



## CITY OF BETHLEHEM

10 East Church Street, Bethlehem, Pennsylvania 18018

610-997-7649

eevans@bethlehem-pa.gov

www.bethlehem-pa.gov

**TO:** Dr. Wandalyn J. Enix, Chairwoman, Finance Committee  
**FROM:** Eric R. Evans, Business Administrator  
**DATE:** August 4, 2023  
**SUBJECT:** General Fund – Administration Budget Adjustment

The Administration is proposing the following budget adjustments:

### REVENUE

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>
001A-30108	Mercantile Tax	\$2,600,000	\$3,050,000	\$450,000

### APPROPRIATION

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>	<u>Change</u>
0206-42055	Professional Services	\$70,600	\$450,600	\$380,000
0207-42067	Recruiting & Testing	\$90,000	\$160,000	<u>\$ 70,000</u>
				\$450,000

The City of Bethlehem currently has a **Professional Service** contract with Tri-State Financial Group. This company collects and manages the City's Mercantile & Business Privilege accounts. Their fee is based on collection totals. During 2023, Tri-State conducted multiple audits that resulted in large unexpected tax payments. This increase in revenue caused an increase in fees that the City is obligated to pay Tri-State. We are requesting an increase in this line item in order to pay the fees.

Also in 2023, the national-wide labor shortage continues to impact the City's ability to fill positions. We are experiencing difficulty with staffing in almost every department. The **Recruiting & Testing** account funds our ability to advertise, recruit, and run the necessary testing for those departments that require pre-employment screenings. We are requesting an increase to this line item to continue those efforts.

The increase in the **Mercantile Tax** revenue will fund these additional expenses.

The adjustments will amend the total General Fund budget from \$106,911,698 to \$107,361,698.

Thank you for your consideration.

**ORDINANCE NO. 2023-**

AN ORDINANCE OF THE CITY OF BETHLEHEM,  
COUNTIES OF LEHIGH AND NORTHAMPTON,  
COMMONWEALTH OF PENNSYLVANIA, AMENDING  
THE 2023 GENERAL FUND BUDGET.

THE COUNCIL OF THE CITY OF BETHLEHEM HEREBY ORDAINS:

SECTION 1. That total appropriations in the 2023 General Fund Budget be increased from One Hundred Six Million, Nine Hundred Eleven Thousand, Six Hundred Ninety-Eight (\$106,911,698) Dollars to One Hundred Seven Million, Three Hundred Sixty-One Thousand, Six Hundred Ninety-Eight (\$107,361,698) Dollars.

SECTION 2. That the following allocations be changed:

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>
0206-42055	Professional Services	\$70,600	\$450,600
0207-42067	Recruiting & Testing	\$90,000	\$160,000

SECTION 3. That the following source of revenue be changed:

<u>Account #</u>	<u>Account Title</u>	<u>From</u>	<u>To</u>
001A-30108	Mercantile Tax	\$2,600,000	\$3,050,000

SECTION 4. All Ordinances and parts of Ordinances inconsistent herewith be, and the same are hereby repealed.

Sponsored by: /s/ \_\_\_\_\_

/s/ \_\_\_\_\_

PASSED finally in Council on this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

/s/ \_\_\_\_\_  
President of Council

ATTEST:

/s/ \_\_\_\_\_  
City Clerk

This Ordinance approved this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

/s/ \_\_\_\_\_  
Mayor