



NEW BRITAIN TOWNSHIP

2019 Preliminary Budget

November 5, 2018





Pre-Budget Activity

- Staff began work on the Budget with the explicit instructions from the Board of Supervisors to balance the budget with No Tax Increase
- Prior to preparation of the Budget, Staff continuously review 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 5)
 - Legal Advertisement of Budget (November 6)
 - Public Inspection of Budget Available (November 6)
- December –
 - Consideration of Final Budget (December 3)
 - Consideration of Tax Levy Resolution (December 3)



The Budget Document

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

2019 Proposed Budget



\$11,105,256
Revenues

\$12,237,633
Expenditures

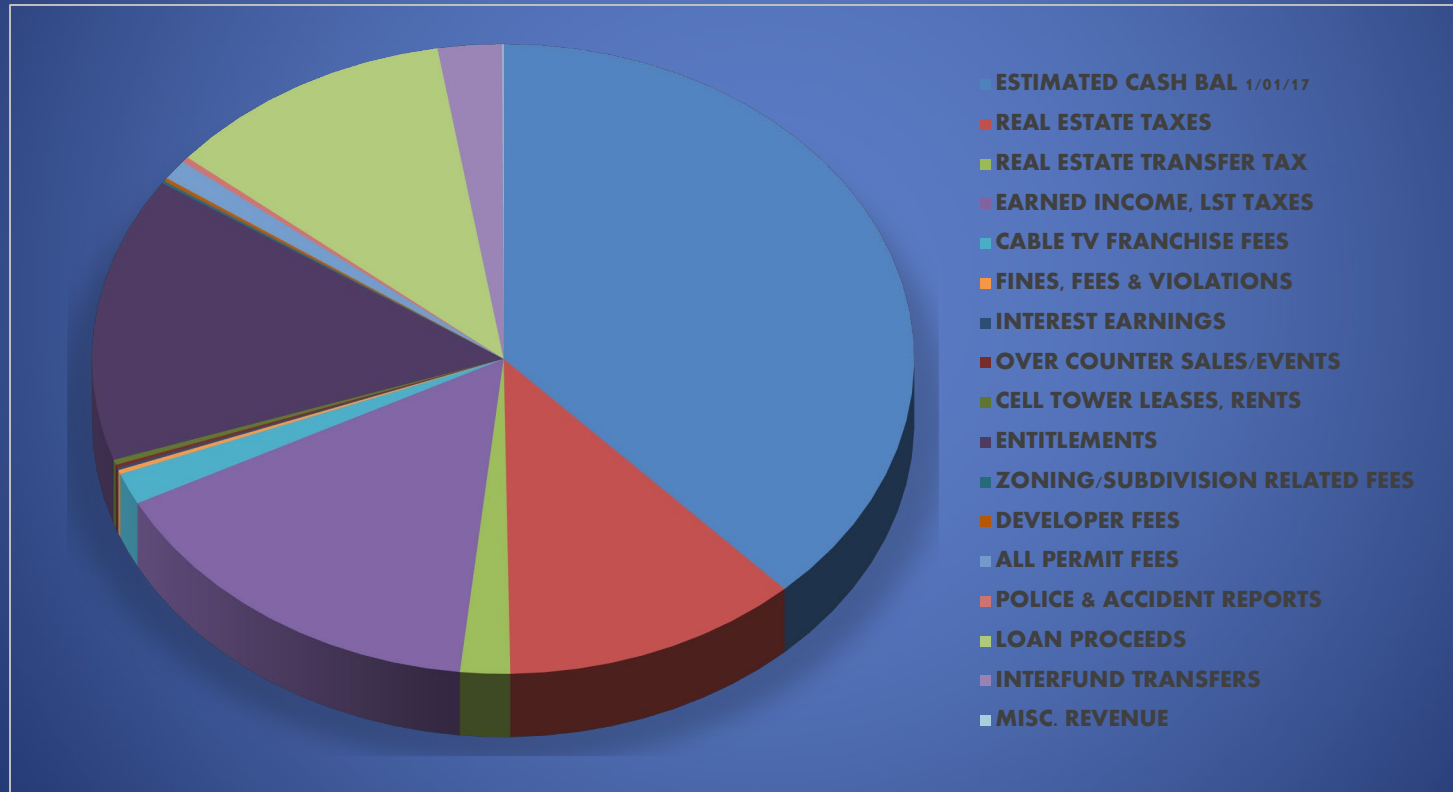
For All Funds

Key Revenue Sources



- Earned Income, LST Taxes
 - EIT collections continue to increase gradually, based on normal inflation, new residents.
- Permit Fees
 - Due to recent development.
- Real Estate Tax
 - Increases due to recent development.

Revenue Sources





Cost Containment

- Changes in health care plan in 2010 for new hires continue to save annually
- Through Police Contract Arbitration in 2010, the Township reduced medical costs further by instituting a high-deductible insurance plan for all personnel



Cost Containment

- The Township joined a cooperative bidding program to replace Streetlights throughout the Township with high efficiency LED heads.
- The Savings in maintenance costs and utility charges is guaranteed to cover the cost of the debt service to purchase the streetlights from PECO, and install the new heads within seven years.



Cost Containment

- Both Township-owned and District Street Lights have been upgraded to high-efficiency LED heads.
- District Streetlight rates have been reduced for 2019. Streetlight rates on tax bills will reflect reduced costs to District taxpayers.

Increase in Expenses



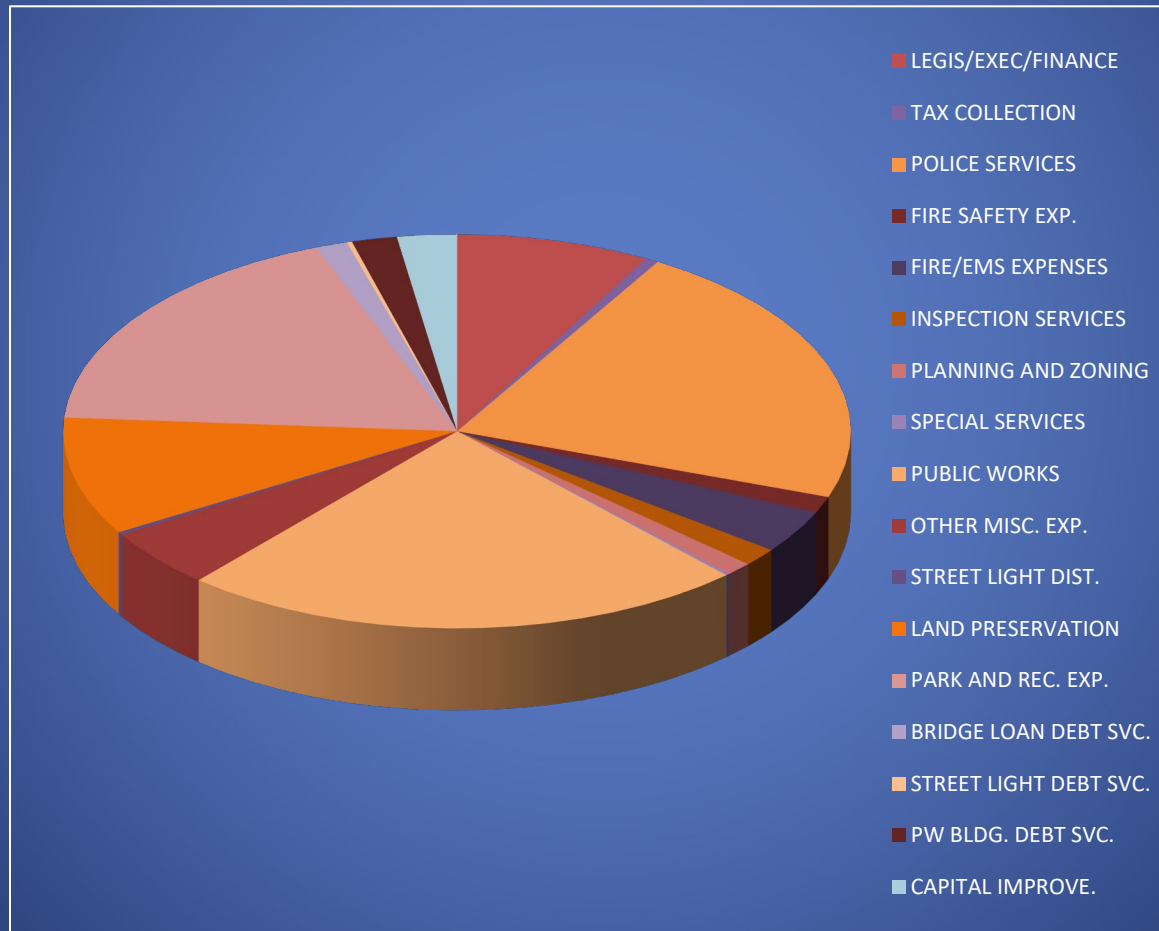
- Contractual Obligations
 - 3.0% Payroll increase for Police and Non-Uniform Staff
- Other Increasing Costs
 - Road paving materials
 - Fuels and Oils
 - Increases in number of federal and state unfunded mandates
 - Stormwater Management costs continue to skyrocket

Unknown Variable



- The current Police Collective Bargaining Agreement expires December 31, 2018.
- While negotiations are ongoing, no agreement has been made between the Township and the PBA.
- The PBA has filed for Binding Arbitration, in which the Township must comply with what the Arbitrator institutes.

Expenditures





Capital Expenditures Highlights

- One new Police SUV
- Four In-car Cameras for Police vehicles
- Renovations to Police kitchen and locker room
- New Fuel Dispensing Systems for PD and PW
- Miscellaneous building maintenance projects that have been put off for years



Capital Expenditures Highlights

- \$300,000 new Traffic Signal System at New Britain Boulevard and County Line Road
- Additional paving on Township roadways
- One 1-Ton Pick Up Truck with Plow, Salt Spreader and Liftgate
- One “Gator” all-terrain vehicle



Capital Expenditures Highlights

- Computer upgrades and replacements for most Departments
- \$5,000 toward a Pilot Program to expand the Doylestown DART bus along Business Route 202 up to County Line Road



Capital Expenditures Highlights

- The Township borrowed \$3,000,000 in 2018 for reconstruction of the New Galena Bridge (completed in 2018)
- Four culverts throughout the Township will be replaced in 2018-2019, under the same funding
- Building improvements and Capital Purchases may also occur in 2019, with any remaining funds from the loan



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 225 acres of active and passive recreational parkland
- The Township is also working on bringing forward premier facilities at Cotton Park on Schoolhouse Road, across from West Branch Park



Capital Expenditures Highlights

- Phase One development of Veterans Park is completed, with additional purchases in 2019 (monument, benches, picnic tables, landscaping)
- Neshaminy Greenway Trail development and construction will proceed from 2019 through 2020



Capital Expenditures Highlights

- The design of Cotton Park will continue through 2019
- North Branch Park will receive a new Play Structure, benches, and refurbished backstops on all fields
- Maintenance and upkeep of the entire Park System is also budgeted
- Installation of a Dog Park is in the planning phase



Debt Service

- Public Works Building debt service of \$228,000. Loan matures in 2025
- \$3,000,000 Bridge Project debt service of \$160,000. Township will continue to draw down on the loan through July 2019. Loan matures in 2031
- Regional Streetlight Procurement Program debt service of \$26,000 over 7 years, maturing in 2024



Debt Service

- Total Debt Service for FY 2019 is \$413,400
- The Township may consider consolidation or refinancing of all debt at the time of maturity of the PW Building debt in 2025



Interfund Transfers

- \$32,000 will be transferred from Park and Recreation Capital Fund for Debt Service on PW Building
- \$300,000 will be transferred from Fiduciary Fund to Capital Infrastructure for a new Traffic Signal System at New Britain Boulevard and County Line Road



Interfund Transfers

- \$100,000 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 850 acres
- Total conserved acreage throughout the Township (publicly, privately, through development, etc.) is 2,300+ acres
- The Township has over \$3,000,000 for Open Space acquisition purposes in a dedicated fund



Land Preservation

- There are approximately 300 acres listed in our Open Space Plan (2008 Supplement) as “Priority Land Preservation Sites” that the Township continues to actively persue
- 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 2019 Budget
- Through a voter referendum in 2000, the Township instituted a 0.125% Earned Income Tax dedicated to Open Space Acquisition. For 2019, a tax rate of 0.025% OS EIT will garner approximately \$100,000



2019 Proposed Millage

- One Mill will generate about \$174,000
- Total Tax Mills 12.0625
- Average Assessment \$34,321
- Average Tax Bill \$414.00

Millage Breakdown



2019 Proposed EIT Tax

- Tax of 1.00% of Earned Income for General Purposes (0.5% to Township; 0.5% to CBSD).
- Tax of 0.025% dedicated for Open Space Land Acquisition for Fiscal Year 2019
- This is no change from 2018 EIT taxes



2019 Budget

The 2019 Preliminary Budget is available for public inspection at the Township Building

Final Passage of the 2019 Budget is scheduled for Monday, December 3 at 7:00 p.m.