
2023 Budget

BOS Public Meeting on October 19, 2022

Recommended for Advertising

This deck includes the General, Capital, Sewer and Open Space Funds

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The Budget Schedule

- **October 5th Public Meeting:** Public discussion of draft budget
- **October 19th Public Meeting:** Recap, final decisions, and approval to advertise
 - All feedback, priorities and decisions made
 - Real Estate Tax millage rate finalized
 - Approval to Advertise; subject to any revisions discussed
- **December 7th Public Meeting:**
 - Final Budget Approval

General Fund – 2023 Budget

- The 2023 Budget is extremely tight given large increases in expenses for Police, Fire & EMS along with other inflationary pressures and large capital projects
 - Reductions have already been made in most discretionary places and we have declined many requests from Department Heads – these cuts are explained throughout this presentation
 - The budget includes a half of a mill Real Estate Tax increase (avg \$123 per parcel) which will produce about \$405K in revenue
 - Funding of our capital needs and projects will require some use of reserves (~\$40K in 2022 and \$485K in 2023) and leveraging Open Space maintenance funds and the Open Space loan proceeds not in use for Open Space eligible trail projects
 - This can work for 2023, however we continue to have challenges covering capital projects in future years

	2020 Actuals	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
IT										
Revenue										
▣ Taxes	\$ 4,921,596	\$ 5,739,747	\$ 6,042,400	\$ 5,069,875	\$ 5,918,747	\$ 6,308,649	\$ 266,249	4%	\$ 389,903	7%
▣ Fees, Fines, Grants, Interest	\$ 940,887	\$ 1,425,265	\$ 1,742,708	\$ 1,263,399	\$ 1,824,477	\$ 3,128,958	\$ 1,386,251	80%	\$ 1,304,481	71%
Revenue Total	\$ 5,862,483	\$ 7,165,013	\$ 7,785,108	\$ 6,333,274	\$ 7,743,224	\$ 9,437,608	\$ 1,652,500	21%	\$ 1,694,384	22%
Expense										
▣ Salaries & Benefits	\$ 2,760,589	\$ 3,298,059	\$ 3,688,295	\$ 2,888,009	\$ 3,843,222	\$ 4,063,285	\$ 374,991	10%	\$ 220,063	6%
▣ Maintenance & Operations	\$ 691,049	\$ 728,094	\$ 847,175	\$ 578,804	\$ 759,039	\$ 835,585	\$ (11,590)	-1%	\$ 76,546	10%
▣ Contracted/ Professional Services	\$ 794,944	\$ 744,799	\$ 631,900	\$ 595,622	\$ 714,054	\$ 635,384	\$ (78,598)	-12%	\$ (78,670)	-11%
▣ Community & Economic Developme	\$ 250,713	\$ 303,539	\$ 247,616	\$ 220,414	\$ 251,760	\$ 174,510	\$ (73,106)	-30%	\$ (77,250)	-31%
▣ Fire & Ambulance	\$ 602,071	\$ 682,623	\$ 862,836	\$ 867,579	\$ 881,301	\$ 1,106,450	\$ 243,614	28%	\$ 225,149	26%
Expense Total	\$ 5,099,366	\$ 5,757,114	\$ 6,277,822	\$ 5,150,429	\$ 6,449,376	\$ 6,815,215	\$ 537,393	9%	\$ 365,839	6%
▣ Transfers to Capital Fund	\$ (631,224)	\$ (1,284,098)	\$ (1,450,470)	\$ (865,107)	\$ (1,292,734)	\$ (2,622,042)	\$ (1,171,572)	81%	\$ (1,329,308)	103%
Operating Gain/(Loss)	\$ 763,116	\$ 1,407,899	\$ 1,507,286	\$ 1,182,845	\$ 1,293,848	\$ 2,622,393	\$ 1,115,107	74%	\$ 1,328,545	103%
Gain/(Loss) With Capital	\$ 131,892	\$ 123,801	\$ 56,816	\$ 317,739	\$ 1,114	\$ 351	\$ (56,465)	-99%	\$ (763)	-69%
Operating Gain/(Loss) excluding Greenway Grants	\$ 740,062	\$ 1,051,441	\$ 647,986	\$ 518,033	\$ 422,332	\$ 590,851	\$ (57,136)	-9%	\$ 168,519	40%
Capital Fund Balance/(Amount required to Fund from Reserves)		\$ 583,933	\$ 527,932	\$ (39,299)	\$ (485,457)					
The above does not include Revenue from Recovery nor the cost of Recovery Efforts.										

General Fund Revenue

Real Estate Taxes– Proposed for 2023

➤ **Proposed increase of half of a mill to fund increases in Police, Fire & EMS**

- Increase of \$123 for the average parcel; total of \$740 per year for the average parcel
- **Proposed Total of 3 Mills** which would generate \$406K
- Library Real Estate Tax: 2/10ths of a mill
- General Fund Real Estate Tax: 2.8 mills

		Levy At Current Millage Rates			Proposed Tax Increase	Proposed Total	For Reference: Per 1/10th of a Mil
Assessment	Implied Market Value*	General Levy (including EMS)	Library Levy	Current Levy	0.050%	0.300%	0.010%
		0.23%	0.02%	0.25%			
		2.3 Mills	2/10ths of a Mill	2.5 Mills	1/2 of a Mill	3 Mills	1/10th of a Mill
2023 Total Township - Assessment as of 9-1-2022 for 21							
\$ 832,146,085	\$ 2,106,698,949	\$ 1,913,936	\$ 166,429	\$ 2,080,365	\$ 416,073	\$ 2,496,438	\$ 83,215
Collections @	97.5%	\$ 1,866,088	\$ 162,268	\$ 2,028,356	\$ 405,671	\$ 2,496,438	\$ 83,215
Average in Township							
\$ 246,781	\$ 624,762	\$ 568	\$ 49	\$ 617	\$ 123	\$ 740	\$ 25
Sample housing values							
Assessment	Implied Market Value*						
\$ 39,500	\$ 100,000	\$ 91	\$ 8	\$ 99	\$ 20	\$ 119	\$ 4
\$ 98,750	\$ 250,000	\$ 227	\$ 20	\$ 247	\$ 49	\$ 296	\$ 10
\$ 197,500	\$ 500,000	\$ 454	\$ 40	\$ 494	\$ 99	\$ 593	\$ 20
\$ 296,250	\$ 750,000	\$ 681	\$ 59	\$ 741	\$ 148	\$ 889	\$ 30
\$ 395,000	\$ 1,000,000	\$ 909	\$ 79	\$ 988	\$ 198	\$ 1,185	\$ 40
\$ 493,750	\$ 1,250,000	\$ 1,136	\$ 99	\$ 1,234	\$ 247	\$ 1,481	\$ 49
\$ 592,500	\$ 1,500,000	\$ 1,363	\$ 119	\$ 1,481	\$ 296	\$ 1,778	\$ 59
*Implied market value if appealing assessment now at Common Level Ratio of:				39.50%			
Note, the annual cost to the Township of Fire & Amb services is ~\$970K, which is 1.2 Mills							
The annual cost of the Police Department is ~\$2.4M, which is 3 Mills							

General Fund Revenue – Proposed for 2023 Budget

- In summary, excluding grants & recovery, General Fund Revenue is proposed at \$7M, an increase of \$423K vs. 2022 Budget and \$536K vs. 2022 Forecast

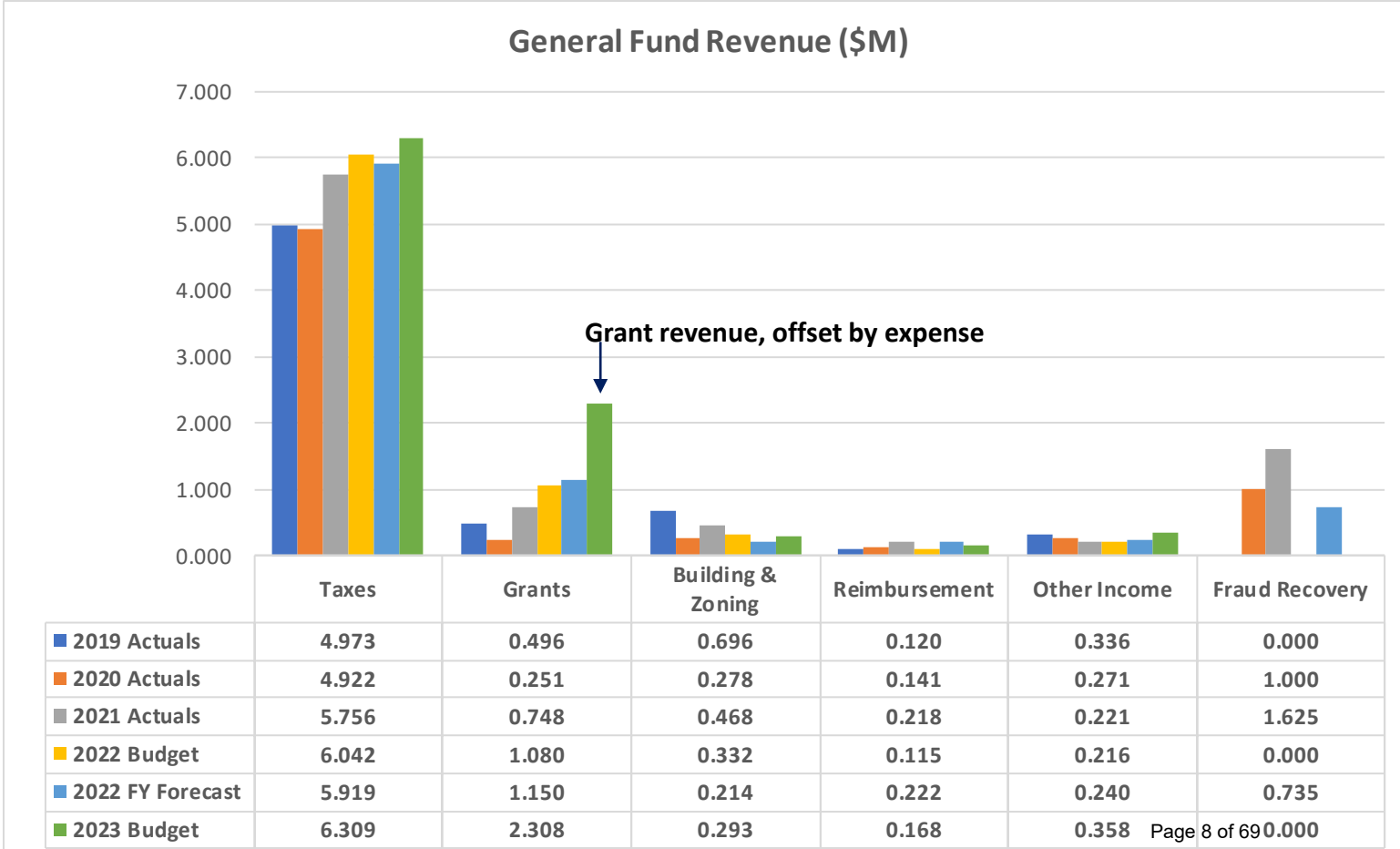
	2020 Actuals	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
Revenue										
Taxes										
+ Earned Income Taxes	\$ 2,629,986	\$ 3,365,255	\$ 3,467,000	\$ 2,621,829	\$ 3,295,972	\$ 3,361,892	\$ (105,108)	-3.0%	\$ 65,919	2.0%
+ Local Service Tax		\$ 104,924	\$ 145,000	\$ 155,267	\$ 185,000	\$ 185,000	\$ 40,000	28%		
+ Real Estate Taxes	\$ 1,642,305	\$ 1,724,702	\$ 1,900,400	\$ 1,854,560	\$ 1,907,774	\$ 2,311,758	\$ 411,358	22%	\$ 403,983	21%
+ Real Estate Transfer Taxes	\$ 649,305	\$ 544,867	\$ 530,000	\$ 438,220	\$ 530,000	\$ 450,000	\$ (80,000)	-15%	\$ (80,000)	-15%
Taxes Total	\$ 4,921,596	\$ 5,739,747	\$ 6,042,400	\$ 5,069,875	\$ 5,918,747	\$ 6,308,649	\$ 266,249	4%	\$ 389,903	7%
Fees, Fines, Grants, Interest										
+ Building & Zoning	\$ 277,965	\$ 450,925	\$ 331,875	\$ 185,326	\$ 214,450	\$ 292,950	\$ (38,925)	-12%	\$ 78,500	37%
+ Grants	\$ 251,257	\$ 581,736	\$ 1,079,925	\$ 755,597	\$ 1,150,075	\$ 2,308,438	\$ 1,228,513	114%	\$ 1,158,363	101%
+ Other Income	\$ 270,603	\$ 215,742	\$ 215,746	\$ 175,114	\$ 239,865	\$ 357,972	\$ 142,227	66%	\$ 118,107	49%
+ Reimbursement	\$ 141,060	\$ 176,862	\$ 115,163	\$ 147,362	\$ 220,088	\$ 169,599	\$ 54,436	47%	\$ (50,489)	-23%
Fees, Fines, Grants, Interest Total	\$ 940,887	\$ 1,425,265	\$ 1,742,708	\$ 1,263,399	\$ 1,824,477	\$ 3,128,958	\$ 1,386,251	80%	\$ 1,304,481	71%
Revenue Total	\$ 5,862,483	\$ 7,165,013	\$ 7,785,108	\$ 6,333,274	\$ 7,743,224	\$ 9,437,608	\$ 1,652,500	21%	\$ 1,694,384	22%
General Fund Revenue, excluding grants & recovery	\$ 5,611,225	\$ 6,583,277	\$ 6,705,183	\$ 5,577,677	\$ 6,593,149	\$ 7,129,170	\$ 423,987	6%	\$ 536,021	8%

General Fund Revenue Overview

- Excluding recovery proceeds, the 2022 General Fund revenue forecast is \$7.7M but falling below 2022 Budget by \$40K.**

 - Earned Income is less than expected which leads us to budget conservatively next year.
 - Building & Zoning permits revenue is down by \$117K vs. budget due to slower than expected commercial development. This is offset by upside from one-time grants and other reimbursements.
- 2023 General Fund revenue budget is \$521K above 2022 forecast, excluding one-time grant revenue.**

 - The break-down and assumptions are shown in the slides that follow.



Earned Income Tax: 2023 Budget +\$65K vs 2022 Forecast

Earned Income is trending below budget

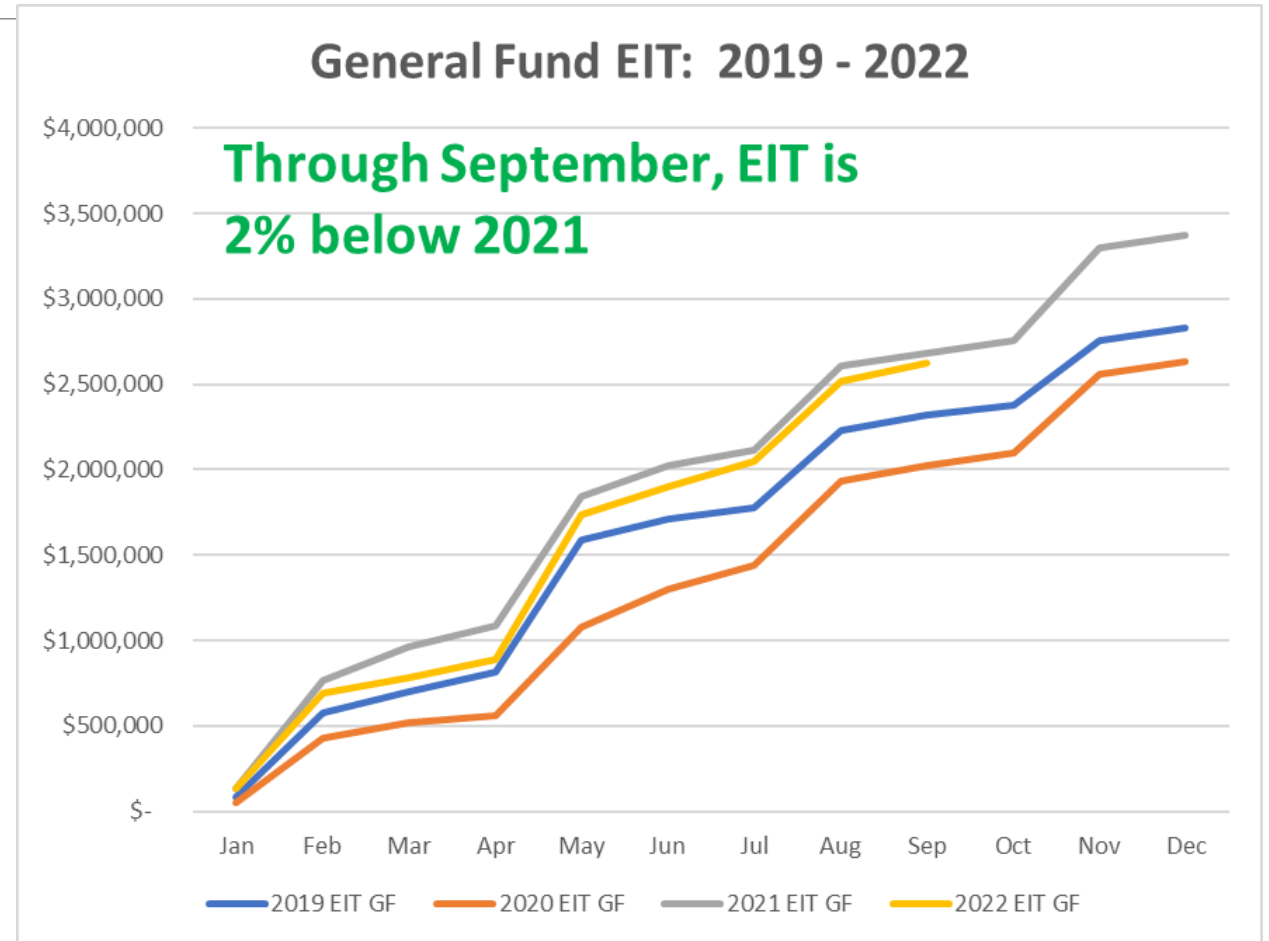
- 2022 Forecast is -\$171K vs. 2022 Budget

2022 Budget assumed 3% growth over 2021 Actuals.

However, we are currently 2.3% below 2021 YTD September.

We hope to see that gap closed before the end of the year but want to budget conservatively. Therefore:

- 2022 Forecast is set 2.3% below 2021 Actuals.
- 2023 Budget is set at 2% growth or +\$65K vs. 2022 Forecast
- 2023 Budget is set at -3% or -105K vs. 2022 Budget



Real Estate Transfer Tax:

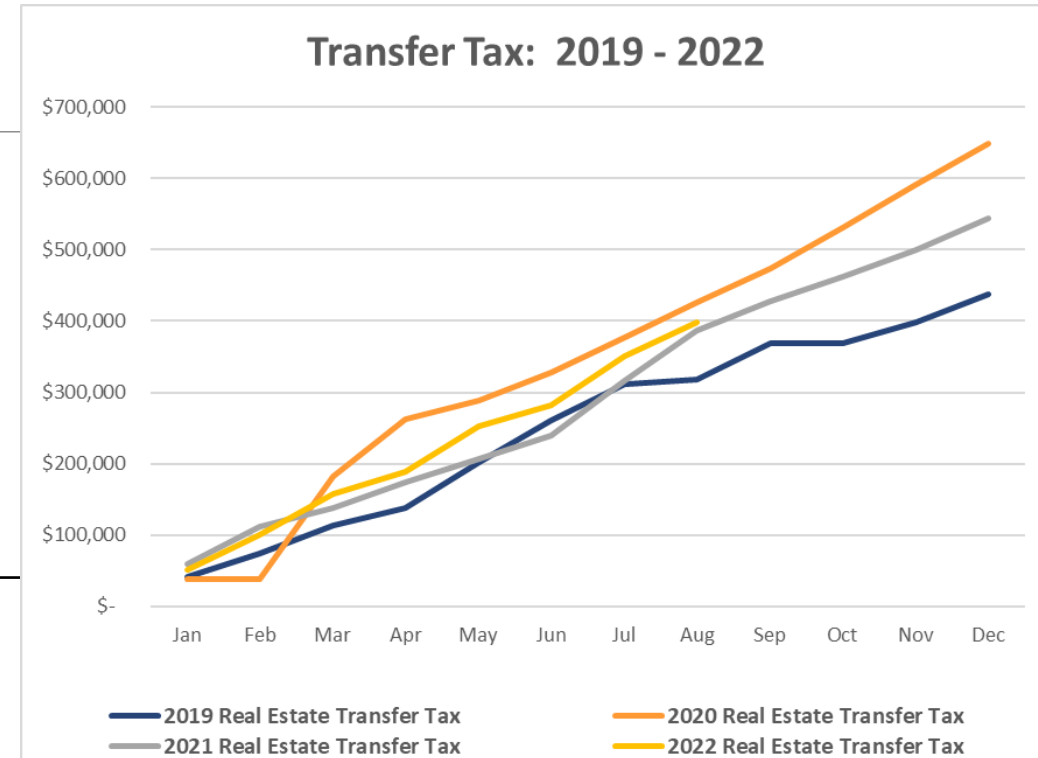
2023 Budget = \$450K, -\$80K vs 2022 Budget & Forecast

- 5-year avg is \$570K but reducing due to slowing housing market
- While high interest rates, high housing prices and fears of recession should slow the housing market, we still have low inventory on the market that is selling quickly.
- It's challenging to estimate but believe this is a balanced view – not too conservative or too aggressive

Local Service Tax:

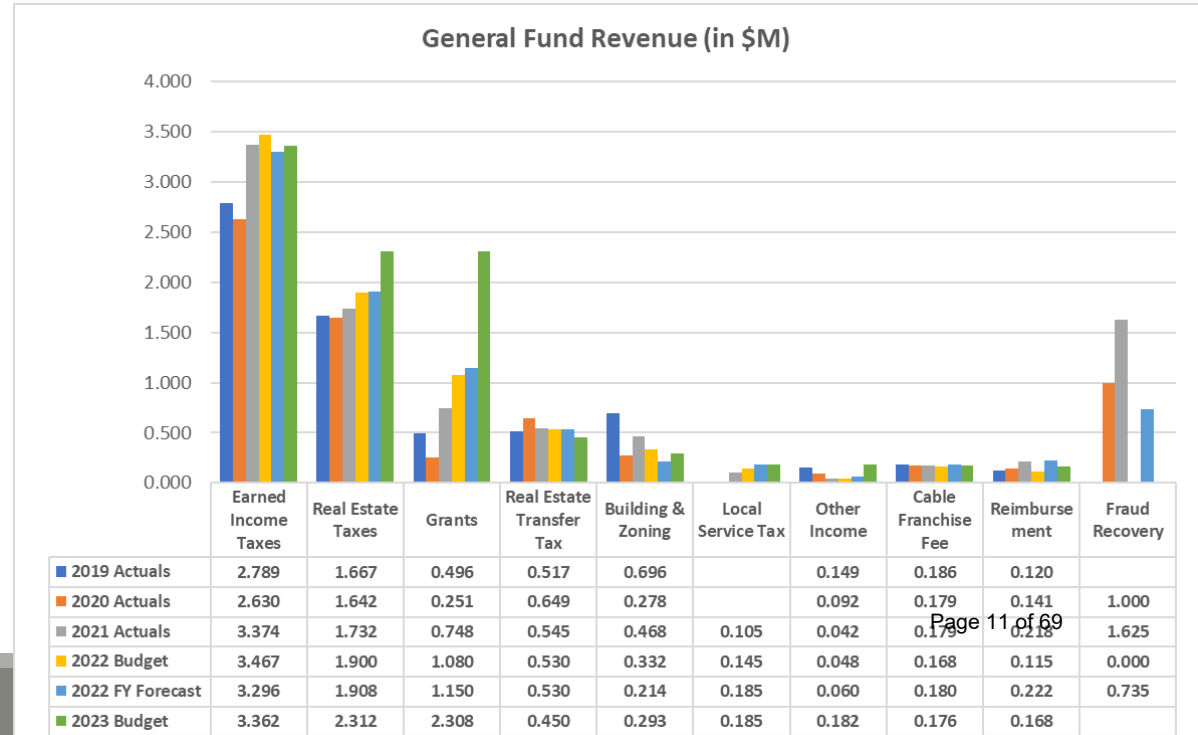
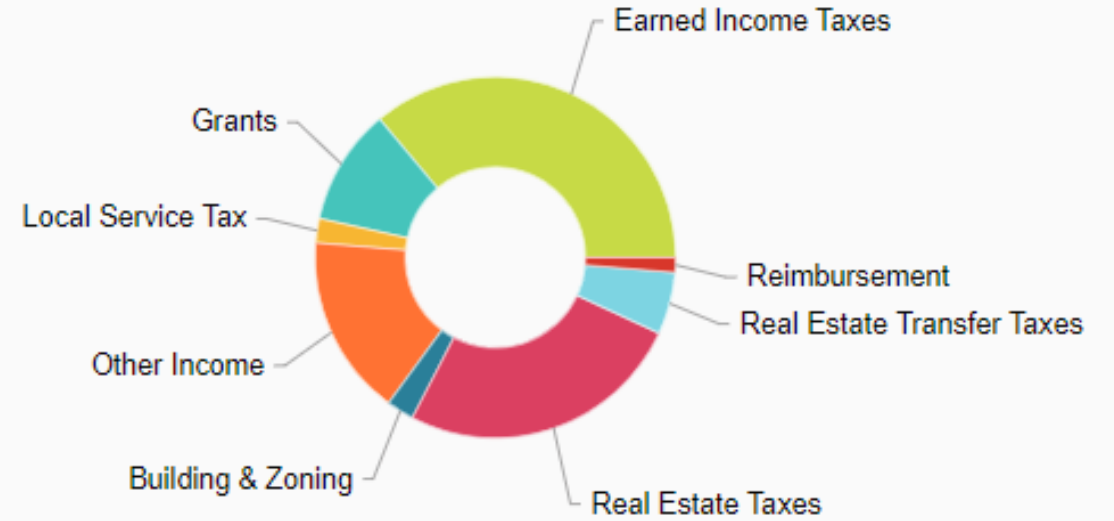
2023 Budget = \$185K, +\$40K vs 2022 Budget flat vs. 2022 Forecast

- Local Service Tax was new in 2021 and collection lagged
- Collection rate picked up in 2022



Non-Tax Revenue

- As you can see in the graphs, our various taxes make up most of our recurring revenue
- Total Non-tax revenue is budgeted at \$3M but \$2.3M is one-time or passthrough grant funds.
- Grant revenue 2023 budget is \$2.3M
 - \$1.6M of which is grant funds for the Chandler Mill Trail; \$1.17M from the existing grant and 66% of target \$1.3M additional trail grant
 - Remainder includes State Pension Aid, that goes directly to our Pensions, & a fire grant that passes through to the fire houses
- Building & Zoning Fee (permit) Revenue budget of \$292K, -\$39K to 2022 budget.
 - Running light due to slower pace of commercial development than expected
- Cable Franchise Fee Revenue of \$176K for cable providers; very slight decline in recent years based on cord cutting
- Several other revenue sources are just pass-through income or reimbursements of expenses
 - Worker's Comp reimbursement from EMS Commission
 - Health Insurance reimbursement for employee contributions
- With Interest Rates rising, we are starting to see rate increases on our accounts; will realign investments to maximize

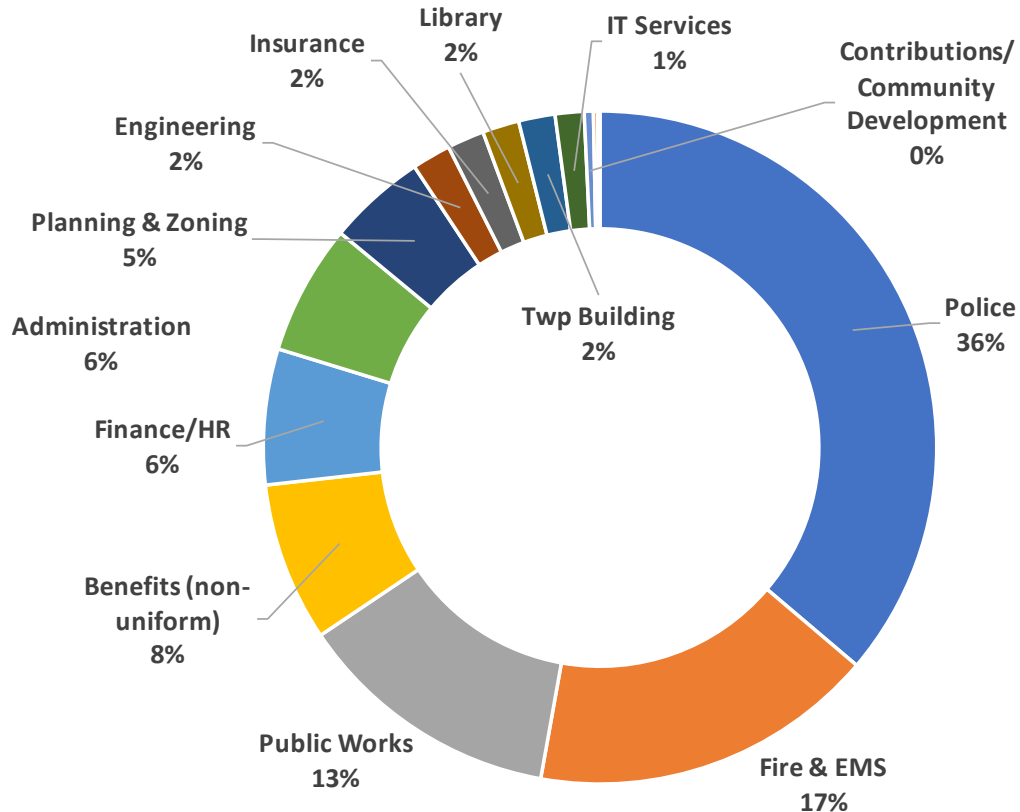


General Fund Expenses

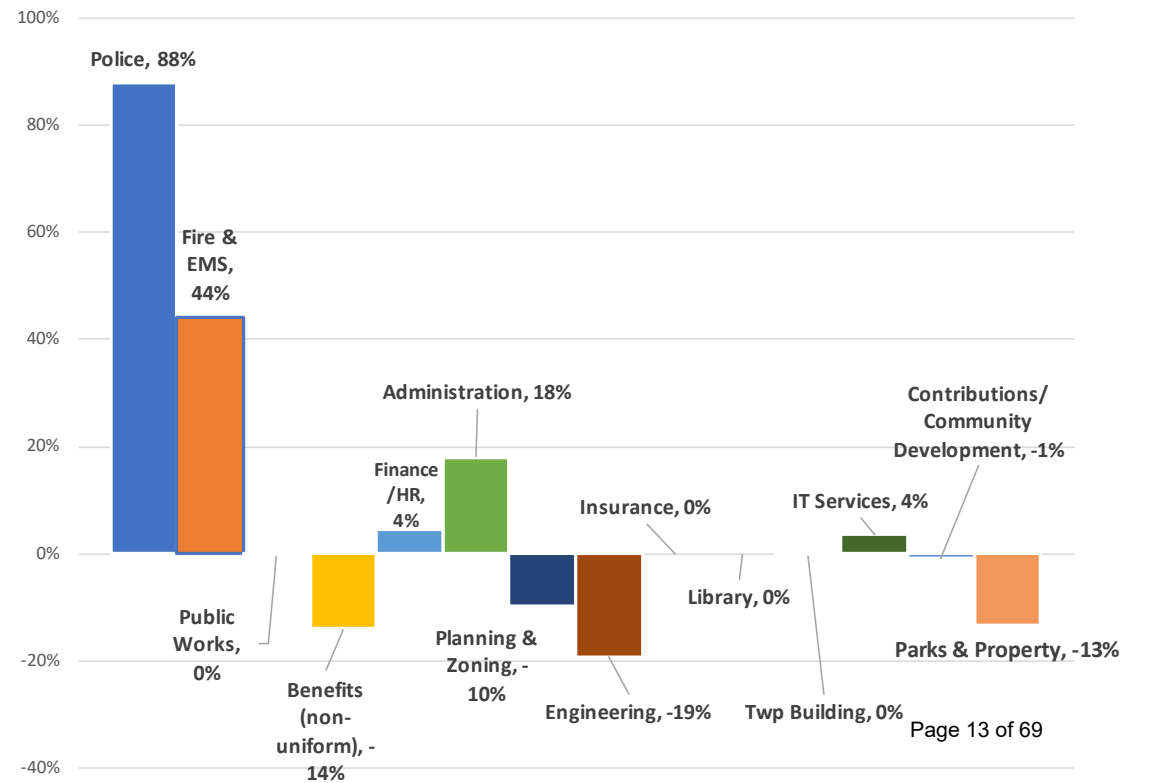
General Fund Operating Expense Overview

- The vast majority of our operating expenses and growth in operating expenses support services directly visible and in touch with the community
 - Police, Fire, EMS & Public Works

Percent of 2023 Operating Budget



Percent of Change in Operating Budget 2023 vs 2022



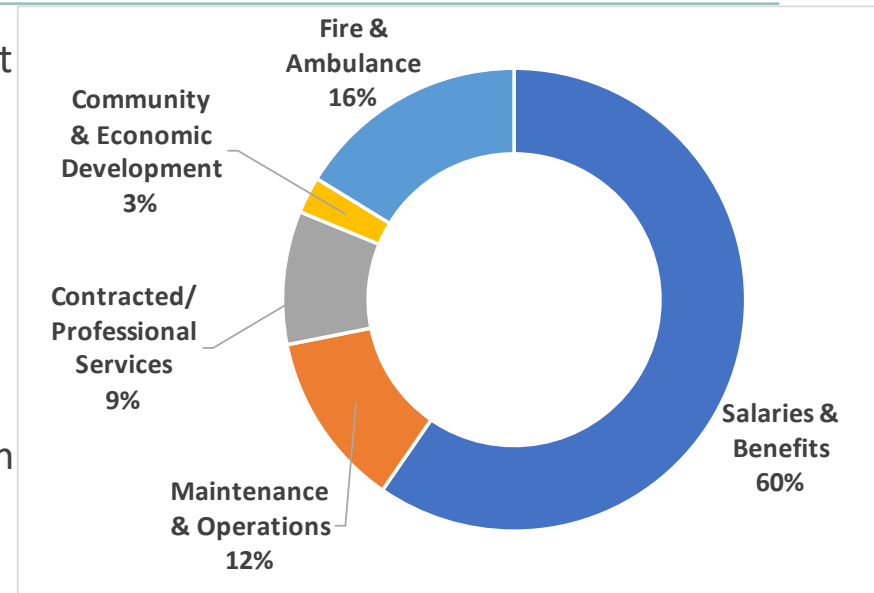
General Fund Operating Expense Overview

Sage Dept Name	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023B vs. 2022F	% 2023B vs. 2021F
Police	\$ 1,502,501	\$ 1,807,464	\$ 1,767,719	\$ 1,978,668	\$ 1,669,487	\$ 2,258,279	\$ 2,463,540	\$ 484,872	25%	\$ 205,261	9%
Fire & EMS	\$ 638,072	\$ 715,562	\$ 698,525	\$ 887,449	\$ 893,511	\$ 907,483	\$ 1,133,891	\$ 246,442	28%	\$ 226,408	26%
Public Works	\$ 583,220	\$ 697,380	\$ 720,899	\$ 871,834	\$ 526,392	\$ 738,338	\$ 858,804	\$ (13,029)	-1%	\$ 120,466	14%
Benefits (non-uniform)	\$ 538,714	\$ 551,808	\$ 568,371	\$ 598,621	\$ 473,848	\$ 584,659	\$ 520,642	\$ (77,979)	-13%	\$ (64,017)	-11%
Finance/HR	\$ 274,800	\$ 348,503	\$ 323,789	\$ 419,578	\$ 307,146	\$ 424,937	\$ 444,245	\$ 24,667	6%	\$ 19,308	5%
Administration	\$ 383,640	\$ 298,423	\$ 306,167	\$ 327,264	\$ 508,880	\$ 613,501	\$ 426,955	\$ 99,691	30%	\$ (186,546)	-57%
Planning & Zoning	\$ 213,567	\$ 338,881	\$ 258,216	\$ 374,718	\$ 206,512	\$ 267,796	\$ 321,133	\$ (53,586)	-14%	\$ 53,337	14%
Engineering Services	\$ 314,556	\$ 272,500	\$ 324,644	\$ 234,100	\$ 52,510	\$ 63,633	\$ 129,900	\$ (104,200)	-45%	\$ 66,267	28%
Insurance	\$ 125,910	\$ 134,902	\$ 117,861	\$ 135,324	\$ 121,903	\$ 125,957	\$ 127,835	\$ (7,489)	-6%	\$ 1,878	1%
Library	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000				
Twp Building	\$ 130,972	\$ 154,805	\$ 90,968	\$ 121,800	\$ 79,775	\$ 105,038	\$ 119,200	\$ (2,600)	-2%	\$ 14,162	12%
IT Services	\$ 64,424	\$ 76,120	\$ 65,362	\$ 74,750	\$ 77,681	\$ 93,905	\$ 94,459	\$ 19,709	26%	\$ 554	1%
Contributions	\$ 31,500	\$ 28,450	\$ 100,450	\$ 34,950	\$ 27,950	\$ 34,950	\$ 29,950	\$ (5,000)	-14%	\$ (5,000)	-14%
Parks & Property	\$ 105,867	\$ 31,000	\$ 112,203	\$ 87,666	\$ 64,774	\$ 87,110	\$ 13,860	\$ (73,806)	-84%	\$ (73,250)	-84%
Board of Supervisors	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 5,625	\$ 7,500	\$ 7,500				
Community Development	\$ 51,863	\$ 2,350	\$ 1,700	\$ 2,600	\$ 645	\$ 2,500	\$ 2,300	\$ (300)	-12%	\$ (200)	-8%
Economic Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Refund of Prior Year Revenue	\$ 496	\$ -	\$ 1,427	\$ -	\$ 12,790	\$ 12,790	\$ -			\$ (12,790)	100%
Fraud Investigation	\$ 621,421	\$ -	\$ 294,150	\$ -	\$ 129,988	\$ 140,000	\$ -			\$ (140,000)	100%
Grand Total	\$ 5,710,021	\$ 5,586,647	\$ 5,880,952	\$ 6,277,822	\$ 5,280,417	\$ 6,589,376	\$ 6,815,215	\$ 537,393	9%	\$ 225,839	4%

General Fund Operating Expense Overview

- 2022 General Fund Operating Expenses are expected to come in ~\$172K above budget
 - This is primarily driven by high legal costs due to an ethics reviews and Police OT
 - Partially offset by deferral of MS4 revolving water fund investment, staff vacancies, lower public works maintenance expenses, and lower than expected insurance

- 2023 GF Operating Expenses are expected to increase \$366K or 6% vs 2022 Forecast
 - This is primarily driven by a 30% increase in the contribution required to the Fire & EMS Commission and higher salaries associated with a new Police contract, with some offsetting improved policies to control overtime
 - For non-uniform staff, we are assuming a 5% increase given inflation of 8%
 - More detail in the slides that follow



	2020 Actuals	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
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Note: excludes fraud investigation & recovery expenses

Police Department

Summary of Operating Budget Request

Police Department budget of \$2.46M, up \$485K or 25% from 2022 Budget and up \$205K or 9% over full-year 2022 forecast

- Primarily due to:
 - Negotiation of union contract and overtime
 - **Budget includes:**
 - Negotiations indicate 9% salary increase in 2023 to offset new 5% contribution to pension, contribution to healthcare, reductions in vacation allotment, & reductions in payouts for unused vacation and sick time.
 - The Police pension is estimated to be underfunded by \$400K; 5% contribution will help overtime but is only a benefit to the liability and does not show as an expense savings immediately.
 - Five officers to receive between 12-16% increases due to step structure for every year of service
 - Full-year of two officers that were out part of 2022
 - Overtime has drastically exceeded budget in 2022; attempting to curb but challenging given desire to have 2 patrol officers on duty at all times, plus cover vacations, sick time, comp time, court time and training. Details on next slide.
 - \$20K increase in gas given high fuel prices
 - \$7.5K community policing budget to hold more events and large National Night Out celebration (reduced from \$20K request)
 - 4 new computers to enable each officer to have their own cubicle workspace & computers; currently sharing
-
- **Requests declined due to budget constraints:**
 - Staffing: Not budgeting for requested increase in officers
 - Vehicle: Not budgeting for requested incremental fleet vehicle

Police Overtime Review

2022 Police Overtime based on annualizing YTD is \$151K. The potential reduction in Overtime is not sufficient to contribute substantial funding for a new officer

- A detailed review shows shift replacement is the primary driver of overtime due to backfilling for paid time off (PTO).
- Opportunities to reduce include not filling most weekday day shift openings by relying on other daytime officers (Detective, Chief & School Resource Officer (SRO)) & union negotiations to eliminate chart day payouts.
- However, due to officer safety, we do not want to go back to officers on duty alone overnight.
- The maximum financial benefit of adding one additional patrol officer is likely only going to reduce night shift coverage for one of our two squads (\$32.5K) vs. the all-in cost of a new officer at \$114K.
- There is little control over \$22.5K due to training, court time, specific incidents and special events. There is risk these items will increase.
- **Given budget constraints, this analysis shows that we should not hire a new officer with the justification that it will reduce overtime.**
- **Therefore, a new officer is excluded. However, there are offsetting impacts from the SRO pilot and exhaustion of officers**

2022 Reason for Overtime	2022 Full Year (annualizing YTD)	Potential Savings - process changes	Potential Savings New Hire	Proposed OT 2023 Budget w/ new hire	Proposed OT 2023 Budget w/o new hire	Comment
Shift replacement - Weekday Day Shift	\$ 32,000	\$ 24,000		\$ 8,000	\$ 8,000	Do not fill most single shift openings from PTO during WEEKDAY day shift; rely on Detective, Chief & SRO to back-up patrol
Shift replacement - Weekend Day Shift	\$ 18,000			\$ 18,000	\$ 18,000	Retain 2 officers on duty on weekends.
Shift replacement - Night Shift	\$ 65,000		\$ 32,500	\$ 32,500	\$ 65,000	Retain 2 officers on duty overnight. Even with a new hire, they would need Field Officer Training time & after that can only provide relief for one squad. Best case would be to eliminate shift coverage needs for one of two squads.
Training	\$ 10,267			\$ 10,267	\$ 10,267	Not much control due to class schedule
Court	\$ 3,012			\$ 3,012	\$ 3,012	Not likely to be reduced by new hire
Specific Incident	\$ 5,365			\$ 5,365	\$ 5,365	Not likely to be reduced by new hire
Special Event	\$ 3,905			\$ 3,905	\$ 3,905	Not likely to be reduced by new hire; more events might increase
Chart Day	\$ 13,684	\$ 13,684		\$ -	\$ -	Union contract negotiations includes not paying out Chart Day
Total	\$ 151,233	\$ 37,684	\$ 32,500	\$ 81,049	\$ 113,549	
Total 2023 (w/ 12% (9% for raises and remaining for step increase avg)				\$ 90,775	\$ 127,175	

Fire & EMS Department

Commission increase of 30% from \$746K to \$970K

➤ **Fire & EMS Commission Budget Increase of ~30% is confirmed**

- *Drivers:*
 - *Multi-year deficit spending by companies who have been insufficiently funded*
 - *Extremely high-cost increases well beyond inflation*
 - *Volunteer retention program*

➤ **Results in Kennett Township Contribution for 2023 of \$970K**

- Increase of \$224K from 2022 Budget

➤ **Other items under Fire & EMS Department:**

- Foreign Fire Grant is just a pass-through revenue and expense; up \$19K to \$81.3 in 2022

Public Works

Summary of Operating Budget Request

Public Works Department Operating Expense request of \$859K, almost flat to 2022 Budget and up \$120K over full-year 2022 forecast

- Primarily due to:
 - Almost flat to 2022 budget & up vs. 2022 forecast due to Director vacancy for most of 2022.
- Budget includes:
 - Given Director vacancy for most of year, we currently have overlap of 1 extra employee until April retirement
 - Reducing some expenses on surface treatment in General Fund to invest more in full paving program out of Capital Fund.
 - Capital also includes plan to test capability to do large drainage projects in-house
 - While prices have increased, we budgeted even more cautiously for many items in 2022, preventing large increases in 2023
- Requests Declined:
 - Staffing: Not budgeting for requested replacement of individual retiring in April.
 - We have temporary +1 but not retaining due to budget constraints.
 - We have kept it to a 6-person team for decades, despite growth & additional responsibilities
 - Likely need in future with expanding open space/trail responsibilities, aging sewer & drainage system, & projects

➤ **Total Public Works Capital Projects of \$865.5K; \$540.5K General Capital & \$325K Liquid Fuels; see next slides**

Public Works Department

Proposed Capital Projects

➤ **Total Public Works Capital Projects of \$865.5K; \$540.5K General Capital & \$325K Liquid Fuels**

Item	Description	Capital Fund	Liquid Fuels
		<u>2023</u>	<u>2023</u>
Storm Water Drainage Projects	Investigating in-house completion of large drainage projects with rental equipment; dedicating max of \$150K. Upper Davenport external estimate is \$330K, plus slip lining for Balmoral and Ponds of Woodward needed at some point	\$150K	
Road Paving	General Capital = \$543K - \$325K Liquid Fuels Grant More detail on next slide	\$218K	\$325K
Other Surface Treatment	Considering rubberized tar instead of Oil & Chip	\$40K	
Public Works Vehicles	Backhoe replacement Brush chipper if grant attainable (\$125K - \$112.5K potential grant) Holding off on replacement of 2015 pick-up (\$65K) and 2006 10-ton Dump Truck (\$250K but getting on request list for 2024)	\$120K \$12.5K	
Total PW Capital Projects		\$540.5K	\$325K

Public Works Department

Paving Projects

- **\$563K for Road Paving; \$325K from Liquid Fuels grants, remainder from Capital /General Fund (\$218K)**
- **Over the course of many years, we have expanded our main roads from 18 to 21 feet.**
- **The last two roads in that plan are included below (Burrows Run & finish Rosedale).**
 - **We started with Step 1 of both in 2022 and propose to finish Step 2-3 in 2023**

Road	Description	2023
Burrows Run Road Reconstruction to Widen ~1.5 miles	Step 1) Widen 18ft to 21ft via mill & fill – DONE in 2022 ~180K Step 2) Level 1 inch w/ 9.5mm + Step 3) 1.5 inch 9.5mm wearing course	\$280K
Rosedale Reconstruction to Widen Bayard to McFarlan	Step 1) Widen 18ft to 21ft via mill & fill – DONE in 2022 ~\$93K Step 2) Level 2.5 inch w/ 9.5mm + Step 3) 1.5 inch 9.5mm wearing course	\$263K
Total 2023	\$325K Liquid Fuels / \$218K from General Capital	\$543K

Township Building

Summary of Budget Request

Township Building operating request of \$119.2K, down slightly from 2022 Budget due to moving expenses to Capital Budget

- Operating Budget includes:
 - \$8K of Maintenance & Repair expenses moved to Capital for replacement of HVACs and major equipment
 - Other adjustments to line items to true-up to run-rate but largely offset each other

- Capital Expense Budget includes:
 - 2022 Forecast includes \$80K of unexpected building projects vs. \$10K budgeted:
 - Basement waterproofing and mold remediation
 - Main floor: splitting 1-2 large offices to meet capacity needs
 - Police Department (upstairs): Adding doorways to accommodate use of Detective and Sergeant's office and Woman's Locker Room without going through conference room
 - 2023 Budget includes \$50K for completion of above and other major emergency repairs (e.g. another HVAC)

The current Township office building is not sufficient to meet the needs of a growing Township

Last year's statement	What's happened since
<p>We are beginning to see major repairs needs for the aging building</p> <ul style="list-style-type: none"> • Dormers & the Police entrance door replaced due to rotting, water leakage and mold 2020-2021; more windows & door replacement expected 	<ul style="list-style-type: none"> • Minor leaks caulked • Police HVAC needed to be completely replaced
<p>We have had multiple mold issues in the Public Meeting room due to high ground water</p> <ul style="list-style-type: none"> • Potential to replace carpet with more durable waterproof flooring; Need engineer to evaluate moisture 	<ul style="list-style-type: none"> • Had large mold issue; can't operate out of Public Meeting room • Waterproofing and mold remediation underway for permanent solution • Evaluating improvements for putting the room back together
<p>The HVAC "system" is a conglomeration of many residential HVAC units that don't meet the needs of a commercial building and are reaching the age where repairs or replacement may be required. We may need to add integrated dehumidifiers and may want to add air scrubbers</p>	<ul style="list-style-type: none"> • Police HVAC needed to be completely replaced • HVAC contractors determined not practical to replace with commercial system given current set-up and ducting. However, expecting more individual units to follow • Commercial dehumidifier to be added as part of waterproofing project
<p>There is not sufficient space to accommodate a growing Police force and other staff additions</p> <ul style="list-style-type: none"> • Our Police Department and holding cell are upstairs, which proves challenging with some people taken into custody. Our interview facilities are insufficient. Desk space is shared in the Police Department. COVID-19 has proven challenging given that offices are shared for the non-uniform teams. Conference room space is extremely limited 	<ul style="list-style-type: none"> • We have begun some minor adjustments be a permanent solution is still needed. <ul style="list-style-type: none"> • Detective & 2 Sergeant's moved into former Township Managers office; adding door so that they don't have to go through the conference room to access • Chief secured free office furniture and desires to split each officer into own desk space • Capital budget request includes splitting 2 offices in half to make 4 officers to accommodate admin staff and free up one conference room.
<p>We are just beginning to evaluate options and do not yet have estimates</p> <ul style="list-style-type: none"> • Have proposed minor changes to optimize Police space; waiting on estimate • We would like to engage our engineers and possibly architects to review options in the current building, including minor to major renovations and additions. • Pending estimate that would be include in the final budget 	<ul style="list-style-type: none"> • Proposing to retain \$10K in engineering budget to evaluate expansion/additions on the building. • At some point, review of offset options and requisite financing will be required

General Capital Projects 5-year View (not including Sewer & Open Space)

➤ **Contemplated projects & timing**

- There is more demand than ability to fund
- This is the proposed sequencing to balance desires with what we can afford.

- ① Consistent road paving program w/ \$325K from Liquid Fuels and \$190 from General Capital
- ② Vehicle & Equipments replacement – we’ve pushed out replacement of many but still have high needs in the next 5 years
- ③ Twp Building Major Repairs are likely to be ongoing as it ages
- ④ Stormwater – we are likely to have more & more failing pipes as infrastructure ages
- ⑤ Chandler Mill Trail is biggest special project
- ⑥ Five Points Roundabout is delayed until 2027 construction
- ⑦ Magnolia underpass in 2025-2026
- ⑧ Ways Lane realignment 2025
- 9. South Street trail – given current lack of funding options, deferred beyond 5 years

➤ **This is list and timing will be revised as decisions are made, projects are changed/added, grant funds become available, etc.**

Category	Project	2022	2023	2024	2025	2026	2027	
Expense - Infrastructure & Equipment	① Road Paving/Resurfacing	\$ 218,185	\$ 258,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	
	Police Vehicles			\$ 112,000	\$ 58,800	\$ 61,740	\$ 64,827	
	② Roads Vehicle	\$ 117,000		\$ 304,400	\$ 325,000	\$ 80,000		
	Roads Equipment		\$ 132,500	\$ 100,000		\$ 160,000	\$ 7,500	
	③ Buildings - Twp Building	\$ 76,275	\$ 79,200	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	
	Traffic Lights			\$ 4,800	\$ 3,600	\$ 1,200		
	Buildings - Maintenance Equipment						\$ 6,000	
	Computer Hardware Replacement			\$ 18,500	\$ 3,000	\$ 1,500	\$ 11,500	
	Expense - Infrastructure & Equipment Total		\$ 411,460	\$ 469,700	\$ 759,700	\$ 610,400	\$ 524,440	\$ 309,827
	Expense - Major Projects	④ Stormwater Projects	\$ 193,752	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
⑤ Trails Projects - Chandler Mill		\$ 754,350	\$ 3,811,500	\$ 1,963,500				
⑥ Five Points Roundabout				\$ 368,000	\$ 200,000	\$ 200,000	\$ 2,718,293	
⑦ Trails Projects - Magnolia Underpass					\$ 479,889	\$ 479,889		
⑧ Ways Lane Realignment					\$ 250,000			
Information Technology		\$ 10,193						
Buildings - The Garage		\$ 121,847						
Buildings - Salt Shed							\$ 200,000	
ARLE Grant Rt 1/Rt 82		\$ 402,206						
Expense - Major Projects Total		\$ 1,482,348	\$ 3,961,500	\$ 2,431,500	\$ 1,029,889	\$ 779,889	\$ 3,018,293	
Expense Total		\$ 1,893,808	\$ 4,431,200	\$ 3,191,200	\$ 1,640,289	\$ 1,304,329	\$ 3,328,120	

Capital Projects Funding – 5-year view

➤ 2023 funding

- ① Contribution from Operating Budget
- ② Greenway grant proceeds
- ③ Proceeds from loan funding not yet used
- ④ Sub-allocation from Open Space Maintenance allocation
- ⑤ Planned use of reserves

➤ 2024+ funding

- ⑥ Further prioritization or additional grants/funding sources will be needed to reduce draw on reserves

Category	Project	2022	2023	2024	2025	2026	2027
Expense - Infrastructure & Equipment		\$ 411,460	\$ 469,700	\$ 759,700	\$ 610,400	\$ 524,440	\$ 309,827
Expense - Major Projects		\$ 1,482,348	\$ 3,961,500	\$ 2,431,500	\$ 1,029,889	\$ 779,889	\$ 3,018,293
Expense Total		\$ 1,893,808	\$ 4,431,200	\$ 3,191,200	\$ 1,640,289	\$ 1,304,329	\$ 3,328,120
Funding	① Contribution from Operating Budget	\$(1,356,596)	\$ (590,500)	\$(1,000,000)	\$(1,000,000)	\$(1,000,000)	\$(1,000,000)
	② Trails Projects Funding - Remaining Greenway Grant		\$(1,173,542)				
	③ Trails Projects Funding - New Greenway Grant Application		\$ (858,000)	\$ (442,000)			
	④ Trails Projects Funding from loan proceeds of loan not used		\$(1,000,000)				
	④ Trails Projects Funding from Open Space Maintenance EIT		\$ (363,000)	\$ (187,000)			
	Trails Projects - Magnolia Underpass Grant				\$ (308,452)	\$ (308,452)	
	Five Points Roundabout Grant						\$ (2,193,550)
	Trails Projects - South Street - Future Grant Potential						
	Equipment - Recycling Grant for Chipping						
Funding Total		\$(1,356,596)	\$(3,985,042)	\$(1,629,000)	\$(1,308,452)	\$(1,308,452)	\$(3,193,550)
Funding Total		\$(1,356,596)	\$(3,985,042)	\$(1,629,000)	\$(1,308,452)	\$(1,308,452)	\$(3,193,550)
Grand Total		\$ 537,212	\$ 446,158	\$ 1,562,200	\$ 331,837	\$ (4,124)	\$ 134,570
Planned Use of Reserves	⑤		\$ (401,132)	\$(1,562,200)	\$ (331,837)	\$ 4,124	\$ (134,570)
GF Fund Balance End of Yr		\$ 3,800,810	\$ 4,395,810	\$ 3,994,678	\$ 2,432,478	\$ 2,100,642	\$ 2,104,765
Cap Fund Balance End of Yr		\$ 583,933	\$ 45,026	\$ -	\$ -	\$ -	\$ -
GF + Cap Fund - Fund Balance		\$ 4,384,743	\$ 4,440,836	\$ 3,994,678	\$ 2,432,478	\$ 2,100,642	\$ 2,104,765
Annual General Fund		\$ 6,500,000	\$ 6,358,500	\$ 6,857,752	\$ 7,200,640	\$ 7,560,672	\$ 7,938,705
Operating Expense							
General Reserves as % of Operating Expense		67%	70%	58%	34%	28%	24%

Kennett Greenway: Trail on Chandler Mill

- The trail on Chandler Mill Road is currently in the permitting process
- Construction is expected to begin in 2023 and carry into 2024
- The costs are included in the budget numbers shown throughout the budget

Total Cost			
Year	Category	Current Est. (\$K)	Stage
2020	Preliminary work (due diligence, design, engagement)	81 K	Completed
2021	Preliminary work (due diligence, design, engagement)	206 K	Completed
	Final Design/Engineering	242 K	Continued in 2022
	Edge lane road evaluation	17 K	Completed
2022	Final Design/Engineering	443 K	In progress
	Right-of-way	250 K	In progress
	T&M Meetings	90 K	In progress
	Appraisals, permits, grant applications	18 K	Completed
2023	Construction	3,630 K	Future
	5% contingency	182 K	Contingency
2024	Construction	1,870 K	Future
	5% contingency	94 K	Contingency
Grand Total		7,122 K	

2023-2024 Funding Sources		2023	2024
	Existing grant	1,174 K	
	Potential new grant(s)	858 K	442 K
	Use of Open Space Maintenance funds for Chandler Mill Trail in accordance with Open Space 25% maintenance LTD Allocation.	363 K	187 K
	Funding from proceeds of loan not yet used	1,000 K	
	General Fund/Reserve contribution	417 K	1,335 K
Total Funding		3,812 K	1,964 K
2023-2024 Expected Costs		3,812 K	1,964 K

Non-uniform Employee Benefits

Summary of Budget Requests

Non-uniform Employee Benefits estimate of \$521K, down \$78K or -13% from 2022 Budget

- Budget includes:
 - Minimum Municipal Obligation reduction of \$38K due to turnover and revaluation
 - Non-uniform pension is well-funded due to forfeiture of Lisa Moore's pension
 - Savings of \$7K due to new lower cost short/long-term disability and life insurance
 - Medical insurance is budgeted to reduce vs. 2022 Budget
 - Assumed premium increase is currently 5% to be conservative. Actual increase has been about 3% each year.
 - However, that increase is more than offset by the success of the employee opt-out incentive

Administration Department Summary of Budget Request

Administration Department request of \$427K, up \$100K or 30% from 2022 Budget

- Primarily due to increasing run-rate of legal expenses
-

- Budget includes:
 - Legal fees estimate based on \$10K/month general + \$8K labor attorney
 - Township Manager Contract
 - Training & Conferences
 - Recent history has been particularly low given pandemic

Finance & HR Department

Summary of Budget Request

Finance/HR request of \$444K, up \$25k or 6% from 2022 Budget

- Budget includes:
 - No changes to staffing levels
 - Bank fees increased due to cost of fraud prevention services
 - May be able to reduce with use of PLGIT services/accounts
 - No changes to audit costs
 - 2021 Audit has been on hold due to workload/projects
 - May result in delaying transition to full GABS Annual Report, thereby saving vs. current forecast and budget

Planning & Zoning Department

Summary of Major Items Requested

Planning & Zoning request of \$321K, down \$54K or 14% from 2022 Budget

- Budget includes:
 - No staff additions for 2023
 - Holding off on Planner search given years of searching and development slow-down due to sewer capacity constraints

Engineering Department

Summary of Budget Request

Engineering Services Operating expenses are estimated at \$130K, down \$104K or 45% from 2022 Budget

- Change is primarily due to budgeting approach for Revolving Water Fund, see below
- Budget includes:
 - Revolving Water Fund project for MS4 is still pending DEP approval; therefore splitting \$157K budget 50/50 across 2023-2024
 - Budgeting for 2.2K of general engineering per month; down slightly from 2.5 run-rate due to hiring on new Public Works Director who is also a licensed Professional Engineer
 - \$5K in 2022 and 2023 each for evaluation of building options for expansion/addition
 - \$5K for work on Subdivision and Land Development Ordinances (SALDO) re-write to begin in 2023
- Budget does NOT include:
 - All engineering expenses for the Chandler Mill trail in 2022 and 2023 are booked to the Capital Fund
 - Due to budget constraints does NOT include engineering on any other major project including 5-points round-about, South Street sidewalk, Magnolia underpass or any other greenway segments other than Chandler Mill Trail.

Insurance

Budget Summary

Insurance estimate of \$128K, down \$7K or 6% from 2022 Budget

- Budget includes:
 - Reduction in non-uniform worker's compensation
 - Other insurance items had assumed increases that didn't come to fruition
 - **One open item - (Fidelity & Crime Coverage) (aka Public Employee Blanket Bond)**
 - Treasurer and Township Manager are individually bonded to protect the Township; this would cover the Township for behavior by all other employees and Board members
 - Includes coverage for employee theft and company incurred claim related expenses by retaining outside accountants and consultants
 - Also includes forgery, counterfeit money or money orders, funds transfer fraud & computer crime that causes loss to the Township (committed by employee or any outside party)

- This department is for insurance that is not specific to each employee: property, liability, bonds, worker's compensation, etc.

IT Services Department

Summary of Budget Request

General IT Services expenses are estimated at \$94.5K, up \$19.7K or 26% from 2022 Budget

- General IT is all IT supporting general & administrative operations, excluding sewer & police direct expenses & allocations

➤ Budget includes:

- Seeing high inflation across most services, software, & hardware in the IT space
- Major upgrade for cyber security and redundancy began in 2022; full-year in 2023
 - Plus 20% increase in end point detection tool
 - Split equally across General IT & Police IT
- Sage General Ledger up \$4K due to full-year of additional staff member and 5% general increase

➤ Budget does NOT include:

- Desire to evaluate further Sage enhancements but don't have capacity to do so or to implement; may request changes during the year
- Document management/sharing – deferring to potential for future
 - How critical is a central solution for BOS and Committees (vs. emailing attachments or linking to public website)?

Community Contributions

➤ Budget includes:

▪ Kennett Library Capital Commitment	\$121,000
▪ Year 4 of 6	
▪ Kennett Area Park Authority	\$ 75,000
▪ Moved to Open Space Fund based on Open Space Act changes	
▪ Kennett Collaborative	\$ 20,000
▪ Kennett Area Park and Recreation Board	\$ 12,500
▪ Brandywine Red Clay Alliance	\$ 2,950
▪ Membership; Christina Watershed program	
▪ Mushroom Festival	\$ 2,500
▪ Kennett Senior Center	\$ 2,500
▪ <u>SCCOOT Bus</u>	<u>\$ 2,000</u>
▪ Total External	\$238,450

➤ **Eliminate: KACS \$5,000 and Brandywine Valley Sports and Rec \$5,000**

➤ **Additionally, there is modest funding for Township Committees**

General Fund – 2023 Budget Recap

- The budget includes a half of a mill Real Estate Tax increase (avg \$123 per parcel) which will produce about \$405K in revenue
- Funding of our capital needs and projects will require some use of reserves (~\$40K in 2022 and \$485K in 2023) and leveraging Open Space maintenance funds and the Open Space loan proceeds not in use

	2020 Actuals	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B
Revenue								
Taxes								
⊕ Earned Income Taxes	\$ 2,629,986	\$ 3,365,255	\$ 3,467,000	\$ 2,621,829	\$ 3,295,972	\$ 3,361,892	\$ (105,108)	-3%
⊕ Local Service Tax		\$ 104,924	\$ 145,000	\$ 155,267	\$ 185,000	\$ 185,000	\$ 40,000	28%
⊕ Real Estate Taxes	\$ 1,642,305	\$ 1,724,702	\$ 1,900,400	\$ 1,854,560	\$ 1,907,774	\$ 2,311,758	\$ 411,358	22%
⊕ Real Estate Transfer Taxes	\$ 649,305	\$ 544,867	\$ 530,000	\$ 438,220	\$ 530,000	\$ 450,000	\$ (80,000)	-15%
Taxes Total	\$ 4,921,596	\$ 5,739,747	\$ 6,042,400	\$ 5,069,875	\$ 5,918,747	\$ 6,308,649	\$ 266,249	4%
Fees, Fines, Grants, Interest								
⊕ Building & Zoning	\$ 277,965	\$ 450,925	\$ 331,875	\$ 185,326	\$ 214,450	\$ 292,950	\$ (38,925)	-12%
⊕ Grants	\$ 251,257	\$ 581,736	\$ 1,079,925	\$ 755,597	\$ 1,150,075	\$ 2,308,438	\$ 1,228,513	114%
⊕ Other Income	\$ 270,603	\$ 215,742	\$ 215,746	\$ 175,114	\$ 239,865	\$ 357,972	\$ 142,227	66%
⊕ Reimbursement	\$ 141,060	\$ 176,862	\$ 115,163	\$ 147,362	\$ 220,088	\$ 169,599	\$ 54,436	47%
Fees, Fines, Grants, Interest Total	\$ 940,887	\$ 1,425,265	\$ 1,742,708	\$ 1,263,399	\$ 1,824,477	\$ 3,128,958	\$ 1,386,251	80%
Revenue Total	\$ 5,862,483	\$ 7,165,013	\$ 7,785,108	\$ 6,333,274	\$ 7,743,224	\$ 9,437,608	\$ 1,652,500	21%
Expense								
⊕ Salaries & Benefits	\$ 2,760,589	\$ 3,298,059	\$ 3,688,295	\$ 2,888,009	\$ 3,843,222	\$ 4,063,285	374990.6607	10%
⊕ Maintenance & Operations	\$ 691,049	\$ 728,094	\$ 847,175	\$ 578,804	\$ 759,039	\$ 835,585	-11589.66356	-1%
⊕ Contracted/ Professional Services	\$ 794,944	\$ 744,799	\$ 631,900	\$ 595,622	\$ 714,054	\$ 635,384	3484.35555	1%
⊕ Community & Economic Developme	\$ 250,713	\$ 303,539	\$ 247,616	\$ 220,414	\$ 251,760	\$ 174,510	-73106.24	-30%
⊕ Fire & Ambulance	\$ 602,071	\$ 682,623	\$ 862,836	\$ 867,579	\$ 881,301	\$ 1,106,450	243614.085	28%
Expense Total	\$ 5,099,366	\$ 5,757,114	\$ 6,277,822	\$ 5,150,429	\$ 6,449,376	\$ 6,815,215	537393.1977	9%
⊕ Transfers to Capital Fund	\$ (631,224)	\$ (1,284,098)	\$ (1,450,470)	\$ (865,107)	\$ (1,292,734)	\$ (2,622,042)	-1171571.77	81%
Operating Gain/(Loss)	\$ 763,116	\$ 1,407,899	\$ 1,507,286	\$ 1,182,845	\$ 1,293,848	\$ 2,622,393	\$ 1,115,107	74%
Gain/(Loss) With Capital	\$ 131,892	\$ 123,801	\$ 56,816	\$ 317,739	\$ 1,114	\$ 351	\$ (56,465)	-99%
Operating Gain/(Loss) excluding Greenway Grants	\$ 740,062	\$ 1,051,441	\$ 647,986	\$ 518,033	\$ 422,332	\$ 590,851	\$ (57,136)	-9%
Capital Fund Net Cash Flow			\$ (56,001)		\$ (623,232)	\$ (446,158)		
Capital Fund Balance/(Amount required to Fund from Reserves)		\$ 583,933	\$ 527,932		\$ (39,299)	\$ (485,457)		

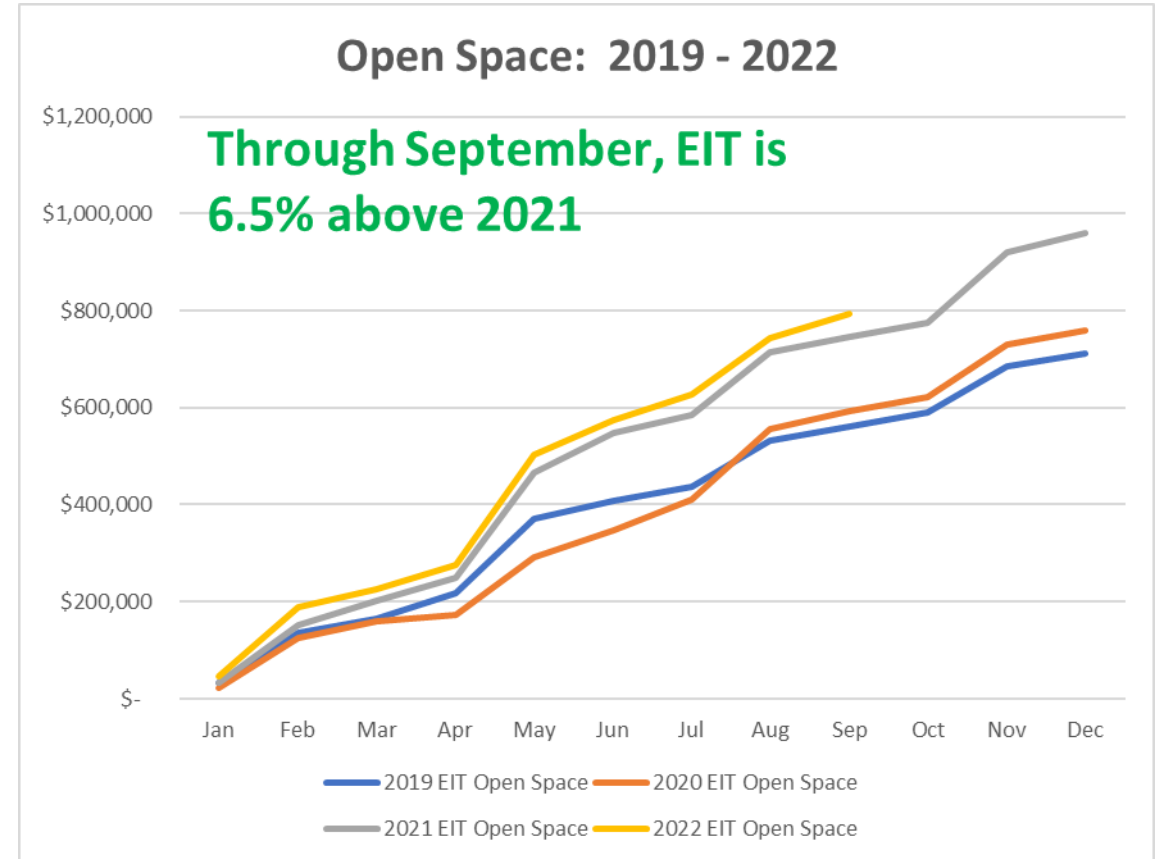
The above does not include Revenue from Recovery nor the cost of Recovery Efforts.

2023 Open Space Budget

Open Space Fund Budget

Open Space Fund Revenue

- Open Space Earned Income Tax (EIT) is expected to come in at \$1.018M, outperforming 2021 by \$58K (6.5%) and 2022 Budget by \$50K
 - Open Space EIT is generated by only Township residents
 - Note that General Fund EIT is running 2% below 2021; this indicates that those that live in Kennett Township are increasing compensation faster than those that work here but do not live here
- Open Space EIT is budgeted at \$1.038M or 2% growth above 2022 Forecast
- Open Space interest has the opportunity to make a more substantial impact if reinvested into PLGIT



Open Space Fund

Summary of Budget

- Budget includes:
 - Spar Hill Demolition and Stabilization Project as presented by the Historical Commission \$480K (may begin in 2022)
 - Debt service of \$485K Principal and \$54K Interest for 10 year \$5M loan @ 1.34%
 - Kennett Area Park Authority for Anson B. Nixon Flat to 2022 at \$68,250
 - Recommend moving from General Fund to Open Space given law change supports use of Open Space funds for open space benefits not purchases with money from the Act.
 - KAPA is expected to ask for an increase
 - Brandywine Red Clay Alliance Contracted services for \$60K
 - Additional mower and trailing for open space maintenance \$28K
 - Public Works Seasonal Employee for mowing and maintenance \$18K
 - Other misc for maintenance ~\$15K

- Money earmarked for 2 proposed properties – not necessary to budget given uncertainty and separate approval process

Open Space

Analysis of Life-to-date Spend*

- Open Space EIT is heavily restricted in how it can be spent
 - 25% of life-to-date revenue can be spent on maintenance, improvement & other items that provide an open space benefit
 - A change was made to the law this year that allows Open Space funds to be used on items not originally purchased under the Open Space Act

- We have completed an analysis of 2012 to present to categorize all spend as either Acquisition or Maintenance/Improvement – detail on next slide
 - The results show a year-end 2022 forecast of \$872K in funds available for Maintenance & Improvement
 - The budget includes contributing \$363K from the Open Space Fund to build the Chandler Mill Trail
 - Additionally, the budget includes utilizing \$1M of the \$1.4M available funds from the \$5M loan for the Chandler Mill Trail
 - This can be paid back with future maintenance/improvement allocation of the Open Space Fund
 - These proceeds are sitting idle not earning interest. There are restrictions on investing unused loan proceeds; although there are options under PLGIT with appropriate monitoring and government filings
 - This also leaves sufficient Open Space total balances to cover known purchase opportunities

Open Space

Analysis of Life-to-date Spend*

- The results show a year-end 2022 forecast of \$872K in funds available for Maintenance & Improvement
- 2023 Proposed use of funds (see prior slide) show \$100K remaining

Year	Open Space Revenue				Expenses		Net Cash Flow	Maintenance & Improvement Under the Act				
	Open Space Tax	Interest Earned	Other Inflow	Total Revenue	Total Acquisition (including Debt Service)	Non-Acquisition		Year	Allowable Maintenance (25% of Tax)	Total Non-Acquisition	Unspent Yrly Maintenance (Remaining above 25%)	Cumulative
2012	778,402	5,227		783,630	420,785	15,284	347,560	2012	194,601	15,284	179,316	179,316
2013	663,895	6,216		670,111	9,341	1,500	659,270	2013	165,974	1,500	164,474	343,790
2014	688,477	7,179		695,656	426,766	2,160	266,730	2014	172,119	2,160	169,959	513,749
2015	657,069	8,123		665,192	18,994	3,000	643,198	2015	164,267	3,000	161,267	675,017
2016	652,818	4,798		657,616	1,071,261	194,251	(607,896)	2016	163,204	194,251	(31,047)	643,970
2017	685,051	6,122	1,516,687	2,207,859	2,831,671	283,041	(906,853)	2017	550,434	283,041	267,393	911,363
2018	737,620	8,277	4,409,609	5,155,506	3,821,203	258,385	1,075,917	2018	184,405	258,385	(73,980)	837,382
2019	712,012	13,742		725,754	479,952	656,173	(410,371)	2019	178,003	656,173	(478,170)	359,212
2020	757,997	2,644		760,641	12,022	60,365	688,253	2020	189,499	60,365	129,134	488,347
2021	960,611	1,042		961,653	87,434	35,000	839,219	2021	240,153	35,000	205,153	693,499
2022 Forecast	1,018,248	1,011	663,150	1,682,409	2,063,375	76,000	(456,966)	2022F	254,562	76,000	178,562	872,061
2023 Budget	1,038,613	9,059		1,047,672	539,471	1,031,895	(523,694)	2023B	259,653	1,031,895	(772,242)	99,820
Total	9,350,812	73,441	6,589,446	16,013,699	11,782,275	2,617,055	1,614,368	Total	2,716,875	2,617,055	99,820	

*Based on all available records 2012-present, plus maturing CD in 2017

2023 Sewer Budget

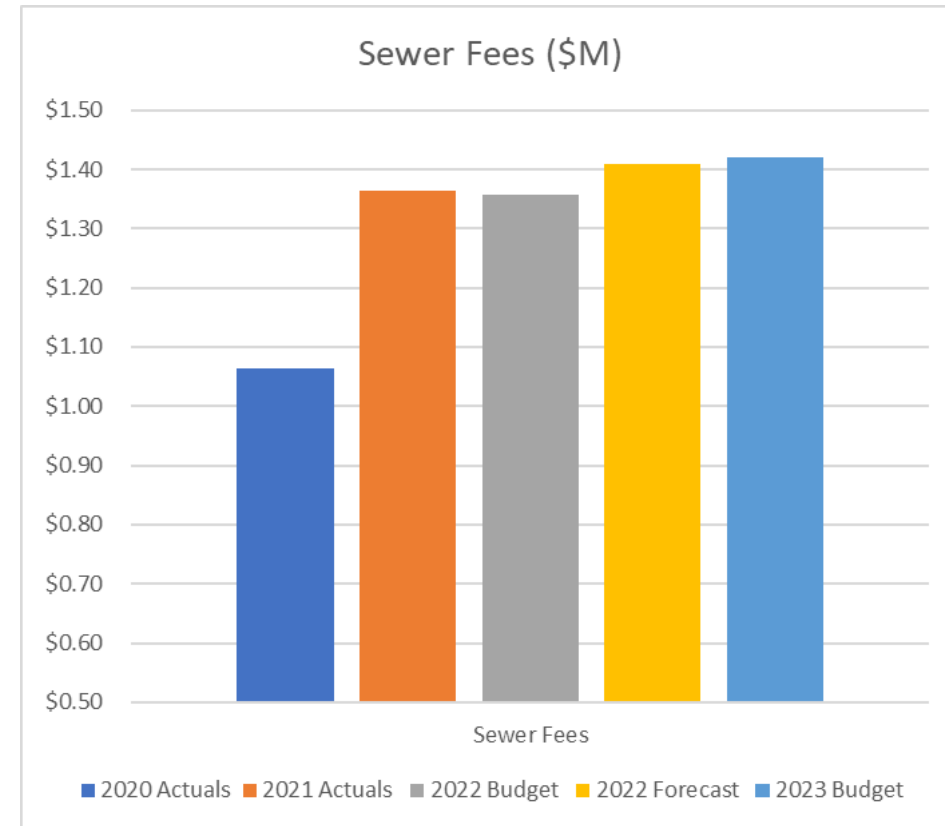
Sewer Fund – 2023 Budget

- The 2023 Sewer Budget is comparable to 2022 forecast and nearly at break even without capital.
- The Act 537 Plan will assess the sewer infrastructure and future needs, which will enable us to build a long-term plan for capacity constraints and an aging system
- Given that the Operating Budget is just \$50K above break-even, we do not currently have a sustainable model to support capital investment.
- Near-term, we will be dependent on ARPA grant funds for capital needs and potentially the liability owed from General Fund to Sewer as a result of fraud by the former Township Manager.

	2020 Actuals	2021 Actuals	2022 Budget	2022 YTD Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
Revenue										
Fees, Fines, Grants, Interest										
Fees	\$ 1,060,271	\$ 1,364,060	\$ 1,355,787	\$ 1,106,530	\$ 1,409,118	\$ 1,419,825	\$ 64,038	5%	\$ 10,707	1%
Other Income	\$ 2,672	\$ 316	\$ 1,000	\$ 52	\$ 100	\$ 100	\$ (900)	-90%		
Fees, Fines, Grants, Interest Total	\$ 1,062,943	\$ 1,364,376	\$ 1,356,787	\$ 1,106,581	\$ 1,409,218	\$ 1,419,925	\$ 63,138	5%	\$ 10,707	1%
Revenue Total	\$ 1,062,943	\$ 1,364,376	\$ 1,356,787	\$ 1,106,581	\$ 1,409,218	\$ 1,419,925	\$ 63,138	5%	\$ 10,707	1%
Expense										
Salaries & Benefits	\$ 12,909	\$ 118,799	\$ 128,430	\$ 83,855	\$ 139,388	\$ 145,303	\$ 16,873	13%	\$ 5,915	4%
Maintenance & Operations	\$ 617,608	\$ 1,218,038	\$ 1,018,215	\$ 701,651	\$ 1,000,878	\$ 1,063,539	\$ 45,324	4%	\$ 62,661	6%
Contracted/ Professional Services	\$ 89,419	\$ 55,943	\$ 199,500	\$ 61,120	\$ 73,395	\$ 161,000	\$ (38,500)	-19%	\$ 87,605	119%
Expense Total	\$ 719,936	\$ 1,392,780	\$ 1,346,145	\$ 846,625	\$ 1,213,661	\$ 1,369,842	\$ 23,697	2%	\$ 156,181	13%
Capital Net Expense	\$ (311,151)	\$ (76,480)	\$ 575,559	\$ 48,553	\$ 39,547	\$ (320,641)	\$ (896,200)	-156%	\$ (360,188)	-911%
Operating Gain/(Loss)	\$ 343,007	\$ (28,404)	\$ 10,642	\$ 259,956	\$ 195,557	\$ 50,083	\$ 39,441	371%	\$ (145,474)	-74%
Gain/(Loss) With Capital	\$ 31,856	\$ (104,884)	\$ 586,201	\$ 308,509	\$ 235,104	\$ (270,558)	\$ (856,759)	-146%	\$ (505,662)	-215%

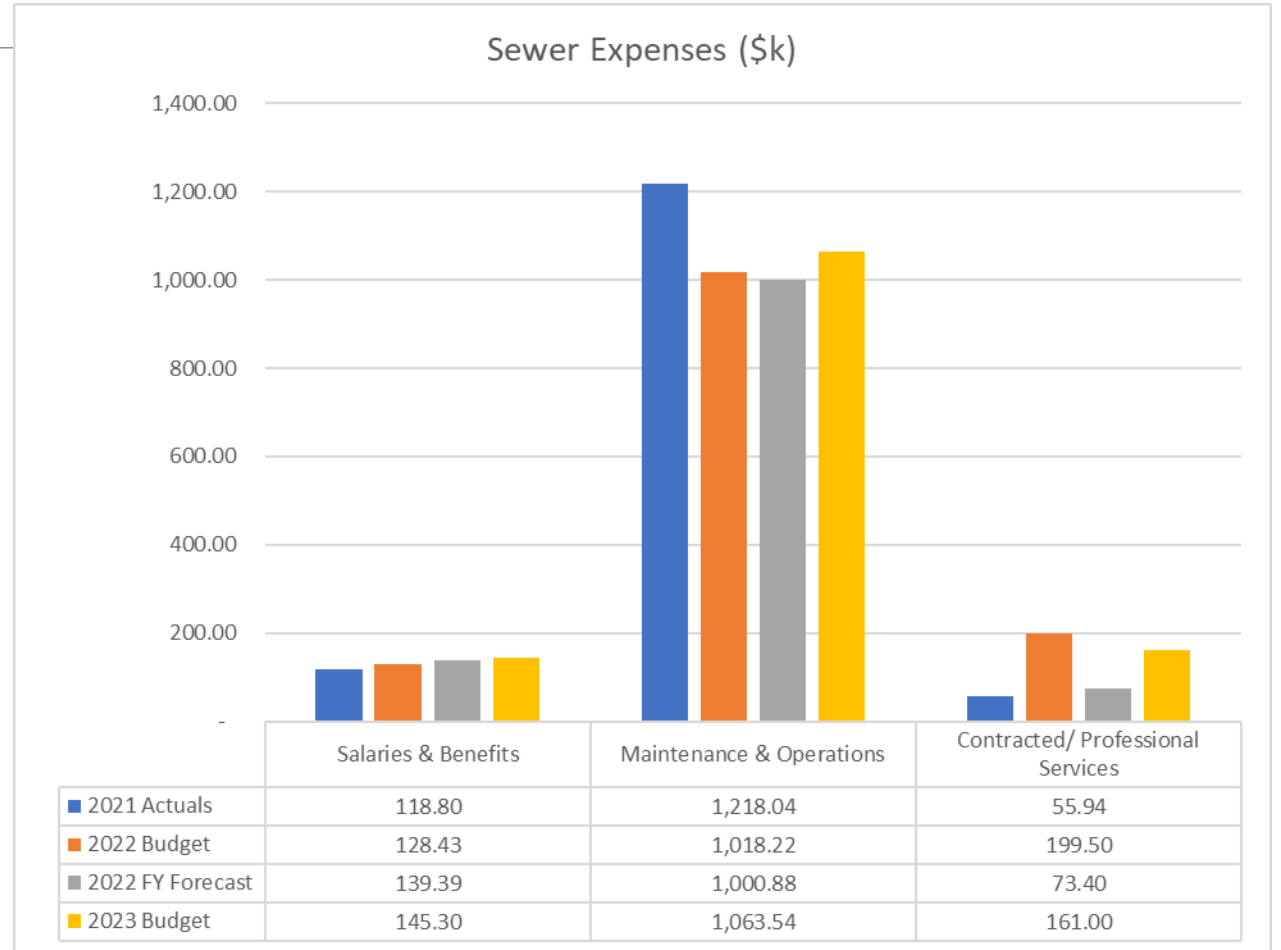
Sewer Fund Revenue Overview

- Revenue has been trending steadily up due to real estate growth and procedural refinement. 2021 is slightly inflated by lag of collection from 2020.
- The 2022 Sewer Fees forecast is estimated to be slightly higher than 2022 budget at \$1.406M (\$53k difference)
 - Absorption of credit card fees has increased timely payment.
 - Long-standing sewer issues are being reconciled.
- 2023 Sewer Fund revenue budget is nearly even to 2022 forecast (\$10k increase).
 - Most accounts with sewer issues have been resolved.
 - Delinquent accounts will be tackled, but not expecting a quick turnaround on payments.
 - Counting 49 units at Kennett Gateway to be occupied by the end of 2023.



Sewer Fund Expense Overview

- Expenses are expected at \$1.67M, up \$24K or 2% vs. 2022 Budget
- Salaries and Benefits are an allocation of the Finance and Public Works Departments.
- Maintenance & Operations
 - 2022 Forecast is slightly less than 2022 budget due to lack of spending of the emergency contingency for Ashford pump station and movement of video inspection of gravity mains to 2023, offset by an increase in bank service fees for credit card usage by residents.
 - 2023 Budget is 6% (\$62k) higher than 2022 Forecast primarily due to increase in video inspection of gravity mains along with an increase in maintenance expenses for Ashford pump station.
- Contracted/Professional Services in 2022 budget included engineering costs for Act 537 (pushed to 2023) and I&I analysis.



Sewer Maintenance & Operations Detail

Sage Acct Name	2023 Comment	2021 Actuals	2022 Budget	2022 Actuals YTD	2022 FY Forecast	2023 Budget	\$ 2022 Forecast vs. 2022 Budget	% 2022F vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
Bank Service Charges/Fees	Forecast: increase in CC usage = increase in fees; 2023: Anticipate more payments via CC.	\$ 10,083	\$ 7,000	\$ 8,780	\$ 11,580	\$ 13,000	\$ 4,580	65%	\$ 1,420	12%
Miscellaneous Expenses	Sewer Fee refunds to residents for overpayments	\$ 1,275	\$ 3,000	\$ 469	\$ 800	\$ 1,500	\$ (2,200)	-73%	\$ 700	88%
Property & Liability Insurance	2022 Forecast: 8 pump stations @ \$210ea + 4% of equipment and general liability; 2023 budget: 1 additional pump station @ \$250 + 5% rate increase of 2022.	\$ 210	\$ 6,500	\$ -	\$ 3,310	\$ 4,000	\$ (3,190)	-49%	\$ 690	21%
Repair & Maint - Ashford PS	2023: KBX - day-to-day maint \$1296/mth (\$15552)+PreDoc pumping/sand beds (\$4800)+ wet well 3x year (\$1815)+\$1500/mth emergency contingency	\$ 72,994	\$ 24,615	\$ 10,489	\$ 20,000	\$ 40,167	\$ (4,615)	-19%	\$ 20,167	101%
Repair & Maint - Creek Rd	Sewer Pumping Creek Rd	\$ 2,095	\$ 2,400	\$ 2,093	\$ 2,400	\$ 2,500			\$ 100	4%
Repair & Maintenance Services	Forecast: video inspection 1 mile (\$13,728) + general; 2023: Annual meter calibration 3 meters (\$1800)+PS Maint 9 PS (\$6600)+Generator maint 9 PS (\$4100) + Contingency for emergencies (\$7000)+video inspection of sewer gravity mains (3 @ \$2.60/LF) (\$54,912)	\$ 10,006	\$ 47,890	\$ 19,755	\$ 38,728	\$ 74,412	\$ (9,162)	-19%	\$ 35,684	92%
Sewer Treatment, E Marlborough	4 quarters @ \$15,065 each	\$ 60,260	\$ 60,260	\$ 45,195	\$ 60,260	\$ 60,260				
Sewer Treatment, KS Borough	No significant increase expected	\$1,038,252	\$ 840,000	\$ 597,886	\$ 840,000	\$ 840,000				
Sewer Water Readings	No expected change in water rate from CWA	\$ 1,529	\$ 2,000	\$ 1,143	\$ 1,800	\$ 2,000	\$ (200)	-10%	\$ 200	11%
Utilities	Electricity (\$17.9k) anticipate increase of 10% + 1 new PS @ \$300/mth; CWA (\$900); Borough (\$300); FIOS (\$900) removed 1 line; Verizon Phones (\$5200); Propane (\$500)	\$ 21,334	\$ 24,550	\$ 15,842	\$ 22,000	\$ 25,700	\$ (2,550)	-10%	\$ 3,700	17%
		\$ 1,218,038	\$ 1,018,215	\$ 701,651	\$ 1,000,878	\$ 1,063,539	\$ (17,337)	-2%	\$ 62,661	6%
		\$ 1,218,038	\$ 1,018,215	\$ 701,651	\$ 1,000,878	\$ 1,063,539	\$ (17,337)	-2%	\$ 62,661	6%

Sewer Contracted/Professional Services Detail

Sage Acct Name	2023 Comment	2021 Actuals	2022 Budget	2022 Actuals YTD	2022 FY Forecast	2023 Budget	\$ 2022 Forecast vs. 2022 Budget	% 2022F vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
Engineering Services	2022 Forecast: Act 537 and I&I pushed to 2023; 2023 Budget: Act 537 Phase I and Planning (\$75k+\$7.5k)+general assistance and annual Chapt 94 report (\$60k)	\$ 38,819	\$ 185,000	\$ 42,572	\$ 56,395	\$ 142,500	\$ (128,605)	-70%	\$ 86,105	153%
IT Services	\$6500 for annual maint agreement for sewer system; \$4000 allocations for G/L.	\$ 14,594	\$ 6,500	\$ 10,125	\$ 10,500	\$ 10,500	\$ 4,000	62%		
IT Systems - Finance/Accounting	Alloc. of GL (\$4K);		\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000				
Legal Services	Keeping budget as placeholder for contingency	\$ 874	\$ 1,500	\$ 2,546	\$ -	\$ 1,500	\$ (1,500)	-100%	\$ 1,500	100%
Printing & Advertising	Cost of Sewer Bills printed and mailed - do not anticipate a major increase.	\$ 1,657	\$ 2,500	\$ 1,876	\$ 2,500	\$ 2,500				
		\$ 55,943	\$ 199,500	\$ 61,120	\$ 73,395	\$ 161,000	\$ (126,105)	-63%	\$ 87,605	119%
		\$ 55,943	\$ 199,500	\$ 61,120	\$ 73,395	\$ 161,000	\$ (126,105)	-63%	\$ 87,605	119%

Sewer Capital 2023 Budget

- 2022 Budget anticipated quicker build of Kennett Gateway. Most of that has been pushed to 2023.
- 2023 Capital Construction cost is for 50% of the estimated township cost of the new Rosedale Pump Station. ARPA monies received will be needed to fund this project.

Sage Acct Name		2023 Comment	2021 Actuals	2022 Budget	2022 Actuals YTD	2022 FY Forecast	2023 Budget	\$ 2022 Forecast vs. 2022 Budget	% 2022F vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022F
Revenue	Sewer Improvement Fee		0	\$ -	\$ -	\$ -	\$ -				
	Sewer Tapping Fee	2022 Forecast: Kennett Gateway 6 more townhomes expected; 2023 - KG - 29 townhomes, 10 apartments	\$ 21,948	\$ 885,236	\$ 73,160	\$ 117,056	\$ 299,956	\$ (768,180)	-87%	\$ 182,900	156%
Revenue Total			\$ 21,948	\$ 885,236	\$ 73,160	\$ 117,056	\$ 299,956	\$ (768,180)	-87%	\$ 182,900	156%
Expense	Capital Construction	2023 Budget: 50% Rosedale Rd PS (\$525,600), other 50% in 2024	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ 525,600			\$ 495,600	1652%
	Sewer Tapping Passthrough	Passthrough of incoming tapping fees	\$ 98,428	\$ 270,677	\$ 24,607	\$ 38,509	\$ 94,997	\$ (232,168)	-86%	\$ 56,488	147%
	Veh-Equip (to capitalize)		0	\$ 9,000	\$ -	\$ 9,000	\$ -			\$ (9,000)	-100%
Expense Total			\$ 98,428	\$ 309,677	\$ 24,607	\$ 77,509	\$ 620,597	\$ (232,168)	-75%	\$ 543,088	701%
Capital Gain/(Loss)			\$ (76,480)	\$ 575,559	\$ 48,553	\$ 39,547	\$ (320,641)	\$ (536,012)	-93%	\$ (360,188)	-911%

2023 Budget Appendix

Detail for General, Capital & Open Space Funds

GENERAL FUND

	2020 Actuals	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B
Revenue								
Taxes								
Earned Income Taxes	\$ 2,629,986	\$ 3,365,255	\$ 3,467,000	\$ 2,621,829	\$ 3,295,972	\$ 3,361,892	\$ (105,108)	-3%
Local Service Tax		\$ 104,924	\$ 145,000	\$ 155,267	\$ 185,000	\$ 185,000	\$ 40,000	28%
Real Estate Taxes	\$ 1,642,305	\$ 1,724,702	\$ 1,900,400	\$ 1,854,560	\$ 1,907,774	\$ 2,311,758	\$ 411,358	22%
Real Estate Transfer Taxes	\$ 649,305	\$ 544,867	\$ 530,000	\$ 438,220	\$ 530,000	\$ 450,000	\$ (80,000)	-15%
Taxes Total	\$ 4,921,596	\$ 5,739,747	\$ 6,042,400	\$ 5,069,875	\$ 5,918,747	\$ 6,308,649	\$ 266,249	4%
Fees, Fines, Grants, Interest								
Building & Zoning	\$ 277,965	\$ 450,925	\$ 331,875	\$ 185,326	\$ 214,450	\$ 292,950	\$ (38,925)	-12%
Grants	\$ 251,257	\$ 581,736	\$ 1,079,925	\$ 755,597	\$ 1,150,075	\$ 2,308,438	\$ 1,228,513	114%
Other Income	\$ 270,603	\$ 215,742	\$ 215,746	\$ 175,114	\$ 239,865	\$ 357,972	\$ 142,227	66%
Reimbursement	\$ 141,060	\$ 176,862	\$ 115,163	\$ 147,362	\$ 220,088	\$ 169,599	\$ 54,436	47%
Fees, Fines, Grants, Interest Total	\$ 940,887	\$ 1,425,265	\$ 1,742,708	\$ 1,263,399	\$ 1,824,477	\$ 3,128,958	\$ 1,386,251	80%
Revenue Total	\$ 5,862,483	\$ 7,165,013	\$ 7,785,108	\$ 6,333,274	\$ 7,743,224	\$ 9,437,608	\$ 1,652,500	21%
Expense								
Salaries & Benefits	\$ 2,760,589	\$ 3,298,059	\$ 3,688,295	\$ 2,888,009	\$ 3,843,222	\$ 4,063,285	\$ 374,991	10%
Maintenance & Operations	\$ 691,049	\$ 728,094	\$ 847,175	\$ 578,804	\$ 759,039	\$ 835,585	\$ (11,590)	-1%
Contracted/ Professional Services	\$ 794,944	\$ 744,799	\$ 631,900	\$ 595,622	\$ 714,054	\$ 635,384	\$ 3,484	1%
Community & Economic Development	\$ 250,713	\$ 303,539	\$ 247,616	\$ 220,414	\$ 251,760	\$ 174,510	\$ (73,106)	-30%
Fire & Ambulance	\$ 602,071	\$ 682,623	\$ 862,836	\$ 867,579	\$ 881,301	\$ 1,106,450	\$ 243,614	28%
Expense Total	\$ 5,099,366	\$ 5,757,114	\$ 6,277,822	\$ 5,150,429	\$ 6,449,376	\$ 6,815,215	\$ 537,393	9%
Transfers to Capital Fund	\$ (631,224)	\$ (1,284,098)	\$ (1,450,470)	\$ (865,107)	\$ (1,292,734)	\$ (2,622,042)	\$ (1,171,572)	81%
Operating Gain/(Loss)	\$ 763,116	\$ 1,407,899	\$ 1,507,286	\$ 1,182,845	\$ 1,293,848	\$ 2,622,393	\$ 1,115,107	74%
Gain/(Loss) With Capital	\$ 131,892	\$ 123,801	\$ 56,816	\$ 317,739	\$ 1,114	\$ 351	\$ (56,465)	-99%
Operating Gain/(Loss) excluding Greenway Grants								
	\$ 740,062	\$ 1,051,441	\$ 647,986	\$ 518,033	\$ 422,332	\$ 590,851	\$ (57,136)	-9%
Capital Fund Net Cash Flow								
			\$ (56,001)		\$ (623,232)	\$ (446,158)		
Capital Fund Balance/(Amount required to Fund from Reserves)								
		\$ 583,933	\$ 527,932		\$ (39,299)	\$ (485,457)		

The above does not include Revenue from Recovery nor the cost of Recovery Efforts.

Kennett Township 2023 Budget
General Fund Revenue

Category 3											\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022B	
Sage GL	Sage GL Account Name	2023 Comment	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget						
Grants	45415	Recycling Grant	Assume flat to prior year	\$ 1,637	\$ 22,000	\$ 22,118	\$ 22,000	\$ -	\$ 22,000	\$ 22,000					
	45416	Household Hazardous Waste Grant	(blank)					\$ 1,231	\$ 1,231	\$ 1,231	\$ 1,231	100%	\$ 0	0%	
	45417	State Grants	2023 Greenway grant reimbursement that will be transferred from GF to Cap to cover expenses. (\$1,173,542 existing grant; 2/3 of \$1,300,000 new potential grant). 2022 engineering reimbursement for CFA Western Greenway Grant (\$170K, hold off on environmental). 2022 Also Rt 1/Rt82/Cedarcroft ARLE Grant reimbursement (\$642K).	\$ 23,054	\$ -	\$ 356,458	\$ 859,300	\$ 664,813	\$ 871,516	\$ 2,031,542	\$ 1,172,242	136%	\$ 1,160,026	133%	
	45601	Public Utility Revenue	Assume flat to prior year	\$ 5,706	\$ 6,000	\$ 5,825	\$ 5,825	\$ 6,689	\$ 6,689	\$ 5,825				\$ (864)	-13%
	45604	Liquor Licenses	(blank)	\$ 400	\$ 400	\$ 800	\$ 800	\$ 1,600	\$ 1,600	\$ 800				\$ (800)	-50%
	45605	State Pension Aid	State contribution to Pension. Assume flat to prior year.	\$ 137,867	\$ 137,867	\$ 295,301	\$ 130,000	\$ -	\$ 165,774	\$ 165,774	\$ 35,774	28%			
	45607	Foreign Fire Insurance Act	Pass through grant from state to Fire houses.	\$ 72,955	\$ 71,000	\$ 64,167	\$ 62,000	\$ 81,265	\$ 81,265	\$ 81,265	\$ 19,265	31%			
	45704	Private Grant	(blank)	\$ 9,638	\$ -	\$ 2,841	\$ -	\$ -	\$ -	\$ -					
	Grants Total			\$ 251,257	\$ 237,267	\$ 747,510	\$ 1,079,925	\$ 755,597	\$ 1,150,075	\$ 2,308,438	\$ 1,228,513	114%	\$ 1,158,363	101%	
Building & Zoning	46298	Misc Zoning & Building Fees	Contractor registration, vacant property, home occupation.	\$ 16,986	\$ 4,500	\$ 2,175	\$ 2,075	\$ 800	\$ 1,000	\$ 1,000	\$ (1,075)	-52%			
	42250	Road Opening Permits	(blank)	\$ 540	\$ 500	\$ 1,305	\$ 1,000	\$ 380	\$ 450	\$ 450	\$ (550)	-55%			
	46134	Zoning Hearing Fees	Highly variable based on case load.	\$ 5,200	\$ 8,000	\$ 6,600	\$ 5,800	\$ 4,200	\$ 5,000	\$ 5,000	\$ (800)	-14%			
	46242	Rental Registration Fees	Assume flat to prior year	\$ 7,540	\$ 3,000	\$ 3,200	\$ 2,000	\$ 6,000	\$ 7,000	\$ 5,500	\$ 3,500	175%	\$ (1,500)	-21%	
	46240	Building & Zoning Fees	Small-medium projects running \$150K+ major land development projects (primarily Gateway)	\$ 246,610	\$ 230,000	\$ 453,760	\$ 320,000	\$ 173,123	\$ 200,000	\$ 280,000	\$ (40,000)	-13%	\$ 80,000	40%	
	46246	UCC Fees - Act 45	Paid out per Act 45.	\$ 1,089	\$ 800	\$ 1,098	\$ 1,000	\$ 823	\$ 1,000	\$ 1,000					
Building & Zoning Total			\$ 277,965	\$ 246,800	\$ 468,138	\$ 331,875	\$ 185,326	\$ 214,450	\$ 292,950	\$ (38,925)	-12%	\$ 78,500	37%		
Reimbursement	49110	Proceeds from Sale of Fixed Asset	Sale of vehicle but then had to be refunded (shown in expense)			\$ 7,700	\$ 5,000	\$ 12,050	\$ 20,350	\$ -	\$ (5,000)	-100%	\$ (20,350)	-100%	
	46132	Engineering & Legal Reimb.	2022 ARLE Grant Rt 1/Rt 82/Cedarcoft Reimbursement from East Marlborough. Project finished in 2022	\$ 10,391	\$ -	\$ -	\$ 10,000	\$ -	\$ 14,125	\$ -	\$ (10,000)	-100%	\$ (14,125)	-100%	
	46218	Overtime Reimbursement	Reimbursement by Longwood Gardens. Note, need to renegotiate as current arrangement does not include fully loaded cost.	\$ 14,868	\$ 15,000	\$ 23,901	\$ 15,000	\$ 54,470	\$ 69,000	\$ 69,350	\$ 54,350	362%	\$ 350	1%	
	46799	Holiday Village Reimbursement	Not planning on laying out expenses for Holiday Village in future.	\$ 27,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
	46560	Health Insurance Reimbursement	Employee contribution to healthcare + BOS member 100% reimbursement. 2022 Actuals include rebate from Indep. Blue Cross (8.7% of 2021 premium). 2023 includes insurance reimbursement from Police, pending new CBA.	\$ 58,152	\$ 55,972	\$ 73,348	\$ 61,550	\$ 76,405	\$ 86,994	\$ 73,808	\$ 12,258	20%	\$ (13,186)	-15%	
	46561	Worker's Comp. Insur. Reimb.	Reimbursement for Fire & EMS portion of Worker's Compensation from Fire & EMS Commission	\$ 26,491	\$ 23,105	\$ 19,258	\$ 23,613	\$ -	\$ 25,182	\$ 26,441	\$ 2,828	12%	\$ 1,259	5%	
	49199	Insurance Reimbursement	2022 Actual insurance from accident	\$ 3,451	\$ 40,377	\$ 93,842	\$ -	\$ 4,437	\$ 4,437	\$ -				\$ (4,437)	-100%
Reimbursement Total			\$ 141,060	\$ 134,454	\$ 218,049	\$ 115,163	\$ 147,362	\$ 220,088	\$ 169,599	\$ 54,436	47%	\$ (50,489)	-23%		
Other Income	43149	Fine & Penalties	Running light	\$ 23,675	\$ 53,000	\$ 33,032	\$ 35,000	\$ 16,939	\$ 22,939	\$ 22,000	\$ (13,000)	-37%	\$ (939)	-4%	
	44151	Interest Income	Rates have increased substantially just in Aug and Sept. Planning to change investment line-up for substantial impact rest of year and next year	\$ 38,806	\$ 3,000	\$ 11,564	\$ 1,000	\$ 4,254	\$ 33,000	\$ 150,000	\$ 149,000	14900%	\$ 117,000	355%	
	44152	Unrealized Gain/Loss	Unrealized loss from fixed income investments. When rates go up, prices go down.	\$ 5,610	\$ -	\$ (15,270)		\$ (3,057)	\$ (18,000)	\$ (5,000)	\$ (5,000)	100%	\$ 13,000	-72%	

Kennett Township 2023 Budget
General Fund Revenue

Category 3				2020	2021	2021	2022	2022	2022	2023				
Sage GL	Sage GL Account Name	2023 Comment	Full Year Actuals	Budget	Actuals	Budget	Actuals	Actuals	Forecast	Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023 Budget vs. 2022 Forecast	% 2023B vs. 2022B
Other Income	46159	Sale of Copies, Supplies	Assume flat to prior year	\$ 2,385	\$ 2,300	\$ 2,459	\$ 2,000	\$ 1,840	\$ 1,900	\$ 1,900	\$ (100)	-5%		
	46399	Misc Public Works Income	Assume flat to prior year	\$ 4,131	\$ 3,500	\$ 6,382	\$ 5,746	\$ 5,111	\$ 6,000	\$ 6,000	\$ 255	4%		
	46299	Misc Police Income	No planned misc income. 2022 actuals was donation.	\$ 449	\$ 500	\$ 25	\$ -	\$ 5,260	\$ 5,260	\$ -			\$ (5,260)	-100%
	48311	Street Light Fees	(blank)	\$ 5,165	\$ 5,165	\$ 3,610	\$ 4,000	\$ 6,541	\$ 6,541	\$ 7,000	\$ 3,000	75%	\$ 459	7%
	46148	Misc Income	No planned misc income.	\$ 11,847	\$ -	\$ 136	\$ -	\$ 2,560	\$ 2,560	\$ -			\$ (2,560)	-100%
Other Income Total				\$ 92,067	\$ 67,465	\$ 41,938	\$ 47,746	\$ 39,448	\$ 60,200	\$ 181,900	\$ 134,155	281%	\$ 121,700	202%
Fraud Recovery	43200	Forfeits/Recovery	Not a budgeted item.	\$ 1,000,000	\$ -	\$ 1,625,200	\$ -	\$ 735,217	\$ 735,217				\$ (735,217)	-100%
Fraud Recovery Total				\$ 1,000,000	\$ -	\$ 1,625,200	\$ -	\$ 735,217	\$ 735,217				\$ (735,217)	-100%
Cable Franchise Fee	42180	Cable Franchise Fee	Revenue from tax on Comcast & Verizon cable subscriptions. Seeing slow decline given cord-cutting trend. Est 2% from year-end estimate.	\$ 178,536	\$ 180,000	\$ 178,590	\$ 168,000	\$ 135,665	\$ 179,665	\$ 176,072	\$ 8,072	5%	\$ (3,593)	-2%
Cable Franchise Fee Total				\$ 178,536	\$ 180,000	\$ 178,590	\$ 168,000	\$ 135,665	\$ 179,665	\$ 176,072	\$ 8,072	5%	\$ (3,593)	-2%
Real Estate Taxes	40111	RE Taxes - General Millage	Budget assumption: .5 mil increase in general millage rate (.2 mil general, .3 mil for increasing Fire & EMS); \$49 for average parcel. Total = \$832.1M assessment * .28% (2.8 mils) * 97.5% collection rate (including 2% discount)	\$ 152,557	\$ 156,000	\$ 158,444	\$ 1,865,400	\$ 1,813,188	\$ 1,860,757	\$ 2,271,758	\$ 406,358	22%	\$ 411,001	22%
	40112	RE Taxes - EMS Millage	Combined with General	\$ 1,452,311	\$ 1,488,000	\$ 1,522,359	\$ -	\$ 5,017	\$ 5,017	\$ -			\$ (5,017)	-100%
	40120	RE Taxes - Prior Year's	Delinquent taxes	\$ 37,437	\$ 25,000	\$ 51,375	\$ 35,000	\$ 36,355	\$ 42,000	\$ 40,000	\$ 5,000	14%	\$ (2,000)	-5%
Real Estate Taxes Total				\$ 1,642,305	\$ 1,669,000	\$ 1,732,178	\$ 1,900,400	\$ 1,854,560	\$ 1,907,774	\$ 2,311,758	\$ 411,358	22%	\$ 403,983	21%
Real Estate Transfer Tax	41011	Real Estate Transfer Tax	2022 Forecast: Aug-Dec avgs suggest on track for Budget. 5 year average is \$570K. 2023 reducing due to slowing housing market.	\$ 649,305	\$ 480,000	\$ 544,867	\$ 530,000	\$ 438,220	\$ 530,000	\$ 450,000	\$ (80,000)	-15%	\$ (80,000)	-15%
Real Estate Transfer Tax Total				\$ 649,305	\$ 480,000	\$ 544,867	\$ 530,000	\$ 438,220	\$ 530,000	\$ 450,000	\$ (80,000)	-15%	\$ (80,000)	-15%
Earned Income Taxes	41021	Earned Income Tax	2022 Forecast: running 3.8% below 2021. As a result, more conservative in 2023 and assume only 2% growth. (every 1% growth is about \$32K)	\$ 2,629,986	\$ 2,877,000	\$ 3,374,255	\$ 3,467,000	\$ 2,621,829	\$ 3,295,972	\$ 3,361,892	\$ (105,108)	-3%	\$ 65,919	2%
Earned Income Taxes Total				\$ 2,629,986	\$ 2,877,000	\$ 3,374,255	\$ 3,467,000	\$ 2,621,829	\$ 3,295,972	\$ 3,361,892	\$ (105,108)	-3%	\$ 65,919	2%

Kennett Township 2023 Budget
General Fund Expenses

Sage Dept Name	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget		\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B	\$ 2023B vs. 2022F	% 2023B vs. 2021F
Police	\$ 1,502,501	\$ 1,807,464	\$ 1,767,719	\$ 1,978,668	\$ 1,669,487	\$ 2,258,279	\$ 2,463,540		\$ 484,872	25%	\$ 205,261	9%
Fire & EMS	\$ 638,072	\$ 715,562	\$ 698,525	\$ 887,449	\$ 893,511	\$ 907,483	\$ 1,133,891		\$ 246,442	28%	\$ 226,408	26%
Public Works	\$ 583,220	\$ 697,380	\$ 720,899	\$ 871,834	\$ 526,392	\$ 738,338	\$ 858,804		\$ (13,029)	-1%	\$ 120,466	14%
Benefits (non-uniform)	\$ 538,714	\$ 551,808	\$ 568,371	\$ 598,621	\$ 473,848	\$ 584,659	\$ 520,642		\$ (77,979)	-13%	\$ (64,017)	-11%
Finance/HR	\$ 274,800	\$ 348,503	\$ 323,789	\$ 419,578	\$ 307,146	\$ 424,937	\$ 444,245		\$ 24,667	6%	\$ 19,308	5%
Administration	\$ 383,640	\$ 298,423	\$ 306,167	\$ 327,264	\$ 508,880	\$ 613,501	\$ 426,955		\$ 99,691	30%	\$ (186,546)	-57%
Planning & Zoning	\$ 213,567	\$ 338,881	\$ 258,216	\$ 374,718	\$ 206,512	\$ 267,796	\$ 321,133		\$ (53,586)	-14%	\$ 53,337	14%
Engineering Services	\$ 314,556	\$ 272,500	\$ 324,644	\$ 234,100	\$ 52,510	\$ 63,633	\$ 129,900		\$ (104,200)	-45%	\$ 66,267	28%
Insurance	\$ 125,910	\$ 134,902	\$ 117,861	\$ 135,324	\$ 121,903	\$ 125,957	\$ 127,835		\$ (7,489)	-6%	\$ 1,878	1%
Library	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000	\$ 121,000					
Twp Building	\$ 130,972	\$ 154,805	\$ 90,968	\$ 121,800	\$ 79,775	\$ 105,038	\$ 119,200		\$ (2,600)	-2%	\$ 14,162	12%
IT Services	\$ 64,424	\$ 76,120	\$ 65,362	\$ 74,750	\$ 77,681	\$ 93,905	\$ 94,459		\$ 19,709	26%	\$ 554	1%
Contributions	\$ 31,500	\$ 28,450	\$ 100,450	\$ 34,950	\$ 27,950	\$ 34,950	\$ 29,950		\$ (5,000)	-14%	\$ (5,000)	-14%
Parks & Property	\$ 105,867	\$ 31,000	\$ 112,203	\$ 87,666	\$ 64,774	\$ 87,110	\$ 13,860		\$ (73,806)	-84%	\$ (73,250)	-84%
Board of Supervisors	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 5,625	\$ 7,500	\$ 7,500					
Community Development	\$ 51,863	\$ 2,350	\$ 1,700	\$ 2,600	\$ 645	\$ 2,500	\$ 2,300		\$ (300)	-12%	\$ (200)	-8%
Economic Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Refund of Prior Year Revenue	\$ 496	\$ -	\$ 1,427	\$ -	\$ 12,790	\$ 12,790	\$ -				\$ (12,790)	100%
Fraud Investigation	\$ 621,421	\$ -	\$ 294,150	\$ -	\$ 129,988	\$ 140,000	\$ -				\$ (140,000)	100%
Grand Total	\$ 5,710,021	\$ 5,586,647	\$ 5,880,952	\$ 6,277,822	\$ 5,280,417	\$ 6,589,376	\$ 6,815,215		\$ 537,393	9%	\$ 225,839	4%

Kennett Township 2023 Budget
General Fund Expenses

Sage Dept Name	Category 1	Sage GL	Sage GL Account Name	2023 Comment	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B
IT Services	Contracted/ Professional Services	52130	IT Supplies & Equipment	2023: 1 replacement laptop, 1 new hire, plus replacements items, accessories, misc. 2022 Forecast: 3 laptops for new hires + 1 for storm water inspection employee (some carry over from 2021 budget not spent in time).	\$ 6,662	\$ 6,500	\$ 452	\$ 2,250	\$ 7,456	\$ 7,625	\$ 4,166	\$ 1,916	85%
		54520	IT Services	All Covered Monthly Support, MS and network licenses (\$34K); cyber security end point detection (\$9K); CivicPlus website (\$5.4K); AV support (\$3.5K); Cityforce Permit System (\$3.3K); Laserfische doc storage (\$2K); Adobe (\$2K); Zoom (\$1K); New PC installs (1K); Misc. (\$2K). 2022 is over budget due to cyber security measures after budget was set.	\$ 57,762	\$ 41,120	\$ 38,681	\$ 49,600	\$ 48,024	\$ 63,185	\$ 63,200	\$ 13,600	27%
		54521	IT Systems - Finance/Accounting	Payroll software & services (\$4K); Sage Intacct GL (\$29.5K annual license split 70% Admin IT Dept, 15% Sewer, 15% Police +\$1,000 specialized support + \$1,400 minor control enhancements that will save staff more than that in time).		\$ 28,500	\$ 26,229	\$ 22,900	\$ 22,201	\$ 23,095	\$ 27,093	\$ 4,193	18%
IT Services Total					\$ 64,424	\$ 76,120	\$ 65,362	\$ 74,750	\$ 77,681	\$ 93,905	\$ 94,459	\$ 19,709	26%
Insurance	Maintenance & Operations	53540	Worker's Comp. Insurance	Non-uniform portion of WC. 2022 forecast -- may have savings if no audit overage as new rates decreased	\$ 36,547	\$ 39,602	\$ 30,790	\$ 37,824	\$ 37,824	\$ 37,824	\$ 32,824	\$ (5,000)	-13%
		53510	Property & Liability Insurance	Estimating \$7K increase per insurance carrier estimate	\$ 80,853	\$ 86,500	\$ 81,591	\$ 88,500	\$ 81,629	\$ 82,379	\$ 88,970	\$ 470	1%
		53530	Bonds	\$4M Treasurer Bond; \$1M Township Manager Bond	\$ 8,510	\$ 8,800	\$ 5,480	\$ 9,000	\$ 2,450	\$ 5,754	\$ 6,042	\$ (2,958)	-33%
		53541	Worker's Comp Payment (Reimb.)	Not budgeted. If injury occurs, we pay employee and then get reimbursed by WC.	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Insurance Total					\$ 125,910	\$ 134,902	\$ 117,861	\$ 135,324	\$ 121,903	\$ 125,957	\$ 127,835	\$ (7,489)	-6%
Contributions	Community & Economic Development	55200	Mushroom Festival	Same as prior two years	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500		
		55201	Holiday Village (Reimbursable)	Not laying out funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		55401	Kennett Area Senior Center	Assume same. Funds help with Health & Wellness Programs, education workshops, & socialization to support emotional well-being. Also supports Info & Assistance Program & Medicare Counseling to help elderly navigate a complex and ever-changing society.	\$ 2,500	\$ 2,000	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500		
		55402	Historic Kennett Square	Annual contribution; assume same	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000		
		55403	Brandywine Red Clay Alliance	Annual membership (\$1k); Christina Watershed membership (\$950)	\$ 1,000	\$ 1,950	\$ 1,950	\$ 2,950	\$ 950	\$ 2,950	\$ 2,950		
		55404	Kennett Flash	(blank)	\$ 1,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		55405	SCCOOT transportation service	To help fund the Chescobus which is being negatively impacted by labor shortages, pay scale increases, fleet requirements and fuel costs. Assume same.	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000		
		55406	Library Scholarship Program	(blank)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		55413	Contributions - TLC	(blank)		\$ -	\$ 72,000	\$ -	\$ -	\$ -	\$ -		
		55414	Kennett Area Community Service	Eliminate given their large funding base	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ (5,000)	-100%
Contributions Total					\$ 31,500	\$ 28,450	\$ 100,450	\$ 34,950	\$ 27,950	\$ 34,950	\$ 29,950	\$ (5,000)	-14%

Kennett Township 2023 Budget
General Fund Expenses

Sage Dept Name	Category 1	Sage GL	Sage GL Account Name	2023 Comment	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B
Parks & Property	Maintenance & Operations	54540	Grant Expenses	(blank)	\$ 34,028	\$ -	\$ 4,038	\$ -	\$ -	\$ -	\$ -		
		55300	Payments to other Gov't	Real Estate Taxes for Meadows property. Land was exempt. Building not exempt but tiny assessed value. Total tax less than \$100/year.	\$ 18,577	\$ 21,000	\$ 18,234	\$ 100	\$ 15	\$ 100	\$ 100		
	Contracted/ Professional Services	54500	Contracted Services	Budgeted under Open Space fund			\$ 880	\$ -	\$ 118	\$ -	\$ -		
				(blank)		\$ -	\$ 4,200	\$ -	\$ -	\$ -	\$ -		
		54502	Contracted Services - Barkingfield	Budgeted under Open Space fund	\$ 6,912	\$ -	\$ 4,798	\$ -	\$ -	\$ -	\$ -		
		54503	Contracted Services - Spar Hill	Budgeted under Open Space fund			\$ 113	\$ -	\$ -	\$ -	\$ -		
	Community & Economic Development	55306	Contribution - Brandywine Valley Sports & Recreation	2023 Eliminate given deficit year				\$ 5,000	\$ -	\$ 5,000	\$ -	\$ (5,000)	-100%
		53600	Utilities	Wifi for Barkingfield. \$105/month			\$ 469	\$ 1,500	\$ 954	\$ 1,260	\$ 1,260	\$ (240)	-16%
		52462	Supplies - Barkingfield Park	Barkingfield expenses are in Open Space, except Wifi which is below			\$ 4,156	\$ -	\$ -	\$ -	\$ -		
		52463	Supplies - Spar Hill	Spar Hill expenses are in Open Space			\$ 316	\$ 316	\$ -	\$ -	\$ -	\$ (316)	-100%
		55303	Contribution - Park & Rec Board	This contribution helps offset the cost of sports programs, summer camps and assists in the maintenance of Pennock Park, the playground and walking trail for the community. KAPRB is a non-profit org. Without assistance, costs will increase for participants.	\$ -	\$ 10,000	\$ 10,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500		
		55400	Parks & Prop - Anson Nxn Author	Move to Open Space Fund. Changes to Open Space law make this eligible for using Open Space EIT funds.	\$ 46,350	\$ -	\$ 65,000	\$ 68,250	\$ 51,188	\$ 68,250		\$ (68,250)	-100%
Parks & Property Total					\$ 105,867	\$ 31,000	\$ 112,203	\$ 87,666	\$ 64,774	\$ 87,110	\$ 13,860	\$ (73,806)	-84%
Community Development	Community & Economic Development	55300	Payments to other Gov't bodies	No generic committee money. Special projects would hit specific line items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54560	Economic Development Office	Previously was Economic Development Director salary via Historical Kennett Square. Position vacant. MOU not approved by Borough and not funded in their budget. Eliminate for 2021 & 2022 due to expense constraints; reconsider for future.	\$ 37,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		55204	Township Events	(blank)	\$ (398)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		55305	Deer Management Committee	Supports Kennett PD, PSP Troop Avondale, & PA Game Commission to assist with hunting related issues such as trespassing. Funds provide trespassing signs and related hunting safety material.	\$ -	\$ 250	\$ -	\$ 500	\$ -	\$ 500	\$ 200	\$ (300)	-60%
		55407	Brandywine Vly Scenic Byway Com	Annual contribution. Joint effort across many municipalities. 2022 request for increase pushed to 2023.	\$ 500	\$ 600	\$ 500	\$ 600	\$ 500	\$ 500	\$ 600		
		55408	Environmental Advisory Committ.	(blank)	\$ 2,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	55410	Trails and Sidewalk Committee	Many projects underway. Budget is specifically under those project categories.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			

Kennett Township 2023 Budget
General Fund Expenses

Sage Dept Name	Category 1	Sage GL	Sage GL Account Name	2023 Comment	2020 Full Year Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	\$ 2023 Budget vs. 2022 Budget	% 2023B vs. 2022B
Community Development	Community & Economic Development	55411	Historic Commission	Educational & Programming: Annual Program & Operating Budget; Chester County membership dues	\$ 6,767	\$ 1,500	\$ 1,200	\$ 1,500	\$ 145	\$ 1,500	\$ 1,500		
		55412	Land Stewardship Program	Individual items supported directly through Barkingfield budget.	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Community Development Total					\$ 51,863	\$ 2,350	\$ 1,700	\$ 2,600	\$ 645	\$ 2,500	\$ 2,300	\$ (300)	-12%
Board of Supervisors	Salaries & Benefits	51000	Salaries	BOS salary/stipend is set by state law @ \$2500 per supervisor per year.	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 5,625	\$ 7,500	\$ 7,500		
Board of Supervisors Total					\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 5,625	\$ 7,500	\$ 7,500		
Economic Development	Community & Economic Development	54570	Sustainable Development Office	No current initiatives requiring funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Economic Development Total					\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Fraud Investigation	Salaries & Benefits	53100	Professional Services	(blank)	\$ 10,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	Fraud (Alleged)	54110	Reconciliation Discrepancies	No longer needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54120	Unexplained Missing checks	No longer needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54130	Overpayment Via Payroll	No longer needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54160	Penalties (Fraud)	No longer needed	\$ 2,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54170	Suspected Fraud Txn	No longer needed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	Fraud Investigation	53140	Legal Services	Not a budgeted item but eligible for recovery			\$ 205,241	\$ -	\$ 64,092	\$ 70,000	\$ -		
		59999	Miscellaneous Expenses	Not a budgeted item but eligible for recovery	\$ 3,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
		54500	Contracted Services	No longer needed	\$ 470,374	\$ -	\$ 88,909	\$ -	\$ 65,896	\$ 70,000	\$ -		
		54180	Poor Management Clean-up	No longer needed	\$ 135,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Fraud Investigation Total					\$ 621,421	\$ -	\$ 294,150	\$ -	\$ 129,988	\$ 140,000	\$ -		
Refund of Prior Year Revenue	Maintenance & Operations	53191	Refund of Prior Year Revenue	Not a budgeted item. If assessment changes go into effect for prior year, tax refund has to come from Twp (not tax collector). 2022 actual include refund of auctioned vehicle.	\$ 496	\$ -	\$ 1,427	\$ -	\$ 12,790	\$ 12,790	\$ -		
Refund of Prior Year Revenue Total					\$ 496	\$ -	\$ 1,427	\$ -	\$ 12,790	\$ 12,790	\$ -		
Grand Total					\$ 5,710,021	\$ 5,586,647	\$ 5,880,952	\$ 6,277,822	\$ 5,280,417	\$ 6,589,376	\$ 6,815,215	\$ 537,393	9%

Transfers to Capital Summary - 2023 Budget

	2021 Budget	2021 Actuals	2021 Forecast	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget
Transfers to Capital Fund							
Interfund Transfers							
Transfer to Spec Rev Fund		\$ (20,126)			\$ -		
Trns to Capital (Misc)	\$ -	\$ -	\$ -	\$ (388,000)	\$ (91,958)	\$ (259,200)	\$ (10,800)
Trns to Capital (Bldgs Twp)		\$ (51,000)	\$ (51,000)		\$ -	\$ (60,800)	\$ (79,200)
Trns to Capital (Greenway)	\$ (230,000)	\$ (367,853)	\$ (367,852)	\$ (392,002)	\$ (288,369)	\$ (392,002)	
Trns to Capital (Greenway Grant Reimb)							\$ (2,031,542)
Interfund Transfers - Police							
Trns to Capital (Veh & Equip Police)	\$ -	\$ (45,406)	\$ (45,406)	\$ -	\$ -	\$ -	\$ -
Interfund Transfers - PW							
Trns to Capital (Bldgs PW)	\$ (85,000)	\$ (118,350)	\$ (118,350)	\$ -	\$ -		
Trns to Capital (Drainage)	\$ (150,000)	\$ (214,990)	\$ (214,990)		\$ -		\$ (150,000)
Trns to Capital (Other Road Projects)		\$ -			\$ -		
Trns to Capital (Other Road Resurfacing)	\$ (33,000)	\$ (43,155)	\$ (43,155)	\$ (142,000)	\$ (112,371)	\$ (112,371)	
Trns to Capital (Paving)	\$ -	\$ -		\$ (154,000)	\$ -	\$ (93,893)	\$ (218,000)
Trns to Capital (Rt82/1/Ccroft)	\$ -	\$ (344,345)	\$ (344,345)	\$ (374,468)	\$ (372,408)	\$ (374,468)	\$ -
Trns to Capital (TrafficSignal)	\$ -	\$ -	\$ -	\$ -	\$ -		
Trns to Capital (Veh & Equip PW)	\$ -	\$ (99,000)	\$ (99,000)		\$ -	\$ -	\$ (132,500)
Transfers to Capital Fund Total	\$ (498,000)	\$ (1,304,224)	\$ (1,284,098)	\$ (1,450,470)	\$ (865,107)	\$ (1,292,734)	\$ (2,622,042)

Kennett Township 2023 Budget Draft
Transfers to Capital - Detail

Sage Dept Name	Sage GL	Sage GL Account Name	2023 Comment	2021 Budget	2021 YTD	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget
Interfund Transfers	57071	Trns to Capital (Bldgs Twp)	Twp Building waterproofing & mold remediation (\$20K completed); Rehab of basement (\$120K split 34%/66% 2022/2023).		\$ (51,000)		\$ -	\$ (60,800)	\$ (79,200)
	50310	Transfer to Spec Rev Fund	(blank)		\$ (20,126)		\$ -		
	57000	Trns to Capital (Misc)	2023 Budget = Operating Budget Surplus. 2022 Forecast = Budget minus current gap in forecast	\$ -	\$ -	\$ (388,000)	\$ (91,958)	\$ (259,200)	\$ (10,800)
	57020	Trns to Capital (Greenway)	2022 Chandler Mill Trail Engineering per budget	\$ (230,000)	\$ (367,853)	\$ (392,002)	\$ (288,369)	\$ (392,002)	
	5702X	Trns to Capital (Greenway Grant)	Pass through of greenway grant reimbursement into GF to Cap to recover expenses. (\$1,173,542 existing grant; 66% of \$1,300,000 new potential grant)						\$ (2,031,542)
Interfund Transfers Total				\$ (230,000)	\$ (438,978)	\$ (780,002)	\$ (380,327)	\$ (712,002)	\$ (2,121,542)
Interfund Transfers - PW	57060	Trns to Capital (Drainage)	2023: Investigating equipment rental and what the team can do in-house. Dedicating \$150K max (all under construction) to whatever can be done for stormwater pipe improvements. (With external, Upper Davenport cost updated 2023 cost to \$330k per PJ and Stan 8/25/22), Slip lining needed for Balmoral and Ponds of Woodward but evaluate how soon.)	\$ (150,000)	\$ (214,990)		\$ -		\$ (150,000)
	57052	Trns to Capital (Other Road Project)	(blank)		\$ -		\$ -		
	57001	Trns to Capital (Veh & Equip PW)	2023: Request list: Replace 2015 Pick-up (\$65K), 2006 10 ton Dump Truck (\$250K); & 2013 Backhoe (\$120K); additional mower (\$18K); trailer to carry mowers (\$10K); Brush chipper (\$125K - \$112.5K grant). Mower and trailer could be from Open Space	\$ -	\$ (99,000)		\$ -	\$ -	\$ (132,500)
	57010	Trns to Capital (Rt82/1/Ccroft)	Rt82/1/Cedarcroft grant work completed in 2022	\$ -	\$ (344,345)	\$ (374,468)	\$ (372,408)	\$ (374,468)	\$ -
	57030	Trns to Capital (TrafficSignal)	(blank)	\$ -	\$ -	\$ -	\$ -		
	57050	Trns to Capital (Paving)	2023 Expect to use entire Liquid Fuels Grant amount with excess funded from Capital/General Fund amount. Requested total \$563K, \$300K LF, remaining \$312,263 GF Capital. Finish Burrows Run (\$280K) and Rosedale (Bayard to McFarlan) (\$263K).	\$ -	\$ -	\$ (154,000)	\$ -	\$ (93,893)	\$ (218,000)
	57051	Trns to Capital (Other Road Resurf)	Possibly getting rid of process and replacing with crack sealing w/ rubberized tar.	\$ (33,000)	\$ (43,155)	\$ (142,000)	\$ (112,371)	\$ (112,371)	
	57070	Trns to Capital (Bldgs PW)	Transferred in 2021 for 2022 projects: Garage Door Replacement (\$28K). Garage Roof Replacement (Est \$90K).	\$ (85,000)	\$ (118,350)	\$ -	\$ -		
Interfund Transfers - PW Total				\$ (268,000)	\$ (819,840)	\$ (670,468)	\$ (484,779)	\$ (580,732)	\$ (500,500)
Interfund Transfers - Police	57002	Trns to Capital (Veh & Equip Police)	2 new vehicles were requested; due to budget constraints and cost of vehicles, we will not be purchasing any new Police vehicles.	\$ -	\$ (45,406)	\$ -	\$ -	\$ -	\$ -
Interfund Transfers - Police Total				\$ -	\$ (45,406)	\$ -	\$ -	\$ -	\$ -
Grand Total				\$ (498,000)	\$ (1,304,224)	\$ (1,450,470)	\$ (865,107)	\$ (1,292,734)	\$ (2,622,042)

**Kennett Township 2023 Budget
Capital**

CASH BASIS										
Type	Sage Account#	Sage Acct Name	2023 Comment	2020 Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget
Revenue	Other Income	44151	Interest Income	(blank)			\$ (89)	\$ 15		
	Reimbursement	46132	Engineering & Legal Reimb.	Reimbursement from East Marlborough for Rot 1/82/Cedarcroft will hit GF. \$14K						
Revenue Total							\$ (89)	\$ 15		
Interfund Transfers - In	Transfer from General	4920X	Transfer from General Fund	Pass through of greenway grant reimbursement into GF to Cap to recover expenses. (\$1,173,542 existing grant; 66% of \$1,300,000 new potential grant)						\$ 2,031,542
	Transfer from General	4920X2	Transfer from General Reserve	Fund from Reserve -568572					\$ -	\$ -
	Transfer from Open Space	4920X	Transfer from Open Space	Use of \$1M of loan proceeds not yet used for Chandler Mill Train in accordance with Open Space Act; repay with 25% maintenance allocation						\$ 1,000,000
				Use of Open Space Maintenance funds for Chandler Mill Trail in accordance with Open Space 25% maintenance LTD Allocation. \$550 planned * 66% construction in 2023						\$ 363,000
	Transfers from General	49201	Transfer from General Fund	Contribution from Operating Budget			\$ 1,284,098	\$ 1,450,470	\$ 865,107	\$ 1,292,734
Interfund Transfers - In Total							\$ 1,284,098	\$ 1,450,470	\$ 865,107	\$ 1,292,734
Expense	Capital Construction	52455	Drainage Materials	2023: Investigating equipment rental and what the team can do in-house. Dedicating \$150K max to whatever can be done for stormwater pipe improvements. (With external, Upper Davenport cost updated 2023 cost to \$330k per PJ and Stan 8/25/22), Slip lining needed for Balmoral and Ponds of Woodward but evaluate how soon.)	\$ -	\$ 150,000	\$ -	\$ 185,000	\$ 182,603	\$ 182,603
		56110	Capital Construction	2023: Nothing planned. 2022 forecast = Garage roof & garage door	\$ -	\$ 85,000	\$ -	\$ 120,000	\$ 93,497	\$ 121,847
			Capital Construction (Bldg)	Twp Building waterproofing & mold remediation (\$20K completed); Rehab of basement; office/door adjustments to create capacity (\$120K split 34%/66% 2022/2023)				\$ 19,500	\$ 60,800	\$ 79,200
	Engineering	53130	Engineering Services	2023: Investigating equipment rental and what the team can do in-house. Dedicating \$150K max (all under construction) to whatever can be done for stormwater pipe improvements. (With external, Upper Davenport cost updated 2023 cost to \$330k per PJ and Stan 8/25/22), Slip lining needed for Balmoral and Ponds of Woodward but evaluate how soon.)			\$ 39,893	\$ 40,000	\$ 11,149	\$ 11,149
	Grant	53132	Engineering Serv -Grant Writ	(blank)	\$ 1,779	\$ -	\$ -	\$ -	\$ -	\$ -
	Grant (Green Light Ma	54542	Grant Expense (Reimb)	(blank)	\$ 61,556	\$ -	\$ -	\$ -	\$ -	\$ -
	Grant (Magnolia Unde	56121	Capital Construction (Magnoli	(blank)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Grant (Rt82/1/Cedarc	54542	Grant Expenses (Reimbursat	Rt82/1/Cedarcroft construction; covered by grant except overage of \$37K to be split with E Marl.	\$ 36,166		\$ 306,336	\$ 374,468	\$ 372,408	\$ 372,408
		53133	Engineering Serv -Traffic	(blank)			\$ 38,009	\$ 28,836	\$ 29,836	\$ -
	Kennett Greenway	54541	Grant Expenses (Match)	(blank)	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ -
		54542	Grant Expense (Reimb)	(blank)			\$ -	\$ -	\$ -	\$ -

**Kennett Township 2023 Budget
Capital**

Type	Sage Account#	Sage Acct Name	2023 Comment	2020 Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget
Expense	Kennett Greenway	53170	Engineering Serv - Trail	(blank)	\$ 7,369	\$ -	\$ -	\$ -	\$ -	\$ -
			Trail Consultant (Greenway	Chandler Mill Design/Meetings. 2022 Forecast = \$414.4K remaining of fixed fee as of end of 2021 + \$60K out of scope meetings to date + \$30K out of scope meetings forecasted + \$3200 additional grant application + \$25K placeholder for design modification		\$ 234,163	\$ 392,003	\$ 342,898	\$ 531,470	\$ -
		57101	Easement Purchases	2022 Estimated Right-of-way acquisition on Chandler Mill.				\$ 83,710	\$ 250,000	
		56120	Capital Construction (Greenway	2023-2024: Construction total \$5.5M plus 5% contingency/charge orders (\$275K) (before grants); split 66%/34% 2023/2024	\$ 509,226	\$ 240,000	\$ 9,044	\$ -		\$ 3,811,500
	Roads	52457	Other Surface Treatment (w/	Possibly getting rid of process and replacing with crack sealing w/ rubberized tar. PJ to get estimated costs.		\$ 33,000	\$ 43,155	\$ 142,000	\$ 112,371	\$ 112,371
		56100	Capital Construction - Road Paving	2023 Expect to use entire Liquid Fuels Grant amount with excess funded from Capital/General Fund amount. Requested total \$563K, \$325K LF, remaining \$218K GF Capital. Total includes finishing Burrows Run (\$280K) and Rosedale (Bayard to McFarlan) (\$263K). 2022 Total \$425.8K - \$320K LF = \$106K General Capital	\$ -	\$ -	\$ -	\$ 154,000	\$ 85,751	\$ 100,814
	Vehicle & Equipment	57400	Veh-Equip (to capitalize)	2022 Actuals: Police AC emergency repair (\$15.5K); AV system for Board meeting room budgeted in 2021 but half carried into 2022 (\$10.2K)			\$ 10,193	\$ -	\$ 15,475	\$ 25,668
				2 new vehicles were requested; due to budget constraints and cost of vehicles, we will not be purchasing any new Police vehicles.	\$ 41,575	\$ 55,333	\$ 79,514	\$ -	\$ -	\$ -
				2023: 2013 Backhoe (\$120K); Brush chipper (\$125K - \$112.5K grant). Holding off on replacement of 2015 Pick-up (\$65K) and 2006 10 ton Dump Truck (\$250K) but get on list for 2024; 2022 Dump Truck purchase \$117K, higher than budget due to veh price increase; funds transferred from GF in 2021 utilizing surplus in 2021	\$ -	\$ -	\$ -	\$ 99,000	\$ -	\$ 117,000
Expense Total					\$ 657,670	\$ 564,333	\$ 760,306	\$ 1,506,471	\$ 1,348,197	\$ 1,915,966
Net					\$ (657,670)	\$ (564,333)	\$ 523,703	\$ (56,001)	\$ (483,076)	\$ (623,232)
Capital Fund Balance							\$ 583,933	\$ 527,932		\$ (39,299)
										\$ (485,457)

**Kennett Township 2023 Budget
Open Space Fund**

Type	Sage Account#	Sage Acct Name	2023 Comment	2020 Actuals	2021 Actuals	2022 Budget	2022 FY Forecast	2023 Budget
Expense	54710	Debt - Principal	10 year, \$5M loan @ 1.34%	\$ -	\$ -	\$ 480,000	\$ 480,000	\$ 485,000
	54720	Debt - Interest	10 year, \$5M loan @ 1.34%	\$ -	\$ 83,750	\$ 60,903	\$ 60,903	\$ 54,471
	57100	Open Space Purchases	These items are not budgeted as they often aren't known long in advance.	\$ -	\$ -		\$ -	\$ -
	57101	Easement Purchases	2022 Actuals: Miller easement. These items are not budgeted as they often aren't known long in advance.	\$ -	\$ -		\$ 1,522,472	\$ -
	57200	Parks & Prop - Capital Projects	(blank)	\$ -	\$ -		\$ -	\$ -
	57201	Easement Expenses	(blank)	\$ 7,804	\$ 7,000		\$ -	\$ -
	57400	Veh-Equip (to capitalize)	Additional mower (\$18K); trailer to carry mowers (\$10K)					\$ 28,000
Expense Total				\$ 104,052	\$ 122,440	\$ 622,903	\$ 2,139,375	\$ 1,215,116
Interfund Transfers	57202	Trns to Capital (Greenway)	Use of \$1M of loan proceeds not yet used for Chandler Mill Train in accordance with Open Space Act; repay with 25% maintenance allocation					\$ (1,000,000)
			Use of Open Space Maintenance funds for Chandler Mill Trail in accordance with Open Space 25% maintenance LTD Allocation					\$ (363,000)
Interfund Transfers Total								\$ (1,363,000)
Operating Gain/(Loss)				\$ 657,063	\$ 839,249	\$ 345,632	\$ (451,966)	\$ (1,530,444)
Open Space Available Balance		Main Fulton Account			\$ 1,918,154	\$ 2,263,787	\$ 1,496,640	\$ 966,196
					\$ 1,497,671	\$ 1,497,671	\$ 1,467,219	\$ 467,219
		TD Account - proceeds from Loan						\$ 783,457
		Payment of liability from General Fund to Open Space (if approved by BOS)						
		Total Available Balance			\$ 3,415,825	\$ 3,761,458	\$ 2,963,859	\$ 2,216,872
Note, any land acquisition or easement would be separately approved and is not included in the budget.								

**Kennett Township 2023 Budget
Liquid Fuels**

Type	Sage Account#	Sage Acct Name	2023 Comment	2020 Actuals	2021 Budget	2021 Actuals	2022 Budget	2022 Actuals	2022 FY Forecast	2023 Budget	
Revenue	Grants	45502	Liquid Fuels Grant, State	Estimate from PennDot	\$ 308,980	\$ 279,715	\$ 286,973	\$ 283,791	\$ 298,455	\$ 298,455	\$ 303,000
		45503	State Road Turnback Payments	(blank)	\$ 25,200	\$ 25,200	\$ 25,200	\$ 25,200	\$ 25,200	\$ 25,200	\$ 25,200
	Other Income	44151	Interest Income	(blank)			\$ 152	\$ 50	\$ 45		
Revenue Total				\$ 334,180	\$ 304,915	\$ 312,326	\$ 309,041	\$ 323,699	\$ 323,655	\$ 328,200	
Expense	Contracted Services	56100	Capital Construction - Road Paving	2023 Expect to use entire Liquid Fuels Grant amount with excess funded from Capital/General Fund amount. Requested total \$563K, \$325K LF, remaining \$218K GF Capital. Total includes finishing Burrows Run (\$280K) and Rosedale (Bayard to McFarlan) (\$263K). 2022 Total \$425.8K - \$320K LF = \$106K General Capital	\$ 307,388	\$ 323,000	\$ 327,011	\$ 308,000	\$ 325,000	\$ 325,000	\$ 325,000
Expense Total				\$ 307,388	\$ 323,000	\$ 327,011	\$ 308,000	\$ 325,000	\$ 325,000	\$ 325,000	
Net				\$ 26,792	\$ (18,085)	\$ (14,685)	\$ 1,041	\$ (1,301)	\$ (1,345)	\$ 3,200	