Health &amp; Welfare</b>				
Board of Health	\$18,247	\$16,175	\$18,324	
<b>Total Health &amp; Welfare</b>	<b>\$18,247</b>	<b>\$16,175</b>	<b>\$18,324</b>	
<b>Public Works Sanitation</b>				
Refuse Collection & Disposal	\$856,188	\$862,205	\$861,021	
Weed & Grass Control	66,074	79,300	93,744	
<b>Total Public Works Sanitation</b>	<b>\$922,262</b>	<b>\$941,505</b>	<b>\$954,765</b>	
<b>Public Works Highway</b>				
Street Cleaning	\$33,910	\$29,900	\$41,184	
Snow & Ice Control	138,940	116,394	148,007	
Street Signs & Markings	53,546	84,100	96,876	
Street Lighting	180,000	175,000	180,000	
Curb & Sidewalk Construction	3,000	0	3,000	
Storm Sewer Maint. & Construction	57,382	37,500	85,492	
Street Maintenance	130,493	158,300	127,408	
Street Construction	348,625	346,947	150,000	
<b>Total Public Works Highway</b>	<b>\$945,896</b>	<b>\$948,141</b>	<b>\$831,967</b>	
<b>Culture - Recreation</b>				
Swimming Pool	\$69,028	\$68,401	\$72,829	
Recreation Center	294,470	262,158	273,907	
Parks & Playgrounds	100,675	87,126	104,550	
Library	17,000	17,000	17,500	
Community Programs & Celebrations	42,575	44,700	42,235	
<b>Total Culture - Recreation</b>	<b>\$523,748</b>	<b>\$479,385</b>	<b>\$511,021</b>	
<b>Debt Service</b>				
General Obligation Bonds	\$393,200	\$393,180	\$390,900	
Major Equipment Loan	7,600	0	0	
<b>Total Debt Service</b>	<b>\$400,800</b>	<b>\$393,180</b>	<b>\$390,900</b>	
<b>Miscellaneous Expenditures</b>				
Insurance - Public Property & Vehicle	\$45,215	\$46,105	\$46,111	
Employee Benefits - Ins. & Pensions	919,092	849,065	871,996	
Miscellaneous Expenditures	65,000	67,750	70,000	
<b>Total Miscellaneous Expenditures</b>	<b>\$1,029,307</b>	<b>\$962,920</b>	<b>\$988,107</b>	
<b>Total Expenditures</b>	<b>\$6,355,940</b>	<b>\$6,250,104</b>	<b>\$6,311,320</b>	
<b>Projected Closing Balance</b>	<b>\$1,251,051</b>	<b>\$1,765,566</b>	<b>\$1,637,508</b>	

**General Fund  
Revenue Detail  
2019**

Account Code	Source of Revenue	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
	Checking	\$1,088,709	\$1,195,898	\$1,567,852	
	Savings Acct or Investments	0	0	0	
	Liquid Fuels	165,340	104,410	115,714	
	Recreation Fund	84,000	81,962	82,000	
<b>Total Opening Balances</b>		<b>\$1,338,049</b>	<b>\$1,382,270</b>	<b>\$1,765,566</b>	
<b>Taxes</b>		<b>Revenue</b>			
01.301.10	* Real Property - Current	\$1,935,464	\$1,938,568	\$1,940,846	**
01.301.20	Real Property - Prior	80,000	71,000	72,000	
01.319.01	Real Property - Penalties	13,500	17,000	15,000	
01.310.10	Real Estate Transfer	125,000	162,000	150,000	
01.310.20	E.I.T.	1,210,000	1,210,000	1,230,000	
01.310.40	LST	100,000	100,000	100,000	
<b>Total Taxes</b>		<b>\$3,463,964</b>	<b>\$3,498,568</b>	<b>\$3,507,846</b>	
<b>Licenses &amp; Permits</b>					
01.320.10	Zoning Appeals & Permit Fees	\$12,500	\$9,820	\$10,000	
01.320.20	Moving	800	850	1,000	
01.320.30	Misc. Permits & License	3,500	2,900	3,000	
01.320.40	Rental Unit License	24,000	0	36,000	
01.321.20	Health Licenses	5,200	5,090	5,200	
01.321.80	Cable TV Franchise Fees	190,000	182,736	183,000	
01.322.80	Curbing & Sidewalk	1,500	1,800	1,500	
01.322.81	Street & Pole Permits	4,200	3,028	3,500	
<b>Total Licenses &amp; Permits</b>		<b>\$241,700</b>	<b>\$206,224</b>	<b>\$243,200</b>	
<b>Fines, Forfeits &amp; Penalties</b>					
01.331.10	State Police Fines	\$5,000	\$5,200	\$5,000	
01.331.11	Motor Vehicle Violations	10,000	12,000	12,000	
01.331.12	Ordinance Violations	10,000	10,500	10,500	
01.332.10	Bail Forfeitures	8,500	9,000	8,750	
<b>Total Fines, Forfeits &amp; Penalties</b>		<b>\$33,500</b>	<b>\$36,700</b>	<b>\$36,250</b>	

\*Tax rate based on 10.00 mills \*\*(With Discount)  
Estimated Assessment Value - \$204,299,600

**General Fund  
Revenue Detail  
2019**

Account Code	Source of Revenue	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
<b>Interest &amp; Rents</b>					
01.341.10	Interest on Investments	\$2,000	\$4,300	\$4,000	
01.342.20	Rents & Concessions	82,000	84,000	84,000	
<b>Total Interest &amp; Rents</b>		<b>\$84,000</b>	<b>\$88,300</b>	<b>\$88,000</b>	
<b>Grants, Shared Revenue &amp; Entitlements</b>					
01.351.02	Cops Fast Grant/Body Armor	\$0	\$1,452	\$1,000	
01.354.02	Miscellaneous Grants	0	0	45,000	
01.354.03	Snow Emergency Grant - State	3,750	0	0	
01.354.20	State Grants - Recycling	18,250	18,250	20,000	
01.355.01	State Public Utility Realty Tax	3,600	3,784	3,700	
01.355.05	Liquid Fuels Funds from State	290,328	307,000	303,366	
01.355.08	Beverages	2,400	2,400	2,400	
01.355.12	Pension - State Aid	180,000	229,535	200,000	
<b>Total Grants, Shared Revenue &amp; Entitlements</b>		<b>\$498,328</b>	<b>\$562,421</b>	<b>\$575,466</b>	
<b>General Government</b>					
01.361.10	Charge for Services	\$0	\$500	\$0	
01.361.30	Subdivision Plan Fees	1,000	1,288	1,000	
01.361.35	Subdivision Recreation Fund	7,200	7,800	7,200	
<b>Total General Government</b>		<b>\$8,200</b>	<b>\$9,588</b>	<b>\$8,200</b>	
<b>Public Safety</b>					
01.362.10	Police Salaries Reimbursable	\$21,000	\$14,000	\$15,000	
01.362.11	Accident & Criminal Reports	2,500	1,775	2,000	
01.362.12	K-9 Unit	5,000	8,765	7,500	
01.362.41	Building	30,250	41,000	32,000	
01.362.42	Electrical	5,500	12,225	8,000	
01.362.43	Plumbing	4,400	12,000	6,500	
01.362.46	Mechanical	2,300	4,250	3,000	
<b>Total Public Safety</b>		<b>\$70,950</b>	<b>\$94,015</b>	<b>\$74,000</b>	
<b>Streets</b>					
01.363.21	Parking Meter Receipts	\$10,000	\$10,800	\$11,000	
<b>Total Streets</b>		<b>\$10,000</b>	<b>\$10,800</b>	<b>\$11,000</b>	

**General Fund  
Revenue Detail  
2019**

Account Code	Source of Revenue	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
<b>Sanitation &amp; Health</b>					
01.364.30	Refuse Collection Fees	\$1,100,000	\$1,185,000	\$1,185,000	
01.364.32	Refuse Fees - Penalties	25,000	17,300	19,000	
01.364.33	Refuse Fees - Attorney	7,500	4,200	5,500	
<b>Total Sanitation &amp; Health</b>		<b>\$1,132,500</b>	<b>\$1,206,500</b>	<b>\$1,209,500</b>	
<b>Culture &amp; Recreation</b>					
01.367.20	Swimming Pool Ticket Sales	\$50,000	\$53,309	\$53,000	
01.367.49	Recreation Daily Passes	12,000	11,500	12,000	
01.367.50	Recreation Membership Fees	105,000	98,500	100,000	
01.367.51	Recreation Rentals	17,500	10,100	10,500	
01.367.52	Recreation Miscellaneous Sales	800	525	600	
01.367.53	Recreation Snack Bar & Vending	12,500	7,350	9,000	
01.367.54	Recreation Activities	65,000	59,000	60,000	
01.367.55	Recreation Center Donations	3,000	10,500	7,500	
<b>Total Culture &amp; Recreation</b>		<b>\$265,800</b>	<b>\$250,784</b>	<b>\$252,600</b>	
<b>Misc. Revenues &amp; Sales</b>					
01.380.10	Miscellaneous	\$10,000	\$66,160	\$7,500	
01.387.10	Gifts & Donations	500	10	100	
01.389.10	Sale of Property	0	0	0	
01.389.30	Gas - NBMA, Coplay & N. Catty	72,000	86,300	93,100	
01.389.40	Sale of Supplies	1,500	1,200	1,500	
01.391.10	Sale of Equipment	6,000	10,000	5,000	
<b>Total Misc. Revenues &amp; Dispositions</b>		<b>\$90,000</b>	<b>\$163,670</b>	<b>\$107,200</b>	
<b>Other Financing Sources</b>					
01.392.90	Transfer from Other Funds	\$300,000	\$300,000	\$0	
01.395.10	Refund of Prior Year's Expenses	70,000	205,830	70,000	
<b>Total Other Financing Sources</b>		<b>\$370,000</b>	<b>\$505,830</b>	<b>\$70,000</b>	
<b>Total Revenue</b>		<b>\$6,268,942</b>	<b>\$6,633,400</b>	<b>\$6,183,262</b>	
<b>Total Funds Available</b>		<b>\$7,606,991</b>	<b>\$8,015,670</b>	<b>\$7,948,828</b>	

## Sewer Fund Summary

	2018 Final Budget	2018 Estimated	2019 Proposed Budget	2019 Final Budget
<b>Opening Balance</b>				
Checking & MMA	\$985,491	\$804,261	\$819,565	
Allen Twp. Pre-Payment	1,537,000	1,537,000	1,537,000	
Capital Reserve Fund	0	0	0	
Lerchenmiller Endowment Fund	820,400	821,694	822,900	
<b>Total Opening Balances</b>	<b>\$3,342,891</b>	<b>\$3,162,955</b>	<b>\$3,179,465</b>	
<b>Revenue</b>				
08.341.10 Interest Earned	\$12,000	\$4,600	\$5,000	
08.354.10 State Appropriation - 537 Plan	0	0	0	
08.364.01 Sewer Rents - Current & Prior	1,390,000	1,352,857	1,375,000	
08.364.02 Sewer Rents - Allen Twp.	270,000	220,000	235,000	
08.380.10 Sewer Misc. Income	0	0	0	
08.383.01 Sewer Tapping Fees	88,725	96,330	25,000	
08.383.02 Sewer Permits	450	175	200	
08.383.03 Sewer Connection Fees	1,500	0	1,500	
<b>Total Revenue</b>	<b>\$1,762,675</b>	<b>\$1,673,962</b>	<b>\$1,641,700</b>	
<b>Total Funds Available</b>	<b>\$5,105,566</b>	<b>\$4,836,917</b>	<b>\$4,821,165</b>	
<b>Expenditures</b>				
08.406.00 Administration	\$509,201	\$560,954	\$574,168	
08.426.00 Sewer Pumping, Maint. & Construction	197,495	133,527	195,093	
08.429.00 Sewage Treatment & Disposal	586,810	662,971	696,363	
08.472.00 General Obligation Bond	0	0	0	
08.492.02 Transfer to General Fund	300,000	300,000	0	
<b>Total Expenditures</b>	<b>\$1,593,506</b>	<b>\$1,657,452</b>	<b>\$1,465,624</b>	
<b>Project Closing Balance</b>	<b>\$3,512,060</b>	<b>\$3,179,465</b>	<b>\$3,355,541</b>	