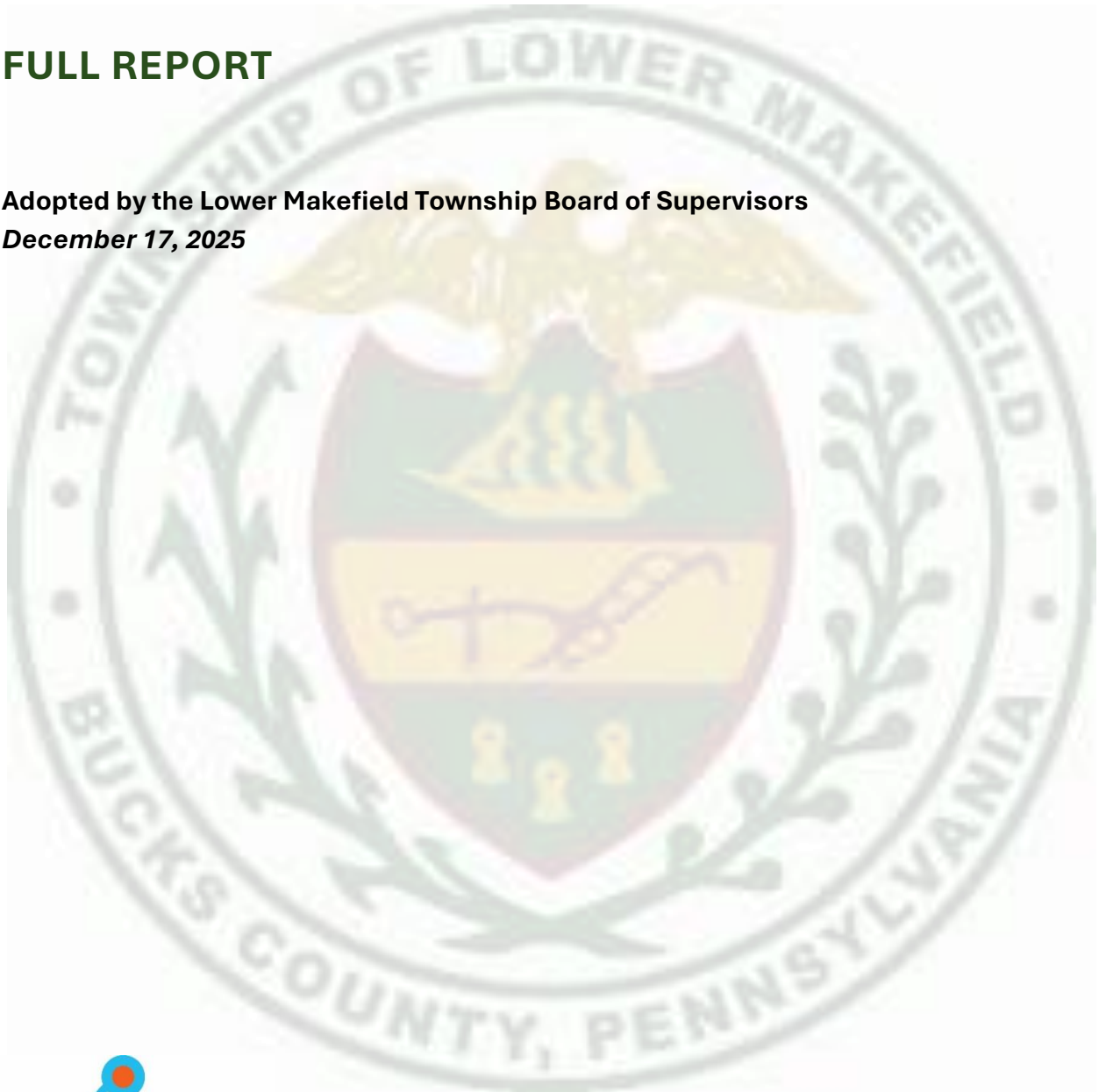


LOWER MAKEFIELD TOWNSHIP

STRATEGIC MANAGEMENT PLANNING PROGRAM

FULL REPORT

Adopted by the Lower Makefield Township Board of Supervisors
December 17, 2025



ACKNOWLEDGEMENTS

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EXECUTIVE SUMMARY

Lower Makefield Township is a thriving suburban community of approximately 33,000 residents, nestled along the Delaware River in Bucks County, Pennsylvania, roughly 23 miles north of Philadelphia and bordering New Jersey. The Township benefits from a highly educated population, strong homeownership rates, and well-maintained community assets, including a high-quality parks system, modern community center, and an extensive bike path network. These characteristics reflect a community that places a high value on public infrastructure, quality-of-life amenities, and exemplary public services.

Operating Lower Makefield effectively today and into the future requires careful financial oversight and thoughtful planning to ensure the Township can continue meeting resident expectations. To support these efforts, Lower Makefield secured a grant from the Pennsylvania Department of Community and Economic Development (DCED) to participate in the Strategic Management and Planning Program (STMPP), a comprehensive initiative designed to help municipalities strengthen their long-term financial position and modernize operations. The Township engaged Strategic Solutions LLC to support this effort.

STMPP follows a six-step process. Step 1 establishes a baseline through a detailed financial condition assessment of historic revenues, expenditures, and fund performance. Step 2 provides a forward-looking financial trend analysis that projects revenue and expenditure patterns over the next several years. Step 3 is only required if a municipality faces immediate fiscal risks, which was not the case for Lower Makefield. Step 4 consists of a management audit that evaluates each department's operations, staffing, systems, and service delivery. Steps 5 and 6 together identify the Township's top financial management priorities and produce a multi-year implementation plan that organizes all recommendations with timelines, resource needs, and responsible parties.

As a second-class township, Lower Makefield operates under a statutory general-purpose millage cap of 14 mills, a limit the Township has reached. This constraint is intensified by the fact that Bucks County has not completed a countywide property reassessment since 1972, which would otherwise reset assessed values and provide relief from the cap. Within this context, the Step 1 and Step 2 analyses show that while Lower Makefield remains financially stable today, long-term pressures on the General Fund are projected to intensify without new, diversified revenue sources. Based on the Financial Trend Analysis, the General Fund is anticipated to enter a negative balance position beginning in 2027, signaling the need for proactive planning. If a reassessment is not initiated by the County and there is no change in the millage cap for second-class townships, then Lower Makefield will need to consider options for revenue generation, including transitioning to a first-class township,

which would raise the statutory cap to 30 mills, or implementing an Earned-Income Tax (EIT). At present, Lower Makefield is one of 91 PSDs in Pennsylvania that does not charge an EIT.

Revenue limitations, paired with substantial capital needs across roads, stormwater systems, municipal facilities, and parks infrastructure, underscore the importance of establishing a multi-year Capital Improvements Plan to prioritize projects, align funding, and avoid unexpected costs. Personnel costs remain the largest share of operating expenditures and will need to be monitored to ensure staffing remains aligned with service expectations. Taken together, these findings highlight the need for revenue diversification, disciplined capital planning, and strategic personnel management to maintain long-term fiscal stability and continue meeting community expectations for high-quality public services.

In Step 4, the Management Audit identified several operational opportunities that build on the Township's strong leadership and committed staff. A central theme is the need to modernize aging municipal facilities, many of which no longer meet contemporary standards for space, accessibility, safety, and workflow. Upgrading these buildings will help ensure secure, efficient operations and create spaces that better support township staff in delivering high-quality services to residents. The audit also highlighted the opportunity to upgrade Township technology systems to reduce manual processes, streamline services, and improve data management across departments. Enhancements to HR capacity offer another significant opportunity, as dedicated HR support would strengthen training, communication, and workforce planning. In total, 60 strategies were identified to strengthen operations and provide a clear roadmap for modernization and improved service delivery.

With a strong workforce, dedicated leadership team, and a demonstrated commitment to continuous improvement, Lower Makefield Township is well positioned to build on its strengths and implement the recommendations outlined in this plan. By taking a proactive approach to financial sustainability, organizational effectiveness, and long-term planning, the Township can preserve its high quality of life and ensure it continues meeting the needs of its residents for years to come.

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PROCESS OVERVIEW AND COMMUNITY BACKGROUND

STRATEGIC MANAGEMENT PLANNING PROGRAM (STMPP)

In October 2024, Lower Makefield Township secured a grant from the PA Department of Community and Economic Development (DCED) Strategic Management Planning Program. In January 2025, Lower Makefield engaged Strategic Solutions LLC to complete a Strategic Management Planning Program (STMPP) for the development of a multi-year strategy and plan based on a financial condition assessment, a financial trend analysis, an evaluation of the need for emergency planning, and a management audit of all departments and operations. Undertaking a STMPP plan is a proactive step for municipalities that are experiencing financial and operational challenges and are seeking to improve their position.

Undertaking a STMPP plan is a proactive step for municipalities that are experiencing financial and operational challenges and are seeking to improve their position.

The main program objectives of the STMPP process are to help local governments identify, prioritize and address financial difficulties by implementing short- and long-term goals and objectives. This process engages in management studies and operational improvements that aid the financials of the local government in their decision-making process. A STMPP evaluation empowers municipalities to implement a system for measuring multi-year revenue and expenditure trends and helps to anticipate and plan for future financial circumstances. The evaluation also contains a detailed audit of core municipal operations across all departments to identify opportunities for more efficient service delivery. Crucially, the STMPP process provides opportunity for municipalities to secure additional funding to implement the recommendations in this report through subsequent phases of the program.

STMPP PROCESS STEPS

The Department of Community & Economic Development (DCED) has developed a six-step process for STMPP efforts, with specific actions and deliverables to occur at each stage.

1

Financial Condition Assessment

This assessment was performed to establish a realistic baseline of the township’s historic financial condition. The assessment included a review of five years of detailed historical financial data for each fund starting with the General Fund and all Municipal funds that exist for the Township.

2

Financial Trend Analysis

We conducted an analysis of multi-year data to project future revenue, expenditure, economic, and demographic trends for at least a five-year period so that the township can understand its future financial position and take immediate steps to counteract any negative trends.

3

Emergency Plan for Current Fiscal Year (if needed)

During the conduct of the financial assessment, it was determined that this step was not needed for Lower Makefield Township.

4

Management Audit

We worked collaboratively with the township to perform a management audit of all departments and operations. The audit included narrative summaries of each department comprised of budget and personnel information, as well as other relevant data. This data was supported by interviews with members of the board of supervisors, department heads, and key staff members to provide a comprehensive and more holistic view of municipal operations. Recommendations based on “best practices” for local government service delivery will be provided for each department.

5

Multi-Year Plan Strategy

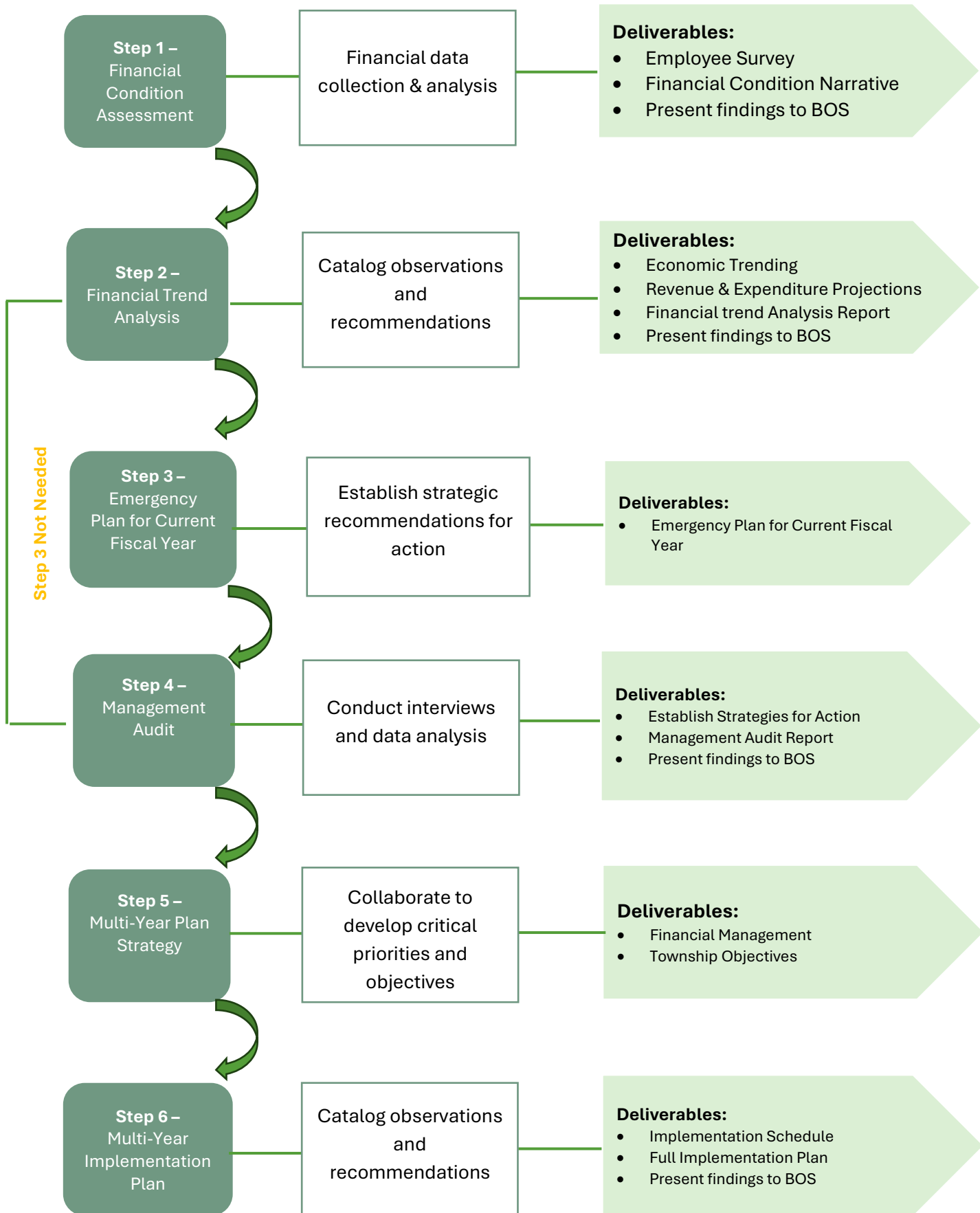
We will continue to work collaboratively with the township to identify Lower Makefield Township’s top three financial management priorities, township-wide objectives and strategies for short and long-term community and economic development.

6

Multi-Year Plan Implementation

Our team will outline a multi-year plan for implementation, recognizing that the Strategic Management Planning Program is an ongoing process, and an adopted plan must be evaluated, adjusted, and adopted each year.

STEP - PROCESS – DELIVERABLE METHODOLOGY



WHO IS LOWER MAKEFIELD TOWNSHIP?

About 23 miles from Philadelphia and across the Delaware River from Trenton, NJ, Lower Makefield Township's rural beauty and historical charm make it a treasured place to live, work, and explore. The township remains committed to preserving open space and historical heritage for the community.

As a designated Bird Town Pennsylvania municipality, Lower Makefield champions wildlife conservation and sustainability, and its participation in the Sierra Club's Cool Cities program reflects a community-wide dedication to environmental stewardship and energy efficiency. Park accreditation from the Commission for Accreditation of Parks and Recreation Agencies (CAPRA) is a testament to the township's exceptional recreation facilities and programs.

The population of Lower Makefield Township nearly doubled between 1980 and 2000 but has since remained stable at about 33,000 residents. Compared to other municipalities in the region, Lower Makefield is affluent overall, but as a low-tax, high-fee municipality, sustainable revenue has been a challenge. With nearly 140 miles of public roads and stormwater concerns, the township is seeking short- and long-term financial remedies to current and future infrastructure needs.

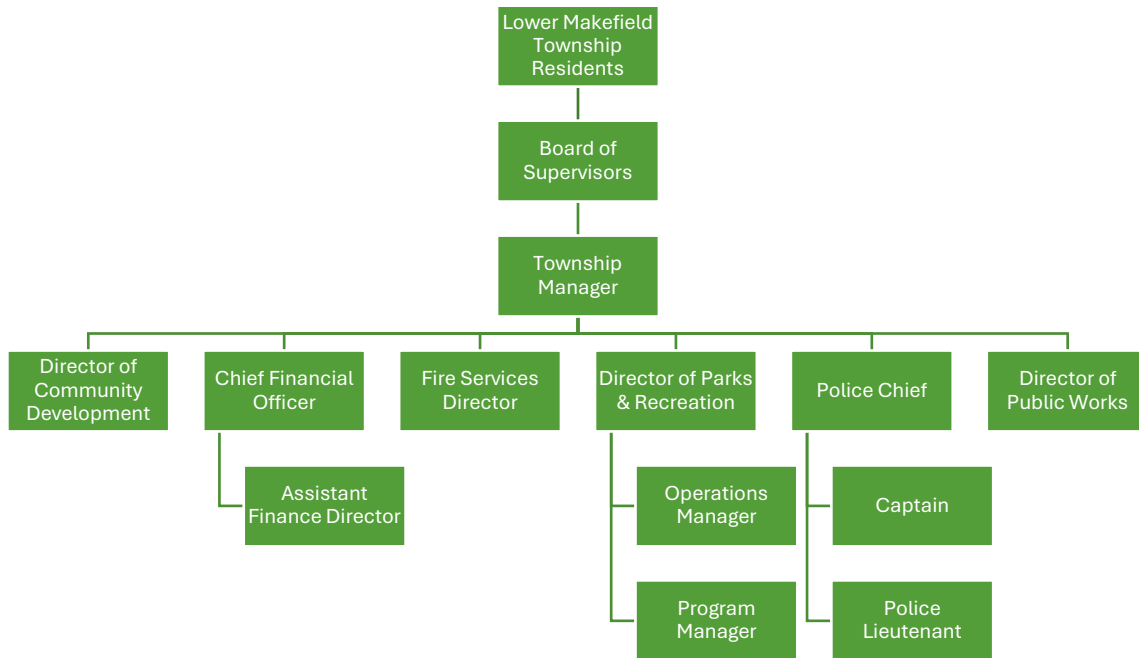
GOVERNMENT STRUCTURE

Lower Makefield Township operates under the Pennsylvania Second Class Township Code and is governed by a five-member Board of Supervisors. These elected officials are responsible for legislative functions, including adopting the annual budget, making appropriations, incurring debt in accordance with state law, enacting ordinances and resolutions, and levying taxes within limits established by the Commonwealth.

The Board of Supervisors also appoints the Township Manager and members to various boards and commissions to support the township's strategic goals and community services. The township manager serves as the chief administrative officer and is responsible to the board for the effective and efficient administration of township operations. This includes oversight of all municipal departments, preparation and administration of the annual budget, personnel management in accordance with township policies, and ensuring compliance with applicable ordinances and state laws.

The manager attends all board meetings, collaborates with the board to prepare meeting agendas, and provides regular updates and recommendations on township affairs. The

township manager also oversees the departments of Community development, Finance, Fire Services, Parks & Recreation, Police, and Public Works.



Lower Makefield’s governance structure includes many boards and commissions designed to manage specific aspects of the township’s operations and community services. These entities play a crucial role in advising the Board of Supervisors, implementing policies, and overseeing services that are vital to the township's functionality.

The structure and process for appointment to these bodies are critical for ensuring that the Township’s governance remains effective, transparent, and responsive to the needs of its residents. The boards and commissions that serve Lower Makefield Township are listed in the following section.

BOARDS AND COMMISSIONS

Lower Makefield Township Board of Supervisors

The Lower Makefield Township Board of Supervisors is the primary governing body responsible for legislative decisions and overseeing the general administration of the township. The Board is composed of five members elected at large by the residents of Lower Makefield Township. These supervisors serve staggered terms, ensuring continuity in governance. The Board holds the authority to appoint members to various boards and

commissions, with appointments made during public meetings to ensure transparency and community involvement.

Planning Commission

The Commission considers planning issues such as rezoning requests, transportation, environmental impacts, water, and sewage issues for proposed plans. This body also reviews all land development and subdivision plans submitted to the township and forwards an advisory opinion to the Board of Supervisors. Reviews are performed to determine compliance with township Subdivision and Land Development Ordinances (SALDO), zoning ordinances, and state statutes. The Commission may perform additional duties, as needed, such as providing comments on a proposed modification to a township zoning ordinance, SALDO, or other regulation that may have an impact on township planning issues. The Planning Commission shall have all the responsibilities which are specified in the Pennsylvania Municipalities Planning Code, Act 247 as amended.

Zoning Hearing Board

The Zoning Hearing Board is a five-member quasi-judicial body appointed by the Board of Supervisors to hear appeals, variance requests, special exceptions, and challenges related to the township's Zoning Ordinance. Members serve staggered five-year terms, with up to three alternates appointed for three-year terms. The Board conducts public hearings, issues written decisions, and may impose conditions to ensure compliance with township regulations.

Historical Commission

The Historical Commission was established by Resolution No. 323 (1977) to identify and preserve structures and sites of historical significance within the township. The Commission advises the Board of Supervisors on preservation efforts and zoning considerations related to historic resources. Its work includes maintaining historic surveys, supporting preservation grants, curating historical materials, and promoting public education. The Commission also collaborates on events and initiatives that highlight the township's heritage and fulfills responsibilities as part of Lower Makefield's Certified Local Government status under the Pennsylvania Historical and Museum Commission.

Parks & Recreation Board

The Lower Makefield Township Parks & Recreation Board is a seven-member advisory body established to assist the Board of Supervisors in planning, developing, and maintaining the township's parks, recreational facilities, and programs. Members are appointed to

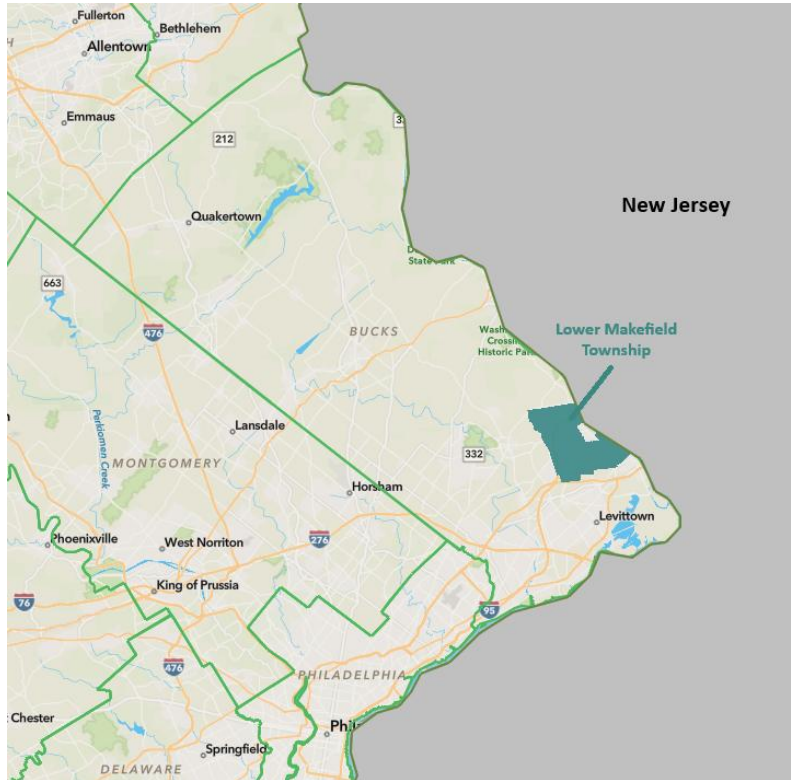
staggered five-year terms and serve without compensation. The Board recommends improvements, programming, and budget considerations, and collaborates with township staff, other boards, and local school authorities to enhance recreational opportunities for residents. It also provides periodic updates and an annual report to the Board of Supervisors.

In total, Lower Makefield has 21 Boards and Commissions that assist with the governance and administration of the township. These include:

- Ad Hoc Property Committee
- Board of Auditors
- Board of Supervisors
- Citizens Traffic Commission
- Disability Advisory Board
- Electricity Reliability Committee
- Electronic Media Advisory Committee
- Emergency Management
- Environmental Advisory Council
- Farmland Preservation Inc
- Golf Committee
- Historical Architectural Review Board
- Historical Commission
- Human Relations Commission
- Park & Recreation Board
- Patterson Farm Master Plan Implementation Committee
- Planning Commission
- Special Events Committee
- Trenton Mercer Airport Review Panel
- Veterans Committee
- Zoning Hearing Board

GEOGRAPHICAL BOUNDARIES AND PHYSICAL LAYOUT

Situated in southeastern Pennsylvania in Bucks County, Lower Makefield Township is a suburban area along the Delaware River, encompassing 18.3 square miles. It boasts a population density of around 1,861 people per square mile. Located approximately 23 miles outside of Philadelphia, Lower Makefield Township is nestled against the Pennsylvania and New Jersey border. Surrounding Yardley Borough with Trenton, NJ to the east, Upper Makefield Township to the north, Newtown to the west, and Middletown Township to the south, Lower Makefield Township has access to major cities while maintaining its historic, small-town charm.



HISTORICAL CONTEXT

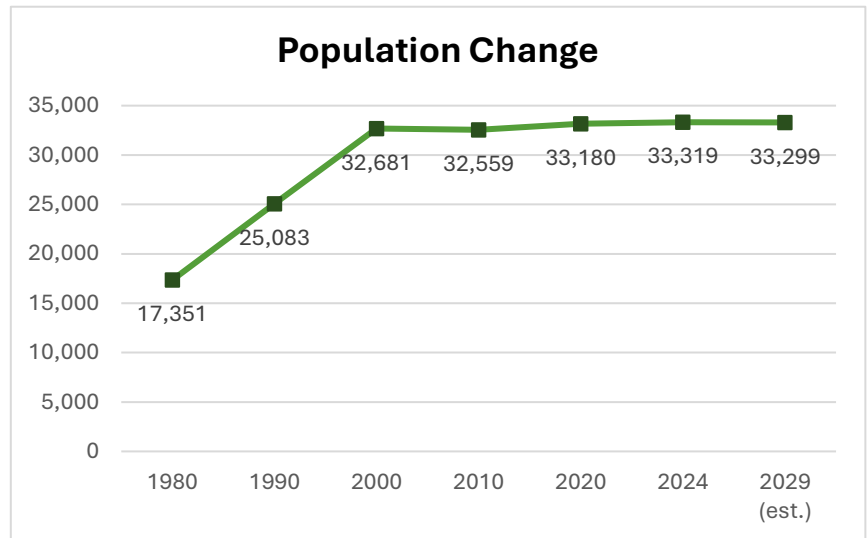
Established in 1692, Lower Makefield Township is one of the oldest municipalities in Pennsylvania. First settled by Quakers, the area remained rural and primarily agricultural into the 20th century. The township's proximity to Philadelphia and Trenton catalyzed suburban development, but Lower Makefield has maintained a well-proportioned mix of its original rural-historical character through its commitment to the preservation of open space and colonial architecture.

As shown in detail below, Lower Makefield Township has evolved into an affluent, well-educated community with high home values and homeownership rates. Following a period of rapid population growth, the township's population has remained steady since 2000.

DEMOGRAPHIC PROFILE

PEOPLE

According to the Census Bureau, Lower Makefield Township is home to approximately 33,000 people. The population experienced a sharp increase between 1980 and 2000 with the total population nearly doubling in size. However, the number of residents has remained steady in the past 24 years. The population is expected to remain stable over the next five years.



The median age of Lower Makefield Township residents is 46.4 years, which is slightly higher than the median age for Bucks County at 44 years, but similar to or lower than the median age of surrounding areas.

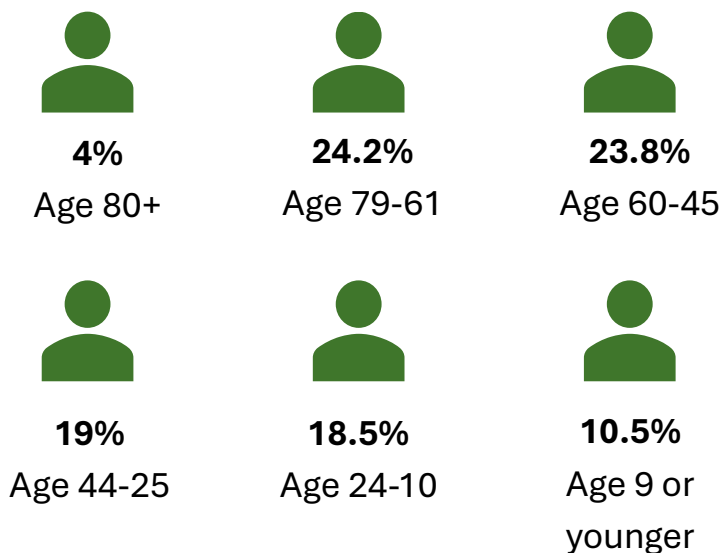
The township’s population is well dispersed amongst the various age groups. The Baby Boomer generation is the largest generational group at 24.2%, followed closely by Generation X at 23.8%. There is a balance between Millennials and Generation Z

populations with a considerable percentage of residents within the Alpha generational group.

Per the 2024 Demographic and Income profile compiled by ESRI, the racial composition of the township is 81.7% White, 4.1% Hispanic; 2.3% Black; and less than 1% Asian. Nearly 7% of residents identified themselves as two or more races or some other race.

68.5% of households are married couples, with 30.5% of all households having children under the age of 18.

Population by Generation



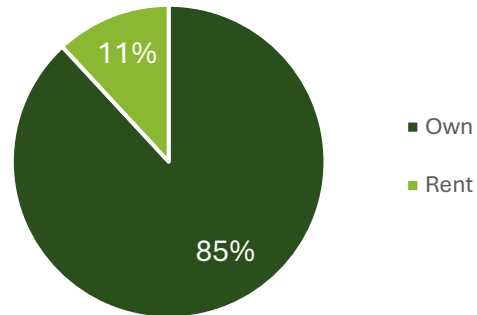
Source: Census Data, ESRI, 2024

The average household size is 2.65 people, which is a slight decline from 2.74 people per household in 2010. Still, the township’s household size is on par with the national average of 2.54 people.

HOUSING

Lower Makefield Township has an exceptional home occupancy rate of 96% with 85% of residents owning their own home. Of the 4% of vacant homes, 15.8% are for seasonal, recreational, or occasional use while 26.7% are for rent and nearly 20% for sale. The high occupancy and ownership rates indicate that there is economic stability within the community where residents have the financial means to support homeownership.

Home Ownership



Source: “ACS Housing Summary”, ESRI, 2024

Housing Indicators



12,955 housing units



\$1,902 Median Rent



96.2% Occupancy rate



\$616,843 median home value

Source: “Housing Profile”, ESRI, 2024

The median home value of \$616,843 and median rent of \$1,902 are significantly higher than that of the Pennsylvania average. However, with a housing affordability index of 107 and a median household income more than double the State average, the cost of housing is in line with the residents’ higher income.

The median year that homes were built is 1983 with 30% built prior to 1969, 62% built between 1970 and 1999, and only 8% built since 2000. This indicates an aging housing stock where fewer new homes are being built, which aligns with a low need for more housing due to limited population growth since 2000.

There is a lack of diversity in the types of housing units throughout the township. Approximately 72% of homes are single-family-detached and 18% are single-family-attached style units. The lack of apartments, townhouses, and more affordable housing

options may be problematic for younger residents, first time home buyers, or aging residents looking to downsize.

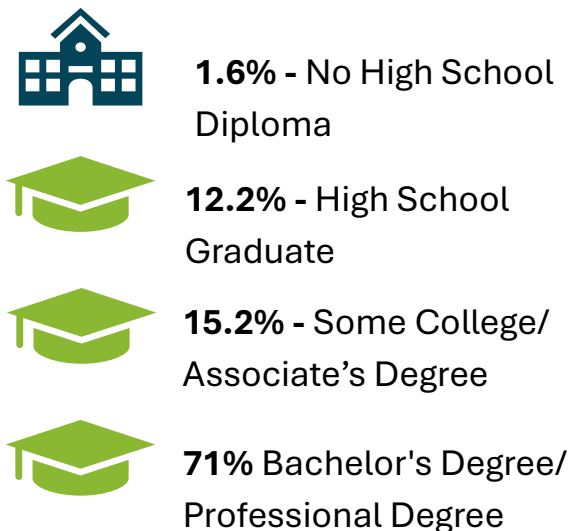
INCOME, EDUCATIONAL ATTAINMENT, AND EMPLOYMENT

Lower Makefield Township is an affluent area where residents enjoy a high median household income. Ample household income is due in part to township residents exceedingly high rates of secondary education attainment. About 86% of residents have completed some college or have obtained an Associate’s, Bachelor’s, Professional degree. A well-educated population affords residents greater employment opportunities and higher income levels.

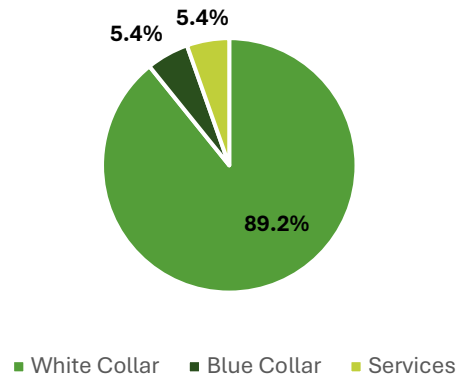
The township’s proximity to many universities in and around the Greater Philadelphia area provides ample opportunities for residents to seek higher education.

High rates of educational attainment reflect a strong workforce where 18,639 residents aged 16 or older are gainfully employed. Employment is highest among the 25-54 age group with 54.4% employed followed by

Educational Attainment



Employment Type



“Community Profile”, ESRI, 2024

9.2% of residents aged 16-24 employed and 5.2% of residents 55 or older employed.



\$90,825 - Per Capita Income

Source: “Household Income Profile,” Esri, 2024

The majority of residents work white-collar jobs which include management, finance, business, sales, and administrative roles. A modest 5.4% are employed in blue-collar work, which includes construction, maintenance, production, and installation. Services industry workers also make up 5.4% of the workforce.

FINANCIAL CONDITION ASSESSMENT

INTRODUCTION

WHAT IS THE “FINANCIAL CONDITION”?

The financial condition of a local government is defined in the simplest terms as its ability to meet its ongoing obligations. However, these obligations are not solely financial in nature. While it is necessary to maintain a strong financial position, the ongoing capital needs and service obligation to the citizens cannot be ignored.

The financial condition is most often judged based upon the actual financial results for the year, whether that is on a budget vs. actual basis or as compared to historical results. However, only focusing on the financial condition “now” (especially if results were positive in the past year) can sometimes be misleading.

The financial condition is most often judged based upon the actual financial results for the year, whether that is on a budget vs. actual basis or as compared to historical results. However, only focusing on the financial condition “now” can be misleading.

An example would be cutting costs in a certain area that led to better financial results - but the better evaluation is whether the amount of the cost savings vs. the reduced service level was deemed acceptable. Additionally, how did that decision impact the future – was it a short-term benefit that added long terms risks? These answers are more subjective in nature and cannot be determined based solely on review of historical or forecasted financial data.

In the same light, capital needs are not always assessed on a regular basis and there is often disagreement as to the priority of the capital need. An emergency capital item can create unanticipated financial stress, as this situation could create a large dollar impact on the current year budget, if there are no adequate capital reserves in place. In many cases, although capital assets are technically “assets” for financial reporting, they also represent a future liability to the government when that capital asset needs replaced - and therefore, near and long-term capital needs should be considered when assessing a local government’s current financial condition.

One of the goals of the yearly budgeting process is to best match the services provided to the citizens with the current period revenues, and not to pass those costs on to future citizens. Funding capital projects through debt financing actually helps to accomplish this goal, as the debt service often matches the service period of

Strides have been made over the past 10 years for local governments to ensure they are accounting for long term liabilities, such as vacation and sick payout, pension benefits, and post-employment healthcare benefits.

the asset it is funding. Strides have been made over the past 10 years for local governments to ensure they are accounting for long term liabilities, such as vacation and sick payout, pension benefits, and post-employment healthcare benefits. These long-term liabilities are not always evident when reviewing the current year budget, as you are only seeing the current year expense impact, however, multi-year planning should always consider these long-term commitments to determine the stress they are putting upon the local government both today and in the future.

HOW DO WE BEST EVALUATE OUR FINANCIAL CONDITION?

There are various ways to evaluate the financial condition of a local government, and multiple measures should be used to capture all considerations discussed previously. Some examples would include:

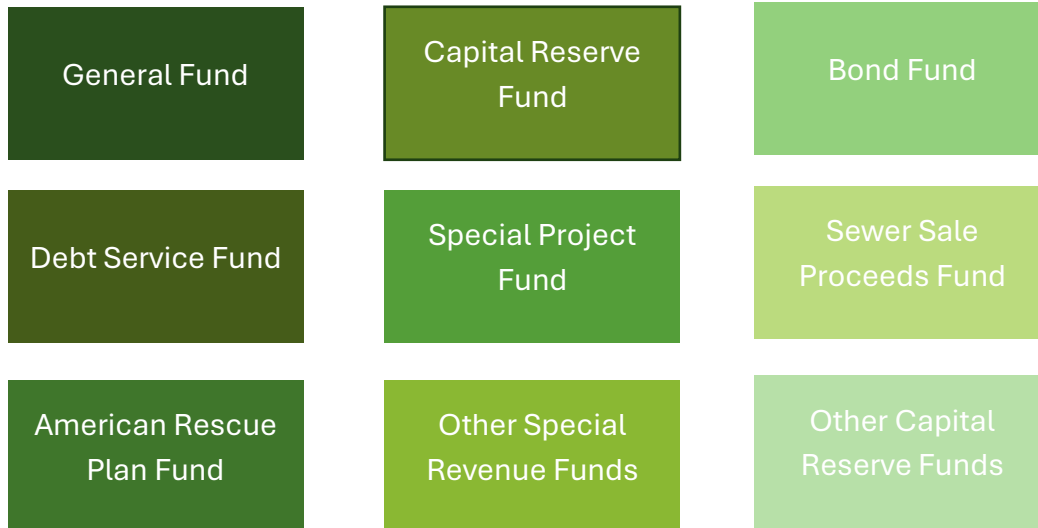
- The ratio of both total and unassigned General Fund balance as compared to the revenue or expenditure budget
- Revenue per capita, adjusted for inflation.
- The ratio of long-term obligations to total government-wide revenues: this ratio measures the local government's ability to cover its long-term obligations. In this calculation, a lower ratio is better than a higher ratio.
- A balanced budget that meets both short and long-term goals of the local government,
- The local government's ability to provide adequate goods and services to its residents using a mix of taxes and fees that are deemed reasonable by residents, and
- Capital asset expenditures/savings as compared to yearly depreciation expense.

Recognizing the constraints on everyone's time, the focus should be on areas and issues that can be leveraged to a level to provide a clear, substantial, and identifiable benefit to the Township. These solutions should provide help today, as well as in the long term.

BACKGROUND INFORMATION – FUND ACCOUNTING STRUCTURE

TOWNSHIP FUND ACCOUNTING STRUCTURE

The Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Township maintains governmental funds, fiduciary funds, and enterprise funds.



The Township's governmental funds consist of the following:

1. **General Fund** – The General Fund is used to account for all financial resources except those required to be accounted for in another fund.
2. **Capital Reserve Fund (Capital Projects Fund)** – The Capital Reserve Fund is used to account for financial resources, including bond and loan proceeds, to be used for acquisitions or construction of major capital assets (other than those financed by the Special Project Fund, the 9-11 Memorial Fund, and Proprietary Funds).
3. **Bond Fund** – The Bond Fund contains bond proceeds restricted for capital projects.
4. **Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.
5. **Special Project Fund** – The Special Project Fund is used to account for non-recurring financial resources that are not part of any other special revenue funds.
6. **Sewer Sale Proceeds Fund** – The Sewer Sale Proceeds Fund is used to account for the proceeds from the sale of the sewer system.

7. **American Rescue Plan Fund** – The American Rescue Plan Fund is used to account for funding received from the U.S. Federal Government passed through Pennsylvania Department of Community and Economic Development as part of the American Rescue Plan Act of 2022 economic stimulus package. This fund was fully spent and closed in 2024.
8. **Other Special Revenue Funds** – The other special revenue funds of the Township (separate from the Major Funds) are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. These funds include Liquid Fuels, Hydrant, Ambulance, Fire Protection, 9-11 Memorial, Parks and Recreation, Street Lights, Parks and Recreation Fee-in-Lieu, Traffic Impact, Regency Bridge, Tree, Road Machinery, Patterson Farm, and Sidewalk Fee-in-Lieu.
9. **Other Capital Reserve Funds** – The Other Capital Reserve Funds consist of the Garden of Reflection Capital Reserve Fund.

The Township maintains Fiduciary Funds to account for assets held by the Township as a trustee or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Township reports fiduciary funds for the following: Pension Trust Funds, Deferred Retirement Option Plan Fund, and the Custodial Fund. Fiduciary Funds are excluded from this analysis.



The Township maintains three Enterprise Funds:

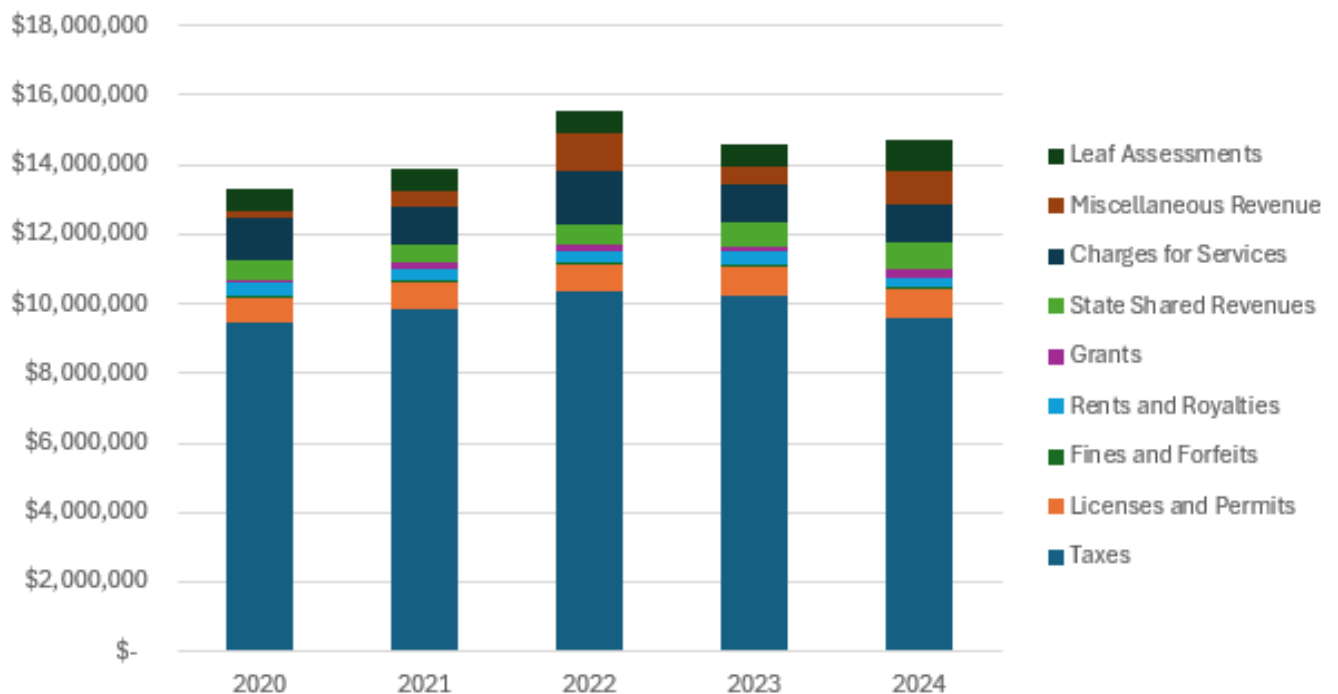
1. **Sewer Fund** – The Sewer Fund accounts for the activities of the sewer system infrastructure, sewage pumping stations and collection systems. At the conclusion of this report, this entire fund balance was transferred to the General Fund in 2025, and this fund was closed.
2. **Community Pool Fund** – The Community Pool Fund accounts for the operations of the Township’s municipal pool.
3. **Golf Course Fund** – The Golf Course Fund accounts for the operation of the Township’s municipal golf course.

BUDGETING

Annual appropriated budgets are prepared and adopted for each fund, function, and department. The Township Manager, Chief Financial Officer and Department Heads are responsible for preparation of the annual budget. These budgets are then approved by the Board of Supervisors and cannot be amended without obtaining their approval. The Township Supervisors may authorize supplemental appropriations for any lawful purpose via resolution. In addition, the Supervisors are permitted to transfer funds from one Township account to another; however, such transfers are not permitted during the first three months of the fiscal year.

GENERAL FUND REVENUES

The following table represents the General Fund’s revenue sources for the years ended December 31, 2020 through December 31, 2024.



TAXES

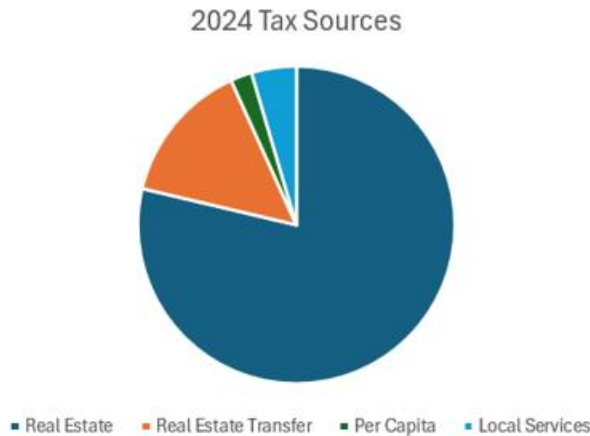
As reflected in the chart above, the majority of the Township’s revenues have historically been received through taxes. Taxes consist of the following sources:

- **Real Estate Tax** – The Township’s property tax is paid on assessed values for all real property located in the Township. The Township’s real estate taxes were levied at the below rates:

Year	Tax Millage
2020	21.01
2021	21.01
2022	20.51
2023	20.51
2024	23.05

- **Real Estate Transfer Tax** – Tax paid when property transfers from one property owner to another. Real estate transfer taxes received by the Township are .5% on the transfer of title of real property in the Township.
- **Local Services Tax** – Tax levied at \$52 per person per year for wages exceeding \$12,000 for the Township.
- **Per Capital Tax** – The Township annually levies a \$10 per capita tax on all residents over the age of eighteen.

The following table provides a breakout of the Township’s tax sources in the most recent year.



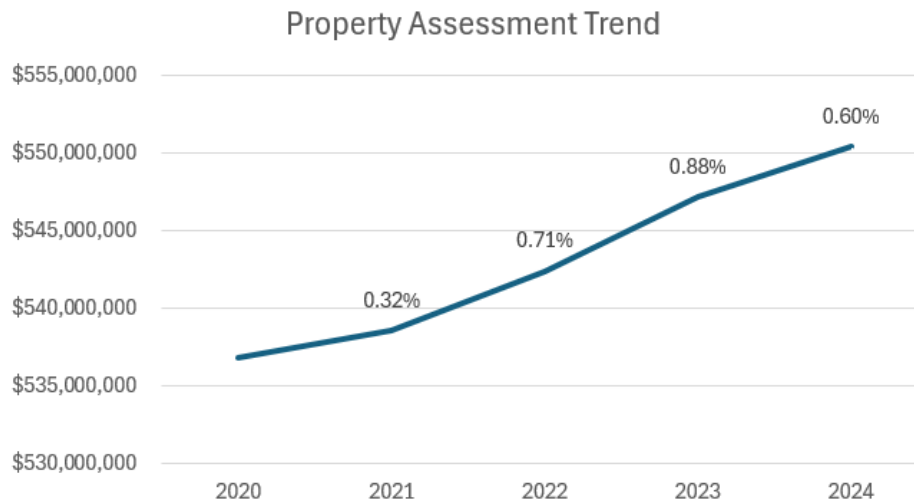
REAL ESTATE TAX

The Township’s Real Estate Tax is its largest revenue source, around 79% of the tax revenue. Real Estate Taxes collected from residents on the assessed value of their properties can vary based on resident levels. If a community is not experiencing growth which increases the taxable value of the properties within the community, it will not see growth in Real Estate Tax revenues without an increase in the millage. The Township’s current Real Estate Tax rate is 23.05 mills, which has increased 2.04 mills since 2020. This increase over the past 5 years is

The Township’s current Real Estate Tax rate is 23.05 mills, which increased 2.04 mills since 2020.

approximately a 10% increase, averaging 2% per year. This increase, when compared to inflation over the past 5 years, is much lower, approximately 10% real estate tax increase to an inflation rate of approximately 24%.

The Township has experienced slight growth in property assessment value over the past five years, causing the actual taxable value of the Township’s property and tax levy to experience that slight growth as well. The following table summarizes the trend of the Township’s property assessment.



When reviewing the above chart, it is important to keep in mind that although the tax levy is trending upward, the increase in the assessed value from 2020 to 2024 translates only to an increase of approximately \$300,000 additional to be collected, with no increases in the real estate tax rate.

The Township has historically collected around 98% of their tax levy each year, leaving little room for improvement in the area of tax delinquency collection.

REAL ESTATE TRANSFER TAX

The second most significant tax revenue of the Township is the Real Estate Transfer Tax, representing approximately 14.5% of the Township’s tax revenue. This tax collected on property sales at a rate of .5% of the value of the property can vary each year based on property sale activity and the value of the properties sold. From 2020 to 2024, this tax revenue has averaged around \$1.8 million, with the highest being \$2.3 million in 2022 and lowest being \$1.4 million in 2024.

LOCAL SERVICES TAX

Local Services Tax represents around 4.5% of the tax revenue of the Township and averaged \$400,000 per year from 2020 to 2024. Fluctuations are minimal year to year, based on the nature of the tax (flat rate, per person tax).

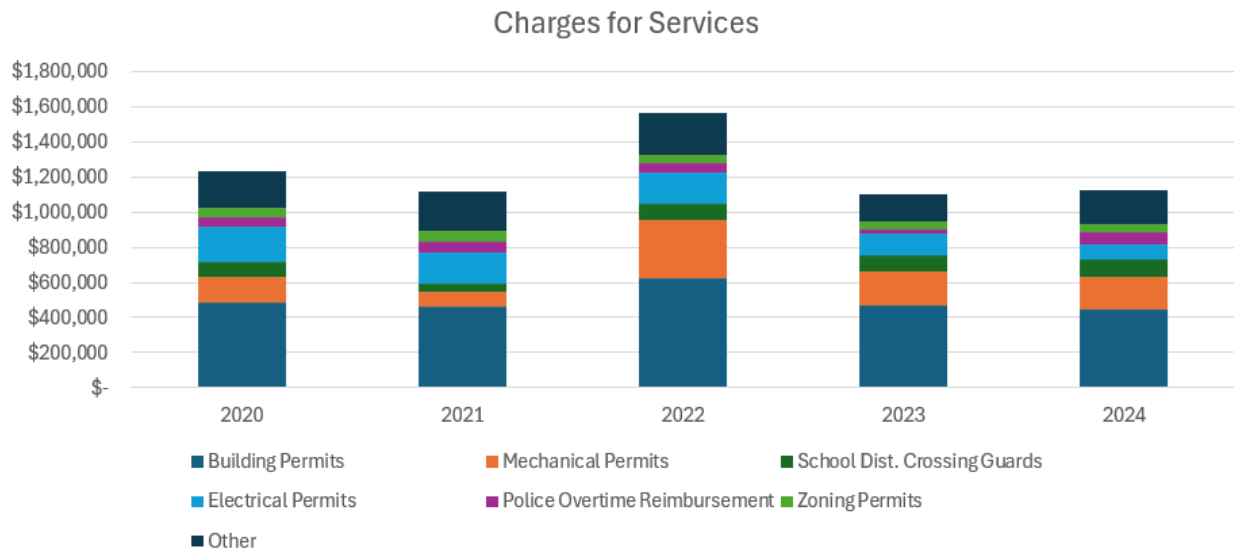
PER CAPITA TAXES

Per Capita Taxes represent the remaining 2.2% of the tax revenue of the Township and averaged \$200,000 per year from 2010 to 2024. Fluctuations are minimal year to year, based on the nature of the tax (flat rate, per person tax).

CHARGES FOR SERVICE

Charges for service revenues are received for specific services performed by the Township. Below is a summary of charges for service revenue from 2020 through 2024.

The Township's largest charges for service consist of payments from building permits and mechanical permits.



LICENSES & PERMITS

The majority of Licenses & Permits revenue consists of Cable TV Franchise Fees collected by the Township, as they are entitled to collect a Franchise Fee from cable operators that represent a percentage of the cable provider's revenue from local subscribers. This revenue has been trending downward and will continue with that trend due to residents using streaming services instead of cable. Other fees making up the remainder of this revenue line

consist of police service licenses and permits, alarms, amusement permits, and sign permits. These revenue sources make up less than 6% of the Township’s total revenues.

STATE SHARED REVENUES

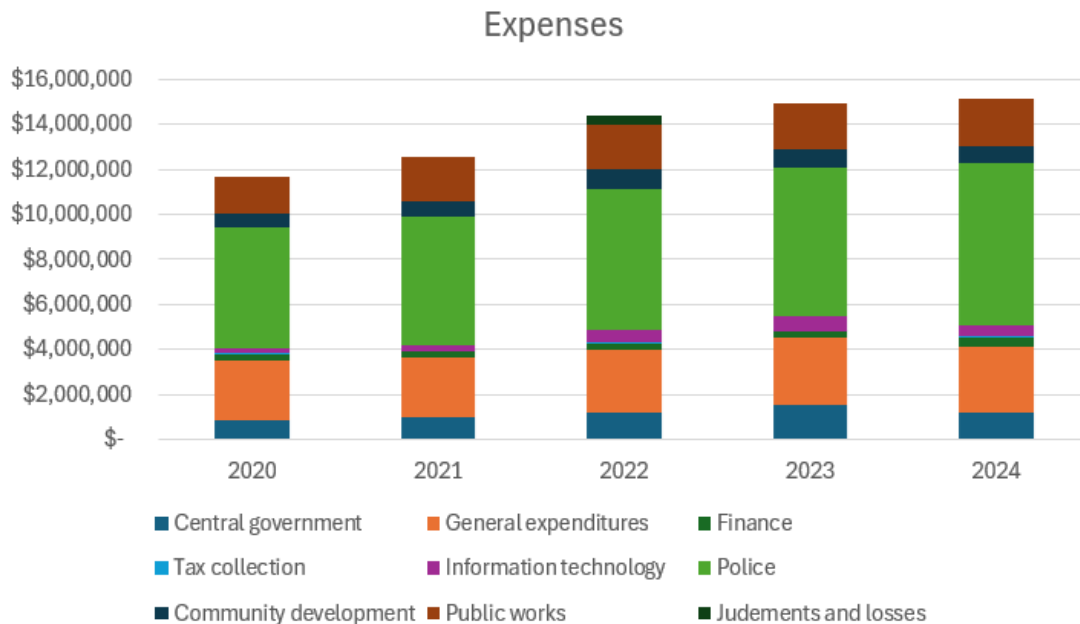
The majority of the Township’s State Shared Revenues are received through the General Municipal Pension System State Aid Program. The amount received from 2020 through 2024 ranged from approximately \$527,000 in 2020 to approximately \$736,000 in 2024. Other revenues included in this category include PURTA Entitlement and PA Liquor Control Board License revenues.

LEAF ASSESSMENTS

The Township imposes a leaf assessment fee on each lot. This fee increased from \$75 per lot to \$95 per lot in 2024. Revenues from this assessment averaged around \$650,000 through 2023. Once the fee increased in 2024, revenues increased to approximately \$875,000.

GENERAL FUND EXPENSES

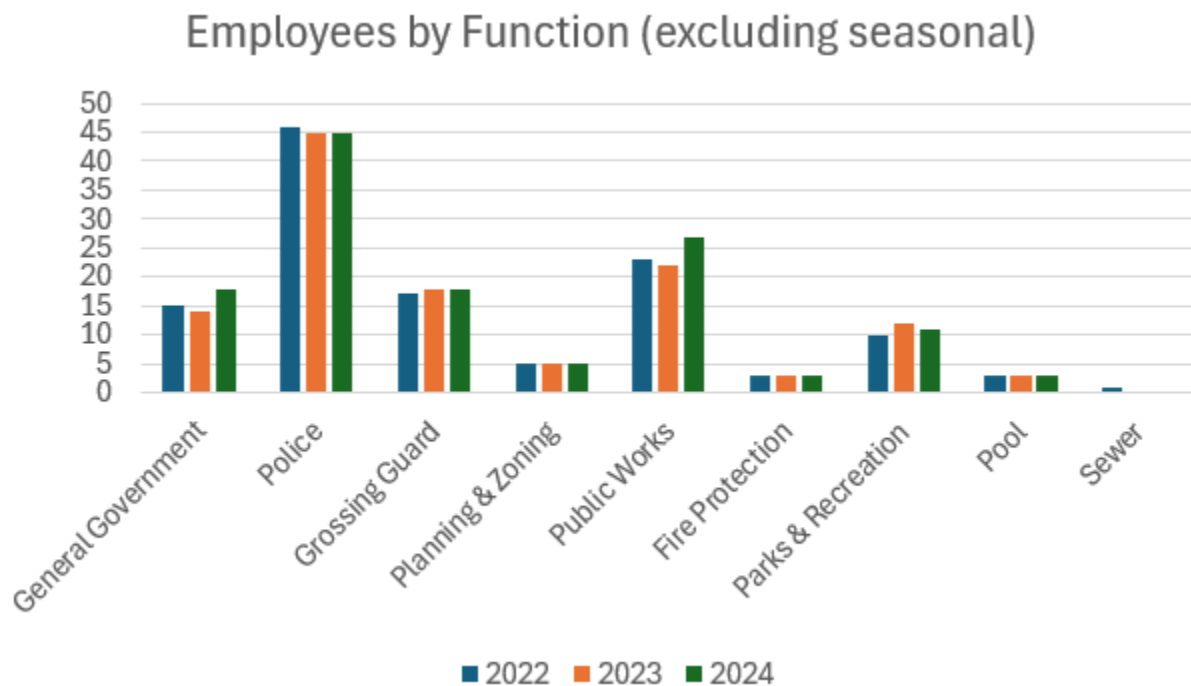
The following table represents General Fund expenses, by functional category, for the years ended December 31, 2020, through December 31, 2024.



PERSONNEL

The most significant of the Township’s expenses is personnel. In order for a Township’s operations to run smoothly, it needs motivated employees. A Township’s focus should be ensuring that they are paying their employees fair wages that keep up with cost-of-living adjustments, in order to retain and provide employees with a sense of satisfaction and fulfillment in their position, which is the goal of the Township.

There are two factors that go into the Township’s overall personnel costs. The first is the number of individuals the Township employs and the second is the wage at which employees are compensated. The Township employees, excluding seasonal Pool and Parks and Recreation employees, have stayed fairly consistent from 2022 through 2024, with slight increases in General Government and Public Works. The table below summarizes employees by function from 2022 through 2024. In total, the employee count increased from 123 in 2022 to 130 in 2024.

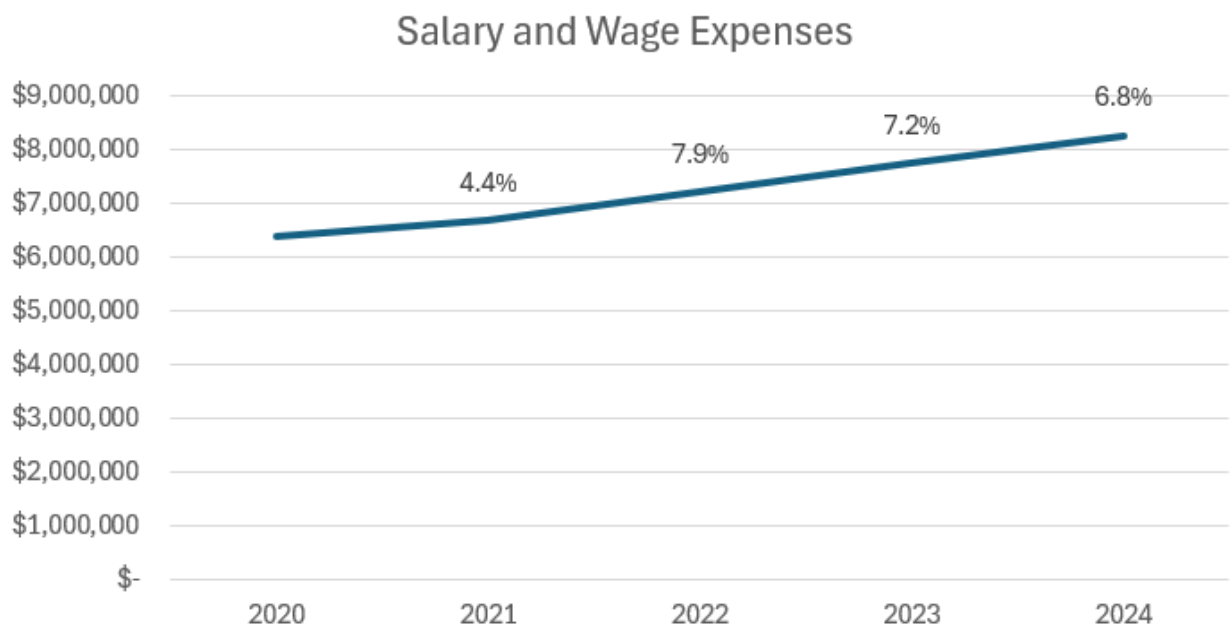


Seasonal employees have experienced larger increases in recent years. The seasonal pool employees increased from 114 in 2022 to 127 in 2024 and the seasonal Parks & Recreation summer camp staff employees increased from 17 in 2022 to 37 in 2024.

The second factor that goes into the Township’s overall personnel costs is the rate paid to Township employees. The Lower Makefield Township Police Contract between the Township and the police officers of the Lower Makefield Township Police Benevolent

Association dictates the pay rates for police employees. The current agreement, which is effective from January 1, 2023 to December 31, 2026 provides for wage rate increases of 4.75% from 2022 to 2023 and 4.25% from 2023 to 2024 and 2024 to 2025, and 4.00% from 2025 to 2026. The public works employees are part of a collective bargaining agreement between the Township and the Independent Association of Lower Makefield Township Public Works Employees that is in place from January 1, 2025 through December 31, 2028. This collective bargaining agreement provides for wage rate increases of CPI plus 1%.

Personnel expenses are on an upward trend. The chart below shows total salary and wage expenses paid out of the General Fund from 2020 through 2024.



In addition to the salaries and wages paid to employees, benefits also make up a significant piece of the Township's overall personnel expenses. Benefit expenses reported in the General Fund averaged around \$1.6 million from 2020 through 2024. The Township should monitor the increase in salaries and wages expense in comparison to increases in real estate tax revenues. These are the two most significant revenue and expense categories at the Township and have the largest impact on the Township's financial condition. It is expected that salary and wage expenses will increase at a rate higher than real estate tax revenues in the future.

The two most significant revenue and expense categories at the Township are the increase in salaries and wages expense and the real estate tax revenue.

CAPITAL PROJECTS

Although historically not a significant portion of the General Fund expenses, the Township should be aware of how upcoming capital projects may impact the General Fund. The Board of Supervisors has the ability to transfer funds from the General Fund to a separate fund for the Township, if necessary and lawful, to further supplement funding of capital projects.

TRANSFERS

Transfers are when funds are moved internally between funds of the Township as opposed to external revenues and expenses. Funds have historically been budgeted and transferred from the General Fund to supplement operating deficits in other funds, pay debt service, and create reserves to be used for future capital projects. The transfer activity in and out of a fund has the ability to significantly impact that fund, and therefore, the needs of each individual fund should be assessed as a whole, as there is a chance that necessary transfer to supplement another fund would take place. The following table summarizes transfers from the General Fund from 2020 through 2024.



Transfers into the General Fund are not keeping up with the financial needs of the funds being transferred out of the General Fund.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Parks & Rec Capital Reserve	\$ -	\$ 205,000	\$ -	\$ -	\$ -
Golf Course	597,055	-	-	-	-
Special Projects	18,000	48,624	125,000	-	-
Debt Service	98,593	74,600	500	-	-
Capital Reserve	194,826	115,771	734,108	-	-
9-11 Memorial Fund	26,650	40,000	58,000	40,000	51,150
GOR Capital Reserve Fund	-	-	5,000	-	5,000
	<u>\$ 935,124</u>	<u>\$ 483,995</u>	<u>\$ 922,608</u>	<u>\$ 40,000</u>	<u>\$ 56,150</u>

In addition to transfers out of the General Fund, the Township has historically had activity in other funds that could be transferred to the General Fund to be used for general Township purposes. Historical transfers also relate to the payback of funds the General Fund had previously transferred to a different fund to cover a deficit. The following table summarizes transfers to the General Fund from 2020 through 2024.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Sewer	\$ 300,000	\$ 400,000	\$ 100,000	\$ -	\$ -
American Rescue Plan	-	-	786,692	200,000	184,916
Sewer Sale Proceeds	-	-	3,000,000	-	1,285,166
Golf Course	-	-	531,896	455,000	455,000
	<u>\$ 300,000</u>	<u>\$ 400,000</u>	<u>\$4,418,588</u>	<u>\$ 655,000</u>	<u>\$ 1,925,082</u>

When reviewing this table, it is important to recognize the funds transferred in from the American Rescue Plan Act fund. That funding helped the Township’s budget the past few years and will not continue in future years.

FUND BALANCE


The fund balance of a local government is the accumulation of revenues and expenses from the time of the local government’s inception and is classified into the following categories based on the type and source of constraints placed on how resources can be spent:

1. **Restricted** – fund balance constrained for specific purposes, externally imposed by the providers.
2. **Committed** – fund balance constrained for specific purposes that are internally imposed by the Township through Board resolution.
3. **Assigned** – fund balance constrained by the Township for specific purposes, but not through formal action of the Township Board of Supervisors.
4. **Unassigned** – positive fund balance within the General Fund which has not been classified as one of the above categories, or negative fund balance within one of the other funds. This fund balance is available for any purpose.

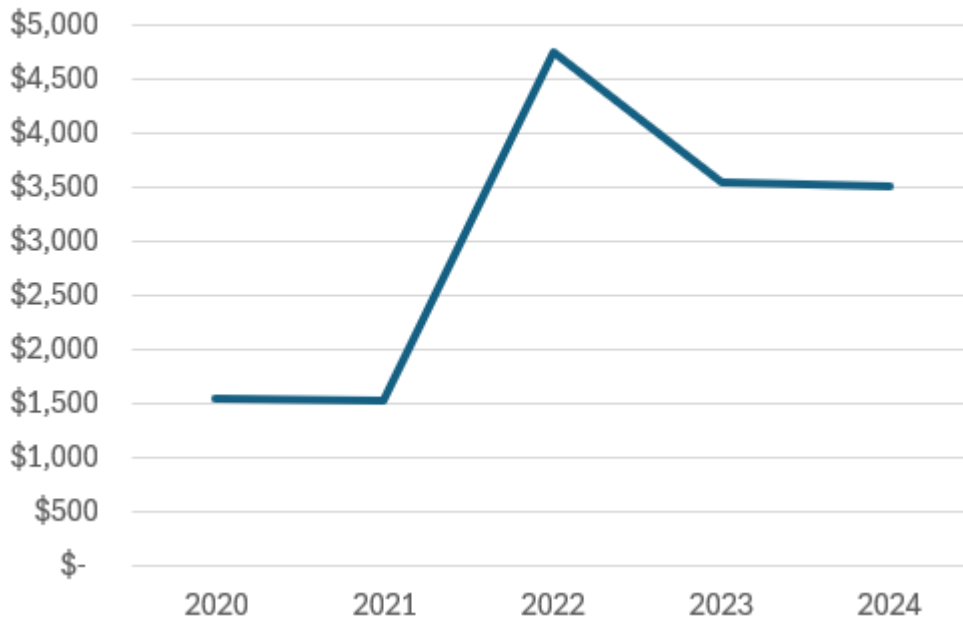
As the General Fund is the operating fund of the Township, its fund balance is primarily unrestricted. Below is a summary of revenues over expenses and fund balance activity from 2020 through 2024, in 000’s.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total revenues	\$ 13,310	\$ 13,879	\$ 15,546	\$ 14,614	\$ 14,735
Total expenditures	(12,950)	(13,815)	(15,819)	(16,436)	(16,640)
Total transfers in	300	400	4,419	655	1,925
Total transfers out	(935)	(484)	(923)	(40)	(56)
Net increases (decreases) in fund balance	<u>(275)</u>	<u>(20)</u>	<u>3,223</u>	<u>(1,207)</u>	<u>(36)</u>
Fund balance, beginning	<u>1,828</u>	<u>1,553</u>	<u>1,533</u>	<u>4,756</u>	<u>3,549</u>
Fund balance, ending	<u>\$ 1,553</u>	<u>\$ 1,533</u>	<u>\$ 4,756</u>	<u>\$ 3,549</u>	<u>\$ 3,513</u>

As reflected above, the General Fund's fund balance has declined since 2020, except for 2022, which is attributable to proceeds transferred to the General Fund from the sale of the sewer system for \$3,000,000 and approximately \$800,000 of American Rescue Plan Act funding recognized by the Township. The overall source of this decline can be attributed to expenses increasing at a higher rate than tax revenues received.

 **General Funds have declined since 2020 due to expenses increasing at a higher rate than tax revenues received.**

Unrestricted Fund Balance (in 000's)



It is important for the Township Board of Supervisors to monitor the total fund balance within each classification. The Board of Supervisors should consider how formal action to commit certain balances impacts the operations of the Township, as once they are formally committed, funds cannot be spent on general operations. In addition, they should monitor fund balance in comparison to the revenue and expense budget. If the revenue and expense budget is growing, the fund balance should grow as well, to continue to be the same percentage of revenues and expenses.

The Township should consider how committing certain balances impacts operations and should monitor fund balance in comparison to the revenue and expense budget.

The Township created a formal fund balance policy in 2024 that requires the Township to maintain a minimum year-end General Fund unrestricted fund balance of 25% (3 months reserves) with a goal of 40% of the current year’s total General Fund expenditures. This is especially critical during the latter part of the year when less appreciable income is being received by the Township. Although this policy was not in place from 2020 through 2023, it is important to note, as shown in the table below, the Township was not always in accordance with this policy from 2020 through 2024. The table below is in 000’s.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total expenditures	\$ 12,950	\$ 13,815	\$ 15,819	\$ 16,436	\$ 16,640
Fund balance, ending	\$ 1,553	\$ 1,533	\$ 4,756	\$ 3,549	\$ 3,513
Fund balance percentage	12%	11%	30%	22%	21%

OTHER FUNDS

CAPITAL RESERVE FUND

The Capital Reserve fund, also known as the Capital Projects Fund, accounts for financial resources, including bond and loan proceeds, to be used for acquisitions or construction of major capital assets (other than those financed by the Special Project Fund, the 9-11 Memorial Fund, and Proprietary Funds). It historically has not been treated as a true capital reserve fund, with the purpose of the capital reserve fund would be for setting aside funds to save for future capital projects. This fund was budgeted to include more expenditures in previous years. In recent years, this fund has maintained the same purpose as the Special Project Reserve Fund, which is included reported with the Special Project Fund. As such, the Township plans to close out this fund in the near future and transfer the remaining fund balance to the Special Project Reserve Fund. Below is a summary of the financial activity included in this fund from 2020 through 2024. Approximately \$40,000 of fund balance is left in this fund on December 31, 2024, which is restricted for capital projects and available to be transferred to the Special Project Reserve Fund.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues					
Interest, contributions, and miscellaneous	\$ 17	\$ -	\$ 21,502	\$ 11,290	\$ 9,178
Intergovernmental revenues	306,416	60,000	-	-	10,229
Total revenues	<u>306,433</u>	<u>60,000</u>	<u>21,502</u>	<u>11,290</u>	<u>19,407</u>
Expenditures					
General government	-	-	-	381,032	-
Public safety	-	-	-	30,498	-
Public works	-	-	-	76,196	21,009
Parks and recreation	-	-	-	288,988	171,905
Capital outlay	476,245	175,771	2,911,184	371,782	-
Debt Service	-	-	43,784	-	-
Total expenditures	<u>476,245</u>	<u>175,771</u>	<u>2,954,968</u>	<u>1,148,496</u>	<u>192,914</u>
Other Financing Sources (Uses)					
Proceeds from long-term debt and leases	-	-	1,989,142	-	-
Transfers in (out)	194,826	115,771	1,752,640	564,575	(22,789)
Net change in fund balance	25,014	-	808,316	(572,631)	(196,296)
Fund balance, beginning of year	(25,014)	-	-	808,316	235,685
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 808,316</u>	<u>\$ 235,685</u>	<u>\$ 39,389</u>

BOND FUND

The Bond Fund was created with the issuance of bonds in 2016 restricted for capital projects and to date, have not been fully spent on capital projects. The Township will transfer funds out of this fund as necessary, to fund capital projects that are accounted for in other funds. This fund did not have any activity other than interest income and budgeted transfers out to other funds from 2020 through 2024. Below is a summary of the financial activity included in this fund from 2020 through 2024. The Bond Fund has approximately \$4.1 million on December 31, 2024 to fund future capital projects.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Interest income	\$ 47,263	\$ 14,953	\$ 10,993	\$ 171,450	\$ 240,715
Transfers in (out)	(32,139)	(657,345)	-	-	(534,927)
Net change in fund balance	15,124	(642,392)	10,993	171,450	(294,212)
Fund balance, beginning of year	4,905,060	4,920,184	4,277,792	4,288,785	4,460,235
Fund balance, end of year	<u>\$4,920,184</u>	<u>\$4,277,792</u>	<u>\$4,288,785</u>	<u>\$4,460,235</u>	<u>\$4,166,023</u>

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term principle, interest and related costs. The majority of fund revenues from 2020 through 2024 consist of transfers in from other funds to make debt

service payments and real estate tax revenue. The real estate tax millage allocation to the debt service fund is determined each year when the annual budget is prepared, to ensure the fund has enough funds to cover current debt service payments. Below is a summary of the allocation from 2020 through 2024.

Year	Tax Millage
2020	2.79
2021	2.79
2022	2.09
2023	2.09
2024	2.63

Beginning in 2023, the real estate tax revenue has been sufficient to cover the future debt service payments, and transfers in from other funds were not necessary. The Township is planning for real estate tax revenue to cover all debt service payments in future years as well.

Beginning in 2023, the real estate tax revenue has been sufficient to cover the future debt service payments, and transfers in from other funds were not necessary.

The debt paid out of this fund consists of the 2016 General Obligation Bonds, the 2018 General Obligation Bonds, and the Road Loan. Below is a summary of the remaining balances for each of these bonds/loans at December 31, 2024, and the year of maturity.

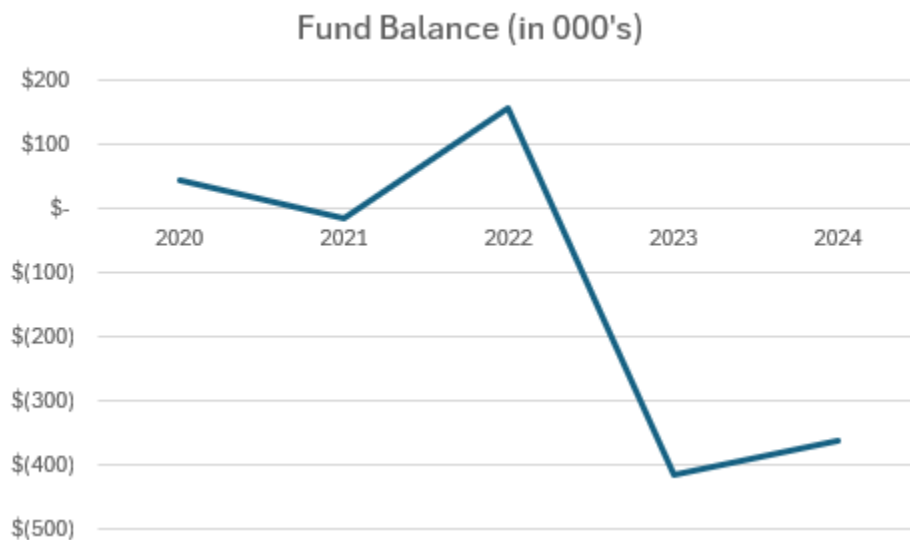
	Balance at	
	December 31, 2024	Maturity Year
GOB 2016	\$ 4,835,000	2036
GOB 2018	\$ 690,000	2028
Road Loan	\$ 286,071	2025

The Debt Service Fund had \$92,193 of fund balance on December 31, 2024.

SPECIAL PROJECT FUND

The Special Project Fund is used to account for non-recurring financial resources that are not part of any other special revenue funds. When the Township becomes aware of a special project, they make every effort to obtain grant funding to fund that project, however, at times, it is necessary to use bond funds or reserve funds for those projects. Therefore, revenues in this fund consist mainly of transfers in from other funds and grants. Due to the nature of this fund, it does not have a consistent fund balance. The chart below represents the fund balance in this fund from 2020 through 2024, with the fund balance on December 31, 2024

at approximately (\$362,000). Positive fund balance is restricted for special projects, while negative fund balance is reported as unrestricted.



Because of the fluctuating capital activity of this fund, the total fund balance fluctuates. The Special Project Fund does not carry a large fund balance, and therefore, the Township Board of Supervisors should closely monitor this fund’s balance when budgeting capital projects and purchases.

AMERICAN RESCUE PLAN FUND

The American Rescue Plan Fund is used to account for funding received from the U.S. Federal Government passed through the Pennsylvania Department of Community Development and Economic Development as part of the American Rescue Plan Act of 2022 economic stimulus package. The Township received approximately \$3.4 million of ARPA funds, which were recognized in 2022 and 2023. The majority of funds were transferred out of this fund and used to fund activities in the following funds: General Fund (approximately \$1.2 million), Parks & Recreation (approximately \$6,000), Recreation Capital Reserve (approximately \$19,000), Pool (approximately \$200,000), Special Projects (approximately \$238,000), Capital Reserve (approximately \$1.6 million) and Road Machinery (approximately \$20,000). The remaining fund (approximately \$200,000) paid miscellaneous expenses within the American Rescue Plan Fund. All balances were transferred out of this fund by December 31, 2024, and this fund was closed.

SEWER SALES PROCEEDS FUND

In 2022, the Township sold its sewer system and created a trust with the proceeds, which is accounted for in the Sewer Sales Proceeds Fund. Per the trust agreement, a calculation is

performed each year, based on 5% of the average aggregate fair market values of the trust's assets at the end of the immediately preceding three calendar years, to determine the amount of the required interest distribution out of the trust. These funds can be used to fund deficits in funds, such as the General Fund, or can be used for future projects. The balance in this fund on December 31, 2024 is approximately \$27 million.

ROADWAY IMPROVEMENT FUND

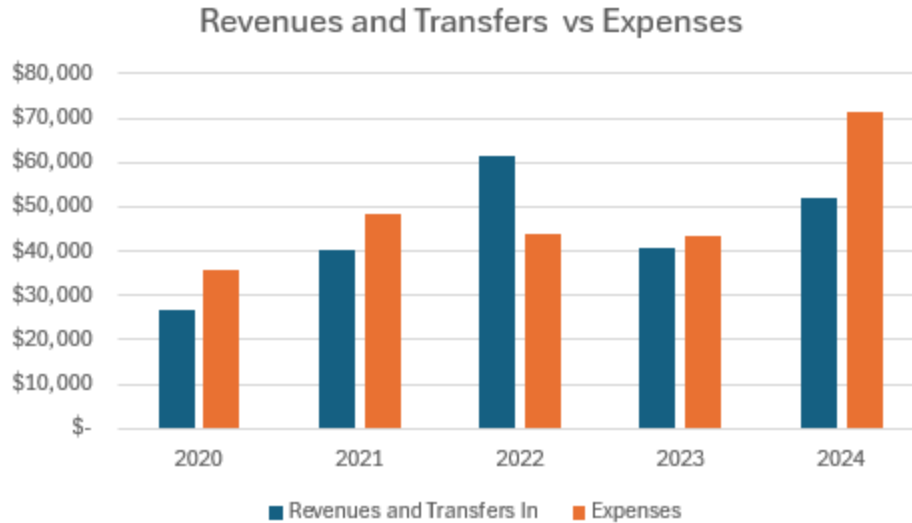
The Roadway Improvement Fund is a Special Purpose Tax Fund that was created in 2024 to account for road projects. The Township has historically allocated 2 mills of real estate tax to this fund and increased the millage allocation to 4 mills starting in 2025. The expectation is that road projects will be budgeted to be paid out of this fund based on the real estate tax revenue received in this fund. 2024 revenues were approximately \$1.1 million. 2024 expenses were approximately \$900,000. The fund ended 2024 with approximately \$200,000 fund balance restricted for roadway improvements.

STREET LIGHT FUND

The Street Light Fund covers the cost and maintenance of streetlights within the Township. A street light fee is assessed for Township residents. Street light revenues have consistently averaged around \$70,000 each year, and the Township does not anticipate any significant fluctuations with this revenue source in future years. Expenses have historically averaged around \$46,000. Expenses are trending upward due to inflation and age of the assets. Fund balance in the Street Light Fund is assigned for streetlights.

9-11 MEMORIAL FUND

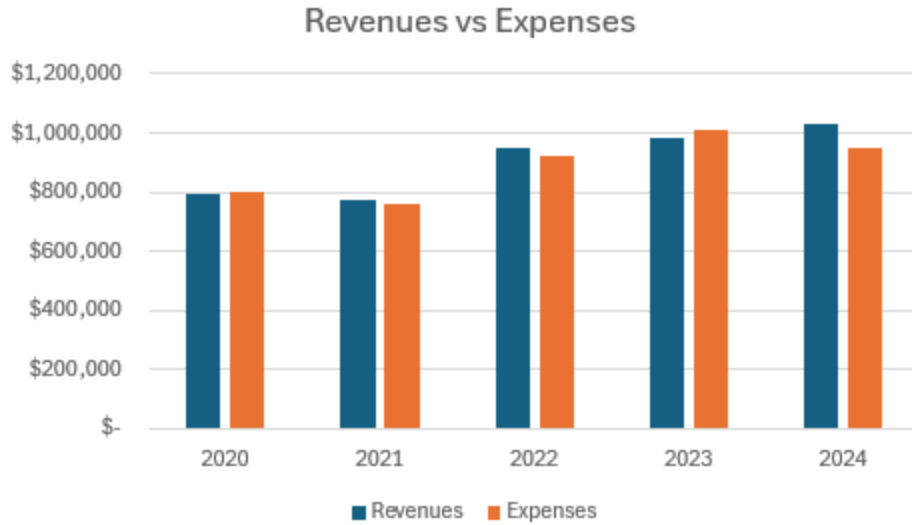
The 9-11 Memorial Fund supports the Garden of Reflection, the 9/11 memorial in the Township. Historically, this fund was funded through contributions, interest earnings, and transfers from the General Fund. Historical maintenance expenses for the Garden of Reflection exceeded the revenues. A cooperation agreement was put in place beginning in 2025 where the Township is reimbursed for up to \$40,000 of expenses incurred for maintenance of the Garden of Reflection each year. The chart below shows revenues and expenses in this fund from 2020 through 2024. The fund had a fund balance of (\$2,824) on December 31, 2024.



The Township also maintains a Garden of Reflection Capital Reserve Fund. This fund had a balance of approximately \$10,000 on December 31, 2024.

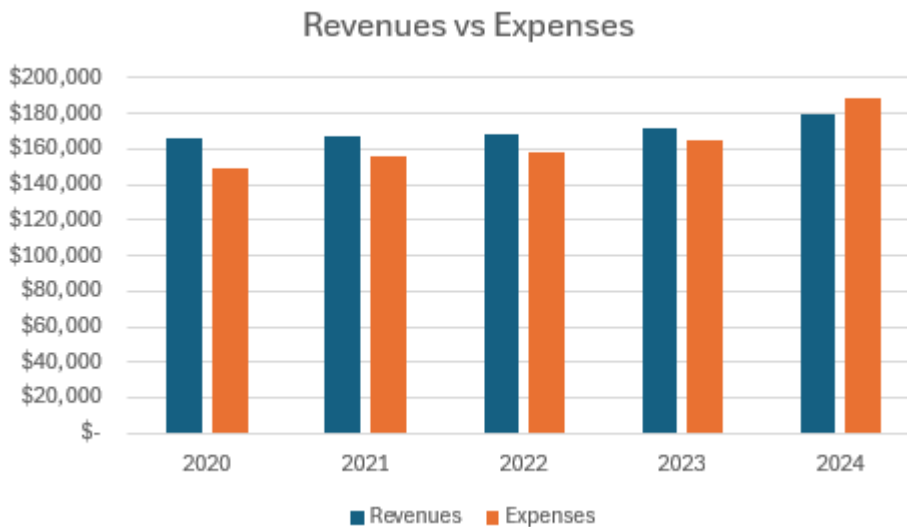
FIRE PROTECTION FUND

The Fire Protection Fund accounts for the real estate tax millage allocated to fire protection and the Foreign Fire Insurance Premium Tax and Special Fire Protection Fees used to pay for fire expenses related to personnel and financial assistance to local fire departments. The real estate tax millage allocation to the fire protection fund increased from .9 mills in 2021 to 1.10 mills in 2022. The Township should consider enacting provisions of HB 2310 which enables townships located in Class A Counties to levy a special purpose fire tax up to 10 mills (previously was capped at 3 mills with a restriction of no more than half, but not to exceed 1 mill, for the purposes of paying salaries and benefits) and a special purpose ambulance/EMS tax up to 5 mills (previously was capped at 0.5 mill with a restriction of no more than half for the purposes of paying salaries and benefits). The chart below shows revenues and expenses in this fund from 2020 through 2024. Although revenues and expenses are fairly consistent, the fund had fund balance of \$170,248 on December 31, 2024.



HYDRANT FUND

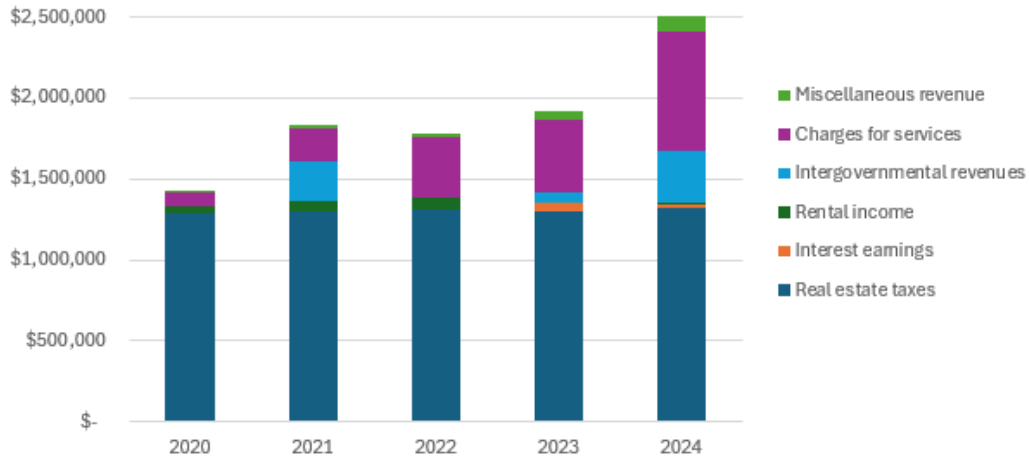
The Hydrant Fund accounts for the real estate tax millage allocated to maintenance of fire hydrants and PA American and Morrisville water fees. The real estate tax millage allocation to the Hydrant Fund has been .33 mills since 2020. The chart below shows revenues and expenses in this fund from 2020 through 2024. The fund had a fund balance of \$38,028 at December 31, 2024.



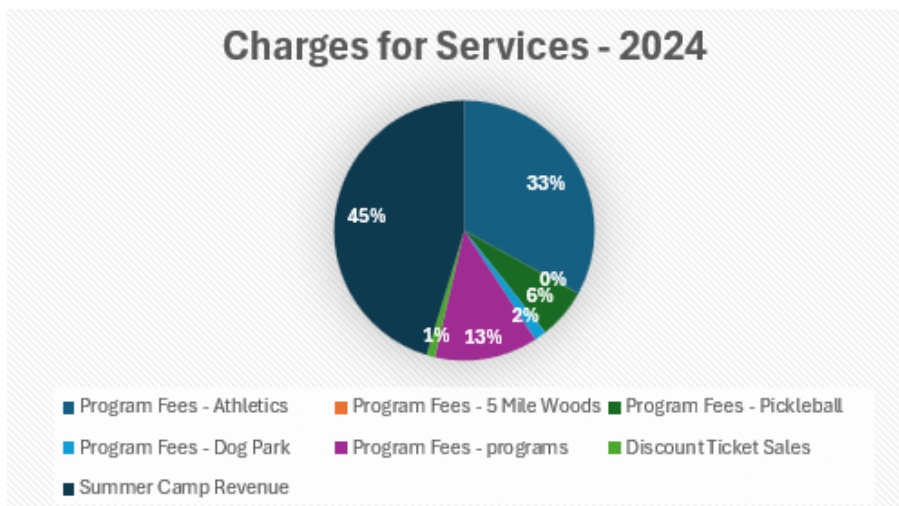
PARK AND RECREATION FUND

The Park and Recreation Fund consists of the Park and Recreation Operating Fund and the Recreation Capital Reserve Fund. Major revenue sources in this fund consist of a portion of the Township’s real estate tax revenue, rental income for the Community Center and

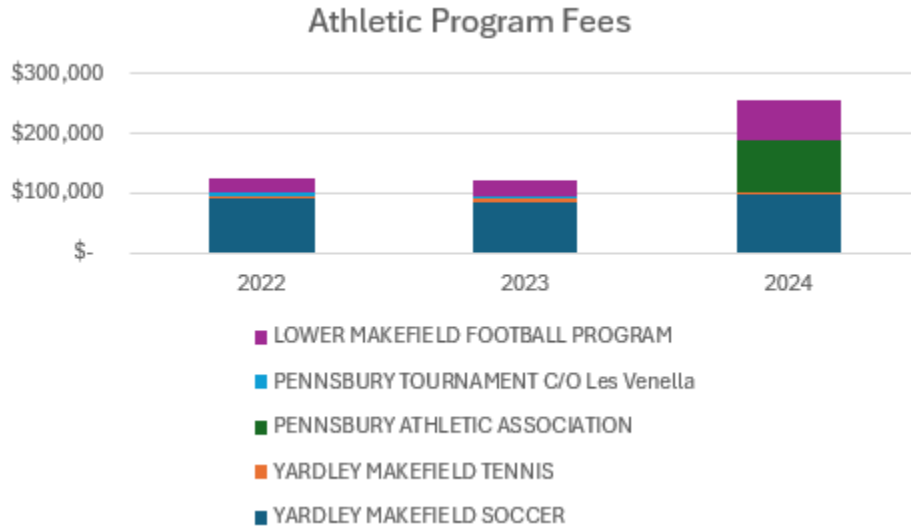
pavilions, grant revenues, and charges for services for program fees and the Township’s summer camp. The chart below shows the Park and Recreation Fund’s revenue sources from 2020 through 2024.



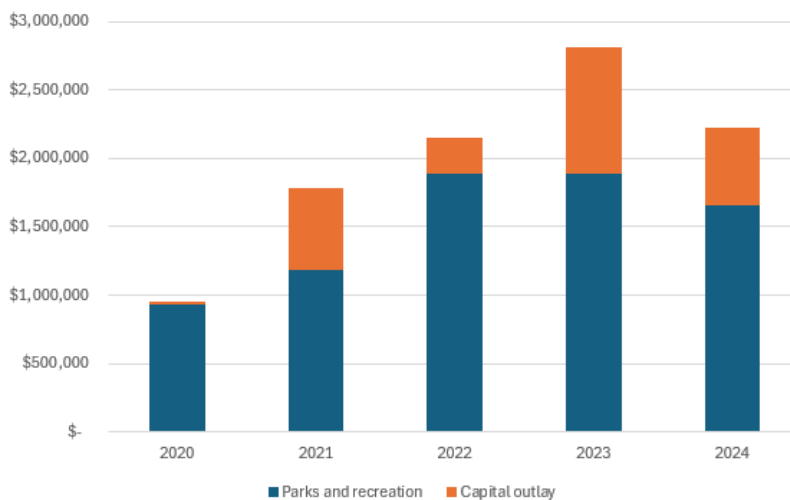
Within the charges for services revenue category, approximately 78% of the revenue is generated from Athletic Program and Summer Camp Fees. The Summer Camp Program has grown in the past 5 years. The average participants per week in 2024 was around 151 participants, with a maximum number of participants of 160. Of the 151 participants, approximately 21 and 30 participants also participated in the before care and after care programs, respectively. The Summer Camp Fee per participant in 2024 was approximately \$225 per week, depending on the number of weeks the participants signed up for. Fees are used to cover the cost of running the summer camp, including summer camp employee payroll costs. The chart below provides a breakout of the Charges for Services in 2024.



The majority of athletic program fee revenue is generated from the Yardley Makefield Soccer Program and the Lower Makefield Football Program. In addition, 2024 revenue includes Pennsbury Athletic Association fees of approximately \$85,000, which is expected to be received in future years. The revenue generated from these athletic program fees supports the maintenance of the parks and facilities used by these participants, in addition to light usage at these facilities. Light usage in 2024 was approximately \$75,000. The chart below shows Athletic Program Fees from 2022 through 2024.



Expenses in the Park and Recreation Fund consist of personnel expenses, expenses to pay for the maintenance of the parks and operating expenses for the parks & recreation programs. In addition, capital projects are paid for out of this fund. The chart below shows the Parks & Recreation expenses and capital outlay paid out of this fund from 2020 through 2024.



Transfers of funds in and out of this fund were required in prior years. Funds were transferred into the Park and Recreation Fund from the Sewer Sale Fund and American Rescue Plan Fund to cover fund deficits. Funds were transferred out of this fund to cover the deficit in the Pool Fund and to pay debt service expenses through 2022. Because of the fluctuating capital activity of this fund, the total fund balance fluctuates. The Parks & Recreation Fund does not carry a large fund balance, and therefore, the Township Board of Supervisors should closely monitor this fund's balance when budgeting capital projects and purchases, because of its reliance on transfers to and from other funds. This fund has a fund balance of (\$58,462) at December 31, 2024.

PARK AND RECREATION FEE-IN-LIEU FUND

The Township allows developers to pay a fee-in-lieu when developing land. This fee includes a core recreation land fee and passive recreation land fee. This fee is maintained in the Park and Recreation Fee-in-lieu Fund and used to support the maintenance of parks within the Township. The Township has historically received around \$100,000 per year in park and recreation fees-in-lieu revenue. Similar to other capital projects funds, the activity of this fund will fluctuate based on projects budgeted to take place each year. Expenses out of this fund will vary based on budget capital projects. The Township had a fund balance of \$798,557 on December 31, 2024.

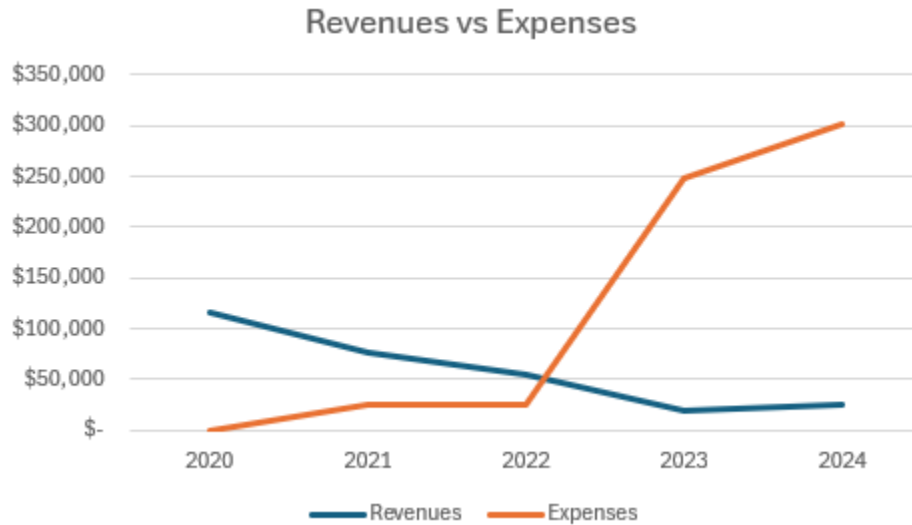
TRAFFIC IMPACT FUND

The Traffic Impact Fund receives developer contributions that are used to support traffic improvement projects. Developer contributions averaged around \$20,000 per year from 2020 through 2024. Significant expenses were not incurred in this fund until 2024, where approximately \$45,000 of engineering fees were incurred. The fund had a fund balance of \$212,698 on December 31, 2024. When evaluating future revenue and expense activity to be incurred by this fund, the Township should ensure they are considering the needs within the Township in order to provide for traffic levels up to the standards of Township residents, while not budgeting capital projects that will deplete the total fund balance.

When evaluating future revenue and expense activity to be incurred by this fund, the Township should consider providing for traffic levels up to the standards of Township residents, while not budgeting capital projects that will deplete the total fund balance.

REGENCY BRIDGE FUND

The funds in the Regency Bridge Fund are utilized for open space and/or infrastructure improvements in the area bounded by the south side of the railroad tracks and west of Stoney Hill Road. These funds were created as temporary funds with the intention of being used for specific land use requirements, and it is not anticipated that there will be additional reoccurring revenue sources into this fund in future years. Historical expenses in this fund were for professional services and projects related to Regency area improvements. Due to the temporary nature of these funds, the Township has received revenues to fund these projects in prior years, but those revenues have significantly declined since 2020. The chart below shows revenues and expenses in this fund from 2020 through 2024. The fund had a fund balance of \$155,085 on December 31, 2024. 2023 and 2024 included major capital improvements that are not budgeted to be as significant in future years.



TREE FUND

The Tree Fund is used to account for developers' contributions to the tree bank, used for the purchase of trees and supplemental landscaping. The Township did not receive any contributions from 2020 through 2022. In 2023 and 2024, the Township received approximately \$300,000 and \$100,000 in contributions, respectively. Approximately \$100,000 and \$70,000 was spent on tree purchasing and landscaping in 2023 and 2024, respectively. The fund had a fund balance of \$321,662 on December 31, 2024.

LIQUID FUELS FUND

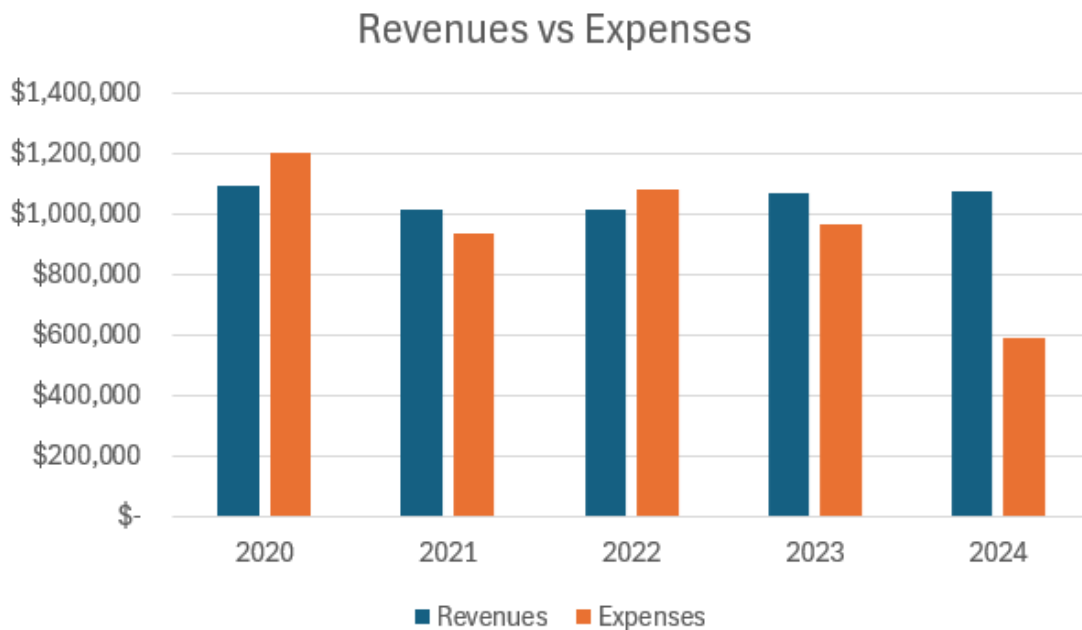
The Liquid Fuels Fund is created by state law that requires any state liquid fuels grant funding to be accounted for as a separate fund, as this funding is restricted to specific types

of expenditures. Revenues in this fund mainly consist of the State Liquid Fuel Tax Grants (Act 32 and 655), based on 20% of the liquid fuel tax on gasoline and diesel fuel. This revenue has been consistent from 2020 through 2024 and has averaged \$1.05 million each year.

As stated above, this fund is restricted to specific types of expenditure. Typical expenditures consist of road projects and maintenance and will vary based on the projects budgeted to take place on an annual basis. As these funds are restricted by the state of Pennsylvania, it is important for the Township to budget these types of road expenses and ensure they are using these restricted funds first, before using assigned or unassigned funds for these projects.

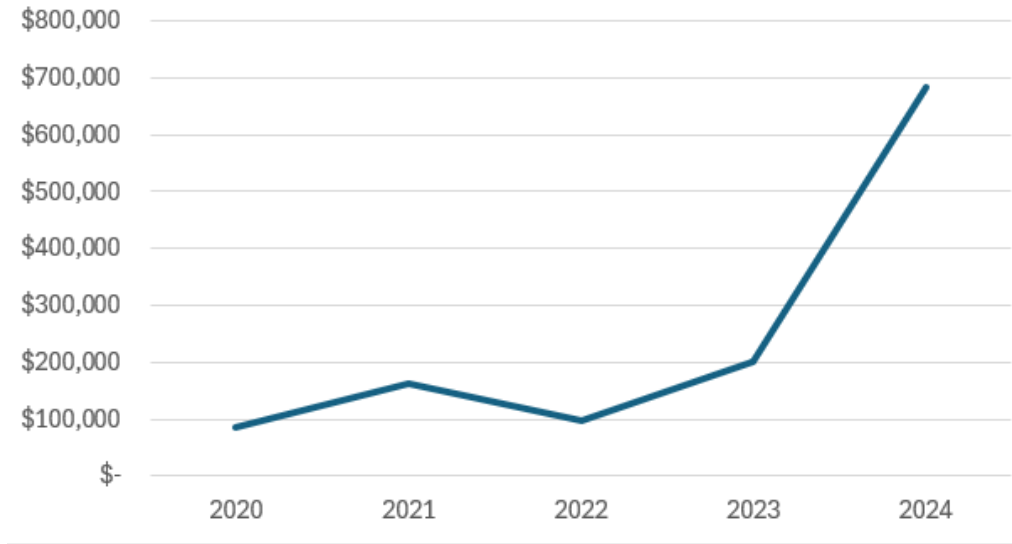
It is important for the Township to budget these types of road expenses and ensure they are using these restricted funds first, before using assigned or unassigned funds.

The table below summarizes revenue and expense activity in the Liquid Fuels Fund from 2020 through 2024.



The Liquid Fuels fund has historically carried an insignificant fund balance when compared to revenues and expenses in this fund. However, a significant portion of road expenses in 2024 were paid out of the Road Improvement Fund, creating a large fund balance in 2024. The Township has budgeted to spend a portion of this fund balance in 2025, but not all of it. The chart below shows the historical fund balance from 2020 through 2024. The Township’s fund balance on December 31, 2024 was \$683,421.

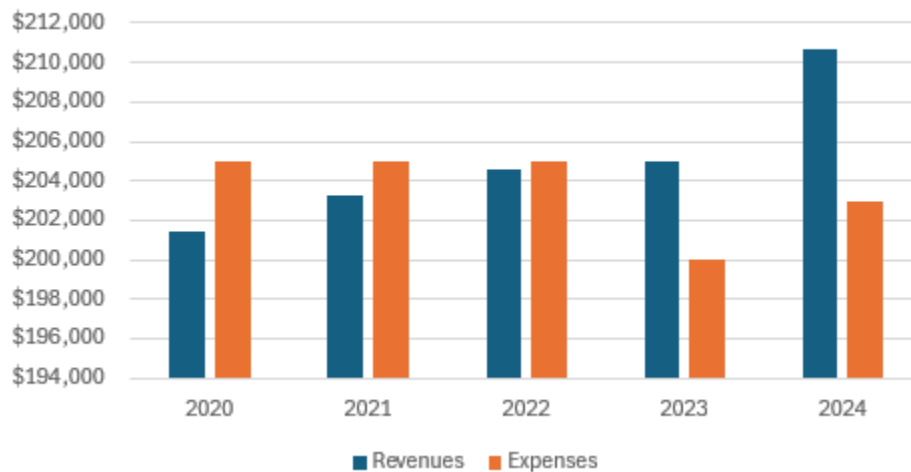
Restricted Fund Balance



AMBULANCE RESCUE FUND

The Ambulance Rescue Fund accounts for the real estate tax millage allocated to emergency medical services provided within the Township. The real estate tax millage allocation to the Ambulance Rescue Fund has been .38 mills since 2020. The chart below shows revenues and expenses in this fund from 2020 through 2024. The fund had a fund balance of \$14,379 on December 31, 2024.

Revenues vs Expenses



ROAD MACHINERY FUND

The Road Machinery Fund is used for the purchase and maintenance of vehicles and equipment used for township and public works operations. The main source of revenue in this fund is real estate tax revenue. Since 2020, .3 mills have been allocated to this fund. Expenses in this fund consist of lease payments and capital outlay for road equipment. The Road Machinery Fund had fund balance of \$110,156 on December 31, 2024.

PATTERSON FARM FUND

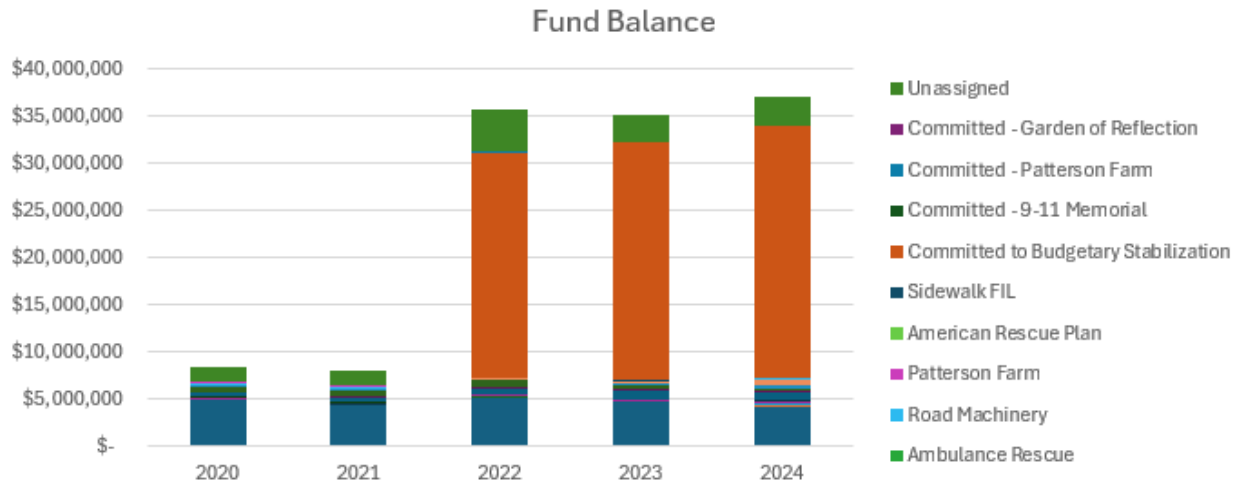
The Patterson Farm Fund is used to account for the funds used to preserve and maintain the Patterson Farm, including maintenance expenses, the payment of taxes, and various projects. The Township receives rental income from the use of this property that helps fund maintenance and projects that take place on this property. The Patterson Farm Fund had fund balance of \$3,883 on December 31, 2024, and anticipates capital renovations to take place in future years using 2016 Bond Fund funds.

SIDEWALK FEE-IN-LIEU FUND

The Township maintains a Sidewalk Fee-in-Lieu Fund. This fund was created in 2021 to account for developer contributions that are used to create sidewalks in the areas they are developing. Contributions of approximately \$25,000 have been received since inception, along with a transfer in from the Special Projects Fund of approximately \$50,000 and interest income of approximately \$6,000. No funds were spent through 2024, creating a fund balance of \$81,647 on December 31, 2024.

FUND BALANCE OF ALL GOVERNMENTAL FUNDS

The chart below summarizes fund balance in the Governmental funds described above. While reviewing the chart, it is important to keep in mind the large amount of committed funds balance beginning in 2022, with the Sewer Sale Trust Fund.

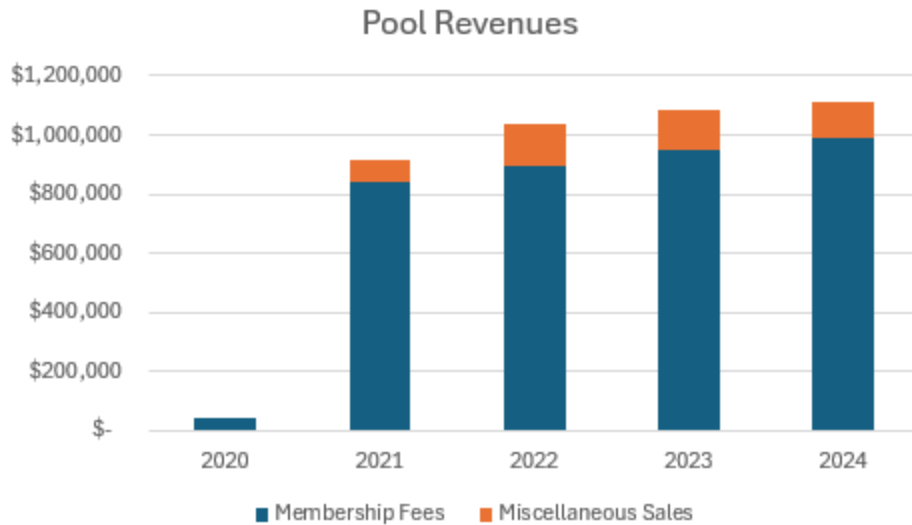


SEWER FUND

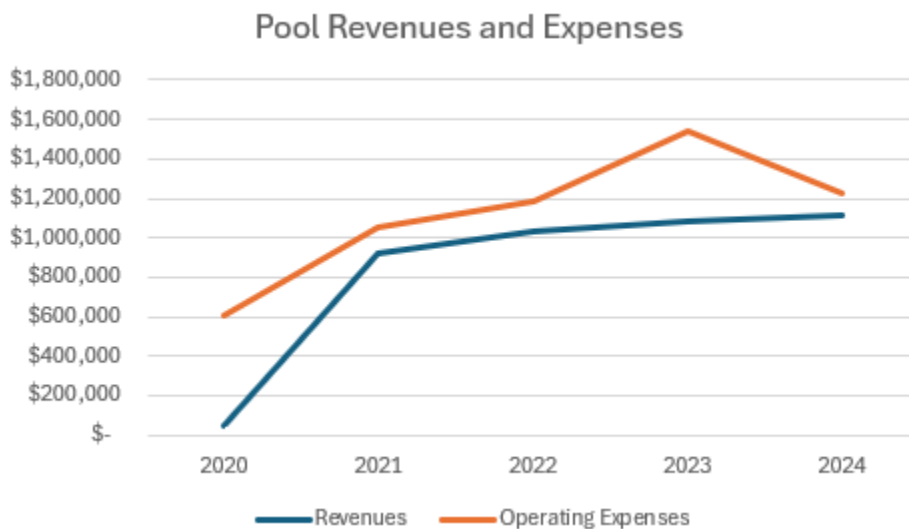
The Sewer Fund accounts for the activities of the sewer system infrastructure, sewage pumping stations and collection systems. In 2022, the Township sold its sewer system to Aqua Pennsylvania. Proceeds from the sale were used to pay off Township debt and invest in the Sewer Sale Proceeds Trust. As expected, activity in the Sewer Fund has decreased significantly since the sale, and in 2024, the only activity was approximately \$25,000 of miscellaneous revenue. The Sewer Fund had a net position of \$3,372,432 on December 31, 2024, which the Township plans to transfer to the General Fund in a future year to close out this fund.

COMMUNITY POOL FUND

The Community Pool Fund accounts for the operations of the Township’s municipal pool. This fund covers the costs of all programs and staffing at the pool, maintenance of the pool, and any capital improvements. Revenues in this fund include membership fees and miscellaneous sales and have been increasing since 2020. The chart below shows the community pool revenues from 2020 through 2024.



Similar to pool revenues, pool expenses have also been increasing since 2020. The chart below shows the increase and comparison of pool revenues and operating expenses, including depreciation expense.



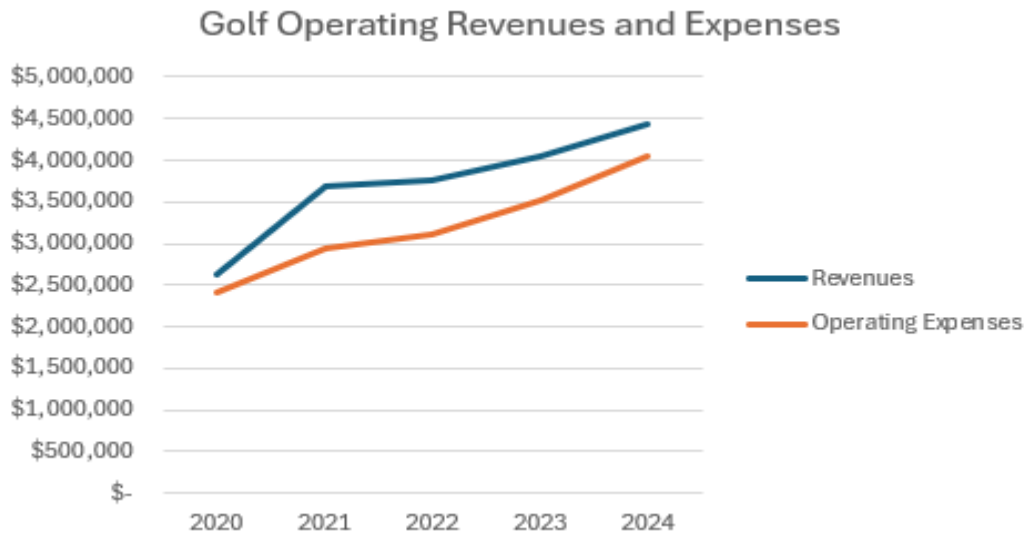
The pool has had operating losses every year since 2020. It relies on transfers in from the Parks & Recreation Fund to maintain a fund balance. The Community Pool Fund received transfers of \$451,210, \$74,021, \$0, \$0, and \$200,000 from the Parks & Recreation fund in the year 2020, 2021, 2022, 2023, and 2024, respectively. The Pool Fund received \$200,367 from the American

 **The pool has had operating losses every year since 2020 and relies on transfers in from the Parks & Recreation Fund to maintain a fund balance.**

Rescue Plan Fund in 2022. The Community Pool Fund had \$461,824 of net position on December 31, 2024.

GOLF COURSE FUND

The Golf Course Fund accounts for the maintenance and operation of the Township’s municipal golf course. Included in this fund is all course maintenance, capital improvements, and operational costs. The main sources of revenue in the Golf Course Fund are golf participation fees, such as fees to use the golf course (greens, practice range, cart fees, etc.) and the sale of merchandise and food and beverage. Both golf participation fees and operating expenses have grown since 2020. The growth in both operating revenues and expenses (including depreciation expense) is shown in the chart below.



In addition to operating revenues and expenses, the Golf Fund activity from 2020 through 2024 also included payments on debt (which was paid off in 2022 with the sewer sale described above), transfers in from other funds in 2022 and prior, and transfers out to other funds from 2022 through 2024. Funds were transferred into the Golf Fund in 2022 and prior to help fund this fund during the COVID. Funds were transferred out of the Golf Fund after 2022 mainly to repay the General Fund once it became income-generating again.

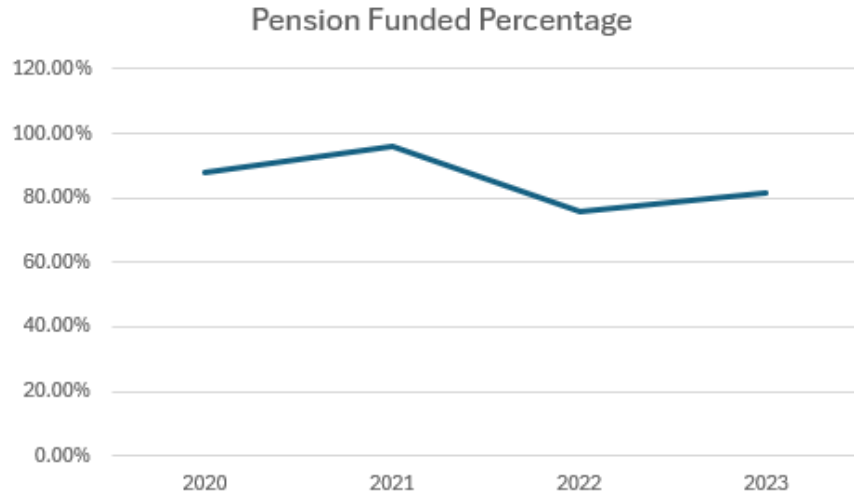
The Golf Fund’s fund balance at December 31, 2024 is \$13,702,943. Although the Golf Fund has over \$13 million in fund balance, it is important to keep in mind that the majority of that balance is invested in capital assets. The Golf Fund has approximately \$13.9 million of capital assets at December 31, 2024.

LONG TERM LIABILITIES

The Township's Government-Wide Financial Statements are reported on the accrual basis of accounting and are designed to provide readers with a broad overview of the Township's finances, in a manner similar to the private-sector. All governmental fund financial statement activity is presented on a modified accrual basis of accounting. Significant differences between the government-wide financial statements and the fund financial statements are the inclusion of non-current assets and liabilities. The majority of the Township's non-current assets consist of capital assets, which are reported as expenses on the fund financial statements and analyzed as part of the fund financial statements. Non-current liabilities consist of bonds payable, the Township's net pension and other post-retirement benefits (OPEB) liability, and compensated absences liability. Similar to capital assets, bond payments are expensed in the fund financial statements when incurred, and therefore, analyzed as part of the fund financial statements. The long-term liabilities are additional liabilities that the Township Board of Supervisors should be monitoring, as they can have a significant impact on the long-term financial status of the Township.

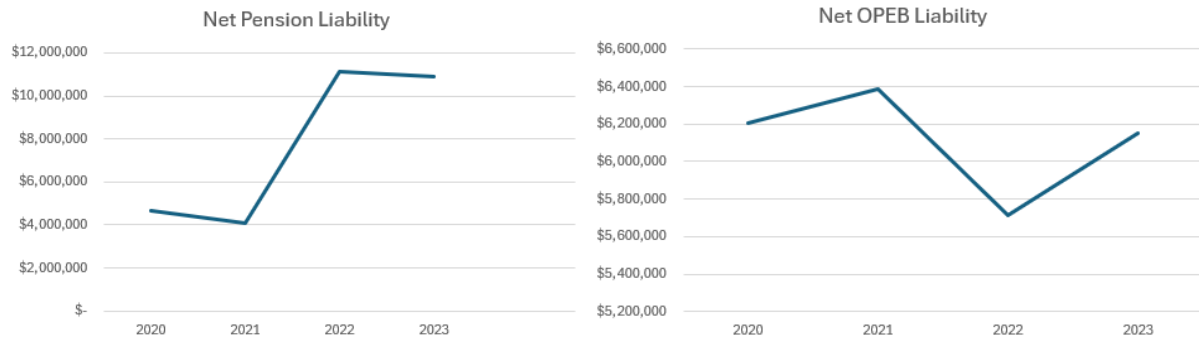
NET PENSION AND OPEB LIABILITY

The Township provides a defined benefit pension plan for both police officers and non-uniformed employees of the Township. All police officers are eligible for the defined benefit pension plan, and non-uniformed employees hired before January 1, 2011 are eligible for the defined benefit pension plan. Non-uniformed employees hired after that date can participate in the Township's defined contribution pension plan. The Township funds the defined benefit pension plans on a yearly basis as required under PA Act 205, based upon an actuarial valuation performed at year-end. The net pension liability represents the amount by which the total pension liability exceeds the assets held in trust. Below is a chart of the funded percentage of the pension plan from 2020 through 2023, which is important for the Township to monitor, as it compares the pension liability and the assets held in the trust.



The Township also provides health benefits to eligible employees and retirees through three plans for benefits other than pensions. The Township does not hold any investments in a trust related to the OPEB plans. The net OPEB liability represents the amount calculated based upon an actuarial valuation performed at year-end.

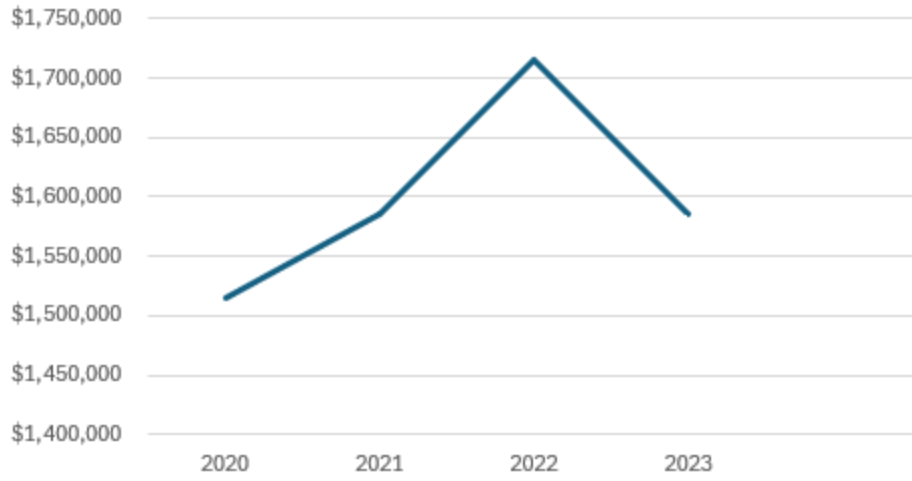
Below is a summary of the Township’s net pension and Net OPEB liabilities as of December 31, 2020 through 2023 (the most recent financial information available).



COMPENSATED ABSENCES LIABILITY

The Township allows employees to accumulate unused vacation benefits and are entitled to this pay based on their years of service. Below is a summary of the liability from 2020 to 2023 (the most recent financial information available).

Compensated Absences Liability



FINANCIAL TREND ANALYSIS

INTRODUCTION

The Financial Trend Analysis was prepared to provide projections of future revenues and expenditures while considering economic and demographic trends throughout the Township, in order for the Township to understand their future financial position, and if necessary, take action to counteract any negative trends found during this process.

Through completion of the Financial Trend Analysis, significant factors and future trends that can be anticipated in the governmental and enterprise funds were summarized. The analysis performed provided for data on the significant revenue and expense items of the Township, and the historical trends of those items. Looking forward, an evaluation was completed of those historical trends and how they are expected to continue in future years. Through this process, forecasted financial statements were prepared for each fund for the years 2025 through 2029, based on the following information:

- Discussions with management about future activities of the Township, including areas such as operations, capital projects, and population growth
- Review of the 2025 budget and 2025's actual activity through March 31, 2025
- Review of the Township's tracking of capital projects and spending
- The Consumer Price Index
- The historical trends already determined during the Financial Condition Analysis

The methodology behind significant line items is explained throughout this document and the relevant pieces of each of the forecasted financial statements are included.

GOVERNMENT FUNDS

SIGNIFICANT FACTORS AND TRENDS

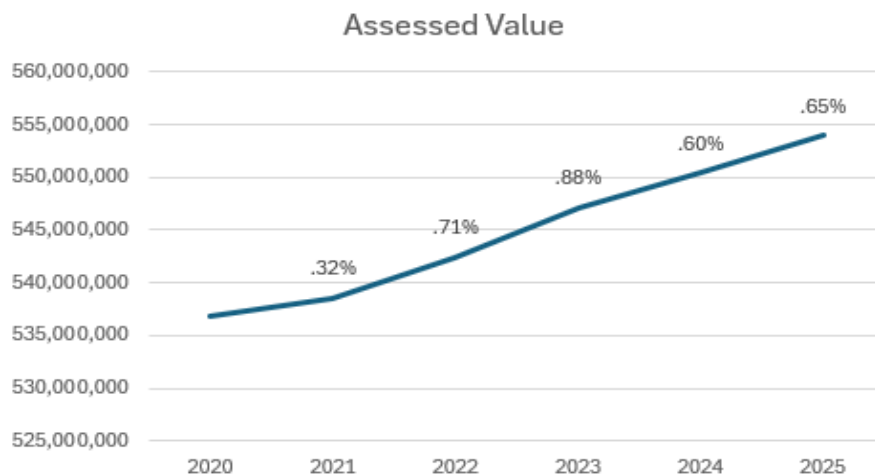
This section outlines in a narrative form the areas that have a significant impact on the revenues and expenses of the Township. An explanation is provided of past trends and our methodology for forecasting future revenues for 2025 to 2029. Visual charts have been provided to help further display certain trends.

REAL ESTATE TAX

The largest tax source of the Township is Real Estate Tax. Unlike other taxes, such as Earned Income Tax revenue, which naturally adjusts itself upward on pace that at least somewhat mirrors inflation each year due to wage increases, the base assessment used in calculating RET only adjusts through changes in the taxable base, or if the millage rate itself increased. Through analysis performed in the Financial Condition Assessment, it was noted that the Township's Real Estate Tax base had a slight upward trend over the past five years, and the RET millage has increased as well over that time period. Under Pennsylvania's Second Class Township Code, the statutory cap for general purpose real estate taxes is limited to 14 mills. As the Township approaches this cap, it becomes increasingly constrained on the ability to raise additional revenue through property tax increases. The last county-wide RET assessment was conducted in 1972, and there are no plans for a future county-wide assessment at this time. The chart below shows the Township's total assessed value from 2020 through 2025, including the percentage increases in that value from year to year.

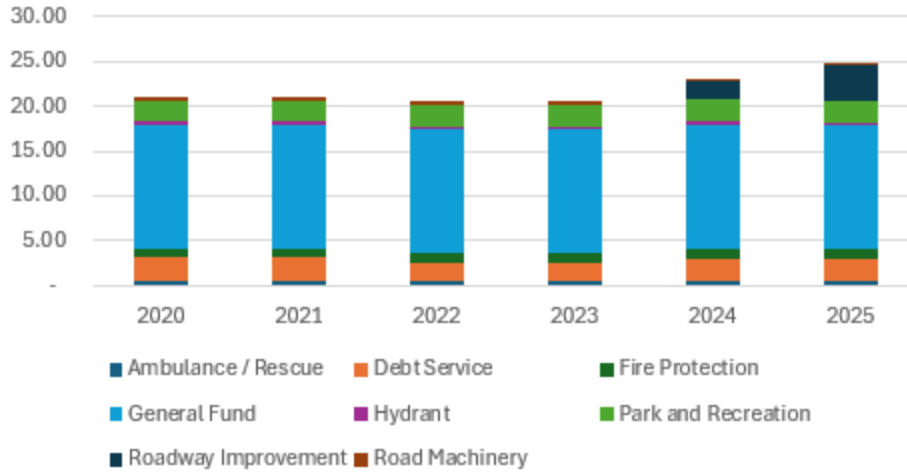


Under Pennsylvania's Second-Class Township Code, the statutory cap for general purpose real estate taxes is limited to 14 mills. As the Township approaches this cap, it becomes increasingly constrained on the ability to raise additional revenue through property tax increases.



Each year, when the Township prepares their annual budget, they determine the millage allocation between each fund. The chart below shows the allocation between each fund from 2020 through 2025. For the purposes of the Financial Trend analysis, it is expected that the millage and allocation will stay the same in future years.

RET Millage Allocation



As it is expected that there will be no changes or increases in the RET millage through 2029, the only increases the Township can expect in RET revenue is related to an increase in the Township’s assessed value. As shown above, the assessed value has increased anywhere from .32% to .88% in the past five years, with .65% from 2024 to 2025, the most recent year. An increase of .65% was used for future projections for 2025 through 2029.

Below is a summary of the projected RET revenue in each fund from 2025 through 2029.

	Projected RET Revenue (in 000's)				
	2025	2026	2027	2028	2029
General Fund	\$ 7,617	\$ 7,666	\$ 7,716	\$ 7,766	\$ 7,816
Debt Service	1,383	1,392	1,401	1,410	1,419
Fire Protection	603	607	611	615	619
Hydrant	174	175	176	177	178
Park and Recreation	1,332	1,340	1,349	1,358	1,367
Ambulance	212	213	215	216	218
Road Machinery	165	166	167	168	169
Roadway Improvement	2,172	2,187	2,201	2,216	2,230
	\$ 13,658	\$ 13,746	\$ 13,836	\$ 13,926	\$ 14,016

REAL ESTATE TRANSFER TAX

Real Estate Transfer Tax, the second largest tax source of the Township, can fluctuate based on real estate sales within the Township. The Township’s Real Estate Transfer tax revenue ranged from \$1.4 million to \$2.3 million from 2020 through 2024, with the average around \$1.8 million. As the Township does not anticipate any major increases or decreases in real

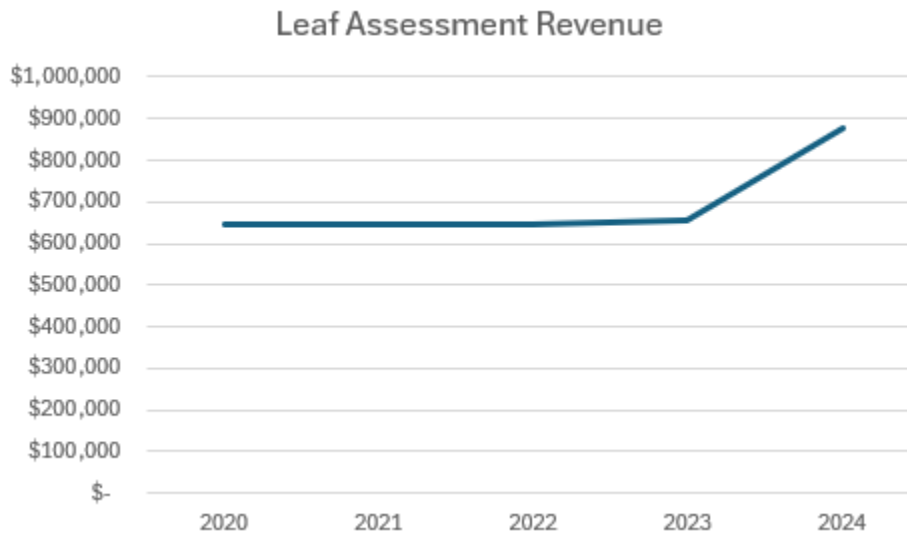
estate tax sales over the next 5 years, the average of approximately \$1.8 million was used for our projections for 2025 through 2029.

CHARGES FOR SERVICES

The Township charges various fees to its residents for items such as building, electrical, plumbing and mechanical permits. These permits and fees will vary based on activities within the Township each year, and no trends were noted during review of the revenues from 2020 to 2024. For all permits and fees, the 2025 budgeted amount was used as projected revenues for 2025 through 2029.

LEAF ASSESSMENTS

The Township charges a leaf assessment to residents to fund services related to leaf collection within the Township. This fee was increased in 2024 from \$70 to \$95. This increase was noted per review of the revenue from 2020 through 2024, as historical leaf revenue went from approximately \$650,000 from 2020 through 2023 to approximately \$875,000 beginning in 2024. The rate of \$95 was used for projections for 2025 through 2029.



GRANTS

The Township has not historically obtained a large number of one-time grants to fund services and projects throughout the Township. The largest grant received from 2020 through 2024 was the American Rescue Plan Act funding received of approximately \$3.4 million. The majority of this grant funding, approximately \$1.2 million, was transferred to the General Fund to cover operating costs within the Township from 2022 through 2024, and

approximately \$1.6 million was transferred to the Capital Reserve fund to cover the costs of road construction in 2022 and 2023.

With the exception of the American Rescue Plan Act funding, which cannot be anticipated in future years, another fund with significant one-time grant activity is the Special Project Fund. The Township budgeted to receive around \$3.2 million of grants in 2025 (\$2.5 million DCED Multimodal Transportation Fund, \$305,000 Green Light Go, \$260,000 Automated Red Light Enforcement Transportation Enhancements, and \$148,000 PA Small Water and Sewer) but does yet have any grants awarded for future years. These grants will help cover the cost of around \$4.5 million of budget capital projects budgeted to take place in the Special Project Fund in 2025.

The Park and Recreation Fee-in-Lieu Fund budgeted to receive a \$900,000 Local Share Account grant in 2025 to cover a portion of the costs related to the Memorial Park Expansion project. It is anticipated that this \$900,000 project will take place in both 2025 and 2026. For purposes of the projections, \$600,000 of these costs were recorded in 2025 and \$300,000 of these costs are to be recorded in 2026.

PERSONNEL EXPENSES

The largest of the operating expenses incurred by the Township are personnel expenses. The two factors impacting personnel expenses are the number of employees and the rate paid to those employees.

The number of non-seasonal employees was analyzed through the Financial Condition Assessment. It was noted that the number of these non-seasonal employees remained consistent from 2022 through 2024, with an average around 125 employees. It was also noted that employee counts are not expected to significantly increase in the near future, and therefore, increases in employees were not factored into the 2025 through 2029 projections.

Increases in employees were not factored into the 2025 through 2029 projections as employee counts are not expected to significantly increase in the near future.

The rates paid to employees governed by collective bargaining agreements are required to be paid by the Township. Salaries for all employees were adjusted using the collective bargaining agreements as a guide. For all employees not covered by collective bargaining agreements, a flat increase of 3% was calculated and factored into the projections based on review of the payroll expenses from 2020 through 2024.

Health insurance costs are on the rise and are expected to continue increasing at a high rate in future years. A health insurance cost increase of 10% was calculated and factored into the projections for 2025 through 2029.

CAPITAL PROJECTS

A long-term capital budget is essential for a Township’s community development, as it helps Townships anticipate major expenditures that it will incur to ensure roads, bridges, and all capital assets remain functional for its residents. Capital projects, if not funded through outside sources, can have a significant impact on the Township’s expenses. The Township currently prepares a Capital Plan that budgets capital projects and funding for those projects that the Township will incur within the next year, but they do not budget for activity outside of that one-year period. The 2025 Capital Plan and 2025 budget were used to prepare the 2025 forecasted amounts within this report. For years after 2025, we did not include any future one-time capital projects, as the Township has no capital improvement plan and is not yet aware of what those projects will be.

TRANSFERS

Historically, certain funds have operated at a deficit, and transfers from other funds were necessary to remove that deficit. Throughout the process of forecasting out the revenues and expenses from 2025 through 2029, we forecasted out the activity and ending fund balances in each individual fund to determine if there are necessary transfers required to be made from any funds to cover deficits.

ALL OTHER REVENUE AND EXPENSE CATEGORIES

The Consumer Price Index (CPI) measures the prices consumers pay for various categories of goods and services. Although the CPI can vary based on the category of goods and services, the average CPI increase from 2024 to 2025 is around 3%. Although CPI has increased at a higher rate in recent years, the rate of inflation has begun to slow down, and a large spike is not expected again in the near future. Because of this, a conservative rate of 3% was used for all expense categories of the Township, unless identified separately above.

A conservative rate of 3% was used for all expense categories of the Township, unless otherwise identified.

All revenues that were not identified separately above were forecasted at the 2025 budgeted amounts, as the Township does not anticipate any significant increases or decreases related to them.

2025 THROUGH 2028 FORECAST

Although the General Fund is the focus of this analysis, due to it being the operating fund of the Township, the activity and fund balances of all other funds needs to be analyzed to ensure any deficits that would need to be covered by other funds through transfers are considered. Revenues and expenses, along with ending fund balance are detailed in the tables below.

GENERAL FUND

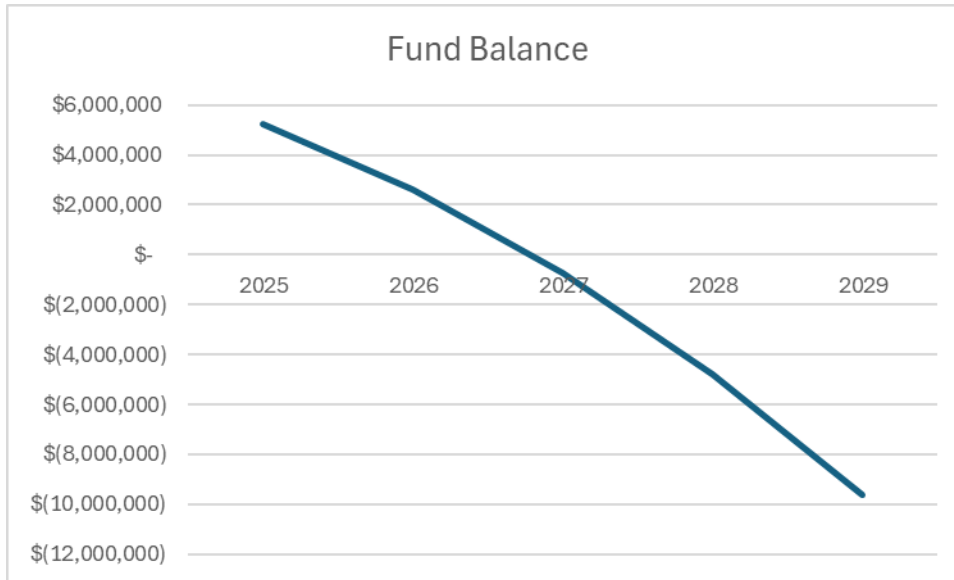
Below is a summary of the future projections in the General Fund for 2025 through 2029, using the assumptions discussed earlier. The majority of expenses in this fund relate to personnel expenses and overall operations of the Township. No capital projects are included in this fund. Transfers into this fund include approximately \$3.4 million in 2025 to close the Sewer Fund, as discussed below, and annual transfers in of \$1,175,000 from the Sewer Sales Proceeds Trust fund interest distribution, as discussed in more detail below.

	2025	2026	2027	2028	2029
Revenues					
Real estate taxes	\$ 8,079,571	\$ 8,153,294	\$ 8,228,606	\$ 8,305,574	\$ 8,384,271
Local Act 511 taxes	1,853,381	1,853,381	1,853,381	1,853,381	1,853,381
Licences and permits	766,996	756,996	746,996	736,996	726,996
Fines and forfeits	63,419	63,419	63,419	63,419	63,419
Interest	390,000	390,000	390,000	390,000	390,000
Rents and royalties	320,000	320,000	320,000	320,000	320,000
Grants	220,016	97,300	97,300	97,300	97,300
State shared revenues	786,918	825,564	866,142	908,749	953,487
Charges for services	1,157,106	1,158,630	1,160,178	1,161,749	1,163,343
Miscellaneous	227,500	227,500	227,500	227,500	227,500
Leaf assessments	860,962	860,962	860,962	860,962	860,962
Sale of fixed assets	2,500	2,500	2,500	2,500	2,500
Rebated from prior year	38,000	38,000	38,000	38,000	38,000
Total revenues	14,766,369	14,747,546	14,854,984	14,966,130	15,081,159
Expenditures					
Central government	1,175,794	1,156,702	1,190,123	1,224,546	1,260,003
General expenditures	3,244,617	3,461,726	3,697,324	3,953,166	4,231,175
Finance	464,920	478,868	493,234	508,031	523,272
Tax collection	39,132	40,270	41,441	42,648	43,891
Information technology	466,946	458,057	476,713	490,759	506,855
Police	7,427,026	7,525,173	7,830,351	8,148,061	8,478,821
Community development	865,078	891,030	917,761	945,294	973,653
Public works	2,403,988	2,490,054	2,579,261	2,671,723	2,767,563
Operational transfers	1,974,471	2,052,628	2,133,934	2,218,517	2,306,512
Total expenditures	18,061,972	18,554,508	19,360,142	20,202,745	21,091,744
Other Financing (Uses) Sources					
Transfers, in	5,030,687	1,175,000	1,175,000	1,175,000	1,175,000
Total other financing sources (uses)	5,030,687	1,175,000	1,175,000	1,175,000	1,175,000
Net increases (decreases in fund balance)	1,735,084	(2,631,962)	(3,330,158)	(4,061,615)	(4,835,585)
Fund balance, beginning	3,512,930	5,248,014	2,616,052	(714,106)	(4,775,720)
Fund balance, ending	\$ 5,248,014	\$ 2,616,052	\$ (714,106)	\$ (4,775,720)	\$ (9,611,305)

Revenues are not expected to increase at a rate as high as expenses. If no changes are made, the Township's General Fund will begin to have a negative fund balance in 2027.



Revenues are not expected to increase at a rate as high as expenses. If no changes are made, the General Fund will begin to have a negative fund balance in 2027.



CAPITAL RESERVE FUND

As stated in the Financial Condition Analysis, the Capital Reserve Fund is not actively used by the Township. As of December 31, 2024, this fund had a fund balance of \$39,389. As this fund is not used anymore by the Township, for purposes of the Financial Trend Analysis, we included this \$39,389 as a transfer to the Special Projects Fund in our 2025 projections.

BOND FUND

The Bond Fund did not have significant activity in recent prior years and carried a fund balance forward of around \$4 million. Per review of the 2025 budget, a significant portion of this fund was budgeted to be used in 2025. This includes a \$3.1 million transfer out to the Special Projects Fund and a \$700,000 transfer out to the Patterson Farm Fund. The Township does not prepare a Capital Improvements Plan for years greater than one-year out from the current year, and therefore, the Township is not currently aware of any other projects that will be paid for out of this fund from 2026 through 2029. As such, no activity was included in this fund for the Financial Trend Analysis for the years 2026 through 2029 other than \$50,000 of interest income each year. The Bond Fund is projected to have a fund balance of approximately \$744,000 on December 31, 2029.

DEBT SERVICE FUND

Beginning in 2023, the real estate tax revenue received by the Debt Service Fund has been sufficient to cover the future debt service payments in this fund. Therefore, the 2025 through

2029 projections include only real estate tax revenue, at the 2025 budgeted amount of 2.53 mills, and debt service payments for the 2026 GOBs, 2018 GOBs, and the Road Loan. The millage allocation is adjusted by the Township based on the current debt outstanding’s amortization schedules, to ensure the Township is allocating enough to this fund to cover all debt service costs. As stated previously, the 2016 GOBs mature in 2036, the 2018 GOBs mature in 2028, and the Road Loan matures in 2025. With no changes in the real estate tax millage allocated to this fund, the fund balance will continue to grow as this debt is paid off.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 1,383,056	\$ 1,392,046	\$ 1,401,094	\$ 1,401,201	\$ 1,419,368
Interest	3,000	3,000	3,000	3,000	3,000
Total revenues	<u>1,386,056</u>	<u>1,395,046</u>	<u>1,404,094</u>	<u>1,404,201</u>	<u>1,422,368</u>
Expenditures					
Debt service, principal	806,071	540,000	565,000	590,000	410,000
Debt service, interest	<u>185,966</u>	<u>142,306</u>	<u>120,288</u>	<u>102,519</u>	<u>88,400</u>
Total expenditures	<u>992,037</u>	<u>682,306</u>	<u>685,288</u>	<u>692,519</u>	<u>498,400</u>
Net increases (decreases in fund balance)	<u>394,019</u>	<u>712,740</u>	<u>718,806</u>	<u>711,682</u>	<u>923,968</u>
Fund balance, beginning	92,193	486,212	1,198,951	1,917,758	2,629,440
Fund balance, ending	<u>\$ 486,212</u>	<u>\$ 1,198,951</u>	<u>\$ 1,917,758</u>	<u>\$ 2,629,440</u>	<u>\$ 3,553,408</u>

No new debt issuances or refundings have been incorporated into these projections. However, in 2025, the Township passed a \$15 million potential debt service referendum, and therefore, may issue debt in future years. With the issuance of \$15 million of debt, it is expected that the Township will pay approximately \$1 million in principal and interest per year, which will significantly decrease this fund’s fund balance if the debt service real estate tax millage does not increase.

SPECIAL PROJECT FUND

The 2025 budget includes various projects to take place in 2025 that are included in the Financial Trend Analysis, with the most significant being the Taylorsville and Highland Drive projects. As stated in the Financial Condition Assessment, this fund’s fund balance will fluctuate significantly based on capital project activity. This fund ended 2024 with a negative fund balance of \$362,154. However, 2025 budgeted transfers in from the Bond Fund of approximately \$3.2 million and budgeted grant funding of approximately \$3.2 million, is expected to fund the \$4.5 million of anticipated costs in this fund in 2025.

No activity is included in the Financial Trend Analysis for the years 2026 through 2029 as the Township does not have a Capital Improvements Plan covering the years 2026 through 2029 and therefore is not yet aware of the capital projects that will take place in those years.

	<u>2025</u>
Revenues	
Intergovernmental	<u>\$ 3,216,308</u>
Total revenues	<u>3,216,308</u>
Expenditures	
Capital outlay	<u>4,530,300</u>
Total expenditures	<u>4,530,300</u>
Other Financing (Uses) Sources	
Transfers, in	<u>3,160,749</u>
Total other financing sources (uses)	3,160,749
Net increases (decreases in fund balance)	<u>1,846,757</u>
Fund balance, beginning	(362,154)
Fund balance, ending	<u><u>\$ 1,484,603</u></u>

SEWER SALES PROCEEDS FUND

The 2025 through 2029 activity in the Sewer Sales Proceeds fund includes an estimate of the trust fund's investment income and a transfer out of this fund to the General Fund each year for the annual distribution. The annual distribution is calculated as 5% of the average aggregate fair market value of the trust's assets at the end of the immediately preceding three calendar years. Although investment income and the annual distribution will vary from year to year, it is expected that they will mostly cancel each other out each year, maintaining the same balance in the trust fund year after year, therefore, the 2025 budgeted interest income was used as the interest income and annual distribution for 2025 through 2029. Fund balance will remain the same for this fund through 2029, at approximately \$26.6 million.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Interest earnings	\$ 1,175,000	\$ 1,175,000	\$ 1,175,000	\$ 1,175,000	\$ 1,175,000
Total revenues	<u>1,175,000</u>	<u>1,175,000</u>	<u>1,175,000</u>	<u>1,175,000</u>	<u>1,175,000</u>
Other Financing (Uses) Sources					
Transfers, out	(1,175,000)	(1,175,000)	(1,175,000)	(1,175,000)	(1,175,000)
Total other financing sources (uses)	<u>(1,175,000)</u>	<u>(1,175,000)</u>	<u>(1,175,000)</u>	<u>(1,175,000)</u>	<u>(1,175,000)</u>
Net increases (decreases in fund balance)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning	26,607,522	26,607,522	26,607,522	26,607,522	26,607,522
Fund balance, ending	<u>\$ 26,607,522</u>	<u>\$ 26,607,522</u>	<u>\$ 26,607,522</u>	<u>\$ 26,607,522</u>	<u>\$ 26,607,522</u>

ROADWAY IMPROVEMENT FUND

The Roadway Improvement Fund is budgeted to receive 4 mills of real estate tax revenue starting in 2025 and will remain at that amount through 2029. The Township plans to budget roadway improvement projects to be paid for out of this fund based on anticipated real estate tax revenue each year, and therefore, revenues and capital outlay for roadway improvements will essentially net to zero each year. The Roadway Improvement Fund ended 2024 with a fund balance of \$235,264, and it is anticipated that this fund balance will remain in this fund each year, as all real estate tax revenues received in future years will be spent on roadway improvement projects.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 2,173,229	\$ 2,187,355	\$ 2,201,573	\$ 2,215,883	\$ 2,230,286
Interest	45,000	45,000	45,000	45,000	45,000
Total revenues	<u>2,218,229</u>	<u>2,232,355</u>	<u>2,246,573</u>	<u>2,260,883</u>	<u>2,275,286</u>
Expenditures					
Capital outlay	2,218,229	2,232,355	2,246,573	2,260,883	2,275,286
Total expenditures	<u>2,218,229</u>	<u>2,232,355</u>	<u>2,246,573</u>	<u>2,260,883</u>	<u>2,275,286</u>
Net increases (decreases in fund balance)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning	235,564	235,564	235,564	235,564	235,564
Fund balance, ending	<u>\$ 235,564</u>	<u>\$ 235,564</u>	<u>\$ 235,564</u>	<u>\$ 235,564</u>	<u>\$ 235,564</u>

STREET LIGHT FUND

The Street Light Fund will continue to receive annual street light fees and will pay for repairs and maintenance of the streetlights each year. Slight increases are expected in both revenues and expenses. The 2025 expenses are budgeted to include the purchase of LED lights, however, after 2026, no major purchases outside of the usual repairs and maintenance are planned to take place.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Interest	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
Charges for services	70,500	71,000	71,500	72,000	72,500
Total revenues	<u>82,500</u>	<u>83,000</u>	<u>83,500</u>	<u>84,000</u>	<u>84,500</u>
Expenditures					
Public works	79,000	57,756	60,067	62,426	64,968
Total expenditures	<u>79,000</u>	<u>57,756</u>	<u>60,067</u>	<u>62,426</u>	<u>64,968</u>
Net increases (decreases in fund balance)	<u>3,500</u>	<u>25,244</u>	<u>23,433</u>	<u>21,574</u>	<u>19,532</u>
Fund balance, beginning	215,553	219,053	244,297	267,730	289,304
Fund balance, ending	<u>\$ 219,053</u>	<u>\$ 244,297</u>	<u>\$ 267,730</u>	<u>\$ 289,304</u>	<u>\$ 308,836</u>

9-11 MEMORIAL FUND

Activity in the 9-11 Memorial Fund is anticipated to include a \$40,000 cooperation agreement reimbursement, costs to maintain the Garden of Reflection, and transfers in from the Parks & Recreation Fund to cover the maintenance costs that are not covered by the \$40,000 cooperation agreement.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Interest	\$ 450	\$ -	\$ -	\$ -	\$ -
Charges for services	40,000	40,000	40,000	40,000	40,000
Total revenues	<u>40,450</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
Expenditures					
Parks & Recreation	54,700	55,794	56,910	58,048	59,209
Total expenditures	<u>54,700</u>	<u>55,794</u>	<u>56,910</u>	<u>58,048</u>	<u>59,209</u>
Other Financing (Uses) Sources					
Transfers, in	17,100	15,800	17,000	18,100	19,300
Total other financing sources (uses)	<u>17,100</u>	<u>15,800</u>	<u>17,000</u>	<u>18,100</u>	<u>19,300</u>
Net increases (decreases in fund balance)	<u>2,850</u>	<u>6</u>	<u>90</u>	<u>52</u>	<u>91</u>
Fund balance, beginning	(2,824)	26	32	122	174
Fund balance, ending	<u>\$ 26</u>	<u>\$ 32</u>	<u>\$ 122</u>	<u>\$ 174</u>	<u>\$ 265</u>

The Township's Garden of Reflection Capital Reserve Fund is expected to receive interest income each year and a budgeted transfer from the Parks and Recreation Fund in 2025. This fund is expected to end 2029 with fund balance of \$16,548.

FIRE PROTECTION FUND

The activity in the Fire Protection Fund is not anticipated to significantly change from the prior years. This fund is budgeted to receive 1.1 mills of real estate tax revenue in 2025, which will continue through 2029 and is based on existing staffing arrangements and does not include planning or transition to a paid fire service. It will also continue to receive the Foreign Fire Insurance Premium Tax and Special Fire Protection Fees, and those will be used for fire protection expenses within the township. The Township should consider enacting provisions of HB 2310 which enables townships located in Class A Counties to levy a special purpose fire tax up to 10 mills (previously was capped at 3 mills with a restriction of no more than half, but not to exceed 1 mill, for the purposes of paying salaries and benefits) and a special purpose ambulance/EMS tax up to 5 mills (previously was capped at 0.5 mill with a restriction of no more than half for the purposes of paying salaries and benefits).


	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 602,875	\$ 606,794	\$ 610,738	\$ 614,708	\$ 618,704
Interest	18,250	18,250	18,250	18,250	18,250
Intergovernmental	375,000	375,000	375,000	375,000	375,000
Charges for services	16,500	22,000	22,000	22,000	22,000
Total revenues	<u>1,012,625</u>	<u>1,022,044</u>	<u>1,025,988</u>	<u>1,029,958</u>	<u>1,033,954</u>
Expenditures					
Public safety	<u>1,001,767</u>	<u>1,017,210</u>	<u>1,037,233</u>	<u>1,052,872</u>	<u>1,075,169</u>
Total expenditures	<u>1,001,767</u>	<u>1,017,210</u>	<u>1,037,233</u>	<u>1,052,872</u>	<u>1,075,169</u>
Other Financing (Uses) Sources					
Transfers to defined contribution plan	<u>(8,025)</u>	<u>(8,266)</u>	<u>(8,514)</u>	<u>(8,769)</u>	<u>(9,032)</u>
Total other financing sources (uses)	<u>(8,025)</u>	<u>(8,266)</u>	<u>(8,514)</u>	<u>(8,769)</u>	<u>(9,032)</u>
Net increases (decreases in fund balance)	<u>2,833</u>	<u>(3,432)</u>	<u>(19,759)</u>	<u>(31,683)</u>	<u>(50,247)</u>
Fund balance, beginning	170,248	173,081	169,649	149,890	118,207
Fund balance, ending	<u>\$ 173,081</u>	<u>\$ 169,649</u>	<u>\$ 149,890</u>	<u>\$ 118,207</u>	<u>\$ 67,960</u>

HYDRANT FUND

The activity in the Hydrant Fund is not anticipated to significantly change from the prior years. This fund is budgeted to receive .33 mills of real estate tax revenue in 2025, which will continue through 2029. That revenue will be used to pay for PA American Water and Morrisville Water fees each year.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 173,698	\$ 174,827	\$ 175,963	\$ 177,107	\$ 178,258
Total revenues	<u>173,698</u>	<u>174,827</u>	<u>175,963</u>	<u>177,107</u>	<u>178,258</u>
Expenditures					
Public works	194,500	203,750	213,463	223,661	234,369
Total expenditures	<u>194,500</u>	<u>203,750</u>	<u>213,463</u>	<u>223,661</u>	<u>234,369</u>
Net increases (decreases in fund balance)	<u>(20,802)</u>	<u>(28,923)</u>	<u>(37,500)</u>	<u>(46,554)</u>	<u>(56,111)</u>
Fund balance, beginning	38,028	17,226	(11,697)	(49,197)	(95,751)
Fund balance, ending	<u>\$ 17,226</u>	<u>\$ (11,697)</u>	<u>\$ (49,197)</u>	<u>\$ (95,751)</u>	<u>\$ (151,862)</u>


If revenue into this fund does not increase, fund balance in this fund will become negative beginning in 2026, as expenses are continuing to increase each year at a rate higher than the real estate tax increase.



If revenue into this fund does not increase, the fund balance will become negative beginning in 2026.

PARK AND RECREATION FUND

The Park and Recreation Fund will continue to receive real estate tax revenues at the 2025 budgeted amount of 2.43 mills through 2029. The second largest revenue source, program fees at the Township’s summer camp, will also continue with slight increases, as noted in the Financial Condition Assessment. All annual expenses, such as personnel and costs to run all parks and recreation programs, are expected to continue in future years. The Township does not currently have any capital projects planned for the years covered by the Financial Trend Analysis; therefore, no capital costs have been included for 2025 through 2029. Transfers out of this fund consist of transfers to the Pool and 9-11 Memorial Funds, to cover their operating deficits.



Transfers out of this fund consist of transfers to the Pool and 9-11 Memorial Funds, to cover their operating deficits.

The fund balance in this fund is expected to be negative \$340,471 at the end of 2029.

	2025	2026	2027	2028	2029
Revenues					
Real estate tax	\$ 1,331,565	\$ 1,340,220	\$ 1,348,931	\$ 1,357,699	\$ 1,366,527
Interest	12,000	12,000	12,000	12,000	12,000
Rental income	20,000	20,000	20,000	20,000	20,000
Intergovernmental	35,300	-	-	-	-
Charges for services	759,242	782,020	805,480	829,645	854,534
Miscellaneous	119,000	122,570	126,247	130,035	133,936
Total revenues	2,277,107	2,276,810	2,312,658	2,349,379	2,386,997
Expenditures					
Parks and recreation	2,075,773	2,148,784	2,225,059	2,304,804	2,388,240
Total expenditures	2,075,773	2,148,784	2,225,059	2,304,804	2,388,240
Other Financing (Uses) Sources					
Transfers, out	(72,100)	(165,800)	(167,000)	(168,100)	(169,300)
Total other financing sources (uses)	(72,100)	(165,800)	(167,000)	(168,100)	(169,300)
Net increases (decreases in fund balance)	129,234	(37,774)	(79,401)	(123,525)	(170,543)
Fund balance, beginning	(58,462)	70,772	32,998	(46,403)	(169,928)
Fund balance, ending	\$ 70,772	\$ 32,998	\$ (46,403)	\$ (169,928)	\$ (340,471)

PARK AND RECREATION FEE-IN-LIEU FUND

The Township anticipates receiving fees from developers in future years, similar to prior years. In addition, the Township has budgeted to receive a \$900,000 grant for the Memorial Park Expansion project and has approximately \$1.3 million of projects budgeted out of this fund. It is anticipated that the \$900,000 Memorial Park Expansion project will take place in both 2025 and 2026. For purposes of these projections, \$600,000 of these costs were recorded in 2025 and \$300,000 of these costs were recorded in 2026. Capital projects have not been formally identified past 2025, therefore, no other capital projects are included in the projections for 2026 through



2029. Expenses included in this fund for those years are trail maintenance expenses that are expected to take place each year. In addition, the Township had erroneously recorded \$250,000 in revenues in both the Park and Recreation Fund and the Park and Recreation Fee-in-lieu fund in a prior year. Because of this, fund balance was overstated by \$250,000. This was noticed in 2025 and needs removal. A negative \$250,000 was included in this fund in 2025.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Interest	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Intergovernmental	900,000	-	-	-	-
Charges for services	-	-	-	-	-
Contributions	83,826	86,340	88,930	91,598	94,346
Total revenues	<u>1,033,826</u>	<u>86,340</u>	<u>88,930</u>	<u>91,598</u>	<u>94,346</u>
Expenditures					
Capital outlay	1,335,000	377,100	74,263	76,491	78,786
Total expenditures	<u>1,335,000</u>	<u>377,100</u>	<u>74,263</u>	<u>76,491</u>	<u>78,786</u>
Other Financing (Uses) Sources					
Refund prior year revenues	(250,000)	-	-	-	-
Total other financing sources (uses)	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increases (decreases in fund balance)	<u>(551,174)</u>	<u>(290,760)</u>	<u>14,667</u>	<u>15,107</u>	<u>15,560</u>
Fund balance, beginning	798,557	247,383	(43,377)	(28,710)	(13,603)
Fund balance, ending	<u>\$ 247,383</u>	<u>\$ (43,377)</u>	<u>\$ (28,710)</u>	<u>\$ (13,603)</u>	<u>\$ 1,957</u>


As shown above, fund balance in this fund is expected to become negative in 2026. If contributions and trail maintenance expenses continue as expected, with no other activity in this fund, fund balance will become positive again in 2029.

TRAFFIC IMPACT FUND

The Traffic Impact Fund does not have any anticipated revenues and expenses in future years other than interest earnings. Developer contributions and expenses are not consistent each year, with most years not having significant activity, and therefore, are not included in projections. As such, the Traffic Impact Fund is expected to end 2029 with fund balance of \$272,698.

REGENCY BRIDGE FUND

As stated in the Financial Condition Assessment, revenues received in this fund have significantly decreased over the years due to the temporary nature of this fund. The 2025 budget includes professional services of approximately \$16,000 and Regency Area Improvements of approximately \$126,000. Because this fund was created to be temporary, if the Township closes this fund once fund balance is fully spent, they will need to determine if the expenses paid out of this fund in future years will be paid for by another fund.

 **Without the Township receiving additional revenue sources in this fund, the fund balance will become negative starting in 2027.**

	<u>2025</u>	<u>2026</u>	<u>2027</u>
Revenues			
Interest	\$ 11,000	\$ -	\$ -
Total revenues	<u>11,000</u>	<u>-</u>	<u>-</u>
Expenditures			
Parks and recreation	142,632	17,131	6,322
Total expenditures	<u>142,632</u>	<u>17,131</u>	<u>6,322</u>
Net increases (decreases in fund balance)	<u>(131,632)</u>	<u>(17,131)</u>	<u>(6,322)</u>
Fund balance, beginning	155,085	23,453	6,322
Fund balance, ending	<u>\$ 23,453</u>	<u>\$ 6,322</u>	<u>\$ -</u>

TREE FUND

The Tree Fund is anticipated to receive developer’s contributions each year. This amount is not budgeted but is expected to be consistent with the amount received in 2024 of approximately \$102,000. In addition, tree purchases are expected in all future years at the same rate as prior years.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Miscellaneous	\$ 102,162	\$ 102,162	\$ 102,162	\$ 102,162	\$ 102,162
Total revenues	<u>102,162</u>	<u>102,162</u>	<u>102,162</u>	<u>102,162</u>	<u>102,162</u>
Expenditures					
Parks and recreation	85,000	87,550	90,177	92,882	95,668
Total expenditures	<u>85,000</u>	<u>87,550</u>	<u>90,177</u>	<u>92,882</u>	<u>95,668</u>
Net increases (decreases in fund balance)	<u>17,162</u>	<u>14,612</u>	<u>11,985</u>	<u>9,280</u>	<u>6,494</u>
Fund balance, beginning	321,662	338,824	353,436	365,421	374,701
Fund balance, ending	<u>\$ 338,824</u>	<u>\$ 353,436</u>	<u>\$ 365,421</u>	<u>\$ 374,701</u>	<u>\$ 381,195</u>


LIQUID FUELS FUND

The Liquid Fuels fund has the funding necessary to fund capital projects that are budgeted to take place in this fund from 2025 through 2029. Projects paid for out of this fund will be budgeted by the Township to essentially be the same as the Liquid Fuels funding received each year, with the exception of 2025, which is budgeted to be higher due to this fund not spending as much of their revenues in 2024. With revenues and expenses essentially being the same each year, this fund will carry a fund balance of approximately \$335,000 each year.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Intergovernmental	\$ 1,020,083	\$ 1,020,083	\$ 1,020,083	\$ 1,020,083	\$ 1,020,083
Total revenues	<u>1,020,083</u>	<u>1,020,083</u>	<u>1,020,083</u>	<u>1,020,083</u>	<u>1,020,083</u>
Expenditures					
Public works	1,368,484	1,020,083	1,020,083	1,020,083	1,020,083
Total expenditures	<u>1,368,484</u>	<u>1,020,083</u>	<u>1,020,083</u>	<u>1,020,083</u>	<u>1,020,083</u>
Net increases (decreases in fund balance)	<u>(348,401)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning	683,421	335,020	335,020	335,020	335,020
Fund balance, ending	<u>\$ 335,020</u>	<u>\$ 335,020</u>	<u>\$ 335,020</u>	<u>\$ 335,020</u>	<u>\$ 335,020</u>

AMBULANCE RESCUE FUND

The activity in the Ambulance Rescue Fund is not anticipated to significantly change from the prior years. This fund is budgeted to receive .38 mills of real estate tax revenue in 2025, which will continue through 2029. This funding will be used to support emergency medical services in the Township. Through the Financial Condition Assessment, it was noted that these costs stay fairly consistent each year. Costs were left as consistent from 2025 through 2029. Through discussions with the Township, however, the Township should keep in mind that the majority of emergency medical service providers throughout the state have been struggling and asking Township’s for more funding in recent years.



The Township should keep in mind that the majority of emergency medical service providers throughout the state have been struggling and asking Township’s for more funding in recent years.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 212,029	\$ 213,407	\$ 214,795	\$ 216,191	\$ 217,596
Total revenues	<u>212,029</u>	<u>213,407</u>	<u>214,795</u>	<u>216,191</u>	<u>217,596</u>
Expenditures					
Public safety	210,000	210,000	210,000	210,000	210,000
Total expenditures	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>
Net increases (decreases in fund balance)	<u>2,029</u>	<u>3,407</u>	<u>4,795</u>	<u>6,191</u>	<u>7,596</u>
Fund balance, beginning	14,379	16,408	19,815	24,610	30,801
Fund balance, ending	<u>\$ 16,408</u>	<u>\$ 19,815</u>	<u>\$ 24,610</u>	<u>\$ 30,801</u>	<u>\$ 38,397</u>

ROAD MACHINERY FUND

The Road Machinery Fund is expected to receive real estate tax revenues at .3 mills in future years, similar to prior years. In addition, all leases in place are expected to continue in the future, with slight increases in rates. Real estate tax revenue is expected to cover the cost of all lease payments in this fund without transfers from any other funds.

The fund balance will continue to grow each year, as real estate tax revenue is higher than anticipated lease payments.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Real estate tax	\$ 164,472	\$ 165,541	\$ 166,617	\$ 167,700	\$ 168,790
Interest	2,000	2,000	2,000	2,000	2,000
Total revenues	<u>166,472</u>	<u>167,541</u>	<u>168,617</u>	<u>169,700</u>	<u>170,790</u>
Expenditures					
Debt service	130,096	133,999	138,019	142,159	146,424
Total expenditures	<u>130,096</u>	<u>133,999</u>	<u>138,019</u>	<u>142,159</u>	<u>146,424</u>
Other Financing (Uses) Sources					
Sale of fixed assets	10,000	-	-	-	-
Total other financing sources (uses)	10,000	-	-	-	-
Net increases (decreases in fund balance)	<u>46,376</u>	<u>33,542</u>	<u>30,598</u>	<u>27,541</u>	<u>24,366</u>
Fund balance, beginning	110,156	156,532	190,074	220,672	248,213
Fund balance, ending	<u>\$ 156,532</u>	<u>\$ 190,074</u>	<u>\$ 220,672</u>	<u>\$ 248,213</u>	<u>\$ 272,579</u>

PATTERSON FARM FUND

The Patterson Farm Fund is expected to receive rental income each year, consistent with the amount received in 2024. The 2025 budget includes \$700,000 of renovations to take place, funded by a transfer from the Bond Fund, which is not budgeted to take place in future years. This fund will end 2029 with fund balance of approximately \$52,000. However, the Township is aware that the Patterson Farm is in need of additional capital projects and will most likely need to budget for those projects to take place in future years.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Rental income	\$ 45,000	\$ 46,350	\$ 47,741	\$ 49,173	\$ 50,648
Total revenues	<u>45,000</u>	<u>46,350</u>	<u>47,741</u>	<u>49,173</u>	<u>50,648</u>
Expenditures					
Public works	740,000	36,050	37,132	38,245	39,393
Total expenditures	<u>740,000</u>	<u>36,050</u>	<u>37,132</u>	<u>38,245</u>	<u>39,393</u>
Other Financing (Uses) Sources					
Transfers, in	700,000	-	-	-	-
Total other financing sources (uses)	<u>700,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increases (decreases in fund balance)	<u>5,000</u>	<u>10,300</u>	<u>10,609</u>	<u>10,928</u>	<u>11,255</u>
Fund balance, beginning	3,883	8,883	19,183	29,792	40,720
Fund balance, ending	<u>\$ 8,883</u>	<u>\$ 19,183</u>	<u>\$ 29,792</u>	<u>\$ 40,720</u>	<u>\$ 51,975</u>

SIDEWALK FEE-IN-LIEU FUND

The Sidewalk Fee-in-Lieu Fund does not consistently receive contributions from developers each year. The Township is anticipating receiving approximately \$12,000 in contributions in 2025, but then is not aware of any contributions in the future. The Township has budgeted for approximately \$109,000 of capital projects in 2025, which are included in the projections. These capital projects will cause this fund to have negative fund balance at the end of 2025. No future capital projects have been planned, and therefore, no other capital projects are included in this Financial Trend Analysis. With interest income being received each year, fund balance will increase to approximately \$10,000 by the end of 2029.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Revenues					
Interest	\$ 4,935	\$ 4,935	\$ 4,935	\$ 4,935	\$ 4,935
Contributions	12,550	-	-	-	-
Total revenues	<u>17,485</u>	<u>4,935</u>	<u>4,935</u>	<u>4,935</u>	<u>4,935</u>
Expenditures					
Capital outlay	109,052	-	-	-	-
Total expenditures	<u>109,052</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increases (decreases in fund balance)	<u>(91,567)</u>	<u>4,935</u>	<u>4,935</u>	<u>4,935</u>	<u>4,935</u>
Fund balance, beginning	81,647	(9,920)	(4,985)	(50)	4,885
Fund balance, ending	<u>\$ (9,920)</u>	<u>\$ (4,985)</u>	<u>\$ (50)</u>	<u>\$ 4,885</u>	<u>\$ 9,820</u>

FUND BALANCE

The table below summarizes the ending fund balance for each fund based on the forecasted projections discussed above. The General Fund will begin to have a negative balance in 2027 if no intervention is taken by the Township. Also, there are various other funds who are carrying negative fund balances, which essentially is an impact on the General Fund. In total, the Township's balance will be negative beginning in 2029, with the exception of the Sewer Sales Proceeds Fund.

The Township should ensure they are reviewing fund balance in all funds, and in particular, funds that are carrying negative fund balance. If these negative balances continue, they could lead to service disruptions or eliminations, or the Township's need to issue more debt.



The Township's balance will be negative beginning in 2029, except for the Sewer Sales Proceeds Fund.

Negative balances could lead to service disruptions or eliminations, or the Township's need to issue more debt.

	2025	2026	2027	2028	2029
General	\$ 5,248,014	\$ 2,616,052	\$ (714,106)	\$ (4,775,720)	\$ (7,611,305)
Capital Reserve	-	-	-	-	-
Bond	544,663	594,663	644,663	694,663	744,663
Debt Service	482,212	1,198,951	1,917,758	2,629,440	3,553,408
Special Project	1,484,603	-	-	-	-
Roadway Improvement	235,564	235,564	235,564	235,564	235,564
Street Light	219,053	244,297	267,730	289,304	308,839
9-11 Memorial	26	32	122	174	265
Fire Protection	173,081	169,649	149,890	118,207	67,960
Hydrant	17,226	(11,697)	(49,197)	(95,751)	(151,862)
Park & Recreation	70,772	32,998	(46,403)	(169,928)	(340,471)
Park & Recreation Fee-in-lieu	247,383	(43,377)	(28,710)	(13,603)	1,957
Traffic Impact	224,698	236,698	248,698	260,698	272,698
Regency Bridge	23,453	6,322	(11,323)	(29,497)	(48,216)
Tree	338,824	353,436	365,421	374,701	381,195
Liquid Fuels	335,020	335,020	335,020	335,020	335,020
Ambulance Rescue	16,408	19,815	24,610	30,801	38,397
Road Machinery	156,532	190,074	220,672	248,213	272,579
Patterson Farm	8,883	19,183	29,792	40,720	51,975
Sidewalk Fee-in-lieu	(9,920)	(4,985)	(50)	4,885	9,820
GOR Capital Reserve	15,748	15,948	16,148	16,348	16,548
Total	\$ 9,834,268	\$ 6,210,669	\$ 3,608,326	\$ 196,267	\$ (1,858,937)

ENTERPRISE FUNDS

SIGNIFICANT FACTORS AND TRENDS

This section outlines each of the Township's enterprise funds and the areas that have a significant impact on the revenues and expenses for each fund. An explanation is provided of past trends and our methodology for forecasting future revenues for 2025 to 2029.

SEWER FUND

As stated in the Financial Condition Assessment, the Township plans to close the Sewer Fund and net position balance to the General Fund. The Sewer Fund ended 2024 with a net position of \$3,372,432. For purposes of the Financial Trend Analysis, this entire fund balance was transferred to the General Fund in 2025, and this fund was closed.

COMMUNITY POOL FUND

It is anticipated that the charges for services in the Community Pool Fund will continue to increase each year. This revenue is made up of membership fees and miscellaneous sales. An increase of 2.5% is included in projections for 2025 through 2029, which is consistent with the growth in recent years and the 2025 budget.

Pool expenses consist mainly of personnel costs, and the cost of operating and maintaining the pool. Personnel costs were calculated and factored into the projections based on review of payroll expenses from 2020 through 2024, and the expectation that there will be no major increases in personnel counts in future years. Health insurance expenses were increased at 10%, consistent with the current expectations. All other expenses were increased based on the Consumer Price Index and no construction costs were included in the projections, as the Township currently does not have any planned projects for 2025 through 2029.

If the trends continue as is, pool expenses will continue increasing at a rate higher than pool revenues. Therefore, net position will continue to decline. In addition, it is important to keep in mind when reviewing net position in this fund that approximately \$700,000 of this fund’s net position is invested in capital assets, causing negative unrestricted net position. The Township should consider in future years if a larger increase in fees will be necessary to offset the increased costs.



If the trends continue, pool expenses will increase at a rate higher than pool revenues. The Township should consider if a larger increase in fees will be necessary to offset the increased costs.

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Operating revenues					
Charges for services	\$ 1,137,232	\$ 1,165,663	\$ 1,194,804	\$ 1,224,674	\$ 1,255,291
Miscellaneous	28,100	28,803	29,523	30,261	31,017
Total operating revenues	<u>1,165,332</u>	<u>1,194,466</u>	<u>1,224,327</u>	<u>1,254,935</u>	<u>1,286,308</u>
Operating Expenses					
Operations	1,323,095	1,364,618	1,407,957	1,453,224	1,500,538
Total operating expenditures	<u>1,323,095</u>	<u>1,364,618</u>	<u>1,407,957</u>	<u>1,453,224</u>	<u>1,500,538</u>
Nonoperating revenues and expenses					
Interest income	3,800	3,800	3,800	3,800	3,800
Transfer in	50,000	150,000	150,000	150,000	150,000
Transfer out - pension	(15,389)	(15,851)	(16,326)	(16,816)	(17,320)
Total nonoperating revenues and expenses	<u>38,411</u>	<u>137,949</u>	<u>137,474</u>	<u>136,984</u>	<u>136,480</u>
Changes in net position	<u>(119,352)</u>	<u>(32,203)</u>	<u>(46,156)</u>	<u>(61,305)</u>	<u>(77,750)</u>
Net Position, beginning	461,824	342,472	310,269	264,113	202,808
Net Position, ending	<u>\$ 342,472</u>	<u>\$ 310,269</u>	<u>\$ 264,113</u>	<u>\$ 202,808</u>	<u>\$ 125,058</u>

GOLF COURSE FUND

For purposes of this report, the Golf Course Fund, the Golf Course Reserve Fund, and the Golf Bond Repayment Fund are presented as one fund.

The 2025 through 2029 revenues in the Golf Course Fund are anticipated to consist of charges for services, growing at a rate of 6.42%, which is based on prior rates analyzed during the Financial Condition Assessment.

The golf course is managed by an outside management company. Per review of prior revenues and expenses, it was noted that operating expenses in this fund ranged from 70% to 81% of operating revenues, with the average being 75.66%. Expenses were included in the Financial Trend Analysis at 75.66% of the charges for services, calculated at the rate discussed above. The 2025 activity also includes a transfer of \$455,000 to the General Fund, which was to pay back funds transferred to the Golf Course Fund during COVID. Starting in 2026, the Golf Course Fund will begin transferring \$455,000 to the Golf Bond Repayment Fund, to set aside funds which will be moved to another fund once a decision is made on the use of those funds, in addition to the \$75,000 that the Township began transferring in 2023. The only transfers expected in this fund from 2025 through 2029 are transfers of \$225,000 each year between the Golf Course Operating Fund and the Golf Course Reserve Fund.

Because revenues are anticipated to be greater than expenses each year, the fund's net position will continue to grow, as shown below. However, it is important to keep in mind that the Golf Fund has approximately \$14 million of capital assets, therefore, a large portion of this net position is invested in capital assets. In addition, with transfers of \$530,000 each year beginning in 2026 to the Golf Bond Repayment fund, approximately \$2.4 million of this fund's net position will be set aside to move to a separate fund once a decision is made on the use of those funds.

The fund's net position is expected to continue to grow. However, the Township should consider that a large portion of this net position is invested in capital assets.

	2025	2026	2027	2028	2029
Operating revenues					
Charges for services	\$ 4,721,391	\$ 5,024,505	\$ 5,347,078	\$ 5,690,360	\$ 6,055,681
Total operating revenues	<u>4,721,391</u>	<u>5,024,505</u>	<u>5,347,078</u>	<u>5,690,360</u>	<u>6,055,681</u>
Operating Expenses					
Operations	3,572,201	3,801,536	4,045,595	4,305,322	4,581,724
Depreciation	459,956	459,956	459,956	459,956	459,956
Total operating expenditures	<u>4,032,157</u>	<u>4,261,492</u>	<u>4,505,551</u>	<u>4,765,278</u>	<u>5,041,680</u>
Nonoperating revenues and expenses					
Interest income	12,617	12,617	12,617	12,617	12,617
Transfer in (Golf Fund to Golf Course Reserve)	225,000	225,000	225,000	225,000	225,000
Transfer in (Golf Fund to Golf Bond Repayment)	75,000	530,000	530,000	530,000	530,000
Transfer out (Golf Fund to Golf Course Reserve)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)
Transfer out (Golf Fund to Golf Bond Repayment)	(75,000)	(530,000)	(530,000)	(530,000)	(530,000)
Transfer out (Golf Fund to General Fund)	(455,000)	-	-	-	-
Total nonoperating revenues and expenses	<u>(442,383)</u>	<u>12,617</u>	<u>12,617</u>	<u>12,617</u>	<u>12,617</u>
Changes in net position	<u>246,851</u>	<u>775,630</u>	<u>854,144</u>	<u>937,699</u>	<u>1,026,618</u>
Net Position, beginning	<u>13,702,943</u>	<u>13,949,794</u>	<u>14,725,424</u>	<u>15,579,568</u>	<u>16,517,267</u>
Net Position, ending	<u>\$ 13,949,794</u>	<u>\$ 14,725,424</u>	<u>\$ 15,579,568</u>	<u>\$ 16,517,267</u>	<u>\$ 17,543,885</u>
Net Position - Golf Fund and Golf Course Reserve Fund	\$ 237,087	\$ 773,087	\$ 1,309,087	\$ 1,845,087	\$ 2,381,087
Net Position - Golf Bond Reypayment Fund	13,712,707	13,952,337	14,270,481	14,672,180	15,162,798
	<u>\$ 13,949,794</u>	<u>\$ 14,725,424</u>	<u>\$ 15,579,568</u>	<u>\$ 16,517,267</u>	<u>\$ 17,543,885</u>

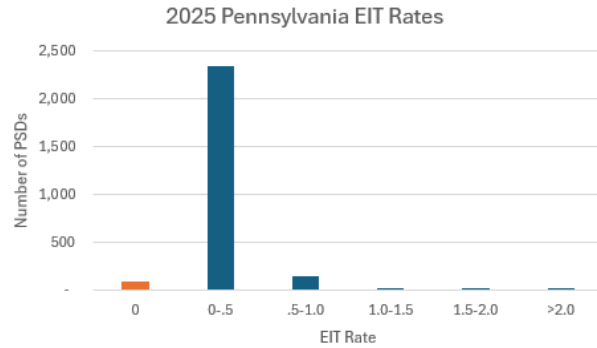
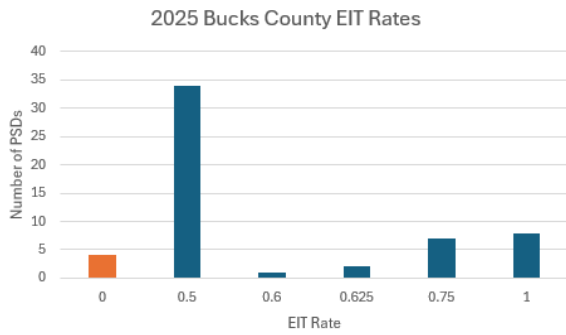
LOOKING FORWARD

Included in this section are recommendations for the Township to consider implementing in the future to help ensure financial stability.

EARNED INCOME TAX

The Township takes pride in not charging its residents earned income taxes. Instead, they rely on real estate taxes, local service taxes, and other revenue sources. However, as shown through the Financial Trend Analysis, these revenue sources are not growing at a rate as high as the increase in expenses each year, and the Township now has the need to find other revenue source options.

The charts below show the 2025 earned income tax rates charged by all PSDs within both Bucks County and within the entire state of Pennsylvania. As shown, the Township is one of the four PSDs within Bucks County who do not charge EIT, and one of the 91 PSDs within the state of Pennsylvania who does not charge EIT. Total PSDs in Bucks County and the State of Pennsylvania are 56 and 2,630, respectively.




A study was performed by Keystone Collections Group in 2023 that calculated the earned income tax the Township could be collecting on an annual basis at approximately \$20 million, if collected at the 1% rate, or approximately \$10 million, if collected at .5%. If this tax is charged to residents, this steady revenue stream would reduce the Township’s reliance on other taxes and outside funding sources.

If earned income tax is charged to residents, the revenue would reduce the Township’s reliance on other taxes and outside funding sources.

REAL ESTATE TAX

Bucks County is charging real estate taxes at 24.95 mills in 2025. Each year, when the budget is prepared, the Township reviews the allocation of real estate taxes between tax purposes/funds and budgets based on the needs of each fund. During this process, the Township should pay close attention to this allocation in future years, as many funds are operating with negative fund balance, which could be eliminated through the allocation of more real estate taxes to that fund. The Township needs to continue to monitor its general purpose millage allocation in comparison to the statutory cap of 14 mills under Pennsylvania’s Second Class Township Code.

 **The Township needs to continue to monitor its general purpose millage allocation in comparison to the statutory cap of 14 mills under Pennsylvania’s Second Class Township Code.**

In addition, a county wide assessment in Bucks County has not been performed since 1972. Bucks County does continue to increase property values each year; however, they are based on market conditions rather than a full assessment. This treatment of the property assessments has led to very slight increases in real estate tax revenues over the years.

ANALYSIS OF REVENUE STREAMS AND SENSITIVITY

Certain revenue streams of a local government are very consistent and predictable, while others can vary significantly. Throughout the budgeting process, the Township should identify those variable revenue streams and any sensitivities outside of their control. This has become more apparent in recent years due to the challenges faced with COVID-19. The Township should ensure they have a handle on those revenue streams and their future activities.

The Township should develop procedures where they are analyzing these revenue streams for consistency with prior years, the budget, and other expectations. Consistent review of these revenue streams will help the Township identify any areas where the Township revenues are declining or where the Township is in need of finding other revenue sources, before it is too late.



The Township should develop procedures to analyze revenue streams for consistency with prior years, the budget, and other expectations.

GRANT FUNDING

The Township should be aware of the variety of grant funding available to them. These grants can come from anywhere such as the federal government, the state of Pennsylvania, or Foundations. There is a significant number of federal grants available right now. When planning the budget for future years, especially if a multi-year Capital Improvement Plan is created, the Township should consider where they can apply for grant funding to cover the costs of these projects or other operations within the Township. This is also in line with the Township's Capital Projects Funding Policy that states that grants are the first method the Township should use for obtaining funds for the carrying out of Capital Improvement Projects.

REVENUE DIVERSIFICATION INITIATIVES

In addition to ongoing efforts to optimize existing revenue streams, the Township is actively exploring several new sources of revenue to support long-term financial stability. Among these are a potential parking fee, which would introduce paid parking facilities for the first time, currently viewed as a conservative "belt and suspenders" measure. An amusement tax is also under consideration, with preliminary estimates suggesting it could generate approximately \$500,000, annually. In addition, a stormwater fee is under consideration, with projected revenues of approximately \$1.5 to \$2 million; however, this fee is intended to fund specific infrastructure needs that may not result in significant net budget impact.

The Township is also monitoring developments that could increase real estate tax revenue including the Shady Brook development and a proposal by the Pennsylvania State Association of Township Supervisors to raise the maximum allowable millage rate for second class townships from 14 to 30 mills. The county wide reassessment process also remains a key variable that could significantly impact future real estate tax revenues.

MONITORING OF PERSONNEL COSTS

The Township's largest expense is related personnel costs. It is important that the Township continues to monitor these personnel costs to ensure responsible spending but also continue to increase wages at a rate consistent with the market to ensure employees are satisfied and motivated. It is equally important for the Township to make sure they have enough employees to provide all essential services and support for its residents.



The Township should review the purpose of each fund and determine if certain funds can be combined or closed.

CAPITAL IMPROVEMENT PLAN

The Township does not currently prepare a multi-year Capital Improvement Plans that allows them to accurately plan out the future capital projects and needs of the Township. The Township currently determines the capital needs of the Township one year at a time, during the annual budget preparation process. The preparation of a multi-year plan will help the Township anticipate significant future capital costs and begin allocating resources as early as possible to cover those costs. It will also provide the Township with adequate time to research and obtain grant funding for certain projects. A multi-year Capital Improvement Plan should be developed and published on the Township's website to provide residents with a clear understanding of future capital expenses that will be incurred by the Township.



The Township should prepare a multi-year Capital Improvement Plan and publish it to the Township's website to provide residents with a clear understanding and transparency of future capital expenses.

GOVERNMENTAL FUNDS

It was noted that the Township maintains over 20 governmental funds, with some of these funds serving the same purpose, and some funds that are combined to be reported as one fund for external financial reporting but accounted for separately in the Township's accounting system. Having too many funds can create inefficiencies and complexities for

the Township when monitoring all these funds. There is an administrative burden that is created for the accounting, budgeting, and reporting for all these funds and this can lead to errors in accounting and budgeting. The Township should review the purpose of each fund and determine if certain funds can be combined or closed. The Township should maintain only the minimum number of funds necessary for legal and operational requirements. This will ensure more accuracy and efficiency in the accounting for each fund. This process should also include a review of funds that are carrying a negative fund balance, and consideration of ways to eliminate these negative fund balances.

In addition, when a fund also has a capital reserve fund associated with it, the Township should create a written policy that outlines the funding source of the capital reserve and minimum balance to be maintained.

FUND BALANCE POLICY

It is imperative that the Township ensure they are maintaining enough fund balance to cover the Township's costs. The Township needs to ensure they are monitoring fund balance and properly planning for where it will be in the future, to avoid sudden tax increases or reliance on other revenue sources to cover deficits. In 2024, the Township implemented a formal fund balance policy requiring a minimum year-end General Fund unrestricted fund balance of 25% (three months of reserves) with a goal of 40% of the current year's total General Fund expenditures. In 2025, the remaining \$3.4 million in the Sewer Fund was transferred to the General Fund, providing a one-time injection of funds that, if managed strategically, could help the Township achieve and sustain compliance with the fund balance policy. Since approving the fund balance policy in 2024, the Township has not been in compliance. The Township should review its anticipated fund balance annually during the budget process and ensure plans are in place to replenish reserves when they fall below the policy minimum.



Since approving the fund balance policy in 2024, the township has not been in compliance.

USE OF THE SEWER SALE TRUST FUND

It is anticipated that various funds within the Township will continue to or begin operating with negative fund balance in future years. If necessary, and no other revenue streams or cutting of expenses is an option, as a last resort, the Township should consider whether a withdrawal or loan from the Sewer Sale Trust fund is the best option. Per the trust agreement, the Township has the ability to distribute trust assets or receive loans from the trust, with board approval. The Township should try to maintain the assets in this Trust, and only use

this option if absolutely necessary, as this Trust continues to provide diversification of revenue streams and distributions each year that are used by the Township General Fund.

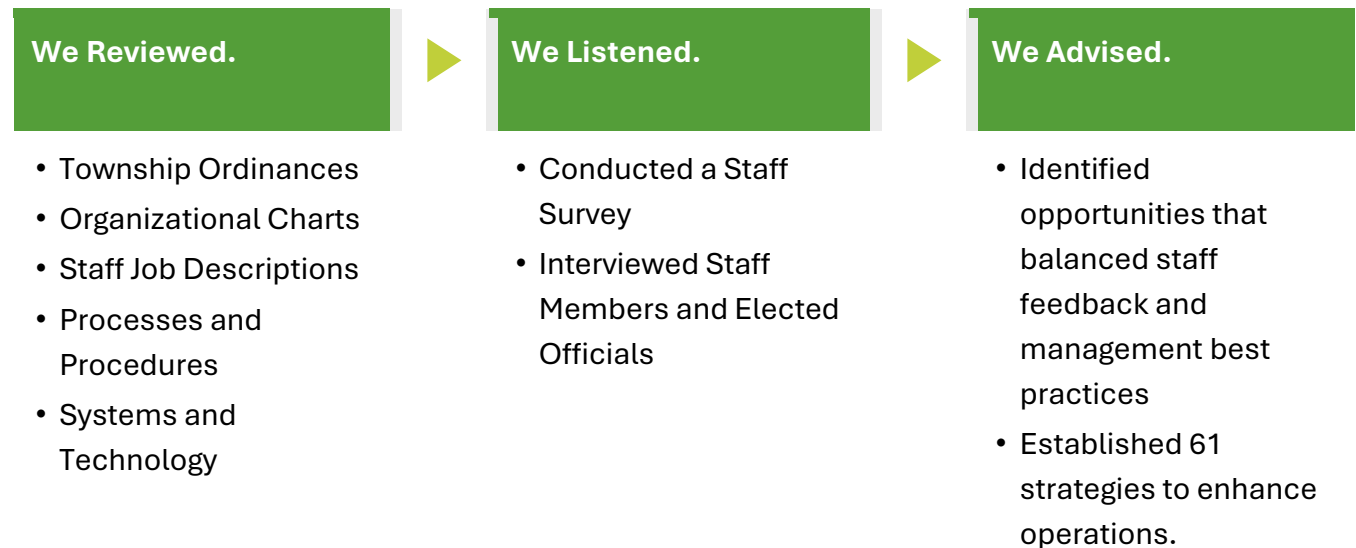
MANAGEMENT AUDIT

A COMPREHENSIVE EVALUATION

The Management Audit is a critical component of the STMPP process. The report is a comprehensive evaluation of the Lower Makefield Township’s management processes, structure, and effectiveness in providing its services. This exercise is crucial for ensuring accountability, fostering transparency, and improving operational efficiency. It allows organizations to proactively address inefficiencies, streamline management practices, and align leadership with strategic goals. Ultimately, the audit provides a roadmap for continuous improvement, making it an essential tool for organizations aiming to enhance their competitiveness and resilience in a dynamic environment.

This Management Audit will help Lower Makefield establish accountability, promote transparency, and improve efficiency across its operations

This audit process was thorough and detailed, leaving no stone unturned. The following tasks were undertaken:



Every organization hosts nuanced layers of operational processes and organizational culture that are unique to that specific group. The processes are the backbone to operations, and the culture is the common thread that bonds employees to the organization.

Based on insights from on-site interviews with Township management and elected officials, as well as a survey of Township staff, several operational strengths and challenges have

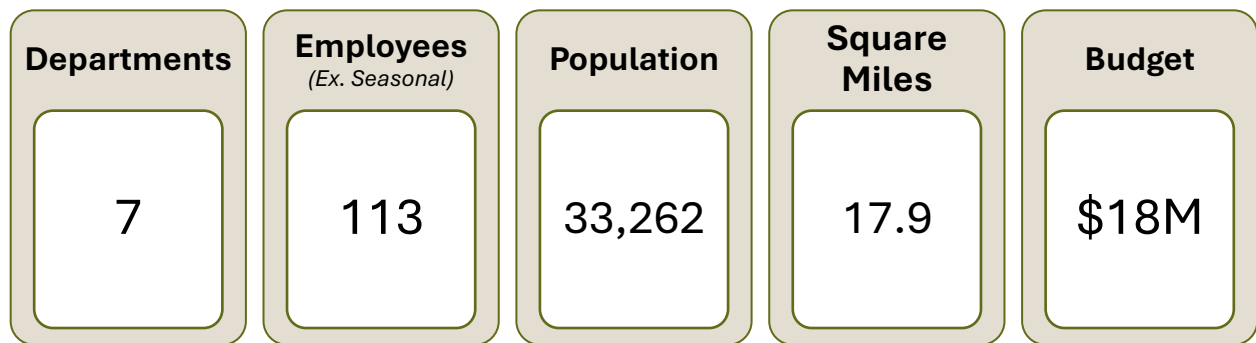
been identified. Staff members are largely satisfied in their roles, enjoy their daily tasks, and value the collaboration that occurs in and across teams. They also cite a desire for greater opportunities to provide feedback on policies and procedures, more training, and improved revenue generation to support departmental operations. Township leadership is routinely working to foster a positive work culture that builds on strengths and addresses concerns – a responsibility that requires consistent focus.

Lower Makefield Township remains committed to enhancing the quality of life for its residents by maintaining high standards of service delivery, fostering a supportive work environment for its employees, and continually adapting to the evolving needs of the community. As the Township moves forward, continued focus on these areas will be critical to sustaining its mission of providing exceptional public service.

OPERATIONAL OVERVIEW

Lower Makefield Township offers a wide range of essential services to its residents. The Township's operations are structured across seven (7) departments, each dedicated to delivering specific services, including community development, finance, fire services, parks & recreation, public works, police, and administration. The commitment to public service is evident in the efforts of the Township's staff, who work to ensure the safety, health, and well-being of the community.

LOWER MAKEFIELD BY THE NUMBERS:



Each department provides valuable services to the Lower Makefield community. The Public Works Department manages road maintenance and repair, stormwater infrastructure, and leaf collection, amongst other vital services. The Police Department ensures public safety through law enforcement and community engagement initiatives. The Community Development department oversees land use and development, ensuring that growth within the Township aligns with local regulations and community goals. The Finance Department manages the Township's financial resources, including budgeting, accounting, and fiscal

planning, to ensure the sustainable delivery of services. The Fire Services department works with the community to conduct inspections and issue permits, while also coordinating with the volunteer fire companies to reduce fire severity and frequency. The Parks and Recreation Department provides residents with an extensive system of parks, trails, and recreational facilities, along with year-round programs and events that promote health, community connection, and environmental stewardship. Additionally, the Administration Department plays a pivotal role in the overall coordination and management of Township operations, including human resources, public communications, and policy implementation.

DEPARTMENTS



VOICE OF THE TOWNSHIP TEAM: INSIGHTS FROM LOWER MAKEFIELD TOWNSHIP’S LEADERSHIP AND EMPLOYEES

In any organizational assessment, listening is an underrated task. As a component of this process, listening was prioritized via an online employee survey that was available to all township employees, as well as individual interviews with township leadership. This outreach served as an opportunity to obtain “on the ground” thoughts and feelings of the township’s workers and policymakers.

Main themes from the feedback included areas to sustain, but also opportunities for improvement.

Feedback Themes



EMPLOYEE SURVEY

A total of 48 employees participated in the survey, providing a solid foundation for identifying key organizational themes. Overall, employees are satisfied with their current roles, as well as with the tasks and duties for which they're responsible. However, there is a strong feeling that staff numbers are insufficient to cover the amount of work that needs to be done, which contributes to a work environment characterized as stressful. Widespread employee interest in additional training in a wide variety of topics, along with a desire for more advancement opportunities, reflects both the staff's commitment to the township and enthusiasm for its goals. There is also a staff consensus that individual departments (and the township as a whole) do not have enough financial resources to fulfill obligations, and other revenue sources should be considered to secure financial stability.

From an employee perspective, Lower Makefield Township's effectiveness (with respect to service delivery, public communication, and other functions) is mostly neutral, but leans negative. Of five categories presented, employees were the most positive towards the township's "Responsible use of public funds." Conversely, responses pertaining to leadership and management leaned positive; however, the survey showed a desire for more opportunities to provide input and feedback.

A summary of the employee survey continues on the following pages. Organized by question, these summaries incorporate responses from all township departments.



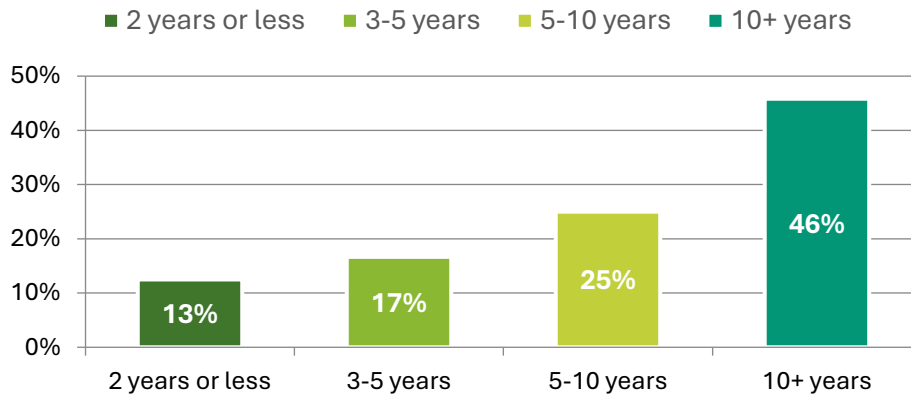
Employee Demographics



How long have you been employed by the township?

Nearly two-thirds of respondents have been employed with the township for five years or more, indicating staff longevity. Only 13 percent have been employed for two years or less.

Length of Employment



Workplace Ratings



What are the township's greatest strengths and weaknesses? In terms of overall governance, rate the following 1-5 (1 being "Very strong" and 5 being "Very weak").

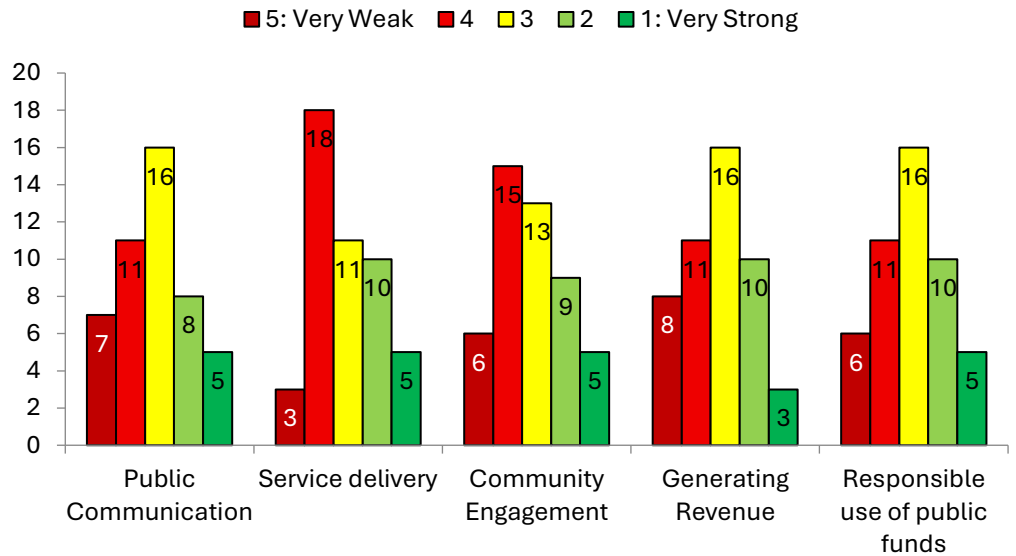
Employees were asked to rate the following categories:

- Public Communication
- Service Delivery
- Community Engagement
- Generating Revenue

- Responsible Use of Public Funds

Overall, the majority of respondents rated each category with a 3 or 4, indicating a neutral or negative leaning response. Responsible use of public funds had the overall best rating with 65 percent indicating a very strong, strong, or neutral response.

Township's Greatest Strengths and Weaknesses



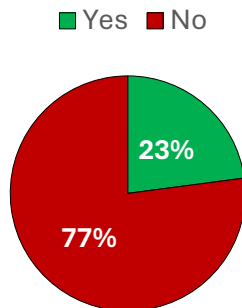
➔ *Is the township adequately staffed to accomplish important duties, goals, and projects?*

A significant majority of respondents indicated that the township is not adequately staffed. The Police and Public Works departments were noted as being particularly understaffed.



Adequate staffing is a major issue for many departments.

Is the Township Adequately Staffed?



➡ *How would you evaluate overall township leadership/management?*

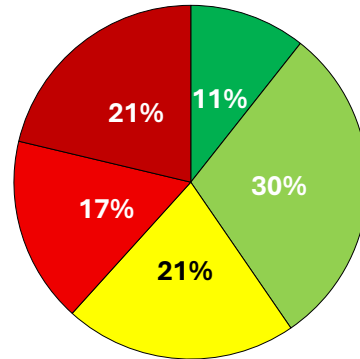
The following characteristics were considered:

- Fostering a positive workplace culture
- Providing fair and honest criticism and suggestions for improvement
- Openness to feedback
- Clear communication about “big picture” goals

Overall, responses were mixed, but 41 percent responded “Excellent” or “Good,” versus 38 percent who responded “Insufficient” or “Poor.”

Evaluate Township Leadership and Management

■ Excellent ■ Good ■ Fair ■ Insufficient ■ Poor

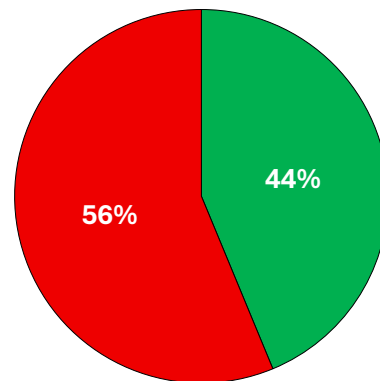


➡ *Do you see advancement opportunities within your workplace?*

A slight majority of employee responses indicate few advancement opportunities. Those that exist are limited to retirements or departures, but some respondents note a disinterest on the part of the organization to promote staff at all.

Advancement Opportunities

■ Yes ■ No

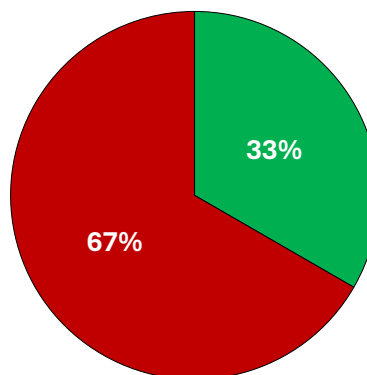


➔ *Are you given enough opportunities to provide input or feedback on policies, programs, organizational practices, or overall goals?*

The majority of staff responded that they are not given enough opportunities to provide input or feedback.

Input and Feedback Opportunities

■ Yes ■ No



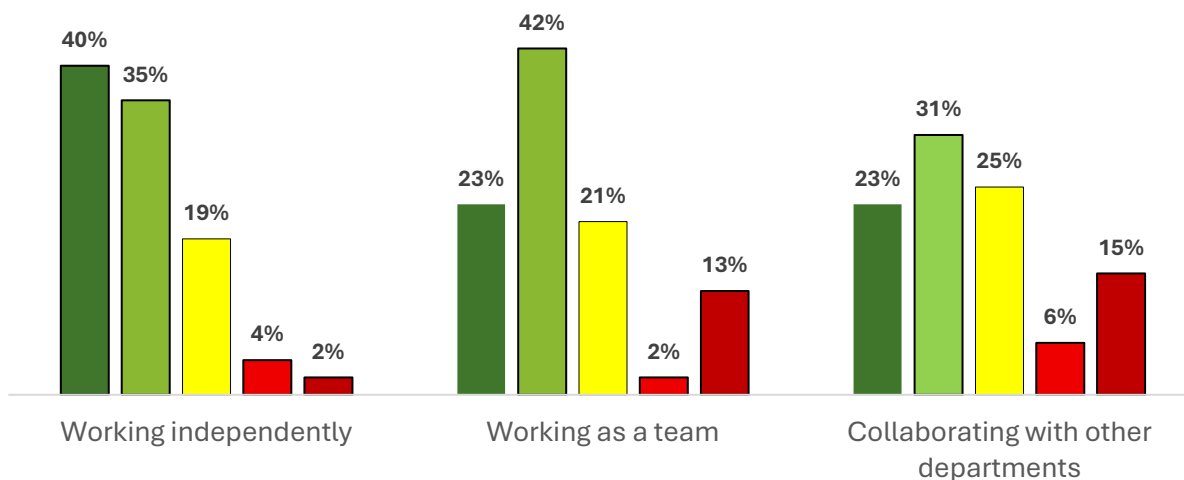
➔ *On a day-to-day basis, how do you feel about your workplace? Please rate the following 1-5 to describe what you like or dislike (5 being “Like very much” and 1 being “Dislike”).*

- Working independently
- Working as a team
- Collaborating with other departments

While the majority of employees responded that they enjoy working independently, as a team, or in collaboration with other departments, the strongest preference is for working independently. Respondents also indicated a high degree of satisfaction working within their departmental team, but collaborating with other departments showed a modest amount of dissatisfaction.

Work Type Preferences

■ 5: Like Very Much ■ 4 ■ 3 ■ 2 ■ 1: Dislike





Job Role Ratings

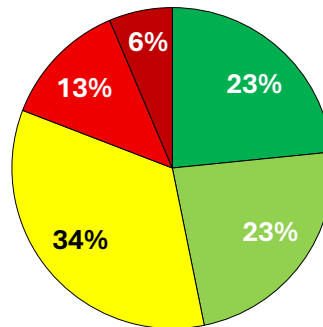
➔ How Satisfied Are You in Your Current Role?

Eighty percent of staff responded positively, indicating they are either very satisfied, mostly satisfied, or satisfied with their current role.

80% of staff are satisfied with their roles.

Role Satisfaction

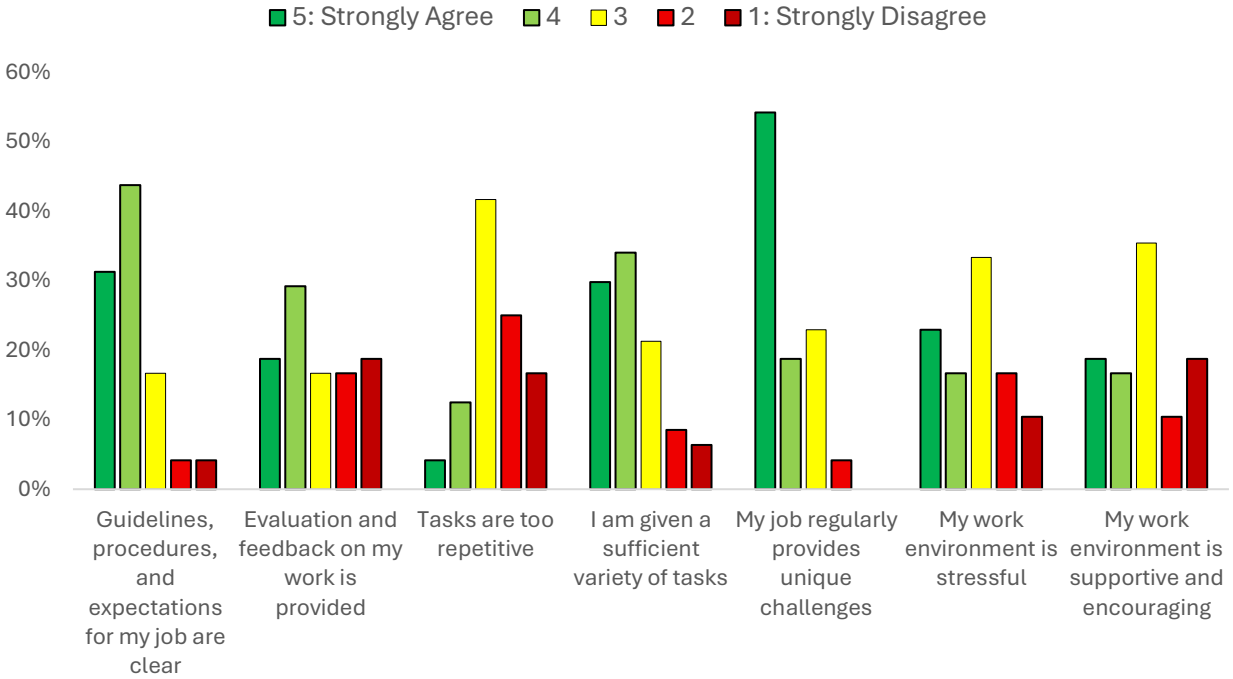
- Very satisfied ■ Mostly Satisfied ■ Satisfied
- Dissatisfied ■ Very dissatisfied



➔ On a day-to-day basis, how do you feel about your job duties? Please rate the following 1-5 (5 being “Strongly agree” and 1 being “Strongly disagree”). Each statement is contained in the chart below.

Most employees responded favorably about their job duties. Guidelines and procedures are clear, and respondents are positively challenged by varied and unique tasks. Three areas for improvement include providing more support, encouragement, and feedback, which contribute to a stressful work environment for a sizeable percentage of respondents.

Job Duties Rating



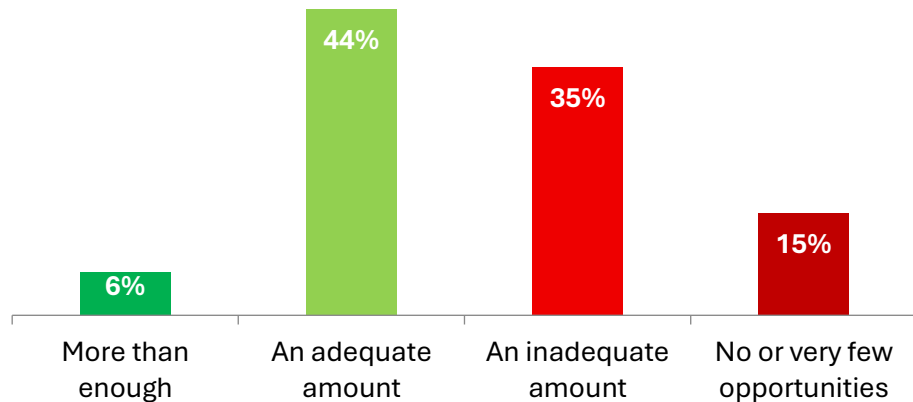
Employee Training



Since becoming a township employee, how would you describe the level of professional development or additional training opportunities that have been made available to you?

There is an even split between employees who believe they are provided with enough training or professional development opportunities, and those who don't.

Professional Development and Training Opportunities

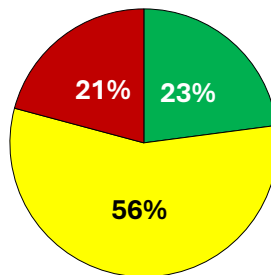


➔ *Professional development and additional training opportunities are intended to help employees perform their job better and more efficiently. How would you describe the value of any training activities you have participated in?*

The vast majority of staff responded that professional development and training opportunities are valuable and worthwhile. Some employees noted that training is limited or only offered to selected staff and they would like to be provided more opportunities.

Value of Training Activities

- Extremely valuable
- Worthwhile
- Not very useful



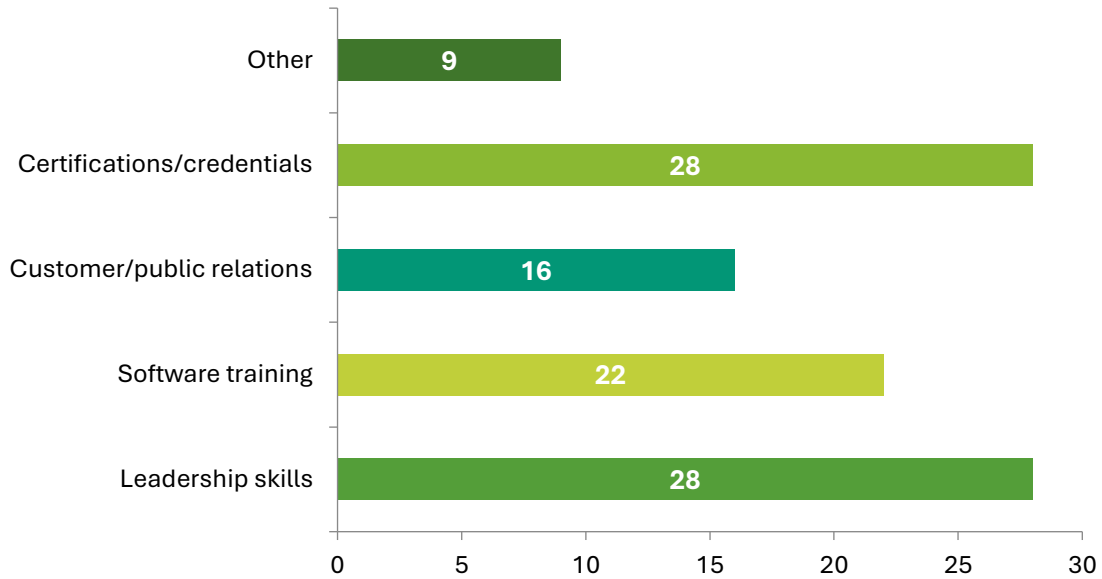
➔ *What additional training or resources would benefit you in your current position? If "other", please explain.*

Although one in five respondents indicated that training activities are not useful, the vast majority believe they are worthwhile or extremely valuable. More than half of employees responded that they could benefit from leadership skills training (with a certification or credential); software training; and customer or public relations training. Those who selected "other" noted the following as potential training topics: program management, marketing/social media, internal communications, environmental stewardship, elected officials, and volunteer boards.



Staff seek more diverse training options.

Additional Training and Resources



Financial Resources

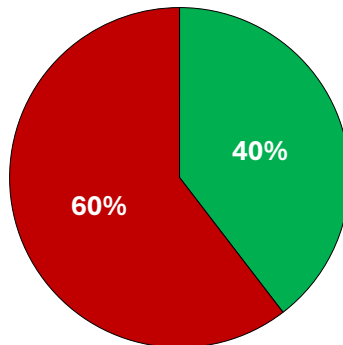


Do you think the township has the necessary financial resources to meet service and/or programmatic expectations?

Sixty percent of respondents indicated that the township does not have the necessary financial resources to meet expectations.

Necessary Financial Resources?

■ Yes ■ No

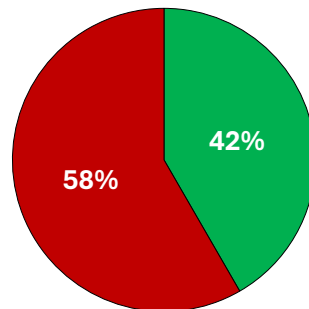


➔ *In your opinion, does the department you work in have the financial resources to fulfill its obligations? This includes adequate staffing, necessary equipment, and other operational needs.*

More than half of employees responded that their department does not have enough financial resources to fulfill its obligations.

Necessary Financial Resources in Department?

■ Yes ■ No

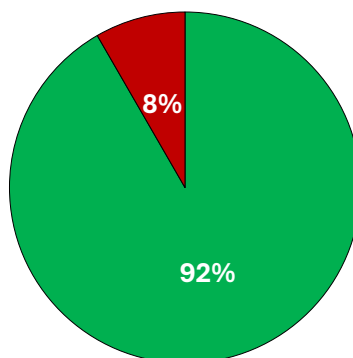


➔ *Do you think new revenue sources should be considered to improve the township's ability to provide services?*

While 60% of respondents indicated that the township's financial resources are inadequate, 92% believe new revenue sources should be considered. Many noted that new sources of revenue could be generated from an Earned Income Tax (EIT).

Consider New Revenue Sources

■ Yes ■ No



ADMINISTRATION AND MANAGEMENT

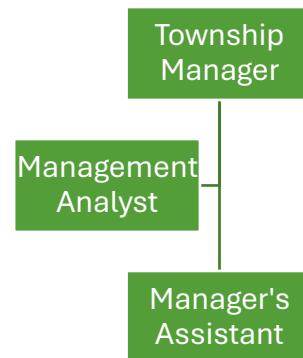
ADMINISTRATION AND MANAGEMENT OVERVIEW

As the hub of activity for Lower Makefield Township, the Administration Department coordinates the daily operations of the municipality while advancing the strategic goals set by the Board of Supervisors. This “small but mighty” team - consisting of the Township Manager, a Management Analyst, and the Manager’s Assistant - plays a central role in ensuring that township operations run smoothly.

Because of its lean structure, Administration must work in close collaboration with department heads to carry out initiatives and provide high-quality services to residents. Without a dedicated Human Resources professional, many HR responsibilities, such as personnel policy, employee relations, and organizational culture, fall directly to the Township Manager. Information Technology is managed externally through a third-party provider, while communications and community engagement are coordinated internally, underscoring Administration’s wide-ranging responsibilities, despite its limited staffing.

At the same time, the Township faces several structural and operational challenges that affect Administration’s capacity. Facilities are essentially maxed out: Limited office and meeting space and physically separated departments put constraints on collaboration. Public Works, while functional, lacks interior vehicle storage and secure entry control.

Financially, the Township has creatively used special purpose taxes and interfund transfers to support the General Fund. However, as a second-class township, Lower Makefield is constrained by a statutory millage cap, making it more difficult to expand revenue for investments in administrative capacity or facilities. At the same time, intergovernmental cooperation in Bucks County is limited, meaning the Township must shoulder most service responsibilities independently, rather than through regional partnerships.



By The Numbers:

3
Employees

\$1.2M
Budget

6.5%
of Budget

ADMINISTRATION CHALLENGES

1. **Financial Constraints:** Lower Makefield is up against the statutory millage cap for second-class townships, limiting flexibility to generate new revenue for administrative capacity or facility investment. The Township has relied on special purpose taxes and interfund transfers to support operations.
2. **Lean Staffing:** With only three staff members, Administration must balance daily operations with strategic oversight, creating capacity challenges.
3. **Human Resources Coverage:** Without a dedicated HR professional, personnel management and policy responsibilities fall largely on the Township Manager.
4. **IT Systems:** Despite recent progress, IT remains fragmented across departments, with manual processes, outdated infrastructure, and limited connectivity at some facilities.
5. **Facilities Limitations:** Township facilities are at capacity, with limited office and meeting space, Parks & Recreation in a separate location, and Public Works lacking interior vehicle storage and secure entry control.
6. **Limited Intergovernmental Cooperation:** Few shared-service opportunities in Bucks County mean the Township must independently provide most services, placing greater demands on administrative oversight.

FINANCIAL CONSIDERATIONS: SECOND-CLASS VS FIRST-CLASS TOWNSHIPS

As was noted in Step 2 of this report, Township expenditures are increasing at a faster rate than revenues, with a shortfall projected by 2027 if no new revenue sources are introduced. Lower Makefield is currently at the statutory millage cap for Second-Class Townships - 14 mills for general purposes - limiting the Township's ability to raise additional revenue to sustain administrative and capital needs. The lack of a county-wide property reassessment further constrains growth in the tax base, as Bucks County's property values have not been reassessed since 1972. As discussed in Step 2, enacting an Earned Income Tax (EIT) remains one viable strategy to diversify revenue.

Another long-term option for consideration is upgrading from a Second-Class to a First-Class Township. Under Pennsylvania law, this change requires meeting two conditions:

- a population density of at least 300 residents per square mile; and
- approval by majority vote through referendum.

Lower Makefield far exceeds the population requirement, with a density of more than 1,800 residents per square mile, and would therefore meet the statutory eligibility threshold. The

Township could initiate the process by petitioning to place a referendum question on an election ballot following a 90-day notice period.

The practical differences between the two classifications primarily concern governance structure and revenue flexibility. Second-class townships are governed by a Board of Supervisors, while first-class townships are governed by a Board of Commissioners, who may be elected at-large or by wards. Both have similar administrative powers and responsibilities under state law. However, the real estate millage cap is substantially higher for first-class townships - 30 mills, compared with 14 mills for second-class - offering greater flexibility to raise property tax revenues if warranted and approved.

For Lower Makefield, this change could provide meaningful fiscal headroom at a time when expenditures are outpacing revenues and the Township's taxable assessments remain artificially low. The financial benefits would have to be weighed against the administrative costs of transition and community appetite for restructuring local government. Alternatives such as adopting an EIT or pursuing a county-wide reassessment would remain available regardless of class status.

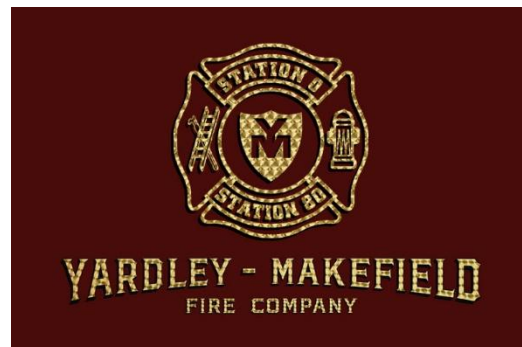
Exploring first-class township designation would not commit the Township to reorganization but would provide a clearer understanding of the long-term governance and revenue tools available to maintain service quality and financial stability as the community continues to grow.

LOCAL GOVERNMENT COOPERATION AND SHARED SERVICES

As previously identified, the scope of intergovernmental collaboration within Bucks County is limited and remains a challenge for the administration of Lower Makefield Township. However, within the context of public safety, Lower Makefield partners with Yardley Borough on two key services that ensure critical coverage for residents.

Yardley-Makefield Fire Company:

Fire protection in Lower Makefield is provided through a partnership with the Yardley-Makefield Fire Company, a volunteer organization serving both Lower Makefield and Yardley Borough. The Township maintains a Director of Fire Services, who coordinates directly with the Fire Company to align resources, manage communication, and ensure effective emergency response. This



partnership enables the Township to maintain high-quality fire services without the full financial burden of an in-house municipal fire department.

Yardley-Makefield Emergency Unit (EMS):



Emergency medical services are delivered through the Yardley-Makefield Emergency Unit (YMEMS), a nonprofit that provides 24/7 ambulance coverage, health education, and standby support for community events across Lower Makefield, Yardley Borough, and portions of Upper Makefield Township. This arrangement provides professional, around-the-clock EMS coverage through a shared service model.

Together, these two partnerships demonstrate how cooperative arrangements can sustain critical public safety functions. They may also serve as a model for how Lower Makefield could explore additional opportunities for collaboration in other service areas in the future.

COLLECTIVE BARGAINING AGREEMENTS

Police Association

The Collective Bargaining Agreement (CBA) between Lower Makefield Township and the Lower Makefield Township Police Association, covering January 1, 2023, to December 31, 2026, outlines the employment terms for police officers. A review of this CBA was completed and noted in the Police Department section of this report.

Public Works / Parks & Recreation

The Collective Bargaining Agreement (CBA) between Lower Makefield Township and the Independent Association of Lower Makefield Township Public Works Employees, covering January 1, 2025, to December 31, 2028, outlines the employment terms for full-time hourly paid Public Works and Parks & Recreation employees, as well as regular part-time employees in each department. This agreement is vital for defining job positions, wages, working conditions, benefits, and other key employment aspects.

Challenges

1. **Longevity Pay:** The CBA includes annual wage increases and a longevity pay provision that provides one-time annual “bonus” payments for longer-tenured employees. Over time, this structure can place upward pressure on personnel

costs, particularly when combined with rising benefit expenses. The Township should monitor total compensation growth and evaluate options during future negotiations to contain long-term costs while remaining competitive in the regional labor market.

2. **Healthcare Cost Containment:** The Township currently offers a traditional PPO health plan for existing employees and a high-deductible health plan with a Health Savings Account (HSA) for newer hires. While the newer plan structure supports cost control, the Township's contribution levels to employee coverage and HSAs remain significant. Future bargaining should aim to:
 - a. Tie employee premium contributions to a percentage of total premium cost rather than a fixed dollar amount; or
 - b. Evaluate the cost-effectiveness of expanding the high-deductible plan to all employees, where feasible.
3. **Leave Accruals and Management:** The CBA provides generous vacation and sick leave accruals. The township should continue to monitor leave usage, payout obligations, and scheduling practices to ensure operational efficiency and control over accumulated leave costs.

ADMINISTRATION AND MANAGEMENT STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to address the management challenges facing Lower Makefield Township. Facilities, Human Resources, and IT systems will be covered in dedicated sections. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, and an estimate of the level of funding needed.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
Minor: Involves optimizing current staffing arrangements without major changes.

Funding:
Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.
Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000
Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

M-1: Identify and Implement a Sustainable Revenue Strategy	
<p>STRATEGY FOR ACTION</p> <p>As detailed in Step 2 of this report, expenditures are projected to outpace revenues by 2027, with the Township constrained by the 14-mill cap on real estate taxes. If a countywide reassessment is not undertaken, the Township will need to explore other revenue options to maintain long-term financial stability. This may include enacting an Earned Income Tax (EIT) or evaluating the fiscal opportunities of transitioning to First-Class Township status. A multi-year financial forecast should be completed to determine which option best aligns with community priorities, administrative capacity, and long-term service demands.</p>	<p>ANTICIPATED OUTCOME</p> <p>Clear, data-driven direction on the most viable path to sustain balanced budgets and service levels.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager, Chief Financial Officer, Board of Supervisors</p>	<p>FUNDING: Minor</p>

M-2: Develop and Adopt a Comprehensive Capital Improvements Plan (CIP)

<p>STRATEGY FOR ACTION Building on recommendations from the Step 2 Financial Trend Analysis, the Township should establish a formal Capital Improvements Plan to guide investment in facilities, equipment, and infrastructure over a 5-year period. The plan should inventory existing assets, identify long-term replacement and maintenance needs, and align capital priorities with available revenues and grant opportunities. Future departmental strategies throughout this report reinforce the need for this framework to coordinate capital decision-making across all functions.</p>	<p>ANTICIPATED OUTCOME Prioritized, fiscally balanced roadmap for future facility and infrastructure investments.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager, Chief Financial Officer, Department Heads</p>	<p>FUNDING: Minor</p>

CBA-1: Evaluate Longevity Pay in Future CBAs

<p>STRATEGY FOR ACTION During future negotiations, evaluate options to restructure longevity provisions to slow long-term growth in personnel costs while maintaining competitiveness in recruitment and retention.</p>	<p>ANTICIPATED OUTCOME Slows long-term growth in personnel costs while maintaining employee retention and morale.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager, Public Works Director, Chief of Police, Chief Financial Officer, Labor Counsel</p>	<p>FUNDING: Minor</p>

CBA-2: Strengthen Healthcare Cost Controls

STRATEGY FOR ACTION Work toward healthcare cost-sharing measures that align employee contributions with actual premium costs (e.g., defining contributions as a percentage of the premium) and continue transitioning to the lower-cost HSA plan for new hires. Explore opportunities to pre-fund post-retirement healthcare liabilities to avoid future fiscal impacts.	ANTICIPATED OUTCOME Reduced growth in healthcare expenditures and improved long-term budget stability.
PRIORITY: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager, Chief Financial Officer	FUNDING: Minor

ADMINISTRATION/ FACILITIES

Lower Makefield's municipal facilities are central to service delivery but face challenges that mirror the broader administrative issues identified earlier: limited capacity, aging infrastructure, and the difficulty of expanding resources under the second-class township millage cap.

The Township Building, constructed in 1976, houses both administrative offices and the Police Department. The Public Works Facility, also built in 1976, supports core operations but lacks modern features such as interior vehicle storage and secure entry control. By contrast, the Community Center, completed in 2018, is a much newer facility and plays an important role in hosting community programs and resident gatherings.

In addition to these core facilities, the Township maintains several prized community assets. The Pool, a centerpiece of summer recreation, was enhanced with the addition of a slide in 2004 but is now overall past its useful life without significant capital reinvestment. Together, these facilities highlight the tension between strong community expectations for services and the aging physical infrastructure that supports them.

TOWNSHIP MUNICIPAL BUILDING

General Functionality & Condition

The Township Building, originally constructed in 1968 and last updated in 1976, shows considerable signs of aging. While it continues to serve multiple departments - administration, finance, community development, and fire services - it lacks modern space utilization and internal systems. The building's mechanical and electrical infrastructure is outdated; electrical systems largely date back to the 1960s with only minor updates made in the 1970s. Much of the unused, obsolete equipment remains in mechanical rooms, creating obstructions and potential code violations related to egress and service access. The flat roof has had recurring leak issues, which should be addressed in any future capital planning effort.

The building houses only a single shared conference room for internal or external meetings. Staff workspaces across the administration, finance, and community development departments are significantly undersized and lack appropriate privacy or acoustical separation, resulting in compromised operational efficiency and diminished productivity.

Physical Security & Safety Measures

The Township Building's parking lot has sufficient exterior lighting for public meetings but lacks digital CCTV surveillance of key entry/exit points and restricted parking areas. This presents clear security vulnerabilities and elevates the risk of unauthorized access.

While two distinct badge-based access systems are used to secure sensitive areas such as the finance department and the police department, this dual-system arrangement complicates overall access control and coordination. Public-facing counters lack both ADA accommodations and security barriers, exposing administration and community development staff to open access from the public, including areas that contain sensitive documents, such as personnel files, legal records, and land development plans.

Although certain sensitive rooms (e.g., server rooms, mechanical closets) are controlled with keycard access, keypad and physical keys, the lack of unified systems & controls and consistent signage means that staff-only areas are not clearly marked, potentially resulting in unauthorized entry. Additionally, a single emergency alert button on the Board of Supervisors' dais rings to the on-duty police sergeant, but this system is unreliable during field deployments.

Public Access & Customer Interaction Areas

There is no reception desk or staffed welcome area at the public entrance, and no designated waiting area for residents or visitors. The building lacks any external or internal signage to help the public navigate to departments or offices. The front entrance is technically ADA compliant, but worn and in need of modernization. Board of Supervisors chambers are open, accessible, and ADA compliant; however, there are no auxiliary meeting rooms or spaces for residents to meet privately with staff or elected officials.

Bathroom facilities are insufficient in number and do not meet ADA standards or code requirements regarding occupancy capacity. These issues present potential legal and public accessibility concerns.

Controlled Access & Space Utilization

While the finance and police departments benefit from restricted access, there is no physical delineation or security screening the part of the building that houses administration and community development. Co-location of departments without physical separation undermines workplace confidentiality, especially as internal conversations and activities easily overlap.

Sensitive personnel files appear to be stored securely; however, without a dedicated HR professional to ensure compliance with industry standards such as the SHRM-recommended two-lock system for employee files, there is increased risk of inadvertent policy breaches or regulatory noncompliance.

The on-site generator, installed in the 1970s, is not compatible with current technology and has demonstrated issues with power load stability. This presents a risk of operational disruption during power outages. Additionally, HVAC and heating systems often operate in conflict due to the lack of centralized control, contributing to multiple failures during 2025. These system failures pose both comfort and safety concerns.

PARKING & EXTERNAL LAYOUT

General Functionality & Condition

The Township's municipal parking areas lack directional flow, striping, or signage to clearly differentiate between public, staff, and fleet parking. The absence of these designations contributes to regular overlap between residents and employees, raising safety and access control concerns, especially in today's heightened political environment.

Physical Security & Safety Measures

The lots have no gates, fences, or access-controlled barriers separating municipal fleet vehicles or critical facilities. While the fuel pumps are secured via an internal fuel management system, they are otherwise openly accessible, posing both physical and security risks. Lighting throughout the parking and yard areas is not of sufficient intensity for safe 24-hour operations, particularly during inclement winter conditions.

Access & Circulation

The layout allows direct, uncontrolled access to multiple critical township functions including the Public Works garage, salt shed, police firing range, vegetation drop-off area, and vehicle/equipment storage. The lack of physical security between these spaces undermines operational integrity and introduces liability issues.

PUBLIC WORKS GARAGE & YARD

General Functionality & Condition

Constructed in 1976, the Public Works garage is a multi-bay facility capable of servicing the full range of township vehicles. The interior is climate-controlled and designed for cold-

weather functionality. However, upgrades are needed to support modern, heavier vehicles such as salt trucks and dump trucks.

The building also includes a small administrative area for the Director and Secretary. This space is not ADA compliant and lacks any formal collaboration area or meeting space. The existing break room is inadequate in size and not suitable to support continuous emergency or winter operations.

Lighting is inadequate in the garage yard and around the 1,500-ton salt shed, which impairs safe night operations and reduces the efficiency of response during snow events. Moreover, the limited salt storage capacity poses risks to prolonged snow response operations.

POLICE DEPARTMENT FACILITY (WITHIN TOWNSHIP BUILDING)

General Functionality & Layout

The Police Department has undergone multiple restructuring efforts, which have improved workflow. However, space constraints persist. Storage is severely limited, particularly in areas used for operations, SWAT, and evidence. Higher-end tactical gear often issued via state or federal sources is not climate controlled and is stored in spaces that experience major temperature fluctuations due to HVAC inconsistencies.

The captain's office is a converted locker room, located away from the operational hub of the department and the Chief's office, reducing administrative cohesion. The department lacks dedicated areas for patrol roll call, officer training, and breaks functions that are currently forced to take place in multi-use spaces, often doubling as secondary offices.

Technology & Security Systems

The operations center is reasonably efficient but lacks features essential to continuous police operations. There is no:

- Live monitoring of CCTV footage for township facilities
- Integrated Situational Awareness Displays
- Access to License Plate Reader (LPR) data feeds for major entry/exit corridors.

These deficiencies hinder real-time decision-making and emergency management.

PARKS & RECREATION FACILITY AND TOWNSHIP PARKS SYSTEM

Facility Functionality & Layout

The Lower Makefield Township Community Center, which now houses the Parks & Recreation Department, is a modern, well-equipped facility that supports the Township's existing programs and anticipated future needs. The recent departmental restructure initiated by the Township shifted responsibility for parks and facilities maintenance functions to the Public Works Department, reflecting a strategic effort to improve resource coordination and long-term sustainability. As of this writing, no performance metrics are yet available to assess the impact of that restructuring.

The Community Center's expanded space provides operational flexibility, appropriate office accommodations, and supports indoor programming needs. However, further review may be warranted to ensure facility signage and public access areas fully align with industry best practices, especially those handling programming for older adults or seniors.

Park System Scope & Capital Considerations

Lower Makefield Township's parks system is anchored by Macclesfield Park, a 92-acre flagship recreational site that supports active sports, events, and general recreation. The township also maintains several neighborhood and community parks totaling hundreds of acres under active recreation or passive open space management. Staffing continuity, especially within the seasonal pool program, is strong, with multi-generational staff loyalty seen among lifeguards and support personnel.

Despite strong programming, some capital needs remain. For example, the pool slide, installed in 2004, has exceeded its useful life and the pool parking lot is in poor condition and in need of resurfacing. These projects would ideally be included in the Township's Capital Improvements Plan, should one be implemented. In the meantime, they are being monitored by the Public Works Director.

HVAC MODERNIZATION PROJECT AND FACILITIES PLANNING CONTEXT

Lower Makefield Township recently commissioned a comprehensive review of the existing Heating, Ventilation, and Air Conditioning (HVAC) systems in the Municipal Building located at 1100 Edgewood Road. The evaluation, completed by BSEG, LLC, confirmed that the building's HVAC infrastructure has reached or exceeded its median life expectancy and is no longer operating as designed. The deficiencies contribute not only to inconsistent climate control but also to system inefficiencies and staff discomfort, particularly in zones such as the police department's detective area.

BSEG provided two replacement options. Option 1 proposes a near in-kind replacement with limited control corrections. While this would restore baseline functionality, it retains many of the system's inherent energy inefficiencies. Option 2, by contrast, is a comprehensive overhaul that includes both air-conditioning and advanced control systems. This option would significantly improve performance but may also impact ongoing building operations during implementation. The estimated cost range for these options is between \$660,000 and \$1,250,000, subject to market fluctuations and unforeseen replacement needs at the time of bidding.

While the HVAC upgrades are an essential capital investment, it is important to note that neither option fully resolves the lack of centralized system control, a root issue that undermines energy efficiency and operational flexibility. Without an integrated building management system, the new HVAC infrastructure may continue to face coordination challenges across multiple independently controlled zones.

This facility must also be viewed within the broader context of long-term building planning. The Township Building houses multiple departments with overlapping space needs, poor internal separation, and insufficient physical security controls. Investing in HVAC improvements alone will not address the full range of aging infrastructure or space utilization limitations. A full-space study and modernization plan should be considered in parallel.

ADMINISTRATION / FACILITIES STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance the Township's facilities. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, and an estimate of the level of funding needed.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
Minor: Involves optimizing current staffing arrangements without major changes.

Funding:
Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.
Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000
Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

FAC-1: Conduct Full Building Modernization and Space Utilization Study	
<p>STRATEGY FOR ACTION</p> <p>Commission a full architectural and operational space study to evaluate the long-term viability of the existing Township Building, including mechanical systems, ADA and life safety code compliance, meeting space, and physical security. The study should assess whether a major facility renovation or the construction of a new municipal complex would best meet the Township’s operational needs over the next 30 years. If a full modernization or new building is not pursued, conduct a phased improvement plan to address critical facility gaps. Focus on redesigning key internal layouts, expanding support spaces, ensuring ADA and safety code compliance, and improving physical security within the existing Township Building footprint.</p>	<p>ANTICIPATED OUTCOME</p> <p>Clear direction on whether to pursue full-scale modernization of the existing facility or to plan for a new purpose-built municipal complex. Improved departmental functionality, staff efficiency, physical security, compliance with ADA and building codes, and readiness for long-term growth and evolving community services.</p>
<p>IMPLEMENTATION TIMELINE: Short-Term</p>	<p>PERSONNEL: Major</p>
<p>RESPONSIBLE PARTY: Township Manager</p>	<p>FUNDING: Major</p>

FAC-2: Implement Centralized HVAC Controls as Part of System Upgrade	
STRATEGY FOR ACTION Modify existing HVAC system replacement plan to include installation of a centralized Building Management System (BMS) to control all zones. Leverage insights from BSEG report and evaluate integration with smart sensors for real-time control and energy savings.	ANTICIPATED OUTCOME Resolution of temperature conflicts, improved energy efficiency, reduced utility costs, and longer-term ROI from HVAC investments.
IMPLEMENTATION TIMELINE: Immediate	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager / Public Works Director	FUNDING: Major

FAC-3: Upgrade Township Parking Lot Infrastructure and Access Controls	
STRATEGY FOR ACTION Install physical security improvements including gates, fencing, and high-intensity lighting to protect municipal vehicles and critical facilities, including Police firing range. Introduce access control measures to separate employee, fleet, and public parking areas. Once access infrastructure is in place, redesign parking lot layout and complete restriping to clearly designate and direct traffic flow.	ANTICIPATED OUTCOME Improved vehicle security, operational efficiency, and public safety during after-hours use and winter conditions.
IMPLEMENTATION TIMELINE: Long-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Public Works / Police / Township Manager	FUNDING: Major

FAC-4: Modernize Public Works Garage and Yard	
STRATEGY FOR ACTION Upgrade lifts, lighting, ventilation, and fleet service areas to meet L&I compliance. Establish a dedicated emergency operations area, expand breakroom size, and improve parts storage layout.	ANTICIPATED OUTCOME Enhanced safety, compliance with state codes, and improved staff readiness during inclement weather and emergencies.
IMPLEMENTATION TIMELINE: Long-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Public Works Director	FUNDING: Major

FAC-5: Redesign and Expand Police Department Facilities for Operational Efficiency

<p>STRATEGY FOR ACTION</p> <p>Evaluate and redesign the existing Police Department layout to support a modern law enforcement operation, including dedicated spaces for roll call, SWAT and tactical equipment, training, records storage, and 24/7 operations management. As part of the broader Township Building space study, consider whether a fully modernized public safety wing or a standalone police facility is needed to support long-term policing needs. If a full modernization or new building is not pursued, redesign the existing Police Department’s internal layout to support modern law enforcement needs.</p>	<p>ANTICIPATED OUTCOME</p> <p>Enhanced officer safety, training, and readiness. Improved storage, spatial efficiency, and operational control center capabilities. Better integration with township security infrastructure such as CCTV, LPR systems, and situational awareness tools. Supports long-term planning aligned with accreditation and modern policing standards.</p>
<p>IMPLEMENTATION TIMELINE: Long-Term</p>	<p>PERSONNEL: Major</p>
<p>RESPONSIBLE PARTY: Township Manager / Police Department</p>	<p>FUNDING: Major</p>

FAC-6: Evaluate Pool Facilities for Potential Inclusion in Capital Planning

<p>STRATEGY FOR ACTION</p> <p>Evaluate pool facilities for inclusion in capital planning efforts. Include pool slide that is nearing the extent of its useful life, along with other pool equipment. Evaluate restroom facilities to account for ADA requirements and modern privacy expectations.</p>	<p>ANTICIPATED OUTCOME</p> <p>Ensure recreational safety and long-term viability of a flagship community asset.</p>
<p>IMPLEMENTATION TIMELINE: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Parks & Recreation Director / Public Works Director</p>	<p>FUNDING: Major</p>

FAC-7: Install Unified Digital CCTV and Access Control System Township-Wide	
<p>STRATEGY FOR ACTION</p> <p>Procure and implement a centrally managed digital security system across all township facilities, including the Township Building, Public Works garage, Police Department, and Parks & Recreation assets. This should include high-definition CCTV coverage of entry/exit points, access-controlled doors and gates, and integration with Police Department monitoring capabilities. While a necessary strategy, this will require ongoing operating costs via an annual licensing fee for software to operate the system, as well as capital planning to maintain the camera system.</p>	<p>ANTICIPATED OUTCOME</p> <p>Improved facility security, incident response capability, protection of personnel and assets, and reduced liability exposure. Creates consistent access protocols and monitoring across all critical infrastructure.</p>
<p>IMPLEMENTATION TIMELINE: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Police Department / IT / Township Manager</p>	<p>FUNDING: Major</p>

FAC-8: Establish Dedicated Reception and Waiting Area in Township Building	
<p>STRATEGY FOR ACTION</p> <p>Redesign the Township Building's lobby area to include a staffed reception desk and designated waiting area for residents attending meetings or seeking services. Evaluate space utilization to provide necessary physical separation between public and staff-accessible areas, with signage and visitor control protocols.</p>	<p>ANTICIPATED OUTCOME</p> <p>Improved customer service, reduced risk of unauthorized access to sensitive areas, and a more professional and welcoming public-facing environment.</p>
<p>IMPLEMENTATION TIMELINE: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager</p>	<p>FUNDING: Moderate</p>

FAC-9: Evaluate Restroom Facilities for ADA and Code Compliance	
<p>STRATEGY FOR ACTION</p> <p>Conduct an architectural code review of all Township Building restrooms and determine modifications necessary to meet ADA and occupancy-based plumbing fixture codes. Include these improvements in the next capital planning cycle.</p>	<p>ANTICIPATED OUTCOME</p> <p>Reduced legal risk, improved accessibility for residents and staff, and compliance with federal and state accessibility mandates.</p>
<p>IMPLEMENTATION TIMELINE: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager</p>	<p>FUNDING: Moderate</p>

FAC-10: Expand Breakroom and Support Facilities for Township Staff	
<p>STRATEGY FOR ACTION</p> <p>Construct or renovate existing space to establish adequate breakrooms, locker rooms, and wellness areas for staff in the Township Building and Public Works facility. Ensure these spaces support shift-based and emergency operations.</p>	<p>ANTICIPATED OUTCOME</p> <p>Improved employee morale, support for staff retention and recruitment, and increased operational resilience during emergencies and inclement weather operations.</p>
<p>IMPLEMENTATION TIMELINE: Long-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Administration / Public Works Director</p>	<p>FUNDING: Major</p>

ADMINISTRATION/ HUMAN RESOURCES

ADMINISTRATION / HUMAN RESOURCES OVERVIEW

In Lower Makefield Township, human resources functions remain decentralized, with the Township Manager overseeing a wide range of responsibilities. This structure presents an opportunity to build on the solid foundation established through the adoption of a new Employee Manual in 2024 and move toward implementing best practices promoted by organizations such as SHRM, HRCI, ICMA, and GFOA.

The Township's HR responsibilities span the full scope of workforce management. On the procedural side, this includes payroll, benefits administration, open enrollment, time-off tracking, and handling allegations of misconduct. On the strategic side, HR encompasses recruitment, retention, training, professional development, workforce planning, and performance evaluation. While the Township has maintained stability through a long-tenured workforce, challenges such as the absence of a dedicated HR professional, limited centralized recordkeeping, and the lack of a formalized performance review system create gaps that constrain efficiency and long-term planning.

By continuing to capitalize on the knowledge of its experienced employees, strengthening succession planning, and investing in modern HR tools like a new HRIS platform, Lower Makefield has the opportunity to shape a more structured and strategic HR function. Doing so will not only improve efficiency but also ensure that the Township remains a high-functioning organization prepared to meet both current and future workforce needs.

ADMINISTRATION/ HUMAN RESOURCES CHALLENGES

1. **Centralized HR Capacity:** Lower Makefield does not currently employ a dedicated HR professional, leaving responsibilities spread across the Township Manager and individual departments. This structure constrains the Township's ability to take on strategic workforce planning and creates inefficiencies in day-to-day administration.
2. **Succession Planning:** With many long-tenured employees, the Township has deep institutional knowledge but also risks service disruption when retirements or departures occur. A structured succession planning framework, supported by documentation and mentorship, will be necessary to prepare future leaders.
3. **Training and Professional Development:** Employee survey responses indicated interest in more feedback and development opportunities. A comprehensive approach to training and professional development is needed to support employee growth and succession planning, as well as to strengthen retention.

4. **HR Systems and Processes:** The lack of a central HR department leads to inconsistent use of technology and uneven processes across the organization. Personnel records are stored separately in different departments, including Parks and Recreation, and most functions remain manual. This decentralization creates inefficiencies and limits the Township's ability to manage employee data, track certifications, and support payroll and benefits administration.

Employee Manual

Lower Makefield Township took an important step forward in modernizing its human resources operations with the adoption of a new Employee Handbook in 2024. The handbook represents a comprehensive update of Township policies and provides a clear foundation for consistency across departments. It reflects the proactive work of Township management and the Board of Supervisors to ensure employees have well-defined expectations and protections.

The handbook covers a broad range of topics, including:

- Equal employment opportunity and non-discrimination policies
- Standards of conduct and workplace expectations
- Anti-harassment and complaint procedures
- Timekeeping, attendance, and leave policies
- Employee benefits and open enrollment procedures
- Discipline, grievance, and corrective action processes
- Use of Township property, technology, and social media

By consolidating and clarifying these policies, the Township has given employees a stronger understanding of their rights and responsibilities while reducing ambiguity for supervisors. Establishing the handbook also ensures that the Township is better positioned to maintain compliance with state and federal employment laws.

Moving forward, the Township should consider implementing a regular review cycle to keep the handbook current with evolving legal requirements and organizational needs. Doing so will preserve the value of this proactive step and ensure the manual continues to serve as a reliable resource for both employees and management.

Succession Planning

Lower Makefield benefits from a highly stable workforce, with 46% of employee survey respondents reporting tenure of more than 10 years. This longevity reflects strong

institutional knowledge and continuity of service, but it also highlights the importance of succession planning to prepare for inevitable retirements and transitions.

Succession planning goes beyond simply filling positions when they open; it is about proactively identifying potential future leaders, recognizing the skills and knowledge that will be required in key roles, and creating training and professional development opportunities that equip employees with those capabilities over time. Activities can include mentorship between experienced staff and newer employees, documenting responsibilities and processes, and offering targeted training to strengthen both technical and leadership skills.

Cross-training across roles and departments also plays an important role, ensuring that no single function is dependent on one individual. Together, these practices help preserve institutional knowledge, maintain continuity in service delivery, and position the Township to adapt smoothly as its workforce changes.

Performance Management

Employee feedback is an important driver of both professional development and organizational effectiveness. In the Township's employee survey, 52% of respondents indicated they could receive more feedback on their work, suggesting that current performance evaluation practices are inconsistent and not always integrated into regular operations.

Establishing a centralized and standardized performance review process would ensure that employees across all departments receive consistent feedback on their performance. Embedding these reviews into standard work processes would create regular opportunities for constructive dialogue, helping employees understand expectations, recognize accomplishments, and identify areas for growth. Such a process would also strengthen employee engagement, support career development, and enhance the Township's ability to retain talent in a competitive labor market.

HR Systems and Processes

Lower Makefield's human resources operations are hindered by the absence of a centralized system for managing employee records and processes. Personnel files are maintained separately by departments, including Parks and Recreation at the Community Center, and many functions such as leave tracking and certification management remain paper-based. These decentralized and manual approaches make it more difficult to ensure accuracy, consistency, and efficiency across the organization.

Moving toward centralized document storage and digital workflows would streamline administration, improve access to information, and reduce the risks associated with inconsistent or fragmented recordkeeping. Additional detail and recommendations on modernizing document management and reducing reliance on paper are included in the IT section of this report.

ADMINISTRATION / HUMAN RESOURCES STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance the Township's Human Resources practices. These recommendations were developed from a thorough operational assessment, including on-site department observations and interviews with township staff. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, the anticipated funding level, and a potential funding source.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:

Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.

Moderate: Requires new seasonal, part-time, or temporary contract support to implement.

Minor: Involves optimizing current staffing arrangements without major changes.

Funding:

Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.

Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000

Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

HR-1: Hire an HR Professional to lead a central HR practice at the Township	
<p>STRATEGY FOR ACTION</p> <p>Create a centralized HR function by hiring a Supervisor or Director of Human Resources who can oversee regulatory and compliance responsibilities while also building resources for workforce development, training, performance review, succession planning, and related functions. This should be preceded by drafting a potential job description and reviewing who at the township is currently doing those tasks, as it may identify internal talent that could fill the role.</p>	<p>ANTICIPATED OUTCOME</p> <p>Establishes a dedicated HR function, strengthens strategic workforce planning, and ensures consistent HR practices across the Township.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Major</p>
<p>RESPONSIBLE PARTY: Township Manager</p>	<p>FUNDING: Major</p>

HR-2: Implement a formal succession planning framework	
<p>STRATEGY FOR ACTION</p> <p>Develop a structured approach to preserving institutional knowledge and preparing future leaders, including SOP documentation, mentorship, and cross-training opportunities to ease staff transitions. Include a systematic review of township-wide job descriptions to ensure they reflect current duties, responsibilities, and the use of new technologies. Establish a process to update them regularly as roles evolve.</p>	<p>ANTICIPATED OUTCOME</p> <p>Preserves institutional knowledge, supports smoother leadership transitions, and builds capacity through mentorship and documentation.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / HR Professional</p>	<p>FUNDING: Minor</p>

HR-3: Adopt a Township-wide performance review system	
<p>STRATEGY FOR ACTION</p> <p>Establish a standardized review process that ensures all employees receive consistent feedback, with evaluations linked to professional development, training, and career growth opportunities.</p>	<p>ANTICIPATED OUTCOME</p> <p>Improves employee engagement, provides consistent feedback, and strengthens retention through structured performance evaluations.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / HR Professional</p>	<p>FUNDING: Minor</p>

HR-4: Create a periodic review cycle for the Employee Handbook	
<p>STRATEGY FOR ACTION</p> <p>Maintain the value of the 2024 Employee Handbook by adopting a regular update schedule to ensure policies remain current with legal requirements, best practices, and organizational needs.</p>	<p>ANTICIPATED OUTCOME</p> <p>Ensures HR policies remain current, legally compliant, and aligned with best practices.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / HR Professional</p>	<p>FUNDING: Minor</p>

HR-5: Formalize Opportunities for Employee Feedback and Engagement	
<p>STRATEGY FOR ACTION</p> <p>The Step 1 Employee Survey identified that staff want more consistent opportunities to share feedback on workplace policies, processes, and communication. Establishing a formal process for employee feedback will strengthen engagement, improve communication, and help management identify operational challenges early. Mechanisms may include an annual anonymous survey, quarterly staff-management listening sessions, a confidential online suggestion portal, and structured stay and exit interviews.</p>	<p>ANTICIPATED OUTCOME</p> <p>Strengthens communication and organizational culture through structured, recurring feedback opportunities.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / HR Professional</p>	<p>FUNDING: Minor</p>

ADMINISTRATION / INFORMATION TECHNOLOGY

ADMINISTRATION / IT OVERVIEW

Information technology infrastructure plays a vital role in supporting day-to-day operations, enabling efficiency in communications, conducting document management, and tracking tasks across departments. Lower Makefield Township's current information technology infrastructure is operational but suffers from inefficiencies due to aging systems, fragmented workflows, and underutilized licensing. While foundational improvements such as engaging ASKTech and deploying OpenGov have been made, many manual processes and legacy systems continue to hinder performance, security, and cost-effectiveness.

The Township's IT system is operational but lacks modern systems and processes that support efficiency.

Governance & Oversight

Historically, governance and oversight have been managed by the police department with an external third-party serving as Virtual Chief Information Officer (vCIO) and Managed Service Provider (MSP).

Infrastructure

All 77 users are licensed with Microsoft Office G5. VMware VxRail system is used.

Facilities & Connectivity

Backup generators from 1995 are untested for their ability to charge USPEs. There is also no battery backup for internet connectivity. The pool and Community Center operations are manual with the Community Center not network-connected to administration.

Systems & Software

Key platforms include MUNIS, OpenGov, Exact Payroll, Community Pass, ArcGIS, and Live Scan. There is a significant reliance on paper forms and spreadsheets with document management being fragmented across multiple platforms.

Personnel & Policy

There is not a centralized human resources department. Paid time off (PTO) and training certifications are managed manually with paper documentation. Asset, hardware, and contract lifecycles are not tracked systematically.

Software	
Department	Software Used
Administration & Finance	MUNIS, Exact Payroll, OpenGov, ZenCity, Rep'd
Recreation/Community Center	Community Pass
Planning/Development	Granicus, Hera Registry, Scantek/OnPhase, Docufree, OpenGov
Public Works	ArcGIS, Vialytics, Cardiograph, Bentley CAD, Ecos, OpenGov
Police	Live Scan, Axon, TRAX, CODY Pathfinder, Viper, Integra32
Hardware	
Hardware Type	Hardware Used
Backup & Power	Barracuda onsite backup (untested), ~1995 generators (no test schedules), no internet battery backup
End User Devices	Wyse thin clients, unmanaged desktops/laptops, and 3 public works iPads (cellular-enabled)
Network Infrastructure	Cisco switches (EOS 2026–2027), Meraki APs, Palo Alto firewall
Servers	VMware VxRail system, all servers housed in Administrative Building

ADMINISTRATION / IT CHALLENGES

1. **VMware:** The environment is overloaded / oversubscribed, which causes performance issues.
2. **Microsoft Office G5:** There are unnecessary licensing costs from having all users licensed to Microsoft Office G5.
3. **Workflows:** There are manual and disconnected workflows across many departments.
4. **Community Center:** The center is disconnected from shared systems.
5. **Backup Generators:** The backup power infrastructure is outdated and lacks network redundancy.
6. **Asset and Contract Lifecycles:** There is a lack of an asset and contract lifecycle management process.
7. **HR Functions:** Human Resource functions are decentralized with paper-based operations.
8. **Printer Contracts:** These contracts are decentralized and inefficient.
9. **Access Systems:** There are multiple inconsistent access systems (ex. Keyscan, Brivo, Ecos).
10. **Document Management:** Document storage is fragmented and paper-dependent.

Inefficient, paper-based, or nonexistent IT processes and costly software licenses are systemic challenges for the Township.

ADMINISTRATION / IT STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance Lower Makefield Township's IT operational efficiencies. These recommendations were developed from a review of the Township's current operations and a comparison of industry best practices. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, and the anticipated funding level and source.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
Minor: Involves optimizing current staffing arrangements without major changes.

Funding:
Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.
Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000
Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

IT-1: Optimize Microsoft Licensing	
STRATEGY FOR ACTION Audit actual license usage and job function needs. Downgrade unneeded G5 licenses to G3 or F3 tiers, while retaining G5 for those with legitimate requirements.	ANTICIPATED OUTCOME Cost reductions without hindering productivity, better alignment between licensing and user needs.
PRIORITY: Immediate	PERSONNEL: Minor
RESPONSIBLE PARTY: vCIO	FUNDING: Minor

IT-2: Implement I.T. Asset Lifecycle Management	
STRATEGY FOR ACTION Hardware, software, and contracts are not tracked by lifecycle, creating risks of failure and expired support. Deploy an asset and lifecycle management system to monitor inventories, renewals, and retirement thresholds. Include automated alerts and policy implementation.	ANTICIPATED OUTCOME Proactive asset tracking, avoidance of unplanned disruptions, and improved budgeting accuracy.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: vCIO / AskTech / Chief Financial Officer	FUNDING: Minor

IT-3: Evaluate Technology Options to Consolidate Vendors	
STRATEGY FOR ACTION Some township processes remain paper-based or disjointed across systems. The township should evaluate technology options, particularly for Public Works, Pool operations, and Financial processes, to consolidate vendors and decrease the quantity of systems that the township uses. Implement in phases with vendor support, change management, and training.	ANTICIPATED OUTCOME Centralized digital workflows, fewer manual processes, improved transparency, and long-term savings.
PRIORITY: Long-Term	PERSONNEL: Moderate
RESPONSIBLE PARTY: Township Manager / Third-Party Support	FUNDING: Major

IT-4: Consolidate Document Management Systems	
STRATEGY FOR ACTION Information is stored in multiple systems and formats, increasing retrieval time and risk. Select a single document repository, scan physical records, and enforce uniform access and retention policies.	ANTICIPATED OUTCOME Faster document access, improved cross-department collaboration, and reduction in physical storage requirements.
PRIORITY: Long-Term	PERSONNEL: Moderate
RESPONSIBLE PARTY: Township Manager / Third-Party Support / Department Heads	FUNDING: Moderate

IT-5: Centralize HR Operations and Upgrade Payroll System	
STRATEGY FOR ACTION HR duties are decentralized, PTO is paper-based, and certifications are tracked offline. Establish a centralized HR function. Extend or replace Exact Payroll with features for PTO, certifications, and centralized recordkeeping.	ANTICIPATED OUTCOME Consistency in HR processes, enhanced compliance, and reduced administrative burden.
PRIORITY: Short-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Third-Party Support / Finance Department	FUNDING: Moderate

IT-6: Modernize Key Card Access Systems	
STRATEGY FOR ACTION The township uses separate keycard systems with no central management. Consolidate access control—buildings and fuel pumps—under one platform like Brivo, eliminating redundant systems.	ANTICIPATED OUTCOME Simplified access control, strengthened security, and reduced IT complexity.
PRIORITY: Long-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: AskTech / Police / Public Works	FUNDING: Moderate

IT-7: Replace End-of-Service Cisco Switches	
STRATEGY FOR ACTION Core switches will become unsupported by 2026–2027, creating security and reliability risks. Inventory all switches, plan a phased replacement strategy, and budget for updated infrastructure.	ANTICIPATED OUTCOME Sustained network reliability, enhanced security, and compatibility with evolving technologies.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: vCIO / AskTech	FUNDING: Moderate

IT-8: Consolidate Printer Vendor Contracts	
STRATEGY FOR ACTION Printer contracts are dispersed across departments, creating cost inefficiencies. Audit existing devices and contracts, consolidate under one vendor agreement, and standardize service levels and billing.	ANTICIPATED OUTCOME Reduced printing costs, centralized administration, and improved device maintenance.
PRIORITY: Long-Term / Audit Near-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager	FUNDING: Minor

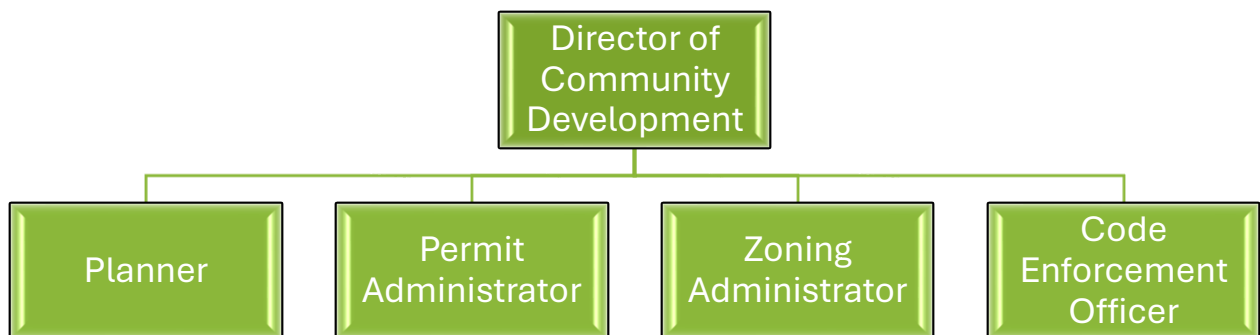
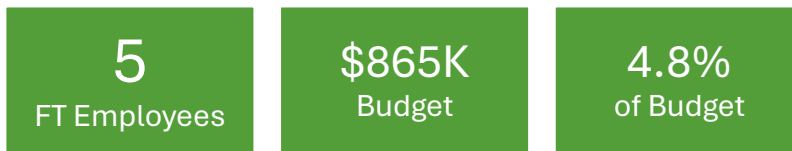
COMMUNITY DEVELOPMENT DEPARTMENT

COMMUNITY DEVELOPMENT OVERVIEW

The Community Development Department is responsible for administering the Township’s Zoning Ordinance, Subdivision and Land Development Ordinance, and Building Codes and Regulations. The department assists the Board of Supervisors and Planning Commission in shaping policy for the Township’s future development and provides staff support for the Zoning Hearing Board and other Township boards and commissions.

Core responsibilities include permitting, zoning enforcement, development review, stormwater management, and code compliance. The department oversees a wide range of permit activity, including zoning approvals, building and grading permits, impervious surface calculations, and stormwater management reviews. It also manages the Subdivision and Land Development (SALDO) process and ensures compliance with procedural and notification requirements of the Pennsylvania Municipalities Planning Code.

By The Numbers:



COMMUNITY DEVELOPMENT CHALLENGES

1. **Succession planning and continuity:** With a small team and substantial institutional knowledge, the department is vulnerable to disruption from staff departures. Formalized succession planning and cross-training would help insulate operations and maintain consistent service delivery.
2. **Documentation of processes and deadlines:** While the department has published a SALDO workflow and FAQs for applicants, process documentation does not always include deadlines or responsibilities. Expanded resources would improve clarity for residents and consistency for staff.
3. **Technology integration gaps:** The move to OpenGov has streamlined permitting and reduced paper-based transactions, but it remains siloed. Integrating with digital file storage, GIS, workflow tracking, and payments would improve efficiency and transparency.
4. **UCC Plan Review Expenditures:** The Township relies heavily on third-party providers for UCC plan review and inspection services, resulting in significant recurring costs.

Workflow Documentation

The Pennsylvania Municipalities Planning Code (MPC) establishes clear procedures for administering zoning and subdivision and land development ordinances, including requirements for public notice and timelines for rendering decisions. Much of the responsibility for adhering to these timelines rests with the Township and the Community Development Department. Failure to meet statutory deadlines can expose the Township to risk, as plans may be deemed approved by default. Lower Makefield maintains a detailed overview of the subdivision and land development process on its website, which serves as a valuable internal and applicant resource. To further enhance accessibility and public understanding, the Township should consider creating simplified versions of this workflow tailored to different audiences - such as applicants, residents, and boards and commissions - and incorporate clear timelines and contacts for each stage of the process.

Technology Integration

Community Development has made significant strides by adopting OpenGov to manage permits and development review. The system has reduced paper files, streamlined communication, and lowered front-desk demand by allowing residents to submit and track applications online. However, the platform is not yet fully integrated with other Township systems. Expanding functionality to link with document storage, GIS, workflow tracking, and payment processing would provide end-to-end visibility for staff and applicants alike. As the

Township upgrades its technology, these integrations represent a natural next step to ensure smoother operations, stronger reporting, and an improved resident experience.

COMMUNITY DEVELOPMENT STRATEGIES FOR ACTION

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
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Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

CD-1: Establish Succession Planning and Knowledge Transfer Procedures	
STRATEGY FOR ACTION Develop and implement a succession planning framework to insulate Community Development from the effects of staff turnover or role changes. This should include documenting permitting and zoning processes, creating cross-training opportunities, and maintaining up-to-date job descriptions that reflect actual duties.	ANTICIPATED OUTCOME Ensures continuity of operations, reduces risk from staff changes, and strengthens departmental resilience by institutionalizing critical knowledge.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager / Community Development Director	FUNDING: Minor

CD-2: Expand Documentation of Permitting and Development Processes	
STRATEGY FOR ACTION Enhance existing Subdivision and Land Development workflows and FAQ resources by incorporating deadlines, standard processing times, and detailed staff responsibilities. This expanded documentation should be available internally and externally to improve clarity and transparency.	ANTICIPATED OUTCOME Improves transparency for applicants, sets clear expectations for staff and residents, and ensures greater consistency in development review processes.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Community Development Director	FUNDING: Minor

CD-3: Strengthen Integration of OpenGov with Township Systems	
STRATEGY FOR ACTION Enhance existing Subdivision and Land Development workflows and FAQ resources by incorporating deadlines, standard processing times, and detailed staff responsibilities. This expanded documentation should be available internally and externally to improve clarity and transparency.	ANTICIPATED OUTCOME Enhances efficiency of permitting processes, reduces manual workload, and improves resident and developer experience through greater transparency.
PRIORITY: Medium-Term	PERSONNEL: Moderate
RESPONSIBLE PARTY: Township Manager / Community Development Director / IT	FUNDING: Moderate

CD-4: Establish a Basic Safety & Risk Management Program	
STRATEGY FOR ACTION Adopt a short, recurring safety orientation for field work (PPE, site hazards, lone-worker check-ins), plus annual refreshers; document procedures and equipment expectations.	ANTICIPATED OUTCOME Reduced risk exposure and clearer safety expectations for staff.
PRIORITY: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Community Development Director	FUNDING: Minor

CD-5: Evaluate Internalization of UCC Plan Review and Inspection Services

<p>STRATEGY FOR ACTION Assess the feasibility of bringing select Uniform Construction Code (UCC) plan review and inspection services in-house to reduce reliance on third-party providers. Internalization would allow the Township to evaluate how an additional full-time position could be leveraged to support plan review and other functions across departments.</p>	<p>ANTICIPATED OUTCOME Provides greater control over service delivery, potential long-term cost savings, and opportunities for cross-functional staffing efficiencies.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Moderate</p>
<p>RESPONSIBLE PARTY: Community Development Director / Township Manager</p>	<p>FUNDING: Moderate</p>

CD-6: Evaluate Updates to the Township's Land Development Ordinances (Zoning and SALDO)

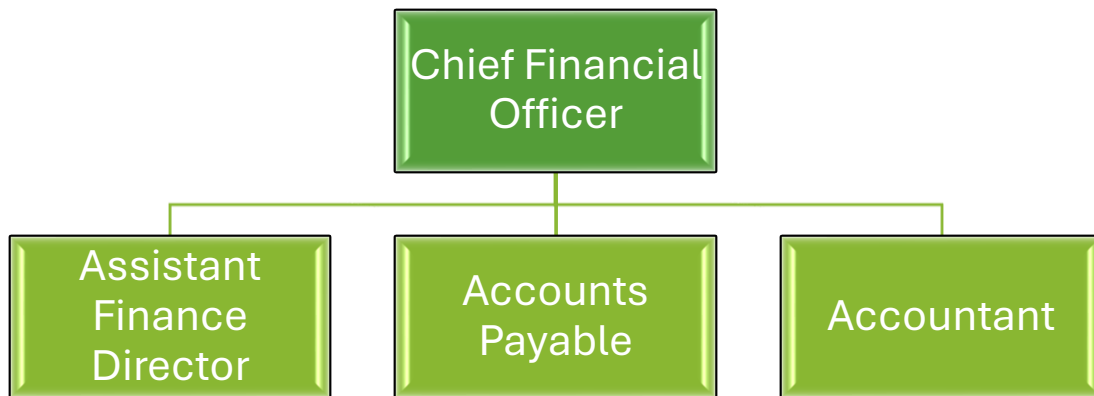
<p>STRATEGY FOR ACTION Conduct a comprehensive review of the Township's Zoning Ordinance and Subdivision and Land Development Ordinance (SALDO), which have not undergone a comprehensive update since the 1980s. The evaluation should identify areas where the ordinances could be modernized to improve clarity, administrative efficiency, and alignment with contemporary development standards. Based on the findings, the Township may consider targeted amendments or a phased update, potentially with consultant support.</p>	<p>ANTICIPATED OUTCOME Improves clarity and effectiveness of land development regulations, supports predictable and efficient development review, and ensures ordinances remain aligned with current planning objectives and best practices.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Moderate</p>
<p>RESPONSIBLE PARTY: Community Development Director / Township Manager</p>	<p>FUNDING: Moderate</p>

FINANCE DEPARTMENT

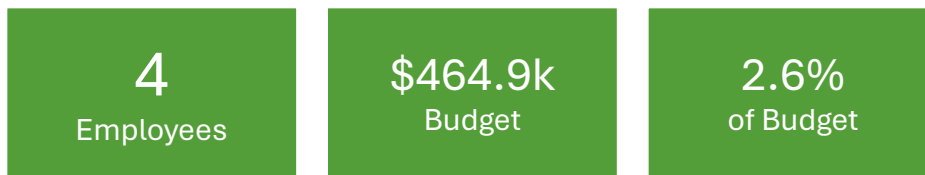
FINANCE OVERVIEW

The Finance Department at Lower Makefield Township plays a central role in ensuring the financial stability and sustainability of the Township. This department oversees a wide range of responsibilities, including budgeting, accounts payable and receivable, payment processing, and support for employee onboarding. In addition to its core duties, the department ensures compliance with Pennsylvania state regulations, manages internal controls, and supports the Township's strategic goals by providing accurate financial data and analysis.

The department also adheres to the Pennsylvania Department of Community and Economic Development's (DCED) chart of accounts to maintain transparency, efficiency, and compliance in its financial reporting.



By The Numbers:



FINANCE CHALLENGES

The Finance Department plays a central role in maintaining Lower Makefield's fiscal stability. While significant progress has been made since the hiring of a Chief Financial Officer in late 2024, several challenges remain as the Township continues to strengthen its financial management capacity.

1. **Historical financial inaccuracies and delayed audits:** When the CFO arrived, the Township was nearly 18 months behind on audits, and budgets were based on outdated figures containing errors. Correcting these records has been a major focus and, while much progress has been made, past practices highlighted the need for consistent, timely, and accurate reporting.
2. **Outdated systems and underutilized software:** The Township's financial system (Munis) has not been fully leveraged, and many processes remain manual or paper-based. Payroll functions are not integrated with time and benefits tracking, requiring frequent workarounds. The Township's broader IT recommendations include evaluating technology solutions to consolidate services and systems and centralizing HR operations, including upgrades to payroll systems, which together represent opportunities to modernize financial and personnel processes.
3. **Department structure:** The creation of a CFO position in 2024 provides an opportunity to strengthen the department's structure. Further role clarification and training for existing staff, along with the CFO's leadership, will inform structure and maximize the department's utility and long-term effectiveness.
4. **Financial sustainability pressures:** Like many municipalities, Lower Makefield faces the challenge of aligning service expectations with long-term financial resources. Past spending on projects without longer-term capital planning underscores the importance of pursuing new, diversified revenue sources to support infrastructure maintenance and modernization.

Department Structure

The creation of the Chief Financial Officer position in December 2024 marked an important investment in the Township's financial leadership. Since that time, the department has integrated best practices into its operations, including timely reconciliations, audit cleanup, and modernization of financial reporting. With new leadership, there is an opportunity to ensure that roles are aligned with service expectations and structured for maximum efficiency. As part of this process, an evaluation of how to best deploy departmental roles should be considered, potentially including the addition of HR responsibilities once a

centralized HR function is established. Providing existing staff with opportunities for training and upskilling will be critical to ensuring continued progress under the CFO's leadership.

Systems Modernization

Lower Makefield's financial operations remain hampered by legacy systems and paper-based processes, but progress is underway. The financial department should evaluate the optimal systems to support operations going forward. These improvements represent an opportunity to streamline accounting, payroll, and reporting processes, reduce manual reconciliations, and integrate operations with other Township departments. As new systems are implemented, Finance will be at the center of building consistency, compliance, and long-term efficiency.

Revenue Diversification

As outlined in earlier phases of this report, the Township will need to pursue new and diversified revenue sources to sustain long-term operations and infrastructure investments. The Finance Department, under the leadership of the CFO, will play a key role in supporting these efforts by providing accurate forecasting, clear financial analysis, and strategic guidance to decision-makers as new funding options are evaluated and implemented.

FINANCE STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance the Township's financial operations. These recommendations were developed from a thorough operational assessment, including on-site department observations and interviews with township staff. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, the anticipated funding level, and a potential funding source.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
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Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

F-1: Evaluate Department Structure on an Ongoing Basis	
<p>STRATEGY FOR ACTION</p> <p>As roles and expectations continue to evolve, the Township has an opportunity to ensure Finance roles are aligned with service expectations and structured for maximum efficiency. The evaluation should also account for potential integration of HR responsibilities if a centralized HR function is not established.</p>	<p>ANTICIPATED OUTCOME</p> <p>Aligns staff roles with departmental needs, reduces redundancies, and builds capacity through training and clarified responsibilities.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / Chief Financial Officer</p>	<p>FUNDING: Minor</p>

F-2: Modernize Payroll and Benefits Administration	
STRATEGY FOR ACTION Integrate payroll with time tracking, leave management, and benefits administration systems to reduce errors and eliminate manual reconciliations. Improvements will also depend on the Township's broader effort to centralize HR operations and upgrade payroll systems.	ANTICIPATED OUTCOME Streamlines payroll operations, enhances compliance, and improves efficiency in managing employee benefits and time-off tracking.
PRIORITY: Short-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Chief Financial Officer / Third-Party Support	FUNDING: Moderate

F-3: Evaluate Upgrading Financial Systems from Munis to a New Provider	
STRATEGY FOR ACTION Migrate key financial functions - accounting, budgeting, and reporting - from the outdated Munis platform to an upgraded software platform. This transition should simplify workflows, improve integration with other systems, and reduce reliance on manual or paper-based processes.	ANTICIPATED OUTCOME Provides a modern, integrated financial system with end-to-end visibility, improving efficiency, transparency, and long-term sustainability.
PRIORITY: Long-Term	PERSONNEL: Moderate
RESPONSIBLE PARTY: Township Manager / Chief Financial Officer / Third-Party Support	FUNDING: Major

F-4: Require Finance Collaboration on Grants and Monthly Automation	
STRATEGY FOR ACTION Establish a policy requiring Finance Department review and collaboration on all grant pursuits to ensure compliance and accurate reporting.	ANTICIPATED OUTCOME Improves accuracy of grant accounting, reduces compliance risks, and increases efficiency in monthly financial processes.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Chief Financial Officer / Department Heads	FUNDING: Minor

F-5: Support Revenue Diversification Efforts	
<p>STRATEGY FOR ACTION Provide financial analysis and planning support for Township efforts to diversify revenues, including potential strategies such as instituting an Earned Income Tax, transitioning to First-Class Township status, implementing a stormwater fee, or introducing parking and amusement taxes. Finance’s role is to ensure that new funding sources are accurately modeled, forecasted, and aligned with long-term operational and capital needs.</p>	<p>ANTICIPATED OUTCOME Strengthens the Township’s long-term fiscal stability by aligning new revenue sources with expenditure needs and capital planning.</p>
<p>PRIORITY: Immediate</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Chief Financial Officer / Township Manager</p>	<p>FUNDING: Minor</p>

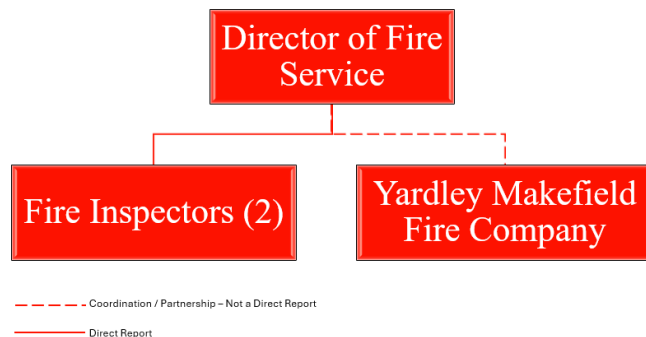
F-6: Support with Creating a Comprehensive Capital Improvements Plan	
<p>STRATEGY FOR ACTION In partnership with the Township Manager and Director of Public Works, create a structured, multi-year Capital Improvements Plan (CIP) that prioritizes investments in Township infrastructure, including roads, stormwater, bike paths, vehicles, equipment, and facilities. The plan should establish clear phasing, estimates for capital and recurring operating costs, and funding strategies to guide decision-making and provide transparency for the community.</p>	<p>ANTICIPATED OUTCOME Provides a roadmap for infrastructure investments, aligns funding with the Township’s most pressing needs, and improves long-term financial planning.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Major</p>
<p>RESPONSIBLE PARTY: Township Manager / Chief Financial Officer / Director of Public Works</p>	<p>FUNDING: Moderate</p>

FIRE SERVICES DEPARTMENT

FIRE SERVICES OVERVIEW

The Office of the Fire Service Director is responsible for overseeing fire code enforcement, inspections, investigations, and emergency management within Lower Makefield Township. The department is staffed by one full-time Fire Services Director, two part-time fire inspectors, and four volunteer deputy fire marshals, who together provide a range of prevention and safety services. In 2024, the office conducted nearly 500 inspections, more than 200 follow-ups, over 130 plan reviews, and more than 80 occupancy inspections, reflecting the volume of activity associated with the Township’s more than 530 businesses. Additional responsibilities include smoke and carbon monoxide detector installations, public education, and oversight of Knox Box systems.

Fire Services operates in close collaboration with the Yardley-Makefield Fire Company, a volunteer organization that provides fire suppression and emergency response across the Township. The company consists of more than 40 qualified personnel and responded to over 650 calls in 2024. Together, the Township’s Fire Services staff and the volunteer company cover 19.5 square miles and serve more than 35,000 residents, including a wide range of target hazards such as schools, assisted living facilities, pipelines, and the I-295 corridor.



By the Numbers:

3
Employees (2 PT)

\$1.0M
Budget

5.6%
of Budget

FIRE SERVICES CHALLENGES

1. **Declining volunteerism and daytime response gaps:** Membership in the Yardley-Makefield Fire Company is aging, and daytime availability is limited. While new members join, training requirements and career transitions elsewhere reduce long-term participation. These trends place increasing strain on meeting response standards and highlight reliance on mutual aid.
2. **Workload and inspection volume:** The Fire Services Office, staffed by one full-time director and two part-time inspectors, is responsible for fire code enforcement across more than 530 businesses. Rising inspection volume, plan reviews, and emergency management responsibilities strain the capacity of part-time personnel.
3. **Apparatus replacement costs:** Fire apparatus require significant investment on a defined replacement schedule. Although planning efforts are in place, the Township must ensure that funds are encumbered consistently to avoid budget shocks or service interruptions when vehicles reach the end of their useful life.

Volunteer Trends

Volunteer firefighting is facing steep challenges locally and across Pennsylvania. The Township has engaged DCED to conduct a Fire Services Study to evaluate long-term needs, with preliminary findings underscoring the difficulty of sustaining operations with a shrinking and aging volunteer base. The Yardley-Makefield Fire Company's 2024 Year-End Report reflects this reality, noting 654 calls handled by 43 qualified personnel, with the average driver age of 62 and many active members above 65. While younger volunteers continue to join, the time required for training and the draw of career firefighting positions elsewhere make long-term retention difficult.

Priority should be placed on implementing recommendations from the ongoing Fire Services Study to address these volunteerism challenges and ensure sustainable service delivery.

Funding Considerations

Structural and financial realities are also shaping the Township's fire service planning. Apparatus replacement costs are measured in millions of dollars and require dedicated, long-term funding strategies. Beyond capital needs, Act 54 of 2024 expanded local taxing authority, raising the allowable caps to 10 mills for fire and 5 mills for EMS in Bucks and neighboring counties. This change provides an opportunity for Lower Makefield to diversify its revenue approach, while also considering operational efficiencies such as consolidating fire and EMS services into a single municipal unit over time. Doing so could align new revenue capacity with long-term public safety needs.

FIRE SERVICES STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance the Township's Fire Services department. These recommendations were developed through the results of employee surveying, on-site observation, and an interview with Fire Services Director Tim Chamberlain. Each recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, the anticipated funding level, and a potential funding source.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:

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Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

FS-1: Implement Recommendations from the Fire Services Study	
STRATEGY FOR ACTION Prioritize implementation of the recommendations from the DCED-supported Fire Services Study currently underway. This study will provide specific guidance on staffing, volunteer support, and operational changes needed to sustain services in the future.	ANTICIPATED OUTCOME Ensures decisions are data-driven and aligned with best practices for sustainable fire service delivery.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager / Fire Services Director	FUNDING: Minor

FS-2: Evaluate Staffing Options to Expand Inspection Capacity	
STRATEGY FOR ACTION Evaluate staffing models that would expand inspection capacity within the Fire Services Office. Options could include the creation of a hybrid firefighter/inspector position that also supports broader code enforcement responsibilities, providing additional flexibility for both prevention and response.	ANTICIPATED OUTCOME Improves inspection coverage, relieves pressure on part-time inspectors, and enhances daytime capacity through cross-trained staffing.
PRIORITY: Short-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Fire Services Director	FUNDING: Moderate

FS-3: Establish an Apparatus Replacement Funding Program	
STRATEGY FOR ACTION Develop a dedicated funding mechanism to ensure apparatus replacement needs are met on schedule. This plan should include a depreciation schedule and consistent encumbrance of funds to avoid budget shocks when vehicles reach end of life. This should be included as part of larger township Capital Improvement Planning processes.	ANTICIPATED OUTCOME Provides predictable funding for fire apparatus, reduces risk of service disruptions, and strengthens long-term capital planning.
PRIORITY: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager / Fire Services Director / Chief Financial Officer	FUNDING: Major

FS-4: Evaluate Long-Term Fire/EMS Consolidation

STRATEGY FOR ACTION Explore the feasibility of consolidating fire and EMS services into a single municipal unit. This approach could leverage new taxing authority under Act 54, align with revenue diversification strategies, and create operational efficiencies. Evaluation of this option should consider potential impacts to personnel costs through unionization activity.	ANTICIPATED OUTCOME Creates potential cost savings, improves coordination of emergency response, and ensures sustainable funding for public safety.
PRIORITY: Long-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Fire Services Director / Volunteer Fire & EMS Leadership	FUNDING: Major

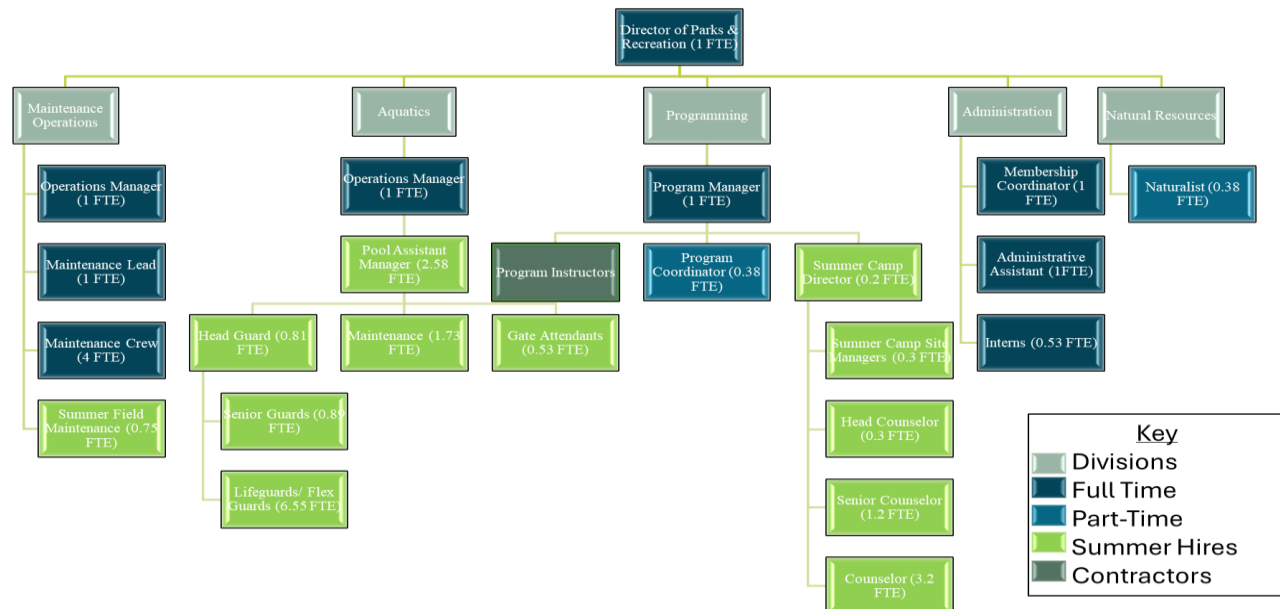
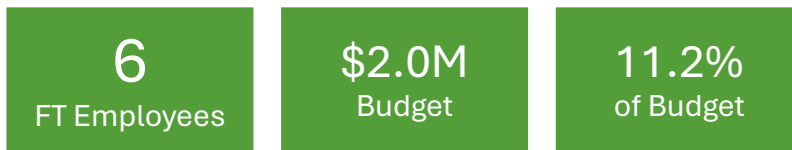
PARKS & RECREATION DEPARTMENT

PARKS & RECREATION OVERVIEW

The Parks & Recreation Department provides vital programs, facilities, and services that enhance quality of life for Lower Makefield Township residents. Responsibilities include community programming, summer camps, memberships, special events, facility scheduling, league coordination, and recreation communications. The department also maintains national accreditation through the Commission for Accreditation of Park and Recreation Agencies (CAPRA). CAPRA, administered by the National Recreation and Park Association, is the only national accreditation for park and recreation agencies and provides a framework for quality assurance and operational efficiency.

With strong cost recovery and high participation, Parks & Recreation is a key driver of community engagement and revenue generation. Looking ahead, the department faces challenges related to aging facilities, technology modernization, and seasonal staffing. Strategic investments will help ensure services remain accessible, efficient, and aligned with community expectations.

By The Numbers:



PARKS & RECREATION CHALLENGES

1. **Technology and workflow inefficiencies:** Parks & Recreation continues to rely on outdated systems, such as CommunityPass, that require manual intake of forms and duplicate entry for registrations. This creates inefficiencies for staff, delays in processing, and limited opportunities for residents to self-serve online. More modern platforms could streamline these functions and improve both staff productivity and resident experience.
2. **Space and facility constraints:** The Township's Community Center is heavily programmed and has limited flexibility to accommodate growing demand for recreational programming. At the same time, major assets such as the pool are well beyond their expected service life, creating significant deferred maintenance needs. These factors together limit the department's ability to expand services or adapt to evolving community expectations.
3. **Seasonal hiring and HR processes:** Each year, Parks & Recreation manages a large seasonal workforce to staff camps, the pool, and other programs. Without centralized HR support, onboarding requires manual background checks, file management, and payroll inputs, which increase administrative burden and the potential for delays. More standardized processes would improve compliance and allow departmental staff to focus on program delivery.
4. **Sustaining high cost recovery:** Parks & Recreation has high operating cost recovery rates compared to national averages, which has enabled the department to fund additional staff and expand service offerings. However, caution should be exercised if circumstances change, as a decline in cost recovery could impact the department's ability to sustain current staffing and service levels.

Technology Modernization

The Parks & Recreation Department currently relies on several software systems to manage its programs and operations. CommunityPass is used for registrations, but requires manual intake of documents and duplicate entry. CourtReserve is used for pickleball memberships, while ZenCity, Constant Contact, and other tools support communications. Together, these systems lack integration and require substantial staff time to manage, particularly during peak seasons such as camp registration.

Upgrading to a modern, integrated recreation management system would reduce manual intake, allow for online document uploads, automate communications, and provide a central platform for reporting. The benefits extend beyond administrative efficiency. By reducing time spent on manual processes, staff capacity could be redirected to higher-value activities, such as sponsorship development, expanded programming, or community

engagement. This not only saves employee hours but also ensures a more efficient use of Township resources, while delivering a smoother and more user-friendly experience for residents. Aligning with the Township’s broader IT goals, these upgrades would support consistency and integration across departments while modernizing how residents interact with Township services.

CAPRA Accreditation

Lower Makefield Township Parks & Recreation is accredited by the Commission for Accreditation of Park and Recreation Agencies (CAPRA), administered by the National Recreation and Park Association. CAPRA is the only national accreditation for parks and recreation agencies in the United States, and it serves as both a quality assurance mechanism and a continuous improvement framework. To achieve accreditation, agencies must demonstrate compliance with approximately 150 national standards across all aspects of operations, including planning, finance, human resources, safety and risk management, facility maintenance, program evaluation, and community engagement. These standards include a set of “fundamental” requirements that must be met in full, ensuring that accredited agencies maintain essential best practices. Currently only around 214 agencies nationwide have earned this recognition, placing Lower Makefield Township among the top ~2% of over 10,000 eligible park and recreation organizations.

The accreditation process is rigorous. Agencies begin with a detailed self-assessment, documenting compliance with each standard through policies, plans, and operating procedures. This is followed by an external peer review, in which trained professionals from other accredited agencies visit the community to observe operations, validate documentation, and assess performance in practice. CAPRA accreditation is valid for five years, after which agencies must seek reaccreditation, demonstrating not only compliance with existing standards but also evidence of continuous improvement since their last review.

The benefits of CAPRA accreditation extend beyond recognition. For staff, the process strengthens teamwork, formalizes procedures, and fosters a culture of accountability and professional pride. For elected officials and residents, it provides independent assurance that the Township’s parks and recreation services meet national benchmarks of excellence. Accreditation also has practical implications: agencies with CAPRA status often have stronger prospects in competitive grant applications. Importantly, CAPRA also manifests a commitment to continuous improvement, embedding regular evaluation and forward-looking planning into the department’s culture.

A key initiative aligned with the CAPRA effort was the adoption of the “Play for All” Master and Strategic Plan in June 2022. This document guides program development, infrastructure

investment, and long-range planning based on comprehensive resident feedback. The plan prioritizes equity, accessibility, and a proactive maintenance culture. It has already led to the development of a Parks Maintenance & Operations Manual and the launch of preventative maintenance schedules, such as bike path resurfacing programs that reflect a shift from reactive to strategic asset management.

Maintaining CAPRA accreditation ensures that Lower Makefield Township Parks & Recreation remains aligned with the highest professional practices in the field. By adhering to CAPRA standards, the Township continues to demonstrate accountability, improve efficiency, and deliver parks and recreation services that reflect the highest level of quality for the community.

PARKS & RECREATION STRATEGIES FOR ACTION

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:

Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.

Moderate: Requires new seasonal, part-time, or temporary contract support to implement.

Minor: Involves optimizing current staffing arrangements without major changes.

Funding:

Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.

Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000

Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

PR-1: Replace/Upgrade Recreation Management Software	
STRATEGY FOR ACTION Evaluate and implement a modern recreation platform (e.g., CivicRec or another tool) to consolidate registration, facility reservations, and communications into one integrated system. Features such as online document uploads, automated messaging, and self-service portals would significantly reduce manual intake and data entry.	ANTICIPATED OUTCOME Saves staff time, allows reallocation of resources to sponsorships and program development, and enhances the resident experience through a more user-friendly system.
PRIORITY: Short-Term	PERSONNEL: Moderate
RESPONSIBLE PARTY: Parks & Recreation Director / IT	FUNDING: Moderate

PR-2: Consider Maintaining CAPRA Accreditation	
STRATEGY FOR ACTION Consider sustaining the Township’s CAPRA accreditation by continuing to comply with national standards in planning, operations, finance, safety, and community engagement. Establish a regular update cycle for policies, risk management plans, and program evaluations to ensure compliance and continuous improvement.	ANTICIPATED OUTCOME Demonstrates accountability, ensures alignment with best practices, and embeds a culture of continuous improvement within the department.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Parks & Recreation Director	FUNDING: Minor

PR-3: Ensure Parks & Recreation Projects Are Represented in the Capital Improvements Plan	
STRATEGY FOR ACTION Collaborate annually with Public Works and Finance to integrate P&R facility needs - such as the pool, community center improvements, and field lighting - into the Township’s multi-year Capital Improvements Plan (CIP). Coordination will ensure funding and phasing are aligned with long-term community expectations.	ANTICIPATED OUTCOME Provides transparency and predictability in P&R investments, reduces deferred maintenance, and strengthens long-term financial planning.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Parks & Recreation Director / Public Works Director / Chief Financial Officer	FUNDING: Minor

PR-4: Centralize and Digitize Seasonal Hiring	
STRATEGY FOR ACTION Adopt standardized, centralized HR processes for seasonal recruitment, background checks, onboarding, and recordkeeping. Integrate payroll, leave, and certification tracking to reduce administrative burdens and ensure compliance.	ANTICIPATED OUTCOME Streamlines seasonal hiring, reduces errors, improves compliance, and frees departmental staff to focus on service delivery.
PRIORITY: Short-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / HR Professional / Parks & Recreation Director	FUNDING: Moderate

PR-5: Facility Planning - Evaluate Opportunities to Co-Locate Parks & Recreation with Township Staff	
STRATEGY FOR ACTION As part of Township facilities planning, evaluate whether Parks & Recreation staff could be co-located with other departments to improve interdepartmental collaboration and resource sharing. This would reduce the isolation of P&R staff currently based in the Community Center and make services more accessible across departments.	ANTICIPATED OUTCOME Improves staff collaboration, enhances coordination on projects, and optimizes Township facility usage.
PRIORITY: Long-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Township Manager	FUNDING: Major

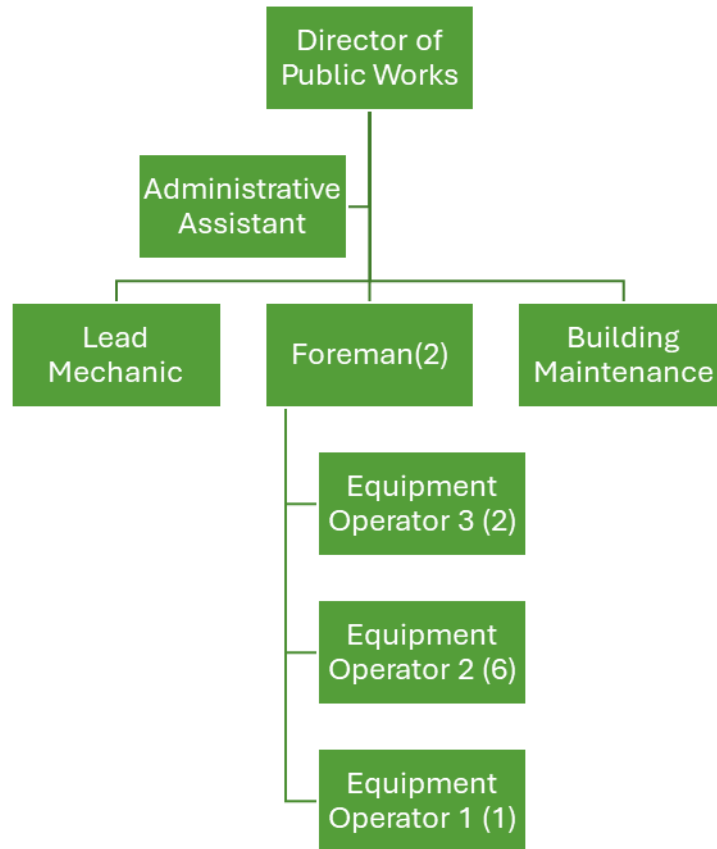
PR-6: Evaluate Staffing Structure	
STRATEGY FOR ACTION Periodically review Parks & Recreation staffing levels and roles to ensure they remain aligned with program demand, seasonal needs, and long-term service goals, especially as new technology tools are implemented.	ANTICIPATED OUTCOME Ensures staffing resources remain right-sized to support service delivery, program growth, and operational efficiency.
PRIORITY: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Parks & Recreation Director	FUNDING: Minor

PUBLIC WORKS

PUBLIC WORKS OVERVIEW

The Public Works Department provides critical service delivery across Lower Makefield Township and manages a wide range of responsibilities, from road maintenance and stormwater management to open space, Township facilities, and community amenities. With such a large portfolio of assets, the department consistently plays a central role in ensuring the Township remains safe, functional, and welcoming for residents.

Looking ahead, the workload of Public Works is likely to grow as infrastructure ages and demands more frequent maintenance, rehabilitation, and capital investment. Establishing a formal capital improvements plan would provide the framework needed to track asset conditions, prioritize projects, and align funding with long-term needs. Doing so would not only enhance planning and budgeting but also ensure the Township’s infrastructure keeps pace with community expectations.



By The Numbers:

24
Employees

\$2.4M
Budget

13.4%
of Budget

PUBLIC WORKS CHALLENGES

1. **Capital planning gaps:** The Township does not have a formal, long-term capital improvements plan to guide investments in roads, stormwater, bike paths, vehicles, equipment, or facilities. Without a comprehensive plan, it is difficult to prioritize needs and align available funding with the most pressing infrastructure requirements.
2. **Resource-intensive services:** Programs such as leaf collection and public property/facility maintenance require substantial staff for extended periods, which limits the Department's ability to focus on other priorities like capital projects or preventive maintenance.
3. **Aging infrastructure:** Stormwater pipes, bridges, and other assets are reaching the end of their useful life. The lack of a program to systematically camera the stormwater system leaves the Township without a clear understanding of system condition or future costs.
4. **Funding needs:** While the road improvement tax provides significant resources for paving, other areas of infrastructure lack dedicated funding. A stormwater fee is under discussion, but broader strategies will be needed to sustainably address infrastructure needs across the Township.
5. **Limited asset management systems:** The last comprehensive infrastructure inventory was completed in 2012, and there is no Township-wide GIS platform to track assets in real time. This makes it difficult to coordinate across departments or plan proactively for replacements.
6. **Fleet management opportunities:** Although the fleet is supported through Enterprise, the lack of dedicated fleet management software limits the ability to forecast replacement needs, track usage, and maximize cost-effectiveness.

Labor

In recent years, the Public Works department's responsibilities have expanded to include not only traditional public works functions such as road paving and maintenance, stormwater system upkeep, snow removal, and equipment operation, but also field maintenance for Township parks and facilities. This change has brought all field staff under the Public Works Department, while the Parks and Recreation Department focuses primarily on programming and resident and league interaction.

Public Works staff carry out a wide range of work that requires both physical labor and technical skill. Laborers and Equipment Operators are responsible for road repair, salting and plowing during winter storms, concrete and construction work, and the operation and upkeep of heavy equipment and vehicles. Operators are required to hold a Class B CDL with the expectation of obtaining a Class A license within a year of hire, and both roles demand

flexibility to work overtime or respond to after-hours emergencies. Staff are also responsible for capital project support and maintenance in Township parks, as well as turf and field management that supports local athletic associations.

The Department has recently onboarded several new employees following a wave of retirements, ensuring staffing levels remain close to the Department's target.

Fleet Age and Condition

The Township's fleet is provided and primarily managed through Enterprise Fleet Management, which supports municipalities by structuring vehicle acquisition, maintenance, and replacement. Enterprise's services are designed to help control costs, extend the useful life of vehicles, and provide access to a wide range of fleet options.

The Public Works Department's fleet includes 9 passenger vehicles and pickup trucks, 14 dump trucks, 1 street sweeper, and 17 trailers. The fleet is diverse, consisting of many different brands and equipment types, which can create added complexity for maintenance and parts supply. The Township does not have dedicated interior storage space for vehicles, meaning equipment remains outdoors year-round.

Much of the maintenance equipment, including lifts, lighting, and ventilation systems, is outdated or nearing the end of its useful life. The facility does not have a modern Fleet Management System, a best practice in public works operations. A comprehensive FMS typically includes:

- Preventive maintenance tracking
- Real-time fuel usage monitoring
- Repair histories
- Parts inventory and vendor management
- Vehicle replacement planning
- Driver/operator logs
- Integration with GPS/telematics and GIS

Road Paving

Lower Makefield maintains approximately 138 miles of roadway, totaling 345 lane miles given that most Township roads are over 30 feet wide. The greater width requires three paving passes per road segment, which significantly increases resurfacing costs compared to communities with narrower streets. The Township also maintains approximately 28 miles of bike path, which represents an additional long-term resurfacing obligation.

For many years, road paving was funded almost exclusively through the Township’s liquid fuels allocation of approximately \$750,000 per year. Recognizing the need for more substantial investment, the Township established a dedicated road improvement tax in 2024. Set at 4 mills, the tax generates roughly \$2.1 million annually, all of which is committed to paving and related improvements.

The Department currently maintains a three-year paving program, which provides short-term direction but does not yet function as a comprehensive, phased capital plan. To support planning and prioritization, the Township has adopted Vialytics, an artificial intelligence–based platform that uses smartphone-based roadway scans to assess pavement conditions, document deficiencies, and help identify paving priorities. While this tool provides reliable data, the Township has not yet formalized a long-range road improvement program that balances data-driven priorities with available funding.

Leaf Collection

Leaf collection is one of the most resource-intensive services provided by the Township. Each fall, the program occupies approximately three months and requires participation from nearly all Public Works staff. Lower Makefield is one of the few municipalities of its size in eastern Pennsylvania that manages this service entirely in-house, rather than outsourcing or requiring residents to handle disposal individually.

The program is highly valued by residents, but the level of staffing and equipment dedicated to collection reduces the Department’s ability to focus on other priorities, such as capital projects and preventive maintenance.

Stormwater Infrastructure

Lower Makefield’s stormwater system consists of approximately 372,000 linear feet - about 70 miles - of underground piping, along with 90 storm basins totaling 180 acres and more than 3,000 storm inlets documented through the Township’s AI roadway software. The system also includes roughly 40 culverts and bridges of varying sizes.

Much of this infrastructure is aging, particularly corrugated metal pipes that are susceptible to rust and eventual failure. The Township does not currently have a program in place to systematically camera the system, meaning there is no complete inventory of pipe conditions or a preventative maintenance schedule. Without this baseline data, it is difficult to plan or prioritize necessary capital improvements.

As has been discussed elsewhere in this report, the Township has engaged a consultant to evaluate the implementation of a stormwater utility fee, with the possibility of levying such

a fee as early as 2026. A dedicated fee would primarily be intended to fund regulatory compliance obligations and both known and future stormwater operating and capital costs. At the same time, the fee would provide value as part of a broader strategy to diversify the Township's revenue sources and offset existing costs, ensuring resources are available not only for immediate needs but also for long-term system resilience.

Asset Management

In addition to the roadway network cited in the prior section, the Township is responsible for a wide range of infrastructure and facilities, including 28 miles of bike paths, approximately 5,500 street signs, 270 streetlights, 35 traffic signals, 12 traffic control devices, over 500 acres of open space, and multiple municipal buildings.

Despite this extensive inventory, the Township does not currently have a comprehensive, GIS-based digital asset management system. The last available infrastructure inventory dates to 2012, and updates since then have been limited. While the Township has adopted Vialytics for road and sidewalk condition assessments, other assets such as stormwater pipes, inlets, bridges, and signs are not tracked in real time.

Implementing a GIS-based digital asset management system would allow the Township to maintain a live, comprehensive inventory of infrastructure, improve planning for maintenance and replacement, and enhance the ability to prioritize capital improvements across departments. Such a system should:

- Catalog all infrastructure assets (roadways, signs, bridges, sidewalks)
- Track maintenance history and condition assessments
- Schedule inspections and preventive maintenance
- Support multi-year capital planning
- Integrate with budgetary and grant funding platforms
- Provide spatial awareness and reporting capabilities

As a result of the above, this system would also support better coordination between Public Works, Finance, and Engineering by providing a shared platform for decision-making.

PUBLIC WORKS STRATEGIES FOR ACTION

The following is a detailed roster of proposed Strategies for Action to improve and/or enhance the Township's Public Works department. These recommendations were developed from a thorough financial and operational assessment, along with on-site department observations and interviews with the Public Works Director. Each

recommendation includes anticipated outcomes, priority level, personnel needs, party responsible for completing the task, and the anticipated funding need.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
Minor: Involves optimizing current staffing arrangements without major changes.

Funding:
Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.
Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000
Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

PW-1: Support with Creating a Comprehensive Capital Improvements Plan	
STRATEGY FOR ACTION In partnership with the Township Manager and Chief Financial Officer, create a structured, multi-year Capital Improvements Plan (CIP) that prioritizes investments in Township infrastructure, including roads, stormwater, bike paths, vehicles, equipment, and facilities. The plan should establish clear phasing, estimates for capital and recurring operating costs, and funding strategies.	ANTICIPATED OUTCOME Provides a roadmap for infrastructure investments, aligns funding with the Township’s most pressing needs, and improves long-term financial planning.
PRIORITY: Short-Term	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Chief Financial Officer / Director of Public Works	FUNDING: Moderate

PW-2: Implement a GIS-Based Digital Asset Management System	
<p>STRATEGY FOR ACTION Adopt a Township-wide GIS platform to create and maintain a live, comprehensive inventory of Township assets, including stormwater pipes, inlets, bridges, streetlights, and open space parcels. The system should integrate with existing tools like Vialytics to allow real-time tracking, improve interdepartmental coordination, and support more effective planning for maintenance and capital needs.</p>	<p>ANTICIPATED OUTCOME Improves accuracy of asset data, enhances planning for infrastructure maintenance and replacement, and strengthens coordination across departments.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Moderate</p>
<p>RESPONSIBLE PARTY: Director of Public Works / IT</p>	<p>FUNDING: Major</p>

PW-3: Establish a Stormwater System Camera-ing Program	
<p>STRATEGY FOR ACTION Launch a systematic program to camera the Township's 70 miles of stormwater piping and document baseline conditions. Data collected should be integrated into asset management systems to inform maintenance schedules, prioritize capital replacements, and reduce the likelihood of system failures.</p>	<p>ANTICIPATED OUTCOME Establishes a comprehensive understanding of stormwater system conditions, enabling more targeted investments and preventing costly emergency repairs.</p>
<p>PRIORITY: Short-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Director of Public Works</p>	<p>FUNDING: Moderate</p>

PW-4: Advance a Stormwater Fee as Part of a Broader Revenue Strategy	
STRATEGY FOR ACTION Continue evaluating the implementation of a stormwater utility fee to create a dedicated funding stream for long-term system maintenance and capital improvements. The fee should be structured to cover required regulatory compliance obligations as well as known and future stormwater operating and capital costs, while also contributing to the Township's broader effort to diversify revenue sources and offset existing expenses.	ANTICIPATED OUTCOME Establishes a predictable revenue stream to fund stormwater upgrades and integrates financial planning for infrastructure into a broader fiscal strategy.
PRIORITY: Immediate	PERSONNEL: Major
RESPONSIBLE PARTY: Township Manager / Chief Financial Officer / Director of Public Works	FUNDING: Major

PW-5: Implement a Fleet Management Software System	
STRATEGY FOR ACTION Introduce a dedicated fleet management platform to track vehicle usage, monitor maintenance schedules, and plan lifecycle replacements across the Township's diverse fleet. The system would complement Enterprise's existing support by giving staff real-time insights into operating costs and long-term needs.	ANTICIPATED OUTCOME Provides a centralized system to manage vehicle data, extend useful life of equipment, and improve budgeting for replacements.
PRIORITY: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Director of Public Works / IT	FUNDING: Moderate

PW-6: Develop a Long-Range Road Program Using Vialytics Data	
STRATEGY FOR ACTION Build on the Township's three-year paving schedule by creating a formal, phased long-range program that uses Vialytics data to prioritize projects. The program should align available funding from the dedicated road improvement tax with roadway condition assessments to ensure consistent investment over the next decade.	ANTICIPATED OUTCOME Establishes a transparent, data-driven roadmap for road improvements that maximizes the impact of dedicated funding.
PRIORITY: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Director of Public Works	FUNDING: Minor

PW-7: Evaluate Operational Efficiencies in Leaf Collection and Public Property/Facility Maintenance

<p>STRATEGY FOR ACTION Conduct a review of the Township’s leaf collection program, which requires nearly all Public Works staff for three months annually. The evaluation should examine staffing, scheduling, equipment needs, and potential alternative approaches (such as contracted services or program modifications) to reduce strain on the Department. Also evaluate resources expended on public property and facility maintenance to determine if alternative approaches should be considered.</p>	<p>ANTICIPATED OUTCOME Identifies opportunities to reduce the resource burden of leaf collection while maintaining service quality for residents.</p>
<p>PRIORITY: Medium-Term</p>	<p>PERSONNEL: Minor</p>
<p>RESPONSIBLE PARTY: Township Manager / Director of Public Works</p>	<p>FUNDING: Minor</p>

POLICE DEPARTMENT

POLICE DEPARTMENT OVERVIEW

The review of the Lower Makefield Township PD was conducted by Robert F. Johnson, police consultant for Strategic Solutions. To complete this evaluation, the consultant conducted fieldwork and site investigations, analyzed data, gathered information from comparable local government operations, and conducted extensive research. Personal interviews were held with the chief of police. The International City/County Management Association (ICMA) publication *Standards for Effective Local Government* and publications from the International Association of Chiefs of Police (IACP) were used as part of the review of the Department.

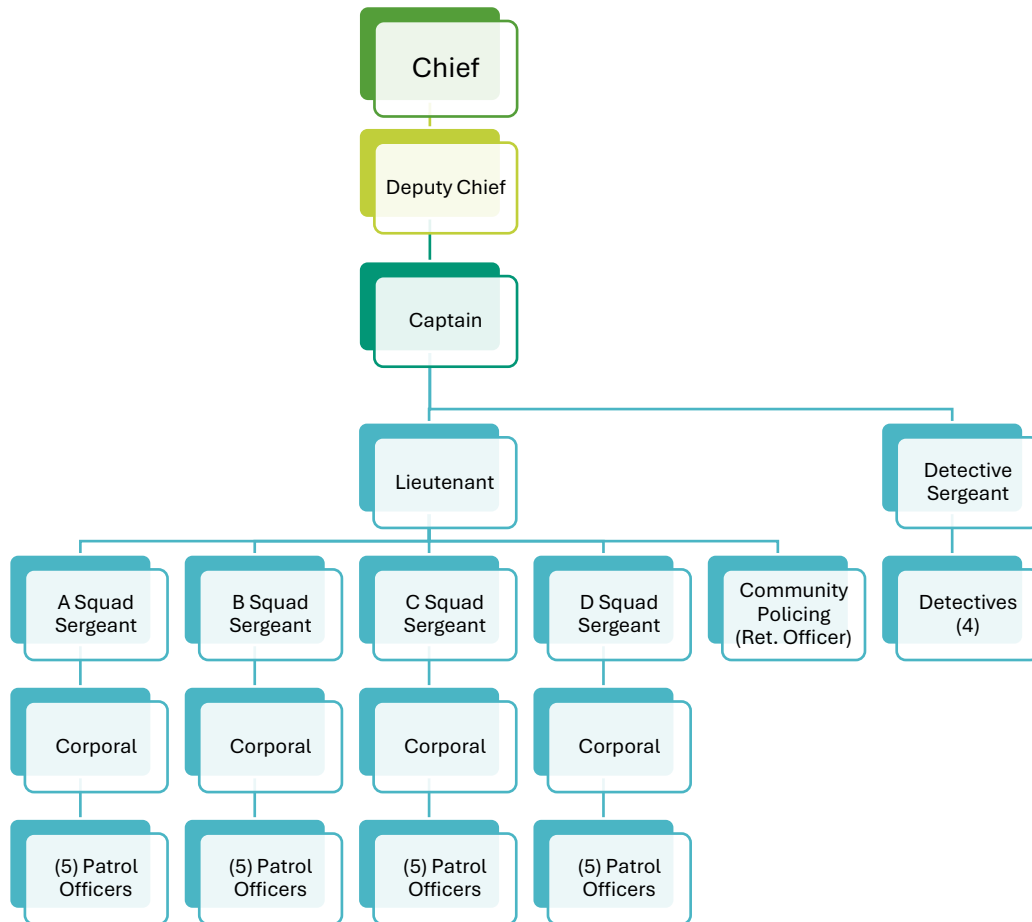
The police department is under the supervision of the appointed chief of police who reports directly to the township manager. The police department is dispatched to all emergency and non-emergency calls through the Bucks County Emergency Operations Center.

Leadership

The Lower Makefield Township PD is led by a police chief with 33 years of experience. He has previously served as deputy chief of police with the NJ Transit Police and then as chief of police for Yardley Boro prior to assuming command at Lower Makefield Twp.

The chief of police has a bachelor's degree in criminal justice and a master's degree in education from Seton Hall University, and has complete the New Jersey State Chiefs of Police Command and Leadership Program.

The mission of the Lower Makefield Township Police Department is “to maintain a highly motivated, well trained and progressive force. To build a partnership by seeking the talents and input of all citizens who share a concern for the welfare of our community.”



POLICE DEPARTMENT CHALLENGES

1. **Crime Data:** Clearance rates, as documented in the Pennsylvania Public UCR crime data report system, for Part I Offenses in the department are exceptionally low. This is most likely due to errors during data entry in the RMS. The department is in the process of upgrading their RMS and will be transitioning to NIBRS reporting which will likely provide enhanced crime statistics.
2. **Overtime Costs:** Projected overtime costs for the 2025 budget would likely fall below the prior year's overtime costs. However, the loss of one budgeted position due to retirement, resignation, injury, or other unforeseen circumstances for a sustained period of time would impact this expenditure significantly.
3. **Recording Equipment:** Dedicated audio and video recording equipment is needed for the interview room.

Police Department Expenditures 2020-2024

Staffing for Comparable Municipalities

Table 2 provides information about staffing for comparable municipalities in Pennsylvania. The comparable municipalities are staffed with full-time officers and serve areas with similar demographics such as population and square mileage.

Staffing in Comparable Communities

Municipality	Type	County Name	Population	Square Miles	Staffing
Lower Makefield Twp	2 nd Class Twp	BUCKS	33,180	17.9	38
Middletown Twp	2 nd Class Twp	BUCKS	46,040	18.9	63
Falls Twp	2 nd Class Twp	BUCKS	34,716	21.3	46
Newtown Twp	2 nd Class Twp	BUCKS	19,895	11.9	36
Upper Makefield Twp	2 nd Class Twp	BUCKS	8,857	21.3	18
Buckingham Twp	1 st Class Twp	BUCKS	20,851	32.9	23
Bristol Twp	2 nd Class Twp	BUCKS	54,291	15.9	59

Source: Commonwealth of PA, DCED municipal statistics, 2023:

Crime Data

The Pennsylvania Uniform Crime Reporting (UCR) program serves as the state repository for the collection of crime statistics. Its primary objective is to generate reliable information for use in law enforcement administration, operation, and management. The UCR program receives data from more than 1,000 local agencies. The accuracy of the statistics depends on the adherence of each local law enforcement agency to standards of reporting information. Participation in the program is voluntary.

Based on the data available in the Pennsylvania Public UCR crime data report system, there is either an error in reporting by Lower Makefield Twp. or an error occurring when the current Records Management System (RMS) sends electronic data to the state. Most notably, clearance rates for Part I Offenses in the department are exceptionally low, ranging between 2.2% and 2.5% for a four-year period. Generally speaking, when conducting this type of review, clearance rates for Part I offenses typically range from 35% to 65%. Part I Offenses include but are not limited to homicide, rape, aggravated assault, burglary, and motor vehicle theft.

The clearance rate is calculated by dividing the number of crimes that are "cleared" by the total number of crimes recorded. It is a measure of crimes solved by the law enforcement agency. A detailed comparison is provided in Table 3.

Clearance rates are a barometer of an agency's effectiveness with respect to solving crime and often vary from month to month.

It would be conceivable to have a month with a very low clearance rate only to have it very high when an arrest(s) is made in the following months.

Having a twelve-month period with a clearance rate of 2-3% indicates there is a problem. Low clearance rates are indicative of insufficient investigations, insufficient training, low solvability factors, or a lack of supervision. To be perfectly fair to the criminal investigation and patrol sections I do not believe any of those factors are in play as this is an exceptionally well trained and equipped agency.

I was able to discuss this discrepancy with the Detective Sgt., and he related that the offense counts look accurate, however the clearance rate does appear to be incorrect and is most likely due to errors during data entry in the RMS. He added the department is in the process of upgrading their RMS and will be transitioning to NIBRS reporting which will likely provide enhanced crime statistics.



Clearance rates are low, ranging between 2.2% and 2.5% for a four-year period indicating that there may be an error in the RMS or reporting by the township.

UCR Crime Data for Comparable Municipalities 2023 & 2024

			2024	2024	2023	2023
Municipality	County	Population	Part 1 Offenses	Clearance Rate	Part 1 Offenses	Clearance Rate
Lower Makefield Twp	BUCKS	33,180	218	2.29%	206	1.94%
Middletown Twp	BUCKS	46,040	288	60.07%	400	46.00%
Falls Twp	BUCKS	34,716	693	36.22%	695	33.09%
Newtown Twp	BUCKS	19,895	146	34.93%	120	35.83%
Upper Makefield Twp	BUCKS	8,857	15	33.33%	27	18.52%
Buckingham Twp	BUCKS	20,851	97	35.05%	65	55.38%
Bristol Twp	BUCKS	54,291	1,185	26.75%	1,167	27.42%

Source: Pennsylvania Uniform Crime Reporting System,
www.ucr.pa.gov/paucrspublic/home/index

Records Management

The Lower Makefield Township Department utilizes the CODY Records Management System (RMS), through Motorola Solutions for their information management system. As reported by the department, Lower Makefield Twp. is currently transitioning to the PATHFINDER RMS system.

An RMS system is only as good as the information entered into the system. When an officer responds to a call for service and subsequently completes a report within CODY the system categorizes and tracks department activity at a very high level. CODY, as is the case with any other RMS platform, is dependent upon officers taking and subsequently entering the report in the system. This information is a critical aid used to determine staffing levels and as such each agency must determine an acceptable variance between the number of reports taken and the number of calls for service.

A full-year report for the period of July 2023 through June 2024 was generated by CODY. Based on the information provided, the annual number of reports entered into the RMS system for the period in question was 12,526. Based on information received during the on-site interview the number of reports correlates to the number of calls received by the Bucks County Emergency Services. Simply put, if a car is dispatched a report is generated.

The most common calls for service were for Accidents, Public Nuisances, Assist Other Agencies, Miscellaneous Police Requests, and Alarms. Table 4 details the number and type of calls.

Number And Types of Incidents July 23, 2023 - June 24, 2024

NUMBER OF CALLS	TYPE OF CALLS
3,574	Miscellaneous Police Requests (Civil, Welfare Check, Patrol Check)
1,363	Alarms (Fire, Burglar)
882	Public Nuisance (DC, Criminal Mischief, Disturbances, Animal)
731	911 Hang-ups
631	Traffic Enforcement
465	Assist Other Agencies
406	Motor Vehicle Accidents (All classifications)
289	Suspicious Persons
161	Identity Theft, Fraud
135	Thefts (Property, MV (17))
95	Ordinance Violations
69	Lost, Found, Recovered Property
59	Mental Health
25	DUI Offenses – All

Source: Lower Makefield Twp. PD. Calls for service July 23, 2023-June 24, 2024

Work Schedule

The chief of police currently staffs his department by scheduling four (4) patrol platoons. The shifts provide 24-hour coverage by scheduling personnel for one of two contractually available twelve (12) hour shifts. Criminal Investigators currently work four ten (10) hour shifts with the Detective Sergeant working 0800-1800 four (4) days a week. Command staff typically work five (5) eight-hour shifts.

Patrol Function

A key factor in providing superior public safety is visibility and enforcement. The patrol function is the backbone of every local police department, and its importance is best depicted by the following statement: Patrol is the primary and most important activity of the police organization. The patrol force is the largest unit of the police organization, is distributed throughout the community and operates on a 24-hour basis; its members are in constant contact with the public. The patrol function is so basic to meeting the police responsibility that its objectives are synonymous with the total police responsibility. These objectives include the prevention and suppression of crime, the safeguarding of lives and property, the apprehension of criminals, the control of traffic and non-criminal conduct and the provision of public service.

Patrol is the primary and most important activity of the police organization. The patrol force is the largest unit of the department, and its members are in constant contact with the public.

Currently, the Lower Makefield Township Police Department has forty-one (41) budgeted positions that include the chief of police. The sworn positions include a deputy chief, captain, lieutenant, four sergeants, four corporals, a detective sergeant, four detectives, and 24 patrolmen.

Overtime

Overtime is primarily generated through police officers' use of sick days, workers compensation, court time, and extra duty details. Overtime premiums are paid at time and one half to all employees for hours worked more than their scheduled shift. This does not include non-mandatory training, task force, special duty pays, or any other pay as excluded by the collective bargaining agreement.

Overtime costs have occasionally surpassed budgeted amounts from 2021 through 2024. Projections for 2025 indicate overtime may actually come in at or below budgeted amounts however, data from prior years indicate that overtime should be closely monitored.

Investigative Assistance

Lower Makefield Twp. utilizes four (4) detectives and a Detective Sergeant. The detective's workload is determined by the severity of the investigation as well as the amount of follow up which is necessary to effectively investigate the reported crime. Investigative assistance is provided by the Buck's County District Attorney's Office with regard to prosecutorial guidance and in those cases which involve greater than normal manpower needs such as

homicide investigations. Detectives are assigned to the Internet Crimes Against Children (ICAC) task force and regional task forces both with the Bucks Co. District Attorney's Office and the FBI.

The detective bureau is well equipped and has access to Cellebrite, a critical investigative tool necessary to conducting thorough criminal investigations involving digital media such as cell phones. The Lower Makefield detective bureau is also part of a regional DNA conglomerate formed in conjunction with local law enforcement and the Bucks County District Attorney's Office.

Lower Makefield Twp. also serves as a regional booking center for nearby police departments. This involves the use of the Live Scan fingerprinting system, prisoner cells, and video arraignment system to improve overall police efficiency in the region. This not only benefits regional police but also alleviates manpower shortages and overtime use associated with prisoner arraignment.

The township serves as a regional booking center for nearby police departments, which alleviates manpower shortages and overtime use associated with prisoner arraignment.

Support Staff

Lower Makefield Twp. currently has four civilian administrative positions that handle the administrative and clerical duties of the department. All positions are full-time positions.

The police department is dispatched to all emergency and non-emergency calls through the Bucks County Emergency Operations Center.

Department Activity

Lower Makefield Twp. does not contract services with any adjoining municipalities. Lower Makefield Twp. does have a Canine Unit, four (4) motorcycle patrols, and is part of a regional SERT team with as few as two (2) active members with as many as six (6) at any given time as well as multiple taskforce memberships.

Training

Training should be an ongoing process within every police department. It is important that the officers remain proficient in performing their duties. Training should include a wide range of topics. The only way a police department can ensure that they have competent and capable officers on the street is by making sure they are properly trained.

The township's police officers attend training for CPR/First Aid, Narcan, and AED as well as voluntary training which is specific to their needs. Lower Makefield Township also mandates

annual training with regard to Use of Force, Taser, Firearms, Department Policy, Evidence Collection, and Body Camera use. Lower Makefield utilizes Power DMS to monitor and track department compliance with policy, procedure, and training.

Currently the officers attend annual update training online through the Municipal Police Officers Education and Training Commission (MPOETC) portal. MPOETC offers grants to law enforcement agencies within the Commonwealth for classes that any department may need. These grants are easy to apply for and are almost always approved for funding. Officers are also permitted to attend elective training on a case-by-case basis as long as it enhances departmental capabilities.

Specialized positions also require additional training and that too is accomplished by the PD both internally and externally. The K9 unit receives additional certification through the Bucks County District Attorney's Office on a quarterly basis to receive certification through the District Attorney's Office.

Collective Bargaining Agreement (CBA)

A review of the CBA between Lower Makefield Township and Lower Makefield Township Police Bargaining Unit revealed a reasonable document with no adverse statements that benefit the municipality or the bargaining unit disproportionately. The CBA should be reevaluated before the next round of negotiation to ensure a balanced document aligned with best practices.

Facilities

The police department is located within the Lower Makefield Township Administrative building. Public access to the building is gained by entering a common vestibule that services other administrative offices. Access is then provided by administrative staff located at the front of the PD. Access control systems that control movement throughout the police department are in place beyond this point. The police department has video surveillance in certain areas inside and outside of the administrative building.

The department has three (3) cells that are utilized within established accreditation practices. The PD also has a fully controlled and monitored sally port as well as an interview room. The interview room is not equipped with fixed audio and video systems. Detectives and Patrol members alike utilize body cameras to record interviews.

Evidence Storage

Detective Sergeant Brian Omlor is the Evidence Custodian for Lower Makefield Township PD, and is responsible for managing the evidence room. The evidence room is a locked room

within the police department. Shift supervisors and designated personnel act as the receiving officers according to assignment. Detective Sergeant Omlor and the detectives are the only officers permitted to gain access. The inventory is managed through the *CODY* records management program.

Access to the evidence room is controlled by an electronic fob system. Surveillance cameras are also in place to monitor activity within the evidence room.

Periodic unannounced inspections of the evidence room are conducted by deputy chief of Police. Annual inspections and semi-annual purge cycles are conducted by Detective Sergeant Omlor.

Equipment

The police department is well equipped with modern serviceable equipment. Recent purchases include firearms, Tasers, body cameras, and bullet proof vests. Bullet proof vests are currently replaced every five (5) years on a staggered replacement cycle.

The police department is well equipped with modern serviceable equipment.

The *CODY* RMS platform is currently being utilized. It is scheduled to be replaced with the *PATHFINDER* RMS platform.

The department currently has a total of twenty-three (23) vehicles; fourteen (14) patrol vehicles assigned to patrol, five (5) to criminal investigations, and four (4) assigned to command staff. These vehicles are replaced according to an established replacement cycle which calls for patrol vehicles to be replaced every five (5) years. Lower Makefield is currently in the third year of a five-year lease program through Enterprise Fleet Management. Fifteen of the twenty-three department vehicles are leased; the remaining eight vehicles are owned by the municipality. The program is reported to be successful by the command staff as it ensures preventative maintenance needs are addressed through the parameters of the lease agreement. Evolving technology and changing vehicle configurations make it nearly impossible for agencies to reuse radio consoles, MVR mounts, prisoner cages, and firearm racks and as such vehicle costs skyrocket due to replacement cycles. Leasing, at least at face value, makes sense.

All patrol vehicles are equipped with onboard computers that enable officers to issue citations electronically as well as write reports from the patrol vehicle. Video recording is accomplished with the use of body cameras.

Accreditation

Accreditation is a progressive and time-proven way of helping institutions evaluate and improve their overall performance. The cornerstone of this strategy lies in the promulgation of standards containing a clear statement of professional objectives. The benefits of accreditation include but are not limited to:

- Establishes a credible framework for evaluating agency practices and procedures
- Reduces agency risk and exposure to lawsuits
- Decreases some liability insurance expenditures
- Improves law enforcement – community relations
- Enlarges the outlook and viewpoints of managers, officers and employees
- Furnishes a solid foundation for the agency to build upon for further progress
- Extends agency accountability to the public and elected officials
- Enhances planning and innovative activities by all agency personnel
- Develops improved methods for providing services to the community

The Lower Makefield Township Police Department earned accreditation in 2014 and was recently recertified in 2023 with premiere status and is scheduled to be recertified in 2026. It should be noted that accreditation is no small task, especially considering there are well over one thousand municipal police agencies in the Commonwealth of Pennsylvania. With that said the Lower Makefield Township Police Department is one of 172 accredited police agencies which include the Pennsylvania State Police, Philadelphia Police Dept., Pittsburgh Bureau of Police, and Ferguson Twp. Police to name a few.

Policy and procedures

A policy manual is in place and is subject to periodic revision, it is available electronically through the department X: drive. As reported by the chief, revision occurs as they encounter outdated or missing policies.

Personnel are provided with annual reviews of Use of Force, Pursuit Policy, Body Camera, Taser, and Code of Conduct; written exams for these specific policies occur annually.

Lower Makefield utilizes Power DMS to monitor and track department compliance with policy, procedure, and training.

Policy and Procedure maintenance, development, and implementation are the responsibility of Chief Kelly and his command staff. As reported during the interview process, revision and or new policy development occurs on an as-needed basis and when possible, occurs collectively with the membership.

Internal Investigations and Discipline

Generally speaking, the captain or his designee is responsible for investigating citizen complaints and conducting internal investigations. There are instances where the chief or deputy chief could engage in these tasks.

The Lower Makefield Police Department Code of Conduct very thoroughly and effectively defines discipline for initial policy violations as well as subsequent violations. This is an exceptionally well thought out document and critical for maintaining consistency and fairness within the organization.

The police department Code of Conduct is an exceptionally well thought out document, defining discipline for initial policy violations and subsequent violations.

Summary

The Lower Makefield Twp. Police Department should be considered a model agency for agencies of similar size across the Commonwealth. It is important to understand that a professional, effective, and efficient police department just doesn't happen. It is the result of exceptional leadership as well as buy-in from the patrolmen and township supervisors alike.

The Lower Makefield Township Police Department should be considered a model agency for agencies of similar size across the Commonwealth.

Agencies that achieve accreditation do so through dedication and a desire to be the best. Lower Makefield Twp. PD is no exception and as such it speaks loudly to the commitment and efforts of the personnel who report to the chief of police.

As a whole this department is exceptionally well managed, equipped, and prepared to provide professional police services to the citizens of Lower Makefield Township today and well into the future.

POLICE DEPARTMENT STRATEGIES FOR ACTION

The following is a detailed inventory of proposed Strategies for Action to enhance the Lower Makefield Township Police Department. These recommendations were compiled following fieldwork and site investigations, data analysis, personnel interviews comparisons to other local government operations, and extensive research.

The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates. Each recommendation includes anticipated outcomes, priority level, personnel needs, the party responsible for completing the task, and the anticipated funding need.

A key to interpret the Implementation Timeline, Personnel, and Funding ratings is below:

Strategy Key – Personnel / Funding Need

Personnel:
Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.
Moderate: Requires new seasonal, part-time, or temporary contract support to implement.
Minor: Involves optimizing current staffing arrangements without major changes.

Funding:
Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.
Moderate: Relies on a combination of internal / external funding amounting to between \$12,900 and \$100,000
Minor: Relies on minimal financial outlay (< \$12,900) primarily from township resources, typically covering administrative tasks or training.

Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

PD-1: Identify the Cause of Low Clearance Rates	
STRATEGY FOR ACTION Determine and resolve the cause of low clearance rates (ex. Personnel change, software error, etc.).	ANTICIPATED OUTCOME Accurate Data, Improved ability to receive grants, Accurate assessment of crime and investigative trends
IMPLEMENTATION TIMELINE: Immediate	PERSONNEL: Minor
RESPONSIBLE PARTY: Police Chief	FUNDING: Minor

PD-2: Conduct a Department-Wide Review of Overtime Usage	
STRATEGY FOR ACTION Conduct a comprehensive review of department wide overtime usage. This will ensure the budget is not exceeded in future years.	ANTICIPATED OUTCOME Reduced overtime costs
IMPLEMENTATION TIMELINE: Immediate	PERSONNEL: Minor
RESPONSIBLE PARTY: Police Chief	FUNDING: MInor

PD-3: Acquire Dedicated Recording Equipment for the Interview Room	
STRATEGY FOR ACTION The department should actively pursue the purchase and installation of dedicated audio and video recording equipment for the interview room. It is recommended that this equipment be of the same brand as existing body camera equipment for consistency purposes and established transmittal practices.	ANTICIPATED OUTCOME Transparency, Process Consistency
IMPLEMENTATION TIMELINE: Medium-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Police Chief	FUNDING: Moderate

PD-4: Conduct Promotion Testing to Fill Staff Vacancies:	
STRATEGY FOR ACTION With recent command staff vacancies now filled, the Police Department should continue to maintain a structured, transparent promotion testing process for future leadership transitions. Regularly scheduled testing and career development planning will help preserve institutional knowledge and ensure readiness when promotions are needed.	ANTICIPATED OUTCOME Key Vacancies filled; Improved employee retention.
IMPLEMENTATION TIMELINE: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Police Chief	FUNDING: Minor

PD-5: Continue Leadership Development Efforts	
STRATEGY FOR ACTION The Police Department should continue to invest in leadership development by encouraging supervisory and command-level training. These efforts will prepare officers for future leadership roles and support long-term succession planning within the department.	ANTICIPATED OUTCOME Enhances leadership readiness, supports succession planning, and fosters professional growth among command and supervisory staff.
IMPLEMENTATION TIMELINE: Short-Term	PERSONNEL: Minor
RESPONSIBLE PARTY: Police Chief	FUNDING: Minor

MULTI-YEAR IMPLEMENTATION PLAN

Lower Makefield Township is well positioned to strengthen its long-term operational effectiveness, financial stability, and overall service delivery through a coordinated multi-year implementation strategy. The recommendations in this report reflect opportunities across every major function of Township government.

By prioritizing key initiatives such as establishing sustainable revenue strategies, modernizing internal systems, investing in workforce development, and advancing capital planning efforts, the Township can build a more resilient organizational structure that supports high-quality public services.

This section represents Steps 5 and 6 of Phase I of the Strategic Management and Planning Program process. It provides a framework for implementation that estimates personnel and funding needs, identifies recommendations that may qualify for STMP Phase II funding, and outlines a suggested timeline for completion. These components are assembled into a five-year plan, organized by priority and department. so that the Township can use the plan on an ongoing basis to monitor progress.

With a strong staff and committed leadership team, Lower Makefield is well equipped to use this plan as a roadmap for informed decision making, adapting to emerging challenges, and ensuring continuous improvement for years to come.

CRITICAL TOWNSHIP OBJECTIVES

Modernization of Township Facilities

Lower Makefield's municipal facilities have served the community for decades and remain central to service delivery. As the Township has grown and departmental needs have evolved, many spaces now require updates to serve the township's needs. Modernization efforts should prioritize compliance, including ADA accessibility, followed by improvements to safety and security through clearer circulation, secure public reception areas, and enhanced access control. Once foundational needs are met, facility upgrades should focus on improving staff collaboration and creating more appropriate spaces for residents to engage with Township services.

Technology Modernization and System Integration

Across multiple departments, staff identified opportunities to consolidate technology systems, reduce the number of platforms in use, and integrate functions that currently operate in silos. The Township can achieve efficiencies by moving more services under a

unified technology framework, decreasing the number of contracts and systems being maintained, and simplifying internal processes. Upgrading key systems such as the financial platform (Munis), the recreation management system (CommunityPass), and Township-wide HR and payroll tools will reduce manual work, support more accurate data management, and improve the resident experience. Integrating payroll, benefits, and time tracking is a particularly important step toward a streamlined internal operation.

Strategic Human Resources Enhancements

Employee survey results show that staff are committed to their work and value their roles, but also highlight opportunities to strengthen training, staff development, and communication. Establishing a dedicated HR professional would allow the Township to formalize core HR processes, enhance employee support, and elevate workforce planning. This position would also play an important role in advancing HR-related technology improvements and ensuring that the Township Manager has additional capacity to focus on broader organizational priorities.

Capital and Asset Management Capacity

Lower Makefield maintains an extensive inventory of public assets, including roads, stormwater infrastructure, bike paths, street signs, streetlights, traffic signals, traffic control devices, acres of open space, and multiple municipal buildings. The most recent township-wide infrastructure inventory dates to 2012, and updates have been limited since then. Through a modern, GIS-based digital asset management system, the Township can gain greater visibility into infrastructure conditions and replacement needs. Strengthening asset management capacity will allow staff to update condition information from the field, plan proactively for capital needs, and provide critical data inputs to a formal Capital Improvements Plan.

TOP THREE FINANCIAL MANGAEMENT PRIORITIES

At its core, Phase I of the Strategic Management and Planning Program is focused on strengthening the long-term financial position of the municipality. Central to this effort is the establishment of the Township's Top Three Financial Management Priorities. Anchored in the Financial Condition Assessment and the Financial Trends Analysis, and further supported by the findings from the Step 4 Management Audit, these priorities reflect the most critical actions Lower Makefield Township should take to maintain fiscal stability while continuing to deliver high-quality services.

Lower Makefield's Top Three Financial Management Priorities are:

1. Revenue Diversification

The Township faces growing pressure on the General Fund as expenditures trend upward and reliance on a capped millage rate limits flexibility to raise additional revenue. To avoid structural imbalances, the Township must continue exploring new and diversified revenue sources. Bucks County has not conducted a countywide property tax reassessment since 1972, and should such action occur it would help to solve the issue. However, without a reassessment, options like transitioning to a first-class township to increase the general purpose millage cap, or implementing an Earned Income Tax, should be considered.

2. Develop and Implement a Capital Improvements Plan

Lower Makefield has significant capital needs spanning roads, stormwater systems, facilities, vehicles, and parks infrastructure. Without a formal Capital Improvements Plan (CIP), it is difficult to prioritize projects, align funding, and avoid unexpected costs. A multi-year CIP will establish clear phasing, identify funding strategies, and guide decision making across all departments. This becomes even more important as aging facilities, stormwater assets, and pool infrastructure require substantial reinvestment.

3. Control Personnel Costs

Personnel expenses make up the largest portion of the Township's operating budget. Strengthening cost controls will require evaluating staffing structures to ensure resources are deployed efficiently, particularly in areas with time-intensive operations such as leaf collection and facility maintenance. Personnel cost management also includes reviewing wage structures such as longevity pay and pursuing healthcare cost-containment strategies during collective bargaining negotiations. A more coordinated HR function and improved administrative systems will support these goals by increasing efficiency and reducing manual workload across departments.

RECOMMENDATIONS SUMMARY

The outline below provides highlights on the number of recommendations, their priority levels and estimated personnel / funding needs, and assigned responsibility:

61 Recommendations		Recommendations were informed by financial analysis, review of operations, staff surveys and interviews, and best practices.			
Department / Function		Responsibility			
Recommendations are organized by department / function.		Recommendations may have more than one person or entity responsible for overseeing a successful implementation.			
Administration / Management	4	Township Manager			40
Facilities	10	Chief Financial Officer			14
Human Resources	5	Public Works Director			16
IT	8	Parks & Recreation Director			6
Community Development	6	Community Development Director			6
Finance	6	Fire Services Director			4
Fire Services	4	Police Chief			5
Parks & Recreation	6				
Public Works	7				
Police	5				
Priority		Funding / Personnel			
Prioritizing recommendations provides a level of urgency and an order for implementation.		Estimates for personnel and funding needed for each recommendation support with prioritization.			
Immediate	6	<u>Funding</u>		<u>Personnel</u>	
Short-Term – Within 12 months	27	Minor	27	Minor	41
Medium Term – Within 36 months	17	Moderate	18	Moderate	8
Long Term – Within 60 months	11	Major	16	Major	12
Eligible to Apply for Funding Through STMP Phase II: 56					

IMPLEMENTATION PLAN

What follows is a detailed implementation plan for all sixty strategies identified throughout this report. The plan is designed as a practical tool the Township can use to guide ongoing operational improvements over the next several years. For each strategy, the plan outlines estimated personnel and funding needs, identifies which items may qualify for STMP Phase II funding, and assigns a responsible party to support accountability.

Strategies are color coded by recommended implementation timeline, with a key provided to the right to assist in interpreting priority levels. A column is also included for Township staff to track progress over time. Together, these elements create a clear, actionable roadmap to support continuous improvement across all Township functions.

Implementation Timeline
Immediate
Within 1 Year (Short-Term)
Within 3 Years (Medium-Term)
Within 5 Years (Long-Term)

Strategy Key – Personnel / Funding Need

Personnel:

Major: Involves significant staffing changes, the need for new positions or leadership, and/or support from external consultants.

Moderate: Requires new seasonal, part-time, or temporary contract support to implement.

Minor: Involves optimizing current staffing arrangements without major changes.

Funding:

Major: Requires securing substantial funding (> \$100,000) likely from external resources, for the use of consultants or new system implementations.

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Implementation Timeline: Immediate; Short-Term (0-1 Year), Medium-Term (1-2 Years), Long-Term (3-4 years)

Strategy	Personnel Needed	Funding Needed	Responsible Party	Status (Not Started, Ongoing, Complete)
Administration / Management				
M-1: Identify and Implement a Sustainable Revenue Strategy	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Board of Supervisors	
M-2: Develop and Adopt a Comprehensive Capital Improvements Plan (CIP)	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Department Heads	
CBA-1: Evaluate Longevity Pay in Future CBAs	Minor	Minor (STMP Phase II-Eligible)	Township Manager, Public Works Director / Chief of Police / Chief Financial Officer / Labor Counsel	
CBA-2: Strengthen Healthcare Cost Controls	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer	
Administration / Facilities				
FAC-2: Implement Centralized HVAC Controls as Part of System Upgrade	Minor	Major (STMP Phase II-Eligible)	Township Manager / Public Works Director	
FAC-1: Conduct Full Building Modernization and Space Utilization Study	Major	Major (STMP Phase II-Eligible)	Township Manager	
FAC-7: Install Unified Digital CCTV and Access Control System Township-Wide	Minor	Major	Police Department / IT / Township Manager	
FAC-9: Evaluate Restroom Facilities for ADA and Code Compliance	Minor	Moderate (STMP Phase II-Eligible)	Township Manager	
FAC-6: Evaluate Pool Facilities for Potential Inclusion in Capital Planning	Minor	Major (STMP Phase II-Eligible)	Parks & Recreation Director / Public Works Director	
FAC-8: Establish Dedicated Reception and Waiting Area in Township Building	Minor	Moderate	Township Manager	
FAC-10: Expand Breakroom and Support Facilities for Township Staff	Minor	Major (STMP Phase II-Eligible)	Township Manager / Public Works Director	
FAC-3: Upgrade Township Parking Lot Infrastructure and Access Controls	Minor	Major (STMP Phase II-Eligible)	Public Works / Police / Township Manager	

Strategy	Personnel	Funding	Responsible Party	Status (Not Started, Ongoing, Complete)
FAC-4: Modernize Public Works Garage and Yard	Major	Major (STMP Phase II-Eligible)	Township Manager / Public Works Director	
FAC-5: Redesign and Expand Police Department Facilities for Operational Efficiency	Major	Major (STMP Phase II-Eligible)	Township Manager / Police Department	
Administration / HR				
HR-1: Hire an HR Professional to lead a central HR practice at the Township	Major	Major (STMP Phase II-Eligible)	Township Manager	
HR-2: Implement a formal succession planning framework	Minor	Minor (STMP Phase II-Eligible)	Township Manager / HR Professional	
HR-3: Adopt a Township-wide performance review system	Minor	Minor (STMP Phase II-Eligible)	Township Manager / HR Professional	
HR-4: Create a periodic review cycle for the Employee Handbook	Minor	Minor (STMP Phase II-Eligible)	Township Manager / HR Professional	
HR-5: Formalize Opportunities for Employee Feedback and Engagement	Minor	Minor (STMP Phase II-Eligible)	Township Manager / HR Professional	
Administration / IT				
IT-1: Optimize Microsoft Licensing	Minor	Minor (STMP Phase II-Eligible)	vCIO	
IT-2: Implement I.T. Asset Lifecycle Management	Minor	Minor (STMP Phase II-Eligible)	vCIO / AskTech / Finance Department	
IT-5: Centralize HR Operations and Upgrade Payroll System	Major	Moderate (STMP Phase II-Eligible)	Township Manager / Third-Party Support / Finance Department	
IT-7: Replace End-of-Service Cisco Switches	Minor	Moderate (STMP Phase II-Eligible)	vCIO / AskTech	
IT-3: Evaluate Technology Options to Consolidate Vendors	Moderate	Major (STMP Phase II-Eligible)	Township Manager / Third-Party Support	
IT-4: Consolidate Document Management Systems	Moderate	Moderate (STMP Phase II-Eligible)	Township Manager / Third-Party Support / Department Heads	

Strategy	Personnel	Funding	Responsible Party	Status (Not Started, Ongoing, Complete)
IT-6: Modernize Key Card Access Systems	Minor	Moderate (STMP Phase II-Eligible)	AskTech / Police / Public Works	
IT-8: Consolidate Printer Vendor Contracts	Minor	Minor (STMP Phase II-Eligible)	Township Manager	
Community Development				
CD-1: Establish Succession Planning and Knowledge Transfer Procedures	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Community Development Director	
CD-2: Expand Documentation of Permitting and Development Processes	Minor	Minor (STMP Phase II-Eligible)	Community Development Director	
CD-3: Strengthen Integration of OpenGov with Township Systems	Moderate	Moderate (STMP Phase II-Eligible)	Township Manager / Community Development Director / IT	
CD-4: Establish a Basic Safety & Risk Management Program	Minor	Minor	Community Development Director	
CD-5: Evaluate Internalization of UCC Plan Review and Inspections Services	Moderate	Moderate (STMP Phase II-Eligible)	Community Development Director / Township Manager	
CD-6: Evaluate Updates to the Township's Land Development Ordinances	Moderate	Moderate (STMP Phase II-Eligible)	Community Development Director / Township Manager	
Finance				
F-5: Support Revenue Diversification Efforts	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer	
F-1: Evaluate Department Structure on an Ongoing Basis	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer	
F-2: Modernize Payroll and Benefits Administration	Major	Moderate (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Third-Party Support	
F-4: Require Finance Collaboration on Grants and Monthly Automation	Minor	Minor (STMP Phase II-Eligible)	Chief Financial Officer / Department Heads	
F-6: Support with Creating a Comprehensive Capital Improvements Plan	Major	Moderate (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Director of Public Works	

Strategy	Personnel	Funding	Responsible Party	Status (Not Started, Ongoing, Complete)
F-3: Evaluate Upgrading Financial Systems from Munis to a New Provider	Moderate	Major (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Third-Party Support	
Fire Services				
FS-1: Implement Recommendations from Fire Services Study	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Fire Services Director	
FS-2: Evaluate Staffing Options to Expand Inspection Capacity	Major	Moderate (STMP Phase II-Eligible)	Township Manager / Fire Services Director	
FS-3: Establish an Apparatus Replacement Funding Plan	Minor	Major (STMP Phase II-Eligible)	Township Manager / Fire Services Director / Chief Financial Officer	
FS-4: Evaluate Long-Term Fire/EMS Consolidation	Major	Major (STMP Phase II-Eligible)	Township Manager / Fire Services Director / Volunteer Fire & EMS Leadership	
Parks & Recreation				
PR-1: Replace/Upgrade Recreation Management Software	Moderate	Moderate (STMP Phase II-Eligible)	Parks & Recreation Director / IT	
PR-2: Consider Maintaining CAPRA Accreditation	Minor	Minor	Parks & Recreation Director	
PR-3: Ensure Parks & Recreation Projects Are Represented in the Capital Improvements Plan	Minor	Minor (STMP Phase II-Eligible)	Parks & Recreation Director / Public Works Director / Chief Financial Officer	
PR-4: Centralize and Digitize Seasonal Hiring	Major	Moderate (STMP Phase II-Eligible)	Township Manager / HR Professional / Parks & Recreation Director	
PR-6: Evaluate Staffing Structure	Minor	Minor (STMP Phase II-Eligible)	Parks & Recreation Director	
PR-5: Facility Planning - Evaluate Opportunities to Co-Locate Parks & Recreation with Township Staff	Minor	Major (STMP Phase II-Eligible)	Township Manager	

Strategy	Personnel	Funding	Responsible Party	Status (Not Started, Ongoing, Complete)
Public Works				
PW-4: Advance a Stormwater Fee as Part of a Broader Revenue Strategy	Major	Major (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Director of Public Works	
PW-1: Support with Creating a Comprehensive Capital Improvements Plan	Major	Moderate (STMP Phase II-Eligible)	Township Manager / Chief Financial Officer / Director of Public Works	
PW-3: Establish a Stormwater System Camera-ing Program	Minor	Moderate (STMP Phase II-Eligible)	Director of Public Works	
PW-5: Implement a Fleet Management Software System	Minor	Moderate (STMP Phase II-Eligible)	Director of Public Works / IT Department	
PW-2: Implement a GIS-Based Digital Asset Management System	Moderate	Major (STMP Phase II-Eligible)	Director of Public Works / IT Department	
PW-6: Develop a Long-Range Road Program Using Vialytics Data	Minor	Minor (STMP Phase II-Eligible)	Director of Public Works	
PW-7: Evaluate Operational Efficiencies in Leaf Collection and Public Property/Facility Maintenance	Minor	Minor (STMP Phase II-Eligible)	Township Manager / Director of Public Works	
Police				
PD-1: Identify the Cause of Low Clearance Rates	Minor	Minor (STMP Phase II-Eligible)	Police Chief	
PD-2: Conduct a Department-wide Review of Overtime Usage	Minor	Minor (STMP Phase II-Eligible)	Police Chief	
PD-4: Conduct Promotion Tesing to Fill Staff Vacancies	Minor	Minor (STMP Phase II-Eligible)	Police Chief	
PD-5: Continue Leadership Development Efforts	Minor	Minor (STMP Phase II-Eligible)	Police Chief	
PD-3: Acquire Dedicated Recording Equipment for the Interview Room	Minor	Moderate	Police Chief	



Lower Makefield Township