

2025 BUDGET STATEMENT
SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PA

The Springfield Township Board of Commissioners proposes a balanced operating budget for 2025 of \$20,317,187 with a real estate tax rate of 4.650 mills and an earned income tax rate of 1.0%.

2025 REAL ESTATE TAX RATE

General Purpose Tax (Max. 30 Mills)	4.650 Mills
Court Approved (Max. 5 Mills)	0 Mills
Special Purpose Taxes	<u>0 Mills</u>
	4.650 Mills

To summarize the impact on the “typical” residential taxpayer as a result of the 2025 budget projections, the taxpayer will realize an increase of \$23.50 to their 2025 real estate tax, and a \$5.48 increase to the annual refuse service fee. ***The proposed tax increase of \$23.50 per household (3.0%) is the first such increase in three years.*** The 2024 refuse fee was increased by \$13.98 due to higher waste disposal and recycling fees.

The “typical” household in Springfield Township with a \$175,400 property assessment will pay \$815.61 in real estate taxes in 2025. The proposed operating budget of \$20,317,187 is \$670,240 (3.4%) more than in 2024. The increase of 3.4% can be attributed to increased expenses for public safety and fire protection, employee wages and benefits, insurances, library services, parks and recreation expenditures and capital projects. Revenue increases associated with earned income and other local enabling taxes, departmental earnings, interest and rents will offset the increased expenditures.

The 2025 *discounted* refuse service fee will increase from \$252.08 to \$257.56, or 2.2% per household due to increases in employee wages, vehicle expenses, waste disposal fees, and capital contributions for replacement equipment. Pursuant to the terms of the waste disposal contract with COVANTA Sustainable Solutions, the cost to dispose of household waste will rise from \$79.00 per ton in 2024 to \$82.75 per ton in 2025. The average monthly cost to process and market single stream recyclables was \$62.05 per ton in 2024 but is projected to decrease to \$35.87 per ton in 2025. After increasing during the COVID pandemic, the amount of household refuse and recyclables collected by the Township has decreased each year since 2022 and is projected to decrease by an additional 290 tons in 2025.

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 \$25,000 in revenues from the local services tax in 2025.

The 2025 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, 2024. The 2025 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 11, 2024 at 7:00 PM and again as a part of a budget hearing and budget adoption on December 11, 2024 at 7:30 PM. All aforementioned meetings will be conducted at the Springfield Township Administration Building, 1510 Paper Mill Road, Wyndmoor, PA 19038.

AMT:cmt
10/31/24