

POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

Spending and taxation

From time to time, I publish a chart showing how much local government — the borough and school district — spends in Pottstown each year and where the money goes.

School District



Commentary by
Tom Hylton

The school district budget is straightforward — almost all the money comes out of the general fund, which will total \$61.8 million in the coming fiscal year. About 56% of that money comes from local taxpayers and the rest comes from the state and federal governments and private grants.

Borough

The borough budget is much more complicated. It contains 21 separate funds. The major ones follow:

General fund

The general fund pays for police, firefighting, and most administrative costs. It covers some of code enforcement and public works. It is mostly funded by local real estate and income taxes.

Water and Sewer

The various water and sewer funds come from revenues generated by invoicing ratepayers quarterly based on how much water they use.

Because Pottstown supplies water and sewer services to the three Pottsgrove townships as well as Pottstown, their ratepayers help support the funds.

About 55 percent of the revenue comes from Pottstown ratepayers, and 45 percent comes from township ratepayers.

Trash fund

The trash fund comes from a quarterly fee included in Pottstown residents' utility bills.

Street repairs

Pottstown receives money from the state gasoline tax to help pay for street repairs. Other funds come from local taxpayers.

Inspections

The cost of inspecting rental units comes from an annual fee charged to landlords. The borough also charges fees for various permits.

Other revenue

And there are numerous other subsidies the borough receives from the state and federal governments.

Other spending

There are other funds I'm not including in the chart, below, because they can easily be misinterpreted. For example, there are millions of dollars in **capital funds** for water and sewer infrastructure improvements which may or may not be spent in any given year. They come from the regular fees paid by ratepayers. There is a **grant fund** with money that comes from grants, not borough taxpayers. There is also a **PART fund**, our local bus service, mostly paid by the federal government.

The budget below reflects the cost of most of our local government services.

Pottstown government spending		
2017		
Pottstown School District	\$61,882,242	62%
Pottstown Borough:		
Sewer fund	\$9,386,965	9.4%
Water fund	\$6,556,954	6.6%
Police	\$5,763,150	5.8%
Trash fund	\$3,179,334	3.2%
Administration	\$2,473,438	2.5%
Employee health benefits	\$2,364,814	2.4%
Fire fund	\$1,683,442	1.6%
Pensions	\$1,392,876	1.4%
Parks	\$1,052,112	1%
Street repairs fund	\$794,611	.8%
Public works	\$729,618	.7%
Licensing, inspections	\$599,083	.6%
Sewer lines fund	\$551,474	.5%
Street lighting fund	\$266,407	.2%
Debt service fund	\$201,350	.2%
Airport	\$198,446	.2%
Library	\$184,272	.2%
Parking Lots	\$79,212	.01%
TOTAL	\$99,445,873	100%