

East Goshen Township

Long Range Planning Session

For presentation to the Board of Supervisors on June 21, 2022



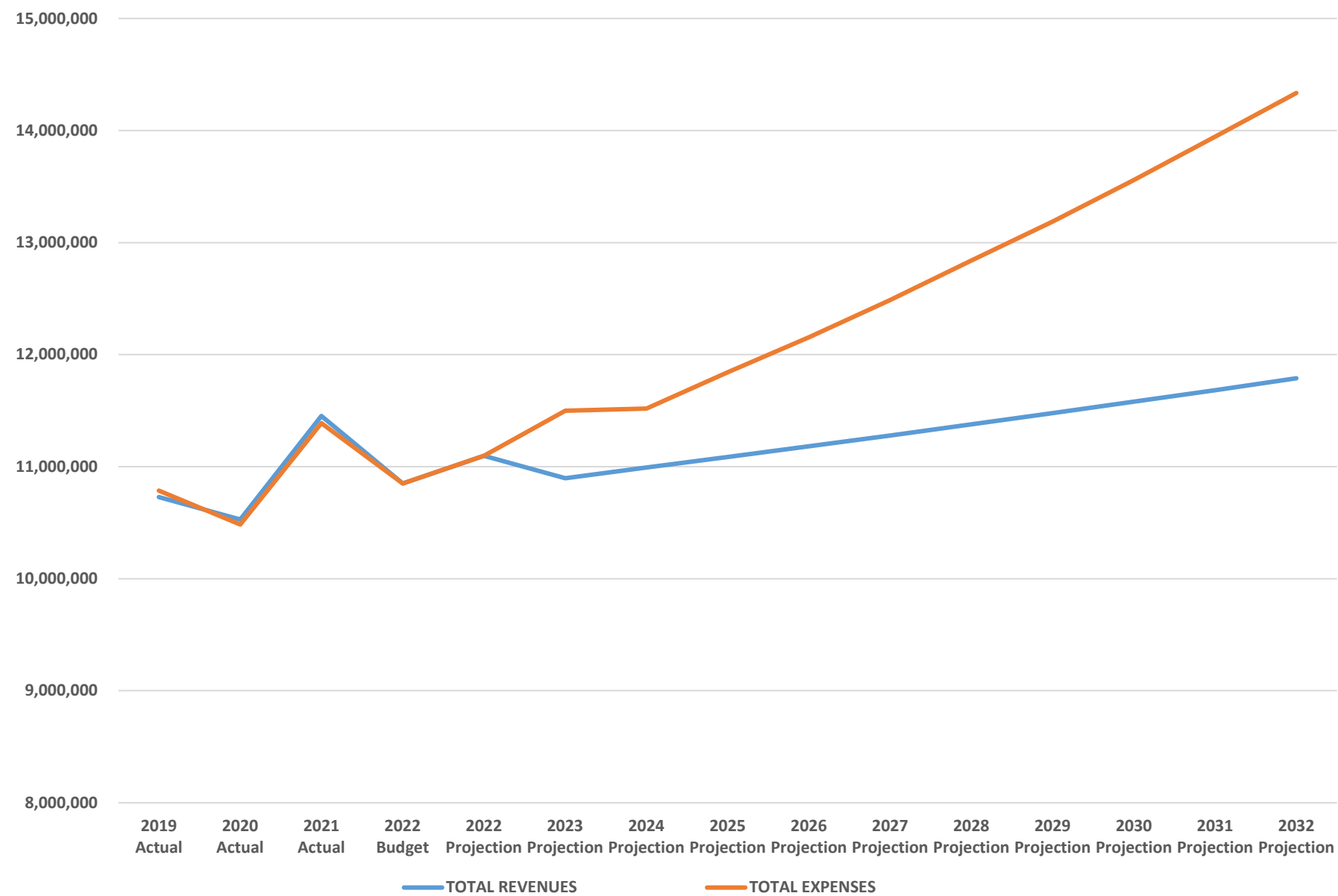
General Fund: Revenue & Expense Drivers

- Revenue
 - EIT in 2022 is projected 4% below 2021 and 5% above the 2022 Adopted Budget; 2023 EIT is projected 3.0% lower than 2022 Projection, then increase 1.5% annually from 2024 onward.
 - This fluctuation is based on variable collection campaigns from Keystone Collections, coupled with forecasted consistent wage growth.
 - RE Property Tax and Local Services Tax is projected to be flat 2023 and beyond, unless a millage increase is implemented.
 - RE Transfer Tax assumes \$150M annual sale value, or flat with 2022 Budget and Projection, for 2023 and beyond.
 - Building Permit (Public Safety) revenue is projected to decrease by 5.5% in 2023, then remain relatively flat. The final \$25K Applebrook Spray Irrigation Loan payment was received in 2022.
- Expense
 - Wages projected at 3% in 2023, then 2% in 2023 and beyond.
 - Public Safety (Goshen Fire, Malvern Fire, Good Fellowship EMS, WEGO) projected 5.5% increase in 2023 and 3.5% annually 2024 and beyond. This is an average increase of roughly \$200K annually.
 - Insurance Premiums are projected to increase 6% annually. Staff is investigating possible savings.
 - Note: The forecast does not include projects to be shown on upcoming slides. These additional project costs are current estimates, \$5.9M of which would need to come from the General Fund, Capital Reserve Fund, or Infrastructure Fund. These projects do not include additional emergencies that may arise, nor ongoing Pond/Retention Basin and other infrastructure maintenance. Staff needs to gather updated information on timing and possible additional grant monies available.

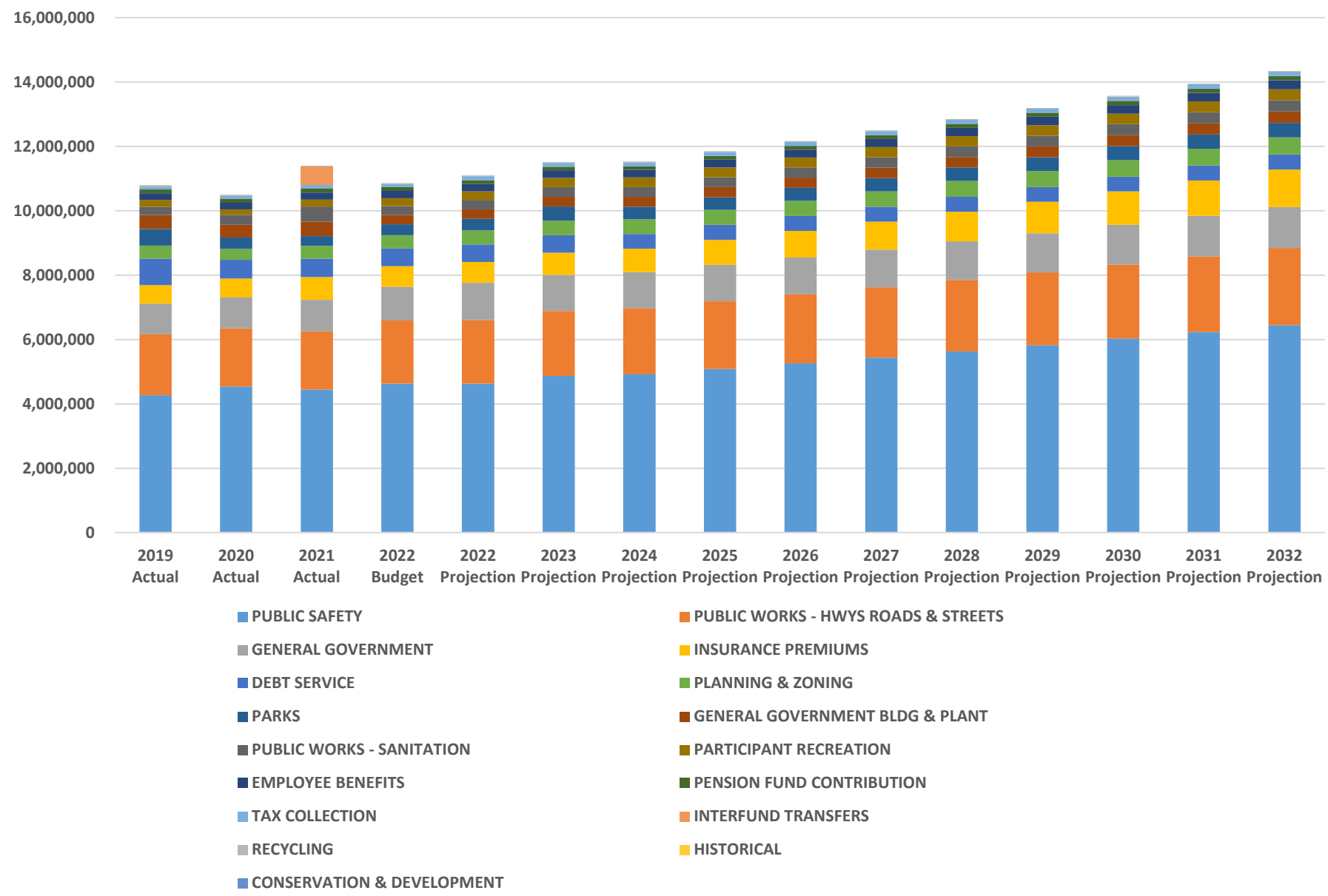
General Fund: Long Range Plan – 10 Year Projection

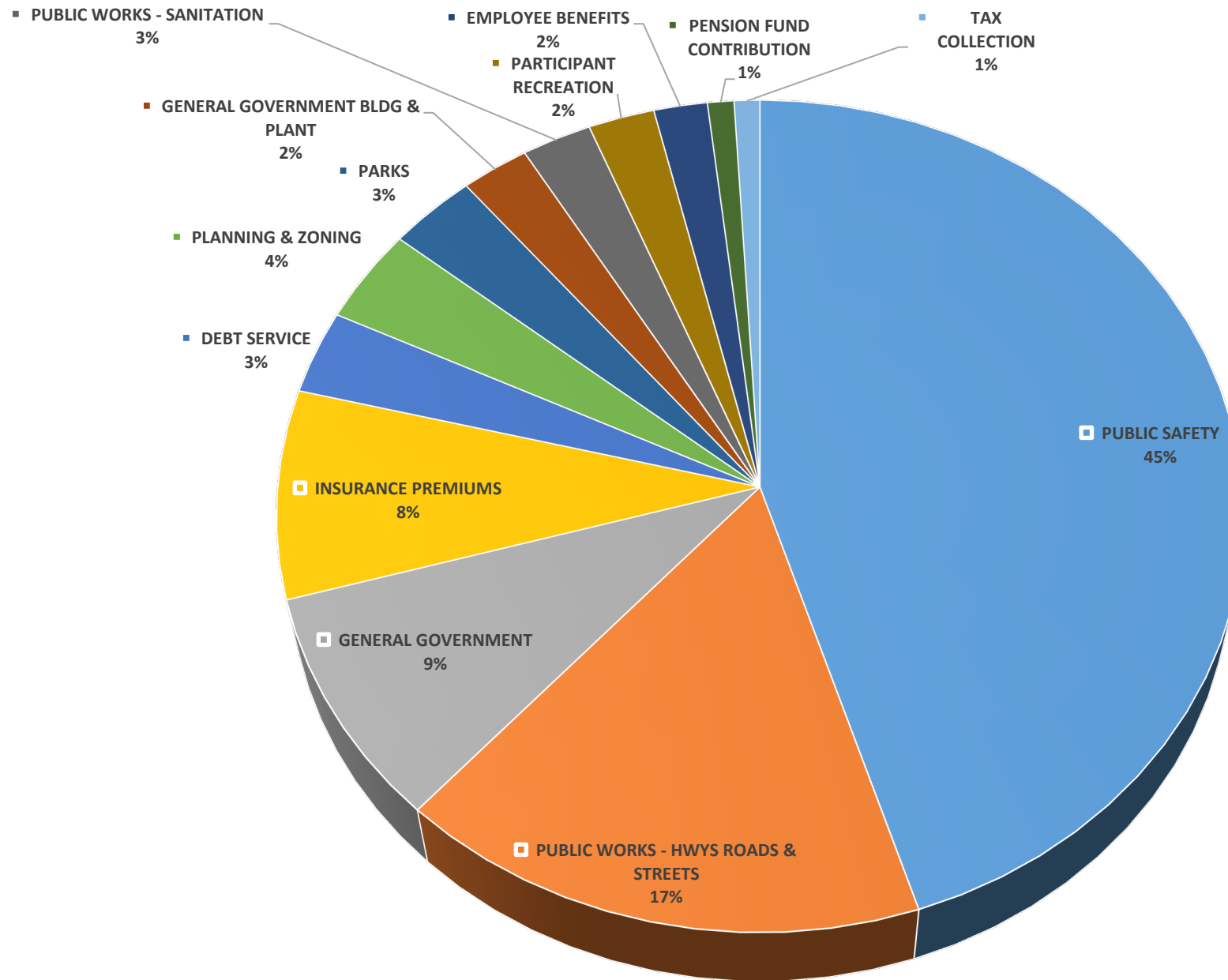
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2022 Proj	2023 Proj	2024 Proj	2025 Proj	2026 Proj	2027 Proj	2028 Proj	2029 Proj	2030 Proj	2031 Proj	2032 Proj	Avg Increase
REVENUES																
LOCAL ENABLING TAXES	8,202,943	8,080,935	8,984,667	8,408,136	8,547,716	8,400,494	8,478,498	8,557,126	8,636,933	8,717,937	8,800,158	8,883,617	8,968,332	9,054,324	9,141,614	0.7%
LICENSE & PERMITS	459,700	442,473	440,810	432,733	440,456	442,461	441,386	440,314	439,245	438,178	437,114	436,052	434,993	433,937	432,883	-0.2%
FINES	63,695	54,742	45,121	57,000	58,323	55,470	53,377	53,515	53,656	53,797	53,940	54,084	54,230	54,378	54,526	-0.7%
INTEREST EARNINGS	123,517	59,687	2,750	3,500	5,995	30,000	30,600	31,212	31,836	32,473	33,122	33,785	34,461	35,150	35,853	41.8%
RENTS	99,162	100,120	101,273	103,068	103,067	103,073	104,907	106,777	108,685	110,631	112,616	114,640	116,705	118,811	120,960	1.6%
STATE SHARED REVENUE & ENTITLEMENT	131,901	137,090	132,289	120,903	121,483	121,183	121,183	121,183	121,183	121,183	121,183	121,183	121,183	121,183	121,183	0.0%
GENERAL GOVERNMENT	35,308	33,693	29,563	31,600	18,868	27,700	28,200	28,710	29,230	29,761	30,302	30,854	31,417	31,991	32,577	6.3%
PUBLIC SAFETY	301,101	286,558	338,687	306,064	392,658	351,380	351,380	351,380	351,380	351,380	351,380	351,380	351,380	351,380	351,380	-1.1%
HIGHWAY & STREETS	2,616	825	6,452	5,026	2,666	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-0.6%
CULTURE & RECREATION	132,546	84,670	145,109	173,361	183,435	177,123	180,666	184,279	187,965	191,724	195,558	199,469	203,459	207,528	211,679	1.5%
MISCELLANEOUS REVENUE	179,377	213,267	162,702	148,146	208,300	130,648	131,148	131,653	132,163	132,678	133,199	133,724	134,255	134,791	135,332	-3.4%
INTERFUND OPERATING TRANSFERS	996,661	1,035,173	1,064,056	1,060,871	1,014,732	1,054,500	1,068,000	1,077,270	1,086,725	1,096,370	1,106,207	1,116,241	1,126,476	1,136,916	1,147,564	1.2%
TOTAL REVENUES	10,728,525	10,529,234	11,453,479	10,850,407	11,097,699	10,896,533	10,991,845	11,085,920	11,181,501	11,278,612	11,377,280	11,477,531	11,579,392	11,682,890	11,788,052	0.6%
EXPENSES																
GENERAL GOVERNMENT	956,974	957,409	979,121	1,045,226	1,157,132	1,120,243	1,114,433	1,140,105	1,153,015	1,173,184	1,200,135	1,214,084	1,235,453	1,263,755	1,278,812	1.0%
TAX COLLECTION	88,880	93,412	119,639	86,044	130,313	114,692	116,531	118,320	120,137	121,982	123,855	125,757	127,689	129,650	131,642	0.2%
GENERAL GOVERNMENT BLDG & PLANT	434,034	396,011	451,488	295,806	294,336	302,291	309,095	313,767	318,532	323,393	328,351	333,408	338,566	343,827	349,194	1.7%
PUBLIC SAFETY	4,268,886	4,545,069	4,444,762	4,632,242	4,632,370	4,874,953	4,915,612	5,085,204	5,260,670	5,442,165	5,628,651	5,823,097	6,024,280	6,232,435	6,446,954	3.4%
PLANNING & ZONING	409,591	341,646	395,445	413,816	430,091	443,420	453,172	462,235	471,480	480,909	490,528	500,338	510,345	520,552	530,963	2.1%
RECYCLING	26,884	13,619	13,760	14,853	14,853	14,976	15,086	15,162	15,239	15,317	15,397	15,479	15,562	15,647	15,734	0.6%
PUBLIC WORKS - SANITATION	251,043	312,252	469,210	274,529	289,520	298,642	305,518	311,628	317,861	324,218	330,703	337,317	344,063	350,944	357,963	2.1%
PUBLIC WORKS - HWYS ROADS & STREETS	1,891,499	1,803,605	1,812,565	1,962,633	1,970,679	2,013,059	2,062,449	2,101,198	2,140,722	2,181,037	2,222,158	2,264,101	2,306,883	2,350,520	2,395,031	2.0%
PARTICIPANT RECREATION	217,436	172,411	215,389	239,375	269,632	291,204	296,676	301,691	306,807	312,025	317,348	322,777	328,314	333,963	339,724	2.4%
PARKS	515,075	349,221	304,147	337,783	362,514	445,130	388,719	395,993	403,413	410,981	418,701	426,575	434,607	442,799	451,155	2.5%
CONSERVATION & DEVELOPMENT	1,398	378	471	4,886	4,900	750	750	750	750	750	750	750	750	750	750	-8.5%
HISTORICAL	4,034	1,110	914	2,248	1,249	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	-2.0%
DEBT SERVICE	824,658	578,190	576,090	550,075	550,273	548,789	461,400	465,000	463,400	461,700	464,475	461,600	462,725	461,775	465,525	-1.5%
PENSION FUND CONTRIBUTION	119,422	123,835	136,373	126,000	118,277	113,300	115,566	117,877	120,235	122,640	125,092	127,594	130,146	132,749	135,404	1.4%
INSURANCE PREMIUMS	570,106	591,722	701,393	638,147	648,597	687,513	728,763	772,489	818,838	867,969	920,047	975,250	1,033,765	1,095,791	1,161,538	6.0%
EMPLOYEE BENEFITS	205,727	204,178	213,833	226,746	222,964	229,653	234,246	238,931	243,710	248,584	253,556	258,627	263,799	269,075	274,457	2.1%
INTERFUND TRANSFERS	0	0	554,822	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL EXPENSES	10,785,646	10,484,069	11,389,421	10,850,407	11,097,699	11,499,616	11,519,017	11,841,351	12,155,808	12,487,853	12,840,744	13,187,752	13,557,945	13,945,231	14,335,845	2.6%
NET RESULTS FROM OPERATIONS	(57,121)	45,164	64,058	(0)	(0)	(603,082)	(527,172)	(755,431)	(974,308)	(1,209,241)	(1,463,464)	(1,710,221)	(1,978,554)	(2,262,342)	(2,547,792)	
ENDING GENERAL FUND BALANCE				5,739,288	5,739,288	5,136,205	4,609,034	3,853,603	2,879,295	1,670,054	206,590	(1,503,631)	(3,482,185)	(5,744,527)	(8,292,319)	
ENDING GENERAL FUND & OPERATING RESERVE BALANCE				7,274,751	7,274,751	6,671,668	6,144,497	5,389,066	4,414,758	3,205,517	1,742,053	31,832	(1,946,722)	(4,209,064)	(6,756,856)	
ENDING FUND BALANCE AS % OF REVENUE				52.9%	51.7%	47.1%	41.9%	34.8%	25.8%	14.8%	1.8%	-13.1%	-30.1%	-49.2%	-70.3%	
ENDING GENERAL FUND & OPERATING RESERVE BALANCE AS % OF REVENUE				67.0%	65.6%	61.2%	55.9%	48.6%	39.5%	28.4%	15.3%	0.3%	-16.8%	-36.0%	-57.3%	

Revenues and Expenses



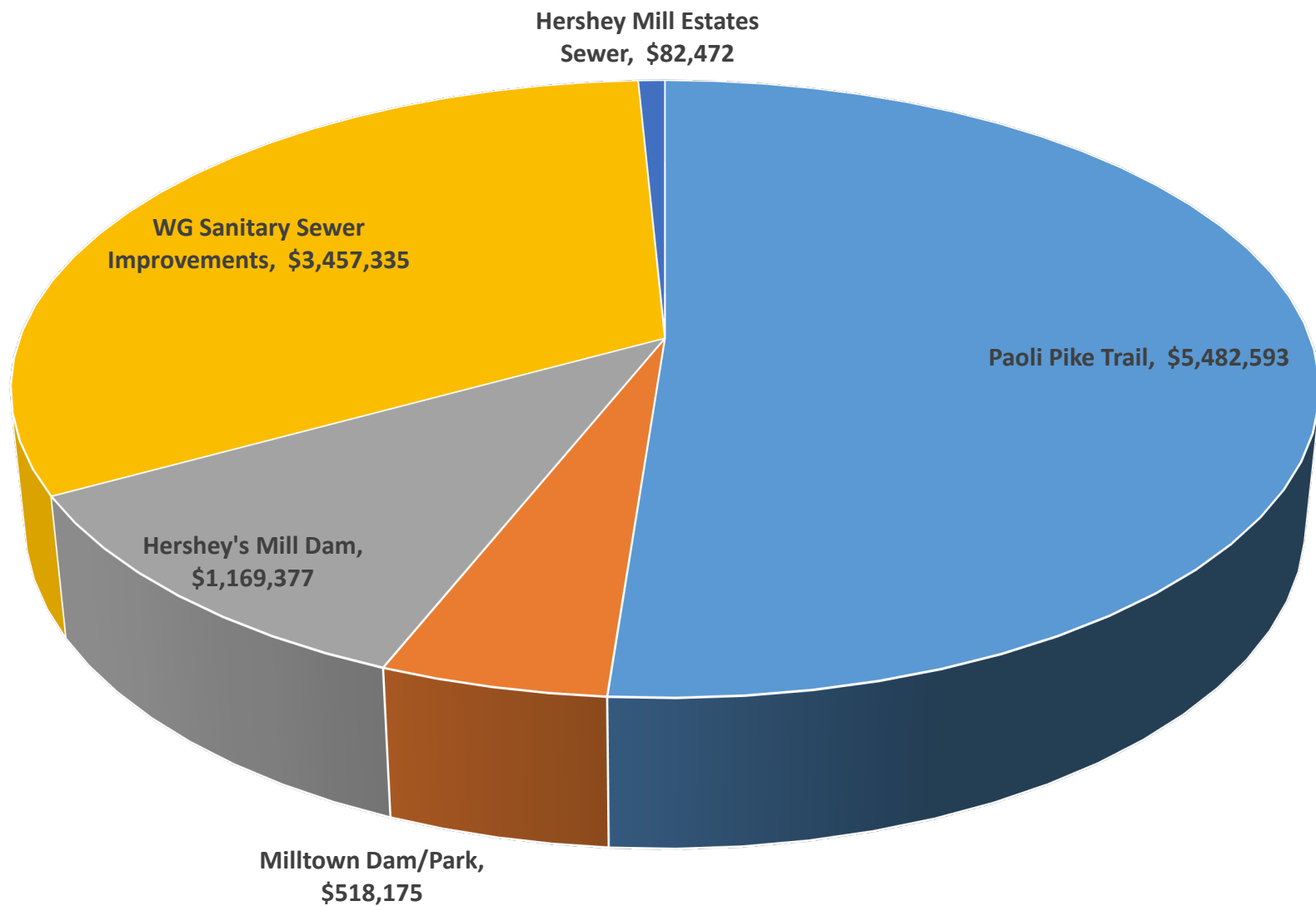
Expense Categories



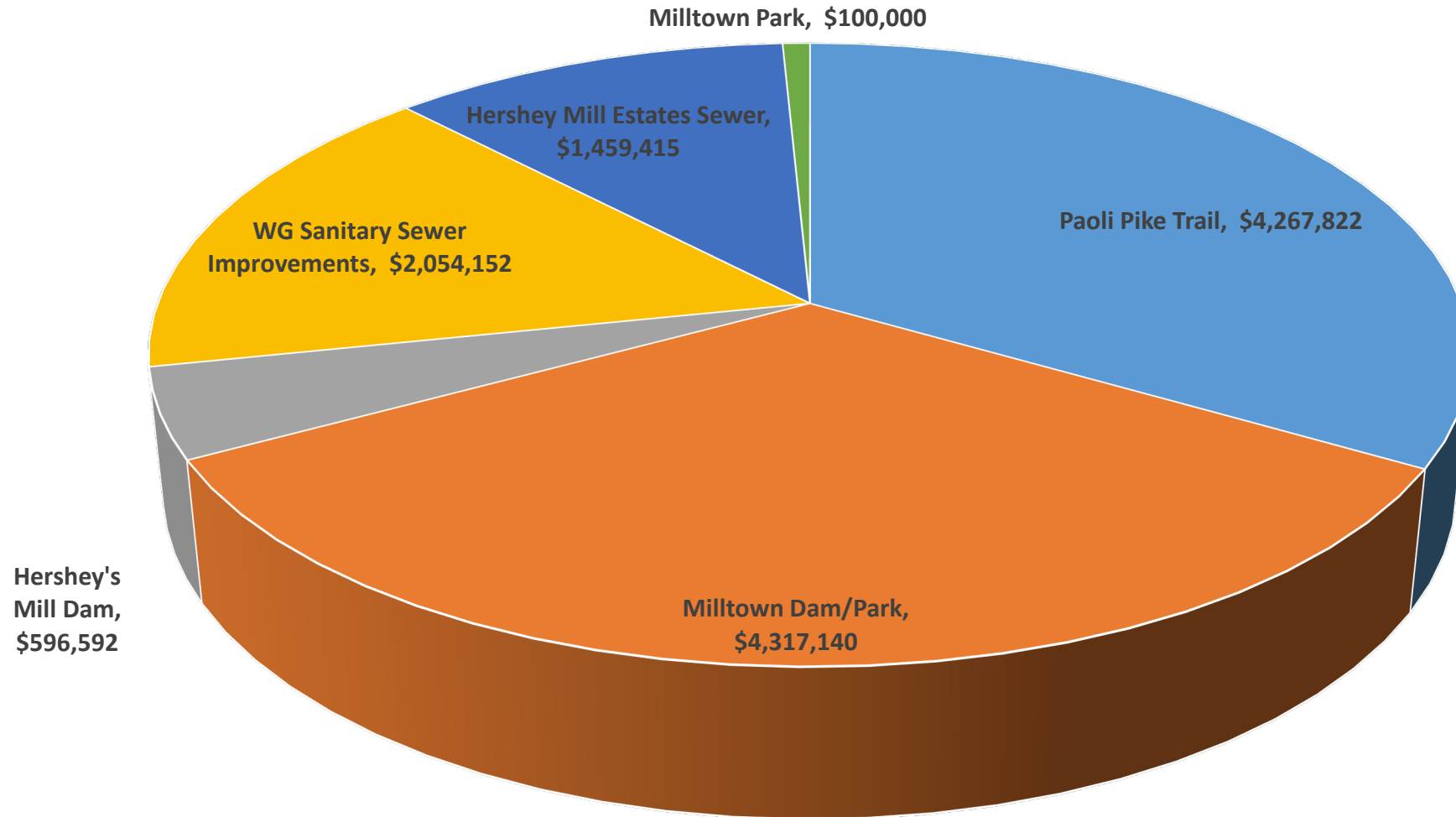


Percentage of Total Expenses as of 2032

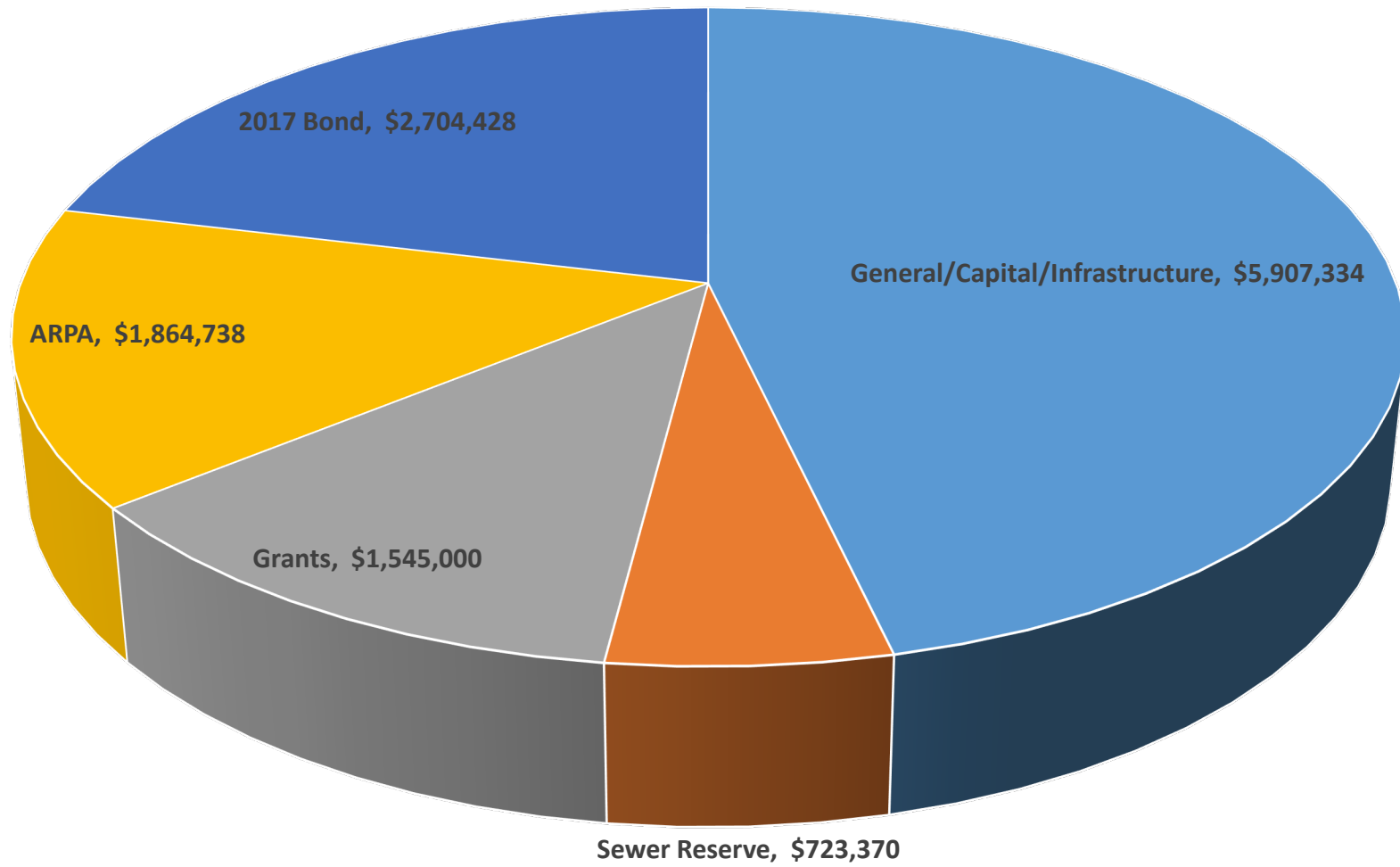
Dollars Spent on Projects As of May 31st 2022



Estimated Remaining Project Costs As of May 31st 2022



Source of Funds for Remaining Project Costs As of May 31st 2022



What If Scenario--Real Estate Tax Increases #1

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Ending Fund Balance	5,739,288	5,136,205	4,609,034	3,853,603	2,879,295	1,670,054	206,590	(1,503,631)	(3,482,185)	(5,744,527)	(8,292,319)
Ending Fund Balance (with Operative Reserve)	7,274,751	6,671,668	6,144,497	5,389,066	4,414,758	3,205,517	1,742,053	31,832	(1,946,722)	(4,209,064)	(6,756,856)
Deficit	(0)	(603,082)	(527,172)	(755,431)	(974,308)	(1,209,241)	(1,463,464)	(1,710,221)	(1,978,554)	(2,262,342)	(2,547,792)
<u>Projected After Tax Increase</u>											
Ending Fund Balance	5,739,288	5,136,205	4,609,034	4,333,603	3,839,295	3,110,054	2,686,590	2,016,369	1,637,815	975,473	27,681
Ending Fund Balance (with Operative Reserve)		6,671,668	6,144,497	5,869,066	5,374,758	4,645,517	4,222,053	3,551,832	3,173,278	2,510,936	1,563,144
General Fund Balance as % of Revenues	54.2%	48.6%	43.2%	40.2%	35.2%	28.2%	24.1%	17.9%	14.4%	8.5%	0.2%
General Fund & Operating Reserve Balance as % of Revenues		63.2%	57.6%	54.4%	49.3%	42.2%	37.9%	31.6%	27.9%	21.8%	13.4%
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	2.25 mills	2.25 mills	2.25 mills

What If Scenario--Real Estate Tax Increases #2

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Ending Fund Balance	5,739,288	5,136,205	4,609,034	3,853,603	2,879,295	1,670,054	206,590	(1,503,631)	(3,482,185)	(5,744,527)	(8,292,319)
Ending Fund Balance (with Operative Reserve)	7,274,751	6,671,668	6,144,497	5,389,066	4,414,758	3,205,517	1,742,053	31,832	(1,946,722)	(4,209,064)	(6,756,856)
Deficit	(0)	(603,082)	(527,172)	(755,431)	(974,308)	(1,209,241)	(1,463,464)	(1,710,221)	(1,978,554)	(2,262,342)	(2,547,792)
<u>Projected After Tax Increase</u>											
Ending Fund Balance	5,739,288	5,136,205	4,609,034	5,453,603	6,079,295	6,470,054	6,606,590	6,496,369	6,117,815	5,455,473	4,507,681
Ending Fund Balance (with Operative Reserve)		6,671,668	6,144,497	6,989,066	7,614,758	8,005,517	8,142,053	8,031,832	7,653,278	6,990,936	6,043,144
General Fund Balance as % of Revenues	54.2%	48.6%	43.2%	50.6%	55.8%	58.7%	59.3%	57.7%	53.8%	47.4%	38.7%
General Fund & Operating Reserve Balance as % of Revenues		63.2%	57.6%	64.8%	69.9%	72.7%	73.1%	71.4%	67.3%	60.8%	51.9%
Mill rate	1.25 mills	1.25 mills	1.25 mills	2.25 mills	2.25 mills	2.25 mills	2.25 mills	2.25 mills	2.25 mills	2.25 mills	2.25 mills

What If Scenario--Real Estate Tax Increases #3

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Ending Fund Balance	5,739,288	5,136,205	4,609,034	3,853,603	2,879,295	1,670,054	206,590	(1,503,631)	(3,482,185)	(5,744,527)	(8,292,319)
Ending Fund Balance (with Operative Reserve)	7,274,751	6,671,668	6,144,497	5,389,066	4,414,758	3,205,517	1,742,053	31,832	(1,946,722)	(4,209,064)	(6,756,856)
Deficit	(0)	(603,082)	(527,172)	(755,431)	(974,308)	(1,209,241)	(1,463,464)	(1,710,221)	(1,978,554)	(2,262,342)	(2,547,792)
<u>Projected After Tax Increase</u>											
Ending Fund Balance	5,739,288	5,136,205	4,609,034	4,653,603	4,479,295	4,070,054	3,406,590	2,496,369	1,317,815	(144,527)	(1,892,319)
Ending Fund Balance (with Operative Reserve)		6,671,668	6,144,497	6,189,066	6,014,758	5,605,517	4,942,053	4,031,832	2,853,278	1,390,936	(356,856)
General Fund Balance as % of Revenues	54.2%	48.6%	43.2%	43.2%	41.1%	37.0%	30.6%	22.2%	11.6%	-1.3%	-16.3%
General Fund & Operating Reserve Balance as % of Revenues		63.2%	57.6%	57.4%	55.2%	50.9%	44.4%	35.8%	25.1%	12.1%	-3.1%
Mill rate	1.25 mills	1.25 mills	1.25 mills	1.75 mills	1.75 mills	1.75 mills	1.75 mills	1.75 mills	1.75 mills	1.75 mills	1.75 mills