



Lower Frederick Township

2020 BUDGET PRESENTATION
NOVEMBER 26, 2019

Budget Timeline



- November 6th: 2020 Manager's Budget Presentation
- November 26th: Tentative Adoption of 2020 Budget
- November 27th: Budget available for public review at the township building
- December 17th: Final Adoption the 2020 Budget



2020 General Fund



Current and Past Budgets

	General Revenue	Fund Balance Forward	Total Revenue	General Expenses	Net Income
2016 Budget	\$1,649,731	\$ -	\$1,649,731	\$1,946,766	- \$297,035
2017 Budget	\$1,731,903	\$335,311	\$2,067,214	\$2,064,874	\$ 2,340
2017 Without fund balance Forward:			\$1,731,903	\$2,064,874	- \$332,971
2018 Budget	\$1,790,892	\$319,437	\$2,110,392	\$2,093,642	\$ 16,750
2018 Without fund balance Forward:			\$1,790,892	\$2,093,642	- \$302,750
2019 Budget	\$1,766,226		\$1,766,226	\$2,149,849	- \$383,532
2020 Original Proposed	\$1,913,933		\$1,913,933	\$2,289,465	- \$375,532

2019 Budget Projections



- 2019 Revenue is projected at: \$1,873,000
- 2019 Expenses are projected at: \$2,089,000
- 2019 Deficit is projected at: \$ 216,000

2019 Budget showed a \$383,623 deficit when passed

2020 General Fund



- Original Budget showed a deficit of: \$375,532
- Decreased the Budget Expenses by: (\$151,800)
- Increased the Revenue by: \$123,840
- We will use Reserve Funds to Cover: \$ 99,892

Decrease Expenses



- Remove Police Car
- Minor Adjustments to Healthcare
- Decrease Contracted services
- Decrease Public Works Material
- Decrease Capital Equipment
- Move Salt Purchase to Liquid Fuels Fund

Increase Revenue



- Average home in Lower Frederick is assessed at \$128,157.00
- Currently residents pay 1.88 mills to the Lower Frederick Township
- Proposing to raise the millage for the township to 2.35 mills for 2020
- Average tax bill will go from \$241 to \$301 for the township portion of the tax
- Total average tax bill including Fire and Ambulance in 2020 would be \$361.00

Increase Revenue

Going from 1.88 mills to 2.35 mills would be a 25% increase

This proposed increase to the residents would be approximately

16.6 Cents per Day

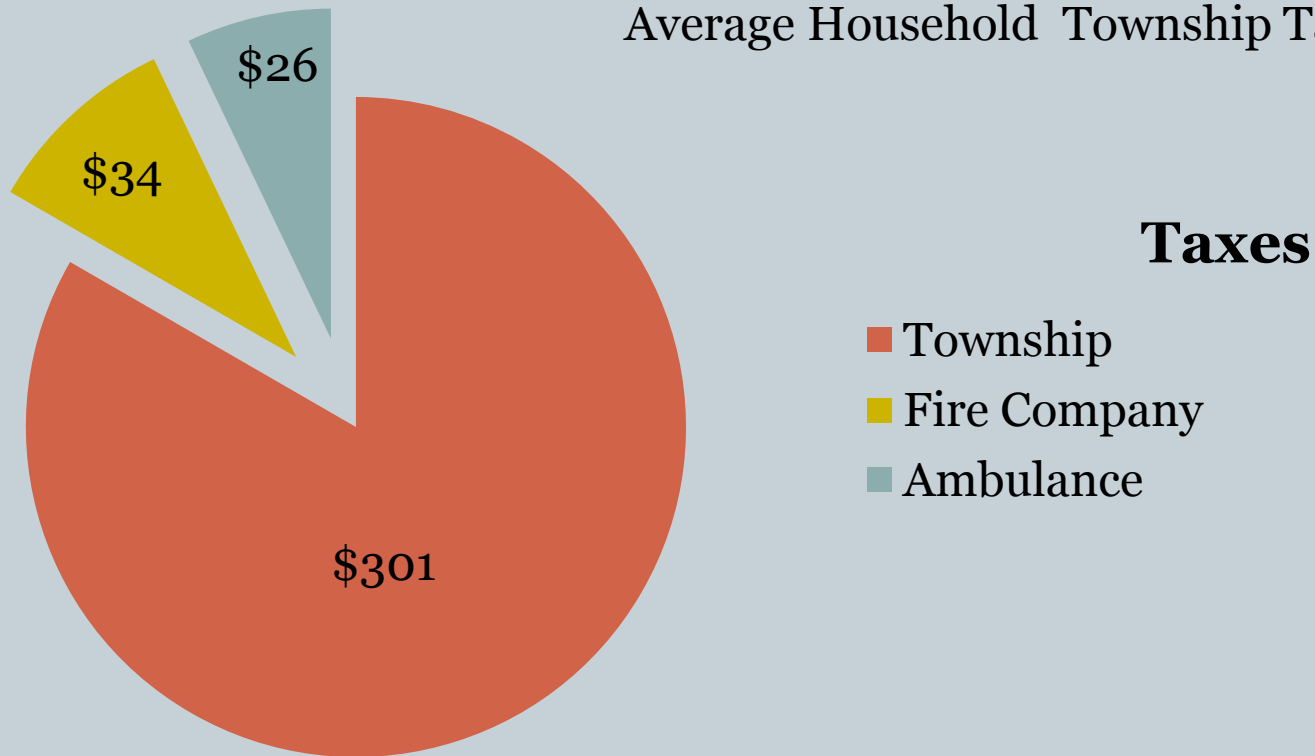
\$5.00 Dollars per month



Township Real Estate Taxes



Average Household Township Taxes: \$361.00



Taxes Paid by Township Residents



Total Taxes paid by a resident on a Home Assessed at \$128,157.00 = **\$5,175.00**
\$128,157 is the average assessment for a property in Lower Frederick



Perkiomen Valley School District
33.72/84.46%
\$4,321

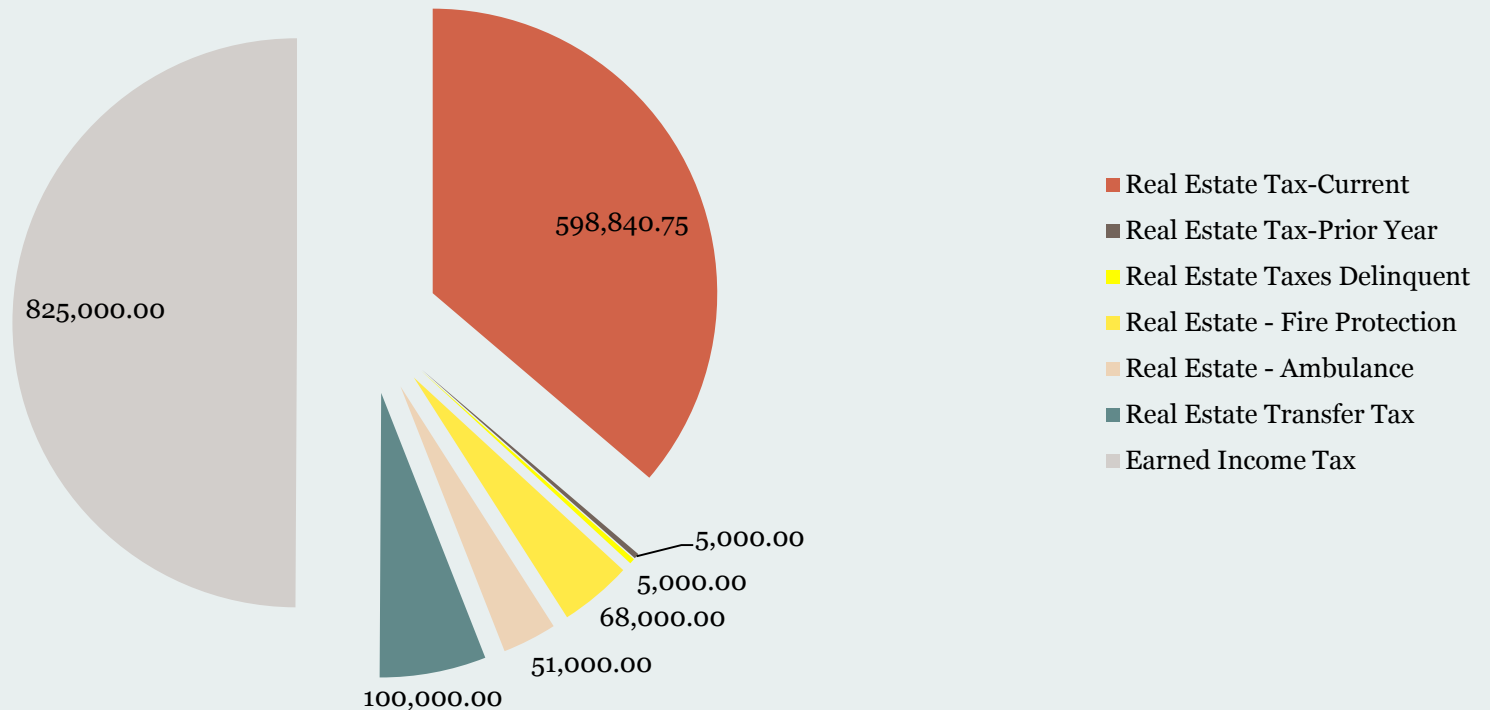


Montgomery
County
3.849/9.64%
\$493



Lower
Frederick
2.82/5.9%
\$361

Lower Frederick Revenue



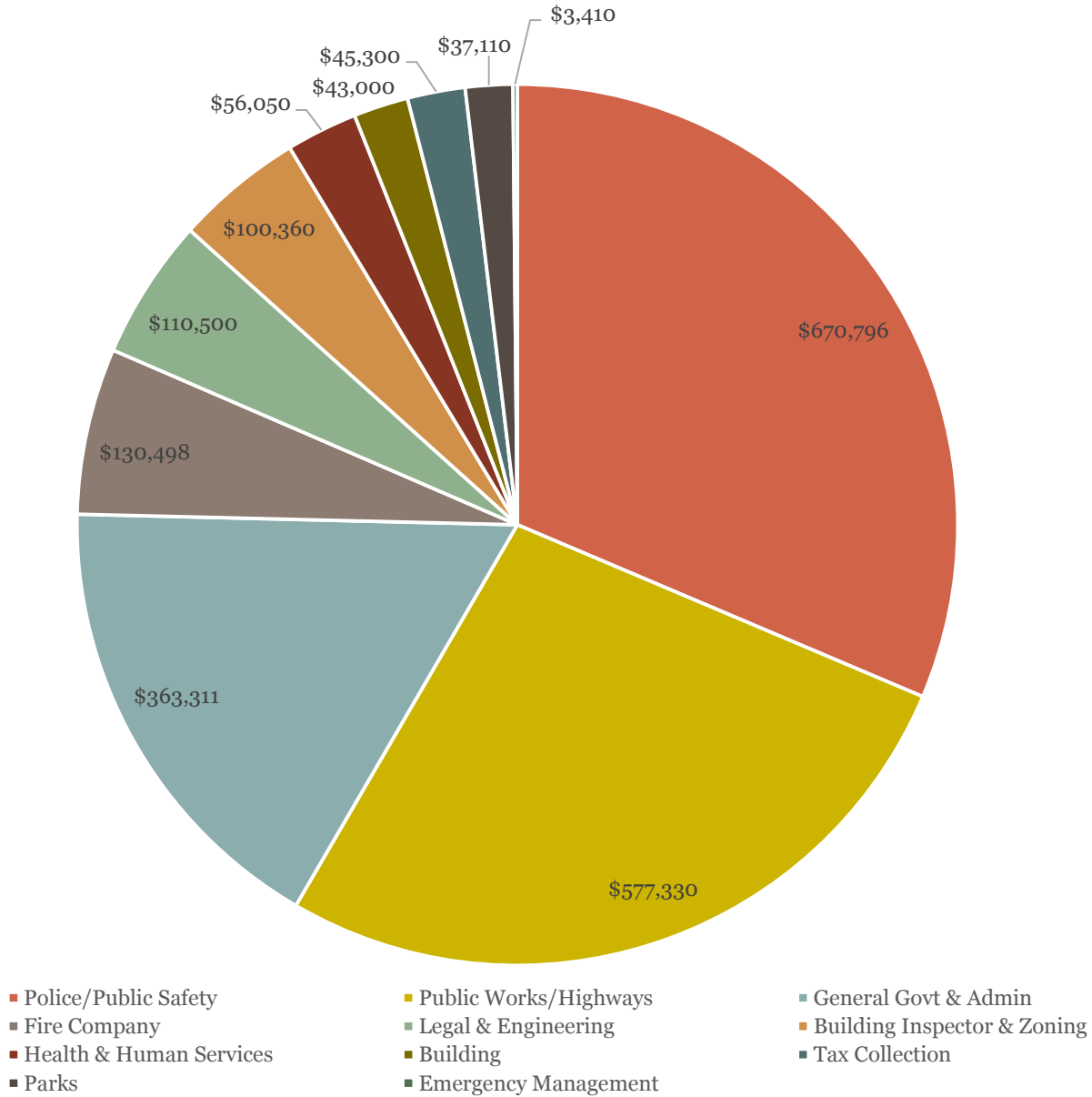
Revenue from taxes:
Revenue from other:

\$1,652,941
\$ 384,833

Total Expected Revenue 2020:

\$2,037,774

2020 Proposed Budgeted Expenditures



2020 General Fund



- In 2020 we plan on:
 - Paving the following roads:
 - ✦ Upper Portion of Schwenk Road
 - ✦ Second Ave
 - ✦ Woodside Ave
 - ✦ Evergreen Road
 - Board Room Acoustics
 - Replace HVAC Unit in Police Department
 - Sidewalk installation along Goshen Road

Lower Frederick Proposed Expenditures



Budget Heading	Expenditure
Police/Public Safety	\$ 670,796
Public Works/Highways	\$ 577,330
General Govt. & Admin	\$ 363,311
Fire Company	\$ 130,498
Legal & Engineering	\$ 110,500
Building Inspector & Zoning	\$ 100,360
Health & Human Services	\$ 56,050
Building	\$ 43,000
Tax Collection	\$ 45,300
Parks	\$ 37,110
Emergency Management	\$ 3,410
Total:	\$ 2,137,665

General Fund



- Expected 2020 Revenue: \$2,037,774.00
- Expected 2020 Expenses: \$2,137,665.00
- Budget Deficit: \$ 99,891.00
- The Budget Deficit will be covered by the township reserve funds.

Sewer Budget



Sewer Income



- 1076 Sewer Customers
- \$175 per quarter
- \$700 per year
- \$753,200 Sewer Rent per Year

- New Customers
- EDU \$7,405.26

Waster Water Treatment Plant

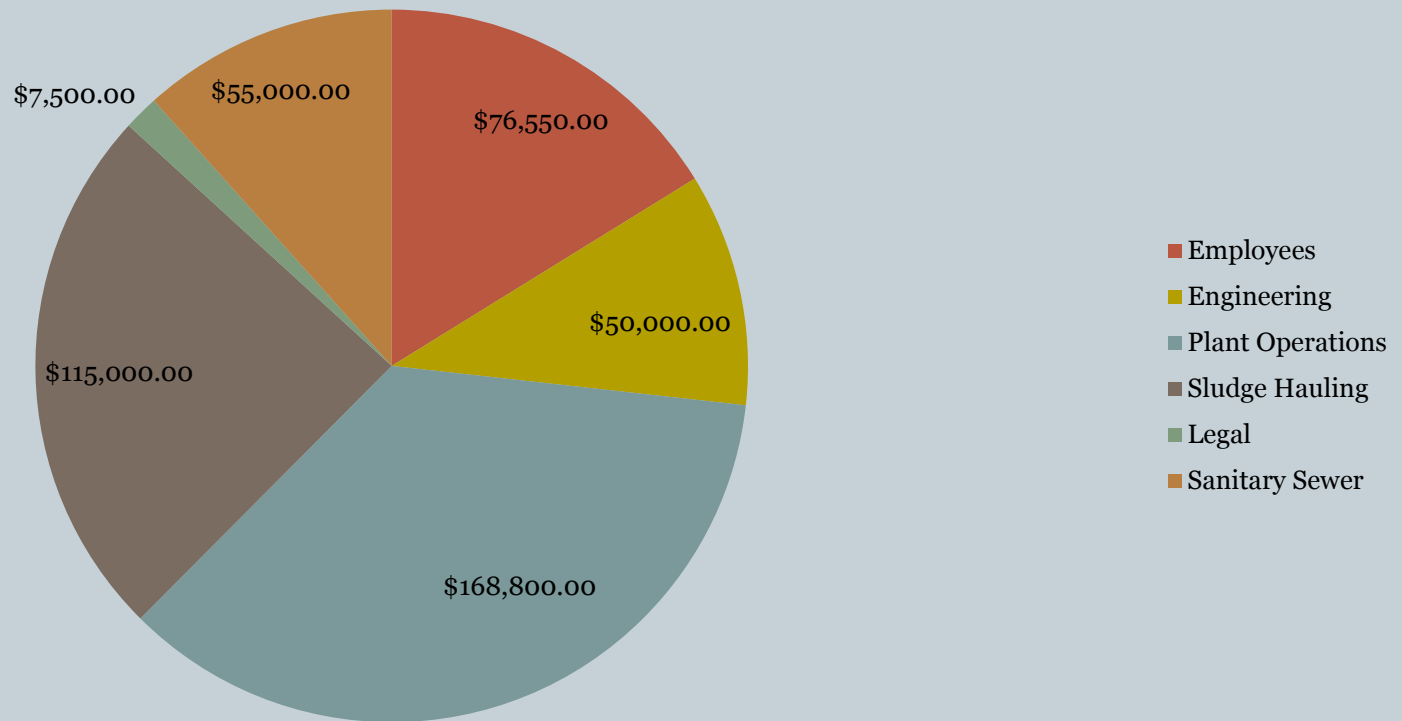


- New Waste Water Treatment Plant has been running for over one year now.
- Costs that are driving the WWT Plant budget are:
 - Utilities
 - Chemicals
 - Sludge Hauling
- With the new WWT Plant our regulations from DEP have become stricter then with the old plant.
- The effluent that is being discharged to the Perkiomen Creek meets or exceeds DEP regulations.

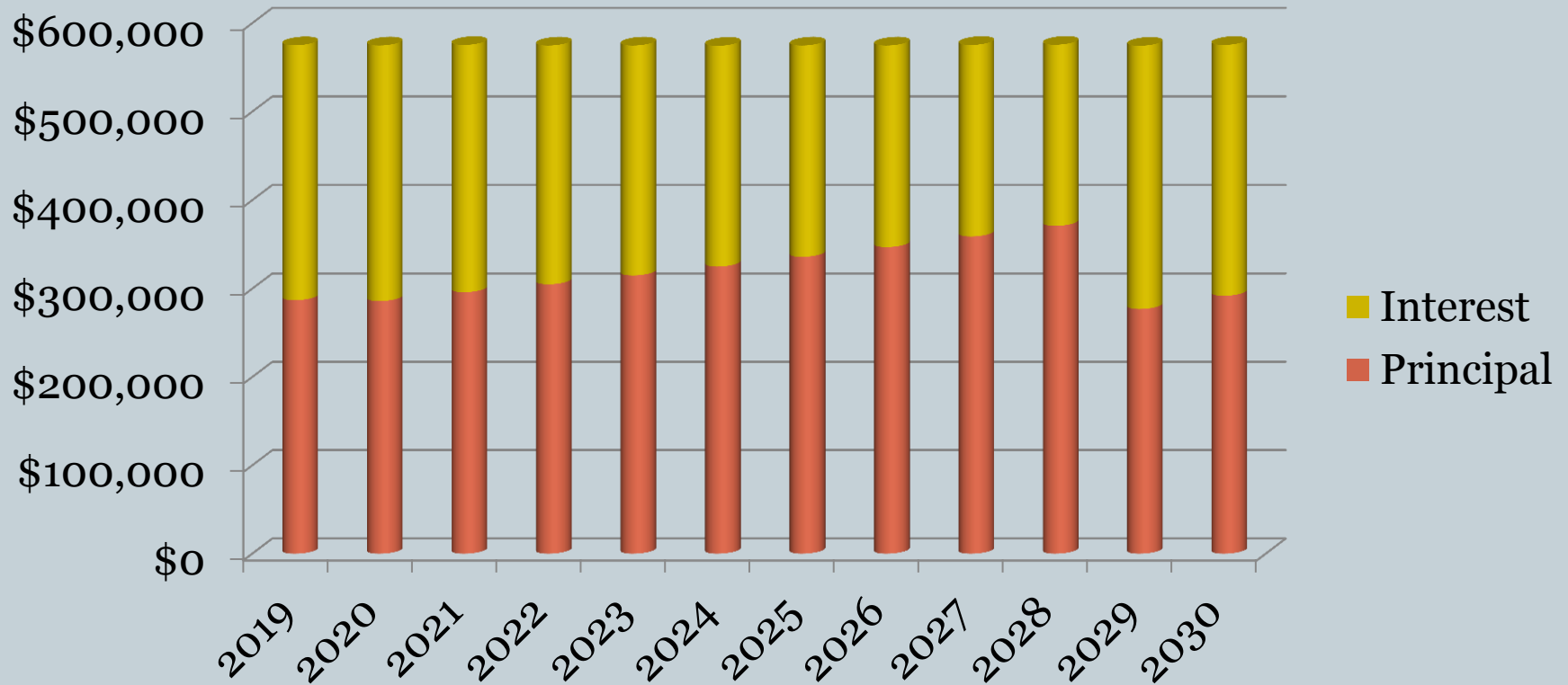
Sewer and Treatment Plant Expenses



2020 Sewer Expenses: \$472,850



Sewer Debt

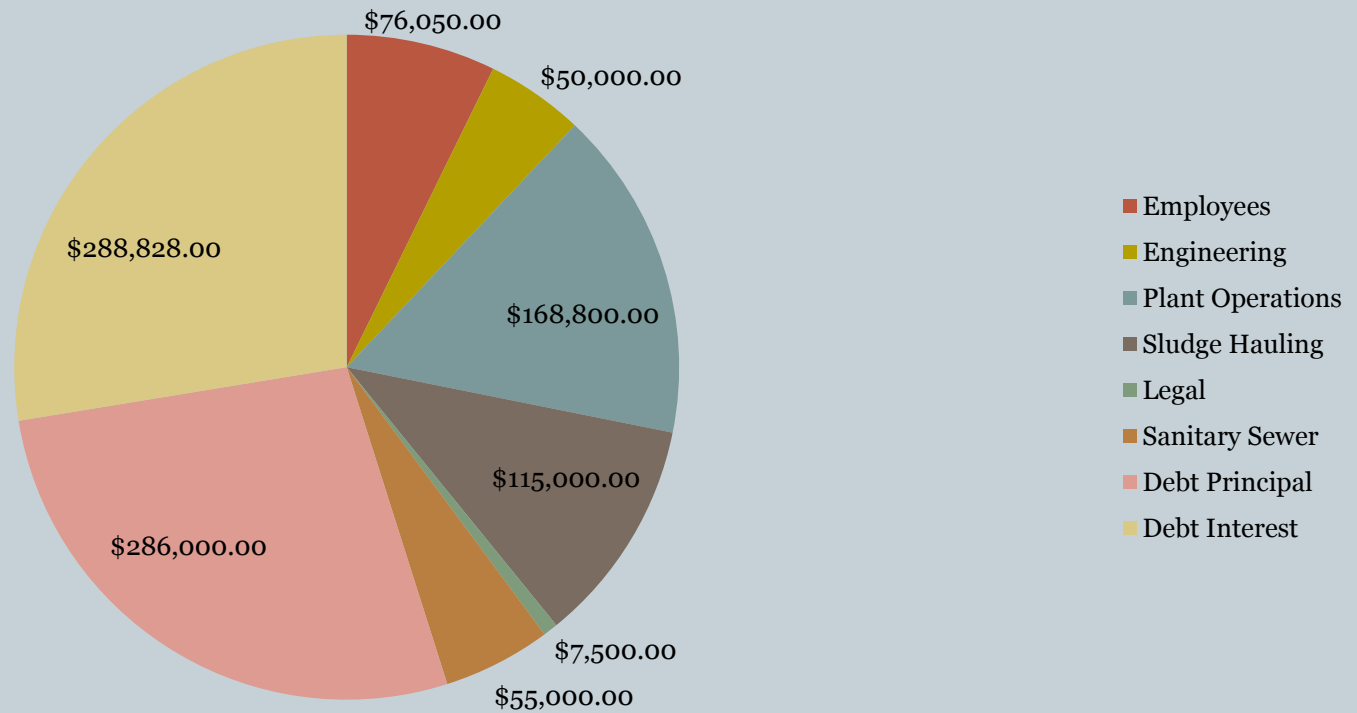


Lower Frederick's sewer debt payment is an average of \$575,000/year

Total Expected Sewer Budget Expenditures



2020 Sewer Expenses Including Debt Service Payments: \$1,047,678.00



2020 Sewer Budget



Revenue			Expenses	
Grant	\$ 31,948		Employees	\$ 76,550
Sewer Rent	\$760,000		Engineering	\$ 50,000
Sewer Connection	\$110,000		Plant Operations	\$ 168,800
Interest	\$ 6,500		Sludge Hauling	\$ 115,000
Charges for Service	\$ 1,000		Legal	\$ 7,500
			Sanitary Sewer	\$ 55,000
			Debt Principal	\$286,000
			Debt Interest	\$288,828
Total Revenue	\$909,448		Total Expenses	\$1,047,678

With current budget numbers the Sewer Budget will be a \$138,230 deficit this will be covered by the township reserve funds for 2020.



Questions

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