

Memo

To: Board of Supervisors
From: Jon Altshul
Re: Consider Adoption of 2020 Budget
Date: November 26, 2019

Since the budget was proposed on November 12 and advertised and in the *Daily Local News* on November 13, it has been necessary to make two small adjustments to the budget:

- 1) Increasing the budget in the General Fund for insurance by \$2,040, from \$192,960 to \$195,000, based on solid rate quotes for our Workers Compensation, Public Officials, and Property and Liability policies, as well as \$ 2 million of coverage for 1st and 3rd party cyber insurance.
- 2) Increasing the sewer fund and refuse fund budgets by \$600 and \$800, respectively, to reflect the proposed \$5 increase in utility certs. This change was discussed at the long-range planning session and will be part of the proposed 2020 fee schedule, but was not originally ground into the proposed budget. Chris estimates that labor and material costs amount to a little less than \$12 per utility cert; therefore, a \$10 combined sewer/refuse cert would better recover the Township's costs, while still remaining competitive with other municipalities (same rate as West Goshen; lower than everyone else, some of whom charge as much as \$25-\$30.) More information will be forthcoming in the memo that accompanies the fee schedule memo.

As you know, the Second Class Township Code only requires re-advertising when the budget changes between the time it is advertised and it is adopted by "no more than ten percent in the aggregate or more than 25 percent in any major category." The change described above amounts to less than 0.02% of the General Fund budget.

Recommended motion: I move that we adopt the 2020 Proposed Budget in the following amounts:

- General Fund expenses and revenues, net of pass throughs, of \$10,997,838, including a \$461,561 transfer from fund balance to balance the budget.
- General Fund pass-through expenses and revenues of \$2,106,900.
- State Liquid Fuel Fund expenses and revenues of \$551,604.
- Capital Reserve Fund expenses of \$3,636,672 and revenues of \$2,208,654.
- Transportation Fund expenses of \$266,600 and revenues of \$4,000.
- Sewer Operating Fund expenses and revenues of \$3,735,274.
- Refuse Fund expenses of \$1,136,729 and revenues of \$1,058,998.
- Bond Fund expenses of \$2,374,901 and revenues of \$56,636.
- Sewer Capital Reserve Fund expenses of \$195,000 and revenues of \$277,000.
- Operating Reserve Fund expenses of \$0 and revenues of \$40,000.

I further move that we approve the 2020 staff salaries as proposed and the Westtown-East Goshen Police Budget, version 4.