

# Memo

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To: Board of Supervisors  
From: Jon Altshul  
Re: Consider 2018 Proposed Budget and 2018-2022 CIP  
Date: November 9, 2017

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Rick and I are pleased to present the 2018 Proposed Budget and 2018-2022 Draft Capital Improvement Program for your consideration. Importantly, the budget proposes no tax increase for the 15<sup>th</sup> consecutive year. We believe that this budget document demonstrates East Goshen's commitment to financial responsibility, while simultaneously balancing the demands of managing the Township's continued future success through the Paoli Pike Trail project, improvements at the Park and the two dams, and upgrades and aggressive maintenance of the Township's sewer system.

The 2018 proposed budget will be advertised in the *Daily Local News* on Wednesday, November 15<sup>th</sup> and is now available for public inspection. Budget documents have also been posted on-line under Service>Finance>2018 Budget.

Per Section 3202 of the Second Class Township Code, the budget must have been advertised and available for public inspection for at least 20 days prior to adoption. After it is advertised, the budgeted expenses or revenues can be increased no more than 10% in the aggregate and 25% in any major expense category prior to adoption. We are tentatively scheduled to adopt the budget at the December 5<sup>th</sup> meeting.

Since the proposed budget materials were prepared, three additional proposed changes to the budget have been identified:

1) The Volunteer Firefighter's Workers Compensation (01411-6000) policy rates have been set at \$77,057, compared to \$59,000 in the proposed budget, a difference of \$18,057. I had tried to appeal this increase, but was unsuccessful.

2) However, this increase is offset by higher Workers Comp revenues from the partner municipalities served by Goshen Fire Company (01380-0110). Specifically, that revenue line item can be increased to \$39,628 (from \$30,239 in the proposed budget document), a difference of \$9,389. **Collectively, these two line items will add \$8,668 to Township expenses, meaning that the proposed budget now requires \$425,998 from the existing fund balance.**

3) The Park Commission has requested that instead of spending \$25,000 in 2018 from the Bond Fund for ADA-related improvements to the amphitheater, that that allocation be used to pay for plantings and widening the macadam at the football field (as identified in the Park Master Plan) at a cost of \$16,000 and improvements to the basketball courts at a cost of \$9,000 (also identified in the Park MP). Moreover, the Parks Commission is recommending that the Amphitheater project be deferred until 2019. While this change is budget neutral in 2018, by repurposing the money, there will not be bond fund money available for this portion of the amphitheater project. As a result, the Board will need to discuss whether this expense can be borne by the Capital Reserve Fund next year.

We look forward to discussing the budget with you and the general public on Tuesday.