

POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

Borough spending tops \$114 million

Last month, Pottstown Council passed a \$57 million budget for 2016 that is \$12 million more than the 2015 budget. And they did it without a tax increase.

How was this miracle performed?



Commentary by
Tom Hylton

Simple. The new budget contains two big ticket items — the sewer capital fund and the water capital fund — that simply weren't published in last year's budget.

The money was always there, but it just wasn't listed anywhere in the budget.

The borough also has millions of dollars in "reserves" that still aren't listed in the budget.

For years, Pottstown has published an annual budget that does a very poor job of explaining where the money goes.

The chart at right shows the major categories of where our tax dollars are spent. But you won't find this summation in the borough's published budget.

You have to go carefully through the budget, as we did, and add it up for yourself.

The budget omits such basics as the function of each department, the number of employees, what they are paid, and what they do.

It doesn't talk about any planned special projects, where grant money goes, or future liabilities such as pensions and other benefits for retirees.

The school district budget isn't much better.

There are plenty of examples of good budgets on the internet. My favorite is the city of Lancaster, perhaps the best run city

in Pennsylvania. Lancaster's publishes on its website a 210-page, easy to follow document which contains an explanation for every expenditure.

It starts with an organization chart and then itemizes, department by department, employee by employee, where the money goes.

This budget is not just useful for the public, it's extremely important for the members of council, who are the ones in charge of the spending.

For Pottstown, a borough of just 22,000 residents, with property values that have consistently dropped for 20 years, \$144 million is an enormous sum of money. We should at least know where it all goes.

Pottstown government spending		
2016	\$	%
School district	\$57,136,928	50%
Sewer capital fund	\$9,553,375	8.4%
Sewer fund	\$9,081,439	7.9%
Water fund	\$6,260,400	5.5%
Police	\$5,902,138	5.2%
Water capital fund	\$4,985,235	4.4%
Grant fund	\$3,623,701	3.2%
Trash fund	\$3,003,080	2.6%
Administration	\$2,700,752	2.4%
Health insurance	\$2,336,974	2.0%
Capital savings fund	\$1,798,801	1.6%
Pensions	\$1,449,004	1.3%
Fire fund	\$1,422,474	1.2%
Parks	\$1,130,885	1%
Public works	\$1,097,543	1%
Codes	\$686,876	.6%
Sewer lines fund	\$569,312	.5%
Street repairs fund	\$565,925	.5%
Debt service fund	\$346,342	.3%
Street lighting fund	\$265,300	.2%
Library	\$180,706	.2%
Airport	\$159,685	.1%
Parking Lots	\$79,212	.1%
TOTAL	\$114,334,71	100%