



NEW BRITAIN TOWNSHIP

2021 Preliminary Budget

November 2, 2020





Pre-Budget Activity

- Staff began work on the Budget with direction from the Board of Supervisors to balance the budget with No Tax Increase
- Prior to preparation of the Budget, Staff continuously reviews financial status
- Careful and considered spending policies continue to be used for all purchasing throughout the year, regardless of Budget Season
- Annual review of all ongoing routine expenses, contracts, utility charges, etc., ensures cost savings for the best materials and services



The Budget Calendar

- September –
 - Departmental Submission of Budget Requests
 - Review of Recurring Expenses
- October –
 - Departmental Budget Review
 - Workshop Meetings
- November –
 - Presentation of Preliminary Budget (November 2)
 - Legal Advertisement of Budget (November 3)
 - Public Inspection of Budget Available (November 3)
- December –
 - Consideration of Final Budget (December 7)
 - Consideration of Tax Levy Resolution (December 7)



The Budget Document

- Budget Message to Board of Supervisors
- Narrative Overview of Budget
- Fund Overview
- Line Item Budget
- Supporting Documentation

2021 Proposed Budget



\$7,276,371
Revenues

\$7,950,932
Expenditures

For All Funds

COVID-19

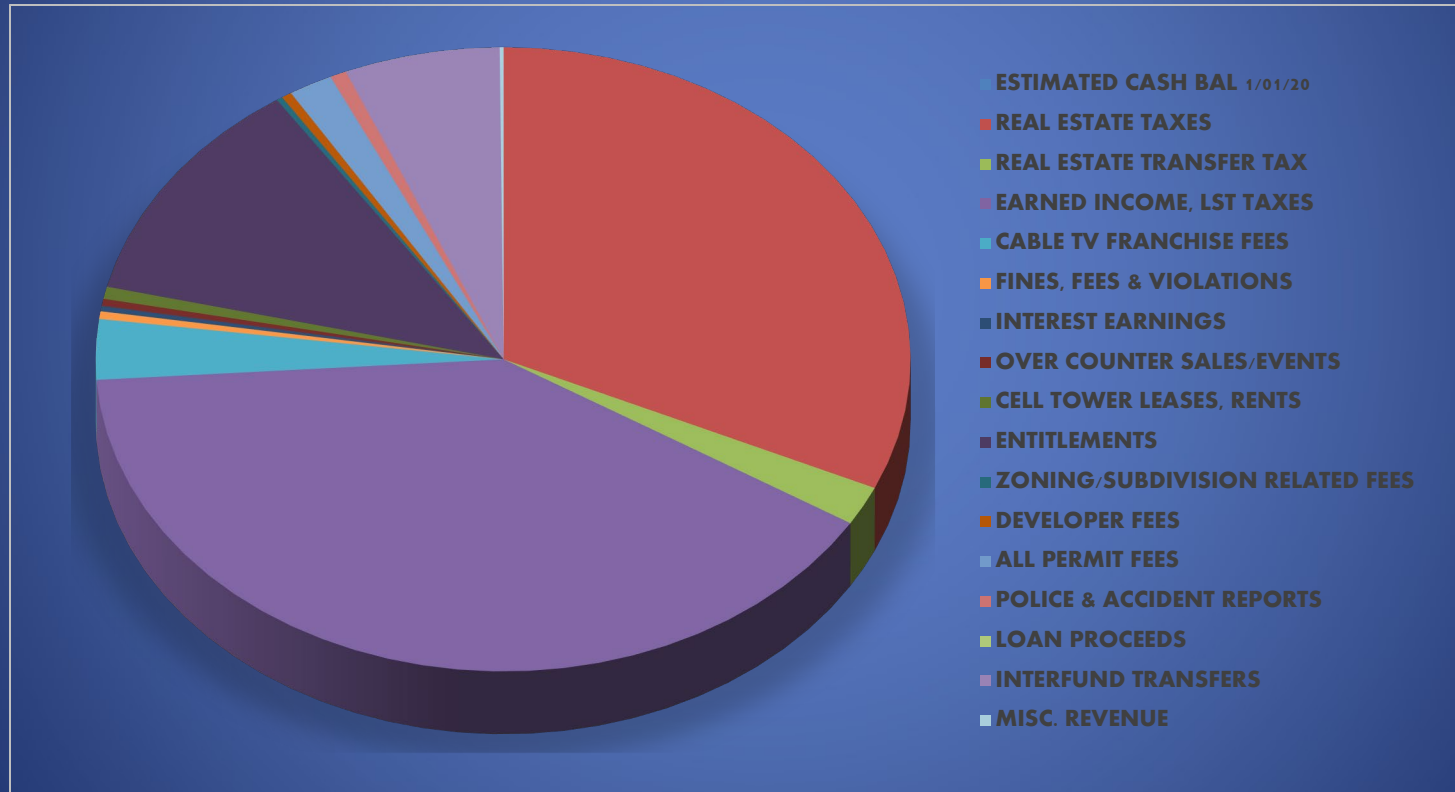
- The impacts of COVID-19 and the corresponding economic downturn affects a large majority of Revenue sources, beyond just Real Estate and Earned Income and Transfer Taxes
- Most revenue sources have been significantly reduced, based on historic revenues, Year-to-Date collections and consultant recommendations

Key Revenue Sources



- Real Estate Tax
 - Slight increases due to recent development.
- Earned Income, LST Taxes
 - EIT collections normally increase gradually, but COVID-19 impacts are ongoing.
- Permit Fees
 - Reduced due to COVID-19 impacts.

Revenue Sources

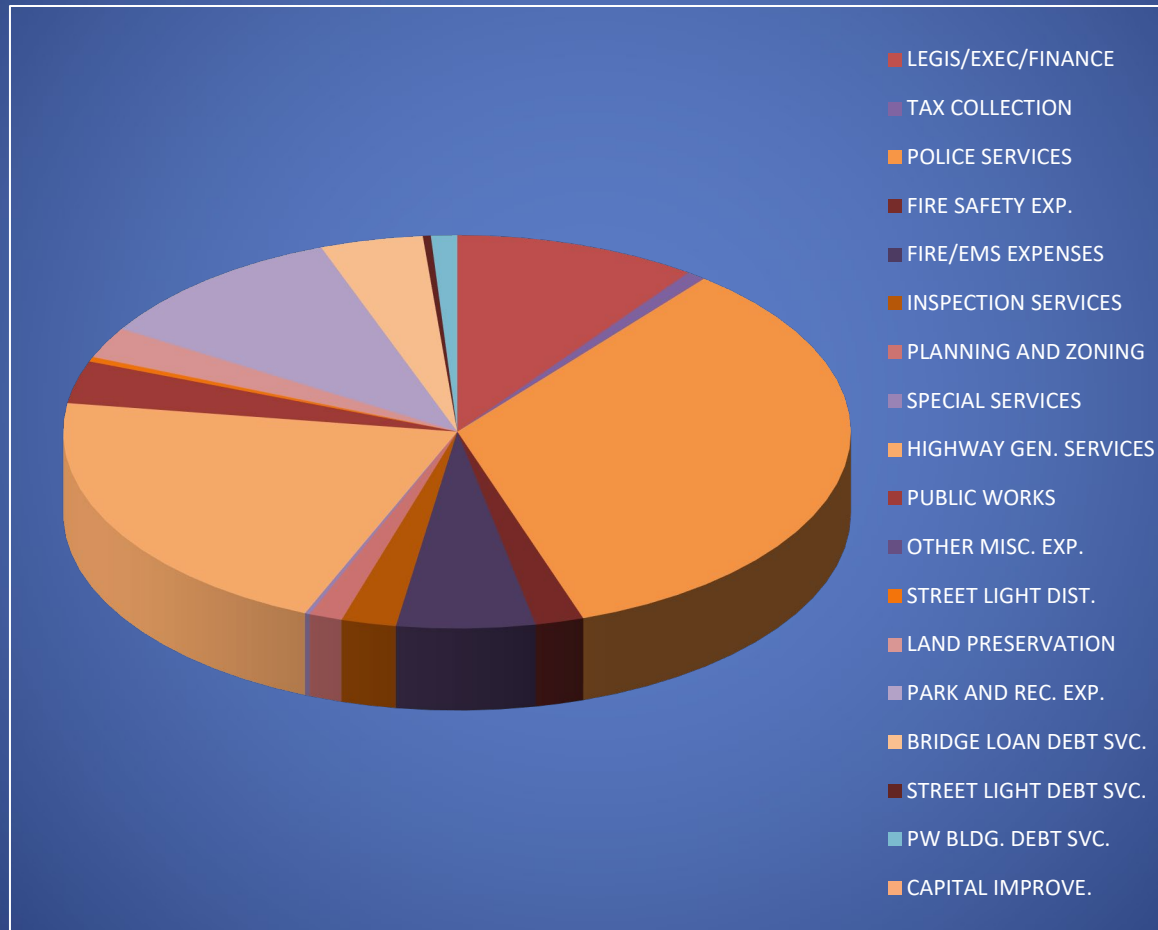


Increase in Expenses



- Contractual Obligations
 - 3.50% Payroll increase for Police and Non-Uniform Staff
- Other Increasing Costs
 - Road paving materials
 - Fuels and Oils
 - Increases in number of federal and state unfunded mandates
 - Stormwater Management costs continue to skyrocket

Expenditures





Capital Expenditures Highlights

- One new Police vehicle
- Computer upgrades through all Departments
- One 1-Ton Pick Up Truck with Plow, Salt Spreader and Liftgate



Capital Expenditures Highlights

- \$100,000 for repairs to culverts damaged by TS Isaias
- \$5,000 for our share of the DART West bus along Business Route 202 up to County Line Road and back to Del Val University



Park and Recreation

- New Britain Township continues to improve its Park System through capital improvements and working with developers to enhance facilities
- Presently, New Britain Township owns and maintains over 265 acres of active and passive recreational parkland
- The Township is working on bringing forward premier facilities at Cotton Park on Schoolhouse Road



Capital Expenditures Highlights

- Construction of Phase I of the Neshaminy Greenway Trail development should be completed shortly, before year's end.
- Design and construction of Phase II, the Coleman Section, will be accomplished partially through a \$225,000 DCNR Grant, In-Kind labor and materials and cash match of \$52,637.



Capital Expenditures Highlights

- North Branch Park will receive a new Play Structure and refurbished backstops on all ballfields
- Maintenance and upkeep of the entire Park System is also budgeted
- Installation of a Dog Park is in the planning phase



Debt Service

- The Township took advantage of low interest rates and restructured all existing Debt in 2020
- Total Debt Service for 2021 is \$447,000: Principle of \$347,000; Interest of \$99,000



Debt Service

- Series 2005 Debt (Public Works Building), held by DVRFA, matures in 2025 and has variable interest averaging at 3.6% to 4.0% and cannot be pre-paid.
- 2017 Lease Debt (Streetlights), held by Univest Bank, matures in 2024, is fixed at 2.3% and cannot be pre-paid.



Debt Service

- Series 2020 Debt (Cap. Infrastructure), held by JP Morgan Chase, matures in 2032, is fixed for 13 years at 1.27%.
- Once the Series 2005 Debt and the 2017 Lease Debt mature, the Township should consider another restructuring.



Interfund Transfers

- \$114,500 will be transferred from Land Preservation Fund to Park and Recreation Fund for maintenance and development of parks and open space
- \$21,287 will be transferred from Street Light Fund to Street Light debt service for the District portion of the debt service on the LED upgrade



Land Preservation

- To date, New Britain Township has preserved over 1,000 acres
- Total conserved acreage throughout the Township (publicly, privately, through development, etc.) is 2,500+ acres
- The Township has over \$2,000,000 for Open Space acquisition in a dedicated fund



Land Preservation

- There are over 200 acres listed in our Open Space Plan (2008 Supplement) as “Priority Land Preservation Sites” that the Township continues to actively pursue
- The Township also looks for opportunities to piece together important parcels in significant areas that may not be listed in our Open Space Plan



Land Preservation

- Dedicated real estate millage for land preservation was discontinued in 2011 and is not part of this 2021 Budget
- Through a voter referendum in 2000, the Township instituted a 0.125% Earned Income Tax dedicated to Open Space Acquisition. For 2021, a tax rate of 0.125% OS EIT will garner approximately \$450,000



2021 Proposed Millage

- One Mill will generate about \$179,612
- Total Tax Mills 13.0625
- Average Assessment \$35,143
- Average NBT Tax Bill \$459.00



Millage Breakdown

• General Fund	6.1000
• Fire Protection	1.2500
• Emergency Medical Services	0.5000
• Park & Recreation	2.4625
• Capital Imp/Infra	1.0000
• Public Works Bldg. Debt	1.2500
• <u>Highway Equipment</u>	<u>0.5000</u>
• TOTAL PROPOSED MILLAGE	13.0625



2021 Proposed EIT Tax

- Tax of 1.00% of Earned Income for General Purposes (0.5% to Township; 0.5% to CBSD).
- Tax of 0.125% dedicated for Open Space Land Acquisition for Fiscal Year 2021
- This is no change from 2020 EIT taxes



2021 Budget

The 2021 Preliminary Budget is available for public inspection at the Township Building

Final Passage of the 2021 Budget is scheduled for Monday, December 7 at 7:00 p.m.