

# 2018 Budget



Adopted by the Board of Supervisors on

*December 20, 2017*

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ERECTED INTO A TOWNSHIP IN 1733  
**TOWNSHIP OF WORCESTER**  
AT THE CENTER POINT OF MONTGOMERY COUNTY  
PENNSYLVANIA

December 20, 2017

The Honorable Board of Supervisors  
Township of Worcester Township  
1721 Valley Forge Road  
Worcester, PA 19490

Dear Board of Supervisors,

On behalf of the employees of Worcester Township, I am pleased to submit the proposed 2018 Budget for our community, to be considered at this evening's Business Meeting. The Budget sets forth a financial plan for our Township during the next twelve months. And it calls to attention those trends, opportunities and challenges that we are likely to face in the years to come.

- General Fund

The 2018 Budget does not include new taxes, and does not increase existing taxes. Worcester Township's real estate tax rate, at 0.05 mills, is the lowest among the 62 municipalities in Montgomery County.

The Budget is conservative in that it assumes revenues from the Township's four primary receipts – the earned income tax, real estate transfer tax, cable television franchise fees and building permit fees – will not exceed that amount projected to be collected in 2017. Revenue from the Township's largest receipt, the earned income tax, is assumed to remain steady, at approximately \$2.6 million. This is thanks, in large measure, to the diversity of employment among Township residents.

The Budget anticipates a slow-down in new housing construction as development at the Preserve at Worcester and Applewood Estates subdivisions draws to a close. And while a limited number of homes may be constructed at smaller subdivisions in the coming year, the Budget does not assume that this will occur. As such, the Budget reflects an approximate 16% decrease in real estate transfer tax receipts and an approximate 17% decrease in building permit fees in 2018.

The Budget does not propose the hire of additional full-time employees. During the previous three years, Township employees have worked to assume new duties, and as a result of their hard efforts the number of full-time employees has decreased from fourteen to eleven since 2015. While the hire of additional full-time employees in the Administration Department is not anticipated in the coming years, it is likely that one Public Works Laborer will be hired in 2019 or 2020. This will be done in order to properly maintain the Township's expanding roadway and parks networks.

The Township's participation in a multi-municipal health care cooperative has helped to control the rising cost of this insurance. Premiums for most fully-funded insurance plans have increased

by double-digits during the previous twelve months. In 2018, Township medical, prescription drug, vision and dental insurance premiums will increase by approximately 4.5%. This follows an approximate 3% increase in 2017, and no increase in 2016.

Unfunded mandates continue to challenge the Township's financial position. If not revised or repealed, stormwater regulations imposed by the US Environmental Protection Agency and the Pennsylvania Department of Environmental Protection will cost Worcester taxpayers hundreds of thousands of dollars in the coming decade. The Township is working with neighboring municipalities to develop a sensible stormwater management program that protects our natural resources at a price our community can afford.

Lastly, the Budget continues in its strong support of organizations that help to protect and preserve a higher quality of life in Worcester Township... including the Worcester Township Volunteer Fire Department and the Norristown Public Library, our community's public library. We provide financial assistance to these important organizations because we know that, by working together today, we can best address the challenges of tomorrow.

- Capital Fund

The Budget includes \$475,000 for the 2018 Road Program. In addition, the State Fund (below) provides an additional \$350,000 in road improvement dollars for next year's Road Program. This significant investment reflects the Township's commitment to maintain a safe and sound infrastructure network.

The Budget provides for the purchase of a zero-turn mower, gator, skid-steerer and walk-behind paving roller. The mower and gator replace existing equipment that has reached the end of its useful life. The Township takes great pride in maintaining its equipment so to maximize its useful life. The skid-steerer and walk-behind paving roller are new additions to our equipment inventory that will help expand our Public Works Department in-house capabilities.

The Budget provides for the replacement of three computer workstations and one server. This investment will allow the Township to utilize the technologies needed to deliver services in a cost-effective manner.

The Budget funds approximately \$220,000 in improvements to the Township parks system. This includes a new pedestrian trail and bridge at Defford Road Park, swings and support amenities at Heyser Field, and play equipment for younger children at Heebner Park.

Lastly, the Budget funds open space acquisition projects, including the possible acquisition of the former North Penn Army Reserve Base, and the acquisition of an agricultural conservation easement at a 35-acre property at Kriebel Mill Road and Stump Hall Road.

- Sewer Fund

The Budget includes a 1% increase to the residential and commercial sewer service fee. For a single-family home this translates to an increase of \$0.45 per month.

The Valley Green Wastewater Treatment Plant, one of two Township-owned wastewater treatment plants, possesses significant capacity for new connections. The plant serves the

Village of Center Point and the Center Square Golf Course, areas at which growth is anticipated in the coming years. But until this development breaks ground the Budget assumes few additional connections will be made to the sanitary sewer system. Five residential connections are projected to be made in the coming year.

The Budget provides \$90,000 for capital improvements to the sanitary sewer system. As the system ages, the Township will remain committed to providing required preventative maintenance and improvements. This will ensure the system operates properly, and as efficiently as possible.

- State Fund

Unlike many other municipalities, Worcester Township does not restrict road improvement projects to that which can be funded by the Commonwealth's annual Liquid Fuel ("gas tax") allocation. And unlike many other municipalities, Worcester Township does not use any portion of this allocation to pay employee salaries or to purchase supplies and equipment. This is because the Township recognizes that Liquid Fuel funding is insufficient to meet our roadway maintenance demands, and the Township is committed to providing those funds needed to properly maintain our community's 55-mile roadway network. Therefore, Worcester Township dedicates every Liquid Fuel dollar received for roadway construction, and the Township budgets significant supplemental construction and engineering funding from the General Fund and Capital Fund.

Sincerely,



Tommy Ryan.  
Township Manager.

# GENERAL FUND

## Taxes

The **earned income tax** is Worcester's primary revenue source. This tax is assessed on all earned income – such as wages, salaries and commissions – and this tax is proposed to remain assessed at the rate of one-half of one percent (0.5%) in 2018. The tax is not assessed on Social Security benefits, pension payments, retirement fund distributions, investment earnings or unemployment compensation. Beginning in 2010 the State required the collection of the earned income tax to be undertaken on a county-wide basis. This receipt is projected to remain relatively flat in the coming year.



A **real estate transfer tax**, at the rate of one-half of one percent (0.5%), is assessed on the sale of real property. There is no proposed change to this tax rate in 2018. This receipt fluctuates with the number and price of properties sold in the Township. 2017 saw the end of sales at the Applewood and Preserve at Worcester developments, and no sizable residential development is expected to generate new home sales during the coming year. As such, the Budget assumes an approximate 16% decrease in this receipt from 2017 projected revenues, to \$245,000 from \$292,100. Based on previous year receipts the budgeted amount represents a “base” real estate transfer tax, which would encompass the annual sale of existing homes only, under average real estate market conditions.

Worcester Township boasts the lowest **property tax** in Montgomery County. The Township's property tax is levied at 0.05 mills, and there is no proposed change to this tax rate in 2017. The owner of a property in Worcester Township that is assessed at \$400,000 pays \$20 in property tax to the Township. This same owner pays \$1,539 in property tax to Montgomery County (3.849 mills), and \$11,783 in property tax to the Methacton School District (29.459 mills).

Worcester collects an annual **per capita tax** at the rate of \$1 per adult residing in the Township. The Methacton School District collects this same tax at the rate of \$15 per adult residing in the Township.

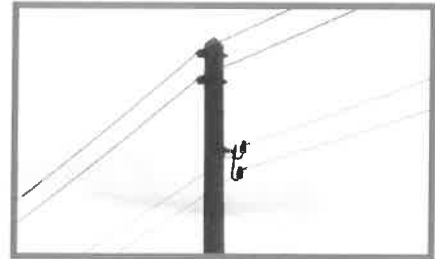
Beginning in 2017 the Township booked the receipt of **impact fees** to the Capital Fund. At this time the Township collects a Traffic Impact Fee that is assessed against new development. Traffic Impact Fees are used to construct improvements to the community's roadway network so to meet the demands that future development will place on this critical infrastructure.

Taxes	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
property, current	301-100	\$ 46,361.79	\$ 47,200.00	\$ 46,878.20	\$ 46,250.00
property, liened	301-500	\$ 594.30	\$ 770.00	\$ 620.73	\$ 600.00
property, interim	301-600	\$ 255.86	\$ 260.00	\$ 209.99	\$ 250.00
per capita, current	310-010	\$ 4,628.78	\$ 4,755.00	\$ 4,605.00	\$ 4,620.00
per capita, delinquent	310-030	\$ 904.72	\$ 1,010.00	\$ 1,000.30	\$ 920.00
real estate transfer	310-100	\$ 365,908.16	\$ 245,000.00	\$ 292,136.67	\$ 245,000.00
earned income	310-210	\$ 2,653,012.57	\$ 2,535,000.00	\$ 2,685,471.81	\$ 2,610,000.00
earned income, prior year	310-220	\$ -	\$ 100.00	\$ 24.99	\$ 100.00
impact fees	310-900	\$ 32,038.40	\$ -	\$ -	\$ -
		<b>\$ 3,103,704.58</b>	<b>\$ 2,834,095.00</b>	<b>\$ 3,030,947.69</b>	<b>\$ 2,907,740.00</b>

# GENERAL FUND

## Licenses & Permits

As permitted by Federal Law, the Township assesses a 5% tax on the gross receipts of cable television companies that have installed transmission lines within public rights-of-way. At this time two companies, Comcast and Verizon, pay this **franchise fee** to the Township. The franchise fee is paid on a quarterly basis, and while the Township has seen modest increases in this receipt in recent years, the Budget assumes this revenue will remain flat in the coming year.



A **road opening permit** is required whenever a public street is opened to service a utility line or for any other reason. This permit fee provides for the administrative expense to issue the permit, and any inspection costs are paid by an escrow posted by the individual or company doing the work.

Modest receipts are generated by **sign permits**, **yard sale permits** and **solicitation permits**. These permits are required to help maintain our community's higher quality of life.

Licenses & Permits	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
franchise fees	321-800	\$ 232,069.41	\$ 220,000.00	\$ 227,747.96	\$ 224,000.00
road opening permits	322-820	\$ 400.00	\$ 500.00	\$ 312.50	\$ 300.00
sign permits	322-900	\$ 122.15	\$ 250.00	\$ 62.49	\$ 200.00
yard sale permits	322-910	\$ 200.00	\$ 140.00	\$ 110.00	\$ 100.00
solicitation permits	322-920	\$ 900.00	\$ 250.00	\$ 965.00	\$ 250.00
		\$ 233,691.56	\$ 221,140.00	\$ 229,197.95	\$ 224,850.00



# GENERAL FUND

## Fines & Forfeits

The District Magistrate collects **court fines** for citations issued by the Pennsylvania State Police and the Worcester Township Codes Department. This revenue is projected to remain flat in 2018.



In 2012 the Commonwealth adopted a law that eliminated the sharing of vehicle code violation revenues with municipalities that utilize Pennsylvania State Police services. This revenue source is not expected to be restored in the foreseeable future.

Fines & Forfeits	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
ordinance violations	331-120	\$ 1,713.73	\$ 1,000.00	\$ 2,590.12	\$ 1,500.00
		\$ 1,713.73	\$ 1,000.00	\$ 2,590.12	\$ 1,500.00

## Interest & Rents

The Township invests its funds in interest-bearing instruments and accounts, in accordance with State Law and best management practices. Earnings fluctuate upon the interest rate received, a rate that is governed by many factors. Today's lower **interest** rates are projected to remain at this lower level throughout 2018. Beginning in 2017 the Township posted its operating and capital reserves in the Capital Fund, and began to utilize the General Fund to provide for day-to-day operating expenses only. As such most interest income will be booked to the Capital Fund in 2018.



**Rents and royalties** include receipts from the rental of the Township's Community Hall and a Township-owned single-family home located on Hollow Road.

The Township owns two properties on which **cell towers** are constructed. Tower owners lease the ground from the Township, and the also pay to the Township a portion of the rent paid by the owners of communication arrays that are mounted on the towers.

Interest & Rents	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
interest	341-000	\$ 41,068.43	\$ 1,000.00	\$ 5,630.50	\$ 1,000.00
rents & royalties	342-000	\$ 15,311.00	\$ 17,681.00	\$ 18,228.13	\$ 18,564.20
cell tower rental	342-120	\$ 127,234.46	\$ 140,632.32	\$ 149,475.00	\$ 150,454.20
		\$ 183,613.89	\$ 159,313.32	\$ 173,333.63	\$ 170,018.40

# GENERAL FUND

## Intergovernmental Revenue

The General Fund includes revenue from **grants** for operating projects only, and only after the grants have been awarded. The revenue from grants for capital projects, such as park and trail acquisition and development, are booked to the Capital Fund.

The Township receives fees for each of the four liquor licenses issued in Worcester, and additional fees upon a license transfer. The 2018 Budget assumes no change to either the **alcohol license fee** rate or the number of licenses issued in the Township.



The Commonwealth assesses a **foreign fire** insurance tax on certain insurance policies, and earmarks a portion of these funds to support volunteer fire company relief associations. The funds are remitted to the Township, and the Township is required to forward all dollars received to the local fire relief association, which in our community is the Worcester Volunteer Fire Department Relief Association. For 2018 the Commonwealth announced this receipt will decrease by 7% from that received in 2017.

The Commonwealth likewise assesses a **foreign casualty** insurance tax on certain insurance policies, and earmarks a portion of these funds to support public employee pension plans. In 2017 the Township established a defined-benefit pension plan for all new hires. The plan is significantly more modest than the Township's defined-benefit pension plan, and will save taxpayers considerable dollars in the coming years. Because the Township is now offering a more modest retirement plan, its long-term pension obligations have decreased and, correspondingly, the Township will receive less State aid in the coming year.

Intergov. Revenue	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
grants	354-090	\$ -	\$ 4,275.00	\$ 1,068.78	\$ -
utility realty tax	355-010	\$ 2,823.49	\$ 2,823.00	\$ 2,823.00	\$ 3,095.50
alcohol license fees	355-040	\$ 800.00	\$ 1,000.00	\$ 800.00	\$ 800.00
foreign casualty	355-050	\$ 56,870.40	\$ 56,870.32	\$ 51,305.68	\$ 42,706.00
foreign fire	355-070	\$ 101,086.86	\$ 101,086.86	\$ 94,057.65	\$ 94,057.65
tennis court grant	357-080	\$ 8,822.00	\$ -	\$ -	\$ -
		\$ 170,402.75	\$ 166,055.18	\$ 150,055.11	\$ 140,659.15

# GENERAL FUND

## Charges for Services

The Budget assumes no significant **land development** applications will be submitted in 2018. The Budget also includes the submission of one **Conditional Use** application, one **zoning amendment** application and twelve **Zoning Hearing Board** applications.



**Building permit fees** are budgeted to decrease to \$99,000 from the \$120,100 projected to be received in 2017. The decrease is attributable to the build-out of the Applewood and Preserve at Worcester subdivisions, and the assumption that no larger residential or commercial developments will break ground in 2018. Based on previous year receipts, the budgeted amount represents permit fees attributable to existing properties only, and does not include any fees for significant improvements to commercial properties. A similar decrease is budgeted for **zoning permit fees**.

Beginning in 2017 **park cell tower rental** receipts were booked to the above-noted cell tower rental line item, code 342-120.

The Budget assumes no growth in Pennsylvania Recreation and Park Society (**PRPS**) **ticket sales** and **park trips** receipts.

Charges for Services	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
land development fees	361-300	\$ 7,850.00	\$ 2,250.00	\$ 7,312.50	\$ 3,000.00
Conditional Use fees	361-330	\$ -	\$ 2,350.00	\$ -	\$ 1,350.00
Zoning Hearing Board fees	361-340	\$ 9,250.00	\$ 5,300.00	\$ 11,725.01	\$ 9,600.00
zoning amendment fees	361-350	\$ -	\$ 1,350.00	\$ -	\$ -
map & publication sales	361-500	\$ 49.66	\$ 50.00	\$ 127.51	\$ 50.00
building permit fees	362-410	\$ 166,141.61	\$ 120,000.00	\$ 120,170.10	\$ 99,000.00
zoning permit fees	362-420	\$ 13,892.50	\$ 8,500.00	\$ 9,993.34	\$ 7,000.00
commercial U&O fees	362-450	\$ 775.00	\$ 500.00	\$ 125.01	\$ 400.00
driveway permit fees	362-460	\$ 490.00	\$ 195.00	\$ 746.66	\$ 150.00
park cell tower rental	367-342	\$ 20,863.62	\$ -	\$ -	\$ -
PRPS ticket sales	367-400	\$ 5,695.95	\$ 8,000.00	\$ 7,716.71	\$ 6,600.00
sports & lesson fees	367-408	\$ 20,528.00	\$ 23,000.00	\$ 7,731.99	\$ 23,000.00
park trips	367-409	\$ 9,114.89	\$ 7,000.00	\$ 9,958.54	\$ 7,120.00
		\$ 254,651.23	\$ 178,495.00	\$ 175,607.37	\$ 157,270.00

# GENERAL FUND

## Miscellaneous Revenue

**Park miscellaneous** revenue includes pavilion and field rental fees. Field rental fees were enacted in 2016 to offset a portion of the increased costs to maintain the Township's athletic fields. This receipt also includes sponsorships for Worcester Community Day, a new event in 2017. The 2018 Budget does not assume the receipt of these donations.



Most of the **miscellaneous income** received in 2017 consisted of State and Federal aid for declared snow disasters. The 2018 Budget does not assume the receipt of this, or similar, revenue in the year to come.

**Service charge fees** are collected on payments made by credit card. The fee charged is equal to the actual amount charged by the credit card companies.

Miscellaneous Revenue	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
park miscellaneous	367-420	\$ 8,289.16	\$ 4,900.00	\$ 23,994.84	\$ 13,500.00
miscellaneous income	381-000	\$ 27,824.98	\$ 8,160.00	\$ 32,722.93	\$ 500.00
service charge fees	381-001	\$ -	\$ 1,200.00	\$ 328.66	\$ 250.00
		\$ 36,114.14	\$ 14,260.00	\$ 57,046.43	\$ 14,250.00

## Other Financing

Worcester assesses a \$100 **escrow administration** fee for each escrow release processed by Township staff.

In past years the Township included capital expenditures in the General Fund, and provided an **interfund transfer** from the Capital Fund to the General Fund to meet these expenses. In 2017 the Township began to budget capital expenditures in the Capital Fund, thus eliminating the need for this transfer.

Other Financing	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
escrow administration	383-200	\$ 800.00	\$ 800.00	\$ 400.00	\$ 400.00
interfund transfer	392-300	\$ 383,872.00	\$ -	\$ -	\$ -
		\$ 384,672.00	\$ 800.00	\$ 400.00	\$ 400.00

# GENERAL FUND

## Legislative

This Department provides for the Worcester Township Board of Supervisors, and related expenses. The Board consists of three Members, each elected to an at-large six-year term at the local election held in odd-numbered years.



The Board of Supervisors establishes policy, sets levels of public services, adopts an annual budget, and enacts tax rates. In addition, the Board of Supervisors leads several important planning efforts and improvement projects, including the development of a parks system and the adoption of a Comprehensive Plan and Open Space Plan.

Each Supervisor receives a \$2,500 annual stipend and **benefits**, which includes health insurance, as permitted by State law. Worcester Township is a member of a multi-municipal non-profit health insurance trust, an arrangement that has helped to control health care expenses in recent years. For example, there was no increase to medical insurance premiums in 2016, a two percent increase in 2017, and an approximate 4.1% increase in 2018... which is considerably less than the premium increases of many other health care providers. And in 2017 the Township established a high-deductible health care plan that provides quality coverage for employees, at a reasonable cost to taxpayers.

**Consultant services** include the fee paid to the Township's appointed auditor. This also includes planning services provided by the Montgomery County Planning Commission (MCPC). In 2017 the Township renegotiated its contract with the MCPC due to a decrease in land development activities. The truncated service arrangement will continue in the coming year, and will save the Township an approximate \$9,000 in 2018.

The Supervisors attend educational **meetings and seminars** throughout the year, to discuss issues that affect our community, and to learn about ways to improve our municipal operations. Many of the meetings and seminars are conducted by the Pennsylvania State Association of Township Supervisors (PSATS) and the Montgomery County Association of Township Officials (MCATO).

The Budget also funds membership **dues** to PSATS, MCATO and similar organizations.

Legislative	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	400-110	\$ 7,560.00	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
benefits	400-150	\$ 65,708.76	\$ 68,917.14	\$ 63,687.14	\$ 55,339.98
consultant services	400-312	\$ 38,297.00	\$ 26,100.00	\$ 23,922.68	\$ 27,476.00
mileage reimbursement	400-337	\$ 311.04	\$ 500.00	\$ 399.88	\$ 475.00
dues & subscriptions	400-420	\$ 3,249.00	\$ 5,950.00	\$ 5,310.00	\$ 5,350.00
meetings & seminars	400-460	\$ 3,245.49	\$ 4,725.00	\$ 4,623.96	\$ 4,900.00
		<b>\$ 118,371.29</b>	<b>\$ 113,692.14</b>	<b>\$ 105,443.66</b>	<b>\$ 101,040.98</b>

# GENERAL FUND

## Management

This Department provides for the Office of the Township Manager, which includes one full-time employee, the Township Manager.

The Township Manager is appointed by the Board of Supervisors, and serves as the municipality's chief administrative officer. The Township Manager prepares information for meetings of the Board of Supervisors, Planning Commission and Zoning Hearing Board. The Township Manager drafts the annual Budget, and implements the adopted Budget. And while the Township Manager's salary is determined by the Board of Supervisors, in 2017 the Township Manager recommended his salary be capped at its current level, absent an annual one-half of one percent cost of living adjustment that is applied to the recommended salary ranges for all Township positions.



Previous year budgets booked one-half of the Township Manager's salary in this category, and one-half of the salary to the Codes Department. Beginning in 2017 the Township Manager's entire salary was booked to this Department.

Previous year budgets also included a portion of salary paid to the Assistant Township Manager. The Township eliminated this position in 2016, and reassigned the position's duties to other staff, for an approximate \$80,000 annual savings.

In lieu of the use of a Township vehicle, the Township Manager utilizes a personal vehicle for Township business, and receives a fixed monthly stipend for **mileage reimbursement**, fuel, maintenance and all insurances.

The Township Manager attends educational **meetings and seminars** throughout the year, including those conducted by the Pennsylvania State Association of Township Supervisors, the Montgomery County Association of Township Officials, and the Association of Pennsylvania Municipal Managers.

Management	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	401-120	\$ 83,168.05	\$ 139,050.00	\$ 135,000.00	\$ 135,675.00
benefits	401-150	\$ 45,609.88	\$ 68,868.99	\$ 67,783.76	\$ 54,268.86
consultant services	401-312	\$ 2,737.75	\$ 5,000.00	\$ 1,250.01	\$ 5,000.00
mobile phone	401-321	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00
mileage reimbursement	401-337	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00	\$ 4,800.00
meetings & seminars	401-460	\$ 835.06	\$ 2,350.00	\$ 1,192.08	\$ 2,350.00
		\$ 137,750.74	\$ 220,668.99	\$ 210,625.85	\$ 202,693.86

# GENERAL FUND

## Finance

This Department provides for the Office of the Finance Director, which includes one full-time employee, the Finance Director.

The Finance Director is responsible for accounts receivable and payable, the administration of payroll, and the management of various benefit programs. The Finance Director works to identify, implement and maintain sound financial practices, and to ensure an accurate accounting of all public funds at all times. The Finance Director also serves as the Acting Township Manager when the Township Manager is unavailable to address any matter that requires immediate attention.



The community's long-time Finance Director retired in 2016. The 2016 Finance Department's salaries accounted for both the outgoing and incoming Finance Director, which is noted in the higher **payroll** and **benefit** expenses for this year.

The Finance Director attends educational **meetings and seminars** throughout the year, including that conducted by the Pennsylvania State Association of Township Supervisors and the Delaware Valley Insurance Trust. The Budget provides additional funds for continuing education for this position.

Finance	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	402-120	\$ 55,782.59	\$ 63,375.90	\$ 65,172.03	\$ 67,465.00
benefits	402-150	\$ 30,629.71	\$ 28,436.27	\$ 27,980.00	\$ 38,215.75
mobile phone	402-321	\$ (35.83)	\$ 300.00	\$ 300.00	\$ 300.00
mileage reimbursement	402-337	\$ 159.80	\$ 300.00	\$ 168.29	\$ 300.00
meetings & seminars	402-460	\$ 238.44	\$ 1,300.00	\$ 265.18	\$ 800.00
		\$ 86,774.71	\$ 93,712.17	\$ 93,885.50	\$ 107,080.75

# GENERAL FUND

## Tax Collection

This Department provides for the elected and appointed tax collectors.

The elected tax collector collects property taxes only, and the Township pays 5% on the amount collected. The Township provides **office supplies** for the elected tax collector, and also pays a portion of tax bill mailing expenses.



The appointed tax collector collects the earned income tax and the per capita tax. This firm is appointed by the Montgomery County Tax Collection Committee (MCTCC), in which the Township is a member municipality. The MCTCC pays the firm 1.2% on the amount collected (**professional services**), which is deducted from the funds remitted to the Township. The Township also pays a share of the MCTCC operating budget that is proportional to the Township's receipts relative to the other members.

Because the Township levies a per capita tax at only \$1 per year, the Township does not pay a fee on this amount collected. Instead the fee is paid by the Methacton School District, which levies a per capita tax at \$15 per year.

Tax Collection	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	403-110	\$ 2,383.42	\$ 2,411.50	\$ 2,363.41	\$ 2,355.00
benefits	403-150	\$ 182.33	\$ 184.72	\$ 180.80	\$ 180.39
office supplies	403-210	\$ 3,427.72	\$ 4,740.00	\$ 2,713.72	\$ 4,740.00
professional services	403-310	\$ 32,483.31	\$ 32,956.30	\$ 34,185.56	\$ 31,321.20
		\$ 38,476.78	\$ 40,292.52	\$ 39,443.49	\$ 38,596.59



# GENERAL FUND

## Legal

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This Department provides for the Township's legal services. The Township Solicitor, appointed by the Board of Supervisors, represents the municipality in most legal matters. Due to the volume of legal assistance required on an average annual basis, the Township contracts for legal services rather than staffing in-house counsel, an arrangement that keeps legal fees as low as practical.



The Solicitor reviews contracts, ordinances and policy documents prior to their adoption, and provides legal advice to the Board of Supervisors and the Township Manager. The Solicitor also supports the Township's Open Records Officer to meet the requirements of the Commonwealth's Right-to-Know (RTK) Law

Legal	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
general services	404-310	\$ 59,438.50	\$ 69,000.00	\$ 50,638.87	\$ 69,000.00
RTK services	404-320	\$ 36,391.74	\$ 12,000.00	\$ 3,280.01	\$ 9,600.00
		\$ 95,830.24	\$ 81,000.00	\$ 53,918.88	\$ 78,600.00

# GENERAL FUND

## Clerical

This Department provides general clerical support to Township operations, and includes one full-time employee, the Administrative Assistant, and two part-time employees, the Receptionist and the File Clerk.



In 2016 the Receptionist was promoted to Administrative Assistant. At this time the Township assessed the need for a full-time Receptionist and determined the hire was not warranted. Instead, a part-time Receptionist was hired for an approximate \$15,000 savings per year.

The Administrative Assistant is trained to serve as a back-up to the Finance Director position. The Budget provides additional funds for continued finance-related education, in **meetings and seminars**.

The Budget also provides additional funds to service the Township **computer** network. The work is needed to update the network, and to maintain a secure network. The Budget also provides for annual software license fees. In 2018 the Township will purchase new software for its permitting and asset management activities; the new software will replace a dated program that no longer meets the Township's needs.

The Budget provides for contracted **payroll services**, and for general **office supplies**. Budgeted **postage** funds provide for all mailings that are not sewer bills or the Township newsletter, which are funded by the Sewer Fund and the General Fund line item code 459.340, respectively.

**Advertisements** include legal ads the Township is required to publish by State Law in advance of select meetings and scheduled actions of the Board of Supervisors. State Law also mandates that the advertisements be published in certain newspapers, and these newspapers, in turn, charge hefty publication fees. To help offset this cost the Township Manager drafts most legal ads, and submits these to the Township Solicitor for edit, in lieu of having the Township Solicitor draft original ads.

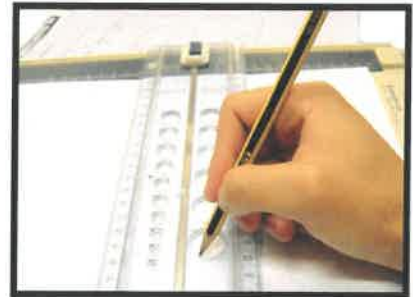
Clerical	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	405-140	\$ 70,503.12	\$ 80,150.48	\$ 71,261.55	\$ 87,296.62
benefits	405-150	\$ 50,870.20	\$ 31,475.85	\$ 30,520.00	\$ 45,169.36
office supplies	405-210	\$ 5,051.68	\$ 7,900.00	\$ 3,998.44	\$ 6,600.00
payroll services	405-310	\$ 13,664.05	\$ 14,850.00	\$ 15,424.36	\$ 15,795.00
telephone	405-321	\$ 5,200.31	\$ 5,085.00	\$ 3,592.56	\$ 4,245.00
postage	405-325	\$ 4,374.72	\$ 4,181.00	\$ 3,469.54	\$ 4,420.00
auto allowance	405-337	\$ 132.19	\$ 240.00	\$ 218.19	\$ 240.00
advertisement	405-340	\$ 3,628.99	\$ 9,000.00	\$ 7,718.16	\$ 8,800.00
meetings & seminars	405-460	\$ 2,698.60	\$ 5,150.00	\$ 2,910.24	\$ 1,750.00
computer expense	405-465	\$ 19,897.06	\$ 25,589.00	\$ 10,714.48	\$ 36,572.00
other expense	405-470	\$ 13,531.35	\$ 16,740.00	\$ 4,561.29	\$ 5,376.00
		\$ 189,552.27	\$ 200,361.33	\$ 154,388.81	\$ 216,263.98

# GENERAL FUND

## Engineering

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This Department provides for the Township's engineering services. The Township Engineer, appointed by the Board of Supervisors, reviews subdivision and land development plans, assesses proposed public improvements, determines the appropriate amount of escrow releases, and provides guidance on the design and construction of Township improvements.



As a service to our community, the Township Engineer hosts weekly office hours at the Township Building. Residents may schedule an appointment to discuss stormwater matters, grading issues, or any property concern that is normally addressed by the Township Engineer. This service is available to Township residents at no cost.

The Budget provides an additional \$5,000 for grant support services. The Township Engineer's expertise is required for the proper completion of many grant applications.

Engineering	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
engineering services	408-310	\$ 28,734.94	\$ 41,500.00	\$ 25,817.52	\$ 37,000.00
		\$ 28,734.94	\$ 41,500.00	\$ 25,817.52	\$ 37,000.00

# GENERAL FUND

## Township Building

This Department provides for the operation of the Township Building. The Township Building was designed to facilitate the efficient delivery of the public services. Proper operation and maintenance of the Township Building is required so to ensure the facilities do not become a burden to taxpayers.

**Utilities** include electric, water and internet service, as well as heating oil and propane gas, which is used for the back-up generator. In addition to providing for HVAC system preventative maintenance and cleaning services, **maintenance and repairs** fund parking lot light fixes as may be needed.

The **other expenses** line item has been revised to include expenses that were posted to other line items in previous year budgets. As this line item appears in several Budget Departments, the change will help to standardize the posting of these expenses.



Township Building	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
utilities	409-136	\$ 7,760.59	\$ 10,260.00	\$ 6,339.39	\$ 10,524.00
maintenance & repairs	409-137	\$ 18,620.99	\$ 16,779.00	\$ 12,573.09	\$ 16,272.00
alarm service	409-142	\$ 2,470.44	\$ 3,612.00	\$ 2,490.12	\$ 3,636.00
other expenses	409-147	\$ 1,266.36	\$ 2,400.00	\$ 1,251.24	\$ 2,580.00
		\$ 30,118.38	\$ 33,051.00	\$ 22,653.84	\$ 33,012.00

# GENERAL FUND

## Garage

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This Department provides for the operation of the Public Works Garage complex. The complex consists of a small administrative building that includes the office of the Public Works Director, a locker room and a lunch room for the Public Works team. The complex also includes a six-bay building in which vehicles, equipment and tools are stored. There is also a salt storage building that was constructed in 2016.

**Utilities** include electric, water and internet service, as well as propane gas, which is used for heating. In addition to providing for HVAC system preventative maintenance and cleaning services, **maintenance and repairs** fund trash and recycling services.

The **other expenses** line item has been revised to include expenses that were posted to other line items in previous year budgets. As this line item appears in several Budget Departments, the change will help to standardize the posting of these expenses.

Garage	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
utilities	409-236	\$ 8,892.38	\$ 12,420.00	\$ 9,378.35	\$ 13,260.00
maintenance & repairs	409-237	\$ 9,453.91	\$ 9,464.40	\$ 6,641.85	\$ 9,456.00
alarm service	409-242	\$ 1,002.96	\$ 1,416.00	\$ 1,002.96	\$ 1,428.00
other expenses	409-247	\$ -	\$ 1,500.00	\$ 1,086.95	\$ 1,500.00
		\$ 19,349.25	\$ 24,800.40	\$ 18,110.11	\$ 25,644.00

# GENERAL FUND

## Community Hall

This Department provides for the operation of the Township's Community Hall, which is located in Fairview Village. Meetings for the Board of Supervisors, Planning Commission and Zoning Hearing Board are held at Community Hall. The Township allows a local scout troop to utilize the basement level. Township residents, business and organizations are able to rent Community Hall for events for a modest fee.



**Utilities** include electric, water and telephone service, as well as oil, which is used for heating. In addition to providing for HVAC system preventative maintenance and cleaning services, **maintenance and repairs** funds minor fixes to the property's parking lot and landscaping.

Community Hall	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
utilities	409-436	\$ 2,995.67	\$ 5,340.00	\$ 2,759.54	\$ 5,160.00
maintenance & repairs	409-437	\$ 5,373.38	\$ 5,172.00	\$ 4,243.11	\$ 5,160.00
other expenses	409-447	\$ 425.52	\$ 600.00	\$ 17.20	\$ 600.00
		\$ 8,794.57	\$ 11,112.00	\$ 7,019.85	\$ 10,920.00

## Historical Building

This Department provides for the operation of the Farmers' Union Hall, which is located in Center Point Village. The Township leases this property to the Worcester Historical Society.



**Utilities** include water and heating oil. The Worcester Historical Society pays a portion of the annual heating oil expense. In addition to providing for HVAC system preventative maintenance, **maintenance and repairs** funds minor fixes to the building.

Historical Building	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
utilities	409-536	\$ 2,433.61	\$ 3,829.00	\$ 2,855.29	\$ 3,829.00
maintenance & repairs	409-537	\$ 2,664.32	\$ 1,699.92	\$ 238.67	\$ 1,884.00
		\$ 5,097.93	\$ 5,528.92	\$ 3,093.96	\$ 5,713.00

# GENERAL FUND

## Hollow Road Rental

This Department provides for the operation of a single-family rental property owned by the Township. The Township currently leases this property.

The tenant pays all **utilities**; the dollars included in the Budget are for **utilities** that may need to be maintained during a time of vacancy between tenants. **Maintenance and repairs** funds HVAC system maintenance, and any required capital fixes to the property. In 2017 the Township replaced several windows at this property.



Hollow Road Rental	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
utilities	409-636	\$ 104.32	\$ 250.00	\$ (62.41)	\$ 250.00
maintenance & repairs	409-637	\$ 2,105.51	\$ 4,080.00	\$ 5,283.34	\$ 3,984.00
		\$ 2,209.83	\$ 4,330.00	\$ 5,220.93	\$ 4,234.00

## Springhouse

This Department provides for the operation of the Springhouse. The Springhouse is located along the Zacharias Trail, near the intersection of Hollow Road and Heebner Road. The structure is currently vacant.



**Maintenance and repairs** fund any required fixes to the structure.

Springhouse	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
maintenance & repairs	409-737	\$ 350.00	\$ 1,000.00	\$ -	\$ 1,000.00
		\$ 350.00	\$ 1,000.00	\$ -	\$ 1,000.00

# GENERAL FUND

## Fire Protection

This Department provides for Township and State contributions to the Worcester Volunteer Fire Department, our community's all-volunteer emergency service provider.



### WVFD contributions include:

- A Township contribution in the amount of \$137,825 for general operating assistance. This amount represents a 5% increase in the operating assistance provided in 2017.
- A Township contribution in the amount of \$75,000 to offset the Fire Company's loan payments on two apparatus – an engine and the ladder truck.
- A Township contribution in the amount of \$8,000 to help provide preventative maintenance services for Fire Department apparatus. Preventative maintenance services include annual tests on ladders, pumps and hoses. This contribution, which will help to prolong the useful life of costly equipment, was established in 2017.
- Pass-through funding received from the Commonwealth's Foreign Fire Insurance Tax. The State levies this tax on certain insurance policies, and earmarks a portion of these funds to volunteer fire company relief associations throughout Pennsylvania. The funds are received by the Township, and the Township remits all dollars to the Worcester Volunteer Fire Department Relief Association. In 2018 the Budget includes approximately \$94,100 in Foreign Fire Insurance Tax receipts, which is an approximate 7% decrease from that provided by the State in 2017.

This Department also funds **hydrant rental** fees charged by the North Penn Water Authority, the Pennsylvania American Water Company and Aqua. These three utilities own and maintain 227 hydrants in the Township.

Fire Protection	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
hydrant rentals	411-380	\$ 25,360.59	\$ 25,398.00	\$ 25,360.59	\$ 25,398.00
WVFD contributions	411-540	\$ 301,286.86	\$ 316,036.86	\$ 316,036.86	\$ 315,582.65
		\$ 326,647.45	\$ 341,434.86	\$ 341,397.45	\$ 340,980.65



## Code Enforcement

This Department provides Township and building code enforcement programs, and includes one full-time employee, the Codes Clerk, one part-time employee, the Fire Marshal, and a consultant, the Township's building inspector.



The **Fire Marshal** position is budgeted for ten hours per week. The Fire Marshal investigates open burning complaints, manages the Township's fire alarm registration program, reviews land development plans to ensure the proper location of fire hydrants and emergency access lanes, and supports various safety-related efforts.

The Codes Clerk manages the permitting process, which includes the administrative review of zoning and building permit applications, the scheduling of required inspections, and the keeping of an accurate record of improvements made to properties in the Township. In past years the Department funded a portion of the Township Manager salary. Beginning in 2017 the Township Manager salary was booked to General Fund line item code 401.120.

**Supplies** provides for the Township's annual codification needs. Approximately once each year the Township publishes an update to its Code, which encompasses the legislation enacted subsequent to the previous codification. This approach provides a modest savings over the codification of ordinances at the time each ordinance is adopted.

**Consultant services** fund the Township's building inspector, a consultant. The Township contracts for this service because the demand for inspections doesn't warrant the hire of a full-time employee, and because this demand fluctuates with the real estate market and the seasons. In 2016 the Township established a truncated building inspection schedule that offers additional inspection hours during peak construction season (summer), and fewer hours when building activity is traditionally slower (winter).

Code Enforcement	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Fire Marshal payroll	413-110	\$ 4,868.60	\$ 9,640.80	\$ 6,145.83	\$ 11,006.58
Fire Marshal benefits	413-110-150	\$ 450.69	\$ 942.48	\$ 623.08	\$ 1,203.10
Codes payroll	413-140	\$ 105,425.68	\$ 43,775.00	\$ 43,160.00	\$ 40,149.40
Codes benefits	413-150	\$ 46,165.21	\$ 26,773.33	\$ 21,520.65	\$ 16,499.36
supplies	413-210	\$ 2,472.50	\$ 7,855.00	\$ 6,269.03	\$ 9,355.00
consultant services	413-312	\$ 63,166.00	\$ 77,880.00	\$ 45,549.34	\$ 70,374.56
mileage	413-337	\$ 615.60	\$ 660.00	\$ 612.76	\$ 840.00
meetings & seminars	413-460	\$ (423.50)	\$ 1,000.00	\$ 66.68	\$ 1,300.00
		\$ 222,740.78	\$ 168,526.61	\$ 123,947.37	\$ 150,728.01

# GENERAL FUND

## Zoning Hearing Board

This Department provides for the operation of the Zoning Hearing Board. The Zoning Hearing Board considers appeals from Zoning Ordinance requirements and decisions of the Zoning Officer.

Zoning Hearing Board Members are appointed by the Board of Supervisors. Members are paid a \$50 stipend for each hearing attended.

The Members appoint a Solicitor who provides legal advice and guidance. State Law requires that the Township fund certain Zoning Hearing Board expenses, and this includes all **legal** fees billed by the Solicitor. If the Township Engineer testifies on behalf of the Township, the Township must also pay these **engineering** fees. Additional **professional services** are provided by a court reporter, and this cost is shared by both the Township and the Applicant appearing before the Zoning Hearing Board.



General support for Zoning Hearing Board operations is provided by Township staff, most notably the Zoning Officer and the Codes Clerk. This support includes drafting legal **advertisements** for the Solicitor's review, and mailing hearing notices.

The higher **legal** fees and related expenses incurred in 2017 were due to the litigation of one Zoning Hearing Board application, and a greater than expected number of Zoning Hearing Board applications received during this year. The litigation is expected to conclude in early 2018.

Zoning Hearing Board	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	414-140	\$ 1,200.00	\$ 1,600.00	\$ 1,900.00	\$ 2,400.00
benefits	414-150	\$ 91.92	\$ 122.56	\$ 137.88	\$ 183.84
professional services	414-310	\$ 2,938.50	\$ 2,700.00	\$ 4,599.99	\$ 4,200.00
engineering	414-313	\$ 2,678.08	\$ 1,500.00	\$ -	\$ 1,500.00
legal	414-314	\$ 11,648.00	\$ 10,800.00	\$ 38,969.78	\$ 24,000.00
conditional use	414-315	\$ 79,206.66	\$ 4,500.00	\$ 20,529.99	\$ 4,500.00
advertising	414-341	\$ 2,208.62	\$ 2,750.00	\$ 3,366.46	\$ 4,125.00
meetings & seminars	414-460	\$ 62.82	\$ 200.00	\$ -	\$ 200.00
		\$ 100,034.60	\$ 24,172.56	\$ 69,504.10	\$ 41,108.84

# GENERAL FUND

## PA One Call

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This Department provides for services associated with the marking of utility lines in advance of construction activities. The **PA One Call** system is a communications network of property owners, designers, excavators, and utility owners, created to prevent damage to underground facilities, and to reduce injuries to contractors.



Much of the expense is attributable to the marking of facilities in and around Township-owned traffic signals.

PA One Call	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
PA One Call	419-242	\$ 1,974.04	\$ 3,840.00	\$ 602.49	\$ 1,860.00
		\$ 1,974.04	\$ 3,840.00	\$ 602.49	\$ 1,860.00

# GENERAL FUND

## Public Works

The Public Works Department provides for the maintenance of local roads and municipal-owned properties. The Township maintains about 55 miles of roadways and approximately 270 acres of parks and other lands. The upkeep of these facilities is needed to maintain a higher quality of life for all Worcester families.



The Budget funds **payroll** and **benefits** for seven full-time positions and one part-time position. The Budget also includes funds for three seasonal employees, if these positions are needed.

Public Works employees are provided with Township-issued **uniforms**. In addition, the Public Works Director and the Public Works Foreman are provided with **cell phones**, as these positions are on call to address after-hour problems on roads, in parks and at other Township-owned facilities.

The Budget funds additional training for Public Works employees. In recent years the employees participated in educational **seminars** regarding roadside flagging and the safe operation of commercial vehicles.

Public Works	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	430-140	\$ 374,536.74	\$ 396,706.44	\$ 354,600.00	\$ 390,172.24
benefits	430-150	\$ 165,190.98	\$ 172,336.31	\$ 177,650.00	\$ 226,744.67
uniform rental	430-238	\$ 6,651.41	\$ 9,397.00	\$ 7,023.95	\$ 9,640.00
cell phones	430-326	\$ 2,363.52	\$ 1,260.00	\$ 1,022.93	\$ 1,200.00
meetings & seminars	430-460	\$ 1,841.27	\$ 3,100.00	\$ 628.42	\$ 2,350.00
other expenses	430-470	\$ 3,024.19	\$ 2,540.00	\$ 2,185.71	\$ 1,645.00
		\$ 553,608.11	\$ 585,339.75	\$ 543,111.01	\$ 631,751.91

# GENERAL FUND

## Snow Removal

This Department provides for the winter maintenance of Township roads. And while the Township budgets for a “bad winter” that includes many snow and ice events, actual expenses will depend on weather conditions.



The Budget funds the purchase of approximately 625 tons of anti-skid **materials**... an amount that does not include a 450-ton stockpile that is currently housed in the Public Works Salt Building. A “normal” 5-inch snowfall requires about 30 tons of salt to treat all Township roads once.

The Township employs a **contractor** for snow removal services in two subdivisions – Milestone and Sunny Brook Estates – and at select roads in the northeast portion of the Township.

Snow Removal	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
materials	432-200	\$ -	\$ 44,268.75	\$ 43,115.98	\$ 31,875.00
contractor	432-450	\$ -	\$ 15,000.00	\$ 5,838.34	\$ 15,000.00
		\$ -	\$ 59,268.75	\$ 48,954.32	\$ 46,875.00

# GENERAL FUND

## Traffic Signals

This Department provides for the operation and repair of traffic signals. The Township owns and maintains twelve traffic signals. In addition the Township funds a percent of five traffic signals that are located on its municipal borders.

The Township Traffic Engineer provides **engineering** services on an as-needed basis.

**Maintenance** services are provided by a contractor who specializes in traffic signal technology and upkeep.



Traffic Signals	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
engineering	433-313	\$ 5,493.08	\$ 6,500.00	\$ 583.33	\$ 6,500.00
electricity	433-361	\$ 3,492.67	\$ 3,240.00	\$ 3,190.00	\$ 3,240.00
maintenance	433-374	\$ 17,036.26	\$ 18,050.00	\$ 6,216.21	\$ 12,600.00
		\$ 26,022.01	\$ 27,790.00	\$ 9,989.54	\$ 22,340.00

# GENERAL FUND

## Machinery & Tools

This Department provides for the maintenance of Public Works vehicles and equipment. The Township maintains a fleet of nine trucks and various pieces of equipment that are needed to properly maintain our community's roadway network, parks and other Township facilities. Township's philosophy is to maintain its vehicles and equipment until its useful life has been maximized. Replacement vehicles and equipment are bought only when the useful life is extinguished, and a replacement purchase is warranted.



**Vehicle maintenance** includes the purchase of tires and parts, and repair services.

This Budget also funds the purchase of **small tools** – such as saws, levels and weed-whackers – and any needed **repairs** to these items.

Machinery & Tools	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
vehicle maintenance	437-250	\$ 31,103.67	\$ 83,064.00	\$ 17,648.85	\$ 83,064.00
small tools	437-260	\$ 7,204.43	\$ 6,850.00	\$ 7,594.57	\$ 7,000.00
small tool repairs	437-370	\$ 384.67	\$ 500.00	\$ 566.66	\$ 1,000.00
		\$ 38,692.77	\$ 90,414.00	\$ 25,810.08	\$ 91,064.00

# GENERAL FUND

## Road Maintenance

This Department provides fuels for Public Works vehicles and equipment. The Budget assumes an approximate ten percent increase **gasoline** and **diesel** usage, and a ten percent increase in fuel prices, in the coming year. The ten percent increase in usage accommodates several snow storms during the winter season, as a much fuel is needed to operate the plows.



This Department also provides for the purchase of street **signs** and associated hardware.

The Budget increases funding for materials (**supplies**) used for roadway improvements made in addition to those included in the Township's annual road program. The improvements include pothole repair and work to roadside swales.

Beginning in 2017 contracted service for **snow** removal is booked in General Fund line item code 432.450.

In previous Budgets a portion of the Township's annual **road program** expense was booked to this Department. Beginning in 2017 these dollars are provided by the Capital Fund. In total, the Budget provides \$825,000 for the 2018 Road Program, an amount that does *not* include **engineering** and inspection services. This is a sizable percentage of the annual Budget, and demonstrates the Township's commitment to keeping the community's infrastructure safe and in good repair.

Road Maintenance	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
gasoline	438-231	\$ 3,779.80	\$ 5,267.00	\$ 4,014.26	\$ 4,787.00
diesel	438-232	\$ 11,690.71	\$ 22,330.00	\$ 13,105.11	\$ 17,880.00
signs	438-242	\$ 3,378.04	\$ 3,200.00	\$ 940.54	\$ 3,200.00
supplies	438-245	\$ 14,390.64	\$ 35,900.00	\$ 13,688.39	\$ 38,500.00
contractor, snow	438-300	\$ 7,062.50	\$ -	\$ -	\$ -
engineering	438-313	\$ 61,171.78	\$ 55,000.00	\$ 53,669.41	\$ 55,000.00
contractor, road program	438-370	\$ 391,409.63	\$ 15,500.00	\$ 7,050.68	\$ 15,300.00
		\$ 492,883.10	\$ 137,197.00	\$ 92,468.39	\$ 134,667.00



# GENERAL FUND

## Stormwater Management

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New stormwater management regulations are among the most costly unfunded mandates being forced upon local governments today... an expense that is ultimately assumed by Township residents.

The United States Environmental Protection Agency and the Pennsylvania Department of Environmental Protection have mandated that Worcester Township enact extensive regulations (totaling about 100 pages) that affect every property in our community. By these agencies not fully considering the financial impacts of these mandates, a burden has been placed on municipalities and their residents.



The new stormwater regulations are scheduled to take effect in January 2018.

The Township is also required to fund significant stormwater planning and improvement projects. The Budget funds **engineering** expenses the Township will incur to meet this Federal and State mandate. This ongoing expense is projected to increase in the years to come.

Stormwater Management	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
engineering	446-313	\$ 19,966.53	\$ 44,500.00	\$ 38,723.49	\$ 49,500.00
		\$ 19,966.53	\$ 44,500.00	\$ 38,723.49	\$ 49,500.00

# GENERAL FUND

## Recreation Administration

This Department provides for the management of Township's recreation programs. The Department includes one part-time employee, the Recreation Coordinator. In 2017 the Township eliminated the full-time position in this Department, thus the decrease in **payroll** and **benefits** in the coming year.



The Recreation Coordinator attends educational **meetings and seminars** throughout the year, including those conducted by the Pennsylvania Parks and Recreation Society and the Pennsylvania State Association of Township Supervisors.

Recreation Administration	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
payroll	451-140	\$ 34,446.80	\$ 47,586.00	\$ 36,667.27	\$ 26,996.30
benefits	451-150	\$ 23,986.19	\$ 26,861.25	\$ 16,364.87	\$ 2,427.92
mobile phone	451-326	\$ -	\$ -	\$ -	\$ -
mileage reimbursement	451-337	\$ -	\$ 300.00	\$ -	\$ 300.00
meetings & seminars	451-460	\$ -	\$ 1,025.00	\$ 159.99	\$ 900.00
		\$ 58,432.99	\$ 75,772.25	\$ 53,192.13	\$ 30,624.22

# GENERAL FUND

## Recreation & Culture

Worcester Township provides a number of recreational programs and community events for residents of all ages.

The Township sells **discounted tickets** for admission to area museums, amusement parks and other attractions, through a program managed by the Pennsylvania Parks and Recreation Society. For each ticket purchased the Township receives a small commission. The program is offered as a service to our residents, and not as a revenue generator.



The Township conducts several popular tennis, basketball and soccer **camps and leagues**, and the Township is a member of a multi-municipal program that sponsors year-round bus **trips** to venues including Philadelphia, Baltimore and New York City.

The Budget also funds Worcester **Community Day**. The event will be held at Heebner Park in the fall, and will offer something for everyone in the family. Stay tuned for more details!

Lastly, the Budget provides for the Township's annual contribution to the Norristown Library, our community's public **library**. State aid for public libraries has significantly decreased in recent years. Worcester is proud to continue our strong support of our library, and the Budget provides a 5% increase in funding to this important community resource.

Recreation & Culture	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
discounted tickets	452-247	\$ 5,757.00	\$ 7,900.00	\$ 7,533.34	\$ 6,550.00
camps & sport leagues	452-248	\$ 18,475.99	\$ 22,100.00	\$ 6,838.67	\$ 22,100.00
trips	452-249	\$ 9,952.07	\$ 6,800.00	\$ 2,083.32	\$ 6,800.00
Community Day	452-250	\$ -	\$ 6,500.00	\$ 5,889.68	\$ 9,900.00
library	452-520	\$ 6,000.00	\$ 6,300.00	\$ 6,300.00	\$ 6,615.00
		\$ 40,185.06	\$ 49,600.00	\$ 28,645.01	\$ 51,965.00

# GENERAL FUND

## Parks

This Department provides for the maintenance of the Township's parks system, which includes 115 acres of both active and passive parklands, and more than 155 acres of natural open spaces.

**Heebner Park**, our community's signature park (totaling 84 acres) includes a number of athletic fields and courts, walking trails, outdoor rental facilities, and is the site of large-scale events hosted by various organizations throughout the year. The Township's popular Zacharias Trail begins within the walking trails at Heebner Park, and has an end goal to connect to Evansburg State Park.



**Mt. Kirk Park** boasts one multi-purpose sports field, in addition to a walking trail bordering the field measuring in at a little more than a quarter mile in length. The 7-acre park is a convenient walking connection for Township residents residing at the adjacent Chadwick Place residential development.

**Sunny Brook Park** is home to two softball fields, one multi-purpose field, and a small playground. While this park is located within a residential subdivision, the park is owned and maintained by the Township.

**Heyser Field** is an equestrian-friendly horse ring located directly behind the Township's Community Hall Building. Community and equestrian events are held at the ring at various times throughout the year, and are well attended. There is also a trail winding through the trees behind the Heyser Ring (700 feet in length) that was constructed by a local Boy Scout Troop.

The Budget includes considerable dollars to maintain the athletic fields, pavilions, trails and site amenities. In 2016 the Township enacted a modest field rental fee to recover a portion of this cost. The fee, which includes a sizable discount for community and youth organizations, recovers approximately 8% of the annual cost to maintain these facilities.

The Budget also funds **utilities** (electric and water) in service at Heebner Park and Sunny Brook Park.

Parks	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Heebner Park - utilities	454-436	\$ 3,001.46	\$ 3,180.00	\$ 1,883.17	\$ 2,940.00
Heebner Park - fields	454-437-001	\$ 13,034.02	\$ 16,400.00	\$ 16,390.00	\$ 16,800.00
Heebner Park - expenses	454-437-002	\$ 9,492.57	\$ 12,000.00	\$ 4,272.02	\$ 11,500.00
Mt. Kirk Park - fields	454-438-001	\$ 2,929.59	\$ 3,000.00	\$ 2,950.00	\$ 3,400.00
Mt. Kirk Park - expenses	454-438-002	\$ 610.54	\$ 1,450.00	\$ 479.60	\$ 1,450.00
Sunny Brook Park - fields	454-439-001	\$ 3,958.97	\$ 4,400.00	\$ 4,250.00	\$ 4,700.00
Sunny Brook Park - expens.	454-439-002	\$ 1,883.23	\$ 4,900.00	\$ 2,482.81	\$ 4,400.00
Sunny Brook Park - utilities	454-446	\$ 763.57	\$ 1,560.00	\$ 902.25	\$ 1,380.00
Heyser Park - horse ring	454-470	\$ -	\$ 500.00	\$ -	\$ 500.00
Heyser Park - expenses	454-471	\$ 45.00	\$ 1,300.00	\$ -	\$ 1,300.00
trails	454-480	\$ 79.66	\$ 5,600.00	\$ 2,945.00	\$ 5,600.00
other parks	454-490	\$ -	\$ 4,400.00	\$ 261.08	\$ 4,400.00
		\$ 35,798.61	\$ 58,690.00	\$ 36,815.93	\$ 58,370.00

# GENERAL FUND

## Public Relations

This Department provides for the publication of the Township's award-winning **community newsletter**. The quarterly newsletter is mailed to the approximately 3,000 homes and businesses that call Worcester Township home. Township employees prepare the newsletter articles, which helps to lower production costs.



Township employees also design, publish and distribute an informational packet to new residents.

Public Relations	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
community newsletter	459-340	\$ 12,342.16	\$ 14,400.00	\$ 13,528.79	\$ 18,400.00
other communications	459-341	\$ -	\$ 1,400.00	\$ -	\$ 1,400.00
		\$ 12,342.16	\$ 15,800.00	\$ 13,528.79	\$ 19,800.00

## Other

The Township pays **real estate taxes** on portions of two its properties that are improved with cell towers. The cell tower companies that lease the properties reimburse the Township for the taxes paid. In past years the reimbursements were booked as a General Fund receipt. Beginning in 2018 the Township will credit the reimbursements against this expenditure line item, 481-430.



**Insurances** include premiums paid for property, liability, automotive, inland marine and workers compensation coverages. In 2017 the Township joined a multi-municipal trust that provides all coverages other than workers compensation insurance for volunteer firefighters, for an approximate 10% savings.

Lastly, the Budget includes a year-end **transfer to the Capital Fund**. The transfer is the Capital Fund's primary receipt, and these dollars are used to purchase vehicles and equipment, improve Township facilities, and provide for other capital expenditures. In 2017 the Township transferred its operating and capital reserves from the General Fund to the Capital Fund, which is reflected in the larger transfer for this year.

Other	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
real estate taxes	481-430	\$ 6,320.84	\$ 7,160.00	\$ 6,537.66	\$ -
insurances	486-350	\$ 108,029.65	\$ 119,037.00	\$ 102,355.00	\$ 106,271.80
transfer to Capital Fund	492-300	\$ -	\$ 895,566.25	\$ 7,164,815.82	\$ 976,981.96
		\$ 114,350.49	\$ 1,021,763.25	\$ 7,273,708.48	\$ 1,083,253.76

# CAPITAL FUND

## Interest

The Township invests its funds in interest-bearing instruments and accounts, in accordance with State Law and best management practices. Earnings fluctuate upon the interest rate received, which is governed by many factors. **Interest** rates are projected to remain at their current modest levels throughout 2018. Beginning in 2018 the Township included its operating and capital reserves in the Capital Fund.



Interest	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
interest	341-000	\$ 14,612.17	\$ 17,000.00	\$ 26,788.02	\$ 20,000.00
		\$ 14,612.17	\$ 17,000.00	\$ 26,788.02	\$ 20,000.00

## Other Government Levels

The Township seeks to obtain Federal, State, County and other grant funding whenever possible. Grant funding is only included in the Budget when a grant has been awarded. At the time this Budget was prepared the Township had been awarded grants for improvements to Defford Park, and for upgrades to certain traffic signals on Valley Forge Road and Germantown Pike.



Other Government Level	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
grants	354-351	\$ -	\$ -	\$ -	\$ 284,940.00
		\$ -	\$ -	\$ -	\$ 284,940.00

# CAPITAL FUND

## Fees

The Township assesses a **traffic impact fee** against most new development. The dollars collected are used to make certain improvements to the community's roadway network so to accommodate future traffic that is attributable to development. Construction at the Applewood and the Preserve at Worcester developments will come to a close in 2017, and 2018 will be a slow year for new development projects in the Township. As such, a modest amount of traffic impact fees are budgeted for 2018.



The Budget includes **miscellaneous** revenue from the auction of used Public Works vehicles and equipment. State Law requires municipalities to sell vehicles and equipment by auction, unless the property is sold to another municipality, a volunteer fire company, school district or select other non-profit organizations.

Fees	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
traffic impact fees	363-100	\$ -	\$ 45,857.00	\$ 63,918.00	\$ 14,204.00
miscellaneous	381-000	\$ -	\$ 6,000.00	\$ 38,912.75	\$ 2,000.00
		\$ -	\$ 51,857.00	\$ 102,830.75	\$ 16,204.00

## Transfers In

The Capital Fund's primary receipt is a **General Fund transfer**. A portion of General Fund revenues are earmarked to fund capital reserve accounts that are needed to meet the Township's capital and other long-term needs. Without maintaining adequate reserve accounts, the Township is effectively deferring future obligations to the next generation of Township residents, and this approach is not acceptable.

In 2017 the Township transferred its operating and capital reserves from the General Fund to the Capital Fund, which is reflected in the larger transfer for this year.

Transfers In	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
General Fund transfer	392-010	\$ -	\$ 895,566.25	\$ 7,164,815.82	\$ 976,981.96
		\$ -	\$ 895,566.25	\$ 7,164,815.82	\$ 976,981.96

# CAPITAL FUND

## General Government

The Township maintains a computer network schedule to ensure workstations, servers, switches and other system components are replaced in a timely fashion. The Budget includes funds to replace three workstations, one server, and to assist in the transfer to new permitting and asset management software (**office equipment**).



The Budget provides for modest **improvements** to Township facilities, including the replacement of a walkway at the Township Building. Additional dollars are budgeted for emergency repairs and other unforeseen expenses.

General Government	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
office equipment	405-720	\$ -	\$ 29,800.00	\$ 29,379.11	\$ 53,000.00
investing/CD fees	402-470	\$ 645.68	\$ -	\$ -	\$ -
building improvements	409-600	\$ -	\$ 39,700.00	\$ 27,315.20	\$ 29,500.00
interfund transfer	492-010	\$ 383,872.00	\$ -	\$ -	\$ -
		<b>\$ 384,517.68</b>	<b>\$ 69,500.00</b>	<b>\$ 56,694.31</b>	<b>\$ 82,500.00</b>



## Public Works

In many municipalities, the annual road maintenance budget is limited to the Liquid Fuel (“gas tax”) dollars received from the Commonwealth. However, this allocation alone is not enough to meet the maintenance demands of a community’s roadway network. Worcester Township recognizes this fact, and budgets additional dollars to supplement these State funds. The Budget provides \$475,000 in supplemental funds (**capital roads**) for the Township’s 2018 Road Program.



The Budget also funds two bridge improvement projects, one roadside safety project, and one stormwater management project. The Township makes effort to provide for at least one project type in each annual budget.

The Budget provides for the following **equipment purchases**:

- a zero-turn mower, to replace a 2008 mower;
- a utility gator, to replace a 2002 utility gator;
- a skid steerer; and,
- a walk-behind paver.

The skid steerer and walk-behind paver are new additions to the Township equipment inventory. Both will help expand the in-house capabilities of our Public Works team, allowing the Township to perform more work utilizing current staff, as opposed to third-party contractors, often at a considerable savings.

It is also important to note that the Township does not look to replace vehicles and equipment when these items mature from their depreciation schedules. Instead, the Township replaces these items only at the end of their useful life, so to maximize value.

Lastly, the Budget provides for the purchase of a fourth Speed Sentry **traffic sign**, and provides the required local matching funds for a grant received to certain **traffic signals** on Valley Forge Road and Germantown Pike.

Public Works	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
capital roads	430-600	\$ -	\$ 504,000.00	\$ 699,820.92	\$ 568,000.00
equipment purchase	430-740	\$ -	\$ 207,200.00	\$ 259,246.94	\$ 100,700.00
traffic signs & signals	433-600	\$ -	\$ 10,100.00	\$ 7,523.77	\$ 315,934.00
		\$ -	\$ 721,300.00	\$ 966,591.63	\$ 984,634.00

# CAPITAL FUND

## Parks & Recreation

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The Budget provides for improvements to four Township parks. A pedestrian trail and bridge will be constructed at Defford Road Park. At Heebner Park the budget funds soccer stands, goals and fencing at the recently-constructed soccer field. New entrance signage will be posted at Nike Park. And a small playground set will be installed at Heyser Field. The budget also provides dollars for the replacement of any worn amenities throughout the parks system.



The Budget also provides funds for possible **land acquisitions**, including \$60,000 for the acquisition of the former North Penn Army Reserve Base on Berks Road, and \$74,500 for the acquisition of an agricultural conservation easement for a 35-acre property on Kriebel Mill Road and Stump Hall Road.

<b>Parks &amp; Recreation</b>	<b>code</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2017 Projected</b>	<b>2018 Budget</b>
parks and trails	454-600	\$ -	\$ 77,500.00	\$ 9,678.98	\$ 216,500.00
land acquisition	454-710	\$ -	\$ 80,000.00	\$ 15,283.90	\$ 154,500.00
		\$ -	\$ 157,500.00	\$ 24,962.88	\$ 371,000.00

# SEWER FUND

## Wastewater Receipts

The Township owns and maintains two stream discharge wastewater treatment plants – the Valley Green Wastewater Treatment Plant and the Berwick Wastewater Treatment Plant – and six pumping stations. This sanitary sewer system services approximately 920 residential and commercial customers.



In 2016 the Township installed an extension to the Valley Green system that provides public sewer connections to 72 properties in and around the Worcester Acres neighborhood. Property owners were given the opportunity to pay the improvement assessment over a thirty-year period, but several owners opted to pay the improvement assessment in full in 2016, which explains the significant **tapping fee** revenue received in 2016. In 2018 the Budget assumes four new connections to the system.

The Budget proposes a 1% increase to residential and commercial **sewer fees**. For 2017 the sewer fee increased by 2.4%, and in 2014, 2015 and 2016 this was fee increased by 10% each year, a measure needed because the Township did not set a fee commensurate with actual expenses for many years. Moving forward the Township will work to minimize operational expenses where possible, and set an annual fee that (a) recovers this cost, and (b) funds a sensible capital reserve.

Wastewater	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
interest	341-000	\$ 742.50	\$ 600.00	\$ 852.73	\$ 800.00
interest, special district	341-100	\$ -	\$ -	\$ -	\$ -
tapping fees	364-110	\$ 501,551.74	\$ 11,400.00	\$ 38,823.22	\$ 42,207.62
sewer fees, residential	364-120	\$ 428,757.20	\$ 490,104.66	\$ 458,993.51	\$ 467,409.67
sewer fees, commercial	364-130	\$ 163,453.39	\$ 151,561.21	\$ 146,610.15	\$ 153,076.61
late fees	364-140	\$ 7,152.96	\$ 6,000.00	\$ 7,314.86	\$ 6,000.00
certification fees	364-150	\$ 1,060.00	\$ 1,080.00	\$ 1,270.00	\$ 1,030.00
liens	364-190	\$ 376.00	\$ 100.00	\$ -	\$ -
miscellaneous income	381-000	\$ -	\$ 100.00	\$ -	\$ 50.00
		<b>\$ 1,103,093.79</b>	<b>\$ 660,945.87</b>	<b>\$ 653,864.47</b>	<b>\$ 670,573.90</b>

# SEWER FUND

## Wastewater Expenditures

The Township's three-year contract for wastewater operator services expired in 2017. At that time the Township contracted for new service that allows the Township to be direct billed for sludge removal, testing and chemical purchases (**other expenses**). In addition, the new contract includes a labor rate and other terms that are significantly more favorable to the Township. This arrangement has resulted in a considerable savings to the ratepayers.

A share of the wastewater operator service cost is allocated to each of two wastewater treatment plants (35%) and to each of six pumping stations (5%), and this expense is included in the **operations** line item for each facility.

Like many other municipalities, the Township shops electricity providers, so to lower its **utility** costs. The Township's electricity provider, Constellation, is the selected provider for the Pennsylvania Municipal League's Municipal Utility Alliance Electricity Procurement Program, a multi-municipal cooperative utilized by dozens of municipalities and municipal authorities throughout Pennsylvania.

The Budget provides \$90,000 for **capital improvements** and for unforeseen repairs to the system.

Wastewater Treatment	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
alarm services	429-242	\$ 932.10	\$ 982.00	\$ 969.30	\$ 1,020.00
other expenses	429-300	\$ 25,406.38	\$ 63,570.00	\$ 46,428.82	\$ 127,140.00
engineering	429-313	\$ 10,630.91	\$ 10,750.00	\$ 9,152.51	\$ 11,400.00
legal	429-314	\$ 330.23	\$ 3,900.00	\$ 482.77	\$ 2,500.00
plant operations	429-316	\$ 166,274.02	\$ 126,512.40	\$ 101,856.81	\$ 78,540.00
telephone	429-321	\$ 761.26	\$ 888.00	\$ 827.50	\$ 888.00
utilities	429-361	\$ 109,975.78	\$ 101,460.00	\$ 85,579.23	\$ 101,520.00
water	429-366	\$ 389.14	\$ -	\$ -	\$ -
equipment & repairs	429-374	\$ 17,008.97	\$ 12,600.00	\$ 20,116.39	\$ 24,000.00
CPF, operations	429-421-001	\$ 10,933.50	\$ 9,042.00	\$ 7,266.50	\$ 5,616.00
CPF, utilities & repairs	429-421-002	\$ 8,445.66	\$ 4,452.00	\$ 6,404.75	\$ 4,716.00
MW, operations	429-422-001	\$ 18,547.37	\$ 9,042.00	\$ 8,126.60	\$ 5,616.00
MW, utilities & repairs	429-422-002	\$ 547.45	\$ 1,752.00	\$ 393.62	\$ 1,752.00
FC, operations	429-424-001	\$ 10,563.72	\$ 9,042.00	\$ 7,412.90	\$ 5,616.00
FC, utilities & repairs	429-424-002	\$ 2,905.61	\$ 3,804.00	\$ 2,118.57	\$ 3,948.00
HV, operations	429-423-001	\$ 9,832.67	\$ 9,042.00	\$ 7,295.20	\$ 5,616.00
HV, utilities & repairs	429-423-002	\$ 3,604.92	\$ 4,380.00	\$ 2,672.87	\$ 5,040.00
CP, operations	429-425-001	\$ 10,568.86	\$ 9,042.00	\$ 7,373.76	\$ 5,616.00
CP, utilities & repairs	429-425-002	\$ 3,936.34	\$ 4,488.00	\$ 2,516.32	\$ 4,668.00
AD, operations	429-426-001	\$ 10,295.25	\$ 9,042.00	\$ 7,709.37	\$ 5,616.00
AD, utilities & repairs	429-426-002	\$ 4,828.84	\$ 3,228.00	\$ 2,416.29	\$ 3,276.00
capital improvements	429-700	\$ -	\$ 90,000.00	\$ 73,384.38	\$ 90,000.00
staff costs	405-150	\$ 47,154.00	\$ -	\$ -	\$ -
insurance	489-350	\$ 3,054.80	\$ 3,095.00	\$ 3,095.00	\$ 3,299.20
GOB - principal	471-200	\$ -	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00
GOB - interest	472-200	\$ 47,890.17	\$ 50,821.26	\$ 50,821.26	\$ 49,861.26
GOB - fiscal agent fees	475-000	\$ 74,471.67	\$ -	\$ 1,050.00	\$ 1,100.00
		\$ 599,289.62	\$ 660,934.66	\$ 575,470.72	\$ 668,364.46

## Interest

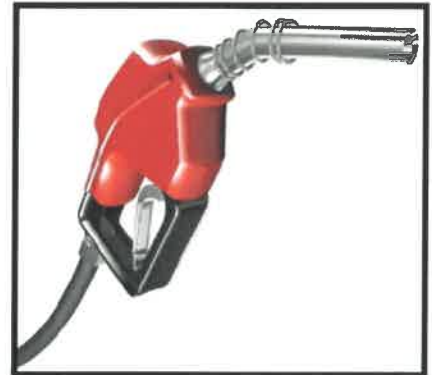
The Township invests its funds in interest-bearing instruments and accounts, in accordance with State Law and best management practices. Earnings fluctuate upon the interest rate received, a rate that is governed by many factors. **Interest** rates are projected to remain at their current modest levels throughout 2018.

Interest	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
interest	341-000	\$ 862.46	\$ 250.00	\$ 935.34	\$ 400.00
		\$ 862.46	\$ 250.00	\$ 935.34	\$ 400.00

## Licenses

Each year a portion of the funds generated by a State tax on gasoline and other fuels is distributed to Pennsylvania municipalities based upon each municipality's relative population and road miles. Municipalities, in turn, are permitted to use these **liquid fuel funds** for road maintenance, road construction and related infrastructure activities and purchases only.

In 2013 the Commonwealth enacted transportation legislation that increased the amount of liquid fuel funds distributed to municipalities. Since this time the Township's annual allocation has increased by about 40%. With these additional dollars the Township has expanded its annual road maintenance program, so to maximize the useful life of critical infrastructure. The increased funding under this law will end in 2018. The Township will closely monitor this revenue source in the years to come.



Licenses	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Liquid Fuel Funds	355-020	\$ 325,426.98	\$ 343,000.00	\$ 350,887.21	\$ 361,632.53
		\$ 325,426.98	\$ 343,000.00	\$ 350,887.21	\$ 361,632.53

## Public Works

The Budget earmarks all liquid fuel funds received for the 2018 Road Program. Some municipalities limit their road maintenance program to that able to be funded by the liquid fuel allocation alone. Worcester assumes this State aid, while significant, falls short of that needed to properly maintain our community's roadways. As such all other road maintenance expenses – including the purchase of winter materials and the contracting of snow removal services – are provided by the General Fund. This approach allows the Township to establish an honest budget that adequately funds our roadway maintenance obligations.



Public Works	code	2016 Actual	2017 Budget	2017 Projected	2018 Budget
snow & ice removal	432-250	\$ 44,180.25	\$ -	\$ -	\$ -
road maintenance contractor	438-370	\$ 344,000.00	\$ 340,000.00	\$ 365,000.00	\$ 350,000.00
		\$ 388,180.25	\$ 340,000.00	\$ 365,000.00	\$ 350,000.00

Appendix A

**RECEIPTS AND EXPENDITURES BY FUND**

# GENERAL FUND

January 1, 2018 balance... \$ 250,000.00

RECEIPTS	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Taxes	\$ 3,103,704.58	\$ 2,834,095.00	\$ 3,030,947.69	\$ 2,907,740.00
Licenses & Permits	\$ 233,691.56	\$ 221,140.00	\$ 229,197.95	\$ 224,850.00
Fines & Forfeits	\$ 1,713.73	\$ 1,000.00	\$ 2,590.12	\$ 1,500.00
Interest & Rents	\$ 183,613.89	\$ 159,313.32	\$ 173,333.63	\$ 170,018.40
Intergovernmental Revenue	\$ 170,402.75	\$ 166,055.18	\$ 150,055.11	\$ 140,659.15
Charges for Services	\$ 254,651.23	\$ 178,495.00	\$ 175,607.37	\$ 157,270.00
Miscellaneous Revenue	\$ 36,114.14	\$ 14,260.00	\$ 57,046.43	\$ 14,250.00
Other Financing	\$ 384,672.00	\$ 800.00	\$ 400.00	\$ 400.00
	\$ 4,368,563.88	\$ 3,575,158.50	\$ 3,819,178.30	\$ 3,616,687.55

EXPENDITURES	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Legislative	\$ 118,371.29	\$ 113,692.14	\$ 105,443.66	\$ 101,040.98
Management	\$ 137,750.74	\$ 220,668.99	\$ 210,625.85	\$ 202,693.86
Finance	\$ 86,774.71	\$ 93,712.17	\$ 93,885.50	\$ 107,080.75
Tax Collection	\$ 38,476.78	\$ 40,292.52	\$ 39,443.49	\$ 38,596.59
Legal	\$ 95,830.24	\$ 81,000.00	\$ 53,918.88	\$ 78,600.00
Clerical	\$ 189,552.27	\$ 200,361.33	\$ 154,388.81	\$ 216,263.98
Engineering	\$ 28,734.94	\$ 41,500.00	\$ 25,817.52	\$ 37,000.00
Township Building	\$ 30,118.38	\$ 33,051.00	\$ 22,653.84	\$ 33,012.00
Garage	\$ 19,349.25	\$ 24,800.40	\$ 18,110.11	\$ 25,644.00
Community Hall	\$ 8,794.57	\$ 11,112.00	\$ 7,019.85	\$ 10,920.00
Historical Building	\$ 5,097.93	\$ 5,528.92	\$ 3,093.96	\$ 5,713.00
Hollow Road Rental	\$ 2,209.83	\$ 4,330.00	\$ 5,220.93	\$ 4,234.00
Springhouse	\$ 350.00	\$ 1,000.00	\$ -	\$ 1,000.00
Fire Protection	\$ 326,647.45	\$ 341,434.86	\$ 341,397.45	\$ 340,980.65
Code Enforcement	\$ 222,740.78	\$ 168,526.61	\$ 123,947.37	\$ 150,728.01
Zoning Hearing Board	\$ 100,034.60	\$ 24,172.56	\$ 69,504.10	\$ 41,108.84
PA One Call	\$ 1,974.04	\$ 3,840.00	\$ 602.49	\$ 1,860.00
Public Works	\$ 553,608.11	\$ 585,339.75	\$ 543,111.01	\$ 631,751.91
Snow Removal	\$ -	\$ 59,268.75	\$ 48,954.32	\$ 46,875.00
Traffic Signals	\$ 26,022.01	\$ 27,790.00	\$ 9,989.54	\$ 22,340.00
Machinery & Tools	\$ 38,692.77	\$ 90,414.00	\$ 25,810.08	\$ 91,064.00
Road Maintenance	\$ 492,883.10	\$ 137,197.00	\$ 92,468.39	\$ 134,667.00
Stormwater Management	\$ 19,966.53	\$ 44,500.00	\$ 38,723.49	\$ 49,500.00
Recreation Administration	\$ 58,432.99	\$ 75,772.25	\$ 53,192.13	\$ 30,624.22
Recreation & Culture	\$ 40,185.06	\$ 49,600.00	\$ 28,645.01	\$ 51,965.00
Parks	\$ 35,798.61	\$ 58,690.00	\$ 36,815.93	\$ 58,370.00
Public Relations	\$ 12,342.16	\$ 15,800.00	\$ 13,528.79	\$ 19,800.00
Other	\$ 114,350.49	\$ 1,021,763.25	\$ 7,273,708.48	\$ 1,083,253.76
	\$ 2,805,089.63	\$ 3,575,158.49	\$ 9,440,020.98	\$ 3,616,687.55

2018 GENERAL FUND \$ 0.00

December 31, 2018 balance... \$ 250,000.00



# CAPITAL FUND

January 1, 2018 balance... \$ 10,511,700.00

<b>RECEIPTS</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2017 Projected</b>	<b>2018 Budget</b>
Interest	\$ 14,612.17	\$ 17,000.00	\$ 26,788.02	\$ 20,000.00
Other Government Levels	\$ -	\$ -	\$ -	\$ 284,940.00
Fees	\$ -	\$ 51,857.00	\$ 102,830.75	\$ 16,204.00
Transfers In	\$ -	\$ 895,566.25	\$ 7,164,815.82	\$ 976,981.96
	\$ 14,612.17	\$ 964,423.25	\$ 7,294,434.59	\$ 1,298,125.96

<b>EXPENDITURES</b>	<b>2016 Actual</b>	<b>2017 Budget</b>	<b>2017 Projected</b>	<b>2018 Budget</b>
General Government	\$ 384,517.68	\$ 69,500.00	\$ 56,694.31	\$ 82,500.00
Public Works	\$ -	\$ 721,300.00	\$ 966,591.63	\$ 984,634.00
Parks & Recreation	\$ -	\$ 157,500.00	\$ 24,962.88	\$ 371,000.00
	\$ 384,517.68	\$ 948,300.00	\$ 1,048,248.82	\$ 1,438,134.00

**2018 CAPITAL FUND** \$ (140,008.05)

December 31, 2018 balance... \$ 10,371,691.96

# SEWER FUND

January 1, 2018 balance... \$ 307,500.00

RECEIPTS	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Wastewater	\$ 1,103,093.79	\$ 660,945.87	\$ 653,864.47	\$ 670,573.90
	\$ 1,103,093.79	\$ 660,945.87	\$ 653,864.47	\$ 670,573.90

EXPENDITURES	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Wastewater	\$ 599,289.62	\$ 660,934.66	\$ 575,470.72	\$ 668,364.46

2018 SEWER FUND \$ 2,209.44

December 31, 2018 balance... \$ 309,709.44

## STATE FUND

January 1, 2018 balance... \$ 9,100.00

RECEIPTS	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Interest	\$ 862.46	\$ 250.00	\$ 935.34	\$ 400.00
Licenses	\$ 325,426.98	\$ 343,000.00	\$ 350,887.21	\$ 361,632.53
	\$ 326,289.44	\$ 343,250.00	\$ 351,822.55	\$ 362,032.53

EXPENDITURES	2016 Actual	2017 Budget	2017 Projected	2018 Budget
Public Works	\$ 388,180.25	\$ 340,000.00	\$ 365,000.00	\$ 350,000.00

2018 STATE FUND \$ 12,032.53

December 31, 2018 balance... \$ 21,132.53

Appendix B

**PROPERTY TAX RATES**

**Worcester Township** boasts the lowest property tax in Montgomery County. The Township's property tax is levied at 0.05 mills, and there is no proposed change to this tax in 2018. The owner of a property in Worcester Township that is assessed at \$400,000 pays \$20 in property tax to the Township. This same owner pays \$1,539 in property tax to Montgomery County (3.849 mills), and \$11,783 in property tax to the Methacton School District (29.4585 mills).

***If you pay property taxes, for every \$1,000 paid...***

**\$883.12 is paid to the Methacton School District**



**\$115.39 is paid to Montgomery County**



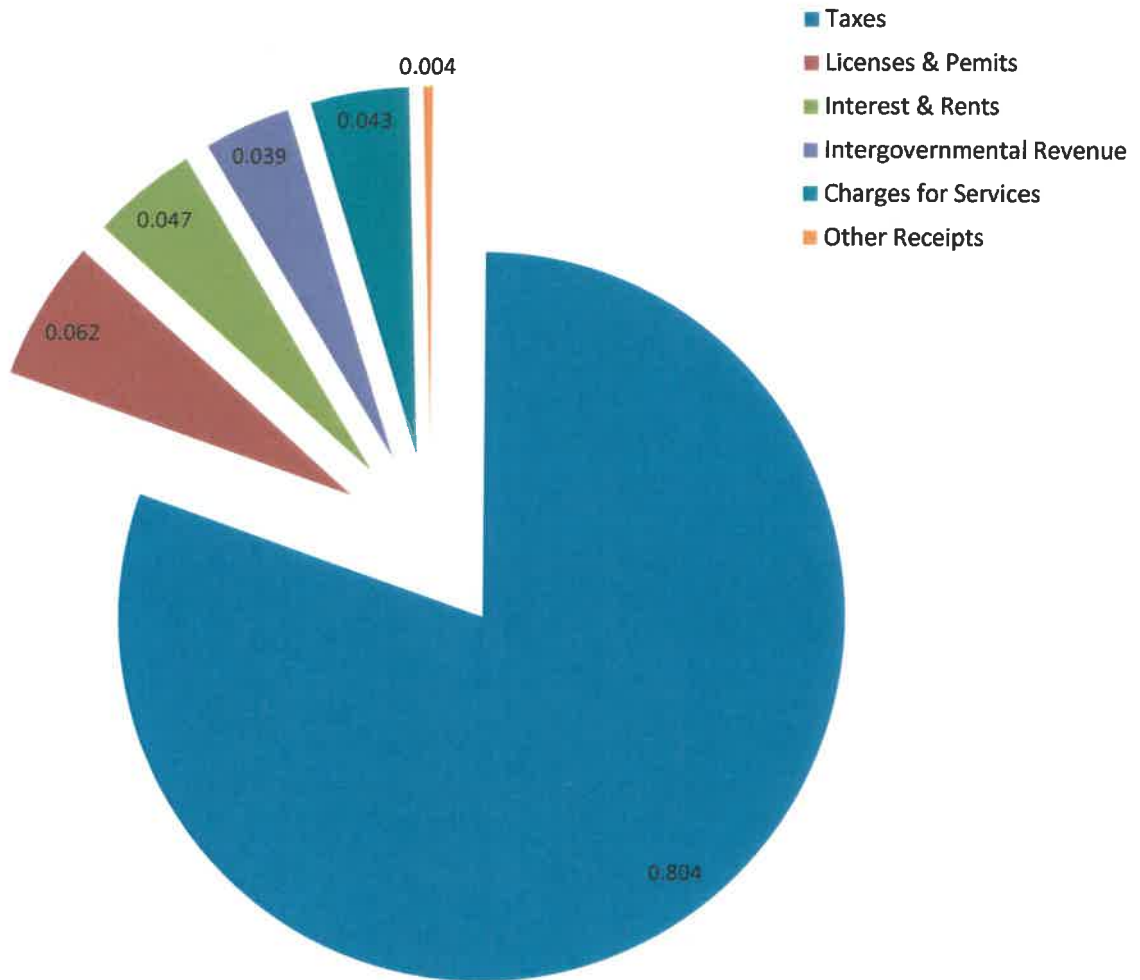
**\$1.50 is paid to Worcester Township**



Appendix C

**GENERAL FUND RECEIPTS, BY PERCENT**

## GENERAL FUND RECEIPTS, BY PERCENT

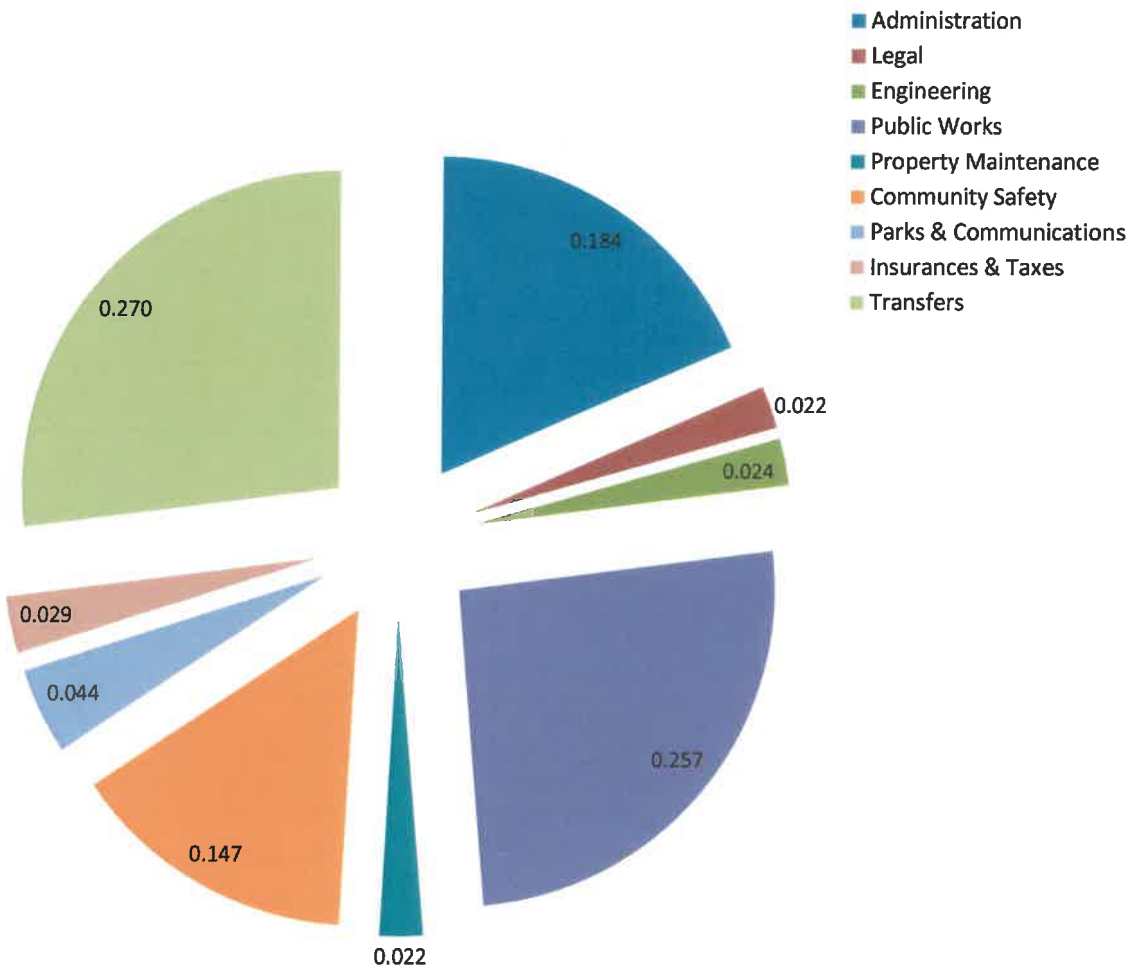


Appendix D

**GENERAL FUND EXPENDITURES, BY PERCENT**



## GENERAL FUND EXPENDITURES, BY PERCENT



Appendix E

**STAFFING LEVELS & ORGANIZATION CHART**

## STAFFING LEVELS

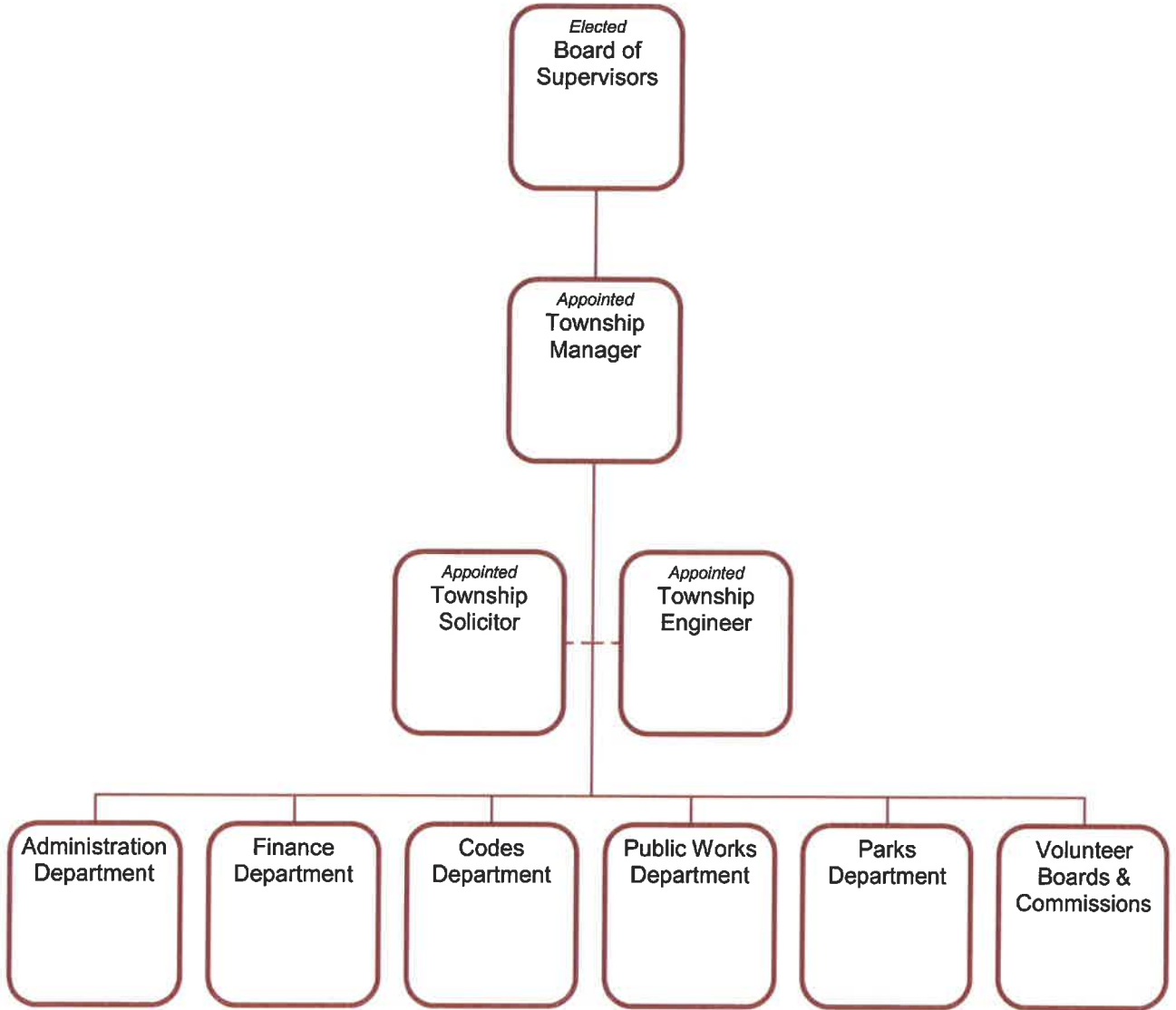
FULL-TIME POSITIONS	2016	2017	2018
Township Manager	1	1	1
Assistant Manager (1)	1	0	0
Finance Director	1	1	1
Receptionist	1	0	0
Codes Clerk	1	1	1
Parks Director	0	1	0
Administrative Assistant	1	1	1
Public Works Director	1	1	1
Public Works Foreman	1	1	1
Public Works Laborer	5	5	5
	13	12	11

PART-TIME POSITIONS	2016	2017	2018
Receptionist	0	1	1
Public Works Laborer	1	1	1
Recreation Coordinator	0	0	1
Fire Marshal	1	1	1
File Clerk	1	1	1
	3	4	5

**Notes:**

(1) Assistant Manager served as Parks Director in 2016.

# ORGANIZATION CHART



Appendix F

**2016 GENERAL OBLIGATION BOND DEBT SERVICE SCHEDULE**

TOWNSHIP OF WORCESTER  
Montgomery County, Pennsylvania  
General Obligation Bonds, Series of 2016

**Debt Service Schedule**

**Dated:** Date of Delivery  
**Due:** December 1, as shown

**Interest Payable:** June 1 and December 1  
**Commencing:** December 1, 2016

Date	Principal	Coupon	Interest	Total P+I
12/01/2016	40,000.00	2.000%	22,942.77	62,942.77
12/01/2017	120,000.00	0.800%	50,821.26	170,821.26
12/01/2018	120,000.00	0.900%	49,861.26	169,861.26
12/01/2019	120,000.00	3.000%	48,781.26	168,781.26
12/01/2020	125,000.00	3.000%	45,181.26	170,181.26
12/01/2021	130,000.00	1.100%	41,431.26	171,431.26
12/01/2022	130,000.00	1.250%	40,001.26	170,001.26
12/01/2023	130,000.00	1.400%	38,376.26	168,376.26
12/01/2024	135,000.00	2.000%	36,556.26	171,556.26
12/01/2025	135,000.00 *	2.000%	33,856.26	168,856.26
12/01/2026	135,000.00 *	2.000%	31,156.26	166,156.26
12/01/2027	145,000.00	2.000%	28,456.26	173,456.26
12/01/2028	145,000.00 *	2.250%	25,556.26	170,556.26
12/01/2029	150,000.00 *	2.250%	22,293.76	172,293.76
12/01/2030	155,000.00	2.250%	18,918.76	173,918.76
12/01/2031	155,000.00 *	2.375%	15,431.26	170,431.26
12/01/2032	160,000.00	2.375%	11,750.02	171,750.02
12/01/2033	25,000.00 *	3.000%	7,950.00	32,950.00
12/01/2034	25,000.00 *	3.000%	7,200.00	32,200.00
12/01/2035	30,000.00 *	3.000%	6,450.00	36,450.00
12/01/2036	30,000.00 *	3.000%	5,550.00	35,550.00
12/01/2037	30,000.00 *	3.000%	4,650.00	34,650.00
12/01/2038	30,000.00 *	3.000%	3,750.00	33,750.00
12/01/2039	30,000.00 *	3.000%	2,850.00	32,850.00
12/01/2040	30,000.00 *	3.000%	1,950.00	31,950.00
12/01/2041	35,000.00	3.000%	1,050.00	36,050.00
<b>Total</b>	<b>\$2,495,000.00</b>	<b>-</b>	<b>\$602,771.69</b>	<b>\$3,097,771.69</b>

\* Mandatory Redemption.

Appendix G

**2018 FEE SCHEDULE**

*to be considered at the January 2, 2018 Reorganization Meeting*

Appendix H

**CAPITAL FUND RESERVE BALANCES**



## CAPITAL FUND RESERVE BALANCES

### CAPITAL FUND RECEIPTS

interest	\$ 20,000.00
grants	\$ 284,940.00
traffic impact fees	\$ 14,204.00
miscellaneous	\$ 2,000.00
General Fund transfer	\$ 976,981.96
<b>total</b>	<b>\$ 1,298,125.96</b>

### CAPITAL FUND RECEIPTS ALLOCATION

Operating Reserve Fund	\$ 1,000.00
Capital Reserve Fund	\$ 1,215,921.96
Act 209 Fund	\$ 15,204.00
North Penn ARB Fund	\$ 1,000.00
Open Space Acquisition Fund	\$ 1,000.00
Park & Trail Development Fund	\$ 64,000.00
<b>total</b>	<b>\$ 1,298,125.96</b>

### CAPITAL FUND EXPENDITURES

office equipment	\$ 53,000.00
investing/CD fees	\$ -
building improvements	\$ 29,500.00
interfund transfer	\$ -
capital roads	\$ 568,000.00
equipment purchase	\$ 100,700.00
traffic signs & signals	\$ 315,934.00
parks and trails	\$ 216,500.00
land acquisition	\$ 154,500.00
<b>total</b>	<b>\$ 1,438,134.00</b>

### CAPITAL FUND EXPENDITURES ALLOCATION

Operating Reserve Fund	\$ -
Capital Reserve Fund	\$ 1,067,134.00
Act 209 Fund	\$ -
North Penn ARB Fund	\$ 60,000.00
Open Space Acquisition Fund	\$ 94,500.00
Park & Trail Development Fund	\$ 216,500.00
<b>total</b>	<b>\$ 1,438,134.00</b>

### Operating Reserve Fund

projected balance 1/1/2018	\$ 879,000.00
receipts	\$ 1,000.00
expenditures	\$ -
<b>projected balance 12/31/18</b>	<b>\$ 880,000.00</b>

### Capital Reserve Fund

projected balance 1/1/2018	\$ 7,220,100.00
receipts	\$ 1,215,921.96
expenditures	\$ 1,067,134.00
<b>projected balance 12/31/18</b>	<b>\$ 7,368,887.96</b>

### Act 209 Fund

projected balance 1/1/2018	\$ 408,000.00
receipts	\$ 15,204.00
expenditures	\$ -
<b>projected balance 12/31/18</b>	<b>\$ 423,204.00</b>

### North Penn ARB Fund

projected balance 1/1/2018	\$ 747,400.00
receipts	\$ 1,000.00
expenditures	\$ 60,000.00
<b>projected balance 12/31/18</b>	<b>\$ 688,400.00</b>

### Open Space Acquisition Fund

projected balance 1/1/2018	\$ 753,800.00
receipts	\$ 1,000.00
expenditures	\$ 94,500.00
<b>projected balance 12/31/18</b>	<b>\$ 660,300.00</b>

### Park & Trail Development Fund

projected balance 1/1/2018	\$ 503,400.00
receipts	\$ 64,000.00
expenditures	\$ 216,500.00
<b>projected balance 12/31/18</b>	<b>\$ 350,900.00</b>

## CAPITAL FUND

projected balance 1/1/2018	\$ 10,511,700.00
receipts	\$ 1,298,125.96
expenditures	\$ 1,438,134.00
<b>projected balance 12/31/18</b>	<b>\$ 10,371,691.96</b>

Appendix I

**FUND BALANCE POLICY**

# WORCESTER TOWNSHIP FUND BALANCE POLICY

## General Fund

1. Purpose: Primary operating fund for day-to-day revenues and expenditures.
2. Planned use: Unrestricted; ongoing.
3. Minimum: Based on an annual review of the Township's cash flow needs, as well as best management practices, Worcester Township shall carry forward into each Fiscal Year a minimum cash balance of \$250,000. At the end of each Fiscal Year, any amount held in excess of \$250,000 shall be transferred to the Capital Fund.
4. Reserves: None.

## Sewer Fund

1. Purpose: Account for the revenue and expenditures related to the operation and maintenance of the Township's sanitary sewer system.
2. Planned use: Restricted by Township policy; ongoing.
3. Minimum: Based on an annual review of the Township's cash flow needs, as well as best management practices, Worcester Township shall carry forward into each Fiscal Year a minimum cash balance of \$100,000.
4. Reserves: The Township shall aim to maintain a minimum \$200,000 capital reserve, which does not include the minimum cash balance.

## Capital Fund

1. Purpose: To fund specific capital activities, including projects that will receive grant funding reimbursement; Capital Fund dollars may likewise be utilized for emergency operating funds for the General Fund, as needed.
2. Planned use: Varied; ongoing.
3. Minimum: That required to meet the Township's short and long-term capital obligations.
4. Reserves:
  - Operating Reserve Fund – Up to 25% of annual General Fund receipts; unrestricted.
  - Act 209 Fund – Impact fee to fund certain road projects; restricted by State Law.
  - North Penn Army Reserve Base – Project fund; unrestricted.
  - Open Space Acquisition Fund – Project category fund; unrestricted.
  - Parks & Trails Development Fund – Project category fund; unrestricted.
  - Capital Reserve Fund – Reserves for roads, bridges, vehicle, equipment, apparatus, facilities, and other capital obligations; unrestricted.

## State Fund

1. Purpose: To account for state funds received from gas taxes that may be used for permitted roadway improvements.
2. Planned use: State-permitted road projects and related expenses; restricted by State Law.
3. Minimum: Not applicable.
4. Reserves: Not applicable.

*Restricted Fund* Funds restricted in use by law or by Township policy.

*Unrestricted Fund* Funds earmarked for certain purposes, but may be available for use for any other purpose approved by the Board of Supervisors and permitted by law.