

# Executive Budget Summary

**November 4, 2022**

**TO:** The Northampton Township Board of Supervisors

## **Introduction**

The Administration is pleased to submit the proposed 2023 Budget for your consideration. The budget document consists of three sections:

### **Letter of Transmittal**

The Letter of Transmittal is an overview of the budget generally referred to as the Budget Message. It provides a narrative review of significant trends and factors affecting the proposed budget, highlights areas of importance in the financial section, and includes a summary of program and service delivery, proposed infrastructure improvements, cash position, and revenue and expense projections.

### **Operating, Capital, and Trust Funds Budgets**

The proposed 2023 Budget includes 20 Funds detailing the projected revenues and proposed expenditures for the new fiscal year. A three-year history of audited revenues and expenditures and year-end estimates for the current year provide trends for budget proposals. Fund balances show cash position. A summary of the General Fund by revenue and expense category provides a snapshot of the Township's largest operating budget, and a Summary of Operating, Capital, and Trust Funds provides a broader financial picture of Township operations.

### **Supporting Data/Budget Schedules**

The Supporting Data or Budget Schedules provide detail on proposed appropriations in each Fund, and the alphabetical index is an easy way to reference the supporting data. The information in the Budget Schedules is intended to show the cost of certain Township services and expenses, and supports budget projections.

The proposed Budget is developed using trends in revenues and expenditures from prior years and includes an evaluation of programs, services, and current economic conditions.

## **The Budget Format**

The Budget is prepared in a line item format using the Pennsylvania Chart of Accounts for local governments published by the State Department of Community and Economic Development (DCED). This format provides uniformity of account numbers and titles across departments and Funds. This uniformity improves accuracy in budget projections.

The proposed budget separates operating and capital appropriations. There are separate operating funds for general government functions, fire and rescue services, refuse collection, library services, senior center operations, parks and recreation services, country club operations, debt service, and state highway aid allocations. Detailing these services in separate funds shows the cost for each of these government functions.

Capital appropriations for general purposes such as facility improvements, storm drainage and road improvements, fleet acquisitions, and IT equipment are budgeted in the Capital Projects Fund. Inter-fund transfers from the General Fund and other revenue dedicated for capital projects such as grants and loans, provide funding for budgeted capital purchases or improvements.

Capital appropriations for parks and recreation system improvements are budgeted in the Recreation Capital Fund. Funding for these appropriations is from a variety of sources including inter-fund transfers, grants, and impact fees.

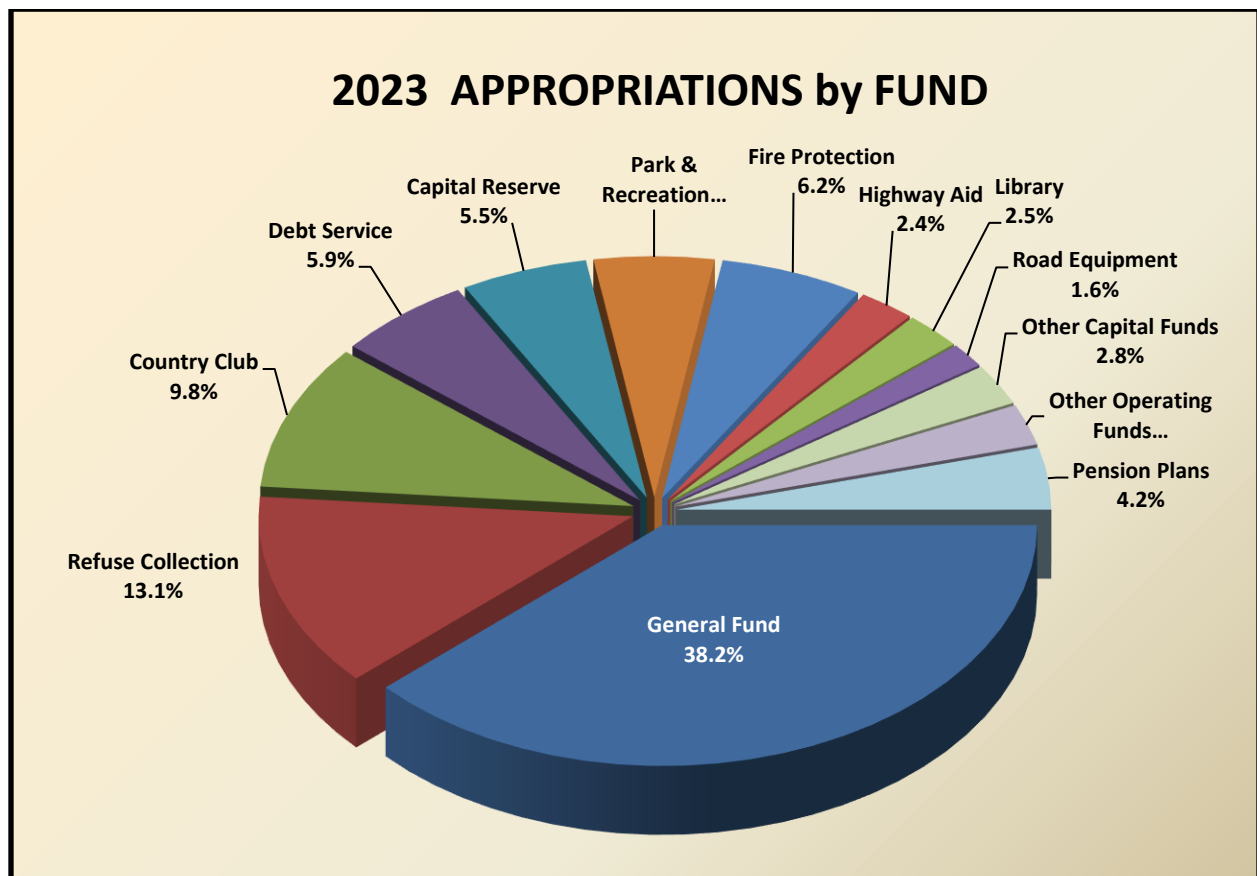
Capital appropriations for fire and rescue equipment, road equipment, senior center, country club, and library services are included in separate funds and limited to those specific government functions. Appropriating infrastructure improvements in special-purpose capital funds eliminates fluctuations in operating appropriations from year to year caused by one-time capital expenses.

In the General Fund, the *Result from Operations* represents the difference between annual revenues and expenditures before inter-fund transfers for capital appropriations, or appropriations to other operating budgets.

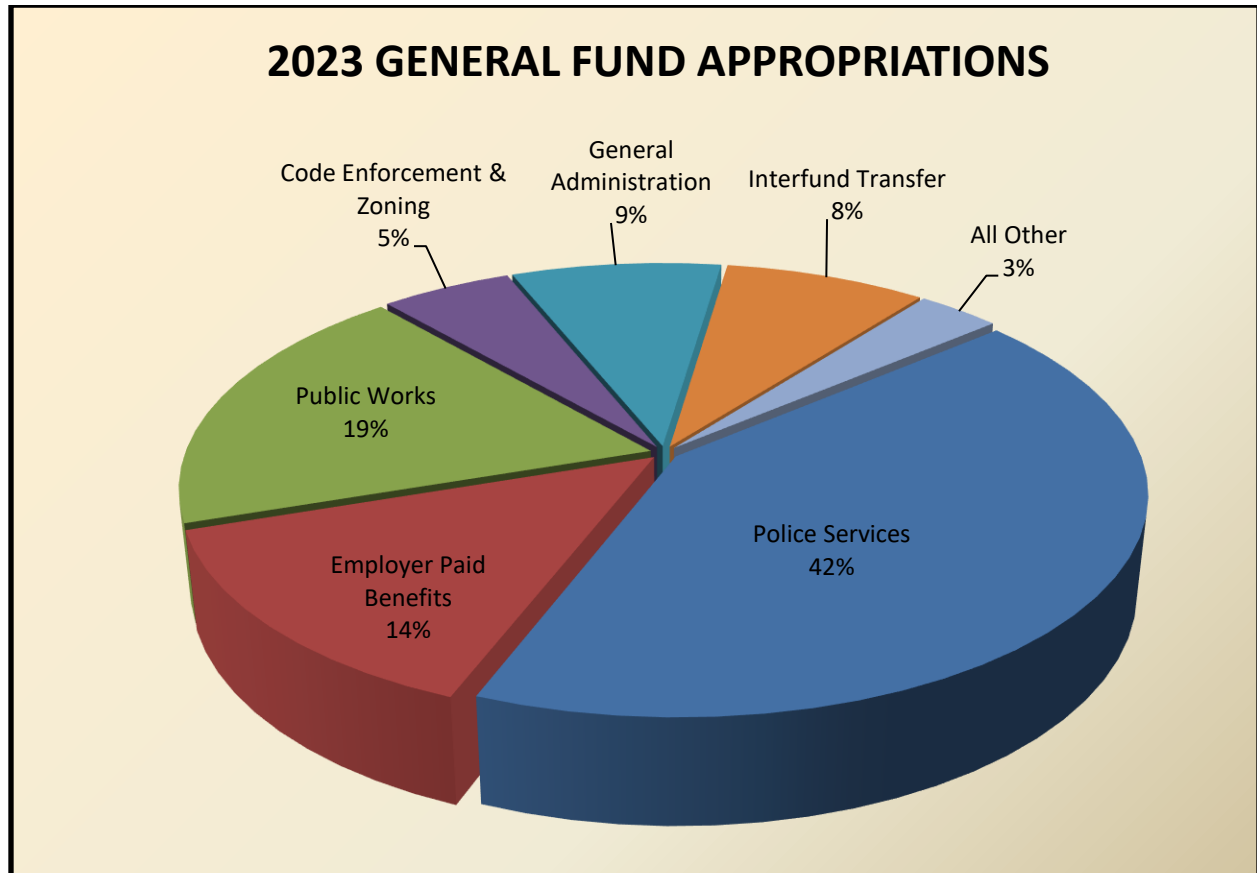
### **Summary**

The proposed 2023 Budget for all funds is \$54.7 Million, which includes \$47 Million for operations, \$5.4 Million for capital acquisitions and infrastructure improvements, and \$2.3 Million for employee pensions.

The following chart shows the proposed 2023 appropriations by Fund:



The General Fund is the largest Operating Fund in the Township budget at \$20.9 Million. Appropriations include funding for police protection, planning, zoning, and code enforcement, administration and finance, legal and engineering services, information technology, tax collection costs, public works services, facility and fleet maintenance, insurance, and employee benefits. The General Fund also supports the operation of the James E. Kinney Senior Center with an annual contribution.



The Fire Tax Fund, Rescue Squad Fund, Parks and Recreation Fund, Library Fund, Road Equipment Fund, and Debt Service Fund are supported by special tax levies restricted to those specific purposes. The Refuse Fund and Country Club Fund are fee-based and considered Enterprise Funds that function independently from tax-supported operations.

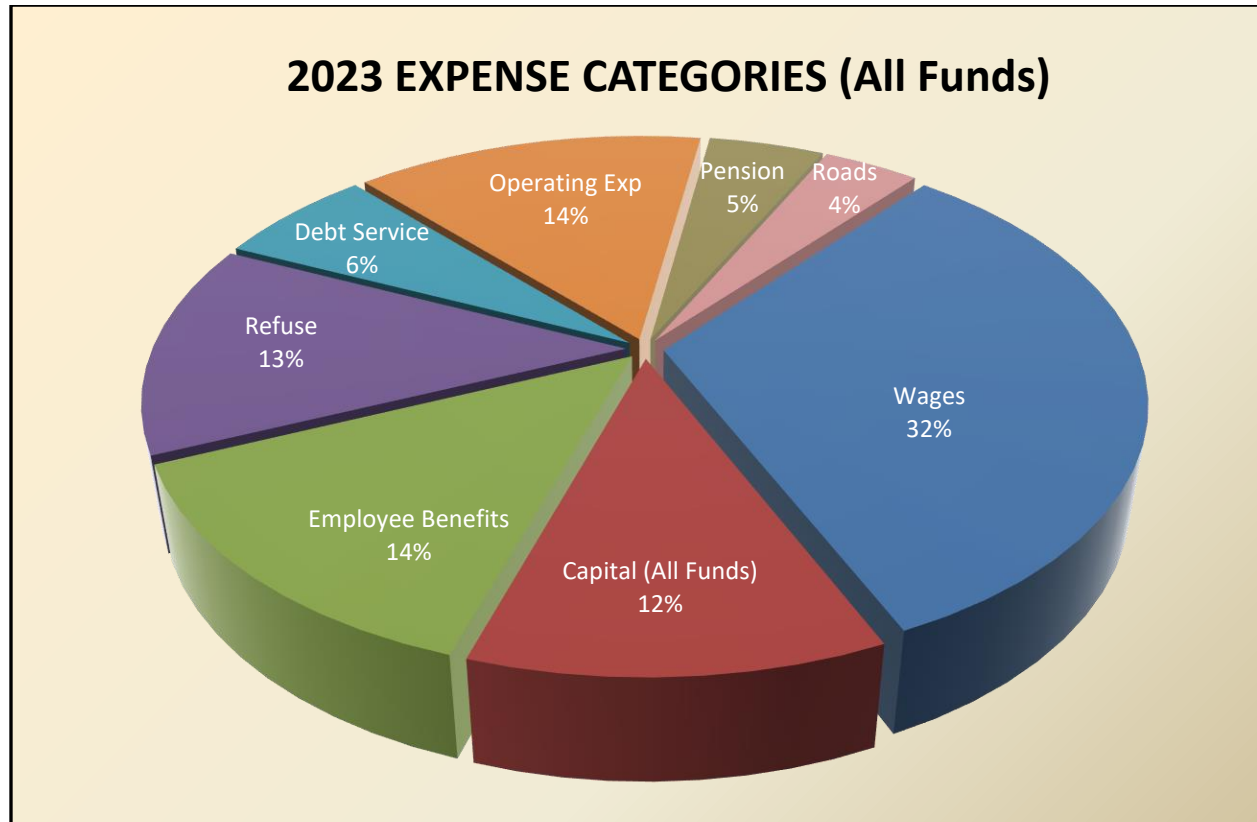
The General Fund, Library Fund, Refuse Fund, Senior Center Fund, and Park and Recreation Fund include all personnel, fringe benefit, insurance, utilities, maintenance, and operational costs. The Capital Funds support infrastructure improvements and equipment replacements. The Trust Funds include employee pension costs.

The Capital Reserve Fund, Recreation Capital Fund, Fire Department Capital Reserve Fund, Road Equipment Capital Fund, Library and Senior Center Capital Funds, and the Country Club Capital Fund segregate equipment acquisitions and infrastructure improvements to improve tracking for these expenses.

The total cost for personnel, including employee wages and benefits, is the largest single expense in the Township budget, representing 46% of total appropriations. Refuse collection and waste disposal services accounts for 13%, debt service represents 6%, and pension costs are 5% of the total budget. Capital appropriations represent 12%.

Operating expenses include insurance, utilities, professional services, repairs and maintenance, contracted services, and the cost of goods sold, representing an additional 14% of the total budget.

The following chart shows total appropriations for all Funds by expense type:



### **Township Services**

The proposed budget continues funding emergency services, maintenance of public roads and rights-of-way, recreation services and programs, park maintenance, refuse and recycling collections, Library, and Senior Center. Appropriations also include debt payments on outstanding bonds, funding for infrastructure improvements, and capital equipment purchases. There are no proposed reductions in Township services.

### **Service Levels**

Appropriations in the proposed 2023 Budget will continue the high level of service expected by Township residents. There is a continued emphasis on the expansion of a paid fire service and infrastructure improvements to Township-owned facilities. Next year will also bring changes to our trash collection service due to a new contract that includes a collection model called “cart only contents” service for a majority of households.

Funding for police and emergency medical services, maintenance of public roads and rights-of-way, recreation services, park maintenance, and the operation of the Library and Senior Center remain relatively unchanged from the prior year. The Northampton Valley Country Club is anticipating business growth as an enterprise fund of the Township government. There are no proposed reductions in Township services.

## Police Services

Police services in the Township are provided by a full-time force of 44 sworn officers and 11 civilian employees. The police force is at full complement for the first time in four years with the recent hiring of three female officers. The Department also successfully implemented a K-9 program in 2022. Officer John Hearn and K-9 “Pako” completed required training in September. Officer Eric Freas and K-9 “Maui” are currently in training. The K-9 unit has been fully funded to date by community contributions.

The Department is accredited by the Pennsylvania Association of Chiefs of Police. It is one of only 149 departments in the Commonwealth to receive this designation. Accreditation requires the Department to maintain standardized policies, procedures, and training to enhance professionalism and reduce potential liabilities to the Township. Its community policing philosophy has built relationships between department and the public that assist officers in preventing and solving crimes. In addition, a School Resource Officer assigned to Council Rock South High School trains school staff and educates students to improve safety and crime prevention in the school.

The Department averaged 20,000 calls for service between 2017 and 2019; however, this number dropped to 17,500 calls in 2020 and then increased to 18,800 calls in 2021. Approximately 17% of these calls are self-initiated by our officers. These are reported calls observed by officers while on duty that generate an Incident Report.

The table below demonstrates a 39.8% reduction in reportable crimes to the Uniform Crime Reporting Program at the Federal Bureau of Investigations:

	2017		2018		2019		2020		2021	
	Reported/Cleared		Reported/Cleared		Reported/Cleared		Reported/Cleared		Reported/Cleared	
<b>Part I:</b>	198	102	195	81	167	72	148	63	117	53
<b>Part II:</b>	381	250	382	238	343	197	315	180	297	136
<b>Total:</b>	579	352	577	319	510	269	463	243	414	189
<b>Clearance Rate:</b>		60.8%		55.3%		52.7%		52.5%		45.7%

Most Part I crimes are classified as violent and include aggravated assault, forcible rape, murder, robbery, arson, burglary, and motor vehicle theft. Fraud can also be classified as a Part I crime depending on the dollar amount. Part II crimes include simple assault, curfew offenses, embezzlement, forgery, disorderly conduct, alcohol and drug offenses, fraud, vandalism, and weapons offenses.

Clearance rates represent the percentage of reportable crimes that were solved by the Department. They can serve as an indicator of police effectiveness and police-community collaboration. While the chart shows a reduction in clearance rates over the five-year period, it is important to consider the types of reported crimes solved. For example, domestically related assaults have an almost 100% clearance rate but fraud cases are much more difficult to solve, and the Department has experienced a steady increase in these types of crimes over the same time period. In 2022, it is estimated that fraud cases will increase by 25% from the prior year.

Total appropriations for police services in 2023 is \$10.69 Million, or 51% of the General Fund budget, that includes a 3.25% wage increase in accordance with the current Collective Bargaining Agreement between the Township and the Northampton Police Benevolent Association. Wages and benefits provided to our officers are competitive with other police departments in the region.

## Fire Protection Services

The current fire service in the Township is a “combination” Fire Department, with both volunteer and paid firefighters operating under a single command structure. The existing full-time employees provide fire protection on 12-hour shifts working from 6:00 am to 6:00 pm, seven days each week. Volunteers continue to provide coverage during overnight shifts; however, there is never a guarantee that enough volunteers are available for a major incident, and the Department still relies on mutual aid from adjoining communities.

Two separate studies conducted independently by the State and County governments in 2018 and 2021 document the decline in volunteer firefighters and emergency medical services personnel, and affirmatively state that it will result in an expansion of paid staffing and related tax increases.

Due to a steady decline in volunteers willing to commit to the mandatory 200-hours of initial training and continued weekly drills, the Township began to address the reduction in volunteer firefighters in 2008 by hiring four paid employees to provide daytime service. These firefighters worked from 8:00 am to 4:30 pm, Monday through Friday. The Township received a \$500,000 Federal grant to partially fund the paid program, and its implementation resulted in a 50% reduction in response time.

Recognizing the need to expand its paid program, the Township received another Federal grant for \$890,000 in 2019 to expand full-time services. The grant allowed the Township to hire 5 additional paid firefighters, establish paid leadership positions, and implement the current 12-hour shifts. The Township also implemented an “on-call” program that paid a stipend to the limited number of available volunteers who would agree to respond in the overnight hours.

The decline in volunteer firefighters is a national issue and is documented in recent studies by the Pennsylvania Legislature and the County government. These studies demonstrate a significant shortage of active firefighters county-wide, and a recruitment and retention problem across the Commonwealth, noting that an expansion of paid staffing and related tax increase are necessary to provide adequate fire protection services.

The proposed 2023 budget includes ten new firefighter positions that will allow the Department to provide 24/7 coverage from the Richboro Station with minimum staffing for one fire truck. The Township is currently waiting for a positive response to a third Federal grant application that will partially fund the costs for these additional positions.

There will be a need to increase paid department personnel at the Holland Station in future years as the number of volunteers continue to decline.

In addition to addressing personnel needs, the Township awarded contracts this year to replace two of its three fire stations, namely Station #3 in Richboro, and Station #73 in Holland. These buildings were constructed in the 1960's and had outlived their useful purpose with no accommodations for full-time personnel, including a lack of sleeping quarters and locker rooms, and no facilities for female employees. The Fire Department expects to occupy the new stations in Fall 2023, and is currently operating from the former police headquarters on Township Road.

The cost for fire protection services was \$2.12 Million in 2022. With the addition of ten new positions to provide 24/7 service, total appropriations in 2023 will increase to \$3.4 Million.

The Fire Department operates from facilities located in Richboro, Holland, and Churchville. These strategic locations allow the Department to provide rapid response to all areas of the Township. The Department responds to about 700 service calls each year.



## Emergency Medical Services

The Tri-Hampton Rescue Squad provides emergency medical services to the Township from three locations that include stations in Richboro, Feasterville, and a “floating” station in Holland.

The Rescue Squad transitioned from a volunteer organization to full-time paid staff in the early 1990’s due to a lack of trained volunteers, and the paid employees eventually unionized. The paramedics and emergency medical technicians (EMT’s), working as full-time employees have extensive medical and first responder training. After passing an initial certification program, Paramedics must earn 36 Continuing Education Credits (CEU’s) every two years, and EMT’s must earn 24 CEU’s every three years to maintain their required certifications.

The Rescue Squad had been plagued in recent years by low wages and high turnover among its trained medical professionals. With increased funding from the Township in 2020 and 2022, the organization increased employee wages and stabilized its workforce. In addition, adjacent communities served by Tri-Hampton also increased funding, and most recently the Bucks County Commissioners pledged \$5 Million to the thirteen EMS service providers in the County, including the Tri-Hampton Rescue Squad.

The Township contributes \$435,000 annually to Tri-Hampton from a .75-mill real estate tax, or 10.85 per resident per year. A property assessed at the median value of \$39,000 pays just over \$29.00 annually for emergency medical services. The Rescue Squad maintains a 99% in-service time, and a response time of approximately 5½ minutes per call. The Squad is supported by mutual aid from other emergency medical service organizations in the County.

## Public Works Services

The Public Works Department is responsible for maintaining the road system, storm sewer system, parks system, and rights-of-way of the Township, and is one of the few departments in the region to perform in-house road paving services. This maintenance responsibility includes a 180-mile road system, 97 miles of storm sewer piping, 5,100 storm water inlets, 125 detention basins, 220 acres of developed park property, and 500 acres of open space. The Department also maintains 19 buildings, almost 100 licensed vehicles, and various types of construction equipment. It operates with 30 full-time employees, including three mechanics, and 8 seasonal workers.

The in-house paving program proves less costly than contracted paving services, and department employees complete a variety of construction projects, including drainage system improvements, concrete work, street light repairs, and facility maintenance. The department contracts micro surfacing as part of its road maintenance program. This process involves the application of material designed to extend the life of roads in good condition to seal the road surface and minimize cracking and potholes.

The Township’s goal is to pave and/or micro surface approximately ten road miles of the road system each year, assuming an average 20-year life expectancy for paved surfaces. The Department performs storm sewer inlet repairs prior to resurfacing a road. The program is partially funded by a State allocation of motor fuel taxes distributed by PennDOT to local agencies. The amount of this allocation fluctuates annually based on fuel consumption by the public.

The annual road maintenance program is developed using a technology called RoadBotics. Using advanced photographic imaging, road segments are assigned condition ratings on a scale of 1 to 5. RoadBotics has been a valuable tool in identifying the highest priority roads for paving and micro-surfacing.

The proposed appropriation for paving and micro-surfacing in the 2023 Budget is \$1.6 Million that includes \$615,000 from the Township Road Maintenance Fund and \$950,000 from the Highway Aid Fund to improve 9.56 miles of the road system.

In addition to road maintenance, the Department also maintains nineteen different Township facilities including the Administration Building, Police Station, Library, Senior Center, and its own Public Works buildings. Their services include roofing and HVAC maintenance, cleaning, grounds maintenance, and most repairs. When the new fire stations are completed in Fall 2023, the Department will assume maintenance responsibility for those facilities. The proposed budget includes an increase in Public Works maintenance staff by shifting previously vacant positions from the Road Maintenance Division.

### **Waste Collection and Disposal Services**

The Township has four separate contracts for its solid waste management program. These include collection and transportation services, and trash, recycling and yard waste disposal. J.P. Mascaro & Sons, Inc. currently provides collection services for \$2.64 Million while Waste Management provides yard waste disposal for \$136,000, and recycling material disposal for \$73,000. Household trash disposal services are provided by Win-Waste, Inc. for \$1.02 Million.

Beginning January 1, 2023, Whitetail Disposal will be the Township's waste collection and transportation contractor based on a recent public bid for these services. The new contract includes delivery of 95-gallon wheeled trash containers to approximately 10,400 households for automated collection service. This conversion to "cart contents only" service means that residents may only place the wheeled container at the curb for collection and no other containers will be allowed. Automated collection reduces manpower requirements, improves the visual appearance of neighborhoods, minimizes spillage, eliminates the problem of empty trash containers being placed in front of driveways or thrown into the street, and reduces employee injuries.

Under the new contract, higher density residential properties will continue to receive manual trash collection services with a limit of six containers on each collection day. Recyclable materials and bulk waste will continue to be collected weekly. Yard waste will be collected separately from household trash between April 15 and December 15 each year.

The current contract with Win-Waste for household trash disposal expires on December 31, 2023, and the Township will need to seek bids for this service next year.

All of the contracts for waste collection and disposal will increase in 2023. Waste collection and transportation will increase from \$2.64 Million to \$5.18 Million with the new Whitetail Disposal contract for waste collection. The three disposal contracts will collectively increase by \$190,000.

The current rate for trash, recycling, and yard waste collection and disposal is \$299 per year per household. Based on the new collection contract with Whitetail Disposal, and the projected increase for the three disposal contracts, the fee must be increased to \$575.

### **Parks and Recreation Services**

The Parks and Recreation Department provides countless recreation and program opportunities for the community each year. It is also responsible for maintenance of the 220-acre park system that includes both active and passive facilities. Participant recreation services are supported by program fees while park maintenance and administration services are funded by real estate taxes. Summer camp and program fees comprise more than 86% of total program fees, with the balance from swimming pool, special event, ticket sales, and field use charges.



The Department offered over 800 different programs throughout the year with over 4,600 participants, and 800 children between the ages of 6 and 14 enjoyed the summer camp program. Several thousand people participated in special events like the summer concert series and the “Fun Fest”. In addition, the Department operates a pre-school program that is now State-Certified.

The highlight of the year were all of the programs offered by the Department to celebrate the Township’s 300<sup>th</sup> anniversary. These included local history presentations, educational demonstrations, reenactments, historic site tours, historic displays along our Municipal Park trail system, and a permanent Nike Missile Base display installed at the Civic Center. All events for the 300<sup>th</sup> Anniversary celebration were funded by sponsor donations totaling more than \$70,000.

The Department recently engaged a recreation planning consultant to analyze recreation needs in the community and to address the current deficit in developed playing fields for soccer, football, and baseball. The consultant is tasked with preparing concept plans to develop the 39-acre parcel on Hatboro Road, and expand the Recreation Center to accommodate a new pool to replace 60+ year old structure at the Country Club. The end result will be a Master Plan to expand and re-allocate facilities that can guide redevelopment of the Park System in the future.

The Parks Maintenance Division in the Public Works Department performs all maintenance work in the parks and recreation facilities. This includes building maintenance, mowing, trail repairs, snow removal, lighting systems, and repairs to basketball, hockey, and tennis courts. The numerous sports leagues in the Township assume most field maintenance responsibilities.

### **Library Services**

The Free Library of Northampton Township is a hub of community activity and serves residents of all ages. The facility offers more than 300 different programs each year serving over 8,500 participants. These include children’s programs, a summer reading program, kids coding classes, book club activities, art events, Tuesday Morning Matinee movies, and STEM activities. Volunteers donate more than 2,000 hours annually with more than 55% of those hours provided by teens. The Library also partners with Tyler State Park to host a gardening series, and new adult programs are continually added to maintain the Library’s PA Forward Gold Star status.

To serve its patrons, the Library maintains the largest collection of materials in the County with books, periodicals, videos, e-books, audiobooks, newsprint, and magazines and a large offering of e-resources. The collection is updated monthly.

The Library operates with a budget of almost \$1.4 Million and is supported primarily by a real estate tax of 1.73 mills. It is open 7 days each week except in the summer months. Approximately 150,000 patrons visit the Library on an annual basis.

### **Senior Center Services**

The James E. Kinney Senior Center is perhaps the busiest of the 13 Centers in the County with over 850 members. The Center offers a full calendar of interesting activities and events to serve the Township’s senior population. These include organized activities such as bus trips, exercise programs, card games, billiard and bocce tournaments, arts and craft programs and other seasonal events. Attendance in these activities increased this year. The Center operates with 3 full-time employees and a host of volunteers. It is supported by a \$300,000 contribution from the Township, and revenue from bus trip, facility rentals, social events, and dues. Membership is \$25 per year which includes a monthly newsletter and participation in “member only” events. The total appropriations for the facility next year are \$456,000. In 2023, the Center will be expanding its partnership with the Parks and Recreation Department for senior programming. The facility will also have extended evening hours.

## The Operating Budgets

### Appropriations

The Township has 11 Operating Budgets that account for police and fire protection services, emergency medical services, planning and zoning, finance, administration, refuse collection and recycling, library services, the senior center, parks and recreation services, country club operations, road and facility maintenance, and debt service.

Total 2023 appropriations for government services in the Operating Budgets are \$47.05 Million, an increase of \$7.1 Million over the prior year. \$2.8 Million of the increase is for household waste collection and disposal, \$1.45 Million for fire services, and \$1.7 Million in the General Fund.

The additional \$1.7 Million in the General Fund includes transfers for Senior Center, Parks and Recreation, and Fire Protection services. There is also a \$600,000 transfer for capital improvements. The cost for police services increased by approximately \$800,000.

The proposed appropriations for government services are detailed as follows:

Administration/Finance	\$1.7 Million	3.6%
Police Services	\$10.69 Million	22.7%
Fire and Rescue Services	\$4.4 Million	9.4%
Public Works	\$6.85 Million	14.6%
Code Enforcement/Zoning	\$1.35 Million	2.9%
Trash Collection/Recycling	\$7.15 Million	15.2%
Debt Service	\$3.21 Million	6.8%
Parks and Recreation	\$2.84 Million	6.0%
Library and Senior Center	\$1.82 Million	3.9%
Country Club	\$5.34 Million	11.3%
Interfund Transfer to Capital	\$1.71 Million	3.6%

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**\$47.05 Million**

### Revenues

Total operating revenues in the 2023 Budget are \$46.9 Million, or \$4.8 Million higher than the 2022 Budget. The difference can be attributed to increased earned income and transfer taxes of almost \$1 Million in the General Fund, and \$3.55 Million in the Refuse Collection Fund from an increase in the refuse fee necessary for the new collection contract. In addition, the proposed budget includes an appropriation of \$600,000 in ARPA Covid-19 Recovery funds for the Country Club Operating Fund. The funds will replace a portion of the \$2 Million in lost revenue from the restrictions on banquet operations in 2020 and 2021. The appropriation increases current revenue by \$376,000 and results in a positive ending fund balance in 2023.

The Township experienced strong earned income tax, transfer tax, and permit fee collections in 2022; however, this is expected to be less robust next year given the current inflation rate and downward pressure on the housing market from higher mortgage interest rates.

Parks and Recreation Department revenue will be slightly under budget at \$70,000 as the Department continues to build back program participation from the Covid-19 limitations imposed in the last few years on participant recreation services, ticket sales, and facility rentals. Program revenue is projected to increase by \$80,000 in 2023 over the prior year.

Finally, the Township has seen continued revenue growth in food and beverage sales at the Country Club since the pandemic lockdowns decimated banquet sales in 2020 and 2021, while the revenue from golf operations grew by 15% since 2019. Club Management continues to be optimistic about future growth, particularly in food and beverage operations.

## **Capital Appropriations**

Appropriations for infrastructure improvements are included in seven different Capital Improvement Funds in the Township budget. These include improvements to the Township's roadway and storm sewers systems, traffic signals, public buildings, and park facilities. Here is a brief description of the more significant projects:

### **Transportation System Improvement Projects**

#### ***Township Road Extension and Roundabout Construction***

This project involves a re-alignment of Township Road southbound to intersect at Second Street Pike and Bustleton Pike. It also includes the construction of a Roundabout at the intersection, and the relocation of a new public parking area to replace a portion of the public parking lot located behind the Rescue Squad building. A portion of this parking lot will be used for the new alignment of Township Road.

The Township completed preliminary engineering design in 2022 and received a State Highway Occupancy Permit following acquisition of all rights-of-way needed for construction. The total cost for this engineering design phase was \$580,000, which was partially funded by \$425,000 in grants and developer contributions. The project has now been turned over to PennDOT for final engineering design and construction with no further financial obligation to the Township. Construction is planned in 2024. The estimated project cost is \$6.5 Million.

#### ***Streetscape Improvements in Holland***

This project will re-align the intersection of Buck Road and Old Bristol Road at a 90-degree angle, add dedicated left turn lanes on both roads, and replace the traffic signals. In addition, a new bridge will be constructed over Mill Creek to allow greater vehicle stacking in the left turn lane westbound on Buck Road to improve through traffic conditions. Finally, the eastern portion of Buck Road from Chinquapin Road eastbound to Old Bristol Road will be improved with sidewalks and decorative street lights. PennDOT has confirmed that the road will be open to traffic during construction but delays should be expected.

The Township completed preliminary engineering design in 2021 at a cost of \$460,000. PennDOT assumed the cost for final engineering design and construction which is planned in 2024. The estimated project cost is \$14 Million.

#### ***Sidewalk Installation on Second Street Pike***

This project will install sidewalks on Second Street Pike between Tanyard Road and Crossroads Plaza Drive, and includes a pedestrian bridge over Iron Works Creek. It will complete sidewalk connections from Manor Drive to Tanyard Road through the Village of Richboro.

The Township completed preliminary engineering design in 2021 at a cost of \$230,000, and obtained an \$893,000 grant for construction. This particular grant program obligates PennDOT to publicly bid and oversee project construction anticipated to begin in early 2023.

#### ***Trail Installation from New Road to Municipal Park***

This project involves the construction of a walking trail on a 2-acre Township-owned property adjacent to Maureen Welch Elementary School connecting New Road to Municipal Park. The Township completed engineering design and a DCED grant for \$237,000 funded the construction. The work was recently completed and the trail is already being used by the public.

### ***Trail Construction along Newtown-Richboro Road***

There are two proposed projects to construct pedestrian trails along Newtown-Richboro Road.

The first project involves construction of a walking trail from St. Leonard's Road to Tyler State Park. The trail would connect to the Park using an existing pedestrian walkway under the bridge over the Neshaminy Creek. The project will also provide a connection to the planned Neshaminy Greenway Trail. Engineering design and permitting at an estimated cost of \$225,000 is underway, and the Township received an \$825,000 grant for construction, which is anticipated to begin in 2024. The proposed budget includes a \$200,000 allocation of ARPA Covid-19 Recovery Funds to offset the engineering cost.

The second project involves construction of a walking trail from Rock Way to St. Leonard's Road. The Township applied for a \$370,000 grant from DCED to construct this trail extension and is waiting for a positive response on its application.

### ***Traffic Signal at St. Leonard's Road and Newtown-Richboro Road***

A traffic signal warrant analysis was completed by the Township Traffic Engineer that supports construction of a traffic signal at this intersection. The Township applied for a DCED grant to fund the estimated \$320,000 construction cost and is waiting for a positive response on its application. Engineering design is underway and construction is expected in Spring 2023. The engineering design will be coordinated with the trail projects.

### ***Richboro Sidewalk Installation Project – (Phase 2)***

The Township has applied for a PennDOT Multi-Modal Fund grant to install additional sidewalks in Richboro. This includes sidewalk extensions along Temperance Lane, Bustleton Pike, Tanyard Road, and Almshouse Road that will connect with existing sidewalks. The grant application requests almost \$2 Million to complete Phase 2 of the sidewalk plan. The Township has also requested a waiver for any local matching funds, which is allowed under this grant program. Phase 1 of the sidewalk plan was completed this year. A decision on the grant application is expected by year-end. The proposed budget includes a \$150,000 allocation of ARPA Covid-19 recovery funding to offset the engineering cost.

### ***New pedestrian crossing on Newtown-Richboro Road at Fir Drive***

This project is intended to provide a safe connection for the Deerfield North, Long Lane Farm, and Northampton Crossing developments to the Township's Recreation Center, Civic Center, and Tyler State Park. The project includes installation of a pedestrian crossing with an overhead flashing warning system, signage, and a walking trail from the intersection to #1 Trail Lane in Tyler State Park. The lane connects to the Civic Center trails system.

The Township applied for a State grant from the PA Department of Community and Economic Development (DCED) to fund construction of the trail extension and pedestrian crossing signal. A field scoping meeting with the PA Department of Conservation and Natural Resources (DCNR) and Tyler State Park officials is scheduled for November 18, 2022 to review existing conditions. The estimated project construction cost is \$297,000 with a required match of \$47,000 from the Township. Engineering design is an additional \$30,000.

### ***Jacksonville and Almshouse Road Roundabout***

This project involves the construction of a single-lane Roundabout to improve traffic flow and eliminate the current backup conditions at the intersection. The existing traffic signal will be removed as part of the project that also includes storm water improvements to reduce the potential for flooding.

The Township originally submitted concept plans to the Bucks County Planning Commission and the project which was ultimately included on the State Transportation Improvement Plan (TIP) for State funding. PennDOT is current in the preliminary engineering design phase and expects the project to begin construction in 2024. The estimated project cost is \$3.5 Million. The Township's investment in concept plans was approximately \$35,000.

### ***Pedestrian Crossing at Hawthorne Drive and Holland Road***

The Township recently received a PennDOT Highway Occupancy permit to construct a pedestrian crossing at this intersection. The Township applied for the permit based on resident requests for a safe means to cross Holland Road. The crosswalk will connect to the Council Rock South High School property. The Township Public Works Department will complete the installation in 2023. The project cost is estimated at \$25,000.

### ***Traffic Signal Improvements***

The Township has been successful in obtaining grants in recent years from the PennDOT Green-Light-Go (GLG) and Automated Red-Light Enforcement (ARLE) Programs for traffic signal system improvements. This includes camera systems that trigger signal changes, emergency pre-emption, dilemma zone detection, pedestrian crossing activation systems, and modern signal controllers.

The Township recently completed upgrades to the signal at Second Street Pike and New Road with a \$147,000 grant. The Township was recently awarded a \$152,000 grant for signal improvements at Bristol and Hatboro Roads, and at Bristol Road and Churchville Lane/Bustleton Pike. The Township is currently waiting for a positive response to its grant application from the to improve the signal system at Buck Road and Middle Holland/Stoneyford Road. The Township typically has a 15% to 20% required match for these grants.

While these signal improvements are not generally visible improvements, the public may notice that our traffic signal systems are functioning efficiently and are traffic responsive. All of these projects improve pedestrian and motorist safety at our signalized intersections.

## **Public Facility Improvement Projects**

### ***New Fire Stations***

Construction is underway for the replacement of Fire Station #3 in Richboro and Fire Station #73 in Holland. The projects are currently within budget and on schedule for completion in Fall 2023. The new fire stations will provide facilities for a growing paid Fire Department that includes facilities for full-time employees. The existing stations, now demolished, did not have facilities for full-time staff, particularly female employees, and lacked adequate ventilation and cleaning systems for a safe working environment. The Township issued municipal bonds in early 2022 to fund these projects at an estimated cost of \$32.7 Million.

### ***Other Facilities***

Public facility maintenance projects include HVAC system replacements, basketball court repairs at Municipal Park, a new control system for field lights at the Civic Center, a new gym curtain at the Recreation Center, fence replacement at Big Meadow Park, and pool repairs at the Country Club. The pool is used exclusively by the Parks and Recreation Department for its summer camp program. Minor repairs to the coping and skimmer system were completed this year with hydro-blasting and painting planned for Spring 2023.



## Park System Improvements

### All-Inclusive Playground

The Township recently completed construction of an all-inclusive playground at Municipal Park. The project was a joint venture with the Miracle League of Northampton Township. The project expanded and renovated the existing playground for use by children of all ages and abilities. The Miracle League contributed \$300,000 toward the \$750,000 project cost and the Township received \$375,000 in grants toward the construction. The new playground was constructed with volunteer assistance. The proposed 2023 Budget includes a \$105,000 appropriation to install a shade structure over the playground.

## Equipment Acquisitions

Capital appropriations for equipment include replacement vehicles for the police and public works departments, snow plows, salt spreaders, construction equipment, computer systems, ballistic vests, body cameras, and vehicle cameras. The Public Works equipment replacement program is funded by a Road Machinery tax of .57 mills.

The Township uses short term, low interest loans to fund replacement vehicles and equipment. These loans vary from three to seven-year terms depending on the life expectancy of the purchase. The Township made the final payment on its loan obligation to replace emergency communications radios for police, fire and emergency medical services this year. It was a 7-year loan at 1.5% funded by the County Government.

The total appropriation for equipment acquisition is \$1.8 Million. This includes \$800,000 for a new fire truck, \$470,000 for public works equipment, and \$270,000 for the police department. The Township will need a \$900,000 short term loan to acquire some of this equipment.

The Township's ten (10) year capital improvement plan serves as a guide when budgeting for capital needs. The Plan is updated annually.

## Real Estate Taxes

There is no proposed tax increase in the draft 2023 Budget.

The total Township real estate tax levy will remain at 21.6111 mills if the budget is approved as presented. For a property assessed at the median value of \$38,500, the total annual real estate tax is \$840 or \$70 per month for all Township services. The tax millage is allocated to the Operating Funds as follows:

Administration, Police, Zoning & Public Works Services	8.8747 mills
Fire and Emergency Medical Services	3.7500 mills
Library Services	1.7284 mills
Parks and Recreation Services	1.6280 mills
Road Maintenance Services	0.5000 mills
Public Works Equipment	0.5703 mills
Debt Service	4.5597 mills
	<hr/>
	21.6111 mills

Township taxes are approximately eleven percent (11%) of the total real estate tax bill and support all local government services. While there is no proposed tax increase in 2023, an increase in the debt service tax is necessary for the new fire stations.



## **Closing Thoughts**

The Township is in good financial condition in the short term; however, the organization is experiencing an increase in costs for goods and services. With the sharp rise in interest rates over the past year, and the uncertainty that it will create (i.e. increased cost for supplies, decreased permit revenue, etc.), there will be more pressure on our Departments to do the same or more with fewer resources. This will be our future challenge.

Improvements to our critical infrastructure continue to be a priority and this is reflected in each new budget proposal. The proposed 2023 Budget is no exception with a focus on improvements to the transportation system, parks, public buildings, and equipment.

Projects to promote economic revitalization of our commercial districts is on-going, with the proposed Roundabout at Bustleton and Second Street Pikes, streetscape improvements in Holland, new sidewalks and trails that connect neighborhoods with the business community, and signal improvements that minimize traffic congestion and improve motorist safety. These improvements enhance the appearance of the downtown areas and promote business development that translates to an increased tax base. Planning tools such as the Richboro and Holland Master Plans are the blueprints for future growth and development in these areas.

The Township has been successful in acquiring millions of dollars in federal and state grants for these infrastructure improvements with relatively small up-front investments. For example, the Township's initial investment in preliminary engineering for the Buck Road Streetscape Project will return \$15 Million to the community in infrastructure improvements in Holland. Our \$35,000 investment in concept plans for the Jacksonville and Almshouse Road intersection will return another \$3.5 Million in road improvements. The \$200,000 investment in design for the roundabout at Bustleton and Second Street Pike will return an additional \$6.5 Million.

The Township addressed the crisis in fire and emergency medical services created by a lack of volunteers by establishing a paid Fire Department, and further recognized the need for new facilities by authorizing the construction of two new fire stations. These are critical policy decisions that positively effect public safety. The Board should be commended for its leadership and foresight in supporting these initiatives.

Our police, fire, and emergency medical agencies, public works department, parks and recreation department, library, and senior center continue to provide outstanding service to the community. Our perception is that residents enjoy a high level of satisfaction with our services, and the Township reputation as a premier community in the region is unquestioned.

Township employees remain our greatest asset and are motivated to provide prompt and responsive services and this is evident in every Township Department with a clear recognition that our single mission is to serve the public. Their primary mission is to maintain accustomed service levels and the quality of life our residents currently enjoy.

The proposed 2023 Budget continues these services and provides the necessary resources to achieve the goals and priorities established by the Board of Supervisors. It represents, in dollar terms, an accurate estimate of the Township's commitment to the health, safety and welfare of the community. The Administration is pleased to present the proposed budget for your consideration.

Respectfully submitted,

Robert M. Pellegrino  
Township Manager