

**2020 BUDGET STATEMENT**  
**SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PA**

The Springfield Township Board of Commissioners proposes a balanced operating budget for 2020 of \$17,442,290 with a real estate tax rate of 4.441 mills and an earned income tax rate of 1.0%.

**2020 REAL ESTATE TAX RATE**

General Purpose Tax (Max. 30 Mills)	4.441 Mills
Court Approved (Max. 5 Mills)	0 Mills
Special Purpose Taxes	<u>0 Mills</u>
	4.441 Mills

To summarize the impact on the “typical” taxpayer as a result of the 2020 budget projections, the taxpayer will realize no change to their 2020 real estate tax, but will incur an increase of \$9.10 associated with the refuse service fee. In years 2006 and 2007, the real estate taxes were reduced from past years, and the real estate tax rate from 2008 through 2012 remained unchanged. In 2013 there was a modest increase in taxes followed by a reduction in the tax rate in 2014. In 2015, real estate taxes were increased, but held steady again in 2016. The 2017 real estate taxes were increased by \$50.10. In 2018 they were increased by \$44.55, and in 2019 they were increased by \$38.94. The increases from 2017 to 2019 were largely associated with debt service payments related to the municipal campus renovations, contractual increases to employee wages and benefits, insurance premiums, and contributions to the volunteer and paid emergency service providers.

The “typical” household in Springfield Township with a \$175,400 property assessment will pay \$778.95 in real estate taxes in 2020, which is the same as in 2019. The Township is able to maintain the same tax rate as in 2019 due to a modest reduction in administrative salaries and pension obligations, as well as the satisfaction of a 2010 general obligation loan utilized for stormwater improvements. These savings are offset by anticipated increases to employee wages and benefits, capital projects, and municipal building utility and maintenance expenses.

The 2016 refuse service fee was the same as in 2015, but the 2017 fee was increased by \$10.13 per year. In 2018 the refuse fee increased by \$3.19 due to an increase in the waste disposal fee and the amount of waste collected. The 2019 refuse fee was increased by \$8.58 due to increases in both the waste and recycling disposal fees. The 2020 discounted annual refuse service fee will be \$223.24. In 2020 the resource recovery plant where the solid wastes collected by the Township are converted to energy is increasing its disposal fees to the Township by \$1.17 per ton. In addition, the average monthly cost to process and market single stream recyclables is projected to increase by \$19.29 per ton in 2020. The amount of household refuse and recyclables collected by the Township has remained about the same as in

prior years. However, the market for sorted recyclable materials continues to be negatively impacted by restrictions imposed by the Chinese government banning the import of certain recyclable materials.

The Township will continue to fund its general budgetary obligations through traditional revenue sources such as real state tax, earned income tax, real estate transfer tax, mercantile and business privilege tax, licenses and permits, fines and department earnings. In 2019 a local services tax was enacted whereby individuals employed within Springfield Township now pay \$1 per week or \$52 annually through a payroll deduction. Those who do not earn more than \$12,000 annually are exempt from the tax. The Township anticipates the receipt of an additional \$7,851 in revenues from the local services tax in 2020.

The 2020 preliminary budget will be made available for inspection in the office of the Township Manager, 1510 Paper Mill Road, Wyndmoor, and in the Township Library, 8900 Hawthorne Lane, Wyndmoor, beginning 5:00 PM on November 15, 2019. The 2020 preliminary budget will also be posted to the Township website on or before the above date. Summary copies of the budget are also available upon request. The Board of Commissioners will accept questions and comments on the Budget at their workshop meeting on December 9, 2019 at 7:00 PM and again as a part of a budget hearing and budget adoption on December 11, 2019 at 7:30 PM. All aforementioned meetings will be held in the Springfield Township Building, 1510 Paper Mill Road, Wyndmoor.

AMT:cmt  
11/4/19