

2017 Budget – KEY FINANCIAL HIGHLIGHTS

- No proposed millage increase in the Real Estate Tax for 2017 – 7th consecutive year with no tax increase (last increase 2010). *Millage rate 2.0 mills.*
- No proposed increase in Sewer/Trash fees for 2017. *Sewer \$65/qtr; Trash \$85/qtr.*
- The General Fund is currently proposing a \$21,904 surplus.
- 5% decrease for Medical Insurance premiums. Modest increase in Pharmacy self-insured program.
- 7% decrease for Workers’ Compensation Insurance.
- Proposed increase in personnel. *1 Full-time Police Dispatcher/Clerk.*
- Parks Major Capital expenditures are proposed in the Capital Reserve Fund Budget for 2017.
- Major Capital purchases are proposed to increase \$341,098 from the previous year.
- An update to the Township’s Comprehensive Plan (\$45,000) is proposed for 2017 - a County Grant (\$25,000) is proposed to offset this expenditure.
- Proactive approach to infrastructure reconstruction. *Grubbs Mill Road pipe culvert replacement (\$450,000); Hamlet Hill storm pipe replacement (\$125,000); balance of construction of a pedestrian crossing at Shop Rite/Rte 3 (\$10,000); Spring Lane Intersection Safety Improvements (\$15,000); Growing Greener Watershed Basin Retrofit (\$120,000) – a Growing Greener Watershed Grant (\$62,000) is proposed to offset this expenditure; and Route 3 adaptive signal controls (\$110,000) – a Green Light Go Grant (\$55,000) is proposed to offset this expenditure.*
- Continued focus on collecting the Township’s delinquent Sewer/Trash receivables.
- 2017 Sewer Fund Budget – Authority Administrative Expenses have been reallocated to various operating expenses throughout the Sewer Fund Budget.
- New 3-year Waste & Recycling Contract for 2017. New services to include: automated recycling totes and an additional contract for trash pick-up at 21 Bus Shelters.

2017 BUDGET						
ALL FUNDS SUMMARY						
FUND	BEGINNING			ENDING		
	FUND BALANCE	+	REVENUE	-	EXPENDITURES	= FUND BALANCE
						SURPLUS/ (DEFICIT)
GENERAL FUND	\$8,938,747		\$15,488,083		\$15,466,179	\$8,960,651 \$21,904
SEWER FUND	4,460,135		4,970,800		4,964,856	\$4,466,079 \$5,944
WASTE & RECYCLING FUND	2,212,428		2,220,325		2,239,945	\$2,192,808 (\$19,620)
CAPITAL RESERVE FUND	4,873,877		978,935		1,752,435	\$4,100,377 (\$773,500)
STATE HIGHWAY FUND	70,074		681,179		725,000	\$26,253 (\$43,821)
SUBTOTAL	\$20,555,261		\$24,339,322		\$25,148,415	\$19,746,168 (\$809,093)
TRANSFER BETWEEN FUNDS	0		(566,435)		(566,435)	\$0 \$0
TOTAL	\$20,555,261		\$23,772,887		\$24,581,980	\$19,746,168 (\$809,093)

This chart shows all Township funds subject to the annual appropriation process.

2017 West Goshen Township Budget

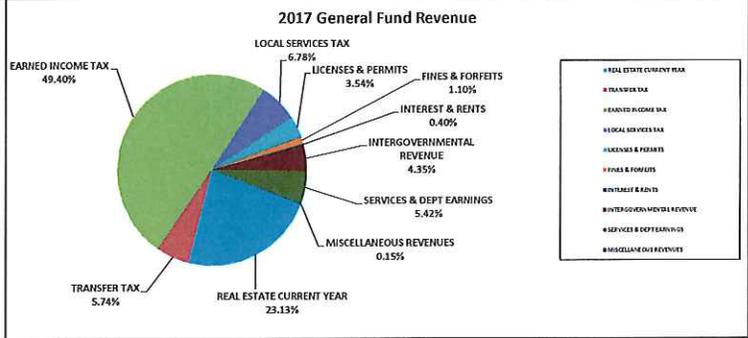
2017 BUDGET - ALL FUNDS EXPENSE SUMMARY

	2016	2017	\$ Inc / (Decr)	% Incr / Decr
GENERAL FUND	\$17,393,603	\$15,466,179	(\$1,927,424)	-11.08%
SEWER FUND	\$5,095,014	\$4,964,856	(\$130,158)	-2.55%
WASTE & RECYCLING FUND	\$1,939,873	\$2,239,945	\$300,072	15.47%
LIQUID FUELS FUND	\$650,000	\$725,000	\$75,000	11.54%
CAPITAL RESERVE FUND	\$1,014,448	\$1,752,435	\$737,987	72.75%
TOTAL	\$26,092,938	\$25,148,415	(\$944,523)	-3.62%

GENERAL FUND

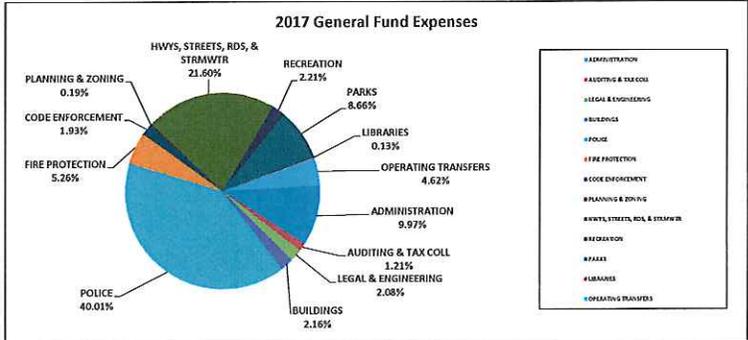
2017 GENERAL FUND REVENUE

REAL ESTATE CURRENT YEAR	\$3,583,000	23.13%
TRANSFER TAX	\$889,575	5.74%
EARNED INCOME TAX	\$7,650,750	49.40%
LOCAL SERVICES TAX	\$1,050,000	6.78%
LICENSES & PERMITS	\$548,105	3.54%
FINES & FORFEITS	\$170,000	1.10%
INTEREST & RENTS	\$61,202	0.40%
INTERGOVERNMENTAL REVENUE	\$673,251	4.35%
SERVICES & DEPT EARNINGS	\$838,720	5.42%
MISCELLANEOUS REVENUES	\$23,480	0.15%
TOTAL	\$15,488,083	100.00%



2017 GENERAL FUND EXPENSES

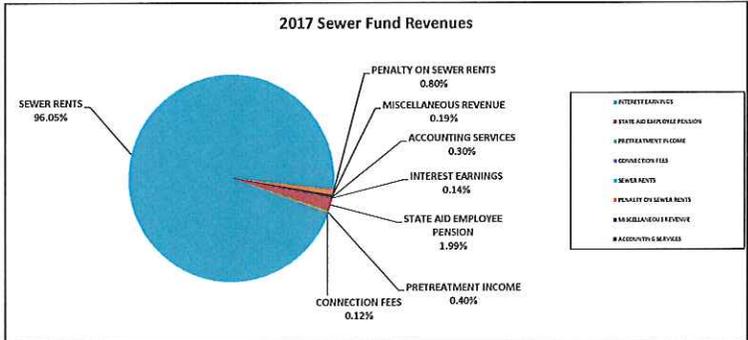
ADMINISTRATION	\$1,541,300	9.97%
AUDITING & TAX COLL	\$187,609	1.21%
LEGAL & ENGINEERING	\$321,168	2.08%
BUILDINGS	\$333,532	2.16%
POLICE	\$6,188,323	40.01%
FIRE PROTECTION	\$813,034	5.26%
CODE ENFORCEMENT	\$297,775	1.93%
PLANNING & ZONING	\$29,780	0.19%
HWYS, STREETS, RDS, & STRMWTR	\$3,339,968	21.60%
RECREATION	\$341,030	2.21%
PARKS	\$1,338,651	8.66%
LIBRARIES	\$20,000	0.13%
OPERATING TRANSFERS	\$714,009	4.62%
TOTAL	\$15,466,179	100.00%



SEWER FUND

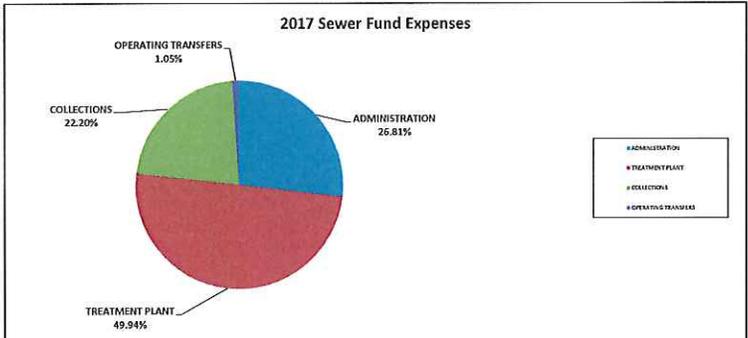
2017 SEWER FUND REVENUE

INTEREST EARNINGS	\$7,000	0.14%
STATE AID EMPLOYEE PENSION	\$98,984	1.99%
PRETREATMENT INCOME	\$20,000	0.40%
CONNECTION FEES	\$6,000	0.12%
SEWER RENTS	\$4,774,346	96.05%
PENALTY ON SEWER RENTS	\$40,000	0.80%
MISCELLANEOUS REVENUE	\$9,470	0.19%
ACCOUNTING SERVICES	\$15,000	0.30%
TOTAL	\$4,970,800	100.00%



2017 SEWER FUND EXPENSES

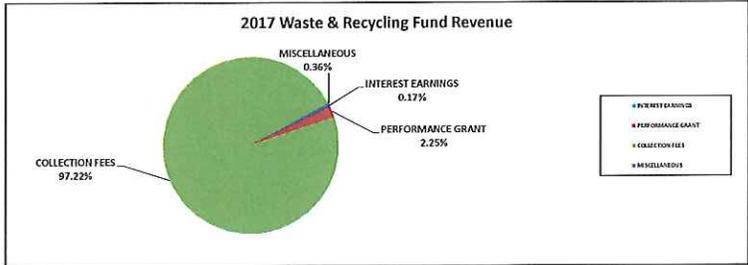
ADMINISTRATION	\$1,331,084	26.81%
TREATMENT PLANT	\$2,479,652	49.94%
COLLECTIONS	\$1,101,980	22.20%
OPERATING TRANSFERS	\$52,140	1.05%
TOTAL	\$4,964,856	100.00%



WASTE & RECYCLING FUND

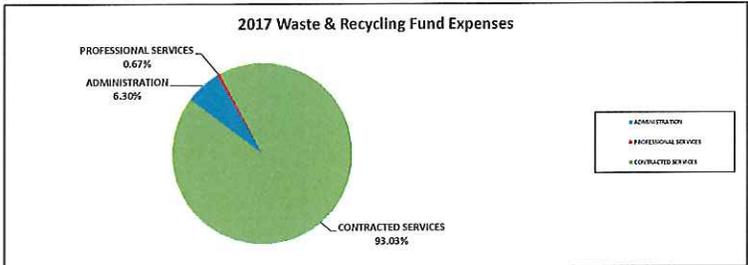
2017 W&R FUND REVENUE

INTEREST EARNINGS	\$3,700	0.17%
PERFORMANCE GRANT	\$50,000	2.25%
COLLECTION FEES	\$2,158,625	97.22%
MISCELLANEOUS	\$8,000	0.36%
TOTAL	\$2,220,325	100.00%



2017 W&R FUND EXPENSES

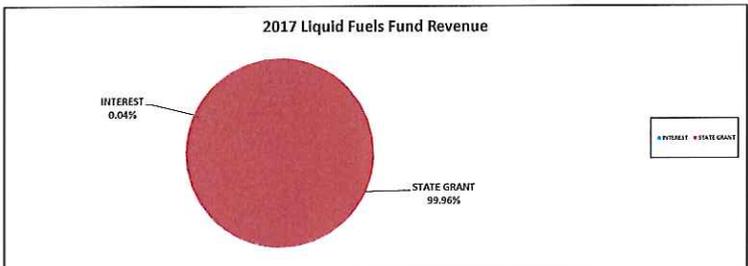
ADMINISTRATION	\$141,162	6.30%
PROFESSIONAL SERVICES	\$15,050	0.67%
CONTRACTED SERVICES	\$2,083,733	93.03%
TOTAL	\$2,239,945	100.00%



LIQUID FUELS FUND

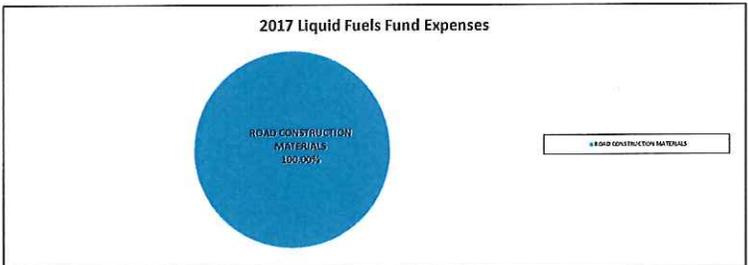
2017 LIQUID FUELS FUND REVENUE

INTEREST	\$300	0.04%
STATE GRANT	\$680,879	99.96%
TOTAL	\$681,179	100.00%



2017 LIQUID FUELS FUND EXPENSES

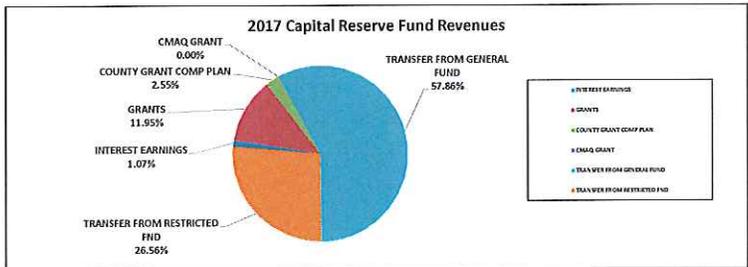
ROAD CONSTRUCTION MATERIALS	\$725,000	100.00%
TOTAL	\$725,000	100.00%



CAPITAL RESERVE FUND

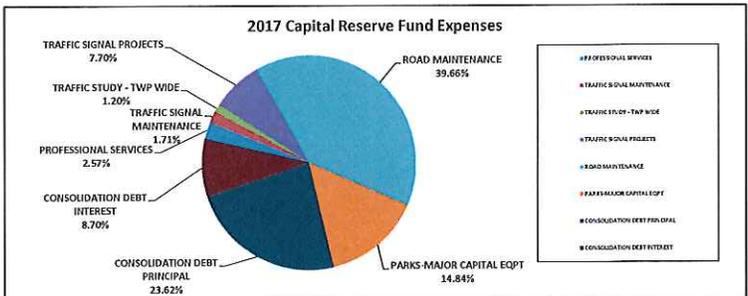
2017 CAPITAL RESERVE FUND REVENUE

INTEREST EARNINGS	\$10,500	1.07%
GRANTS	\$117,000	11.95%
COUNTY GRANT COMP PLAN	\$25,000	2.55%
CMAQ GRANT	\$0	0.00%
TRANSFER FROM GENERAL FUND	\$566,435	57.86%
TRANSFER FROM RESTRICTED FND	\$260,000	26.56%
TOTAL	\$978,935	100.00%



2017 CAPITAL RESERVE FUND EXPENSES

PROFESSIONAL SERVICES	\$45,000	2.57%
TRAFFIC SIGNAL MAINTENANCE	\$30,000	1.71%
TRAFFIC STUDY - TWP WIDE	\$21,000	1.20%
TRAFFIC SIGNAL PROJECTS	\$135,000	7.70%
ROAD MAINTENANCE	\$695,000	39.66%
PARKS-MAJOR CAPITAL EQPT	\$260,000	14.84%
CONSOLIDATION DEBT PRINCIPAL	\$414,000	23.62%
CONSOLIDATION DEBT INTEREST	\$152,435	8.70%
TOTAL	\$1,752,435	100.00%



Salaries and Wages

General Fund salaries are proposed to increase \$254,523 (4.1%).

Sewer Fund salaries are proposed to decrease \$178,287 (-11.3%).

Waste and Recycling salaries are proposed to decrease \$3,359 (-4.6%).

Employee Insurance

General Fund employee insurance is proposed to decrease \$1,820 (-0.1%).

Sewer Fund employee insurance is proposed to decrease \$114,291 (-16.2%).

Waste and Recycling insurance is proposed to increase \$5,831 (24.0%).

2017 BUDGET				
MAJOR EXPENDITURES IN EXCESS OF \$250,000 (ALL FUNDS)				
	2016	2017	\$ CHANGE	% CHANGE
	BUDGET	BUDGET	FROM	FROM
			2016 BUDGET	2016 BUDGET
SALARIES & OVERTIME	\$7,936,024	\$8,008,901	\$72,877	0.92%
FICA & MED TAX	393,961	391,715	(\$2,246)	-0.57%
EMPLOYEE INSURANCE	2,761,924	2,651,644	(\$110,280)	-3.99%
PENSION - MMO	809,122	822,323	\$13,201	1.63%
WORKERS' COMP	326,634	300,400	(\$26,234)	-8.03%
MATERIALS-SIGNS, ROADS, PARKS	1,877,400	2,328,200	\$450,800	24.01%
TRAFFIC SIGNAL PROJECTS	0	0	\$0	#DIV/0!
LEGAL/PROFESSIONAL SERVICES	288,200	356,200	\$68,000	23.59%
PROPERTY & LIABILITY INSURANCE	396,634	437,942	\$41,308	10.41%
UTILITIES	545,815	561,556	\$15,741	2.88%
CONTRACTED COLLECTION & DISP	1,248,000	1,512,333	\$264,333	21.18%
TIPPING FEES	500,000	500,000	\$0	0.00%
FACILITY REPAIR & MAINT	404,050	377,750	(\$26,300)	-6.51%
SEWER PLANT MAINTENANCE	266,000	230,000	(\$36,000)	-13.53%
VOLUNTEER FIRE CONTRIBUTIONS	366,500	366,500	\$0	0.00%
RENT TO AUTHORITY	445,000	475,000	\$30,000	6.74%
DEBT-PRINCIPAL CONSOL LOAN	403,000	414,000	\$11,000	2.73%
MAJOR CAPITAL EQUIPMENT	874,309	1,215,407	\$341,098	39.01%
TOTAL MAJOR EXPENDITURES	\$19,842,573	\$20,949,871	\$1,107,298	
% OF TOTAL EXPENDITURES	84.34%	85.22%		
TOTAL EXPENDITURES LESS INTERFUND TRANSFERS	\$23,525,990	\$24,581,980		

GENERAL FUND SUMMARY

2017 BUDGET					
GENERAL FUND					
REVENUE SUMMARY BY MAJOR CATEGORY					
			%	\$	%
			Of Total	CHANGE	CHANGE
REVENUES	2016	2017	2017	FROM	FROM
	BUDGET	BUDGET	REVENUES	BUDGET	BUDGET
REAL ESTATE TAXES	\$3,608,000	\$3,583,000	23.1%	(\$25,000)	-0.69%
TRANSFER TAXES	725,000	889,575	5.7%	\$164,575	22.70%
EARNED INCOME TAXES	7,969,648	7,650,750	49.4%	(\$318,898)	-4.00%
LOCAL SERVICES TAXES	1,025,000	1,050,000	6.8%	\$25,000	2.44%
LICENSES AND PERMITS	547,054	548,105	3.5%	\$1,051	0.19%
FINES & FORFEITS	195,000	170,000	1.1%	(\$25,000)	-12.82%
INTEREST AND RENTS	59,224	61,202	0.4%	\$1,978	3.34%
INTERGOVERNMENTAL REVENUE	619,051	673,251	4.3%	\$54,200	8.76%
CHARGES FOR SERVICES	596,025	838,720	5.4%	\$242,695	40.72%
MISC REVENUE	227,180	23,480	0.2%	(\$203,700)	-89.66%
TOTAL REVENUES	\$15,571,182	\$15,488,083	100.0%	(\$83,099)	-0.53%

The proposed 2017 General Fund Budget projects a budgetary surplus of approximately \$21,904 with an ending fund balance of approximately \$8,960,651.

GENERAL FUND REVENUES

- The Budget 2017 General Fund Revenues are proposed to decrease \$83,099 (-0.53%) compared to Budget 2016.
 - Moderate growth is proposed in the major revenue categories of Transfer Taxes, Intergovernmental Revenue, and Charges for Services.
 - Negligible growth is proposed for the revenue categories Local Services Taxes, Licenses and Permits, and Interest and Rents.
 - Negative growth is proposed for the revenue categories of Real Estate Taxes, Earned Income Taxes, Fines and Permits, and Misc Revenue.
- The decrease for Real Estate Taxes is due to reassessments.
 - The increase for Transfer Taxes is due to anticipated revenue from the sale of the Jerrehian property.
 - The decrease for Earned Income Taxes is primarily due to the increased shift toward resident income vs non-resident income.
 - The increase for Intergovernmental Revenues is due primarily to an 11% increase in the Act 205 State Aid Unit Value.
 - The increase for Charges for Services is primarily due to anticipated increases for building permits.

- The decrease for Misc Revenue is due to a 2016 budgeted one-time \$200,000 contribution from Traditions – not to occur in 2017.

2017 BUDGET					
GENERAL FUND					
EXPENDITURE SUMMARY BY FUNCTION					
			%	\$	%
			Of Total	CHANGE	CHANGE
EXPENDITURES	2016	2017	2017	FROM	FROM
	BUDGET	BUDGET	EXPEND.	BUDGET	BUDGET
ADMINISTRATION	\$1,696,568	\$1,541,300	10.0%	(\$155,268)	-9.15%
AUDITING & TAX COLLECTION	189,562	187,609	1.2%	(\$1,953)	-1.03%
LEGAL & ENGINEERING	286,516	321,168	2.1%	\$34,652	12.09%
BUILDING	463,991	333,532	2.2%	(\$130,459)	-28.12%
POLICE	5,783,841	6,188,323	40.0%	\$404,482	6.99%
FIRE PROTECTION	803,244	813,034	5.3%	\$9,790	1.22%
CODE ENFORCEMENT	291,285	297,775	1.9%	\$6,490	2.23%
PLANNING & ZONING	39,780	29,780	0.2%	(\$10,000)	-25.14%
PUBLIC WORKS	3,214,283	3,339,968	21.6%	\$125,685	3.91%
RECREATION	340,514	341,030	2.2%	\$516	0.15%
PARKS	1,553,795	1,338,651	8.7%	(\$215,144)	-13.85%
LIBRARIES	20,000	20,000	0.1%	\$0	0.00%
OPERATING TRANSFERS	2,710,224	714,009	4.6%	(\$1,996,215)	-73.65%
TOTAL EXPENDITURES	\$17,393,603	\$15,466,179	100.0%	(\$1,927,424)	-11.08%

GENERAL FUND EXPENDITURES

- The Budget 2017 General Fund Expenditures are proposed to decrease \$1,927,424 (-11.08%) as compared to Budget 2016.
 - Factoring out the 2016 budgeted \$2,000,000 transfer to capital reserve, expenses would increase by approximately 0.5%.
- 4.1% Salary Increase. 1 full-time Police Dispatcher/Clerk. Net increase \$254,523.
- Continuation of non-uniformed salary compensation program effective 2016.
- Employee insurance decrease (-0.1%), net decrease \$1,820.
- Pension cost increase per MMO (2.73%), net increase \$18,081.
- The General Fund portion of Road construction paving is proposed to decrease by \$75,000. The State Fund paving portion is proposed to increase by the same amount.
- Major Capital proposed for 2017: Administration: security upgrades; Police: 5 patrol vehicles, dispatch workstation, Lexipol software, and license plate reader; Roads: paver trailer, 1 pick-up truck, and 2 dump trucks, net decrease \$35,102.
- Transfer to Capital Reserve for debt service, net decrease \$513.
- Vehicle Gas and Oil is proposed to decrease \$35,129 (-24%).
- Miscellaneous contributions decrease (-92%), net decrease \$100,000.
- Transfer to Capital Reserve for future capital projects is proposed to decrease \$2,000,000.

SEWER FUND SUMMARY

The proposed 2017 Sewer Fund Budget projects a budgetary surplus of approximately \$5,944 with an ending fund balance of approximately \$4,466,079.

- Total revenues are proposed to increase \$121,469 over the 2016 Budget. This increase is primarily due to increased charges to the Other Municipalities and increased Act 205 State Aid Funding.
- Total expenditures are proposed to decrease \$130,158 over the 2016 Budget.

Budget changes include:

- 11.3% salary and wage decreases. This decrease is primarily due to retirement payouts and personnel structure changes. *Net decrease -\$178,287.*
- Employee insurance decrease. *Net decrease -\$114,291.*
- Tuition reimbursement increase. *Net increase +\$5,000.*
- Property liability insurance increase. *Net increase +\$58,718.*
- Plant/pumping station maintenance decrease. *Net decrease -\$46,800.*
- Consulting engineer increase. This increase is primarily due to TMDL professional consulting. *Net increase +\$22,833.*
- Major Capital proposed for 2017: Bases for Fall Arrest Safety Posts, Flushing water filter, 1 pick-up truck, and 1 camera truck. *Net increase +\$116,200.*

WASTE & RECYCLING FUND SUMMARY

The proposed 2017 Waste & Recycling Fund Budget projects a budgetary deficit of approximately \$19,620 with an ending fund balance of approximately \$2,192,808.

- Total revenues are proposed to decrease \$29,425 over the 2016 Budget. This decrease is primarily due to a reduction in the Performance Grant.
- Total expenditures are proposed to increase \$300,072 over the 2016 Budget.

Budget changes include:

- 4.6% salary and wage decreases. *Net decrease -\$3,359.*
- Employee insurance increase. *Net increase +\$5,831.*
- Contracted collection & disposal increase primarily due to the new 3-year trash contract. New services to include: automated recycling totes and an additional contract for trash pick-up at 21 Bus Shelters. *Net increase +\$264,333.*
- Other Recycling expense increase. This increase is primarily due to the installation costs for 21 bus stop totes. *Net increase +\$14,510.*
- Senior Citizen Rebates increase. *Net increase +\$7,920.*

STATE HIGHWAY FUND SUMMARY

The State Grant is the remittance of an allocation from PennDOT to help defray the cost of paving roads in the Township per Act 655. Revenue to support this Act is based on the State's Motor License Fund taxes. The allocation is based on mileage of Township roads (88.28) and population (21,866).

The proposed Grant for 2017 is \$680,879, an increase of \$33,336 over the 2016 Budget.

The 2017 Budget is proposing to pave 5.3 miles of roads at \$216,981 per mile – total project cost approximately \$1,150,000. The State Highway Fund is proposing to expend \$725,000 toward the project, an increase of \$75,000, with the balance being expended out of the General Fund (\$425,000).

CAPITAL RESERVE FUND SUMMARY

The proposed 2017 Capital Reserve Fund Budget projects a budgetary deficit of approximately \$773,500 with an ending fund balance of approximately \$4,100,377.

Revenues for this Fund primarily are from Transfers from the General Fund for future capital projects and debt service; Transfers from Restricted Parks Fund for Parks major capital, and Grants.

Budget proposals for 2017:

- Update to the Township's Comprehensive Plan – *County Grant offset \$25,000.* \$45,000.
- Grubbs Mill Road pipe culvert – carryover from 2016. \$450,000
- Hamlet Hill storm pipe replacement – carryover from 2016. \$125,000.
- Shop Rite/Rte 3 pedestrian crossing – balance of carryover from 2016. \$10,000.
- Spring Lane intersection safety improvements. \$15,000.
- Growing Greener Watershed Basin retrofit – *Growing Greener Watershed Grant offset \$62,000.* \$120,000.
- Route 3 adaptive signal controls - carryover from 2016, *Green Light Go Grant offset \$55,000.* \$110,000.
- Traffic Signal battery backups. \$30,000.
- Traffic Study signal retiming. \$21,000
- Major Capital proposed for 2017 – reimbursed by Transfer from Restricted Parks: 2 replacement playgrounds at Community Park, 2 riding mowers, 2 gators, a 5-ton trailer, and 1 pick-up truck. \$260,000.
- Debt service – reimbursed by Transfer from General Fund. \$566,435.