

Borough of New Britain

2020 Budget



BUCKS COUNTY
COMMONWEALTH OF PENNSYLVANIA

BUDGET OVERVIEW MANAGER'S MESSAGE

2019 REVIEW

The 2019 Budget called for the Borough to have an almost equal amount of revenues and expenditures with no fee or tax increases. However, the 2019 Projected Budget shows that expenses will exceed revenues by \$31,468.68 for the year.

The main cause is that Borough revenues came in \$57,552 lower than budgeted, with declines mostly in Zoning Permits/Land Development Fees (\$19,500 under budget due to lack of project applications), Delinquent Property Taxes (\$11,000 under budget due to overly optimistic projections), Real Estate Transfer Tax (\$10,000 under budget due to lack of inventory), Cable Franchise Fees (\$7,000 due to “cord cutting”), Local Services Tax and Earned Income Tax (a combined \$10,500 under budget due to lack of economic growth). The 2020 Budget is much more conservative with revenue forecasts due to the lessons learned in 2019.

The Borough did work to reduce expenses to mitigate the revenue shortfall, and projected expenses are \$25,122 lower than budgeted. This including reducing the usage and service level of utilities (office cleaning once a month instead of twice a month, negotiated lower electric rate, eliminated phone service to Burkart Hall, etc.) as well as more efficient management of the Multimodal Grant (requested reimbursement for engineering expenses, moved timing of construction payments to 2020).

The Borough did work to advance a number of its goals in 2019, including the repaving of multiple roads per the 2018 Road Plan, construction of the Bristol/Butler welcome signage per the 2016 Main St Plan, design and surveying work for the Keeley Ave sidewalk/trail and Butler Ave sidewalk, completion of the Active Transportation Plan through the WalkWorks grant, ADA improvements to Orchard Park through the DCNR Small Communities grant, completed acquisition of the Miller Property through the DCNR Land Acquisition grant, continued design and architectural work for the renovations needed for the Central Bucks Regional Police Headquarters, tree plantings and maintenance in the Wilma Quinlan Nature Preserve per its 2015 Strategic Plan, started a Farmers Market, hosted another year of Pop Up Park, completed paving and landscaping of the Admin Office through grant funding and donations, planted trees in Island A through PECO Green Region grant funding, hosted the Doan Gang educational event thanks to our Historic Preservation Committee, and completed traffic studies of the Butler/Tamenend intersection and Covered Bridge. I'm very grateful for the leadership of Borough Council and Mayor, and the efforts of our volunteers and staff to make these things happen for the betterment of our residents.

2020 BUDGET OVERVIEW AND GOALS

At the end of 2015, the Borough established a formal “Financial Advisory Committee” to serve as a volunteer advisory group on financial matters. Their guidance was critical to the improved performance of the recent budgets and drafting of the 2020 Budget. Their work on a five-year plan is also noted in detail later in this document.

Those members as of October 2019 were:

Frank Lombardo, *Chairperson*

2020 New Britain Borough Budget

Danielle Rookstool, *Vice Chairperson*

Arthur Conover

Jonathan Poole

John Wolff, Jr.

Jeffrey Gilmore, *Council Liaison*

The 2020 Budget works to implement the financial polices established by Council and the Financial Advisory Committee, as well as the major goals of the Borough. More information on both can be found in their respective sections in this document.

The overall goals for the 2020 budget are to Provide High Levels of Core Service, Rebuild Borough Fund Balance, Invest in Borough Infrastructure, and to Advance the Vision of the Butler Ave “Main St” Plan.

Provide High Levels of Core Service

The Borough has made great strides in ensuring its residents have quality police, EMS, fire, code/zoning, engineering, roads, lights, snow removal, parks, and administration. To ensure the Borough can continue to provide service at a high level, the following is requested for the 2020 Budget:

- Hiring a Temp to supplement office staff;
- Increase Training Budget back to 2018 levels;
- Change of Snow Plow Contractor to one that uses brining;
- Increased contributions to volunteer fire and paid EMS services;
- Funding for the Central Bucks Regional Police Department Headquarters;
- Completion of the 2018 Road Plan;
- Continued funding for Orchard Park and Wilma Quinlan Nature Preserve Maintenance;
- Continued funding for community events including Pop Up Park and Farmers Market as well as participation in the 4th of July Parade and A Day;
- Continued conversion of streetlights to LED;
- Contribution to expected new public bus service;

Rebuild Borough Fund Balance

It has been recommended previously that the Borough maintain a fund balance of at least \$300,000 to ensure funds necessary for adequate cash flow. As the Borough is below this amount, steps have to be taken to try and ensure that there is not a budget deficit while advancing our other goals. In order to do so, the 2020 Budget calls for:

- Remove funding for Economic Development Consultant, who has completed visioning goals for the Borough;
- Apply 10% Admin Fee currently applied to building permits to fire inspections to cover Borough overhead costs;
- Conservative estimated growth of revenues from natural development and “The Gatherings” construction;
- Work with Delaware Valley University to find joint opportunities to increase revenues and/or reduce expenditures;

2020 New Britain Borough Budget

- 3 mill tax increase dedicated to the debt service for the CBRPD HQ Project; This will be the first Borough tax increase in seven years, is expected to cost the average property owner \$70 per year and will sunset automatically when the debt service is paid off;
- Delay of Butler Ave / New Britain Road welcome signage until 2021;

Invest in Borough Infrastructure

The Borough will continue to work on providing the infrastructure needed to serve its residents. Requests for the 2020 Budget beyond existing initiatives include:

- Use of non-taxpayer funds for repairs to the garage and storage facility at the Miller property;
- Funds provided to Chalfont EMS to help pay off acquisition of ambulance;
- Improvements to Borough stormwater systems;
- Construction of trail along Sioux Road from Tamenend Ave to Keeley Ave; Construction of trail along Keeley Ave from Lamp Post Road to Sioux Road; Construction of sidewalk along Keeley Ave from Sioux Road to Borough Admin Office; Construction of sidewalk from Borough Admin Office to Butler Ave/Shady Retreat Road intersection;
- Microsurface/Slurry Seal road improvements throughout the Borough;

Advance the Vision of Butler Ave

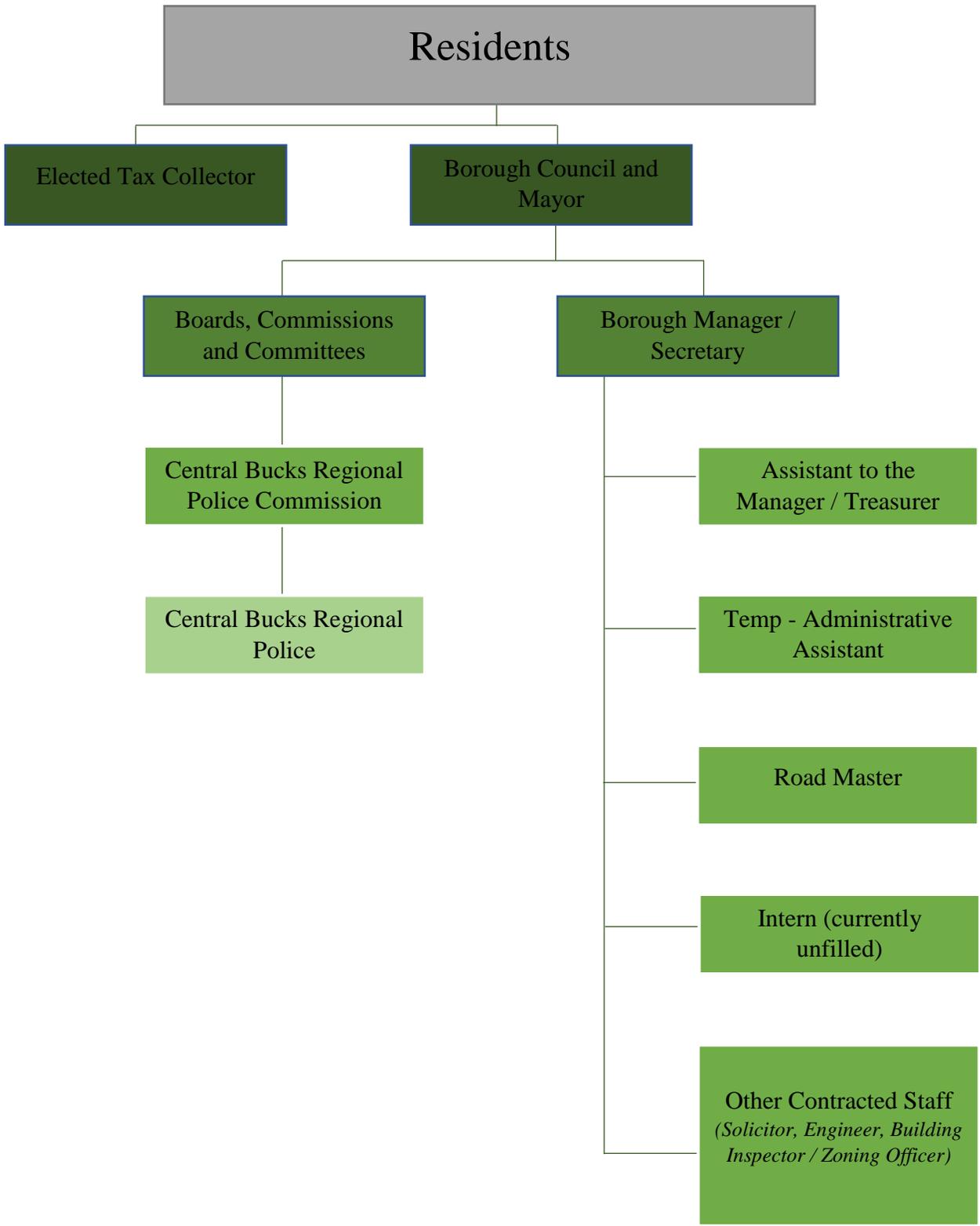
The 2016 Borough “Main St” Plan is the current driving development strategy for the Borough to become a sustainably healthy and prosperous community. The 2020 Budget supports the implementation of this plan through:

- Limited installation of Spring City pedestrian lighting;
- Limited installation of street trees;
- Installation of trees and bench in Butler Ave Island B;

Borough Manager

Samantha Whitney Bryant

ORGANIZATION CHART



FUND DESCRIPTIONS AND FUND STRUCTURE

New Britain Borough uses several Funds to account for its fiscal transactions. Each Fund is a separate accounting and reporting entity. As such, its assets will equal the total of its liabilities and fund balance (also known as net assets or equity). In governmental accounting, funds are classified as governmental funds, proprietary funds, or fiduciary funds.

Governmental funds account for the activities of the Borough that are not considered proprietary (business-type) or fiduciary. There are two types of proprietary funds – enterprise funds and internal service funds. Enterprise funds operate in a manner similar to a private business. Their intent is to recover the costs of providing services to the general public on a continuing basis through user fees. Fiduciary funds account for “other people’s money” that the Borough is responsible for (such as escrows for land development). The Borough does not have any internal service or enterprise funds at this time. The Borough does have a fiduciary fund, which is explained below.

The budgetary funds and their descriptions are as follows:

GENERAL FUND – The General Fund is the Borough’s main operating fund. The General Fund is used to account for and report all financial resources not accounted for and reported in another fund, either by law or Generally Accepted Accounting Principles (GAAP). Most of the Borough’s real estate property taxes and all earned income tax revenues are receipted into the General Fund. The majority of Borough expenditures are made from the General Fund, including salaries and all benefits for Borough employees/contractors.

CAPITAL FUND – The Capital Fund is a governmental fund that is used to account for and report on financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The Capital Fund receives its revenue from inter-fund transfers from the General Fund, grants and/or debt. Payments on the Borough’s debt are made from the Capital Fund. In 2018, restricted monies for stormwater were moved to this fund.

LIQUID FUELS FUND – The Liquid Fuels Fund is a special revenue fund which is used to account for all revenues and expenses related to Liquid Fuels receipts from the Commonwealth of Pennsylvania. The Liquid Fuels Fund is restricted by statute; it can only be used for specific expenses related to the maintenance of roads within the Borough. All revenues, except for interest, are received from the Commonwealth from a formula based on the mileage of Borough roads and the population of the Borough. Currently, the Borough has about 9 miles of roadway and 3,037 people that are used to calculate this funding allocation.

RECREATION FUND – The Recreation Fund allocates the property tax millage dedicated to parks and community events. It is used for the Borough’s mandatory payment to the Groner estate, maintenance of Orchard Park, contribution to the 4th of July Parade, and holds incomes and expenses for Bird Town and

Shade Tree Commission. In 2018, trail related expenses were moved to the Capital Fund, and restricted tree monies were moved to this fund.

GRONER FUND – The Groner Fund is a quasi-endowment left to the Borough by Dr. Miriam Groner. It derives revenue from a payment from the Recreation Fund, rental income from the Groner House and Miller House, and the investment earnings of the fund. The Borough is restricted in its use currently to the maintenance of the Wilma Quinlan Nature Preserve (including Chant’s Woods as of 2019), Groner House, Miller House, and to investigating the expansion of the Preserve.

PUBLIC SAFETY FUND – The Public Safety Fund is a pass-through fund that collects the millage and Local Services Tax dedicated to Fire/EMS and distributes the monies accordingly.

The Borough also has one fiduciary fund – the **NON-UNIFORM PENSION PLAN**. This plan is managed by an outside administrator (Girard), chosen by Borough Council. The plan is audited annually and separate audited financial statements are issued. This is not included in this budget document, but is included in the Borough’s annual audited financial reports. This fund consists of both the legacy defined benefit pension plan and the current defined contribution pension plan. The most recent state filings for both plans can be found in the Appendix.

Finally, not included in this budget are funds related to **FRIENDS OF NEW BRITAIN BOROUGH PARKS**, a 509(a)(3) organization created in 2018. As it is a separate entity from the Borough, information on it is not included in this budget, though it is required to make legal filings each year regarding its finances to the IRS when its revenues exceed certain thresholds.

BASIS OF BUDGETING

The Borough uses a cash basis for all of its funds. In addition, the Borough uses a cash basis for its audited financial statements.

Cash basis is defined in the “Glossary” section of the budget.

BUDGET PROCESS

<u>Activity</u>	<u>Date Completed</u>	<u>Date Required by Statute</u>
Financial Advisory Committee meets with Borough staff and Committees to discuss 2020 needs	Summer 2019	N/A
Manager/Treasurer prepare initial budget worksheet	August 2019	N/A
Finance Meeting to Discuss Budget	August 28, 2019	N/A
Budget Work Session Held	September 25, 2019	N/A
Second Budget Work Session Held / Draft Budget Presented	October 23, 2019	N/A
Borough Manager Requests Council to authorize advertising the budget	November 12, 2019	N/A
Borough Manager Requests Council to authorize advertising the Tax Ordinance	November 12, 2019	At least 7 days before adoption and no more than 60 days before adoption
Budget is available for review and comment by Borough residents	Beginning November 13, 2019 until adoption	10 days prior to adoption
Budget is advertised in the Intelligencer as required by PA Statute	November 13, 2019	20 Days prior to adoption
Borough Manager presents the final budget to Borough Council and recommends voting to accept it	December 03, 2019	Prior to December 31
Borough Manager Requests Council to approve the Tax Ordinance	December 03, 2019	Prior to December 31

PROCESS FOR BUDGET AMENDMENTS

The Borough Code of Pennsylvania permits during the month of January next following a municipal election, the Council of a borough may amend the budget and the tax rate to conform to its amended budget. A period of ten days public inspection at the office of the borough secretary of the proposed amended budget, after notice by the borough secretary to that effect is published once in a newspaper of general circulation, must intervene between the proposed amended budget and its adoption. An amended budget must be adopted by Council on or before the 15th day of February.

GENERAL FUND

Revenue / Expense	2018 Actual	2019 Budget	2019 Projected	2020 Budget
301.10 - Current Year Property Taxes	819,050.53	827,000.00	818,000.00	872,000.00
301.30 - Delinquent Property Taxes	13,818.27	18,000.00	7,000.00	7,500.00
310.10 - Real Estate Transfer Tax	131,718.10	90,000.00	80,000.00	75,000.00
310.20 - Earned Income Taxes	393,913.79	413,000.00	405,000.00	436,000.00
310.50 - Local Services Tax	57,575.58	65,000.00	58,000.00	62,000.00
320.01 - Contractor Registration	1,200.00	2,000.00	4,500.00	2,000.00
320.02 - Deed Registration	490.00	500.00	400.00	500.00
320.03 - Temporary Sign Registration	675.00	500.00	500.00	500.00
320.04 - Residential Rental Registration	0.00	3,000.00	1,990.00	2,500.00
321.80 - Cable TV Franchise Fee	62,577.87	65,000.00	57,500.00	59,000.00
330.00 - Police Fines and Reports	9,253.97	10,000.00	11,500.00	10,000.00
341.00 - Interest Income	1,576.87	1,500.00	2,250.00	2,250.00
342.00 - Burkart Hall Rental Income	355.00	1,000.00	500.00	3,000.00
354.07 - DVHT Wellness Grant	201.02	0.00	0.00	250.00
354.15 - State Recycling Grant	0.00	7,000.00	28,704.00	8,000.00
354.16 - Low Volume Road Grant	10,092.50	0.00	0.00	0.00
355.01 - PA Utility Realty Tax	1,482.45	1,500.00	1,385.85	1,450.00
355.06 - Pension State Aid	9,019.70	9,400.00	9,803.03	9,800.00
355.08 - PA Alcoholic Beverage Tax	200.00	200.00	200.00	200.00
361.30 - Zoning & Development Permits	15,201.88	27,000.00	7,500.00	10,000.00
361.33 - Stormwater Management Fees	2,500.00	4,000.00	250.00	2,500.00
361.34 - Zoning Hearing Revenue	0.00	3,000.00	4,000.00	4,000.00
361.40 - Administration Fees	1,312.70	2,000.00	6,000.00	6,000.00
361.50 - Fire Inspection Fees	0.00	6,000.00	14,500.00	11,000.00
362.40 - Building Permits	20,733.41	110,000.00	94,000.00	35,000.00
367.01 - Newsletter Income	1,640.00	2,250.00	2,600.00	1,500.00
367.40 - Camp Receipts	8,096.35	0.00	0.00	0.00
389.00 - Miscellaneous Revenue	1,018.25	2,500.00	3,100.00	2,000.00
392.35 - Transfer from Liquid Fuels	3,000.50	0.00	0.00	0.00
395.00 - Refund of Prior Year Expenditures	5,365.60	0.00	0.00	0.00
Total Income	1,572,069.34	1,671,350.00	1,619,182.88	1,623,950.00
400.00 - Conferences and Training	5,408.98	4,000.00	3,900.00	5,500.00
401.12 - Boro Manager / Secretary Salary	97,603.80	108,000.00	104,500.00	106,000.00
401.20 - General Supplies & Expenses	16,598.00	10,000.00	15,000.00	12,000.00
402.31 - Audit & Payroll Services	6,454.46	6,500.00	7,000.00	7,000.00
403.10 - Tax Collector, Salary	3,095.32	3,000.00	3,000.00	3,000.00
403.20 - Tax Coll. Supplies & Svs.	315.61	500.00	328.73	350.00
404.31 - Lawyer Fee	22,267.70	20,000.00	21,250.00	22,000.00
405.12 - Asst to Manager / Treasurer Salary	36,257.67	45,000.00	47,500.00	50,400.00
406.28 - Newsletter Expenses	3,667.38	4,000.00	3,234.90	3,500.00
406.34 - Advertising	4,985.48	4,500.00	5,000.00	5,000.00
406.43 - Payroll Tax Expense	11,843.34	12,500.00	10,750.00	12,000.00
407.31 - IT Services	3,250.00	0.00	0.00	0.00
408.31 - Engineering Fee	63,764.22	30,000.00	38,000.00	28,000.00
409.31 - Bldgs & Grounds; Prof Services	0.00	0.00	2,500.00	2,000.00
409.32 - Bldgs & Grounds; Communications Utility	0.00	0.00	5,500.00	3,500.00
409.33 - Bldgs & Grounds; Heating Oil	0.00	0.00	2,000.00	2,500.00
409.36 - Bldgs & Grounds; Public Utility	21,923.24	12,000.00	3,250.00	3,250.00
409.37 - Bldgs & Grounds; Repair & Maint	4,172.46	3,500.00	7,500.00	3,500.00
409.45 - Bldgs & Grounds; Contracted Srv	0.00	0.00	8,250.00	3,000.00
410.31 - Central Bucks Regional Police	919,835.90	955,757.00	968,000.00	953,328.00
413.30 - Code and Zoning Services	68,592.45	90,000.00	80,000.00	38,000.00
413.31 - Fire Inspection Services	0.00	6,000.00	16,500.00	10,000.00
413.32 - Planning Consultant Services	0.00	11,000.00	20,000.00	6,000.00
414.13 - Admin Assistant Wages	17,423.34	18,500.00	3,000.00	10,500.00
414.31 - Economic Development Consultant	18,333.37	21,000.00	23,000.00	0.00
414.40 - Zoning Hearing Expense	0.00	3,000.00	0.00	3,000.00
415.00 - Emergency Management	1,200.00	1,200.00	1,200.00	1,200.00
426.20 - Recycling Services	2,370.78	2,000.00	2,433.28	2,500.00
430.00 - Roads; Supplies and Services	4,552.43	3,000.00	8,300.00	5,000.00
430.12 - Roads; Supervisor Salary	28,931.25	17,000.00	20,000.00	17,000.00
431.00 - Roads; Street Sweeping	2,001.89	3,500.00	4,149.82	4,000.00
432.00 - Roads; Snow Removal & Salting	37,921.60	31,000.00	28,000.00	30,000.00
433.00 - Traffic Signal Repair & Maintenance	7,155.56	3,500.00	6,441.50	3,750.00
433.70 Street Light Capital Purchase	0.00	0.00	0.00	0.00
434.36 - Street Lighting Electricity	33,630.85	16,500.00	18,000.00	18,000.00
436.00 - Roads; Storm Sewer & Drains	9,057.36	0.00	0.00	0.00
436.01 - Low Volume Road Grant Expenses	20,867.75	0.00	0.00	0.00
447.00 - DART Bus Contribution	0.00	0.00	0.00	5,000.00
453.01 - Historic Preservation	934.36	500.00	159.32	500.00
470.01 - Debt Service - Groner Loan	0.00	5,990.00	5,990.00	5,990.00
472.00 - Burkart Hall Groner Interest	1,470.13			
472.10 - Interest Expense	2,610.05			
483.10 - Police Pension Required Municipal Contribution	43,799.00	64,032.00	57,507.00	57,814.00
483.30 - Non-Uniformed Pension Contribution	9,019.70	9,400.00	13,672.55	9,800.00
486.20 - Bonds, Liability and Property Insurance	10,569.30	11,500.00	12,447.15	11,000.00
486.70 - Health Insurance	9,357.04	5,000.00	29,000.00	43,000.00
492.05 - TRANSFER to RECREATION FUND	15,157.01	0.00	0.00	0.00
492.06 - Trans to Recreation Fund	-9,750.00			
492.13 - Transfer to Fiduciary Fund	5,708.12			
492.30 - Transfer to Capital Fund	19,811.71	127,500.00	57,000.00	113,000.00
Total Expense	1,582,168.61	1,670,379.00	1,663,264.25	1,620,882.00

PUBLIC SAFETY

Revenue / Expense	2018 Actual	2019 Budgete	2019 Projecte	2020 Budgete
301.11 · Fire Property Taxes	37,541.94	41,500.00	41,500.00	43,000.00
301.12 · Ambulance Property Taxes	15,016.81	15,500.00	16,500.00	18,000.00
301.31 · Fire Delinquent Property Taxes	4,310.75	1,500.00	350.00	350.00
301.32 · Ambulance Delinquent Property Taxes	1,724.31	575.00	150.00	100.00
310.54 · Fire Local Services Tax	14,183.26	14,500.00	13,500.00	14,500.00
310.55 · Ambulance Local Services Tax	14,183.26	14,500.00	13,500.00	14,500.00
341.00 · Interest	35.45	50.00	50.00	50.00
354.00 · State Fire Relief	19,644.56	20,000.00	21,301.63	22,000.00
Total Income	106,640.34	108,125.00	106,851.63	112,500.00
411.01 · Chalfont Fire	23,509.40	25,620.00	24,685.20	26,310.00
411.02 · Doylestown Fire	17,574.21	17,080.00	16,456.80	17,540.00
411.04 · Fire - Workmans Comp Insurance	7,001.00	7,000.00	7,408.00	6,000.00
411.18 – Volunteer Fire Stipend	1,500.00	2,000.00	2,500.00	2,000.00
411.30 · Fire Hydrants	6,164.00	5,800.00	5,800.00	6,000.00
412.01 · Chalfont EMS	16,902.85	18,345.00	18,990.00	19,560.00
412.02 · Central Bucks EMS	11,268.57	12,230.00	12,660.00	13,040.00
413.00 · State Fire Relief	19,644.56	20,000.00	21,301.63	22,000.00
Total Expense	103,564.59	108,075.00	109,801.63	112,450.00

GRONER FUND

Revenue / Expense	2018 Actual	2019 Budgeted	2019 Projected	2020 Budgeted
341.00 · Interest & Dividend Income	7,641.06	35,000.00	40,000.00	43,000.00
342.00 - Groner Rent	19,325.00	32,000.00	19,500.00	19,500.00
342.01 - Miller Rent	0.00	0.00	8,000.00	12,000.00
342.46 - Tenant Sewer Payment	602.88	1,250.00	1,250.00	1,250.00
354.00 - DCNR Land Grant	0.00	0.00	210,000.00	0.00
389.00 - Misc Income Groner Residual	0.00	9,000.00	28,000.00	5,000.00
392.05 - Transfer from Recreation Fund	2,500.00	2,500.00	2,500.00	2,500.00
Total Income	30,068.94	79,750.00	309,250.00	83,250.00
402.31 · Investment Plan Fees	0.00	0.00	2,000.00	2,150.00
404.31 · Legal	138.00	0.00	3,000.00	0.00
409.36 · Water & Sewer	604.80	1,250.00	1,250.00	1,250.00
409.37 · Groner Maintenance and Repairs	252.14	6,000.00	5,000.00	3,000.00
409.43 · Building Property Taxes	3,379.17	6,000.00	4,642.02	4,000.00
409.49 - Miller Maintenance and Repairs	0.00	0.00	21,500.00	6,000.00
454.01 · Nature Preserve Maintenance	10,623.45	12,500.00	20,000.00	21,500.00
454.71 · Land Acquisition	13,058.95	0.00	470,007.38	0.00
486.00 · Insurance	700.00	1,500.00	750.00	1,500.00
493.00 · Miscellaneous	0.00	0.00	181.59	0.00
Total Expense	28,756.51	35,250.00	528,330.99	39,400.00
Prior Year Fund Balance	745,674.11	746,986.54	746,986.54	527,905.55
Surplus (Deficit) for the Year	1,312.43	44,500.00	(219,080.99)	43,850.00
End of Year Fund Balance	746,986.54	791,486.54	527,905.55	571,755.55

RECREATION FUND

Revenue / Expense	2018 Actual	2019 Budgete	2019 Projecte	2020 Budgete
301.10 · Current Year Property Taxes	23,467.76	12,000.00	13,250.00	14,000.00
301.30 · Delinquent Property Taxes	244.21	500.00	400.00	250.00
341.00 · Interest Income	128.32	50.00	100.00	100.00
354.02 · CMAQ Grant	294,948.91	0.00	22,000.00	0.00
363.10 - Sidewalk/Trail Contribution	10,070.00	0.00	0.00	0.00
367.30 - Bird Town Donations	313.00	200.00	200.00	200.00
387.01 - Tree Fund Contributions	0.00	500.00	1,000.00	500.00
387.03 - Farmers Market Donations	0.00	0.00	500.00	500.00
387.02 - Pop Up Park Donations	900.00	1,000.00	500.00	1,000.00
Total Income	330,072.20	14,250.00	37,950.00	16,550.00
451.50 · Orchard Park Maintenance	6,213.79	7,000.00	5,750.00	6,500.00
451.55 · CMAQ Grant Expense	273,533.91	0.00	49,034.04	0.00
451.59 · Tap Grant	10,730.00	0.00	0.00	0.00
455.01 - Butler Ave Island Maintenance	0.00	2,000.00	0.00	2,000.00
457.00 - 4th of July Parade	1,200.00	1,200.00	1,200.00	1,200.00
457.01 - Pop Up Park	1,994.89	2,000.00	1,250.00	1,500.00
457.02 - Farmers Market Expenses	0.00	0.00	1,750.00	1,000.00
458.00 - Shade Tree Expenses	6,240.00	9,000.00	0.00	500.00
459.00 - Bird Town Expenses	245.31	200.00	300.00	400.00
492.04 · Transfer to Groner Fund	2,500.00	2,500.00	2,500.00	2,500.00
492.30 - Transfer to Capital Fund	0.00	0.00	15,000.00	0.00
Total Expenses	302,657.90	23,900.00	76,784.04	15,600.00
Prior Year Fund Balance	788.73	43,382.15	43,382.15	4,548.11
Surplus (Deficit) for the Year	27,414.30	(9,650.00)	(38,834.04)	950.00
End of Year Fund Balance	28,203.03	33,732.15	4,548.11	5,498.11

CAPITAL FUND

Revenue / Expense	2018 Actual	2019 Budgete	2019 Projecte	2020 Budgete
301.11 - Streetlight Property Tax	0.00	15,000.00	14,000.00	17,000.00
301.12 - Police Building Debt Property Tax	0.00	0.00	0.00	100,000.00
341.00 - Interest Income	43.40	500.00	75.00	20,500.00
354.04 - PECO Grant Revenue	10,000.00	0.00	0.00	10,000.00
354.05 - DCNR Orchard Park Grant	20,000.00	20,100.00	10,000.00	0.00
354.08 – DVIT Safety Grant	0.00	0.00	0.00	1,500.00
355.09 - Multimodal Keeley and Butler Trail/Sidewalk Grant	0.00	315,000.00	25,000.00	315,350.00
354.17 - CDBG Burkart Phase II Grant	0.00	0.00	94,332.00	0.00
363.10 - Sidewalk / Trail Contribution	0.00	0.00	18,660.00	0.00
392.01 - Transfer from General Fund	12,500.00	127,500.00	57,000.00	113,000.00
393.10 - Revenue from Debt Issuance	0.00	0.00	0.00	1,500,000.00
354.09 - WalkWorks Grant	0.00	0.00	10,000.00	0.00
392.05 - Tree Fund Contribution to PECO Grant	0.00	0.00	15,000.00	0.00
Total Income	42,543.40	478,100.00	244,067.00	2,077,350.00
436.00 - Stormwater Infrastructure Repairs	0.00	3,000.00	500.00	2,000.00
451.60 - PECO Grant Expenses	16,067.50	0.00	9,500.00	7,500.00
451.61 - DCNR Orchard Park ADA Grant	8,878.10	20,100.00	21,221.90	0.00
451.71 - Multimodal Keeley and Butler Trail/Sidewalk	13,025.00	450,000.00	23,000.00	450,500.00
451.72 - 2018 CDBG Grant Expenses	6,632.89	0.00	150,714.25	0.00
451.73 - WalkWorks Grant	0.00	0.00	15,000.00	0.00
470.02 - Debt Service - Police Building	0.00	0.00	0.00	100,000.00
489.00 – Miscellaneous	117.01	0.00	0.00	0.00
491.04 - Butler/Bristol Gateway	0.00	0.00	6,391.00	0.00
491.09 - Admin Office Public Water	0.00	0.00	8,400.00	0.00
491.10 - New Britain / Butler Gateway	0.00	9,000.00	0.00	0.00
491.14 – Streetlight LED Conversion	0.00	15,000.00	8,500.00	7,500.00
493.73 - Police Building and Lease	0.00	0.00	0.00	1,500,000.00
Capital Contribution to Chalfont EMS	0.00	0.00	0.00	4,500.00
Total Expense	44,720.50	497,100.00	243,227.15	2,072,000.00
End of Year Value of Operating Account	\$ 6,304.80	\$ (19,517.22)	\$ 322.63	\$ 850.61
End of Year Value of Stormwater Funds Account	7,322.02	6,822.02	6,822.02	4,822.02
End of Year Fund Balance	\$ 13,626.82	\$ (12,695.20)	\$ 7,144.65	\$ 5,672.63

LIQUID FUELS FUND

Revenue / Expense	2018 Actual	2019 Budgete	2019 Projected	2020 Budgete
341.00 · Interest Income	3,231.38	500.00	3,000.00	500.00
355.02 · Motor Vehicle Fuel Tax	88,865.44	90,000.00	90,972.54	86,770.62
392.01 - Transfer from General Fund	5,111.25	0.00	0.00	0.00
393.10 - Debt Issuance Proceeds	950,000.00	0.00	0.00	0.00
Total Income	1,047,208.07	90,500.00	93,972.54	87,270.62
402.31 Financial Admin Expense	10.00	0.00	0.00	0.00
438.00 · Road Maintenance & Repairs	206,845.67	590,000.00	543,000.00	135,000.00
470.01 - Debt Service - 2018 Road Repairs	103,500.00	113,047.00	103,169.45	104,000.00
495.01 - Transfer to General Fund	3,000.50	0.00	0.00	0.00
Total Expense	313,356.17	703,047.00	646,169.45	239,000.00

2020 CENTRAL BUCKS REGIONAL POLICE BUDGET

Revenue / Expense	2018 Actual	2019 Budgeted	2019 Projected	2020 Budgeted
341.100 - Interest	130.00	130.00	132.00	130.00
341.101 - Finance Charges	0.00	0.00	18.00	0.00
341.140 - Insurance Dividends	14,389.00	10,000.00	14,835.00	12,000.00
354.400 - PLCB Grant	17,500.00	9,000.00	7,996.00	0.00
354.500 - DVPLT Grant	3,345.00	0.00	0.00	1,500.00
354.501 - DVWCT Grant	3,000.00	0.00	0.00	1,842.00
354.502 - DVHT Grant	0.00	0.00	0.00	4,696.00
354.503 - Police Foundation K9 Contribution	0.00	4,000.00	3,297.00	4,000.00
354.504 - Police Foundation LiveScan Contribution	0.00	0.00	0.00	18,500.00
355.050 - Uniformed Pension State Aid	215,482.00	234,000.00	266,266.00	260,000.00
355.051 - NonUniform Pension Aid	14,053.00	13,500.00	15,361.00	15,000.00
362.101 - Doylestown Services	2,887,084.00	3,001,735.00	2,991,460.00	3,214,063.00
362.102 - New Britain Services	917,217.00	955,757.00	952,485.00	953,328.00
362.103 - Chalfont Services	973,444.00	1,041,235.00	1,037,670.00	1,093,802.00
362.104 - Doylestown Pension MMO	138,301.00	201,105.00	180,611.00	194,918.00
362.104 - New Britain Pension MMO	43,799.00	64,032.00	57,507.00	57,814.00
362.104 - Chalfont Pension MMO	46,497.00	69,759.00	62,650.00	66,334.00
362.105 - Police Overtime Reimbursement	62,950.00	70,000.00	63,000.00	67,000.00
362.110 - Accident Reports	9,000.00	9,000.00	9,600.00	9,300.00
362.120 - Alarm Permit Fees	1,700.00	1,800.00	1,500.00	1,800.00
362.130 - Alarm Violation Fees	2,000.00	3,000.00	2,000.00	2,500.00
362.140 - CBSD Crossing Guards	27,531.00	28,916.00	27,577.00	29,786.00
362.150 - Health Care Contributions	8,339.00	10,274.00	9,871.00	10,697.00
362.160 - Solicitation Permits	500.00	500.00	165.00	200.00
362.170 - Towing Permit Fees	50.00	50.00	40.00	50.00
362.180 - Sale of Fixed Assets	8,638.00	2,000.00	10,000.00	3,000.00
394.800 - Miscellaneous Revenue	30.00	0.00	580.00	0.00
Total Income	5,394,979.00	5,729,793.00	5,714,621.00	6,022,260.00
406.120 - Clerical Staff Salaries	191,945.00	203,921.00	202,640.00	194,225.00
406.120 - Clerical Vacation Buyback	0.00	0.00	0.00	9,443.00
406.125 - Crossing Guard Salaries	60,302.00	64,558.00	61,221.00	66,501.00
406.182 - Longevity - Office Staff	9,089.00	6,758.00	6,758.00	7,224.00
406.210 - Office Supplies	4,850.00	5,000.00	3,700.00	5,000.00
406.251 - Repair and Maintain Office Equipment	26,000.00	31,000.00	32,000.00	33,500.00
406.314 - Legal	35,000.00	35,000.00	17,000.00	25,000.00
406.321- Telephone	48,000.00	45,000.00	39,500.00	42,000.00
406.325 - Postage	1,600.00	1,600.00	1,000.00	1,400.00
406.341 - Advertising	1,400.00	1,000.00	500.00	1,000.00
406.342 - Printing	1,660.00	1,250.00	1,200.00	1,250.00
406.350 - Banking and Payroll Fees	3,650.00	3,650.00	3,650.00	3,750.00

2020 New Britain Borough Budget

406.360 - Admin/HR Support	18,000.00	18,000.00	18,000.00	18,000.00
406.361- Audit Services	9,850.00	9,900.00	10,250.00	10,250.00
406.370 - Building Expense	49,900.00	47,500.00	45,000.00	47,500.00
410.000 - Merit Increase	0.00	0.00	0.00	5,000.00
410.120 - Chief Salary	156,721.00	138,900.00	138,735.00	143,067.00
410.122 - Captain Salary	223,169.00	230,704.00	230,397.00	242,532.00
410.130 - Sergeant Salary	506,953.00	524,325.00	524,624.00	541,365.00
410.135 - Corporal Salary	520,625.00	500,460.00	503,519.00	516,725.00
410.141 - K9 Officer Stipend	0.00	4,000.00	3,297.00	7,308.00
410.167 - Deferred Comp contribution	0.00	1,300.00	1,300.00	1,200.00
410.140 - Officer Salary	1,024,745.00	1,144,235.00	1,132,291.00	1,230,476.00
Officer Retirement Buyback	0.00	0.00	0.00	32,509.00
410.170 Vacation Buyback	41,000.00	30,000.00	40,200.00	35,000.00
410.182 - Longevity	32,025.00	34,000.00	34,000.00	38,100.00
410.183 - Overtime	287,500.00	250,000.00	306,000.00	250,000.00
410.184 - PT Officer Salary	40,000.00	80,000.00	65,000.00	80,000.00
410.187 - Holiday Pay	86,780.00	91,899.00	91,899.00	96,970.00
410.191 - Uniform Maintenance	10,900.00	9,550.00	9,950.00	9,950.00
410.220 - Police Supplies	11,000.00	12,000.00	12,000.00	12,000.00
410.221 - SWAT	3,000.00	3,000.00	3,000.00	3,000.00
410.222 - Ammunition	5,500.00	8,500.00	7,500.00	6,500.00
410.223 - Detective Supplies	6,000.00	5,000.00	5,000.00	5,000.00
410.224 - DARE Supplies	609.00	700.00	0.00	0.00
410.231 - Gas and Oil Vehicles	36,000.00	40,000.00	43,500.00	43,500.00
410.238 - Uniforms FT Officers	30,000.00	25,000.00	20,000.00	20,000.00
410.239 - Uniforms PT Officers	5,000.00	5,000.00	1,000.00	2,500.00
410.252 - Car Washing	0.00	0.00	0.00	0.00
410.315 - Physician Testing	650.00	0.00	560.00	130.00
410.327 - Radio Expenses	0.00	0.00	0.00	0.00
410.374 - Vehicle Maintenance	28,500.00	30,000.00	35,000.00	35,000.00
410.420 - Dues, Meetings and Training	29,000.00	29,000.00	25,000.00	29,000.00
410.421 - Tuition Assistance	0.00	6,000.00	5,350.00	6,000.00
410.440 - Uniform Cleaning	8,900.00	9,000.00	5,100.00	5,000.00
410.740 - Capital Outlay	122,000.00	132,210.00	128,500.00	173,858.00
Capital - Broad Street HQ	12,709.00	0.00	0.00	0.00
487.152 - Dental Insurance	41,215.00	41,100.00	39,922.00	41,433.00
487.157 - Health/RX Insurance	647,000.00	697,500.00	694,896.00	741,779.00
487.159 - Life/LTD Insurance	33,802.00	34,860.00	34,850.00	35,900.00
487.161 - FICA / Medicare (Employer Portion)	243,335.00	252,837.00	255,402.00	265,906.00
487.163 - Workers Comp Insurance	159,314.00	158,300.00	158,278.00	161,494.00
487.350 - Property and Liability Insurance	92,242.00	94,600.00	94,574.00	94,551.00
487.164 - Police Pension MMO	419,674.00	543,625.00	543,625.00	554,980.00
487.165 - Nonuniformed Pension MMO	38,458.00	38,771.00	38,771.00	39,087.00
487.167 - Deferred Comp Employer Match	8,898.00	9,280.00	9,299.00	9,397.00
487.168 - Police RHS Contribution	40,000.00	40,000.00	40,000.00	40,000.00
Total Expense	5,414,470.00	5,729,793.00	5,724,758.00	6,022,260.00

2020 REGIONAL POLICE COST DISTRIBUTION

PROPOSED COST DISTRIBUTION PER MUNICIPALITY FOR 2020 (Fiscal Year)

Based on

An Average of Population, Calls for Service, Crimes and Road Miles

(Service and Crimes based on: 2016, 2017, 2018)

PD	Total Population	% Pop	3 Yr Call Avg	% Calls	3 Yr Avg Crimes	% Crimes	Total Road Miles	% Road Miles	Average Percent
DB	8,380	54.32%	12,346	65.04%	535	76.87%	26	48.15%	61.09%
NBB	3,037	19.69%	3,160	16.65%	84	12.07%	13	24.07%	18.12%
CHAL	4,009	25.99%	3,477	18.32%	77	11.06%	15	27.78%	20.79%
TOTAL	15,426	100%	18,983	100%	696	100%	54	100%	100%

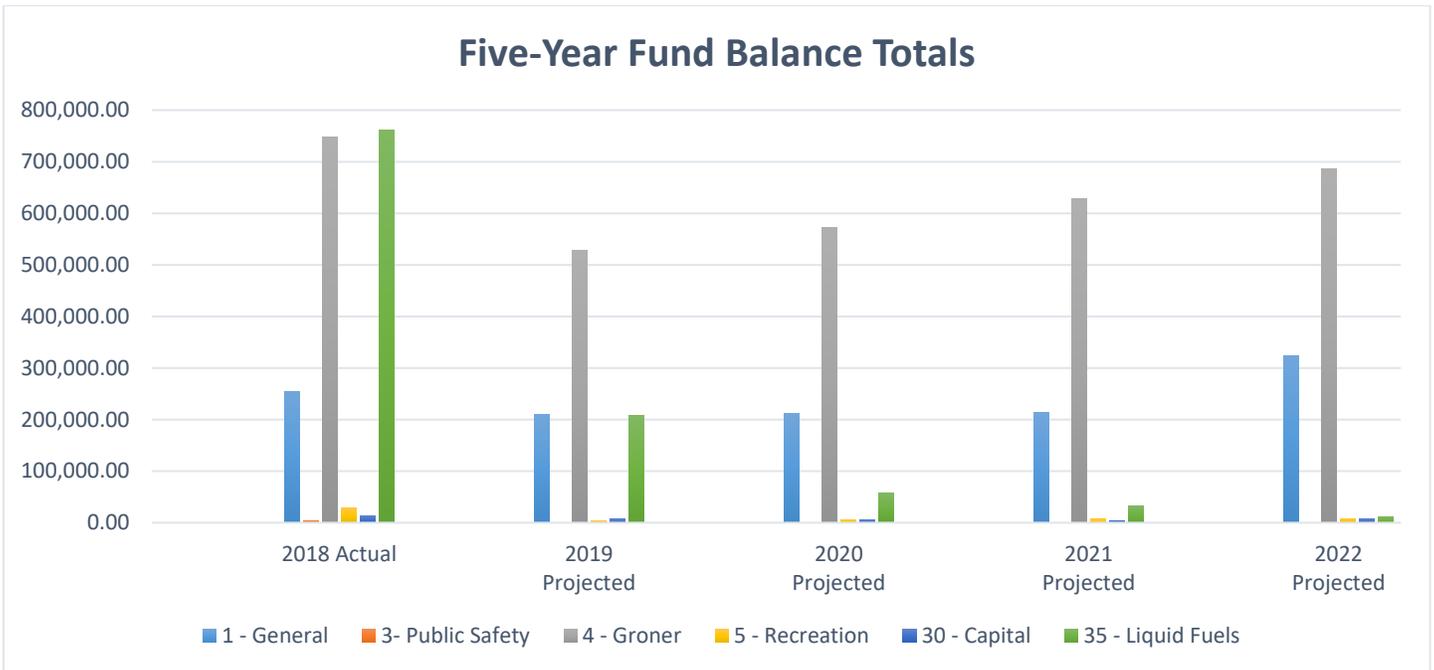
**Cost Distribution
CALLS FOR SERVICE
Calculation for Budget Year 2020**

		2016	2017	2018	Overall Average
Chalfont	Alert	3,917	5,976	5,126	3,477
	Radio	1,931	1,948	1,963	
	Total	5,848	7,924	7,089	
	Average	2,924	3,962	3,545	
Doylestown	Alert	13,834	16,068	14,710	12,346
	Radio	9,843	9,885	9,734	
	Total	23,677	25,953	24,444	
	Average	11,839	12,977	12,222	
New Britain	Alert	4,848	5,015	3,943	3,160
	Radio	1,726	1,827	1,602	
	Total	6,574	6,842	5,545	
	Average	3,287	3,421	2,773	

		2016	2017	2018	Average
Chalfont	Part I	39	13	9	77
	Part II	40	82	49	
	Total	79	95	58	
Doylestown	Part I	127	92	88	535
	Part II	413	453	433	
	Total	540	545	521	
New Britain	Part I	20	33	24	84
	Part II	57	78	41	
	Total	77	111	65	

FUND BALANCES

	2018 Actual	2019 Projected	2020 Projected	2021 Projected	2022 Projected
1 - General	\$253,747.15	\$ 209,665.78	\$ 212,733.78	\$ 214,121.79	\$ 324,142.13
3- Public Safety	3,130.26	180.26	230.26	280.26	330.26
4 - Groner	746,986.54	527,905.55	571,755.55	627,930.55	685,930.55
5 - Recreation	28,203.03	4,548.11	5,498.11	6,698.11	8,148.11
30 - Capital	13,626.82	7,144.65	5,672.63	3,100.61	7,878.59
35 - Liquid Fuels	761,008.62	208,811.71	57,082.33	33,332.33	11,892.33
Totals	\$ 1,806,702.42	\$ 958,256.06	\$ 852,972.66	\$ 885,463.65	\$ 1,038,321.97



LONG-RANGE FINANCIAL PLANS

A major goal of the Borough Financial Advisory Committee that was successfully completed was to create a Five-Year Plan. This plan allows Borough officials to be more informed and proactive in decision making.

It uses a model that updates only when Borough Council makes major decisions that affect the budget and otherwise uses contractual or inflationary expectations. When requested by Council, the Financial Advisory Committee uses this model to track the impact of various options on Borough finances. As part of completing this plan, the group also came up with a new Chart of Accounts to help better describe and allocate Borough revenues and expenses.

Use of the Five Year Plan has consistently put the Borough ahead of where it would have been financially otherwise:

Year	2016 Projection	Actual
2016	\$205,485	\$237,349
2017	\$216,994	\$263,846
2018	\$217,219	\$253,747

Council has made a long-range commitment to allocating any General Fund monies not needed for general operations and cash flow to the Capital Fund.

The Five-Year Plan allows Council to determine how aggressively it can pursue its goals of Borough development and infrastructure investment. By tracking the amount of money the Borough can afford to move into the Capital Fund each year through the Five-Year Plan, Council can safely prioritize and allocate funds for such projects.

Excess monies in the Capital Fund could then also be used as either a match for grant opportunities or as an emergency reserve for the General Fund.

In 2020, the Borough is still working to rebuild General Fund balance to avoid cash flow problems, so no accumulation of funds in the Capital Fund is expected.

CAPITAL EXPENDITURES

Capital expenditures are any single item that costs more than \$1,000 and is expected to last for more than one year. The Borough created the Capital Fund last year explicitly for such expenditures, so they are not intermingled with the operating costs in the General Fund.

Capital projects for 2020 include:

- Stormwater Infrastructure Repairs
- Installation of Trees and Bench on Butler Ave Service Island B
- Keeley Ave, Sioux Road and Butler Ave Walkability Improvements
- Central Bucks Regional Police Headquarters
- Streetlight LED Conversion
- Installation of Spring City LED Pedestrian Lights
- Installation of Shade Trees
- Contribution to Chalfont EMS to support ambulance acquisition

DEBT

CURRENT DEBT

In 2018, the Borough concluded a \$1,000,000 loan for road improvements, which is to be paid back over ten years. The first seven years have a fixed rate of 2.7%, while the final three are a variable rate.

In addition, the Borough has an interfund loan that does not count towards its debt limit. This was from the Groner Fund to the General Fund in 2015 for \$50,000 to fund accessibility improvements at Burkart Hall (with the rest of the costs covered by grant funding). This is a ten year repayment at a fixed 3.7% rate.

DEBT LIMITS

Article IX, Section 10 of the Constitution of the Commonwealth of Pennsylvania requires the General Assembly to prescribe the debt limits of units of local governments in the Commonwealth, including the Borough, based on a percentage of total revenues of such units over a three-year period immediately preceding the borrowing. Self-liquidating debt and subsidized debt and all debt approved by referendum are excluded from such debt limits. The Debt Act implements Article IX, Section 10 of the Constitution.

Under the Debt Act, the Borough may not incur any new non-electoral debt, if, following its issuance, the aggregate net principal amount of outstanding non-electoral debt of the Borough will exceed 250 percent of its borrowing base. In addition, the Borough may not incur any new lease rental debt or non-electoral debt if, following the issuance thereof, the aggregate net principal amount of outstanding non-electoral and lease rental debt of the Township will exceed 350 percent of its borrowing base. The borrowing base of the Borough is defined in the Debt Act as the arithmetic average of the total revenues of the Borough for the three full fiscal years of the Borough immediately preceding the date on which new non-electoral debt or new lease rental debt is incurred. Total revenues include all revenues of the Borough, other than certain non-recurring or dedicated revenues set forth in the Debt Act.

FUTURE PLANNED DEBT

As part of its Regional Police Agreement, the Borough would be responsible for its share of the cost of renovating a new police building, which currently would be divided equally amongst its current membership. The Borough is planning to settle on a \$1.5 million loan in January 2020 to pay for its share of renovation, engineering and lease costs related to this project. Interest payments on the loan would be due in July of each year (starting with July 2020) and principal payments due in February of each year (starting in February 2021). The 2020 Budget calls for Council to approve a property tax dedicated to the repayment of this debt that would expire once the debt is paid off.

STAFFING

Paid Employees*	2020	2019	2018	2017	2016	2015
Full Time						
Administrative	1.5	1.5	1.66	1.66	1.66	2
Finance	.5	.5	0.33	0.33	0.33	0
Total	2	2	2	2	2	2
Part Time						
Administrative	.25	0	0.33	0.33	0	0
Codes	0	0	0.33	0.33	0	1
Public Works	1	1	1	1	1	1
Finance	0	0	0.33	0.33	0	1
Total	1.25	1	2	2	1	3

**Statistics are as of the end of each year presented.*

In 2019, the Borough underwent another administrative restructuring following the departure of the Assistant to the Manager in February 2019 to save costs. The remaining full time employees had titles and job duties changed to Manager / Secretary / Assistant Treasurer and to Assistant to the Manager / Treasurer / Assistant Secretary.

The 2020 Budget maintains those two positions and provides funding for the hiring of a temp to assist with office duties during the busiest times of the year.

Other Borough services and responsibilities are handled by outside contractors, including code/zoning, planning, legal services, information technology, economic development, and engineering. As a member of a regional police department, those employees are not included in the Borough's employment count. The Borough is working with the IRS in 2020 to determine if the Engineer/Roadmaster is a consultant or an employee. The 2020 Budget also eliminates the economic development consultant, as the position succeed in accomplishing its initial goals.

DEPARTMENT DESCRIPTIONSAdministrative

The mission of the Administrative department is to carry out the policies established by Borough Council to ensure that the Borough runs smoothly and efficiently.

This includes the two full time employees and the temp.

The IT Consultant is paid by the hour for services rendered. The Borough receives a discount on such service by purchasing a "block" of hours each year.

The Solicitor is paid a retainer for work done to provide routine services to the Borough. For work coordinating land development projects with developers, this position is paid hourly from the developer's escrow funds.

Borough Council

The mission of New Britain Borough Council is to provide effective, efficient and responsive local government to its residents through the establishment of policies that reflect the communities' needs and goals. Borough Council places the health, safety and welfare of the residents above all other priorities.

Council consists of seven members who serve four-year terms, as well as a Mayor who also serves a four-year term.

Council has appointed a Borough Manager who is responsible for the day to day operation of its administrative affairs.

While Borough Code allows for members of Council to be paid, no member of the Council nor the Mayor receives compensation of any kind for their time and service.

Codes

The mission of the Codes Department is to ensure the safety of Borough residents through compliance with the Uniform Construction Code and the Property Maintenance Code. The Codes Enforcement Officers enforce municipal ordinances and ensures safe building standards.

The Zoning ordinances regulate use, densities, and locations of activities in the Borough. The Zoning Officer and Borough Engineer work together with support from the Borough Solicitor to inspect and regulate development projects in accordance with the Borough Subdivision and Land Development Ordinance and the Municipalities Planning Code (MPC).

The Fire Marshal is responsible for working to prevent and investigate fires in New Britain Borough. This also includes supervision of the annual fire inspection of all non-residential properties in the Borough.

The responsibilities of the Code Enforcement Officer, Zoning Officer, and Fire Marshal are performed by paid staff from a third party provider. Costs for building permits are paid by the permit, while costs for services related to zoning and fire are paid by the hour.

The Emergency Management Coordinator services are also provided by an independent contractor who is paid a flat retainer each month.

The Planning Consultant assists this department with special projects, such as updating the Borough Comprehensive Plan, support to the volunteer grant writer, and strategies to implement the Borough Main Street Plan. This position is paid hourly.

Public Works

The mission of the Public Works Department is to serve the residents of New Britain Borough by maintaining the public roadways and parks for safe and efficient use. This also includes the repair and maintenance of items such as stormwater pipes and culverts, traffic signals, street lights, and roadway signage.

This department is comprised of the Borough Engineer and Roadmaster. Both positions are currently held by the same individual, who charges the Borough a per hour rate for these services.

The operations of this department are supported by Borough volunteers on the Parks and Recreation Committee, Nature Preserve Committee, and Facilities Committee.

Due to limited staffing, outside contractors are routinely brought in through a competitive bidding process to support the maintenance and improvement of Borough infrastructure and public spaces. This includes snow removal and major roadwork.

Public sewer service in the Borough is provided by Bucks County Water and Sewer Authority. Public water service is provided by Doylestown Municipal Authority, North Penn Water Authority, and Aqua Pennsylvania. Trash service is provided to single family residential properties through a municipal contract with Advanced Disposal. Trash service to other properties is provided by private haulers, who are required to register with the Borough.

Finance

The position of Tax Collector is handled by an elected official. The Borough in 2018 formed a Joint Tax Collection District to handle these duties. The Tax Collector is paid a regular salary throughout the year, set by Borough Council prior to the start of each four year term. For the 2020 budget, Borough Council approved a reduction in the tax collector pay in 2017 that will be in effect through 2020. This reduction was made to better align with what adjacent municipalities pay for tax collection services.

The Borough relies on the services of an outside firm to handle its mandatory annual audit, as opposed to elected auditors. This firm is paid an agreed upon contracted rate each year.

The Borough utilizes the services of an outside provider for its payroll needs. This provider is paid each pay period based on the number of employees paid during that time.

The Borough uses an outside consultant to manage its pension investment and a separate consultant to invest and manage the Groner Fund.

Public Safety

Since 2014, New Britain Borough receives police service from the Central Bucks Regional Police Department (CBRPD), along with Chalfont Borough and Doylestown Borough. The CBRPD is headquartered in Doylestown Borough and has a satellite office for its detectives in Chalfont Borough.

The mission of the Police Department is to work in a true partnership with its fellow citizens to enhance the quality of life in our community. By raising the level of public safety through law enforcement, the Police

2020 New Britain Borough Budget

Department reduces the fear and incidence of crime. The police department currently consists of a Chief, two Captains, and twenty six Officers (including detectives and SWAT).

The police department is paid a monthly retainer for services, per an intergovernmental agreement. The cost allocation is explained in greater detail elsewhere in this budget document.

The Borough receives fire and ambulance services from the Doylestown Fire Company, Chalfont Fire Company, Chal-Brit EMS and Central Bucks EMS. The fire companies are both volunteer organizations, while the EMS service providers have paid employees.

Beyond the required statutory payments required to these organizations (detailed in the Public Safety Fund), the Borough also helps pay the cost of Worker's Compensation Insurance for each. Dedicated public safety funds are allocated 60% to organizations based in Chalfont and 40% to those based in Doylestown (this calculation is derived from the service area in the Borough each organization is responsible for).

HISTORY OF NEW BRITAIN BOROUGH



The area we know today as New Britain Borough was first inhabited by the Native American Lenape tribe. In the 1680s, clan Chief Tamenend met with William Penn to create agreements focused on developing amicable relations among the Lenape and English settlers in the Philadelphia area. Meanwhile, the King of England gave William Penn permission to begin selling properties to new settlers. Bucks County was one of the first counties formed in Pennsylvania, with New Britain Township as one of its largest parcels. At that time, our community existed within New Britain Township alongside the future municipalities of Doylestown and Warrington. The parcel was considered an outpost of Philadelphia and consisted primarily of Native Americans and wild animals.

Pioneers began settling in the area by the 1720s, and small villages formed in what would eventually become the boroughs of Chalfont, New Britain and Doylestown. One of the first roads to be constructed was old Route 202, which is better known today as our main corridor, Butler Avenue. In 1740 our community built the New Britain Baptist Church, which is recognized among our first official landmarks and remains in use today.

During the American Revolution, New Britain contributed soldiers, wagons, blankets, and loyal support to the Revolutionary Army. George Washington and his army marched through this area in 1778 as they made their way to Monmouth, New Jersey. New Britain Militia participated in a significant successful raid on Trenton as Washington led his troops across the Delaware in the Battle of Germantown and the skirmish at Crooked Billet.

New Britain obtained greater access to the outside world when a branch of the North Pennsylvania Railroad opened in 1856, providing passage to Philadelphia and Reading. The area continued to grow throughout the 1900s with the creation of several elementary schools as well as what is now Delaware Valley University. By this time the small community known as New Britain Village had grown substantially, which by 1920 boasted 52 dwellings and 215 people. Many common municipal services were housed in either New Britain Township or Doylestown

2020 New Britain Borough Budget

Borough, and residents began investigating what it would take to establish itself independently. On May 5, 1928, New Britain Borough was carved out of the township and officially became recognized as its own municipality.

Once established, the borough paved several of its roadways and introduced a considerable amount of development along its main corridor of Butler. Many colonial homes and those constructed in the Revolutionary, Federal and Victorian times can be seen along these old roads. The homes in themselves spell out the history of the borough as it has moved from a wilderness into modern times.

As of the 2010 U.S. Census, there are 3,037 people residing within our borough's 1.22 square miles. The borough has experienced population growth nearly every decade over the past 80 years, and land continues to be developed for exciting residential and commercial projects. Despite this development, our community retains much of its rural atmosphere and charm and continues to give credence to our slogan that New Britain Borough is "A Friendly Place to Live."

GLOSSARY

ACTUARIAL RECOMMENDED CONTRIBUTION (ARC) – The amount of money recommended to be transferred to the Police Pension Fund as determined by the Borough’s Actuary (may also be referred to as the “Annual Recommended *or* Required Contribution”).

APPROPRIATED FUND BALANCE – A portion of existing fund balance that is incorporated into the subsequent year’s budget to ‘balance’ expected expenditures in excess of expected revenues.

APPROPRIATION – An authorization made by the legislative body of a government that permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

ASSESSED VALUATION – A valuation of real estate and certain personal property by the Borough Assessor as a basis for levying property taxes. The assessed value of any property is set at 70% of its market value. The 70% assessment ration is the same throughout Connecticut and is required by State law.

ASSIGNED FUND BALANCE – The portion of fund balance that represents resources set aside (‘encumbered’) by the government for a particular purpose.

BASIS OF ACCOUNTING – Timing of recognition for financial reporting purposes.

BASIS OF BUDGETING – Method used to determine when revenues and expenditures are recognized for budgetary purposes.

BENEFITS – Medical and dental insurances that employees elect to receive. Employees pay a cost sharing percentage (as determined either by collective bargaining agreement or by personnel policy). Employer (Borough) pays the insurance company the difference between employee cost and insurance plan cost.

BUDGET – A financial operating plan for a given period that details expenditures for providing services and the planned financing for such services.

CAPITAL ASSET – Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

CAPITAL BUDGET – Financial plan for one year or multiple years that details funds to put towards the purchase of equipment or facilities, or to purchase equipment or facilities in that budget year.

CAPITAL IMPROVEMENT – Equipment or facilities that have been designated for upgrade or new purchase within a designated time frame (as part of a Capital Improvement Plan).

CAPITAL RESERVE – A segment of the capital budget that designates a particular amount of money per year over a pre-determined amount of time that allows the Borough to pay in-part or in-whole for capital, such as equipment or facilities (new or upgrades).

CASH BASIS OF ACCOUNTING – Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

2020 New Britain Borough Budget

COMMITTED FUND BALANCE – The portion of the net position of a governmental fund that represents resources whose use is subject to a legally binding constraint that is imposed by the government itself at its highest level of decision-making authority and that remains legally binding unless removed in the same manner.

COMPENSATION – Salaries for employees.

CONTINGENCY ACCOUNT – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

CONTRACT (COLLECTIVE BARGAINING AGREEMENT) – An agreement between an unionized employee group and the Borough (employer) that details various work-related functions, such as hours of work, paid time-off, disciplinary procedures, and more.

CURRENT TAX LEVY – The total amount of revenues to be raised through property taxes at the current mill rate. The current tax levy is the central figure used to calculate the mill rate. It is distinct from non-current levy taxes which consist primarily of taxes and interest owed from prior years.

DEBT SERVICE - Payment of interest and repayment of principal on debt that the Borough has issued, typically for large capital projects.

DEFINED BENEFIT PENSION PLAN – Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service, and compensation.

DEFINED CONTRIBUTION PENSION – Pension plan having terms that (a) provide an individual account for each plan member and (b) specify how contributions to an active plan member’s account are to be determined, rather than the income or other benefits the member or his or her beneficiaries are to receive at or after separation from employment. Those benefits will depend only on the amounts contributed to the member’s account, earnings on investments of those contributions, and forfeitures of contributions made for other members that may be allocated to the member’s account.

EMPLOYER CONTRIBUTION – Term used in the context of pension and other postemployment benefits to describe contributions actually made by the employer in relation to the annual required contribution (ARC) of the employer.

ENCUMBRANCES – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specific future expense. For financial reporting purposes, encumbrance accounting is restricted to governmental funds.

ENTERPRISE FUND – A fund established to account for operations financed in a manner similar to a private business enterprise; i.e., where the costs of providing goods and services to the public are financed or recovered through user charges.

EXPENDITURE – Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

FISCAL YEAR – Budget year that starts July 1 and ends the following June 30.

FULL-TIME – Employees who regularly work at least thirty (30) hours per week.

FUND – Fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE – Difference between assets and liabilities reported in a governmental fund.

GAAP – Generally Accepted Accounting Principles; accounting rules used to prepare, present, and report financial statements for a wide variety of entities, including publicly-traded and privately-held companies, non-profit organizations, and governments.

GENERAL FUND – The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION (GO) BONDS – When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds that are to be repaid from taxes and other general revenues.

GENERAL REVENUES – All revenues that are not required to be reported as program revenues in the government-wide statement of activities.

GOVERNMENTAL FUNDS – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GRAND LIST – The basis upon which the property tax levy is allocated among the property owners in a jurisdiction with taxing power.

INTERGOVERNMENTAL – Transactions between governments, such as grants from the State to New Britain Borough.

INTERNAL SERVICE FUND – Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the government.

LEGAL LEVEL OF BUDGET CONTROL – Level at which a government's management may not reallocate resources without approval from the legislative body.

MILL – The amount of tax paid for each \$1,000 of assessed value. A mill is one-tenth (1/10th) of a penny or \$1.00 of tax for each \$1,000 of assessed value.

MILL RATE – The rate applied to assessed valuation to determine property taxes. The mill rate sets the amount of taxes that must be paid for every \$1,000 of assessed value of property.

MODIFIED ACCRUAL BASIS OF ACCOUNTING – Basis of accounting that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when the liability is first incurred (if earlier).

PENSION BENEFITS – Retirement income and all other benefits (e.g., disability benefits, death benefits, life insurance) except healthcare benefits that are provided through a defined benefit pension plan to plan members and beneficiaries after termination of employment or after retirement. Postemployment healthcare benefits are considered other postemployment benefits, regardless of how they are provided.

PENSION PLAN – Arrangement for the provision of pension benefits in which all assets accumulated for the payment of benefits may legally be used to pay benefits (including refunds of member contributions) to any of the plan members or beneficiaries, as defined by the terms of the plan.

PERSONNEL – All employees, including full-time, part-time, and elected officials, who work for the New Britain Borough.

POSTEMPLOYMENT – Period following termination of employment, including the time between termination and retirement.

PRINCIPAL - The amount borrowed, or the part of the amount borrowed that remains unpaid.

PROPERTY TAX – A locally levied tax based on the market value of property assessed at 70% during a given year by the local municipality. The revenues from property taxes represent the largest funding source for New Britain Borough’s municipal expenditures. By State law, all municipalities must revalue the market value of property every five years.

PROPRIETARY FUNDS – Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds.

REFERENDUM - A question or proposal that is submitted to a vote of the electors or voters of a municipality that is either (1) any regular or special state or municipal election, or (2) is not an election and is not a town meeting.

REFUNDING – Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

RESTRICTED FUND BALANCE – The portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

REVALUATION - A periodic program undertaken in order to appraise all real property in terms of its full market value (bringing all properties to 100% of their true market value and by the same standard).

REVENUE – Income to New Britain Borough that comes from various sources, including: property taxes (both current and delinquent with associated interest and lien fees), intergovernmental revenue (both Borough and education-based), charges for services, investment interest earnings, license and permit fees, use of fund balance (varies from year-to-year and may sometimes not be used), transfers between other funds into the operating budget, and other miscellaneous revenue sources.

SPECIAL REVENUE FUNDS – Governmental fund type used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and exclusive of resources held in trust for individuals, private organizations, or other governments.

TAX COLLECTION RATE – A measure of the rate of taxes collected on all outstanding grand lists.

UNASSIGNED FUND BALANCE – The difference between total fund balance and its non-spendable, restricted, committed and assigned components.

UNRESTRICTED FUND BALANCE – The difference between total fund balance and its non-spendable and restricted components.