



Memo

To: Ed Pawlowski, Mayor
President and Members of City Council

From: Brent Hartzell, Finance Director

Date: November 16, 2017

Re: Budget Memo #3 – Equipment, Debt and General Fund

The following changes have been made to the 2018 Proposed Budget:

Equipment Fund

Amend the Equipment Fund detail to show the anticipated purchase of one fire engine (pumper) in 2018 with the financing plan to defer payment for one year. Therefore, payment will begin in 2019.

Debt Fund

Amend pages 353 and 354 to properly divide the interest payment from the principal payment for new short-term loan. Revised detail page is also attached.

General Fund

Amends page 44 – General and Civic to adjust Account 88 – Interfund Transfers to correct the amount needed to be transferred into the Debt Fund. Revised detail page is also attached.

cc:	Debi Bowman	Barbara Wagenhurst
	Susan Wild	Luisa Follweiler
	Michael Hanlon	Leonard Lightner
	Jeff Glazier	John Marchetto
	Craig Messinger	FOP President
	Chief Glen Dorney	IAFF President
	Chief Lee Laubach, Jr.	SEIU President
	Mike Moore	MESA President
	Lindsay Taylor	The Morning Call
	Bina Patel	

**CITY OF ALLENTOWN
PROGRAM BUDGET**

083 EQUIPMENT REPLACEMENT
02 FINANCE
8003 EQUIPMENT REPLACEMENT
0001 ROLLING STOCK

<i>Account Number</i>	<i>2017 Budget</i>	<i>2017 Adj. Budget</i>	<i>2017 A&E</i>	<i>2018 Proposed</i>
0001-30 RENTALS	561,464	561,464	561,464	465,511
<i>Line Item Detail</i>				
1 Streets - Jet Vac (6 of 7)				43,813.00
2 Stormwater - 10 Wheeler Tandem Axle Truck\Trailer (6 of 7)				53,592.00
3 Stormwater - Single Axle Truck\Trailer (6 of 7)				73,119.03
4 Stormwater - Service Truck F350 4x4 w/o Tamper Lift (6 of 7)				4,323.00
5 Stormwater - Service Truck F350 4x4 w/ Tamper Lift (6 of 7)				5,005.00
6 Stormwater - F550 4x4 w/Brine Tank (6 of 7)				24,399.00
7 Stormwater - Explorer SUV 4x4, base trim (6 of 7)				6,442.00
8 Stormwater - Explorer SUV 4x4, XLT Trim (6 of 7)				1,988.00
9 Stormwater - Explorer SUV, 4x4, XLT 201A Trim (6 of 7)				2,323.97
10 Stormwater - Edge SUV, 301A Pkg (6 of 7)				3,218.00
11 Stormwater - JD Backhoe 410K (6 of 7)				14,264.00
12 Stormwater - JD Payloader 624K (6 of 7)				25,983.00
13 Stormwater - CFM Portable Air Compressor (6 of 7)				135.00
14 Stormwater - Concrete Mixer (6 of 7)				156.00
15 Stormwater - TV Truck w/ Equipment (6 of 7)				32,998.77
16 Fire - Pumper (1 of 5)				90,751.00
17 Streets - Milling Machine (1 of 4)				83,000.00
0001-72 EQUIPMENT	965,739			465,510.77
<i>Line Item Detail</i>				
1 Tandem Dump Truck - Streets				196,272.00
2 Fuel Trailer - Streets				10,000.00
3 Transit Van 250 - Bldg. Maint.				31,500.00
4 Compact Sedan - Engineering				12,500.00
5 Ambulance - EMS				220,000.00
6 Police Cruisers (Marked)				318,000.00
7 Prisoner Transport Van - Police				48,500.00
		Line Items Total		1,271,772
		1,312,245	1,034,384	

**CITY OF ALLENTOWN
PROGRAM BUDGET**

083 EQUIPMENT REPLACEMENT
02 FINANCE
8003 EQUIPMENT REPLACEMENT
0001 ROLLING STOCK

Account Number **2017 Budget** **2017 Adj. Budget** **2017 A&E** **2018 Proposed**

Line Item Detail

8 Command SUV				35,250.00
9 Striping / Cages / Police Cruiser Outfit				60,000.00
10 Sedan Detective				14,500.00
11 Trailer - Traffic				5,000.00
12 Small Transit Van - Parks				31,500.00
13 F-550 w/plow and spreader - Parks				78,750.00
14 Jacobson 16" Wing Mower - Parks				98,000.00
15 Small Packer - Parks				112,000.00
16 Pumper - Anticipated First Payment in 2019 (deferred payment)				0.10

Line Items Total 1,271,772.10

Total ROLLING STOCK 1,527,203 1,873,709 1,595,848 1,737,283

**CITY OF ALLENTOWN
FUND SUMMARY - DEBT SERVICE FUND (082)**

	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals	2017 Budget	2017 A&E	2018 Proposed Budget
Revenues:							
082-7130 General Fund Transfer In	7,547,852	12,534,936	12,515,979	11,165,733	11,432,703	11,432,703	9,604,774
082-7132 Sewer Fund Transfer In	54,051	0	0	0	0	0	0
082-7133 Liquid Fuels Fund Transfer In	0	0	0	46,563	60,437	60,437	61,228
082-7135 Golf Fund Transfer In	106,480	106,480	0	0	0	0	0
Total Revenue	7,708,383	12,641,416	12,515,979	11,212,296	11,493,140	11,493,140	9,666,002
Expenditures:							
44 PROF SERVICES FEES	6,078	8,830	7,080	7,370	35,000	35,000	35,000
82 INTEREST EXPENSE	3,827,906	3,704,434	3,363,859	3,271,606	3,167,290	3,167,290	3,078,780
98 DEBT PRINCIPAL	3,874,400	8,928,152	9,145,040	7,933,320	8,290,850	8,290,850	6,552,222
Total Expenditures	7,708,383	12,641,416	12,515,979	11,212,296	11,493,140	11,493,140	9,666,002

**CITY OF ALLENTOWN
PROGRAM BUDGET**

082 DEBT SERVICE
02 FINANCE
8002 DEBT SERVICE
0001 DEBT SERVICE

<i>Account Number</i>	<i>2017 Budget</i>	<i>2017 Adj. Budget</i>	<i>2017 A&E</i>	<i>2018 Proposed</i>
0001-44 PROF SERVICES FEES	35,000	35,000	35,000	35,000
0001-82 INTEREST EXPENSE	843,723	843,723	3,167,290	3,078,780
0001-98 DEBT PRINCIPAL	8,290,850	8,290,850	8,290,850	6,552,222
Total DEBT SERVICE	9,169,573	9,169,573	11,493,140	9,666,002
Total DEBT SERVICE	9,169,573	9,169,573	11,493,140	9,666,002

**CITY OF ALLENTOWN
PROGRAM BUDGET**

082 DEBT SERVICE
02 FINANCE
8002 DEBT SERVICE
0001 DEBT SERVICE

<i>Account Number</i>	<i>2017 Budget</i>	<i>2017 Adj. Budget</i>	<i>2017 A&E</i>	<i>2018 Proposed</i>
0001-44 PROF SERVICES FEES	35,000	35,000	35,000	35,000
<i>Line Item Detail</i>				
1 Bond Adm Fees				35,000.00
				35,000.00
0001-82 INTEREST EXPENSE	843,723	843,723	3,167,290	3,078,780
<i>Line Item Detail</i>				
1 G.O. DEBT				2,387,911.50
2 POB DEBT				655,730.50
3 New Short Term Loan Debt Payment (Half Year)				35,138.00
		Line Items Total		3,078,780.00
0001-98 DEBT PRINCIPAL	8,290,850	8,290,850	8,290,850	6,552,222
<i>Line Item Detail</i>				
1 G.O. DEBT				5,727,360.00
2 POB DEBT				485,000.00
3 New Short Term Loan Debt Payment (Half Year)				339,862.00
		Line Items Total		6,552,222.00
Total DEBT SERVICE	9,169,573	9,169,573	11,493,140	9,666,002
Total DEBT SERVICE	9,169,573	9,169,573	11,493,140	9,666,002

**CITY OF ALLENTOWN
PROGRAM BUDGET**

000 GENERAL
01 NONDEPARTMENTAL
0609 GENERAL AND CIVIC
0001 GENERAL AND CIVIC

<i>Account Number</i>	<i>2017 Budget</i>	<i>2017 Adj. Budget</i>	<i>2017 A&E</i>	<i>2018 Proposed</i>
0001-30 RENTALS	125,285	125,285	125,285	128,428
0001-32 PUBLICATIONS & MEMBERSHIP	69,804	69,804	69,804	69,804
0001-38 INS - OTHER EMPLOYEE	110,000	110,000	112,000	110,000
0001-40 CIVIC EXPENSES	84,000	84,000	78,500	78,500
0001-41 ARTS EXPENSES	50,000	50,000	50,000	50,000
0001-46 OTHER CONTRACT SERVICES	55,580	55,580	60,500	180,580
0001-50 OTHER SERVICES & CHARGES	22,800	22,800	22,800	22,800
0001-72 EQUIPMENT	561,464	561,464	561,464	0
0001-88 INTERFUND TRANSFERS	11,142,466	11,142,466	11,142,466	13,010,038
0001-89 PENSION - ADDTL POB - DEBT TRANSFER	2,500,000	2,500,000	2,500,000	0
Total GENERAL AND CIVIC	14,721,399	14,721,399	14,722,819	13,650,150
Total GENERAL	14,721,399	14,721,399	14,722,819	13,650,150

**CITY OF ALLENTOWN
PROGRAM BUDGET**

000 GENERAL
01 NONDEPARTMENTAL
0609 GENERAL AND CIVIC
0001 GENERAL AND CIVIC

Account Number	2017 Budget	2017 Adj. Budget	2017 A&E	2018 Proposed
0001-30 RENTALS	125,285	125,285	125,285	128,428
<i>Line Item Detail</i>				
1 Municipal garage rent (Vultee St) Jan-Oct				106,580.00
2 Municipal garage rent (Vultee St) Nov. - Dec.				21,848.00
				128,428.00
0001-32 PUBLICATIONS & MEMBERSHIP	69,804	69,804	69,804	69,804
<i>Line Item Detail</i>				
1 PLCM - PA league of cities & muni and PELRAS				47,319.00
2 National league of cities				8,743.00
3 US conf of mayors				12,242.00
4 Sister Cities				1,500.00
				69,804.00
0001-38 INS - OTHER EMPLOYEE	110,000	110,000	112,000	110,000
<i>Line Item Detail</i>				
1 PA unemployment insurance benefits				110,000.00
				110,000.00
0001-40 CIVIC EXPENSES	84,000	84,000	78,500	78,500
<i>Line Item Detail</i>				
1 Concerts/bands				37,500.00
2 LC senior citizens				15,000.00
3 Liberty bell shrine of Allentown				500.00
4 Parades				5,000.00
5 Veterans of wars				2,500.00
6 Friends of the Parks				5,500.00
7 Syrian American Assoc.				12,500.00
				78,500.00
0001-41 ARTS EXPENSES	50,000	50,000	50,000	50,000
<i>Line Item Detail</i>				
				50,000.00

**CITY OF ALLENTOWN
PROGRAM BUDGET**

000 GENERAL
01 NONDEPARTMENTAL
0609 GENERAL AND CIVIC
0001 GENERAL AND CIVIC

Account Number	2017 Budget	2017 Adj. Budget	2017 A&E	2018 Proposed
Line Item Detail				
1 Arts based Economic Development				50,000.00
		Line Items Total		50,000.00
0001-46 OTHER CONTRACT SERVICES	55,580	55,580	60,500	180,580
Line Item Detail				
1 Bank fees				34,000.00
2 Audit fees				21,580.00
3 Allentown Parking Authority				125,000.00
		Line Items Total		180,580.00
0001-50 OTHER SERVICES & CHARGES	22,800	22,800	22,800	22,800
Line Item Detail				
1 R/E taxes for city owned property				22,800.00
New Employee PMRS Enrollment				
0001-72 EQUIPMENT	561,464	561,464	561,464	0
0001-88 INTERFUND TRANSFERS	11,142,466	11,142,466	11,142,466	13,010,038
Line Item Detail				
1 Risk Fund - Self Insured Losses				500,000.00
2 E911 Fund				772,064.00
Includes \$200,000 for Radio System Upgrade				
3 Risk Fund - Property and Casualty expenses and overhead costs				2,103,334.00
4 Debt Fund Transfer				8,150,272.00
5 Loan Installment 2 of 7 Payment to Solid Waste Fund				642,857.00
6 Transfer to Equipment Fund				466,511.00
Annual Lease Payments				
7 New Short Term Loan Debt Payment (half year)				375,000.00
		Line Items Total		13,010,038.00
0001-89 PENSION - ADDTL POB - DEBT TRANSFER	2,500,000	2,500,000	2,500,000	0
Total GENERAL AND CIVIC				
	14,721,399	14,721,399	14,722,819	13,650,150