2020 Preliminary Budget Presentation

• 2020 Preliminary Budget
• Beyond 2020
• Departmental Presentations
• Next Steps
Manager’s Review

• Provide outstanding service
• Remain a beacon for economic investment
• Planning for the future
• Commitment to addressing long-term needs
Employee Head Count

- 2008: 129
- 2009: 128
- 2010: 110
- 2011: 103
- 2012: 97
- 2013: 98
- 2014: 104
- 2015: 102
- 2016: 102
- 2017: 102
- 2018: 103
- 2019: 107
- 2020: 108
2020 Preliminary Budget Message

- Proposed 3% Tax increase
- Use of Reserves Breakdown
  - Total Use - $2,239,510
  - $1,716,600 – 2012 GO Bond Debt Service
  - $522,910 – Operations
    - This represents a decrease of ~$1.1M over 2019
    - Will need to approve use of reserves in excess of Fund Balance Policy
  - Continued funding of Capital Reserves
General Fund Revenues

• 2020 vs. 2019
  • 3% Tax Increase
    • Represents additional $262k
  • No change to RE Transfer Tax or Building Permit revenue
  • $45k increase is Local Services Tax revenue
# General Fund Operating Revenue (In Millions)

<table>
<thead>
<tr>
<th>Source</th>
<th>2019 Forecast</th>
<th>2020 Budget</th>
<th>Variance vs. 2019 Forecast</th>
<th>% ‘20 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>R/E Taxes</td>
<td>$8.78</td>
<td>$9.03</td>
<td>$0.25</td>
<td>39.0%</td>
</tr>
<tr>
<td>Transfer Taxes</td>
<td>$7.10</td>
<td>$4.35</td>
<td>$(2.75)</td>
<td>18.0%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>$1.92</td>
<td>$1.95</td>
<td>$0.03</td>
<td>8.4%</td>
</tr>
<tr>
<td>Licenses/Permits</td>
<td>$3.08</td>
<td>$3.15</td>
<td>$0.07</td>
<td>13.6%</td>
</tr>
<tr>
<td>Grants</td>
<td>$1.41</td>
<td>$1.37</td>
<td>$(0.04)</td>
<td>5.9%</td>
</tr>
<tr>
<td>Other Income</td>
<td>$1.11</td>
<td>$1.06</td>
<td>$(0.05)</td>
<td>4.6%</td>
</tr>
<tr>
<td>Reserves</td>
<td>$0.00</td>
<td>$2.24</td>
<td>$2.24</td>
<td>9.7%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$23.40</strong></td>
<td><strong>$23.15</strong></td>
<td><strong>$(0.25)</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
## Historical RE Tax Assessment

<table>
<thead>
<tr>
<th>Year (As of Jan 1)</th>
<th>Assessed Valuation</th>
<th>% Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3,529,201,584</td>
<td>-.71%</td>
</tr>
<tr>
<td>2013</td>
<td>3,528,777,730</td>
<td>-.01%</td>
</tr>
<tr>
<td>2014</td>
<td>3,533,684,180</td>
<td>.14%</td>
</tr>
<tr>
<td>2015</td>
<td>3,543,782,470</td>
<td>.29%</td>
</tr>
<tr>
<td>2016</td>
<td>3,557,015,465</td>
<td>.37%</td>
</tr>
<tr>
<td>2017</td>
<td>3,570,817,205</td>
<td>.39%</td>
</tr>
<tr>
<td>2018</td>
<td>3,612,273,507</td>
<td>1.16%</td>
</tr>
<tr>
<td>2019</td>
<td>3,656,533,017</td>
<td>1.23%</td>
</tr>
</tbody>
</table>
### Average Residential Tax Bill (Estimated for 2020)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential Assessment</strong></td>
<td>$2,596,351,877</td>
</tr>
<tr>
<td><strong>Millage Rate</strong></td>
<td>2.500</td>
</tr>
<tr>
<td><strong>Number of Parcels</strong></td>
<td>11,359</td>
</tr>
<tr>
<td><strong>Average Tax Bill</strong></td>
<td>$571.43</td>
</tr>
</tbody>
</table>
Where Do Your Tax Dollars Go?

- Township: 8%
- County: 15%
- School District: 77%

Township Millage - 2.427
School District Millage - 23.8795
County Millage - 4.369
## RE Transfer Tax History

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2012</td>
<td>1,850,000</td>
<td>2,624,971</td>
</tr>
<tr>
<td>12/31/2013</td>
<td>2,000,000</td>
<td>3,976,618</td>
</tr>
<tr>
<td>12/31/2014</td>
<td>2,300,000</td>
<td>3,159,009</td>
</tr>
<tr>
<td>12/31/2015</td>
<td>2,550,000</td>
<td>4,756,997</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>2,650,000</td>
<td>4,657,920</td>
</tr>
<tr>
<td>12/31/2017</td>
<td>2,900,000</td>
<td>4,932,595</td>
</tr>
<tr>
<td>12/31/2018</td>
<td>3,575,000</td>
<td>4,860,870</td>
</tr>
<tr>
<td>12/31/2019</td>
<td>4,350,000</td>
<td>7,100,000</td>
</tr>
</tbody>
</table>

- **Budget**
- **Actual**
Use of Reserves

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2014</td>
<td>600,000</td>
<td>494,400</td>
</tr>
<tr>
<td>2015</td>
<td>494,400</td>
<td>0</td>
</tr>
<tr>
<td>2016</td>
<td>825,000</td>
<td>0</td>
</tr>
<tr>
<td>2017</td>
<td>919,250</td>
<td>0</td>
</tr>
<tr>
<td>2018</td>
<td>1,001,130</td>
<td>323,533</td>
</tr>
<tr>
<td>2019</td>
<td>1,620,350</td>
<td>0</td>
</tr>
</tbody>
</table>
• General Fund represents 79% of all operating expenses, this covers the majority of services provided by the Township

• The Sewer Fund covers the Township’s wastewater systems

• Tredyffrin Township Municipal Authority (TTMA) will refund remaining cash due to no outstanding debt as of 12/31/18.
General Fund Operating Budget Trend

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>16,675,778</td>
</tr>
<tr>
<td>2012</td>
<td>16,736,804</td>
</tr>
<tr>
<td>2013</td>
<td>16,574,893</td>
</tr>
<tr>
<td>2014</td>
<td>17,384,335</td>
</tr>
<tr>
<td>2015</td>
<td>19,068,990</td>
</tr>
<tr>
<td>2016</td>
<td>18,524,180</td>
</tr>
<tr>
<td>2017</td>
<td>19,264,160</td>
</tr>
<tr>
<td>2018</td>
<td>20,544,330</td>
</tr>
<tr>
<td>2019</td>
<td>22,128,195</td>
</tr>
<tr>
<td>2020</td>
<td>23,147,485</td>
</tr>
</tbody>
</table>
General Fund Expenses

2020 vs. 2019
- Overall – 4.61% increase in expenses
- 4.48% increase to Salaries & Benefits
  - Contractual Obligations (Police - 4%, AFSCME - 2.5%, MEA – 2.5%)
  - Non-Union salary increases – range from 0-3%
  - No increase in health insurance premiums!
    - Estimated savings of $141k
    - $467k increase in Pension expenses
- Increased funding for libraries and fire companies
- 2019 GO Bond
  - Debt Service – expected to be $225k (interest only)
## General Fund Operating Expenses (In Millions)

<table>
<thead>
<tr>
<th>Expense</th>
<th>2019 Forecast</th>
<th>2020 Budget</th>
<th>Variance vs. 2019 Forecast</th>
<th>% 2020 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$15.75</td>
<td>$16.57</td>
<td>$0.82</td>
<td>71.58%</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$1.71</td>
<td>$1.94</td>
<td>$0.23</td>
<td>8.38%</td>
</tr>
<tr>
<td>Contributions</td>
<td>$1.21</td>
<td>$1.36</td>
<td>$0.15</td>
<td>5.87%</td>
</tr>
<tr>
<td>Professional Svcs</td>
<td>$1.08</td>
<td>$0.91</td>
<td>$(0.17)</td>
<td>3.93%</td>
</tr>
<tr>
<td>Repair &amp; Maint</td>
<td>$0.51</td>
<td>$0.53</td>
<td>$0.02</td>
<td>2.29%</td>
</tr>
<tr>
<td>Other</td>
<td>$1.86</td>
<td>$1.84</td>
<td>$(0.02)</td>
<td>7.95%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$22.12</strong></td>
<td><strong>$23.15</strong></td>
<td><strong>$1.03</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
## General Fund Services (In Millions)

<table>
<thead>
<tr>
<th>Department</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>$11.42</td>
</tr>
<tr>
<td>Fire/Ambulance</td>
<td>$1.44</td>
</tr>
<tr>
<td>Streets</td>
<td>$2.73</td>
</tr>
<tr>
<td>Parks/Recycling</td>
<td>$1.49</td>
</tr>
<tr>
<td>Libraries</td>
<td>$1.42</td>
</tr>
<tr>
<td>Planning &amp; Zoning</td>
<td>$1.21</td>
</tr>
<tr>
<td>Engineering</td>
<td>$0.31</td>
</tr>
<tr>
<td>Administration</td>
<td>$3.13</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$23.15</strong></td>
</tr>
</tbody>
</table>

### Graphical Representation

- **Police** (49%)
- **Streets** (12%)
- **Parks** (7%)
- **Libraries** (6%)
- **Engineering** (1%)
- **Planning & Zoning** (5%)
- **Administration** (14%)
- **P & Z** (5%)

*Note: The pie chart represents the distribution of expenses across various departments.*
Gross Pension Expenses

<table>
<thead>
<tr>
<th>Year</th>
<th>Police</th>
<th>Non-Uniform</th>
<th>MMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1,207,070</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>2017</td>
<td>1,224,485</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>2018</td>
<td>1,604,771</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>2019</td>
<td>1,652,726</td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>2020</td>
<td>2,084,623</td>
<td>500,000</td>
<td>500,000</td>
</tr>
</tbody>
</table>
Fire Company & Library Funding
Capital Plan (2020-2024) Overview

- $8.4M - Bridge projects
- $3.7M - MS4 projects
- $500k – Twp. wide stormwater study
- $5.2M – Stormwater projects
- $5M – Paving program
- $12.5M – Pump station improvements
- $1M – Street Light upgrades
- $695k – Tredyffrin Library improvements
- $1.5M – Township Building reno
- $1.75M – New bldg. for Sewer Dept.

<table>
<thead>
<tr>
<th>IT</th>
<th>104,600</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>1,274,500</td>
</tr>
<tr>
<td>Vehicles</td>
<td>3,227,465</td>
</tr>
<tr>
<td>Other</td>
<td>17,000</td>
</tr>
<tr>
<td>Parks &amp; Rec</td>
<td>2,601,000</td>
</tr>
<tr>
<td>Building Improvements</td>
<td>4,242,500</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>37,025,000</td>
</tr>
</tbody>
</table>
Capital Plan (2020-2024) Funding Sources

<table>
<thead>
<tr>
<th>Source</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Grants</td>
<td>$500k</td>
</tr>
<tr>
<td>PA Grants</td>
<td>$9.6M</td>
</tr>
<tr>
<td>Other Grants</td>
<td>$600k</td>
</tr>
<tr>
<td>2019 GO Bonds</td>
<td>$7M</td>
</tr>
<tr>
<td>Other Bond Reserves</td>
<td>$145k</td>
</tr>
<tr>
<td>Reserves</td>
<td>$13.6M</td>
</tr>
<tr>
<td>Sewer Fund</td>
<td>$17M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$48.5M</strong></td>
</tr>
</tbody>
</table>
Beyond 2020

- Continue long-term capital planning and funding
  - Consider additional debt issuance in future years

- Stormwater Management
  - Long-term funding solution

- Continued planning and discussions on pension and OPEB liabilities

- Union Contracts
  - MEA – Contract expires June 30, 2020
Planning & Zoning

Department Head: Matt Baumann
Planning & Zoning Department

- Department Staff
  - Director
  - 2 Code Officials
  - 2 Permit Clerks
  - Planning & Zoning Technician
Building Permit Activity

• Year-to-Date (as of October 15, 2019)
  • Over 2,000 permits issued
    • 2300 permits issued (same as last year)
  
  • Over $120M in construction $ spent in Tredyffrin (still almost 2 months left)
    • Increase of $60M from all of 2019 (Station Square)
  
  • $1.9M permit revenue generated ($1.9M budgeted)- will be over $2m+ end of year
    • Increase of $200k from the same period last year
2019 Significant Projects/Milestones

- Chesterbrook – All 123 units sold and occupied
  - Commercial Property also doing well
- Station Square – 153 units under construction
  - Estimated to open in summer 2020
- Wayne Glen – 4 units completed
  - Estimated to complete 40+ units in 2020
- 675 E. Swedesford Road – Equus set to construct a new office building
- LifeTime Office – Opening 2021 next to LifeTime Fitness
- Echo/Bozzuto Apartment Building – 250 Units recently approved
- 2020 Comprehensive Plan underway
  - Working with Chester County Planning Commission
2020 Outlook

• Building activity expected to remain steady in both commercial and residential sectors
• Continued trend of office “flipping” office buildings
  • Rubenstein Partners purchased 1.4M sq. ft. in Chesterbrook
    • Looking to invest $50M, increase lease then sell
• Projects
  • Atwater – last of the office parcels being developed
  • Russel Road - Assisted Living Facility (currently in LD process)
• Economic Development
  • Continue our emphasis on being the least expensive place in the region to conduct business
  • Reach out and meet with larger property owners to discuss improvements/permitting/timeframes
• 2020 Comp Plan
  • Good time to reimagine what disinvested office/retail parcels could be in the future
Engineering
Department Head: Stephen Burgo, P.E.
Engineering Department

- Department Staff
  - Township Engineer
  - Engineering Tech
  - Administrative Coordinator
Engineering - 2020 Capital Projects

• Bridges
  • Township Bridge Repair/Rehabilitation Projects
    • Drummers Lane – currently in design/engineering phase
    • Multi-year projects for bridges on Glenhardie Road and Richards Road

• Howellville Road Bridge
  • Construction of new roadway bridge over Norfolk-Southern railroad tracks

• Ensure completion of necessary minor/major maintenance and capital repairs on Twp. owned bridges

• Coordination with PADOT & Chester County on their bridge projects
Engineering - 2020 Capital Projects - CONT’D

- **Sanitary Sewer Pump Station Rehabilitation Projects**
  - Township Pump Station Upgrade Planning and Construction
    - Station Avenue – 2019-20 Construction
    - Glenn & Lancaster Avenue – 2020-21 Design and Permitting

- **Stormwater Management**
  - Township-Wide Stormwater Study
    - Study and Evaluation of the various Watersheds in the Township to direct future capital construction and operation and maintenance expenditures.
  - Hillside Road Drainage Improvement Project –
    - Construction to replace existing deteriorated underground stormwater drainage system along Hillside Rd.
  - Planning for Implementation of the Township MS4 Permit and PRP Project
    - Continue Planning for MS4 Permit Implementation and the Pollution Reduction Plan
• Transportation Projects
  • Gateway Multi-Modal – Engineering based on results of Study
  • Work with Municipal Authority on improvements within Transportation District
  • Warner Spur – Continue working with Chester County on planning
Engineering Department

- Construction Permitting and Inspections/Subdivision & Land Development
  - Engineering reviews and coordination with PC Land Development Plans
  - Planning Modules and Sewer reviews
  - Escrow reviews and inspections

- Permits, Inspections and Complaints
  - Stormwater Management (SWM) and Erosion & Sediment Control (ES&C) Permit reviews
  - MS4 Permit
  - Inspections - on-going construction projects
Information Technology

Department Head: Michael Giurastante
MIS Department

• Department Staff
  • MIS Director
  • Systems Administrator
  • TV Studio Manager

• We aim to provide Township Departments, employees, and residents with a secure and reliable technology base with the goal of assisting individuals to access information resources needed to complete technology related tasks.
MIS Department - 2020 Projects

- Maintain technology needs in both locations
  - Police at the Township Building
  - Administration at temporary off-site office
- Replace VOIP System
  - Delayed implementation from 2019 due to renovations
- Purchase PCs, Laptops to replace older units
- Upgrade DVR Equipment
Tredyffrin Studio

• 2020 Project
  • Tricaster TCI Base Bundle Control Room Hardware/Software upgrade

• 2020 Goals
  • Continue to grow resident participation with certification programs
  • Continue the education of current participants, thereby improving production values of our programming

• Access on demand produced programming at our TTTV link as well as https://Tredyffrin.viebit.com/
Libraries

Department Head: Chris Kibler
Township Libraries

• Department Staff
  • Director of Libraries
  • Assistant Director & Head of Technical Services
  • Branch Manager
  • 2 Children’s Librarians
  • Teen Librarian
  • Director of Reference & Technology
  • Customer Service Manager & Technical Services Assistant
  • Administrative Services & Children’s Programming Specialist
  • Community Outreach & Adult Programs Librarian
  • P/T Staff Include:
    • Various P/T positions for Fund Raising and General Library Operations
Township Libraries

• Vision
  • Tredyffrin Township Libraries are recognized centers of knowledge, inspiration, and opportunity, contributing to a healthy, safe, and economically vibrant community.

• Mission
  • Ensures that everyone has access to resources and services that provide exceptional opportunities to engage, read, learn, create, and contribute to lifelong learning.

• Of Note in 2019:
  • The Libraries are opened an additional 11.5 hours per week
  • Library visits since 2015 has increased by almost 8%
  • Circulation of materials is up by over 3,000 items compared to 2018
  • Library program attendance is up over 24% compared to 2018
Township Libraries - 2020 Goals

• **Access & Library Space**
  • Capitalize on extra public service hours to expand library resources and programming
  • Change the layout of the current computer lab at Tredyffrin Public Library and create a new meeting space
  • Update the main library’s CFL lighting to LED

• **Resources and Services**
  • Uphold and expand literacy initiatives throughout 2020 and beyond
  • Continue developing programming with library staff
  • Expand ESL and foreign language story times
  • Increased focus on developing electronic collections
  • Explore opportunities for non-traditional library items and materials for borrowing
• Community Engagement
  • Continue to expand partnerships and collaborations with local businesses, organizations and schools
  • Expand offerings for author presentations
  • Capitalize on the libraries’ meeting spaces for public use
  • Continue gathering feedback on overall satisfaction of the library facility and use of space
  • Continue and expand off-site programs and creative partnerships with local organizations and non-profits
Public Works

Department Head: Darin Fitzgerald
Public Works

• **Department Staff**
  • Director
  • 1 Foreman
  • 1 Public Works & Sewer Coordinator
  • 1 Public Works Services Clerk
  • 3 Crew Leaders
  • 2 Senior Operators
  • 3 Operators
  • 5 Laborers
  • 2 Mechanics
  • 3 Sewer Operator II
  • 2 Sewer Operator I
Public Works - Operations

- Day to day maintenance of all Township Parks and Facilities
- Maintenance of approximately 107 miles of Township Roads
- Winter maintenance to all Township Roads, Facilities, and select State Roads
- Maintain 150 miles of sanitary sewer pipe and 7 pump stations
- Vehicle maintenance to all Township vehicles and equipment
- Flush, clean and repair all Township owned storm pipes and inlets as needed
- Operate the Township Leaf Site for recycling
- Coordinate and operate Facility usage, recreation programs and Community Events
Public Works - 2020 Goals

• Replace a 1996 and a 1997 F800- 26,000 GVW Dump Truck, 2004 F550- 17,000 GVW Dump truck and a 2006 F350- Pick up truck
• Replace a 2001 Timco Sweeper used for roads and inlet cleaning
• Continue replacing painted street markings with Thermo Plastic markings lasting 5 times longer than the current painted markings
• Resurface the Roller Hockey Rink to also include stripping for pickleball courts at LAD Park
• Continue strategic planning with Engineering for MS4 requirements
• Implement a SCADA system that will be located at the Township Building to monitor and compile pump station and sewer metering data
• Continue the comprehensive plan for Turf maintenance at the parks
Public Works - 2020 Goals - CONT’D

• Continue comprehensive paving program
• Collaborate with Engineering on design and construction of Glenn Ave. and Lancaster Ave. pump stations
• Collaborate with Administration on the upgrade and redesign of Township Park Facilities
• Continue to video inspect and flush Township sanitary sewer facilities
• Collaborate with Administration on expansion of PW facilities
• Continue to collaborate with the IT Department to upgrade data retention software for Public Works
Police

Department Head: Chief T. Michael Beaty
Part I & II Crime Totals - 2016 - 2018
Police - 2020 Goals

- Proactive patrols
- Increased road safety programs
- Efficient and effective investigations
- Expanding community policing programs
- Professional development of staff
- Fiscally responsible delivery of Police services
2020 Budget Process - Next Steps

• Adopt Preliminary Budget on November 18, 2019
• Budget Open House – November 26, 2019 from 10AM to 12PM in Keene Hall
• Discuss any questions or changes about the preliminary budget
• Adopt Final Budget on December 16, 2019