



Proposed 2015 Budget

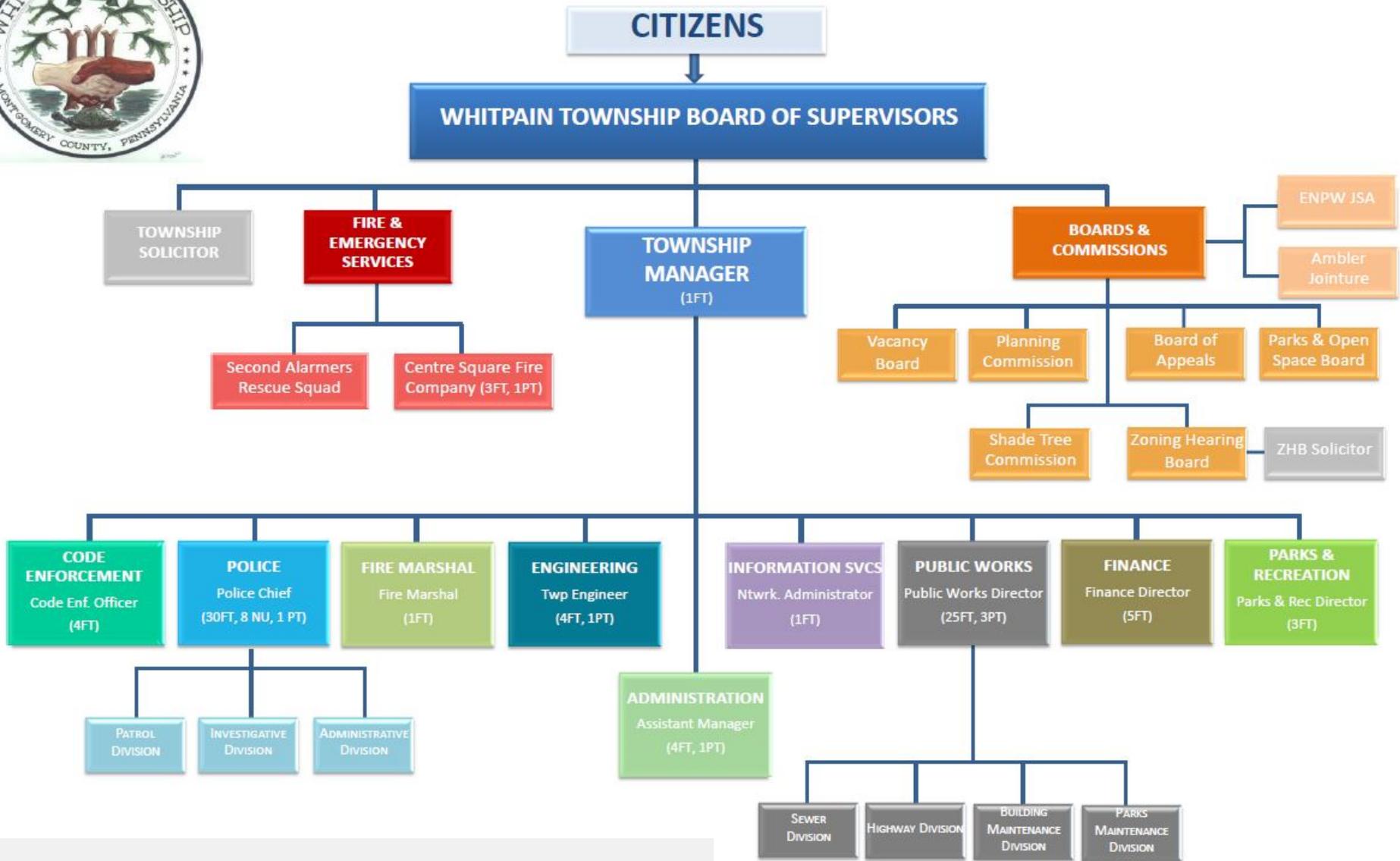
as presented October 21, 2014

Whitpain Township

Agenda

- ▶ **Summary:**
 - **Balanced Budget without a deficit**
 - **No tax increase in 2015**
 - **No tax increases anticipated for next 4 years**
- ▶ Requirement & Process
- ▶ Background
- ▶ General Fund
 - Revenue
 - Expenditures
- ▶ Capital Reserve
- ▶ Sewer Operating Fund
- ▶ Sewer Capital Fund
- ▶ Summary & Questions





Township Organization

Full Time Employees = 88
Part Time Employees = 7

Requirement

§ 27-4: *“The Township Manager shall prepare and submit the annual budget to the Board, together with such explanatory comments as deemed necessary, and administer the approved budget.”*

Budget Process

- ▶ Preparation of the Annual Budget/Five Year Plan is a year-long process. The budget is prepared by the staff based on direction received from the Board of Supervisors and input from Board and Commissions.
- ▶ Public Budget Work Sessions are held each fall; this year there will be 3 sessions, all of which are open to the public:
 - ▶ October 21st (8:00 p.m.), October 28th (8:30 a.m.), and November 6th (8:30 a.m.)
 - Additionally, comments will be received at the Board of Supervisors meetings on Nov 18th & Dec 2nd

Major Initiatives 2014

▶ **Public Private Partnerships**

Manor House at Prophecy Creek Park

- ▶ Elimination of ongoing maintenance costs
- ▶ Facility improvements privately funded
 - ▶ 2014 improvements included:
 - ▶ New well and parking lot improvements
- ▶ Expected future revenue generated for open space purposes will be discussed when the Open Space Fund is presented



Major Initiatives 2014 (con't.)

▶ **Public Private Partnerships**

Centre Square Park

- ▶ Approx. \$4.5 million of improvements constructed without tax dollars.
- ▶ Improvements include: 7 fields, walking trails, sophisticated stormwater management system, and a state of the art irrigation system which uses rainwater. Additionally, plans for a dog park are being developed.
- ▶ The Township continues to work with Walsh construction in anticipation of accepting the park in the coming months.
- ▶ Partnerships with WRA and Wisslax will defray the costs of regular field maintenance.



Major Initiatives 2014 (con't.)

▶ **Public/Non-Profit Partnerships**

Centre Square Fire Company

- ▶ CSFC continues to work toward their goal of constructing a new fire house behind their existing fire house on Skippack Pike.
- ▶ CSFC worked closely with the Township and MCCC to move their annual Fire Expo to the college's campus this year.



Major Initiatives 2014 (con't.)

▶ **Public/Non-Profit Partnerships**

Second Alarmers Rescue Squad

- ▶ On May 17th, 2014, SARS held a grand opening and open house for their newly constructed station at the Township Building complex. The station was funded by a state grant, donations, and by SARS.



Major Challenges 2014

Snow, Ice, and Power Outages

- ▶ The winter of 2014 hit Whitpain hard, but brought out the best in our staff and our strategic partners within the Township.
- ▶ The winter of 2013-14 was the second snowiest ever recorded in Philadelphia.
- ▶ The ice storm in February resulted in numerous road closures, downed trees and significant power outages. PECO reports that the storm left 95% of its Whitpain customers without power.
- ▶ The Police Dispatch Desk fielded 1,531 calls in the 5-day period during and after the storm. In the same timeframe in 2013, they handled only 522 calls.



Major Challenges 2014 (con't.)

Boil Water Advisory

- ▶ On May 20th, 2014, Pennsylvania American Water Issued a “boil water advisory” for parts of its service area in Montgomery County, which included a large swath of Whitpain Township.
- ▶ This advisory forced affected restaurants to close completely.
- ▶ On May 23rd, the advisory was lifted and customers of PA American Water could once again consume water in Whitpain.



Major Challenges 2014 (con't.)

Water, Sewer and Gas Main on Lafayette

- ▶ A series of four water main breaks occurred on Lafayette Way during the week of July 14th. The largest of these breaks caused the road to buckle and a portion of the Township's sanitary sewer line to collapse.
- ▶ The Township quickly repaired the sewer line, and PA American Water restored water service.
- ▶ On July 29th, PA American's crews were making permanent repairs in the area (Sylvan Drive) when a gas main was ruptured.
- ▶ The Police Department and CSFC worked quickly to evacuate homes in the area and redirected traffic while PECO repaired the rupture.



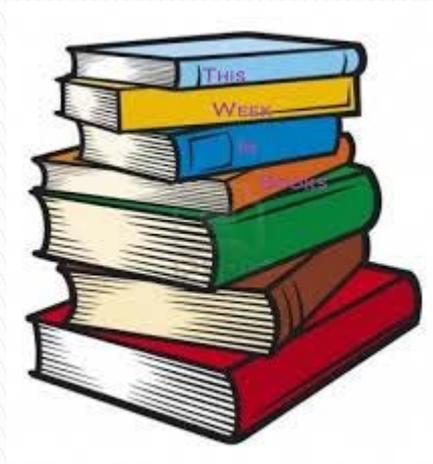
Committee Structure

- ▶ Finance Committee
- ▶ Pension Committee
- ▶ Fire & Rescue Services Committee
- ▶ Operations Committee
- ▶ Personnel Committee



- ▶ **Special Committees**

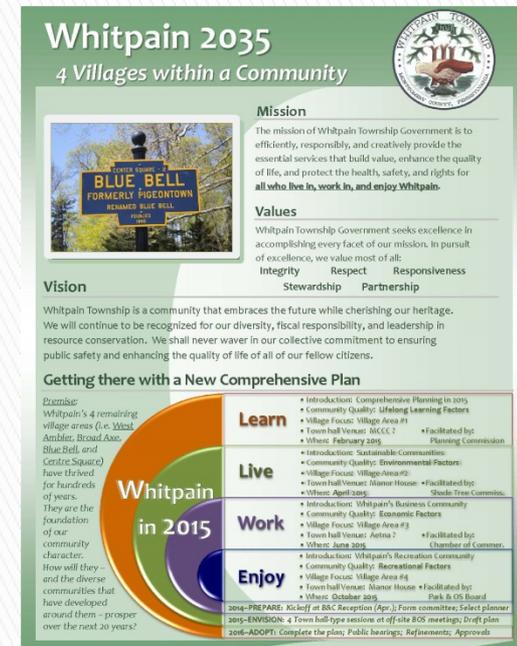
- ▶ West Ambler Revitalization
- ▶ Wings Field
- ▶ Land Development
- ▶ Boys & Girls Club
- ▶ Manor House
- ▶ Comprehensive Plan Committee



Comp. Plan Committee Formed

▶ Whitpain 2035: 4 Villages within a Community

- ▶ This summer, the Board of Supervisors created a committee to help create a new comprehensive plan.
- ▶ The Comprehensive Plan Committee is a 13-member committee made up of elected and appointed officials, actively engaged community members, and Township staff members.
- ▶ Over the coming months, the committee will meet on a regular basis to help formulate a new Comprehensive Plan that will ultimately be adopted by the Board of Supervisors.



Whitpain 2035
4 Villages within a Community



Mission
The mission of Whitpain Township Government is to efficiently, responsibly, and creatively provide the essential services that build values, enhance the quality of life, and protect the health, safety, and rights for all who live in, work in, and enjoy Whitpain.

Values
Whitpain Township Government seeks excellence in accomplishing every facet of our mission. In pursuit of excellence, we value most of all:
Integrity Respect Responsiveness

Vision
Stewardship Partnership

Whitpain Township is a community that embraces the future while cherishing our heritage. We will continue to be recognized for our diversity, fiscal responsibility, and leadership in resource conservation. We shall never waver in our collective commitment to ensuring public safety and enhancing the quality of life of all of our fellow citizens.

Getting there with a New Comprehensive Plan

Examples:
Whitpain's 4 remaining village areas (i.e., West Ambler, Broad Ave, Blue Bell, and Cente Square) have thrived for hundreds of years. They are the foundation of our community character. How will they and the diverse communities that have developed around them – prosper over the next 30 years?

Learn	Live	Work	Enjoy
<ul style="list-style-type: none">• Introduction: Comprehensive Planning in 2015• Community Quality: Lifelong Learning Factors• Village Focus: Village Area #1• Town Hall Venues: MCCC 7• Where: February 2015	<ul style="list-style-type: none">• Introduction: Sustainable Communities• Community Quality: Environmental Factors• Village Focus: Village Area #2• Town Hall Venues: Mianor House• Where: April 2015	<ul style="list-style-type: none">• Introduction: Whitpain's Business Community• Community Quality: Economic Factors• Village Focus: Village Area #3• Town Hall Venues: Aestus 7• Where: June 2015	<ul style="list-style-type: none">• Introduction: Whitpain's Recreation Community• Community Quality: Recreational Factors• Village Focus: Village Area #4• Town Hall Venues: Mianor House• Where: October 2015

2014 - PREPARE: Kick-off at B&C Reception (Apr.); Form committee; Select planner
2015 - ENGAGE: 4 Town Hall-type sessions at 4 village B&C meetings; Draft plan
2016 - ADOPT: Complete the plan; Public hearings; Refinements; Approvals

2014 Major Accomplishments

▶ Human Resources Accomplishments

- ▶ Great strides were made in succession planning in 2014
 - ▶ Deputy Chief Ken Lawson
 - ▶ Assistant Director of Public Works Tom Farzetta
 - ▶ New Highway Superintendent Steve Bono
- ▶ 2 of 3 collective bargaining agreements are in place. Negotiations are ongoing on the Public Works Contract.



2014 Major Accomplishments (con't.)

▶ Sustainability

- ▶ Earlier this year, the Township appointed Assistant Engineer Greg Klucharich as the Sustainability Coordinator.
- ▶ The Greater Valley Forge TMA awarded the Township with a Sustainability Award. Only 4 municipalities were recognized.
- ▶ Whitpain was once again recognized with the Tree City USA designation, an award the Township has won since 1994.



2014 Major Accomplishments (con't.)

▶ Parks & Recreation

- ▶ In the summer of 2014, the department celebrated the reopening of the sand volleyball court at Wentz Run Park and unveiled new playground equipment.
- ▶ Based on input from the Parks and Recreation Dept. and the Park and Open Space Board, the Board of Supervisors adopted a new Parks Ordinance.
- ▶ Working with the Montgomery County Community College, CSFC, and Pat Foley (Baird/The Foley Group), the department moved and rebranded its annual Community Festival to the college's campus.



2014 Major Accomplishments (con't.)

▶ Police

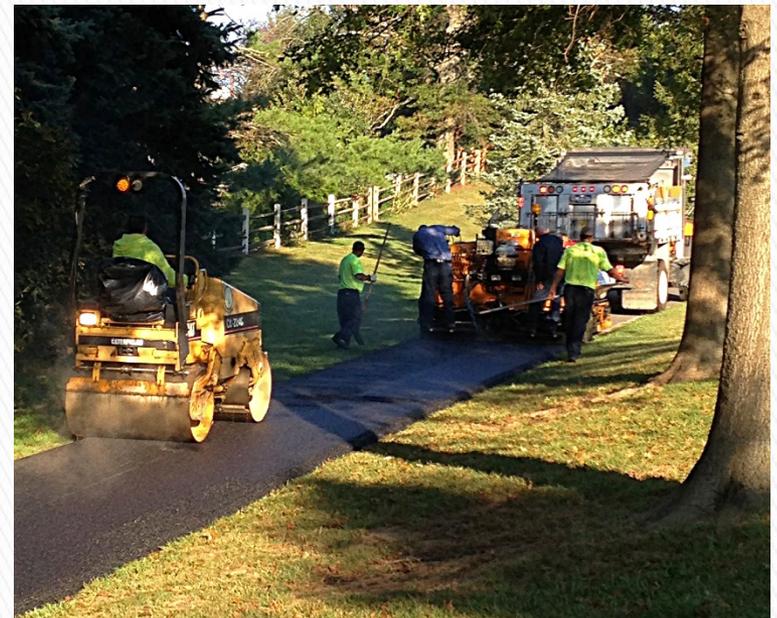
- ▶ After many months of hard work, the Whitpain Police Department received accreditation from PLEAC (Pennsylvania Law Enforcement Accreditation Commission).
- ▶ Fewer than 100 departments in the Commonwealth have achieved this distinguished recognition out of 1,117 agencies in Pennsylvania.



2014 Major Accomplishments (con't.)

▶ Public Works

- ▶ Public Works responded to 16 total winter storms. The following numbers help put their response into perspective:
 - ▶ 61,275 gallons of brine applied
 - ▶ 2,525 tons of salt spread
 - ▶ 325 tons of anti-skid material applied
 - ▶ \$17,500 accrued in Public Works overtime
- ▶ To save costs on paving expenses, department employees handled the resurfacing of the Wentz Run Trail.
- ▶ This was also one of the more aggressive road resurfacing programs in recent memory with 9.24 miles of Township roadways resurfaced.



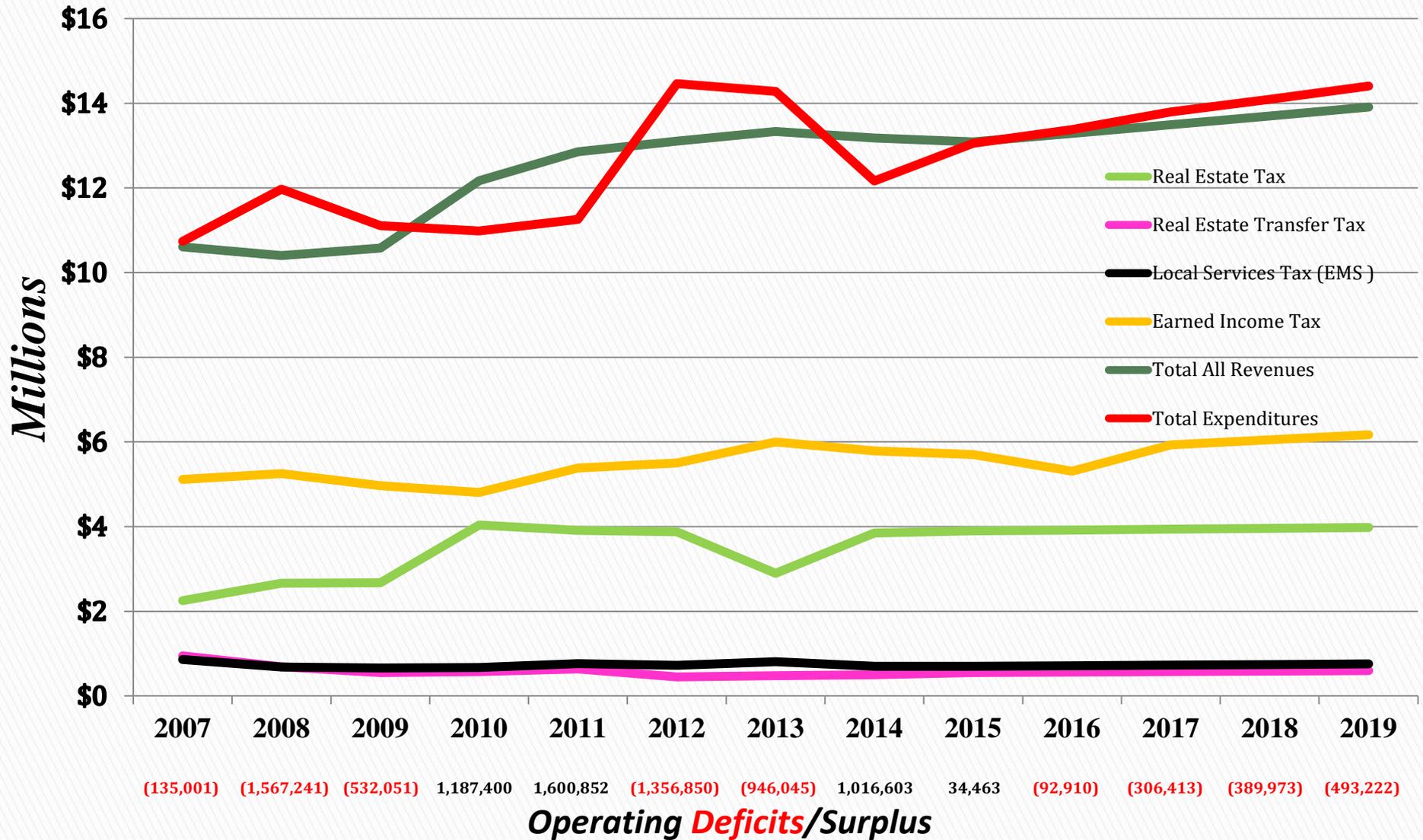
2014 Major Accomplishments (con't.)

▶ Finance

- ▶ The Township was recognized with a Certificate of Achievement for Excellence in Financial Reporting.
 - ▶ Only 25 municipalities in the state received this recognition
- ▶ The department continued to educate Township staff members on retirement savings through annual seminars.
- ▶ Implemented electronic processing, filing, and approval of invoices which improves efficiency, tracking, and oversight.



Revenue & Expenditure Trends



Tax Rates

▶ Millage

- ▶ General Fund 2.02
 - ▶ Fire Tax 0.40
 - ▶ Fire Hydrant 0.05
 - ▶ Debt Service 0.73
- 3.20 mills



▶ Impact

- ▶ Average residential assessment ~ \$226,000
- ▶ Average Township tax bill = \$723 (**\$60.25 per month**)
- ▶ No anticipated tax increase from 2015 to 2018; however, fund balances dip below desired levels by 2019.
- ▶ Comparison
 - ▶ Total millage rate is the 5th lowest in Montgomery County
 - ▶ No business privilege or mercantile tax

Total Local Tax Bill



Wissahickon School District

17.925/73.8%

\$4,051



Whitpain

3.2/13.2%

\$723



Montgomery County

3.152/13%

\$712

(Amounts based on average residential assessment of \$226,000)

Services Received (for \$60.25 a month)

- ▶ Police protection
- ▶ Fire protection
- ▶ Emergency medical services
- ▶ Road maintenance (*including snow/ice clearance*)
- ▶ Emergency management & response
- ▶ Engineering services (*stormwater, traffic, etc.*)
- ▶ Code enforcement (*building safety, fire safety, etc.*)
- ▶ Land use planning/zoning control
- ▶ Environmental protection
- ▶ Interface and counseling with staff
- ▶ Parks & Open Space (*446 acres of parkland*)



Proposed 2015 General Fund Budget

as presented October 21, 2014

Whitpain Township

2015 General Fund Overview

➤ **Projected Revenue**

Major Revenue Sources

Earned Income Tax	\$5.80 M	
Real Estate Tax	\$3.94 M	
Local Services Tax (<i>EMS</i>)	\$0.70 M	
Deed Transfer Tax	\$0.55 M	\$13,089,682

➤ **Budgeted Expenditures:**

Major Appropriations/Expenditures

Police	\$5.89 M (43%)	
Public Works & Facilities	\$3.11 M (23%)	
Administration	\$1.17 M (9%)	
Parks & Recreation	\$0.66 M (5%)	
Transfer to Capital Reserve	\$0.50 M (4%)	
Misc. & Other Departments	\$2.23 M (16%)	\$13,555,219

2014 Expenditures for Personnel

▶ *Personnel Costs*

- Salaries & wages = \$6.70 M
- Health benefits = \$1.54 M
- Pension = \$1.01 M
- TOTAL = \$9.25 M (71% of overall General Fund)

- Police Department represents 45% of the budget, and personnel related costs represent 92% of the department's budget.

MMO for Township Pension Funds

		POLICE	NON-UNIFORMED	COMBINED
<i>YEAR</i>	<i>TYPE</i>	<i>PLAN</i>	<i>PLAN</i>	<i>TOTALS</i>
2004	Actual	163,647	313,790	\$477,437
2005	Actual	355,988	435,234	\$791,222
2006	Actual	281,109	441,093	\$722,202
2007	Actual	258,036	464,591	\$722,627
2008	Actual	238,174	455,723	\$693,897
2009	Actual	271,853	463,939	\$735,792
2010	Actual	287,303	480,450	\$767,753
2011	Actual	531,609	669,152	\$1,200,761
2012	Actual	437,130	506,304	\$943,434
2013	Actual	449,999	494,000	\$943,999
2014	Budget	410,503	517,920	\$928,423
2015	Budget	529,276	609,156	1,138,432

Cost Containment Measures (Personnel)

▶ **Salary & Benefits**

- ▶ Pension plan changes for new employees (*Defined Contribution vs. Defined Benefit*)
- ▶ 4% cap on health benefits
- ▶ *Family health benefits no longer covered for new employees*

▶ **Staffing**

- ▶ Continued an internship program in cooperation with Montgomery County Community College and Wissahickon School District to utilize students for the Scanning Project and other clerical tasks.
- ▶ In 2015, engineering students from MCCC will intern at the township. The internship program has expanded to include students from a variety of universities who worked on other projects.
- ▶ Continued cross training of staff to increase efficiency and to minimize business disruption during absences.

2014-2015 Expenditures Comparison

General Fund Appropriations	2014 Approved Budget	2015 Proposed Budget
Supervisors	95,091	99,361
Administration	1,068,055	1,166,801
Finance	385,656	430,249
Tax Collector	121,693	121,918
Law	306,000	245,000
Computer & Info. Systems	141,652	146,557
Planning & Engineering	325,162	421,026
Police	5,357,535	5,888,629
Fire Marshal	208,427	212,157
Code Enforcement	452,645	476,064
Zoning Hearing Board	77,994	78,198
Public Works	3,017,435	3,105,594
Park & Recreation	628,250	662,646
Transfer to Capital Reserve	2,500,000	500,000
General Fund Total Appropriations	<u>\$14,685,595</u>	<u>\$13,555,219</u>

General Fund Summary

GENERAL FUND	2014	2015	2016	2017	2018	2019
BEGINNING BALANCE	5,478,631	3,995,234	3,029,697	1,936,786	630,374	(259,599)
REVENUES	13,179,167	13,089,682	13,287,046	13,797,537	13,698,990	13,910,718
EXPENDITURES	(12,162,564)	(13,055,219)	(13,379,956)	(13,797,537)	(14,088,963)	(14,403,940)
SURPLUS (DEFICIT)	1,016,603	34,463	(92,911)	(306,412)	(389,973)	(493,222)
TRANSFER TO CAPITAL RESERVE	2,500,000	500,000	500,000	500,000	500,000	500,000
POST TRANSFER BALANCE	3,995,234	3,529,697	2,936,786	2,130,374	1,240,401	247,179
DESIRED OPERATING RESERVE (17% = two months)	2,067,636	2,219,387	2,274,593	2,345,581	2,395,124	2,448,670

Capital Reserve Fund

Beginning Balance 2015	\$ 7,147,194
Revenues & other funding sources	\$ 1,161,500
<u>Transfer from GF</u>	<u>\$ 500,000</u>
Available	\$ 8,808,694
<u>Budgeted Expenditures (Priority 1 & 2 only)</u>	<u>\$ 6,640,900</u>
Ending Balance	\$ <u>2,167,794</u>

Budgeted Expenditures 2014/2015

	<u>2014</u>	<u>2015</u> <i>(Priority 1 & 2)</i>
▶ Land & Buildings	400,000	3,574,000
▶ Bridges & Road Construction	165,000	1,644,000
▶ Autos, Trucks & Equipment	401,277	362,500
▶ Office, IT/Communication Equip.	70,400	135,400
▶ Improvements	75,000	925,000
▶ Others	35,000	-
▶ <u>Various Expenses</u>	<u>7,415</u>	<u>-</u>
▶ TOTALS	<u>1,154,092</u>	<u>6,640,900</u>



Capital Reserve Summary 2015-2019

Priority 1 & 2 Projects Only

	2015	2016	2017	2018	2019	2015-2019	Other Rev. Sources	Cap. Rsrv. Funding
Land & Buildings	3,574,000	-	-	49,000	1,000,000	4,623,000	-	4,623,000
Bridges & Road Construction	1,644,000	1,575,000	500,000	-	-	3,719,000	2,130,000	1,589,000
Autos, Trucks & Equipment	362,500	420,580	136,900	96,500	319,179	1,335,659	-	1,335,659
Office Equipment	135,400	22,400	27,400	52,400	22,400	260,000	-	260,000
Improvements	925,000	615,000	-	-	100,000	1,640,000	900,000	740,000
<u>Grand Total</u>	<u>6,640,900</u>	<u>2,632,980</u>	<u>664,300</u>	<u>197,900</u>	<u>1,441,579</u>	<u>11,577,659</u>	<u>3,030,000</u>	<u>8,547,659</u>

2015 Capital Reserve Items

Total Capital Items for 2015 - \$6,640,900 - Summary follows:

Land & Buildings	Budget 2015	Total Project
Admin. Bldg. Renovation Expansion (Phase 1)*	850,000	1,000,000
Olson Barn Repairs	24,000	24,000
Municipal Buildings & Infrastructure	2,700,000	5,200,000
<u>Total Land & Buildings</u>	<u>3,574,000</u>	<u>6,224,000</u>

* Multi-Year Project

2015 Capital Reserve Items (con't)

Total Capital Items for 2015 - \$ 6,640,900 - Summary follows:

Bridges & Road Construction	Budget 2015	Total Project	Other Rev. Source
West Ambler Flood Control & Revitalization*	250,000	600,000	450,000
Yost Road Bridge*	520,000	1,130,000	800,000
LED Traffic Signal Upgrades	15,000	45,000	
Greystone Road	500,000	500,000	
Mount Pleasant & Yost Road Safety Gates	40,000	40,000	
Twp Line Rd (N) - 202 to Swedesford Rd*	169,000	419,000	
Granary & Stenton Ave	50,000	50,000	
Walton Road	100,000	1,000,000	800,000
<u>Total Bridges & Road Construction</u>	<u>1,644,000</u>	<u>3,784,000</u>	<u>2,050,000</u>

* Multi-Year Project

2015 Capital Reserve Items (con't)

Autos, Trucks & Equip.	Budget
Replace C-7 - Ford Escape (2007)	24,000
Replace L-05 - Case Backhoe (2000)	90,000
Replace T-06 Ford F-350 Dump	41,000
CAT 5-ton Roller 2 (1999)	60,000
Replace TL-01 Hurst Trailer (1990)	19,500
Replace T-04 - Ford Extended Cab (2001)	40,000
Replace C-10 - Ford Escape (2011)/ F-150 Truck	25,000
Replace C-4 - Ford Explorer (2008)	50,000
JD Gator PW Parks	13,000
<u>Total Autos, Trucks, & Equip.</u>	<u>362,500</u>

2015 Capital Reserve Items (con't)

Office Equipment	Budget
Records Management System	50,000
Munis Conversion - Sewer	2,500
SQL Server Replacement	25,000
Display Systems for Meeting Rooms (PD)	10,000
Government Access Channel Software Upgrades	3,000
Meeting Room Display System	5,000
Munis Budget Processing Module	2,500
Munis System Administration Module	2,500
Munis - TCM	2,500
Website Upgrade	10,000
County Radios Lease to Purchase	22,400
<u>Total Office Equipment</u>	<u>135,400</u>

2015 Capital Reserve Items (con't)

Improvements	Budget 2015	Total Project	Other Rev. Source
Township Comprehensive Plan*	75,000	115,000	-
Regional Water Quality Enhancements*	350,000	600,000	
West Ambler Sidewalks*	500,000	1,000,000	900,000
<u>Total Improvements</u>	<u>925,000</u>	<u>1,715,000</u>	<u>900,000</u>

* Multi-Year Projects

5 - Year Capital Reserve Fund

[Click here for Land & Buildings and Bridges & Road Construction](#)

[Click here for Autos & Equipment page 1](#)

[Click here for Autos & Equipment page 2](#)

[Click here for Office Equipment](#)

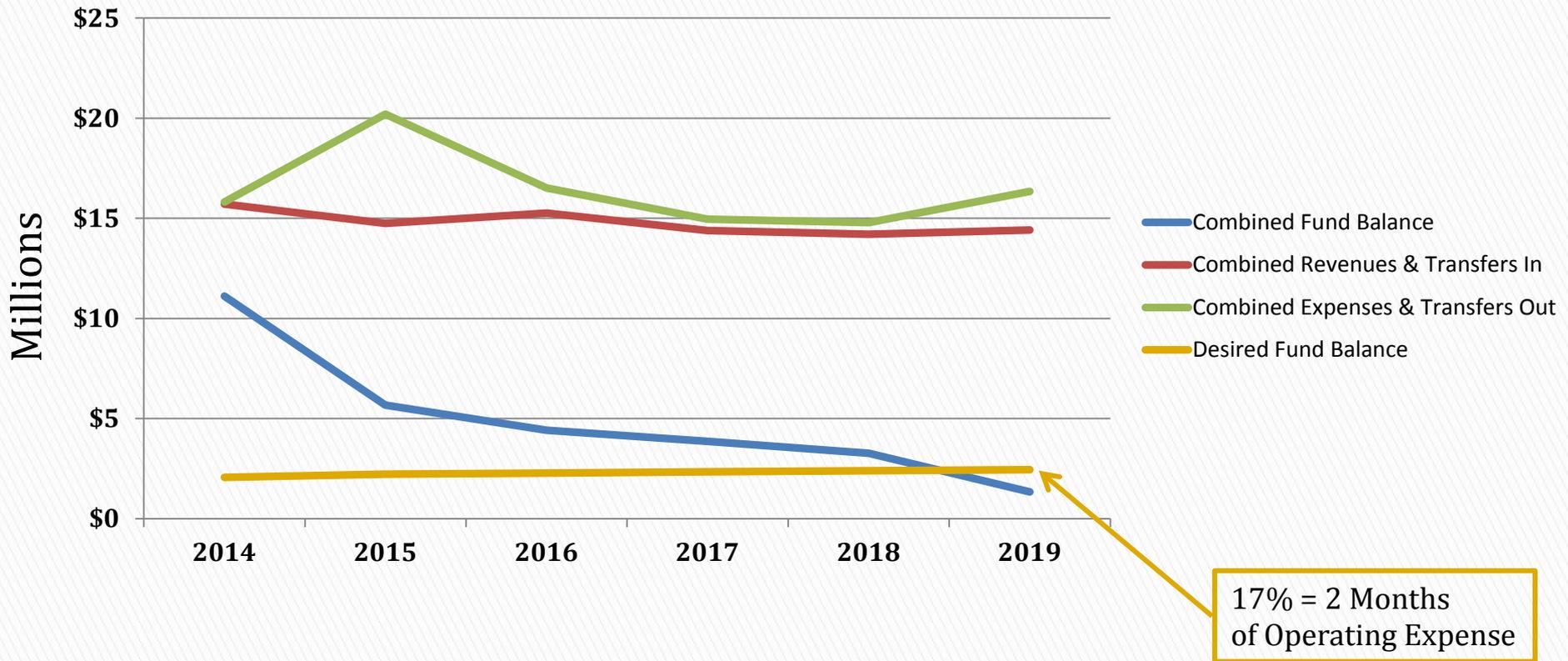
[Click here for Improvements and Totals](#)

Capital Reserve Fund Summary

CAPITAL RESERVE FUND	2014	2015	2016	2017	2018	2019
BEGINNING BALANCE	5,748,109	7,122,194	2,642,794	986,314	726,014	1,032,114
REVENUES & OTHER FUNDING SOURCES	28,177	1,161,500	1,476,500	404,000	4,000	4,000
TRANSFER TO CAPITAL RESERVE	2,500,000	500,000	500,000	500,000	500,000	500,000
EXPENDITURES	(1,154,092)	(6,640,900)	(2,632,980)	(664,300)	(197,900)	(1,441,579)
ENDING BALANCE	7,122,194	2,142,794	1,486,314	1,726,014	2,032,114	1,094,535

This does not include Priority 3 projects totaling approximately \$3M.

General Fund & Capital Reserve Revenue & Expense Totals



Conclusion

- ▶ No tax increase anticipated for the next four years.
- ▶ Board of Supervisors, staff members, and committee members continually evaluate the budget and Township operations to contain costs and improve efficiency.
- ▶ Residents pay the 5th lowest combined millage rates in Montgomery County and the tax climate for businesses remains favorable.
- ▶ Services provided by Boards and Commissions and volunteers play a significant role in containing costs.
- ▶ Public Private Partnerships have provided an opportunity to undertake projects that would not have otherwise been possible and generate revenues for future projects.



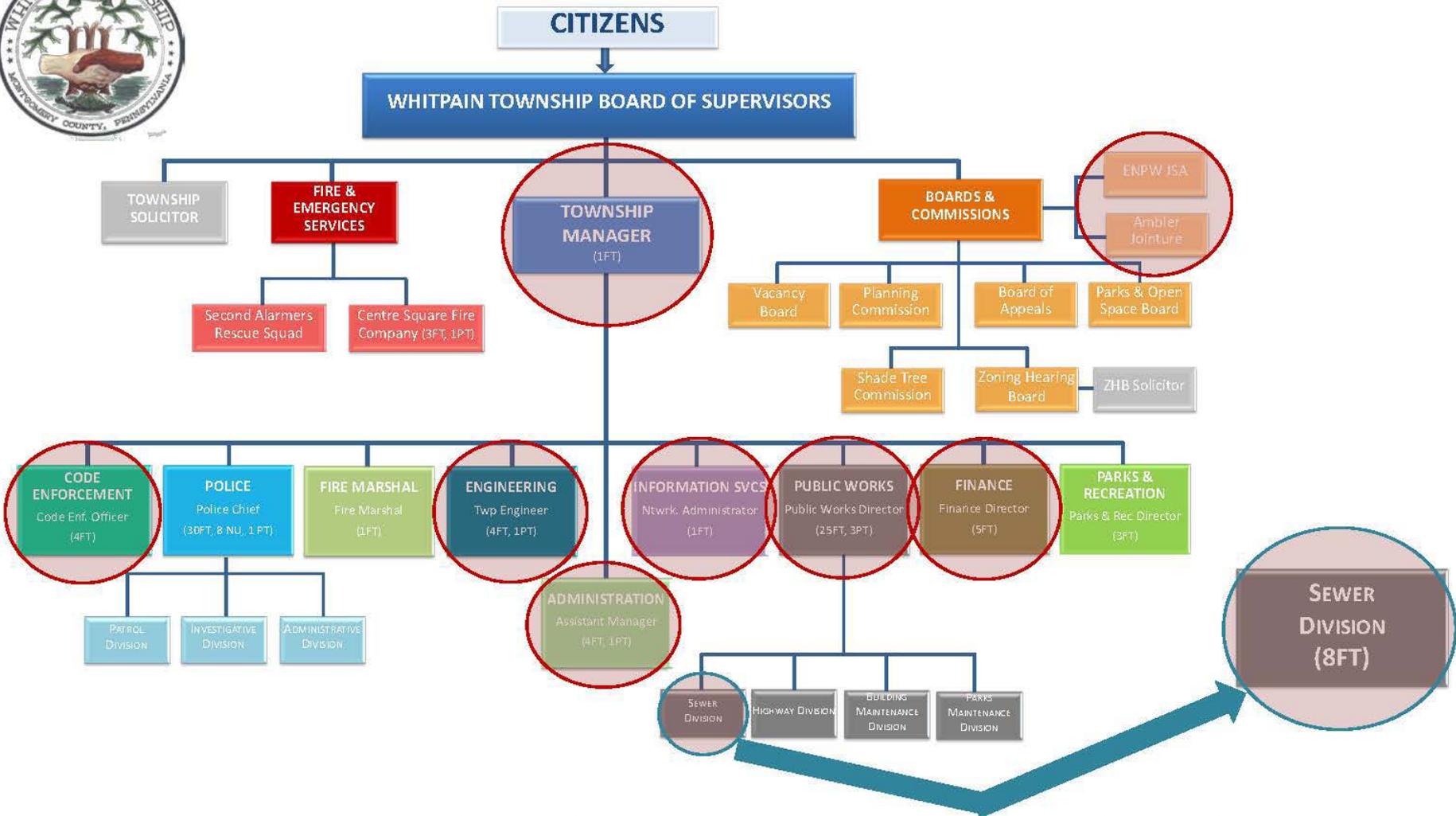
Sewer Fund & Sewer Capital Fund 2015 - 2019

as presented October 21, 2014

Whitpain Township

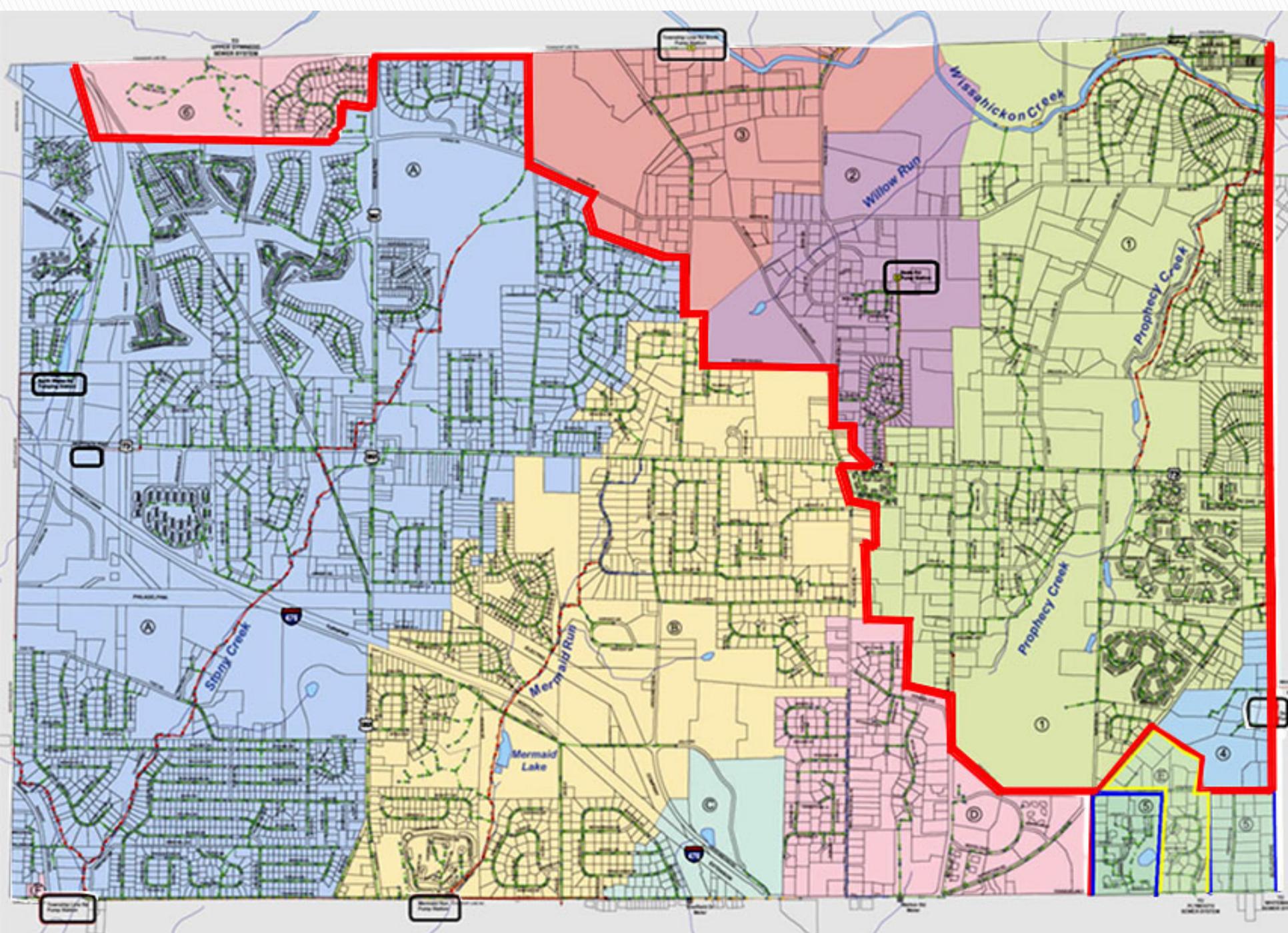
Sewer Fund Background

- ▶ 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.
- ▶ Even though the Township doesn't operate a treatment facility, it is still responsible for the 113 miles of sanitary sewer lines, 2,568 manholes, 7 pumping stations, and 3 meter facilities.

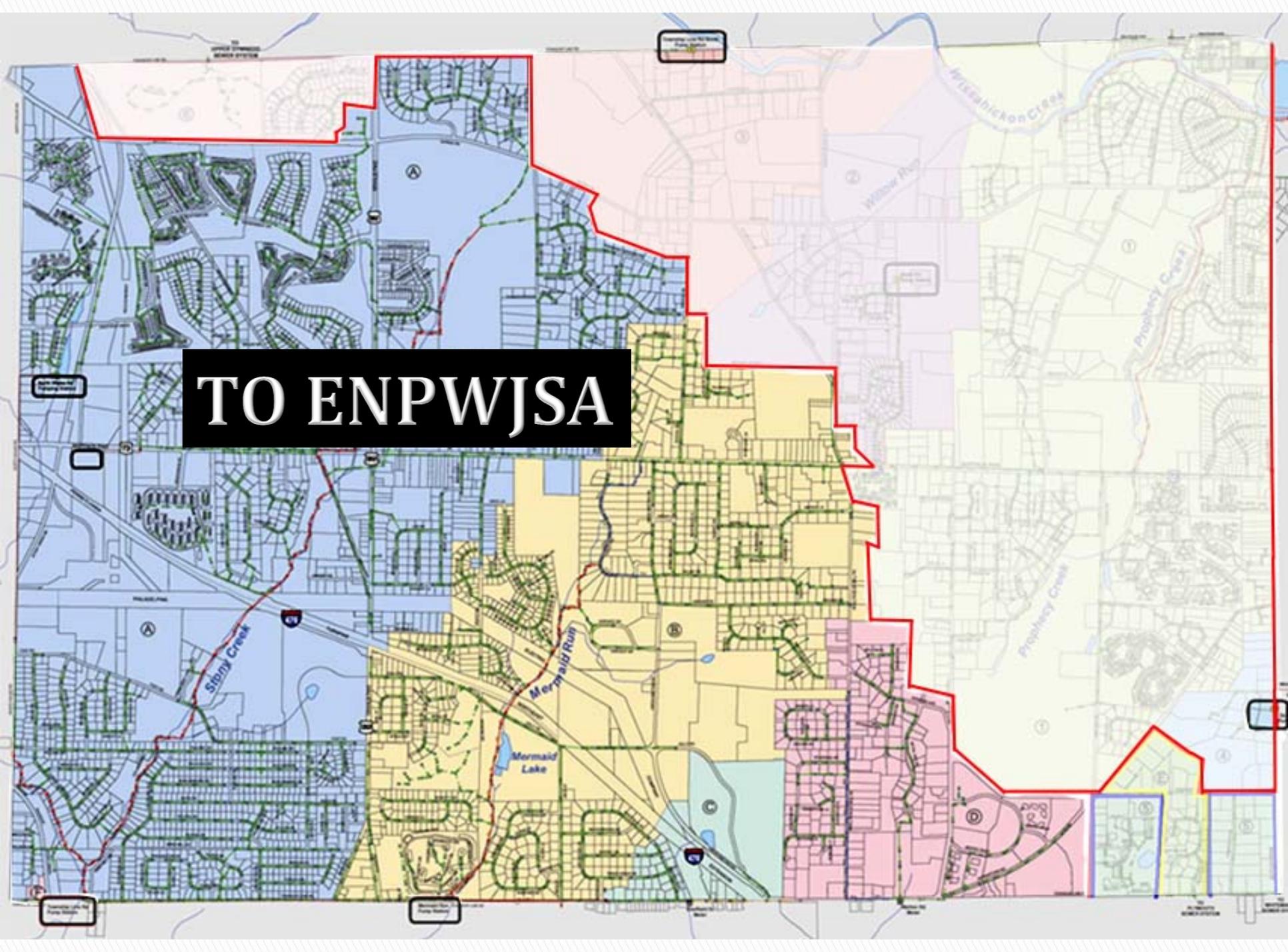


Township Organization

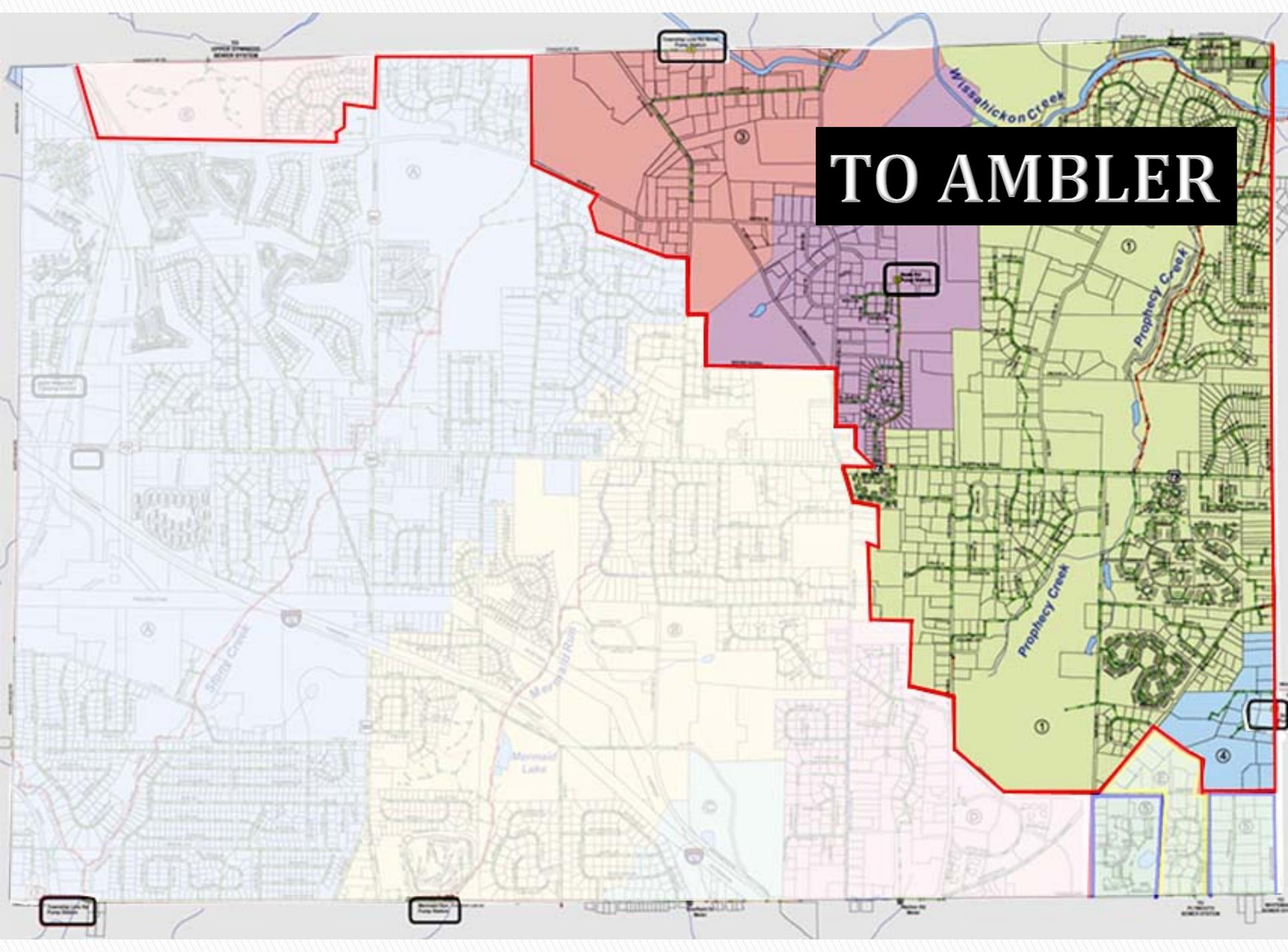
Full Time Employees = 88
Part Time Employees = 7



TO ENPWJSA



TO AMBLER

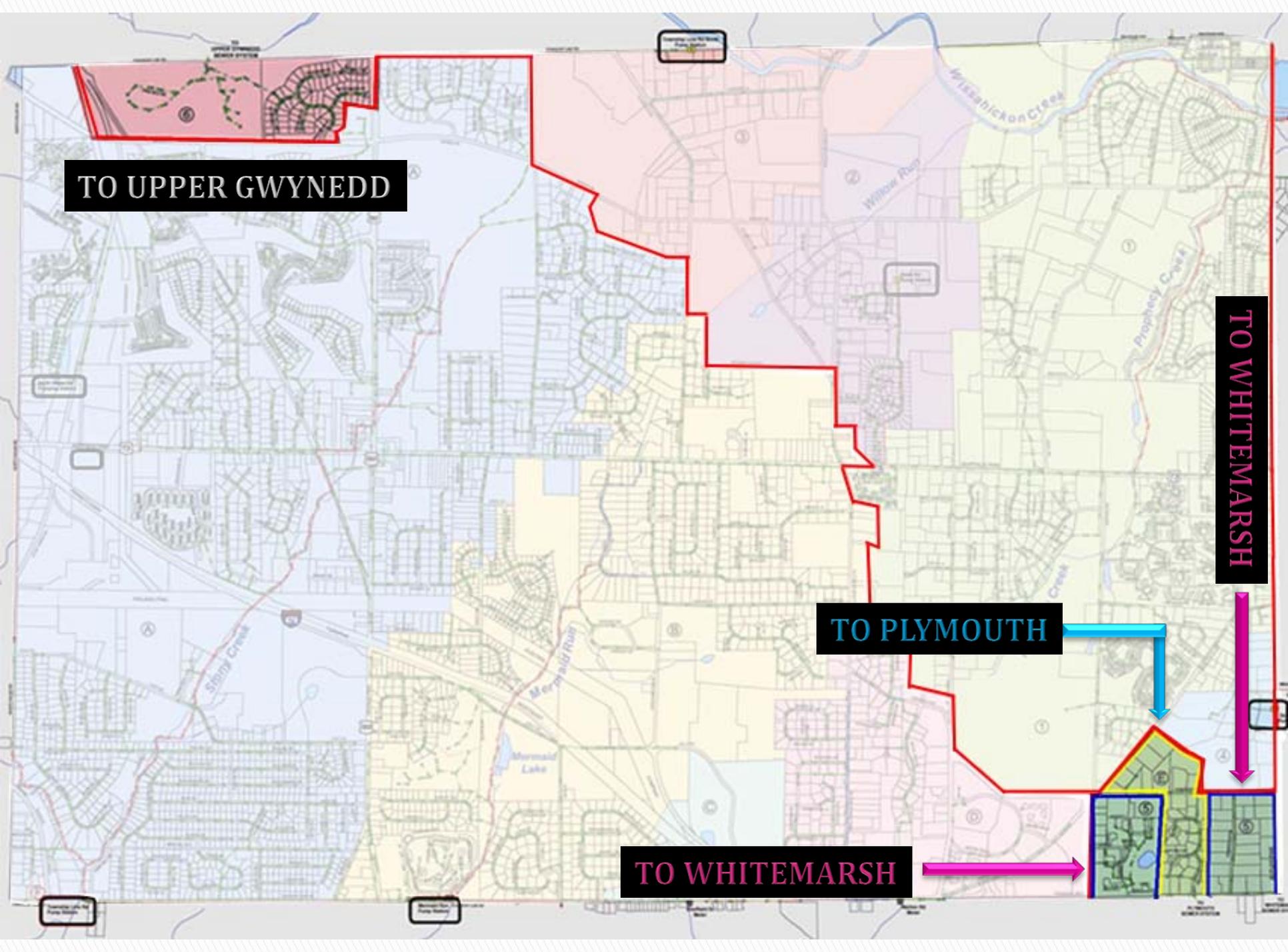


TO UPPER GWYNEDD

TO PLYMOUTH

TO WHITEMARSH

TO WHITEMARSH



Sewer Fund 2015

Total Revenues

\$3,487,211

Appropriations / Expenditures

Treatment Costs 1,344,560

Sewer Maintenance 222,100

Transfer to Capital 625,000

Supplies & Equipment 270,517

Salaries & Benefits 1,248,566

TOTAL EXPENDITURES

\$ 3,710,743

▶ **Customers**

➤ Residential = 5,700

➤ Commercial = 300

▶ **Daily Flow**

➤ ENPWJSA = 2,057,000 Gallons / Day (320,000 gal. increase from 2014)

➤ Ambler = 532,000 Gallons / Day

➤ Total Approximately 2.6 Million Gallons / Day

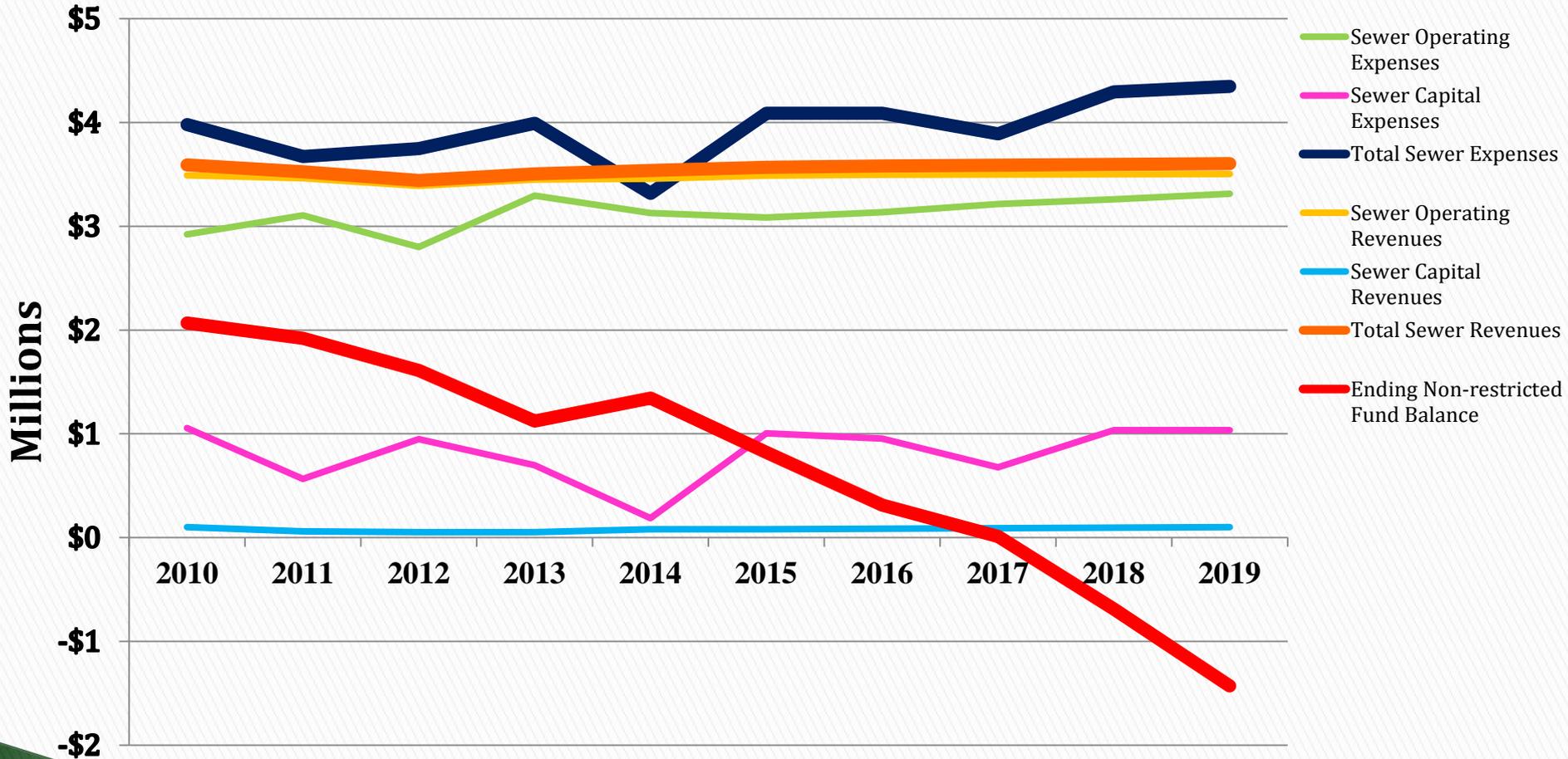
Major Revenue Sources

- Unlike General Fund, the Sewer Fund has only one major revenue source: ***Sewer Rentals***
- ***Current Rates:***
 - Residential = \$85 per quarter flat rate with usage fee
 - Commercial \$150 for 12,000 gallons and \$7.30 each additional 1,000 gallons
 - Last Rate Adjustment 2007; however, in 2014 a usage fee of \$21.25 was added for residential customers utilizing more than 20,000 gallons in a quarter
- **Cost to accommodate new development paid by developers**
 - Developers are responsible for paying the cost of extending facilities into the project
 - Developer required to pay for a portion of capital cost in the collection, conveyance and treatment systems (also known as impact fees)

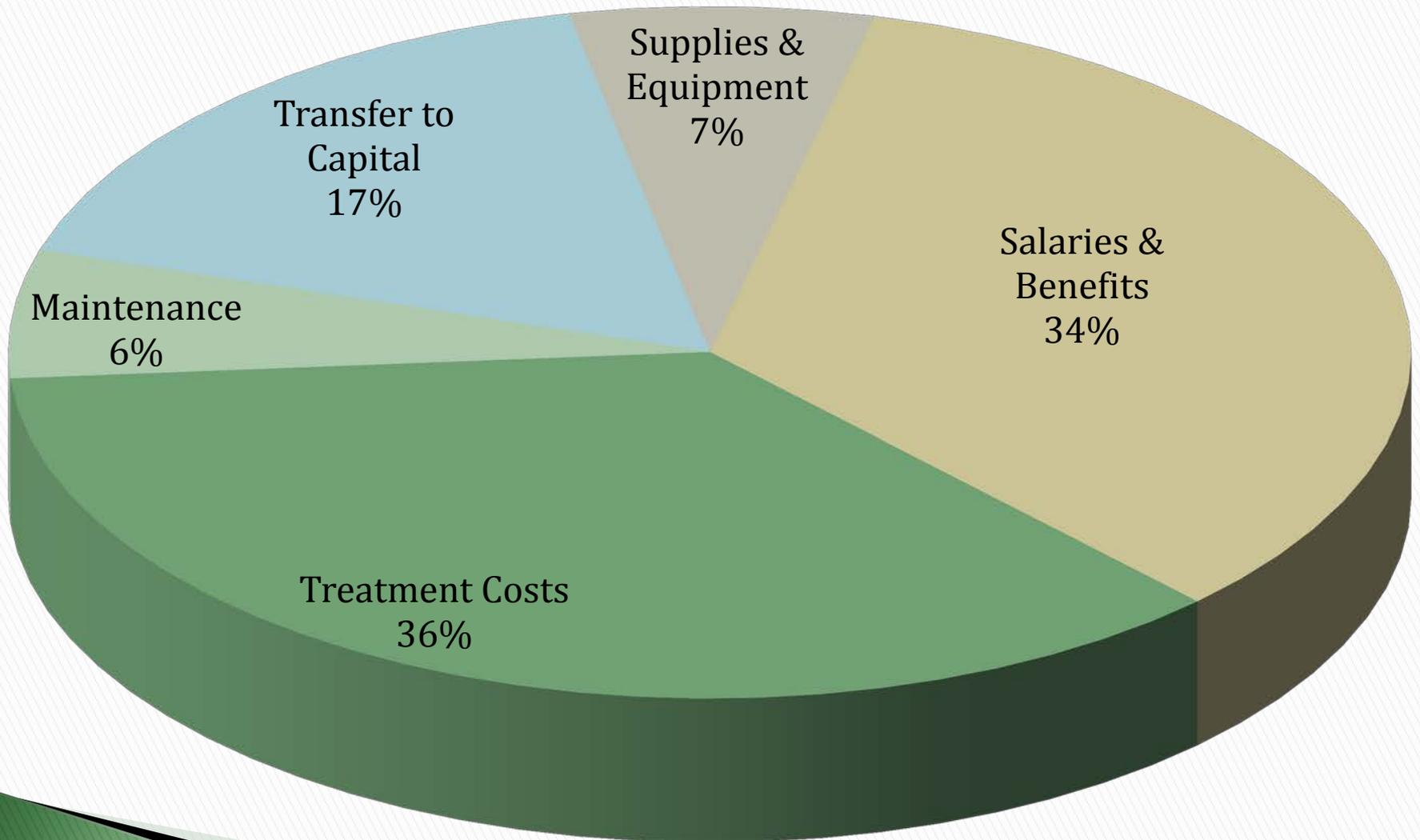
Rates

- ▶ Despite increased costs, base rates have not been changed for the last 7 years.
- ▶ State funding, in the form of Act 339 monies, has been phased out by the Commonwealth. As recently as 2003, the ENPWJSA received \$183,611, in Act 339 payments.
- ▶ To balance this budget gap, money was taken from the sewer fund balances.
- ▶ By the end of 2015, sewer fund balances are projected to dwindle to just below \$1M and would be totally depleted by the end of 2017.
- ▶ This budget proposal as presented does not include sewer rate adjustments.
- ▶ A \$1.00 quarterly residential rate increase and a comparable commercial increase would generate approximately \$38,500 annually.

Sewer Projections Based on Current Rate Structure



Expenditures



Ways to Contain Costs

- ▶ Sewage quantities directly impact collection, transportation, and treatment costs
- ▶ Residents should be aware of water consumption
- ▶ Residents should not allow sump pumps to discharge into the sanitary sewer system
- ▶ Township monitors sewer flows and control Infiltration and Inflow (*I&I*)
- ▶ Township maintains equipment to assure operating efficiency and reduce power consumption

Inflow & Infiltration



5-Year Sewer Operating Budget Projection

	2014	2015	2016	2017	2018	2019
REVENUES	3,457,357	3,487,211	3,494,885	3,497,598	3,500,351	3,503,144
EXPENSES	(3,128,798)	(3,085,743)	(3,135,124)	(3,213,925)	(3,259,212)	(3,313,014)
TRANSFERS OUT	(250,000)	(625,000)	(625,000)	(625,000)	(625,000)	(625,000)
BEGINNING CASH	634,464	713,022	489,491	224,252	(117,074)	(500,935)
ENDING CASH	713,022	489,491	224,252	(117,074)	(500,935)	(935,805)

Demands on Sewer Capital Fund

- ▶ The Township's infrastructure continues to age and major equipment is approaching its useful life.
- ▶ Based on the recommendation of the Finance Committee, major capital projects are proposed to be amortized to lessen their impact on the budget in any given year and to take advantage of low interest rates.
- ▶ Additionally, a planned expansion at the ENPWJSA has increased expenses from \$364 thousand in 2013, to \$469 thousand in 2014, and again to \$492 thousand for 2015-2018.

2015 Sewer Capital Budget

Category	Description	2015 Budget
Improvements		
	Mermaid Run Station - New Grinder	120,000
	Township Line Road North - Electric Modifications	20,000
	Butler Pike Station - Electric Modifications	20,000
	Sewer Main Replacement/Rehabilitation	250,000
	<u>Total Improvements</u>	<u>410,000</u>
Vehicles		
	Replace S-05 GMC 3500	48,000
	Replace Side Arm Mower (2005)	32,240
	Replace STL-01 Jackson Trailer	6,180
	<u>Total Vehicles</u>	<u>86,420</u>
Treatment Plant		
	ENPWJSA	428,000
	Ambler	79,380
	<u>Total Treatment Plant</u>	<u>448,540</u>
<u>TOTAL</u>	<u>Total Sewer Capital Items 2014</u>	<u>1,003,800</u>

2015-2019 Sewer Capital Budget

	2015	2016	2017	2018	2019	2015-2019
Improvements	410,000	400,000	120,000	175,000	280,000	1,385,000
Vehicles	86,420	45,474	48,505	287,280	182,735	650,414
Treatment Plant	507,380	508,000	508,000	572,000	572,000	2,667,380
Grand Total	1,003,800	953,474	676,505	1,034,280	1,034,735	4,702,794

5-Year Summary Sewer Capital Budget

	2015	2016	2017	2018	2019
REVENUES	80,045	85,346	90,653	95,966	101,285
EXPENSES	(1,003,800)	(953,474)	(676,505)	(1,034,280)	(1,034,735)
TRANSFERS IN	625,000	625,000	625,000	625,000	625,000
BEGINNING CASH	630,345	331,590	88,462	127,610	(185,704)
ENDING CASH	331,590	88,462	127,610	(185,704)	(494,154)

Preliminary Budget Proposals

- ▶ No sewer rate increase presented for 2015
- ▶ Impact fees (restricted funds) will continue to be utilized for capital improvements at the ENPWJSA Plant to minimize impacts on the operating and capital budgets.
- ▶ A detailed analysis was conducted to better allocate administrative and personnel costs between the General Fund and Sewer Fund budgets.
- ▶ A \$1.00 quarterly residential rate increase and a comparable commercial increase would generate approximately \$38,500 annually.

Upcoming Meetings

▶ Budget Work Sessions

- ▶ October 28th 8:30 AM
- ▶ November 6th 8:30 AM

▶ Board of Supervisors Regular Meetings

- ▶ November 18th 8:00 PM
- ▶ December 2nd 8:00PM

▶ Anticipated Budget Adoption

- December 2nd, 2014





Comments & Questions

Whitpain Township