

MONTGOMERY TOWNSHIP

Montgomery County, Pennsylvania

POPULAR ANNUAL FINANCIAL REPORT

2024

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FINANCIAL TRANSPARENCY



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Montgomery Township
Pennsylvania**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrell
Executive Director/CEO

The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 20,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance.

Certificate of Achievement for Excellence in Financial Reporting (COA) Program

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (COA) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure, and then to recognize individual governments that succeed in achieving that goal. The goal of the program is not to assess the financial health of participating governments, but rather to ensure that users of their financial statements have the necessary information to do so themselves.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Montgomery Township
Pennsylvania**

For its Annual Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrell
Executive Director/CEO

Popular Annual Financial Reporting Award Program

The GFOA established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991 to encourage and assist state and local governments to extract information from their annual comprehensive financial report to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance and then to recognize individual governments that are successful in achieving that goal.

For readers interested in a more detailed financial analysis, Montgomery Township publishes an **Annual Comprehensive Financial Report (ACFR)**.

The ACFR provides in-depth information on the Township's financial position, including audited financial statements, detailed notes, and statistical data.

To view the full report, please visit www.montgomerytp.org.

FINANCE DIRECTOR'S LETTER

POPULAR ANNUAL FINANCIAL REPORT (PAFR)

I am pleased to share highlights of Montgomery Township's accomplishments and initiatives in 2024. Our community remained actively engaged through a variety of programs and events. Attendance at the Community & Recreation Center increased, while the Police and Fire Departments hosted memorable events, including National Night Out and children's camps. These efforts reflect our ongoing commitment to fostering a vibrant and connected community.

Montgomery Township's financial management continues to demonstrate excellence. We retained our AAA rating from S&P Global and earned recognition from the Government Finance Officers Association (GFOA) for our annual comprehensive financial report (ACFR), and popular annual financial report (PAFR). These accolades reflect the Township's dedication to transparency and fiscal responsibility.

Our local economy is strong and diverse, with employment exceeding 19,000, making Montgomery Township a net importer of jobs. Major employers span manufacturing, retail, construction, grocery, and restaurants.

Earned Income Tax remains our largest revenue source, representing roughly 37% of total revenues, with 18% growth in 2024.

We remain committed to delivering value to taxpayers through high-quality services, strategic investments, and infrastructure improvements. Our multi-year Capital Investment Plan and strong unreserved fund balance, currently 43.9% of the General Fund, ensure the Township is well-positioned for the future.

Thank you for your continued support as we strive to maintain Montgomery Township as a thriving, vibrant, and financially strong community.

Blaine Bergey

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ABOUT MONTGOMERY TOWNSHIP

Montgomery Township is governed by a five-member elected Board of Supervisors, with staggered six-year terms, and is supported by a full-time Township Manager who oversees day-to-day operations. The Township employs approximately 100 staff and is part of the Greater North Penn region of Montgomery County, known for strong community ties, quality schools, and abundant recreational opportunities. Residents enjoy easy access to Philadelphia via SEPTA's Lansdale/Doylestown Line and major highways.

Services & Programs

- Public Safety: Police, fire protection, building inspection, planning, zoning, emergency management, and code enforcement
- Public Works: Street maintenance, snow removal, traffic signals, stormwater management, and upkeep of Township buildings and parks
- Recreation: Community & Recreation Center, parks, playgrounds, athletic fields, and seasonal programs

Partnerships

- Municipal Sewer Authority: Manages sewage collection and treatment
- Volunteer Fire Department: Provides 24/7 fire protection alongside the Department of Fire Services
- VMSC EMS: Provides 24/7 rapid response and innovative medical services



Spanning over 10 square miles, Montgomery Township is home to more than 26,000 residents and over 1,000 businesses employing nearly 19,000 people! Our community thrives thanks to a dynamic mix of professional, commercial, and recreational spaces that make it a great place to live, work, and play.

- 77 acres devoted to professional use
- 297 acres supporting commercial growth
- 129 acres bustling with shopping centers
- 15 parks offering something for everyone—from playgrounds and athletic fields to peaceful natural areas and reflective spaces

From business hubs to green spaces, Montgomery Township continues to grow while preserving the quality of life that residents value.

#WEAREMONTGOMERYTWP

TAXES

POPULAR ANNUAL FINANCIAL REPORT (PAFR)

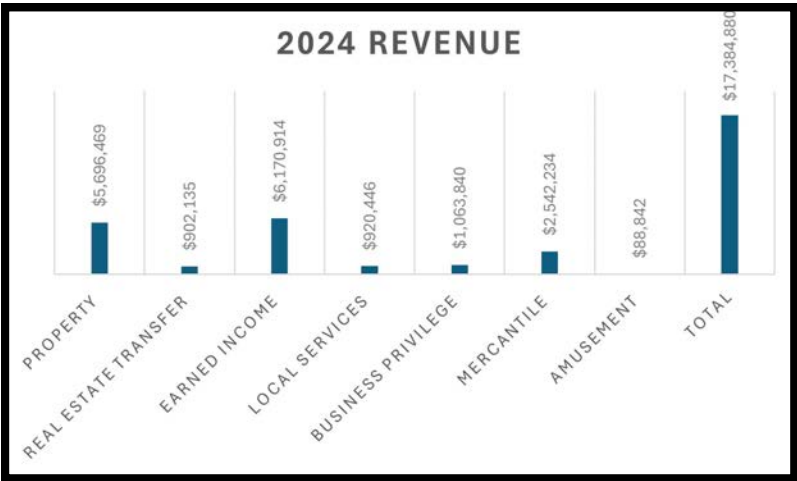
2024 TAX INCREASE

The Montgomery Township Board of Supervisors approved the 2024 budget, which includes a property tax increase from 2.49 to 2.94 mills—generating about \$853,000 to continue to fund our capital projects.

With much of the Township now built out, this increase helps ensure sustainable funding for critical infrastructure, public safety, and park improvements.

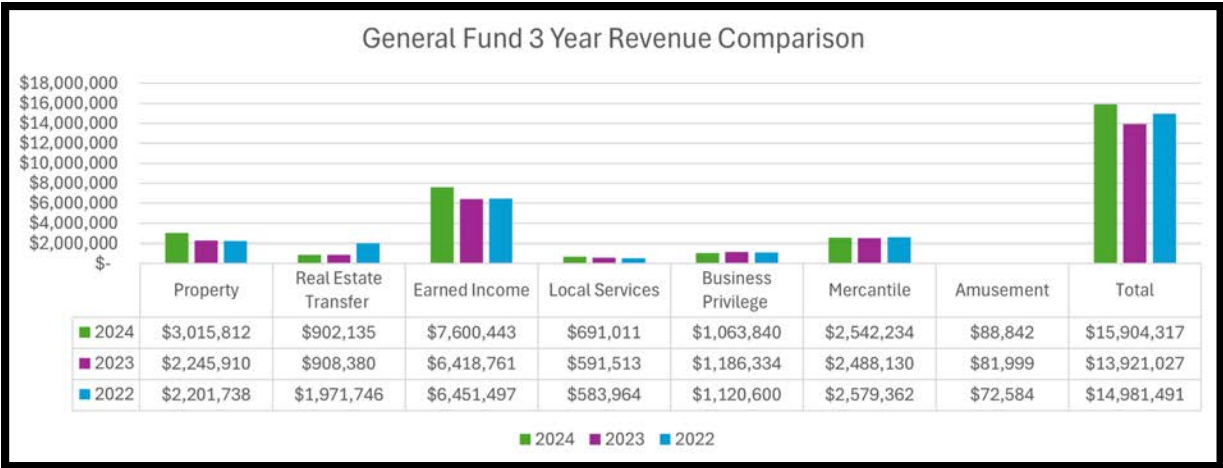
Key Projects:

- **Public Safety:** New pedestrian beacons, sidewalks, traffic signal upgrades, and ADA improvements.
- **Infrastructure & Facilities:** Road paving, building repairs, new vehicles, and culvert maintenance.
- **Parks:** Playground rebuilds with sensory elements, new pickleball courts, walking trails, and a dog park at Route 202 & Knapp Road.



This PAFR highlights the financial condition of the General Fund only and does not include other Township funds unless explicitly stated.

Readers are encouraged to visit the Township's website at www.montgomerytpw.org to review the Annual Comprehensive Financial Report (ACFR) and the Township's Budget for more detailed information on tax revenues and related analysis.



For every tax dollar collected, about 80¢ goes to the North Penn School District, 12¢ goes to Montgomery County, and **only 8¢ stays with Montgomery Township.**

MONTHLY TOWNSHIP SERVICES 2024 TAX BILL BREAKDOWN

SERVICE	COST
● General Fund	\$ 22.02
Police	\$ 12.44
General Services	\$ 4.95
Public Works	\$ 3.24
Code Enforcement	\$ 1.03
Tax Collection	\$.35
● Fire	\$ 7.75
● Parks	\$ 3.67
● Debt	\$ 7.34
TOTAL: \$ 40.78	



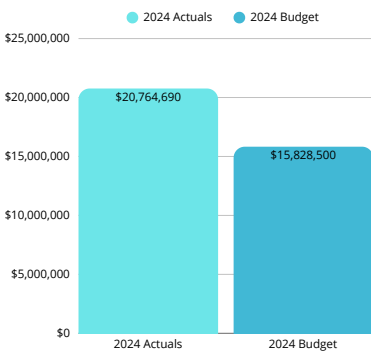
Above is an estimate of monthly costs for township services.
This is based on the average assessment of a home in 2024.

GENERAL FUND: REVENUES AND EXPENDITURES

POPULAR ANNUAL FINANCIAL REPORT (PAFR)

GENERAL FUND BUDGETARY HIGHLIGHTS

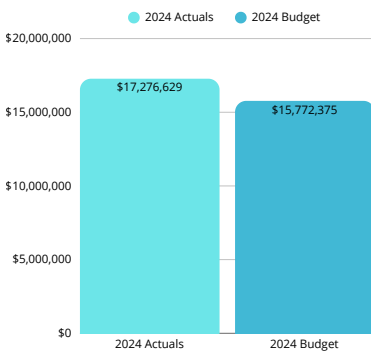
General Fund Revenue



The 2024 General Fund budget, reflected budgeted revenues and other financing sources of \$15,828,500.

- Actual revenues and other financing sources exceeded budgeted estimates by \$4,936,190.
- Taxes exceeded budgeted estimates by \$2,074,317.
- Earned Income taxes accounted for the largest share of the tax surplus, exceeding budgeted estimates by \$1,600,443.
- American Rescue Plan Act (ARPA*) funds, was the main contributor to the Intergovernmental Revenue surplus, exceeding budget estimates by \$2,203,654.

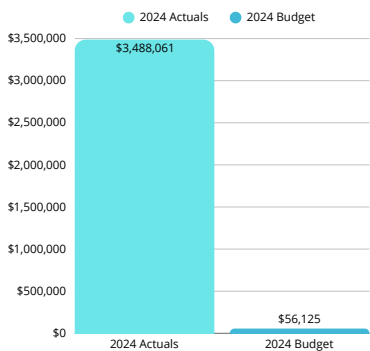
General Fund Expenditures



The 2024 General Fund budget reflected budgeted expenditures and other financing uses of \$15,772,375.

- The budget was exceeded by \$1,504,254, mainly because of approved interfund transfers totaling \$2,203,654 to the Capital Reserve Fund.

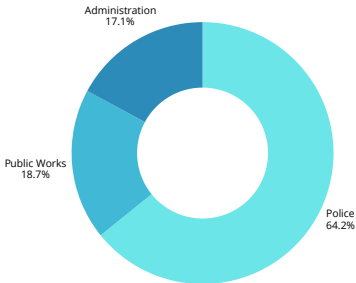
General Fund Surplus



The 2024 General Fund budget reflected a surplus of \$56,125.

- Actual amounts exceeded budgeted estimates by \$3,431,936.
- The Township's General Fund operations in 2024 had a surplus of \$3,488,061.

Expenditures by Department



Where is the Fire Department? The Fire Department's revenue and expenses are accounted for under a separate Governmental Fund. See page 14 of the PAFR.

***The American Rescue Plan Act (ARPA)** provided \$1.9 trillion in federal funding to support the public health and economic recovery from the COVID-19 pandemic, signed into law in March 2021. The funding was used for various programs, including emergency relief for state, local, and tribal governments, support for homeowners and renters, and investments in infrastructure like broadband. Funding for most of the programs had to be obligated by the end of 2024 and spent by the end of 2026.



PARKS

The Pursuit of Excellence

Park Maintenance & Revitalization

Park maintenance and revitalization refer to the activities and investments that keep Montgomery Township's 15 parks safe, functional, and enjoyable for the public. Here's a breakdown:

Maintenance – Ongoing work to keep parks in good condition, including:

- Mowing grass, trimming trees and shrubs
- Repairing playground equipment, benches, and trails
- Emptying trash bins and maintaining restrooms
- Painting, cleaning, and general upkeep

Revitalization – Improvements or upgrades that enhance the park experience, often after wear and tear or to modernize facilities, including:

- Renovating playgrounds or sports fields
- Installing new fitness equipment or picnic areas
- Upgrading lighting, pathways, or signage
- Restoring natural areas, ponds, or landscaping

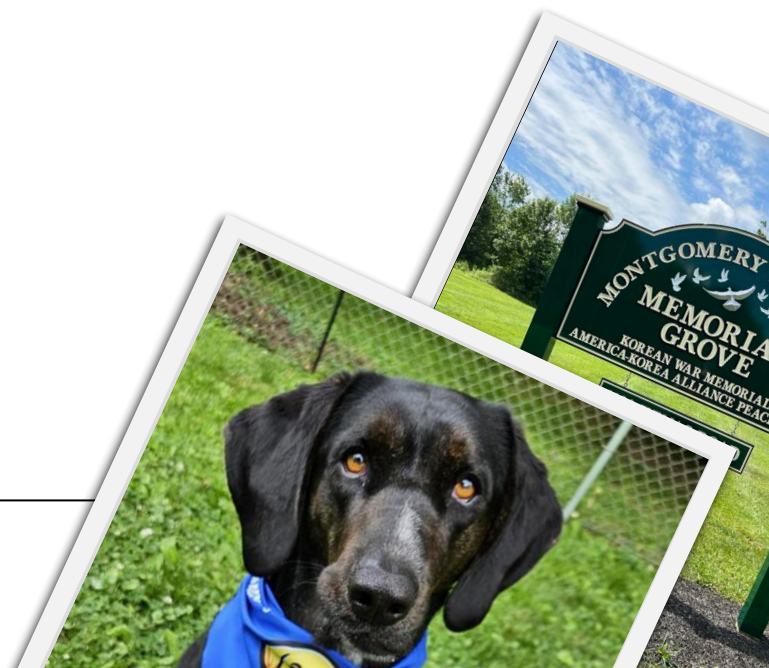
In 2024, the average tax bill of \$489. Of this amount, approximately \$44 was allocated to the Parks Fund 04 to support maintenance, programs, and recreational services for the community.

Park and Recreation (Fund 04)

Expenditures for the Park and Recreation Fund for 2024 were \$539,291, and revenues were \$595,459.

Following transfers, the fund posted a slight surplus of \$20,699 for the year and ended the year with a positive fund balance of \$901,045.

The sole source of revenue for this fund is real estate tax revenue, as there is dedicated millage for parks and recreation. Operating expenditures represent the wages of Public Works staff assigned to the parks and the costs related specifically to park maintenance.



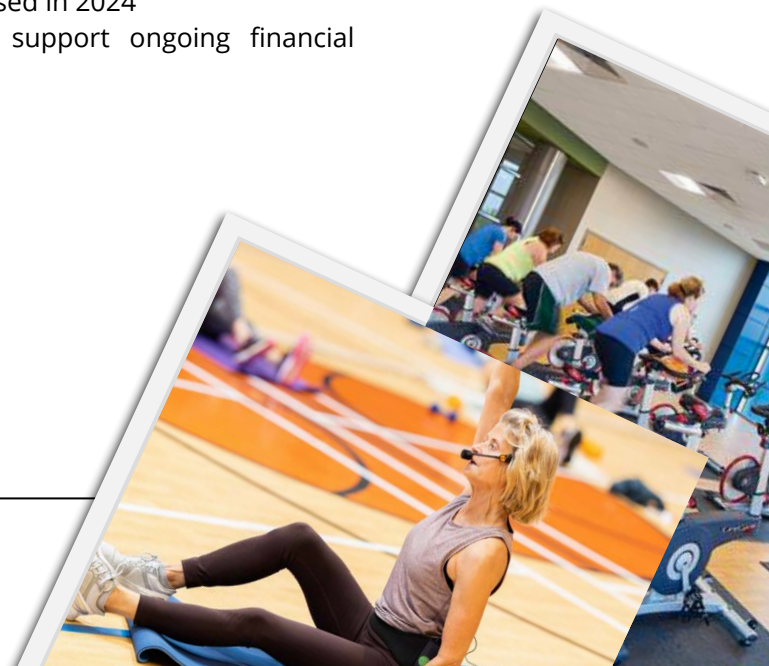


Community Recreation Center (Fund 09)

- Estimated operating revenues for 2024 totaled \$906,500, representing a 3.7% increase over 2023.
- Operating expenditures were projected at \$1,270,000, approximately 29% higher than the prior year's budget.
- The expenditure increase was primarily due to:
 - Hiring a fourth full-time employee
 - Higher part-time wages to support recruitment and retention efforts needed to maintain operating hours
 - An additional \$51,000 budgeted for contracted services
- The projected fund balance at December 31, 2024, was \$779,366; however, this balance primarily reflected the CRC's fixed assets rather than available cash.
- Based on discussions held during the Board's budget work session:
 - Fees for the Kids University program were increased in 2024
 - Other CRC program fees were reviewed to support ongoing financial sustainability



WWW.MONTCRC.COM



CAPITAL ASSETS

POPULAR ANNUAL FINANCIAL REPORT (PAFR)

In 2021, the Township issued a G.O. Note in the amount of \$15 million to pay for a variety of capital projects. In 2024, the Township expensed \$5,854,913 from the Capital Reserve Fund which contributed to the decrease in Governmental Fund balance. Of this ending balance amount, \$12,337,149 or 54.17% is restricted for uses such as Stormwater/NPDES projects, capital equipment replacement plans, road paving, acquisition of open space, and traffic improvements.

Capital assets, which include property, plant, equipment, and certain limited infrastructure assets, are reported in the applicable governmental or discretely presented component units columns in the government-wide financial statements, and business-type activities are reported as noncurrent assets on the proprietary fund financial statements. The Township defines capital assets as assets with an initial, individual cost equal to or greater than \$5,000. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.



Capital Reserve (Fund 30)

Expenditures for the Capital Reserve Fund for 2024 were \$5,854,913 for budgeted construction projects and equipment purchases. The balance of this fund was \$8,457,605 as of 12/31/2024.

2024 planned investments include:

- \$1.7 million – Traffic signal improvements
- \$742,000 – Parks and recreation projects, primarily at Fellowship Park (includes a \$250,000 DCNR grant)
- \$715,500 – Community and Recreation Center improvements
- \$520,500 – Stormwater management projects
- \$311,000 – Stump Road Sidewalk and RRFB pedestrian crossing project
- \$472,500 – Police vehicles and equipment
- \$400,000 – Public Works Street sweeper

Details on all projects and purchases are available in the Township's Capital Investment Plan (CIP). Revenues for this fund totaled \$620,754, and interfund transfers totaled \$3,405,069.

GREEN INITIATIVES



Montgomery Township continued to advance its commitment to sustainability and the Ready for 100 Initiative in 2024. The Township participated in a regional grant application for federal funding to install electric vehicle (EV) charging stations at key locations and undertook building lighting retrofits to improve energy efficiency.

The Shade Tree Commission held its Annual Arbor Day Tree Giveaway, and the Environmental Advisory Committee hosted its annual Electronics Recycling Event in April, both reinforcing the Township's focus on environmental stewardship.

In addition, the Board of Supervisors adopted the Single-Use Product Reduction Ordinance (Ordinance No. 23-337). Approved on September 26, 2023, and effective April 22, 2024, the ordinance regulates the distribution and use of single-use plastic carry-out bags, plastic straws, and polystyrene (Styrofoam) take-out containers. The ordinance applies to certain retail businesses such as restaurants, convenience stores, grocery stores, and other general merchandise retailers.

The Township also manages two dedicated funds that support its green initiatives:

- Environmental Fund (Fund 80): Expenses totaled \$79,802, primarily covering recycling collection services, including the bi-annual curbside leaf collection program. Revenues were \$160, resulting in a deficit of \$79,642; however, the fund ended the year with a positive balance of \$76,277.
- Replacement Tree Fund (Fund 05): Expenditures totaled \$38,651, with revenues of \$81,389. Revenues are generated from developer contributions under "fee in lieu of" provisions of the Land Development Ordinance.

Together, these efforts highlight Montgomery Township's ongoing progress toward its environmental and sustainability goals.



A CLOSER LOOK

DEBT MANAGEMENT

LONG-TERM DEBT

Total outstanding debt (end of 2024):

- \$13,824,000 – General Governmental Activities
 - Represents 34.76% of the Township's legal borrowing capacity
- \$6,915,000 – Community & Recreation Center
 - Represents 24.83% of its authorized borrowing capacity

This debt is secured by the full faith and credit of the Township's taxing authority. This evidences the Township's fiscally responsible approach to funding Capital Improvement projects.

DEBT SERVICE (FUND 23)

The Debt Service Fund accounts for the resources set aside to pay the Township's long-term debt, including principal, interest, and related costs.

In 2024, the fund received \$993,726 in revenues and spent \$637,209. After transfers, the fund reported a surplus of \$353,289 and ended the year with a positive balance of \$434,020.

A 0.37 mill Real Estate Tax increase, approved in connection with the Township's 2021 General Obligation Bond issuance, continues to support this fund. Proceeds from this tax are being used to advance the Township's Capital Investment Plan.



THE PURSUIT OF EXCELLENCE

POLICE SERVICES



In 2024, the Montgomery Township Police Department remained committed to delivering strong public safety services through training, innovation, and community engagement. **The average resident contributed \$149 of their annual Township tax bill to Police Services, helping to support 33,643 service calls.**

K-9 Program Excellence

Officer Haber and K-9 Riggs participated in the U.S. Police Canine Association Region 15 Field Trials in Gloucester Township, NJ. In their first attempt at the PD1 certification—which included suspect search, evidence search, obedience, and criminal apprehension—they placed 2nd overall and 1st in the novice division.

Grant Funding & Enforcement

The department received \$51,426 in county, state, and federal grant funding. These funds supported enforcement efforts focused on seat belt safety, impaired driving, and aggressive driving, and also helped purchase essential police equipment.

Training & Professional Development

Officers completed 5,702 hours of training through both in-person instruction and online coursework, strengthening departmental readiness and capability.

Community Engagement via CRIMEWATCH

The department expanded communication efforts through the CRIMEWATCH platform, keeping residents informed about events, traffic updates, and safety concerns. Residents can register for notifications and access services such as the do-not-solicit registry, pet registry, and vacant home checks.



SNEAK PEAK... 2025

2025 Budget Overview

Montgomery Township's 2025 budget totals \$30 million in operating expenditures across eleven governmental funds, representing a 14% increase over 2024.

The largest portion of the budget is the General Fund, which supports core government operations. In 2025, General Fund expenditures are projected at \$18 million, a 16% increase compared to 2024.

Revenue Highlights

- Real Estate Tax: Based on a total assessed value of \$2.18 billion, the General Fund millage rate remains at 1.59 mills, generating about \$3 million in 2025.
- Earned Income Tax: Implemented in 2003 at a rate of 1% of earned income for both residents and non-residents, this tax is expected to generate approximately \$6.2 million in 2025.

Residents can review the full 2025 Budget and Capital Investment Plan on the Township's website at www.montgomerytwppa.org.



THE WALL THAT HEALS



Montgomery Township, PA

In 2025, Montgomery Township proudly welcomed The Wall That Heals, a traveling three-quarter scale replica of the Vietnam Veterans Memorial in Washington, D.C. The exhibit drew thousands of visitors from across the region and brought our community together in a moving display of remembrance, gratitude, and unity. Hosting this powerful memorial was a significant community achievement—made possible through the dedication of local volunteers and Township staff—honoring the more than three million Americans who served in the Vietnam War and the 58,281 men and women who made the ultimate sacrifice.

Learn more at: thewallthathealsmontgomerytwppa2025.org



THE PURSUIT OF EXCELLENCE

FIRE SERVICES



Fire Protection Fund 03

This fund was supported by dedicated real estate tax millage and a portion of earned income and local services taxes. **The average taxpayer contributed \$93 toward fire services.** All expenditures were used for paid fire service protection and stipends for volunteer firefighters. For 2024, revenues totaled \$1,956,185, and expenditures totaled \$1,746,406.



- In 2024, the Montgomery Township Fire Department handled **908** fire safety responses, protecting lives, property, and local businesses.
- Career firefighters conducted **1,428** fire inspections in accordance with the International Fire Code to ensure safety for owners, employees, and the public, while also familiarizing themselves with facilities for potential emergencies.
- 11 fire drills (2,115 participants)
- 10 fire extinguisher trainings (213 attendees)
- 11 school fire safety presentations (904 attendees)

“We Are Montgomery Township” Podcast

Montgomery Township launched the “We Are Montgomery Township” podcast, hosted by Township Manager Carolyn McCreary, to foster citizen engagement and provide residents with insights into Township operations and initiatives.

In the inaugural episode, released in honor of Local Government Week, Carolyn and Public Information Coordinator Derek Muller discuss her journey to the Township Manager role, the challenges and achievements of local governance, and the collaborative spirit that drives the Township. Topics include pandemic response, stakeholder engagement, and the impact of the Township’s new capital investment plan.

The podcast highlights the dedication of Township staff and the importance of community in shaping Montgomery Township.



STAY IN TOUCH

Montgomery Township
1001 Stump Road, Montgomeryville, PA 18936



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