

FISCAL YEAR 2022
SNAPSHOT OF THE BOROUGH'S MAJOR FUNDS

MAJOR FUND	Reconciled Fund Balance <u>AS OF</u> 12/31/2022	FUND NOTATIONS
General Fund	\$486,760.25	<p>The Borough recorded 2022 general operating expenses (cleared and uncleared payments) averaging \$187,164.66 per month. Not considering inflation.</p> <p>The end of fiscal year 2022 fund balance must continue to pay monthly expenses before the next revenue cycle in March/April (property tax receipts).</p> <p>Given the fund balance and rate of monthly expenditures, the fund as of 12/31/2022, assuming a loss of revenue, <u>will be depleted in 2.6 months.</u></p>
Municipal Solid Waste Fund	\$191,652.87	<p>The Borough recorded 2022 MSW operating expenses (cleared and uncleared payments) averaging \$25,977.35 per month. Does not consider 2023 inflation, or 2023 Hauler rates have increased by 28%.</p> <p>The end of fiscal year 2022 fund balance must continue to pay monthly expenses before the next revenue cycle in March, April, and May (rate payers).</p> <p>Given the fund balance and rate of monthly expenditures, the fund as of 12/31/2022, assuming a loss of revenue, <u>will be depleted in 7.4 months.</u></p>
Capital Improvement Fund	\$319,262.09	<p>The Borough has Capital Improvement & Facilities expenses each year. Some of these projects are planned. Sometimes emergencies arise and funding must be available to cover unplanned expenses.</p> <p>The end of fiscal year 2022 fund balance must pay for 2023 anticipated and unplanned expenditures.</p> <p>Given the fund balance and anticipated expenditures during fiscal year 2023 of \$390,500 (not including park plan or FD radio equipment projects), the fund as of 12/31/2022 requires transfers from General Fund, Operating Reserve, and Highway Aid Fund to balance the deficit.</p> <p>This doesn't include the 2022 estimated mandate of \$480,000 (NOT ADJUSTED FOR INFLATION) in</p>

		<p>storm water management construction work required over the next 5 years.</p> <p>Assuming the Operating Reserve is used to offset Capital Improvement Fund. Assuming all costs are locked as of 2022 (and no additional projects planned): \$390,500 in planned projects plus \$480,000 in MS4 work over 5 years (assuming MS4 costs of \$96,000 per year); the Capital Improvement and Operating Reserve funds will be depleted in 3.8 years. Meaning 1.2 years of mandated MS4 work will not be funded. These values DO NOT consider annual MS4 maintenance costs.</p>
<p>Highway Aid Fund</p>	<p>\$198,763.37</p>	<p>The Borough has Liquid Fuel Tax receipts transferred from the state. These funds can only be used generally for road maintenance, construction activity. Specific use fund.</p> <p>The end of fiscal year 2022 fund balance must pay for 2023 anticipated or unplanned expenditures. The revenue cycle for this fund is annual, typically in April of each year in the amount of approximately \$70,416.84.</p> <p>Given the fund balance and anticipated transfers of \$135,747.77 in 2023, the fund balance is expected to decrease to \$133,432.44.</p>
<p>Fire Protection Fund</p>	<p>\$2,250.29</p>	<p>The Borough has a separate Fire Protection Fund. All tax revenue collected for this fund is RESTRICTED to Fire Department use ONLY. The Borough issues 100% of the anticipated Fire Tax Collection rate in any given fiscal year, whether collected or not.</p> <p>The end of fiscal year 2022 fund balance must stabilize the fund to transfer bi-annual payments to the Bath Volunteer Fire Department for their general-purpose use.</p>
<p>Operating Reserve Funding</p>	<p>\$434,448.20</p>	<p>The Borough holds ‘cash-on-hand’ within the Operating Reserve Fund to cover unanticipated expenditures or emergencies that may arise in the General, MSW, Capital, Highway Aid, or Fire Protection Fund. It is not recommended to use Operating Reserve Funds to offset General Fund deficits to avoid property tax increases.</p>