

Haverford Township

2026 Preliminary Budget



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Haverford Township

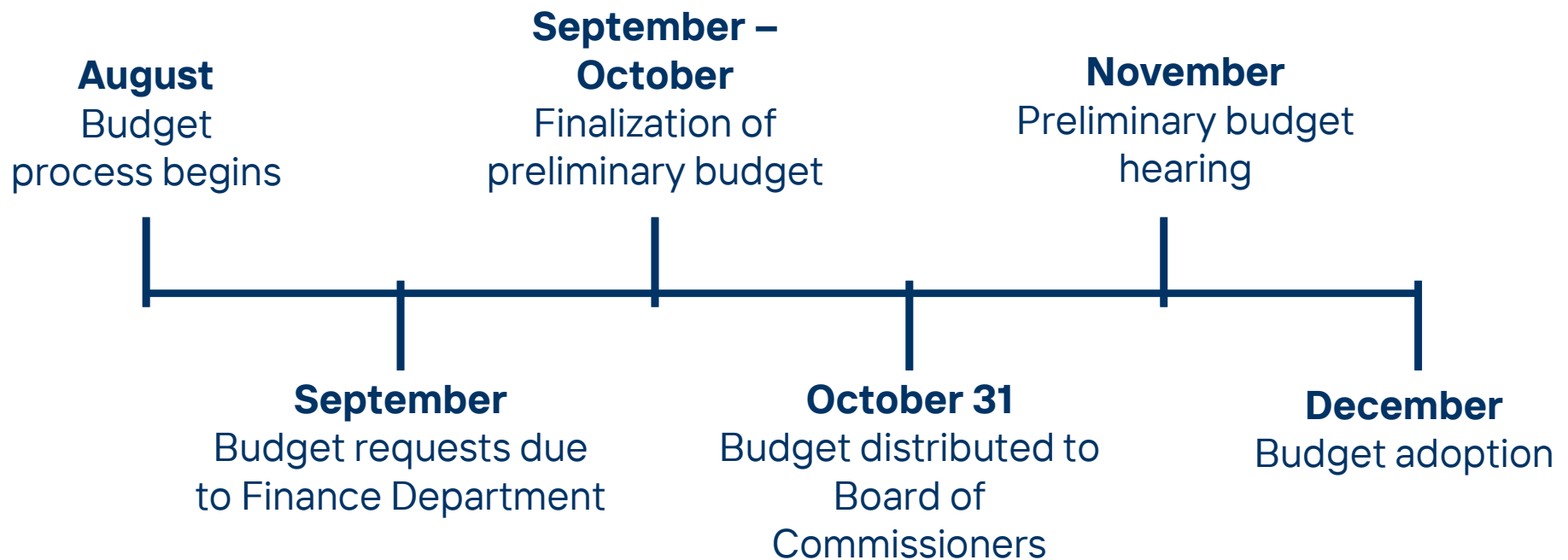
Purpose of this Presentation



1. Basic understanding of local government fund accounting
2. Clear summary the 2026 operating budget
3. List of proposed 2026 capital projects
4. A sense of confidence in the future of Haverford Township

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How the Budget Comes Together



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Budget Overview – Funds Available for Appropriation



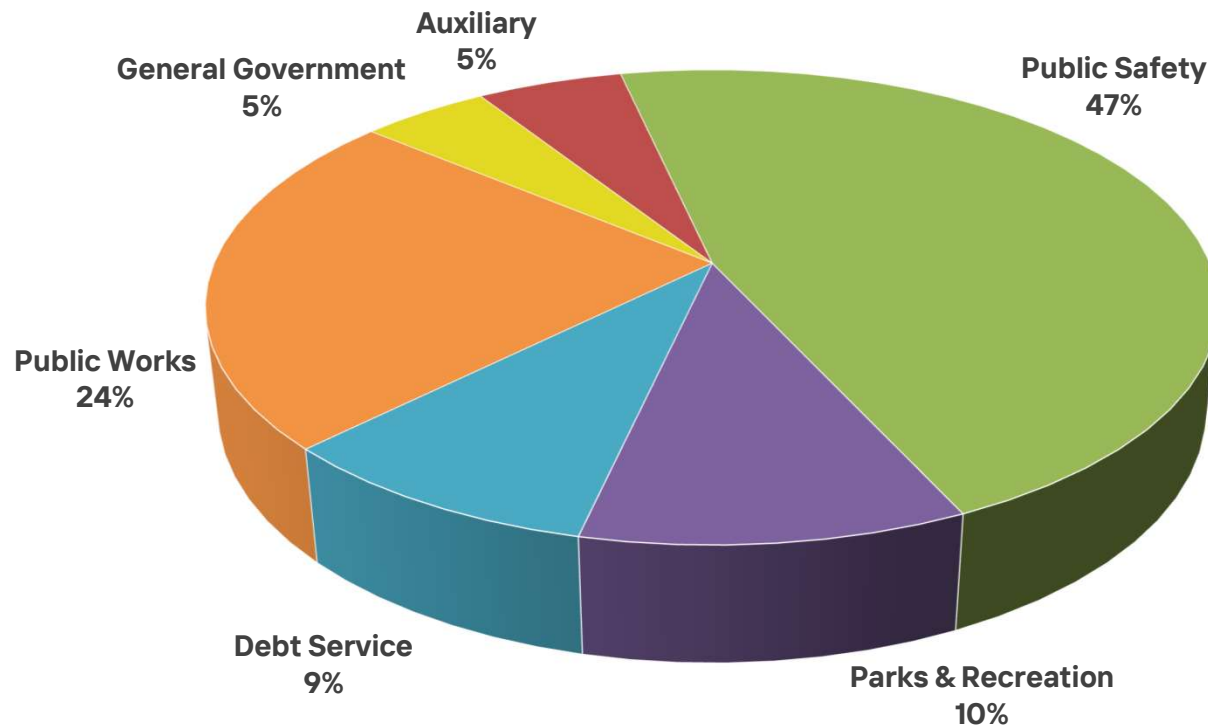
Fund	2026 Proposed
General	\$57,722,308
Sewer	\$5,643,300
ARPA	\$4,274,849
Capital Projects	\$14,094,104
TOTAL	\$81,734,561



General Fund

Haverford Township

General Fund Expenses - \$57.7 Million



Expense Category	In Millions
General Government	\$2.8
Auxiliary	\$3.2
Public Safety	\$26.9
Parks & Recreation	\$6.0
Debt Service	\$5.2
Public Works	\$13.6

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General Fund: An Apples-to-Apples Comparison



General Fund	2026 Proposed	2025 Adopted	Change
Total Expenses	\$57,722,308	\$54,813,192	\$2.9 Million (or 5%)
Transfer for Road Program	(\$800,000)		
Increased Pension Contribution	(\$1,466,667)		
Prior Year Purchases		(\$459,000)	
Timing of Last Payroll		(\$900,000)	
Increased MMO Calculation	(\$332,600)		
Transfer for CREC Eqpt, Deck, Field Lighting	(\$395,000)	(\$200,000)	
Total Expenses	\$54,728,041	\$53,254,192	\$1.5 Million (or 3%)

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Key Factors Affecting the Budget

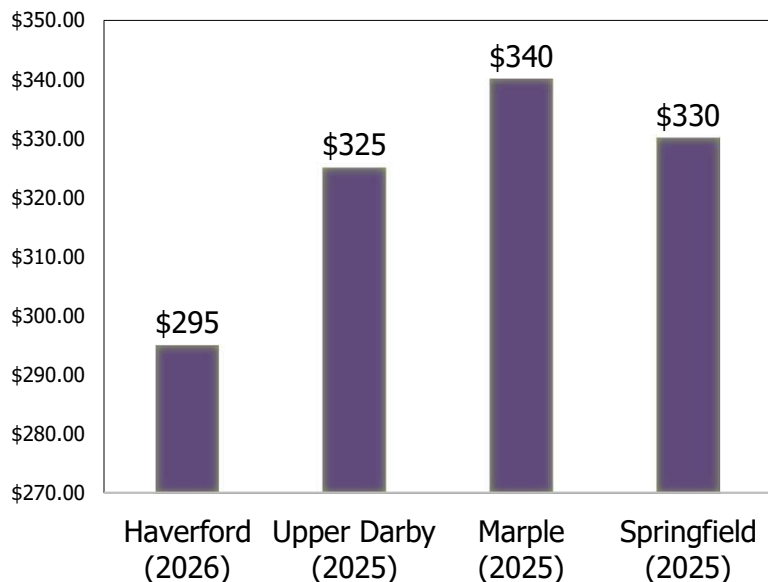


- Labor contracts = 3.6% (civilian) and 4.2% (police) (No new positions)
- Health insurance costs: increasing by 5.9% after a 6.5% increase in 2025 (12% over 2 years)
- Police and legacy civilian pension plans
- Library operational funding: +3%
- Volunteer fire company operational funding: +3%
- Delaware County Solid Waste Authority charges: +4.97% for 2026, +4% in 2025 (9% over 2 years)
- Utility costs: +5.4%

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Proposed Trash Fee - \$295 → \$12 increase (\$1 more per month)



DCSWA fee increasing from \$90.50/ton to \$95/ton - 2024–2026 increase: \$87 → \$95/ton ($\approx 9\%$).

Trash tonnage up slightly from 2025 to 2026

Robust year-round services: Trash, recycling, brush pickup, glass diversion, curbside leaf collection, semiannual e-waste and shredding events, our textile recycling partnership with Helpsy, pumpkin collection, etc.

Low fee compared to neighboring DELCO municipalities.

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Township Debt



Outstanding Debt: \$53.3 million (44% of our allowable borrowing capacity)

Proposed budget includes no new borrowings in 2026

Current Bond Rating: Aaa Investment Grade by Moody's Investor Services

About 9% of our general fund budget goes to pay debt service

Well within GFOA Best Practices: 10% to 15%



**Best Practices &
Advisories**

<https://www.gfoa.org/best-practices>

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Pension Obligations: Legacy programs in a changing world.

Defined Benefit (DB) Plans – Police Pension and Civilian Pension

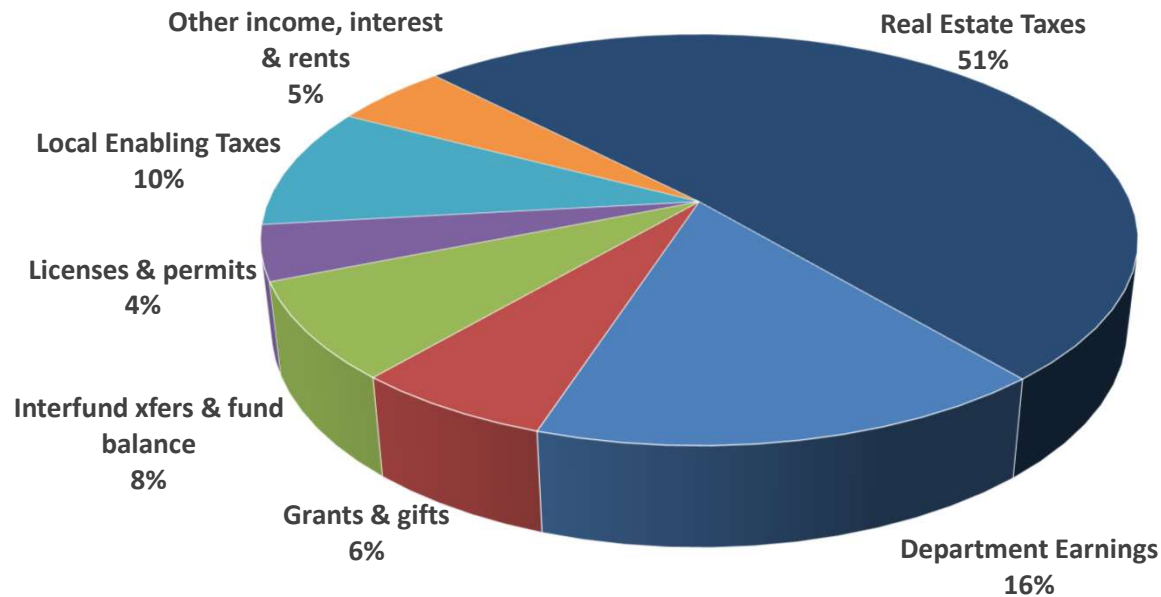
- Lifetime benefit
- Funded by employees, Township and State Aid
- Minimum Municipal Obligation (MMO) required annually
- MMO calculated by actuary based on multiple factors: investment returns, plan participant ages and years of service, mortality tables, etc.

Defined Contribution (DC) – Civilian Employees Hired After 2010

- Implemented about 15 years ago for all new employees
- Predictable Township contributions
- Strong benefit for employees

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General Fund Proposed Revenues - \$57.7 Million



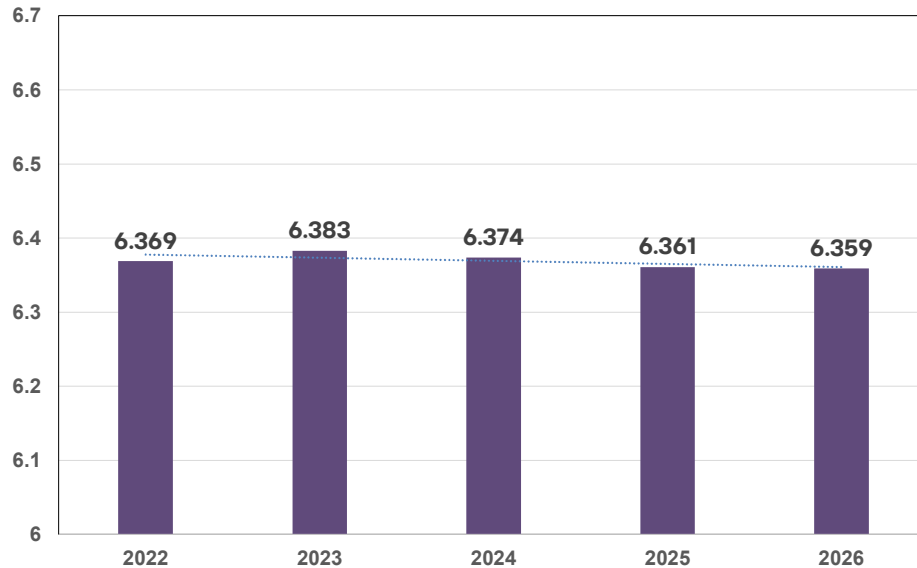
Source	In Millions
Department Earnings	\$9.3
Grants & gifts	\$3.6
Interfund xfers & fund balance	\$4.4
Licenses & permits	\$2.5
Local Enabling Taxes	\$5.5
Other income, interest & rents	\$2.9
Real Estate Taxes	\$29.5

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Assessed Value: A Brief History



Taxable Assessed Value History
(in billions)

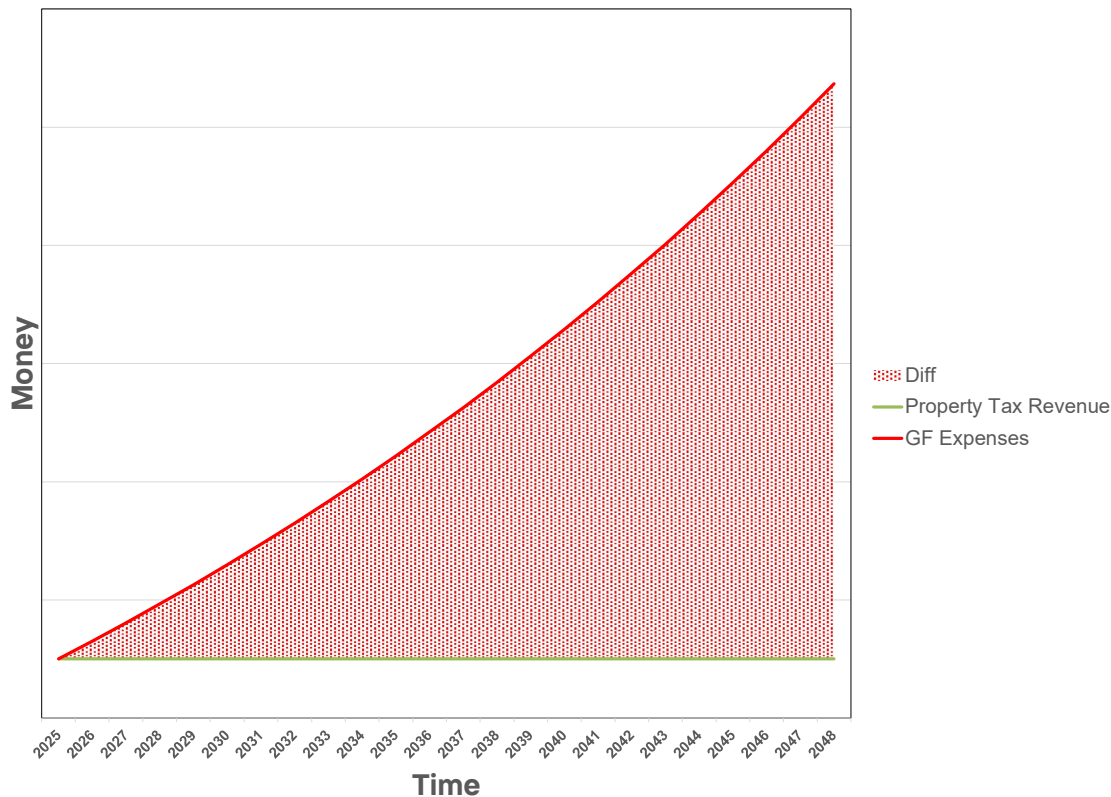


Property Tax Revenue:

- Largest revenue source in General Fund.
- Assessed value x Millage Rate / 1,000.
- Built-out community.
- Relatively flat assessed value = relatively flat property tax revenue over time.

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Structural Gap: Options to Close the Gap



- Efficiencies – doing more with less
- Defer capital work – creates more problems in the future
- New revenue sources
- Service cuts
- Use of reserves
- Adjust tax rate

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Closing the 2026 Budget Gap



Township Real Estate Tax – 3.3% proposed increase

Trash/Recycling Fee – \$12 annual increase to \$295 per residential unit

Strategic drawdown of fund balance

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Impact of a 3.3% Tax Increase



Average residential assessment = \$346,000
Tax Impact = \$51 per year

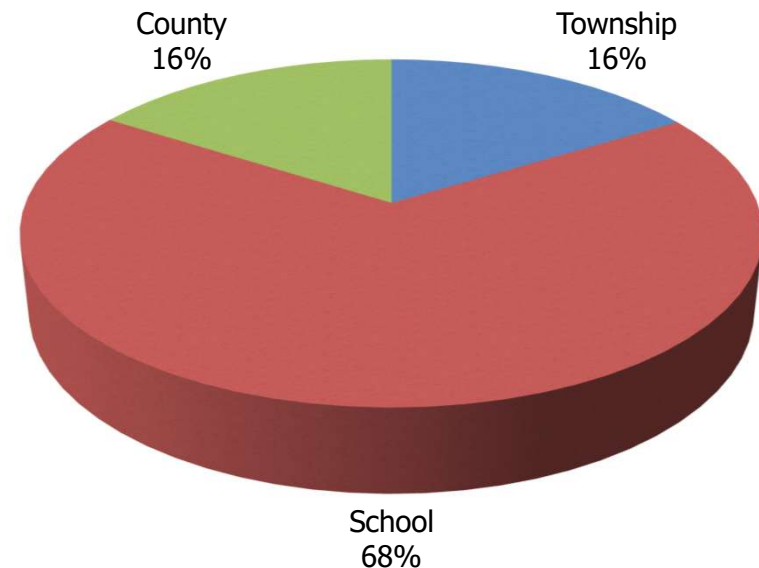
Median residential assessment = \$306,000
Tax Impact = \$46 per year

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Where Your Tax Dollars Go



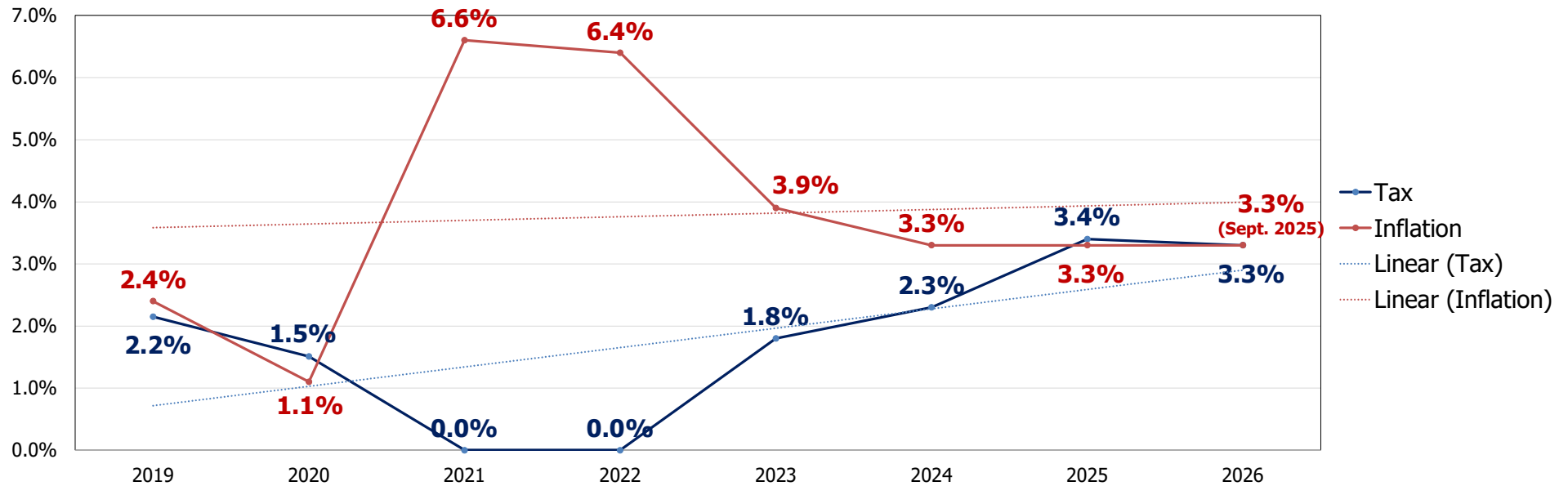
Taxing District	Tax Rate
Township (2026 - proposed)	4.695
School (2025-2026)	19.5609
County (2026 – proposed)	4.609



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Township Property Tax versus Rate of Inflation: A Brief History

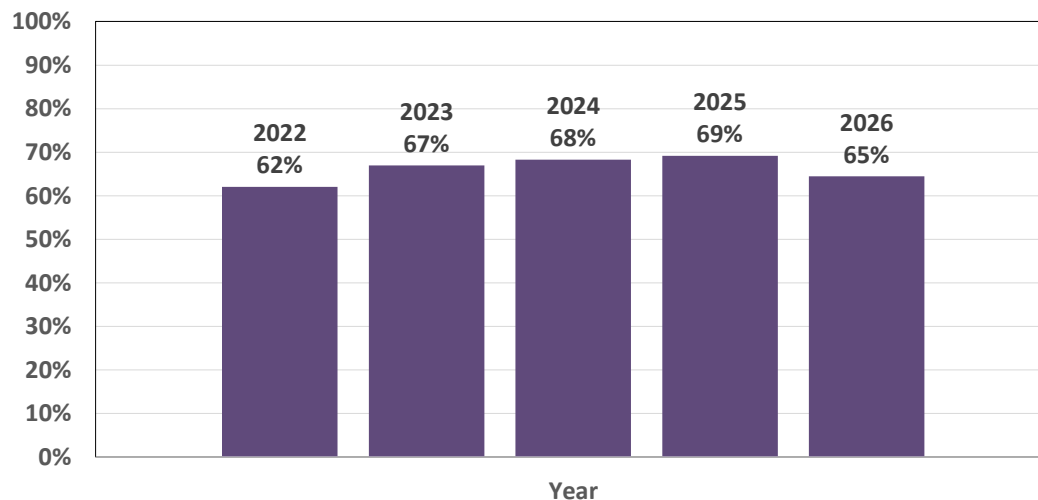


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Strategic Use of General Fund Reserves: When is it Appropriate?

General Fund Reserves
(Unrestricted, Uncommitted)
(as % of Revenues)



- Crisis or emergency: Reserves allow us to respond quickly without disrupting core services.
- Unexpected revenue shortfalls: They help us manage temporary dips in revenue without sudden cuts.
- Stabilizing tax increases: Reserves smooth out year-to-year impacts and prevent large spikes.
- Proposed use of reserves in 2026: \$2.6 million to strengthen pension funding and support general operations.
- Continued healthy reserves help maintain our Aaa rating.

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Strategic Drawdown of General Fund Reserves - \$2.6 Million



Additional Pension Funding	\$ 1,799,267
Police Retirement Obligations	\$ 350,000
General Operations	\$ 450,000
Total	\$ 2,599,267



Sewer Fund

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Sewer Fund Overview



Largest Revenue Source:

- User Fees based on actual water flows provided from Aqua PA
- Measured from Oct. 1 – Sept. 30 annually
- Generally consistent flows = little natural growth

Largest Expense Drivers:

- Sewer Crew (Township Employees)
- Fee to Upper Darby Township for conveyance and treatment
 - We are 38.59% of metered flows from Upper Darby to the City of Philadelphia (per 1956 agreement)
- Fee to Radnor-Haverford-Marple Sewer Authority
 - Based on metered flows from Haverford Township (steadily increasing in recent years).

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Sewer Rates: No Change This Year, Planning for the Future



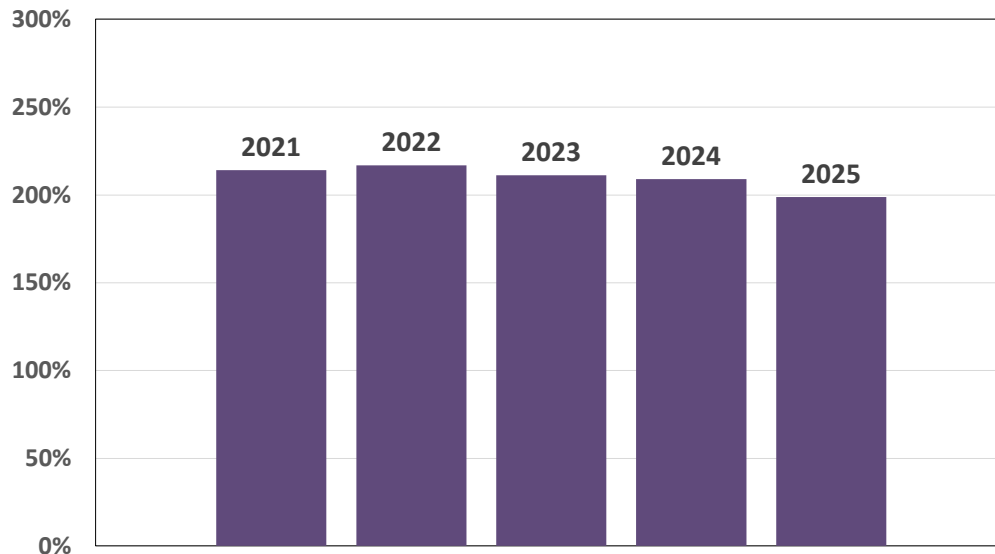
- \$5.15 per one-thousand gallons of water used.
- Inflow and infiltration poses significant challenge.
- Consider future discussion of rate structure.
- Sewer Fund is restricted for sewer needs.
- Fund balance: financial stability.

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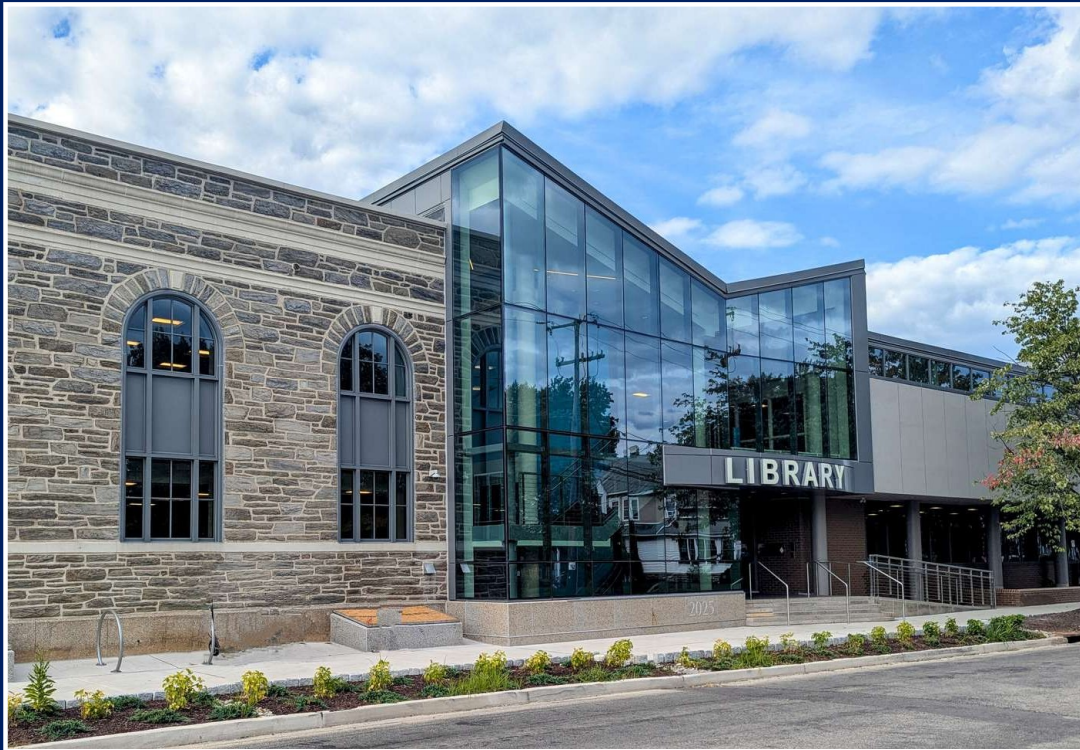
Sewer Fund Reserves – No Planned Use of Reserves in 2026



**Sewer Fund Reserves
(as % of Revenues)**



- Crisis, catastrophe, or emergency: Reserves allow us to respond quickly, mitigating environmental risks without disrupting core services.
- When additional funds are needed to address unanticipated short-term revenue shortfalls
- Stabilizing rate increases.



Capital Projects Fund

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Proposed 2026 Capital Projects



- Road Program
- Solar Panels Township Building
- Various Storm and Sanitary Lining Projects
- Burmont Road and Glendale Road Intersection Improvements
- Bridge Maintenance and Repair
- Historic Property Maintenance Projects
- Deck Repair, Exercise Equipment, Turf Field Lights at Reserve
- Completion of in-progress Trail Projects
- Polo Field Improvements
- Continuation of Brookline Park Development
- Delivery of Fire Apparatus

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2026 Preliminary Budget



Next Steps in the Process Questions