



Board of Supervisors / Finance Committee

425 Wells Road
Doylestown, PA 18901
<http://doylestownpa.org/>

Budget Work Session

~ Notes ~

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215-348-9915

Tuesday, October 17, 2023

5:00 PM

Public Meeting Room

In Attendance:

Board of Supervisors: Barbara N. Lyons, Chairman; Jennifer Herring, Vice-Chairman; Ryan Manion; Nancy Santacecilia and Dan Wood.

Finance Committee: Brenda Bray, Chairman; Joe Vogt; Jason Showmaker and Eric Cornwell.

Others in attendance included: Stephanie Mason, Township Manager; Andrea Susten, Assistant Township Manager; Ken Wallace, Finance Director; Anne Marie Dobson, Assistant Finance Director; Dave Tomko, Director of Operations; Chief Dean Logan; Lt. Charles Zeigler; Sean Torpey, Pennoni and Ed Ebenbach, Township Budget Analyst.

Ms. Lyons welcomed everyone to the Budget Work Session and called the meeting to order.

Ms. Mason provided an overview of the 2024-2028 Preliminary Budget to those in attendance, indicating that the 2024 Preliminary Budget as proposed achieves 16.5% General Fund Balance in the third year. This meets our new fund balance policy where the goal is 15%-20%, and all fund balances are adequate. The capital requests exceed our ability to fund with reserves after 2024, so there is a proposal to borrow for capital starting in 2025. Use of the reserves and increasing demands require increased funding to support general fund operations especially in the areas of public safety and pension starting in 2025 and beyond.

Mr. Wallace reviewed the 2024 Preliminary Budget Capital Financial Overview and what is being requested totals \$18.5 million, and without roads and the Community Recreation Center and Park Improvement Project the total is \$5.8m. The remainder without revenue sources is \$1.6 million and the remaining funding needed after the use of reserves is zero in 2024. In 2025 there is about \$1 million after the use of reserves, in 2026 \$600,000, 2027 \$400,000 and in 2028 zero in total about \$2 million in the 2025 - 2028. At this point in time the is to borrow for these Capital projects and pay it back over time with debt service.

Ms. Lyons inquired if this was worst case scenario, it was indicated that it was.

Ms. Herring indicated that typically we always have better results with all the ins and outs and surpluses just like we had in 20, which is proposed as you can see in 22.

It was also pointed out that the earned income tax is on track to reach \$5.4 million in 2023 which is up 2% to \$5.5 million in 2024, forecasted to grow at 2% a year through 2028, reaching \$6 million. Real estate tax receipts in 2024 are up \$600,000 for debt service and \$100,000 for roads and bridge repair. In 2025 debt service is showing up \$400,000 for debt service and \$400,000 for general fund, and down \$300,000 for roads and bridges. In 2026 it is up \$100,000 for general fund.

Ms. Santacecilia asked for a breakdown regarding the bike trails.

Mr. Tomko indicated that we have 30 trail miles in total. In 2023, we bid and now rebid the necessary work which will be run through the roads and bridges funds. Bridge repairs are being funded through the 2024 – 2028 period.

There was an extensive review of the proposed capital improvements, specifically related to the road program, bridge and streambanks, bike/hike trail maintenance, the purchase of the necessary police vehicles and infrastructure such as computers needed for the Township.

At this point in 2024 \$1,724,600.00 is being requested, in 2024 public works roads and bridges there is a Green Light Go for 313, Green Light Go for 611 & Edison Furlong. The first one still has some to go on, Township wide ADA accessibility, proposed emergency radios, Chapman Road Bridge replacement will have some engineering, but the project is on TIPS program which will absorb the construction cost.

In the areas of public works, improvements at the Dog Park for \$80,000 and Central Park New Britain Road parking improvements for \$35,000 was addressed. Mr. Tomko pointed out that although you may think of this as a park amenity. For stormwater, we have the MS4 Mitigation construction work which is \$1.6 million \$0.9m of which will be covered with ARPA Funds, plus \$25,000 for the engineering required to upgrade the Sheridan Road basin.

Shady Retreat Trail is a Safe Routes to Schools grant through Penn Dot. This is a \$2.4 million TASA Grant received by awhile back with the Township being responsible for engineering and inspection. There are some trail improvements along Wells Rd. to improve a pedestrian crossing, Doylestown Country Club Trail will be engineering design and the New Britain Rd. trail engineering, to finalize bids.

Mr. Salanik inquired about Turk Park and the trail proposed for that area. Ms. Mason indicated that is a County property and project and the County is still working to implement the project.

There is a suggestion for a shared utility vehicle for \$36,000, still waiting on the Fire Marshal car to come in, which was purchased in 2023.

There is a proposal to upgrade some financial software, finance staff has seen a few demos and will continue to do so until they find the appropriate one.

There is an upgrade to the firearms replacement for the Police Department for \$17,000 and of course, the Community Recreation Center Park Improvement Project which is being done through the bond issue. Mr. Wallace indicated that the bonds were sold, the rates are 4.5%.

Ms. Santacecilia questioned Quatrefoil and signing off on the contract.

Mr. Tomko indicated that such contracts were part of the bid process and typically does not need to come back to the Board for review.

Mr. Ebenbach stated that the debt is included in the projections going forward.

Continued work on building maintenance and facilities is included as well in terms of the Preliminary 2024 Capital and Major Programs review.

Mr. Ebenbach reviewed the preliminary five-year plan details, the budget, how things are covered in 2024 and how they will be dealt with going forward as well. He also reviewed the proposed tax millage plan for 2023 through 2026, focusing on 2024. He reviewed the 2024 preliminary budget in terms of operations expenses, uniformed wages are higher by about \$400,000, in 2024 there is a new contract with changes of about \$200,000, two new officers are proposed in year one and expanded scope of a clerical position from an anticipated upcoming retirement adding another \$200,000. Non-uniformed wages are also about \$400,000 higher in 2024 mostly due to full year for 2023 hires and new 2024 employees coming on board. Pension payments rise based on following the recommendations from the Pension Advisory Committee to about \$1.8 million in 2024. Medical insurance is up slightly by 3.9%. Overall things seem in good position, in 2026 our reserves are at \$2.7 million in the general fund.

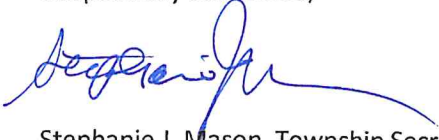
Ms. Bray commented on spending and the process we go through during the budget process, making sure everything comes back to the services provided to the community. She also commented on the earned income tax, and that we are typically very conservative, she is glad to see the 2% estimate being used.

Ms. Santacecilia had a question on Fire & EMS. That was identified as pass-through tax millage to those organizations.

After further discussion Ms. Lyons indicated to the Finance Department that there is a go ahead by consensus of the Board. Ms. Santacecilia commented she had no changes for 2024.

Being no further business, the meeting adjourned at 5:07pm.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Stephanie J. Mason', with a long, sweeping underline that extends to the right.

Stephanie J. Mason, Township Secretary