

## **EPHRATA BOROUGH OFFICIALS**

### ***BOROUGH COUNCIL***

<b>SUSAN E. ROWE</b>	<b>PRESIDENT OF COUNCIL</b>
<b>THOMAS G. REINHOLD</b>	<b>VICE PRESIDENT OF COUNCIL</b>
<b>MELVIN W. WEILER</b>	<b>PRESIDENT PRO TEMPORE</b>
<b>TIMOTHY L. BARR</b>	<b>COUNCIL PERSON</b>
<b>RICKY L. RESSLER</b>	<b>COUNCIL PERSON</b>
<b>DALE L. HERTZOG</b>	<b>COUNCIL PERSON</b>
<b>LINDA MARTIN</b>	<b>COUNCIL PERSON</b>
<b>VICTOR E. RICHARD</b>	<b>COUNCIL PERSON</b>

### ***MAYOR***

<b>RALPH E. MOWEN</b>	<b>MAYOR</b>
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### ***EXECUTIVE STAFF***

<b>D. ROBERT THOMPSON</b>	<b>BOROUGH MANAGER</b>
<b>WILLIAM L. HARVEY</b>	<b>CHIEF OF POLICE</b>
<b>GAIL M. BARE &amp; CHRISTINE H. MOORE</b>	<b>DIRECTOR OF ADMINISTRATION &amp; FINANCE</b>
<b>THOMAS NATARIAN</b>	<b>DIRECTOR OF OPERATIONS</b>

### ***LEGAL COUNSEL***

<b>JAMES R. MCMANUS, ESQ.</b>	<b>SOLICITOR</b>
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## EPHRATA BOROUGH AT A GLANCE

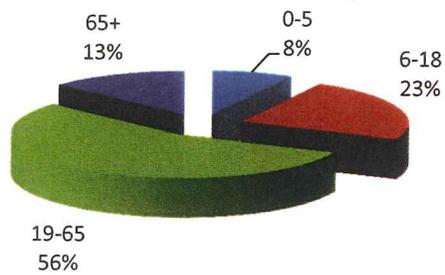
### Government

Date of Incorporation	1891
Form of Government	Council/Borough Manager
Number of Full Time Employees	93

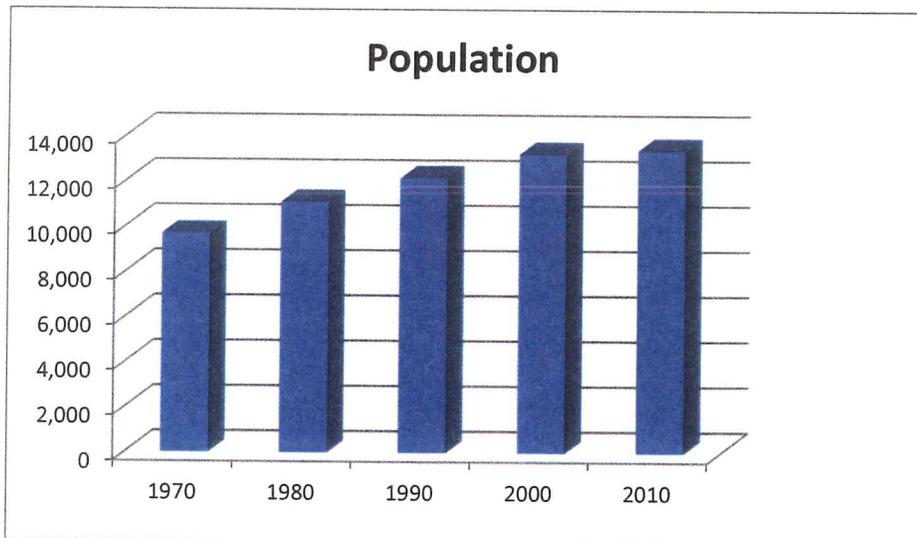
### Demographics

Land Area in square miles	3.42
Population	13,394

### Age Distribution



### Population



**Economics**

# of Total Housing Units	5,680
Homeownership Rate	62.00%
Housing Units in Multiple Unit Structures	30.40%
Median Value of owner occupied units	\$158,083
Median Household Income	\$47,357
Median Gross Rent	\$678

**Taxes 2016**

Real Estate - Ephrata Borough	2.07 mills
Emergency Services & Municipal Tax	\$52.00
Real Estate Transfer	0.50%
Earned Income Tax	0.50%
Non Resident Earned Income Tax	1.00%

**Assessed Value of Real Estate 2015**

	Value	Properties
Taxable	\$666,406,800	4,780
Exempt	\$125,934,000	160
Total	\$792,340,800	4,940

Information based on 2010 census data unless otherwise noted.



## MEMORANDUM

**DATE:** January 18, 2016

**TO:** President and Members of Borough Council  
Mayor Mowen

**FROM:** D. Robert Thompson, Borough Manager

**SUBJECT:** 2016 Budget and Program of Services

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This Budget and Program of Services document is intended as a road map describing the Borough's programs for the upcoming year, a balanced approach to providing the highest possible level of service to our citizens and customers within the limited revenue resources available. The 2016 Budget is an operational plan offering traditional municipal services within the corporate boundaries of the Borough, as well as police and extensive utility operations beyond those boundaries.

### **THE BUDGET AND PROGRAM OF SERVICES DOCUMENT**

Each program detail page (the left-hand page for each program) begins with a mission statement specific to that program. This mission statement is intended to provide an important reference point for Borough employees to consider as we deliver services throughout the year. It also includes a program description that details the responsibilities of the program and specific services the program provides.

In addition, the program detail page includes major program accomplishments of 2015 along with the most important objectives for 2016 that each program is concentrating on to achieve success.

The program resource requirements page (the right-hand page for each program) provides appropriation summary information by major category of expenditure, such as "Personal Services", (Permanent Salaries and Wages, Overtime, Premium Pay, Holiday Pay, Temporary Pay, FICA, Group Insurance, etc.) that comprises the "Personal Services" category of expenditures. This summarization allows Borough Council and interested citizens to focus on what each program is expected to accomplish with the overall appropriations provided. The format provides valuable comparisons of actual and budgeted appropriations for each program with prior year budget information. Also, this format allows comparisons of program funding requests against other programs within each fund.

### **THE PAST YEAR – 2015**

The past year was one of many changes and challenges for the Borough. Among those challenges experienced during the year were:

- Purchased an Automatic License Plate Reader
- Hired and trained two new Police Officers
- Selected a new School Resource Officer
- Successfully negotiated Police Servicing agreements with West Cocalico Township and Adamstown Borough

- Purchased and installed the Live Scan/CPIN system
- Developed written guidelines for small stormwater project improvements
- Began consolidation of all building permit applications to one central location
- Created a stormwater GIS layer for inventory and maintenance purposes
- Completed the Warwick to Ephrata Rail Trail project
- Completed the study for the Fulton Maintenance Garage
- Replaced countertops in the Borough Hall
- Replaced the door access system in Borough Hall
- Converted Public Works and Electric facilities to Natural Gas
- Resurfaced asphalt at the Grater Park from the Oak Street Bridge to the Eicher House
- Procured new Snack Bar vendor for the Community Pool
- Hired a new Director of Administration and Finance
- Established an investment account with PDSLAF
- Moved the salaried employees to a semi-monthly pay period
- Implemented a new electric rate structure
- Successfully bid into two Financial Transaction Rights Market Auctions to minimize Transmission and Congestion Risk
- Began an electric pole replacement program
- Initiated the installation of a SCADA system at the electric substation
- Received the APPA RP3 Platinum Award
- Began discussions for implementation of an Advanced Meter Infrastructure program for electric customers
- Initiated a Power Purchase Agreement for Behind the Meter Solar Power
- Completed Phase III and IV of the Wastewater Treatment Plant SCADA system
- Executed an agreement with Ephrata Recreation Center defining criteria to repay the Borough
- Executed an agreement with the EEDC to address outstanding debt obligations to the Borough

Clearly, 2015 was a year which included many important activities in the Ephrata community and a year of continuing fiscal challenges for the Borough organization.

### **2016 BUDGET AND PROGRAM OF SERVICES**

In reviewing the various activities, it was determined that some of them were not significant enough to stand alone and should be combined with other activities. The following changes were made in this year's budget document. All merged activities remained in the same fund.

Shade Tree moved to Property Maintenance

GIS moved to Engineering

Cultural Arts Grants moved to General Management

Street Lights moved to Electric Distribution System O&M

Traffic Signal Maintenance moved to Electric Distribution System O&M

### **GENERAL FUND BUDGET**

Ephrata Borough continues to struggle with fiscal problems created by the current economic conditions. The Borough finds balancing its General Fund budget a challenging undertaking with expenditures to maintain current levels of service growing faster than revenues each year. While this collision course between revenues and expenditures is not a new phenomenon for mature communities like Ephrata that are essentially "built out", the economic climate continues to affect major General Fund revenue sources such as earned income, local services and real estate transfer taxes. The contract for services between the Police Department and West Cocalico Township and Adamstown Borough has helped ease this gap for fiscal year 2016. Therefore, the 2016 budget does not include a real estate tax increase. However, continuing increases and upcoming collective bargaining negotiations will continue to plague the

General Fund, since over 73% of General Fund appropriations are comprised of personal service items such as wages and benefits, increases in these areas place great pressure on overall budget increases.

As always, staff was determined to keep expenses at the lowest level possible while maintaining the same level of service.

## **ENTERPRSE FUNDS**

### *ELECTRIC FUND*

The Electric Fund budget does not include a customer rate increase for 2016. Purchased power costs are estimated to increase by approximately 2.7% and the rate structure we adopted in 2015 will be adequate to cover this increase. The transfer to the Capital Reserve Fund will remain at \$1,250,000 as defined by the cost of service study to allow for the completion of the included projects and maintain an adequate fund balance. The Electric Fund transfer to the General Fund, also based on the cost of service study, will be 8.75 percent.

### *SEWER FUND*

The Sewer Fund budget does not include a customer rate increase for 2016. Several projects for Wastewater Treatment Plant One scheduled to be completed in 2016 will be paid from the balance in the 2014 Construction Fund following the completion of the BNR project. This will offset the need to pay them from Sewer reserves. Current Debt Service costs will drop off in 2017. However, we project that a new borrowing will take place in the Spring of 2016 to provide for the relocation of the Mission Pump Station and Wet Well.

### *SANITATION FUND*

Proposed expenses exceed proposed revenues by \$57,084 in the 2016 Proposed Budget. However, there is no increase in refuse or recycling rates recommended in the budget because the fund balance amount expected at the end of 2015 is \$465,328. There is no reason to carry such a large fund balance in this account since there is very little exposure to the Borough. There is no infrastructure, equipment, or assets owned by the Borough that would have to be replaced or repaired. Therefore, the sanitation fund balance will be reduced, deferring a rate increase for sanitation services being provided by a third party vendor.

## **CAPITAL RESERVE FUND**

The five-year capital plan is very aggressive. Stormwater and street repair projects are budgeted at 4.7 million dollars over the five year period. MS4 requirements are demanding stormwater efforts and street projects were pushed back several years while we were saving for the community pool. The transfer from electric in the 2016 budget is set at 1.25 million per the Electric Cost of Service Study. In future years, the transfer is estimated to increase to 1.4 million per year to cover future capital expenses.

## **THE YEAR AHEAD – 2016**

Many exciting things will be happening in 2016. Here are a few that are included in the Budget and Program of Services:

- Hire five Police officers to provide contract police services to West Cocalico Township and Adamstown Borough
- Equip patrol fleet with GPS navigation devices to enhance response times in new areas
- Begin a program to install vehicle pre-emption equipment at signalized intersections
- Adopt a new floodplain requirement based on state mandated updates
- Revise the Zoning Ordinance based on the adopted Comprehensive Plan
- Complete Public Works equipment and material storage building for salt storage

- Continue regrading drainage areas to create a more positive water flow for stormwater compliance
- Continue a MS4 stormwater program to meet upcoming regulation standards
- Replace 8 inch traffic signal heads with 12 inch heads to improve light visibility
- Replace the guiderail on the South Oak Street Bridge
- Continue the Linear Trail from West Chestnut Street to West Pine Street
- Complete improvements to the Fulton Maintenance Garage for recreation and police use
- Complete pool improvements to maintain and enhance the facility
- Purchase new servers
- Complete the solar generation facility negotiation to deliver behind the meter energy
- Install a distribution line from the solar site to the Substation
- Complete installation of the Electric Substation SCADA system
- Replace 80 high pressure sodium street lights with LED fixtures
- Start construction of the Mission Pump Station and force main
- Bid and award a new refuse and recycling contract
- Continue efforts on Economic Development to enhance the community
- Develop Borough Strategic Plan
- Upgrade the Wasteload Management (ACT 537) Plan
- Transition a new Director of Administration and Finance due to the retirement of the incumbent
- Funding to audit the financial system following the Director of Finance leaving office

### **ACKNOWLEDGEMENTS**

I would like to take this opportunity to recognize Director of Administration and Finance, Gail Bare, for her twenty-one years of dedicated service to the Borough. Gail has announced her intent to retire in 2016. Gail's work ethic and dedication serves as a model for all Borough of Ephrata employees. As a result this budget document includes professional services to assist the new incoming Director.

Much credit must be directed to those Borough budget managers who labored diligently to limit their budget requests for 2016. These managers have done a wonderful job of minimizing expenditures while maintaining high levels of service to the community. I want to specifically extend my appreciation to the Director of Administration and Finance, Gail Bare, for her leadership and many hours of time invested in producing this responsible financial plan and excellent budget and program of services document.

## BUDGET POLICIES AND PROCESSES

### The Borough's Significant Accounting Policies

The Borough of Ephrata is a Pennsylvania Municipal Corporation that operates under a Council-Mayor form of government. The accounts of the Borough are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise each fund's assets, liabilities, fund equity, cash receipts and disbursements. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The various funds of the Borough are as follows:

**Governmental Fund Types** – These are funds through which most governmental functions typically are financed. The funds included in this category are as follows:

General Fund – established to account for resources devoted to financing the general services that the Borough provides. General tax receipts and other receipts used to finance the fundamental operations of the Borough are recorded in this fund. The fund is charged with all costs of operating the Borough for which a separate fund has not been established.

Special Revenue Fund – is used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to cash disbursements for specified purposes.

*Highway Aid Fund* – is used to account for the proceeds from the Liquid Fuels and Fuels Use Tax. This fund must be kept separate from all other funds and disbursements are legally restricted for highway purposes in accordance with Department of Transportation regulations.

*Economic Development* – is used to account for the proceeds from sale of assets or property. These proceeds are to be used for the development of the Borough, through contract services for professional support and incentives.

Capital Projects Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

*Sewer Permit Funds* – is used to account for cash disbursements relating to the capital capacity-related issues of the general sewer system.

*Capital Reserve Fund* – is used to account for cash disbursements for the electric system, and other special projects.

*Mobile Equipment Fund* – is used to account for transfers from the governmental and proprietary funds used for the purchase of capital mobile equipment items.

Proprietary Fund Types - These funds account for operations that are organized to be self-supporting through user charges. The following are the Borough's proprietary funds:

Enterprise Funds – are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

*Water Fund* – is used to account for the contract services to the Ephrata Area Joint Authority for the operation of the water supply system. The water system is a public utility service, which is maintained on a self-supporting basis.

*Electric Fund* – is used to account for the wholesale purchase of electric energy and for the operation of the retail distribution system to customers within the corporate boundaries of the Borough.

*Sewer Fund* – is used to account for the operation of the sewer system that is operated as a public utility.

*Sanitation Fund* – is used to account for the operation of the refuse collection and disposal services and the administration of the recycling program.

Internal Service Fund – is established to account for the financing of goods or services provided by one department to other departments of the Borough on a cost reimbursement basis.

*Self-Insurance Fund* – is used to satisfy health claims of employees of the Borough. The Borough also uses this fund for other various insurance claims made.

### **Basis of Accounting & Budgeting**

The Borough budget is organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The basis of accounting determines when transactions and economic events are reflected in the financial statements.

The Borough maintains all governmental, proprietary and fiduciary fund types on a modified cash basis method of accounting under which only cash receipts, cash disbursements, assets, liabilities, and equities arising as a result of cash transactions are recognized. Investment assets are recorded at fair market value and changes in fair value are recognized as a component of revenue.

Therefore, receivables and payables, inventories, long-lived assets, accrued income and expenses and amortization and depreciation, which may be material in amount, are not reflected in the Borough's financial statements.

Governmental funds are accounted for on a spending or "financial flow" measurement focus. Governmental fund type operating statements present increases (receipts and other financing sources) and decreases (cash disbursements and other financing uses) in net current assets.

Proprietary funds are accounted for on a cost of service or "capital maintenance" measurement focus. Their reported fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (receipts) and decreases (disbursements) in equity.

### **Budget Transfers and Amendments**

During the course of the year, division managers may request transfers or amendments to the budget if needs or priorities change. As a result, funds may be transferred from one account to another with appropriate documentation defining why excess funds are available and why extra funds are needed elsewhere. All transfer requests must be signed by the division's Director and approved by the Director of Finance. The Borough Council must approve requests for additional funding to be added to the budget.

### **Lapsing Appropriations**

Any appropriations that are unspent at the end of the year lapse into the fund balance. Any monies, which must be rolled over, must be approved by the Director of Finance and the Borough Manager.

### **Statutory Budgeting Requirements**

As required by the Commonwealth of Pennsylvania Borough Code, the preparation of the budget shall begin at least thirty days prior to the adoption of the budget. A proposed budget or annual estimate of revenues and expenditures for the coming year shall be prepared in a manner acceptable to the council. The proposed budget shall be kept on file with the Borough Secretary and be made available for public inspection for a period of ten days. Notice that the proposed budget is available for inspection shall be published by the Borough Secretary in a newspaper of general circulation in the Borough.

After the completion of the ten days, council shall make revisions to the budget as deemed necessary. Upon completion of the budget, which must contain the estimated revenues and expenditures, it shall be adopted by motion in Council, no later than December 31. It is also the duty of the Council to adopt an ordinance levying the taxes for the next year. The Secretary of the Borough shall file a copy of the budget, together with the tax ordinance with the Department of Community Affairs.

## **Budget Process Schedule**

### **January**

- Provide monthly budget summary reports to Borough Council
- Implement and distribute current year budget
- Submit tax ordinance to DCED

### **February**

- Begin financial audit

### **March**

- Financial audit completed and DCED report filed by April 1

### **April**

- Begin planning five year capital improvement program

### **May**

- Implement audit recommendations
- Managers submit capital improvement projects

### **June**

- Develop the five year capital budget

### **July**

- Issue personnel records and program sheets to all managers

### **August**

- Division heads prepare program detail sheets and personnel allocations
- Managers prepare operating budget requests

### **September**

- Prepare operating budget requests
- Prepare revenue forecasts
- Prepare program detail sheets

### **October**

- Internal review of preliminary budget document

### **November**

- Finalize preliminary budget document and distribute to elected officials
- Meet with Council Committees to review preliminary budget
- Revise and complete budget
- Publish public notice of budget

### **December**

- Adopt budget
- Advertise tax ordinance
- Adopt necessary ordinances

## **BUDGET GUIDE**

This budget guide is a summary of the information contained in each section of the budget document. There are four main sections: Introduction, Budget Overview, Departmental Summaries, and Appendix.

### **Introduction**

This section provides general information about the Borough. It includes a list of Borough Officials; a useful reference guide about the Borough of Ephrata including demographics; the budget message, which gives a condensed summary of the current year, a look ahead to next year; and an explanation of budget policies and processes as well as a “how to use” the budget and a definition of the object codes. This section also includes a budgeting process schedule.

### **Budget Overview**

The Borough’s consolidated fund summary as well as a breakdown of each accounting fund type is presented in this section. The consolidated fund summary defines estimated year-end totals by fund and the draft budget request. A summary page defines both revenues and expenditures by fund and by source of revenue or type of appropriation. A summary page of revenues and appropriations are shown for each fund along with a graph of the sources of revenue and appropriation of funds by type.

### **Departmental Summaries**

This section details expenditures for each program. Descriptions of each program are included along with accomplishments and objectives for that program, staffing trends, and a five-year expenditure trend. Capital outlay sheets follow each section outlining the capital expenditures included in each fund.

### **Capital Projects**

This section contains detailed information regarding each capital project included in the budget document as well as a five year projection of capital projects.

### **Appendix**

This section contains a Budget Terminology Glossary, as well as a Financial Management Policies section that includes the underlying policies that guide and shape the budget.

The Borough Budget and Program of Services is defined by a numbering system. Each revenue and expenditure account consists of an eleven (11) digit number and is designed in the following fashion throughout the budget.

*Account #:* FF-SS-PPP-OOOO

F      2 digits representing fund  
S      2 digits representing service area  
P      3 digits representing program  
O      4 digit object codes

*Fund designations are:*

01 - General	31 – Capital Reserve
06 - Water	35 – Highway Aid
07 - Electric	36 – Economic Development
08 - Sewer	40 – Mobile Equipment
09 - Sanitation	45 – Self Insurance
22 – Sewer Permit	

Appropriations are shown summarized by type. A description of what is included in each grouping is shown in the object code section defined on the following pages.

Personal Services – 1XXX  
Professional Services – 3XXX  
Services and Charges – 4XXX  
Materials & Supplies – 6XXX  
Capital Outlay – 7XXX  
Sundry – 8XXX

The "Program Detail" narrative found in each section provides information specific to that program. Descriptions of the program accomplishments for the current year and objectives for next year are indicated. The expenditure allocation or "resource requirement" sheet on the facing right hand page is a companion to the Program Detail and includes the staffing levels, a five year trend graph, and specific appropriations necessary to accomplish the objectives of the program.

Finally, the Table of Contents provides the clearest road map for finding ones' way around the Program of Services document.

## OBJECT CODE DEFINITIONS

<u>OBJECT TITLE</u>	<u>DEFINITION</u>
<b>PERSONAL SERVICES</b>	
Permanent Salaries & Wages	Base wages and salaries including anniversary increase amounts for full-time employees.
Overtime	All overtime for full-time employees.
Premium Pay	This object includes shift differential, substitution increments, standby, call-out, meal allowance, and longevity compensation items.
Holiday Pay	This object is used only for contractual holiday pay for sworn police personnel.
Temporary Pay	This object is used for wages for all part-time positions, including seasonal employees.
FICA Contribution	This object is used to record expense for Social Security Taxes.
Employee Group Insurance	This object is used to record expense for employee health insurance premiums.
Pension Expense	This object is used to record expense for pension plan contributions.
Workers' Compensation	This object is used to record expense for workers' compensation insurance premium.
<b>PROFESSIONAL SERVICES</b>	
Legal Fees	This object is used for all fees and costs paid to attorneys and legal firms.
Auditing Fees	Includes all costs of annual audit.
Engineering Fees	Includes all costs of consulting engineering.
Other Professional Services	Includes all professional services not identified above, such as management consulting, recruitment services, non-engineering studies, etc.

**OBJECT TITLE**

**DEFINITION**

**SERVICES AND CHARGES**

Electricity Charges	Charges paid to any electric utility.
Water Charges	Charges paid to any water utility.
Sewer Charges	Charges paid to any wastewater utility.
Solid Waste Disposal	Charges for solid waste disposal including collection, disposal and landfill fees.
Repair/Mtc of Bldgs & Eqpt	This object records contract costs or vendor charges for routine maintenance to buildings and equipment. Contract maintenance for equipment should be budgeted here.
Repair/Mtc of Vehicles	Includes vendor charges for maintenance performed to vehicles, such as tire repair, inspections, and transmission repairs.
Repair/Mtc of Facilities	Includes vendor charges for maintenance to grounds or facilities other than buildings.
Rental of Equipment	Includes rental of any equipment from a vendor and may include equipment operator costs. Leases for equipment, such as copiers, should be reflected in this object.
Contract Services	This is a "catch-all" object code for typically on-going contract expenditures that do not fit any of the above objects.
Insurances	This object reflects non-employee related insurance program costs allocated to program areas.
Telephone Communications	This object is used for monthly telephone service charges. It includes only charges for local and long distance calling. Hardware rental, hardware maintenance, line maintenance, and answering service charges belong in other object codes.
Advertising	Charges for advertising in any publication, such as "The Review", periodicals, or trade journals.
Outside Printing	Charges for vendor printing of bill forms, checks, temporary no parking signs, etc.

**OBJECT TITLE**

**DEFINITION**

Training/Prof. Development

Charges for registration, travel expense, lodging and meals while on official Borough business. Mileage allowances for local use of personal vehicles should be included here.

Postage

The Business Office will provide budget estimates to each affected program area for all typical postage requests. Special mailing needs should be addressed by the requesting budget unit. Federal Express and UPS overnight letter charges should be reflected here.

Memberships

This object is used for all membership dues for professional, municipal, or local organizations in which the Borough or its staff are members.

Civic Contributions

Donations or municipal support provided to independent organizations, such as the Emergency Service Providers and Ephrata Public Library, or for cultural arts grants.

Real Estate Taxes

Taxes charged on real property by county, school or municipal bodies.

Other Services & Charges

For all services and charges that do not fit in above object codes.

**MATERIALS & SUPPLIES**

Operating Materials & Supplies

This object should be used for all purchases of routine materials and supplies needed in the on-going operation of a program that does not fit any other MATERIALS AND SUPPLIES object. Material and supplies are typically placed in service one time and are considered consumed or "used up" when removed from inventory.

Operating Tools & Eqpt.

For the purchase of incidental tools and equipment needed in the operation of a program. The tools or equipment charged to this object are distinct from Materials and Supplies in that tools/equipment remain in inventory for multiple usages.

Vehicle Parts & Supplies

This object reflects the purchase of vehicle or major equipment parts and supplies for installation by personnel. This object does not include parts and supplies installed by vendors.

**OBJECT TITLE**

**DEFINITION**

Vehicle Fuel & Lubricants	Self-explanatory.
Non-vehicle Fuels	For the purchase of fuels not for vehicles, such as, kerosene, propane, acetylene, or heating oil.
Uniforms	This object reflects Borough expenditures for uniform maintenance, uniform allowances, such as, rain gear, eye protection equipment, and hard hats.
Publications	This object is used for subscriptions to newspapers, journals, and newsletters, and for purchases of books and pamphlets.
Chemicals	For the purchase of chemicals for water treatment processes, including such items as chlorine and ferrous sulfate. This object should be used to reflect routine chemical purchases such as cleaners, degreasers, and weed killers.
Pipe and Fittings	This object code is to be used for purchases of all types of pipe and fittings.
Stone & Bituminous Materials	Self-explanatory.

**CAPITAL EXPENDITURES**

Real Estate Acquisition	This object reflects one-time costs of acquiring real property, including purchase option costs. All costs of acquisition may be reflected here, including such items as legal fees and deed recording costs.
Machinery & Equipment	This object is for purchase of machinery and equipment other than vehicles that have a value in excess of \$500.00 per unit.
Vehicles	This object reflects the purchase of vehicles.
Fixtures & Furniture	For the purchase of office or outdoor furniture, i.e., long-lasting appurtenances such as tables, chairs, filing cabinets, with a purchase price in excess of \$200.00.
Construction Contracts	For operating fund expenditures related to capital construction contracts with a value in excess of \$10,000.00.
Capital Project Expenditures	For all expenditures relating to capital projects funded by capital or reserve funds.

**OBJECT TITLE**

**DEFINITION**

**SUNDRY**

Self-Insured Losses, U/C	This object is used to reflect reimbursable unemployment compensation claims billed by the PA Bureau of Unemployment Compensation.
Self-Insured Losses, Non-U/C	For all expenditures related to insurance losses, typically policy deductibles, for property/casualty, fleet, liability and workers' compensation lines of coverage.
Non-Debt Interest Expense	This object reflects interest paid by on non-debt related items.
Administrative Charges	Reimbursement from operating funds to the Ephrata Borough for administrative salaries and overheads borne by the Ephrata Borough for the benefit of EAJA.
Transfer to General Fund	For interfund transfers flowing to the General Fund.
Transfer to Capital Reserve Fund	For interfund transfers flowing to the Capital Reserve Fund.
Transfer to Mobile Eqpt. Fund	For interfund transfers flowing to the Mobile Equipment Fund.
Lease Rental Payments	This object records the payment of lease rental payments made to the Ephrata Borough Authority for the amortization of Authority debt on wastewater or recreation facilities.
Debt Service Payments	This object records the payment of principal and interest on outstanding Authority debt issues.