2020 Annual Operating Budget
January 1 – December 31, 2020

Adopted on

December 17, 2019

Chester County
Commonwealth of Pennsylvania

Total Mills 4.67

MALVERN BOROUGH
2020 BUDGET SUMMARY

	GENERAL FUND	SEWER FUND	SEWER CAPITAL RESERVE FUND	CAPTIAL RESERVE FUND	HIGHWAY AID FUND
REVENUES					
Real Estate Taxes	$ 1,107,635.00	$ -	$ -	$ -	$ -
Act 511 Taxes	$ 2,193,500.00	$ -	$ -	$ -	$ -
Charges For Services & Fees	$ -	$ 860,009.00	$ -	$ -	$ -
Beginning Cash Balance	$ -	$ -	$ 1,294,166.00	$ 3,635,226.00	$ 226,592.00
Licenses & Permits	$ 199,400.00	$ -	$ -	$ -	$ -
Fines, Forefeits, & Costs	$ 101,400.00	$ -	$ -	$ -	$ -
Earnings on Investments	$ 25,000.00	$ 12,000.00	$ -	$ 6,000.00	$ 1,000.00
Grants & Gifts	$ 621,653.00	$ -	$ -	$ 10,000.00	$ 90,716.00
Public Safety	$ 18,000.00	$ -	$ -	$ -	$ -
Sanitation Services	$ -	$ -	$ -	$ -	$ -
Cultural/Recreation	$ -	$ -	$ -	$ -	$ -
Miscellaneous	$ 119,430.00	$ -	$ -	$ -	$ -
Interfund Transfers	$ 125,000.00	$ -	$ -	$ 841,716.00	$ -
TOTAL REVENUE	**$ 4,511,018.00**	**$ 872,009.00**	**$ 1,294,166.00**	**$ 4,492,942.00**	**$ 318,308.00**

	GENERAL FUND	SEWER FUND	SEWER CAPITAL RESERVE FUND	CAPTIAL RESERVE FUND	HIGHWAY AID FUND
EXPENDITURES					
General Government	$ 576,118.00	$ 293,987.00	$ -	$ 96,200.00	$ -
Tax Collection	$ 16,000.00	$ -	$ -	$ -	$ -
IT Networking Services	$ 31,000.00	$ -	$ -	$ -	$ -
Municipal Buildings	$ 97,000.00	$ -	$ -	$ 25,000.00	$ -
Public Safety	$ 1,624,364.00	$ -	$ -	$ -	$ -
Garbage Collection & Disposal	$ 270,000.00	$ -	$ -	$ -	$ -
Public Works	$ 838,717.00	$ -	$ -	$ 2,065,000.00	$ 85,000.00
Parks & Recreation	$ 100,640.00	$ -	$ -	$ 350,000.00	$ -
Shade Trees	$ 15,000.00	$ -	$ -	$ 25,000.00	$ -
Library	$ 12,180.00	$ -	$ -	$ -	$ -
Miscellaneous	$ 88,283.00	$ -	$ -	$ -	$ -
Interfund Operating Transfers	$ 841,716.00	$ -	$ -	$ -	$ 125,000.00
Operations & Maintenance	$ -	$ 720,621.00	$ 135,000.00	$ -	$ -
Debt Service (Principal)	$ -	$ -	$ -	$ 262,000.00	$ -
Debt Service (Interest)	$ -	$ -	$ -	$ 11,569.00	$ -
TOTAL EXPENDITURES	**$ 4,511,018.00**	**$ 1,014,608.00**	**$ 135,000.00**	**$ 2,834,769.00**	**$ 210,000.00**
RESERVE FUND BALANCE FORWARD TO COVER DEFICIT		**$ 142,599.00**			
EXCESS (LOSS) - REVENUE VS. EXPENDITURES	**$ -**	**$ -**			
PROJECTED ENDING FUND BALANCE			**$ 1,159,166.00**	**$ 1,658,173.00**	**$ 108,308.00**

MEMORANDUM

TO: Borough Council
Mayor Burton

FROM: Christopher Bashore, Borough Manager

DATE: December 17, 2019

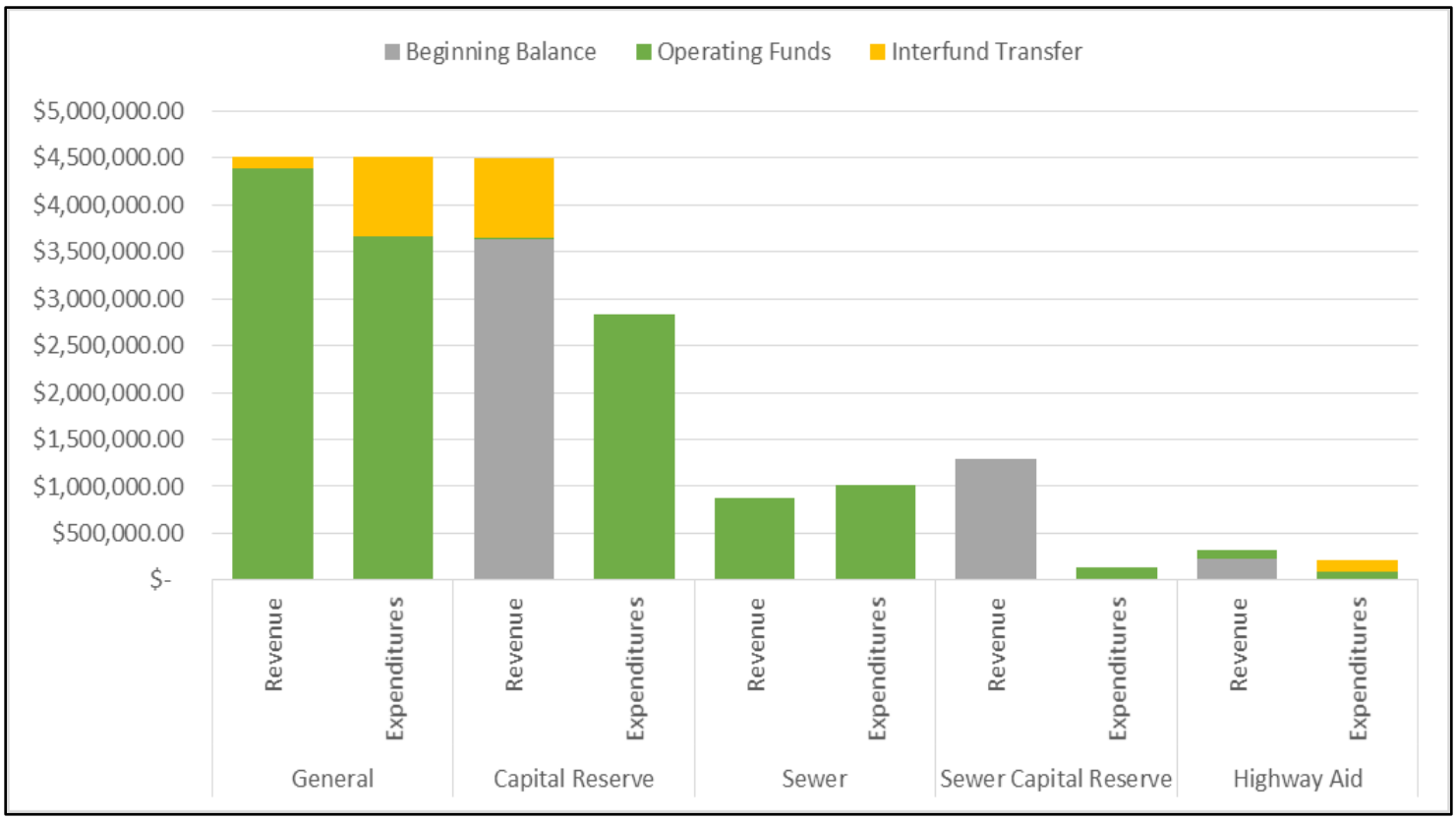
RE: 2020 Annual Budget

Before Borough Council is the 2020 annual budget for Malvern Borough. The Finance & Administration Committee reviewed the budget at their meetings on September 17, 2019 and October 9, 2019. An initial public presentation was held at the October 15, 2019 meeting of Borough Council. A public hearing was held on December 3, 2019, where Borough Council adopted the preliminary budget. The budget contained in this document is based on the discussion at the aforementioned meetings. The proposed budget does not include a tax increase and strives to maintain the level of service expected by the residents of the Borough. Preparation of the budget was a collaborative effort among all Borough departments (Administration, Police, and Public Works). The staff worked diligently to prepare the budget and I commend them for their work.

The 2020 budget is comprised of five (5) funds as follows:

Fund	Type	Beginning Balance	Operating Funds	Interfund Transfer	Total
General	Revenue	$ -	$ 4,386,018	$ 125,000	$ 4,511,018
	Expenditures		$ 3,669,302	$ 841,716	$ 4,511,018
Capital Reserve	Revenue	$ 3,635,226	$ 16,000	$ 841,716	$ 4,492,942
	Expenditures		$ 2,834,769	$ -	$ 2,834,769
Sewer	Revenue	$ -	$ 872,009	$ -	$ 872,009
	Expenditures		$ 1,014,608	$ -	$ 1,014,608
Sewer Capital Reserve	Revenue	$ 1,294,166	$ -	$ -	$ 1,294,166

	Expenditures		$ 135,000	$ -	$ 135,000
Highway Aid	Revenue	$ 226,592	$ 91,716	$ -	$ 318,308
	Expenditures		$ 85,000	$ 125,0000	$ 210,000



<u>Total Revenue</u> – $11,488,443

<u>Total Expenditures</u> – $8,705,395

The 2020 Budget projects an expenditure decline of approximately 2.6%, primarily due to the completion of long-planned capital projects in the Sewer Capital Reserve and Capital Reserve Funds. Beginning cash balances in the Borough three (3) capital funds (Sewer Capital Reserve, Capital Reserve, and Highway Aid Funds) are projected to begin 2020 at a strong level. Revenues and expenditures in the General Fund are projected to remain relatively stable, while expenditures in the Sewer Fund are projected to increase significantly due to treatment and disposal costs. Regarding the latter, the 2020 Budget allocates the use of available reserve funds in order to balance the budget.

The information below will provide year-end projections for the 2019 Budget and discussion on each fund in the 2020 Budget.

2019 Year-End Projections

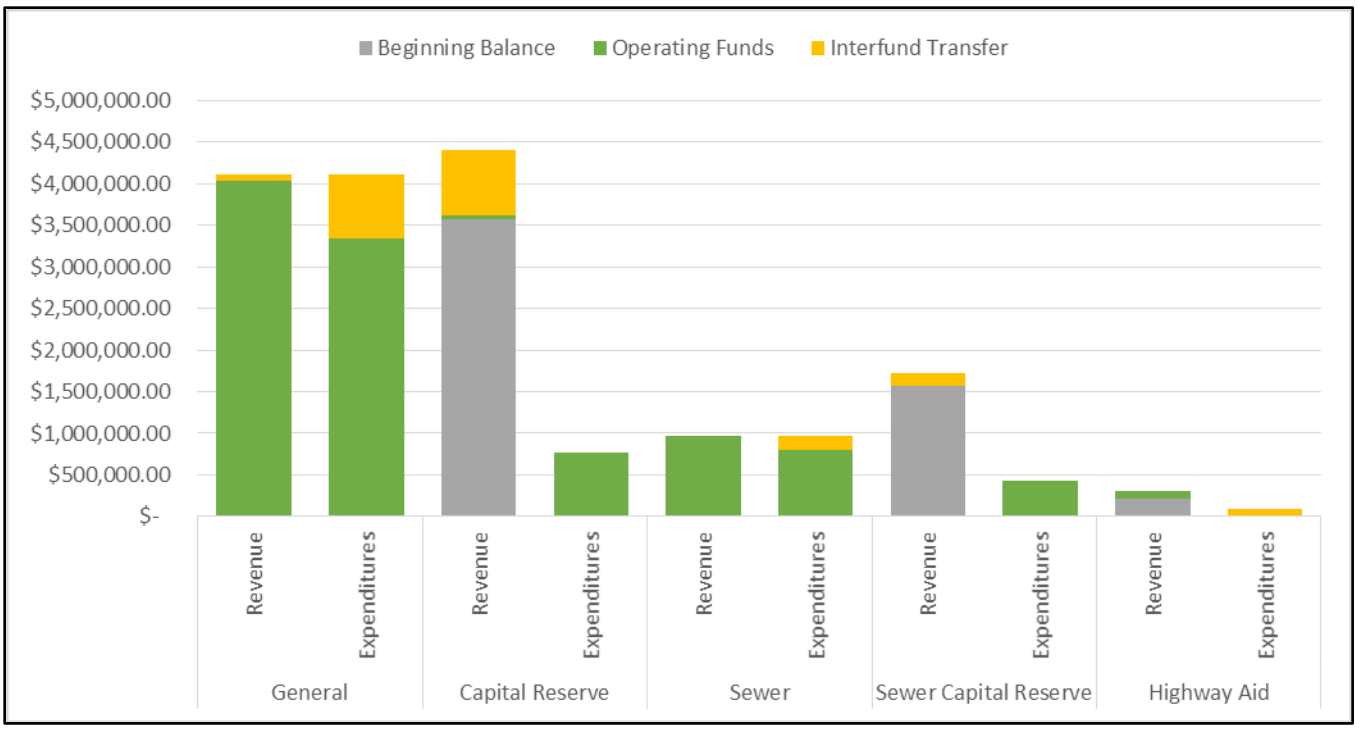
The 2019 year-end projections outline a forecasted unrestricted cash balance of **$5,584,028.17** in the Borough's four (4) main bank accounts (General Fund, General Fund Capital Reserve, Sewer/Sewer Capital Fund, and Highway-Aid Fund). This represents a decline of approximately 2% from the actual year-end totals from 2018. The primary reason for this decline is due to completion of capital projects, most notably the upgrade to the Ruthland Avenue Force Main, as well as the purchase of equipment for the Public Works Department paid for out of the Borough's Highway Aid Fund. Please note that this does not include the following accounts:

- PLGIT – $257,765.84
- Meridian Bank – $252,507.82
- General Fund Contingency – $297,676.63
- Sewer Fund Contingency – $414,977.48
- Sewer Fund VCTS Sale Proceeds CD – $238,656.36

The CD for the VCTS sale proceeds will mature in January 2020 and the intention is to move these back into the Sewer Fund checking account to offset the projected deficit in the Sewer Operating Fund.

The information outlines the year-end budget projections for the Borough's 2019 budget:

Fund	Type	Beginning Balance	Operating Funds	Interfund Transfer	Total
General	Revenue	$ -	$ 4,029,087	$ 87,100	$ 4,116,187
	Expenditures		$ 3,334,340	$ 781,847	$ 4,116,187
Capital Reserve	Revenue	$ 3,563,736	$ 56,416	$ 781,847	$ 4,401,999
	Expenditures		$ 766,773	$ -	$ 766,773
Sewer	Revenue	$ -	$ 961,340	$ -	$ 961,340
	Expenditures		$ 803,733	$ 157,607	$ 961,340
Sewer Capital Reserve	Revenue	$ 1,561,783	$ -	$ 157,607	$ 1,719,390
	Expenditures		$ 425,225	$ -	$ 425,225
Highway Aid	Revenue	$ 217,160	$ 96,532	$ -	$ 313,692
	Expenditures		$ -	$ 87,100	$ 87,100



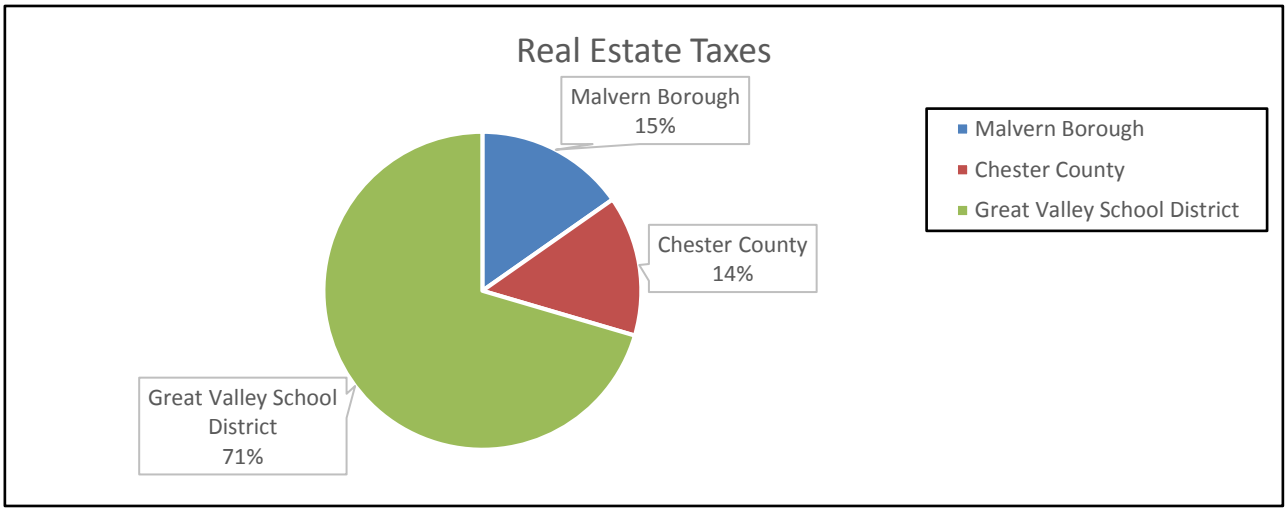
General Fund revenues are projected to finish $694,747 ahead of projected expenditures based on forecasts using year-to-date information through November 30, 2019 prior to factoring in interfund transfers to the General Fund. Per the Borough's practices, these funds will be transferred into the Capital reserve fund. Total interfund transfers from the General Fund to the Capital Reserve Fund are $781,847. These include $116,318 in grant reimbursement funds for projects, $273,336 for debt service, and $392,193 in projected excess revenue over expenditures. Revenues in the Sewer Fund are projected to exceed expenditures by $157,607 based on forecasts using year-to-date information through November 30, 2019. I anticipate completion and final payment for the Ruthland Avenue Force Main project by the end of 2019. In reviewing the Capital Reserve Fund, the following projects are being carried forward from 2019:

- Repair of joints for I & I – $75,000
- Multimodal Pedestrian Improvements (N. Warren Avenue Transit Project) – $930,000
- Crest Avenue Streetscape Improvements – $230,000
- Trail construction for Malvern Preparatory School – $100,000
- Streambank Stabilization – $125,000
- Wayfinding Signage – $50,000

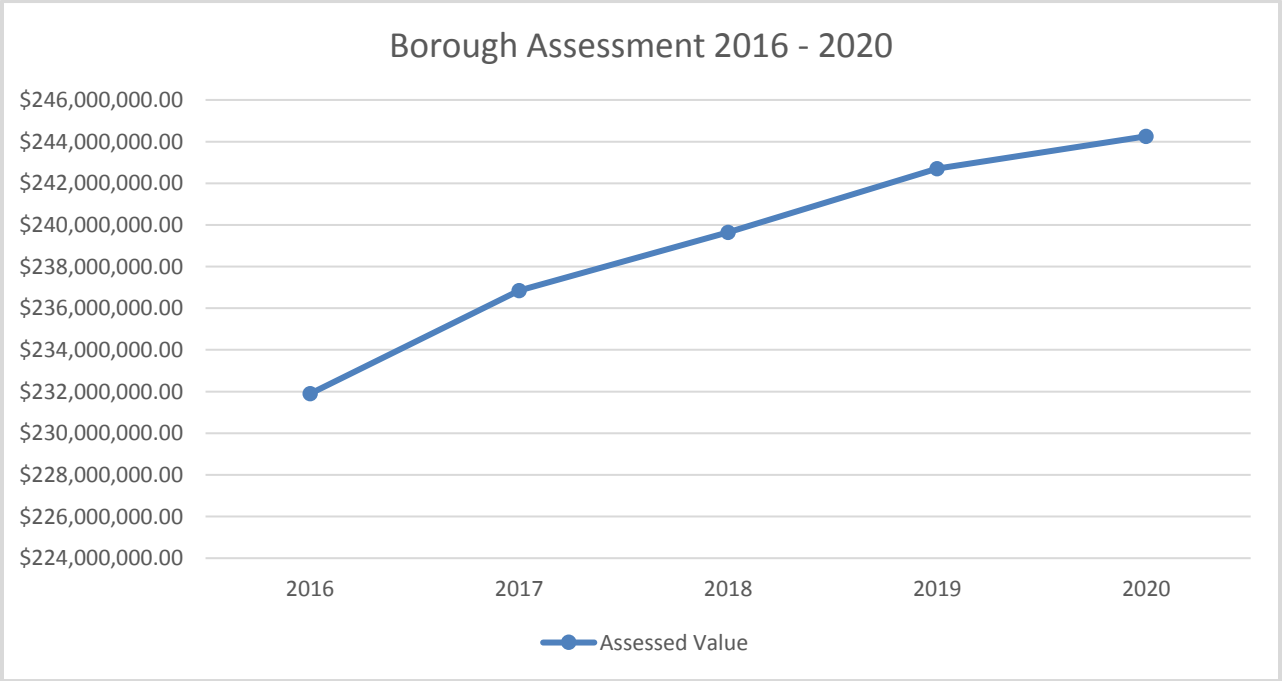
Please note that the Multimodal Pedestrian Improvements will be partially funded through grant proceeds ($560,000). The 2020 budget includes carrying forward $1,510,000 in projects in the Sewer Capital Reserve and Capital Reserve Funds. In addition, the budget includes carrying forward $273,569 in debt service payments for the 2002 and 2013 bond issues. Please note that the Borough's existing bonds will be paid off in 2022 and 2023, respectively.

Proposed tax rate for 2019

The 2020 operating budget proposes maintaining the current Borough real estate tax rate of 4.67 mills. The Borough's tax rate represents 15% of the overall property tax bill. A property with the average assessed value of $205,000 would pay $957.35 in real estate taxes to the Borough. The chart below outlines the breakdown of the various levels of real estate taxes.



The 2020 operating budget is based on a total assessed value of $244,253,520. Please be advised that this represents a 0.6% increase in the Borough's total assessed value from 2019. The chart below outlines the assessed value over the past five (5) years and shows the increases that have occurred:



- **Year-to-Year Increases**
    - 2016 to 2017 – 2.1%
    - 2017 to 2018 – 1.2%
    - 2018 to 2019 – 1.3%
    - 2019 to 2020 – 0.6%

While the assessed value has increased steadily over the last five (5) years, it has begun to plateau due to a decline in significant building activity. Since 2016, the Borough's total assessed valuation has increased 5.2%. Reviewing historical data, there was a 5% increase that occurred between 2014 and 2015, as well as an overall 10.4% increase in the period from 2013 to 2016. This may be primarily attributed to the construction of Eastside Flats, as well as additional development activity in the Borough. Additionally, the Borough has witnessed an increased number of assessment appeals over the past year.

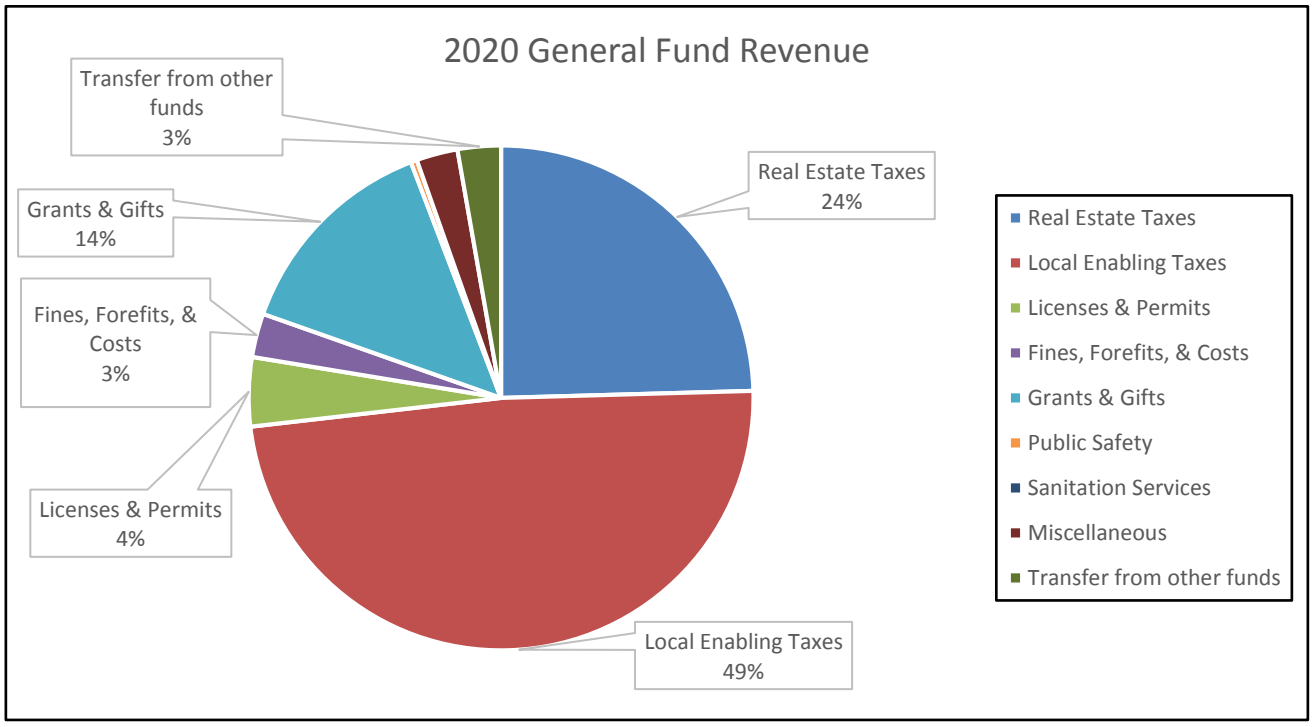
2020 Budget

1. General Fund

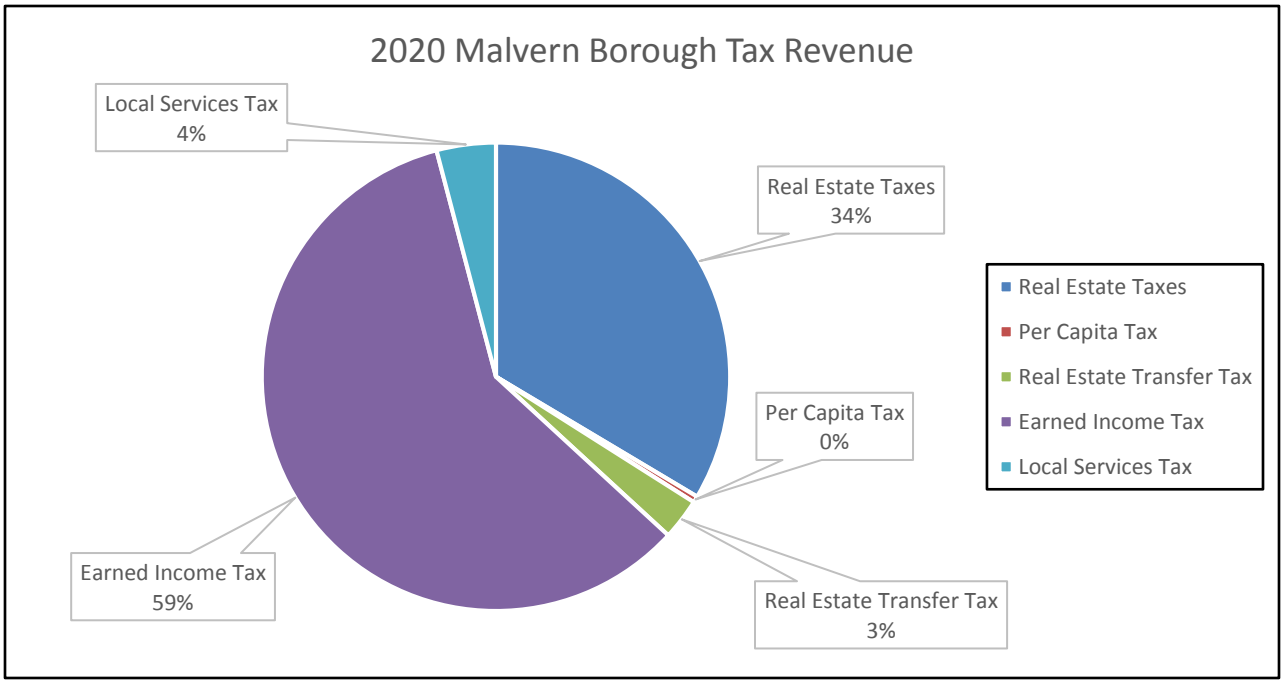
The General Fund is the largest fund in the 2020 budget. This fund constitutes 71% of the revenue received by the Borough and 51% of the Borough's projected expenditures.

a. Revenue

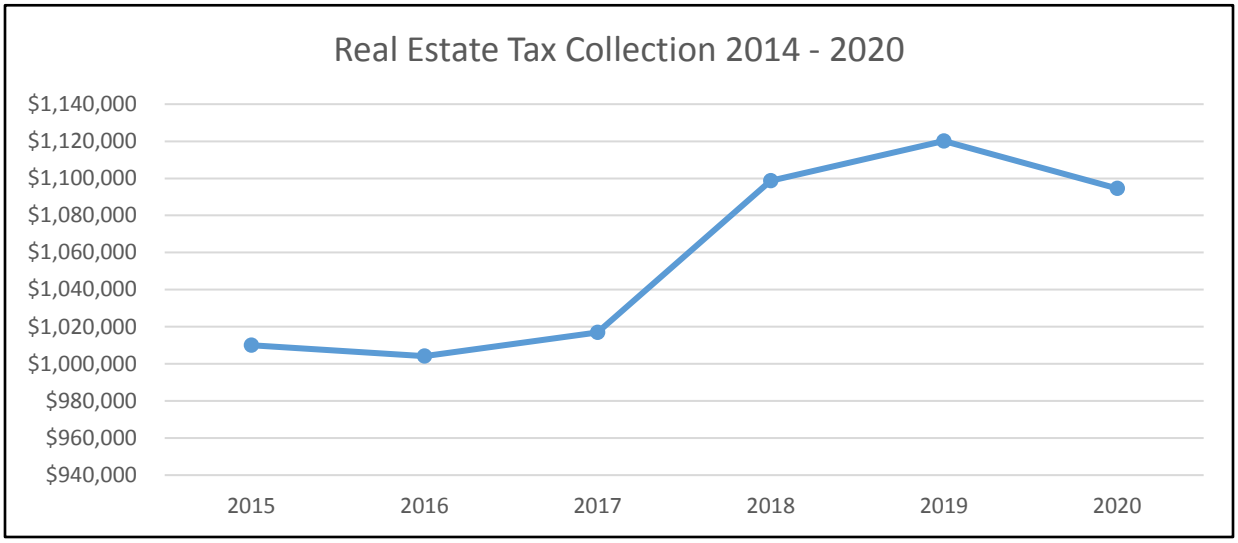
The subsequent chart provides a visual representation of the revenue sources for the Borough's General Fund:



Total revenue projected in the General Fund is **$4,511,018**. Total projected tax revenue for 2020 is **$3,301,135**. As indicated by the chart above, tax revenue represents 73% of all revenue received by the General Fund. Revenue through Local Enabling Taxes (e.g., Per Capita, Earned Income, Real Estate Transfer, and Local Services taxes) represents 66.4% of all tax revenue received by the Borough. Earned income tax (EIT) revenue represents the largest single revenue source for the Borough. EIT revenue represents 43.2% of all revenue projected in 2020, 59.1% of all tax revenue projected, and 88.9% of all revenue collected from Local Enabling Taxes. The following chart outlines tax revenue through various sources:

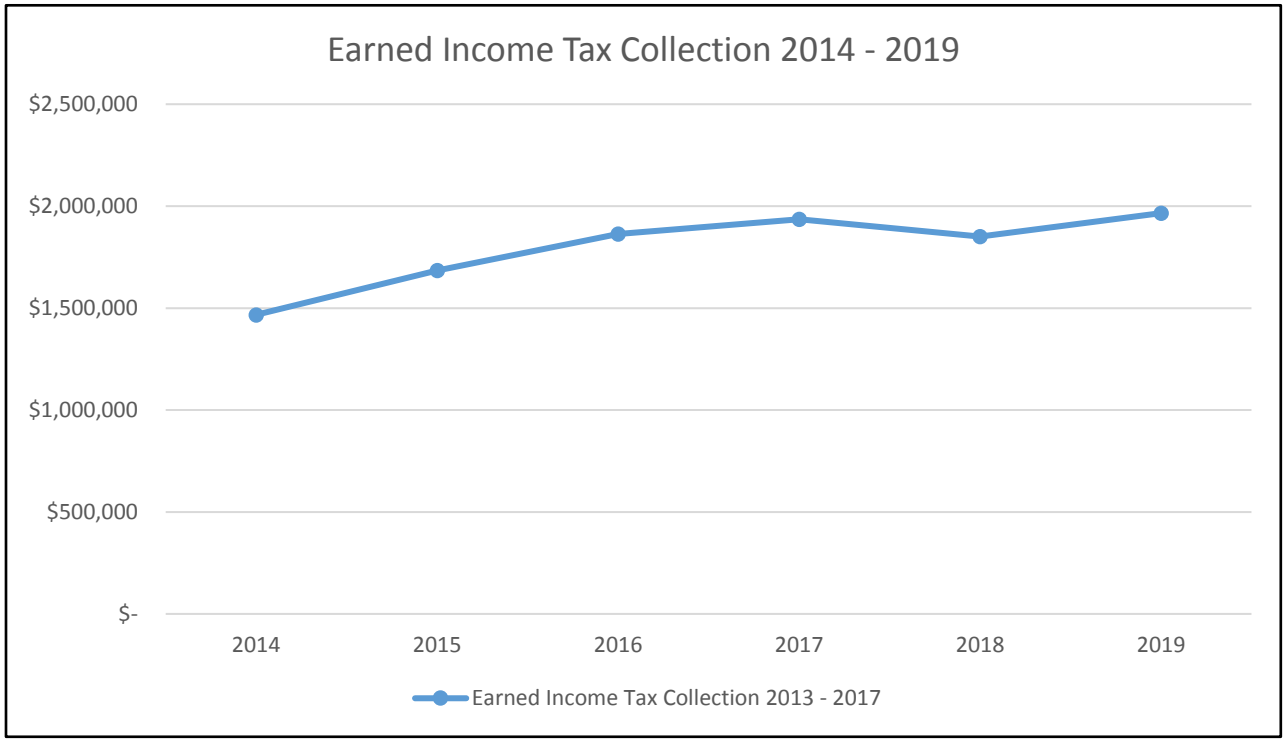


Real estate taxes are based on property assessments. Total real estate tax revenue is projected to be $1,107,635. This projection includes $1,094,635 in current year real estate tax revenue based on a 98% collection rate and factoring out the 2% discount period. The chart below outlines current year real estate collection since 2015 and includes the year-end projections for 2019 and the budgeted projections for 2020:



The increase outlined from 2017 to 2018 indicates the tax increase approved with the 2018 budget. The chart indicates that the Borough's real estate tax revenue plateaued during the period of 2015 to 2017, which necessitated the tax increase for 2018 as outlined.

Earned Income Tax revenue appears to be continuing on a steady, albeit flattening trajectory. The chart below outlines the Earned Income Tax collections from 2014 to 2019.



Since 2014, Earned Income Tax revenue collection has increased by approximately 34%, with the most significant increase occurring in the 2014 to 2016 time period. Over the period of 2016 to 2019, this revenue source has increased by 5.4%. The major increase witnessed during the 2014 to 2016 time period may be primarily attributed to the construction of East Side Flats. While construction activity has continued at a steady pace, the Borough may not witness another substantial spike without another large-scale development of this nature. Projections provided by Keystone Collections Group (Earned Income Tax collection firm for Chester County) indicates minimal increases in collection. Additionally, the Borough is susceptible to outside impacts to this revenue source. For example, East Whiteland Township recently increased the Earned Income Tax rate imposed on their residents from 0.50% to 0.75%. As a result, this has impacted the Borough's non-resident Earned Income Tax collection. Furthermore, the Borough is susceptible to the Sterling Act, which results in a loss of $80,000 to $100,000 in revenue to the City of Philadelphia annually. Please note that representatives from the Borough have spoken with PA State Representative Kristine Howard on the impact of the Sterling Act and the loss of revenue to Chester County municipalities. Based on the most recent study, Malvern Borough loses more Earned Income Tax revenue to the City of Philadelphia as a result of the Sterling Act than any borough in Chester County.

Real Estate Transfer Tax revenue has witnessed an increase compared to collections in 2018. Year-end projections for 2019 outlined a 17.3% increase in this revenue category compared to 2018. This may be attributed to a more favorable housing market. In preparing the 2020 budget, the last five (5) years of collections were analyzed. The result outlines an average collection of $102,917.07, with a median collection of $94,615.81. As such, the 2020 budget outlines a projection based on the median collection.

Revenue projections for licenses and permits has remained comparable to the projections in 2019. Building permit revenue is projected to finish 2019 approximately 46% above budget; however, this is below year-end actuals for 2018. This is attributed to the construction at Malvern Preparatory School for their approved land development project. In reviewing historical data, the last five (5) years have witnessed an average of $45,311.67 in revenue. As such, this line item has been projected based on the average and not by utilizing the projected final for 2019.

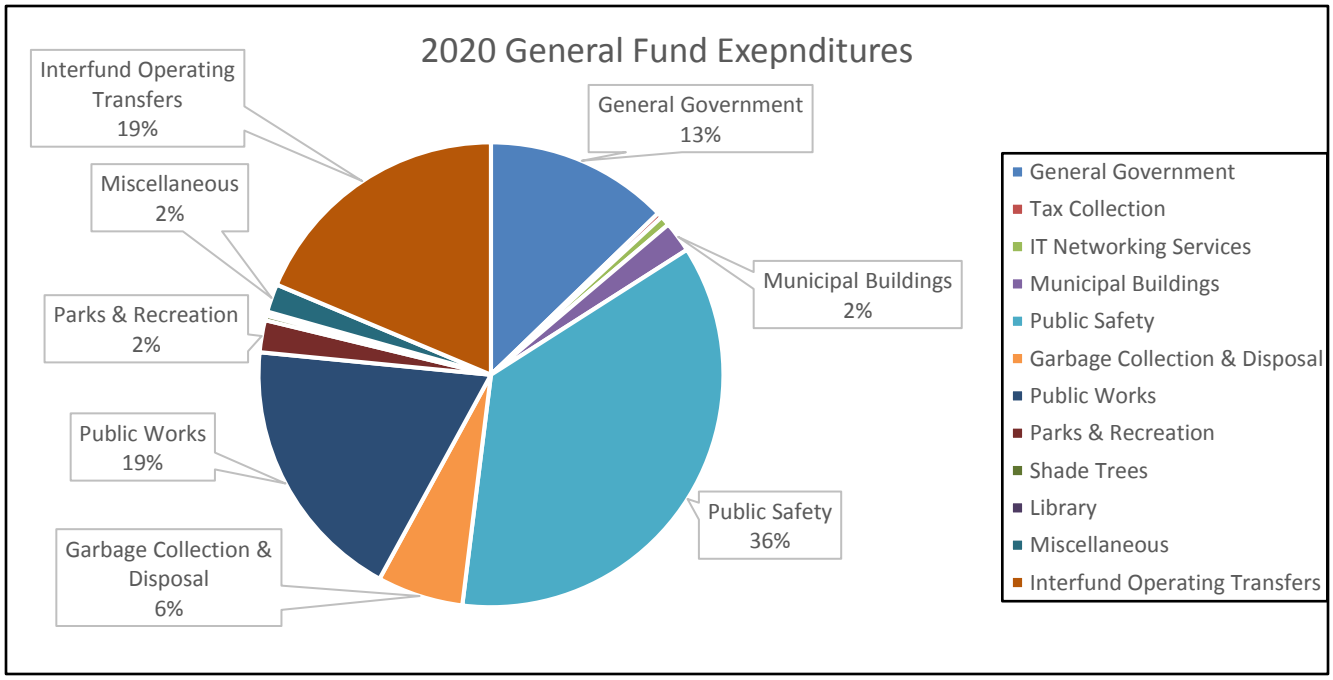
Overall, revenue projections in the 2020 budget are comparable to the 2019 budget and the year-end actuals for 2018. Revenue collection appears to be consistent in all major categories. Projections, however, outline a plateauing effect in the Borough's overall assessment, which is projected to increase by less than half the amount witnessed in 2019. Completion of construction projects currently underway may result in an increase for the 2021 budget, but I am not optimistic in this occurring. As such, the Borough's primary revenue sources may be entering stagnation and may not witness the sizable increases of past years without another major project occurring.

b. Expenditures

Total expenditures in the General Fund for 2020 are projected at $4,511,018. Notable expenditures in the General Fund include the following:

- The hiring of two (2) new positions – a part-time Permit Clerk for the Administration Department and full-time Road Laborer for the Public Works Department.
- Replacement of the Police Department Administrative Assistant – an existing part-time position will combined with the full-time position.
- Employee benefit (medical, dental, disability, and life insurance), workers compensation, and property/general liability costs.
- Contribution to the Malvern Fire Company
- Upgrades to the HVAC system in the Malvern Police Department.
- Replacement of six (6) benches and two (2) picnic tables in Burke Park.
- Replacement of two (2) computes in the Borough administration.
- Trash and recycling collection and disposal – Borough Council must determine current contract option by March 30, 2020.
- Purchase of a new vehicle for the Public Works Department – this purchase will be funded through a reimbursement from the Highway Aid Fund.
- Road paving projects – Anticipated projects include W. King St. (from Sugartown Rd. to Goshorn Dr.) and E. King St. (from Warren Ave. to Bridge St.) – Additional paving projects outlined in the Capital Reserve and Highway Aid Funds.

The chart below provides a visual representation of the Borough's General Fund expenditures:



As indicated by the chart on the previous page, public safety represents the largest component of the Borough's General Fund expenditures. Please note that this includes expenditures associated with the Police, Fire, and Code Enforcement Departments. The breakdown is as follows:

- Police Department – $1,285,304 (29% of General Fund Budget)
- Fire Department – $202,411 (5% of General Fund Budget)
- Code Enforcement Department – $135,649(3% of General Fund Budget)

The Malvern Police Department represents the largest departmental budget for the Borough. However, the percentage of the General Fund budget is consistent from previous years and is below the budget percentage witnessed in other municipalities. I will note, however, that the new Collective Bargaining Agreement with the Malvern Police Officers' Association will go into effect on January 1, 2020 and may result in the Police Department budget increasing substantially in subsequent years.

The 2020 Budget proposes replacing one (1) vehicle in the Public Works Department, the 2005 Freightliner M2 106 truck with a Ford F550. Currently, the 2005 Freightliner is only able to be fully utilized in the winter months and the Superintendent of Public Works would like to replace this with a vehicle that may be used all year round. An inter-fund transfer from the Highway Aid Fund to the General Fund has been allocated to cover this expenditure.

The 2020 Budget proposes the hiring of two (2) new non-union employees. Please see the information below regarding these items:

- **New Public Works Department Employee**: The budget proposes the hiring of one (1) new member of the Public Works Department. This department currently consists of five (5) full-time employees, four (4) of whom are eligible to retire at any time. The intention is to hire a new employee to prepare for the retirement of one of these employees. A proposed salary of $50,000 has been allocated; benefits have been budgeted at the highest (family) tier. The projected starting salary is based on the 2019 Chester County Salary Survey, which indicated a median salary for a Public Works Laborer at $51,000.

- **Part-Time Permit Clerk**: The budget proposes adding a part-time Permit Clerk in the Administration Department. This position has been allocated at $15/hour for 20 hours per week. Permit activity has increased by 14.3% since 2015. This individual would be responsible for coordinating all inspections for the Building Code Official and Zoning Officer, as well as processing permits for these individuals to ensure compliance.

Regarding non-union employees, all employee salaries have been allocated based on the discussions in Executive Session with Borough Council. Medical insurance has been

budgeted at a 5.4% increase based on the rates provided by the Delaware Valley Health Insurance Trust (DVHIT). This is approximately 2% less than the increase witnessed in 2019. As in past years, the Borough will utilize funds available through our Rate Stabilization Fund ($10,000) and our multi-trust discount ($6,016) in order to offset this increase. As a result, Medical Insurance costs will be relatively comparable to 2019. Dental insurance rates will not increase in 2020. The 2020 budget proposes to continue the policy of having Borough employees contribute 5% of the premium cost.

Please be advised that Workers Compensation insurance has been budgeted at a 10% increase and property/liability insurance has been budgeted at a 7% increase based on historic trends. Ancillary insurances (life, accidental death & dismemberment, short-term disability, and long-term disability) will not see an increase. In speaking with the provider (The Hartford), the Borough's rates on our ancillary insurances will be locked in until November 2020.

The current draft of the 2020 budget indicates an increase in expenditures by 5.3% before factoring in interfund operating transfers to the Capital Reserve Fund. The total interfund transfers are projected at $841,716. This includes a projected surplus of $8,147.

2. Sewer Fund

The Sewer Fund represents 14% of the revenue and 12% of the expenditures in the Borough's 2020 budget. This fund covers all non-capital costs related to the Borough's sanitary sewer system, including maintenance, treatment/disposal, and engineering.

a. Revenue

Revenue in the Sewer Fund is derived through rental charges, tapping fees for new connections to the Borough sanitary sewer system, and miscellaneous income (primarily refunds on expenditures for the Borough regional partnerships). Total revenue for 2020 is projected to be **$872,009**. This represents a $5,868 decline compared to 2019 projections. The primary reason for this decline is due to a reduction in projections from sewer tapping fee revenue.

The 2020 Budget proposes maintaining the current sewer fees. Sewer fees are outlined below:

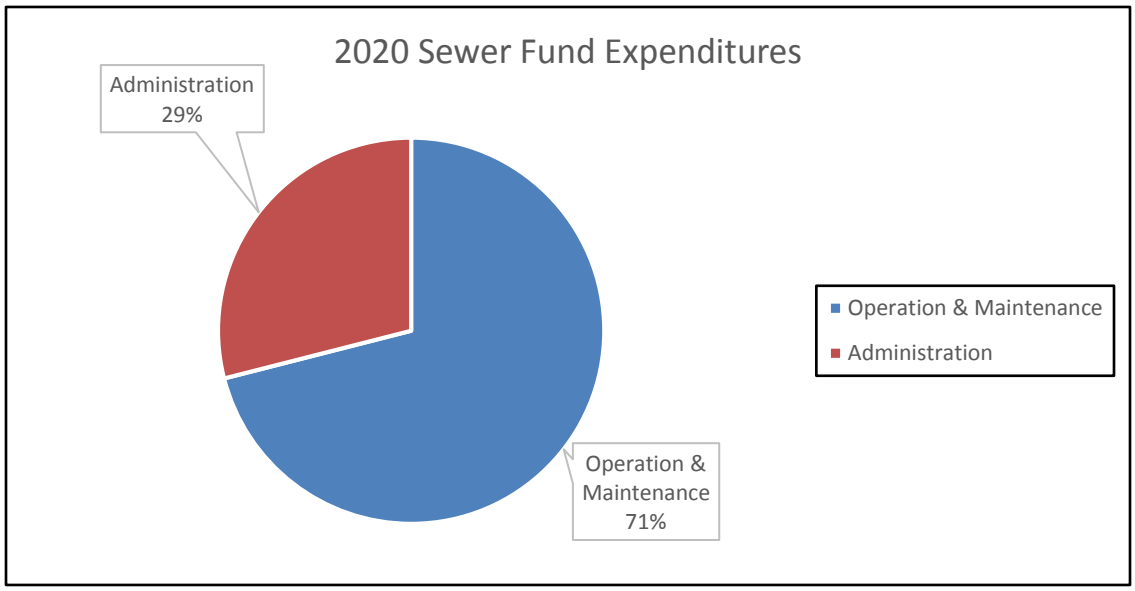
- **Quarterly Sewer Rent** - $95.60 for the first 5,000 gallons used / $4.00 per each 1,000 gallons used thereafter
- **Tapping Fee** - $2,858.45 per connection

In order to balance the projected deficit, the 2020 Budget proposes utilizing $142,599 in available reserve funds. These may be drawn from the sale proceeds of the Valley Creek

Trunk Sewer line. The CD these funds were placed in will mature in January 2020 and these funds may be transferred into the operational account. Borough Council may wish to discuss changing the fee structure to a consumption based fee in the future.

b. Expenditures

Total expenditures in the sewer fund are **$1,014,608**. Please note that there is no projected transfer to the Sewer Capital Reserve Fund. The chart below outlines the breakdown of expenditures in the sewer fund:



Operation and maintenance costs constitute 71% of the Sewer Fund's expenditures in the proposed 2020 budget. Sewage disposal costs (i.e., payment for the treatment of sewage) represent 70% of the expenditures in this category and represent 50.3% of total Sewer Fund expenditures. These costs are paid to the Valley Forge Sewer Authority, Aqua America, and East Whiteland Township. Projections have been based on historic increases in these costs (7%, 0%, and 12%, respectively).

Administration costs represent 29% of the Sewer Fund's expenditures. These are costs related to the administrative aspects of the Borough sewer system, including a portion of employee salaries, insurance costs, and preparation of sewer bills.

3. Sewer Capital Reserve Fund

The Sewer Capital Reserve Fund outlines the major capital projects for the Borough's sanitary sewer system. This includes repairs to sewer mains, pump station upgrades, and funds for construction projects to the entities the Borough's sewage is conveyed and treated through. Revenue is derived from existing savings and interfund transfers from the Sewer Operating Fund.

a. Revenue

Total revenue projected in 2020 is **$1,294,166**. Please be advised that the only projected revenue is the beginning cash balance and there are no interfund transfers projected at this time.

b. Expenditures

Total expenditures projected in 2020 are **$135,000**. Projects outlined in the proposed 2020 budget are as follows:

- Repair of sewer mains - $5,000
- Repair of joints for I & I - $75,000
- Construction Fund to Tredyffrin Township & the VFSA - $50,000
- Repairs at Pump Station #1 - $10,000

The construction fund line-item includes the Borough's proportionate share of costs associated with upgrades to the VFSA treatment plant. Final costs for the Borough's proportionate share of capital costs will be determined shortly. The 2020 Sewer Capital Reserve Fund budget does not include any major capital projects as the Borough will complete the Ruthland Avenue Force Main Upgrade in 2019. As such, I recommend that the Borough undertake a significant inflow and infiltration evaluation and determine necessary repairs. This may assist in reducing the Borough's sewage treatment costs.

The projected balance of this fund, if all projects are completed in 2020, is **$1,159,166**.

4. Capital Reserve Fund

The Capital Reserve Fund outlines major capital projects for the Borough. These are general projects that include streetscape improvements, facility upgrades, property acquisitions, and the Borough's debt obligations. Revenue is derived through existing savings and interfund transfers from the General Fund.

a. Revenue

Total revenue projected in 2020 is **$4,492,942**. This is based on a projected beginning balance of **$3,635,226** and a projected interfund transfer from the General Fund in the amount of **$841,716** from the General Fund. Revenue is also derived from existing loan accounts and interest. The transfer from the General Fund includes $560,000 in grant revenue from Pennsylvania. A grant transfer from a private source has also been included. Grant funding was received as follows:

- PA Department of Community & Economic Development Multimodal Transportation Fund Grant – $400,000

- PA Department of Transportation Multimodal Transportation Fund Grant – $160,000
- PECO Green Region Grant – $10,000

b. Expenditures

Total expenditures projected in 2020 are **$2,834,769**. The Borough's debt obligations for 2020 total $273,569 based on the amortization schedule for the 2002 and 2013 bond issues. Projected expenditures are based on the five-year Capital Improvement Plan discussed by Borough Council previously, as well as projects carried over from 2019.

Major projects outlined in the Capital Reserve Fund for 2020 include the following:

- N. Warren Avenue Transit Project
- Building Security Improvements
- Paving and potential curb installation on Malvern Avenue (from Highland Avenue to King Street)
- Improvements to Quann Park and the Paoli Battlefield Trails
- Drainage improvements to Old Lincoln Highway
- Upgrade to the Borough's 2012 Comprehensive Plan (grant application submitted to Chester County)
- Streetscape improvements to Crest Avenue
- Development of a Master Plan for Randolph Woods (grant funding awarded by PECO for project)

The projected fund balance is **$1,658,173** if all budgeted projects are completed in 2020.

5. Highway Aid Fund

The Borough's Highway Aid Fund is funded exclusively by the beginning balance and the annual disbursement from the Pennsylvania State Motor Vehicle License Fund. Projected revenue for 2020 is **$318,308**; this includes a beginning balance of $226,592 and funds received of $91,716. The Borough's Liquid Fuels Funding from Pennsylvania is projected to decline by 4.6% due to a reduction in gasoline sales across the Commonwealth. Please be advised that the Borough has been notified of the official funding amount; actual fund deposit is in April.

Total 2020 expenditures are **$210,000**. An interfund transfer to the General Fund is budgeted in order to cover street light costs ($49,000) and the purchase of a new vehicle in the Public Works Department ($76,000). In addition, paving costs for work proposed on N. Warren Avenue (from Pennsylvania Avenue to the Borough boundary) has been allocated at an estimated cost of $85,000. The projected balance at the end of 2019 is **$108,308**.

Conclusion

The 2020 budget for Malvern Borough strives to maintain and enhance the high-level of services that the residents of the Borough have come to expect. The 2020 Budget seeks to expand certain staffing levels in the Administration and Public Works Department in order to address the expansion in building permit activity and prepare for the future. Capital investment in the community remains constant through the allocation of capital projects based on the Borough's five-year capital improvement plan, as well as the carry-over of certain projects. Borough Council should, however, be mindful of the ongoing cost of capital projects. Grant funding will continue to be sought in order to complete certain capital projects. The Borough may be reaching the point where it is determined what projects must wait for grant funding or if the Borough looks to take out loans to complete projects.

The 2020 budget proposes maintaining the current tax rate of 4.67 mills. Borough administration will continue to work to achieve cost-saving measures across all departments. Borough Council should continue to be mindful of the plateauing that is being witnessed with both the overall assessment and real estate tax revenue. Additionally, I believe that the Borough needs to evaluate the fees associated with the Borough's sanitary sewer system in order to determine if an overhaul to the fee structure is warranted. Overall, the 2020 budget provides a similar scope to past years and the Borough will continue to provide the high-level of services that are expected.

Included in the budget presentation are five (5) year budget projections. The figures presented are based on projected service cost increases and continued capital improvements in the Borough. These numbers are fluid and will continue to be adjusted as conditions change. Please note that Council is not locked into the numbers forecasted in the included five (5) year projections and these are offered as a planning tool.

Please let me know if you have any questions. Thank you.

Respectfully submitted by

Christopher Bashore

Christopher Bashore
Borough Manager

Malvern Borough, Chester County
2020 Budget

General Fund
Revenues

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	REAL ESTATE TAXES						
01.301.000	Real Estate Taxes (Current Year)	$ 1,098,727	$ 1,088,530	$ 1,106,158	$ 1,120,143	$ 1,094,635	Based on a projected assessment of $244,253,520. Represents a 0.6% increase from 2019.
01.301.001	Real Estate Taxes (Prior Years)	$ -	$ -	$ -	$ -	$ -	
01.301.002	Real Estate Taxes (Delinquent)	$ 14,519	$ 8,000	$ 15,104	$ 15,104	$ 8,000	
01.301.003	Interim Real Estate Taxes	$ 4,317	$ 6,000	$ 1,022	$ 3,500	$ 5,000	
Total		**$ 1,117,563**	**$ 1,102,530**	**$ 1,122,284**	**$ 1,138,747**	**$ 1,107,635**	
	LOCAL ENABLING TAX (ACT 511)						
01.310.000	Per Capita Tax (Current)	$ 11,885	$ 11,500	$ 11,263	$ 11,500	$ 11,500	
01.310.001	Per Capita Tax (Prior Years)	$ 3,380	$ 3,000	$ 3,229	$ 3,229	$ 3,000	
01.310.010	Real Estate Transfer Tax	$ 84,825	$ 94,000	$ 102,168	$ 111,456	$ 94,000	Avg. for the last five (5) years has been $102,917.07. Median = $94,615.81
01.310.020	Earned Income Tax (Current)	$ 1,352,744	$ 1,475,000	$ 1,388,555	$ 1,468,271	$ 1,475,000	
01.310.021	Earned Income Tax (Prior Years)	$ 498,344	$ 450,000	$ 497,380	$ 497,380	$ 475,000	
01.310.051	Local Services Tax (Current)	$ 105,655	$ 100,000	$ 119,721	$ 122,022	$ 100,000	
01.310.052	Local Services Tax (Prior)	$ 24,162	$ 25,000	$ 29,360	$ 29,360	$ 35,000	
Total		**$ 2,080,995**	**$ 2,158,500**	**$ 2,151,675**	**$ 2,243,218**	**$ 2,193,500**	
	LICENSES AND PERMITS						
01.320.001	Building Permits & Registration	$ 70,876	$ 44,000	$ 62,480	$ 64,406	$ 45,000	Avg. revenue = $45,311.67. 2018 was higher than normal. Projection based on five (5) year average
01.320.002	Plumbing Permits & Registration	$ 5,965	$ 4,000	$ 4,484	$ 4,484	$ 4,200	
01.320.003	Street Permits	$ 2,568	$ 2,200	$ 4,050	$ 4,050	$ 3,000	
01.320.004	Zoning & Subdivision Permits	$ 8,025	$ 5,000	$ 6,155	$ 6,155	$ 5,000	
01.320.006	Franchise Fees (Comcast & Verizon)	$ 88,795	$ 90,000	$ 87,696	$ 87,696	$ 90,000	
01.320.007	Housing & Property Maintenance	$ 36,925	$ 39,000	$ 35,875	$ 35,875	$ 37,000	
01.320.071	Inspection Fees	$ 12,950	$ 12,000	$ 12,540	$ 12,540	$ 12,000	
01.321.033	Parking Permits	$ 3,200	$ 2,750	$ 2,982	$ 2,982	$ 3,200	
Total		**$ 229,304**	**$ 198,950**	**$ 216,261**	**$ 218,187**	**$ 199,400**	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	FINES, FORFEITS & COSTS						
01.330.000	Violations of Ordinances	$ 1,479	$ 2,000	$ 571	$ 1,200	$ 1,200	
01.330.001	Motor Vehicle Code Violations/Criminal	$ 33,921	$ 26,000	$ 36,068	$ 39,346	$ 26,000	
01.330.002	False Alarm Penalties	$ 500	$ 1,200	$ 700	$ 700	$ 1,200	
01.341.000	Earnings on Investments	$ 21,717	$ 12,000	$ 34,314	$ 40,399	$ 25,000	May be adjusted based on rate projections and fed decisions
01.342.000	Rents of Property	$ 44,618	$ 46,000	$ 49,416	$ 55,416	$ 73,000	New lease approved. Monthly rent is $6,000 per month. Projection includes two (2) months' rent at higher rate.
Total		**$ 102,235**	**$ 87,200**	**$ 121,068**	**$ 137,061**	**$ 126,400**	
	GRANTS & GIFTS						
01.354.000	State Contributions - Pensions (State Aid)	$ 15,118	$ 15,118	$ 11,995	$ 11,995	$ 11,995	State Aid payment reduced by 21%.
01.355.001	Grants from State, Federal & County Govt.	$ 25,986	$ 580,000	$ 11,746	$ 11,746	$ 580,000	Includes $560,000 grant for N. Warren Ave. Project, Act 904 Recycling Grant funds, and HHW
01.355.002	Grant from County for Special Projects	$ 394,182	$ 116,318	$ 116,318	$ 116,318	$ -	
01.355.003	PURTA	$ 3,303	$ 3,280	$ 2,942	$ 2,942	$ 2,942	
01.355.004	Foreign Fire Insurance	$ 23,241	$ 23,241	$ 25,516	$ 25,516	$ 25,516	
01.355.041	Beverage Liquor License	$ 800	$ 1,200	$ 1,200	$ 1,200	$ 1,200	
Total		**$ 462,631**	**$ 739,157**	**$ 169,717**	**$ 169,717**	**$ 621,653**	
	PUBLIC SAFETY						
01.362.000	Police Special Duty Detail	$ 17,935	$ 18,000	$ 16,056	$ 18,000	$ 18,000	
Total		**$ 17,935**	**$ 18,000**	**$ 16,056**	**$ 18,000**	**$ 18,000**	
	SANITATION SERVICES						
01.364.030	Sanitation Services Recycle Rebate	$ 10,008	$ -	$ 945	$ 945	$ -	
Total		**$ 10,008**	**$ -**	**$ 945**	**$ 945**	$ -	
	CULTURE - RECREATION						
01.367.21	Discount Tickets - Sale Commission	$ 43	$ 250	$ -	$ 50	$ -	
Total		**$ 43**	**$ 250**	**$ -**	**$ 50**	$ -	
	MISCELLANEOUS						
01.379.000	Miscellaneous Income	$ 12,217	$ 25,000	$ 64,250	$ 64,250	$ 30,000	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
01.379.001	Zoning Hearing	$ 2,525	$ 2,000	$ 3,500	$ 3,500	$ 2,500	
01.379.002	PD Automatic Protection Device	$ 3,431	$ 2,500	$ 3,579	$ 3,579	$ 2,750	
01.379.003	PD Copies of Accident/Misc. Reports	$ 985	$ 500	$ 525	$ 525	$ 500	
01.379.004	Misc. Tax Certifications & Duplicates	$ 4,730	$ 4,500	$ 4,805	$ 4,805	$ 4,500	
01.379.005	Library Renovations	$ 12,180	$ 12,180	$ 12,180	$ 12,180	$ 12,180	
01.391.000	Sale of Borough Property	$ -	$ 50,000	$ 12,325	$ 12,325	$ 50,000	
01.391.001	Sale of Dump Truck	$ -	$ -	$ -	$ -	$ 15,000	Sale of existing dump truck
01.395.000	Refunds	$ 12,519	$ 2,000	$ 1,480	$ 2,000	$ 2,000	
Total		**$ 48,587**	**$ 98,680**	**$ 102,644**	**$ 103,163**	**$ 119,430**	
	TRANSFER FROM OTHER FUNDS						
01.392.000	Contingency Fund	$ -	$ -	$ -	$ -	$ -	
01.392.001	Highway Aid Fund	$ 46,411	$ 87,100	$ 33,609	$ 87,100	$ 125,000	Includes $76,000 for new dump truck
Total		**$ 46,411**	**$ 87,100**	**$ 33,609**	**$ 87,100**	**$ 125,000**	
	TOTAL GENERAL FUND REVENUES	**$ 4,115,712**	**$ 4,490,367**	**$ 3,934,259**	**$ 4,116,187**	**$ 4,511,018**	

General Fund
Expenditures

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	ADMINISTRATION						
01.400.000	Elected Officials Compensation	$ 7,200	$ 9,600	$ 5,100	$ 7,200	$ 9,600	
01.400.001	Salary - Secretary/Manager	$ 63,000	$ 67,500	$ 62,308	$ 67,500	$ 69,694	
01.400.002	Salary - Treasurer	$ 40,733	$ 43,200	$ 39,876	$ 43,200	$ 44,604	
01.400.003	Salary - Assistant Manager	$ 40,362	$ 45,000	$ 41,539	$ 45,000	$ 46,463	
01.400.021	Salary/Wages - Administrative Assistant	$ 10,757	$ 11,960	$ 11,224	$ 11,960	$ 12,349	
01.400.033	Telephone & Communications	$ 7,138	$ 7,500	$ 5,815	$ 6,397	$ 7,500	
Total		**$ 169,190**	**$ 184,760**	**$ 165,862**	**$ 181,257**	**$ 190,209**	
	FINANCIAL ADMINISTRATION						
01.401.000	Real Estate Tax Refunds	$ 2,948	$ 6,500	$ 5,410	$ 6,500	$ 6,500	
01.402.020	Materials & Supplies	$ 4,492	$ 6,000	$ 1,551	$ 3,250	$ 6,000	
01.402.021	Conferences, Seminars, Meetings	$ 4,459	$ 7,000	$ 5,375	$ 5,375	$ 7,000	
01.402.022	Dues & Memberships	$ 3,969	$ 4,500	$ 3,464	$ 3,464	$ 4,500	
01.402.023	Office Equipment Maintenance & Exp.	$ 13,761	$ 18,000	$ 15,171	$ 17,718	$ 18,000	
01.402.024	General Expense	$ 20,614	$ 25,000	$ 17,935	$ 21,254	$ 25,000	
01.402.025	Advertising & Printing	$ 12,820	$ 11,500	$ 10,506	$ 11,500	$ 10,000	
01.402.030	Auditing Services	$ 11,850	$ 12,500	$ 12,550	$ 12,550	$ 13,000	
Total		**$ 74,913**	**$ 91,000**	**$ 71,963**	**$ 81,611**	**$ 90,000**	
	TAX COLLECTION						
01.403.012	Earned Income & Per Capita Commission	$ 15,716	$ 22,000	$ 10,354	$ 10,354	$ 15,000	
01.403.013	EIT Tax Collection Study Group Expenses	$ -	$ 500	$ -	$ -	$ 500	
01.403.014	General Expense	$ 65	$ 500	$ 396	$ 396	$ 500	
Total		**$ 15,781**	**$ 23,000**	**$ 10,750**	**$ 10,750**	**$ 16,000**	
	LEGAL SERVICES						
01.404.000	Legal Services	$ 145,623	$ 115,000	$ 137,410	$ 149,459	$ 115,000	
01.404.002	Legal Services - Miscellaneous	$ -	$ -	$ -	$ -	$ 5,000	Legal costs associated with Right-to-Know requests
Total		**$ 145,623**	**$ 115,000**	**$ 137,410**	**$ 149,459**	**$ 120,000**	
	EMPLOYEE BENEFITS						
01.406.200	Workers Compensation	$ 12,911	$ 14,000	$ 13,449	$ 13,449	$ 14,000	
01.406.220	Income Protection Insurance	$ 2,366	$ 2,691	$ 2,124	$ 2,549	$ 2,912	Rates held until November 2020

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
01.406.221	Group Life Insurance	$ 1,656	$ 1,543	$ 1,230	$ 1,476	$ 1,692	Rates held until November 2020
01.406.222	Healthcare Insurance	$ 35,389	$ 46,425	$ 33,669	$ 37,542	$ 53,064	5.4% increase confirmed by Delaware Valley Health Insurance Trust
01.406.223	Dental Care Insurance	$ 2,499	$ 2,393	$ 3,068	$ 3,068	$ 2,975	No increase from 2019 rates
01.406.224	Social Security Tax - Borough	$ 18,276	$ 28,570	$ 19,287	$ 20,957	$ 31,266	
01.406.320	Non-Uniformed Pension Fund (EE Contrib)	$ -	$ -	$ -	$ -	$ -	
Total		**$ 73,096**	**$ 95,622**	**$ 72,827**	**$ 79,040**	**$ 105,909**	
	IT NETWORKING SERVICES						
01.407.021	Office Supplies	$ 6,816	$ 11,000	$ 11,816	$ 11,816	$ 11,000	Includes General Code fee ($1,195), website maintenance ($2,000), Constant Contact ($200), iWorQ ($2,500), and CODY service for PD ($3,000)
01.407.022	Computer Supplies	$ 7,884	$ 8,000	$ 7,666	$ 8,000	$ 5,000	Replacement of two (2) computers
01.407.025	Repairs and Maintenance	$ 8,805	$ 12,000	$ 10,933	$ 12,000	$ 12,000	
01.407.026	Small Tools and Minor Equipment	$ 4,998	$ 5,000	$ 3,035	$ 3,500	$ 3,000	
Total		**$ 28,502**	**$ 36,000**	**$ 33,449**	**$ 35,316**	**$ 31,000**	
	ENGINEERING SERVICES						
01.408.000	Engineering Services	$ 36,649	$ 65,000	$ 56,730	$ 65,000	$ 70,000	
Total		**$ 36,649**	**$ 65,000**	**$ 56,730**	**$ 65,000**	**$ 70,000**	
	MUNICIPAL BUILDINGS						
01.409.020	Materials & Supplies	$ 3,056	$ 4,000	$ 1,629	$ 2,200	$ 4,000	
01.409.021	Utilities	$ 32,120	$ 40,000	$ 20,383	$ 25,584	$ 35,000	Utility bills down significantly with new heater installed.
01.409.022	General Expense	$ 2,041	$ 2,500	$ 2,762	$ 2,762	$ 3,000	
01.409.023	Maintenance & Repairs	$ 51,009	$ 50,000	$ 56,906	$ 56,906	$ 55,000	Includes replacement of HVAC units in Police Department ($10,500)
01.409.024	Alarm System Expense	$ -	$ 1,500	$ -	$ -	$ -	
Total		**$ 88,226**	**$ 98,000**	**$ 81,680**	**$ 87,452**	**$ 97,000**	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	POLICE DEPARTMENT						
01.410.010	Salary - Chief of Police	$ 118,314	$ 119,041	$ 109,884	$ 119,041	$ 122,910	Salary costs based on new CBA.
01.410.011	Salary & Wages - Patrolmen	$ 433,119	$ 537,734	$ 507,000	$ 537,734	$ 586,173	Includes 10% additional for ancillary pay (e.g., court, holiday, OIC pay)
01.410.012	Salary & Wages - Clerical	$ 61,854	$ 74,985	$ 65,183	$ 70,615	$ 92,500	Includes PD Secretary and costs for retiree (e.g., unused PTO and salary for beginning of 2020)
01.410.015	Salary & Wages - Part-Time Patrolmen	$ 72,774	$ 80,000	$ 58,749	$ 68,816	$ 72,000	
01.410.018	Salary & Wages - Overtime	$ 31,736	$ 50,000	$ 36,455	$ 45,548	$ 76,621	Includes paying out unused chart time at the end of the year ($26,620.87)
01.410.019	Maintenance - Office Equipment	$ 2,412	$ 13,000	$ 3,565	$ 5,000	$ 7,500	
01.410.020	Materials & Supplies	$ 3,089	$ 3,000	$ 2,732	$ 3,000	$ 3,000	
01.410.021	Uniforms	$ 7,288	$ 9,000	$ 12,389	$ 12,389	$ 9,000	
01.410.022	Ammunition	$ 4,023	$ 6,000	$ 857	$ 6,000	$ 6,000	
01.410.023	Training - Education	$ 6,032	$ 9,000	$ 5,015	$ 7,370	$ 9,000	Includes $2,500 for ERT/SWAT membership and training
01.410.024	Advertising & Printing	$ 223	$ 4,000	$ 456	$ 1,000	$ 5,000	
01.410.025	Telephone & Communications (police radios)	$ 7,767	$ 10,000	$ 6,170	$ 6,883	$ 10,000	
01.410.026	Vehicle Maintenance & Repairs	$ 6,767	$ 10,000	$ 4,020	$ 7,500	$ 8,000	
01.410.027	Maintenance - Traffic Signals	$ -	$ 5,800	$ -	$ -	$ 4,000	
01.410.029	Gas & Oil	$ 12,820	$ 20,000	$ 11,266	$ 15,000	$ 15,000	
01.410.030	Tires	$ 1,794	$ 2,000	$ 646	$ 2,000	$ 2,000	
01.410.031	Energy - Traffic Lights	$ 1,314	$ 2,500	$ 1,215	$ 1,500	$ 2,500	
01.410.032	General Expense	$ 59,601	$ 40,000	$ 37,146	$ 40,000	$ 30,000	Includes purchase of new taser ($3,000), Mobile ID ($1,000), purchase for a new AED ($2,500), and new digital sign ($3,000)
01.410.070	Capital Expenditures	$ -	$ 45,000	$ 46,913	$ 46,913	$ -	
01.410.200	Workers Compensation	$ 12,911	$ 14,000	$ 13,449	$ 13,449	$ 14,000	
01.410.220	Income Protection Insurance	$ 4,904	$ 5,845	$ 5,456	$ 6,548	$ 6,173	
01.410.221	Group Life Insurance	$ 2,461	$ 3,493	$ 3,036	$ 3,320	$ 3,493	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
01.410.222	Healthcare Insurance	$ 90,758	$ 128,171	$ 101,584	$ 112,073	$ 113,087	Includes HRA ($5,500). 5.4% increase confirmed by Delaware Valley Health Insurance Trust.
01.410.223	Dental Care Insurance	$ 5,748	$ 7,168	$ 6,351	$ 6,351	$ 6,467	No increase in 2020 per carrier
01.410.224	Social Security Tax - Borough	$ 54,337	$ 60,835	$ 59,078	$ 64,554	$ 66,379	
01.410.228	Police Professional Liability Insurance	$ 13,145	$ 13,500	$ 14,192	$ 14,192	$ 14,500	
01.410.320	Uniformed Pension Fund	$ -	$ -	$ -	$ -	$ -	
Total		**$ 1,015,190**	**$ 1,274,072**	**$ 1,112,807**	**$ 1,216,794**	**$ 1,285,304**	
	FIRE PROTECTION						
01.411.020	Contribution - Fire Company	$ 81,600	$ 115,000	$ 115,000	$ 115,000	$ 115,000	
01.411.021	Cost of Fire Hydrants	$ 16,924	$ 17,800	$ 17,294	$ 17,800	$ 17,800	
01.411.022	Water Consumption	$ 3,086	$ 4,000	$ 2,980	$ 3,122	$ 4,000	
01.411.023	State Workers Insurance Fund (SWIF)	$ 35,593	$ 36,450	$ 23,927	$ 26,139	$ 40,095	Cost shared with Willistown Twp
01.411.099	Foreign Fire Insurance	$ 23,241	$ 23,241	$ 25,516	$ 25,516	$ 25,516	
Total		**$ 160,445**	**$ 196,491**	**$ 184,717**	**$ 187,577**	**$ 202,411**	
	CODE ENFORCEMENT						
01.414.010	Salaries & Wages	$ 75,256	$ 102,227	$ 93,512	$ 102,227	$ 121,149	Includes potential hiring of PT Permit Clerk ($15/hr x 20 hours per week)
01.414.020	General Expense	$ 4,268	$ 4,000	$ 3,314	$ 3,516	$ 4,000	
01.414.021	Contribution to Planning Commission	$ 693	$ 1,000	$ 1,107	$ 1,107	$ 1,000	
01.414.022	Contribution to Zoning Hearing Board	$ 5,693	$ 5,000	$ 1,599	$ 5,000	$ 5,000	
01.414.023	Contribution to Historical Commission	$ 2,515	$ 3,000	$ 1,828	$ 3,000	$ 3,000	
01.414.221	Refunds - Zoning Hearing	$ 618	$ 1,500	$ -	$ -	$ 1,500	
Total		**$ 89,044**	**$ 116,727**	**$ 101,360**	**$ 114,849**	**$ 135,649**	
	EMERGENCY MANAGEMENT						
01.415.000	Emergency Management Coordinator	$ -	$ 1,000	$ -	$ -	$ 1,000	
Total		**$ -**	**$ 1,000**	**$ -**	**$ -**	**$ 1,000**	
	GARBAGE COLLECTION & DISPOSAL						
01.427.020	Contracted Services	$ 166,289	$ 175,000	$ 145,389	$ 173,646	$ 190,000	Contract up June 30, 2020, unless Council selects the option. Must select option by March 30, 2020.

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
01.427.021	Landfill Fees & Expenses	$ 80,429	$ 80,000	$ 66,804	$ 72,309	$ 80,000	Includes payment for processing of recyclables.
Total		**$ 246,718**	**$ 255,000**	**$ 212,193**	**$ 245,955**	**$ 270,000**	
	PUBLIC WORKS - HIGHWAYS & STREETS						
01.430.010	Salaries & Wages	$ 189,112	$ 195,188	$ 180,185	$ 195,188	$ 230,404	Includes hiring of new PW employee. Proposed salary = $50,000
01.430.018	Salaries & Wages - Overtime	$ 26,711	$ 40,000	$ 12,468	$ 27,000	$ 40,000	
01.430.020	Materials & Supplies	$ 3,820	$ 5,000	$ 3,552	$ 5,000	$ 5,000	
01.430.021	Utilities	$ 11,392	$ 17,500	$ 10,098	$ 12,639	$ 15,000	
01.430.022	General Expense	$ 15,600	$ 15,000	$ 14,078	$ 15,000	$ 15,000	
01.430.023	Equipment Rental	$ 726	$ 3,000	$ 194	$ 3,000	$ 7,000	
01.430.024	Telephone & Communications	$ 4,507	$ 5,000	$ 4,519	$ 5,000	$ 5,000	
01.430.025	Vehicle Maintenance & Repairs	$ 4,634	$ 15,000	$ 12,828	$ 15,000	$ 15,000	
01.430.026	Gas, Oil & Tires	$ 11,390	$ 15,000	$ 14,097	$ 15,000	$ 15,000	
01.430.027	Minor Equipment Purchases	$ 2,878	$ 2,500	$ 2,135	$ 2,500	$ 2,500	
01.430.200	Workers Compensation	$ 12,911	$ 14,000	$ 13,449	$ 12,072	$ 14,000	
01.430.220	Income Protection Insurance	$ 2,498	$ 2,290	$ 2,118	$ 2,296	$ 2,725	
01.430.221	Group Life Insurance	$ 1,355	$ 1,243	$ 1,137	$ 1,231	$ 1,542	
01.430.222	Healthcare Insurance	$ 67,485	$ 68,011	$ 66,171	$ 70,679	$ 89,763	Includes hiring of new PW employee at family tier
01.430.223	Dental Care Insurance	$ 3,407	$ 2,911	$ 3,493	$ 3,493	$ 3,751	
01.430.224	Social Security Tax - Borough	$ 19,942	$ 22,932	$ 18,275	$ 20,311	$ 24,533	
01.430.320	Non-Uniformed Pension Fund (EE Contrib)	$ -	$ -	$ -	$ -	$ -	
Total		**$ 378,369**	**$ 424,575**	**$ 358,798**	**$ 405,409**	**$ 486,218**	
	WINTER MAINTENANCE - SNOW REMOVAL						
01.432.020	Snow & Ice Removal	$ 21,550	$ 30,000	$ 11,328	$ 30,000	$ 30,000	
Total		**$ 21,550**	**$ 30,000**	**$ 11,328**	**$ 30,000**	**$ 30,000**	
	TRAFFIC CONTROL DEVICES						
01.433.020	Street Signs & Markings	$ 5,285	$ 10,000	$ 8,368	$ 10,000	$ 10,000	
Total		**$ 5,285**	**$ 10,000**	**$ 8,368**	**$ 10,000**	**$ 10,000**	
	STREET LIGHTING						
01.434.020	Street Lighting	$ 46,350	$ 49,000	$ 52,708	$ 52,708	$ 49,000	
Total		**$ 46,350**	**$ 49,000**	**$ 52,708**	**$ 52,708**	**$ 49,000**	
	STORM SEWERS & DRAINS						
01.436.020	Maintenance & Repairs - Sewers & Drains	$ 3,050	$ 5,000	$ 2,968	$ 5,000	$ 5,000	
01.436.053	Stormwater Fees	$ -	$ 500	$ 500	$ 500	$ 500	
Total		**$ 3,050**	**$ 5,500**	**$ 3,468**	**$ 5,500**	**$ 5,500**	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	REPAIRS TO TOOLS & MACHINERY						
01.437.020	Repairs to tools & machinery	$ 1,024	$ 1,600	$ 1,097	$ 1,200	$ 2,000	
Total		**$ 1,024**	**$ 1,600**	**$ 1,097**	**$ 1,200**	**$ 2,000**	
	MAINTENANCE & REPAIRS TO ROADS						
01.438.020	Maintenance & Repairs - Streets	$ 77,792	$ 150,000	$ 99,538	$ 135,000	$ 180,000	Paving of W. King St. (from Sugartown Rd. to Goshorn Dr.) and E. King St. (from Warren Ave. to Bridge St.)
Total		**$ 77,792**	**$ 150,000**	**$ 99,538**	**$ 135,000**	**$ 180,000**	
	HIGHWAY CONSTRUCTION & REBUILDING						
01.439.070	Capital Expenditures	$ 49,473	$ 50,000	$ 33,275	$ 33,275	$ 76,000	New F550 Dump Truck to replace the 2005 Freightliner. Full cost = $75,822.00. Previous vehicle will be sold.
Total		**$ 49,473**	**$ 50,000**	**$ 33,275**	**$ 33,275**	**$ 76,000**	
	PARKS & RECREATION						
01.452.020	Recreational Programs	$ 13,269	$ 15,000	$ 10,634	$ 15,000	$ 15,000	
01.452.021	Maintenance & Repairs	$ 7,240	$ 12,000	$ 7,951	$ 10,000	$ 12,000	$5,000 allocated for the replacement of six (6) benches and two (2) picnic tables in Burke Park.
01.454.010	Salaries & Wages	$ 48,438	$ 55,849	$ 49,366	$ 55,849	$ 62,640	
01.454.020	Materials & Supplies	$ 6,774	$ 5,000	$ 4,560	$ 5,000	$ 5,000	
01.454.021	General Expense	$ 6,029	$ 6,000	$ 3,866	$ 3,867	$ 6,000	
Total		**$ 81,751**	**$ 93,849**	**$ 76,377**	**$ 89,716**	**$ 100,640**	
	SHADE TREES						
01.455.020	Shade Tree Maintenance	$ 14,389	$ 15,000	$ 16,739	$ 16,739	$ 15,000	
Total		**$ 14,389**	**$ 15,000**	**$ 16,739**	**$ 16,739**	**$ 15,000**	
	LIBRARY						
01.456.020	Contribution to Library	$ 12,180	$ 12,180	$ 12,180	$ 12,180	$ 12,180	
Total		**$ 12,180**	**$ 12,180**	**$ 12,180**	**$ 12,180**	**$ 12,180**	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	MISCELLANEOUS						
01.483.020	Non-Uniformed Pension Fund	$ 15,286	$ 20,452	$ 20,452	$ 20,452	$ 15,745	
01.486.026	Casualty - General Liability	$ 11,057	$ 9,859	$ 9,031	$ 9,031	$ 10,549	
01.486.027	Automobile Liability Insurance	$ 4,759	$ 4,244	$ 3,887	$ 3,887	$ 4,541	
01.486.029	Public Officials Liability Insurance	$ 7,477	$ 6,667	$ 6,107	$ 6,107	$ 7,134	
01.486.030	Inland Marine Insurance	$ 7,898	$ 6,959	$ 6,888	$ 6,888	$ 7,446	
01.486.031	Catastrophe Liability Insurance (Umbrella)	$ -	$ -	$ -	$ -	$ -	
01.486.032	Commercial Property Insurance	$ 1,958	$ 1,746	$ 1,690	$ 1,690	$ 1,868	
01.489.010	Military & Civic Contributions	$ 41,000	$ 39,500	$ 39,500	$ 39,500	$ 41,000	
Total		**$ 89,435**	**$ 89,426**	**$ 87,555**	**$ 87,555**	**$ 88,283**	
	TOTAL GENERAL FUND EXPENDITURES BEFORE INTERFUND OPERATING TRANSFERS	**$ 2,924,026**	**$ 3,482,801**	**$ 3,003,178**	**$ 3,334,340**	**$ 3,669,302**	
	INTERFUND OPERATING TRANSFERS						
01.492.011	Forecasted Transfers of Historic GF Balance Surplus	$ -	$ -	$ -	$ -	$ -	
01.492.011	Transfer to Capital Reserve Fund from Grants	$ 394,182	$ 676,318	$ 116,318	$ 116,318	$ 560,000	
01.492.011	Transfer to Capital Reserve Fund for Debt Service	$ 274,060	$ 273,336	$ 273,336	$ 273,336	$ 273,569	
01.492.011	Transfer to Capital Reserve Fund from General Fund	$ -	$ 57,912	$ -	$ 392,193	$ 8,147	
01.492.012	Transfer to Capital Reserve Fund from General Fund Contingency Acct.	$ -	$ -	$ -	$ -	$ -	
01.489.000	Transfer to Contingency Account	$ -	$ -	$ -	$ -	$ -	
Total		**$ 668,242**	**$ 1,007,566**	**$ 389,654**	**$ 781,847**	**$ 841,716**	
	TOTAL GENERAL FUND EXPENDITURES	**$ 3,592,268**	**$ 4,490,367**	**$ 3,392,832**	**$ 4,116,187**	**$ 4,511,018**	
	EXCESS (LOSS) - REVENUE VS. EXPENDITURES	**$ 523,444**	**$ -**	**$ 541,428**	**$ -**	**$ -**	

Sewer Fund
Revenue

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
08.341.000	Earnings from Investments	$ 14,652	$ 8,000	$ 23,822	$ 28,891	$ 12,000	
08.364.010	Sewer Rents	$ 834,850	$ 825,000	$ 819,964	$ 825,000	$ 825,000	
08.364.011	Tapping & Sewer Connection Fees	$ 28,585	$ 42,877	$ 45,735	$ 45,735	$ 20,009	Outstanding tapping fees for 51, Ruthland Ave. (3), 13 Lovers Ln. (2), 11 Griffith Ave. (1), and 523 Monument Ave. (1 - this is a pending application)
08.364.012	Other Income	$ 262,617	$ 2,000	$ 61,714	$ 61,714	$ 15,000	Includes fees for sewer certifications for property resale and audit refund from VFSA. Avg. VFSA audit refund = $32,159.80 over the last five (5) years.
08.364.013	Grants from the County, State, Federal	$ -	$ -	$ -	$ -	$ -	
Total		**$ 1,140,704**	**$ 877,877**	**$ 951,235**	**$ 961,340**	**$ 872,009**	
	TOTAL SEWER FUND REVENUES	**$ 1,140,704**	**$ 877,877**	**$ 951,235**	**$ 961,340**	**$ 872,009**	

Sewer Fund
Expenditures

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	OPERATIONS & MAINTENANCE						
08.429.010	Salaries & Wages	$ 120,860	$ 124,211	$ 121,952	$ 124,211	$ 146,621	
08.429.020	Materials & Supplies	$ 788	$ 2,500	$ 252	$ 1,000	$ 2,500	
08.429.021	Utilities	$ 11,989	$ 15,000	$ 14,169	$ 15,888	$ 17,000	
08.429.022	Maintenance & Repairs	$ 43,572	$ 20,000	$ 8,335	$ 12,797	$ 20,000	
08.429.023	Vehicle Maintenance & Repairs	$ 351	$ 4,500	$ 2,327	$ 2,327	$ 4,500	
08.429.024	Gas & Oil	$ 3,317	$ 5,000	$ 2,749	$ 5,000	$ 5,000	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
08.429.026	Sewage Disposal - Various	$ 344,316	$ 400,000	$ 420,396	$ 420,396	$ 510,000	Payments to VFSA (projected at $210,816.75), Aqua (projected at $132,600), and East Whiteland Twp (projected at $159,146.20).
08.430.070	Capital Expenditures	$ 16,441	$ 15,000	$ -	$ -	$ 15,000	
Total		**$ 541,634**	**$ 586,211**	**$ 570,178**	**$ 581,618**	**$ 720,621**	
	ADMINISTRATION						
08.429.101	Salaries & Wages	$ 106,260	$ 100,760	$ 90,088	$ 100,760	$ 104,035	
08.429.027	Materials & Supplies	$ -	$ 11,000	$ -	$ -	$ 5,000	
08.429.028	General Expense	$ 7,964	$ 12,000	$ 7,962	$ 8,260	$ 12,000	
08.429.029	Engineering	$ 9,759	$ 12,000	$ 7,039	$ 12,000	$ 12,000	
08.429.030	Telephone - Communications	$ 2,461	$ 5,500	$ 1,239	$ 2,124	$ 5,500	
08.429.031	Alarm System Expense	$ 1,005	$ 2,000	$ 1,056	$ 1,056	$ 2,000	
08.484.010	Automobile Insurance	$ 1,851	$ 2,829	$ 2,592	$ 2,592	$ 3,027	
08.484.200	Workers Compensation	$ 12,911	$ 14,000	$ 13,449	$ 13,449	$ 14,000	
08.486.011	Casualty - General Liability	$ 4,300	$ 6,573	$ 6,020	$ 6,020	$ 7,033	
08.486.012	Catastrophe Liability Insurance (Umbrella)	$ -	$ -	$ -	$ -	$ -	
08.486.013	Social Security Tax - Borough	$ 17,173	$ 18,210	$ 16,038	$ 17,826	$ 19,175	
08.486.014	Commercial Property Insurance	$ 3,796	$ 5,803	$ 5,687	$ 5,687	$ 6,209	
08.486.015	Public Officials Liability Insurance	$ 2,908	$ 4,445	$ 4,071	$ 4,071	$ 4,756	
08.486.016	Dental Care Insurance	$ 2,647	$ 3,536	$ 2,279	$ 2,279	$ 4,484	
08.486.017	Income Protection Insurance	$ 1,892	$ 3,321	$ 2,362	$ 2,603	$ 3,758	
08.486.019	Healthcare Insurance	$ 38,874	$ 70,291	$ 38,261	$ 41,942	$ 88,884	
08.486.020	Group life Insurance	$ 1,075	$ 1,856	$ 1,316	$ 1,447	$ 2,126	
08.486.021	Misc. Ins.: Crime, Bonds, Computers	$ -	$ -	$ -	$ -	$ -	
Total		**$ 214,875**	**$ 274,123**	**$ 199,458**	**$ 222,115**	**$ 293,987**	
	TRANSFER TO OTHER FUNDS						
08.492.013	Transfer to Sewer Capital Reserve	$ 384,194	$ 17,543	$ -	$ 157,607	$ -	
08.489.000	Transfer to Contingency Account	$ -	$ -	$ -	$ -	$ -	
08.492.013	Transfer to Sewer Capital Reserve for Debt Service	$ -	$ -	$ -	$ -	$ -	
Total		**$ 384,194**	**$ 17,543**	**$ -**	**$ 157,607**	**$ -**	
	TOTAL SEWER FUND EXPENDITURES	**$ 1,140,704**	**$ 877,877**	**$ 769,637**	**$ 961,340**	**$ 1,014,608**	
	RESERVE FUND BALANCE FORWARD TO COVER DEFICIT					**$ 142,599**	
	EXCESS (LOSS) - REVENUE VS. EXPENDITURES	**$ -**	**$ -**	**$ 181,599**	**$ -**	**$ 0**	

Sewer Capital Reserve Fund
Revenue

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	Beginning Balance	$ 1,214,836	$ 1,251,002	$ 1,561,783	$ 1,561,783	$ 1,294,166	
20.392.002	Received from Operational Fund	$ 384,194	$ 17,543	$ -	$ 157,607	$ -	
20.392.003	Received from Operational Fund for Debt Service	$ -	$ -	$ -	$ -	$ -	
Total		**$ 1,599,030**	**$ 1,268,545**	**$ 1,561,783**	**$ 1,719,390**	**$ 1,294,166**	
TOTAL SEWER CAPITAL RESERVE FUND REVENUES		**$ 1,599,030**	**$ 1,268,545**	**$ 1,561,783**	**$ 1,719,390**	**$ 1,294,166**	

Sewer Capital Reserve Fund
Expenditures

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
20.429.072	Repair of Sewer Mains	$ -	$ 5,000	$ -	$ -	$ 5,000	
20.429.073	Inflow & Infiltration Evaluation & Repair	$ -	$ 75,000	$ -	$ -	$ 75,000	
20.429.074	Upgrade wet well at Pump Station #2-Ruthland Ave.	$ 35,772	$ 240,000	$ 254,698	$ 323,416	$ -	
20.429.076	Construction Fund - VFSA	$ -	$ 100,000	$ 21,111	$ 94,249	$ 50,000	Final budget in October
20.429.077	Replace check valve at PS #2	$ 1,475	$ 10,000	$ 7,560	$ 7,560	$ 5,000	
Total		**$ 37,247**	**$ 430,000**	**$ 283,369**	**$ 425,225**	**$ 135,000**	
TOTAL SEWER CAPITAL RESERVE FUND EXPENDITURES		**$ 37,247**	**$ 430,000**	**$ 283,369**	**$ 425,225**	**$ 135,000**	
SEWER CAPITAL RESERVE BALANCE		**$ 1,561,783**	**$ 838,545**	**$ 1,278,415**	**$ 1,294,166**	**$ 1,159,166**	

Capital Reserve Fund
Revenue

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	Beginning Balance	$ 3,998,625	$ 2,903,842	$ 3,563,736	$ 3,563,736	$ 3,635,226	
30.340.000	Earnings from Investments	$ 7,942	$ 6,000	$ 6,223	$ 6,223	$ 6,000	
30.392.001	Transfer from General Fund	$ 668,242	$ 1,007,566	$ 389,654	$ 781,847	$ 841,716	
30.393.000	Proceeds of Long Term Debt	$ -	$ -	$ -	$ -	$ -	
30.394.000	Proceeds of Short Term Debt	$ -	$ -	$ -	$ -	$ -	
	Transfer - EEB HUB Separate Account	$ 69,393	$ 33,824	$ 50,193	$ 50,193	$ -	
	Transfer - Municipal Building Renovations Sep. Acct.	$ 33,207	$ -	$ -	$ -	$ -	
	Transfer of Historic General Fund Balance Surplus	$ -	$ -	$ -	$ -	$ -	
	Transfer from PECO Green Region Grant	$ -	$ -	$ -	$ -	$ 10,000	
Total		**$ 4,777,409**	**$ 3,951,232**	**$ 4,009,806**	**$ 4,401,999**	**$ 4,492,942**	
	TOTAL CAPITAL RESERVE FUND REVENUES	**$ 4,777,409**	**$ 3,951,232**	**$ 4,009,806**	**$ 4,401,999**	**$ 4,492,942**	

Capital Reserve Fund
Expenditures

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
30.400.001	Zoning Ordinance Amendments/Update	$ 7,124	$ 15,000	$ 15,081	$ 15,081	$ 15,000	Zoning Ordinance update authorized for completion.
30.400.002	General Code Reformat of Code of Ordinances	$ 4,631	$ 4,000	$ 3,999	$ 3,999	$ 3,200	
30.400.003	Audio/Video Equipment for Meeting Room	$ -	$ 20,000	$ -	$ -	$ 20,000	
30.400.004	Revitalization & Comprehensive Plan Update	$ -	$ -	$ -	$ -	$ 55,000	Update to Comprehensive Plan. Grant being sought from Chester County.
30.402.026	Document Imaging	$ 4,175	$ 10,000	$ -	$ -	$ -	
30.409.000	Municipal Building Renovations	$ 180,439	$ 450,000	$ 69,768	$ 69,768	$ 25,000	Building security improvements
30.430.001	Traffic Analysis Engineering Studies	$ 34,219	$ 30,000	$ 13,236	$ 17,648	$ 30,000	
30.434.001	Street Lighting	$ -	$ -	$ -	$ -	$ 80,000	DCED RSLPP Project
30.435.003	Multimodal Pedestrian Imp	$ 49,696	$ 800,000	$ 72,804	$ 72,804	$ 930,000	Portion may be paid in 2019. Will know more after pre-con meeting.
30.435.004	Stormwater Pipe Replacement on No. Warren Ave	$ 2,700	$ -	$ -	$ -	$ -	

Malvern Borough, Chester County
2020 Budget

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
30.435.006	Randolph Woods Dev./Malvern-Willistown Greenway Trail	$ -	$ 70,000	$ -	$ 6,250	$ 25,000	Costs for Master Plan. Offset by $10,000 grant from PECO.
30.435.009	Real Estate	$ -	$ -	$ -	$ -	$ -	
30.435.011	Woodland Avenue Streetscape Project	$ 644,845	$ -	$ 158,929	$ 158,929	$ -	
30.435.012	Sidewalk Improvements	$ 8,700	$ 150,000	$ -	$ -	$ 150,000	Crest Ave. project
30.435.014	Streetscape Improvements	$ -	$ 230,000	$ -	$ -	$ 330,000	and potential streetscape improvements to Malvern Ave. (from Highland Ave. to King St.)
30.437.002	Bridge Street Bridge Repairs	$ -	$ 32,500	$ -	$ -	$ 20,000	
30.439.001	Old Lincoln Highway Improvements	$ 3,500	$ 325,000	$ 1,898	$ 1,898	$ 275,000	Roadway and drainage improvements to Old Lincoln Highway. Final cost estimate being prepared.
30.439.002	Traffic Safety Improvements	$ -	$ 175,000	$ 779	$ 82,895	$ 100,000	
30.445.001	Parking Facility Improvements	$ -	$ 50,000	$ 50,000	$ 50,000	$ -	
30.446.001	Streambank Stabilization	$ -	$ 125,000	$ -	$ -	$ 125,000	
30.446.002	Drainage Improvements	$ -	$ 200,000	$ -	$ -	$ -	
30.454.001	Park Improvements	$ -	$ 11,000	$ 14,166	$ 14,166	$ 200,000	Includes $175,000 for Quann Park (final cost projection forthcoming) and $25,000 for improvements to the Battlefield woods
30.455.001	King Street - Shade Tree Plan	$ -	$ -	$ -	$ -	$ 25,000	Borough Engineer developing scope of work
30.459.000	Signage throughout the Borough (Wayfinding)	$ -	$ 50,000	$ -	$ -	$ 50,000	
30.459.001	Trail Construction	$ -	$ 100,000	$ -	$ -	$ 100,000	Place holder for connection to Malvern Prep path
30.471.000	Debt Service - Principal	$ 255,000	$ 258,000	$ 258,000	$ 258,000	$ 262,000	
30.472.000	Debt Service - Interest	$ 18,644	$ 15,336	$ 14,880	$ 15,336	$ 11,569	
30.480.8932	General Expense	$ -	$ 3,000	$ -	$ -	$ 3,000	
Total		**$ 1,213,674**	**$ 3,123,836**	**$ 673,540**	**$ 766,773**	**$ 2,834,769**	
	TOTAL CAPITAL RESERVE FUND EXPENDITURES	**$ 1,213,674**	**$ 3,123,836**	**$ 673,540**	**$ 766,773**	**$ 2,834,769**	
	CAPITAL RESERVE BALANCE	**$ 3,563,736**	**$ 827,396**	**$ 3,336,266**	**$ 3,635,226**	**$ 1,658,173**	

Highway Aid Fund
Revenue

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
	Beginning Balance	$ 170,206	$ 215,257	$ 217,160	$ 217,160	$ 226,592	
35.341.000	Earnings from Investments	$ 1,127	$ 700	$ 1,295	$ 1,423	$ 1,000	
35.355.005	State Motor License Fund Grant	$ 92,238	$ 92,590	$ 95,109	$ 95,109	$ 90,716	Per allocation letter from PennDOT received on September 24, 2019. Approximately a 4.6% reduction in funding.
Total		**$ 263,571**	**$ 308,547**	**$ 313,564**	**$ 313,692**	**$ 318,308**	
	TOTAL HIGHWAY AID FUND REVENUES	**$ 263,571**	**$ 308,547**	**$ 313,564**	**$ 313,692**	**$ 318,308**	

Highway Aid Fund
Expenditures

Account Number	Account Title	2018 Actual	2019 Budget	2019 Year to Date 11/30/2019	2019 Projections	2020 Proposed	Notes
35.438.020	Maintenance & Repairs - Streets	$ -	$ -	$ -	$ -	$ 85,000	Paving of N. Warren Ave. (from Pennsylvania Ave. to the Borough boundary)
35.492.000	Transfer to General Fund	$ 46,411	$ 87,100	$ 33,609	$ 87,100	$ 125,000	Transfer for new F550 and street light electricity
Total		**$ 46,411**	**$ 87,100**	**$ 33,609**	**$ 87,100**	**$ 210,000**	
	TOTAL HIGHWAY AID FUND EXPENDITURES	**$ 46,411**	**$ 87,100**	**$ 33,609**	**$ 87,100**	**$ 210,000**	
	HIGHWAY AID FUND BALANCE	**$ 217,160**	**$ 221,447**	**$ 279,954**	**$ 226,592**	**$ 108,308**	

Malvern Borough, Chester County
2020 Budget

Updated: 12.10.2019	**General Fund**	**GF Cap'l Reserve**	**Sewer/Sewer Cap'l Fund**	**Liquid Fuels**
GENERAL FUND, UNRESTRICTED CASH 12.31.2018				
NATIONAL BANK OF MALVERN CHECKING	$ 1,970,777.71	1,419,521.05	2,076,408.74	217,160.00
Total Cash Available	**$ 1,970,777.71**	**1,419,521.05**	**2,076,408.74**	**217,160.00**
Forecasted Revenues	$ 4,116,186.95	$ 56,193.00	$ 961,320.00	$ 96,531.75
Forecasted Transfers - Liquid Fuels	$ 87,100.00	$ -	$ -	$ -
Forecasted Expenditures	$ (3,334,339.80)	$ (766,773.23)	$ (1,228,958.00)	$ -
Forecasted Transfers-CRF	$ (781,847.15)	$ 781,847.15	$ -	$ (87,100.00)
General Contingency Fund Transfer				
Forecasted Cash Balance 12.31.2019	**$ 2,057,877.71**	**$ 1,490,787.97**	**$ 1,808,770.74**	**$ 226,591.75**

INDIVIDUAL BANK ACCOUNTS
As of 12/31/2018

Account Name	**Amount**
Historical Commission	$ 4,645.50
Basketball Court	$ 8,636.32
Sidewalk Fee-in-Lieu	$ 23,625.49
Ruthland Avenue Signage	$ 885.79
Stormwater Fund - TAG	$ 22,084.35
Shade Tree Fee-in-Lieu	$ 23,752.28
Capital Reserve Loan Account	$ 84,382.95
Municipal Building Construction Account	$ -
TOTALS	$ 168,012.68
Contingency Accounts	
General Fund	$ 291,713.20
Sewer Fund	$ 406,800.79
PLGIT	$ 253,479.57
Meridian	$ 252,029.73

Malvern Borough Budget and Salary Allocations

Malvern Borough's finances are divided into "funds," each of which could be best thought of as a "line of business."

- **General Fund**: This is the Borough's regular operating fund, which generally consists of regular revenues and regular expenses.
- **Sewer Fund**: Technically classified as a "Business-Like" or "Enterprise" fund, this fund actually operates as a business, meaning it provides a service and charges for that service and incurs expenses to provide that service. Due to this, the revenue and expenditures related to the Sewer Fund cannot/should not be mixed with the General Fund.
- **Capital Reserve Fund**: Funds that the Borough has set aside for larger, one-time expenditures (i.e., capital expenditures) are accumulated in the Capital Reserve Fund. Each year the Borough evaluates its capital needs, and budgets Capital Reserve funds for these purposes. Generally, these projects are (a.) larger-priced projects; (b.) expected to last longer than one year; (c.) not expected to re-occur frequently; or any combination.
- **Liquid Fuels Fund**: Technically classified as a "Special Revenue Fund," this fund receives state money and is required to only spend it according to the state's criteria, in this case on construction and maintenance of roads & bridges. In this case, the state requires these funds to "live" in a separate account until spent.

From day-to-day, Borough personnel are working on the various tasks and responsibilities that each of the funds was created to address. In order to be efficient, the Borough has only one payroll and spreads the cost of its employees across the funds. In our case, the time spent on administration and management of the Capital Reserve and the Liquid Fuels Funds are deemed so small that there are no payroll costs allocated to these funds. Salaries are budgeted based on job responsibilities and distributed across the General Fund and the Sewer Fund, which are the two (2) operating funds for the Borough. Since management's attention and efforts are indeed focuses on sewer fund issues, a portion of certain salaries is allocated thereto; the sewer fund then reimburses the general fund for these payroll expenses.

Administration

- **Borough Manager**
  - **2020 Budgeted Salary** – $116,156.25
    - **60% allocated in the General Fund – Administration (01.400.001)** – $69,693.75
    - **40% allocated in the Sewer Fund – Administration (08.429.101)** – $46,462.50

- **Assistant Borough Manager/Zoning Officer**
  - **2020 Budgeted Salary** – $77,437.50
    - **60% allocated in the General Fund – Administration (01.400.003)** – $46,462.50
    - **20% allocated in the General Fund – Code Enforcement (01.414.010)** – $15,487.50
    - **20% allocated in the Sewer Fund – Administration (08.429.101)** – $15,487.50

- **Treasurer**
  - **2020 Budgeted Salary** – $74,340
    - **60% allocated in the General Fund – Administration (01.400.002)** – $44,604
    - **40% allocated in the Sewer Fund – Administration (08.429.101)** – $29,736

- **Building & Code Enforcement Official/Fire Marshal**
  - **2020 Budgeted Salary** - $77,712.98
    - **100% allocated in the General Fund – Code Enforcement (01.414.010)** – $77,712.98

- **Administrative Assistant**
  - **2020 Budgeted Salary** – $49,394.80
    - **25% allocated in the General Fund – Administration (01.400.021)** – $12,348.70
    - **25% allocated in the General Fund – Code Enforcement (01.414.010)** – $12,348.70
    - **25% allocated in the General Fund – Parks & Recreation (01.455.010)** – $12,348.70
    - **25% allocated in the Sewer Fund – Administration (08.429.101)** – $12,348.70

- **Part-time Permit Clerk**

- **2020 Budgeted Salary** – $15,600
  - **100% allocated in the General Fund – Code Enforcement (01.414.010)** - $15,600

Police

- **Chief of Police**
  - **2020 Budgeted Salary** – $122,909.87
    - **100% allocated in the General Fund – Police Department (01.410.010)** – $122,909.87

- **Full-time Patrol Officers (6 employees)**
  - **2020 Budgeted Salaries** – $532,884.46
    - **100% allocated in the General Fund – Police Department (01.410.011)**
    - **Additional pay for training, Officer in Charge, holiday, and court appearances allocated in the General Fund – Police Department (01.410.011)** – $53,288.45
    - **Overtime expenditures allocated in the General Fund – Police Department (01.410.018)** – $76,621.00

- **Part-time Patrol Officers**
  - **2020 Budgeted Part-time Payroll** – $82,000
    - **100% allocated in the General Fund – Police Department (01.410.015)**

- **Police Department Administration Assistant**
  - **2020 Budgeted Salary** – $69,500
    - **100% allocated in the General Fund – Police Department (01.410.012)**
    - **Additional funds ($23,000) allocated in the General Fund for payment of unused paid-time due at retirement per the Borough's personnel policy, final normal salary, and part-time assistance in transition – Police Department (01.410.012)**

Public Works

- **Superintendent of Public Works**
  - **2020 Budgeted Salary** – $105,807.84
    - **55% allocated in the General Fund – Public Works (Highways & Streets) (01.430.010)** – $58,194.31
    - **10% allocated in the General Fund – Parks & Recreation (01.455.010)** – $10,580.78
    - **35% allocated in the Sewer Fund – Operation & Maintenance (08.429.010)** – $37,032.74

- **Assistant Superintendent of Public Works**
  - **2020 Budgeted Salary** – $71,679.87
    - **55% allocated in the General Fund – Public Works (Highways & Streets) (01.430.010)** – $39,423.93
    - **10% allocated in the General Fund – Parks & Recreation (01.455.010)** – $7,167.99
    - **35% allocated in the Sewer Fund – Operation & Maintenance (08.429.010)** – $25,087.95

- **Laborers (4 employees)**
  - **2020 Budgeted Salaries** – $241,428.44
  - **Breakdown is as follows:**
    - **55% allocated in the General Fund – Public Works (Highways & Streets) (01.430.010)** – $132,785.65
    - **10% allocated in the General Fund – Parks & Recreation (01.455.010)** – $24,142.84
    - **35% allocated in the Sewer Fund – Operation & Maintenance (08.429.010)** – $84,499.95

- **Part-time Summer Labor**
  - **2020 Budgeted Part-time Labor** – $8,400
    - **100% allocated in the General Fund – Parks & Recreation (01.455.010)**

- **Overtime expenditures allocated in the General Fund – Public Works (Highways & Streets) (01.430.010)** – $40,000

Refinanced Oct, 2013

Borough of Malvern
General Obligation Note, 2002 Series

Fiscal Year Ending	*Principal Amount* (1)	*Interest Rate* (2)	*Interest Payment* (3)	*Total Payment*
25-Dec-12	$ -	1.450%	$ 5,398.84	$ 5,398.84
25-Dec-13	209,000.00	1.450%	31,887.96	240,887.96
25-Dec-14	212,000.00	1.450%	28,850.22	240,850.22
25-Dec-15	215,000.00	1.450%	25,768.94	240,768.94
25-Dec-16	218,000.00	1.450%	22,644.20	240,644.20
25-Dec-17	222,000.00	1.450%	19,473.50	241,473.50
25-Dec-18	225,000.00	1.450%	16,247.26	241,247.26
25-Dec-19	228,000.00	1.450%	12,977.56	240,977.56
25-Dec-20	231,000.00	1.450%	9,664.30	240,664.30
25-Dec-21	235,000.00	1.450%	6,305.08	241,305.08
25-Dec-22	239,000.00	1.450%	2,887.90	241,887.90
Total	$ 2,234,000.00		$ 182,105.76	$ 2,416,105.76

(1) Principal is payable annually, commencing on: 25-Oct-13
(2) Fixed rate terminates on: 25-Oct-22 Option date: ---
Estimate assumes future reset rates are unchanged.
Rate assumes spread for the DelVal administrative expenses and net payments on debt service and interest rate swap agreements equals 0.40%.
(3) Interest is payable monthly, commencing on: 25-Nov-12
Interest accrues from : 25-Oct-12

Borough of Malvern
General Obligation Notes, 2013 Series
Loan Fixed Rate Conversion
Estimated Debt Service Payments

Period Ending	*Principal Amount* (1)	*Interest Rate* (2)	*Interest Payment* (3)	*Total Payment*
25-Jan-14	$ 28,000.00	1.512%	$ 4,536.00	$ 32,536.00
25-Jan-15	28,000.00	1.512%	4,112.64	32,112.64
25-Jan-16	29,000.00	1.512%	3,689.28	32,689.28
25-Jan-17	29,000.00	1.512%	3,250.80	32,250.80
25-Jan-18	30,000.00	1.512%	2,812.32	32,812.32
25-Jan-19	30,000.00	1.512%	2,358.72	32,358.72
25-Jan-20	31,000.00	1.512%	1,905.12	32,905.12
25-Jan-21	31,000.00	1.512%	1,436.40	32,436.40
25-Jan-22	32,000.00	1.512%	967.68	32,967.68
25-Jan-23	32,000.00	1.512%	483.84	32,483.84
Total	$ 300,000.00		$ 25,552.80	$ 325,552.80

(1) Principal is payable annually, commencing on: 25-Jan-14
(2) Fixed rate terminates on: 25-Jan-23 Option date: ---
Rate assumes spread for the DelVal administrative expenses and net payments on debt service and interest rate swap agreements equals 0.40%.
(3) Interest is payable monthly, commencing on: 25-Feb-13
Interest accrues from : 25-Jan-13