



**2024 Annual Operating Budget
Initial Draft Presentation**

2023 Budget - Year End Outlook

- ▶ Borough's unrestricted cash balance remains strong
- ▶ General Fund Revenue
 - ▶ Real Estate Tax revenue are expected to meet the projected \$1.181 million in revenue
 - ▶ Earned Income Tax revenue is on target to meet the projected \$1.6 million in revenue
 - ▶ Real Estate Transfer Tax has exceeded the budgeted revenue by \$76,429 as of August
- ▶ General Fund Expenditures projected to come in under budget by approximately \$5,800. Given inflation the Borough has controlled costs well.
 - ▶ Legal Costs have increased due to numerous on-going litigation matters
- ▶ Grant funding secured = \$432,309 (out of \$1,458,149 awarded)
- ▶ Sewer Fund estimated remaining balance to total approx. \$88,847

2024 Operating Budget

Fund	Type	Beginning Balance	Operating Funds	Interfund Transfers	Total
General	Revenue		\$ 4,439, 206	\$30,000	\$ 4,439,206
	Expenditures		\$4,324, 528	\$ 114,678	\$ 4,439,206
Capital Reserve	Revenue	\$ 3,440,740	\$ 1,207,599	\$114,678	\$ 4,763,017
	Expenditures		\$ 3,101,200		\$ 3,101,200
Sewer	Revenue		\$ 1,093,897		\$ 1,093,897
	Expenditures		\$ 1,038,389	\$ 55,508	\$ 1,093,897
Sewer Capital Reserve	Revenue	\$ 1,525,452		\$55,508	\$ 1,580,960
	Expenditures		\$ 285,000		\$ 285,000
Highway Aid	Revenue	\$ 134,509	\$ 95,955		\$ 230,464
	Expenditures			\$ 30,000	\$ 30,000

2024 Operating Budget General Fund

▶ Revenue

- ▶ Projected revenue = \$4,439,206
- ▶ Total Tax revenue = \$3,864,250 which is 87% of all revenues received
- ▶ Local Enabling Taxes = 58.6% of tax revenue
- ▶ Malvern Borough's projected assessment is forthcoming and was projected for \$1,185,244 in Year 2023
 - ▶ Final assessment will be received in November

▶ Expenditures

- ▶ Projected expenditures= \$4,324,528
- ▶ Notable expenditures in initial draft
 - ▶ Cost of living increases for all Borough employees estimated @ 4%
 - ▶ Staffing to include full time Administrative Position & Part Time Police Administrative Assistant
 - ▶ Professional and Community Development for Administration
 - ▶ In the process of obtaining RFPs to service the Borough's IT maintenance and needs

Proposed Expenses

- ▶ Vehicle Purchases - Currently allocated across multiple funds
 - ▶ New vehicle for police chief - \$57,000 (General Fund)
 - ▶ \$12,000 expected from sale of 2017 Dodge Ram truck
 - ▶ New public works streets vehicle - \$70,000 (General Fund)
 - ▶ \$20,000 expected from sale of 2011 Ford F350
 - ▶ New sewer jet trailer for flushing mains - \$100,000 (Sewer Capital Reserve Fund)
 - ▶ Replaces 1973 Ford F600 with tank and pump
- ▶ Road Paving Program - Currently allocated in Capital Reserve Fund
 - ▶ The following roads have been evaluated for paving. A contingency would be added to these values for budgeting purposes, totaling \$350,000.
 - ▶ \$32,418 - Goshorn Drive (West King Street to cul-de-sac)
 - ▶ \$195,092 - Pennsylvania Ave (North Warren Ave to cul-de-sac)
 - ▶ \$114,660 - East Broad Street (Bridge Street to Old Lincoln Highway)

Grant-Funded Projects

▶ Active Projects:

- ▶ Randolph Woods Nature Preserve Phase 1 - \$500,000
 - ▶ \$250,000 from DCNR - 50% match eligible to be covered partially by DCED grant
 - ▶ \$158,249 from DCED - no match required
 - ▶ \$91,751 from Borough
- ▶ Randolph Woods Nature Preserve Phase 1A - \$450,000
 - ▶ \$324,800 from DCNR - 20% match required
 - ▶ \$125,200 from Borough
- ▶ Old Lincoln Highway and North Warren Avenue Stormwater - \$1,450,200
 - ▶ \$725,100 from Chester County ARPA - 50% match
 - ▶ \$725,100 from Borough

▶ Pending Projects:

- ▶ EV Charging Stations - Currently under Review to install 4 charging stations at Borough Hall. Grant Awards in Late Fall 2023 - Award Status Pending

▶ Grants to be Sought:

- ▶ Zoning and SALDO Ordinance overhaul, development of Stormwater Master Plan, Main Street Manager, and traffic safety

2024 Operating Budget Capital Reserve Fund

- ▶ **Revenue - \$4,763,017**
 - ▶ Projected beginning balance as of January 1, 2024 - \$3,440,740
 - ▶ Grants from State, Federal, and County Governments are now shown as revenue directly in the Capital Reserve Fund instead of being transferred from the General Fund
- ▶ **Expenditures - \$3,101,200**
 - ▶ Major projects
 - ▶ Zoning Ordinance and SALDO Ordinance Overhaul/ Revisions
 - ▶ Sidewalk Improvements
 - ▶ Streambank Stabilization
 - ▶ Randolph Woods Nature Preserve Improvements
 - ▶ Paving of Borough streets
 - ▶ Park Improvements
 - ▶ Old Lincoln Highway Stormwater Infrastructure and Roadway Repair
 - ▶ Main Street Manager
 - ▶ Open Space Acquisition
- ▶ **Projected balance = \$1,661,817**

2024 Operating Budget Sewer Fund

- ▶ Total Revenue projected: \$1,093,897
- ▶ Total Expenditures projected: \$1,093,897
 - ▶ Includes \$55,508 transfer to Sewer Capital Reserve
- ▶ The Sewer Fund began running a budget deficit in 2020. In 2021, Malvern Borough decided to begin a series of small, staged rate increases to stabilize the fund while waiting for cost unknowns to solidify. The variable rate was raised from \$4.00 to \$6.00 per thousand gallons, while keeping the base rate at \$95.60/quarter for the first 5,000 gallons, to reflect the fact that cost increases over the past decade have primarily been for disposal, which is based on the amount of sewage flow.
- ▶ In 2022, Malvern Borough raised the variable rate, from \$6.00 to \$9.00 per thousand gallons.

2024 Operating Budget Sewer Capital Reserve Fund

- ▶ **Revenue - \$1,580,960**
 - ▶ \$1,525,903 from beginning balance as of January 1, 2023
 - ▶ \$55,508 projected transfer from Sewer Fund
- ▶ **Expenditures - \$285,000**
 - ▶ Repairs to sewer mains - \$110,000 - purchase of new sewer jet trailer for \$100K plus \$10K for maintenance costs to sewer mains
 - ▶ Repair to joints for I & I - \$75,000
 - ▶ Upgrades to Ejector Pumps & Ejector Stations - \$35,000
 - ▶ Construction Fund to VFSA - \$50,000
 - ▶ Upgrades to Pump Station #1 - \$15,000
- ▶ **Capital projects planned include televising sewer mains and repair to such**

2024 Operating Budget Highway Aid Fund

- ▶ **Revenue - \$230,690**
 - ▶ Projected beginning balance as of January 1, 2024 - \$134,509
 - ▶ State funding in the amount of \$93,955
- ▶ **Expenditures - \$30,000**
 - ▶ \$30,000 - Interfund transfer to the General Fund for Street Lighting
- ▶ **Projected balance = \$200,464**

Questions?