
The City of

City Government Center



Harrisburg

Office of the Controller

December 4, 2014

TO: Ben Allatt, Budget and Finance Committee Chair
City Council

FROM: Charlie DeBrunner, Controller
Office of the Controller

SUBJECT: 2015 Proposed Budget

You had asked me to provide you with my comments regarding the 2015 Budget.

The Controller's Office is largely in agreement with the revenue estimates that are the basis for the 2015 Proposed Budget. While there are some variations among and between the cells we believe the overall estimate is a reasonable approximation of the City's revenues for 2015.

Unlike past practices, it is our understanding that the expenditure component of the budget was developed in consultation with the City's managers. It has been my experience that when the managers are part of the development process they are much more likely to operate within budget parameters. We believe that this is a much more appropriate way to develop expenditure estimates than has been done in the past.

We are in agreement with the Administrations major object categories and also agree with the level of control contemplated in an ordinance based on this budget.

We are also pleased to see that the Mayor has included new accounts that had heretofore been operating as Trust and Agency accounts in this year's budget. This means that for the first time in recent memory, expenditures from these accounts will be transparent to both the City Council as well as the citizens.

While there are budgeted revenues for all these funds, there are no budgeted expenditures for the Social Events and Project Reimbursement Fund, the Fire Protection Fund and the Police Protection Fund. We would suggest that City Council work with the administration to develop expenditure budgets for these funds if administrators are expecting to expend monies from these funds.

It is beyond the purview of this office to have an opinion on how the Mayor is planning to spend 2015 revenues. This is an appropriate dialog between the Mayor and City Council as

part of the process of passing a budget ordinance. We are confident, though that the revenues and expenditures as requested will result in a balanced budget.

Attachment

cc: Eric Papenfuse, Mayor
Bruce Weber, Finance Director
Kirk Petroski, City Clerk

**Rev. Dr. Martin Luther King, Jr. City Government Center
10 North Second Street, Suite 403, Harrisburg, PA 17101
Tel: (717) 255-3070 Fax: (717) 255-3073**

2015 PROPOSED BUDGET SUMMARY

General Fund

1. The 2015 proposed General Fund budget anticipates a small year-end surplus of approximately \$11,000.
2. Resources include an appropriation of prior year fund balance in the amount of \$280,000.
3. The 2015 proposed General Fund revenue and expenditure budgets are relatively static at \$59.4 million compared to the 2014 adjusted General Fund budget (.16% decrease and .17% decrease, respectively).
4. Personnel costs in the 2015 Proposed Budget are \$38.57 million and are approximately \$392,000 less than the 2014 adjusted budget, representing a 1.01% decrease.
5. There is a decrease in the budgeted personnel roster (2014 approved vs. 2015 Proposed) of 11.72 positions. This is due to the negative expenditure in the 2014 budget.

State Liquid Fuels Fund

1. The 2015 proposed State Liquid Fuels budget is balanced at approximately \$984,000 and anticipates approximately a 9% increase over the 2014 adjusted State Liquid Fuels budget.

Host Municipality Fees Fund

1. The 2015 proposed Host Municipality Fees Fund budget anticipates a small year-end surplus of approximately \$463.
2. The 2015 proposed Municipality Fees revenue and expenditure budgets of approximately \$280,000 represent a decrease of approximately 34% from the 2014 adjusted budget amounts.

Debt Service Fund

1. The 2015 Debt Service Fund budget is balanced at \$8.87 million and projected expenditures for debt service will be approximately \$520,000 less than 2014 adjusted budget amounts, representing a 5.54% decrease.

Sanitation Fund

1. The Sanitation Fund budget is balanced at \$4.31 million and is approximately \$25,000 less than the 2014 adjusted budget, representing a .59% decrease.

Disposal Fund

1. The Disposal Fund is balanced at \$8.96 million and is approximately \$2.46 million more than the 2014 adjusted budget, representing a 38% increase.

The Administration created six additional funds in the 2015 Proposed Budget: Blight Remediation Fund, Special Events & Projects Reimbursement Fund, Fire protection Fund, Police Protection Fund, Parks & Recreation Fund, and the WHBG Fund. Some of the funds have no budgeted expenditures.