

AGENDA
EAST GOSHEN TOWNSHIP
BOARD OF SUPERVISORS
LONG-RANGE BUDGET PLANNING SESSION
Wednesday, June 10 2020, 10:00am

During this tele-conference BOS meeting, public comment will be handled as follows:

- Participants are asked to call in by 9:55 am.
- Participants will be asked to identify themselves when being accepted into the meeting.
- The public will be muted during the meeting when the Board is talking.
- For each agenda item that requires a Board vote, the public will be unmuted and given an opportunity to comment and ask questions.
- Participants wishing to comment must state their name and must speak one at a time.
- Comments or questions can also be submitted via email to info@eastgoshen.org.
- Participants are asked to turn down the volume if they are livestreaming the meeting on YouTube.

1. Call to Order
2. Pledge of Allegiance
3. Moment of Silence
4. Discuss 2021-2030 Budget Forecast and Memo
5. Any Other Matter
6. Public Comment
7. Adjournment

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Memo

To: Board of Supervisors
From: Jon Altshul
Re: June 10, 2020, Long-Range Planning Session
Date: June 5, 2020

Long-Term Projections

As shown in the attached worksheet, I am projecting the Township's General Fund balance, excluding the Operating Reserve Fund, to fall below 20% of revenues—the minimum required under the adopted financial policy—in 2024. When combined with the balance of the Operating Reserve, the combined fund balance will fall below 25% of revenues (i.e. 5% minimum for the Operating Reserve and 20% for the General Fund) in 2026 and run out of money all together in 2028. These dates are one year earlier than was forecast last year.

To clarify, the Township's financial policy requires the Township's General Fund to not fall below 20% of annual revenues and the Operating Reserve Fund to be funded at 5% of revenues.

Summary of Forecasts of Key Economic Indicators

As summarized below, both private sector and public sector economists project the economy will struggle through at least 2021.

| | Final 2020 | 2021 | 2022 and beyond |
|--|--------------------------|-------------------------|-----------------|
| Unemployment | 10.0% (PNC); 11.4% (CBO) | 7.5% (PNC); 10.1% (CBO) | 5.3% (PNC) |
| GDP | -4.9% (PNC); -5.6 (CBO) | 4.8% (PNC); 2.8% (CBO) | 3.6% (PNC) |
| CPI/Inflation | 0.8% (PNC) | 1.5% (PNC) | 3.0% (PNC) |
| Wage growth | 1.3% (PNC) | 1.8% (PNC) | 2.8% (PNC) |
| Home Prices (Case-Schilling) | -3.9% | 4.7% | 4.6% |
| Interest Rates (10-year Treasuries) | 0.94% (PNC); 0.8% (CBO) | 0.97% (PNC); 0.7% (CBO) | 1.26% (PNC) |

Sources: PNC= *National Economic Outlook, PNC Bank, late April 2020*; CBO=*Congressional Budget Office, April 24, 2020 Forecast*

Forecasting Assumptions

Note that I have revised the 2020 forecast to reflect the following adjustments:

- EIT decline of 5%; Transfer Tax decline of 25%; Cable Franchise decline of 3%
- An additional \$100,000 for the Police Arbitration award. The actual figures are not known at this time.
- The implementation of the budget cuts approved by the Board on May 19, 2020
- Miscellaneous savings for selected line items (e.g. snow removal)

| Variable | 2021 | 2022 and beyond |
|--|--|--|
| Inflation | 2% | 2% |
| EIT | 0% (after -5% in 2020) | 3% |
| Cable Franchise | -3% | -3% |
| Police | 3.5% (after \$100,000 increase in 2020) | 3.5% |
| Fire Company Contribution Increase | \$29,624 (plus inflation) | Additional \$66,689 in 2022 only (plus inflationary increases) |
| Salaries (including steps) | 1.5% | 2.5% |
| Health Insurance | 3% (reflecting maximum DVHT rate credit) | 6% (long-term average) |
| Additional Police Capital Contribution | +\$5,000 | +\$5,000 |
| IT/Financial & Permitting System | \$100,000 | - |
| Ponds | \$200,000 (for Bow Tree I) | Additional \$200,000 for Hershey's Mill Estates in 2023 (assumes Pin Oaks and Bow Tree II & III are deferred until after 2030) |
| Miscellaneous new requests* | \$0 | \$0 |

* Historically, I have included a line item for "miscellaneous new requests" to reflect presumed new expenditures (usually about \$100,000 per year). However, this year, I have taken that line item out.

Points of Discussion (note some of these items are included in the forecast, while others are not)

Renewable Energy—Not included in forecast

- Last year, the Township was quoted \$35,000 to install an EV charging station with two plugs (including a new transformer in the basement). This amount is before any state rebate or fees that we might recoup by charging motorists to use the station.
- As a further reminder, the price quote we received for rooftop solar panels on the Public Works Garage was \$100,000-\$150,000 (depending on the size), with a payback period of about 15 years. This would be if the Township owned the panels, but was bank financed (in order to pass the tax credits on to the bank). We do not have a price quote for 3rd party solar ownership (i.e. where a developer installs rooftop panels on our roof and then leases the panels back to us).
- The cost of preparing an RFP for a PPA is \$20,000, which is an expense that could be shared amongst the COG municipalities (EGT's share would likely be about \$4,000); this expense would likely pay itself back from in a matter of months once the PPA is in place.

Fire Company Funding—Included in forecast

- Goshen has requested that the Townships increase their contributions so that municipal funding covers all net operating costs (i.e. after insurance reimbursements, subscriptions, etc), with fundraising, grants and investment income paying for capital costs. This would correspond with a \$500,000 increase in Township contributions, or about \$240,000 from EGT.

- As you'll see, we are at the low-end of per capita fire company contributions (See "2019 Chesco Municipal Fire Contribution Survey").
- As noted above, the forecast assumes a \$29,624 contribution increase in 2021 and an additional \$66,689 increase in 2022, which would put us at about \$25/resident by 2022.
- The logic for this proposal is outlined in the separate memo attached ("Goshen Fire Company Funding")

Comp Plan—Not included in forecast

- While not reflected in the projections, we will need to update the Comprehensive Plan by October 2025, and should probably target a start date of early 2024.
- A County Vision Partnership grant could cover up to 70% of the cost (e.g. a \$70,000 comp plan update would have a net cost of \$21,000)

Amphitheater Band Shell—Not included in forecast

There are still a number of park improvements outlined in Parks, Recreation and Open Space Master Plan that are outstanding. The biggest is probably the band shell for the amphitheater, with an estimated cost of \$65,000. Jason is hopeful that we can get grant funding with a 50% match for this improvement (or \$32,500 net). This expense is not included in the projections.

Trail Connections—Not included in forecast

As a medium-term issue and once Segment B is completed—perhaps by 2022 or 2023—we will need to discuss trail connections with the various neighborhoods. What planning would the Board be interested in undertaking in the next couple of years?

Act 537 Sewer Study—N/A (Sewer Fund)

Act 537 Studies are undertaken in order to plan for future expansions of our sewer infrastructure. We last did one over a decade ago. The Municipal Authority has expressed an interest in undertaking an updated study. The estimated cost is \$30,000 and the state has a grant program that would cover 50% of this cost.

Westtown Way Pump Station—N/A (Sewer Fund)

The West Goshen Sewer Authority still expects to go out to bid on improvements to the Westtown Way Pump Station. 54% of the flows through this pump station come from East Goshen. Our share of the revised cost estimate for this project is about \$600,000 more than what WGSA's engineer originally estimated, and was the basis for our 2017 bond sale. The reason for the overrun is the need make structural modification to the building to facilitate the removal of the pumps.

When coupled with earlier overruns for the "Phase II" improvements (comag and dewatering systems) at WGSTP, the sewer portion of the bond proceeds are around \$900,000 short.

However, WGSA plans to apply for any (as yet unannounced) federal stimulus grants for local governments should there be a Congressional appropriation. If WGSA is successful in securing grants, then we should have sufficient funds in the sewer portion of the bond funds to cover the entire cost. If not, we will need to discuss whether to fund this overage from the Sewer Capital Reserve Fund or via a small bank loan or DelVal note.

Financial/permitting system—Included in forecast

We have used AMS as our financial/permitting system for two decades. For the most part, the system works well and the ongoing service contract is very inexpensive. However, AMS is showing its age, and we have concerns about how the system will be maintained when current AMS management retires. A new system would probably cost about \$100,000 to purchase, which is reflected as a 2021 purchase in the forecast. I would expect it will be relatively straight-forward to migrate data from AMS to a new system, as all of our data can be easily downloaded into a CSV file that can be uploaded into a new system.

What If Scenario

The worksheet titled “What If” shows forecasted year-end fund balances with a 0.3 millage increase (to 1.55 mills) in 2023, a further 0.35 millage increase (to 1.9 mills) in 2026, and a further 0.2 millage increase (to 2.1 mills) in 2028. At these tax rates and with no expense reductions, the Township would more or less maintain a fund balance in line with our financial policies through 2030.

As a simple rule of thumb, each 0.1 mill increase in the real estate tax rate generates about \$160,000 in additional revenue and adds about \$25 to a “typical” homeowner’s real estate bill.

Mill rate of area municipalities

| | |
|-----------------|------|
| Uwchlan | 0.12 |
| Willistown* | 0.28 |
| East Whiteland* | 0.45 |
| West Whiteland | 0.71 |
| East Goshen | 1.25 |
| East Bradford | 1.50 |
| West Goshen | 2.00 |
| Westtown | 3.50 |
| Malvern* | 4.67 |
| West Chester | 6.96 |

**GVSD municipalities do not share 1% EIT with SD*

Annual Planning Session Forecast, 2021-2030

| Account Title | 2017 Actual | 2018 Actual | 2019 Actual | 2020 Adopted | 2020 Restimate | 2021 Estimate | 2022 Estimate | 2023 Estimate | 2024 Estimate | 2025 Estimate | 2026 Estimate | 2027 Estimate | 2028 Estimate | 2029 Estimate | 2030 Estimate | Avg Inc. 2021-2030 |
|--|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|
| BEGINNING GENERAL FUND BALANCE | | | | 5,625,871 | 5,625,871 | 5,264,442 | 4,350,376 | 3,446,477 | 2,227,978 | 1,209,540 | 142,500 | (1,055,758) | (2,384,381) | (3,848,337) | (5,452,037) | |
| POLICE EXPENSES | 4,105,125 | 3,619,463 | 3,802,129 | 3,884,680 | 3,984,680 | 4,127,303 | 4,264,547 | 4,406,356 | 4,433,043 | 4,587,826 | 4,747,962 | 4,913,791 | 5,083,409 | 5,260,567 | 5,443,925 | 3.2% |
| OTHER EMERGENCY SERVICE EXPENSES | 438,562 | 467,386 | 466,809 | 495,253 | 495,253 | 533,140 | 608,851 | 619,386 | 630,132 | 641,093 | 652,274 | 663,678 | 675,310 | 687,174 | 699,276 | 3.6% |
| PUBLIC WORKS EXPENSES | 2,418,979 | 2,351,731 | 2,415,961 | 2,760,338 | 2,413,506 | 2,660,609 | 2,697,363 | 2,760,133 | 2,824,644 | 2,890,954 | 2,959,127 | 3,029,229 | 3,101,328 | 3,175,495 | 3,251,806 | 3.1% |
| ADMINISTRATION EXPENSES | 1,809,400 | 1,866,537 | 1,967,497 | 1,900,680 | 1,841,440 | 1,999,638 | 1,992,729 | 2,039,258 | 2,087,099 | 2,136,298 | 2,183,771 | 2,232,640 | 2,286,088 | 2,341,099 | 2,397,732 | 2.7% |
| ZONING/PERMITS/CODES EXPENSES | 424,069 | 504,160 | 513,453 | 522,011 | 467,370 | 510,896 | 526,109 | 541,348 | 557,149 | 573,535 | 590,534 | 608,172 | 626,479 | 645,485 | 665,223 | 3.6% |
| PARK AND RECREATION EXPENSES | 675,456 | 828,595 | 819,400 | 881,005 | 690,846 | 859,664 | 660,691 | 877,630 | 695,099 | 713,121 | 731,715 | 750,906 | 770,718 | 789,470 | 810,556 | 2.9% |
| TOTAL CORE FUNCTION EXPENSES | 9,871,591 | 9,637,873 | 9,985,249 | 10,443,967 | 9,893,095 | 10,691,250 | 10,750,291 | 11,244,112 | 11,227,166 | 11,542,827 | 11,865,384 | 12,198,416 | 12,543,330 | 12,899,289 | 13,268,517 | 3.0% |
| POLICE REVENUES | 42,127 | 45,703 | 32,995 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 38,000 | 0.0% |
| OTHER EMERGENCY SERVICES REVENUES | 26,903 | 29,646 | 40,380 | 33,905 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 0.0% |
| PUBLIC WORKS REVENUES | 940,177 | 1,038,912 | 1,047,735 | 1,000,284 | 1,000,284 | 1,020,298 | 1,013,831 | 1,032,487 | 1,051,517 | 1,070,927 | 1,090,725 | 1,110,919 | 1,131,517 | 1,152,527 | 1,173,957 | 1.6% |
| ADMINISTRATION REVENUES | 376,317 | 377,800 | 373,542 | 318,829 | 319,129 | 415,982 | 346,441 | 352,010 | 357,692 | 363,487 | 369,400 | 375,431 | 381,584 | 387,861 | 181,145 | -2.8% |
| ZONING/PERMITS/CODES REVENUES | 262,958 | 298,142 | 310,601 | 272,870 | 250,870 | 278,211 | 283,658 | 289,214 | 294,881 | 300,662 | 306,559 | 312,573 | 318,707 | 324,965 | 331,347 | 2.9% |
| PARK AND RECREATION REVENUES | 152,067 | 125,444 | 132,546 | 132,620 | 132,620 | 135,032 | 137,493 | 140,003 | 142,563 | 145,174 | 147,838 | 150,554 | 153,326 | 156,152 | 159,035 | 1.8% |
| TOTAL CORE FUNCTION REVENUES | 1,800,549 | 1,915,647 | 1,937,799 | 1,796,508 | 1,774,903 | 1,921,523 | 1,853,423 | 1,885,715 | 1,918,653 | 1,952,250 | 1,986,521 | 2,021,478 | 2,057,134 | 2,093,505 | 1,917,485 | 0.9% |
| NET POLICE | 4,062,999 | 3,573,761 | 3,769,134 | 3,846,680 | 3,946,680 | 4,089,303 | 4,226,547 | 4,368,356 | 4,395,043 | 4,549,826 | 4,709,962 | 4,875,791 | 5,045,409 | 5,222,567 | 5,405,925 | 3.2% |
| NET OTHER EMERGENCY SERVICES | 411,660 | 437,740 | 426,429 | 461,348 | 461,253 | 499,140 | 574,851 | 585,386 | 596,132 | 607,093 | 618,274 | 629,678 | 641,310 | 653,174 | 665,276 | 3.8% |
| NET PUBLIC WORKS | 1,478,803 | 1,312,819 | 1,368,225 | 1,760,054 | 1,413,222 | 1,640,310 | 1,683,533 | 1,727,646 | 1,773,127 | 1,820,027 | 1,868,402 | 1,918,310 | 1,969,811 | 2,022,968 | 2,077,848 | 4.0% |
| NET ADMINISTRATION | 1,433,083 | 1,488,737 | 1,593,955 | 1,581,851 | 1,522,311 | 1,583,656 | 1,646,288 | 1,687,247 | 1,729,407 | 1,772,810 | 1,814,372 | 1,857,209 | 1,904,504 | 1,953,238 | 2,216,587 | 3.9% |
| NET ZONING/PERMITS/CODES | 161,110 | 206,018 | 202,852 | 249,141 | 216,500 | 232,686 | 242,451 | 252,134 | 262,268 | 272,873 | 283,975 | 295,599 | 307,771 | 320,520 | 333,876 | 4.4% |
| NET PARK AND RECREATION | 523,388 | 703,151 | 686,854 | 748,385 | 558,226 | 724,632 | 523,198 | 737,627 | 552,536 | 567,946 | 583,878 | 600,352 | 617,392 | 633,317 | 651,521 | 3.5% |
| CORE FUNCTION NET SUBTOTAL | 8,071,042 | 7,722,226 | 8,047,450 | 8,647,459 | 8,118,192 | 8,769,727 | 8,896,868 | 9,358,397 | 9,308,513 | 9,590,577 | 9,878,863 | 10,176,939 | 10,486,196 | 10,805,784 | 11,351,033 | 3.4% |
| DEBT - PRINCIPAL | 521,000 | 549,000 | 574,000 | 349,999 | 349,999 | 349,999 | 362,998 | 376,999 | 392,000 | 320,000 | 330,000 | 335,000 | 340,000 | 350,000 | 355,000 | 0.4% |
| DEBT - INTEREST | 147,380 | 249,459 | 226,397 | 203,872 | 203,872 | 188,758 | 173,076 | 156,789 | 141,400 | 135,000 | 128,400 | 121,700 | 114,475 | 102,163 | 92,250 | -7.6% |
| TOTAL DEBT SERVICE | 668,380 | 798,459 | 800,397 | 553,871 | 553,871 | 538,757 | 536,074 | 533,788 | 533,400 | 455,000 | 458,400 | 456,700 | 454,475 | 452,163 | 447,250 | -2.0% |
| TOTAL CORE FUNCTION NET | 8,739,422 | 8,520,685 | 8,847,847 | 9,201,330 | 8,672,063 | 9,308,484 | 9,432,942 | 9,892,185 | 9,841,913 | 10,045,577 | 10,337,263 | 10,633,639 | 10,940,671 | 11,257,947 | 11,798,283 | 3.1% |
| NON-CORE FUNCTION REVENUE | | | | | | | | | | | | | | | | |
| EARNED INCOME TAXES | 4,979,900 | 4,966,732 | 5,024,881 | 5,130,800 | 4,874,260 | 4,874,260 | 5,020,488 | 5,171,102 | 5,326,236 | 5,486,023 | 5,650,603 | 5,820,121 | 5,994,725 | 6,174,567 | 6,359,804 | 2.7% |
| REAL ESTATE PROPERTY TAX | 2,028,636 | 2,048,178 | 2,047,411 | 2,042,779 | 2,032,779 | 2,042,779 | 2,042,780 | 2,042,781 | 2,042,782 | 2,042,783 | 2,042,784 | 2,042,785 | 2,042,786 | 2,042,787 | 2,042,788 | 0.0% |
| REAL ESTATE TRANSFER TAX | 1,209,969 | 735,107 | 797,672 | 650,000 | 487,500 | 585,000 | 596,700 | 608,634 | 620,807 | 633,223 | 645,887 | 658,805 | 671,981 | 685,421 | 699,129 | 3.8% |
| CABLE TV FRANCHISE TAX | 476,562 | 458,973 | 447,511 | 457,200 | 457,200 | 443,484 | 430,179 | 417,274 | 404,756 | 392,613 | 380,835 | 369,410 | 358,327 | 347,578 | 0 | -12.7% |
| LOCAL SERVICES TAX | 344,447 | 339,829 | 337,315 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 345,000 | 0.0% |
| OTHER INCOME | 69,695 | 119,966 | 142,412 | 113,895 | 113,895 | 103,895 | 93,895 | 88,895 | 83,895 | 78,895 | 73,895 | 68,895 | 63,895 | 58,895 | 53,895 | -7.2% |
| TOTAL NON CORE FUNCTION REVENUE | 9,109,208 | 8,668,785 | 8,797,200 | 8,739,674 | 8,310,634 | 8,394,418 | 8,529,042 | 8,673,687 | 8,823,475 | 8,978,537 | 9,139,004 | 9,305,016 | 9,476,715 | 9,654,247 | 9,500,616 | 1.4% |
| NET RESULT | 369,786 | 148,100 | (50,647) | (461,656) | (361,429) | (914,066) | (903,899) | (1,218,498) | (1,018,438) | (1,067,040) | (1,198,259) | (1,328,622) | (1,463,956) | (1,603,700) | (2,297,667) | |
| ENDING GENERAL FUND BALANCE | | | | 5,164,216 | 5,264,442 | 4,350,376 | 3,446,477 | 2,227,978 | 1,209,540 | 142,500 | (1,055,758) | (2,384,381) | (3,848,337) | (5,452,037) | (7,749,704) | |
| ENDING GENERAL FUND & OPERATING RESERVE BALANCE | | | | 7,860,566 | 6,946,500 | 6,042,601 | 4,824,102 | 3,805,664 | 2,738,624 | 1,540,366 | 211,743 | (1,252,213) | (2,855,913) | (5,153,580) | | |
| ENDING FUND BALANCE AS % OF REVENUE | | | | 47.0% | 50.4% | 38.7% | 30.5% | 18.9% | 10.3% | 1.2% | -8.6% | -18.8% | -29.6% | -40.8% | -56.5% | |
| ENDING GENERAL FUND & OPERATING RESERVE BALANCE AS % OF REVENUE | | | | 77.9% | 67.3% | 58.2% | 45.7% | 35.4% | 25.1% | 13.8% | 1.9% | -10.9% | -24.3% | -45.1% | | |

Memo

To: East Goshen BOS
 From: Jon Altshul
 Re: Goshen Fire Company Funding
 Date: May 29, 2020

The Goshen Fire Company has convened two meetings with Township staff and elected officials since late 2019 to discuss municipal funding levels. In the medium-term, Goshen faces a cash crunch as expenses exceed revenues. Moreover, on a per capita basis, Goshen's municipal contributions are on the low end of area Fire/EMS companies. In 2020, Goshen expects \$593,394 in municipal contributions or about \$17 per capita.

Goshen had requested that the municipalities increase contributions so that Goshen's net operating costs are fully municipally-supported, leaving donations and special events to pay for capital costs.

Goshen FC Funding Proposal

| | 2020 Budgeted | 2021 Requested | 2022 Requested (est.) | 2023 Requested (est.) | 2024 Requested (est.) |
|--------------------------------------|--------------------------|---------------------------|----------------------------------|----------------------------------|----------------------------------|
| Total Municipal Contributions | \$593,324 | \$873,799 | \$1,125,660 | \$1,351,043 | \$1,459,127 |
| \$ Increase | - | \$280,475 | \$251,861 | \$125,306 | \$100,077 |
| % Increase | - | 47% | 29% | 11% | 8% |

Given the current crisis, staff agrees that increases of this magnitude are not feasible. Moreover, staff also agreed that linking municipal contributions to net operating costs could set a dangerous precedent. Instead, staff would propose more modest increases—approximately half of what was requested in 2021 and 2022, with long-term increases tied to CPI.

Municipal Staff Proposal

| | 2020 Budgeted | 2021 Staff Proposal | 2022 Staff Proposal | 2023 Staff Proposal | 2024 Staff Proposal |
|--------------------------------------|--------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Total Municipal Contributions | \$593,324 | \$730,190 | \$869,794 | \$887,190 | \$904,934 |
| \$ Increase | - | \$136,866 | \$139,604 | \$17,396 | \$17,744 |
| % Increase | - | 23.1% | 19.1% | 2.0% | 2.0% |

*i.e. \$125,000 aggregate increase in 2021 & 2022, plus 2% assumed CPI. 2022 funding levels would equal \$25 per capita

Staff also agrees that costs should be apportioned based on calls for service and real estate valuations, which is the formula used by the West Chester Fire Department, to take effect in 2021.

Municipal Staff Allocation Proposal

| | Assessments % | Calls '17-'19 % | Total % | 2020 Budgeted | 2021 Staff Proposal | 2022 Staff Proposal |
|--------------------|--------------------------|----------------------------|--------------------|--------------------------|--------------------------------|--------------------------------|
| East Goshen | 47.5% | 48.0% | 47.8% | \$319,191 | \$348,815 | \$415,504 |
| West Goshen | 27.0% | 32.1% | 29.5% | \$126,000 | \$215,532 | \$256,739 |
| Westtown | 18.9% | 11.8% | 15.3% | \$92,381 | \$111,565 | \$132,895 |
| Willistown | 6.5% | 8.3% | 7.4% | \$55,752 | \$54,279 | \$64,657 |

Board Action Steps

Staff requests guidance from their respective Boards about whether the staff funding proposal is appropriate and/or whether additional analysis is needed.

2019 Chesco Municipal Fire Contribution Survey

| MUNICIPALITY | CONTRIBUTION TYPE | AMOUNT (2019) | Population | Cost per resident | NOTES/COMMENTS |
|----------------------------------|-------------------------------------|------------------|------------|----------------------|--|
| <u>Atsien Borough</u> | <i>Christiana Fire Co.</i> | \$ 15,750.00 | | | |
| | <i>Fire WC</i> | \$ 3,900.00 | | | |
| | <i>Christiana Ambulance</i> | \$ 2,400.00 | | | |
| | <i>Ambulance WC</i> | \$ 170.00 | | | |
| | | \$ 22,220.00 | 1,408 | \$ 15.78 | |
| <u>Borough of Kennett Square</u> | <i>Regional fire commission</i> | \$ 250,000.00 | 6,195 | \$ 40.36 | <i>This figure does not include fire relief or debt service on previous capital purchases</i> |
| <u>East Brandywine Twp.</u> | <i>East Brandywine Fire Co.</i> | \$ 222,900.00 | | | <i>0.42 mil Fire Tax = \$281,300 (will segregate into Special Revenue Fund for 2020) Partially reimbursed by West Brandywine and Upper Uwchlan based on call volume distribution</i> |
| | <i>Worker's Comp.</i> | \$ 18,000.00 | | | |
| | <i>Gasoline and diesel</i> | \$ 10,000.00 | | | |
| | <i>Fire Hydrant rental</i> | \$ 35,000.00 | | | |
| | <i>Minqas Ambulance</i> | \$ 4,500.00 | | | |
| | <i>Westwood Ambulance</i> | \$ 4,500.00 | | | |
| | | \$ 294,900.00 | 8,826 | \$ 33.41 | |
| <u>East Coventry Twp.</u> | <i>Ridge Fire Co.</i> | \$ 15,000.00 | | | |
| | <i>Worker's Comp.</i> | \$ 29,000.00 | | | |
| | <i>Vehicle Insurance</i> | \$ 15,800.00 | | | |
| | | \$ 59,800.00 | 6,761 | \$ 8.84 | |
| <u>East Fallowfield Twp.</u> | <i>Fire Cos. subsidies</i> | \$ 100,000.00 | | | |
| | <i>Fire Relief Assoc. subsidies</i> | \$ 46,000.00 | | | |
| | <i>EMS Cos. Subsidies</i> | \$ 132,800.00 | | | |
| | <i>Modena (capital)</i> | \$ 20,000.00 | | | |
| | <i>Capital reserve</i> | \$ 57,500.00 | | | |
| | | \$ 356,300.00 | 7,575 | \$ 47.04 | |
| <u>East Goshen Twp.</u> | <i>Goshen Fire Co.</i> | \$ 309,841.00 | | | <i>Provide fire and BLS (serve about 90% of Twp.); also split the cost of WC with other munis. Provide fire and BLS (serve about 10% of Twp.) In addition, for 2020, \$13,913 was contributed to Good Fellowship</i> |
| | <i>Malvern Fire Co.</i> | \$ 13,694.00 | | | |
| | | \$ 323,535.00 | 18,207 | \$ 17.77 | |
| <u>East Pikeland Twp.</u> | <i>Kimberton Fire Co.</i> | \$ 62,000.00 | | | <i>Also pay liability insurance for vehicles</i> |
| | <i>Worker's Comp.</i> | \$ 8,000.00 | | | |
| | | \$ 70,000.00 | 7,327 | \$ 9.55 | |
| <u>East Vincent Twp.</u> | <i>Various</i> | \$ 24,000.00 | 7,327 | \$ 3.28 | <i>Sum of contributions to three outside volunteer fire cos. that service the Twp. No fire tax.</i> |
| <u>East Whiteland Twp.</u> | <i>East Whiteland Fire Co.</i> | \$ 155,000.00 | 12,402 | \$ 12.50 | <i>In addition to paid career FF/EMTs with a budget of \$1.9M Twp. made one-time contribution for equipment in 2018 of \$300,000</i> |

| | | | | | | |
|---------------------------|---------------------------------|---------------|--------|-------|-------|--|
| <u>Easttown Twp.</u> | Paoli Fire Co. | \$ 96,500.00 | | | | |
| | Berwyn Fire Co. | \$ 299,500.00 | | | | |
| | | \$ 396,000.00 | 10,646 | \$ | 37.20 | |
| <u>Malvern Boro</u> | Malvern Fire Co. | \$ 115,000.00 | 3,445 | \$ | 33.38 | <i>Provides fire and EMS (2019 budget figure)</i> |
| <u>New Garden Twp.</u> | Avondale Fire Co. (operating) | \$ 195,400.00 | | | | |
| | Avondale Fire Co. (fuel) | \$ 8,000.00 | | | | |
| | Avondale Fire Co. (WC) | \$ 25,000.00 | | | | |
| | Avondale Ambulance (operating) | \$ 112,700.00 | | | | |
| | Medic 94 (operating) | \$ 81,000.00 | | | | |
| | \$ 422,100.00 | 12,150 | \$ | 34.74 | | |
| <u>Oxford Borough</u> | Union Fire Co. | \$ 59,411.47 | | | | |
| | Ambulance division | \$ 36,797.00 | | | | |
| | Southern Chester County EMS | \$ 18,396.00 | | | | |
| | \$ 114,604.47 | 5,572 | \$ | 20.57 | | |
| <u>Parkesburg Borough</u> | Keystone Valley | \$ 146,657.93 | 3,920 | \$ | 37.41 | <i>1.1 mil Fire Tax (fire and BLS service)</i> |
| <u>Pennsburv Twp.</u> | Longwood Fire Co. | \$ 235,883.00 | 3,657 | \$ | 64.50 | <i>Provide fire and ambulance to 100% of Twp. (part of regional fire commission)</i> |
| <u>Phoenixville</u> | Fire | \$ 894,940.00 | 16,957 | \$ | 52.78 | <i>2020 Budget figure</i> |
| <u>Schuylkill Twp.</u> | Valley Forge Volunteer Fire Co. | \$ 200,000.00 | | | | <i>2019 contribution (VFVFC requesting \$280,000 for 2020)</i> |
| | Fire Capital reserve | \$ 200,000.00 | | | | <i>Twp.-held account, funds released upon request (usually a year in advance)</i> |
| | Fire WC | \$ 20,000.00 | | | | |
| | Ambulance WC | \$ 40,000.00 | | | | |
| | | \$ 460,000.00 | 8,641 | \$ | 53.23 | |
| <u>Tredyffrin Twp.</u> | Paoli (operating) | \$ 184,800.00 | | | | |
| | Paoli (capital) | \$ 75,000.00 | | | | |
| | Berwyn (operating) | \$ 184,800.00 | | | | |
| | Berwyn (capital) | \$ 100,000.00 | | | | |
| | Berwyn (ALS) | \$ 149,000.00 | | | | |
| | Radnor (operating) | \$ 32,000.00 | | | | |
| | \$ 725,600.00 | 29,504 | \$ | 24.59 | | |
| <u>Vallev Twp.</u> | Fire | \$ 132,000.00 | | | | <i>0.35 mil Fire tax (also pay WC and gas)</i> |
| | Fire Capital Fund | \$ 30,000.00 | | | | |
| | EMS | \$ 171,500.00 | | | | <i>0.45 mil EMS tax (also pay WC and gas)</i> |
| | EMS Capital Fund | \$ 30,000.00 | | | | |
| | \$ 363,500.00 | 6,794 | \$ | 53.50 | | |
| <u>West Goshen Twp.</u> | Goshen Fire | \$ 126,000.00 | | | | |
| | West Chester Fire Co. | \$ 386,000.00 | | | | |
| | | \$ 512,000.00 | 23,009 | \$ | 22.25 | |

West Whiteland Twp.

| | |
|----------------------------------|---------------|
| <i>West Whiteland Fire Co.</i> | \$ 118,000.00 |
| <i>Equip. replacement fund</i> | \$ 170,000.00 |
| <i>Uwchlan Ambulance</i> | \$ 16,500.00 |
| <i>Good Fellowship Ambulance</i> | \$ 6,000.00 |
| | <hr/> |

\$ 310,500.00

18,381 \$ 16.89

For fire equipment and vehicles

Willistown Twp.

| | |
|----------------|---------------|
| <i>Malvern</i> | \$ 143,290.00 |
| <i>Paoli</i> | \$ 104,070.00 |
| <i>Goshen</i> | \$ 54,128.00 |
| <i>Newtown</i> | \$ 20,511.00 |
| | <hr/> |

\$ 321,999.00

10,991 \$ 29.30

What If Scenario--Real Estate Tax Increases

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|------------|------------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|
| Ending Fund Balance | 5,264,442 | 4,350,376 | 3,446,477 | 2,707,978 | 2,169,540 | 1,582,500 | 1,424,242 | 1,135,619 | 1,031,663 | 787,963 | (149,704) |
| Ending Fund Balance (with Operative Reserve) | 7,860,566 | 6,946,500 | 6,042,601 | 5,304,102 | 4,765,664 | 4,178,624 | 4,020,366 | 3,731,743 | 3,627,787 | 3,384,087 | 2,446,420 |
| General Fund Balance as % of Revenues | 52.2% | 42.2% | 33.2% | 25.6% | 20.2% | 14.5% | 12.8% | 10.0% | 8.9% | 6.7% | -1.3% |
| General Fund & Operating Reserve Balance as % of Revenues | 77.9% | 67.3% | 58.2% | 50.2% | 44.4% | 38.2% | 36.1% | 32.9% | 31.5% | 28.8% | 21.4% |
| Mill rate | 1.25 mills | 1.25 mills | 1.25 mills | 1.55 mills | 1.55 mills | 1.55 mills | 1.9 mills | 1.9 mills | 2.1 mills | 2.1 mills | 2.1 mills |