



Proposed 2025 Budget Presentation II

as presented November 19, 2024

Whitpain Township

AGENDA

➤ Summary:

- Balanced Budget
- No tax increase currently included for 2025
- Significant financial challenges ahead
- Review of 11/6 Budget presentation
- Sewer Funds
- Fire Funds
- Manor House
- Community Center
- Traffic Improvements
- Highway Aid
- Fee In Lieu of Stormwater Management
- Reserve for Stormwater Outfall
- Summary & Questions

November 6th Presentation Summary

- No tax increase currently included for 2025
 - 2025 expenses and revenues need to be monitored to refine future year projections
- Township has seen a decline over the past several years in major revenue streams from post-pandemic highs including earned income tax, local services tax and real estate transfer tax
 - Future budgets will be significantly more challenging without a revenue rebound from existing revenue streams, an increase in the real estate tax millage or a significant reduction in the expenses which may impact public services
- Adjustment to the EIT rate has created a dedicated funding stream for open space



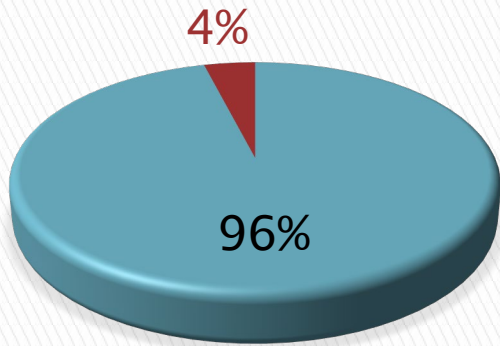
Sewer & Sewer Capital Funds

as presented November 19, 2024

Whitpain Township

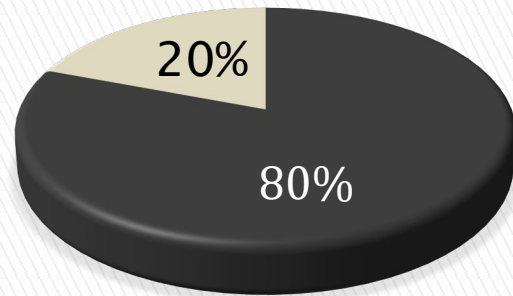
2025 Sewer Fund

of Customers



■ Residential ■ Non-Residential

Revenue Sources



■ Residential ■ Non-Residential

► Customers

- Residential = 6,011
- Commercial = 263

► Daily Flow

- ENPWJSA = 2.0 Million Gallons / Day
- Ambler = 500,000 Gallons / Day
- Total Approximately 2.5 Million Gallons / Day



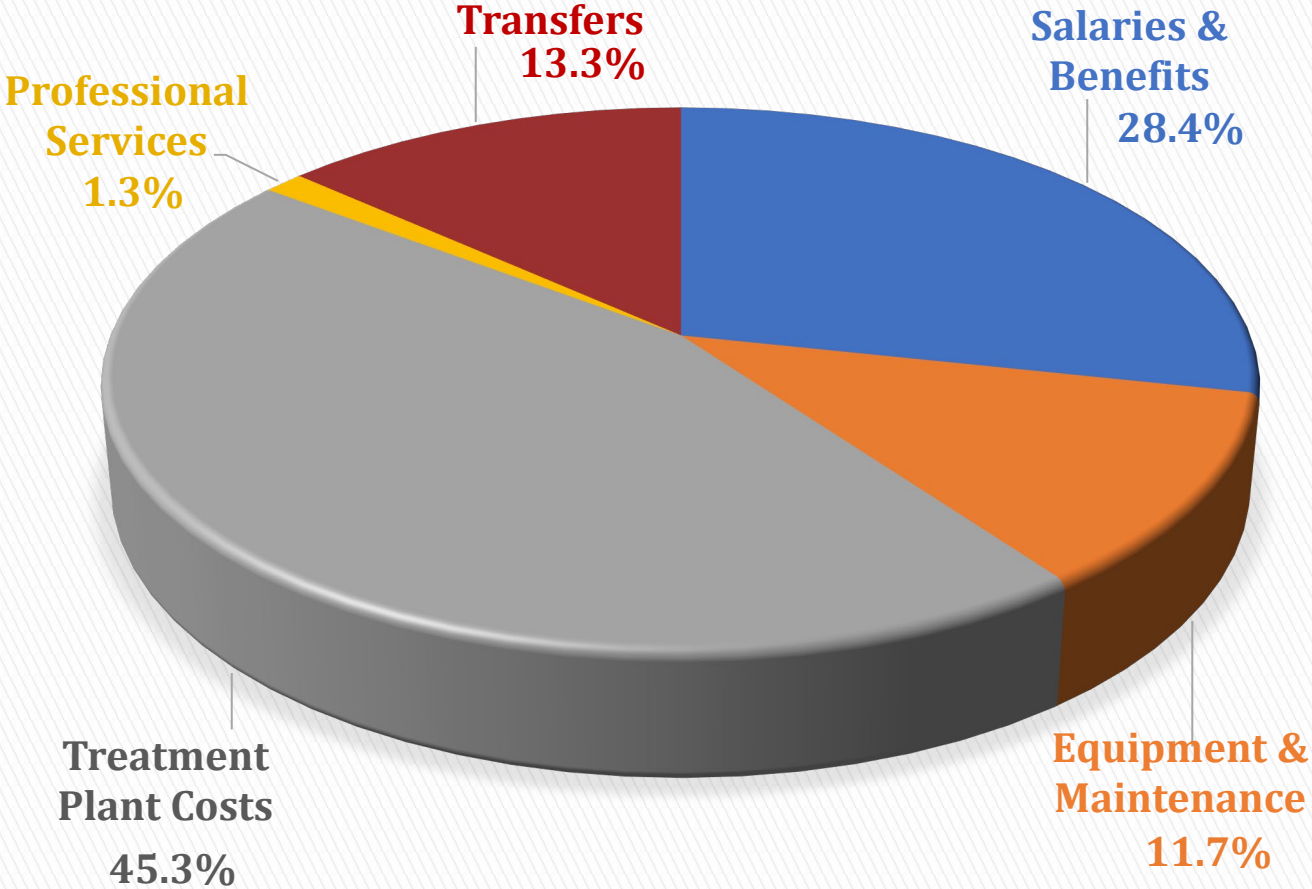
Sewer Fund Background

- Residents and businesses connected to the sanitary sewer system have their wastewater treated at one of 5 facilities, all of which are located outside of the Township
- The two largest treatment facilities used by the Township are the East Norriton Plymouth Whitpain Joint Sewer Authority (ENPWJSA) and Ambler Borough
- Even though the Township doesn't operate a sewer treatment facility, it is still responsible for the collection system
- Sewer treatment costs have risen significantly recently
- Sewer rates were increased by \$5 per month in 2024



Sewer Fund Expenditures

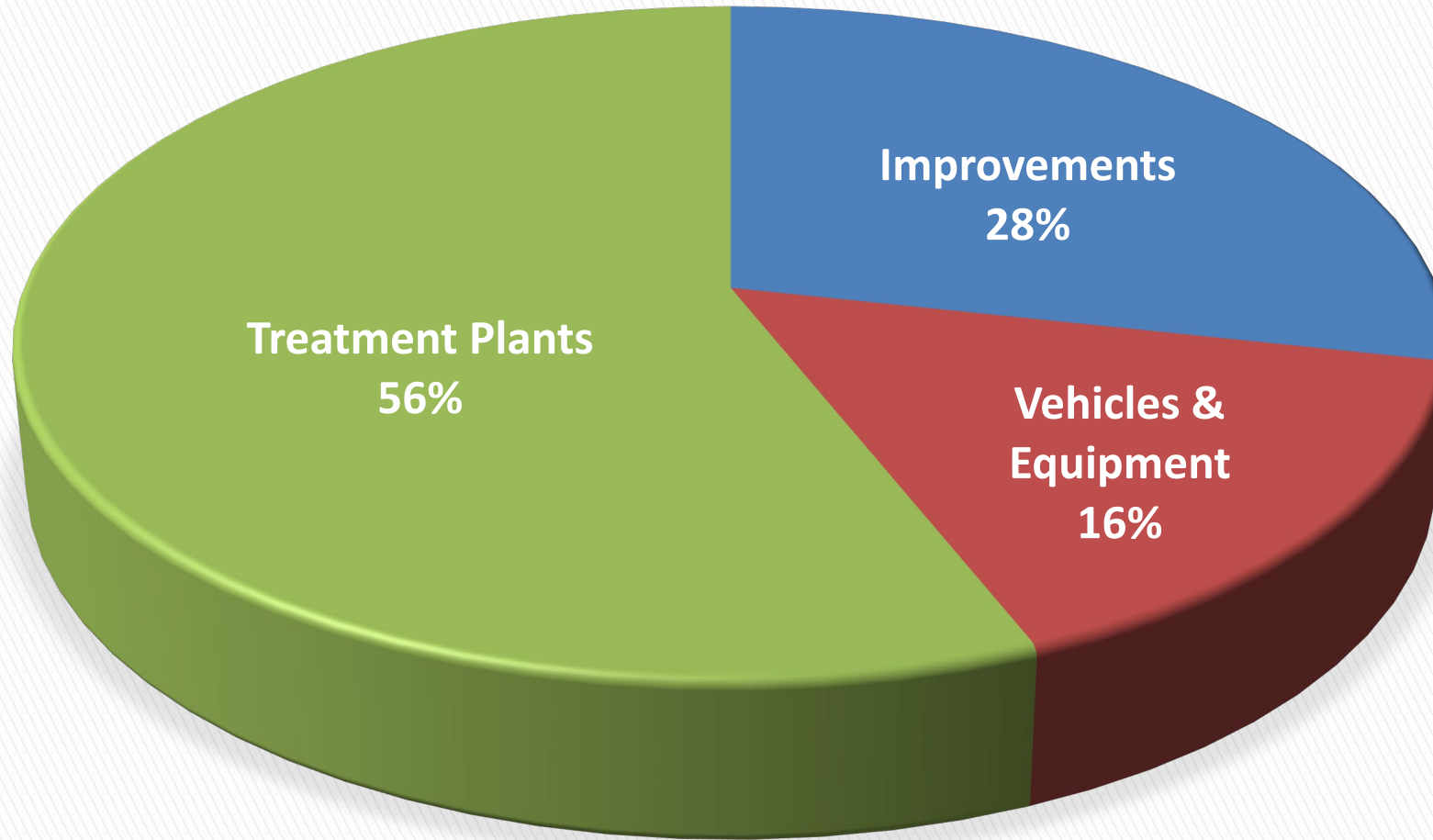
Salaries & Benefits	1,352,190
Equipment & Maintenance	555,000
Treatment Plant Costs	2,159,734
Professional Services	63,000
Transfers	635,856
Total	4,765,780



5-Year Sewer Operating Budget Projection

	Projected 2024	2025	2026	2027	2028	2029
REVENUES	4,414,400	4,484,500	4,523,380	4,568,918	4,614,932	4,661,427
EXPENSES	3,833,911	4,129,924	4,115,996	4,223,534	4,328,935	4,436,962
TRANSFERS OUT	60,475	635,856	660,856	810,556	822,468	723,138
BEGINNING CASH	876,414	1,396,428	1,115,148	861,675	396,503	(139,968)
ENDING CASH	1,396,428	1,115,148	861,675	396,503	(139,968)	(638,641)

2025 Sewer Capital Expenses



2025 Sewer Capital Expenses

Category	Description	2025 Budget
Improvements		
	Sewer Main Replacement/Rehabilitation	250,000
	Backup Pump – North Wales P.S.	50,000
	Total Improvements	300,000
Vehicles & Equipment		
	Replace G-1 65KW Trailer Mounted Generator (2006)	100,000
	Replace S-09 Bobcat 5600 w/ Tool Cat Attachments	64,000
	Total Vehicles & Equipment	164,000
Treatment Plant		
	ENPWJSA	440,282
	Ambler	150,000
	Total Treatment Plant	590,372
	<u>Total Sewer Capital Items</u>	<u>1,054,372</u>

5-Year Sewer Capital Expenses

	2025	2026	2027	2028	2029	2025-2029
Improvements	300,000	590,000	380,000	305,000	30,000	1,555,000
Vehicles & Equipment	164,000	178,998	53,235	-	-	396,233
Treatment Plant	590,372	640,372	640,372	640,372	640,372	3,151,860
Grand Total	1,054,372	1,409,370	1,073,607	945,372	670,372	5,103,093

5-Year Summary – Sewer Capital Budget

	2025	2026	2027	2028	2029
REVENUES	86,500	187,230	187,975	188,734	189,509
EXPENSES	1,054,372	1,409,370	1,073,607	945,372	670,372
BEGINNING CASH	1,165,216	772,344	150,204	14,571	7,933
TRANSFERS IN	575,000	600,000	750,000	750,000	650,000
ENDING CASH	772,344	150,204	14,571	7,933	177,070

2025 Budget

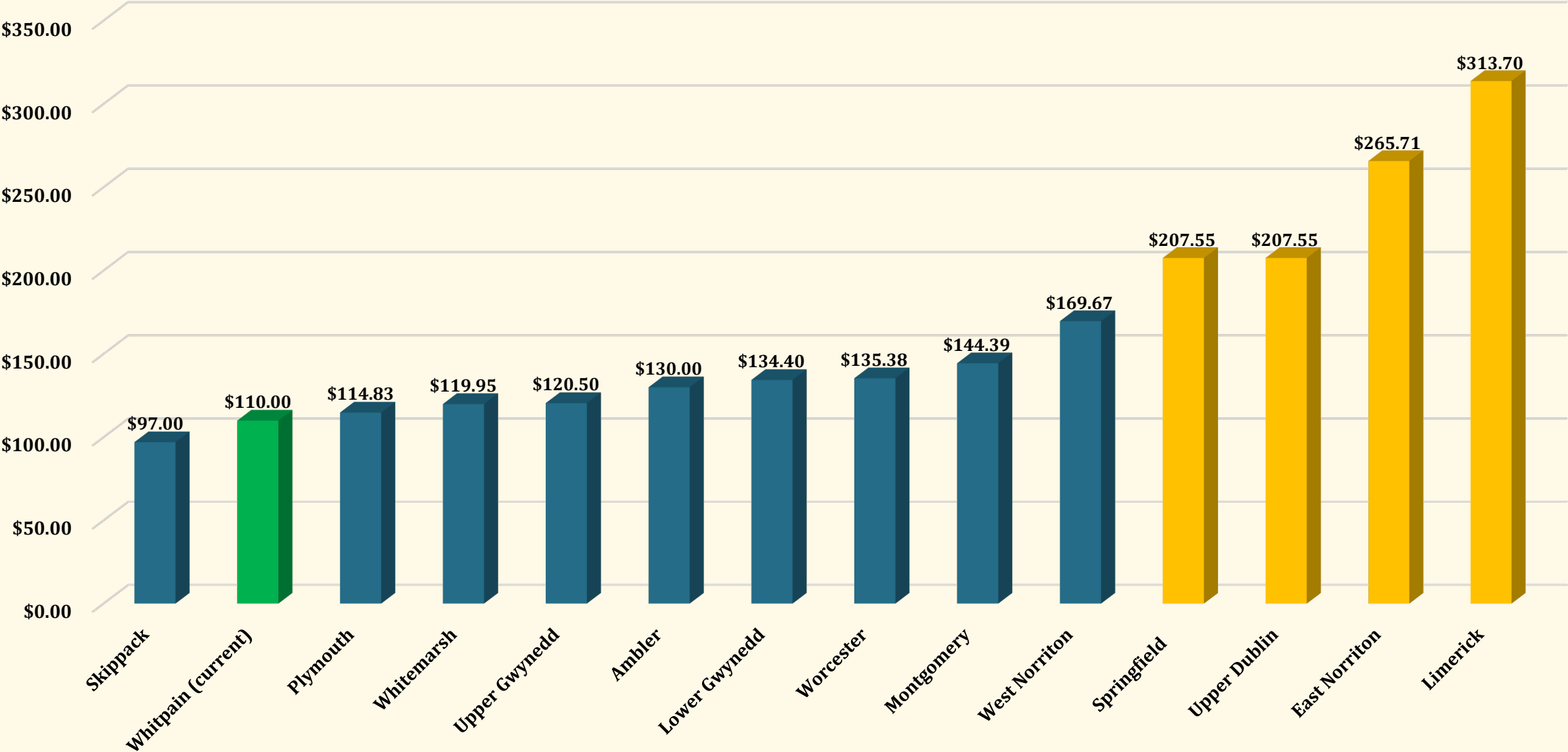


Sewer and Sewer Capital Summary

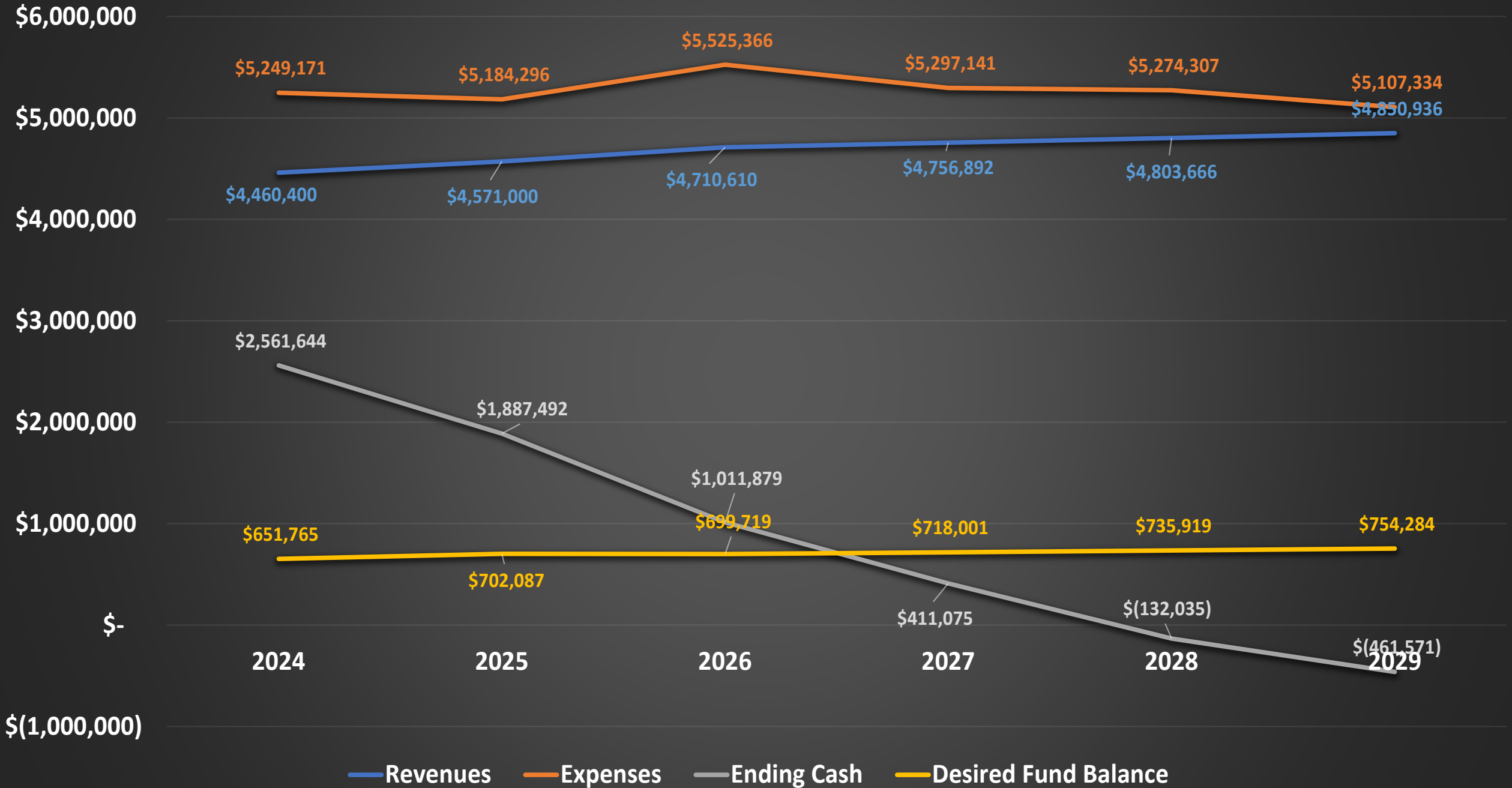
- The 2024 budget that included an adjustment in the quarterly sewer rate has put the sewer funds in a much better financial position
- However, cost increases will continue to be a challenge moving forward
 - Treatment costs have risen by nearly \$500,000 or 30% from 2022 to 2025 budgeted levels
 - Capital expenses passed to the Township from the ENPWJSA and Ambler are approximately \$233,000 or 65% higher from 2022 to the 2025 Budget
 - Additionally, capital expenses have increased for vehicles and equipment as sewer equipment has seen similar cost increases to other heavy equipment categories
- The Township will be able to maintain the current rates for a few more years, but if the pace of cost increases continues it will stress the sewer funds

Current Sewer Rate Comparison

(Based on 20K Gallons of Consumption per Quarter)



Sewer Operating & Capital Funds As Presented





Fire Tax, Fire Capital, & Fire Hydrant Funds

as presented November 19, 2024

Whitpain Township

Fire Tax Rates & CSFC Background

► Millage

➤ General Fund	2.54
➤ Fire Tax	0.40
➤ Fire Hydrant	0.05
➤ Debt Service	0.21

3.20 mills

➤ Centre Square Fire Company – 70 operational and corporate members (36 active firefighters)

- Supplemented by 4 FT and 10 PT staff
- Emergency Medical Staff – 17 EMT's
- Fire Police – 8 members
- Ladies Auxiliary – 15 members

► Financial Impact

- Average residential assessment ~ \$227,000
- Portion of average Township tax bill related to Fire & Fire Hydrant tax = \$102 (\$8.50 per month)



Fire Tax Fund Expenses

	2024 Projected	2025 Requested
Salaries & Benefits	452,450	484,708
Firemen's Relief Fund	210,700	210,000
Equipment, Supplies, & Other Expenses	128,154	133,500
Fire Prevention & Education	4,000	4,000
Fire Co. Operating Expenses	324,155	332,135
SUBTOTAL	1,119,459	1,164,343
TRANSFER TO DEBT SERVICE	68,004	68,004
TOTAL EXPENSES AND TRANSFERS	1,187,463	1,232,347

Fire Tax Fund

	Projected 2024	2025	2026	2027	2028	2029
Beginning Cash	435,890	357,571	178,224	82,065	(117,070)	(349,637)
Revenues	1,109,145	1,053,000	1,158,820	1,081,305	1,073,958	1,106,781
Expenses	1,119,459	1,164,343	1,186,975	1,212,436	1,238,522	1,265,247
Transfer to Debt Service*	68,004	68,004	68,004	68,004	68,004	68,004
Ending Cash	357,571	178,224	82,065	(117,070)	(349,637)	(576,107)

*Annual transfer from Fire Fund to Debt Service until 2031

CSFC Operating & Capital Expenses

Expenses	2024	2025	2026
Operating	1,119,459	1,164,343	1,186,975
Capital	85,700	1,200,000	150,000
Transfer to Debt Service	68,004	68,004	68,004
Total	1,273,163	2,432,347	1,404,979

\$ 90K – Deputy Chief Truck
\$ 60K – Improvements
\$1.05M – E-33 Pump Truck

Fire Capital Fund 5-Year Plan

	2025	2026	2027	2028	2029
BEGINNING CASH	362,527	70,527	(185,473)	(331,473)	(567,473)
REVENUES	908,000	4,000	4,000	4,000	4,000
EXPENSES	1,200,000	150,000	40,000	130,000	40,000
TRANSFER TO DEBT SERVICE	-	110,000	110,000	110,000	110,000
ENDING CASH	70,527	(185,473)	(331,473)	(567,473)	(713,473)

- The next fire truck is scheduled for delivery in late 2025 or early 2026 which will require the Township to get a bank loan in order to finance the new fire truck
- The timing and final costs of future fire vehicles along with future fire station capital needs will impact how quickly the fund balance declines and when future additional revenue is necessary

Fire and Fire Capital Summary

- The Proposed 2025 Budget includes adequate funding for both the Fire Tax and Fire Capital funds. However, the decline in overall real estate assessed value previously discussed also has an impact on the Fire Tax Fund revenues
- Similar to the Debt Service Fund there will be a need to add additional funding or reduce expenses beginning in 2026 based on current projections. Cost increases in these funds are driven by the following:
 - Personnel costs associated with full and part-time paid staff, including the additional full-time firefighter added in 2024
 - Capital expenses related to the CSFC building and for replacement of fire vehicles and apparatus which have soared in price since the pandemic

Fire Hydrant Fund 5-Year Plan

	2024 Projected	2025	2026	2027	2028	2029
BEGINNING CASH	474,163	509,463	334,963	305,238	270,086	229,297
REVENUES	114,800	110,000	109,000	108,010	107,030	108,060
EXPENSES	79,500	284,500	138,725	143,161	147,819	152,710
ENDING CASH	509,463	334,963	305,238	270,086	229,297	184,647

Hydrant rental fee – Ambler/North Wales Water - \$41K

Hydrant rental fee – PA American Water - \$43.5K

Other expenses – Watermain extension or fire hydrant project - \$200K





Manor House Fund

as presented November 19, 2024

Whitpain Township

Manor House Projection – 5 Year Summary

	2024 Projected	2025	2026	2027	2028	2029
REVENUES	332,500	329,000	373,360	373,827	374,304	374,790
EXPENSES	70,189	89,153	91,645	94,167	96,560	99,018
TRANSFERS TO OPEN SPACE	200,000	200,000	200,000	200,000	200,000	200,000
BEGINNING CASH	562,653	624,964	664,811	746,526	826,186	903,930
ENDING CASH	624,964	664,811	746,526	826,186	903,930	979,702



Community Center Fund

as presented November 19, 2024

Whitpain Township

Community Center – 5 Year Summary

	2023 Actual	2024 Budget	2024 Projected	2025 Request	2026	2027	2028	2029
INTEREST EARNINGS	4,192	-	550,000	375,000	185,000	5,500	-	-
STATE GRANTS	-	-	-	1,700,000	-	-	-	-
CONTRIBUTIONS	10,000,000	-	-	-	-	-	-	-
TOTAL REVENUES	10,004,192	-	550,000	2,075,000	185,000	5,500	-	-
PLANNING & ENGINEERING	-	-	130, 000	300,000	200,000	90,000	-	-
CONSTRUCTION	-	-	-	2,500,000	7,500,000	2,500,000	-	-
TOTAL EXPENSES	-	-	130,000	2,800,000	7,700,000	2,590,000	-	-
CHANGE	10,004,192	-	420,000	(725,000)	(7,515,000)	(2,584,500)	-	-
BEGINNING BALANCE	-	10,004,192	10,404,537	10,824,537	10,099,537	2,584,537	37	37
ENDING BALANCE	10,004,192	10,004,192	10,824,537	10,099,537	2,584,537	37	37	37

- Township staff is working with the architects on matters such as mechanical systems, interior finishes, parking/traffic circulation and overall building design. Next formal update will be coming in early 2025



Traffic Improvement Fund

as presented November 19, 2024

Whitpain Township

Traffic Improvement Fund

- Revenues are primarily from developer impact fees
- Traffic impact fees must be used for providing additional capacity to accommodate traffic from the new development
- State grants are the other major source of revenue for the traffic improvement fund



Traffic Improvement Fund

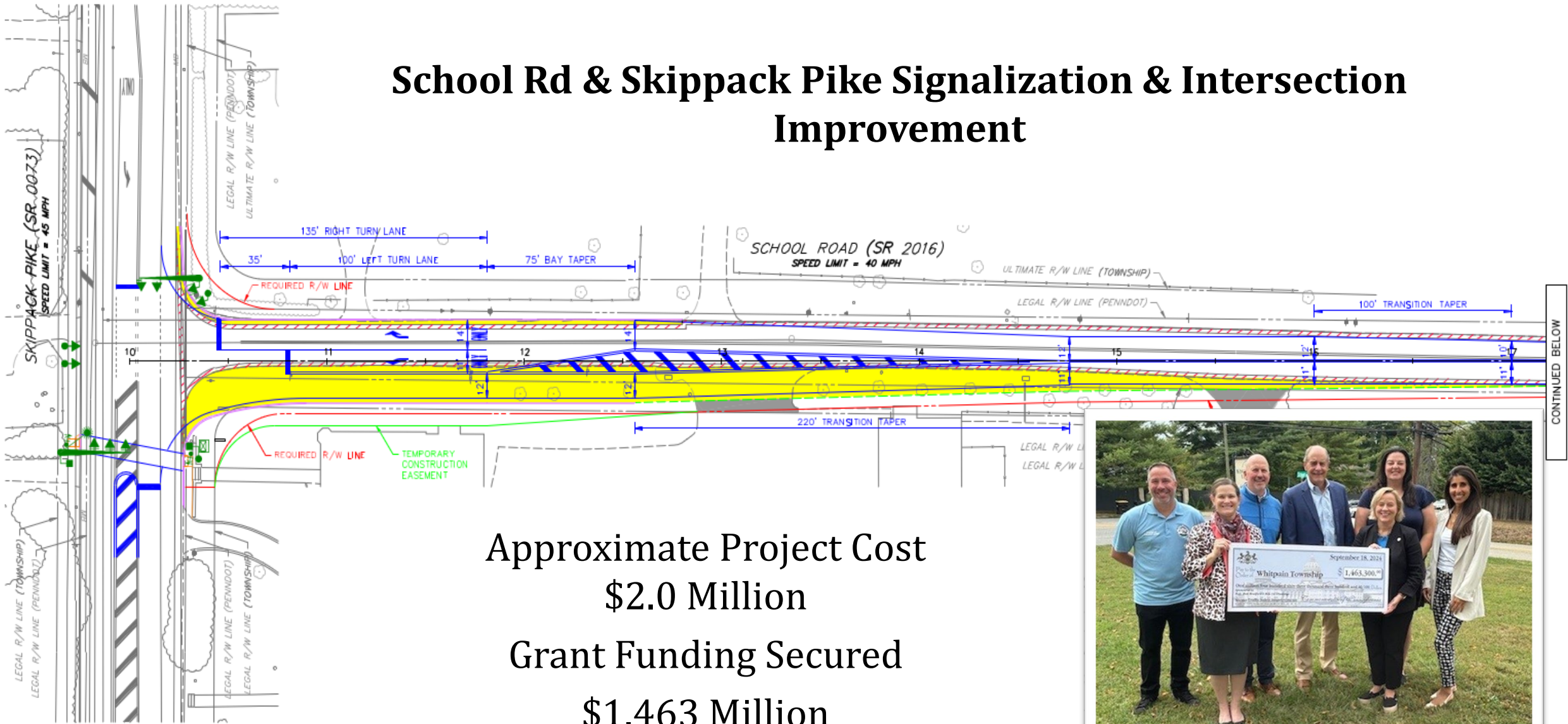
	2023 Actual	2024 Projected	2025 Request
Beginning Balance	650,119	863,250	737,450
Interest Earnings	18,235	18,000	14,000
Contributions & Grants	287,277	6,200	805,495
Planning & Design	-	-	300,000
Intersection Improvements	92,382	150,000	870,000
Total Revenues	305,512	24,200	819,495
Total Expenses	92,382	150,000	1,170,000
Ending Balance	863,250	737,450	386,945

Traffic Improvement Projects

	Proj. 2024	2025	2026	2027	2028	2029	Project Total	Other Funding
Skippack Pk & Union Mtg. Rd/School Rd.	145,000	400,000	1,300,000	-	-	-	1,700,000	1,463,000
Jolly Rd & Wentz Rd	5,000	770,000	100,000	-	-	-	870,000	361,495
Roundabout – Walton/Stenton	-	-	-	-	2,500,000	-	2,500,000	2,250,000
Roundabout – Mermaid/Arch	-	-	-	-	-	2,500,000	2,500,000	2,250,000
TOTALS	150,000	1,170,000	1,400,000	-	2,500,000	2,500,000	7,570,000	6,324,495

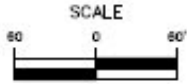
Traffic Improvements

School Rd & Skippack Pike Signalization & Intersection Improvement



Traffic Improvement – Walton & Stenton Roundabout

LEGEND





Highway Aid Fund

as presented November 19, 2024

Whitpain Township

Highway Aid (Liquid Fuels Fund)

- **Liquid Fuels Fund payments to individual townships are distributed based on the following formula:**
 - 50% on mileage (67.96), and
 - 50% on population using the latest decennial census figures (20,384)
- **Liquid Fuels Fund generally funds two primary annual expenses:**
 - Road salt during the winter season
 - A portion of the Township's annual paving contracts (the remaining portion is from the General Fund)



5-Year Projection Highway Aid Fund

	Proj. 2024	2025	2026	2027	2028	2029
Revenues	592,703	587,000	590,500	602,230	614,195	626,398
Total Expenses	275,000	1,025,000	575,000	625,000	625,000	625,000
(Paving Expenses)	236,000	950,000	500,000	550,000	550,000	550,000
Beginning Cash	142,170	459,873	21,873	37,373	14,603	3,798
Ending Cash	459,873	21,873	37,373	14,603	3,798	5,196



Fee in Lieu of Stormwater Fund

as presented November 19, 2024

Whitpain Township

Fee in Lieu of Stormwater Fund

- Fee paid by residents who propose to expand an existing residential property and are unable to provide a storm water management system on their property
- Fees are then used for regional storm water management systems



Fee in Lieu of Stormwater Fund

	Projected 2024	2025	2026	2027	2028	2029
Beginning Balance	151,744	162,244	128,244	94,244	60,244	58,244
Interest Earnings	3,500	2,500	2,500	2,500	2,500	2,500
Contributions	7,000	7,500	7,500	7,500	7,500	7,500
Consultant Services	-	4,000	4,000	4,000	2,000	2,000
Construction Services	-	40,000	40,000	40,000	10,000	10,000
Ending Balance	162,244	128,244	94,244	60,244	58,244	56,244



Stormwater Outfall Fund

as presented November 19, 2024

Whitpain Township

Stormwater Outfall Fund

- Funds are used primarily for construction or major repairs to stormwater systems
- The main source of revenue for this fund is impact fees collected from developers



	2023 Actual	2024 Projected	2025 Request
Beginning Balance	56,507	65,338	66,338
Interest Earnings	1,387	1,400	1,100
Contributions	7,444	2,100	2,500
Consultant Services	-	2,500	2,500
Construction Services	-	-	16,000
Storm Sewer Materials	-	-	15,000
Ending Balance	65,338	66,338	36,438

Stormwater Outfall Fund - 5 Year Projection

	Proj. 2024	2025	2026	2027	2028	2029
REVENUES	3,500	3,600	3,622	3,644	3,667	3,691
EXPENSES	2,500	33,500	16,000	13,000	10,500	8,000
BEGINNING CASH	65,338	66,338	36,438	24,060	14,705	7,872
ENDING CASH	66,338	36,438	24,060	14,705	7,872	3,563



Conclusion

- The Board now has the entire Proposed 2025 Budget for consideration
 - Budget presentations available on the Township's website and the entire Proposed Budget will be available for public inspection next week
 - While Whitpain Township still is in a good financial position overall, the recent trends and future projections show the Township will have hard choices to make in the near future to remain financially sustainable over the long-term
- At this point Township staff passes the baton to the Board to review, question, and deliberate on all aspects of the Proposed 2025 Budget
- The Board of Supervisors retains the ability to amend the Proposed Budget in any way up until formal adoption of the Budget at the December 17th Board of Supervisors meeting

Next Steps & Upcoming Meetings

- Board of Supervisors Regular Meetings
 - December 3rd 6:00 PM
 - December 17th 6:00 PM
- Comments and questions from the Board of Supervisors

