

North Coventry Township 2027 Budget Presentation

November 23, 2026

The Budget Process

- Municipalities administer budgets on a **calendar year budget cycle**

- **August/September:** Develop cost estimates, capital budget projections, coordination with Dept. Heads. Request goals and objectives to complete for the following year, align with strategic priorities of the Township
- **September/October:** Develop Budget Draft, compile reconciled numbers, compare with last five years of budget trends, estimate the valuation of property, talk to key agencies, collect data, assess fund balance

  - **Budget Workshop #1 - October 19, 2026**
  - **Budget Workshop #2 – November 12, 2026**

The Board of Supervisors must review and approve the budget for advertisement and public inspection for at least **20 days prior to adoption, which must occur by December 31 each year**



Budget as a Strategic Workplan

Fiscal Stability – enable sound fiscal management through consistent review of practices

Promote Leadership and Continued Education of Staff – ensure staff have tools to succeed, implement required training and continuous education

Interdepartmental Cooperation – Implement methods to improve communication and collaboration across departments to achieve cooperation and efficiency

Commitment to Service Delivery– Continue delivery of core local government services, effective working relationships with the community, and improve quality of life objectives

Infrastructure and Built Environment – take care of what we own and plan for the future

Budget Deliverables

- Delivers **continued core government services**
- Police Department – maintains staffing levels, operations, fuel, supplies, capital planning needs
- Road Department – maintains vehicle and equipment needs, materials, supplies, fuel, existing staffing levels
  - **Liquid Fuels** allocation in 2027 to be used for materials, road projects, equipment
- General Fund includes allocation for fire service with Norco Fire Company, MS4/stormwater and related engineering, legal, insurance, zoning and code enforcement, parks and recreation, debt service, administrative services, emergency management of the Township, includes personnel costs - wages, pension obligation, and benefits for Police and Non – Uniform staff.















Budget Deliverables

- **Open Space Fund:** allocation in 2027 accounts for open space projects, including potential easement/protection strategies, consulting, and maintenance and development of open space.
- **Grants:** Budget comprises grant awards and special projects including dirt and gravel road program, parks and recreation projects, including Kenilworth Park playground replacement and access improvements etc.
- Includes partial engineering costs for Laurelwood/Coventryville Road bridge, allocation of reserve for continued Township complex architectural and engineering
- Maintain healthy safety net reserve, or the **"Rainy Day Fund"** of Township unrestricted funds for general fund purposes
- S&P AA Bond Rating

Budget Drivers 2027

Township Assessed Valuation

2025 Assessed Valuation:

$479,939,705.00

2026 Assessed Valuation:

$483,556,775.00

2027 Assessed Valuation:

$481,699,675.00

Inflation Rate & Input Costs

November 2024 US Average 2.6%

November 2025 US Average 2.9%

November 2026 US Average 3.7%

Other Factors

Overall market variability and close monitoring of economic conditions

Interest Rates & the Federal Reserve

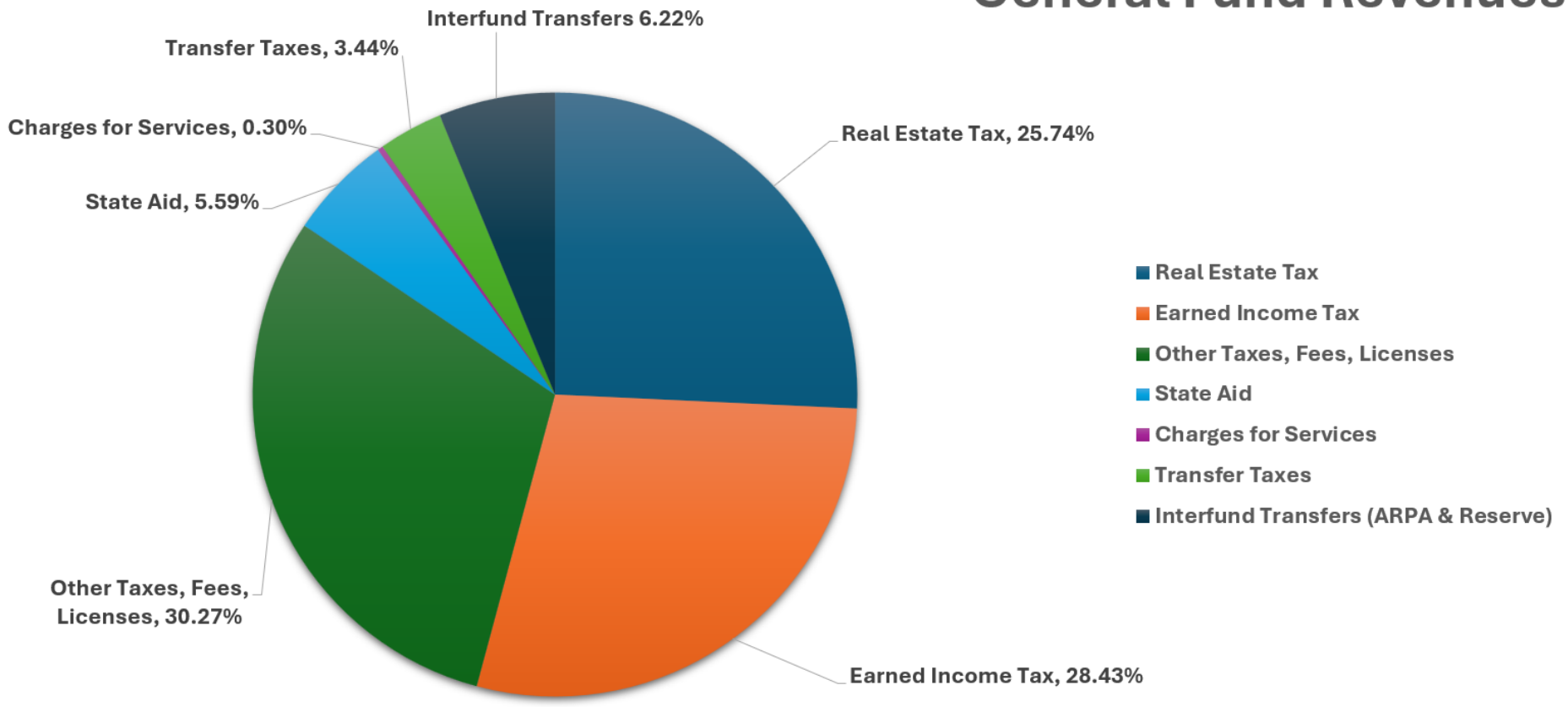
Variability in receipt of fees – impact fees, mercantile receipts, franchise fees, transfer taxes

Impacts

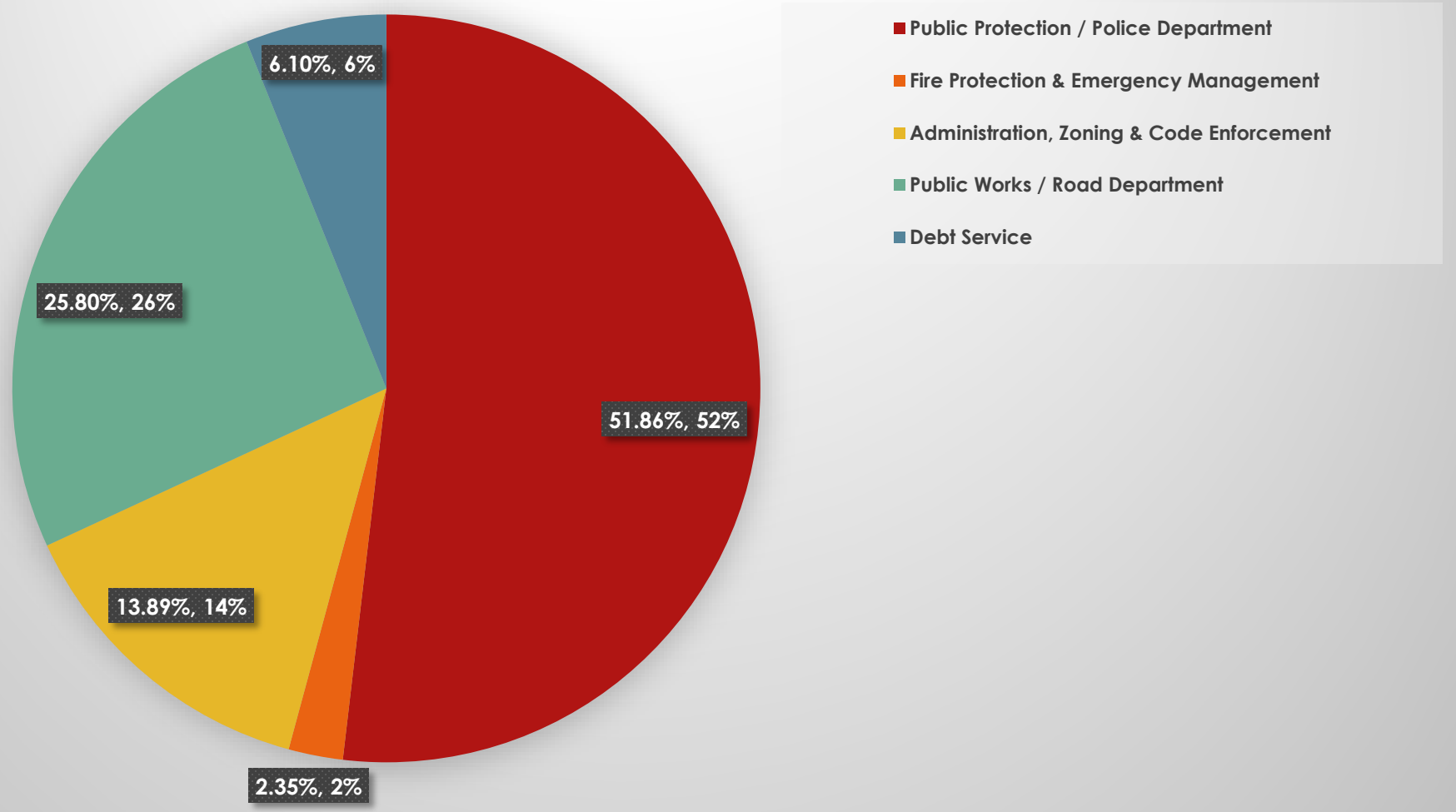
Structural pressure between rising operating costs & revenues that do not grow at same pace

Pennsylvania Townships are facing a growing structural imbalance between the cost of delivering essential municipal services and maintaining infrastructure versus our ability to generate sufficient recurring revenues to support those responsibilities.

General Fund Revenues



General Fund Expenses



Draft 2027 Budget

Government Funds

General Fund

- Total Revenues: $6,554,901.00
- Total Expenses: $6,737,803.60
- *-182,905.60 Deficit*

Special Revenue Funds

Open Space Fund

- Total Revenues: $1,452,300.00
- Total Expenses: $1,452,300.00
- *Balanced*

Liquid Fuel Fund

- Total Revenues: $430,500.00
- Total Expenses: $430,500.00
- *Balanced*

General Fund Deficit: $182,905.60

Recommendation: Address deficit by allocating $86,565.67 from Township reserve in 2027 and institute a 5.6% tax increase to generate approx. $96,339.93 in additional revenue, effective in 2027, increasing the real estate tax millage by .2 mills from 3.58 mils to 3.78 mills (approved via a Board resolution)

On a property assessed at $250,000 the Township annual tax bill would increase by $50.00

Board Meeting for Budget Adoption: Mon. December 21, 2026
7:00 p.m.

Where Does Your Real Estate Tax Dollar Go?

North Coventry Township – Owen J. Roberts School District (2026)



Owen J. Roberts School District
80.61%
≈ $0.81

Chester County
11.45%
≈ $0.11

North Coventry Township
7.94%
≈ $0.08

Total 2026 Real Estate Tax: $1.00

≈ 81 cents goes to the School District, and 19 cents to Chester County and North Coventry Township.



Questions