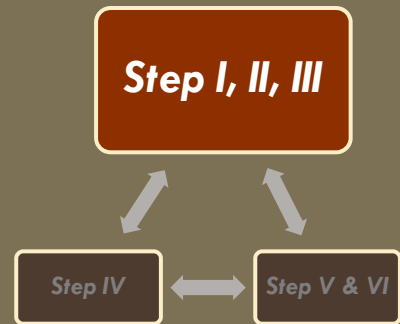


City of Bradford Early Intervention and Five Year Plan



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INTRODUCTION

In September of 2010, the City of Bradford (City) solicited proposals under the Commonwealth of Pennsylvania Early Intervention Program (EIP) for an analysis of its financial condition. Delta Development Group, Inc. (Delta) has been retained by the City to assist it in undertaking the study, which is funded in part by the Department of Community & Economic Development (DCED), Governor's Center for Local Government Services. The study and the Five-Year Financial Management Plan (the Plan) will support the City's vision to provide a higher quality of life for its current and future residents and will help to identify and support sustainable strategies for its municipal operations. The Plan will address the existing financial conditions in the City, project financial profiles and trends for the next five years, and undertake a management audit for operational capacity in all of the City's departments. Delta will utilize benchmarking, national standards, and best practices in its operational review.

The EIP guidelines as well as the Request for Proposals (RFP) developed by the City identified the following scope of services.

STEP I: FINANCIAL CONDITION ASSESSMENT

This assessment is to be performed as a means to establish a realistic baseline of the City's historic and current financial condition.

STEP II: FINANCIAL TREND ANALYSIS

Performed over a multiyear period, this analysis will project future revenues, expenditures, and economic and demographic trends so that the City can understand its future financial position and take immediate steps to counteract any negative trends.

STEP III: EMERGENCY PLAN FOR CURRENT FISCAL YEAR

The Plan should allow the City to pursue both short- and long-term strategies on parallel tracks. The Emergency Plan should address financial management actions to be taken during a 6- to 12-month time frame. The Emergency Plan should set forth a strategy regarding (1) whether the current fiscal year's budget should be reopened, amended, or modified; (2) whether operational and/or personnel reductions should occur; (3) whether short-term borrowing, including possible unfunded debt borrowing, is necessary; and (4) whether other types of administrative reorganization or short-term actions should be effectuated in order for the City to remain solvent in the current fiscal year.

STEP IV: MANAGEMENT AUDIT/REVIEW

As part of the EIP and with assistance from Delta, the City is required to perform a management audit of all major departments and operations. The audit is to include narrative summaries of each department comprised of budget and personnel information as well as other relevant data. This data is to be supported by interviews with each department's director, bureau manager,

and staff in order to facilitate the most comprehensive view of the City's most critical operational needs.

STEP V: MULTIYEAR PLAN ADOPTION

The Plan, at its foundation, will identify the City's top three financial management priorities. Additional prioritization should be conducted at the departmental level, and interdepartmental objectives that are city-wide or county-wide in nature should be detailed in the Plan. Each objective is to contain a detailed action plan that describes (1) what is to be achieved, (2) the budgetary impact, (3) the timing and deadlines for each action step, and (4) which employee or agency has the primary responsibility for the objective.

STEP VI: PLAN IMPLEMENTATION

The process surrounding the creation of a multiyear plan is an ongoing one, and an initially adopted plan must be evaluated, adjusted, and adopted anew each year. A master implementation schedule should be adopted that specifies key deadlines for each objective set forth in the Plan. This schedule will serve as a report card for determining whether or not individual departments or employees are achieving their objectives, thus providing a means by which the City can measure its overall progress in implementing the Plan.

Steps I, II, and III will be addressed in the following pages of this report. Steps IV, V, and VI will be completed as separate reports that will be delivered and reviewed with the City in separate sessions.

MUNICIPAL FISCAL MANAGEMENT

Responsible fiscal management is becoming a continually more difficult task for elected and appointed officials in local government in the Commonwealth. The difficulty stems, in part, from the general complexity of government, which involves a wide range of revenue sources, including grant programs from the state and federal governments. However, the major fiscal problems for municipalities are a result of the "cost/revenue squeeze." Officials are finding it more and more difficult to generate revenue sufficient to support the costs of providing municipal services. In communities where employment, income, and the real estate tax base are expanding at a rate that generates enough revenue to meet the escalating costs of personnel, benefits, and materials, it is a simple matter to match revenue with expenditures. Unfortunately, for many communities such as the City of Bradford, the cost of meeting the demand for services is outpacing the ability to generate revenue. Under such circumstances, fiscal strategies must revolve around maximizing revenue generation and developing the highest efficiencies possible for the delivery of services.

DEFINING "FINANCIAL CONDITION"

"Financial condition," as defined by the Governor's Center for Local Government Services and the Government Finance Officers Association (GFOA), has many meanings and depends on the time frame in which it is viewed. The International City/County Management Association

(ICMA) utilizes the following definitions and time frames when examining a local government's financial condition:

- **Cash Solvency:** A government's ability to generate cash flow over a 60-day period to pay its bills
- **Budgetary Solvency:** A government's ability to generate revenues over its normal fiscal year to meet its expenditures and avoid deficits
- **Long-Run Solvency:** A government's ability, in the long term, to pay all costs of doing business, as well as meet all costs such as pension costs and accumulated accrued employee leave benefits, as they occur
- **Service-Level Solvency:** A government's ability to provide services at a certain level and quality that are required for the health, safety, and welfare of the community

"Financial condition" is broadly defined as the ability to provide and finance services on a continuing basis. A local government that is financially sound can do the following:

- Maintain its level of basic services and address the needs of its capital facilities and infrastructure in a way that keeps the facilities in a useable and functional condition
- Withstand short-term local, regional, or even national economic disruption
- Meet the demands of growth and decline

Evaluating the City's financial condition is more than reviewing past financial statements, budgets, and audits. It is a complex process that involves looking at a number of factors. There are many variables in any financial evaluation, and many of the factors are interrelated and dependent on external conditions.

This report presents the findings of Steps I and II of the EIP process. The comprehensive evaluation of the City's financial condition in this section of the Plan is intended to provide the best information available so management and officials can make informed decisions about the allocation of resources available for the City's operation.

The Commonwealth's EIP was established to assist Pennsylvania's local governments in addressing financial management and fiscal difficulties in a timely and planned manner in order to avert an adverse impact on the health, safety, and welfare of their residents. It was designed, in part, based on the experiences of the city of Philadelphia, operating under the Pennsylvania Intergovernmental Cooperation Act and on recommended financial management practices of the GFOA. The purpose of the program is to establish short-term and long-term financial and managerial objectives that strengthen the fiscal capacity of local governments.

In conducting this evaluation, Delta has utilized a number of the ICMA-identified indicators, including the "Standards for Effective Local Government." Delta also used its own customized indicators to evaluate financial condition. In addition to analyzing typical financial data, Delta also reviewed economic and demographic data and organizational factors to better comprehend and trend what is occurring within the City.

For purposes of this effort, Delta has decided to identify 2008 as the base year and has utilized five years of data prior to that date in order to establish trends. It is assumed that actual

revenue and expenditures from 2008 will provide the proper base for identifying trends and making projections.

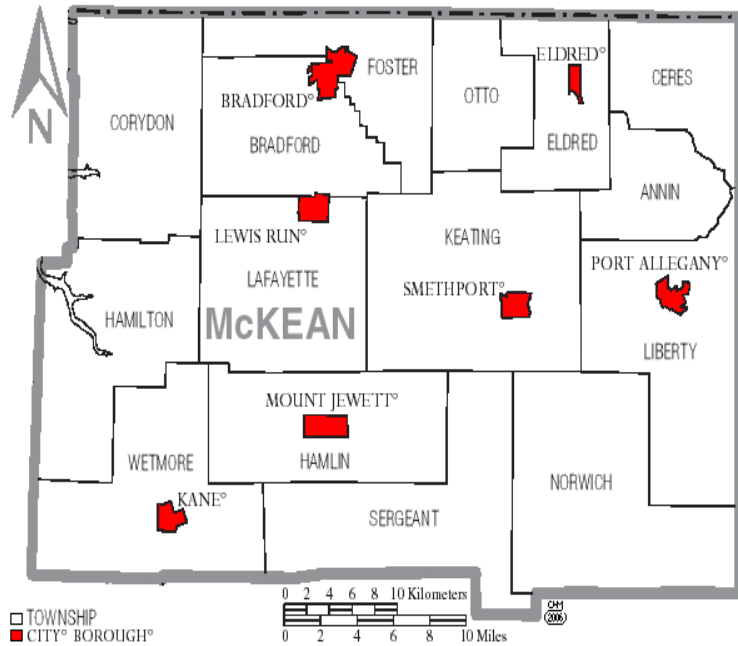
This preliminary report represents the analysis of Steps I and II, and is broken down into the following sections:

- Background Information
- Step I: Financial Condition Assessment – Revenue and Expenditures
- Step II: Financial Trend Analysis – Revenue and Expenditures
- Observations and Findings
- Preliminary Recommendations

BACKGROUND INFORMATION

The City of Bradford (Bradford) is a City of the Third Class located in rural McKean County, Pennsylvania approximately 78 miles south of the City of Buffalo, New York. Bradford is situated in the valley of the Allegheny Mountains. Two branches of the Tunungwant Creek enter the City of Bradford which flow from the Allegheny River across the New York State border.

The City of Bradford was settled in 1823 and was chartered as a City in 1879. By the late 19th century the City became an oil boomtown experiencing huge growths in population and the economy as a result of the Pennsylvania oil rush. The City and its surrounding area's crude oil has superior qualities free of asphaltic constituents, only trace amounts of sulfur and nitrogen, and excellent characteristics of refining into lubricants. The world-famous Kendall racing oils were produced in the City of Bradford.



As a result of the oil industry boom in the late 19th century, the City of Bradford boasts the oldest continuously operating refinery in the United States, which celebrated its 125th anniversary in 2006. The American Refining Group (ARG) purchased the refinery in 2009 and employment at the refinery has doubled, employing approximately 300 employees as of 2009. The City of Bradford is also the well-known home of Zippo, a manufacturing company that produces collectible pocket lighters, as well as Case, a division of Zippo that produces collectible knives. The City is also becoming well known for its growing four-year college, the University of Pittsburgh at Bradford (Pitt-Bradford), which, as of the fall 2009 term, had 1,455 full-time students and 202 part-time students with 217 full-time employees and 106 part-time employees.

Today, the City of Bradford is estimated to have a population of approximately 8,246, which is significantly less than the City’s peak of 17,691 in 1940. As a City of the Third Class, Bradford is structured under a commission-form of government where the residents elect four Council members and the Mayor who together as City Council are invested with both legislative and executive authority. The Mayor and each Council member act as directors of specific City departments. Under this form of local government, the City Clerk oversees the day to day operation of the City. The following is a list of the City Council members and their respective areas of responsibility as of January 2011.

NAME	POSITION	DEPARTMENT
Tom Riel	Mayor	Public Affairs (Police) Office of Economic & Community Development
Jim Evans	Councilman	Accounts & Finance
Ross Neidich	Councilman	Public Safety Fire, Ambulance, and Health
Fred Proper	Councilman	Public Works Streets and Public Improvements
Rick Benton	Councilman	Parks & Recreation

2010 DEMOGRAPHIC BASE DATA

Based on the 2010 estimates from the Environmental Systems Research Institute’s (ESRI) Business Analyst, the City has a population of approximately 8,246. Approximately 0.5% of the 8,246 people living in the City are African-American, 97.8% are white, approximately 0.6% are of two or more races, 0.5% are Asian or Pacific Islander, 0.3% are American Indian, 0.9% are of Hispanic origin, and 0.3% are of some other race.

Other statistics contained in the 2010 demographic data are as follows:

- There are approximately 4,133 housing units in the City, at an average density of 1,312 per square mile.
- There are approximately 3,580 households. The average household size in the City is 2.22, and the average family size is 2.90.

- Males account for approximately 47.5% of the total population in the City and females account for 52.5% of the total population.
- In 2000 (the most recent data available) approximately 36.8% of all households were made up of individuals, and 27.8% had someone living alone who was 65 years of age or older.
- The median age of the population is 37.9 years.



- Approximately 24.3% of the City’s population is under the age of 18. About 16.4% of the residents in the City are over the age of 65. This is comparable to the County median of 16.9%.
- The median household income is \$33,718, which is lower than McKean County’s median household income of \$42,677.
 - In 2000 (the most recent data available) about 22.8% of the City’s residents were below the poverty level. The City is eligible for community-wide projects through the Community Development Block Grant (CDBG) program. The City qualifies as an entitlement community and a direct recipient of CDBG funds.
 - The median value of an owner-occupied single-family home in the City is approximately \$71,378.
 - About 40.8% of the housing units in the City are renter-occupied housing units.

Table 1 below provides comparative income and educational attainment characteristics for the City of Bradford, McKean County, Pennsylvania, the U.S., and eight comparable Cities (by population), which are all located in Pennsylvania.

TABLE 1 – COMPARATIVE INCOME AND EDUCATIONAL CHARACTERISTICS
SOURCE: U.S. CENSUS BUREAU

COMPARATIVE INCOME AND EDUCATIONAL CHARACTERISTICS 2005-2009 AMERICAN COMMUNITY SURVEY												
	BRADFORD CITY	CARBONDALE CITY	CLAIRTON CITY	CONNELLSVILLE CITY	JEANNETTE CITY	LOCK HAVEN CITY	MONESSEN CITY	SUNBURY CITY	WARREN CITY	McKEAN COUNTY	PA	U.S.A.
PER CAPITA INCOME	\$18,057	\$17,191	\$19,844	\$15,964	\$19,050	\$14,193	\$20,703	\$16,437	\$21,044	\$21,205	\$26,678	\$27,041
MEDIAN FAMILY INCOME	\$41,004	\$42,125	\$41,203	\$38,866	\$40,865	\$45,691	\$38,449	\$38,203	\$50,550	\$50,956	\$62,520	\$62,363
MEDIAN HOUSEHOLD INCOME	\$31,237	\$30,033	\$28,346	\$29,159	\$30,151	\$27,055	\$28,313	\$30,225	\$34,843	\$40,080	\$49,737	\$51,425
MEDIAN VALUE SINGLE-FAMILY HOME	\$52,900	\$90,200	\$44,700	\$78,600	\$79,700	\$91,600	\$73,400	\$68,700	\$71,800	\$71,600	\$152,300	\$185,400
PERSONS BELOW POVERTY LEVEL	22.8%	22.0%	26.0%	27.3%	18.1%	30.6%	17.9%	19.7%	14.5%	14.3%	12.1%	13.5%
FAMILIES BELOW POVERTY LEVEL	16.8%	17.3%	24.6%	22.2%	17.1%	17.6%	13.1%	12.0%	8.3%	9.8%	8.3%	9.9%
HIGH SCHOOL GRADUATES OR HIGHER	83.9%	87.6%	87.6%	80.1%	86.1%	82.7%	84.1%	77.3%	89.7%	87.4%	86.9%	84.6%
BACHELOR'S DEGREE OR HIGHER	15.6%	10.2%	15.8%	12.2%	14.8%	24.4%	14.4%	7.9%	22.1%	15.8%	26.0%	27.5%

Based on data from the American Community Survey from the U.S. Census Bureau, the City of Bradford's income and educational levels are comparable among all eight of the other comparable communities (as seen in Table 1). In particular, the City of Bradford has a slightly higher median household income than all of the eight other comparable communities. Although the City of Bradford's income and educational levels are comparable to the other comparable communities, the City of Bradford has lower per capita, median family, and median household incomes than of McKean County, Pennsylvania, and the United States. The City of Bradford also has higher percentages of those persons and families who are below the poverty level than of McKean County, Pennsylvania, and the United States. The City of Bradford also has lower education attainment levels than the County, State, and Country.

Data from the Environmental Systems Research Institute (ESRI) Business Analyst (which uses past U.S. Census data to track and predict future demographic information) predicts that median household income as well as median home values in the City of Bradford will continue to be well below the average of McKean County, Pennsylvania, and the U.S. over the next decade. **Table 2** and **Table 3** present ESRI's predictions for these two variables of the City of Bradford compared to the county, state, and national averages. This data may vary slightly from the census data because it is a compilation of data from a number of sources including census data.

TABLE 2 – MEDIAN HOUSEHOLD INCOME

MEDIAN HOUSEHOLD INCOME			
	2000	2010	2015
CITY OF BRADFORD	\$25,618	\$33,718	\$40,261
McKEAN COUNTY	\$33,105	\$42,677	\$49,182
PENNSYLVANIA	\$40,108	\$52,723	\$59,736
U.S.	\$42,164	\$54,442	\$61,189

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

TABLE 3 – MEDIAN HOME VALUE

MEDIAN HOME VALUE			
	2000	2010	2015
CITY OF BRADFORD	\$38,779	\$71,378	\$89,012
McKEAN COUNTY	\$54,212	\$96,419	\$119,542
PENNSYLVANIA	\$94,817	\$159,178	\$202,242
U.S.	\$111,833	\$157,913	\$185,976

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

Overall, a review of the factors above provides some insight into the difficulties, from an economic and revenue-generation perspective, of deriving additional revenue for local government operations from a population that is at a relatively low income level. There is a diminishing return as taxes are increased and more and more low-income households are unable to pay the rising tax levies in the community.

BUSINESS AND INDUSTRY DATA

There has been a general decline in economic activity in the City of Bradford over the past decade. The decline in economic conditions in the City can be attributed partly to the general economic downturn of the oil that reached its peak at the beginning of the 20th century as well as the overall national economic recession that has been experienced throughout the country in recent years. The City has been struggling to maintain its former vibrancy and faces many challenges related to the decline of retail activity and the problems of aging building stock and infrastructure. This is due in part to the local demographics which directly correlate to a decreased capacity to generate income for the City.

Industry data from the U.S. Census Bureau indicates that many segments related to construction, manufacturing, retail trade, information, and finance and insurance have experienced decline in the City over the past decade. Other industry segments such as mining, management of companies/enterprises, and healthcare and social assistance have experienced moderate gain. **Table 4** below presents a complete review of the major sectors reported to the U.S. Census Bureau for fiscal years 2000 through 2008 (the most current year for which the data is available). The ability to capitalize on emerging strengths, “rightsized” and refocus the business activity will be important in reenergizing the economic climate for the City’s economic base. The following conclusions may be drawn from the data obtained from the U.S. Census Bureau and displayed in **Table 4**.

- The two largest industry sectors in the City are mining and retail trade, with “other services” and accommodation and food services being the next-closest sectors.
- Although retail trade is the second largest sector in the City, it has also experienced the largest decline in establishments in the City, from 100 in 2000 to 85 in 2008. This can most likely be attributed to the overall recession that has affected the country in recent years.

- The City's mining sector had the greatest growth in the addition of the number of establishments from 10 in 2000 to 23 in 2008. This may be peripherally related to Marcellus Shale drilling activities during the past few years.
- The City's largest industry sector, healthcare and social assistance, had the second largest sector growth from 87 business establishments in 2000 to 98 business establishments in 2008.
- The total number of paid employees in the City decreased from 2000 to 2008 for a total loss of 78 employees and the number of total establishments decreased from 549 in 2000 to 540 in 2008, for a small net loss of 9 business establishments.

Table 4 – INDUSTRY CODE SUMMARY-CITY OF BRADFORD

INDUSTRY CODE SUMMARY BY SECTOR AND ZIP CODE 16701										
SECTOR	2000	2001	2002	2003	2004	2005	2006	2007	2008	CHANGE
Forest, Fishing, Agriculture	0	0	0	0	1	1	0	1	1	1
Mining	10	13	11	16	15	17	19	21	23	13
Utilities	3	3	3	5	5	3	3	4	5	2
Construction	32	33	28	29	26	30	31	35	29	-3
Manufacturing	29	30	31	31	28	28	26	22	25	-4
Wholesale Trade	18	20	16	17	15	15	15	16	17	-1
Retail Trade	100	101	100	96	95	94	89	91	85	-15
Transportation & Warehousing	10	15	16	11	11	10	9	11	12	2
Information	12	12	11	9	9	10	7	7	8	-4
Finance & Insurance	35	33	34	35	31	31	28	31	30	-5
Real Estate & Rental & Leasing	14	12	15	14	15	16	17	20	16	2
Professional, Scientific, & Technical Services	40	40	40	33	33	32	34	38	35	-5
Mgmt. Companies/Enterprises	0	1	1	2	2	2	2	2	3	3
Admin, Support, Waste Mgt, Remediation Services	12	13	17	14	15	15	14	15	19	7
Educational Services	6	5	4	6	6	6	6	5	5	-1
Healthcare and Social Assistance	87	85	93	96	101	95	90	98	98	11
Arts, Entertainment, & Rec.	3	4	4	5	5	5	4	6	5	2
Accommodation & Food Services	47	46	47	45	46	47	50	53	52	5
Other Services (Except Public Administration)	75	75	79	79	79	82	73	72	72	-3
Unclassified Establishments	16	10	2	7	7	1	2	0	0	-16
Total Establishments	549	551	552	550	545	540	519	548	540	-9
Annual Payroll (in \$1,000)	215,001	224,546	219,976	238,489	241,171	247,734	260,919	263,319	277,415	62,414
Number of Employees	8,846	8,811	8,934	8,833	8,724	8,344	8,601	8,997	8,768	-78

SOURCE: U.S. CENSUS BUREAU – INDUSTRY CODE SUMMARY – 16701 DEPARTMENT OF COMMERCE

In addition to the review and analysis of the U.S. Department of Labor Census data, a review was conducted utilizing the Environmental Systems Research Institute (ESRI) Business Analyst data in order to identify the largest employers in the City of Bradford along with the estimated sales volumes for each establishment. The top 20 employers, with their sales volumes and number of employees, are reported in **Table 5** below.

TABLE 5 – TOP 20 CITY OF BRADFORD EMPLOYERS

TOP 20 CITY OF BRADFORD EMPLOYERS		
COMPANY NAME	SALES VOLUME (IN \$1,000)	NUMBER OF EMPLOYEES
Zippo Manufacturing Co.	\$264,700	1,300
Beacon Light Behavioral Health	\$60,750	750
Bradford Regional Medical Center	\$63,600	600
W.R. Case & Sons Cutlery Co.	\$18,000	375
Dresser Piping Specialties	\$82,800	300
American Refining Group, Inc.	\$737,195	235
Ramsboftom Center	\$16,200	200
Bradford Forest Products	\$32,000	200
Guidance Center	\$29,850	150
Bradford Senior High School	-	130
Tops Friendly Market	\$29,640	120
George G. Blaisdell Elementary	-	100
Bradford Ecumenical Home	\$3,200	100
Floyd C. Fretz Middle School	-	87
School Street Elementary School	-	82
Con-Way Freight	\$12,080	80
YMCA	-	72
McDonalds	\$2,560	64
Pavilion at BRMC	\$4,200	60
McKean County VNA & Hospice	\$2,970	55

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

The largest employer in City of Bradford is the Zippo Manufacturing Company with a total of approximately 1,300 employees. Like Table 4 suggests, the healthcare sector also appears to provide a majority of employment opportunities in the City of Bradford with companies such as Beacon Light Behavioral Health and Bradford Regional Medical Center being the second and third largest employers in the City.

SUMMARY OF OBSERVATIONS AND FINDINGS

The City of Bradford's population reached a peak in 1940 with a population of approximately 17,691 residents and has since declined with every decade. About 16.8% of families and 22.8% of the population are below the poverty line, and approximately 25.5% of the population is 65 years of age or older. The City's per capita income, median family income, and median household incomes are all well below those of McKean County, Pennsylvania, and the nation. Housing values are also lower than the county, state, and national averages, making the City's housing stock attractive and affordable to new home buyers. Although the City has an affordable housing stock, the low home values keep its assessed real estate values lower than other McKean County communities, limiting the City's ability to generate additional revenue through its real estate tax.

Because of the decline in the retail and manufacturing trade sectors as well as the overall reduction in the number of business establishments in the City, individual City residents now provide a higher proportion of the City's tax revenue than ever before. This is especially a burden for the low income and senior households that exist in the City.

Because the average tax burden in the City of Bradford is higher than its neighboring communities, it is important that the City continues to consider enhancements to its revenue streams as well as implement better collection methods if possible. The City must continually review and engage in critical analysis of its services in order to "rightsize" the local government operation for quality service delivery that provides maximum benefit to the community as well as to keep the City financially solvent.

The following sections of this report will identify the existing City revenue streams, the cost of providing major services, and projections for the City's financial position based on logical assumptions and trending from historical analysis. In Step III of this report, short-term interim strategies will be identified and recommended with a specific action plan, funding approach, and assignments for responsible persons, groups, committees, or agencies.

STEP I: FINANCIAL CONDITION ASSESSMENT

According to the *Fiscal Management Handbook* published by the DCED Governor's Center for Local Government Services, "Fiscal or financial management is the process of obtaining funds to support the necessary services provided by your municipality and using those funds in an effective and efficient manner." Sound financial management, therefore, requires that local elected and appointed officials understand the financial components of the municipality's financial system and that they make prudent decisions about the allocation of precious and often limited community resources. In order to present a comprehensive review of existing financial conditions in the City, this report will focus on the ability of the City to generate revenue, the efforts used to continue to provide service delivery through expenditure control, and the City's budgetary policies and reporting system for decision making.

The analysis of the City's finances focuses on the City's core revenues and expenditures. These are the ongoing revenues and expenditures. They exclude one-time revenues, such as borrowing for a capital project, one-time state grants, and one-time expenditures, such as expenditures on capital projects.

If core expenditures exceed core revenues, it is an indication that the City has a structural deficit. This means that the underlying tax and revenue base does not generate enough revenues to sustain the current level of services being provided by the City.

By focusing on the core revenues and expenditures, it is possible to get an accurate picture of the structure of the City's finances. The analysis should provide answers to two key questions:

- Have past revenues been enough to sustain the level of services, or did the city have to resort to one-time fixes to balance budgets?
- Are there adequate resources to sustain the current level of operations into the future, or will a combination of rate increases, new revenues, And Spending Cuts Be Needed?

The following analysis is based on the City's annual reports of general fund revenues and expenditures.

BASE REVENUE INFORMATION

In 2004, the City's general fund revenues were approximately \$7.7 million. In 2005 and 2006 the City experienced a decrease in overall revenues, but this downward trend was partly a result of a large bridge project that inflated the revenues in both 2004 and 2005 by including state funds that were received to help pay for the project. Beginning in 2006, revenues increased at an average annual rate of approximately 2.8% per year. The City budgeted \$7.46 million in revenues for 2011.

TABLE 6 – GENERAL FUND REVENUES 2004 – 2010

GENERAL FUND REVENUES		
Year	Total Revenue	Increase/(-)Dec
2004	\$7,686,811	N/A
2005	\$7,097,763	-7.7%
2006	\$6,350,644	-10.5%
2007	\$6,862,726	8.1%
2008	\$7,106,707	3.6%
2009	\$7,167,834	0.9%
2010	\$7,264,532	1.3%

SOURCE: BRADFORD FINANCIAL RECORDS AND DELTA ANALYSIS

The reported revenues included some state and federal grants, reimbursements, and transfers. For instance, in 2009 and 2010 the City transferred a total of \$266,546 from the capital project fund into the general fund. The City also received a total of \$1.4 million in 2004 and 2005 from a bridge replacement grant. As a result, the 2004 revenues, when adjusted, were closer to \$6.5 million and the adjusted 2005 revenues were closer to \$6.7 million.

In addition, the City typically budgets the Tax Anticipation Note (TAN) as revenue and the repayments, principal and interest, as an expense. This practice inflates the overall budget by the amount of the current year's TAN. For the purposes of this report, the TAN are not treated as revenue, and only the interest on the notes is included as an expense.

The sale of timber over this time period is also recorded as revenue and identified as the sale of City assets in the annual audited financial statements. This has been a significant source of revenue for the City over the past several years, with a high of \$1.1 million in 2008 to a low of \$323,499 in 2010. The consistent decrease in this revenue source has caused increasing problems for the City over the past five years. It is budgeted at only \$129,000 for fiscal year 2011.

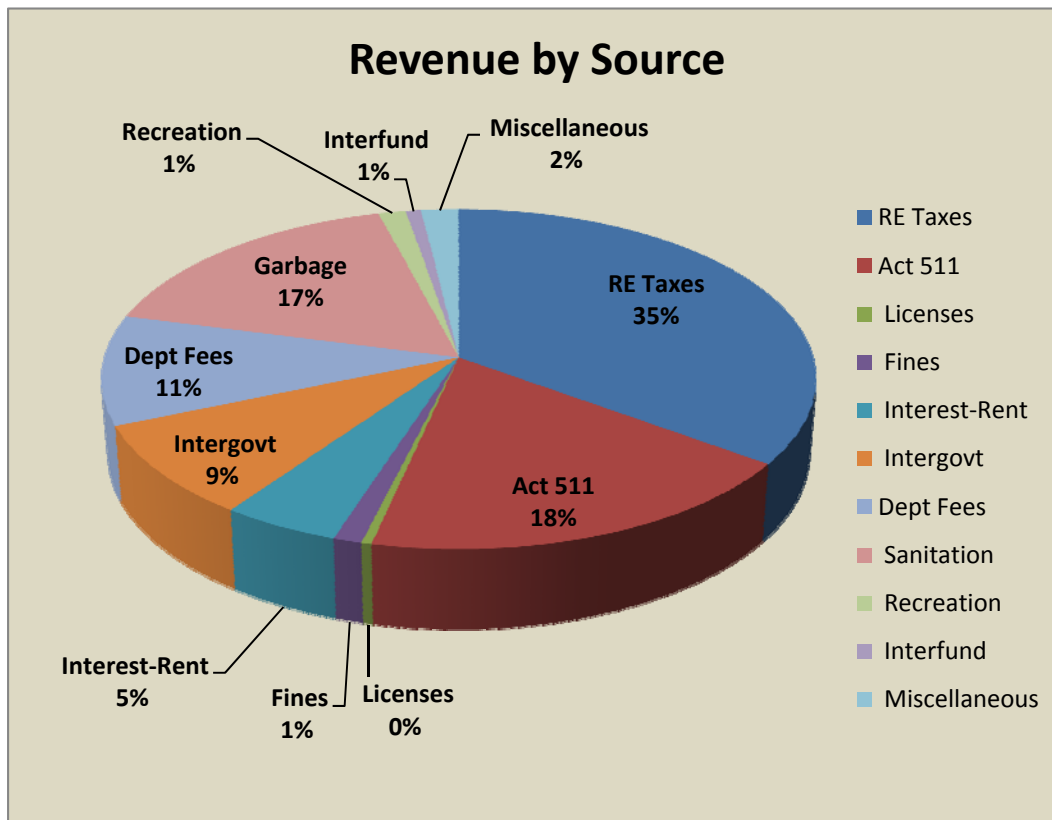
Table 7 and **Figure 1** provide the actual breakdown of Total Governmental Revenue by Source based on audited 2009 totals for revenue sources.

TABLE 7 – 2010 TOTAL GOVERNMENTAL REVENUE BY SOURCE

Source	Actual Revenue	% of Total
Real Estate Taxes	\$2,546,697	35%
Act 511 Taxes	\$1,336,641	18%
Licenses/Permits	\$29,885	4%
Fines	\$83,322	1%
Interest and Rents	\$345,050	5%
Intergovernmental	\$642,827	9%
Departmental Fees	\$759,479	11%
Garbage Fees	\$1,223,829	17%
Recreation	\$101,846	1%
Interfund Transfers	\$56,546	1%
Miscellaneous	\$138,410	2%
TOTAL	\$7,264,532	

SOURCE: BRADFORD FINANCIAL RECORDS AND DELTA ANALYSIS

FIGURE 1 – 2010 REVENUE BY SOURCE



SOURCE: BRADFORD FINANCIAL RECORDS AND DELTA ANALYSIS

The City's revenues are derived mostly from taxes with 53% derived from real estate and Act 511 taxes. Changes in the economy can have a significant impact on tax revenues making an overreliance on tax revenues a significant problem for local governments.

Other less significant sources of revenue are intergovernmental revenue and departmental fees for services, which made up 20% of overall revenues in 2010. The intergovernmental revenues are highly dependent on state budget priorities. The departmental fees only increased slightly over the past five years and the City's actual revenue from this source in 2010 was \$50,634 below the budgeted amount. In fact, the City's overall revenue from all sources (when adjusted to eliminate proceeds from borrowing) was about \$225,000 less than what was budgeted for 2010.

REAL ESTATE TAX COLLECTION

Real estate tax revenues are a significant source of revenue for the City. These taxes represent 35% of the overall 2010 revenues. Real estate tax revenues are dependent on three factors: McKean County's property assessments, the City's tax rate, and the City's collection rate. These three factors are dependent and interrelated. An increase in either the assessment valuation or the tax rate can result in a decrease in the collection rate as delinquencies increase in the face of higher property tax bills. An increase in the collection rate can reduce the amount of outstanding delinquent taxes and impact future delinquent tax collections.

Market values and assessed values in the City have remained fairly constant over the past six years increasing to \$182,694,600 in 2011 after several years of slight declines. The City has been gradually raising the general purpose real estate tax levy from 9.75 in 2005 to the current high of 16.02 mills. **Table 8** below shows the history of the City's assessed value and the millage rate changes from 2005 through 2011.

TABLE 8 – ASSESSED VALUE AND MILLAGE RATES 2005 - 2011

Year	Assessed Value	Millage Rates
2005	\$180,588,770	9.75
2006	\$180,527,490	9.75
2007	\$180,576,020	10.75
2008	\$178,220,080	11.25
2009	\$179,180,650	14.14
2010	\$179,539,390	14.64
2011	\$182,694,600	16.02

SOURCE: BRADFORD AUDITS AND DCED MUNICIPAL STATISTICS

The collection rate is calculated by dividing the current actual collections by the original taxes billed to determine the percentage of collection. The uncollectable amounts include the 2% discount, successful exonerations and appeals, and delinquencies. Generally, a collection rate above 90% is considered to be a good collection rate. A collection rate above 95% is considered to be excellent. **Table 9** provides a history of the assessed values and real estate tax collection rates over the past six years.

TABLE 9 – REAL ESTATE TAXES COLLECTION RATES 2005 – 2010

Year	2005	2006	2007	2008	2009	2010
Assessed Value	\$180,588,770	\$180,527,490	\$180,576,020	\$178,220,080	\$179,180,650	\$179,539,390
Re Tax Levy (mills)	9.75	9.75	10.75	11.25	14.14	14.64
Taxes Billed	\$1,760,741	\$1,760,143	\$1,941,192	\$2,004,976	\$2,533,614	\$2,628,457
Actual Collection	\$1,586,172	\$1,566,741	\$1,719,559	\$1,765,808	\$2,165,635	\$2,264,226
Dollars Per Mill	\$162,684	\$160,691	\$159,959	\$156,961	\$153,157	\$154,660
Collection Rate	90.09%	89.01%	88.58%	88.07%	85.48%	86.14%

SOURCE: MCKEAN COUNTY CERTIFIED VALUES, CITY OF BRADFORD FINANCIALS, DELTA ANALYSIS

In the City of Bradford, the collection rate reached a high of 90% in 2005 and has gradually decreased to 86.14% in 2010. A portion of this decline is probably due to the lingering effects of the recent recession. Nonetheless, it is of particular concern for the City because each 1% increase in the current collection rate could increase collections by about \$3 and help the City to avoid additional tax increases. For this reason, there should be a concerted effort to achieve a higher collection rate (above 90%) for future years by employing more aggressive collection efforts.

The dollars that the City can reasonably expect to collect on one mill of taxes has also shown a gradual decline over the past six years from \$162,684 in 2005 to \$154,660 in 2010. Again, this is a concern for revenue collection because real estate taxes make up 35% of the City's overall tax revenue and as the millage rate has increased, the City has derived less and less revenue from a mill of real estate tax.

Another factor that limits the City's ability to collect real estate tax is the high percentage of nontaxable property within the City's limits. **Table 10** provides a history of taxable and nontaxable real estate assessments in the City of Bradford over the past seven years.

TABLE 10 – CITY OF BRADFORD TAXABLE AND NONTAXABLE REAL ESTATE ASSESSMENTS

Year	Total Assessment	Taxable Assessment	Nontaxable Assessment	% Nontaxable Real Estate
2005	\$264,320,440	\$180,588,770	\$83,731,670	31.68%
2006	\$266,347,870	\$180,527,490	\$85,820,380	32.22%
2007	\$266,176,330	\$180,576,020	\$85,600,310	32.16%
2008	\$264,718,700	\$178,220,080	\$86,498,620	32.68%
2009	\$265,480,610	\$179,180,650	\$86,299,960	32.51%
2010	\$267,521,990	\$179,539,390	\$87,982,600	32.89%
2011	\$269,009,160	\$182,694,600	\$86,314,560	32.09%

SOURCE: TAX BASE SUMMARIES, COUNTY OF MCKEAN, 2005 – 2011

The nontaxable real estate in the City includes government centers, university property, the hospital, social services, and churches and has hovered at about 32% of the total tax base since 2005. The City provides police, fire, ambulance, street lighting, traffic controls, libraries, parks,

snow removal, and community development services to taxable and nontaxable properties alike, but receives no real estate revenue from 32% of the properties in Bradford. Like most cities of the third class, this is a significant and ongoing problem since they provide full services but have no ability to obtain revenue from about one-third of the property owners. This puts the full burden of financial support for City services on the two-thirds of the property owners (largely residential taxpayers) who pay real estate taxes.

ACT 511 TAXES

Pennsylvania's Local Tax Enabling Act (Act 511 of 1965) empowers municipalities and school districts with the authority to levy a variety of different taxes to support general fund revenue. These taxes, which are commonly referred to as Act 511 taxes, are subject to maximum limitations based on the class of a municipality and/or school district. If only *one* taxing body levies the tax, the tax can be levied at its legal limit. However, if both taxing bodies levy the tax, the assessment must be shared equally between the municipality *and* school district. Unlike local property taxes, which tend to lag behind changes in the economy, Act 511 taxes respond fairly quickly to market conditions. This is particularly true for Act 511 taxes that are assessed on a *flat-rate basis*, such as the per capita tax, occupation tax, and Local Services Tax (LST).

Table 11 shows the Act 511 taxes that are available to Pennsylvania's cities and the corresponding rates currently assessed by the City and school district.

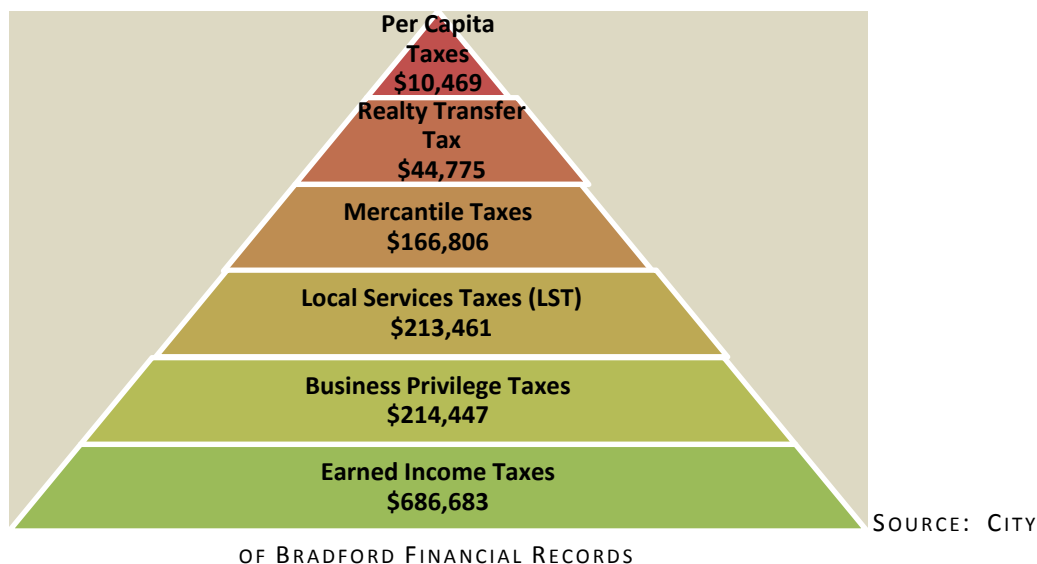
TABLE 11 – ACT 511 TAX RATES

ACT 511 TAX RATES FOR BRADFORD			
	Third Class Cities	Bradford	School District
	Legal Limit	Tax Amount	Tax Amount
Local Services Tax (LST) ¹	\$52	\$52	0
Earned Income	1 % (<i>resident and nonresident</i>)	0.5% (<i>resident only</i>)	0.5% (<i>resident only</i>)
Real Estate Transfer	1 %	0.5%	0.5%
Mechanical Devices ²	10 %	-	-
Amusement ³	10 %	-	-
Business Privilege	1 mill wholesale	6.0 mills	-
	1 1/2 mills retail	1.5 mills	-
	No limit on other businesses	1	-
1. Prior to 2008, this tax was known as the Emergency and Municipal Services Tax (EMST) . It is a tax on the privilege of working within the jurisdiction. State law allows municipalities and school districts to exempt taxpayers with annual incomes less than \$12,000.			
2. The mechanical devices tax is a tax on coin-operated machines of amusement (e.g., video games, soda machines, candy machines). It is a one-time tax to activate the machine.			
3. The amusement tax is a tax imposed on operators of amusements (e.g., amusement parks) and is levied on admissions prices.			

SOURCE: DCED TAXATION MANUAL AND DCED MUNICIPAL STATISTICS

The City levies several Act 511 taxes, all of which are assessed at the legal limit. Two of the Act 511 taxes are split between the City and school district: the Earned Income Tax (EIT) and the realty transfer tax. **Figure 2** shows the relative importance of the various Act 511 tax revenues that the City annually receives.

FIGURE 2 – CITY OF BRADFORD ACT 511 COLLECTIONS FOR 2010 BY CATEGORY



For the past three years, the City collected about \$1.3 million in Act 511 taxes, which was about 18% of the City's general fund revenues in 2010. Unlike the property tax, these taxes respond quickly to changes in external economic conditions and as a result, have increased at a rate of approximately 2% per year in Bradford. The Act 511 taxes are an important part of the overall revenue base for the City.

TABLE 12 – ACT 511 REVENUES BY CATEGORY 2004 – 2010

ACT 511 TAXES	2004	2005	2006	2007	2008	2009	2010
Per Capita Tax	\$13,507	\$13,208	\$10,923	\$10,517	\$9,794	\$9,858	\$9,341
Delinq. Per Capita Tax	\$3,931	\$3,590	\$4,317	\$1,595	\$1,279	\$1,347	\$1,128
1% Realty Transfer Tax	\$48,363	\$68,954	\$69,947	\$52,412	\$39,964	\$38,309	\$44,775
Earned Income Tax	\$644,050	\$685,948	\$704,033	\$721,886	\$709,593	\$707,042	\$686,683
Mercantile Tax	\$138,235	\$138,237	\$173,149	\$179,669	\$166,942	\$189,036	\$166,370
Delinq. Mercantile Tax	\$308	\$3,561	\$412	-	\$105	\$322	\$436
OPT/Local Services Tax	\$59,559	\$57,472	\$201,232	\$227,179	\$204,662	\$216,221	\$213,424
Delinq. OPT/LST	\$20	\$47	\$34	\$13	-	\$77	\$37
Business Privilege Tax	\$268,408	\$244,788	\$264,706	\$237,176	\$236,944	\$211,635	\$213,931
Delinquent Business Privilege Tax	-	-	-	-	-	\$13	\$516
SUBTOTAL	\$1,176,380	\$1,215,805	\$1,428,752	\$1,430,448	\$1,369,283	\$1,373,861	\$1,336,641

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS



THE CITY HAS A VIBRANT BUSINESS DISTRICT THAT GENERATES ABOUT 5% OF THE OVERALL REVENUE.

Earned Income Tax

The EIT is based on resident earnings. The tax is assessed on wages, salaries, and net profits from unincorporated businesses. Pass-through entities, including limited liability corporations, are considered unincorporated businesses for tax purposes. The rate is capped at 1% for most municipalities. The 1% rate is split with the school district. The City currently contracts for the collection of this tax and the LST with the Bradford Area Central Tax Agency.

Individual earnings and the taxes assessed on them were on an upward trend, reaching \$721,886 in 2007. In 2008, collections dropped to \$709,593 and continued to drop to \$686,683 in 2010. Since there has been no change in rate over this period, the decrease can be attributed to the lingering effects from the recent recession. It is projected that total current and delinquent collections will increase to about \$700,000 in 2011 and will continue to increase at about 2.2% in future years.

The EIT can be a difficult tax to collect, as employers are only responsible for collecting the tax from residents of the municipality where the employer does business. Other residents are expected to self-report the tax, make quarterly payments, and file a final return with supporting documentation by April 15 of the subsequent year. The Pennsylvania Department of Revenue provides school districts with earned income data that has been collected by the state, but this information is typically about two years old. Because many people living in cities are relatively transient and others work from home offices, there are significant challenges to finding good, reliable data sources. Even with the best collection methods in place, net profits from unincorporated businesses and income earned by transient renters can be missed.

Collections of the EIT should eventually improve with the full implementation of Act 32 of 2008, which restructured EIT collections for

The EIT can be a difficult tax to collect, as employers are only responsible for collecting the tax from residents of the municipality where the employer does business.

Pennsylvania's local governments and school districts. One of the most significant pieces of local tax legislation enacted in recent years, Act 32 amends the Local Tax Enabling Act (Act 511) by providing for the development of county-wide Tax Collection Districts (TCDs). Most TCDs are contained within the geographical boundaries of each county. Bradford is a part of the McKean County TCD, which has collectively voted to appoint Berkheimer Associates as the tax officer beginning in 2012.

The county-wide system is required to be fully implemented by January 2012. It is critical that all those involved in the system actively participate and fulfill their various responsibilities. It is possible that during the transition period to the county-wide collection, there may be disruption in the data migration and in the distribution of funds to the local governments. Because EIT accounts for such a significant portion of the City's revenue base, the City should plan for a temporary slowdown of cash flow during the early part of 2012 as a result of this transition period.

Realty Transfer Tax

The realty transfer tax, which is a 1% tax on the transfer of real estate when a property is sold in the City, is split with the school district. This tax revenue is affected by the number of property sales, the market value of property, and the value of significant transfers during the year. The decline in property sales in recent years due to the recession is evident in the history of the City's collections. The amount collected decreased from a high collection rate in 2006 of \$69,947 to \$38,309 in 2009. A slightly optimistic trend is that the City's collection increased 17% in 2010 to \$44,775 and the City estimates that the collection will be \$45,000 in 2011.

Local Services Tax

The LST is a flat-rate tax paid by employees and remitted by employers who are engaged in business within the taxing jurisdiction. The tax is withheld by the employer for all employees and is capped at \$52 per person each year (or prorated at \$1 dollar per week), regardless of the number of political subdivisions in which a person may find employment. There is also a low-income exemption that can be requested up front for persons whose annual income is expected to be less than \$12,000. This tax, formerly known as the Occupational Privilege Tax (OPT), was replaced by the Emergency and Municipal Services Tax (EMST), and most recently, the Local Services Tax (LST). The City's LST is currently authorized at the legal limit, which means that annual revenue derived from this source will remain at current levels unless the businesses begin to expand and hire more people. This tax generates about \$220,000 for the City, which is about 3% of the City's tax base.

Business Taxes

The City's business taxes are levied on wholesale and retail sales (mercantile) as well as on other, nonmanufacturing businesses (business privilege), such as professional services, contractors, and rentals. The mercantile and business privilege taxes are levied on the gross receipts that the businesses earn within the City. The tax due in one year is based on

the gross receipts for the prior year. This means that the tax receipts lag one year behind the economic activity. In 1988, the ability to levy these taxes was eliminated as part of a failed municipal tax reform effort, but the City of Bradford, which had levied the tax before December 1, 1988, was grandfathered in under the prior statutory authority. The City's 2011 rates are 1.0 mill on wholesale businesses, 1.5 mills on retail businesses (mercantile taxes), and 6.0 mills on other businesses (business privilege taxes).

The mercantile business taxes steadily increased through 2009 (which reflected 2008 activity), but showed a decline in 2010. The business privilege tax receipts held steady at about \$250,000 until 2008, but showed significant decreases to a low of \$213,931 in 2010. In 2010, business taxes, at about \$381,000, made up only about 5% of the total revenue base.

Fortunately, Bradford has not seen the significant declines to its tax base that many municipalities have seen. In fact, the City's assessed value increased slightly from \$180 million in 2005 to \$182 million in 2011.

TAX OUTLOOK

Consistently declining long-term trends in taxable revenue for most municipalities in the United States have been exacerbated by the recent recession and the lack of a real economic recovery. Fortunately, Bradford has not seen the significant declines to its tax base that many municipalities have seen. In fact, the City's assessed value increased slightly from \$180 million in 2005 to \$182 million in 2011.

Bradford's real estate collection also increased from \$1.7 million in 2004 to \$2.5 million in 2010; although, most of the increase was due to adjustments to the real estate tax millage rate and not to any natural increase in assessed value. The Act 511 tax collection experienced slight increases from 2004 to 2007 and has remained solidly above \$1.3 million since 2008. Though the levels of revenue for Bradford are increasing as expected, it may be a few years before employment and economic activity return the City's Act 511 tax revenues to the level of \$1.4 million that was achieved in 2007.

OTHER MAJOR REVENUE SOURCES

The City gains about 47% of its revenues from nontax sources. These sources include fees, fines, governmental earnings, grants, intergovernmental transfers and reimbursements, and transfers from other government funds. Some of these sources are stable and even grow over time; others are dependent on external factors.

Intergovernmental Revenues

The City receives intergovernmental revenues from the state and from the federal government. Some of these intergovernmental revenues, such as utility realty tax and state aid for pensions, go into the general fund. Other intergovernmental sources, including liquid fuel funds (from the state's highway aid fund) go into a special revenue fund.

Some of the intergovernmental revenues are fairly stable. These include revenues such as the City's Public Utility Realty Tax Act (PURTA), which has remained between \$4,500 and \$5,000, and the pension state aid, which is derived from foreign fire insurance sold in Pennsylvania (pursuant to Act 205), which was \$452,878 in 2010. The City also expects to receive about \$191,000 in liquid fuel funds in 2011. The liquid fuel state highway aid funds are accounted for in a special revenue fund and must be used only for eligible expenses as determined by the Pennsylvania Department of Transportation. These state-shared revenues are part of ongoing programs to provide assistance for state mandates to local governments. These revenue sources can fluctuate because the state depends on dedicated revenue sources to make these payments.

Other sources of intergovernmental revenues are part of competitive capital grant programs that are intended to support short-term capital expenditures. The state appropriates funds to support most of the grant programs on an annual basis. The exception is Community Development Block Grant (CDBG) funds, which are supported with federal grants to states. The CDBG funds, however, have declined over the past decade, and the environment has become extremely competitive. Because of the significant uncertainty around these grant awards, it is important that the City view these grants as a supplement to normal operations and not as part of its fundamental operating budget.

Additional state and federal grants could be available during the course of any given fiscal year, but these grants would be used for specific, short-term projects, equipment, or program expenditures, and would not be available for general operating purposes.

Departmental Earnings

The City receives fees for providing services to residents, businesses, and neighboring communities. The major fees received by the City are for ambulance, garbage, and recreation services. In addition to these, the City collects fees related to zoning and building codes, meter enforcement, and public safety services. Departmental earnings have gradually increased from \$1.82 million in 2004 to over \$2 million in earnings in 2010.



METER COLLECTIONS GENERATE ABOUT \$45,000 ANNUALLY FOR THE CITY AND ARE A PART OF ITS DEPARTMENTAL REVENUE.

The increases are driven by higher fees and, in the case of ambulance and recreation, increasing numbers of patrons served. The collections for garbage services constitute the most significant of all the departmental earnings with average annual collections of approximately \$1.2 million per year. This revenue has remained level over the past seven years. Meanwhile, the ambulance services income has increased from \$410,240 in 2004 to \$579,666 in 2010, and the culture/recreation earnings have gradually increased from \$47,580 in 2004 to \$101,846 in 2010. Meter collections have fluctuated between \$33,000 and \$44,000 annually. Other charges for services are not significant sources of revenue.

Table 13 provides a history of the major sources of Departmental Earnings for the City for the past seven years.

TABLE 13 – DEPARTMENTAL EARNINGS BY CATEGORY 2004 – 2010

Earnings	2004	2005	2006	2007	2008	2009	2010
GENERAL SERVICES							
Cable TV Services	\$92,733	\$87,147	\$83,405	\$84,906	\$83,946	\$92,810	\$86,541
Bradford Housing Authority	\$7,121	\$6,812	\$5,757	\$6,238	\$7,445	\$31,802	\$38,358
Ambulance Services	\$410,240	\$442,632	\$430,617	\$441,974	\$463,028	\$544,267	\$579,666
Claims Administration	\$2,343	\$2,873	\$2,782	\$3,028	\$2,886	\$2,895	\$3,182
SUBTOTAL	\$512,436	\$539,465	\$522,560	\$536,146	\$557,305	\$671,774	\$707,747
HIGHWAYS & STREETS							
Meter Collections	\$46,512	\$33,996	\$39,540	\$39,416	\$38,705	\$38,143	\$44,179
SUBTOTAL	\$46,512	\$33,996	\$39,540	\$39,416	\$38,705	\$38,143	\$44,179
SANITATION							
Garbage & Utility Charge	\$1,220,204	\$1,203,346	\$1,229,988	\$1,215,116	\$1,192,056	\$1,199,990	\$1,223,829
SUBTOTAL	\$1,220,204	\$1,203,346	\$1,229,988	\$1,215,116	\$1,192,056	\$1,199,990	\$1,223,829
CULTURE/REC.							
Swimming Pool Fees/Rentals	\$20,349	\$26,412	\$23,027	\$27,951	\$29,009	\$23,449	\$31,535
Pool/Ice Rink Concessions	\$9,545	\$12,580	\$13,156	\$12,772	\$13,109	\$11,568	\$13,004
Pavilion Rentals	\$3,350	\$3,225	\$3,075	\$2,138	\$3,338	\$3,825	\$3,300
Ice Rink Fees/Rentals	\$14,336	\$22,149	\$29,782	\$36,037	\$38,142	\$50,196	\$54,007
SUBTOTAL	\$47,580	\$64,365	\$69,040	\$78,897	\$83,598	\$89,037	\$101,846
TOTAL	\$1,826,732	\$1,841,172	\$1,861,128	\$1,869,575	\$1,871,664	\$1,998,944	\$2,077,601

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

All of the fees identified are related to government activities and are matched with the cost for providing the service. Ideally, the fees established for a service should cover all personnel, material, equipment, and related costs including overhead, which are incurred by the City when providing the service. The fees should be adjusted annually and included in a single fee ordinance that is reviewed each year as part of the budget process. A general

rule of thumb is that fees should be increased each year based on the Consumer Price Index (CPI), which means that based on the CPI for the past three years; the fees should be adjusted by at least 2.5% to 3% annually.

Sale of Timber Assets

Over the past seven years, the sale of timber assets has been a significant source of revenue for the City providing a full 16% of the general fund revenue in 2008. This revenue is generated through the Bradford Water Authority who works with a forester to prepare and bid options for harvesting timber on public lands which were once owned by the City. The proceeds from the sale of timber are then split between the City and the Authority. These sales have generated revenue for the City as high as \$1.1 million in 2008 and provided much-needed cash for operating purposes. However, with the downturn in the economy and the lack of new construction and new housing starts, the City generated only \$439,251 in 2009 and \$323,499 in 2010 from this source. The decrease in sales caused large fund balance deficits because the timber sales were budgeted for operations. The guaranteed annual revenue to the City from the timber sales is only \$129,000 and the City budgeted only \$138,000 in revenue for 2011. The revenue could be significantly higher if the construction industry resurges in 2011 and beyond. A history of the timber revenue and its relative importance to the revenue base is shown in **Table 14** below.

TABLE 14 – SALE OF TIMBER ASSETS HISTORY 2004 – 2010

Revenue Source	2004	2005	2006	2007	2008	2009	2010
Sale of Timber Assets	\$842,172	\$1,047,273	\$593,640	\$870,276	\$1,135,809	\$439,251	\$323,499
% of General Fund Revenue	11%	15%	9%	13%	16%	6%	4%

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS

Interfund Transfers

Interfund transfers are generally intended to reimburse the general fund for expenditures that were incurred in the general fund on behalf of other funds. Interfund transfers are not a consistent or a significant source of revenue for the City as shown in Table 15 below.

TABLE 15 – INTERFUND TRANSFERS BY CATEGORY 2004 – 2010

INTERFUND OPERATING TRANSFERS	2004	2005	2006	2007	2008	2009	2010
Transfer from Capital Reserve	-	-	-	-	-	\$229,000	\$37,546
Transfer from General Fund					\$105,692	-	
Interfund Operating Transfers						\$28,000	\$19,000
Interfund Operating Transfers						\$8,839	
Due from Flood Fund	\$59	-	-	-	200	-	
SUBTOTAL	\$59	-	-	-	\$105,892	\$265,839	\$56,546

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Other Revenues

The City also receives revenues from licenses and permits, fines, interest earnings, and rent. Table 16 below provides a history of these minor revenue sources for the City.

TABLE 16 – OTHER REVENUE HISTORY 2004 - 2010

LICENSES & PERMITS	2004	2005	2006	2007	2008	2009	2010
Licenses (Liquor & Plumbing)	11,435	8,875	6,710	10,920	8,515	7,430	8,610
Building Permits	14,161	22,819	26,267	20,232	18,545	17,927	15,172
SUBTOTAL	25,596	31,694	32,977	31,152	27,060	25,357	23,782
BUSINESS LICENSE & PERMITS	2004	2005	2006	2007	2008	2009	2010
Health & Restaurant Licenses	7,713	6,450	7,229	6,670	6,533	6,744	6,103
SUBTOTAL	7,713	6,450	7,229	6,670	6,533	6,744	6,103
FINES	2004	2005	2006	2007	2008	2009	2010
Parking Fines	27,094	22,855	32,775	27,206	25,773	38,598	31,627
State Police Fines	8,122	7,073	7,949	8,510	7,488	7,067	7,651
City Fines	41,187	39,081	35,137	30,585	29,644	34,797	27,953
DUI Fines	18,308	15,044	11,352	22,718	26,156	16,330	16,091
MCSWA Settlement	-	189,925	-	-	-	-	-
SUBTOTAL	94,710	273,977	87,213	89,019	89,061	96,792	83,322
INTEREST & RENTS	2004	2005	2006	2007	2008	2009	2010
Interest Earnings	12,201	18,407	20,934	30,739	10,117	6,344	2,681
SUBTOTAL	12,201	18,407	20,934	30,739	10,117	6,344	2,681
RENTS AND ROYALTIES	2004	2005	2006	2007	2008	2009	2010
Rent of Land			9,010	11,000	14,010	11,010	13,010
Rent of Buildings		1,560	5,380	5,780	6,360	5,940	5,860
Sale of Timber	842,172	1,047,273	593,640	870,276	1,135,809	439,251	323,499
SUBTOTAL	842,172	1,048,833	608,030	887,056	1,156,179	456,201	342,369

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Licenses and permits generate about \$30,000 for the City, while fines generate about \$85,000 to \$95,000 annually. The most significant source of income in these categories is the sale of timber which has been as high as \$1.1 million.

BUDGETED REVENUES

The City's revenues for 2010 fell short of the budgeted amount by about \$225,000 (when adjusted by eliminating \$125,000 of proceeds from a short-term borrowing). The actual revenues received were less than budgeted for real estate taxes, Act 511 taxes, garbage fees, and ambulance fees. The differences between budgeted amounts and actual collections for major categories are shown in **Table 16** below:

TABLE 16 – BUDGETED VERSUS ACTUAL REVENUE

Revenue Source	2010 Budgeted Amount	2010 Actual Collected	Difference
Real Estate Taxes	\$2,616,381	\$2,546,697	(\$69,684)
Act 511 Taxes	\$1,431,650	\$1,336,641	(\$95,009)
Garbage Fees	\$1,350,000	\$1,223,829	(\$126,171)
Ambulance Fees	\$650,000	\$579,666	(\$70,334)

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The City started the year with a fund balance of only \$102,802, and is therefore expected to end 2010 with a deficit fund balance partially based on the significant budget deficits that are shown above. The City has consistently overestimated revenue in major revenue categories in the past and continued the practice for the 2011 budget in several categories. In 2011, the City budgeted \$2,619,735 for real estate taxes; \$1,385,900 for Act 511 taxes; \$1,300,000 for garbage fees; and \$650,000 for ambulance fees. The budgeted numbers are much higher than historical information about actual collections from prior years would support.

REVENUE OUTLOOK

The City's revenue reached a high of \$7.6 million in 2004 then dropped to \$6.3 million in 2006. This is partially due to bridge construction funds in the amount of \$1.1 million in 2004 and \$300,000 in 2005, which inflated the revenue and expenses in the general fund. By adjusting for this extraordinary revenue and expense it is clear that the City has experienced slight but consistent

The City has consistently overestimated revenue in major revenue categories in the past and continued the practice for the 2011 budget in several categories.

increases in revenue sources over the past seven years. Since 2006, the City's revenue has been trending upward slightly only because the City has raised taxes five times in seven years and because the City has benefitted from the practice of harvesting timber on publicly-owned lands. The total assessed value of real estate increased by about 1.7% for 2011 which, although not a large increase, is moving in the right direction, and provides additional tax revenue. The City's greatest challenges with revenues are the overreliance on tax sources, the loss of timber revenue, and the fluctuation of departmental fees over the years.

BASE EXPENSE INFORMATION

The general fund accommodates most of the City's activities. **Table 17** shows the history of the City's total expenses from 2004 through 2010.

In 2004, the City undertook a major bridge repair project that was partially funded by state funds. This expenditure artificially inflated the expenditures in 2004. A portion of this project was paid for in 2005, which also inflated 2005 expenditures.

The City's expenditures have been increasing at an average annual rate of 3.2% per year from 2006 through 2010. The years 2004 and 2005 were not used in the calculation because they were not typical years. Although the 3.2% average increase is only slightly higher than the consumer price index average, which was 2.2% during the same time period, the City's expenditures outpaced the average rate of increases in revenue, which averaged about 2.8%. The City's 2011 general operating budget includes \$7.46 million in expenditures.

TABLE 17 – TOTAL GENERAL FUND EXPENDITURES 2004 – 2010

General Fund Expenditures		
Year	Expenditure	Inc/Dec
2004	\$7,689,873	N/A
2005	\$6,956,247	-9.5%
2006	\$6,482,462	-6.8%
2007	\$6,782,195	4.6%
2008	\$7,322,508	8.0%
2009	\$7,254,311	-0.9%
2010	\$7,548,274	4.1%

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The general fund includes police, fire, ambulance, public works, garbage, recreation, and support for the library as well as the senior activity center. Not all of these services are provided through municipal employees. The Bradford Area Public Library is a separate entity that receives financial support from the City and serves a majority of McKean County. The Bradford Senior Activity Center is also subsidized by other local municipalities and also serves the residents in McKean County. **Table 18** below provides a breakdown of all expenditure categories based on the 2010 actual expenditures shown in the City's financial records.

TABLE 18 – 2010 GENERAL FUND EXPENDITURES BY CATEGORY

Expenditure Category	2010 Expenditures	% of Total Expenditures
General Government	\$673,479	9%
Police	\$1,241,275	16%
Fire	\$1,455,739	19%
Ambulance	\$189,341	3%
Planning & Building	\$32,937	0%
Garbage	\$902,012	12%
Public Works	\$988,471	13%
Recreation	\$515,032	7%
Debt	\$378,866	5%
Pensions	\$850,825	11%
Miscellaneous	\$76,477	1%
Insurance	\$156,822	2%
Interfund	\$87,000	1%
TOTAL	\$7,456,282	

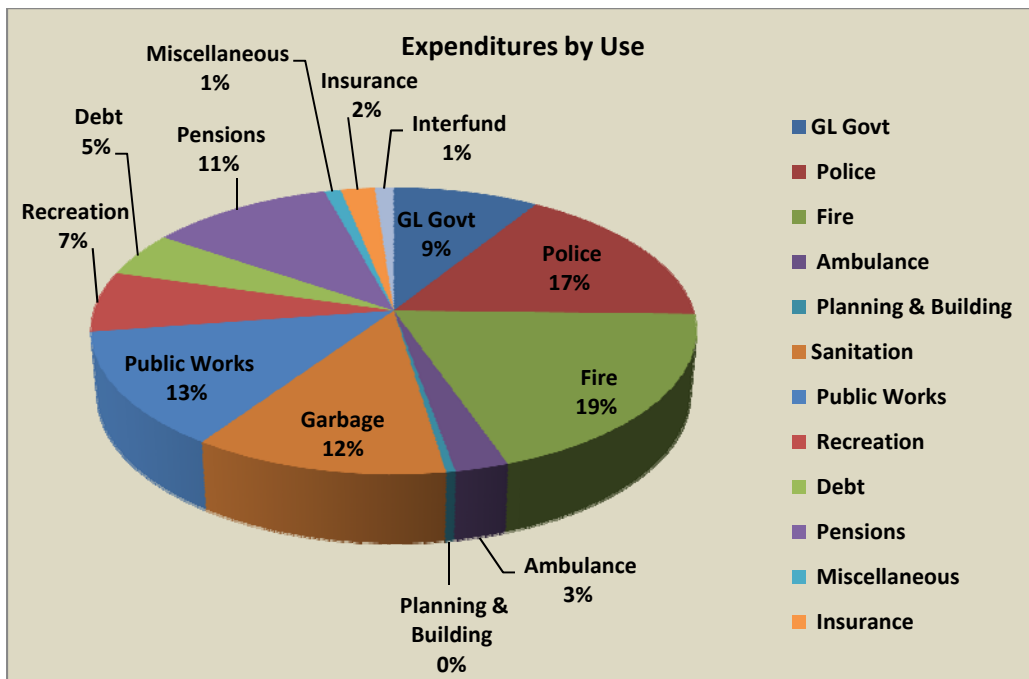
SOURCE: CITY OF BRADFORD FINANCIAL RECORDS

General government includes the elected officials, the central administration, tax collection, legal fees, the engineer, and facility operating expenses. These functions made up 9% of the 2010 actual expenditures. **Figure 3** below shows the distribution of City expenses for 2010.



CITY HALL IS THE CENTER OF THE LOCAL GOVERNMENT ORGANIZATION AND ACTIVITY.

FIGURE 3 – 2010 EXPENDITURES BY USE



SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The delivery of basic City services makes up about 65% of the total expenditures. Public safety, which includes police, fire, and ambulance services, accounted for 39% of the overall expenditures, and public works and sanitation made up another 25% of the expenditures.

Debt service, at 5% of 2010 actual expenditures and actual revenues, is within acceptable limits, which are generally considered to be anything less than 10% of the overall revenues. Insurance and pension benefits, at 13% of the 2010 actual nondepartmental expenses, increased significantly in 2009 and 2010 and could become a major issue for the City in the future. Recreation, at 7% of the overall expenditures, is higher than many other cities of similar size and demographics.

... pensions have almost doubled in the past seven years from \$463,604 in 2004 to \$850,825 in 2010, driving the insurance and benefits category up over \$1 million. This category alone equates to almost 6.5 mills of real estate taxes.

The ice rink and community pool are the major components of the recreation expenditures and there are corresponding revenues to partially support these programs. The City also provides support for other entities and activities that are not considered core service areas such as the library, senior center, and some miscellaneous items; however, these expenses make up only about 1% of the overall expenditures.

OBSERVATIONS

Many of the categories in the City budget have increased by double digits over the past seven years. These categories include general government, fire, ambulance, community development, recreation, and insurance and benefits. The sanitation expense decreased from \$1.1 million in 2004 to \$902,012 in 2010. This is a 22% reduction over the seven-year period. It would appear on the surface that public works had a similar or greater decrease over the same period, but 2004 and 2005 are overinflated due to the bridge project that was undertaken during that time period. An analysis of the public works operation that began in 2006 reveals that the public works operation actually experienced slight increases of approximately 1.7% per year.

Some of these categories have revenues that partially, and in some instances completely, support the expense. These are shown in **Table 19** below.

TABLE 19 – 2010 SELECTED EXPENSE CATEGORIES WITH ASSOCIATED REVENUE

Expense Category	2010 Expense	2010 Revenue	Difference +(-)
Ambulance Services	\$189,341	\$579,666	\$390,325
Code Enforcement	\$100,834	\$96,486	(\$4,348)
Sanitation	\$902,012	\$1,223,829	\$321,817
Recreation	\$305,809	\$101,846	(\$203,963)

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

It is unclear as to whether all of the expenses have been captured for each category. This will be examined further during the department management reviews in Step IV.

Insurance and benefit costs have escalated dramatically. In fact, pensions have almost doubled in the past seven years from \$463,604 in 2004 to \$850,825 in 2010, driving the insurance and benefits category up over \$1 million. This category alone equates to almost 6.5 mills of real estate taxes. Again, there is corresponding revenue in the form of state aid to pensions. But this revenue source, at \$452,878 in 2010, covers only 53% of the City's Minimum Municipal Obligation (MMO) to the pension plans.

Increases in the cost of providing public safety have also been a challenge for the City. Police costs have increased by an average of 2.5% per year, and fire and ambulance services have escalated between 3.5% and 4%. These are not extraordinarily high increases – except that revenue has only increased at a rate of 1.8% per year including real estate tax increases.

Table 20 below provides a detailed overview of the general fund expenditure history between 2004 and 2010, and the rate of increase for each area.

TABLE 20 – EXPENDITURES BY USE 2004 – 2010

Category	2004	2005	2006	2007	2008	2009	2010	% Change
GL Govt.	\$572,158	\$620,730	\$629,743	\$639,756	\$678,407	\$674,643	\$673,479	17.7%
Police	\$1,078,735	\$1,127,907	\$1,190,520	\$1,228,694	\$1,308,639	\$1,297,269	\$1,241,275	15.1%
Fire	\$1,202,186	\$1,227,481	\$1,228,947	\$1,284,627	\$1,420,217	\$1,290,047	\$1,455,739	21.1%
Ambulance	\$111,365	\$130,273	\$139,579	\$138,140	\$137,455	\$152,621	\$189,341	70.0%
Comm. Dev	\$22,946	\$22,833	\$43,668	\$42,125	\$24,442	\$33,991	\$32,937	43.5%
DPW-HWYS	\$1,945,533	\$1,254,389	\$913,084	\$967,680	\$945,470	\$885,123	\$988,471	-49.2%
Sanitation	\$1,150,530	\$924,974	\$801,250	\$810,963	\$959,190	\$915,462	\$902,012	-21.6%
Recreation	\$415,114	\$426,660	\$443,305	\$466,262	\$498,124	\$512,854	\$515,032	24.1%
Debt	\$350,967	\$338,024	\$345,941	\$344,533	\$361,693	\$375,393	\$379,200	8.0%
Miscellaneous	\$66,949	\$79,202	\$76,886	\$75,014	\$76,881	\$84,729	\$76,143	13.7%
Ins./Pensions	\$597,970	\$621,368	\$649,538	\$759,671	\$876,991	\$822,180	\$1,007,648	68.5%
Transfer	\$175,419	182,405	\$20,000	\$24,731	\$35,000	\$210,000	\$87,000	-50.4%
TOTAL	\$7,689,873	\$6,956,247	\$6,482,462	\$6,782,195	\$7,322,508	\$7,254,311	\$7,548,274	-1.8%

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

GENERAL GOVERNMENT

General government consists of the following central administrative functions: the legislative body, the engineer, tax collection, law, the City building, and the audit. General government expenditures made up only 9% of the 2010 actual expenditures. The general government expenditures have increased by 17.7%, from \$572,158 in 2004 to \$673,479 in 2010, which is an average of 2.85% per year. This is comparable to the CPI average over the same time period. The majority of the increase was a result of increases in salaries and wages for personnel as well as increases in health benefits for employees.

The City budgeted a decrease in general government expenditures from \$674,643 in 2009 to \$653,699 for 2010. Actual 2010 expenditures exceeded the 2011 budgeted expenditures in some areas. These include health benefits for the tax clerk, postage for the tax collection office, and litigation and special legal services. **Table 21** provides a detailed breakdown of all expenses that are included in the General Government category.

TABLE 21 – GENERAL GOVERNMENT AND ADMINISTRATION BY CATEGORY 2004 – 2010

LEGISLATIVE BODY	2004	2005	2006	2007	2008	2009	2010
Salary/Director Accts/Finance	\$3,635	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
FICA/Medicare/Expense						268	\$268
SUBTOTAL	\$3,635	\$3,500	\$3,500	\$3,500	\$3,500	\$3,768	\$3,768
EXECUTIVE	2004	2005	2006	2007	2008	2009	2010
Salary - City Clerk	\$53,509	\$52,817	\$54,306	\$55,928	\$57,560	\$58,940	\$58,940
Health Benefit	\$10,157	\$11,843	\$12,669	\$13,818	\$16,531	\$16,529	\$12,778
Life Insurance	\$54	\$54	\$54	\$54	\$54	\$54	\$38
FICA/Medicare Expense	\$5,083	\$4,991	\$5,103	\$5,229	\$5,352	\$4,502	\$4,349
Workers' Compensation	\$143	\$194	\$282	\$366	\$527	\$56	\$303
Education	\$270	\$232	\$125	\$278	\$277	\$283	\$224
Supplies	\$937	\$512	\$784	\$699	\$762	\$855	\$583
Postage	\$568	\$571	\$509	\$481	\$621	\$505	\$646
Office Equipment	\$200	\$129	\$184	\$198			
Meetings, Conferences	\$149	\$299	\$70	\$172	\$249	\$177	\$386
Capital Outlay							
SUBTOTAL	\$71,071	\$71,643	\$74,087	\$77,223	\$81,934	\$82,201	\$78,248
AUDIT	2004	2005	2006	2007	2008	2009	2010
Salary - Controller	\$3,635	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
FICA/Medicare Expense	\$278	\$268	\$268	\$268	\$268	\$268	\$268
Auditors	\$8,986	\$10,000	\$10,100	\$10,300	\$10,300	\$10,600	\$10,700
SUBTOTAL	\$12,899	\$13,768	\$13,868	\$14,068	\$14,068	\$14,368	\$14,468
TAX COLLECTIONS	2004	2005	2006	2007	2008	2009	2010
Salaries - Clerks/Bookkeeper	\$34,047	\$50,018	\$58,620	\$74,415	\$75,442	\$60,752	\$60,394
Salary - City Treasurer	\$31,154	\$30,000	\$30,000	\$30,000	\$36,468	\$34,000	\$35,000
Health Benefit	\$25,943	\$25,471	\$28,079	\$40,316	\$52,188	\$45,509	\$50,460
Life Insurance	\$270	\$270	\$270	\$432	\$576	\$459	\$431
FICA/Medicare Expense	\$4,247	\$5,905	\$6,077	\$6,184	\$7,324	\$6,019	\$6,076
Workers' Compensation	\$223	\$302	\$498	\$915	\$1,061	\$414	\$352
Education		\$163	\$92	\$282			
Supplies	\$3,707	\$4,906	\$3,174	\$2,733	\$799	\$3,802	\$3,156
Office Equipment		\$457	\$500	\$479	\$401		\$200
Postage	\$2,500	\$4,321	\$5,391	\$3,123	\$5,804	\$3,990	\$5,779
Maintenance	\$339				-		
Misc./Other Services & Charges	\$69	\$125	\$153	\$209	\$991	\$65	\$270
Professional Services	\$594	\$1,868	\$2,143	\$1,583	\$66	\$7,124	\$3,200
Contractual (Computers)	\$1,324	\$1,858	\$1,831	\$400	\$67	\$11,855	\$13,776
Contractual (Wage Tax Office)	\$21,792	\$22,283	\$24,889	\$22,497	\$23,182	\$21,738	\$21,193
Capital Outlay	\$1,550						
SUBTOTAL	\$127,759	\$147,947	\$161,718	\$183,568	\$204,368	\$195,727	\$200,287

LAW	2004	2005	2006	2007	2008	2009	2010
Salary - Solicitor	\$36,066	\$36,049	\$37,511	\$38,973	\$40,597	\$41,949	\$41,949
Health Benefit	\$10,628	\$10,430	\$10,213	\$12,481	\$15,108	\$12,928	\$15,574
FICA/Medicare Expense	\$2,630	\$2,621	\$2,719	\$2,816	\$2,911		\$2,984
Workers' Compensation	\$81	\$109	\$166	\$232	\$322	\$2,973	\$189
Supplies	\$200					\$222	
Court Costs	\$199	\$110	\$140	\$85	\$58		
Contractual (Secretarial)	\$2,500	\$2,560	\$2,500	\$2,500	\$2,500		\$2,500
Litigation/Special Legal Services	\$22,862	\$36,720	\$20,107	\$1,110	\$640	\$2,500	\$17,568
Capital Outlay						\$7,482	
SUBTOTAL	\$75,165	\$88,598	\$73,356	\$58,197	\$62,136	\$68,055	\$80,765
RECORDS	2004	2005	2006	2007	2008	2009	2010
Advertising	\$3,889	\$4,184	\$3,519	\$2,020	\$3,183	\$2,171	\$2,006
SUBTOTAL	\$3,889	\$4,184	\$3,519	\$2,020	\$3,183	\$2,171	\$2,006
PERSONNEL & ADMINISTRATIVE	2004	2005	2006	2007	2008	2009	2010
Salaries: Support Staff	\$142,227	\$142,792	\$151,429	\$150,974	\$149,287	\$159,704	\$148,915
Health Benefit	\$30,717	\$36,056	\$40,402	\$41,995	\$48,264	\$38,830	\$60,599
Life Insurance	\$270	\$270	\$270	\$432	\$594	\$599	\$464
FICA/Medicare Expense	\$10,682	\$10,586	\$11,211	\$11,221	\$11,087	\$12,070	\$10,814
Workers' Compensation	\$310	\$423	\$632	\$965	\$1,171	\$861	\$732
Education	\$531	\$345	\$597	4790	\$340	\$383	\$205
Office Supplies	\$3,645	\$3,521	\$4,082	\$4,211	\$5,013	\$2,568	\$2,275
Office Equipment/Furniture	\$554	\$1,064	\$1,033	\$350	\$460		
Postage	\$1,391	\$1,385	\$1,060	\$1,621	\$1,641	\$1,273	\$1,706
Maintenance/Office Equipment						\$195	
Contractual (Computers)	\$3,310	\$4,631	\$2,905	\$1,000	\$168	\$12,915	\$10,332
SUBTOTAL	\$193,636	\$201,073	\$213,621	\$213,559	\$218,025	\$229,398	\$236,042
DATA PROCESSING	2004	2005	2006	2007	2008	2009	2010
Software/Hardware Upgrades		\$441	\$762	\$1,080	\$6,804	\$1,040	
Professional Services/Maint.	\$2,375	\$4,375	\$2,638	\$2,406	\$6,620	\$3,067	\$3,256
CSI Phone Support/Modem	\$6,768	\$10,449	\$7,539	\$8,016	\$1,438	\$2,899	\$969
Capital Outlay	\$818		\$206	\$2,000	\$9,280	\$2,500	\$836
SUBTOTAL	\$9,961	\$15,266	\$11,145	\$13,501	\$24,142	\$9,506	\$5,061
ENGINEER	2004	2005	2006	2007	2008	2009	2010
City Engineer	\$1,127	\$360	\$892	\$645	\$1,277	\$777	\$155
SUBTOTAL	\$1,127	\$360	\$892	\$645	\$1,277	\$777	\$155
MUNICIPAL BUILDING MAINT.	2004	2005	2006	2007	2008	2009	2010
Cleaning Services/Supplies	\$8,774	\$8,914	\$9,078	\$9,461	\$8,384	\$9,882	\$9,168
Telephone/Fax/TV	\$12,790	\$11,227	\$11,427	\$11,174	\$11,146	\$11,828	\$10,363
Fuel & Light	\$33,017	\$42,596	\$45,240	\$36,845	\$39,118	\$41,843	\$26,611
Building Repairs/Maintenance	\$14,477	\$10,334	\$8,292	\$15,995	\$7,127	\$5,119	\$6,538
Rental/Luciano Building	\$3,960	\$1,320					
SUBTOTAL	\$73,017	\$74,391	\$74,038	\$73,474	\$65,774	\$68,672	\$52,680
GL GOVT. TOTAL	\$572,158	\$620,730	\$629,743	\$639,756	\$678,407	\$674,643	\$673,479

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

POLICE DEPARTMENT

The police department made up about 16% of the City's general fund expenses in 2010. This includes compensation, benefits, communication, supplies, and vehicle maintenance. The major expense categories are compensation and benefits.

Police expenditures between 2004 and 2010 increased at an average rate of 2.5% per year. The City budgeted \$1,325,879 for police services in 2010. Most line items in the police budget came in under budget, but specifically, the expenses of salaries, overtime pay, and benefits were lower than expected. Regular police salaries decreased from \$635,757 in 2004 to \$608,926 in 2010, due to a reduction by five full-time patrol officers in 2010 from 21 to 16. As a result, the actual expenditures for the police department in 2010 were under budget by about \$85,000.



THE BRADFORD POLICE DEPARTMENT MAKES UP ABOUT 16% OF THE GENERAL FUND EXPENSES.

Under the terms of the current police contract, which runs from January 1, 2008 through December 31, 2012, the base annual pay for officers increases by 3.0% during each year of the five-year contract. Effective January 1, 2009, the longevity rate for officers increased from $\frac{1}{4}$ of 1% of the base pay (\$111.67), to \$120 per year for each year of service in excess of five years. Effective January 1, 2011, the

longevity rate increased again to \$130 per year for each year of service in excess of five years. The average tenure of Bradford police officers is 14 years of service; which equals \$1,170 in longevity pay. Newly hired officers also receive step increases until they are fourth-year police officers. A combination of hourly increases and step increases will increase a first year officer's hourly pay from \$16.07 in 2010 to \$23.72 by December 31, 2012; an increase of 68%.

Officers also receive shift differential pay. Officers who work the 7:00 a.m. to 7:00 p.m. shift receive a bonus of \$0.80/hour for hours worked between 3:00 p.m. and 7:00 p.m.; or \$3.20/day for an annual shift differential of \$480 (approximately 150 shifts). Officers who work the 7:00 p.m. to 7:00 a.m. shift receive a bonus of \$0.80/hour for hours worked from 7:00 p.m. to 11:00 p.m. (\$3.20), plus \$1.15/hour bonus for hours worked between 11:00 p.m. and 7:00 a.m., for a

total of \$12.40/day, equaling an annual shift differential total of \$1,860 (approximately 150 shifts). An officer with 14 years of service who works the 7:00 p.m. to 7:00 a.m. shift will receive a base salary of \$47,686 + \$1,170 longevity + \$1,880 shift differential = \$50,736, without any overtime. **Table 22** below provides the detailed police department expenses by category from 2004 through 2010.

TABLE 22 – POLICE DEPARTMENT EXPENDITURES BY CATEGORY 2004 – 2010

POLICE	2004	2005	2006	2007	2008	2009	2010
Salary - Mayor	\$5,192	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Salary - Police Chief	\$48,592	\$48,110	\$49,572	\$51,190	\$52,814	\$54,166	\$65,095
Salaries - Police Officers	\$635,757	\$650,895	\$649,551	\$661,546	\$707,016	\$692,141	\$608,926
Salaries - Juvenile Officer	\$42,157	\$42,110	\$43,111	\$45,454	\$46,923	\$48,535	\$50,034
Health Benefit	\$174,358	\$178,158	\$183,531	\$197,991	\$209,685	\$208,878	\$217,743
Life Insurance	\$2,430	\$2,430	\$2,284	\$2,453	\$2,453	\$2,430	\$1,773
FICA/Medicare Expense	\$8,198	\$8,108	\$9,952	\$8,987	\$9,488	\$9,797	\$9,302
Workers' Compensation	\$27,629	\$34,758	\$44,287	\$56,392	\$74,662	\$69,805	\$59,268
Police Training (Act 120)	\$11,444	\$10,692	\$14,341	\$12,575	\$12,600	\$9,173	\$15,657
ERT Team Training					\$5,492	-	\$347
Overtime (Special Details)						-	\$7,081
Overtime (Regular)	\$11,291	\$26,295	\$49,367	\$33,779	\$29,065	\$50,879	\$27,962
Shift Diff/OIC Pay	\$18,212	\$18,612	\$20,543	\$23,336	\$20,013	\$19,591	\$18,272
Overtime (Invest/Arrests/Legal)	\$14,066	\$12,168	\$19,033	\$16,846	\$15,884	\$16,547	\$19,040
Overtime (Task Force)	\$803	\$800	\$2,966	\$7,105	(\$1,113)	(\$2,672)	\$16,823
Office Supplies	\$2,653	\$2,937	\$3,678	\$3,029	\$2,733	\$1,749	\$2,152
Gasoline & Oil	\$15,844	\$20,898	\$21,233	\$26,056	\$33,511	\$18,943	\$34,455
Uniforms	\$9,264	\$10,736	\$10,589	\$15,390	\$12,104	\$9,954	\$9,166
Cleaning Services and Supplies	\$3,687	\$3,831	\$4,516	\$4,391	\$4,113	\$4,571	\$4,218
Computer Support (Protocol)	\$1,600	\$1,650	\$1,700	\$1,793	\$1,790	\$1,950	-
Radio & Telephone	\$11,683	\$12,032	\$8,457	\$7,169	\$7,082	\$4,993	\$6,841
Postage	\$951	\$712	\$650	\$1,128	\$1,111	\$723	\$626
Gas & Electric	\$4,049	\$5,286	\$5,007	\$5,609	\$5,523	\$5,319	\$4,704
Maintenance/Office Equipment	\$1,130	\$1,230	\$1,099	\$974	\$1,122	\$1,148	\$1,370
Vehicle Maint. & Towing	\$20,223	\$22,371	\$24,433	\$22,650	\$16,276	\$14,466	\$8,259
DUI Expenses	\$1,607	\$788	\$1,305	\$4,710	\$4,536	\$947	\$319
Capital Outlay - Computer System	\$4,668	\$5,667	\$5,066	\$5,728	\$5,351	\$6,375	\$3,541

POLICE	2004	2005	2006	2007	2008	2009	2010
Capital Outlay (Vehicles)				\$5,756	\$17,795	\$29,392	\$29,651
GE Mobile/Police Radios					\$4,673	\$1,959	\$120
Crime Scene & Safety Supplies	\$1,248	\$1,632	\$883	\$1,657	-	\$609	\$327
Public Safety Grant Cap. Outlay			\$8,367	-	\$940	\$9,900	\$13,205
POLICE TOTAL	\$1,078,735	\$1,127,907	\$1,190,520	\$1,228,694	\$1,308,639	\$1,297,269	\$1,241,275

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Overtime in 2009 totaled \$105,357, or 13% of the budgeted base wages. Overtime use was reduced in 2010 to \$85,878, or 11% of the budgeted base wages. The large decrease in overtime use is being attributed to a change of the officers' work schedule to 12-hour shifts.

Police services are budgeted at \$1,275,654 for 2011. This includes a reduction in police officers but an increase in a juvenile officer.

There are two other factors that are not included in the police department budget that make the total expenses for the police department misleading. First, the police expenses are also shown in a separate category for the police department budget classified as "Parks and Parkways Securities." These police department expenses in the amount of \$209,223 in 2010 must be viewed as part of the overall police expenditures for the purposes of this study.

Table 23 provides a breakdown of these expenses for the most recent seven-year period.

TABLE 23 – PARKS AND PARKWAYS SECURITIES EXPENDITURES 2004 – 2010

PARKS & PARKWAYS SECURITIES	2004	2005	2006	2007	2008	2009	2010
Salaries - Park Security	\$120,064	\$119,240	\$124,823	\$130,173	\$134,071	\$138,800	\$152,760
Health Benefit	\$26,276	\$30,538	\$35,734	\$38,208	\$38,466	\$41,429	\$44,613
Life Insurance	\$405	\$405	\$405	\$405	\$405	\$405	\$344
FICA/Medicare Expense	-	-		\$1,866	\$1,891	\$1,945	\$2,225
Workers' Compensation	\$4,153	\$5,430	\$6,447	\$8,450	\$11,613	\$10,912	\$9,280
SUBTOTAL	\$150,897	\$155,612	\$167,409	\$179,102	\$186,447	\$193,492	\$209,223

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The second factor is that the pension expense for the police department is shown in a non-departmental category identified as "Pensions and Personnel" and was in the amount of \$295,951 in 2010 and budgeted at \$259,900 for 2011.

The addition of these two expenditure items brings the police department's actual expenditures to a total of \$1,746,449, which is 23% of the total City's expenditures.

FIRE SERVICES

The cost to the City for providing paid professional fire service totaled \$1,455,739 in 2010. This is similar to other third class cities with similar populations and similar demographics with paid professional fire departments. Fire department expenses increased at a rate of 3.5% per year,

from \$1,202,186 in 2004 to \$1,455,739 in 2010. The fire department expenses made up about 19% of the City's general fund expenditures in 2010. Total expenses for fire services were only budgeted at \$1,300,626 for 2010, while actual year-end expenses totaled \$1,455,739, putting the fire department \$155,000 over budget for the year. Part of the overage was due to the fact that a Federal Emergency Management Agency (FEMA) grant in the amount of \$93,667 was not budgeted as revenue and the related expenditure in the amount of \$91,574 was not budgeted as an expense. Most of the remaining overage was due to overtime in the fire department, which was budgeted at \$50,000 for 2010, but was actually \$88,186. The overtime budget remains a problem for 2011 where it was budgeted at \$40,000 when the trending is closer to \$85,000.

The major expense line items in the fire budget over the years have been compensation and benefits. Firefighters' regular salaries increased from \$724,797 in 2004 to \$816,887 in 2010, which is a 13% increase. Fire service for 2011 is budgeted at \$1,284,680, which is lower than both the 2010 budgeted amount and the 2010 year-end expenses. **Table 24** provides a detailed breakdown of fire department expenses over the past seven years.

TABLE 24 – FIRE SERVICES EXPENDITURES BY CATEGORY 2004 – 2010

FIRE	2004	2005	2006	2007	2008	2009	2010
Salary - Councilman	\$3,635	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Salary - Fire Chief	\$47,886	\$47,431	\$49,093	\$50,711	\$83,479	\$52,535	\$55,239
Salaries - Firemen	\$724,797	\$733,500	\$776,021	\$803,018	\$857,881	\$781,345	\$816,887
Salaries - Fire Secretary	\$1,863	\$1,884	\$1,984	\$2,051	\$2,148	\$2,251	\$2,038
Wages - Temp. Help	\$16,236	\$16,451	\$23,500	\$19,579	\$18,216	\$16,358	\$18,567
Health Benefit	\$147,174	\$152,916	\$172,174	\$194,632	\$194,010	\$188,788	\$214,685
Life Insurance	\$2,304	\$2,689	\$2,700	\$2,689	\$2,655	\$2,295	\$1,145
FICA/Medicare Expense	\$11,460	\$10,425	\$11,992	\$13,869	\$14,082	\$13,984	\$14,208
Workers' Compensation	\$31,961	\$40,273	\$50,019	\$65,996	\$86,901	\$77,590	\$65,983
Fire Prevention	-	\$1,199	\$1,034	\$1,234	\$596	\$751	\$970
Training	\$778	\$6,834	\$2,263	\$4,691	\$4,706	\$3,160	\$2,111
Reg. Overtime	\$47,645	\$61,630	\$74,226	\$31,044	\$44,322	\$70,555	\$88,186
Supplies	\$1,865	\$1,852	\$1,747	\$2,060	\$2,416	\$2,341	\$1,931
Office Supplies/Furniture	\$1,189	\$1,841	\$1,337	\$1,902	\$1,863	\$1,123	\$918
Gasoline & Oil	\$6,628	\$7,906	\$8,641	\$8,500	\$13,759	\$9,196	\$14,096
Protective Clothing	\$1,007	\$6,981	\$6,960	\$8,714	\$12,601	\$7,788	\$12,658
Annual Testing/Certifications	\$498	\$569	\$1,591	\$1,836	\$3,573	\$2,348	\$3,248
Gas & Electric	\$16,350	\$19,572	\$20,822	\$15,319	\$21,429	\$16,135	\$14,762
Radio & Telephone	\$5,388	\$4,733	\$4,556	\$4,133	\$3,669	\$3,844	\$5,847
Main./Equip./Vehicle	\$5,648	\$7,026	\$7,287	\$7,193	\$12,610	\$9,070	\$18,624
Contractual (25% Copier)	\$582	\$604	\$576	\$514	\$551	\$687	\$645
Dues/Subscriptions/Memberships	\$891	\$1,155	\$925	\$942	\$950	\$1,147	\$1,040
Contractual Screening	-	-	-	-	-	-	-
Capital Outlay	-	\$950	\$5,999	\$2,643	\$1,715	\$21,336	\$6,877
Capital Outlay - Equip. (FEMA Grant)	\$126,399	\$95,560	-	\$37,856	\$32,585	\$1,920	\$91,574
FIRE TOTAL	\$1,202,186	\$1,227,481	\$1,228,947	\$1,284,627	\$1,420,217	\$1,290,047	\$1,455,739

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

There are two additional items that should be considered as part of the fire department's budget because they are undertaken by fire department personnel.

First, the fire department is responsible for carrying out the code enforcement activities for the City and these costs and revenues are captured in a separate special revenue fund. The City receives about \$100,000 in permit fees and grant revenue to support this operation. **Table 25** provides a detailed breakdown of the expenses associated with this activity for the past seven years.

TABLE 25 – CODE ENFORCEMENT EXPENDITURES 2004 – 2010

CODE ENFORCEMENT EXPENDITURES	2004	2005	2006	2007	2008	2009	2010
Salary - Enforcement Officers	\$63,444	\$66,251	\$68,465	\$60,567	\$62,398	\$72,866	\$43,202
Salary - Professional Staff	\$12,186	\$13,319	\$13,765	\$14,150	\$14,233	\$14,377	418,170
Health Benefit	\$14,894	\$16,671	\$17,262	\$16,796	\$19,017	\$28,258	\$13,919
Life Insurance	\$210	\$245	\$244	\$229	\$259	\$301	\$230
FICA	\$953	\$1,020	\$1,024	\$1,102	\$1,253	\$1,091	\$1,390
Workers' Compensation	\$2,289	\$3,095	\$4,293	\$3,873	\$5,444	\$8,115	\$2,609
Training	\$2,340	\$670	\$972	\$752	\$729	\$2,522	43,278
C.E. Secretary Pension	\$1,402	\$1,947	\$2,511	\$2,502	\$3,711	\$2,282	\$7,396
Supplies	\$1,585	\$2,104	\$2,027	\$1,020	\$2,009	\$2,564	\$\$1,718
Clothing	\$286	\$151	-	\$127	\$159	\$186	-
Legal Services	-	-	\$59	-	-	\$799	\$1,730
Computer Support	\$532	\$875	\$528	\$528	\$383	\$1,242	\$878
Postage	\$450	\$753	\$1,087	\$683	\$538	\$1,171	\$869
Radio/Telephone/Fax	\$3,050	\$2,965	\$3,044	\$2,486	\$2,297	\$2,871	\$2,355
Contractual (Copier)	\$1,100	\$1,131	\$1,151	\$1,028	\$973	\$1,141	\$973
Contractual (Computer)	\$662	\$934	\$582	\$201	\$33	\$3,044	\$1,722
Capital Outlay	\$144	\$1,530	\$4,721	\$2,141	-	\$1,209	\$398
SUBTOTAL	\$105,526	\$113,661	\$121,733	\$108,187	\$113,438	\$144,040	\$100,834

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Second, the fire department provides first response and nonemergency ambulance transport services for the City and five other municipalities. The City received \$579,666 in direct fees and \$22,320 from the surrounding municipalities to support this service in 2010.

Table 26 provides a detailed breakdown of these expenses.

TABLE 26 – AMBULANCE RESCUE EXPENDITURES 2004 – 2010

AMBULANCE RESCUE	2004	2005	2006	2007	2008	2009	2010
FICA/Medicare Expense						\$1,068	\$1,383
Training	\$50	\$2,566	\$807	\$2,914	\$699	\$2,080	\$887
Call-Out-Time	\$64,921	\$64,609	\$65,137	\$62,888	\$68,706	\$72,485	106,624
Office Supplies	\$1,752	\$1,824	\$1,533	\$1,811	\$1,764	\$1,853	1,150
ALS (Prescription Drugs)	\$4,909	\$5,302	\$6,544	\$5,385	\$3,352	\$4,352	6,776
Ambulance Supplies (BLS)	\$1,835	\$1,812	\$3,699	\$2,092	\$2,417	\$3,273	2,334
Ambulance Supplies (ALS)	\$1,504	\$1,958	\$2,849	\$2,034	\$3,334	\$4,550	2,849
Maintenance	\$6,491	\$5,028	\$5,528	\$4,503	\$3,448	\$6,369	12,972
Contractual Services	\$26,826	\$28,462	\$28,264	\$28,239	\$32,452	\$38,252	44,815
Annual Testing (ALS Equipment)	-	-	\$3,967	\$3,967	\$3,958	-	270
Telephone	\$341	\$365	\$280	\$370	\$366	\$379	-
Postage	\$1,632	\$1,579	\$1,556	\$1,302	\$1,387	\$1,382	1,164
Computer Contract	\$1,105	\$1,335	\$1,415	\$1,415	\$1,415	\$1,770	1,250
Capital Outlay	-	\$15,433	\$18,000	\$21,221	\$14,158	\$14,808	6,867
SUBTOTAL	\$111,365	\$130,273	\$139,579	\$138,140	\$137,455	\$152,621	\$189,341

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Finally, the City does not include the fire department's pension expense in the fire department's budget. Instead, it is included under a non-departmental category titled "Pensions and Personnel." The payment for the fire department's pension was \$367,778 in 2010, and budgeted at \$413,890 for 2011.

If the above three items are added to the fire department's budget, the total expenses for fire services in 2010 would be \$2,113,692 or 28% of the City's overall expenditures budget.

In fact, in an older community with aging housing stock and commercial structures, building codes, property maintenance, and the elimination of nuisance violations become more important than any other activities in a local government operation.

COMMUNITY DEVELOPMENT

The Community Development category includes salaries and administrative support for the City's health director and board of health department as well as for its planning and zoning operation. This category was responsible for less than 1% of the actual 2010 expenditures. This is partly because many of the activities that are typically undertaken in this category related to inspections and code violations are assigned to the fire department's code enforcement personnel. Also, as resources become scarce in a local government operation, the community development activities are seen as a lower priority than

public safety, and fewer resources are assigned to these activities. In fact, in an older community with aging housing stock and commercial structures, building codes, property maintenance, and the elimination of nuisance violations become more important than any other activities in a local government operation.

TABLE 27 – BUILDING, HEALTH, ZONING EXPENDITURES BY CATEGORY 2004 – 2010

COMMUNITY DEVELOPMENT	2004	2005	2006	2007	2008	2009	2010
BUILDING AND HEALTH							
Salary - Health Director	\$2,285	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200
Salary - Health Officer	\$3,118	\$3,031	\$3,001	\$3,000	\$2,995	\$2,988	\$2,988
Salary - Restaurant Inspector	\$936	\$899	\$934	\$900	\$900	\$903	\$900
Bldg. & Health Secretary	\$1,799	\$1,524	\$1,561	\$1,516	\$1,603	\$1,522	\$1,434
FICA/Medicare Expense	-	-	-	-	-	\$356	\$342
Training	\$193	\$309	\$1,183	\$1,211	\$717	\$1,759	\$1,195
Supplies	\$854	\$1,082	\$1,578	\$1,234	\$503	\$951	\$1,142
Gasoline & Oil	\$1,064	\$1,761	\$1,538	\$1,501	\$1,827	\$1,245	41,416
Maintenance	\$506	\$457	\$2,051	\$742	\$704	\$1,346	\$495
Emergency Demolition	-	-	415,817	\$10,000	-	\$4,700	\$4,100
Board of Health	\$2,675	\$2,400	\$4,900	\$2,650	\$2,747	\$2,415	\$2,671
Postage	\$512	\$72	439	\$36	\$67	-	-
Contractual (25% Copier)	\$582	\$604	\$575	\$514	\$551	\$687	\$560
Dues/Subscriptions/Memberships	-	\$100	4100	\$340	\$220	\$158	\$220
Emergency Cleanup	\$1,456	\$1,291	\$1,360	\$9,015	\$1,670	\$5,096	\$6,075
SUBTOTAL	\$15,979	\$15,729	\$36,838	\$34,860	\$16,704	\$26,326	\$25,738
PLANNING & ZONING	2004	2005	2006	2007	2008	2009	2010
Salary - Zoning Officer	\$6,229	\$5,999	\$6,002	\$5,999	\$5,996	\$5,976	\$5,976
FICA/Medicare Expense						\$498	\$441
Supplies	\$36	\$65	\$13	494	-	-	-
Zoning Board/Legal	\$137	\$157	\$308	\$157	\$168	\$168	\$177
Zoning Board/Support Staff	\$359	\$616	\$327	\$676	\$1,153	\$544	-
Advertising	\$207	\$267	\$181	\$339	\$421	\$479	\$606
SUBTOTAL	\$6,967	\$7,103	\$6,830	\$7,265	\$7,738	\$7,665	\$7,199
COMM. DEV. TOTAL	\$22,946	\$22,833	\$43,668	\$42,125	\$24,442	\$33,991	\$32,937

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The costs for this department have fluctuated over the past seven years from \$22,946 in 2004 to \$42,125 in 2007, and back down to \$32,937 in 2010. Most of the increases came as a result of emergency expenses, such as emergency demolition in 2006 and 2007, as well as emergency cleanup that increased from \$1,360 in 2006 to \$9,015 in 2007. Even with the addition of the \$100,000 in expenses that are assigned to the fire department, the percentage of resources spent on this activity is only about 2% of the City's resources.

PUBLIC WORKS AND HIGHWAYS

Public works and highways were responsible for 13% of the 2010 actual general fund expenditures at about \$988,000. The public works and highways items include all road maintenance, a sidewalk improvement program, electric system for all city lighting, and parking enforcement. **Table 28** provides a detailed breakdown of expenses for public works and highways.

TABLE 28 – DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS EXPENDITURES BY CATEGORY 2004 – 2010

DPW – HWYS	2004	2005	2006	2007	2008	2009	2010
HIGHWAYS							
Salary - Councilman	\$1,817	\$1,750	\$1,750	41,750	\$1,750	\$1,750	\$1,750
Salary - DPW Director	\$42,770	\$42,505	\$43,967	\$45,585	\$23,605	\$24,281	\$24,281
Salary - Asst. Director	\$37,474	\$37,251	\$38,083	\$38,979	-	-	-
CDL Instructor/Vehicle Inspect.	-	-	\$60	-	-	-	-
Health Benefit	\$94,223	\$93,645	\$97,154	\$97,454	\$97,390	\$102,800	\$122,178
Life Insurance	\$671	\$689	\$666	\$712	\$648	\$594	\$468
FICA/Medicare Expense	\$33,646	\$34,493	\$33,716	\$36,774	\$33,925	\$29,713	\$27,508
Workers' Compensation	\$21,959	\$25,122	\$33,798	\$39,764	\$49,765	\$36,111	\$30,529
Education	\$5	\$195	\$25	\$83	\$193	-	-
Wages-Street Dept.	\$306,364	\$309,878	\$310,412	\$330,151	\$340,908	\$335,072	\$310,206
Overtime	\$50,450	\$58,786	\$46,003	\$59,122	\$52,840	\$37,943	\$39,292
Supplies	\$223	\$123	\$68	438	-	-	-
Postage	\$423	\$486	\$507	4512	\$524	\$432	\$599
Overtime Meals	\$177	\$207	\$214	4174	\$252	\$408	420
Gas/Oil/Fuel	\$21,344	\$27,972	\$30,132	\$35,944	\$48,373	\$27,360	\$30,679
Safety Equipment & Clothing	\$3,180	\$3,312	\$4,134	\$3,904	\$2,952	\$4,187	\$3,523
Road & Sidewalk Materials	\$43,702	453,360	\$43,778	\$46,290	\$52,552	\$47,195	\$39,959
Road Sale/Sand	\$22,000	\$25,000	\$8,062	-	-	-	-
Vehicle/Equipment Maint.	\$20,126	\$28,575	\$29,979	\$28,638	\$32,616	\$31,197	\$26,431
Street Sweeper Maint/Supplies	\$5,961	\$6,568	\$6,581	\$7,833	\$8,133	\$9,885	\$8,868
Street Signs	\$6,732	\$4,060	\$4,069	\$5,025	\$5,782	\$4,769	\$3,613
Radio Maint.	\$1,350	\$1,209	\$1,332	\$1,440	\$2,990	\$879	\$378
DPW Contract - Computer	-	\$459	\$494	\$539	\$181	-	-
CDL/DOT Regulations	\$622	\$741	\$377	\$444	41,165	\$100	\$125
Resurfacing Grant	-	-	\$15,000	-	-	-	-
Foster Twp.	\$500	\$500	\$500	\$500	\$500	\$500	\$500
County Aid	\$20,227	\$20,225	\$16,851	\$16,851	\$16,843	\$16,843	\$16,834
HIGHWAYS	2004	2005	2006	2007	2008	2009	2010
Holley Ave. Improvements	-	\$10,578	\$1,208	\$18,100	\$6,721	\$6,843	\$140,237
Capital Outlay/Minor Equipment	\$1,054	\$903	\$1,457	\$829	\$800	\$935	-
Map Machine: Maint/Supplies	\$1,073	\$576	\$70	-	\$435	-	-
SUBTOTAL	\$738,074	\$789,167	\$770,447	\$817,437	\$781,843	\$719,797	\$827,979

SIDEWALKS	2004	2005	2006	2007	2008	2009	2010
Sidewalk Improvement Program	-	\$9,477	\$14,193	\$17,936	\$16,317	-	-
SUBTOTAL	-	\$9,477	\$14,193	\$17,936	416,317	-	-
ELECTRIC SYSTEM	2004	2005	2006	2007	2008	2009	2010
Salary - Electrician					\$39,936	\$40,995	\$48,271
Health Benefit					\$5,425	\$5,621	\$8,450
Life Insurance					\$54	\$54	\$46
FICA/Medicare Expense					\$3,409	\$3,762	\$4,082
Workers Compensation					\$7,802	\$4,389	\$3,733
Overtime: Electrician	\$8,462	\$9,565	\$7,382	\$8,138	\$8,254	\$8,297	\$5,358
Safety Equipment & Clothing	-	\$424	\$619	\$636	\$586	\$341	\$126
Supplies	\$1,032	\$1,165	\$1,214	\$1,196	\$937	\$581	\$477
Bucket Truck Main. Supplies	\$1,119	\$2,345	\$1,660	\$2,562	\$289	\$12,434	\$11,053
Street Lighting	\$69,936	\$63,871	\$63,671	\$66,514	\$66,694	\$69,691	\$58,987
219 Lighting	\$5,247	\$4,429	\$2,264	\$503	-	\$2,805	\$3,937
Traffic Lights	\$2,164	\$2,301	\$2,565	\$2,269	\$2,225	\$2,604	\$2,004
Electrical Serv. - Downtown Event	\$240	\$376	\$883	\$291	\$104	\$125	-
Historical Main St. Lighting	\$230	\$228	\$297	\$240	\$136	-	-
Traffic Light Maintenance	\$3,633	\$4,618	\$3,008	\$5,407	\$1,935	\$2,204	\$3,601
Street Light Maintenance	4982	\$1,848	\$2,113	\$1,279	\$1,257	\$412	\$637
Capital Outlay	-	\$594	\$478	\$352	-	-	-
Memorial Main St. Clock	-	-	\$146	\$24	\$630	-	-
SUBTOTAL	\$93,046	\$91,764	\$86,300	\$89,412	\$139,674	\$154,314	\$150,761
TOTAL	\$831,120	\$890,408	\$870,940	\$924,785	\$937,834	\$874,111	\$978,740

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS¹

Overall, the public works and highways expenses increased from \$831,120 in 2004 to \$978,740 in 2010. It appears that the City's sidewalks improvement program was only active from 2005 through 2008. Basic highway maintenance expenditures remained relatively constant from year-to-year at about a 2.9% increase per year. The basic highways and public works expenditures make up about 13% of the total general fund expenditures.

Expenditures for street lighting, signs, and signals (considered the City's "electric system") remained relatively constant at about \$90,000 per year until 2008 when expenses increased as a result of the hiring of an electrician for the City.

¹ In 2004 and 2005 the City undertook a major bridge repair project that inflated the expenditures by \$1,074,326 in 2004 and \$320,768 in 2005. These expenditures were removed in order to gain a better understanding of historical trends.

There are additional expense items that are captured in a separate Highway Aid fund, which is supported by the state highway aid allotment from liquid fuels. This fund includes expenses for snow and ice removal, street lighting, and the maintenance and repair of roads. The total of these expenses has remained around \$220,000 per year between 2004 and 2010. The expenditures from the liquid fuel fund are detailed in **Table 29** below.

TABLE 29 – HIGHWAY AID FUND EXPENDITURES 2004 – 2010

EXPENDITURES	2004	2005	2006	2007	2008	2009	2010
GENERAL MAINTENANCE							
Minor Equipment Purchase				\$2,793	-	-	-
Major Equipment Purchase	\$26,624	\$57,794	\$41,290	\$17,453	\$51,538	-	\$51,028
SUBTOTAL	\$26,624	\$57,794	\$41,290	\$20,246	\$51,538	-	\$51,028
SNOW AND ICE REMOVAL							
Snow and Ice Removal	\$45,733	\$51,600	\$55,032	\$109,704	\$138,305	\$100,306	\$105,943
SUBTOTAL	\$45,733	\$51,600	\$55,032	\$109,704	\$138,305	\$100,306	\$105,943
HIGHWAY MAINTENANCE							
Street Lighting	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
SUBTOTAL	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
MAINTENANCE AND REPAIRS							
Maintenance and Repairs	\$12,777	-	-	-	-	\$12,902	-
SUBTOTAL	\$12,777	-	-	-	-	\$12,902	-
MAINTENANCE HIGHWAYS/BRIDGES							
Campus Drive	\$1,097	\$1,124	\$1,202	\$1,240	\$1,368	\$1,315	\$1,260
SUBTOTAL	\$1,097	\$1,124	\$1,202	\$1,240	\$1,368	\$1,315	\$1,260
HIGHWAY/SEWER CONSTR.							
Resurfacing	\$81,625	\$97,326	\$120,091	\$82,307	\$88,533	\$36,256	\$59,347
SUBTOTAL	\$81,625	\$97,326	\$120,091	\$82,307	\$88,533	\$36,256	\$59,347
INTERFUND OPERATING TRANSFERS							
Interfund Transfers						\$8,839	-
SUBTOTAL						\$8,839	-
TOTAL EXPENDITURES	\$175,856	\$215,844	\$225,614	\$221,497	\$287,744	\$167,617	\$225,579

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

PARKING FACILITIES

The City is responsible for meter collection at City open air lots. The meter collection provided \$44,179 in revenue in 2010. This is higher than the past five years.

Table 30 provides a detailed breakdown of revenue and expenses for parking meter services.

TABLE 30 – PARKING METER COLLECTION REVENUE AND EXPENDITURES 2004 – 2010

HIGHWAYS & STREETS	2004	2005	2006	2007	2008	2009	2010
REVENUE							
Meter Collections	\$46,512	\$33,996	\$39,540	\$39,416	\$38,705	\$38,143	\$44,179
PARKING FACILITIES							
Salary - Parking Enforcement Officer	\$18,636	\$18,473	\$18,908	\$20,417	-	-	-
Health Benefit	\$8,884	\$12,234	\$10,485	\$11,501	-	-	-
Life Insurance	\$54	\$54	\$54	\$95	-	-	-
FICA/Medicare Expense	\$1,297	\$1,276	\$1,296	\$1,397	-	-	-
Workers' Compensation	\$763	\$1,035	\$1,024	\$265	\$134	-	-
Parking Citations & Postage	\$960	\$66	\$1,012	\$97	-	\$1,044	\$41
Uniforms	\$81	\$115	\$138	\$11	-	-	-
Maint. Supplies	\$2,636	\$2,967	\$2,392	\$1,725	\$68	\$1,667	\$15
Capital Outlay	\$355	\$391	-	\$320	\$128	\$668	-
SUBTOTAL	\$33,667	\$36,611	\$35,308	\$35,827	\$330	\$3,379	\$56

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

GARBAGE COLLECTION SERVICES

The City provides garbage and refuse collection services through the City's public works department. A portion of the City's director of public works' salary is included in the sanitation budget (the other half of the salary comes out of the City's Public Works and Highways fund). Expenses for the City's garbage operation have steadily decreased from \$1,150,530 in 2004 to \$902,012 in 2010. One of the primary reasons for the decrease in the garbage expenses is a significant reduction in tipping fees between 2004 and 2009. Without the reduction in tipping fees, the City's sanitation expenses would have far outpaced the revenue generated through garbage billing, which has remained steady at about \$1.2 million since 2004. Wages have increased at about 1.5% per year over the past seven years and overtime has doubled from about \$22,000 in 2004 to over \$44,000 in 2010. **Table 31** below provides a detailed summary of the City's garbage collection expenses over the past seven years.

TABLE 31 – GARBAGE EXPENDITURES BY CATEGORY 2004 – 2010

GARBAGE	2004	2005	2006	2007	2008	2009	2010
Salary: Councilman	\$1,817	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Salary - DPW Director	-	-	-	-	\$23,605	\$24,281	\$24,281
Health Benefit	\$92,459	\$95,103	\$101,318	\$103,847	\$115,962	\$112,134	\$132,353
Life Insurance	\$590	\$594	\$569	\$576	\$563	\$540	\$409
FICA/Medicare Expense	\$22,348	\$22,935	\$24,636	\$23,700	\$25,375	\$28,372	\$27,542
Workers' Compensation	\$15,755	\$19,106	\$26,476	\$31,032	\$45,140	\$33,016	\$27,897
Wages - Refuse Collectors	\$281,753	\$287,730	\$306,418	\$291,534	\$316,160	\$313,148	\$305,553
Overtime Wages	\$22,842	\$24,994	\$29,646	\$38,647	\$39,682	\$50,412	\$44,177
Office Supplies	\$1,345	\$1,315	\$1,638	\$1,554	\$1,489	\$787	\$506
Postage	\$4,804	\$3,446	\$2,671	\$5,592	\$2,807	\$3,113	\$3,762
Gas/Oil/Fuel	\$18,937	\$26,914	\$34,093	\$36,994	\$78,114	\$38,922	\$41,368
Safety Equipment/Clothing	\$3,716	\$4,940	\$4,636	\$5,671	\$5,175	\$6,102	\$3,672
Contractual (MM Temps)	\$5,838	\$2,538	-	\$16,688	\$8,301	-	-
Vehicle Equip/Main. Supplies	\$19,110	\$24,740	\$25,846	\$13,760	\$15,316	\$15,062	\$18,986
Tipping Fees	\$601,166	\$347,770	\$222,445	\$229,328	\$208,406	\$208,024	\$197,071
Advertising Inc. Recycling Notice	\$616	\$672	\$587	\$976	\$909	\$502	\$671
Refuse Coupon/Delinquent Notice	\$3,121	\$2,595	\$3,370	\$2,945	\$3,064	\$1,203	\$1,186
Vehicle/Equipment Maint.	-	\$372	-	-	\$329	-	-
CDL/DOT Regulations	\$233	\$19	\$577	\$279	\$465	-	\$50
Landfill Permitting	\$75	-	-	-	-	-	-
Capital Outlay (Dumpsters)	\$2,140	\$5,578	\$5,929	\$5,840	\$9,269	\$9,324	\$7,451
Capital Outlay (Packer Leases)	\$51,863	\$51,863	\$8,645	\$250	\$57,310	\$68,772	\$63,328
GARBAGE TOTAL	\$1,150,530	\$924,974	\$801,250	\$810,963	\$959,190	\$915,462	\$902,012

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

PARKS AND RECREATION

The City provides extensive parks and recreational facilities and programming in the form of community parks, a swimming pool, and an ice rink. The parks and recreation department provides a variety of activities for children, families, and senior citizens. Parks and recreation expenses at \$305,809 made up about 7% of the 2010 actual general fund expenditures. This included three full-time employees (including the director) and about 36 part-time seasonal employees. The parks facilities director is responsible for the maintenance of facilities, the pool, the ice rink, and the programming of recreational activities. Recreation expenses have increased at a rate of about 2.6% per year over the past seven years. Revenue in the amount of about \$101,000 in 2010 helped to offset the costs of operations. The City budgeted \$281,815 for parks in the 2011 adopted budget. **Table 32** provides a detailed breakdown of all parks expenditures for the past seven years.

TABLE 32 – DEPARTMENT OF PARKS AND RECREATION EXPENDITURES BY CATEGORY 2004 – 2010

PARKS	2004	2005	2006	2007	2008	2009	2010
Salary - Councilman	\$3,366	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500	\$3,500
Salary : Parks Facilities Director	\$40,485	\$40,305	\$41,767	\$43,385	\$45,009	\$46,361	\$46,361
Wages - Park Dept.	\$88,090	\$95,356	\$101,737	\$114,109	\$121,492	\$125,176	\$125,893
Health Benefit	\$9,163	\$9,027	\$9,703	\$10,224	\$12,456	\$17,855	\$20,202
Life Insurance	\$140	\$122	\$131	\$162	\$162	\$162	\$138
FICA/Medicare Expense	\$10,081	\$10,601	\$11,116	\$12,269	\$12,962	\$13,368	\$13,427
Workers' Compensation	\$5,603	\$7,928	\$11,597	\$13,890	\$14,093	\$15,386	\$13,085
Education/Certification	-	\$254	\$226	\$83	\$160	-	\$290
Office Supplies	\$8	\$170	\$8	\$64	\$138	\$120	\$123
Postage	-	\$15	\$12	\$11	-	\$45	-
Pool Chemicals	\$5,675	\$7,581	\$6,249	\$5,031	\$5,060	\$5,133	\$5,873
Concessions	\$5,566	\$6,898	\$6,619	\$6,664	\$6,557	\$6,565	\$6,579
Gas & Oil	\$1,876	\$2,579	\$2,579	\$2,469	\$3,521	\$2,199	\$2,727
Clothing/Swim Team Ribbons	\$214	\$218	-	\$737	\$1,298	\$80	-
Safety Equipment/Clothing	\$162	\$191	\$227	\$258	\$183	\$158	\$274
Maint./Supplies/Repairs	\$13,399	\$17,889	\$14,631	\$15,273	\$12,133	\$10,482	\$19,325
Equipment	\$1,545	\$1,798	\$862	\$1,500	\$1,562	\$4,301	\$523
Telephone/Radios	\$1,032	\$1,097	\$972	\$755	\$729	\$774	\$725
Advertising	\$26	\$78	\$45	-	-	-	-
Utilities	\$46,484	\$58,942	\$59,793	\$51,129	\$50,431	\$61,383	\$36,337
Contractual Service/Swim Coach	\$850	\$940	\$650	\$750	\$750	\$750	\$700
Capital Outlay	\$30,450	\$5,560	\$3,473	\$4,899	\$19,480	\$5,562	\$9,727
SUBTOTAL	\$264,217	\$271,048	\$275,896	\$287,159	\$311,678	\$319,361	\$305,809

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

OTHER NONDEPARTMENTAL EXPENSE CATEGORIES

In addition to the departmental expenses, the City includes a number of nondepartmental expenditures as separate expense categories. These are general obligation debt, insurance premiums, pension benefits, and contributions to other government agencies.

Debt Service

The City's debt service includes long-term debt and vehicle leases. The debt service on the long-term debt is treated as a nondepartmental expense. The City's debt service level at approximately 5% of overall revenues is well within acceptable limits based on the debt service standard of no more than 10% of total revenues, which has been established by the

GFOA and referenced by most governmental financial standards. **Table 33** provides a history of the City's debt service expense.

TABLE 33 – DEBT SERVICE BY CATEGORY 2004 – 2010

DEBT PRINCIPAL	2004	2005	2006	2007	2008	2009	2010
G.O.S.B. (Stormwater)	\$40,000	\$40,000	\$45,081	\$40,000	\$51,324	\$48,000	\$52,000
GEN OB Solid Waste (Principal)	\$30,218	\$47,066	\$49,194	\$51,436	\$53,761	\$17,616	-
Gen OB DPW Building	-	\$2,220	\$6,856	\$7,161	\$7,481	\$7,814	\$8,163
GON Elm St. Master Plan						\$15,000	\$15,000
Widening of High St. Project	\$31,149	-	-	-	-	-	\$11,559
City Vehicles	\$31,350	\$25,974	\$20,671	\$21,458	\$22,251	\$23,066	\$23,926
PennVest (E. Bradford Project)	\$123,927	\$118,420	\$116,125	\$119,386	\$122,739	\$126,186	\$129,730
SUBTOTAL	\$256,644	\$233,679	\$237,927	\$239,442	\$257,556	\$237,682	\$240,378
DEBT INTEREST	2004	2005	2006	2007	2008	2009	2010
G.O.S.B. (Stormwater)	\$41,612	\$40,552	\$34,271	\$38,072	\$10,216	\$29,532	\$28,020
GEN OB Solid Waste (Principal)	\$7,013	\$8,781	\$6,653	\$4,411	\$2,086	\$161	-
Gen OB DPW Building	-	\$2,027	\$5,885	\$5,579	\$5,260	\$4,926	\$4,578
GON Elm St. Master Plan					\$33,691	\$43,206	\$42,750
Widening of High St. Project	\$864	-	-	-	-	-	\$2,001
Tax Anticipation - Interest	\$5,436	-	-	-	-	\$10,764	\$16,922
City Vehicles	\$8,321	\$7,111	\$6,273	\$5,486	\$4,693	\$3,878	\$3,018
PennVest (E. Bradford Project)	\$31,077	\$45,874	\$54,805	\$51,543	\$48,190	\$44,743	\$41,199
SUBTOTAL	\$94,323	\$104,345	\$107,887	\$105,092	\$104,137	\$137,210	\$138,488
DEBT SERVICE TOTAL	\$350,967	\$338,024	\$345,813	\$344,533	\$361,693	\$374,893	\$378,866

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The City's debt level has stayed consistent and within reasonable limits over the past seven years. The City budgeted \$390,706 for debt service in the adopted 2011 budget.

Pensions

Pension expense at 11% of the total general fund expenditures is the largest non-departmental expense category. The size of this expenditure and its escalating trend will have long-term lasting effects on the City's ability to support routine operations in its departments. In 2004, at \$463,604, this expense made up only 7% of the total expenditures for the City. In 2011, the City budgeted \$919,690, which is 12.6% of its total budgeted expenses. As more and more of the City's available resources are directed to paying pension liabilities, fewer and fewer funds will be available for City operations and service delivery.

Even though the City has met its funding obligations for the past decade, the funding ratios from the plans dropped from a high of 85.8% in 1999 to a low of 70.5% in 2007, with a

slight rise to 72% in 2009. With pension assets of \$16,409,620 and pension liabilities of \$22,795,491, the City's MMO is likely to continue to increase in the future. Conversely, state aid to the pension funds is likely to decrease because the City has fewer employees today than they did in the past and therefore, fewer units of credit will be assigned for the purposes of the City's state aid allocation. **Table 34** provides a history of the City's funding of the pension funds and the assets and liabilities for each of the funds shown in the City's last submitted actuarial valuations.

TABLE 34 – PENSION FUNDING HISTORY AND UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAAL)

City of Bradford – Pension Funding History				
Year	Police	Fire	Non-Uniform	Total
1999 Funded Ratio	91.10%	74.80%	92.00%	85.80%
2001 Funded Ratio	94.70%	76.40%	98.30%	89.60%
2003 Funded Ratio	78.00%	67.20%	90.50%	78.80%
2005 Funded Ratio	73.50%	68.80%	85.70%	76.50%
2007 Funded Ratio	70.70%	63.40%	77.00%	70.50%
2009 Funded Ratio	69.80%	67.30%	77.90%	72.00%
2009 Pension Assets	4,239,833	5,407,704	6,762,083	16,409,620
2009 Pension Liabilities	(6,078,039)	(8,036,977)	(8,680,475)	(22,795,491)
2009 Unfunded Actuarial Accrued Liability (UAAL)	(1,838,206)	(2,629,273)	(1,918,392)	(6,385,871)
2010 Minimum Municipal Obligation (MMO)	227,618	391,092	224,848	843,558
2010 State Aid				452,878

SOURCE: AUDITOR GENERAL REPORTS, 1999-2007, COWDEN & PARKS ACTUARIAL VALUATION 2009

As stated earlier, this expense is typically shown within each of the respective departments since it is directly related to personnel expenses. However, the City records it as a separate non-departmental category entitled "Pensions and Personnel." **Table 35** provides a complete history of the pension and personnel expenses in this category since 2004.

TABLE 35 – PENSIONS AND PERSONNEL EXPENSES BY CATEGORY 2004 – 2010

PENSIONS & PERSONNEL	2004	2005	2006	2007	2008	2009	2010
Non-Uniform Pension (Act 205)	\$121,194	\$32,103	\$54,647	\$81,312	\$180,000	\$184,553	\$184,321
Civil Service	\$904	\$476	\$655	\$622	\$323	\$437	\$145
Police Pension (Act 205)	\$83,238	\$152,709	\$171,778	\$181,853	\$210,700	\$137,633	\$295,951
Fire Pension (Act 205)	\$254,066	\$301,170	\$289,499	\$366,974	\$367,495	\$362,633	\$367,778
Education/Information	-	\$1,220	-	\$9	-	-	-
Official Safety Expense	\$4,202	\$2,142	\$1,406	\$5,577	\$601	\$2,752	\$2,631
PENSIONS TOTAL	\$463,604	\$489,820	\$517,985	\$636,346	\$759,118	\$688,007	\$850,825

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Insurance

Insurance premiums made up about 2% of the City's overall expenses of the 2010 actual expenditures. Total insurance costs have fluctuated from year to year, from \$134,365 in 2004, to \$117,872 in 2008, to \$156,822 in 2010. Although this is not a significant expense for the City, it is an expense that can be managed and controlled through inviting comparisons and proposals from time to time.

TABLE 36 – INSURANCE PREMIUM COSTS 2004 – 2009

INSURANCE & OTHER SERVICES	2004	2005	2006	2007	2008	2009	2010
Unemployment Compensation	\$1,812	\$1,756	\$11,393	\$17,866	\$7,153	420,278	\$18,234
Insurance/Package Policy	\$129,110	\$127,696	\$111,040	\$103,317	\$108,022	\$111,621	\$135,660
Surety Bonds	\$2,859	\$1,516	\$1,891	\$2,141	\$1,797	\$1,716	\$2,311
Appraisal Fee	\$585	\$580	\$7,230	-	\$900	\$558	\$618
INSURANCE TOTAL	\$134,365	\$131,548	\$131,554	\$123,324	\$117,872	\$134,173	\$156,822

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Contributions

The City levies special millage for and makes contributions to the Bradford Area Public Library. The contribution to the library has consistently been \$25,000 annually since 2004. The library also receives grants from the state and the Bradford Area School District. The state and school district monies are contingent on the amount of local support efforts that are in place for the library. In other words, the more aid that is provided locally, the more the library can maximize its allocations from both the Commonwealth and the school district.

The City also makes annual contributions of \$6,000 to the Greater Bradford Senior Activity Center. The center's \$60,000 annual budget is also subsidized by McKean County, the United Way of the Bradford Area, the Borough of Lewis Run, and the cities of Bradford, Foster, and Lafayette.

2011 BUDGET AND EXPENDITURES

The City budgeted \$7,456,282 in expenditures for 2011. This is an extremely optimistic budget projection considering that the actual expenditures in 2010 were \$7,548,274. Without significant controls in place to contain costs and constant monitoring of department expenses, the City will be hard-pressed to meet these numbers.

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STEP II: FINANCIAL TREND ANALYSIS

The purpose of this analysis, which was performed over a multiyear period, is to project future revenues, expenditures, and economic and demographic trends so the City can understand its future financial position and take immediate steps to counteract any negative trends. Based on a detailed historical analysis of the City's finances, and considering the economic context within which the City operates, the following information is provided relative to projections for years 2011 through 2015.

PROJECTIONS 2011 - 2015

The financial projections provide an estimate of where the City is likely to be from 2011 to 2015 if no corrective actions are taken. The projections assume that the current City operations will remain in place and that there will be no changes in tax rates and fees. These projections are not intended to provide the level of detail that could be used to construct a budget. These projections identify any future gap that will need to be filled to match revenues and expenditures. The projections also identify possible measures that will need to be taken to maintain balanced budgets in the future.

FINDINGS FROM STEP I

A number of important findings emerged from the analysis of the 2004 through 2010 revenues and expenditures existing conditions report. These findings are summarized below.

FINDING 1: Without adjustments to fees and/or tax rates, ongoing revenues are likely to remain at about \$7.2 million per year while expenses are \$7.5 million and escalating at about 3.2% per year.

FINDING 2: The City's collection rate for real estate tax has dropped from 90% to 86% impacting the revenue that is available to the City by an estimated \$120,000.

FINDING 3: Pension expense is a growing concern and, if left unaddressed, will have a devastating impact on the City's ability to fund basic services in the future.

FINDING 4: Public safety, when examined in total, makes up about 51% of the City's overall expenses and is increasing at a rate that exceeds the CPI and the ability of the City to generate revenue.

FINDING 5: The greatest cost increases are likely to be in healthcare insurance, pension obligations, and energy expenses. The City's best option is to proactively address these issues.

FINDING 6: Without intervention, the City is likely to see growing deficits in future years that could be as high as \$775,000 by 2015.

FORECAST ASSUMPTIONS – REVENUES

The revenue projections begin with a base year that attempts to capture the current level of revenue generation. The base year begins with the 2010 year-end actual revenues. This base year is used because it reflects the current level of revenue generation effort in the City's operations. It is assumed that these levels will be maintained in future years.

REVENUES

Revenues for the City have only increased in the past when there has been a millage rate increase, such as in 2010 when the City's revenues increased by \$100,000 from 2009 with a millage increase of 7.5%. **Table 37** provides projections for total revenues in the general fund from 2011 through 2015.

TABLE 37 – GENERAL FUND REVENUES 2011 – 2015

Year	Revenues	Increase/Decrease (-)
2011	\$7,219,975	-0.6%
2012	\$7,238,415	0.3%
2013	\$7,341,299	1.4%
2014	\$7,498,560	2.1%
2015	\$7,574,452	1.0%

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The following assumptions were used to provide the baseline revenue projections:

REAL ESTATE TAX REVENUES

It is assumed that the 2011 real estate tax rate of 16.02 mills for general purposes will only change with changes in assessed values and with an improved collection rate. Unfortunately, the recent trend in market values has been downward. Market values have been declining at about 0.5% per year. This is reflected in the 2011 – 2015 projections for both current and delinquent taxes that are shown in **Table 38** below.

TABLE 38 – PROJECTED REAL ESTATE TAX REVENUE 2011 – 2015

REAL ESTATE TAXES	2011	2012	2013	2014	2015
Real Estate Taxes – Current	2,565,283	\$2,590,935	\$2,616,845	\$2,643,013	\$2,669,443
Real Estate Taxes - Prior Yr.	\$290,000	\$304,500	\$319,725	\$335,711	\$352,497
SUBTOTAL	\$2,855,283	\$2,895,435	\$2,936,570	\$2,978,724	\$3,021,940

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

Delinquent tax collections are dependent, in part, on the number of delinquencies to be collected.

ACT 511 TAX REVENUE

It is assumed that because of the nature of the taxes authorized under Act 511 and their sensitivity to external economic factors, this revenue source has the most potential for growth over the next five years. Since the growth rate for Act 511 taxes overall has been about 2% per year, it is estimated that the growth will remain at that approximate rate.

Table 39 below provides a detailed forecast in actual dollars for the Act 511 taxes by category.

TABLE 39 – PROJECTED ACT 511 TAXES 2011 – 2015

ACT 511 TAXES	2011	2012	2013	2014	2015
Per Capita Taxes	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Delinquent Per Capita Taxes	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300
1% Realty Tax	\$45,894	\$47,042	\$48,218	\$49,423	\$50,659
Wage Tax	\$703,850	\$721,446	\$739,482	\$757,970	\$776,919
Mercantile Tax	\$168,866	\$171,399	\$171,399	\$173,970	\$176,579
Delinquent Mercantile Tax	\$250	\$250	\$250	\$250	\$250
Occupational Privilege Tax	\$218,384	\$235,750	\$223,843	\$241,644	\$229,439
Delinquent Occupational Privilege	\$100	\$100	\$100	\$100	\$100
Business Privilege Tax	\$216,926	\$246,000	\$222,349	\$252,150	\$227,908
Delinquent Business Privilege	-	-	-	-	-
SUBTOTAL	\$1,365,570	\$1,433,287	\$1,416,941	\$1,486,806	\$1,473,154

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

DEED TRANSFER TAX

It is assumed that deed transfer taxes will remain low throughout the forecast period. Unfortunately, one of the lingering effects of the recent recession has been depressed real estate sales. It is possible that real estate sales (and therefore the revenue) will increase in the later years of the forecast period.

EARNED INCOME TAX (EIT)

EIT revenues have fluctuated, climbing to \$721,886 in 2007, and then declining from 2008 through 2010, as the recession took hold. It is assumed that revenues will begin to increase again as regional personal income increases at a rate of 2.2% per year. The growth may be higher in the later years of the forecast period.

LOCAL SERVICES TAX (LST)

It is assumed that the number of jobs in Bradford will increase as the economy recovers. As the number of jobs increases, the revenue from the City's LST will also increase.

BUSINESS PRIVILEGE TAX

As a tax on gross business receipts, this tax should grow with the recovery from the recession. The national gross domestic product is projected to grow at rates of 3.8% to 4.8% over the forecast period (as reported in the Congressional Budget Office's [CBO] *The Budget and Economic Outlook: An Update*, August 2010). This growth rate may be overly optimistic for areas in Pennsylvania, as such areas have tended to lag behind the national economy during recoveries. For this reason, the receipts are projected to be fairly flat in future years.

OTHER REVENUE SOURCES

CABLE TELEVISION FRANCHISE FEE

It is assumed that the fee will increase at a rate of 6% from 2010 to 2015 as cable charges increase. This is slightly lower than the increases in fees between 2004 and 2010 because there was a stabilization and then erosion of the revenue over this time period due to local options available to residents in the form of satellite and Direct TV. These forms of service are not required to pay a franchise fee to the City. **Table 40** below provides a history of this revenue source.

TABLE 40 – CABLE TV SERVICE FEES - PROJECTED 2011 - 2015

SERVICES	2011	2012	2013	2014	2015
Cable TV Service Fees	89,000	88,546	90,760	93,029	95,354

SOURCE: CITY OF BRADFORD FINANCIAL REPORTS, DELTA ANALYSIS

FINES AND FORFEITS

These revenues have fluctuated between \$85,000 and \$90,000 from 2004 to 2010. For this reason they are projected at the same rate for future years.

TIMBER ASSETS REVENUE

Although this has been a significant source of revenue for the City over the past several years, it is assumed that over the next five years, the City will receive only the timber assets that are guaranteed under the lease agreement, which is \$120,000 per year.

INTERGOVERNMENTAL REVENUES

The City has not always accounted for the intergovernmental revenues in the general fund. Liquid fuel funds will continue to be accounted for in a special revenue fund. It is assumed that there will be no change in these revenues during the forecast period.

STATE GRANTS

In the past, the City has accounted for the Public Utility Realty Tax Act (PURTA) under the category of state grants. Likewise, the City also receives shared revenue from the

foreign fire insurance act for state aid to pensions. It is assumed that these state-shared revenues will remain consistent in future years.

DEPARTMENTAL EARNINGS

These are primarily fees for services provided by the City. It is assumed that the level of services and the fees will grow at an average rate of 2.2% per year which is the average CPI increase over the past five years.

AMBULANCE REVENUE

Between 2004 and 2010, the revenue from the City's ambulance services increased by approximately \$170,000 per year. As the community experiences an aging population, and healthcare costs continue to rise, ambulance revenue is projected to continue to increase through 2015. This is largely dependent on the status of the service for emergency and non-emergency transports remaining at the same level. **Table 41** provides the projected revenue expected from this source from 2011 through 2015.

TABLE 41 – AMBULANCE REVENUE – PROJECTED 2011-2015

SERVICE	2011	2012	2013	2014	2015
Ambulance Revenue	594,158	614,953	636,477	658,753	681,810

SOURCE: CITY OF BRADFORD FINANCIAL REPORTS, DELTA ANALYSIS

CULTURE/RECREATION

The City's culture and recreation department receives revenues from a variety of fees, which include swimming pool fees, concession sales, pavilion rentals, and ice rink fees. The revenue from these departments is projected to increase by 2.2% per year which is the average CPI increase over the past five years.

GARBAGE AND RECYCLING

The City charges and collects fees for garbage collection services. This is a major source of revenue that is reported in the general fund. Based on historical information, it is assumed that these revenues will increase at a rate of 1.0% per year. **Table 42** below shows the projected garbage collection fees for 2011 through 2015.

TABLE 42 – GARBAGE/RECYCLING REVENUE PROJECTIONS 2011 – 2015

SANITATION	2011	2012	2013	2014	2015
Garbage Fees	\$1,235,230	\$1,247,582	\$1,300,000	\$1,313,000	\$1,326,130

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

INTERFUND TRANSFERS

The primary source of interfund transfers has historically been from the capital reserve fund. Since this fund has been depleted, no transfers were assumed through 2015.

FORECAST ASSUMPTIONS – EXPENSES

The projections for expenses begin with a base year that attempts to capture the current level of spending. The base year begins with the 2010 actual year-end expenditures. This base year is used because it reflects the current level of services and activity in the City's operations. It is assumed that these levels will be maintained in future years.

EXPENSES

Expenses for the City decreased between 2004 and 2006, but beginning in 2007, the City's expenditures gradually increased. The increase in expenses is primarily driven by salaries, employee benefits (particularly healthcare costs), and pension obligations. Assuming that the City will not make any significant changes, it is estimated that expenditures will continue to increase at an average of 3.2% per year with an estimated \$8,348,844 in total expenditures by 2015, as detailed in **Table 43** below.

TABLE 43 – PROJECTED TOTAL GENERAL FUND EXPENDITURES 2011 – 2015

General Fund Expenditures		
Year	Expenditure	Inc/Dec
2011	\$7,454,150	-1.2%
2012	\$7,621,376	2.2%
2013	\$7,872,053	3.3%
2014	\$8,084,061	2.7%
2015	\$8,348,844	3.3%

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The following assumptions were used to provide the baseline expenditure projections.

WAGES AND SALARIES

It is assumed that the wages and salaries of elected officials will remain at the budgeted 2011 level. For uniformed and non-uniformed employees who are covered by the collective bargaining agreements, the following assumptions were used for projections. These assumptions were based on the collective bargaining agreements and historical trending of actual expenses.

- AFSCME Employees – 2.5% per year increases for all years
- Police Employees – 3.5% per year increases for all years
- Fire Employees – 3 % per year increases for all years
- Teamster Employees - 2% increase per year for 2011 and 2012, 3% increase for 2013 and thereafter

It should be noted that the AFSCME contract expires at the end of 2011, the Police and Fire in 2012, and the Teamsters in 2014. For employees not covered by a collective bargaining agreement, a 2.5% per year increase was assumed.

BENEFITS

It is assumed that health insurance costs, including vision and dental expenses, will increase at a rate of 9.0% per year until 2015. This rate of increase is in keeping with the estimates in national employer surveys, including the *National Business Group on Health* survey results released in August 2010, and Milliman's *2010 Group Health Insurance Survey* results, also released in August 2010. The increases in 2014 and 2015 may be moderated with the implementation of the Affordable Care Act. It is assumed that the City will be able to avoid healthcare cost increases in 2014 and 2015.

It is assumed that the City's pension costs will increase at a rate of 3.5% per year, but that a portion of the cost will be met with the state pension aid. The Federal Insurance Contributions Act (FICA) contributions and the unemployment compensation are assumed to increase at the same rate as the employee compensation increases since they are based on a percentage of total compensation.

SUPPLIES

It is assumed that the cost of most supplies will increase at the projected rate of inflation of approximately 2.5% annually (CBO, *The Budget and Economic Outlook: An Update*, August 2010). It is assumed that the cost of gasoline will increase 2.5% annually beginning in 2011.

DEPARTMENTAL EXPENSES

The increases in expenditures above the base year used in the projections varied from department to department. The average annual percentage increase from the base year to 2015 exceeded 3% in three major departments: fire, police, and parks and recreation. One of the greatest increases was the employee benefit category of healthcare insurance costs with an estimated 9% annual increase. In dollar terms, the largest increases from the base year to 2015 are in the police and fire departments as well as in the employee benefit categories.

POLICE DEPARTMENT

Police costs are projected to increase by about \$300,000 between 2010 and 2015 due to increases in salaries, benefits, gasoline, and vehicle repair expenses. **Table 44** below shows the projected increase in police department expenses between 2010 and 2015.

TABLE 44 – PROJECTED POLICE DEPARTMENT EXPENDITURES 2010 – 2015

Year	Total Expenditures	% Increase (Decrease)
2010	1,241,275	-4.32%
2011	1,286,261	3.62%
2012	1,344,300	4.51%
2013	1,405,817	4.58%
2014	1,471,067	4.64%
2015	1,540,331	4.71%

SOURCE: BRADFORD CITY FINANCIAL RECORDS, DELTA ANALYSIS

The other category for the police department budget which is classified as “Parks and Parkways Securities” is projected to increase at a rate of 3.7% per year through 2015.

FIRE DEPARTMENT

Fire Department costs are projected to increase by about \$30,000 between 2010 and 2015 due primarily to salaries and benefits. This is due to the decrease in staffing in 2011 that reduced the total fire department expenses by 10%. **Table 45** below shows the projected increase in fire department expenses between 2010 and 2015.

TABLE 45 – PROJECTED FIRE DEPARTMENT EXPENDITURES 2010 – 2015

Year	Total Expenditures	% Increase (Decrease)
2010	1,455,739	12.8%
2011	1,307,529	-10.2%
2012	1,319,900	0.9%
2013	1,372,368	4.0%
2014	1,427,760	4.0%
2015	1,486,283	4.1%

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

AMBULANCE RESCUE SERVICES

It is projected that costs associated with the City’s ambulance rescue services will increase at a rate of 2.5% per year through 2015. Increased costs are related to salary increases, increase in call-out time, and equipment costs, as well as an increase in the department’s computer contract.

COMMUNITY DEVELOPMENT

As previously stated, the City’s community development operations include the salaries and wages for the City’s health department’s operations as well as the City’s planning and zoning operations. Between 2010 and 2015, it is projected that overall expenditures for community development operations in the City will increase approximately \$2,000 between 2010 and 2015, or 0.7% per year. The slight increase in expenditures for community development is a result of routine increases to the consumer price index categories.

PUBLIC WORKS & HIGHWAYS

The City’s Public Works and Highways department provides services for all road maintenance as well as the City’s electric system. Overall the department’s expenditures are expected to increase 5.6% from 2010 to 2015 with the greatest increase shown within the City’s electric system with a 19.1% increase from 2010 to 2015. Costs associated with the projected increase in the City’s electric system are due to wage and benefits for the City’s electrician as well as an increase in overall utility charges for the City lights and traffic signals. Total projections for the City’s Public Works and Highways department can be found in **Table 46** below.

TABLE 46 – PROJECTED PUBLIC WORKS & HIGHWAYS DEPARTMENT EXPENDITURES 2010 – 2015

	2010	2011	2012	2013	2014	2015	% Change
Highways	827,979	728,074	770,483	796,864	824,638	853,907	3.1%
Electric System	150,761	157,143	164,534	169,331	174,326	179,530	19.1%
Public Works Total	978,741	885,217	935,017	966,195	998,964	1,033,437	5.6%

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

In addition to the activities funded in the general fund, the highway aid fund which is supported by state shared revenue from the gasoline tax (liquid fuels) is about \$190,000 per year. These funds are typically used for snow and ice removal, road resurfacing, and public works vehicles. These are all allowable expenses in the liquid fuels fund state guidelines.

The City also provided parking enforcement services and employed a parking enforcement officer until 2007 when the position was eliminated. The parking facilities expenditures reached a high of approximately \$35,000 in 2007 to a low of only \$5,000 in 2010, which is expected to stay constant through 2015. The City's parking meter collections from the parking facilities cover only the debt service payment.

GARBAGE COLLECTION SERVICES

The City's sanitation expenses are predicted to fluctuate between 2010 and 2015. Expenditures are projected to decrease 3.6% from 2010 to 2011 largely as a result of a significant reduction in overtime costs. However after 2011, it is expected that expenditures will increase every year. Wages and benefits will drive the increases and overtime is expected to increase at a rate or 2.5% per year. The sanitation expenditures also include a portion of the City's director of public works' salary. Projections for the City's sanitation expenditures are shown in **Table 47** below.

TABLE 47 – PROJECTED SANITATION SERVICES EXPENDITURES 2010 – 2015

Year	Total Expenditures	% Increase (Decrease)
2010	902,012	-1.5%
2011	869,858	-3.6%
2012	913,354	5.0%
2013	933,082	2.2%
2014	953,896	2.2%
2015	975,876	2.3%

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

PARKS AND RECREATION

Parks and recreation expenses are projected to decrease through 2011 then beginning in 2012 increase at an average annual rate of 3.1% per year. The significant decrease that was seen in the parks and recreation department was between 2010 and 2011 when expenditures decreased from \$305,809 in 2010 to \$281,519 in 2011. The primary reason for the decrease was the result of one of the department's three full-time employees retiring. The department is not expected to replace the full-time position so the department's expenses are not expected to significantly increase. Overall increases in the department's expenditures are primarily the result of inflation in the purchasing of equipment and supplies.

TABLE 48 – PROJECTED PARKS AND RECREATION EXPENDITURES 2010 – 2015

Year	Total Expenditures	% Increase (Decrease)
2010	305,809	-4.2%
2011	281,519	-7.9%
2012	296,310	5.3%
2013	305,358	3.1%
2014	314,779	3.1%
2015	324,595	3.1%

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

OTHER NONDEPARTMENTAL EXPENSE CATEGORIES

The City's nondepartmental expenditures include the general obligation debt, insurance premiums, pension benefits, and contributions to other government agencies.

Debt Service

The City's debt level has stayed consistent and within reasonable limits between 2004 and 2010. It is projected that the City's debt service, which includes both the City's debt principal and debt interest, is expected to decrease by 14% from 2010 through 2015.

TABLE 49 – PROJECTED DEBT SERVICE EXPENDITURES 2010 – 2015

	2010	2011	2012	2013	2014	2015	% Change
Debt Principal	240,378	257,341	252,494	252,494	237,494	229,331	-4.6%
% Increase (Decrease)	1.1%	7.1%	-1.9%	0.0%	-5.9%	-3.4%	-
Debt Interest	138,488	133,365	139,934	139,934	97,184	92,606	-33.1%
% Increase (Decrease)	0.9%	-3.7%	4.9%	0.0%	-30.6%	-4.7%	-

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

Pension Benefits

As previously stated, pension expense constitutes 11% of the total general fund expenditures, making it the largest non-departmental expense category. The trend of pension expenses has been increasing and is expected to continue to increase through 2015. In addition to an increase in the City's MMO, the state aid to the pension funds is likely to decrease because the City's employees have decreased over the past 10 years, and therefore fewer units of credit will be assigned for the purposes of the City's state aid allocation.

Benefit costs are expected to increase by over \$440,000 to about \$1.2 million by the year 2015, due primarily to increases in health insurance costs and to escalating expenses for retiree's Other Post-Employment Benefits (OPEB), employee pensions, and the City's Social Security employer contribution based on higher salaries.

Insurance

Insurance premiums have fluctuated from year to year between 2004 and 2010 and are expected to continue to fluctuate through 2015. Future projections show that insurance premiums increased by 16.9% between 2009 and 2010 and then decreased the following year by 5%. For purposes of forecasting, it is assumed that the insurance costs will rise at the same rate as the CPI which is estimated to be about 2.5%.

TABLE 50 – PROJECTED INSURANCE EXPENDITURES 2010 – 2015

Year	Total Expenditures	% Increase (Decrease)
2010	156,822	16.9%
2011	149,049	-5.0%
2012	152,847	2.5%
2013	156,742	2.5%
2014	160,738	2.5%
2015	164,837	2.5%

SOURCE: CITY OF BRADFORD, DELTA ANALYSIS

OUTLOOK

The City has been experiencing significant general fund operating deficits that have been addressed in the past six years through timber sales and proceeds from borrowing. The decline in timber sales has created a gap between the projected revenues and the projected expenditures that must be addressed in fiscal year 2011 and beyond. Expenditures are increasing at a rate of about 3.2% per year while revenues when adjusted by eliminating non-recurring items are increasing at a rate of only 2.8% per year.

Table 51 below provides a complete review of the City's total revenues and expenditures during the study period and projected through 2015. For fiscal year 2011, revenue and expenditures are projected based on current levels of service delivery and historical data.

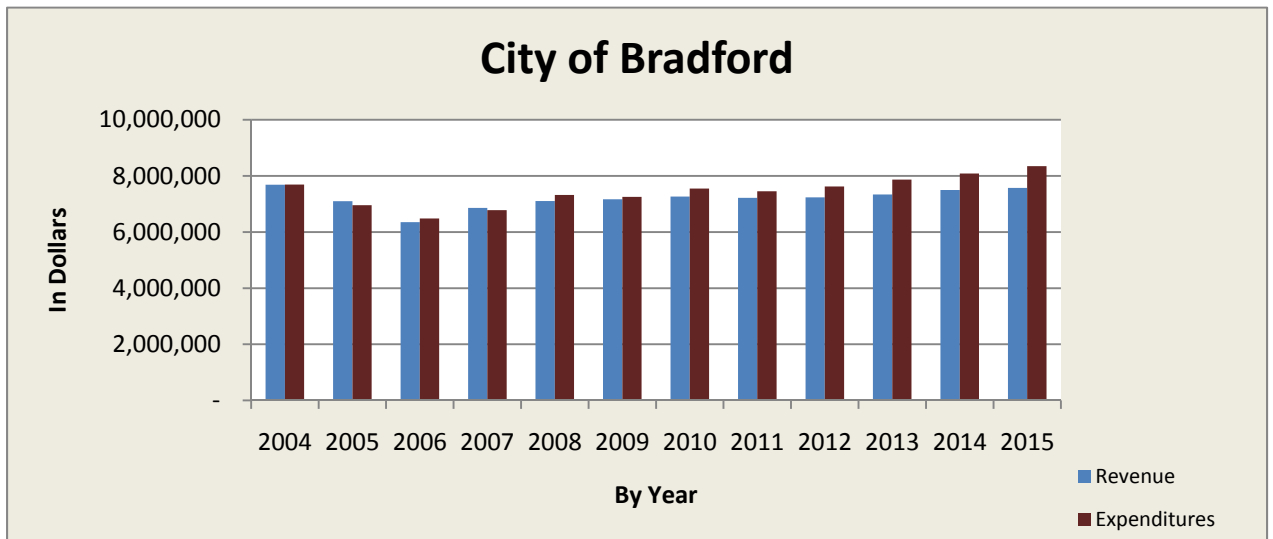
TABLE 51 – OVERALL HISTORY AND PROJECTIONS FOR REVENUE AND EXPENDITURES

Year	Revenue	Expenditures	Difference
2004	\$7,686,811	\$7,689,873	\$(3,062)
2005	\$7,097,763	\$6,956,247	\$141,515
2006	\$6,350,644	\$6,482,462	\$(131,818)
2007	\$6,862,726	\$6,782,195	\$80,531
2008	\$7,106,707	\$7,322,508	\$(215,801)
2009	\$7,167,834	\$7,254,311	\$(86,477)
2010	\$7,264,532	\$7,548,274	\$(283,742)
2011	\$7,219,975	\$7,454,150	\$(234,175)
2012	\$7,238,415	\$7,621,376	\$(382,960)
2013	\$7,341,299	\$7,872,053	\$(530,754)
2014	\$7,498,560	\$8,084,061	\$(585,501)
2015	\$7,574,452	\$8,348,844	\$(774,392)

SOURCE: BRADFORD CITY FINANCIAL RECORDS, DELTA ANALYSIS

Without intervention and remediation, the City will deplete all cash reserves and experience significant and increasing deficits over the next five years. These deficits will be as high as \$774,392 by 2015 and will impact the City’s ability to deliver basic services to residents..

FIGURE 4 – GENERAL FUND REVENUES AND EXPENDITURES TRENDS AND PROJECTIONS



SOURCE: BRADFORD CITY FINANCIAL RECORDS, DELTA ANALYSIS

STEP III: EMERGENCY PLAN FOR CURRENT FISCAL YEAR

INTRODUCTION

The purpose of Step III of the EIP Five-Year Financial Management Plan is to develop a plan that allows the City to pursue short-term strategies, based on the information derived from Step I (Financial Condition Assessment) and Step II (Financial Trend Analysis) during the next six- to 12-month time frame. The EIP guidelines state that the emergency plan should set forth a strategy regarding

1. whether the current fiscal year's budget should be reopened, amended, or modified;
2. whether operational and/or personnel reductions should occur;
3. whether short-term borrowing, including possible unfunded debt borrowing, is necessary; and
4. whether other types of administrative reorganization or short-term actions should be effectuated in order for the City to remain solvent in the current fiscal year.

IMMEDIATE ACTION REQUIRED

A review of the City's audited financial statements indicates that, although the City year end fund balance has remained positive over the past six (6) years, the sale of timber and proceeds from borrowing have provided the cash to maintain the positive fund balances. The City's core revenue (traditional revenue that can be reasonably expected to be collected through tax levies and established fees) has been approximately \$1 million less than core expenditures for most of the years that were reviewed. Although the City has reduced its expenditures in nearly every year, the revenue is still not sufficient to support the current level of expenditures without the use of timber sales and/or the proceeds realized from short term borrowing. **Table 52** below demonstrates the operating deficits and the use of timber sales and loan proceeds as adjustments to the fund balance.

TABLE 52 – AUDITED FUND BALANCES 2004 - 2009

Year	Core Revenue	Core Expenditures	Deficit	Sale of Timber	Proceeds from Debt	Adjusted (Deficit)/Excess	YE Fund Balance
2004	6,711,167	7,947,609	(1,236,442)	842,172	530,000	(39,689)	347,332
2005	6,195,928	7,117,180	(921,252)	1,048,832	140,000	85,175	432,507
2006	5,906,696	6,604,239	(697,543)	608,031	-	(109,512)	322,995
2007	5,997,519	6,771,858	(774,339)	887,056	-	87,986	410,981
2008	5,976,991	6,935,836	(958,845)	1,156,179	-	(199,359)	211,622
2009	5,605,623	6,557,424	(951,801)	456,201	350,000	(117,761)	102,802

SOURCE: AUDITED FINANCIAL STATEMENTS, JAMES G. ZUPKA, C.P.A. INC., DELTA ANALYSIS

As the proceeds from the timber sales declined, the City used available cash reserves for operating purposes depleting all available cash by year end 2010. As a result, based on Delta's review of the City's existing financial condition and trend analysis, it is the consultant team's

“ . . . although there is not an imminent financial crisis, there could be significant cash flow issues later in 2011.”

opinion that **although there is not an imminent financial crisis, there could be significant cash flow issues later in 2011.** The City may not have enough cash to meet all of the obligations and expenses due in fiscal year 2011. **Table 53** below provides an overview of the revenue and expense projections for the City for future years.

TABLE 53 – ESTIMATED REVENUES AND EXPENDITURES 2010-2015

Year	Revenues	Expenditures	Difference
2010	7,264,532	7,548,274	(283,742)
2011	7,219,975	7,454,150	(234,175)
2012	7,238,415	7,621,376	(382,960)
2013	7,341,299	7,872,053	(530,754)
2014	7,498,560	8,084,061	(585,501)
2015	7,574,452	8,348,844	(774,392)

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

The projected deficit and cash flow difficulties are also a result of several of the budget categories where major revenue sources were over estimated and projected revenue differs significantly from the budgeted revenue. These revenue sources with the budgeted and projected amounts are shown in **Table 54** below.

TABLE 54 – 2011 BUDGETED AND PROJECTED REVENUE SOURCES

Major Revenue Source	2011 Budgeted	2011 Projected	Difference
Real Estate Taxes	2,919,735	2,855,283	(64,452)
Act 511 Taxes	1,385,900	1,365,570	(20,330)
Fines	113,000	84,006	(28,994)
Services	762,976	705,658	(57,318)
Garbage Fees	1,300,000	1,235,230	(64,770)
Total	6,481,611	6,245,746	(235,865)

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS, DELTA ANALYSIS

In order to address the projected \$235,000 deficit by year end, the City will have to closely monitor the revenue reports and explore all available options during the next several months. Of course, there may be changes in the revenue outlook that partially or totally address the projected deficit. The City may collect more current real estate and Act 511 taxes than expected. The police department may improve the fines and forfeiture activity. Ambulance fees and garbage fees may be collected more efficiently than currently projected and timber sales may again help the City to meet its budgeted revenue projections.

However, in the absence of an improved revenue outlook and in order to ensure that City payments and services are not disrupted, the City should consider several additional options. These options include:

1. **UNFUNDED DEBT LOAN** - An unfunded debt loan is a loan through a private financial institution that provides cash in a financial crisis in order to meet current liabilities. The loan must be structured in accordance with the Local Government Unit Debt Act and approved by the Court of Common Pleas and by the DCED. In order to have the funds available by year end, the City will need to have a completed 2010 audit and secure financing no later than October 2011 so that funds will be available to pay final year end obligations. The amount of the loan necessary can be determined by a complete cash flow analysis after the second quarter.
2. **PERSONNEL OR STAFFING REDUCTIONS** – Personnel reductions can be achieved by leaving open positions vacant through 2011 and by utilizing part time or temporary personnel to fill immediate needs when necessary. Contracted services are also an option for achieving specific goals for short term tasks or projects.
3. **DELAY OF PURCHASES, PROJECTS, AND/OR PROGRAMS** – Projects and programs that are identified in the budget may be delayed until future years. Budgeted equipment items should be postponed until the cash flow analysis improves.

In addition to the three options identified to address urgent the cash flow needs of the City, the following short-term strategies are recommended by the consultant team.

REVENUE ENHANCEMENTS – SHORT-TERM STRATEGIES

As stated in Step I and Step II of this report, in every fiscal period reviewed, the City generated less revenue than needed to support the expenditures for its general operation. This is due to a number of reasons:

- The assessed value of real estate for taxation purposes in Bradford has not increased. The City has been forced to raise taxes for five straight years but has collected less per mill of taxes in each of those years. The decrease has come from a number of sources, including declining assessed values, assessment appeals in the commercial district, and a lower collection rate. The collection rate is particularly troubling because as the millage rate increased the collection rate went from 90% in 2005 to 86% in 2010.
- Other taxes have not increased significantly. In 2005, the 511 tax revenues were \$1,176,380. In 2010, they were \$1,336,641. This is an average increase of 2.2% per year which is consistent with the average CPI increase during that period.
- The lingering effects of the recession make it unlikely that tax revenues will increase significantly during the remainder of 2011.
- Fee income, primarily for garbage collection, has not kept up with the increases in the cost of providing the services. The escalation of gasoline prices will far outpace any increase in fees collected for ambulance services and garbage collection.

The City's gap between the revenue generated and the cost of delivering municipal services cannot be filled by any one action or decision but must be addressed over time by adopting a posture of fiscal discipline and an open dialogue with the public, adjacent communities, and policy makers in the region.

REAL ESTATE TAX

- **The City should review and improve its collection methods. Each 1% increase in the collection rate for current real estate taxes could generate an additional \$30,000 in property tax revenues.** Real estate taxes are calculated based on the assessed value of taxable real estate in the City, which is a County function, and the millage rate adopted by the City on an annual basis during the budget process. Once the year is underway, collections will depend on the willingness of property owners to pay and the effort that the City makes to collect the taxes. The current year real estate tax collection rate has dropped from 90% in 2005 to 86% in 2010. Bradford is not alone in experiencing a drop in collections. When millage rates increase, residents often find it more difficult to pay tax bills. To increase the collection rate, the City should take the following steps:
 - ✓ Monitor and aggressively pursue current collections with reminder notices and phone calls. Taxes that are collected in the current year have a much better chance of being collected than those that are pushed to future periods.
 - ✓ Monitor and analyze the delinquent collections in order to ensure that all possible avenues are being pursued by the County for current and delinquent tax collections.
 - ✓ Monitor the appeal activity and challenge any major assessment appeal.

A 4% increase in the collection rate could generate \$120,000 in additional revenues which will offset 1 mill of real estate tax.

ACT 511 TAXES

The rates for EIT, realty transfer tax, business taxes, and LST are established at specific levels in the authorizing statutory language of Act 511, the Local Tax Enabling Act. All of these taxes in Bradford have been set at the statutory limit. The EIT is collected by the Bradford Area Central Tax Agency and the LST and business privilege taxes are collected by the Bradford City Treasurer. Beginning in 2012, the EIT will be done on a countywide basis through the selected collector, Berkheimer Associates, pursuant to Act 32 of 2008.

Earned Income Tax (EIT)

In order to maximize the ability to collect all taxes due to the City, the following recommendations are made:

- **The City should use a rental registration program and the assessment rolls to keep the list for EIT payers current and complete.** The list of tenants in rental units should be forwarded to the EIT Collector at least on an annual basis in order to cross-reference the residents who live in the City. Any property sales and changes in occupancy that trigger an inspection should be reported to EIT Collector on a monthly basis.

Although most Act 511 tax levies cannot be adjusted or increased, the collection process should be continually monitored and improved for maximum efficiency.

Mechanical Devices Tax

Currently, the City does not levy any fees for amusement permits or mechanical devices. The mechanical devices tax is a tax on coin-operated machines of amusement (e.g., video games, soda machines, candy machines). It can be levied and collected annually if it is established as a tax under Act 511. Establishing a tax for these devices at \$350 to \$500 per device could generate between \$25,000 and \$30,000 annually. When reviewing the comparable communities in Appendix D, three (3) communities generated \$25,000 annually and one (1) community, the City of Monessen in Westmoreland County, generated closer to \$50,000.

Other Taxes

The City is already at its limits with other taxes. However, there are a few things that can help to increase collections:

- **The City should make sure that the Bradford Area Central Tax Agency and the City Treasurer is kept up-to-date on City residents** and that the collectors are using the information appropriately to increase collections.
- **The City should also ensure that all businesses in Bradford are properly registered.** This information should be provided to the City Treasurer on a regular basis to make sure that the businesses are paying the business privilege tax and collecting the local service tax from their employees.
- **Routine random audits of business privilege returns should be scheduled.** The use of audits is a powerful tool to ensure the proper collection of the tax. A handful of audits each year can help to ensure the accuracy of the calculations and sends a message to taxpayers that audits are a possibility.

FEES AND CHARGES

Fees and charges for service make up a significant portion of the City's revenues. The City does not have a comprehensive fee resolution. Fees are set by Council from time to time on an ad hoc basis. There are a number of steps that can be taken to increase fee revenues.

- **The City should adopt a comprehensive fee resolution with fees set to cover the increases in costs.** All ordinances that include the establishment of fees for services should be amended to include the language that "the Council shall establish fees from time to time based on the cost of providing the service." The resolution should be updated annually as part of the budget process. This forces all departments and management to examine the fee structure for every service on an annual basis.
- **The City should adjust fees and charges upward on an annual basis.** Each fee and charge should support the costs of all of the activities associated with the fee and charge, including overhead and other indirect costs. Ideally the fees should be increased in an amount equal to the CPI for the preceding year which has averaged about 2.5% per year.

- **The City should conduct a complete analysis of the garbage fee and simplify its billing system.** The City currently collects about \$1.2 million in garbage fees. This is about 17% of the total general fund budget. For this reason, the City should have a continuing focus on the way this fee is calculated and the method for its collection.

The current garbage billing system is highly complex and requires the drivers to record information about properties while they are collecting garbage and recycling. The drivers must carry out the following duties: extra bags of garbage and items for residential properties must be recorded; commercial dumpsters are evaluated to determine the estimated tonnage, and vacant properties are identified in order to provide credits to property owners. This billing system is unnecessarily complex and, as a result, it is necessary to employ a full time administrative person to oversee the billing because of its complexity.

Most communities simplify the billing process by identifying all of the costs associated with the service and then dividing the total cost by the number of residential units serviced. A simple matrix for calculating the total cost of the garbage service is shown in **Table 55** below.

TABLE 55 – MATRIX FOR CALCULATING GARBAGE COLLECTION EXPENSE

Item	Annual Cost	Comments
Garbage Collection Wages		Employees involved in collection process
Garbage Collection Benefits		Employees involved in collection process
Code Enforcement - Wages		Employee hours for enforcement of ordinance
Code Enforcement - Benefits		Employee hours for enforcement of ordinance
Administration- Wages		Employee hours involved in billing process
Administration- Benefits		Employee hours involved in billing process
Leaf Collection-Wages		Employee hours involved in collection process
Leaf Collection-Equipment		Employee hours involved in collection process
Printing/Postage		Costs associated with printing, mailing bills
Vehicle Purchases/Depreciation		Costs for vehicles depreciated over time
Dumpster Costs/Depreciation		Costs for purchase of dumpsters depreciated
Maintenance of Equipment		Maintenance costs for all vehicles and equipment
Fuel, Supplies, Other Expenses		All other costs associated with the collection
Uncollectable Fees		Average amount of fees that are uncollectable in any given fiscal year
TOTAL EXPENSES		

SOURCE: DELTA ANALYSIS

Once the matrix is populated, the total cost of providing the garbage service can then be divided by the number of units serviced. This amount should be adjusted on an annual basis as costs of personnel and costs of fuel change. Establishing a common fee that covers all of the costs of the garbage service greatly simplifies the process and eliminates the need for a full time clerk to oversee the billing. It also reduces the time that the public works department spends on recording information while completing the garbage routes.

It is also recommended that the practice of providing credits for vacant properties be discontinued. The City provides the service and incurs the expense for the service whether the property is occupied or vacant and in many instances when properties are vacant there is still a certain amount of garbage and/or recycling activity from the site. The vacancies will be adjusted in the overall fee because lower tonnage will affect the tipping fee and this is part of the overall calculation when the fee is established.

- **The City should conduct a review of the garbage fees charged in the region in order to determine whether there should be an increase to the garbage fee.** An increase in the garbage rate from the current \$15 per month to \$16 per month would generate approximately \$85,000 in additional revenue for the City.
- **The City should carefully examine the fees for occupancy inspections, planning and zoning hearing permits, building inspection fees, and other property related fees.** The planning, zoning, health and code enforcement departments should be structured to collect fees that are sufficient to support the department functions. Currently, the City relies on \$50,000 in CDBG funds to offset the cost of providing this service. One example of this is the zoning hearing board fees. The City of Bradford's fees are less than half of what is charged by the City of Warren and are lower than any of the comparable communities that were surveyed. **Table 56** below provides a review of selected communities and the fees that are charged for residential and commercial zoning hearings.

TABLE 56 – ZONING HEARING FEES FOR COMPARABLE COMMUNITIES

Municipality	Residential Fee	Commercial Fee
Bradford	\$150	\$200
Carbondale	\$350	\$350
Jeanette	\$350	\$350
Lock Haven	\$250	\$250
Monessen	\$350	\$350
Sunbury	\$300	\$300
Warren	\$500	\$500

SOURCE: DELTA RESEARCH AND ANALYSIS

Table 57 provides a complete summary of the projected increase to revenue should all of the recommendations from the Delta team be implemented by the City.

TABLE 57 – PROJECTED INCREASE TO REVENUE WITH RECOMMENDATIONS

Projected Increase to Revenue with Recommendations		
Item	Estimated New Revenue 2011	Comment
Real Estate Collection	\$ 120,000	Improve collection by 4%
Earned Income Tax	\$75,000	Improve collection by 2%
Mechanical Devices	\$25,000	Implement mechanical device tax
Garbage Billing	\$85,000	Simplify billing, increase collections
Planning Zoning Building	\$15,000	Raise fees consistent with comparables
Other Fees	\$10,000	Raise other fees by 25% - Parking, Recreation, Miscellaneous
Total New Revenue	\$330,000	

SOURCE: DELTA RESEARCH AND ANALYSIS

COST CONTAINMENT – SHORT-TERM STRATEGIES

As reported in Step I and Step II of this report, the City's expenses have increased approximately 3.2% per year over the past five years. This is higher than the average annual increase of 2.5% indicated in the Consumer Price Index and higher than the 2.8% rate of revenue increase over the same time period. **Table 58** below provides a complete review of all expense categories from 2004 through 2010.

TABLE 58 – HISTORY OF EXPENDITURES 2004-2010

CATEGORY	2004	2005	2006	2007	2008	2009	2010
LEGISLATIVE BODY	3,635	3,500	3,500	3,500	3,500	3,768	3,768
EXECUTIVE	71,071	71,643	74,087	77,223	81,934	82,201	78,248
AUDIT	12,899	13,768	13,868	14,068	14,068	14,368	14,468
TAX COLLECTIONS	127,759	147,947	161,718	183,568	204,368	195,727	200,287
LAW	75,165	88,598	73,356	58,197	62,136	68,055	80,765
RECORDS	3,889	4,184	3,519	2,020	3,183	2,171	2,006
PERSONNEL & ADMIN.	193,636	201,073	213,621	213,559	218,025	229,398	236,042
DATA PROCESSING	9,961	15,266	11,145	13,501	24,142	9,506	5,061
ENGINEER	1,127	360	892	645	1,277	777	155
BUILDING MAINT.	73,017	74,391	74,038	73,474	65,774	68,672	52,680
POLICE	1,078,735	1,127,907	1,190,520	1,228,694	1,308,639	1,297,269	1,241,275
FIRE	1,202,186	1,227,481	1,228,947	1,284,627	1,420,217	1,290,047	1,455,739
AMBULANCE RESCUE	111,365	130,273	139,579	138,140	137,455	152,621	189,341
BUILDING & HEALTH	15,979	15,729	36,838	34,860	16,704	26,326	25,738
PLANNING & ZONING	6,967	7,103	6,830	7,265	7,738	7,665	7,199
GARBAGE	1,150,530	924,974	801,250	810,963	959,190	915,462	902,012
HIGHWAYS	1,812,400	1,109,935	770,447	817,437	781,843	719,797	827,979
ELECTRIC SYSTEM	93,046	91,764	86,300	89,412	139,674	154,314	150,761

CATEGORY	2004	2005	2006	2007	2008	2009	2010
PARKING FACILITIES	33,667	36,611	35,308	35,827	330	3,379	56
PERMITS	6,420	6,602	6,837	7,068	7,306	7,633	9,674
PARKS & PARK SECURITY	150,897	155,612	167,409	179,102	186,447	193,492	209,223
PARKS	264,217	271,048	275,896	287,159	311,678	319,361	305,809
DEBT PRINCIPAL	256,644	233,679	237,927	239,442	257,556	237,682	240,378
DEBT INTEREST	94,323	104,345	107,887	105,092	104,137	137,210	138,488
MISCELLANEOUS	60,203	62,261	62,596	60,545	62,502	70,421	62,092
GENERAL SUPPLIES	6,745	14,352	14,290	14,469	14,378	14,308	14,051
PENSIONS	463,604	489,820	517,985	636,346	759,118	688,007	850,825
INSURANCE SERVICES	134,365	131,548	131,554	123,324	117,872	134,173	156,822
INTERFUND TRANSFERS	175,419	182,405	20,000	24,731	35,000	210,000	87,000
TOTAL EXPENDITURE AND FUND BALANCE	7,689,873	6,956,247	6,482,462	6,782,195	7,322,508	7,254,311	7,548,274

SOURCE: DELTA RESEARCH AND ANALYSIS

Containing expenditures has been a challenge for the City, considering that both fuel costs and healthcare costs have escalated at double-digit annual increases over the past five years. The major increases from 2004 – 2010 have come in five (5) categories:

- Tax Collection services increased by 57% or 9% per year (\$73,068 in dollars)
- Police services increased by 15% or 2.5% per year (\$162,540 in dollars)
- Fire services increased by 21% or 3.5% per year (\$253,553 in dollars)
- Ambulance services increased by 70% or 12% per year (\$77,976 in dollars)
- Pensions increased by 84% or 14% per year (\$387,221 in dollars)

The total amount of increased expenditures since 2004 in just five major categories is equal to 6.2 mills of taxes.

The total amount of increased expenditures since 2004 in just five major categories is equal to 6.2 mills of taxes. When viewed in this light, it is easy to understand the necessity for five tax increases in seven years.

The City has made reductions in staffing in both the police and fire departments and transferred dispatch operations to the County. Without these steps, the rate of increase would have been significantly higher. The following

recommendations are additional steps that the City should consider in order to contain costs during the current fiscal period.

DEPARTMENTAL EXPENSES

As part of the EIP study, Delta projected the expenses for the City by category over the next five years based on the assumptions outlined in Step 2. **Table 59** below provides a summary of the expenditure categories and the projections for each category.

TABLE 59 – GENERAL FUND PROJECTIONS 2010-2015 INCREASE TO BASE

CATEGORY	2011	2012	2013	2014	2015
LEGISLATIVE BODY	3,768	3,768	3,768	3,768	3,768
EXECUTIVE	82,322	85,703	89,270	93,033	97,007
AUDIT	14,470	14,743	15,026	15,315	15,612
TAX COLLECTIONS	226,583	229,842	233,429	242,809	246,604
LAW	83,671	79,300	82,625	86,164	89,930
RECORDS	2,500	2,500	2,500	2,500	2,500
ADMINISTRATIVE	329,611	266,374	278,173	291,110	304,421
DATA PROCESSING	19,350	9,331	9,439	9,550	9,664
ENGINEER	750	750	750	750	750
BUILDING MAINT.	76,900	78,737	80,577	82,468	84,411
POLICE	1,286,261	1,344,300	1,405,817	1,471,067	1,540,331
FIRE	1,307,529	1,319,900	1,372,368	1,427,760	1,486,283
AMBULANCE RESCUE	194,781	199,633	204,606	209,704	214,929
BUILDING & HEALTH	24,762	25,228	25,706	26,196	26,699
PLANNING & ZONING	8,109	8,370	8,382	8,394	8,407
GARBAGE	869,858	913,354	933,082	953,896	975,876
HIGHWAYS	728,074	770,483	796,864	824,638	853,907
ELECTRIC SYSTEM	157,143	164,534	169,331	174,326	179,530
PARKING FACILITIES	5,150	5,150	5,150	5,150	5,150
PERMITS	7,800	7,800	7,800	7,800	7,800
PARKS & SECURITY	208,095	221,797	230,722	240,202	250,280
PARKS	281,519	296,310	305,358	314,779	324,595
DEBT PRINCIPAL	257,341	252,494	252,494	237,494	229,331
DEBT INTEREST	133,365	139,934	139,934	97,184	92,606
BANK FEES	500	500	500	500	500
MISCELLANEOUS	62,160	62,448	62,743	63,046	63,356
GENERAL SUPPLIES	13,040	13,366	13,700	14,043	14,394
PENSIONS	919,690	951,879	985,195	1,019,677	1,055,365
INSURANCE SERVICES	149,049	152,847	156,742	160,738	164,837
TOTAL EXPENDITURE	7,454,150	7,621,376	7,872,053	8,084,061	8,348,844

SOURCE: CITY OF BRADFORD FINANCIALS AND DELTA ANALYSIS

The increases within the City departments are driven primarily by wages, healthcare, pension, and energy increases. Without intervention, by 2015, the expenses for public safety alone will be over 50% of the budget and require \$4 million of revenue. In general, the following are strategies for controlling these costs for all departments:

- Limiting the use of overtime through smart scheduling and effective management so that shifts are covered at the optimum level of performance but are designed to avoid unnecessary overtime. This means that the department heads must plan ahead to ensure that there is enough manpower to cover regular service delivery, vacations, unexpected illnesses and injuries, and extraordinary events.
- Leaving open positions vacant unless there is an immediate and pressing need to fill the position. Utilizing part-time seasonal employees as permitted in labor agreements and when possible to undertake tasks and duties and to avoid long term liabilities.

Management and Finance

In any local government operation, management must establish the vision and show the leadership for effecting positive change. The City has appointed qualified staff in key positions who regularly carry out the directions of the governing body. However, because of the City's structure, the department heads do not report to a central authority on a day to day basis. The police chief, fire chief, parks director, and public works foreman are supervised by members of Council. As a result, the lines of authority are not clear and priorities for the City vary based on the priorities of individuals.

For these reasons, the following recommendations are made:

- **The City Clerk should be treated as the chief administrator** and supervise all employees.
- **City Council should make decisions and establish policy in a consistent fashion** and expect the City Clerk and other employees to follow the Council's policy direction.
- **There should be transparency and open discussion with the community on a regular basis regarding the activities, problems, and challenges that face the City** organization, so that any increases to fees, permits, and taxes are not surprising or unexpected by the public during the budget adoption process. The implementation of new strategies will take cooperation from residents, business owners, nonprofits, and other governmental entities in order to develop and pursue short- and long-term goals.
- **Management should engage in regular formal discussions with employees and bargaining units** about the fiscal constraints the City faces and solicit ideas and proposals for containing costs and enhancing revenue.
- **The City should carefully evaluate the positions in administration to determine whether there should be a reduction in staff.** There are eight (8) positions currently showing in City administration. This is higher than in most other Cities of similar size and similar budgets. A careful review of these positions will be completed in Step IV. However, if a position becomes vacant in 2011, the City should consider leaving it vacant for the remainder of the fiscal year.
- **The City should establish and require the highest professional standards,** as determined by the respective professional organizations, for the positions of City

Clerk, Police Chief, Fire Chief, and all other department directors. These standards should be rigidly enforced, and as long as the persons in these positions perform to the standards that have been established by the Mayor and Council, no changes should be made in the management personnel who occupy these positions. This practice will ensure the stability, consistency, and institutional knowledge that is necessary for a complex organization to succeed.

- **The City should have comprehensive financial reporting and timely information for decision-making purposes.** The City should require the Department Directors to take a more active role in developing and administering their respective budgets. They should be held accountable for budget overruns and should be required to justify expenditures that are not routine or ordinary. Any items requested for the new budget year should have a complete analysis of cost (initial and maintenance), support data, and justification for the purchase.
- **Additional monthly financial information should be provided to the City Council.** The current monthly financial reports are very good but they only present the monthly budget to actual information. This is a good tracking mechanism for determining if the City is meeting its revenue and expenditure goals that were adopted in the annual budget. However, if the adopted budget does not reflect the correct projections, there is a chance that the City could still realize a cash flow problem. Therefore, monthly financial reporting, in addition to the budget to actual report, should include the following:
 - A balance sheet report of assets and liabilities for each fund. This report provides a total overview of all the available assets for each fund and all of the outstanding liabilities for the fund
 - A cash flow analysis that identifies what the actual availability of cash is estimated to be by month and at year-end. This report should highlight the actual cash on hand at the beginning of the year, the financial transactions and activity during the month, and the impact that this has on the cash both during the current period and at year end. With this information, the Council and management can make an informed decision about cash flow needs in a timely manner.

Police Department

The police department is staffed with a Chief and 16 full-time officers. As part of the police management study, the Police Consultant utilized a best practices calculation that indicated that the City, based on call volume, requires between 9 and 15 officers for patrol functions.² This

² A full discussion of this issue is found in Step IV, Police Management Study and Appendix A to Step IV which includes the calculation that was used to arrive at the number of patrol officers that are needed in Bradford. The formula relies heavily on a review of the number of calls for service that are received by the department.

requirement does not include officers who are devoted to schools, investigations, or special operations.

In the recent past, the City converted the scheduling in the department to a 12 hour shift, 4 platoon models in an attempt to address the excessive use of sick days and to reduce overtime. It is unclear as to whether the new scheduling has been successful in addressing either problem. The emphasis of a work schedule should not be on maximizing off time for the employees; the emphasis should be on providing adequate staffing to get the work done. There are several disadvantages that have been identified relative to the 12 hour shifts. These include: the use of the 12 hour shift as a standard for a work day; the mental and physical strain on employees who have worked for 4 straight 12 hour shifts; and the requirement to use 4 platoons rather than 3 rotating squads.

- **The City should consider returning to 8 hour shifts.** The return of 8 hour shifts provides a uniform standard for measuring time off, court time, compensatory time, and holidays. It also provides relief to officers from consecutive 12 hour shifts in a stressful environment.
- **The City should leave open positions vacant for the remainder of 2011.** If the department returned to 8-hour shifts, the City could operate with one less ranking officer and possibly one less patrol officer. There are a sufficient number of supervisors to have a ranking officer on each of the three shifts (Assistant Chief, and 2 Sergeants) and the IACP calculation identifies 15 patrol officers as the maximum number for covering patrols.
- **The City should also continue the practice of using an officer-in-charge (OIC) to supervise the shift when the ranking officer on a shift is off duty.** Using an OIC to supervise open shifts, the City avoids overtime and maximizes the skills and experience of senior patrol officers.

By leaving one position vacant, the City could save approximately \$87,000 in 2011. It is unclear what effect the return to an 8 hour shift will have on the use of time off and overtime.

Public Works

The public works department, including the sanitation department, has a staff of 13. Under the current contract, the City has the right to hire part-time employees, but only for the summer months. The size of the force could be reduced to a level at which the winter maintenance tasks, plowing, and trash pickup could be accomplished with full-time staff. The City could supplement the full-time force with part-time employees for summer maintenance and special projects.

- **The City should change work rules for the refuse personnel in order to eliminate automatic daily overtime.** The garbage and recycling routes should be structured and the work day should be designed to eliminate the automatic

trigger of overtime for refuse employees. This practice incurs approximately \$50,000 of expense annually for the City.

- **The City should discontinue the practice of picking up yard waste on a daily basis.** According to Act 101 of 1988, in mandated communities, yard waste may be included in regular garbage pick up as long as the garbage delivered to the landfill is not “primarily comprised of leaf and yardwaste.” These daily pick ups deplete manpower that could be used for higher priority purposes. Intermittent pick up of leaf and yardwaste in the spring and fall is sufficient for complying with the state law.
- **The City should consider getting out of the commercial pick up business.** Many communities don’t include commercial pick ups at all but require property owners to make their own arrangements for garbage pick ups and recycling. This simplifies the process for the business owners and reduces the manpower needs for providing this service with City personnel.

Without intervention, by 2015, the expenses for public safety alone will be over 50% of the budget and require \$4 million of revenue.

By eliminating the daily pick up of yard waste and by getting out of the commercial garbage business, the City could reduce the DPW staff by at least 2 positions. This would provide a savings of approximately \$120,000.

Personnel and Benefits

The City has a staff of 101 including 3 temporary fire employees and 15 seasonal employees in the parks department. Over the past seven years, the City has reduced staff by 59 employees, 34 of whom were seasonal and temporary employees in the parks department. However, every department (with the exception of administration) has experienced some level of staff reductions. **Table 60** below provides a detailed account of the staffing levels beginning in 2004 through the present.

TABLE 60 – CITY STAFFING LEVELS 2004 - 2011

Year	Admin.	Tax Offc	Police	Fire	Code	Temp.	Streets	Refuse	Parks	Temp Parks	OECD	OECD2	TOTAL:
2004	8	6	22	22	3	4	12	13	3	49	12	6	160
2005	8	5	22	21	3	4	11	13	3	45	12	6	153
2006	8	6	25	23	3	3	14	14	3	45	12	7	163
2007	8	5	22	22	3	3	13	14	3	40	12	5	150
2008	8	5	22	25	3	3	14	13	3	38	10	6	150
2009	7	4	21	20	3	3	12	12	3	37	10	6	138
2010	7	4	21	20	3	3	10	10	3	36	9	6	132
2011	8	4	20	16	2	3	10	9	2	15	8	4	101

SOURCE: CITY OF BRADFORD PAYROLL DEPARTMENT

In the analyses performed for the purpose of this report, the following assumptions about wage increases were used based on the bargaining agreements and historical trending:

- AFSCME Employees – 2.5% per year increases for all years
- Police Employees – 3.5% per year increases for all years
- Fire Employees – 3 % per year increases for all years
- Teamster Employees - 2% increase per year for 2011 and 2012, 3% increase for 2013 and thereafter

It should be noted that the AFSCME contract expires at the end of 2011, the Police and Fire in 2012, and the Teamsters in 2014. For employees not covered by a collective bargaining agreement, a 2.5% per year increase was assumed for future years.

- **The City should use expert labor counsel to prepare a comprehensive bargaining strategy in order to achieve savings while continuing to deliver quality services to residents.** Issues around scheduling, staffing, work assignments, overtime, and benefits should be analyzed and presented to bargaining units so that open discussions can produce desired results. Since the AFSCME contract expires in the current year, there is a great opportunity to begin this process immediately.
- **The City should explore options for controlling healthcare costs.** The cost of health insurance is expected to increase by at least 9% per year over the next few years. The City has to seek ways to control these costs, including the cost of the healthcare buyout and the reimbursement for out-of-pocket expenses.
- **The City should contain all pension benefits at the current level for existing employees, but should negotiate the minimum benefits required by law for new hires.** Where possible, the City should provide defined contribution plans as opposed to defined benefit plans.

Pensions

The City's pension obligations have increased dramatically since 2004. They have increased from \$458,498 in 2004 to \$848,050 in 2010. This is an 84% increase and the largest increase in the general fund budget. Table 62 provides the history of the City's pension obligations over the past seven years.

TABLE 61 – ANNUAL PENSION OBLIGATIONS

PENSIONS & PERSONNEL	2004	2005	2006	2007	2008	2009	2010
Non-Uniform Pension (Act 205)	\$121,194	\$32,103	\$54,647	\$81,312	\$180,000	\$184,553	\$184,321
Police Pension (Act 205)	\$83,238	\$152,709	\$171,778	\$181,853	\$210,700	\$137,633	\$295,951
Fire Pension (Act 205)	\$254,066	\$301,170	\$289,499	\$366,974	\$367,495	\$362,633	\$367,778
PENSIONS TOTAL	\$458,498	\$485,982	\$515,914	\$630,139	\$758,195	\$684,819	\$848,050

SOURCE: CITY OF BRADFORD FINANCIAL RECORDS AND PENSION AUDITS

The cost increases are a result of a number of factors including a decline in the pension fund values due to the recession and increases in normal costs due to pay increases and promotions. In the short term, the City has taken advantage of the Act 44 reduction that allows the City to reduce its 2011 and 2012 obligation to the pension funds by 25% and to amortize the amount that is not paid over 20 years at the actuarial rate of interest. This reduced the City's minimum municipal obligation to the pension funds. It does not reduce the overall liability of the pension funds – just the amount that the City must contribute during 2010, 2011, and 2012 period.

The City should make a concerted effort to contain additional benefits for the future retirees. Additional benefits increase the City's long term benefits. It is not possible to change the current benefit structure for active or retired employees, but it is possible to change the pension benefits for new hires. The City should amend the pension plans to provide only the minimum benefits required by law to new hires after January 1, 2012.

The City should continue to maximize investment earnings to support future liabilities. In 2006, the City performed a search for investment managers and selected Manning and Napier to act as investment manager for the City's three pension funds. Manning and Napier is a 40 year old firm that has consistently outperformed most other investment managers and routinely exceeds indexed performers. A review of the pension reports indicates that the City has experienced solid performance and returns since the selection of the new investment manager. The City should continue to monitor the performance and make adjustments when necessary and as advised by their investment manager.

Other Expenditures

Overall, the City has done a good job of budgeting for expenses and containing costs during the fiscal years reviewed. The exception to this has been in the fire department. In 2010, the department exceeded its budget by approximately \$64,000. Budgeted line items that were exceeded were regular wages, overtime, ambulance call outs, vehicle maintenance, and gasoline. All other departments operated within or nearly within their budgets.

The City should continue to maintain strict control over expenditures. Proper budgeting and control over expenditures is critical especially with purchases and overtime. Although expenses can change dramatically depending on certain events, careful planning can anticipate most, but not all, circumstances. Cash reserves, like savings accounts, can buffer extraordinary and unplanned expenditures.

INTERGOVERNMENTAL INITIATIVES

Regional Groups

The City should attempt to encourage and pursue intergovernmental solutions with its surrounding communities. The best method for effecting such cooperating, merging, or sharing is for the Mayor, Council, City Clerk, and Department Directors to participate in any and all regional discussion opportunities available to them. Therefore, recommendations include active participation in the following organizations:

- Association for Pennsylvania Municipal Managers (APMM)
- Public Employees Labor Relations Advisory Service (PELRAS)
- Pennsylvania Police Chiefs Association
- North Central Pennsylvania Regional Planning and Development Commission (NCPRPDC)
- Pennsylvania League of Cities and Municipalities (PLCM)

Entering into discussions with these groups and others will provide priceless opportunities for working on regional solutions and engaging in regional dialogue about local issues.

The City is already involved in a regional police study that is being conducted through the Department of Community and Economic Development, Governor's Center for Local Government Services. The study will provide an analysis of the advantages and disadvantages of creating a joint police service for the City of Bradford, Bradford Township, and Foster Township. This study will be coordinated with the recommendations from the regional police study.

Table 62 provides a review of potential savings for the City based on the recommendations outlined above.

TABLE 62 – SUMMARY OF COST CONTAINMENT STRATEGIES

Summary of Cost Containment Strategies		
Item	Estimated Savings 2011	Comment
Reduce one (1) administrative position	\$18,000	Includes ½ year salary and health benefits; enact a simpler billing system for garbage; reduce administration by 1 position
Return to 8 Hour shifts; Return to 3 platoons; Reduce 1 police position	\$40,000	Includes ½ year salary and health benefits; by returning to 8 hour shifts and 3 rotating platoons, the department can operate with fewer supervisors; leave position vacant in 2011
Eliminate overtime in refuse collection	\$40,000	Currently there is automatic overtime built into schedule; eliminate this practice
Use part-time employees	Unknown	The City should use part-time, temporary, and seasonal employees whenever possible.
Total Savings	\$98,000	

SOURCE: CITY FINANCIALS AND DELTA ANALYSIS

REVENUES DURING THE 2011 FISCAL YEAR

The City will need a combination of additional revenues and reduced expenses totaling \$300,000 in order to provide enough cash flow to support 2011 operations. Because of the size of the potential deficit, the City should seriously consider the revenue options discussed above. These are:

- Increasing the 2011 real estate tax collection rate by 4% could produce an additional \$120,000.
- Increasing the 2011 earned income tax collection rate by 2% could produce an additional \$75,000.
- Establishing a mechanical device ordinance could produce \$25,000.
- An increase in the monthly garbage fee from \$15 to \$16 per household would increase revenues by approximately \$85,000.
- Increasing the planning, zoning, and building fees could produce an additional \$15,000.
- Raising other fees by 25% could produce an additional \$10,000.

These increases could provide over \$330,000 in 2011.

EXPENDITURES DURING THE 2011 FISCAL YEAR

The City will need a combination of additional revenues and reduced expenses totaling at least \$300,000 in order to provide enough cash flow to support operations. Because of the size of the potential deficit, the City should seriously consider the expenditure options discussed above.

- The City should restructure and simplify the garbage billing enabling a reduction in administrative staff by 1 position. This could result in a savings of \$18,000.
- The City should return to an 8 hour shift, 3 platoon structure in the police department and leave one position vacant resulting in a savings of \$40,000
- Restructure routes and scheduling to eliminate built in overtime for refuse department resulting in a savings of \$40,000.
- Exploring options for less expensive health insurance could reduce current year costs.
- Using part-time, temporary, and seasonal employees where possible can reduce compensation, reduce benefit costs, and eliminate long term liabilities.

The implementation of these recommendations could save the City \$98,000 and help reduce increases in healthcare insurance.

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APPENDIX A – EXISTING FINANCIAL CONDITIONS AND TREND ANALYSIS

EXHIBIT 1 – SUMMARY CORE OPERATING REVENUES AND EXPENDITURES

EXHIBIT 2 – DETAIL CORE OPERATING REVENUES

EXHIBIT 3 – DETAIL CORE OPERATING EXPENDITURES

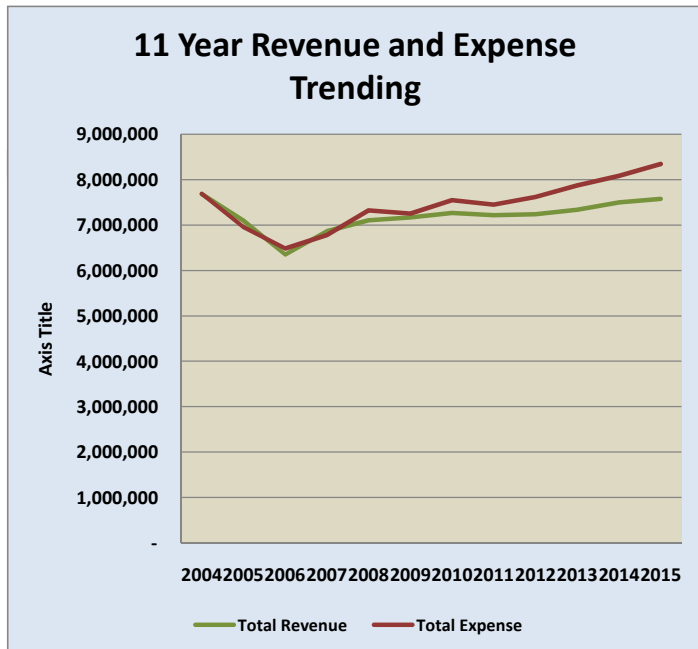
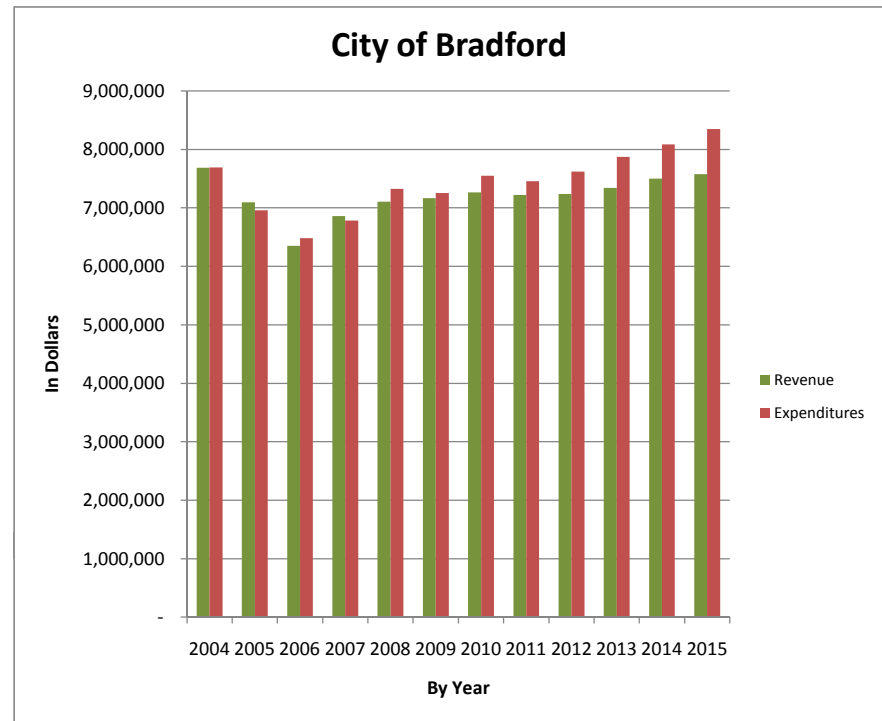
See the following pages.

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CITY OF BRADFORD
FINANCIAL ANALYSIS SUMMARY

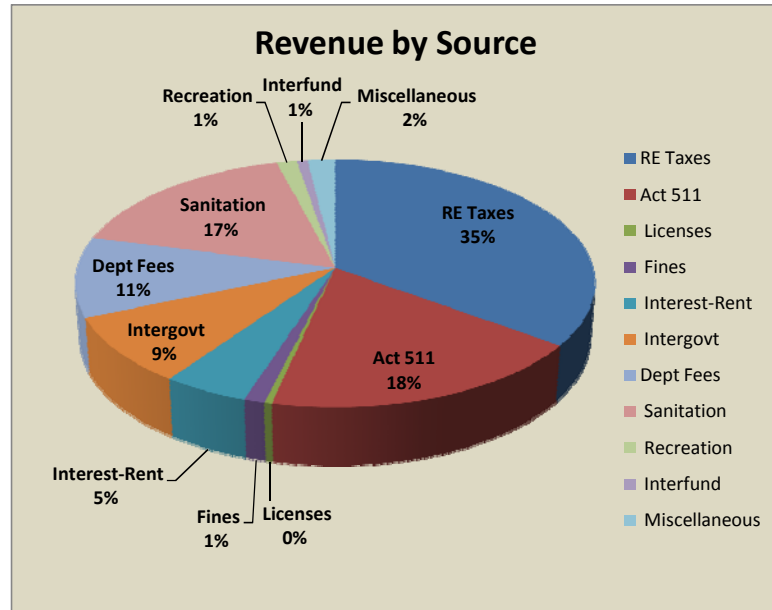
	<i>Summary Core Operating Expenditures</i>													
<i>SOURCE</i>	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
	2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
LEGISLATIVE BODY	3,635	3,500	3,500	3,500	3,500	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768
EXECUTIVE	71,071	71,643	74,087	77,223	81,934	82,201	80,562	78,248	82,258	82,322	85,703	89,270	93,033	97,007
AUDIT	12,899	13,768	13,868	14,068	14,068	14,368	14,468	14,468	14,470	14,470	14,743	15,026	15,315	15,612
TAX COLLECTIONS	127,759	147,947	161,718	183,568	204,368	195,727	199,572	200,287	225,822	226,583	229,842	233,429	242,809	246,604
LAW	75,165	88,598	73,356	58,197	62,136	68,055	73,943	80,765	83,571	83,671	79,300	82,625	86,164	89,930
RECORDS	3,889	4,184	3,519	2,020	3,183	2,171	3,000	2,006	2,500	2,500	2,500	2,500	2,500	2,500
PERSONNEL & ADMINISTRATIVE	193,636	201,073	213,621	213,559	218,025	229,398	253,731	236,042	329,348	329,611	266,374	278,173	291,110	304,421
DATA PROCESSING	9,961	15,266	11,145	13,501	24,142	9,506	23,555	5,061	19,000	19,350	9,331	9,439	9,550	9,664
ENGINEER	1,127	360	892	645	1,277	777	1,100	155	750	750	750	750	750	750
MUNICIPAL BUILDING MAINT.	73,017	74,391	74,038	73,474	65,774	68,672	76,600	52,680	76,200	76,900	78,737	80,577	82,468	84,411
POLICE	1,078,735	1,127,907	1,190,520	1,228,694	1,308,639	1,297,269	1,325,879	1,241,275	1,275,654	1,286,261	1,344,300	1,405,817	1,471,067	1,540,331
FIRE	1,202,186	1,227,481	1,228,947	1,284,627	1,420,217	1,290,047	1,300,626	1,455,739	1,284,680	1,307,529	1,319,900	1,372,368	1,427,760	1,486,283
AMBULANCE RESCUE	111,365	130,273	139,579	138,140	137,455	152,621	179,909	189,341	209,810	194,781	199,633	204,606	209,704	214,929
BUILDING & HEALTH	15,979	15,729	36,838	34,860	16,704	26,326	28,504	25,738	25,041	24,762	25,228	25,706	26,196	26,699
PLANNING & ZONING	6,967	7,103	6,830	7,265	7,738	7,665	8,310	7,199	8,159	8,109	8,370	8,382	8,394	8,407
GARBAGE	1,150,530	924,974	801,250	810,963	959,190	915,462	892,246	902,012	873,094	869,858	913,354	933,082	953,896	975,876
HIGHWAYS	1,812,400	1,109,935	770,447	817,437	781,843	719,797	731,867	827,979	730,559	728,074	770,483	796,864	824,638	853,907
SIDEWALKS	-	9,477	14,193	17,936	16,317	-	-	-	-	-	-	-	-	-
ELECTRIC SYSTEM	93,046	91,764	86,300	89,412	139,674	154,314	161,428	150,761	162,589	157,143	164,534	169,331	174,326	179,530
PARKING FACILITIES	33,667	36,611	35,308	35,827	330	3,379	3,500	56	14,750	5,150	5,150	5,150	5,150	5,150
PERMITS	6,420	6,602	6,837	7,068	7,306	7,633	7,800	9,674	7,925	7,800	7,800	7,800	7,800	7,800
PARKS & PARKWAYS SECURITIES	150,897	155,612	167,409	179,102	186,447	193,492	197,899	209,223	208,095	208,095	221,797	230,722	240,202	250,280
PARKS	264,217	271,048	275,896	287,159	311,678	319,361	325,541	305,809	281,815	281,519	296,310	305,358	314,779	324,595
DEBT PRINCIPAL	256,644	233,679	237,927	239,442	257,556	237,682	228,762	240,378	257,341	257,341	252,494	252,494	237,494	229,331
DEBT INTEREST	94,323	104,345	107,887	105,092	104,137	137,210	136,498	138,488	133,365	133,365	139,934	139,934	97,184	92,606
BANK FEES	-	-	128	-	-	500	-	334	500	500	500	500	500	500
MISC.	60,203	62,261	62,596	60,545	62,502	70,421	63,835	62,092	62,160	62,160	62,448	62,743	63,046	63,356
GENERAL SUPPLIES	6,745	14,352	14,290	14,469	14,378	14,308	14,650	14,051	13,268	13,040	13,366	13,700	14,043	14,394
PENSIONS & PERSONNEL	463,604	489,820	517,985	636,346	759,118	688,007	771,680	850,825	919,690	919,690	951,879	985,195	1,019,677	1,055,365
INSURANCE & OTHER SERVICES	134,365	131,548	131,554	123,324	117,872	134,173	158,500	156,822	150,100	149,049	152,847	156,742	160,738	164,837
TOBACCO CESSATION	-	2,589	-	-	-	-	-	-	-	-	-	-	-	-
INTERFUND OPERATING TRANSFERS	175,419	182,405	20,000	24,731	35,000	210,000	95,978	87,000	-	-	-	-	-	-
TOTAL EXPENDITURE AND FUND BALANCE	7,689,873	6,956,247	6,482,462	6,782,195	7,322,508	7,254,311	7,363,711	7,548,274	7,456,282	7,454,150	7,621,376	7,872,053	8,084,061	8,348,844

Year	Revenue	Expenditures	Difference
2004	7,686,811	7,689,873	(3,062)
2005	7,097,763	6,956,247	141,515
2006	6,350,644	6,482,462	(131,818)
2007	6,862,726	6,782,195	80,531
2008	7,106,707	7,322,508	(215,801)
2009	7,167,834	7,254,311	(86,477)
2010	7,264,532	7,548,274	(283,742)
2011	7,219,975	7,454,150	(234,175)
2012	7,238,415	7,621,376	(382,960)
2013	7,341,299	7,872,053	(530,754)
2014	7,498,560	8,084,061	(585,501)
2015	7,574,452	8,348,844	(774,392)

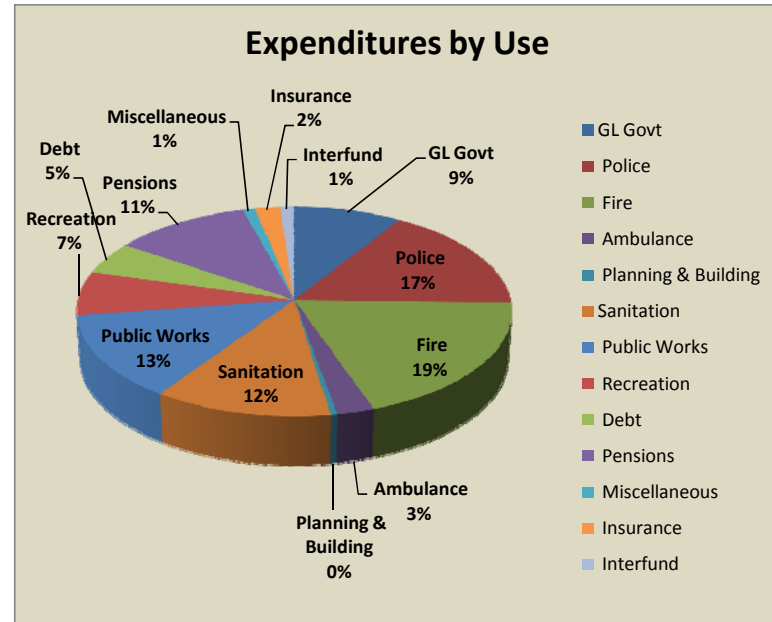


CITY OF BRADFORD
FINANCIAL ANALYSIS SUMMARY

RE Taxes	2,546,697	35%
Act 511	1,336,641	18%
Licenses	29,885	0%
Fines	83,322	1%
Interest	345,050	5%
Intergovt	642,827	9%
Dept. Fees	759,479	10%
Sanitation	1,223,829	17%
Recreation	101,846	1%
Interfund	56,546	1%
Miscellaneous	138,410	2%
	7,264,532	



GL Govt	673,479	9%
Police	1,241,275	16%
Fire	1,455,739	19%
Ambulance	189,341	3%
Planning & Bu	32,937	0%
Sanitation	902,012	12%
Public Works	988,471	13%
Recreation	515,032	7%
Debt	378,866	5%
Pensions	850,825	11%
Miscellaneous	76,477	1%
Insurance	156,822	2%
Interfund	87,000	1%
	7,548,274	



CITY OF BRADFORD
REVENUE ANALYSIS

ACCOUNT	REVENUE CATEGORY	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
301	REAL ESTATE TAXES														
10	Real Estate Taxes - Current	1,560,795	1,586,172	1,566,741	1,719,559	1,765,808	2,165,635	2,381,381	2,264,226	2,619,735	2,565,283	2,590,935	2,616,845	2,643,013	2,669,443
20	Real Estate Taxes - Prior Yr.	170,086	170,604	151,383	195,182	193,157	211,860	235,000	282,471	300,000	290,000	304,500	319,725	335,711	352,497
	SUBTOTAL	1,730,881	1,756,776	1,718,124	1,914,740	1,958,965	2,377,495	2,616,381	2,546,697	2,919,735	2,855,283	2,895,435	2,936,570	2,978,724	3,021,940
									(69,684)		(64,452)				
310	ACT 511 TAXES														
0	Per Capita Taxes	13,507	13,208	10,923	10,517	9,794	9,858	10,000	9,341	9,000	10,000	10,000	10,000	10,000	10,000
30	Delinquent Per Capita Taxes	3,931	3,590	4,317	1,595	1,279	1,347	1,300	1,128	1,200	1,300	1,300	1,300	1,300	1,300
100	1% Realty Tax	48,363	68,954	69,947	52,412	39,964	38,309	50,000	44,775	45,000	45,894	47,042	48,218	49,423	50,659
200	Wage Tax	644,050	685,948	704,033	721,886	709,593	707,042	710,000	686,683	680,000	703,850	721,446	739,482	757,970	776,919
300	Mercantile Tax	138,235	138,237	173,149	179,669	166,942	189,036	190,000	166,370	180,000	168,866	171,399	171,399	173,970	176,579
330	Delinquent Mercantile Tax	308	3,561	412	-	105	322	250	436	400	250	250	250	250	250
400	Occupational Privilege Tax	59,559	57,472	201,232	227,179	204,662	216,221	230,000	213,424	225,000	218,384	235,750	223,843	241,644	229,439
430	Delinquent Occupational Privilege	20	47	34	13	-	77	100	37	50	100	100	100	100	100
800	Business Privilege Tax	268,408	244,788	264,706	237,176	236,944	211,635	240,000	213,931	245,000	216,926	246,000	222,349	252,150	227,908
830	Delinquent Business Privilege	-	-	-	-	-	13	-	516	250	-	-	-	-	-
	SUBTOTAL	1,176,380	1,215,805	1,428,752	1,430,448	1,369,283	1,373,861	1,431,650	1,336,641	1,385,900	1,365,570	1,433,287	1,416,941	1,486,806	1,473,154
									(95,009)		(20,330)				
320	LICENSES & PERMITS														
100	Licenses (Liquor & Plumbing)	11,435	8,875	6,710	10,920	8,515	7,430	8,000	8,610	8,000	8,000	8,000	8,000	8,000	8,000
200	Building Permits	14,161	22,819	26,267	20,232	18,545	17,927	25,000	15,172	20,000	17,927	18,375	18,834	19,305	19,788
	SUBTOTAL	25,596	31,694	32,977	31,152	27,060	25,357	33,000	23,782	28,000	25,927	26,375	26,834	27,305	27,788
									(9,218)		(2,073)				
321	BUSINESS LICENSE & PERMITS														
200	Health & Restaurant Licenses	7,713	6,450	7,229	6,670	6,533	6,744	6,500	6,103	6,500	6,500	6,500	6,500	6,500	6,500
	SUBTOTAL	7,713	6,450	7,229	6,670	6,533	6,744	6,500	6,103	6,500	6,500	6,500	6,500	6,500	6,500
									(397)						
330	FINES														
0	Parking Fines	27,094	22,855	32,775	27,206	25,773	38,598	50,000	31,627	50,000	31,943	32,742	33,560	34,399	35,259
200	State Police Fines	8,122	7,073	7,949	8,510	7,488	7,067	8,000	7,651	8,000	7,500	7,500	7,500	7,500	7,500
210	City Fines	41,187	39,081	35,137	30,585	29,644	34,797	35,000	27,953	35,000	28,233	28,515	28,800	29,088	29,379
211	DUI Fines	18,308	15,044	11,352	22,718	26,156	16,330	20,000	16,091	20,000	16,330	16,738	17,157	17,585	18,025
300	MCSWA Settlement	-	189,925	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	94,710	273,977	87,213	89,019	89,061	96,792	113,000	83,322	113,000	84,006	85,495	87,017	88,573	90,163
									(29,678)		(28,994)				
341	INTEREST & RENTS														
100	Interest Earnings	12,201	18,407	20,934	30,739	10,117	6,344	15,000	2,681	3,500	3,500	3,500	3,500	3,500	3,500
	SUBTOTAL	12,201	18,407	20,934	30,739	10,117	6,344	15,000	2,681	3,500	3,500	3,500	3,500	3,500	3,500
									(12,319)		-				
342	RENTS AND ROYALTIES														
100	Rent of Land			9,010	11,000	14,010	11,010	12,000	13,010	12,000	12,000	12,000	12,000	12,000	12,000
200	Rent of Buildings		1,560	5,380	5,780	6,360	5,940	7,000	5,860	6,600	6,600	6,000	6,000	6,000	6,000
400	Sale of Timber	842,172	1,047,273	593,640	870,276	1,135,809	439,251	315,000	323,499	120,000	120,000	120,000	120,000	120,000	120,000
	SUBTOTAL	842,172	1,048,833	608,030	887,056	1,156,179	456,201	334,000	342,369	138,600	138,600	138,000	138,000	138,000	138,000
									8,369						

CITY OF BRADFORD
REVENUE ANALYSIS

ACCOUNT	REVENUE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
350	INTERGOVERNMENTAL REVENUES														
0	City Costs - Water	11,000	11,000	11,000	11,000	11,000	22,600	24,000	21,600	24,000	24,000	24,000	24,000	24,000	24,000
100	City Costs - Sanitary	11,000	11,000	11,000	11,000	11,000	22,000	18,000	21,100	20,160	20,160	20,160	20,160	20,160	20,160
200	City Costs - OECD	-	-	-	-	-	1,947	1,600	2,124	1,980	1,980	1,980	1,980	1,980	1,980
300	Bradford Township	1,101	3,962	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	23,101	25,962	22,000	22,000	22,000	46,547	43,600	44,824	46,140	46,140	46,140	46,140	46,140	46,140
									1,224						
351	FEDERAL CAP & OPER. GRANTS														
10	FEMA	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Asst. to firefighters fed. Grant	163,400	58,435	-	38,503	31,543	-	-	93,667	38,000	38,000	-	-	-	-
110	D.A.R.E. Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
111	Bullet Proof Vest Grant	-	-	-	4,731	1,113	-	-	-	5,950	5,950	-	-	-	-
	SUBTOTAL	163,400	58,435	-	43,234	32,656	-	-	93,667	43,950	43,950	-	-	-	-
									93,667						
354	STATE CAP & OPER. GRANTS														
20	Public Safety Grant	-	-	10,000	-	-	-	-	2,469	-	-	-	-	-	-
30	Resurfacing Grant	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-
40	State Grant (Act 147)	-	14,550	13,800	13,800	13,800	12,825	12,825	11,100	11,000	11,000	11,000	11,000	11,000	11,000
41	Post Retirement Adj. (Act 64)	-	3,335	4,657	4,975	6,509	9,129	9,200	8,127	8,100	8,100	8,100	8,100	8,100	8,100
52	PEMA (22% Flood Projects)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60	DCED Early Intervention Progr am	-	-	-	-	-	-	-	-	37,000	37,000	-	-	-	-
70	DCED Recreation Grant	-	-	-	-	-	7,000	-	-	-	-	-	-	-	-
200	State Grant (EMSOF)	-	5,479	7,250	2,913	-	-	2,482	2,062	300	-	-	-	-	-
300	Emergency Responders Grant	-	-	10,000	-	10,000	-	-	-	-	-	-	-	-	-
	SUBTOTAL		23,364	60,707	21,687	30,309	28,954	24,507	23,758	56,400	56,100	19,100	19,100	19,100	19,100
									(749)						
355	STATE GRANTS														
10	Utility Realty Tax	3,879	4,848	4,859	4,656	4,467	4,684	4,700	5,380	5,000	5,000	5,000	5,000	5,000	5,000
120	Foreign Insurance (Act 205)	422,147	427,309	450,924	464,927	471,577	459,818	460,000	452,878	427,000	427,000	421,000	420,000	424,700	429,465
	SUBTOTAL	426,026	432,157	455,783	469,583	476,044	464,502	464,700	458,258	432,000	432,000	426,000	425,000	429,700	434,465
									(6,442)						
357	LOCAL GOVT./CAP GRANT														
30	County Aid	20,227	20,225	16,851	16,851	16,843	16,843	16,800	-	16,800	16,800	16,800	16,800	16,800	16,800
31	Bridge Replacement Grant	1,074,326	320,768	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	1,094,553	340,993	16,851	16,851	16,843	16,843	16,800	-	16,800	16,800	16,800	16,800	16,800	16,800
358	LOCAL GOVT. SHRD PYMTS														
100	Bradford Twp.	-	-	7,840	7,840	10,080	10,814	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080
200	Corydon Twp.	-	-	720	720	720	720	720	720	720	720	720	720	720	720
300	Foster Twp.	-	-	9,360	9,360	9,360	9,360	9,360	9,360	9,360	9,360	9,360	9,360	9,360	9,360
400	Lafayette Twp.	-	-	720	720	720	720	720	720	720	720	720	720	720	720
500	Lew Run Borough	-	-	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
	SUBTOTAL			20,080	20,080	22,320	23,054	22,320	22,320	22,320	22,320	22,320	22,320	22,320	22,320
									-						
360	SERVICES														
0	Cable TV Service Charges	92,733	87,147	83,405	84,906	83,946	92,810	89,853	86,541	90,000	89,000	88,546	90,760	93,029	95,354
200	B.H.A.	7,121	6,812	5,757	6,238	7,445	31,802	19,700	38,358	20,000	19,700	19,700	19,700	19,700	19,700
300	Ambulance Revenue	410,240	442,632	430,617	441,974	463,028	544,267	650,000	579,666	650,000	594,158	614,953	636,477	658,753	681,810
400	Claims Administration	2,343	2,873	2,782	3,028	2,886	2,895	2,800	3,182	2,976	2,800	2,800	2,800	2,800	2,800
500	Health Insurance Deductible	-	-	-	-	(116,404)	(28,116)	-	3,972	-	-	-	-	-	-
	SUBTOTAL	512,436	539,465	522,560	536,146	440,901	643,658	762,353	711,719	762,976	705,658	725,999	749,736	774,282	799,664
									(50,634)						

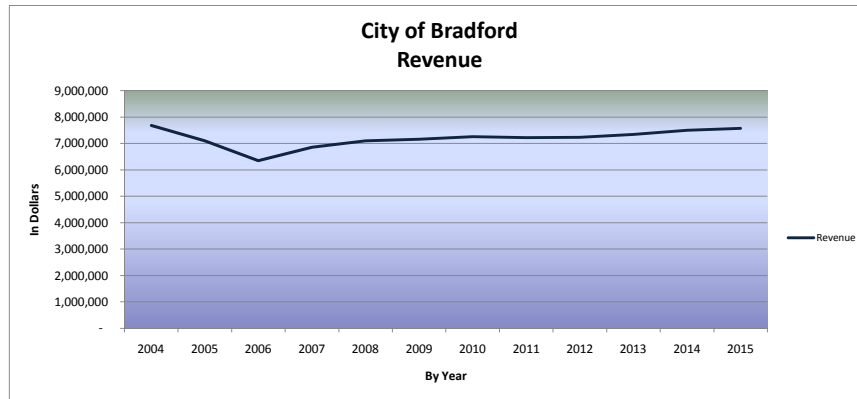
CITY OF BRADFORD
REVENUE ANALYSIS

ACCOUNT	REVENUE CATEGORY	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
361	GENERAL GOVT.														
520	Sale of Code Books	187	352	135	38	124	151	150	303	150	150	150	150	150	150
330	Zoning Certificates								1,400	1,600	1,600	1,600	1,600	1,600	1,600
340	Zoning Hearings								1,650	-	-	-	-	-	-
	SUBTOTAL	187	352	135	38	124	151	150	3,353	1,750	1,750	1,750	1,750	1,750	1,750
									3,203						
362	PUBLIC SAFETY														
100	Escort Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
430	Plumbing Inspection Fees	588	550	1,219	494	781	374	750	228	300	350	350	350	350	350
	SUBTOTAL	588	550	1,219	494	781	374	750	228	300	350	350	350	350	350
363	HIGHWAYS & STREETS														
210	Meter Collections	46,512	33,996	39,540	39,416	38,705	38,143	42,000	44,179	44,000	42,420	42,844	43,273	43,705	44,142
	SUBTOTAL	46,512	33,996	39,540	39,416	38,705	38,143	42,000	44,179	44,000	42,420	42,844	43,273	43,705	44,142
									2,179						
364	SANITATION														
300	Garbage & Utility Charge	1,220,204	1,203,346	1,229,988	1,215,116	1,192,056	1,199,990	1,350,000	1,223,829	1,300,000	1,235,230	1,247,582	1,300,000	1,313,000	1,326,130
	SUBTOTAL	1,220,204	1,203,346	1,229,988	1,215,116	1,192,056	1,199,990	1,350,000	1,223,829	1,300,000	1,235,230	1,247,582	1,300,000	1,313,000	1,326,130
									(126,171)						
367	CULTURE/REC.														
200	Swimming Pool Fees/Rentals	20,349	26,412	23,027	27,951	29,009	23,449	25,000	31,535	25,000	25,000	25,000	25,000	25,000	25,000
400	Pool/Ice Rink Concessions	9,545	12,580	13,156	12,772	13,109	11,568	11,500	13,004	11,500	11,568	11,568	11,568	11,568	11,568
800	Pavilion Rentals	3,350	3,225	3,075	2,138	3,338	3,825	3,000	3,300	3,000	3,825	3,825	3,825	3,825	3,825
900	Ice Rink Fees/Rentals	14,336	22,149	29,782	36,037	38,142	50,196	40,000	54,007	50,000	52,520	53,045	53,576	54,111	54,653
	SUBTOTAL	47,580	64,365	69,040	78,897	83,598	89,037	79,500	101,846	89,500	92,913	93,438	93,968	94,504	95,045
									22,346						
380	MISC.														
0	Misc.	4,287	5,241	3,712	3,258	5,902	1,879	2,500	519	2,500	2,500	2,500	2,500	2,500	2,500
100	Accident Police Reports	2,575	2,655	3,390	3,120	2,685	2,400	2,500	2,505	2,500	2,500	2,500	2,500	2,500	2,500
	SUBTOTAL	6,862	7,896	7,102	6,378	8,587	4,279	5,000	3,024	5,000	5,000	5,000	5,000	5,000	5,000
									(1,976)						
387	DONATIONS														
100	Donations	5,650	2,490	100	650	1,411	3,670	2,500	8,930	39,960	39,960	2,500	2,500	2,500	2,500
200	ERT Donations					11,025	-	-	-	-	-	-	-	-	-
	SUBTOTAL	5,650	2,490	100	650	12,436	3,670	2,500	8,930	39,960	39,960	2,500	2,500	2,500	2,500
									6,430						
392	INTERFUND OPER TRANSFER														
10	Transfer from Capital Reserve	-	-	-	-	-	229,000	-	37,546	-	-	-	-	-	-
20	Transfer from Gen. Fund					105,692	-	-	-	-	-	-	-	-	-
30	Interfund Operating Transfer						28,000	-	19,000	-	-	-	-	-	-
350	Interfund Operating Transfers						8,839	-	-	-	-	-	-	-	-
860	Due from Flood Fund	59	-	-	-	200	-	-	-	-	-	-	-	-	-
	SUBTOTAL	59	-	-	-	105,892	265,839	-	56,546	-	-	-	-	-	-
									56,546						
393	PROCEEDS OF LONG TERM DEBT														
130	Long Term Loan Proceeds	-	7,944	-	-	-	-	-	-	-	-	-	-	-	-
140	Loan Proceeds-Unfunded Debt	250,000	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	250,000	7,944	-	-	-	-	-	-	-	-	-	-	-	-
									-						
394	PROCEEDS OF SHORT TERM DEBT														
0	Short Term Loan Proceeds	-	-	-	-	-	-	-	125,000	-	-	-	-	-	-
	SUBTOTAL	-	-	-	-	-	-	-	125,000	-	-	-	-	-	-
									125,000						
395	REFUND OF PRIOR YR.														
100	Refund of WV Prior Year		4,506	2,281	2,332	6,257	-	-	1,456	-	-	-	-	-	-
	SUBTOTAL	-	4,506	2,281	2,332	6,257	-	-	1,456	-	-	-	-	-	-
									1,456						

CITY OF BRADFORD
REVENUE ANALYSIS

ACCOUNT	REVENUE CATEGORY	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
	TOTAL REVENUE	7,686,811	7,097,763	6,350,644	6,862,726	7,106,707	7,167,834	7,363,711	7,264,532	7,456,331	7,219,975	7,238,415	7,341,299	7,498,560	7,574,452
									(99,179)		(236,356)				
	BUDGET	6,184,186	6,674,195	4,491,419	6,901,924	7,339,213	7,902,018	7,363,711	7,363,711	7,456,331	7,456,331				
	ACTUAL	7,686,811	7,097,763	6,350,644	6,862,726	7,106,707	7,167,834	7,363,711	7,264,532	7,456,331	7,219,975	7,238,415	7,341,299	7,498,560	7,574,452
	DIFFERENCE	1,502,625	423,568	1,859,225	(39,198)	(232,506)	(734,184)	-	(99,179)		(236,356)	7,238,415	7,341,299	7,498,560	7,574,452

General Fund Revenue		
Year	Revenue	Inc/Dec
2004	7,686,811	
2005	7,097,763	-7.7%
2006	6,350,644	-10.5%
2007	6,862,726	8.1%
2008	7,106,707	3.6%
2009	7,167,834	0.9%
2010	7,264,532	1.3%
2011	7,219,975	-0.6%
2012	7,238,415	0.3%
2013	7,341,299	1.4%
2014	7,498,560	2.1%
2015	7,574,452	1.0%



ACCOUNT	EXPENDITURE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
	LEGISLATIVE BODY														
110	Salary/Director Accts/Finance	3,635	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
161	FICA/Medicare/Expense	-	-	-	-	-	268	268	268	268	268	268	268	268	268
	SUBTOTAL	3,635	3,500	3,500	3,500	3,500	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768	3,768
	EXECUTIVE														
121	Salary - City Clerk	53,509	52,817	54,306	55,928	57,560	58,940	58,903	58,940	60,463	60,463	62,277	64,145	66,070	68,052
156	Health Benefit	10,157	11,843	12,669	13,818	16,531	16,529	14,635	12,778	15,200	15,200	16,568	18,059	19,684	21,456
158	Life Insurance	54	54	54	54	54	54	54	38	54	55	55	55	55	55
161	FICA/Medicare Expense	5,083	4,991	5,103	5,229	5,352	4,502	4,510	4,349	4,626	4,626	4,765	4,908	5,055	5,207
163	Workers' Compensation	143	194	282	366	527	356	310	303	215	215	232	251	271	293
174	Education	270	232	125	278	277	283	250	224	200	225	231	236	242	248
200	Supplies	937	512	784	699	762	855	900	583	700	718	735	754	773	792
325	Postage	568	571	509	481	621	505	600	646	600	615	630	646	662	679
374	Office Equipment	200	129	184	198	-	-	200	-	-	-	-	-	-	-
460	Meetings, Conferences	149	299	70	172	249	177	200	386	200	205	210	215	221	226
700	Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	71,071	71,643	74,087	77,223	81,934	82,201	80,562	78,248	82,258	82,322	85,703	89,270	93,033	97,007
	AUDIT														
116	Salary-Controller	3,635	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
161	FICA/Medicare Expense	278	268	268	268	268	268	268	268	270	270	276	284	293	301
311	Auditors	8,986	10,000	10,100	10,300	10,300	10,600	10,700	10,700	10,700	10,700	10,968	11,242	11,523	11,811
	SUBTOTAL	12,899	13,768	13,868	14,068	14,068	14,368	14,468	14,468	14,470	14,470	14,743	15,026	15,315	15,612
	TAX COLLECTIONS														
114	Salaries - Clerks/Bookkeeper	34,047	50,018	58,620	74,415	75,442	60,752	60,200	60,394	66,000	66,000	67,980	70,019	72,120	74,284
140	Salary - City Treasurer	31,154	30,000	30,000	30,000	36,468	34,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
156	Health Benefit	25,943	25,471	28,079	40,316	52,188	45,509	48,000	50,460	58,000	58,000	63,220	63,220	68,910	68,910
158	Life Insurance	270	270	270	432	576	459	460	431	460	474	488	503	518	533
161	FICA/Medicare Expense	4,247	5,905	6,077	6,184	7,324	6,019	7,900	6,076	6,000	6,180	6,365	6,556	6,753	6,956
163	Workers' Compensation	223	302	498	915	1,061	414	361	352	250	250	270	292	315	340
174	Education	-	163	92	282	-	-	100	-	100	100	100	100	100	100
200	Supplies	3,707	4,906	3,174	2,733	799	3,802	3,300	3,156	3,300	3,300	3,300	3,300	3,300	3,300
213	Office Equipment	-	457	500	479	401	-	200	200	100	200	200	200	200	200
215	Postage	2,500	4,321	5,391	3,123	5,804	3,990	4,100	5,779	4,500	4,613	4,728	4,846	4,967	5,091
250	Maintenance	339	-	-	-	-	-	-	-	-	-	-	-	-	-
300	Misc./Other Services & Charges	69	125	153	209	991	65	75	270	270	75	75	75	75	75
316	Professional Services	594	1,868	2,143	1,583	66	7,124	2,850	3,200	5,856	5,856	6,002	6,152	6,306	6,464
384	Contractual (Computers)	1,324	1,858	1,831	400	67	11,855	13,776	13,776	18,536	18,536	18,999	19,474	19,961	20,460
452	Contractual (Wage Tax Office)	21,792	22,283	24,889	22,497	23,182	21,738	23,250	21,193	22,000	22,550	23,114	23,692	24,284	24,891
700	Capital Outlay	1,550	-	-	-	-	-	-	-	5,450	5,450	-	-	-	-
	SUBTOTAL	127,759	147,947	161,718	183,568	204,368	195,727	199,572	200,287	225,822	226,583	229,842	233,429	242,809	246,604
									(715)						

ACCOUNT	EXPENDITURE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
	LAW														
120	Salary - Solicitor	36,066	36,049	37,511	38,973	40,597	41,949	41,949	41,949	43,509	43,509	44,814	46,159	47,543	48,970
156	Health Benefit	10,628	10,430	10,213	12,481	15,108	12,928	18,500	15,574	19,000	19,000	20,710	22,574	24,606	26,820
161	FICA/Medicare Expense	2,630	2,621	2,719	2,816	2,911	-	3,200	2,984	3,328	3,428	3,531	3,637	3,746	3,858
163	Workers' Compensation	81	109	166	232	322	2,973	194	189	134	134	145	156	169	182
200	Supplies	200	-	-	-	-	222	-	-	-	-	-	-	-	-
300	Court Costs	199	110	140	85	58	-	100	-	100	100	100	100	100	100
314	Contractual (Secretarial)	2,500	2,560	2,500	2,500	2,500	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
317	Litigation/Special Legal Services	22,862	36,720	20,107	1,110	640	2,500	7,500	17,568	15,000	15,000	7,500	7,500	7,500	7,500
700	Capital Outlay	-	-	-	-	-	7,482	-	-	-	-	-	-	-	-
	SUBTOTAL	75,165	88,598	73,356	58,197	62,136	68,055	73,943	80,765	83,571	83,671	79,300	82,625	86,164	89,930
									(6,822)						
	RECORDS														
341	Advertising	3,889	4,184	3,519	2,020	3,183	2,171	3,000	2,006	2,500	2,500	2,500	2,500	2,500	2,500
	SUBTOTAL	3,889	4,184	3,519	2,020	3,183	2,171	3,000	2,006	2,500	2,500	2,500	2,500	2,500	2,500
	PERSONNEL & ADMINISTRATIVE														
130	Salaries: Support Staff	142,227	142,792	151,429	150,974	149,287	159,704	165,000	148,915	161,000	161,000	165,830	170,805	175,929	181,207
156	Health Benefit	30,717	36,056	40,402	41,995	48,264	38,830	59,700	60,599	63,000	63,000	68,670	74,850	81,587	88,930
158	Life Insurance	270	270	270	432	594	599	650	464	650	650	660	670	680	690
161	FICA/Medicare Expense	10,682	10,586	11,211	11,221	11,087	12,070	12,700	10,814	12,533	12,909	13,296	13,695	14,106	14,529
163	Workers' Compensation	310	423	632	965	1,171	861	749	732	520	520	562	607	655	707
174	Education	531	345	597	790	340	383	450	205	300	300	308	315	323	331
200	Office Supplies	3,645	3,521	4,082	4,211	5,013	2,568	2,000	2,275	2,500	2,332	2,563	2,391	2,627	2,450
213	Office Equipment/Furniture	554	1,064	1,033	350	460	-	250	-	400	410	420	431	442	453
215	Postage	1,391	1,385	1,060	1,621	1,641	1,273	1,600	1,706	1,800	1,845	1,891	1,938	1,987	2,037
374	Maintenance/Office Equipment	-	-	-	-	-	195	300	-	300	300	300	300	300	300
384	Contractual (Computers)	3,310	4,631	2,905	1,000	168	12,915	10,332	10,332	11,585	11,585	11,875	12,171	12,476	12,788
450	Administrative - EIP Expenses	-	-	-	-	-	-	-	-	74,760	74,760	-	-	-	-
700	Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	193,636	201,073	213,621	213,559	218,025	229,398	253,731	236,042	329,348	329,611	266,374	278,173	291,110	304,421
	DATA PROCESSING														
200	Software/Hardware Upgrades	-	441	762	1,080	6,804	1,040	9,000	-	2,000	2,000	2,000	2,000	2,000	2,000
316	Professional Services/Maint.	2,375	4,375	2,638	2,406	6,620	3,067	9,655	3,256	9,000	9,225	3,338	3,421	3,507	3,594
321	CSI Phone Support/Modem	6,768	10,449	7,539	8,016	1,438	2,899	2,900	969	5,000	5,125	993	1,018	1,043	1,069
700	Capital Outlay	818	-	206	2,000	9,280	2,500	2,000	836	3,000	3,000	3,000	3,000	3,000	3,000
	SUBTOTAL	9,961	15,266	11,145	13,501	24,142	9,506	23,555	5,061	19,000	19,350	9,331	9,439	9,550	9,664
	ENGINEER														
200	Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
313	City Engineer	1,127	360	892	645	1,277	777	1,000	155	750	750	750	750	750	750
450	Mapping	-	-	-	-	-	-	100	-	-	-	-	-	-	-
	SUBTOTAL	1,127	360	892	645	1,277	777	1,100	155	750	750	750	750	750	750

CITY OF BRADFORD
EXPENSE ANALYSIS

ACCOUNT	EXPENDITURE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
409	MUNICIPAL BUILDING MAINT.														
237	Cleaning Services/Supplies	8,774	8,914	9,078	9,461	8,384	9,882	8,600	9,168	8,800	9,500	9,785	10,030	10,280	10,537
321	Telephone/Fax/TV	12,790	11,227	11,427	11,174	11,146	11,828	11,000	10,363	11,500	11,500	11,500	11,500	11,500	11,500
361	Fuel & Light	33,017	42,596	45,240	36,845	39,118	41,843	42,000	26,611	30,900	30,900	31,827	32,782	33,765	34,778
373	Building Repairs/Maintenance	14,477	10,334	8,292	15,995	7,127	5,119	15,000	6,538	25,000	25,000	25,625	26,266	26,922	27,595
380	Rental/Luciano Building	3,960	1,320	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	73,017	74,391	74,038	73,474	65,774	68,672	76,600	52,680	76,200	76,900	78,737	80,577	82,468	84,411
410	POLICE														
112	Salary - Mayor	5,192	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
121	Salary - Police Chief	48,592	48,110	49,572	51,190	52,814	54,166	54,166	65,095	56,552	56,552	58,531	60,580	62,700	64,895
130	Salaries - Police Officers	635,757	650,895	649,551	661,546	707,016	692,141	675,000	608,926	555,439	555,450	572,114	589,277	606,955	625,164
132	Salaries - Juvenile Officer	42,157	42,110	43,111	45,454	46,923	48,535	48,535	50,034	103,636	103,636	107,263	111,017	114,903	118,925
156	Health Benefit	174,358	178,158	183,531	197,991	209,685	208,878	242,000	217,743	285,000	285,000	310,650	338,609	369,083	402,301
158	Life Insurance	2,430	2,430	2,284	2,453	2,453	2,430	2,500	1,773	2,600	2,626	2,652	2,679	2,706	2,733
161	FICA/Medicare Expense	8,198	8,108	9,952	8,987	9,488	9,797	11,000	9,302	8,659	9,581	9,916	10,263	10,622	10,994
163	Workers' Compensation	27,629	34,758	44,287	56,392	74,662	69,805	60,730	59,268	42,080	42,080	45,446	49,082	53,009	57,249
174	Police Training (Act 120)	11,444	10,692	14,341	12,575	12,600	9,173	18,000	15,657	16,000	16,560	17,140	17,739	18,360	18,960
175	ERT Team Training	-	-	-	-	5,492	-	2,000	-	2,000	2,000	2,000	2,000	2,000	2,000
182	Overtime (Special Details)	-	-	-	-	-	-	-	7,081	1,000	1,000	1,000	1,000	1,000	1,000
183	Overtime (Regular)	11,291	26,295	49,367	33,779	29,065	50,879	36,000	27,962	33,000	33,000	34,155	35,350	36,588	37,868
184	Sift Diff/OIC Pay	18,212	18,612	20,543	23,336	20,013	19,591	23,000	18,272	20,000	20,700	21,425	22,174	22,950	23,754
187	Overtime (Invest/Arrests/Lega)	14,066	12,168	19,033	16,846	15,884	16,547	20,000	19,040	18,000	18,630	19,282	19,957	20,655	21,378
188	Overtime (Task Force)	803	800	2,966	7,105	(1,113)	(2,672)	3,000	16,823	3,000	3,000	3,000	3,000	3,000	3,000
200	Office Supplies	2,653	2,937	3,678	3,029	2,733	1,749	3,600	2,152	1,800	1,845	1,891	1,938	1,987	2,037
201	Gasoline & Oil	15,844	20,898	21,233	26,056	33,511	18,943	20,000	34,455	26,000	34,445	35,306	36,189	37,093	38,021
238	Uniforms	9,264	10,736	10,589	15,390	12,104	9,954	15,000	9,166	16,500	16,500	16,913	17,335	17,769	18,213
300	Cleaning Services and Supplies	3,687	3,831	4,516	4,391	4,113	4,571	4,800	4,218	4,700	4,700	4,818	4,938	5,061	5,188
316	Computer Support (Protocol)	1,600	1,650	1,700	1,793	1,790	1,950	2,048	-	3,058	3,058	3,134	3,213	3,293	3,375
321	Radio & Telephone	11,683	12,032	8,457	7,169	7,082	4,993	6,000	6,841	7,000	7,175	7,354	7,538	7,727	7,920
325	Postage	951	712	650	1,128	1,111	723	1,250	626	300	308	315	323	331	339
361	Gas & Electric	4,049	5,286	5,007	5,609	5,523	5,319	6,000	4,704	5,330	4,822	4,942	5,066	5,193	5,322
374	Maintenance/Office Equipment	1,130	1,230	1,099	974	1,122	1,148	1,500	1,370	2,700	2,768	2,837	2,908	2,980	3,055
375	Vehicle Maint. & Towing	20,223	22,371	24,433	22,650	16,276	14,466	20,000	8,259	15,000	15,000	15,375	15,759	16,153	16,557
700	D.U.I Expenses	1,607	788	1,305	4,710	4,536	947	2,000	319	2,000	2,000	2,050	2,101	2,154	2,208
701	Capital Outlay - Computer System	4,668	5,667	5,066	5,728	5,351	6,375	9,000	3,541	4,000	4,000	4,100	4,203	4,308	4,415
702	Capital Outlay (Vehicles)	-	-	-	5,756	17,795	29,392	29,650	29,651	31,850	31,850	32,646	33,462	34,299	35,156
703	ERT Team Vehicle	-	-	-	-	-	-	500	-	750	769	788	808	828	849
705	GE Mobile/Police Radios	-	-	-	-	4,673	1,959	2,000	120	1,500	1,538	1,576	1,615	1,656	1,697
706	Crime Scene & Safety Supplies	1,248	1,632	883	1,657	-	609	1,600	327	1,200	1,230	1,261	1,292	1,325	1,358
750	Public Safety Grant Cap. Outlay	-	-	8,367	-	940	9,900	-	13,205	-	-	-	-	-	-
	SUBTOTAL	1,078,735	1,127,907	1,190,520	1,228,694	1,308,639	1,297,269	1,325,879	1,241,275	1,275,654	1,286,261	1,344,300	1,405,817	1,471,067	1,540,331
											(10,607)				

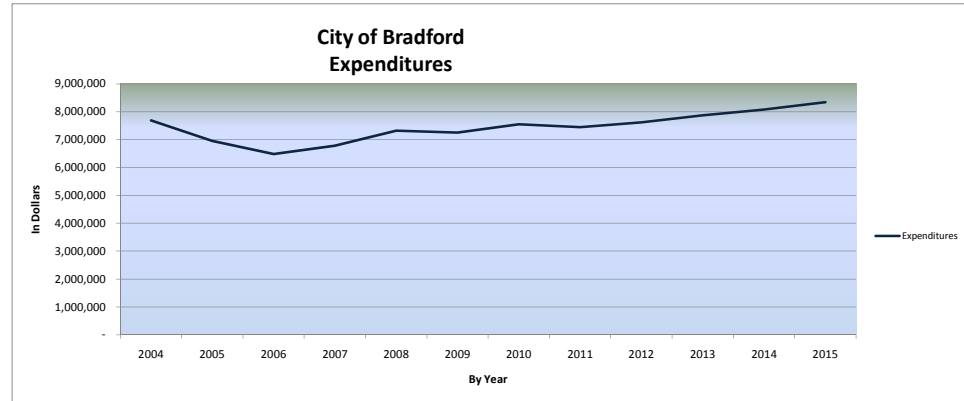
ACCOUNT	EXPENDITURE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
411	FIRE														
113	Salary - Councilman	3,635	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
121	Salary - Fire Chief	47,886	47,431	49,093	50,711	83,479	52,535	53,887	55,239	75,242	75,242	77,499	79,824	82,219	84,686
130	Salaries - Firemen	724,797	733,500	776,021	803,018	857,881	781,345	793,628	816,887	729,571	729,571	751,458	774,002	797,222	821,139
131	Salaries - Fire Secretary	1,863	1,884	1,984	2,051	2,148	2,251	2,300	2,038	2,500	2,575	2,652	2,732	2,814	2,898
140	Wages - Temp. Help	16,236	16,451	23,500	19,579	18,216	16,358	16,500	18,567	59,977	59,977	61,476	63,013	64,589	66,203
156	Health Benefit	147,174	152,916	172,174	194,632	194,010	188,788	217,000	214,685	200,781	200,781	218,851	238,548	260,017	283,419
158	Life Insurance	2,304	2,689	2,700	2,689	2,655	2,295	2,475	1,145	2,500	2,525	2,550	2,576	2,602	2,628
161	FICA/Medicare Expense	11,460	10,425	11,992	13,869	14,082	13,984	12,637	14,208	14,883	14,634	15,073	15,525	15,991	16,471
163	Workers' Compensation	31,961	40,273	50,019	65,996	86,901	77,590	67,504	65,983	43,000	43,000	46,440	50,155	54,168	58,501
174	Fire Prevention	-	1,199	1,034	1,234	596	751	1,000	970	-	-	-	-	-	-
175	Training	778	6,834	2,263	4,691	4,706	3,160	5,000	2,111	-	-	-	-	-	-
183	Reg. Overtime	47,645	61,630	74,226	31,044	44,322	70,555	50,000	88,186	40,000	56,650	56,650	56,650	56,650	56,650
200	Supplies	1,865	1,852	1,747	2,060	2,416	2,341	2,500	1,931	1,000	1,000	1,025	1,051	1,077	1,104
210	Office Supplies/Furniture	1,189	1,841	1,337	1,902	1,863	1,123	1,500	918	750	750	769	788	808	828
231	Gasoline & Oil	6,628	7,906	8,641	8,500	13,759	9,196	10,000	14,096	13,000	14,448	14,810	15,180	15,559	15,948
238	Protective Clothing	1,007	6,981	6,960	8,714	12,601	7,788	12,000	12,658	12,000	12,000	12,300	12,608	12,923	13,246
316	Annual Testing/Certifications	498	569	1,591	1,836	3,573	2,348	4,000	3,248	4,000	4,000	4,100	4,203	4,308	4,415
362	Gas & Electric	16,350	19,572	20,822	15,319	21,429	16,135	22,000	14,762	17,500	15,131	15,509	15,897	16,294	16,702
367	Radio & Telephone	5,388	4,733	4,556	4,133	3,669	3,844	5,000	5,847	5,000	5,125	5,253	5,384	5,519	5,657
375	Main/Equip./Vehicle	5,648	7,026	7,287	7,193	12,610	9,070	10,000	18,624	12,000	19,090	19,567	20,056	20,558	21,072
380	Contractual (25% Copier)	582	604	576	514	551	687	495	645	602	617	632	648	664	681
420	Dues/Subscriptions/Memberships	891	1,155	925	942	950	1,147	1,200	1,040	1,040	1,066	1,093	1,120	1,148	1,177
450	Contractual Screening	-	-	-	-	-	-	500	-	500	513	525	538	552	566
700	Capital Outlay	-	950	5,999	2,643	1,715	21,336	6,000	6,877	7,967	7,967	8,166	8,370	8,580	8,794
740	Cap. Outlay - Equip. (FEMA Grant)	126,399	95,560	-	37,856	32,585	1,920	-	91,574	37,367	37,367	-	-	-	-
	SUBTOTAL	1,202,186	1,227,481	1,228,947	1,284,627	1,420,217	1,290,047	1,300,626	1,455,739	1,284,680	1,307,529	1,319,900	1,372,368	1,427,760	1,486,283
									(155,113)		(22,849)				
412	AMBULANCE RESCUE														
161	FICA/Medicare Expense	-	-	-	-	-	1,068	1,151	1,383	1,300	1,424	1,467	1,511	1,556	1,603
175	Training	50	2,566	807	2,914	699	2,080	5,000	887	1,000	1,000	1,000	1,000	1,000	1,000
180	Call-Out-Time	64,921	64,609	65,137	62,888	68,706	72,485	85,000	106,624	125,000	109,822	112,568	115,382	118,267	121,223
200	Office Supplies	1,752	1,824	1,533	1,811	1,764	1,853	2,000	1,150	1,000	1,025	1,051	1,077	1,104	1,131
223	ALS (Prescription Drugs)	4,909	5,302	6,544	5,385	3,352	4,352	6,000	6,776	7,000	7,000	7,175	7,354	7,538	7,727
243	Ambulance Supplies (BLS)	1,835	1,812	3,699	2,092	2,417	3,273	3,000	2,334	3,000	3,000	3,075	3,152	3,231	3,311
249	Ambulance Supplies (ALS)	1,504	1,958	2,849	2,034	3,334	4,550	4,500	2,849	4,500	4,500	4,613	4,728	4,846	4,967
251	Maintenance	6,491	5,028	5,528	4,503	3,448	6,369	7,000	12,972	10,000	10,000	10,250	10,506	10,769	11,038
310	Contractual Services	26,826	28,462	28,264	28,239	32,452	38,252	37,000	44,815	45,000	45,000	46,125	47,278	48,460	49,672
316	Annual Testing (ALS Equipment)	-	-	3,967	3,967	3,958	-	3,958	270	3,000	3,000	3,075	3,152	3,231	3,311
321	Telephone	341	365	280	370	366	379	-	-	-	-	-	-	-	-
325	Postage	1,632	1,579	1,556	1,302	1,387	1,382	1,800	1,164	1,500	1,500	1,538	1,576	1,615	1,656
329	Computer Contract	1,105	1,335	1,415	1,415	1,415	1,770	4,000	1,250	7,510	7,510	7,698	7,890	8,087	8,290
700	Capital Outlay	-	15,433	18,000	21,221	14,158	14,808	19,500	6,867	-	-	-	-	-	-
	SUBTOTAL	111,365	130,273	139,579	138,140	137,455	152,621	179,909	189,341	209,810	194,781	199,633	204,606	209,704	214,929
									(8,432)		(15,029)				

ACCOUNT	EXPENDITURE CATEGORY	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
430	HIGHWAYS														
115	Salary - Councilman	1,817	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
120	Salary - DPW Director	42,770	42,505	43,967	45,585	23,605	24,281	24,281	24,281	25,060	25,060	25,687	26,329	26,987	27,662
121	Salary - Asst. Director	37,474	37,251	38,083	38,979	-	-	-	-	-	-	-	-	-	-
130	CDL Instructor/Vehicle Inspect.	-	-	60	-	-	-	-	-	-	-	-	-	-	-
156	Health Benefit	94,223	93,645	97,154	97,454	97,390	102,800	102,000	122,178	115,094	115,094	125,452	136,743	149,050	162,465
158	Life Insurance	671	689	666	712	648	594	594	468	600	600	606	612	618	624
161	FICA/Medicare Expense	33,646	34,493	33,716	36,774	33,925	29,713	31,100	27,508	28,502	29,215	29,945	30,694	31,461	32,247
163	Workers' Compensation	21,959	25,122	33,798	39,764	49,765	36,111	31,417	30,529	21,676	21,676	39,004	39,004	39,004	39,004
174	Education	5	195	25	83	193	-	300	-	300	300	300	300	300	300
180	Wages-Street Dept.	306,364	309,878	310,412	330,151	340,908	335,072	336,000	310,206	347,517	347,517	356,205	365,110	374,238	383,594
181	Overtime	50,450	58,786	46,003	59,122	52,840	37,943	46,000	39,292	45,000	45,000	46,125	47,278	48,460	49,672
200	Supplies	223	123	68	38	-	-	100	-	100	103	105	108	110	113
215	Postage	423	486	507	512	524	432	425	599	500	513	525	538	552	566
226	Overtime Meals	177	207	214	174	252	408	400	20	400	410	420	431	442	453
231	Gas/Oil/Fuel	21,344	27,972	30,132	35,944	48,373	27,360	30,000	30,679	31,760	31,446	32,232	33,038	33,864	34,711
242	Safety Equipment & Clothing	3,180	3,312	4,134	3,904	2,952	4,187	4,000	3,523	4,000	4,000	4,100	4,203	4,308	4,415
245	Road & Sidewalk Materials	43,702	53,360	43,778	46,290	52,552	47,195	45,000	39,959	40,000	40,000	41,000	42,025	43,076	44,153
249	Road Sale/Sand	22,000	25,000	8,062	-	-	-	-	-	-	-	-	-	-	-
250	Vehicle/Equipment Maint.	20,126	28,575	29,979	28,638	32,616	31,197	30,000	26,431	30,000	27,091	27,769	28,463	29,174	29,904
251	Street Sweeper Maint/Supplies	5,961	6,568	6,581	7,833	8,133	9,885	8,000	8,868	10,000	10,000	10,250	10,506	10,769	11,038
252	Street Signs	6,732	4,060	4,069	5,025	5,782	4,769	5,500	3,613	4,500	4,500	4,613	4,728	4,846	4,967
327	Radio Maint.	1,350	1,209	1,332	1,440	2,990	879	1,500	378	1,000	1,000	1,025	1,051	1,077	1,104
384	DPW Contract - Computer	-	459	494	539	181	-	-	-	-	-	-	-	-	-
450	CDL/DOT Regulations	622	741	377	444	1,165	100	500	125	500	500	513	525	538	552
452	Resurfacing Grant	-	-	15,000	-	-	-	-	-	-	-	-	-	-	-
530	Foster Twp.	500	500	500	500	500	500	500	500	500	500	513	525	538	552
600	County Aid	20,227	20,225	16,851	16,851	16,843	16,843	16,500	16,834	16,800	16,800	17,220	17,651	18,092	18,544
611	Bridge Construction Contract	1,074,326	320,768	-	-	-	-	-	-	-	-	-	-	-	-
720	Holley Ave. Improvements	-	10,578	1,208	18,100	6,721	6,843	15,000	140,237	5,000	5,000	5,125	5,253	5,384	5,519
750	Capital Outlay/Minor Equipment	1,054	903	1,457	829	800	935	1,000	-	-	-	-	-	-	-
751	Map Machine: Maint/Supplies	1,073	576	70	-	435	-	-	-	-	-	-	-	-	-
	SUBTOTAL	1,812,400	1,109,935	770,447	817,437	781,843	719,797	731,867	827,979	730,559	728,074	770,483	796,864	824,638	853,907
435	SIDEWALKS														
510	Sidewalk Improvement Program	-	9,477	14,193	17,936	16,317	-	-	-	-	-	-	-	-	-
	SUBTOTAL	-	9,477	14,193	17,936	16,317	-	-	-	-	-	-	-	-	-

ACCOUNT	EXPENDITURE CATEGORY	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
442	ELECTRIC SYSTEM														
121	Salary - Electrician					39,936	40,995	37,000	48,271	34,718	34,718	35,586	36,476	37,387	38,322
156	Health Benefit					5,425	5,621	12,500	8,450	10,000	9,210	10,039	10,942	11,927	13,001
158	Life Insurance					54	54	59	46	60	60	61	61	62	62
161	FICA/Medicare Expense					3,409	3,762	3,300	4,082	2,656	4,204	4,310	4,417	4,528	4,641
163	Workers Compensation					7,802	4,389	3,819	3,733	2,650	4,031	4,354	4,702	5,079	5,485
181	Overtime: Electrician	8,462	9,565	7,382	8,138	8,254	8,297	7,700	5,358	6,000	5,519	8,300	8,300	8,300	8,300
242	Safety Equipment & Clothing	-	424	619	636	586	341	500	126	500	500	513	525	538	552
250	Supplies	1,032	1,165	1,214	1,196	937	581	1,100	477	1,100	1,100	1,128	1,156	1,185	1,214
251	Bucket Truck Main. Supplies	1,119	2,345	1,660	2,562	289	12,434	14,000	11,053	14,000	11,329	11,613	11,903	12,200	12,505
361	Street Lighting	69,936	63,871	63,671	66,514	66,694	69,691	67,000	58,987	75,700	71,433	73,219	75,049	76,926	78,849
362	219 Lighting	5,247	4,429	2,264	503	-	2,805	2,700	3,937	4,305	4,035	4,136	4,240	4,346	4,454
367	Traffic Lights	2,164	2,301	2,565	2,269	2,225	2,604	2,700	2,004	2,000	2,050	2,101	2,154	2,208	2,263
368	Electrical Serv. - Downtown Event	240	376	883	291	104	125	300	-	300	300	308	315	323	331
369	Historical Main St. Lighting	230	228	297	240	136	-	-	-	-	-	-	-	-	-
372	Traffic Light Maintenance	3,633	4,618	3,008	5,407	1,935	2,204	6,500	3,601	6,500	6,500	6,663	6,829	7,000	7,175
374	Street Light Maintenance	982	1,848	2,113	1,279	1,257	412	2,250	637	2,000	2,050	2,101	2,154	2,208	2,263
700	Capital Outlay	-	594	478	352	-	-	-	-	-	-	-	-	-	-
701	Memorial Main St. Clock	-	-	146	24	630	-	-	-	100	103	105	108	110	113
	SUBTOTAL	93,046	91,764	86,300	89,412	139,674	154,314	161,428	150,761	162,589	157,143	164,534	169,331	174,326	179,530
											5,446				
445	PARKING FACILITIES														
140	Salary - Parking Enforcement Officer	18,636	18,473	18,908	20,417	-	-	-	-	9,600					
156	Health Benefit	8,884	12,234	10,485	11,501	-	-	-	-	-					
158	Life Insurance	54	54	54	95	-	-	-	-	-					
161	FICA/Medicare Expense	1,297	1,276	1,296	1,397	-	-	-	-	-					
163	Workers' Compensation	763	1,035	1,024	265	134	-	-	-	-					
200	Parking Citations & Postage	960	66	1,012	97	-	1,044	-	41	1,050	1,050	1,050	1,050	1,050	1,050
238	Uniforms	81	115	138	11	-	-	-	-	600	600	600	600	600	600
251	Maint. Supplies	2,636	2,967	2,392	1,725	68	1,667	2,700	15	1,500	2,700	2,700	2,700	2,700	2,700
700	Capital Outlay	355	391	-	320	128	668	800	-	2,000	800	800	800	800	800
	SUBTOTAL	33,667	36,611	35,308	35,827	330	3,379	3,500	56	14,750	5,150	5,150	5,150	5,150	5,150
450	PERMITS														
540	Maintenance	6,420	6,602	6,837	7,068	7,306	7,633	7,800	9,674	7,925	7,800	7,800	7,800	7,800	7,800
	SUBTOTAL	6,420	6,602	6,837	7,068	7,306	7,633	7,800	9,674	7,925	7,800	7,800	7,800	7,800	7,800
									(1,874)						
452	PARKS & PARKWAYS SECURITIES														
130	Salaries - Park Security	120,064	119,240	124,823	130,173	134,071	138,800	139,000	152,760	146,926	146,926	150,599	154,364	158,223	162,179
156	Health Benefit	26,276	30,538	35,734	38,208	38,466	41,429	47,000	44,613	52,000	52,000	56,680	61,781	67,342	73,402
158	Life Insurance	405	405	405	405	405	405	405	344	450	450	455	459	464	468
161	FICA/Medicare Expense	-	-	-	1,866	1,891	1,945	2,000	2,225	2,130	2,130	2,183	2,238	2,294	2,351
163	Workers' Compensation	4,153	5,430	6,447	8,450	11,613	10,912	9,494	9,280	6,589	6,589	11,880	11,880	11,880	11,880
	SUBTOTAL	150,897	155,612	167,409	179,102	186,447	193,492	197,899	209,223	208,095	208,095	221,797	230,722	240,202	250,280
									(11,324)						

ACCOUNT	EXPENDITURE CATEGORY	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
	TOTAL EXPENDITURE AND FUND BALANCE	7,689,873	6,956,247	6,482,462	6,782,195	7,322,508	7,254,311	7,363,711	7,548,274	7,456,282	7,454,150	7,621,376	7,872,053	8,084,061	8,348,844
	BUDGETED EXPENDITURES	6,184,186	6,676,685	6,411,027	6,901,924	7,339,213	7,902,018		7,363,711						
	DIFFERENCE	(1,505,687)	(279,562)	(71,435)	119,729	16,705	647,707	(7,363,711)	(184,563)	(7,456,282)	(7,454,150)	(7,621,376)	(7,872,053)	(8,084,061)	(8,348,844)

General Fund Expenditures		
Year	Expenditure	Inc/Dec
2004	7,689,873	N/A
2005	6,956,247	-9.5%
2006	6,482,462	-6.8%
2007	6,782,195	4.6%
2008	7,322,508	8.0%
2009	7,254,311	-0.9%
2010	7,548,274	4.1%
2011	7,454,150	-1.2%
2012	7,621,376	2.2%
2013	7,872,053	3.3%
2014	8,084,061	2.7%
2015	8,348,844	3.3%



APPENDIX B – SPECIAL FUNDS

See the following pages.

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CITY OF BRADFORD
SPECIAL FUNDS
RECYCLING ESCROW

RECYCLING ESCROW FUND															
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
	REVENUE														
341	INTEREST EARNINGS														
0	Interest Earnings	311	208	193	191	361	423		67	-					
	SUBTOTAL	311	208	193	191	361	423	-	67	-	-	-	-	-	-
354	STATE CAPITAL/OPERATING GRANTS														
51	Der Performance Grant	15,639	14,153	23,924	9,461	9,726	13,317		-	-					
52	Grant Act 101	99,379	139,868	140,367	-	-	-		-	-					
	SUBTOTAL	115,018	154,021	164,291	9,461	9,726	13,317	-	-	-	-	-	-	-	-
380	MISC. REVENUE														
0	2% of Gross Income	-	-	-	-	-	-		-	-					
1	Sale of Equipment	709	-	-	12,482	-	-		-	-					
	SUBTOTAL	709	-	-	12,482	-	-	-	-	-	-	-	-	-	-
392	INTERFUND OPERATING TRANSFERS														
0	Transfer from general fund								28,000	-					
	SUBTOTAL	-	-	-	-	-	-	-	28,000	-	-	-	-	-	-
395	REFUNDS FROM PRIOR YEAR														
	Refunds from Prior Year					5,864	-		-	-					
	SUBTOTAL	-	-	-	-	5,864	-	-	-	-	-	-	-	-	-
399	FUND BALANCE FORWARD														
0	Fund Balance Forward	-	-	(19,816)	-	-	-		-	-					
	SUBTOTAL	-	-	(19,816)	-	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE	116,038	154,229	144,668	22,134	15,950	13,740	-	28,067	-	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
RECYCLING ESCROW

RECYCLING ESCROW FUND															
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	
	2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015	
EXPENDITURES															
403	TAX COLLECTION														
300	Misc. / Other Services	-	-	220	-	17	-	-	-	-	-	-	-	-	-
	SUBTOTAL	-	-	220	-	17	-	-	-	-	-	-	-	-	
MAINTENANCE															
426	MAINTENANCE														
300	Recycling Fees			3,321	1,071	-	97	-	-	-	-	-	-	-	
360	Utilities			2,189	1,762	1,166	1,147	-	1,088	-	-	-	-	-	
374	Maint.	3,652	-	50	1,890	-	-	-	-	-	-	-	-	-	
380	Rent	15,000	-	-	-	-	-	-	-	-	-	-	-	-	
600	Capital Construction	-	141,735	133,410	-	-	-	-	16,000	-	-	-	-	-	
700	Capital Outlay	17,896	10,438	-	-	-	-	-	-	-	-	-	-	-	
710	Capital Purchase (Land)	2,330	16,830	-	-	-	-	-	-	-	-	-	-	-	
	SUBTOTAL	38,878	169,003	138,970	4,723	1,166	1,244	-	17,088	-	-	-	-	-	
REFUSE COLLECTION															
427	REFUSE COLLECTION														
374	Maint.	442	4,466	5,401	9,423	8,811	17,461	-	15,183	-	-	-	-	-	
380	Rent	3,000	18,000	-	-	-	-	-	-	-	-	-	-	-	
700	Capital Outlay	92,526	-	-	-	-	-	-	-	-	-	-	-	-	
	SUBTOTAL	95,968	22,466	5,401	9,423	8,811	17,461	-	15,183	-	-	-	-	-	
INTERFUND OPERATING TRANSFERS															
492	INTERFUND OPERATING TRANSFERS														
10	Interfund Operating Transfers						28,000		19,000						
	SUBTOTAL	-	-	-	-	-	28,000	-	19,000	-	-	-	-	-	
	TOTAL EXPENDITURES	134,845	191,469	144,591	14,146	9,994	46,706	-	51,271	-	-	-	-	-	

CITY OF BRADFORD
SPECIAL FUNDS
CODE ENFORCEMENT

CODE ENFORCEMENT FUND															
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	REVENUE	2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
331	CODE VIOLATION														
0	Code Violation Fees	10,254	14,468	13,906	11,484	11,276	9,946	15,000	11,541	45,000					
	SUBTOTAL	10,254	14,468	13,906	11,484	11,276	9,946	15,000	11,541	45,000	-	-	-	-	-
341	INTEREST EARNINGS														
0	Interest Earnings	100	94	96	27	33	15	15	14	15					
	SUBTOTAL	100	94	96	27	33	15	15	14	15	-	-	-	-	-
351	FED CAPITAL/OPERATING GRANTS														
50	Code Enforcement Grant	57,682	57,580	47,901	47,959	48,188	47,065	50,000	50,000	50,000					
	SUBTOTAL	57,682	57,580	47,901	47,959	48,188	47,065	50,000	50,000	50,000	-	-	-	-	-
361	GEN. GOVT.														
500	Sales of Publications	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
365	HEALTH														
200	Compliance Inspection Fees	9,270	9,550	7,825	7,075	7,725	22,700	25,000	24,850	25,000					
300	Disclosure Inspection Fees	27,675	25,000	26,475	19,140	15,185	19,650	20,000	16,515	20,000					
600	UCC Inspection Fee	-	2,060	5,295	4,028	4,170	3,285	4,000	4,565	5,000					
	SUBTOTAL	36,945	36,610	39,595	30,243	27,080	45,635	49,000	45,930	50,000	-	-	-	-	-
380	MISC.														
	Misc.			105	-	-	-	-	-	-					
	SUBTOTAL			105	-	-	-	-	-	-	-	-	-	-	-
392	TRANSFER OECD CODE ENFORCEMENT														
18	Transfer from Capital Reserve	-	-	-	17,625	24,321	-	-	-	-					
83	Transfer OECD Code Enforcement	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	-	-	-	17,625	24,321	-	-	-	-	-	-	-	-	-
395	REFUND OF PRIOR YEAR														
100	Refund of Prior Year Exp.	540	-	-	-	-	26,269	-	(11,000)	-					
	SUBTOTAL	540	-	-	-	-	26,269	-	(11,000)	-	-	-	-	-	-
399	FUND BALANCE FORWARD														
0	Fund Balance Forward	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE	105,521	108,751	101,602	107,338	110,898	128,930	114,015	96,486	145,015	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
CODE ENFORCEMENT

CODE ENFORCEMENT FUND														
EXPENDITURES	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
413 BUILDING AND HEALTH														
123 Salary - Enforcement Officers	63,444	66,251	68,465	60,567	62,398	72,866	64,700	43,202	106,344					
130 Salary - Professional Staff	12,186	13,319	13,765	14,150	14,233	14,377	24,400	18,170	25,288					
156 Health Benefit	14,894	16,671	17,262	16,796	19,017	28,258	30,000	13,919	31,183					
158 Life Insurance	210	245	244	229	259	301	335	230	350					
161 FICA	953	1,020	1,024	1,102	1,253	1,091	2,957	1,390	2,030					
163 Workers' Compensation	2,289	3,095	4,293	3,873	5,444	8,115	6,479	2,609	3,000					
175 Training	2,340	670	972	752	729	2,522	3,000	3,278	3,000					
199 C.E. Secretary Pension	1,402	1,947	2,511	2,502	3,711	2,282	3,000	7,396	3,000					
200 Supplies	1,585	2,104	2,027	1,020	2,009	2,564	2,000	1,718	2,000					
238 Clothing	286	151	-	127	159	186	150	-	-					
314 Legal Services	-	-	59	-	-	799	10,000	1,730	6,000					
316 Computer Support	532	875	528	528	383	1,242	1,742	878	1,332					
325 Postage	450	753	1,087	683	538	1,171	700	869	700					
367 Radio/Telephone/Fax	3,050	2,965	3,044	2,486	2,297	2,871	3,000	2,355	3,000					
380 Contractual (Copier)	1,100	1,131	1,151	1,028	973	1,141	1,150	973	1,150					
384 Contractual (Computer)	662	934	582	201	33	3,044	1,722	1,722	2,317					
700 Capital Outlay	144	1,530	4,721	2,141	-	1,209	1,000	398	2,800					
SUBTOTAL	105,526	113,661	121,733	108,187	113,438	144,040	156,335	100,834	193,494	-	-	-	-	-
492 INTERFUND OPERATING TRANSFERS														
10 Due to General Fund	-	-	-	(0)	-	67,841	-	(2,117)	-					
11 OECD Code Enforcement Grant	-	-	-	-	-	-	-	-	-					
SUBTOTAL	-	-	-	(0)	-	67,841	-	(2,117)	-	-	-	-	-	-
TOTAL EXPENDITURES	105,526	113,661	121,733	108,187	113,438	211,881	156,335	98,718	193,494	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
FLOOD FUND

FLOOD													
	REVENUE	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
341	INTEREST EARNINGS												
0	Interest Earnings	-											
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-
351	FED CAPITAL/OPERATING GRANTS												
80	USDA/Natural Resources	-											
200	FED Emergency Mgmt. Asst.	58,577.6											
	SUBTOTAL	58,577.6	-	-	-	-	-	-	-	-	-	-	-
354	STATE CAPITAL/OPERATING FUNDS												
30	NCPRPDC - TITLE III Dis Workers	-											
52	22% PEMA Flood Asst.	-											
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-
380	MISC.												
0	Misc.	120.0											
	SUBTOTAL	120.0	-	-	-	-	-	-	-	-	-	-	-
392	TRANSFER FROM GEN. FUND												
860	Transfer from Gen. Fund	-											
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-
399	FUND BALANCE FORWARD												
0	Fund Balance Forward	-											
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE	58,697.6	-	-	-	-	-	-	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
FLOOD FUND

FLOOD													
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
415	EMERGENCY MGMT.												
100	FEMA Projects - Labor	-											
110	FEMA Projects - Fringes	-											
120	NCPRPDC - Workers Wage	-											
156	NCPRPDC - Health Benefits	-											
158	NCPRPDC - Life Bene	-											
161	NCPRPDC - FICA	-											
163	NCPRPDC - Workers' Comp.	-											
200	Materials	5,472											
201	NCPRPDC - Worker Supplies	-											
300	Contractual Services	45,718											
301	USDA - NRCS Streambank Restore	-											
341	Advertising	-											
370	Rental Equipment	-											
375	Equipment Maint.	1,847											
	SUBTOTAL	53,038	-	-	-	-	-	-	-	-	-	-	-
492	INTERFUND OPERATING TRANSFERS												
10	Due to General Fund	-											
11	OECD Code Enforcement Grant	-											
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL EXPENDITURES	53,038	-	-	-	-	-	-	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
PARKING LOT FUND

PARKING LOT FUND															
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	
	2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015	
341	INTEREST EARNINGS														
0	29	37	31	150	375	112	100	41	40						
	29	37	31	150	375	112	100	41	40	-	-	-	-	-	
363	HIGHWAY AND STREETS														
211	5,075	5,985	7,440	620	-	-	-	-	-						
212	4,679	3,487	5,038	5,235	5,184	4,485	5,040	4,113	4,080						
213	909	496	480	480	1,183	1,005	1,049	922	824						
214	735	824	570	320	113	179	-	39	30						
215	2,368	2,282	2,532	2,255	2,380	2,240	2,880	2,470	2,400						
216	1,485	1,695	1,560	1,440	1,250	1,780	2,400	1,800	2,160						
217	300	-	-	-	-	-	-	-	-						
218	-	-	-	-	1,240	9,305	9,360	8,714	8,160						
219	-	-	-	-	440	2,990	2,880	3,140	3,360						
	15,550	14,768	17,619	10,350	11,789	21,984	23,609	21,198	21,014	-	-	-	-	-	
392	TRANSFER FROM GEN. FUND														
1	360	-	-	-	-	-	-	-	-						
	360	-	-	-	-	-	-	-	-	-	-	-	-	-	
399	FUND BALANCE FORWARD														
0	-	-	-	-	-	-	-	-	-						
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	15,939	14,805	17,650	10,500	12,165	22,096	23,709	21,239	21,054	-	-	-	-	-	

CITY OF BRADFORD
SPECIAL FUNDS
PARKING LOT FUND

PARKING LOT FUND															
	EXPENDITURES	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
410	POLICE														
210	Bank Fee	-	24	-	-	-	36	40	40	40					
400	Police Station Interest	-	-	-	-	-	40	-	-	-					
703	Police Station Mortgage	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	-	24	-	-	-	76	40	40	40	-	-	-	-	-
445	PARKING FACILITIES														
370	Parking Fac. - Repair & Maint.	434	3,887	1,385	-	1,374	-	500	-	500					
600	Parking Fac. - Capital Constr.	-	18,960	16,452	-	31,934	-	-	-	-					
	SUBTOTAL	434	22,847	17,838	-	33,307	-	500	-	500	-	-	-	-	-
471	DEB PRINCIPAL														
	Gen. Obligation Bond						10,000	10,000	10,000	10,000					
	SUBTOTAL						10,000	10,000	10,000	10,000	-	-	-	-	-
472	DEBT INTEREST														
	Gen. Obligation Bond					8,617	10,340	10,025	10,025	9,700					
	SUBTOTAL					8,617	10,340	10,025	10,025	9,700	-	-	-	-	-
	TOTAL EXPENDITURES	434	22,870	17,838	-	41,924	20,416	20,565	20,065	20,240	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
CAPITAL RESERVE

		CAPITAL RESERVE													
	REVENUE	ACTUAL 2004	ACTUAL 2005	ACTUAL 2006	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	BUDGET 2010	ACTUAL 2010	BUDGET 2011	PROJECTED 2011	PROJECTED 2012	PROJECTED 2013	PROJECTED 2014	PROJECTED 2015
332	SETTLEMENTS														
100	Settlements			14,987	-	-	-	-	-	-					
	SUBTOTAL			14,987	-	-	-	-	-	-					
341	INTEREST EARNINGS														
0	Interest Earnings	7,188	3,293	4,764	1,967	919	873	800	356	250					
	SUBTOTAL	7,188	3,293	4,764	1,967	919	873	800	356	250					
351	FED CAP. & OPERATING GRANTS														
20	Federal Jag Grant						7,197	-	10,546	-					
	SUBTOTAL						7,197	-	10,546	-					
355	PA DOT														
0	Pa DOT Reimb. Traffic Signal		44,258	-	-	-	-	-	-	-					
	SUBTOTAL		44,258	-	-	-	-	-	-	-					
380	MISC. REVENUE														
0	Misc. Revenue	2,257	-	-	-	-	-	-	-	-					
	SUBTOTAL	2,257	-	-	-	-	-	-	-	-					
387	CONTRIBUTIONS & DONATIONS														
100	Contributions & Donations	2,500	46,063	5,000	1,200	2,250	5,000	-	4,600	5,000					
	SUBTOTAL	2,500	46,063	5,000	1,200	2,250	5,000	-	4,600	5,000					
391	PROCEEDS OF FIXED ASSET														
100	Sale of Equip/Land/Vehicles	27,422	2,000	2,401	-	12,558	7,696	-	-	-					
	SUBTOTAL	27,422	2,000	2,401	-	12,558	7,696	-	-	-					
392	INTERFUND OPERATING TRANSFERS														
10	Transfer from Gen. Fund	160,419	162,405	-	4,731	15,000	-	-	39,000	-					
20	Transfer from Flood Fund	-	-	59,288	-	-	-	-	-	-					
	SUBTOTAL	160,419	162,405	59,288	4,731	15,000	-	-	39,000	-					
393	PROCEEDS OF GEN. LONG TERM DEBT														
0	Short Term Loan Proceeds	-	-	-	-	-	-	-	-	-					
100	Gen. Obligation Bonds & Notes	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	-	-	-	-	-	-	-	-	-					
	TOTAL REVENUE	199,786	258,019	86,439	7,898	30,727	20,766	800	54,502	5,250					

CITY OF BRADFORD
SPECIAL FUNDS
CAPITAL RESERVE

		CAPITAL RESERVE													
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
408	ENGINEERING														
313	Engineering	94,490	-	23,200	14,500	5,943	1,545	-	-	6,000	5,261				
	SUBTOTAL	94,490	-	23,200	14,500	5,943	1,545	-	-	6,000	5,261	-	-	-	-
409	GOVT. BUILDINGS														
200	Misc. Office/Supplies	99	-	-	-	15,000	-	-	-	-	-				
600	Govt. Buildings/Cap. Construct	-	6,100	41,192	-	-	-	-	-	-	-				
	SUBTOTAL	99	6,100	41,192	-	15,000	-	-	-	-	-	-	-	-	-
410	POLICE														
740	Vehicles/Equip.	-	26,328	27,489	-	5,120	-	-	(58)	-	17,279				
	SUBTOTAL	-	26,328	27,489	-	5,120	-	-	(58)	-	17,279	-	-	-	-
411	FIRE														
740	Vehicles/Equip.	41,103	10,618	2,050	510	-	-	-	-	-	-				
	SUBTOTAL	41,103	10,618	2,050	510	-	-	-	-	-	-	-	-	-	-
412	AMBULANCE RESCUE														
740	Ambulance Replacement	-	-	-	-	-	-	-	-	-	-				
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
430	PUBLIC WORKS														
600	Capital Construct	684,087	85,600	-	-	-	-	-	-	-	5,275				
	SUBTOTAL	684,087	85,600	-	-	-	-	-	-	-	5,275	-	-	-	-
454	PARKS														
247	Rec. Supplies	-	-	-	-	658	-	2,500	-	-	1,220				
	SUBTOTAL	-	-	-	-	658	-	2,500	-	-	1,220	-	-	-	-
489	MISC.														
0	Misc./Contingency	23,062	9,073	42,552	5,205	-	-	10,000	-	10,000	2,461				
	SUBTOTAL	23,062	9,073	42,552	5,205	-	-	10,000	-	10,000	2,461	-	-	-	-
492	INTERFUND OPERATING TRANSFERS														
10	Transfer to Gen. Fund	-	-	-	-	-	-	39,000	-	-	-				
50	Transfer to Code Enforcement	-	-	-	17,625	24,321	-	-	-	-	37,546				
60	Transfer to Amb. Replacement Fund	-	-	10,000	34,000	2,350	-	-	-	-	-				
	SUBTOTAL	-	-	10,000	51,625	26,671	39,000	-	-	-	37,546	-	-	-	-
	TOTAL EXPENDITURES	842,842	137,719	146,484	71,840	53,392	40,545	12,500	(58)	16,000	69,043	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
DUI FUNDS

DUI														
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
	REVENUE	2004	2005	2006	2007	2008	2009	2010	2010	2011	2012	2013	2014	2015
330	FINES & FORFEITS													
211	ARD-DUI	10,646	3,459	4,481		3,396	3,124		2,061					
	SUBTOTAL	10,646	3,459	4,481	-	3,396	3,124	-	2,061	-	-	-	-	-
341	INTEREST EARNINGS													
0	Interest Earnings	71	142	442		101	16		14					
	SUBTOTAL	71	142	442	-	101	16	-	14	-	-	-	-	-
399	FUND BALANCE FORWARD													
0	Fund Balance Forward	-	-	-	-	-	-	-	-	-	-	-	-	-
	SUBTOTAL	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE	10,716	3,601	4,923	-	3,497	3,140	-	2,074	-	-	-	-	-
DUI														
	EXPENDITURES	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET		PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010		2011	2012	2013	2014	2015
410	POLICE													
210	Bank Fee	12	12			9	-							
238	Uniforms & Equipment	-	-			-	-							
321	Radios & Phone	547	583			704	514							
701	Computer & Comp. Equip.	-	-			-	-							
702	Police Vehicle	-	-			-	-							
706	Crime Scene & Safety Supplies	400	-			10,764	-							
	SUBTOTAL	959	595	-	-	11,477	514	-		-	-	-	-	-
	TOTAL EXPENDITURES	959	595	-	-	11,477	514	-		-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
HIGHWAY AID

HIGHWAY AID FUND															
REVENUE		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
341	INTEREST EARNINGS														
0	Interest Earnings	1,795	2,956	4,148	3,089	1,670	1,106	1,400	950	1,100					
	SUBTOTAL	1,795	2,956	4,148	3,089	1,670	1,106	1,400	950	1,100	-	-	-	-	-
355	STATE SHARED REV/ENTITLEMENTS														
50	Motor Liquid Fuels Tax	162,306	166,531	177,680	188,436	206,396	199,227	192,142	191,960	191,000					
	SUBTOTAL	162,306	166,531	177,680	188,436	206,396	199,227	192,142	191,960	191,000	-	-	-	-	-
386	MISC. REVENUE														
0	Sale of Personal Property	5,350	400	-	-	501	-	-	-	-					
	SUBTOTAL	5,350	400	-	-	501	-	-	-	-	-	-	-	-	-
399	FUND BALANCE FORWARD														
0	Fund Balance Forward	-	20,225	-	-	-	-	-	-	-					
	SUBTOTAL	-	20,225	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL REVENUE	169,451	190,111	181,828	191,525	208,567	200,333	193,542	192,909	192,100	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
HIGHWAY AID

HIGHWAY AID FUND															
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2010	2011	2011	2012	2013	2014	2015
430	GEN. MAINT.														
260	Minor Equipment Purchase				2,793	-	-	-	-	-					
740	Major Equipment Purchase	26,624	57,794	41,290	17,453	51,538	-	54,000	51,028	-					
	SUBTOTAL	26,624	57,794	41,290	20,246	51,538	-	54,000	51,028	-	-	-	-	-	-
432	SNOW AND ICE REMOVAL														
250	Snow and Ice Removal	45,733	51,600	55,032	109,704	138,305	100,306	126,000	105,943	126,000					
	SUBTOTAL	45,733	51,600	55,032	109,704	138,305	100,306	126,000	105,943	126,000	-	-	-	-	-
434	HIGHWAY MAINT.														
0	Street Lighting	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000					
	SUBTOTAL	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	-	-	-	-	-
437	MAINT. AND REPAIRS														
0	Main. And Repairs	12,777	-	-	-	-	12,902	-	-	-					
	SUBTOTAL	12,777	-	-	-	-	12,902	-	-	-	-	-	-	-	-
438	MAIN. HIGHWAYS/BRIDGES														
0	Campus Drive	1,097	1,124	1,202	1,240	1,368	1,315	1,300	1,260	1,240					
	SUBTOTAL	1,097	1,124	1,202	1,240	1,368	1,315	1,300	1,260	1,240	-	-	-	-	-
439	HIGHWAY/SEWER CONSTR.														
0	Resurfacing	81,625	97,326	120,091	82,307	88,533	36,256	59,000	59,347	50,000					
313	Engineer	-	-	-	-	-	-	-	-	-					
	SUBTOTAL	81,625	97,326	120,091	82,307	88,533	36,256	59,000	59,347	50,000	-	-	-	-	-
492	INTERFUND OPERATING TRANSFERS														
650	Interfund Operating Transfers						8,839	-	-	-					
	SUBTOTAL	-	-	-	-	-	8,839	-	-	-	-	-	-	-	-
	TOTAL EXPENDITURES	175,856	215,844	225,614	221,497	287,744	167,617	248,300	225,579	185,240	-	-	-	-	-

CITY OF BRADFORD
SPECIAL FUNDS
AMBULANCE REPLACE FUND

AMBULANCE REPLACEMENT FUND															
REVENUE		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2011	2010	2011	2012	2013	2014	2015
341	INTEREST EARNINGS														
0	Interest Earnings			70	292	59	30	20							
	SUBTOTAL	-	-	70	292	59	30	20							
358	LOCAL GOVT. UNITS SHARED PYMTS FOR CONTR.														
100	Bradford Twp.			7,840	7,840	5,600	4,866	5,600							
200	Corydon Twp.			400	400	400	400	400							
300	Foster Twp.			5,200	5,200	5,200	5,200	5,200							
400	Lafayette Twp.			400	400	400	400	400							
500	Lewis Run Borough			800	800	800	800	800							
	SUBTOTAL	-	-	14,640	14,640	12,400	11,666	12,400							
392	INTERFUND OPERATING TRANSFERS														
10	Transfer from Capital Reserve			10,000	34,000	2,350	-								
20	Transfer from Laskey Fund			-	31,118	-	-								
	SUBTOTAL	-	-	10,000	65,118	2,350	-	-							
399	FUND BALANCE FORWARD														
0	Fund Balance Forward			-	-	-	-								
	SUBTOTAL	-	-	-	-	-	-								
	TOTAL REVENUE	-	-	24,710	80,050	14,809	11,696	12,420							
AMBULANCE REPLACEMENT FUND															
EXPENDITURES		ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	ACTUAL	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED
		2004	2005	2006	2007	2008	2009	2010	2011	2010	2011	2012	2013	2014	2015
412	AMBULANCE RESCUE														
200	Misc. Office Charges			17	9	-	-								
740	Ambulance Replacement			10,122	94,000	-	-			9,700					
	SUBTOTAL	-	-	10,139	94,009	-	-			9,700					
492	INTERFUND OPERATING TRANSFERS														
650	Transfer to Laskey Memorial			-	-	15,000	-								
	SUBTOTAL	-	-	-	-	15,000	-								
	TOTAL EXPENDITURES	-	-	10,139	94,009	15,000	-			9,700					

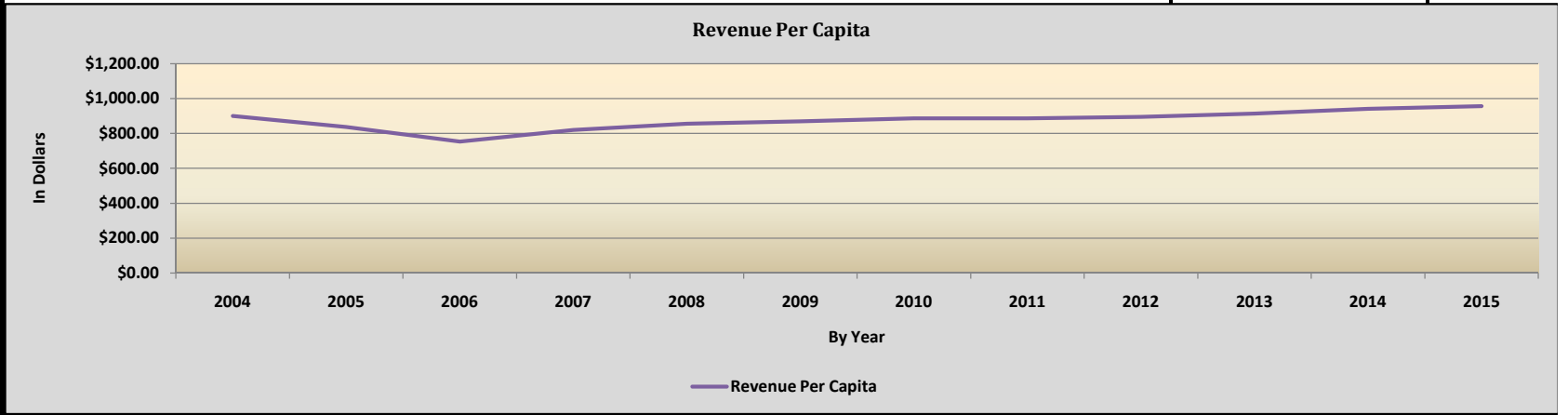
APPENDIX C – FINANCIAL MONITORING FACTORS

See the following pages.

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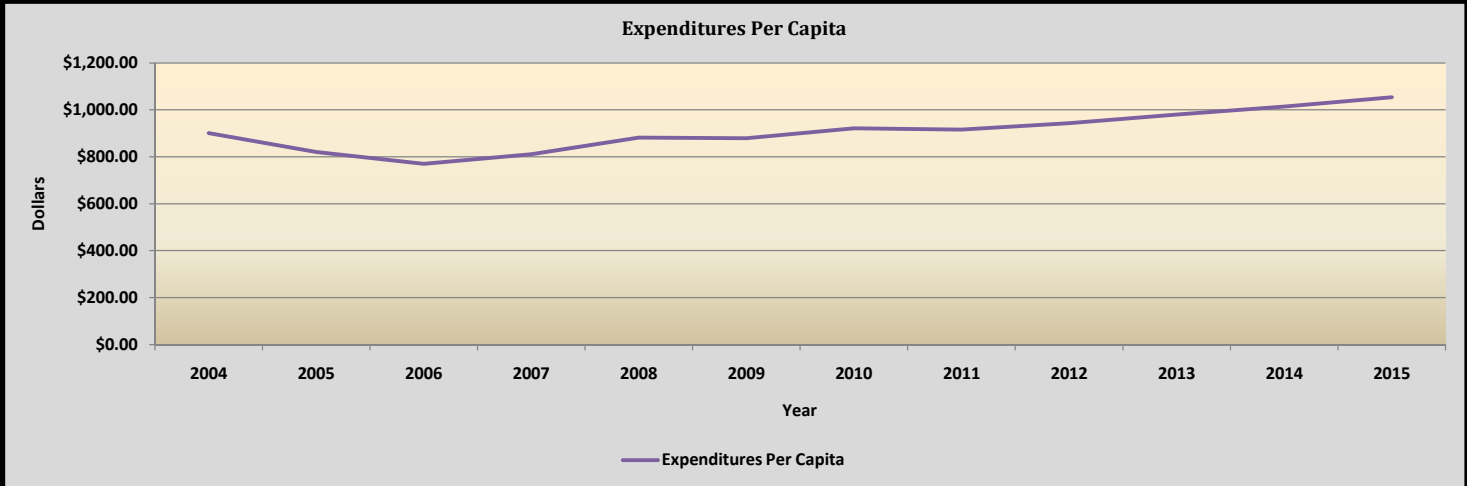
Revenue Per Capita Calculations

Data Item	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Operating Revenue	\$7,686,811	\$7,097,763	\$6,350,644	\$6,862,726	\$7,106,707	\$7,167,834	\$7,264,532	\$7,219,975	\$7,238,415	\$7,341,299	\$7,498,560	\$7,574,452
Increase/Decrease	N/A	-7.66%	-10.53%	8.06%	3.56%	0.86%	1.35%	-0.61%	0.26%	1.42%	2.14%	1.01%
Current Population	8,537	8,479	8,421	8,364	8,307	8,250	8,194	8,139	8,083	8,028	7,974	7,920
Revenue Per Capita	\$900.43	\$837.12	\$754.14	\$820.52	\$855.51	\$868.78	\$886.53	\$887.12	\$895.48	\$914.42	\$940.41	\$956.43



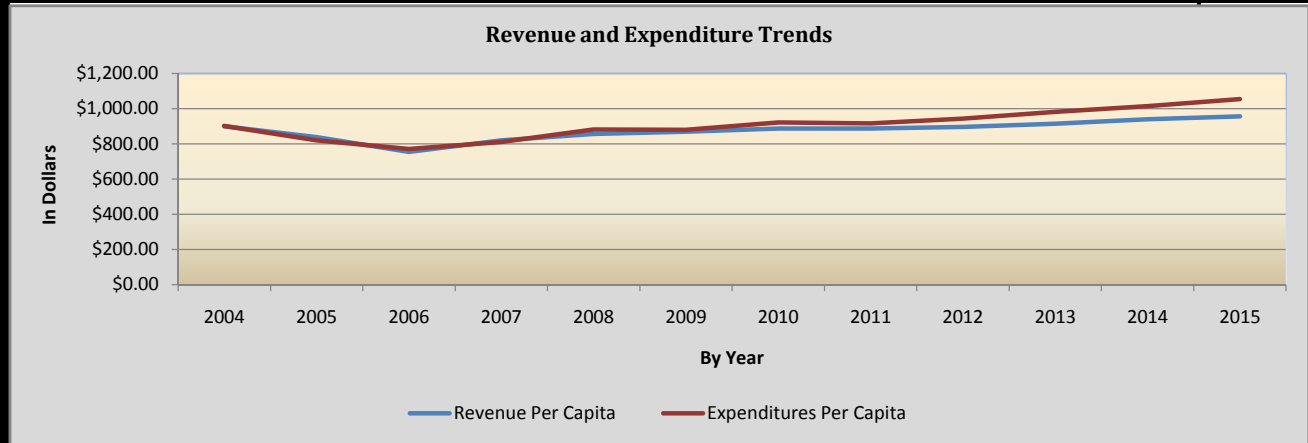
Comment: This factor demonstrates how a municipality's revenues are affected by population. In the case of Bradford's Revenue Per Capita, there was a decrease between 2004 and 2006 but a slight increase beginning in 2006. This is directly related to declining population and increases from revenue sources. However, the increases were primarily due to one time revenue sources such as sale of fixed assets, and refunding of debt. Projections beginning in 2011 indicate that Bradford has the potential to slightly increase its revenue per capita.

Expenditures Per Capita Calculations												
Data Item	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Operating Expenditures	\$7,689,873	\$6,956,247	\$6,482,462	6,782,195	\$7,322,508	\$7,254,311	\$7,548,274	\$7,454,150	\$7,621,376	7,872,053	8,084,061	\$8,348,844
Increase/Decrease	N/A	-9.54%	-6.81%	4.62%	7.97%	-0.93%	4.05%	-1.25%	2.24%	3.29%	2.69%	3.28%
Population	8,537	8,479	8,421	8,364	8,307	8,250	8,194	8,139	8,083	8,028	7,974	7,920
Expenditures Per Capita	\$900.79	\$820.43	\$769.79	\$810.90	\$881.49	\$879.26	\$921.15	\$915.90	\$942.85	\$980.53	\$1,013.84	\$1,054.21



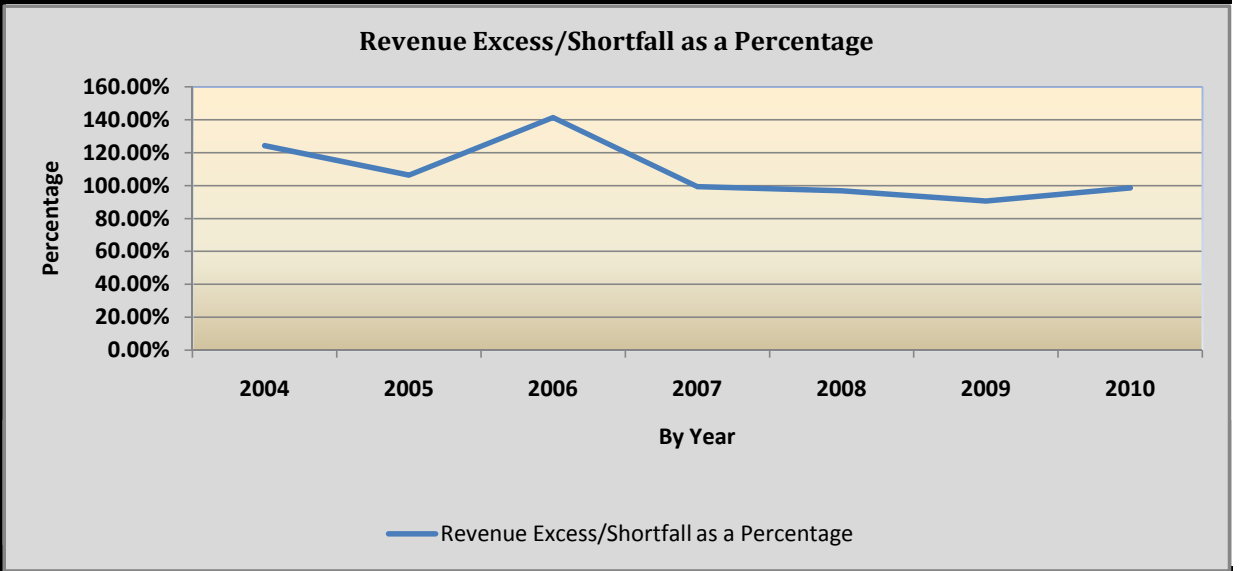
Comments: This factor displays the cost of operating the municipal government on a per person basis and reveals the effect of adding or deleting services or changing service levels. Overall, Bradford's projected trend in expenditures per capita shows minor changes over time but an overall continual increase.

Revenue and Expenditure Trends												
Data Item	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue Per Capita	\$900.43	\$837.12	\$754.14	\$820.52	\$855.51	\$868.78	\$886.53	\$887.12	\$895.48	\$914.42	\$940.41	\$ 956.43
Expenditures Per Capita	\$900.79	\$820.43	\$769.79	\$810.90	\$881.49	\$879.26	\$921.15	\$915.90	\$942.85	\$980.53	\$1,013.84	\$1,054.21
Difference	-\$0.36	\$16.69	-\$15.65	\$9.63	-\$25.98	-\$10.48	-\$34.63	-\$28.77	-\$47.38	-\$66.11	-\$73.43	-\$97.78



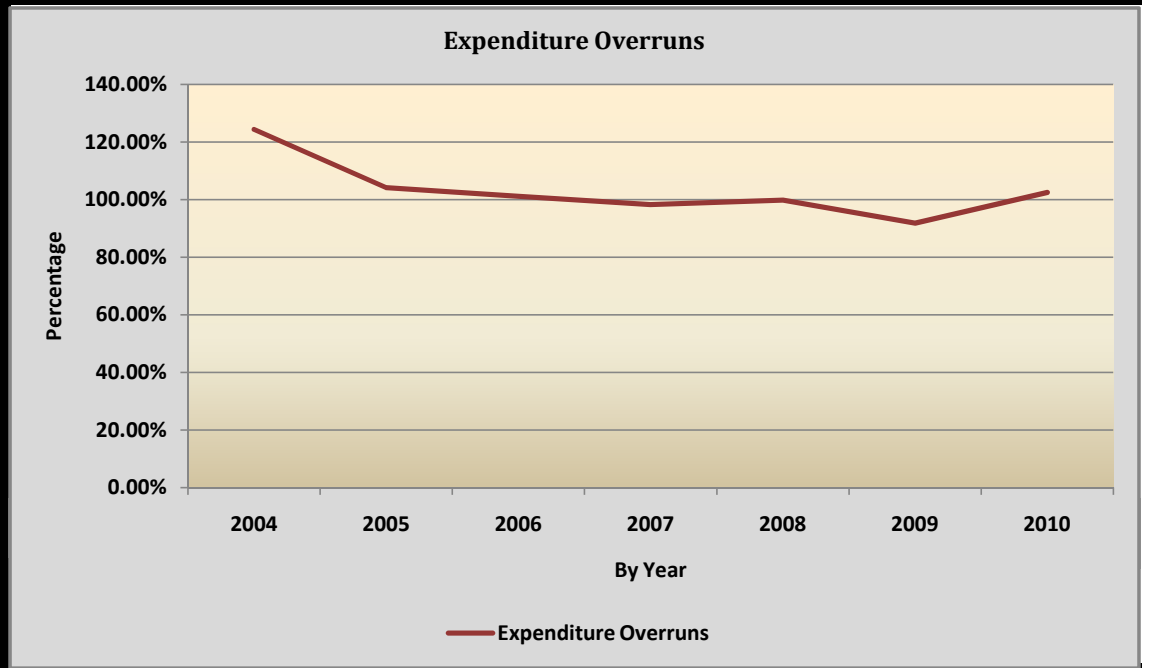
Comments: From 2004 to 2009, Bradford's revenues and expenditures have closely mirrored each other. However, beginning in 2010, it is projected that Bradford's expenditures will be slightly higher than revenues resulting in a slight overall deficit for the City.

Revenue Shortfall Calculations							
Data Item	2004	2005	2006	2007	2008	2009	2010
Actual Year-End Revenues	\$7,686,811	\$7,097,763	\$6,350,644	\$6,862,726	\$7,106,707	\$7,167,834	\$7,264,532
Budgeted Revenues	\$6,184,186	\$6,674,195	\$4,491,419	\$6,901,924	\$7,339,213	\$7,902,018	\$7,363,711
Revenue Excess/Shortfall in Dollars	\$1,502,625	\$423,568	\$1,859,225	-\$39,198	-\$232,506	-\$734,184	-\$99,179
Revenue Excess/Shortfall as a Percentage	124.30%	106.35%	141.40%	99.43%	96.83%	90.71%	98.65%



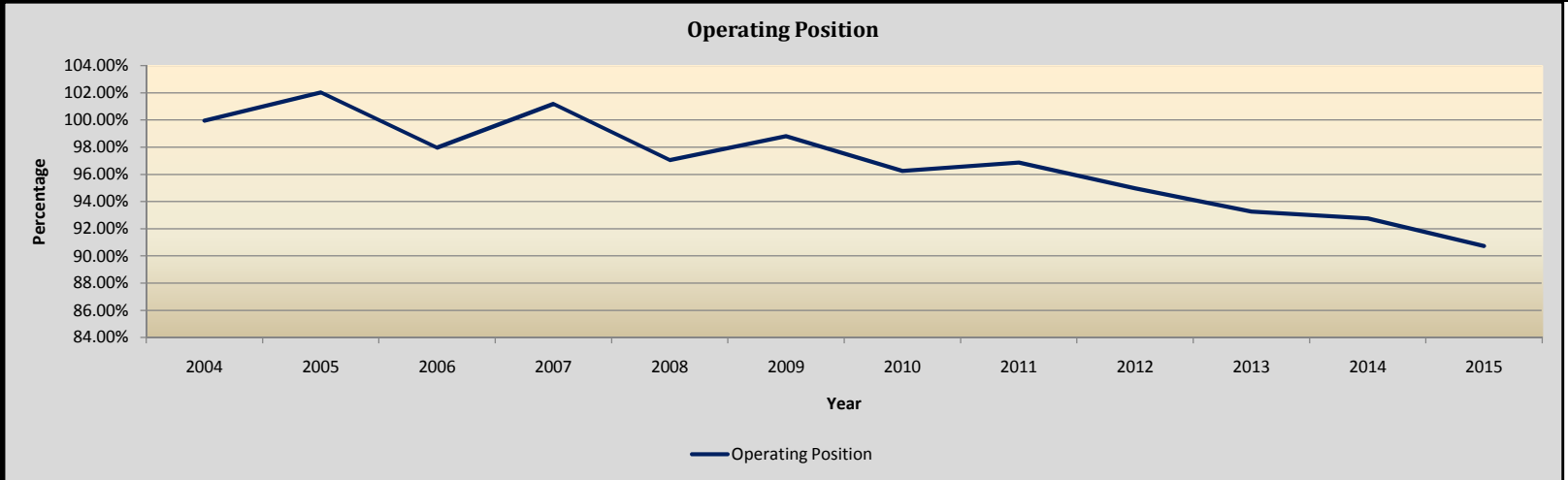
Comment: This formula is designed to compare estimated revenue with actual revenues. A result of 100% indicates a break-even situation; a result of less than 100% indicates revenues were budgeted in excess of actual revenues received; and a ratio of more than 100% indicates actual revenues received were in excess of those budgeted. From 2004 to 2007, Bradford's actual revenues received were in excess of those budgeted.

Expenditure Overruns Calculations							
Data Item	2004	2005	2006	2007	2008	2009	2010
Actual Year-End Expenditures	\$7,689,873	\$6,956,247	\$6,482,462	\$6,782,195	\$7,322,508	\$7,254,311	\$7,548,274
Budgeted Expenditures	\$6,184,186	\$6,676,685	\$6,411,027	\$6,901,924	\$7,339,213	\$7,902,018	\$7,363,711
Expenditures Over/Under in Dollars	(\$1,505,687)	(\$279,562)	(\$71,435)	\$119,729	\$16,705	\$647,707	(\$184,563)
Expenditures Over/Under as a Percentage	124.35%	104.19%	101.11%	98.27%	99.77%	91.80%	102.51%



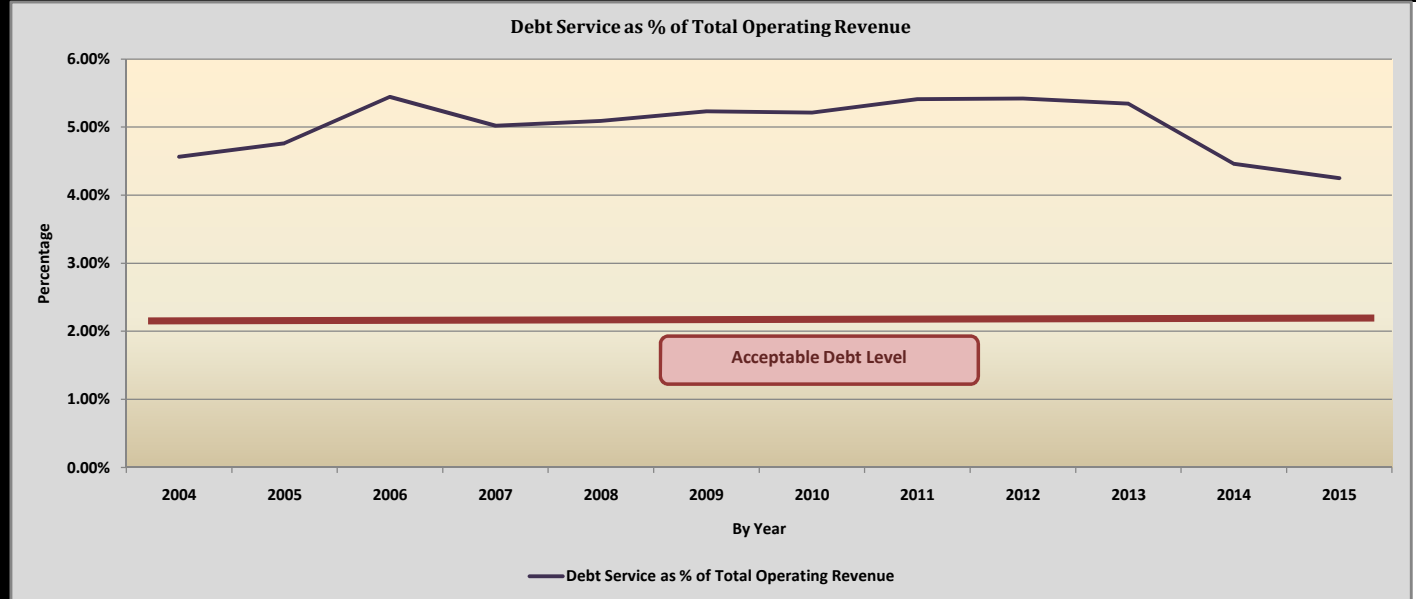
Comment: This factor shows whether a pattern of municipal expenses exceeding appropriations has developed. This formula establishes a ratio where a result of 100% indicates an exact budget to actual expense match; a ratio of more than 100% indicates that actual expenditures exceed the amounts budgeted; and a value less than 100% represents actual expenditures below those budgeted. From 2004 to 2005, Bradford's actual, year-end expenditures have exceeded the budget however from 2005 to 2009 the City was approximately around exactly an exact budget to actual expenses made.

Operating Position Calculations												
Data Item	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Operating Revenue	\$7,686,811	\$7,097,763	\$6,350,644	\$6,862,726	\$7,106,707	\$7,167,834	\$7,264,532	\$7,219,975	\$7,238,415	\$7,341,299	\$7,498,560	\$7,574,452
Operating Expenditures	\$7,689,873	\$6,956,247	\$6,482,462	\$6,782,195	\$7,322,508	\$7,254,311	\$7,548,274	\$7,454,150	\$7,621,376	\$7,872,053	\$8,084,061	\$8,348,844
Difference (+ or -)	(3,062)	141,516	(131,818)	80,531	(215,801)	(86,477)	(283,742)	(234,175)	(382,961)	(530,754)	(585,501)	(774,392)
Operating Position	99.96%	102.03%	97.97%	101.19%	97.05%	98.81%	96.24%	96.86%	94.98%	93.26%	92.76%	90.72%

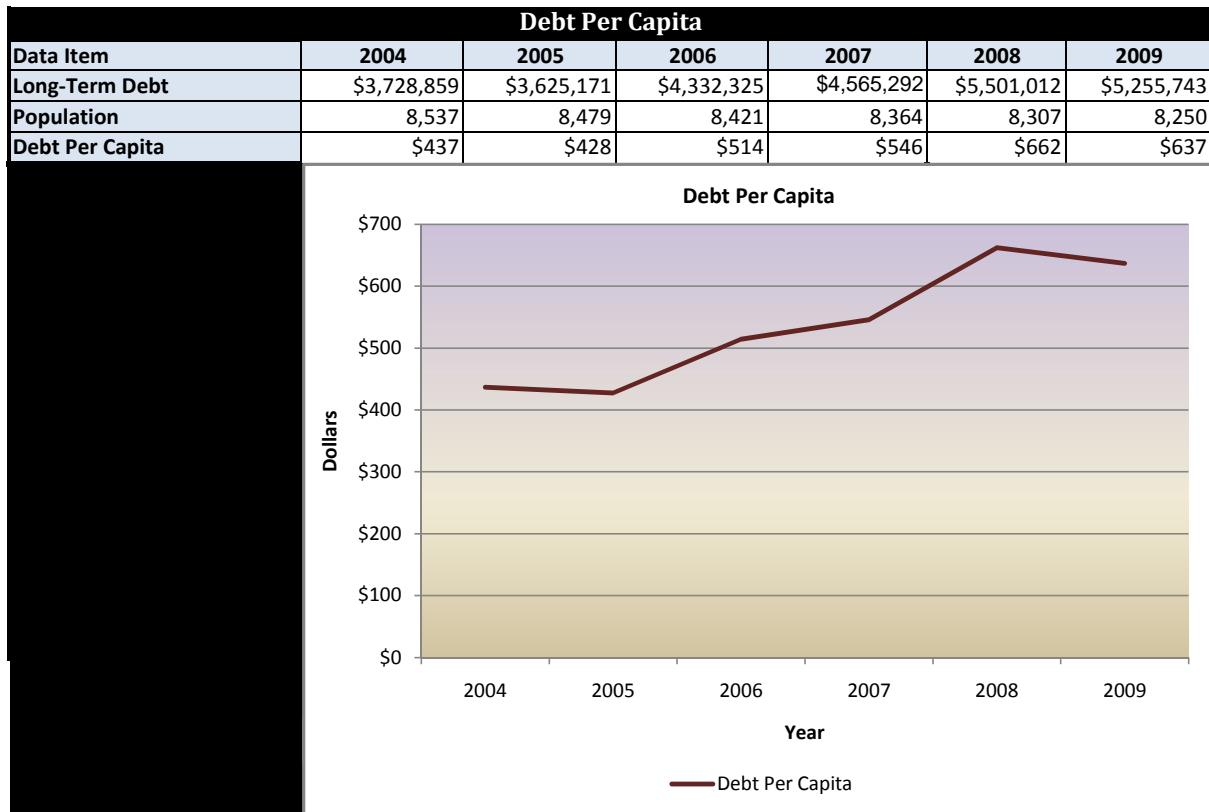


Comment: For this factor, any year where the indicator is lower than 100% indicates that the City of Bradford is operating in a deficit position. This means that core operating revenue was not sufficient to support core operating expenditures of cash reserves to support operations. Bradford has operated in a deficit position in 2006, 2008, 2009, and 2010 and is projected to continue to operate at a deficit if no changes are made.

Debt Service Calculations												
Data Item	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Service	\$350,967	\$338,024	\$345,813	\$344,533	\$361,693	\$374,893	\$378,866	\$390,706	\$392,428	\$392,428	\$334,678	\$321,937
Total Operating Revenue	\$7,686,811	\$7,097,763	\$6,350,644	\$6,862,726	\$7,106,707	\$7,167,834	\$7,264,532	\$7,219,975	\$7,238,415	\$7,341,299	\$7,498,560	\$7,574,452
Debt Service as % of Total Operating Revenue	4.57%	4.76%	5.45%	5.02%	5.09%	5.23%	5.22%	5.41%	5.42%	5.35%	4.46%	4.25%



Comment: This factor shows the proportion of general operating revenue devoted to paying off outstanding debt - loans, bonds, vendor leases, and lease rental payments to authorities - each year. Bradford's debt service shows a consistent level of acceptable debt level.



Comment: This factor is designed to demonstrate the debt burden associated with each municipal resident, thereby taking into consideration the ability of the citizens to repay loans rather than the underlying value of the collateral (real estate) pledged as indicated in long term debt. For Bradford, the debt per capita has increasingly risen since 2004.

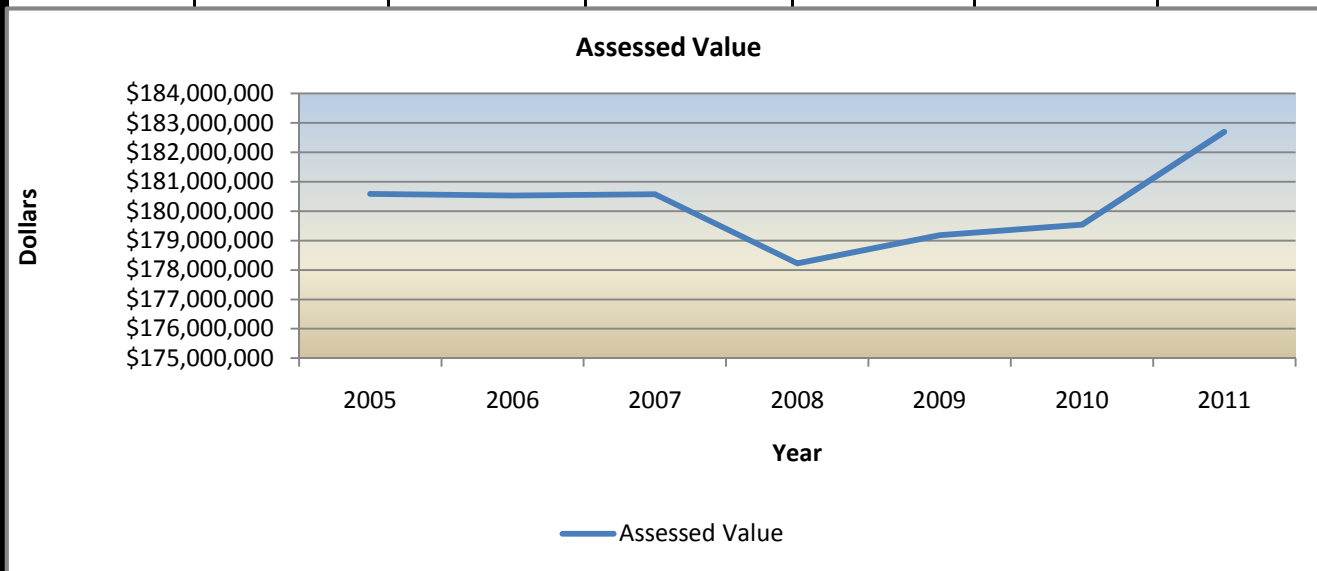
Property Tax Resources Calculations							
Data Item	2005	2006	2007	2008	2009	2010	2011
Maximum Property Tax Limit	30	30	30	30	30	30	30
Current Millage Rate	9.75	9.75	10.75	11.25	14.14	14.64	16.02
Mills Available	20.25	20.25	19.25	18.75	15.86	15.36	13.98
Real Estate Collection - Current Year	1,756,776	1,718,124	1,914,740	1,958,965	2,377,495	2,546,697	2,855,283
Value of One Mill	180,182	176,218	178,115	174,130	168,140	173,955	178,232
Property Tax Resources Available	\$3,648,689	\$3,568,411	\$3,428,720	\$3,264,942	\$2,666,695	\$2,671,944	\$2,491,689



Comment: This factor shows how much additional revenue is potentially available from the property tax. From 2005 to 2009, Bradford saw an increase in the amount of money legally obtained from the property tax and from 2010 to 2011, it is estimated that Bradford's remaining property tax resources decreased, which is a warning sign for the City.

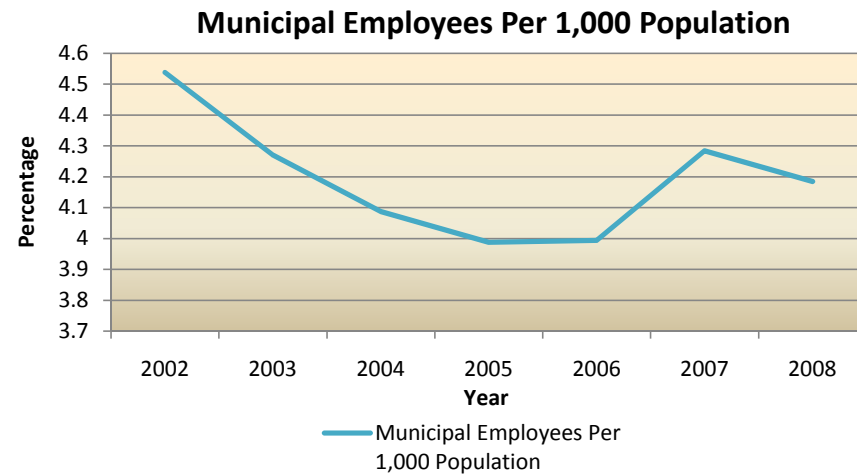
**CITY OF BRADFORD
FINANCIAL MONITORING**

Total Assessed Value							
Data Item	2005	2006	2007	2008	2009	2010	2011
Assessed Value	\$180,588,770	\$180,527,490	\$180,576,020	\$178,220,080	\$179,180,650	\$179,539,390	\$182,694,600
Increase/Decrease		-0.03%	0.03%	-1.30%	0.54%	0.20%	1.76%



Comment: This factor measures the growth in property value over time and is designed to indicate whether there is growth from year to year. The overall assessed valuation for Bradford significantly dropped from 2007 and 2008 and has continually increased since 2008.

Municipal Employees Per Capita Calculations						
Data Item	2004	2005	2006	2007	2008	2009
Full-time Employees	178	171	182	169	168	156
Population	8,537	8,479	8,421	8,364	8,307	8,250
Employees Per Capita	0.0209	0.0202	0.0216	0.0202	0.0202	0.0189
Municipal Employees Per 1,000 Population	20.85	20.17	21.61	20.21	20.22	18.91



Comment: The number of employees was gradually reduced from 2002 through 2005 through attrition and layoffs. Beginning in 2006 and 2007, the number of employees started to rise. The reduction in the number of employees should be consistent with a declining population base. Every staffing position should be critically analyzed before filling in every fiscal year.

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APPENDIX D – COMPARABLE COMMUNITIES

See the following pages.

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CITY OF BRADFORD
COMPARABLE COMMUNITIES

Appendix D
Revenue

Municipality	County	Reporting Year	Total Revenues	Total Expenditures	Excess/Deficit of Revenues Over Expenditures	Real Estate Tax	Earned Income Tax	Realty Transfer Tax	EMST/Local Services Tax	Per Capita Tax	Business Gross Receipts	Amusement Admissions	Mechanical Devices Tax	Intergovernmental-Federal Gov't
Bradford City	McKean	2008	\$ 16,395,723	\$ 16,558,431	\$ (162,708)	\$ 1,958,967	\$ 709,593	\$ 39,964	\$ 236,944	\$ 11,073	\$ 371,709			\$ 2,498,544
Carbondale City	Lackawanna	2008	\$ 7,018,366	\$ 6,488,948	\$ 529,418	\$ 1,118,464	\$ 1,760,996	\$ 65,279	\$ 122,727				\$ 1,885	\$ 1,296,342
Clairton City	Allegheny	2008	\$ 4,228,610	\$ 4,472,010	\$ (243,400)	\$ 911,156	\$ 429,507	\$ 17,706	\$ 84,938		\$ 169,010		\$ 26,600	
Connellsville City	Fayette	2008	\$ 3,472,168	\$ 3,492,524	\$ (20,356)	\$ 1,115,193	\$ 558,037		\$ 83,764	\$ 14,237	\$ 203,742		\$ 24,600	
Jeannette City	Westmoreland	2008	\$ 6,992,234	\$ 6,170,778	\$ 821,456	\$ 2,054,167	\$ 657,421	\$ 124,834	\$ 104,969		\$ 79,452		\$ 23,550	\$ 2,024,337
Lock Haven City	Clinton	2008	\$ 10,192,506	\$ 11,101,182	\$ (908,676)	\$ 1,631,023	\$ 408,762	\$ 55,189	\$ 157,395		\$ 138,924		\$ 1,975	\$ 529,580
Monessen City	Westmoreland	2008	\$ 6,088,521	\$ 5,811,275	\$ 277,246	\$ 1,889,893	\$ 414,176	\$ 46,629	\$ 55,799		\$ 38,087	\$ 1	\$ 47,300	\$ 8,818
Sunbury City	Northumberland	2008	\$ 4,149,833	\$ 3,872,521	\$ 277,312	\$ 1,417,560	\$ 660,878	\$ 59,875	\$ 226,040		\$ 115,656		\$ 8,900	
Warren City	Warren	2008	\$ 9,767,284	\$ 9,684,375	\$ 82,909	\$ 1,765,405	\$ 2,984,332	\$ 66,291	\$ 243,524	\$ 28,252				\$ 521,327

Municipality	Intergovernmental-State Gov't	Intergovernmental-Local Gov't	Sewer Revenue	Solid Waste Revenue	Parking	Recreation and Culture	Other Charges	Licenses and Permits	Cable TV Franchise Fees	Fines and Forfeits	Interest Rents and Royalties	Contributions and Donations from Private Sectors	Unclassified Operating Revenues	Other Financing Sources
Bradford City	\$ 1,896,056	\$ 51,563		\$ 1,192,056	\$ 38,705	\$ 83,598	\$ 636,927	\$ 33,592	\$ 83,946	\$ 103,733	\$ 1,944,946	\$ 136,123	\$ 242	\$ 4,451,388
Carbondale City	\$ 425,804		\$ 149,201	\$ 917,159	\$ 735		\$ 80,251	\$ 29,485	\$ 62,726	\$ 54,402	\$ 42,238		\$ 32,728	\$ 848,102
Clairton City	\$ 269,802		\$ 879,026	\$ 384,151		\$ 38,173	\$ 42,420	\$ 7,548	\$ 98,107	\$ 60,292	\$ 52,323	\$ 13,725	\$ 8,733	\$ 323,909
Connellsville City	\$ 502,715	\$ 14,126			\$ 3,683	\$ 11,300	\$ 21,147	\$ 140,548	\$ 94,630	\$ 95,771	\$ 57,734	\$ 36,870	\$ 24,495	\$ 455,339
Jeannette City	\$ 589,554	\$ 19,564		\$ 701,193	\$ 30,196	\$ 286	\$ 337,226	\$ 715	\$ 142,892	\$ 61,911	\$ 15,097			\$ 6,865
Lock Haven City	\$ 1,457,151	\$ 208,204	\$ 1,495,445		\$ 45,405	\$ 10,919	\$ 499,043	\$ 27,269	\$ 54,702	\$ 150,173	\$ 130,236	\$ 146,085	\$ 3,726	\$ 1,849,438
Monessen City	\$ 899,471	\$ 374,809		\$ 428,629	\$ 57,603		\$ 470,629	\$ 75,443	\$ 107,813	\$ 80,093	\$ 25,433	\$ 5,050	\$ 10,148	\$ 1,052,697
Sunbury City	\$ 460,642	\$ 60,093			\$ 96,508	\$ 212,683	\$ 280,564	\$ 5,700	\$ 95,078	\$ 135,549	\$ 60,533	\$ 95,105		\$ 409
Warren City	\$ 691,261	\$ 16,646	\$ 1,516,297	\$ 41,820	\$ 263,486	\$ 71,237	\$ 245,184	\$ 219,406	\$ 99,101	\$ 121,708	\$ 374,223	\$ 121,470	\$ 33,227	\$ 343,087

CITY OF BRADFORD
COMPARABLE COMMUNITIES

APPENDIX D
EXPENDITURE

Municipality	County	Reporting Year	General Government	Police	Fire	UCC and Code Enforcement	Other Public Safety	Health and Human Services	Public Works Highways and Streets	Sewer Expenditures	Solid Waste Expenditures	Other Public Works Enterprises	Culture and Recreation
Bradford City	McKean	2008	\$ 1,085,544	\$ 1,325,227	\$ 1,420,217	\$ 16,704	\$ 258,631		\$ 1,085,904		\$ 969,168	\$ 96,547	\$ 512,089
Carbondale City	Lackawanna	2008	\$ 379,152	\$ 1,005,309	\$ 576,391		\$ 7,076		\$ 698,796	\$ 500	\$ 723,071		\$ 140,905
Clairton City	Allegheny	2008	\$ 681,253	\$ 839,256	\$ 146,811		\$ 48,100		\$ 491,957	\$ 1,052,698	\$ 362,681		\$ 186,830
Connellsville City	Fayette	2008	\$ 307,394	\$ 1,439,721	\$ 306,212	\$ 9,967	\$ 12,413	\$ 18,613	\$ 589,227				\$ 139,521
Jeannette City	Westmoreland	2008	\$ 631,604	\$ 1,181,494	\$ 314,951	\$ 46,875	\$ 6,210	\$ 5,145	\$ 617,090		\$ 604,666	\$ 8,500	\$ 15,000
Lock Haven City	Clinton	2008	\$ 1,499,288	\$ 823,946	\$ 258,243	\$ 62,867	\$ 70,887	\$ 1,568	\$ 1,249,014	\$ 1,318,603	\$ 26,171	\$ 581,425	\$ 221,980
Monessen City	Westmoreland	2008	\$ 526,546	\$ 815,954	\$ 90,121	\$ 104,010			\$ 823,357	\$ 267	\$ 306,042	\$ 2,550	\$ 212,009
Sunbury City	Northumberland	2008	\$ 501,321	\$ 1,013,145	\$ 64,657	\$ 158,999	\$ 572	\$ 3,025	\$ 610,640		\$ 1,456	\$ 46,669	\$ 358,746
Warren City	Warren	2008	\$ 1,201,155	\$ 1,325,619	\$ 1,201,686		\$ 426,544		\$ 1,580,431	\$ 1,502,928	\$ 170,553	\$ 352,939	\$ 756,498

Municipality	Libraries	Community Development	Debt Service	Other Expenditures	Unclassified Expenditures	Other Financing Uses
Bradford City	\$ 25,000	\$ 5,530,276	\$ 2,562,663	\$ 1,360,069		\$ 170,718
Carbondale City		\$ 601,927	\$ 1,333,444	\$ 884,913	\$ 37,464	\$ 100,000
Clairton City	\$ 44,730	\$ 3,282	\$ 106,915	\$ 258,033		\$ 249,464
Connellsville City	\$ 44,000		\$ 474,380	\$ 132,212	\$ 5,838	\$ 13,026
Jeannette City	\$ 15,000	\$ 1,091,784	\$ 205,877	\$ 1,275,305	\$ 46,844	\$ 104,433
Lock Haven City	\$ 20,522	\$ 468,426	\$ 1,722,289	\$ 755,887	\$ 4,675	\$ 562,627
Monessen City	\$ 60,000	\$ 724,803	\$ 725,310	\$ 1,160,159	\$ 9,210	\$ 250,937
Sunbury City	\$ 13,382	\$ 95,632	\$ 53,072	\$ 951,205		
Warren City		\$ 523,750	\$ 303,258		\$ 547	\$ 338,467

CITY OF BRADFORD
COMPARABLE COMMUNITIES

Municipality	County	Reporting Year	Total Mills	Assessed Value Real Estate	Market Value Real Estate	Common Level Ratio	Mills on Market Value	Census Population	Market Value Per Capita	Revenue Per Capita	Expenditures Per Capita	TL General Obligation Bonds and Notes-Yr End	TL Revenue Bonds and Notes-Yr End	TL Lease Rental Debt-Yr End
Bradford City	McKean	2008	11.25	178,143,140	233,477,248	76	9	9,175	25,447	1,787	1,805	3,829,933	1,671,079	
Carbondale City	Lackawanna	2008	28.97	40,606,291	250,656,117	16	5	9,804	25,567	716	662	5,315,000	1,674,428	
Clairton City	Allegheny	2008	7.5	94,313,150	107,786,457	88	7	8,491	12,694	498	527	91,247		399,278
Connellsville City	Fayette	2008	6.66	167,343,360	71,270,596	235	16	9,146	7,793	380	382		0	68,659
Jeannette City	Westmoreland	2008	33.12	62,384,035	284,858,607	22	7	10,654	26,737	656	579	2,210,720		
Lock Haven City	Clinton	2008	28.76	56,173,150	187,870,067	30	9	9,149	20,534	1,114	1,213	4,758,388	5,466,542	
Monessen City	Westmoreland	2008	33.55	59,907,180	273,548,767	22	7	8,669	31,555	702	670	699,391	55,648	
Sunbury City	Northumberland	2008	25	59,567,830	263,574,469	23	6	10,610	24,842	391	365	342,663		
Warren City	Warren	2008	15.8	113,785,491	328,859,801	35	5	10,259	32,056	952	944	1,530,955	41,988	62,303