

# EAST FALLOWFIELD TOWNSHIP



## 2025 Proposed Budget Presentation

# 2025 Budget Schedule

- 2025 Budget Schedule Public Hearings:
  - **October 8: Budget work session/review draft budget**
  - October 22: First Presentation of budget.
  - November 12: Second Presentation of budget/authorize advertisement of budget
  - December 10: Budget adoption



# 2025 Budget Highlights

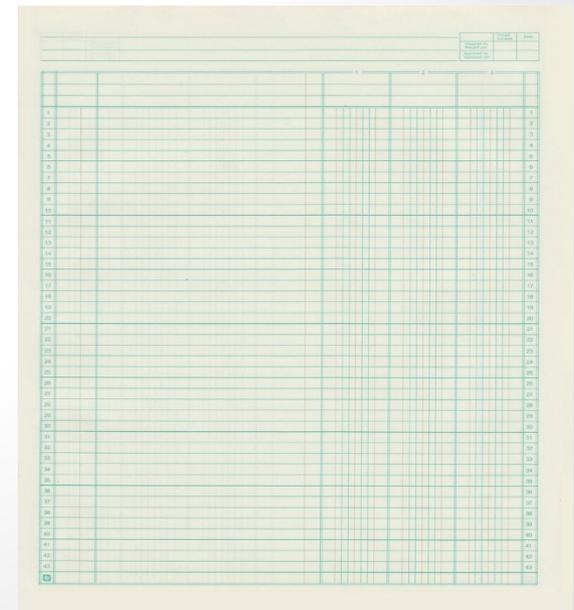
- **NO REAL ESTATE TAX INCREASE** PROPOSED IN GENERAL FUND OR FIRE/EMS.
- **No fund balance being proposed as revenue** in the balanced General Fund operating budget. Presenting a balanced budget in all funds.
- **2025 General Fund Revenue Budget** of \$3,209,768 is \$195,212 greater than **2024 General Fund Revenue Budget** of \$3,014,556 mainly attributed to increased Earned Income Taxes (EIT).
- **2025 General Fund Expenditure Budget** is \$4,079,420, which is \$1,064,864 greater than **2024 General Fund Expenditure Budget** of \$3,014,556.
- Note: 2025 General Fund Budget includes a proposed \$1,000,000 transfer to the Capital Fund. **When you don't account for the \$1,000,000 interfund transfer to the Capital Fund, the 2025 General fund expenditure budget is only \$64,864 greater than the 2024 General Fund expenditure Budget**
- Expected inflation of all Insurance, professional, and fixed operating costs estimated to increase by 5%.
- **Continued Investment in Infrastructure** planned:
  - Road paving \$425,000
  - Newlinville Village traffic calming \$200,000,
  - Saw Mill Rd drainage project \$335,000,
  - Mortonville Rd bridge and Frog Hollow Rd Bridge Safety Enhancements \$910,113,
  - New Township building engineering feasibility study \$12,050

# COMPARISON BETWEEN 2024 ADOPTED & 2025 PROPOSED BUDGET

<u>Township Fund</u>	<u>2024 Adopted Budget</u>	<u>2025 Proposed Budget</u>	<u>Increase/Decrease from Previous Year</u>	<u>% Change from Previous Year</u>
General Fund	\$ 3,014,556	\$ 3,079,420	\$ 64,864	2.13%
Fire/EMS	\$ 767,166	\$ 804,372	\$ 37,206	4.9%
Liquid Fuels	\$ 434,600	\$ 458,250	\$ 23,650	5.3%
Trash	\$ 1,232,989	\$ 1,378,504	\$ 145,515	11.14%
Park & Rec	\$ 61,250	\$ 80,517	\$ 19,267	26.75%
Capital	\$ 996,244	\$ 1,794,289	\$ 798,045	57.20%
ARPA	\$ 151,506	\$ 0.0	\$ (\$151,506)	0.0%
<b>Total Budgets</b>	<u>\$ 6,351,482</u>	<u>\$ 7,595,352</u>	<u>\$ 1,243,870</u>	<u>17.84%</u>

# Revenue Comparison Between 2024 Adopted and 2025 Proposed Budget

- Real Estate Property Taxes (General Fund) are flat, budgeted to increase only \$2,605 in 2025
  - 2025 Real Estate Tax Valuation (as of 8/16/2024) is \$427,508,574. Real estate tax valuation has increased by \$803,180 since last year.
  - 2024: \$426,705,394
  - 2023: \$423,970,119
  - 2022: \$416,174,679
  - 2021: \$407,810,549
  - 2020: \$402,526,821
  - 2019: \$402,844,451
  - 2018: \$404,043,821
  - 2017: \$405,500,341
  - 2016: \$407,345,841



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# Revenue Comparison Between 2024 Adopted and 2025 Proposed Budget

- Real Estate Transfer Tax –(310.10) Budgeted at \$140,000 (2025 proposed budget) versus \$145,000 (2024 adopted budget) reflects stable property sales expectations.
- Local Services Tax (\$52 year) is expecting minimal growth to \$27,500.
- Building Permit revenue expected to increase slightly in 2025 to \$120,000 from potential small development breaking ground.
- Township's largest revenue, Earned Income Taxes (EIT) have been trending upwards showing growth of 10% over the past four years, giving us confidence to increase this line item from \$1,550,000 (2024 adopted budget) to \$1,674,000 (2025 draft budget).

# 2019–2024 EIT Collections by Quarter

CYR	QTR	Local
2019	Q4 2018	\$272,366.68
	Q5 2018	\$84,679.30
	Q1 2019	\$315,635.19
	Q2 2019	\$300,519.83
	Q3 2019	\$287,518.47
Total		\$1,260,719.47

CYR	QTR	Local
2021	Q4 2020	\$310,879.61
	Q5 2020	\$90,445.37
	Q1 2021	\$330,705.44
	Q2 2021	\$329,883.25
	Q3 2021	\$324,430.84
Total		\$1,386,344.51

CYR	QTR	Local
2023	Q4 2022	\$330,673.60
	Q5 2022	\$109,402.81
	Q1 2023	\$393,421.38
	Q2 2023	\$362,602.78
	Q3 2023	\$362,415.59
Total		\$1,558,516.16

CYR	QTR	Local
2020	Q4 2019	\$294,686.74
	Q5 2019	\$87,086.43
	Q1 2020	\$314,923.26
	Q2 2020	\$287,177.30
	Q3 2020	\$303,367.09
Total		\$1,287,240.82

CYR	QTR	Local
2022	Q4 2021	\$340,156.63
	Q5 2021	\$95,473.56
	Q1 2022	\$362,114.07
	Q2 2022	\$353,542.55
	Q3 2022	\$361,579.76
Total		\$1,512,866.57

CYR	QTR	Local
2024	Q4 2023	\$364,594.93
	Q5 2023	\$80,215.08
	Q1 2024	\$404,693.59
	Q2 2024	\$373,058.87
	Q3 2024	\$10,983.78
Total		\$1,233,546.25

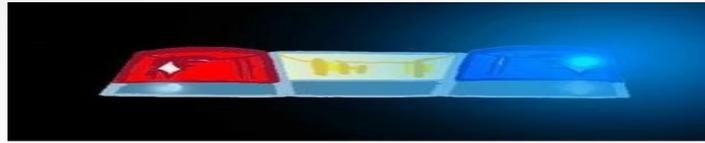
# Revenue: 2024 Interest Earnings

- Opened \$500,000 PLGIT Money Market Account.
- Opened Meridian Bank Sweep Account
- Actual interest earnings in 2024 (projected to be \$130,000!) greater than 2024 budget (\$7,500) due to sound financial investment decisions.
- Budgeted interest rate earnings of \$80,000 in 2025 **projected to be less** than 2024 actual earnings due to decreased federal funds interest rates.

# General Fund Administration (Expenses)

- 2025 General Fund Administration budget of \$824,408 versus \$709,497 for 2024 (an increase of 15% from the prior year) mainly due to the following:
  - Codification of Township records.
  - Substantial increase in Legal Services line item.
- One Admin Medical Opt-out of \$9,450.
- Salary increases of 3% budgeted for non-union administrative staff.

# Police Budget Overview



- 2025 operating Police Budget of \$1,592,172 represents 50 % of General Fund Budget. 2025 police budget projected to increase 6% compared to 2024 police budget.
- Proposed Budget includes 7 FT (current staffing level), 6 part- time officers + 1 FT Chief of Police (current staffing levels).
- Salaries (largest expense in police budget) budgeted to increase 3% (2025) (collective bargaining agreement expires 12/31/2024).
- Two Police Medical Opt-out for a total of \$18,900.
- Training Budget (410.460) increased to \$17,000 (inclusive of \$10,000 Tuition request).

# Public Works Budget Overview

- 2025 Public works Budget of \$506,058 represents 16.0% of General Fund Budget.
- 2024 Proposed Budget includes 3 FT Laborer, one FT Road Foreman, and 1 PT permanent Laborer.
- Salaries reflect 4% increase (2025) as negotiated in the Union Contract.



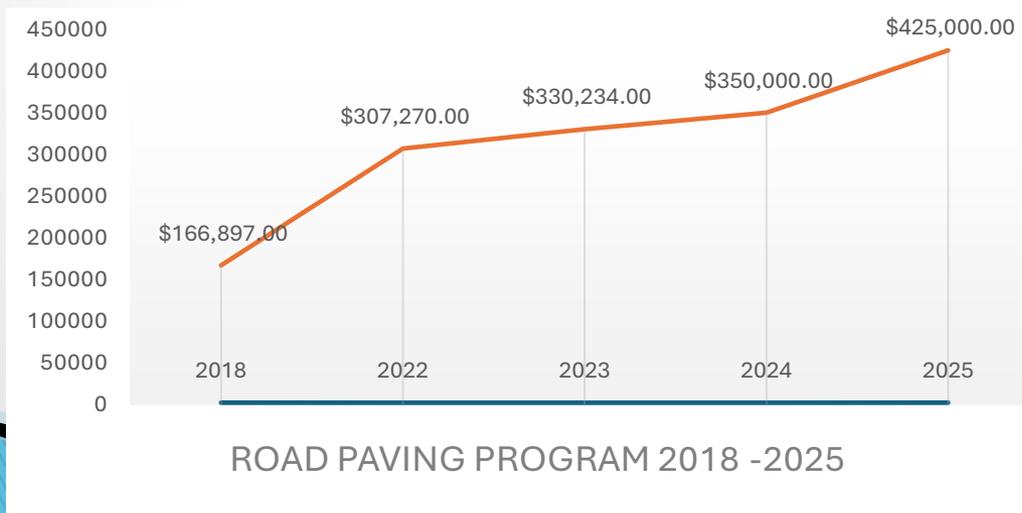
# Fire/EMS Budget Overview

- **No increase in Fire/EMS Millage. Millage will be at the current level**
- 2025 Fire/EMS total budget increased from \$767,166 (2024) to \$804,371 due to more efficient collections with new tax collector.
- **Fire/EMS millage funds the following:**
  - \$150,000 to each fire company (Modena Fire Company and Westwood Fire Company) providing fire protection to East Fallowfield Township for general fire operational purposes
  - \$66,400 subsidy to Modena Fire Company (EMS) and \$115,808 to Westwood Fire Company for EMS/Advanced Life Support (ALS)
  - Subsidy to Volunteer Association funded by the State as a pass through (Foreign Fire Insurance Tax)
  - Township will continue to set aside funds to each fire company) for capital purchases. \$73,200 (\$36,600 for each fire department)



# Liquid Fuels Fund Highlights

- ▶ 2025 Proposed budget – Liquid Fuels revenues are budgeted at \$383,250 and expenditures are \$383,250, requiring the usage of fund balance in the amount of \$16,671 to continue the goal of a balanced budget.
- ▶ 2025 Winter/Severe weather agreement increasing by \$8,000 to \$43,459, a 23% increase from 2024.
- ▶ 2025 Road Paving Budgeted at \$425,000! (Liquid Fuels = \$350,000 and Capital Fund = \$75,000)



# Trash Fund Highlights

- Administration is recommending **no increase in trash fee** (currently \$450) for 2025.
- Hauling Contract (3 years+ 2 option years) awarded to AJ Blosenski started in 2024. 2025 = year 2 of the contract.
- Hauling Expense increases from \$727,176 (2024) to \$778,256 (2025) which is a 7% increase. Trash Fund is also presenting a balanced budget.
- Tipping Fees (disposal costs) projected to cost \$225,000 in 2025. Tipping fees are based on tonnage and costs from the Chester County Solid Waste Authority.
- Trash Fund reserves are currently healthy, however projections for 2027 & 2028 reflect reserves being used to balance the budget.

# Trash Fund Highlights

## Trash Fund - 3 Year Fee Projection Summary

	<u>2025</u>	<u>2026</u>	<u>2027</u>
Annual Trash Fee - Proj	\$ 450	\$ 450	\$ 450
Total Revenue	\$ 1,245,550	\$ 1,249,128	\$ 1,297,077
Awarded Contract Amt	\$ 778,256	\$ 832,528	\$ 890,702
Total Expense	\$ 1,245,550	\$ 1,249,128	\$ 1,297,077
Use of Reserves	n/a	n/a	\$47,949

# Parks and Recreation Fund Highlights

- Replacement of swing set: \$26,267
- Tag's (Memorial Bee/Butterfly Garden): \$1,500
- 2024 Concert in the Park Series: \$12,000, expense offset by sponsors/vendors
- Trees/Landscaping: \$1,500



# Capital Projects Fund Highlights

- 2025 total proposed budget for the Capital Fund is \$1,794,289
- Proposed Transfer of \$1 million (2025) from General Fund Balance to pay for capital improvements

Use of General Fund Balance	\$1,000,000	
Transfer to Capital Fund		\$1,000,000



# Capital Projects Fund Highlights

- Infrastructure Improvements and Equipment:
  - Newlinville Village Traffic Calming (\$250,000)
  - Perterbilt Dump Truck (\$50,000 down/5-year low interest loan) replaces 2005 Freightliner
  - Township Building Generator: \$25,475
  - Ford F-250 Pickup Truck (5-year low interest loan = \$13,600 in 2025) replaces 2006 Ford F-250
  - Saw Mill Road Drainage Improvements \$335,000
  - \$75,000 additional for road paving!



# Capital Projects Fund Highlights

## ▶ New Township Building

Township Building Feasibility Study: \$12,050



## ▶ Administration:

### ▶ Update Township Website: \$25,000

- Server for Administration: \$12,000
- Building Permit/Code Enforcement Software: \$30,000
- Office computers, revolving schedule: \$5,200

## ▶ Police Department:

- New Police Vehicle: \$68,000 (replace 2017 Chevy Tahoe)

## ▶ Public Works:

- Replace Mortonville Road Bridge: \$890,000
- Frog Hollow Bridge Guiderail Safety Improvement \$21,590

# Real Estate Millage Tax History

REAL ESTATE MILLAGE TAX HISTORY						
YEAR	<u>TOWNSHIP MILLAGE</u>	<u>FIRE/EMS MILLAGE</u>	<u>AMOUNT INCREASE</u>	<u>PERCENTAGE INCREASE</u>		
2016	1.2500	0.0000	0.0000	0.00%		
2017	1.2500	0.0000	0.0000	0.00%		
2018	2.0000	1.0000	1.7500	140.00%		
2019	2.0000	1.0000	0.0000	0.00%		
2020	2.0000	1.0000	0.0000	0.00%		
2021	2.0000	1.0000	0.0000	0.00%		
2022	2.0000	1.0000	0.0000	0.00%		
2023	2.0000	1.0000	0.0000	0.00%		
2024	2.0000	1.7500	0.7500	25.00%		

# Township Millage & Refuse Fee

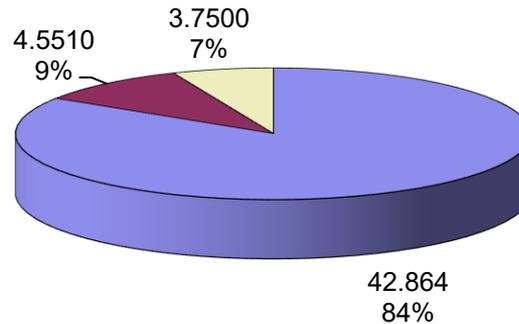
EAST FALLOWFIELD TOWNSHIP TAXES 2017-2024

Average  
Residential  
Assessed  
Value: 132,084

<u>YEAR</u>	<u>TOTAL TWP MILLAGE</u>	<u>TAX</u>	<u>REFUSE FEE</u>	<u>AVG RESIDENT RE TAX &amp; REFUSE FEE</u>
2017	1.25	\$165.31	\$210.00	\$375.31
2018	3	\$396.74	\$210.00	\$606.74
2019	3	\$396.74	\$275.00	\$671.74
2020	3	\$396.74	\$275.00	\$671.74
2021	3	\$396.74	\$275.00	\$671.74
2022	3	\$396.74	\$275.00	\$671.74
2023	3	\$407.00	\$310.00	\$717.00
<b>2024</b>	<b>3.75</b>	<b>\$495.32</b>	<b>\$450.00</b>	<b>\$946.32</b>

# Average Tax Dollar (2024)

Percentage of Total Millage Collected 2024



■ Coatesville Area School District

■ Chester County

■ E.F. Township

	Actual Millage	% of total Millage Collected
Coatesville Area School District	42.864	84%
Chester County	4.5510	9%
E.F. Township	3.7500	7%
Total Millage Collected	51.165	100%

# 2024 Projections

- Township expected to end 2024 with a Surplus in the General Fund (before transferring \$400,000 to the Capital Fund)
- 2024 revenue is projected to be \$3,314,767 compared to the 2024 Budgeted Revenue of \$3,014,556. (EIT, interest on checking and building permits well exceeded budget estimates!)

