



# Borough of Mount Penn, PA

## 2017 Budget

The Borough budget is based on some known income and expenses, some assumptions based on previous results, and some anticipated additions and changes to our operational and administrative needs. As always, our most important need is also our most costly as police protection has risen to \$888,000, a \$62,000 increase from 2016 and \$177,000 more than 2012. Meanwhile, one mill of real estate tax revenue has decreased by more than \$3,000 since 2014 to \$90,800 and there has been very little growth in earned income tax revenue. Therefore, the budget for 2017 has been prepared with a real estate tax increase of one mill to 8 mills with the fire tax of 1.25 mill and ambulance tax of 0.25 mill remaining the same. As a result, the owner of a property assessed at \$100,000 will be subject to a municipal tax of \$950.

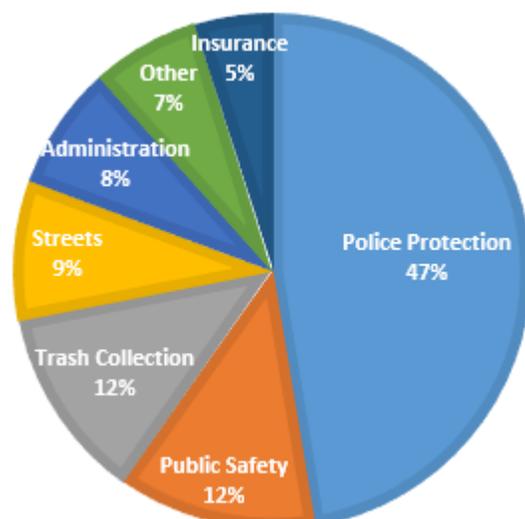
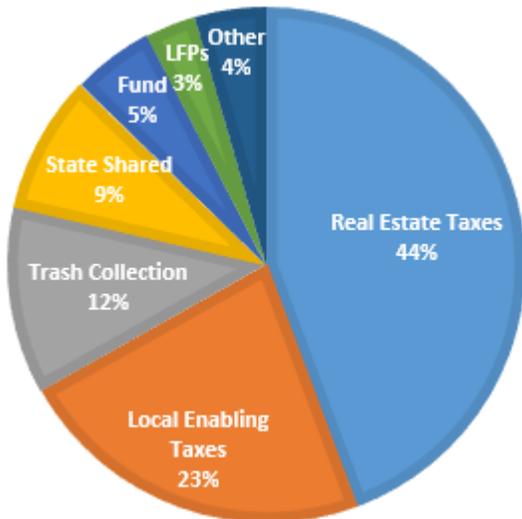
Please note that trash collection is included in the budget only because the borough contracts for municipal service and collects the annual per dwelling fee, which will remain \$185 in 2017. This approach has proven beneficial to Mount Penn residents as overall trash collection costs are generally much lower than surrounding communities and includes yard waste and recycling. Also note that the total police protection expenditure listed here is more than the amount stated above because the pension cost is offset by revenue received from the state.

### Revenue

Real Estate Taxes	\$890,100
Local Enabling Taxes	\$452,800
Trash Collection	\$235,500
State Shared Revenue	\$173,300
General Fund	\$102,650
Public Safety	\$45,400
Licenses, Fines & Permits	\$64,300
Interest & Rent	\$34,500
Miscellaneous	\$9,600
	\$2,008,150

### Expenditures

Police Protection	\$951,800
Public Safety	\$248,800
Trash Collection	\$244,200
Streets	\$174,700
Administration	\$155,800
Insurance	\$96,200
Miscellaneous	\$58,650
Debt Service	\$52,000
Recreation	\$26,000
	\$2,008,150



It is unfortunate that a 14% real estate tax increase is necessary, but please remember one mill will now generate less than \$91,000 for Mount Penn. According to the State Tax Equalization Board's 2016 survey, which is based on 2015 assessed values, Saint Lawrence is the only nearby community with a lower dollar amount generated per mill:

Exeter Township	\$1,319,080
Oley Township	\$201,778
Alsace Township	\$177,345
West Reading Borough	\$169,143
Lower Alsace Township	\$166,213
Laureldale Borough	\$138,831
Kenhorst Borough	\$114,754
Mount Penn Borough	\$91,379
Saint Lawrence Borough	\$77,246

Source: <http://www.newpa.com/local-government/boards-committees/tax-equalization-division/#.WE9RsoWcGM8>

Property owners should be aware that in addition to the higher police protection expense, overall insurance costs for the borough and its employees will increase nearly \$26,000 in 2017. We have also committed \$20,000 this year and next year toward grant matching for the renovation of Carsonia Park and recently began allocating \$5,000 for the popular summer playground program now being held there. In addition, the borough has invested in a proactive code enforcement program and much needed road repairs, which have added about \$35,000 and \$52,000, respectively, to annual expenses.

Mount Penn's increasing expenses and stagnant tax base have created an inauspicious predicament. Borough Council will work toward improving the situation and welcomes input from all stakeholders as we aim to keep Mount Penn and the Antietam Valley a great place to live, work, and visit.

*-Mark Dudash, Finance Committee  
-December 13, 2016*