

CAPITAL RESERVE FUND

The Capital Reserve Fund was created to set aside general tax revenue funds to invest for future capital improvements.

CAPITAL RESERVE FUND

REVENUES

ACCT. #	LINE ITEM	ACTUAL 2016	ACTUAL 2017	ACTUAL 2018	ACTUAL 2019	BUDGET 2020	PROJ. 2020	BUDGET 2021
30.100	BEGINNING BALANCE	\$ 1,451,468	\$ 1,122,851	\$ 1,081,036	\$ 1,549,288	\$ 1,483,464	\$ 1,450,589	\$ 1,222,053
30.163.000	TOWN SQUARE RESERVE	\$ 12,258	\$ 4,734	\$ 18,447	\$ 4,738	\$ 3,938	\$ 3,963	\$ 3,963
30.252.000	MEMBER'S FIRST ESCROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.341.100	INTEREST	\$ 4,023	\$ 2,663	\$ 18,447	\$ 27,876	\$ 25,375	\$ 7,686	\$ 7,500
30.354.120	STATE GRANTS - DISASTER RELIEF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.354.150	STATE GRANTS - RECYCLING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.354.160	STATE GRANTS - STORMWATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.363.550	BID PACKAGE FEE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.380.030	MISCELLANEOUS REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.387.200	CONTRIBUTIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.391.100	SALE OF EQUIP., VEHICLES, LAND	\$ -	\$ -	\$ -	\$ 66,300	\$ 26,800	\$ -	\$ -
30.392.001	TRANSFER FROM GENERAL FUND	\$ 100,250	\$ -	\$ 1,048,378	\$ 533,285	\$ 354,153	\$ 254,153	\$ 159,735
30.392.008	TRANSFER FROM SEWER FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.393.100	PROCEEDS FROM LOANS	\$ 2,486,012	\$ 463,987	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL REVENUE	\$ 4,054,011	\$ 1,594,235	\$ 2,166,308	\$ 2,181,487	\$ 1,893,730	\$ 1,716,391	\$ 1,393,251

EXPENDITURES

30.401.240	BANK CHARGES	\$ 105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.401.740	ADMIN. - MAJOR PURCHASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.408.310	ENGINEERING SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.409.600	GOVT. BLDGS (CAPITAL CONST.)	\$ 186,589	\$ -	\$ 12,690	\$ -	\$ -	\$ 13,632	\$ -
30.410.740	POLICE - MAJOR PURCHASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.410.760	POLICE - VEHICLE PURCHASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,064
30.413.371	PROPERTY MAINT. - TAX SALE	\$ 1,102	\$ 1,151	\$ -	\$ -	\$ -	\$ -	\$ -
30.413.450	PROPERTY MAINT. - SERVICES	\$ (2,560)	\$ (50)	\$ -	\$ -	\$ -	\$ -	\$ -
30.414.313	ZONING ORD - COMP PLAN UPDATE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.429.741	EMERGENCIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.430.740	PUBLIC WORKS - MAJOR PURCHASE	\$ -	\$ -	\$ -	\$ 23,292	\$ -	\$ -	\$ -
30.430.760	PUBLIC WORKS - VEHICLE PURCH.	\$ -	\$ -	\$ -	\$ 299,962	\$ 175,000	\$ 150,000	\$ 18,159
30.433.740	TRAFFIC SIGNALS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.436.610	STORM SEWERS (CONSTRUCTION)	\$ 565,852	\$ 337,926	\$ 537,103	\$ 72,403	\$ -	\$ 4,991	\$ -
30.438.740	STREET MAINTENANCE EQUIP.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.439.450	STREET RESURFACING	\$ 277,954	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.446.371	SINKHOLES - EMERGENCY REPAIR	\$ 984	\$ 3,451	\$ 44,361	\$ 233,317	\$ 100,000	\$ 325,714	\$ 100,000
30.446.372	STORMWATER MGMT PROJECTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 262,500
30.446.450	SINKHOLES - CONTRACTED REPAIR	\$ 1,726,102	\$ 123,507	\$ -	\$ -	\$ -	\$ -	\$ -
30.454.372	PARK IMPROVEMENTS	\$ -	\$ 18,423	\$ -	\$ -	\$ -	\$ -	\$ -
30.457.740	CELEBRATIONS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.459.372	TOWN SQUARE - MAINTENANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.492.001	TRANSFER TO GENERAL FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30.492.035	TRANSFER TO LIQUID FUELS FUND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL EXPENDITURES	\$ 2,756,128	\$ 484,408	\$ 594,154	\$ 628,974	\$ 275,000	\$ 494,337	\$ 431,723
	UNAPPROPRIATED BALANCE	\$ 1,297,883	\$ 1,109,827	\$ 1,572,154	\$ 1,552,513	\$ 1,618,730	\$ 1,222,053	\$ 961,528

NOTES:

2021 Capital Reserve Fund Overview

Revenue:

The Capital Reserve Fund receives an annual transfer of prior year surplus funds that are not required to be held in the General Fund to maintain the \$800,000 year-end minimum fund balance that is necessary to maintain operations through the first quarter of the following year. This arrangement maintains the General Fund as an operating fund and the Capital Reserve Fund as an investment fund.

163.000 – Town Square Reserve Fund: This shows the money remaining from revenue raised for the Town Square improvement project that constructed the stone wall, installed the clock, installed pavers & benches, lighting, and trees and other landscaping.

252.000 – Member’s First Escrow: As part of a developer’s agreement executed between the Borough and Member’s First as part of the approval process for the Member’s First land development plan, Member’s First deposited \$50,000 into the Borough’s Capital Reserve Fund as a “sinkhole insurance fund” that can be used for sinkhole repairs in and around the area of the Member’s First development if/when the need arises.

391.100 – Sale of Vehicles, Equipment, and Land: No vehicles are scheduled to be sold via public bid/auction as required by the PA Borough Code in 2021.

392.001 – Transfer from General Fund: This line item shows the annual cost for the Administration, Police, and Public Works Department budget categories to contribute the funds necessary into the Capital Reserve Fund to ensure that vehicles are replaced each year as determined by the Vehicle Replacement Schedule. The total transfer necessary for 2021 is \$159,735.

392.001 – Transfer from General Fund: Borough Council cut this transfer in 2021 in order to balance the General Fund balance with zero tax increase.

Expenditures:

410.760 – Police Vehicle Purchase:

- Replace Patrol Vehicle #50 (2016 Dodge Charger) with Ford/Dodge Police Interceptor Utility. Estimated cost fully outfitted = \$51,064. Existing #50 will be kept as a back-up vehicle and become Vehicle #58.

430.760 – Public Works – Vehicle Purchase:

- Replace #10 - 2013 Dynapac CC-1200 Asphalt Roller with a 2020 Volvo DD25B 47” Asphalt Roller.
- Cost (\$60,265) – 40% PA COSTARS discount (\$36,159) – trade-in (\$18,000) = \$18,159.

436.610 - Storm Sewers - Construction: The Public Works Department has no planned stormwater management projects planned for 2021.

446.371 – Emergencies – Sinkholes: Beginning with the 2010 Budget, Borough Council placed \$107,600 in reserve in this line item to enable the repair of any sinkholes that may develop within Borough Right-of-Ways during the course of the year. The 2021 Budget reserves \$100,000 for emergency sinkhole repairs.

446.372 – Stormwater MS4 Improvement Projects: The Pennsylvania Department of Environmental Protection (DEP) has required all municipalities located with the Chesapeake Bay Watershed to study and prepare a Pollutant Reduction Plan (PRP) to reduce sediment, nitrogen, and phosphorous into local streams and impaired waters of the Commonwealth. As an MS4 community, the Borough must comply with Appendix D & E of the DEP PAG-13 General Permit.

There are no surface streams or regulated stormwater outfalls located within the Borough, however, the Borough has identified Observation Points where stormwater discharges to areas outside of the Borough or where stormwater enters the groundwater table via one of its many stormwater injection wells located within the Borough.

This PRP calculates the existing loading of stormwater pollutants in the portion of the urbanized area which drains to an Observation Point, in pounds per year (lbs/year); calculates the minimum required reduction in loading, in lbs/year; selects best management practices (BMPs) to reduce the loading rates; and demonstrates that the selected BMPs will achieve the minimum reductions. The pollutants of concern and associated required reductions for the Chesapeake Bay and locally impaired streams in Palmyra Borough are sediment (10%), phosphorus (5%), and nitrogen (3%). PA DEP allows using a presumptive approach in which it is assumed that a 10% reduction in sediment will accomplish a 5% reduction in phosphorus and a 3% reduction in nitrogen.

To improve water quality and meet the required pollutant reductions, Palmyra Borough has identified two stormwater BMPs that when implemented will achieve the required sediment reductions. The proposed projects include converting two drainage swales to a bioswale and a vegetated swale. The vegetated swale and bioswales filter stormwater pollutants, promote stormwater infiltration, utilize excessive nutrients and increase habitat for native wildlife species.

The two drainage swales are located to the west of South Lingle Ave. between W. Cherry St. & W. Maple St., and just to the south of W. Oak Street. The swales lead to the west to lands owned by the Hershey Trust in Derry Township, Dauphin County. The estimated cost to convert these drainage swales to bioswales/vegetated swales is \$262,500. The project will be advertised for public bids and construction in 2021.

446.450 – Contracted Repairs – Sinkholes: All costs associated with sinkhole repairs carried out by contractors hired by the Borough to complete the repairs are recorded on this line item. At the time of this writing, there is no anticipated contracted sinkhole repairs for 2021.

Unappropriated Balance: Depending on the final costs of the stormwater management projects, and costs associated with any new sinkhole repairs, the Borough anticipates the Capital Reserve Fund to finish 2021 with a balance of \$961,528.