



2024 Sewer Fund Budget Summary

December 4th, 2023

Summary of Sewer Fund Budget Process

The 2024 Sewer Fund Budget was developed by the Finance Committee of Steelton Borough Council in consultation with the Interim Borough Manager, Assistant Secretary-Treasurer, departmental staff, and consultants.

The process for developing the budget was as follows:

September 17th Sewer Department Internal Budget Meeting with Staff – Wish List Budget

Publicly Advertised Finance Committee Meetings

September 2023 Review of Wish List Budgets with Department Head– Department Head met directly with the Finance Committee to review and make a case for their budget requests as well as discuss areas in which they could cut their budget.

October 5th Department Heads were provided with an opportunity to discuss their individual budgets with the Finance Committee. No Department heads were present.

October 5th, 12th, 19th Review and discussion of cuts to balance budget. The cuts resulted in a balanced 2024 budget.

November 2nd Committee recommends budget to Steelton Borough Council
Committee voted unanimously to recommend budget to Steelton Borough Council.

Publicly Advertised Council Meetings:

November 6th Council Votes to Lay Budget for Public Inspection

**November 6th –
December 4th** Public Inspection Period

November 16th Budget Ordinance advertised in Paper of General Circulation

November 28th Budget Ordinance re-advertised in Paper of General Circulation



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Formal Consideration and Adoption. Council considers passing budget appropriations ordinance and tax ordinance.

Overall Sewer Fund Outlook

The Steelton Sewer Fund continues to exhibit flat revenues.

The 2024 Sewer Fund Budget projects sewer rentals to remain flat at \$1,925,000, Total revenues are projected at **\$2,132,800**.

Expenses

The 2023 Sewer Fund Budget remains flat for operation expenses, but with a large increase in debt services principal and interest expenses due to the DCIB 2022 Loan repayment. Total expenses are projected at **\$2,132,800**.

Capital Purchases/Projects

In 2024 the Borough of Steelton will invest heavily in the Boroughs sewer system.

In 2022 the Borough of Steelton was awarded a \$2.3 Million grant from PennVEST to retrofit and upgrade the Hoffer Street pump station and install a generator. Closing on this grant is anticipated in November/December 2023 with construction to be begin in the 2024.

In 2022 the Borough of Steelton took out a DCIB 2022 Loan in the amount of \$5,361,000. Engineering and Permitting work on these projects have commence in 2023. A vast majority of this loan will fund the following projects in 2024 and beyond:

- Generator for the Felton Street Pumping Station.
- Generator for the Trewick Pumping Station.
- Force Main replacement Project between Trewick Pumping Station and Capital Region Water's sewer plant intake.



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Concerns

The largest concern of the committee is the total amount of delinquencies on sewer rentals. Last report indicated a delinquency of +\$600,000 on accounts ageing 120 Days. Continual delinquencies in 2023 will require a re-evaluation of sewer rates during 2024.

- With the anticipated process to restart water shutoffs the committee will need to review the status of delinquencies in January of 2024.
- The committee in early 2024 must review status of liens placed on delinquent accounts and make the appropriate additions where needed.
- The committee will also be in contact with debt collection services to provide a report and recommendation to council.
- The committee in 2024 needs to review the Swatara Township agreement and provided recommendation to Council on the implication of the force main replacement project due to expenses and debt service.

Surplus/Deficit

As it stands, the Sewer Fund Budget projects no surplus/deficit.

Sewer Fund Balance

As of October 31, 2023: \$3,706,746.62

Closing/Balancing Options:

- The budget presented for adoption is balanced.

***THIS BUDGET HAS BEEN APPROVED AND AGREED UPON BY THE FINANCE
COMMITTEE FOR PRESENTATION TO COUNCIL***

2024 Sewer Fund Revenues

Department	Description	2023	2024
	Sewer Revenues		
08-341-000	Interest Earnings	\$7,500	\$40,000
08-358-010	Swatara Twp Sewer Payment	\$115,000	\$90,000
08-364-100	Sewer Rentals	\$1,900,000	\$1,925,000
08-364-110	Sewer Tap	\$0	\$0
08-364-120	Sewer Interest/Penalty Charges	\$50,000	\$70,000
08-364-122	Property Transfer Fee - Sewer	\$5,000	\$3,000
08-364-150	Sewer NSF Check Charges	\$250	\$250
	Misc Revenues		
08-380-000	Annual Royalty	\$4,000	\$4,500
08-380-020	Lien Processing Fee	\$70	\$50
08-392-950	Transfer from Reserve	\$84,247	\$0

Totals	\$2,166,067	\$2,132,800
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2024 Sewer Fund Expenses

Department	Description	2023	2024
08-000-000	Sewer Expenses		
08-409-000	Municipal Building	\$69,950	\$46,300
08-409-213	Building Supplies/Furniture	\$200	\$200
08-409-226	Cleaning Supplies	\$700	\$700
08-409-351	Property Insurance	\$0	\$8,000
08-409-356	Flood Insurance - Building	\$55,000	\$15,500
08-409-361	Electricity	\$4,000	\$4,300
08-409-362	Gas - Heating	\$4,500	\$4,500
08-409-366	Water Service	\$350	\$600
08-409-371	Repairs & Maintenance Land	\$200	\$1,500
08-409-373	Building Maint & Repairs	\$5,000	\$5,000
08-409-451	Cleaning Contracted Services	\$0	\$6,000
08-409-700	Capital Purchases	\$0	\$0
08-426-000	Garage	\$27,700	\$23,700
08-426-220	Operating Supplies	\$200	\$200
08-426-321	Telephone	\$3,000	\$2,500
08-426-361	Electricity	\$2,000	\$3,000
08-426-362	Gas/Propane	\$20,000	\$15,500
08-426-370	Repairs & Maintenance	\$2,500	\$2,500
08-427-000	Sewer Operating	\$518,853	\$505,134
08-427-120	Sewer Operating Admin. Salaries	\$32,442	\$33,415
08-427-140	Sewer Operating Wages	\$99,622	\$94,265
08-427-142	OT Wages	\$7,000	\$7,000
08-427-152	Dental Insurance	\$2,038	\$4,360
08-427-154	Disability Insurance	\$1,348	\$695
08-427-155	Vision Insurance	\$391	\$405
08-427-156	Hospitalization	\$89,926	\$103,823
08-427-158	Life Insurance	\$4,888	\$3,570
08-427-159	Prescription Insurance	\$30,400	\$35,192
08-427-160	Pension	\$41,616	\$31,656
08-427-161	Social Security	\$10,638	\$10,300
08-427-162	Unemployment Comp	\$2,031	\$1,176
08-427-191	Uniform Clothing Allowance	\$400	\$400
08-427-210	Supplies/Operating	\$335	\$335
08-427-231	Vehicle Fuel - Gasoline	\$2,500	\$2,500
08-427-232	Vehicle Fuel - Diesel	\$1,500	\$1,500
08-427-238	Uniforms (Boots)	\$1,200	\$800
08-427-245	Supplies-Road Salt/Anti-Skid/Stones	\$20,000	\$20,000
08-427-260	Small Tools & Minor Equip	\$1,500	\$1,500
08-427-310	CDL Random Drug Testing	\$150	\$150
08-427-341	Advertising	\$4,000	\$2,800
08-427-352	Public Officials Liab. Insur	\$3,492	\$3,600
08-427-354	Workman's Comp	\$10,309	\$9,985
08-427-372	Repairs & Maint - System	\$100,000	\$100,000
08-427-374	Repairs & Maint - Equipment	\$1,500	\$1,900
08-427-375	Repairs & Maint - Vehicle	\$5,000	\$5,000
08-427-470	Education	\$2,000	\$19,507
08-427-700	Capital Purchases	\$0	\$0
08-427-740	Capital Purchases - Machinery	\$33,333	\$0
08-427-750	Capital Lease - Vehicle	\$9,294	\$9,300

2024 Sewer Fund Expenses

08-428-000	Plants	\$156,545	\$138,687
08-428-221	Chemicals	\$20,000	\$20,000
08-428-226	Cleaning Supplies	\$0	\$250
08-428-227	Sanitation Supplies	\$500	\$500
08-428-321	Telephone	\$5,500	\$5,500
08-428-351	Property Insurance	\$8,745	\$7,937
08-428-361	Electricity	\$35,000	\$35,000
08-428-362	Gas	\$6,000	\$5,000
08-428-366	Water Service	\$5,300	\$4,500
08-428-373	Repairs & Maint - Building	\$2,500	\$1,000
08-428-374	Repairs & Maint - Machinery	\$3,000	\$9,000
08-428-450	Contracted Services	\$70,000	\$50,000
08-428-700	Capital Purchases	\$0	\$0
08-429-000	Administration - Sewer	\$851,717	\$879,699
08-429-120	Salaries- Admin	\$65,360	\$59,417
08-429-140	Wages - Clerical	\$61,797	\$63,222
08-429-142	Wages - Clerical Ot	\$0	\$0
08-429-161	Social Security	\$9,728	\$9,382
08-429-210	Office Supplies	\$2,300	\$2,300
08-429-305	Paying Agent Service	\$0	\$0
08-429-308	Codification	\$0	\$1,700
08-429-311	Auditing	\$25,000	\$25,000
08-429-312	Consulting	\$26,000	\$26,000
08-429-313	Engineering	\$50,000	\$60,000
08-429-314	Legal	\$40,000	\$50,000
08-429-317	Data Processing	\$7,500	\$7,500
08-429-318	Debit/Credit Card Fees	\$1,800	\$1,500
08-429-321	Telephone	\$7,575	\$7,500
08-429-323	Internet/Web Services	\$200	\$200
08-429-325	Postage	\$3,200	\$6,000
08-429-341	Advertising	\$2,800	\$2,000
08-429-342	Printing	\$3,200	\$2,500
08-429-350	General Liability Insurance	\$19,235	\$12,075
08-429-352	Prof Liability Insurance	\$1,725	\$12,075
08-429-353	Bonding	\$2,200	\$2,200
08-429-354	Workman's Comp	\$342	\$190
08-429-355	Vehicle Insurance	\$9,930	\$8,938
08-429-420	Dues/Subscriptions/Licenses	\$3,250	\$4,000
08-429-450	Contracted Services	\$1,575	\$10,000
08-429-452	Sewage Treatment	\$500,000	\$500,000
08-429-750	Capital Lease	\$7,000	\$6,000
08-464-000	Neighborhood & Economic Development	\$120	\$130
08-464-350	General Liability Insurance	\$120	\$130
08-470-000	Debt Service		
08-471-001	Principal Payments	\$197,290	\$208,150
08-471-300	Dcib Loan - 2022 Principal	\$197,290	\$208,150
08-472-000	Interest Payments	\$92,392	\$81,000
08-472-300	Dcib - Loan 2022 Interest	\$92,392	\$81,000
01-415-231	Interfund Operating Transfers	\$250,000	\$250,000
08-492-001	Transfer To General Fund	\$250,000	\$250,000
08-492-002	Transfer To Reserves	\$0	\$0

2024 Sewer Fund Expenses

Totals	\$2,164,567	\$2,132,800
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