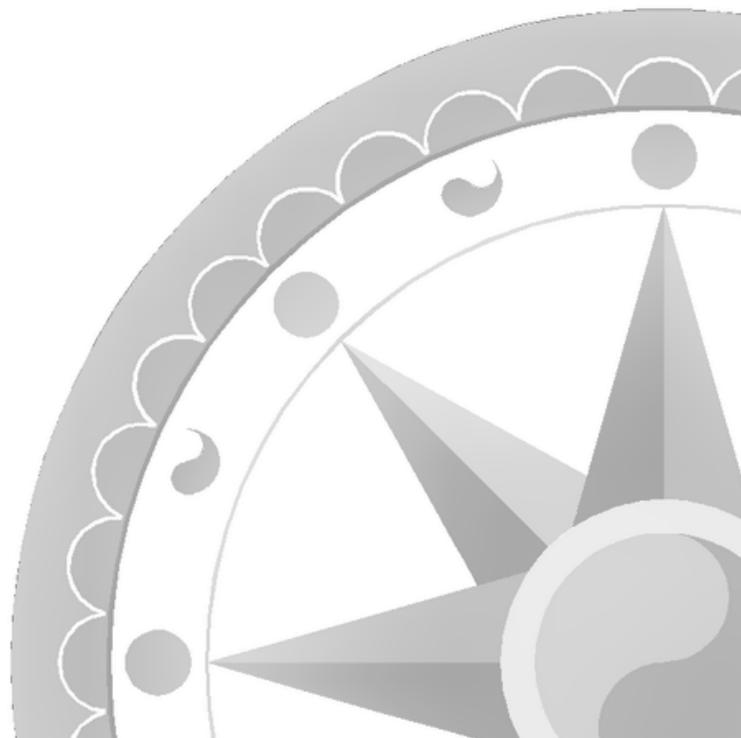




MAIDENCREEK TOWNSHIP

FIVE YEAR BUDGET PROJECTION, 2024 - 2028

HUNTER L. AHRENS, TOWNSHIP MANAGER



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Abstract

This comprehensive report analyzes the economic conditions, financial projections, and management strategies of Maiden Creek Township. Utilizing a robust methodology that includes the collection of historical data and forecasting techniques, the report provides an in-depth examination of various financial aspects of the township. Key areas of focus include regional economic data, population growth effects, macroeconomic and microeconomic impacts, resident income, real estate value, and specific municipal funds such as the State Liquid Fuels Fund, Fire Tax Fund, Recreation Fund, and Escrow Fund. The report also presents a series of forecast summaries related to taxes, revenues, expenditures, and other financial elements. A critical management opinion section highlights the township's current unsustainable spending pattern and identifies a structural deficit rooted in increasing expenses. The report emphasizes the necessity of a balanced approach, combining revenue increases, expense decreases, and the use of fund balance to address the structural deficit. Potential scenarios reflecting these three options are also explored. The findings of this report underscore the importance of strategic financial planning and provide valuable insights for policymakers, administrators, and stakeholders in Maiden Creek Township. The document serves as a vital resource for understanding the financial landscape of the township and offers actionable recommendations for ensuring long-term financial stability and sustainability.

Summary

This comprehensive report details various aspects of the township's economic conditions, financial projections, and management strategies. Here's a summary of the key sections and content:

1. **Economic Conditions & Comparisons:** Analyzes the economic conditions within the township, including regional economic data, population growth effects, macroeconomic impacts, microeconomic impacts, resident income, assessed real estate value, and the real estate market.
2. **Methodology:** Explains the methods used for collecting historical data and forecasting future trends.
3. **Forecast Summaries:** Summarizes the forecasts related to taxes, other revenues, general government expenditures, public safety, sanitation, public works, stormwater management, community development, parks and recreation, debt service, insurance and employee benefits, and other expenses.
4. **Other Municipal Funds:** Details specific funds such as the State Liquid Fuels Fund, Fire Tax Fund, Recreation Fund, and Escrow Fund. For example, the Fire Tax Fund is for local property tax receipts for fire-related expenses, and the Recreation Fund is for park maintenance.
5. **Management Opinion:** Provides a management opinion on the Five-Year Financial Projection. It highlights the township's current unsustainable level of spending and identifies a structural deficit rooted in increasing expenses. The management suggests a combination of revenue increases, expense decreases, and the use of fund balance as the best option to fix the structural deficit. The opinion also warns of potential dramatic effects on the community if only one of these options is pursued, such as significant tax increases, service cuts, or insolvency.

6. **Potential Scenarios:** Includes projections reflecting scenarios with the three options (revenue increases, expense decreases, fund balance) implemented.
7. **Specific Funds Explanation:** Describes the Fire Tax Fund, Recreation Fund, and Escrow Fund, explaining their purposes and operations.
8. **Conclusion and Recommendations:** Emphasizes the need for a balanced approach to address the structural deficit and ensure the township's financial stability. It outlines the potential consequences of relying solely on one approach and advocates for a combination of measures.

Overall, the document is a detailed analysis of Maiden Creek Township's forecasted financial situation, providing insights into current conditions, future projections, and potential strategies to address identified challenges. It emphasizes the need for a balanced approach to address the structural deficit and ensure the township's financial stability.

Economic Conditions & Comparisons

Economic conditions and comparisons to peer municipalities are an important way to assess the township's financial position and its spending compared to other municipalities. Economic conditions represent the ability of a community to afford the provision of services through its taxes and how a community can carry its tax responsibilities. Municipal comparisons are a helpful benchmark for the township to compare its levels of spending within the standard account numbers.¹

Regional Economic Data

Maidencreek Township is part of the Reading, PA Metropolitan Statistical Area, which is part of the Philadelphia-Reading-Camden, PA-NJ-DE-MD Combined Statistical Area.² At a macroeconomic level, the economic conditions experienced in our area are linked to the City of Reading, which is linked to the Greater Philadelphia region.

The Gross Domestic Product of the Reading MSA, which exclusively includes Berks County as a whole, is \$22.06 Billion.³ Comparisons to nearby MSAs and the regional comparison to the State of Pennsylvania are included below.

MSA or State	GDP (2021)	Population (2020)
Reading MSA	\$ 22.06 Billion	428,849
Allentown-Bethlehem-Easton, PA-NJ MSA	\$ 50.96 Billion	844,052
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA	\$ 477.58 Billion	6,245,051
Harrisburg-Carlisle, PA MSA	\$ 43.87 Billion	591,712
Lebanon, PA MSA	\$ 6.91 Billion	143,257
Lancaster, PA MSA	\$ 33.05 Billion	552,984
Commonwealth of Pennsylvania	\$ 923.09 Billion	13,002,700

The Metropolitan Statistical Areas listed above present a picture of Berks County, or the Reading MSA, as the smallest player in a much larger field. This is true when making one-to-one comparisons about the surrounding areas. This evidences that Berks County's economic conditions are subordinate to our neighbors, especially the Greater Philadelphia region, the Allentown region, and possibly Lancaster County.

¹ Commonwealth of Pennsylvania, Department of Community & Economic Development [DCED]. Chart of Accounts. 5th Edition, Published July 2014. Accessed: <https://dced.pa.gov/download/dced-chart-of-accounts-for-municipalities/>

² Executive Office of the President, Office of Management and Budget. Memo on Revised Delineations of Metropolitan Statistical Areas... Published February 28, 2013. Accessed: www.bls.gov/bls/omb-bulletin-13-01-revised-delineations-of-metropolitan-statistical-areas.pdf

³ Bureau of Economic Analysis. Regional Data "Bearfacts." Accessed: <https://apps.bea.gov/regional/bearfacts/>.

According to Berks County's Strategic Economic Development Action Plan, entitled Imagine Berks, the county exported 16,000 workers in 2019 to Chester, Lancaster, Lehigh, and Montgomery counties.⁴ In total, Berks County had 202,530 workers who reside in the county but had 183,310 total jobs. More than

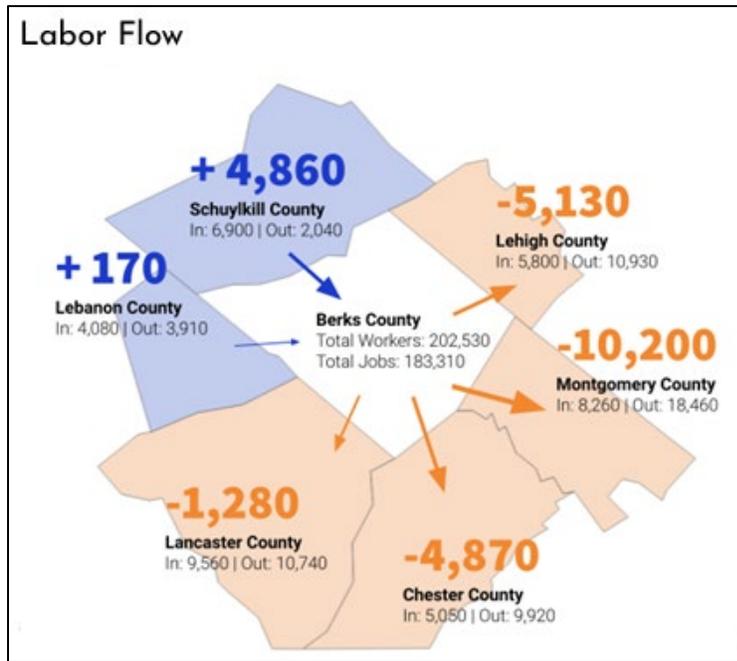


Figure 1 - Labor Flow, Census Longitudinal Employer-Household Dynamics, 2018

50,000 Berks residents work in surrounding communities which are primarily concentrated in the Greater Philadelphia region.

This data provides a more complex picture because it could be interpreted that Berks County constituted a bedroom community and Reading was an edge city.⁵ However, a more nuanced picture supports that these commuter effects may differ depending on where in Berks County someone resides.

That suggestion points back to the county's inclusion in the Philadelphia-Reading-Camden Combined Statistical Area (CSA) because the county sits at the edge of multiple MSAs and CSAs.

Of these four MSAs, only one of them exports labor to Berks County or has a

smaller Gross Domestic Product. When including the overlay of Combined Statistical Areas, Berks is bordered by Harrisburg-York-Lebanon CSA. When making inferences of Berks' location relative to the bordering MSAs and their respective influences, Berks County likely has significant economic influence from the New York-Newark CSA and Washington-Baltimore-Arlington CSA as well. These areas combined with the Philadelphia region mean that Berks is at the edge of well over \$1 Trillion in Gross Domestic Product within a day's driving distance.

Returning to the point that labor flow may depend on where in the county someone resides, the picture for Maiden Creek Township is positive. Viewing the top 25 employers in Berks County, virtually all of them are within a 30-minute commute.⁶ This is especially true for East Penn Manufacturing which is Berks County's largest employer and is a 15-minute drive to their main location for most of the Township, according to Google Maps.

The benefit of the Township's location with Route 222 and Route 73 makes access to surrounding markets quick when commuting. This is especially true for Lehigh County, where a drive to the center of Allentown takes about 45 minutes, which for many is an acceptable commuting distance, according to

⁴ County of Berks and Fourth Economy. Imagine Berks: Strategic Economic Development Action Plan, Published August 2022. Accessed: <https://www.imagineberks.org/resources>.

⁵ Levine, Myron A. 2015. *Urban Politics: Cities and Suburbs in a Global Age*. Ninth Edition. Routledge, New York.

⁶ Meet Greater Reading. 2022 Top 25 Largest Employers in Greater Reading. Accessed: <https://meetgreaterreading.org/top-25-largest-employers-in-greater-reading/>

Google Maps. Presenting in another way, residents of Maiden Creek can quickly access multiple economic hubs. The Township’s access to Route 61 and Route 78, along with Route 222, is anecdotally some of the county’s chief growth areas.

While the ease of market access is a good sign for a resident or potential resident, and their ability to commute to a great job, the income data for the Township appears to lag the county by a significant margin. It’s difficult to understand why this is, as home building has not been slower or at a lower level than in other comparable areas in Berks County. To understand the causality of this observation some further analysis may be necessary.

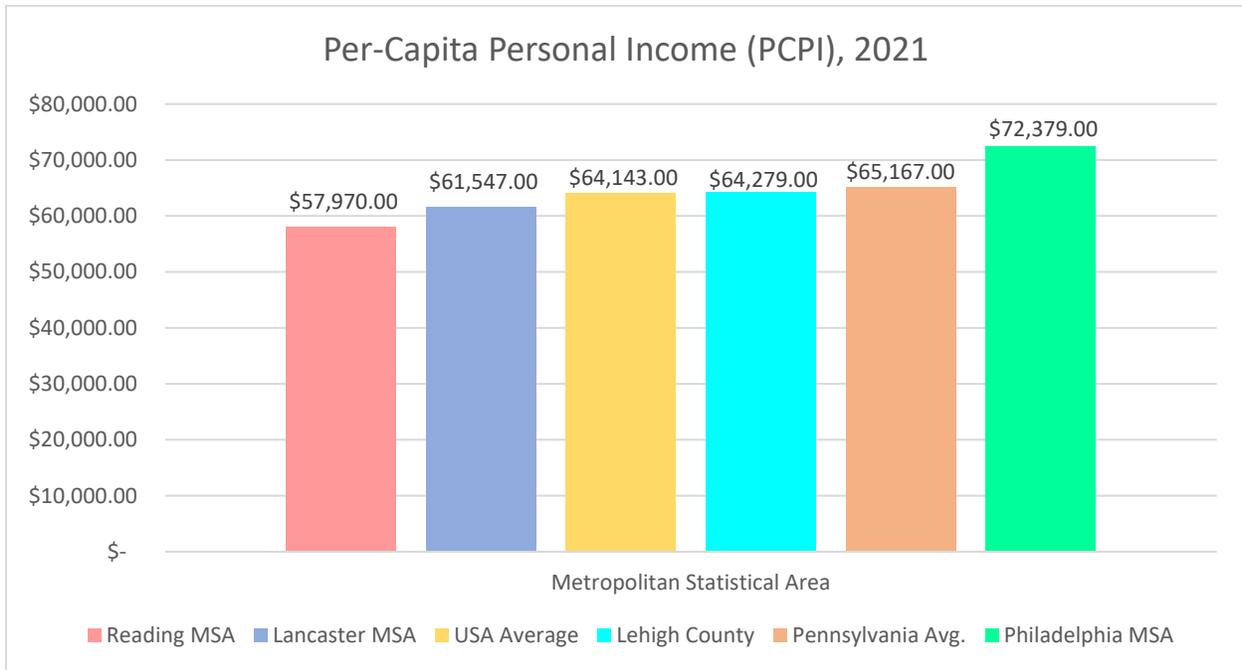


Figure 2 - Data from the Bureau of Economic Analysis and 2020 Census

This suggests that the underlying economic conditions that Maiden Creek Township, and Berks County, benefit from are strong. Access to one of the richest regional economies in the entire world means that there is vast economic opportunity for our region. While the benefits of that may be felt unequally, it remains true in the broader picture.

Highlights of general economic data for the region are included here, and other publications offer much more in-depth data and analysis.

Population Growth Effects

In 1991, the Township adopted its first Comprehensive Open Space and Recreation Plan, wherein this paragraph was included in the introduction, “The Township of Maiden Creek has traditionally been a semi-rural area. However, in the last five years, its growth has exploded...”⁷ That year, Census data for

⁷ Maiden Creek Township. 1991. *Comprehensive Open Space and Recreation Plan for Maiden Creek Township*. Prepared by Parks and Recreation Board and Systems Design Engineering.

1990 would be released and show that Township's population had grown to 3,397 an increase of 42.9% from 1980.

The population is an essential component to understand in the five-year budget projection. Residents are the primary service population for township services; roads are paved for people driving, leaves are collected curbside from homes, and Police respond to residents' calls. Population drives the spending to support these services. Conversely, the number of homes is the primary property value and driver of property tax revenue, representing nearly 75% of property value in Maidencreek Township.

The explosion of growth continued with the 2000 Census tacking population at 6,553, an increase of 92.9% from 1990. The population continued increasing through the early 2000s until the Great Recession and the 2010 Census put the population at 9,126. That was a 39.3% increase from the previous Census.⁸ This was aptly described as an "explosion of growth." Anecdotally, much of this occurred when farmers sold their land to developers, and the developers then built housing developments.

Two overarching factors affect population growth: natural increase and migration. Natural increase is the number of births and deaths occurring in a locale, and migration is the number of people entering the community from outside it or leaving the community from inside it. In the 2010s population growth appears to have plateaued, which was similarly observed countywide.⁹

Related to these two factors, migration decreased home turnover, which means that largely because building was less intense than in previous years homes were bringing in new residents at a slower pace. Conversely, the natural increase factors were relatively stagnant, so rates countywide did not change significantly. For these reasons, the population plateaued in the 2010s.

Macroeconomic Impacts

Recent historical data offers the benefit of experience based on the contemporary economy. The years utilized here are 2017 – 2023. These years represent the full restoration of employment to high levels since the Great Recession.¹⁰ During that period, unemployment declined from 4.36% in 2017 to below 4.00%, rose quickly during the pandemic to 8.05% but then reset below that in subsequent years. Overall, the labor market is strong, and the underlying economy has proved resilient after the pandemic. How that portends for a recession is not clear to economists considering the simultaneous inflationary pressures on the economy.¹¹

⁸ U.S. Census Bureau QuickFacts: United States. (n.d.). Accessed: <https://www.census.gov/quickfacts/fact/table/US/PST045222>.

⁹ Berks County. 2020. Berks County Comprehensive Plan 2030 Update. Berks County Planning Commission. Accessed: <https://www.countyofberks.com/departments/planning-commission/planning-topics/economic-development/berks-county-comprehensive-plan-2030-update>

¹⁰ *U.S. unemployment rate 1991-2023*. MacroTrends. (n.d.). <https://www.macrotrends.net/countries/USA/united-states/unemployment-rate>

¹¹ Sparshott, Jeffrey and Ip, Greg. 2023. *Behind Rise in Unemployment, Job Market Is Really Strong*. The Wall Street Journal: Economy. Online.

This economy benefits the township’s collection of Earned Income Taxes, the primary source of revenue, local services taxes which are a small but significant source of revenue, and benefit property taxes which are the source of revenue that the Township has the most control over. In addition, a positive economic environment provides more tax money to the state, which comes back to the Township in the form of grant availability as well as a dozen or more other streams.

A good economy will also benefit the Township through additional construction of either homes or businesses which develops the economic base the Township derives revenue from. Conversely, a negative economic environment will affect decreases in these revenue streams to a varying degree. The degree to which a negative environment affects revenues varies depending on industries being affected,

Unemployment rate



Note: Seasonally adjusted
Source: Labor Department

suppliers the Township works with being affected, residents’ employment being affected, or workers being affected. Many factors could come into play, so it is difficult to project how downturns will affect changes.

A specific macroeconomic impact that is critical to Maiden Creek Township is the benchmark interest rate set by the U.S. Federal Reserve.¹² The benchmark interest has had a causal impact on the current mortgage rates, which is not always the case, but the rate increases in the last few years have increased average mortgage rates. The increase in interest rates has an inverted relationship to demand for

¹² Lewis, Holden. 2023. *How the Federal Reserve Affects Mortgage Rates*. NerdWallet. Accessed: <https://www.nerdwallet.com/article/mortgages/fed-mortgage-rates#:~:text=The%20Federal%20Reserve%20doesn't,raising%20interest%20rates%20in%202022>.

homes.¹³ In effect, the Township will see property purchases impacted by the benchmark rate set by the Federal Reserve.¹⁴

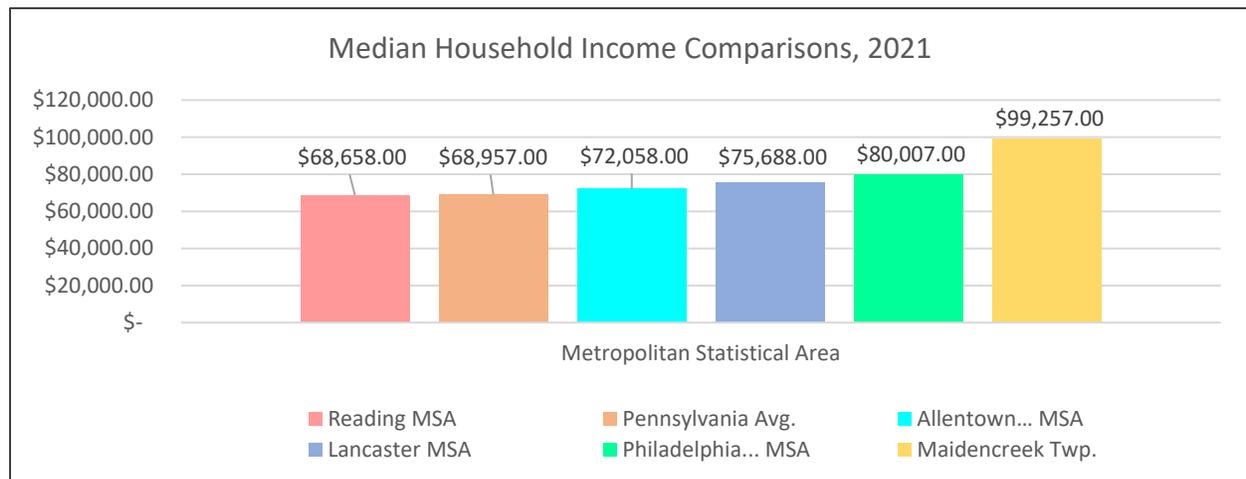
Microeconomic Impacts

If macroeconomic trends are the entire economy; the interchange of cause and effect and supply and demand, microeconomic trends are the same but for individual markets, without evaluating their cause and effect overall. In the case of Maiden Creek Township, microeconomics would look at the Township's economic relationship with individual firms. For example, oil price increases have a positive relationship with the annual road bid, because if the price of oil increases the price of road work will also increase.

A review of these microeconomic trends is perhaps more important for building the annual budget than macroeconomic trends. While macro would look at unemployment overall, micro may reveal that the expansion of a plant by Giorgio may increase local jobs, or the movement of a Deka department to a Southern state may decrease local jobs. Both have an outside effect on Maiden Creek Township. The three most significant microeconomic factors for the Township's revenues are resident income, assessed real estate value, and real estate transfers. Each of these three significant factors is detailed here.

Resident Income

Resident income, represented through median household income, is the measure of the income of the householder and all other individuals 15 years old and over in the household, whether they are related to the householder or not. Households often consist of only one person, so the average household



income is usually less than the average family income. The median divides the income distribution into two equal parts: one-half of the cases falling below the median income and one-half above the median.¹⁵ This data, coupled with regional PCPI for the metropolitan statistical area (MSA) is a good barometer of average income for individuals.

¹³ Putzier, Konrad. 2023. *Today's Rate Hikes Threaten to Push Up Tomorrow's Housing Costs*. The Wall Street Journal: Real Estate. Online.

¹⁴ Lahart, Justin. 2023. *Home Builders Learn to Love High Rates*. The Wall Street Journal: Markets. Online.

¹⁵ U.S. Census Bureau QuickFacts: United States. (n.d.). Accessed: <https://www.census.gov/quickfacts/fact/table/maidencreektownshipberkscountypennsylvania/HSG010222>

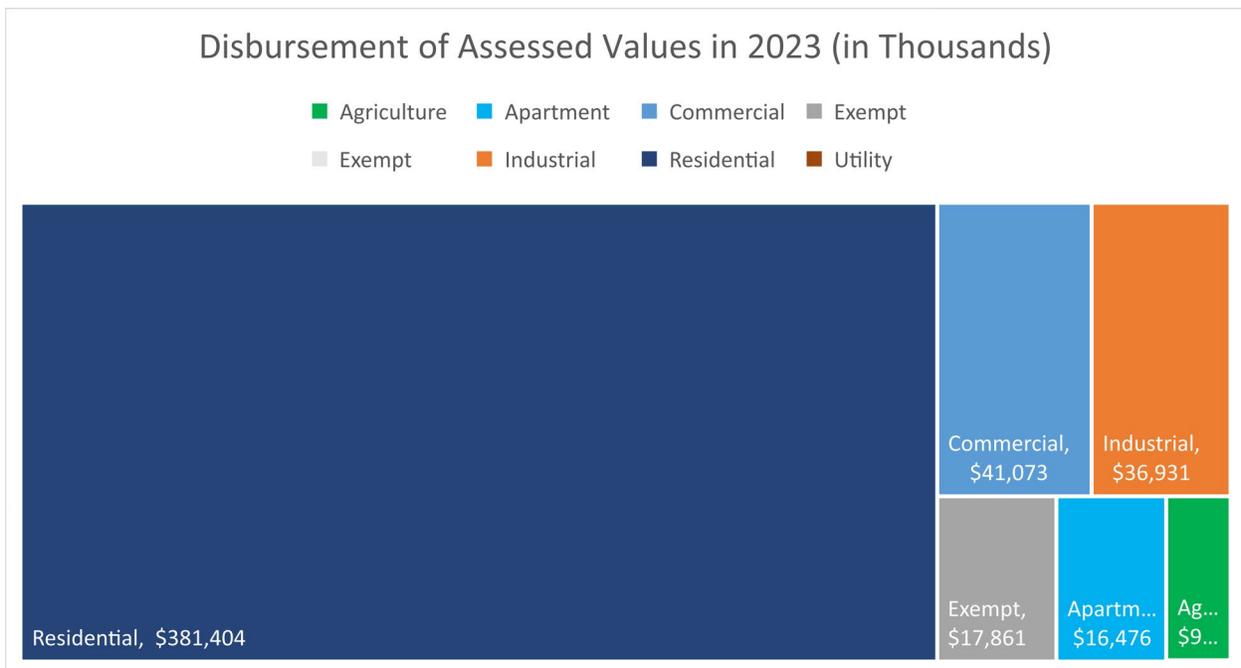
The importance of household income to the Township is the effect that wages have on the earned income tax. The earned income tax (EIT) is a 1.00% tax on residents' income, of which half is allocated to the local school district (Fleetwood Area School District) and the other half is allocated to the Township. This makes up approximately 40% of the Township's budget.

Assessed Real Estate Value

From the Township's standpoint, the value of a property is represented in two ways. In Pennsylvania in two ways, market value and assessed value. Market value is what a home is sold for in the Township or however private parties judge the resale value. The assessed value of a home is the basis on which taxes are levied, not the market value. While market value affects the assessed value because an addition to a home is still an increase in value for both the market and the assessment, they are calculated separately.

In Berks County, the assessed value is determined by the Berks County assessment office which decides based on their guidelines the impact a building permit has on the property's value. This calculation is made on the increased, or decreased, value of a property subject to the County's standards. Part of that calculation is utilizing the benchmark year of valuation. This is done so that new property owners are not assessed at current market value and all other property owners are assessed at the benchmark year or some year closer to that benchmark.

The current benchmark year is 1994, which is when the County's last county-wide reassessment was



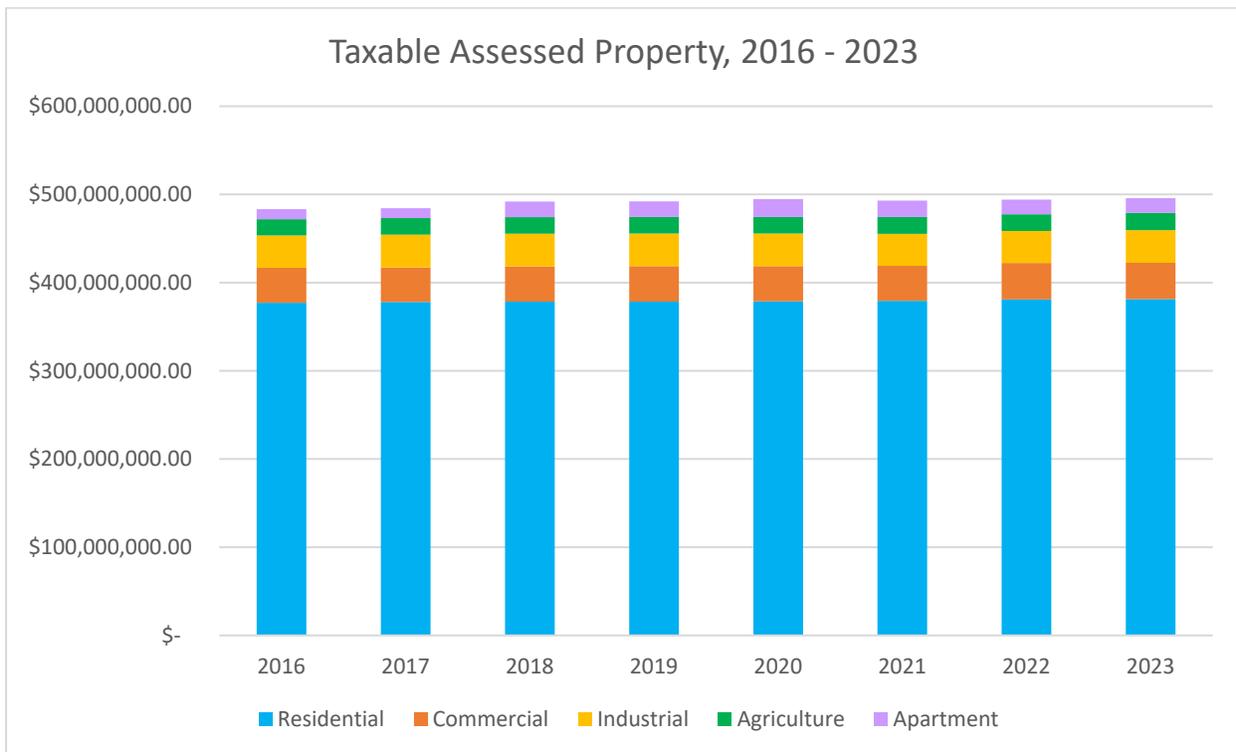
conducted.¹⁶ In other words, increases to a property's valuation are based on economic comparison to the value in 1994. Property owners may appeal their assessment to a county assessment appeal board,

¹⁶ *Frequently asked questions*. Welcome to County of Berks. (n.d.). <https://www.countyofberks.com/departments/assessment/faqs>

which compares an assessed value to the Common Level Ratio standard. That standard is a percentage of market value, especially recent sales, compared to the current assessed value of a property.¹⁷

The Common Level Ratio judges assessed values that are fair to the property owner as determined by the State Tax Equalization Board (STEB). The STEB’s calculation is used by the local assessment board when determining a property’s revised value to not penalize newly constructed or recently sold property owners who are assessed at higher values compared to their peers.

When levying taxes based on the assessed value of a property, municipalities utilize mills. A mill is a unit of measurement for taxation which is a thousandth of the property’s value. Every thousand dollars of assessed value is equal to \$1.00 of tax. For example, a home at \$200,000 multiplied by 3.00 mills is equal to \$600.00 [(\$200,000 x .001) x 3.00 = \$600.00]. The Township’s tax bills come out with the County of Berk’s tax bill. These bills are larger than just the Township’s rates as they include the County’s tax rate that also uses real estate taxes to raise revenue. The County and townships post taxes in February or March of the year, and the School District sends theirs out in July. They are done separately because the County and Township are on a calendar year financial term, while schools utilize fiscal years stretching from July 1st to June 30th.



Some properties are exempt from real estate taxation, such as Churches or Hospitals. Others, like utilities regulated directly by the state, pay a PURTA (Public Utility Realty Tax) to the State which is redistributed back to the host municipalities.¹⁸

¹⁷ State Tax Equalization Board. (2023). 2022 Common Level Ratio. Pennsylvania Bulletin. Published May 27, 2023. <https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol53/53-21/721.html>

¹⁸ Public utility realty tax. Pennsylvania Department of Revenue. (n.d.). <https://www.revenue.pa.gov/TaxTypes/Corporation%20Taxes/PURTA/Pages/default.aspx#>

The application of all these processes is for municipalities to develop strong tax bases. This benefits the community by yielding larger amounts of tax revenue so local government can reduce tax rates, provide more services, or maintain tax rates to continue providing those services at the current rate or for more people. For individuals, a representative tax base that features a higher or lower proportion of businesses impacts residents by creating relief if businesses can shoulder the tax burden.

A common desire for a diverse tax base in addition to a large tax base is based on the desire for residents' taxes to be a smaller proportion compared to commercial properties, as business revenues are oftentimes more substantial than household income. This is a policy decision that can be represented in zoning ordinances and community planning, but anecdotally many businesses anticipate this expectation when locating to a community. When considering the average value per unit for each property type, commercial properties consistently rate as having greater assessed value by unit. In other words, businesses rate higher per unit than homes.

Assessed Value Growth, 2013 - 2023		
Year	Assessed Value	Percent Increase
2013	\$ 489,767,700.00	n/a
2014	\$ 497,601,100.00	1.60%
2015	\$ 498,597,000.00	0.20%
2016	\$ 500,609,000.00	0.40%
2017	\$ 501,786,200.00	0.24%
2018	\$ 509,449,600.00	1.53%
2019	\$ 510,171,200.00	0.14%
2020	\$ 512,886,100.00	0.53%
2021	\$ 511,121,600.00	-0.34%
2022	\$ 512,158,900.00	0.20%
2023	\$ 513,412,000.00	0.25%

For example, the average assessed value of an industrial property in the Township is \$1,943,731.58 while the average assessed value of a residential property is \$118,502.49; a factor of more than 16:1. Only utility properties are rated at a smaller amount than residences compared to the number of units in the Township.

Maidencreek Township's tax base is disproportionate in favor of residences, which is common. As represented in the *Taxable Assessed Property...* chart on page 9, Residential property represents nearly 75% of the assessed property value. The remaining quarter of the assessed property is split amongst commercial entities for agriculture, apartments, industrial, and commercial properties. In addition to those

types of properties, exempt properties would also be included (e.g. churches, government uses, institutions such as hospitals).

Consistent with the table *Assessed Value Growth...*, which includes exempt properties, the assessed value has been increasing albeit slowly. The changes from year to year are primarily due to the marginal increase in a home or commercial property assessment due to work through building permits, such as the installation of a pool. These marginal variations may also be due to assessment appeals. For example, there was a decrease of more than \$3.5 million on one property under apartment properties that was made by court order in 2021 and 2022 after an assessment appeal. That appeal was then covered by marginal increases elsewhere for residential and commercial property increases.

Use Type	Count of Uses	Total Value	Average by Use/Count
Apartment	2	\$ 16,475,600	\$ 8,237,800
Commercial	103	\$ 41,327,900	\$ 401,060
Farm	81	\$ 9,710,800	\$ 119,886
Farm/Commercial	17	\$ 10,198,100	\$ 599,888
Industrial	19	\$ 36,930,900	\$ 1,943,732
Residential	3,218	\$ 381,341,000	\$ 118,502

The chart below includes the gross assessed value of the township divided over deciles, or tenths, which represents the total number of properties broken up (on average 352 properties) into each decile. The top 50% of properties by value represent 71.88% of the aggregate assessed value. It is unclear whether this is a truly diversified picture. The large concentration in value in the top decile correlates to the lower count of commercial or industrial uses while the value of those properties is disproportionately higher compared to residences or farms.

Deciles	Gross Value	Average	Median	Mode	% of Gross Value
1st Decile	\$ 166,165,900.00	\$ 473,407.12	\$ 206,100.00	\$ 184,500.00	32.36%
2nd Decile	\$ 59,357,700.00	\$ 168,629.83	\$ 167,900.00	\$ 179,500.00	11.56%
3rd Decile	\$ 52,442,900.00	\$ 148,985.51	\$ 149,150.00	\$ 142,200.00	10.21%
4th Decile	\$ 47,264,100.00	\$ 134,273.01	\$ 134,200.00	\$ 128,900.00	9.21%
5th Decile	\$ 43,814,100.00	\$ 124,471.88	\$ 125,200.00	\$ 125,200.00	8.53%
6th Decile	\$ 39,673,400.00	\$ 112,708.52	\$ 113,000.00	\$ 107,000.00	7.73%
7th Decile	\$ 35,239,700.00	\$ 100,112.78	\$ 100,200.00	\$ 100,600.00	6.86%
8th Decile	\$ 31,632,500.00	\$ 89,865.06	\$ 90,100.00	\$ 93,400.00	6.16%
9th Decile	\$ 26,996,000.00	\$ 76,693.18	\$ 79,000.00	\$ 79,000.00	5.26%
10th Decile	\$ 10,834,700.00	\$ 30,868.09	\$ 31,100.00	\$ -	2.11%
	\$ 513,421,000.00	\$ 145,941.16	\$ 119,550.00	\$ 125,200.00	100%

Real Estate Market

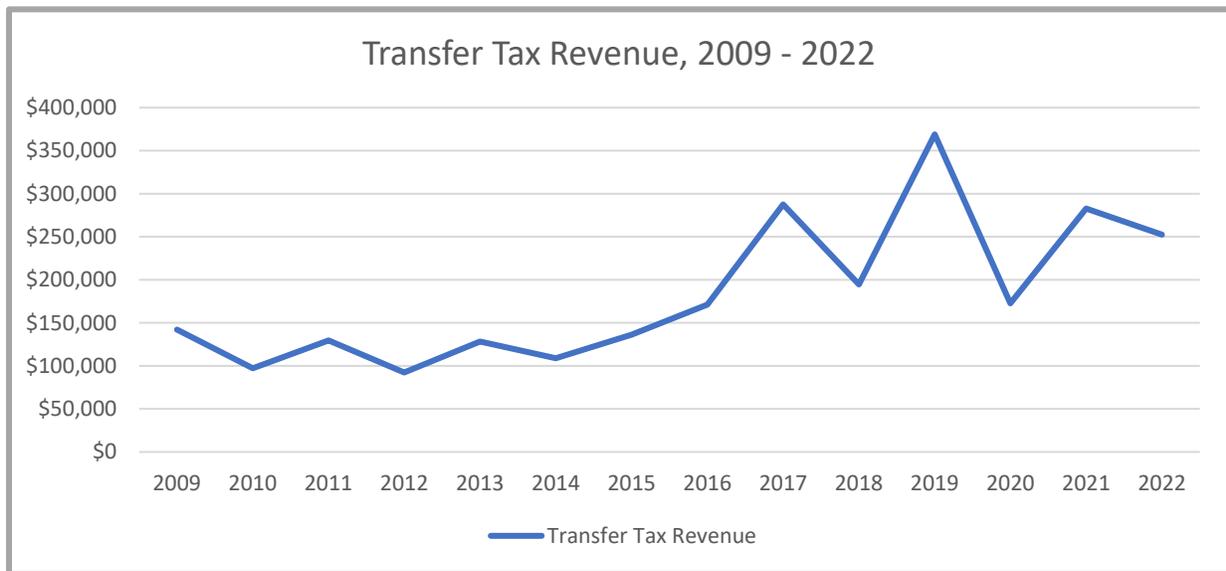
The market value of the property was previously referenced as one of the ways that a property’s value is evaluated. While it is not the standard used for real estate taxes, it is the standard for transfer taxes. Transfer Taxes are a 2.00% tax on real estate sales (transfers). The Township receives 0.50% of the sale price, and the other portion is remitted to the state and school district. For this reason, the real estate market has a direct impact on the Township’s finances because an active market will mean more revenue for the Township, and an inactive market will decrease revenue due to fewer transfers.

The impact of assessed value is not always linear between assessed and market value. For example, the Exeter Commons property on Route 422 had a recent sale in 2022 at \$72 million, the assessed value of the properties sold was approximately \$36.18 million.¹⁹ The sale price and the assessed value do not often align, which makes the projection of future transfers difficult as it is reliant on transfers. The general trend of property values has been increasing as the economy grows, so sale prices for properties have increased naturally since the Great Recession.

¹⁹ Data taken from Parcel Reports of Property ID’s 43532620706408, 43532619700118, 43532619614169, 43532619601773, 43532619610246 per the County of Berks – Assessment Parcel Viewer, powered by ESRI (GIS)

The chart *Transfer Tax Revenue...* shows the township’s transfer tax revenues between 2009 and 2022. Home sales make up the bulk of transfer taxes. Large sales oftentimes create large bumps in a year, which can create swings between years. A commercial property that sells for \$10 million today nets the Township approximately \$50,000.00, while it would take approximately 33 homes to sell at the average 2022 price of \$300,872.²⁰ In other words, valuable commercial and industrial properties have a strong value for the community’s tax base, not only in their assessed value but the sale of those properties.

The recent peak year was 2019 when the Keystone Villa property on Hoch Road sold in the Winter of 2019 at a sale price of \$28.5 million and the transfer tax revenue was \$142,650 for the Township.²¹ Based on locally recorded data from the Realtor’s Association, the median home price listed in Q4 of 2020 was \$234,900 while in Q3 of 2022 was \$314,950.²² That represents an increase of about 34%. That is consistent with national trends which have seen an unprecedented housing market in which demand has sharply increased while supply has dwindled.²³ Last year, Freddie Mac estimated that the housing sector had a deficit of approximately 3.8 million housing units nationwide.²⁴ In 2023, the National Association of Realtors released a report suggesting that an additional supply of 5.5 million housing units was necessary to keep up with demand.²⁵ There are a variety of estimated housing shortages, which calculate the macro number based on different methodologies, but the current market is widely seen to hold a shortage.²⁶



²⁰ Baker-Shurr, Brittney (2022) *Local Economic Area Report – Maiden Creek MCD, PA*. Reading-Berks Association of Realtors. Printed October 17, 2022.

²¹ Sheeler, Frederick C. 2019. *Township Transfer Tax (Detail)*. Berks County Recorder of Deeds. Emailed March 7, 2019.

²² Baker-Shurr, Brittney (2022) *Local Economic Area Report – Maiden Creek MCD, PA*. Reading-Berks Association of Realtors. Printed October 17, 2022.

²³ Otani, Akane (2022) *Low Supply Could Support a Drooping Housing Market, Wells Fargo Says*. The Wall Street Journal. Published October 11, 2022.

²⁴ Lahart, Justin (2022) *A Building Problem for America’s Housing Market*. The Wall Street Journal. Markets: Heard on the Street. Published October 19, 2022.

²⁵ Friedman, Nicole. 2023. *U.S. Housing Market Needs 5.5 Million More Units, Says New Report*. The Wall Street Journal: Real Estate.

²⁶ Zumbrun, Josh. 2023. *How Severe Is the Housing Shortage? It Depends on How You Define ‘Shortage.’* The Wall Street Journal: U.S. Online.

Since last year, the housing market has cooled due to increasing mortgage rates and economy-wide inflation. As of October 2022, the average 30-year fixed rate mortgage was 6.92% APY, which compared to 3.05% in 2021.²⁷ The average 30-year rate briefly peaked in November 2022 at over 7% but has remained in the 6% range since according to Freddie Mac.²⁸ This growth in rates has led to a drop-off of mortgage rate locks, and nearly 60% since the same time in 2021. This has decreased home-buying from historic highs.²⁹ This cooling has seen would-be homebuyers begin to wait to purchase in anticipation of better options given time.³⁰

Only recently, in June 2023, did US Home Prices have a year-over-year decline. S&P CoreLogic Case-Shiller National Price Index, a prominent home price index, showed a year-over-year decline of 0.2% as of April 2023.³¹ That was the first year-over-year decline since 2012. That decrease is important because the size and timing of the decrease evidence the demand for housing coupled with increasing mortgage costs has not changed the overall dynamics of the housing market. The chief economist for the National Realtors Association shared his take summarizing, “‘Stable mortgage rates are leading to stable home sales,’ said Lawrence Yun, NAR’s chief economist. ‘This is still a fast-moving market, even with the sales slump.’³²”

A danger facing the economy during this time is that interest rate increases by the Federal Reserve are decreasing capital available to developers to build homes. This could exasperate the housing shortage, which will only worsen the long-term expense of home buying and borrowing. As that relates to the Township, high prices due to the intersection of supply and demand would likely mean the Township’s revenues will continue to increase.

The Township’s housing real estate developments have significantly increased over the last three decades and appear to have covered most available land for new homes. The current zoning configuration puts significant limits on additional homes being built. However, there is still land available for development, notably along Hill Road and several large tracts operated currently as farms maintain their development rights and may still be sold for development. The notable properties along Route 222 and zoned for commercial are still open for development and it will be important for the Township to monitor for future development. The County’s Imagine Berks plan has also identified a deficit of housing as a current condition, which may affect future desire locally for construction.³³

²⁷ Eisen, Ben (2022) *Mortgage Rates Hit 6.92%, a 20-Year High*. The Wall Street Journal: Markets. Online.

²⁸ Heeb, Gina. 2023. *Mortgage Rates Slip Again*. The Wall Street Journal. Online.

²⁹ Lahart, Justin (2022) *A Building Problem for America’s Housing Market*. The Wall Street Journal. Markets: Heard on the Street. Published October 19, 2022.

³⁰ Dagher, Veronica (2022) *As Home Prices and Mortgage Rates Stay High, Prospective Buyers Put Down Payments on Ice*. The Wall Street Journal. Personal Finance. Published October 18, 2022.

³¹ Friedman, Nicole. 2023. *U.S. Home Prices Posted First Annual Decline Since 2012 in April*. The Wall Street Journal. Online.

³² Friedman, Nicole. 2023. *Higher Interest Rates Hit Home Prices Again*. The Wall Street Journal: Economy. Online.

³³ Berks County Commissioners (2022) *Imagine Berks: Strategic Economic Development Action Plan*. County of Berks. Published August 2022. [pages 17-18, 59-65]

Methodology

In the review of the Township's 5-Year Financial Forecast, the methodology is important to establish how the forecast was built. The Township relied on data available through its QuickBooks profile, previous audits, and various internal documents including the annual tax duplicate data provided by the County of Berks, and publicly available inflation and economic data. In addition to these, methods of interpreting historical data, forecasting, and common statistic tools were utilized.

To be as accurate as possible in the future, the Township should update the five-year financial projection every year with the annual budget, so the projection is adjusted with current year figures and continues to provide multiple years of foresight.

Historical Data

Recent historical data assists the Township in understanding its recent financial history to see milestones of financial events and the trajectory of revenue or expenditure growth. This data is also helpful in understanding how expenditures will grow in the future, as previous experience is a determinant of future growth or behavior. Historical data also has limits to its utility as previous experience includes variations or nuances that may not be present today.³⁴

Forecasting

The essential element of a 5-Year Financial Projection is to project, or forecast, the future. This is a challenging task as the future is unknown. The more granular a forecast attempts to be, the more variability it is subjected to. For example, a weather forecaster would comfortably say that Summer will be warm. Being more granular could include June, July, and August will be warm. When predicting whether July will be consistently 90 degrees or 80 degrees Fahrenheit it becomes more challenging. Several factors affect a temperature forecast, such as an early-season hurricane creating cloud cover that reduces the temperature to 75 degrees for a week. Does the possibility of a hurricane change the likelihood that July will be hot – probably not. But the principle remains that a forecast is not infallible.

In these same ways, forecasting the Township's finances offers similar challenges. Accurately predicting events that have not yet occurred can rely on historical data to guide, but also the expectation of future events informs these projections. For example, the completion of a new housing development with 100 lots offers an opportunity to forecast how much each home could be assessed at, how many homes will be completed and sold in any given year, and integrate that into historical performance to project the increase of tax receipts resulting from that development.

Forecasting is essentially educated guesswork. That guesswork can be very professional, and often will be spot on, but is subject to changes that are not anticipated. With that being the case, having an eye on the future is essential for making decisions today. The philosophy taken here was to be conservative on the Township's outlook; conservative means projecting revenue growth that is averaged against history, while expenses are averaged against reasonable expectations of growth. Within the summaries of the forecasts, the explanation for growth rates and forecast assumptions are included, which should be read in conjunction with the Long Form Financial Appendix at the end of this document.

³⁴ Kavanagh, Shayne C. 2007. *Financing the Future: Long-Term Financial Planning for Local Government*. Government Finance Officers Association. Chicago, IL.

Forecast Summaries

This section offers greater detail and summarizes the five-year forecast's major areas. Those major areas are taxes, fees for services, transfers, and other revenue for expenditures. The major expenditure areas are general government, public safety, sanitation, public works, water and flood control, parks and recreation, community development, debt service, insurance and withholdings, and other expenses.

These areas comprise the General Fund's major revenue and expense areas contained in the five-year forecast. The areas are summarized under standards set within the Department of Community and Economic Development's chart of accounts.³⁵

Taxes

The largest source of the Township's revenues is taxes. Underneath taxes, the Township collects revenues from Earned Income Taxes on resident's income, Real Estate Taxes on private property, Transfer Taxes on the sale of private property, Local Services Taxes on the wages of people who work within the Township, and Amusement/Admissions Taxes on the sale price of tickets for events at Richmaiden Golf Course. Together, these streams of revenue represent approximately 75 – 85% of the revenue the Township receives in a year.

Earned Income Taxes are the largest form of Revenue and are based on the personal income of residents paying a 1.00% tax, which is split between the Township and the School District. The projection estimates a growth of 2.75% annually over the next few years that ranges from \$1,655,302.50 in 2024 to \$1,845,035.36 in 2028. Changes to that projection would be dependent on the employment rate and relative increase or decrease of wages. So long as wages continue to rise, either more or less than inflation, EIT collections will increase. Decreases would most likely be seen in the event of an economic downturn that results in the loss of employment by a significant portion of the community's working population. This tax is not subject to change as the state has capped the rate at 1.00%.

Real Estate Taxes are the second largest form of Revenue for the Township. The tax is a levy of millage on private property, including businesses and residences. The current millage is set at 1.35 mills for the Township and 0.40 mills for Fire Protection (utilized by Blandon Volunteer Fire Company). The projection anticipates growth of 0.25% annually. That growth is based on the continuous improvement of homes and businesses via building or similar improvements that property owners undertake every year. There is additional money included in the projection for a large subdivision addition on Hill Road likely to be approved in 2023. Additional funds are included in 2025 and 2026, which is an addition of more than \$7,500 in revenue annually.

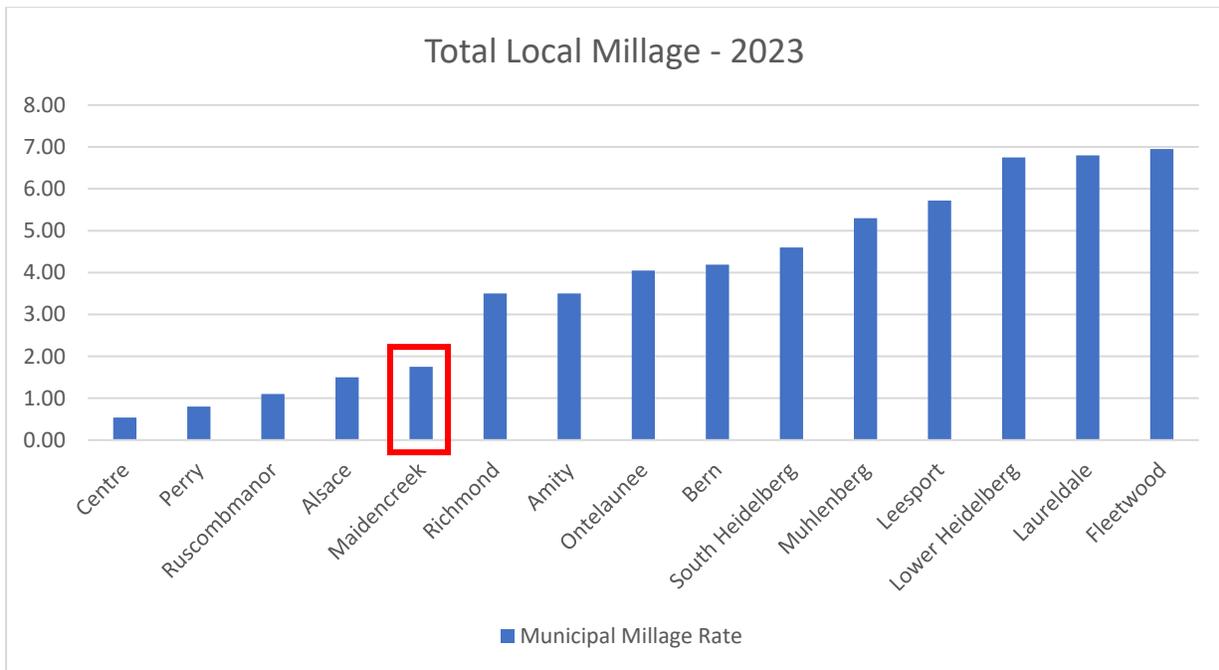
Changes to the projection would be based on significant economic downturns which would not likely decrease the value of property; however, it would create more pressures on homeowners and companies to not continue to invest in their property which would decrease growth. A downturn could lead owners to more aggressively seek reassessments of their properties which would also decrease revenues if granted. A downturn would also affect the availability of capital for companies or homeowners to purchase land and develop it. Real Estate Taxes are normally a very stable source of

³⁵ Pennsylvania Governor's Center for Local Government Services. 2014. Chart of Accounts: Fifth Edition. Department of Community Economic Development. Accessed: <https://dced.pa.gov/download/dced-chart-of-accounts-for-municipalities/>.

revenue and are not normally prone to experience large variations. The positive change would see residents and businesses doing additions or renovations to increase the value of their property and increase revenues. The most consequential increase comes from new business investment where a company builds something new.

Year	Gross Levy	Current Collections	Current Collection Rate	Other Collections	Collection Rate
2018	\$ 664,838.15	\$ 641,744.44	96.53%	\$ 14,713.80	98.74%
2019	\$ 665,606.43	\$ 644,628.22	96.85%	\$ 17,360.66	99.46%
2020	\$ 670,284.45	\$ 648,410.64	96.74%	\$ 12,556.19	98.61%
2021	\$ 668,140.38	\$ 645,599.03	96.63%	\$ 13,455.59	98.64%
2022	\$ 669,128.18	\$ 645,110.59	96.41%	\$ 14,977.28	98.65%

When the Township sets a tax levy, data is available from the County to show what the current total assessed value of all properties in the Township is. These can accurately project the anticipated income from a tax levy. However, that does not account for delinquency or failure to pay taxes which accounts for delinquent payments in the budget. To account for this, the projection utilizes collection rate as a helpful way to project what the anticipated revenue from property taxes will be. Shown above are the historical collection rates for 2018 – 2022.



Real Estate Taxes are locally controlled with little limit from the state. Millage rates may be set annually and are voted on at the December meeting of the Board of Supervisors. Limitations on tax increases are a prudential consideration here, such as “Can the residents afford an increase...” or a similar question. The chart above compares neighbor and peer municipalities in Berks County. Real Estate Taxes are the only realistic method of increasing revenues as the other methods of taxation or permit fees are not permitted to be increased or cannot likely achieve large enough increases to offset spending on personnel and operations.

Real Estate Transfer Taxes are normally the third largest form of taxation. The tax is a 2.00% sales tax on the transfer of property, with some exceptions. The 2.00% is split between the township, the school district, and the state. Under state law, only 0.50% goes to Maiden Creek Township. The income from transfer taxes is variable as it relies on the purchase and sale of property. While we can anticipate sales taking place every month throughout the year, and the increasing value of sales due to inflation, the number of sales is dependent on many factors, especially the economy.

This variability creates a challenge in projecting what future revenue may be. For example, while the economy may have a recession in a year, a large business transfer may occur worth a higher-than-average sum, which results in a higher-than-budgeted year. Due to these factors, the 5-year Projection includes a 7.50% increase for 2024 – 2028. That increase is consistent with historical upward trends, but each year will likely have variation above or below that projection. While sharp increases or decreases past those projections may occur, the composite picture of 7.50% increases is a likely outcome over the next five years.



Local Services Tax (LST) is a tax of \$52.00 per year on individuals working within the Township. Of that amount, \$47.00 is collected for the Township. The tax is levied for emergency services and roads. Due to the pandemic, the employment picture in the Township changed slightly resulting in layoffs that decreased the revenue from the tax in 2020 and 2021. Collections to date in 2023 are on-par with pre-COVID which likely shows a restoration of the pre-COVID employment picture.

As employment has improved, and not factoring in the increase of workers for the Giorgio Titan C facility, the Township projects an increase of 0.50% annually over the next five years. As employment is in flux with future economic conditions unclear, this projection is conservative but may need to be adjusted upward in future projections.

Amusement Tax is an excise tax on admission fees to amusements in the Township. The primary source of these revenues is Richmaiden Golf Course. The tax has increased since the pandemic as residents and

other customers attend outdoor activities such as golf tournaments. Due to the reliance of this tax on weather and individual events, it is prudent to be conservative on the future projection, which is why it has been maintained at \$7,500 for the next few years. The experience of higher revenues in 2023 could be a good reason to bump that estimate upward slightly.

Other Revenues

Taxes are the bulk of the Township's revenues, especially for general purposes, however, charges for services, government transfers, permit fees, and other revenues create a large stream of revenue. These revenues make up approximately 20-25% of revenues each year.

Licenses and Permits include peddler's permit fees, Cable Franchise fees, Driveway Permit fees, and Street Access Permit fees. The projection over five years is based on previous experience with the increasing rates of cable expenses for households and the number of permits for driveways, peddlers, and street access. The performance of the cable companies, or the addition of competitors, will be important to review with the Franchise Fees performance in future years.

Fines & Forfeits are the revenues from the state police, Northern Berks Regional Department, and the local magistrate. These expenses are projected to increase quickly in 2025 due to the addition of patrolmen by the Police Department and the subsequent increase in parking and speeding violations.

Interest & Rent includes interest for all general fund accounts, rent by the Township Water & Sewer Authority for their portion of the municipal building, and rent of the cell phone tower behind the Township Building, currently leased by Crown Castle. These costs remain steady with small increases of between 2.50% - 3.00% per year. The exception to this is interest on accounts, which is budgeted to spike next year due to interest rate increases, then decrease back to pre-COVID levels.

Federal Transfers would be funds sourced from the Federal Government to the Township. While no funds are budgeted at this time, the Township could adjust this if it was successful in receiving the Safe Streets for All Grant in 2024 or if an emergency declaration is granted by the Federal Emergency Management Agency (FEMA) for the July 9th, 2023, Floods in the Township.

State Transfers would be funds sourced from the State Government. Many of these transfers are regular non-competitive grants, such as the Foreign Fire Tax Insurance disbursement that routes to the Fire Company. Many of these revenues are directly linked to expenses. The Foreign Fire Tax Insurance payment to the Township could be increased by 3.00% but the entire payment goes to the Fire Company, which means that expense is increased by 3.00% as well.

Grant funds for the Township's recycling program are included here as well. They are normally available every other year for the Township to apply for expenses that improve the recycling program for the residents, which was most recently experienced with the addition of the Yard Waste Recycling Site. There is \$150,000.00 estimated to be received in the next two years.

A significant change to our receipts was experienced in 2023 which is reflected in future years; the Township is no longer eligible for state pension aid because the relative funded ratio for the Township's pension fund is beyond the state's requirement for aid. That funded ratio was last 190% which suggests it is unlikely to decline to enough to be eligible for aid from the State.

Local Government Transfers would be funds sourced from other local governments, such as the County of Berks for grants or operating costs. No revenue is anticipated in this budget area.

Charges for Services are primarily permits and land development fees. Permits that are included here are Building, Electrical, Plumbing, Sewage, Use and occupancy, Mechanical, and Zoning. In addition, this area includes the Subdivision and land Development Fees for buildings or subdivisions, as well as the fees for public hearings, such as variances or conditional uses. All these expenses are one-for-one exchanges on services provided by the Township. In other words, \$100.00 in expenses for the Township should be paid for with \$100.00 in revenue. There are some limited expenses, but these permit fees should increase or decrease with the number of permits being worked on.

The permit fees include no significant increase year to year. Without understanding the current economic conditions and how that will affect ancillary buildings (decks, sheds, fences, or pools) it is difficult to project what cost increases would be. For this reason, the revenues are held steady, which also reflects steady expenses.

In addition to permits, there is also revenue related to the time the Road Crew does work directly for the Township Authority. It is not anticipated that this would be extensive in future years, but if the Road Crew was utilized for a large project, there could be additional revenue. Currently, no work is projected for the next five years.

Interfund Transfers are transferred by the Township to another fund controlled by the Township, such as a transfer from the General Fund to the Recreation Fund. This will be more accurately predicted year to year but currently shows no transfers in the next five years. If there are significant receipts for grants, they may be included here as transfers to the Parks and Recreation Fund for example.

Prior Year Refunds are refunds for expenses from the previous year. The most common, and the only budgeted number, is the turnback funds from the Northern Berks Regional Police Department.

General Government Expenditures

General Government expenditures are concentrated on the administration of Township activities. It includes the expenses for the Board of Supervisors, facilities, professionals, office staff, and the expenses for running the office.

Governing Body expenses cover the wages for the Board of Supervisors and the pay for the Township Secretary taking minutes at their meetings. These are projected to hold steady over five years.

Township Manager expenses cover wages, retirement, public officials' bond, and continuing education. The expenses other than salary and retirement are staying flat. Salary and retirement are linked in the projection to be a percentage of the salary that is contributed for retirement on behalf of the Manager. The Manager's salary also includes increases for the foreseeable future, which may or may not be made at the Board of Supervisors's discretion.

Auditing expenses include the contracted rate for the Certified Professional Accounting firm that conducts the Township's Annual Audit, currently Herbein + Company, Inc. These expenses are projected to increase by \$500.00 per year.

Tax Collection expenses are the wages, supplies, and other related expenses for the elected Tax Collector. The current Tax Collector is paid by the Township for the number of bills collected. Those

wages are projected to increase by \$100.00 per year and the supplies budget sees a slight increase that then remains steady thereafter in 2026.

Legal Services expenses are the legal fees paid to attorneys representing the Township. Current expenses are high due to the litany of cases and matters stemming from the Conditional Use Hearings. The five-year projection has the fees decreasing but remaining higher than in the past at \$45,000.00 per year for regular fees and \$5,000.00 per year for labor counsel fees.

Township Secretary expenses are for the Township Secretary's wages. The budget includes wage increases consistent with the Union's increases through 2026 with projected increases thereafter.

Government Administration expenses include diverse office operations expenses. They include wages for a regular part-time Clerk beginning in 2024, which transitions full-time in 2026, as well as office supplies, phone and internet service, printing, education expenses, and general dues and expenses. This area holds office supplies and similar expenses steady with small increases in inflation.

The largest cost increase is the wages for the part-time then full-time Clerk. The position being filled is at the Board's discretion and the movement from part-time to full-time would need to be agreed to by the Board of Supervisors. This position would be a Union position and includes the wages negotiated by the Union. The current workload in the office merits a third person. It is unlikely that a full-time person would be a necessity in the next few years, but it may be difficult to find a regular skilled employee who is not full-time which is why we estimate the movement to full-time to be conservative.

Information Technology expenses are a relatively new budget area that recognizes the operational value of technology and software and separates these expenses from supplies budgets. This projection increases the software budgets significantly to include expenses for GIS, QuickBooks renewals, Payroll Software, the new Township Website, and other similar expenses. This area also includes minor capital purchases for computer equipment updates.

Engineering Services expenses are for the Township's Professional Engineers who apply for permits, help write grants, assist with ordinance drafting, and provide general technical assistance on most land use and infrastructure responsibilities the Township is involved in. Expenses are currently high due to the Conditional Use Hearings but should revert to lower costs when the hearings are concluded. The current five-year projection shows a \$1,000 increase in inflation beginning in 2025.

Facilities expenses are for the maintenance of the Township's facilities, especially the municipal building. Included are expenses for supplies, repair and maintenance, utilities, and contracted services (plumber electrician, etc.). These include slight increases in expenses of up to 3.00%.

Public Safety

Public Safety expenditures are a compilation of police, fire, emergency medical services, code enforcement, planning and zoning services, and emergency management. These expenses are subsidies for the emergency providers, professional fees, permit expenses, and dispatch fees for the 911 call center.

Police Commission Contribution is the total monthly contribution that Maiden Creek Township contributes to the Northern Berks Regional Police Department. These are paid in equal monthly

installments based on the department’s budget divided by a fair apportionment between the Maiden creek, Ontelaunee, and Leesport communities. Currently, the Township’s current portion of the total budget is 52.00%. The five-year projection assumes an 8.00% increase and a decrease to the Township’s portion in 2025 to 50.00%.

Fire Services expenses are currently only for payment of the Foreign Fire Insurance disbursements. This is a passthrough as discussed under State Transfers under the Other Revenues portion of the budget. These payments are made to local fire service providers because the Township only has one provider the entire amount goes to the Blandon Fire Company.

The Township’s use of a fire tax will likely offset any future expenses the Fire Company requests from the Township. However, an increase in expenses for the Fire Company is anticipated in the future, which may require an adjustment to the projection.

Ambulance Services expenses are currently for the Medical Services Subsidy for the Northern Berks EMS company. The \$30,000.00 subsidy per year supports the general expenses of the EMS company. An increase in expenses for the Northern Berks EMS company is anticipated in the future, which may require an adjustment to the projection.

Code, Sewer, & UCC Enforcement expenses are for the review and inspection of permits and the enforcement of the Township’s Ordinances. Code Enforcement and general expenses, for phone calls from residents, for example, are at the Township’s expense. However, expenses connected to permits are paid by the resident or business through their permit fees. These one-for-one (1:1) expenses also mean that as the expenditures increase the revenues increase at the same rate. The increase or decrease of these is dependent on the economy and how active the building or housing market is. These permits are for a variety of improvements, but the high expenses are normally for new construction, and the lower residential permits are for home improvements such as solar panel or deck installations.

Planning and Zoning expenses are for the review of land development plans, subdivisions, wages for Planning Commission and Zoning Hearing Board members, wages for the Planning Commission Secretary, and fees for public hearings for the Zoning Hearing Board of the Board of Supervisors. Expenses are paid by the resident or business through their application fees and eligible land development fees. These are one-for-one (1:1) expenses also means that as the expenditures increase the revenues increase at the same rate. Some public hearings such as Variances, Special Exceptions, and Conditional Uses do not permit the Township to bill for the expenses and are instead paid by the Township at cost. These costs are generally linked to the market, but new construction is primarily the focus of Land Development or public hearings. They are less connected to the market than the permit fees discussed elsewhere. The chart below shows the connection between revenues and expenses.

Expenditure Codes	Revenue Codes
413.317	= 361.31
413.318	= 362.44
413.319	= 362.41 + 362.42 + 362.43 + 362.45 + 362.47 + 362.71
414.300	= 361.34
414.450	= 361.32
414.470	= 361.30 + 361.34

Emergency Management expenses are for wages for the Emergency Management Coordinator who attends training and prepares important documents annually or leads part of the disaster response on behalf of the Township in an emergency, such as a flood or hurricane. In addition, the fees to support the Berks County Dispatching service are also included, with 3.00% increases annually, and a donation to Crime Alert Berks County.

Sanitation

Sanitation expenses are primarily dedicated to recycling expenses for the Township. It also includes expenses for animal control, specifically dogs, as well as the fees to support certain waste collection and disposal services.

Vector (Animal) Control expenses are the contracted cost for Safety Net Sanctuary which takes dogs when they are found unclaimed throughout the Township. This service is exclusively for dogs. The costs are projected to increase by 3.00% annually.

Recycling expenses are dedicated to the Township’s wages for brush and leaf collections held several times annually, as well as the contractor costs for bi-weekly recycling collection and fees for recycling the brush, grass, leaves, etc. at the Township’s collection site. The bi-weekly recycling collection is increased annually per public bid and contract agreed to by the Township which currently caps the increase at inflation. The forecast utilizes 3.00% in 2024 and 2025. The Township could also reissue its bid in 2024 or afterward, with an assumption of this being done in 2025 with a 5.00% increase and a 3.00% increase thereafter.

Waste Collection and Disposal expenses are for the annual community clean-up day in September of this year. An increase of \$500.00 cost is anticipated for 2026. Increases in this code may come from expansions of that cost but could also come from hosting another cleanup day in the future.

Public Works

Public Works expenses are the bulk of the Township operations and staff, including wages, supplies, expenses for equipment, purchases of vehicles, materials for road work, and part of the annual road bids. These expenses are separated programmatically, including wages, which are separated by the program area for which work is being done. Below is a breakdown of the wages for these areas, which also features wages for Recycling, Storm Water Systems, and Parks and Recreation budget areas.

DCED Code	Description	Amount	DCED Code	Description	Amount
426.12	Brush Collection RT	\$13,110.00	434.12	Street Light RT	\$ -
426.12	Brush Collection OT	\$ -	434.12	Street Light OT	\$ 58,812.00
430.12	Adjoining Agency RT	\$43,045.00	436.12	Drain Repair RT	\$ -
430.12	Adjoining Agency OT	\$ -	436.12	Drain Repair OT	\$ 91,012.00
430.17	Bereavement	\$18,075.00	437.12	Equipment Maint. RT	\$ 3,723.75
430.17	Holiday Leave	\$ 6,435.00	437.12	Equipment Maint. OT	\$ 18,840.00
430.17	Personal Leave	\$ -	438.12	Mowing RT	\$ -
430.17	Sick Leave	\$ 580.00	438.12	Mowing OT	\$ 13,386.00
430.17	Vacation Leave	\$ 506.25	438.12	Road Repair RT	\$ -
432.12	Snow Removal RT	\$ 107.50	438.12	Road Repair OT	\$ -
432.12	Snow Removal OT	\$ -	446.12	Stormwater RT	\$ 17,352.00

432.12	Snow Removal DT	\$ 40,056.50	446.12	Stormwater OT	\$ 5,784.00
433.15	Crossing Guard RT	\$ -	451.12	Parks RT	\$ 7,230.00
433.15	Crossing Guard OT	\$ 20,970.00	451.12	Parks OT	\$ 18,600.00

The DCED Budget Code is the budget code utilized in QuickBooks and would be included in the annual budget. RT stands for regular time and OT stands for overtime. These figures are based on calendar year 2024 and do not show the increases that would be seen in 2025 – 2028, however, those increases assume the same apportionment of hours based on DCED codes.

Public Works Administration expenses are related to the administration of the road crew. It includes wages for adjoining public agencies such as neighboring townships or the Water and Sewer Authority. Additionally, it includes the wages for the leave time (Holidays, Vacation, Personal, etc.), uniform cleaning and replacement, gasoline and diesel fuel, mobile phone expenses, services for drug and alcohol testing as required by CDL requirements, PA One Call subscription, small tools accounts, and fees for the rental of equipment.

These expenses remain relatively steady, and the wages are increasing annually with contract increases. Equipment expenses are for the variety of projects the Road Crew undertakes that require different pieces of equipment to support them, these are offset by utilizing existing equipment in neighboring communities (Perry, Ontelaunee, and Fleetwood) that the Road Crew may need to complete a project. Increases or decreases here would arise from an increase or decrease of employees, less senior employees replacing retiring ones, or changes in the costs of these other services that are stable; fuel prices regionally heavily affect the gas and diesel expenses for the Township. Equipment expenses may vary depending on the equipment needed or utilizing alternative providers that charge higher or smaller rates for rentals.

Street Sweeping expenses currently are not projected to cost the Township anything in the next few years, as the Township works with Fleetwood Borough to sweep streets annually with the Borough’s sweeper that the Township utilizes under a shared services agreement with Fleetwood. This could increase if the Township no longer has use of the Borough’s sweeper.

Snow and Ice Removal expenses currently are dedicated to the wages for employees to plow and deposit salt and anti-skid during weather events. The supplies and related expenses for Snow and Ice Removal are taken from the State Liquid Fuels Fund. Increases or decreases would be related to wages or whether the expenses for salt and other materials are moved to the General Fund from the State Liquid Fuels Fund.

Traffic Control Devices expenses are for the safe movement of traffic throughout the Township. Included here are expenses for the crossing guard for Andrew Maier Elementary School, road sign supplies, electric fees for traffic lights, and contracted services for pole replacement or repairs that the Township cannot perform. Increases here are minor with small adjustments for inflation included. Increases or decreases here would result from a lack of foot traffic at the school that no longer requires a crossing guard, larger amounts of pole replacements, or the addition of more traffic lights.

Street Lighting expenses include wages for the road crew’s work on street lights, supplies for street light repair, electricity for the streetlights throughout the Township, and limited contracted services for repair

or maintenance work on the streetlights. Included in the projection is a slight decrease in electric expenses because the Township is progressively switching all lights needing new bulbs to LED which is a more cost-effective option. This will take time but is beginning to yield savings and we believe it will continue. Wages are increasing at the contracted rates, while the supply budget is being increased to replace more bulbs per year and reflects a larger failure rate as many bulbs are failing at the same time.

Storm Sewers and Drains expenses include wages and materials for the replacement and cleaning of storm drains in the Township, especially linked with the current road work. Increases in wages are influenced by contractual increases from the Collective Bargaining Agreement. The supplies budget also includes a larger increase that is increased annually for inflation so that the Road Crew to effectuate more repairs and replacements of drains each year to be proactive about their repairs. Increases or decreases here will be influenced by changes in wages and the quantity of work per year to replace and repair drains.

Repairs/Maintenance of Equipment expenses are dedicated to the maintenance, repair, and wages related to the Township's vehicles and equipment. These expenses are held steady with some inflation for contracted services at 2.50% for repairs and wages being adjusted by contractual increases. Increases or decreases in this area could result from larger repairs becoming necessary or increasing numbers of repairs. Major repairs could be offset by insurance payouts depending on the cause of the repair.

Road and Bridge Maintenance expenses are related to wages for employees, supplies for Road Maintenance, and Curb Maintenance. Wages in this category also include the road and public property mowing that the Road Crew does for the Township. This is the general operating account for much of the work the Township's Road Crew does. Increases or decreases here would depend on changes to wages, and the quantity of work being done for curb or road repairs.

Capital Road Construction (Bid) expenses are dedicated to the portion of the annual road bid paid out of the General Fund. The expense for the annual road bid is shared with the State Liquid Fuels Fund. The projection currently uses the recommended road improvements, inclusive of method and inflation in the 15-year Road Maintenance Plan. Increases or decreases to this amount would result from the Township changing the amount of roadwork being done in one year.

Stormwater Management

Stormwater Management expenses relate to the maintenance, repair, and control of the water flow systems within the Township. This account will be the area where further flood mitigation or prevention efforts will be budgeted.

Expenses include wages for employees, materials, professional services (engineering and permitting), and rental expenses for equipment. Some construction expenses may also be included here in future years. These funds are not featured within larger projects that would merit grants or be part of grant-funded projects, which would be budgeted as part of the Capital Expenditure Fund. The materials budget is for stones and similar materials that contribute to the restoration and management of stormwater movement.

Community Development

Community Development expenses relate to specific projects that the Board undertakes within a year that were unforeseen or not budgeted elsewhere when an identified community need is seen. An

example of these funds would be electronic speed signs, contributions to community events, or tree plantings in specific locations to improve screening of areas in the Township. These funds would be matched with grant proceeds or joint projects with other communities.

Parks and Recreation

Parks and Recreation expenses include wages, supplies, maintenance, and other similar charges for the maintenance of the Township's public parks and facilities. This area will also be the home of expenses related to larger initiatives to improve recreation in the Township.

Recreation Administration expenses relate to the wages for road crew employees maintaining parks, the wages for part-time employees opening and cleaning bathrooms at Community Park and Blandon Ballfield, and donations to community recreation organizations, such as the Fleetwood Library. Increases or decreases in this area would depend on the maintenance needs of the community parks. Some inflation is included for the next few years.

Parks expenses include supplies for the parks and their maintenance, electric expenses for the park, and contracted services. Increases and decreases in this area will depend on the amount of supplies needed to maintain the parks. Some inflation is included for the next few years.

Debt Service

Debt Service expenses include the interest and principal of debt that the Township is obligated to pay back. Currently, the Township has a vehicle lease to purchase a truck. In the future, the Township may have more of these leases to purchase to keep Township vehicles current and usable for the activities of the Road Crew. Future expenses could also be spent on constructing new facilities. Increases or decreases in this budget area would depend on the number of debts that the Township currently holds and what the principal amount borrowed was.

Insurance and Employee Benefits

Insurance and Employee Benefits expenses include payroll expenses to the Township, pension contributions, insurance, and benefit plans. These expenses primarily have to do with the Township's expenses for employees other than wages and physical and liability insurance.

Intergovernmental Expenditures expenses relate to the employer payroll expenses including payments under the Federal Insurance Contributions Act (FICA), Medicare contributions, and unemployment contributions for all employees employed by the Township. Actual estimates of employer contributions are based on salary projections made with the contracted increases for employees and projected increases for non-Union employees. Increases or decreases in this assessment would change based on the number of employees, and how many hours an employee worked.

Pension Fund Contribution expenses relate to the annual contribution made to the Township's pension fund resulting from the Minimum Municipal Obligation (MMO), which is completed annually. The contribution is estimated to remain steady because the Township's assets far exceed the amount necessary according to the actuarial valuation.

Workers Compensation Insurance expenses relate to the worker's compensation expenses paid for by the Township, which is also contributed to by the Blandon Fire Company. Increases or decreases would be based on the premium for the insurance policy.

Insurance expenses include insurance benefits for employees including health, hospitalization, prescription, Life and Disability, Dental, and Vision. It also includes property and liability (casualty) insurance. Health, prescription, and dental insurance use a 7.00% annual growth increase. Other insurances use 3.00% increases for inflation. Increases or decreases in this category result from the increases experienced that year and the employee's use of benefits, as well as the general levels of insurance provided for property and liability.

Employee Benefits expenses include the boot allowance and longevity payments paid to members of the Union annually upon their meeting the requirements for those benefits. Increases or decreases in this area are dependent on the number of employees in the union.

Other Expenses

Other Expenses includes refunds and transfers to other funds. These expenses help to reconcile the previous year's expenses or taxes or taxes that were deposited before reassessments in the current year.

Refunds of Prior Year Revenues expenses are based on the refunds of prior year or current year tax refunds. These refunds occur when reassessments are done to assess property at less than when the property owner paid the taxes for the year. There are limits on how often reassessments may be done and major reassessments often are brought before the court. Increases and decreases in this budget area will depend on the number of assessment appeals. These will increase when there is pressure on the economy due to more property owners appealing their assessment; this works conversely for decreases in assessment appeals as well.

Interfund Transfers expenses are dedicated to the movement of funds in the General Fund to other Township Funds; Recreation Funds, Liquid Fuels Funds, and other future funds maintained by the Township. Increases or decreases depending on the need for other funds to have funds dedicated to specific purchases.

Personnel Expenses

Personnel expenses are summarized here as part of the projection that summarizes expenses by individual personnel. These expenses include wages, benefits, fringe benefits, and personnel-related insurance. Projections for this section heavily depend on the number of personnel, which will affect future expenses.

Much of the personnel expenses are collectively bargained with the Teamsters Union. The current contract lasts until December 31, 2023, but the Township has completed the next contract and that will be in effect from January 1, 2024 – December 31, 2026. The Township Manager also negotiates a contract with the Township, which may only last from municipal election to municipal election (2 years) and their compensation is set separately by annual resolution. Non-union employees without a contract have their compensation set by the pay rates resolution adopted in January at the reorganization meeting.

Employee Counts

The Township’s employee counts included in the table below represent the number of staff paid by the Township in 2023 and what is projected for 2024. Future projections include a part-time employee in 2024 with a projection movement to full-time in 2025 which would adjust these counts in the future.

Classification	Full-Time Employee(s)	Part-Time Employee(s)	Less Than Part-Time ³⁶
Management	1	0	0
Confidential	1	0	0
Non-Union	0	0	3
Union (Eligible)	6	0	1
Total:	8	0	4

Department	Full-Time Employee(s)	Part-Time Employee(s)	Less Than Part-Time ³⁷
Administration	1	0	0
Crossing Guard	0	0	0.5
Facilities	0	0	1
Office Staff	1	0	1
Parks & Recreation	0	0	1.5
Public Works	6	0	0
	8	0	4

Wages

Employee wages, as of 2023, equal 13.18% of the Township’s total adopted budget. This cost is distorted as the Township’s contributions to the Police Department contribute significantly to Police Officer salaries. Removing the police expenses, the Township’s spending on wages is equal to 20.75%. These costs do not include benefits and other employee-related insurance.

³⁶ Less than part-time includes Seasonal Employees and Irregular Employees (ex. Park Attendants, Emergency Management Coordinator)

³⁷ One Employee holds the position of Park Attendant and Crossing Guard, which is counted twice in the second table group as a half position to represent this person being one whole between both positions.

Classification	Full-Time Employee(s)	Part-Time Employee(s)	Less Than Part-Time³⁸
Management	\$75,000	0	0
Confidential	\$64,584	0	0
Non-Union	0	0	\$15,910
Union (Eligible)	\$386,625	0	\$23,808
Total:	\$526,209	0	\$39,718

Department	Full-Time Employee(s)	Part-Time Employee(s)	Less Than Part-Time³⁹
Administration	\$75,000	0	0
Crossing Guard	0	0	\$8,611
Facilities	0	0	\$1,119
Office Staff	\$64,584	0	\$23,808
Parks & Recreation	0	0	\$6,180
Public Works	\$386,625	0	0
	\$526,209	0	\$39,718

These salaries are based on the 2024 budget projection. The employee counts are mimicked in the table above. These wages do not include the appointed or elected officials. The staff is paid on a bi-weekly basis. The Township Manager is the only employee paid by salary, while other employees are paid on an hourly basis and eligible for overtime. Wage growth has anticipated increases over the next few years are included below; these wages are not finalized for future years and are used for budgeting purposes. The 2024-2026 Collective Bargaining Agreement with the Teamsters has solidified the wage increases below for the years 2024 – 2026. As such, those salary increases do not need to be maintained for any other non-union position, but the projection includes those raises for other employees.

	2024	2025	2026	2027	2028
Salary Increases	3.50%	4.50%	5.00%	3.00%	3.00%

With employee wages, the Township is responsible for employer taxes for the Federal Insurance Contributions Act (FICA) which pays for an employee’s Social Security. The Township is also responsible for Medicare taxes for the same purpose. The rates for these are 6.2% and 1.45% respectively; those rates are subject to change but would require an act of Congress to do so. The Township is providing the employer portion of unemployment as well.

Eligible employees receive Holidays, Personal, Sick, and Vacation time. The Township utilizes the Collective Bargaining Agreement as a benchmark for all employees when developing leave-time permissions. Leave time for disability is addressed by the Township’s employee-related insurance and the Township is not required to adhere to the Family Medical Leave Act (FMLA) because of the number of Township employees. Employees also receive holiday pay and longevity as determined by the

³⁸ Less than part-time includes Seasonal Employees and Irregular Employees (ex. Park Attendants, Emergency Management Coordinator)

³⁹ One Employee holds the position of Park Attendant and Crossing Guard, which is counted twice in the second table group as a half position to represent this person being one whole between both positions.

Collective Bargaining Agreement. Employees not part of the bargaining agreement have also received Holiday Pay.

Health & Welfare Benefits

The benefits for employees include Health, Dental, Vision insurance, and Retirement. These benefits are collectively bargained but are offered to non-union employees as well. Current Health and Dental insurance are offered by the Delaware Valley Health Trust. The Township realized cost savings by switching to the health trust in 2019 and premiums have grown quickly since then. The last few years of premium increases by percent are included below, as well as the current projected health, dental, and vision insurance use by employee classification.

	2020	2021	2022	2023	2024
% Increases	6.5%	7.8%	9.0%	13.5%	7.0%*

Classification	Full-Time Employee(s)	Part-Time Employee(s)	Less Than Part-Time
Management	\$35,712	0	0
Confidential	\$531	0	0
Non-Union	0	0	0
Union (Eligible)	\$107,435	0	0
Total:	\$143,678	0	0

All employee insurances have percent increases in 2024 and beyond to 2028 at 7.0% annually. Dental and Vision insurance are significantly smaller than health insurance in expenses and may grow at slower rates of premium increases like the Township’s vision insurance which has not grown in cost for two years.

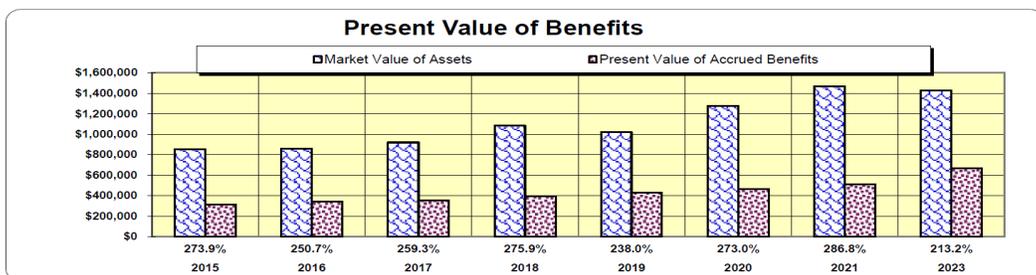
Pension and Retirement Benefits

The Township holds a non-uniform defined benefit pension plan. A defined benefit pension plan defines a level of benefit that is guaranteed to an employee when that employee begins work. They qualify for those defined benefits when they are vested as an employee. For the Township, that occurs in a schedule of vesting that depends on years of service. That vesting stretches from three years to seven years when an employee is 100% vested. The valuation report is provided as an appendix.

Present Value of Accrued Benefits

The Present Value of Accrued Benefits is an estimate of the value of benefits earned for service to date. This value increased from \$512,214 on January 1, 2021 to \$669,904 on January 1, 2023.

One measure of the funding adequacy of the plan is to compare the Present Value of Accrued Benefits to the market value of plan assets. In this case, the January 1, 2023 market value of assets of \$1,428,226 results in a funded ratio of 213.2% (compared to 286.8% on January 1, 2021).



The sentences and graph from the Non-Uniformed Pension Plan Valuation Report for January 1, 2023, show that the funded ratio of the Pension Plan is 213.2% of current accrued benefits otherwise known as Pension Liabilities.

The incumbent Township Manager receives a retirement contribution that is contributed to a selected Individual Retirement Account (IRA). That contribution has been equal to 10% of compensation for the year in which the contribution is made, however, the Board of Supervisors has discretion over that amount. Due to this arrangement, the incumbent Manager has not been permitted to be part of the Township's pension plan.

Fringe Benefits

The Township's fringe benefits are simple; direct deposit for employees at no cost to them and the provision of a boot allowance to all Public Works employees. This boot allowance is up to \$200.00 per employee after they provide a receipt of their purchase to the office. Currently, six employees qualify for this allowance.

Personnel Related Insurances

The Township provided employees with a life insurance policy worth \$50,000 for each employee and, a disability policy that pays employees on long-term or short-term disability after being off work for two weeks. These expenses are projected to grow at 5.0% within the five-year projection. Total spending for 2024 on these expenses is anticipated to total \$8,102.43 which represents a minor impact on the budget with the 5.0% increase.

Other Municipal Funds

Maidencreek Township utilizes Fund Based Accounting, which is a system of accounting that segregates funds into different accounts for their specific uses. The Township has its General Fund as the primary fund, and other funds for different purposes: State Liquid Fuels Fund, Fire Tax Fund, Recreation Fund, and Escrow Fund.

Furthermore, the Township may consider opening a Capital Expense Fund for future needs to cover capital projects that extend past the same calendar year they began in or for stable budgeting or equipment replacement.

State Liquid Fuels Fund

The State Liquid Fuels Fund is a fund for the receipt of the Township's Liquid Fuels Funds. This money comes from gas taxes and goes toward the improvement of municipal roads and infrastructure. There are strict requirements on how these funds are spent, but the Township primarily uses them to pay for the annual road bid and salt and anti-skid materials for snow and ice management.

Long-term the funds available are anticipated to continue shrinking, as the use of electric cars and decreases in vehicle uses means there will be less gas tax receipts statewide, thus decreasing the amount received. Legal changes to how these funds come back to the Township could increase or decrease the annual amount, which currently is approximately \$310,000.00 per year.

Fire Tax Fund

The fire tax fund is for local property tax receipts for the fire tax. These taxes come back to the Fire Tax Fund for only fire-related expenses. The approximate income for this fund annually is \$200,000.00 per year at the 0.4 mills rate. The Fire Company can submit bills to the Township for their operations, for which the Township pays, and the Fire Tax Fund reimburses the Township for those costs. Increases or decreases would depend on the tax rate for the fund, and the use of the funds by the Blandon Fire Company.

Recreation Fund

The Recreation Fund is for park maintenance and is also the payment in lieu of land dedication by developers that do not create the appropriate space for lot dedication of a new park, but instead, give a certain amount of money to the Township to be used for parks and recreation improvements. There are also checking accounts where reservation fees for the fields and pavilions are deposited for use in the maintenance of the parks.

Escrow Fund

The escrow fund is the holding place for escrow funds and beginning in 2024 would also be the location for the developer's escrow for Subdivision and Land Development fees. This would effectively take these expenses out of the General Fund and would require applicants to remain current on their bills or their escrow would be drawn on and work on their Land Development plans would not continue.

Management Opinion

The Five-Year Financial Projection demonstrates clearly that the Township's current level of spending is unsustainable and creates potential climatic events for Township services if not appropriately addressed. At the root of this problem is a structural deficit that is rooted in increasing police expenses, recycling contract increases, expanded annual road work commitments, and overall increases in expenses from wage increases and inflation. Localized increases include legal services and engineering services as well as the recent addition of a sixth full-time member of the Township's Road Crew.

Taken together, the Five-Year Projection demonstrates a structural deficit that is grounded in the service provision to residents. In effect, the options the Township must cure this structural deficit are revenue increases, decreases in expenses, or use of fund balance. None of these options in themselves presents a cure-all solution during the five years. If Revenues are the only option, residents will be paying significantly more in property taxes, perhaps double or triple over five years. While the current municipal taxes are comparatively low, it may not be palatable for the community to see their \$200.00 tax bill increase to \$600.00 in one year.

If expenses were the only option, there would be no need to increase revenues or utilize reserves, but the provision of services would be cut dramatically. This would likely include no significant road work being performed for the next five years, potential decreases in staff, and lack of responses to roads and public infrastructure concerns due to decreased staff. While these may not be felt in one or potentially two years, this would dramatically affect the community over the long term as vital infrastructure and public property would experience neglect that would be costly to catch up on.

If fund balances were the only option, it would mean that within the next year, the Township's finances would be insolvent and the Township could not meet its financial obligations, likely in the first and last months of the year. Practically, it is likely that the State or Courts would step in before the worst effects are experienced but also would feature a suspension of local control where a state appointee would determine which expenses to cut and which revenues to increase.

The best option available is to take all three of these approaches together to fix the Township's structural deficit. At the same time as the Township is working to fix this structural deficit, the residents and Board of Supervisors may also have strategic priorities that could make it necessary to spend more than the budgeted amounts to achieve. These priorities must be weighed carefully as the structural deficit leaves little room for more projects beyond what current operations need to be sustained, and the remaining fund balances are a cushion preventing large-scale budget cuts or tax increases. Attached to this narrative are several projections that reflect scenarios with these three options implemented.

SMART Goals for 2024

Outlined here are SMART goals for the fiscal year 2024 [January to December]. SMART is a popular acronym for goals that will turn into action. In this instance, SMART stands for specific, measurable, achievable, relevant, and time-bound. These goals are formulated with the understanding that it will take time to respond to challenges raised by the 5-year Budget Projection.

In future years, these SMART goals should contribute to the planning process, but should also evolve to include the actual work that the Township does. For example, a future goal could be to establish a sinking fund and sinking fund formula for a specific bridge's replacement. Updates on an annual basis

will work to recycle information shared to be consistent year to year and decrease the labor involved but also should update the facts and figures to be consistent with trends observed in the preceding year, as well as evolve the plan's conclusion.

Goal	Explanation	Assigned To	Time Frame
Develop a Capital Expense Plan	<p>Develop a plan with replacement costs for vehicles and major equipment. The time horizon for this plan will be 5 years. Should integrate purpose for purchase, cost, inflation factors, and justification from staff. The plan should be cognizant of the goals established for the Township. Presented to BOS by September.</p> <p>Specifically consider the opening of a Capital Expenses Fund to maintain projects that span more than a year in one place and allow the Township to save funds for Capital Expenses in the future (e.g., bridge or culvert replacements).</p>	Township Manager	June – August 2024
Review All Road Work for 2025	Review the 15-Year Road Maintenance Plan and RoadBotics Road Inventory (completed in 2023) to project budgeted cost for Road Work in 2025. Completed by September 2024.	Road Foreman & Township Manager	August – September 2024
Review Township's Goals for Recycling Renewal	Engage the community in stakeholder discussions around Recycling Renewal. Specifically, ways to re-evaluate curbside recycling collections for cost savings (e.g. automatic collections, increased toter size, engagement with additional bidders, etc.).	Township Manager & Board of Supervisors	January – July 2024
Update Road Maintenance Plan	Provide an update to the Road Maintenance Plan in 2024. Integrate work products identified in SMART goals, draft SMART goals for 2024-2025, and include more historical reference information to provide depth to conclusions. Present to BOS in May 2024.	Road Foreman, Township Office, Township Manager	February – April 2024
Cash Flow Reviews	Integrate Cash Flow reports with monthly Treasurer's Report for the Board of Supervisors and Staff review during the year 2024.	Township Manager & Board of Supervisors	December 2023 – December 2024
Update Road 5-Year Budget Projection	Provide an update to Five-Year Budget Projection in 2024. Integrate work products identified in SMART goals and include updated historical reference information to provide depth to conclusions. Present to BOS in September 2024.	Township Manager	July – August 2024