Popular Annual Financial Report 2026

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Message from the Director of Finance

This report gives us a chance to look back at Montgomery Township's 2025 financial results and share how those results help guide our planning for the future. The PAFR is designed to present key financial information in a clear and approachable way. The Township's recently completed 2025 financial audit reflects our continued commitment to responsible financial management, careful planning, and accountability to the community. Even as economic conditions change, Montgomery Township remains in a strong financial position to support current services and future investments.

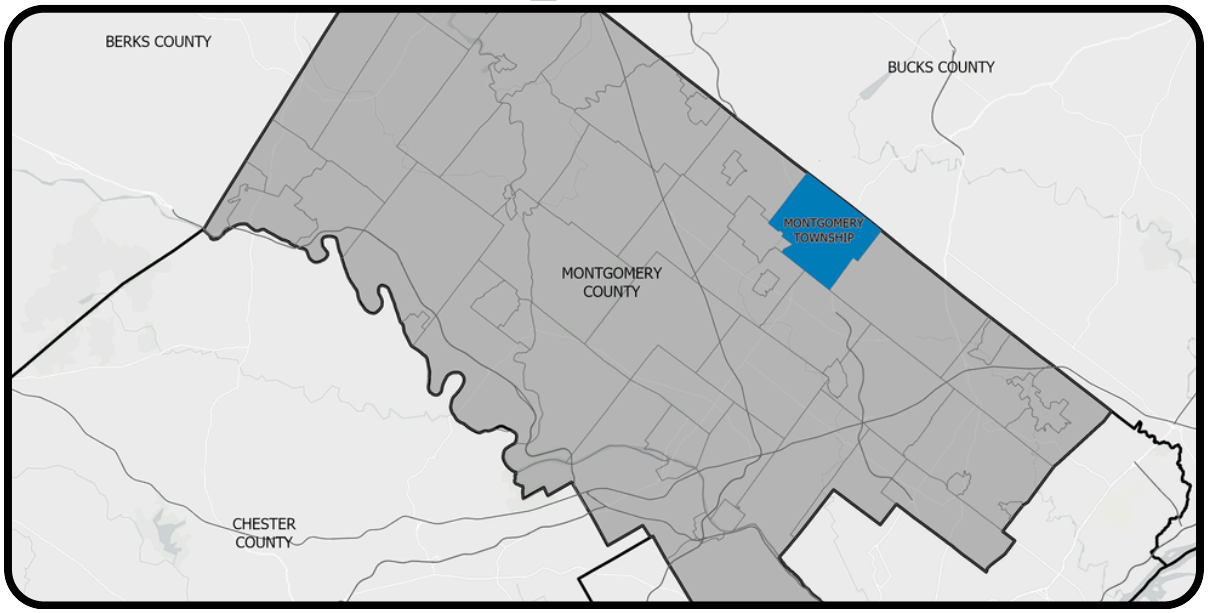
Several 2025 financial indicators demonstrate the Township's strong fiscal position and continued capacity to support essential services:

- Top-Tier Credit Rating: The Township maintained its AAA credit rating from Standard & Poor's.
- Healthy Reserves: The General Fund ended 2025 with an unassigned fund balance equal to 54% of expenditures, providing flexibility to respond to emergencies, economic changes, and future service needs.
- Economic Strength: Montgomery Township continues to benefit from a strong local economy and remains the 8th largest employment center in the county.
- Stable Revenue and Reduced Debt: Diverse revenue sources help limit reliance on any single funding stream, while continued debt reduction strengthens the Township's overall financial position.

This PAFR presents selected financial information for the Township's two primary fund areas: the General Fund, which supports day-to-day operations, and the Capital Reserve Funds, which support major infrastructure and long-term capital investment. Montgomery Township manages several funds; this report intentionally focuses on the funds most directly connected to core services, capital planning, and resident-facing financial priorities.

The financial information presented on the following pages is derived from the Township's audited 2025 financial data prepared in accordance with generally accepted accounting principles (GAAP). This report is intended to supplement, not replace, the full 2025 Annual Comprehensive Financial Report (ACFR), which includes all funds, component units, financial statements, notes, and required disclosures. The complete ACFR and other fiscal updates are available on the Township's official website: www.montgomerytwp.org.

Montgomery Township



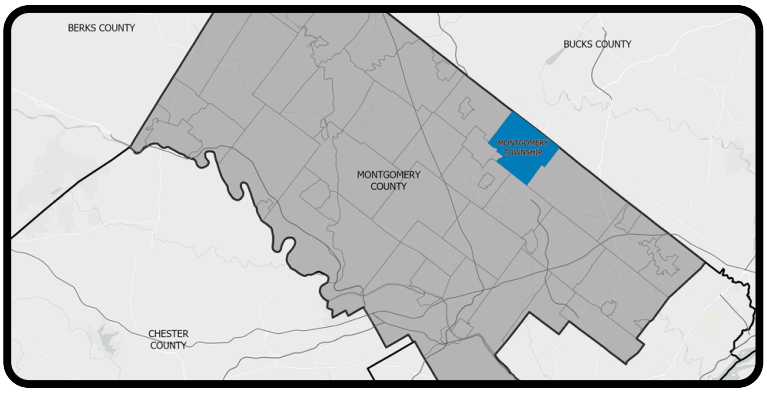
At the Crossroads ...

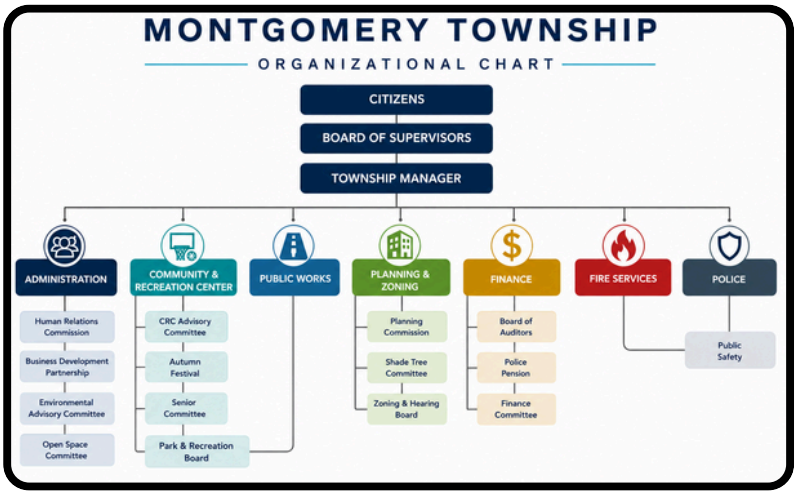
Montgomery Township is a Second-Class Township in the Commonwealth of Pennsylvania and a core part of the North Penn region. Governed by a five-member Board of Supervisors, the Township is supported by nearly 100 full-time staff members and over 130 community volunteers serving on various boards and commissions. Local neighborhoods offer a wide variety of housing options, including single-family homes, townhomes, age-restricted communities, and apartment complexes.

Quality of life is further enhanced by robust recreational amenities. The Montgomery Township Community & Recreation Center offers inclusive programming for all ages, while outdoor enthusiasts enjoy 15 municipal parks. A major feature of the local recreation system is the US 202 Parkway trail. Completed by PennDOT in 2013, the surrounding US 202 Parkway is designated as a Scenic Byway—the only roadway in Montgomery County to hold this honor. The adjacent 8.4-mile paved trail provides a dedicated corridor for biking, walking, running, and inline skating.

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Your Community





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Montgomery Township, PA market summary

Key indicators as of August 2026

Metric	Citywide	1Y Change	3Y Change
Median listing $	$489,000	-12.68%	-0.68%
Median sold $	$515,000	-7.71%	-19.84%
$ per sq ft	$261/sq ft	10.66%	12.50%
Active listings	85	24.07%	71.79%
Median days on market	29 days	23.40%	31.82%
Rental properties	14	-31.03%	53.85%
Median rent	$2,975/mo	2.59%	19%

Montgomery Township is located in Montgomery County, Pennsylvania, just outside the City of Philadelphia, and serves as an important suburban community within the greater metropolitan region. Its location along major regional transportation corridors has shaped the township's development and land-use patterns.

The township's rolling Piedmont landscape includes key watersheds such as the Neshaminy and Wissahickon Creeks. Its four-season climate brings weather extremes, including winter snowstorms, summer thunderstorms, and tropical weather events, all of which directly affect municipal operations and costs.

These geographic and environmental conditions significantly influence budget priorities. Stormwater management requires ongoing investment to maintain compliance, reduce flooding, and protect water quality. Winter weather creates unpredictable costs for salt, snow removal equipment, and overtime. Severe weather also accelerates wear on roads, culverts, parks, and other public infrastructure, increasing maintenance and capital needs.

As a result, Montgomery Township's budget includes contingency planning, infrastructure investment, and stormwater-related funding to support service delivery, protect public assets, and maintain long-term fiscal stability.

TOP BUSINESSES	TOP EMPLOYERS
Breakthru Beverages	Cobham Advanced Electronics
Costco	Federal Express Corporation
Wegman's	Costco

Net Position

What is the best indicator of Montgomery Township's financial health?

Net Position.

What is "Net Position" and Why Does It Matter?

Think of Net Position as Montgomery Township's financial net worth. It is calculated by taking everything the Township owns (such as cash, parks, buildings, and roads) and subtracting everything we owe (such as long-term debt and bills). A strong net position means our assets outpace our debts. This financial strength protects our top-tier AAA credit rating, keeps borrowing costs low for taxpayers, and ensures we have the long-term resources needed to keep our community safe and thriving.

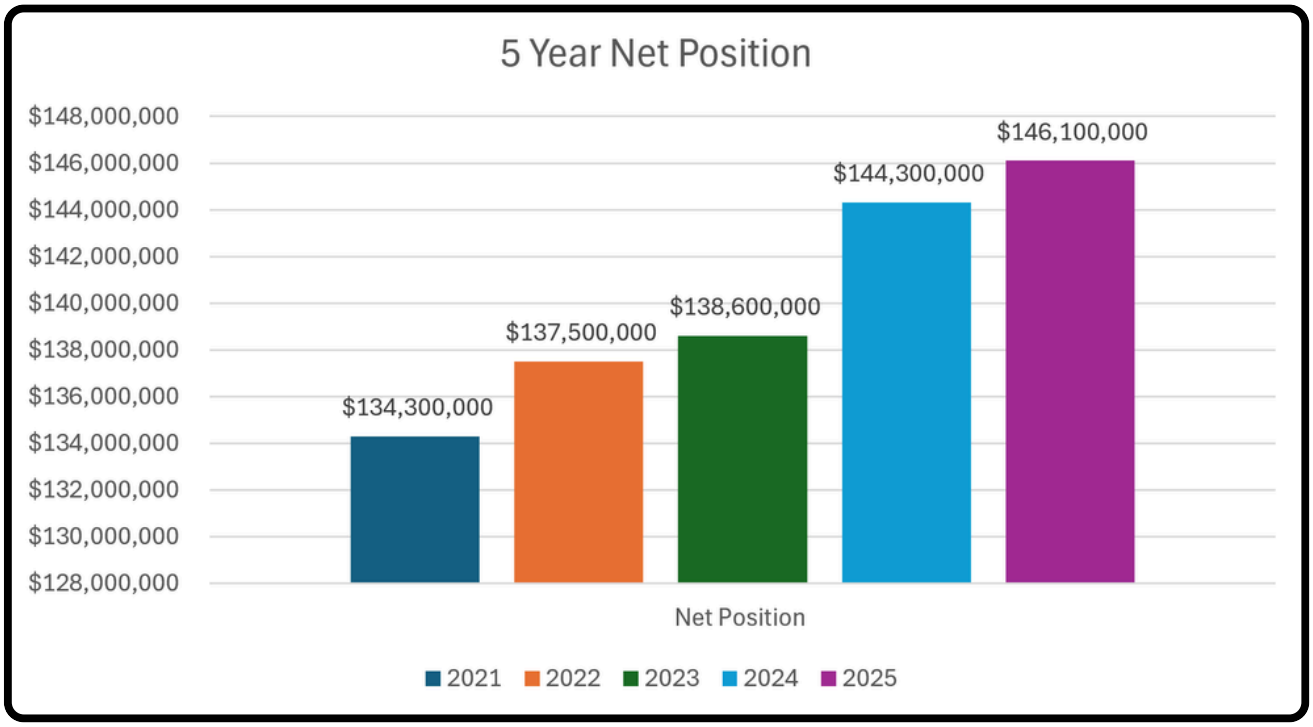
Here is exactly how that total breaks down across our three core operational areas:

Operational Area	What We Own (Assets)	What We Owe (Liabilities)	Our Net Worth (Net Position)
Core Town Services *(Police, Roads, Parks)*	$167.0 Million	$21 Million	**$146.1 Million**
Business Activities *(Community & Rec Center)*	$8.1 Million	$7 Million	**$1.4 Million**
Partner Authorities *(Sewer & Fire Department)*	$39.6 Million	$1 Million	**$38.1 Million**
TOTAL TOWNSHIP WORTH	**$214.7 Million**	**$29.0 Million**	**$185.7 Million**

4mounts are rounded for readability, so totals may not add exactly due to rounding and internal accounting adjustments.

When you look beyond our day-to-day operations and add up every single part of Montgomery Township, our total combined net worth reaches $185,675,034.

Net Position
The 5-Year Analysis & Why This Matters



A single year provides an important snapshot of Montgomery Township's financial position, but a five-year analysis offers a broader view of long-term financial stability. This trend reflects steady growth in the Township's overall net position.

A Sign of Strong Financial Health:

Montgomery Township's net position grew from $134.3 million to $146.1 million over five years. This steady increase shows that the Township is not just doing well in one year—it is building strength over time.

Protecting Our AAA Credit Rating:

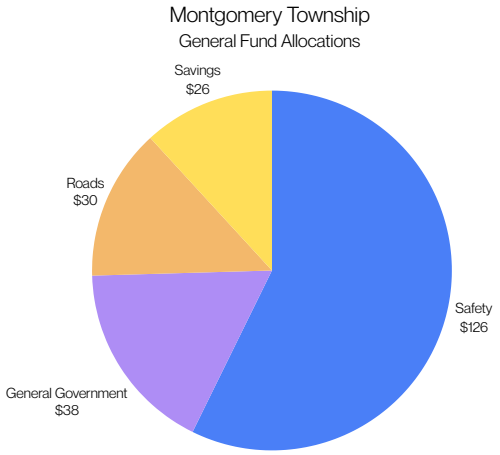
A strong net position helps show rating agencies that the Township is financially stable. This supports our AAA credit rating, which helps keep borrowing costs lower when the Township invests in roads, facilities, parks, and other community needs.

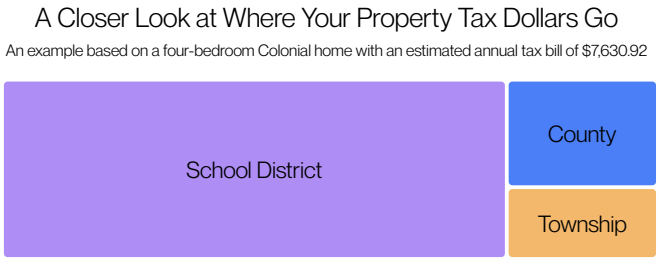
Planning for the Future:

The $11.8 million increase over five years shows that the Township is strengthening its financial foundation while continuing to manage assets and debt responsibly. This helps reduce pressure on future taxpayers and supports long-term services for the community.

About Tax Dollars

Entity / Dedicated Fund	Annual Tax Amount
School District	$5,884.39
Montgomery County	$964.37
Township: General Fund	$220.70
Township: Fire Protection	$176.56
Township: Capital Reserve	$158.90
Township: Debt Service	$91.81
Township: Parks & Rec	$47.67
Community College	$86.51
Total Bill	$7,630.92





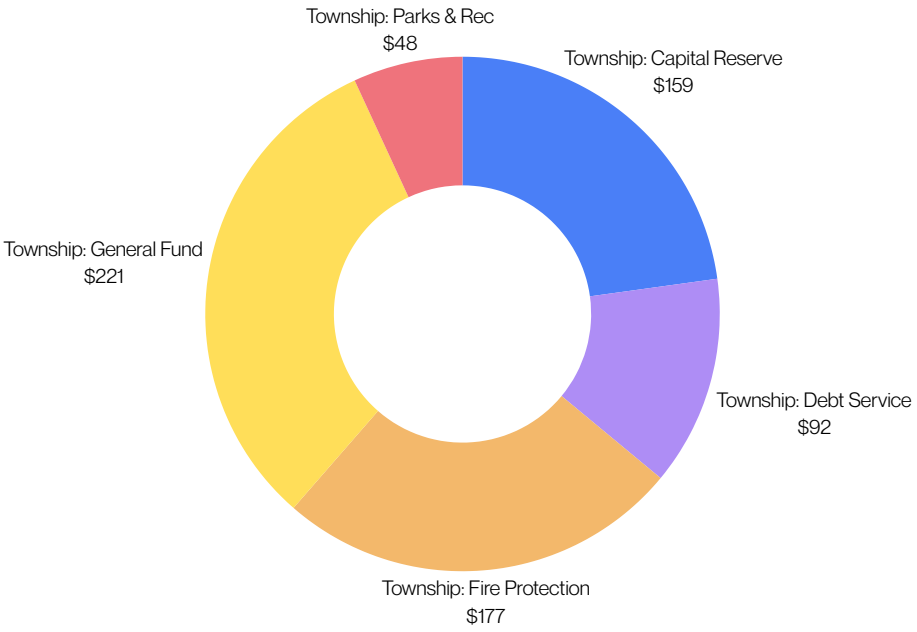
Understanding Your Property 2026 Tax Bills

To make the property tax breakdown easier to understand, this example uses a typical residential property in Montgomery Township: a four-bedroom Colonial-style home built in the early 1990s and located in an established neighborhood within the Township. The property has an assessed value of $176,560, which is used to calculate the estimated annual property tax bill based on the 2026 millage rates for the School District, Montgomery County, Montgomery Township, and the Community College.

Using this example, the estimated total annual property tax bill is $7,630.92. Of that total, Montgomery Township receives $695.65, or approximately 9 cents of every property tax dollar. The Township's portion helps fund the local services residents see and rely on every day, including public safety, fire protection, road maintenance, parks and recreation, capital planning, debt service, and general Township operations.

The purpose of this information is to empower residents with a clearer understanding of where their money is being spent. By showing both the full tax bill and the Township's share, residents can better see how their tax dollars are allocated and how the Township uses its portion to maintain essential services, plan responsibly for future needs, and invest in the community's long-term quality of life.

More Tax Dollars



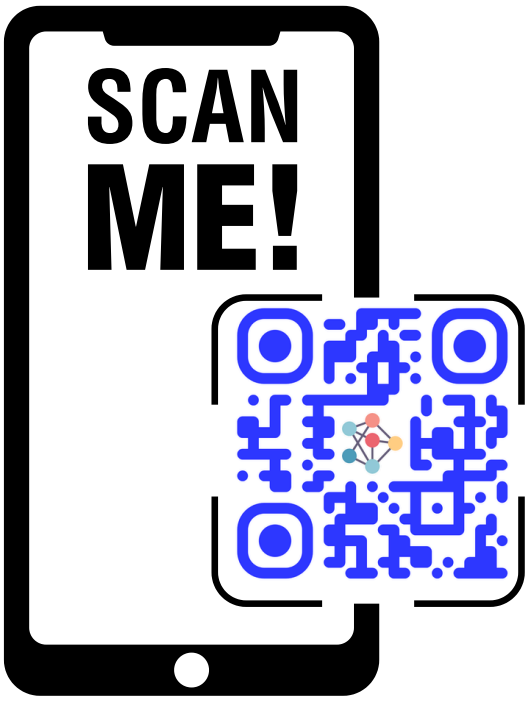
This chart shows how the hypothetical $695.65 2026 Township tax bill referenced on the previous page is allocated across the Township's funds. The 2026 amended budget includes a 1 mill real estate tax increase, with revenue distributed among the General Fund, Fire Protection Fund, and Capital Reserves Fund to support daily operations, public safety, infrastructure, capital improvements, and long-term fiscal planning.

Newly Elected
Tina Stoll, Tax Collector

Montgomery Township is pleased to share information about services offered by newly elected Real Estate Tax Collector Tina Stoll. As an elected official, the Tax Collector operates independently from the Township, but her office plays an important role in helping residents, businesses, and financial institutions access real estate tax information, make payments, request receipts, and stay informed throughout the property tax cycle.

Online Tax Services Available Through the Tax Collector's Office

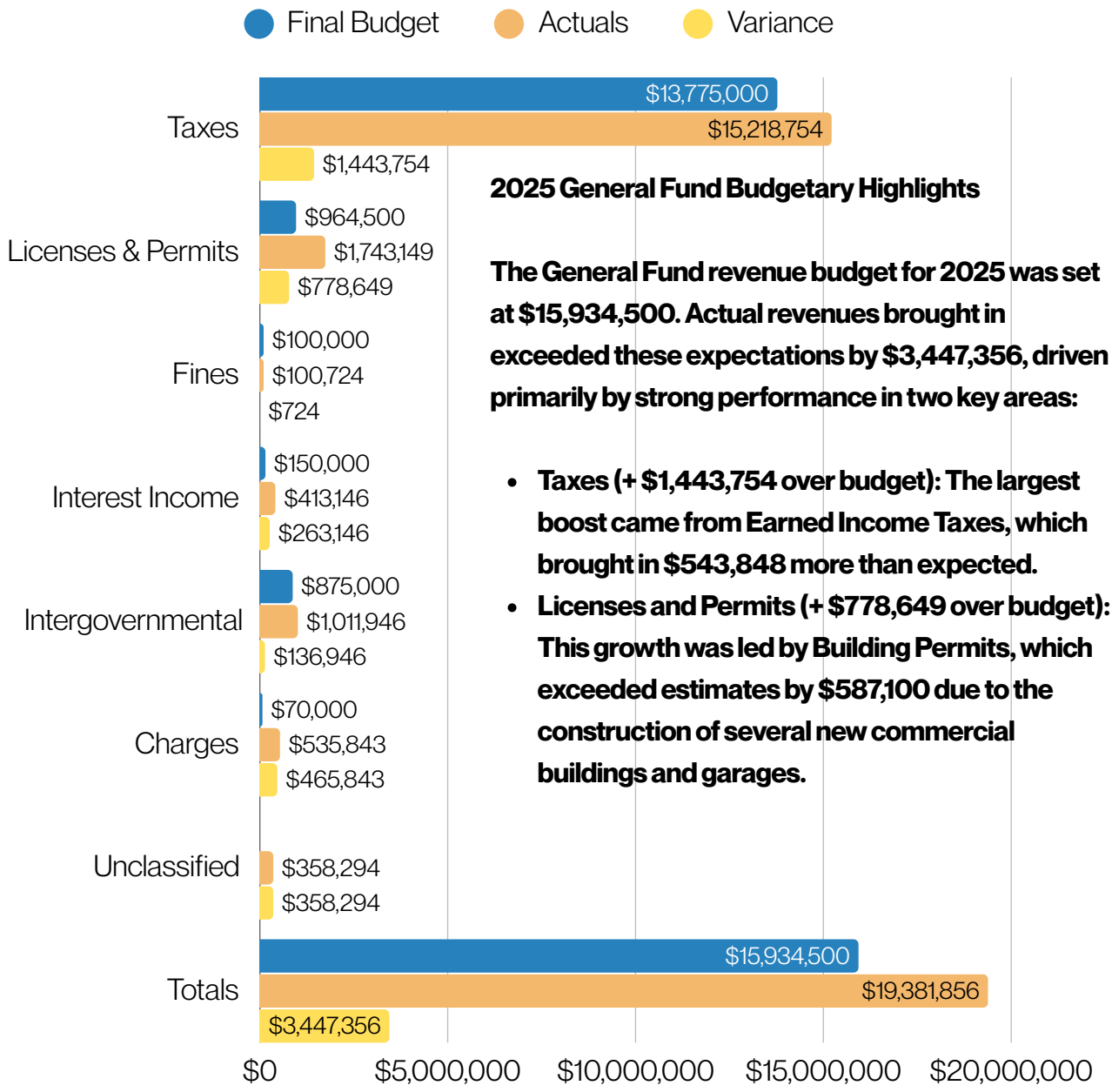
- Secure online payments: Taxpayers can pay real estate taxes online by credit card, debit card, or ACH through the Tax Collector's website.
- Tax bills and receipts: Users can view past tax bills and obtain copies of payment receipts when needed.
- Tax certifications: Real estate professionals can request tax certifications online through the Tax Collector's website.
- Tax updates by text or email: Property owners can sign up through the Tax Collector's website to receive tax-related updates.
- Help and FAQs: The website includes answers to common questions about township, county, and school tax bills; and payment schedules; etc.



montgomerytownshiptaxcollector.com

About Revenues

2025 General Fund Budgetary Comparison



2025 General Fund Budgetary Highlights

The General Fund revenue budget for 2025 was set at $15,934,500. Actual revenues brought in exceeded these expectations by $3,447,356, driven primarily by strong performance in two key areas:

- **Taxes (+ $1,443,754 over budget): The largest boost came from Earned Income Taxes, which brought in $543,848 more than expected.**
- **Licenses and Permits (+ $778,649 over budget): This growth was led by Building Permits, which exceeded estimates by $587,100 due to the construction of several new commercial buildings and garages.**

The 2026 PAFR focuses explicitly on the General Fund and Capital Reserve Funds, which are maintained using the modified accrual basis of accounting. While Montgomery Township operates several funds, the remaining funds are omitted here for high-level simplicity. All financial metrics presented in this summary are derived directly from audited, GAAP-compliant data found within the full 2026 Annual Comprehensive Financial Report (ACFR). The complete ACFR is available for review online at www.montgomerytwp.org, along with other valuable financial documents.

About Expenditures

Public Safety: $10.24 Million (57.2%)

Our single largest investment goes directly to keeping our community safe. This includes Police services ($9.12M), *Fire protection ($250K), Code Enforcement ($665K), and Emergency medical services ($200K).

General Government: $3.10 Million (17.3%)

The administrative backbone required to run the Township efficiently. This covers daily Administration ($1.57M), Finance ($603K), Information Technology ($448K), Legal services ($102K), and Engineering ($169K).

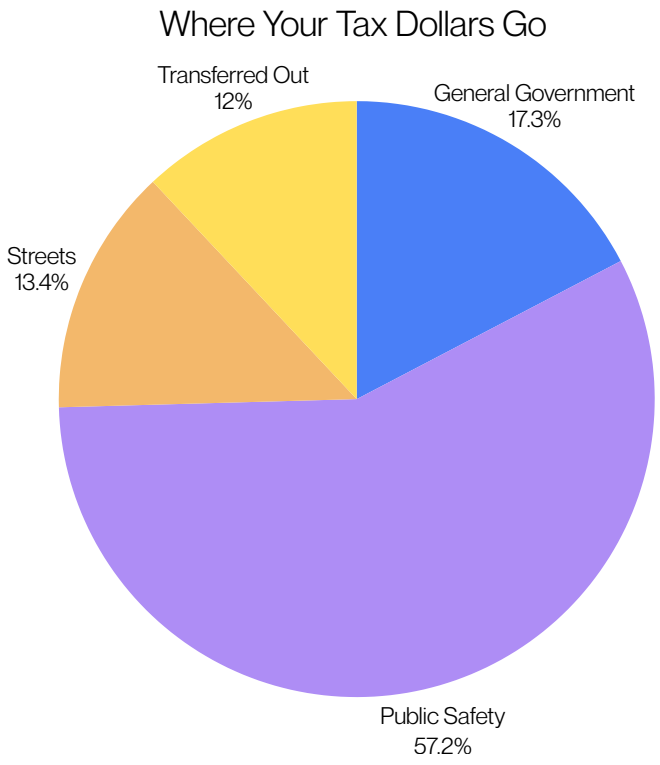
Highways and Streets: $2.41 Million (13.5%)

Funds dedicated to maintaining public infrastructure. This includes general Public Works operations ($2.15M), snow and ice removal ($116K), traffic signal safety ($81K), and storm sewer maintenance ($16K).

Key Financial Takeaway:

Spending in 2025 Came in Under Budget
The Township budgeted $18.27 million in total spending, while actual operational costs came in $379,348 under budget. **Because revenues exceeded expectations and expenditures were lower than projected, Montgomery Township generated an operational surplus that strengthened its 54% unassigned reserve position.**

What this means for residents: Budget management helped preserve service levels, reinforce financial flexibility, and position the Township to address future needs responsibly.



*** Note: This amount reflects only the General Fund contribution. Total fire protection expenditures are higher when including the Township's separate, dedicated Fire Fund.**

Employee Spotlight



Favian Zendejas

Systems Administrator

What is your role at Montgomery Township? I'm the Systems Administrator here at the Township. I've been here for almost 6 years.

What does a typical day look like for you? My priority every day is to address any IT emergencies that may occur, such as phone or internet outages at any of the Township buildings. After that, I focus on routine tasks such as server maintenance and Microsoft cloud administration. I also assist people with various computer or computer-adjacent problems as they're reported throughout the day.

How does your work contribute to serving the community? The crucial systems I'm responsible for directly impact the community, including our police dispatch, police vehicle computers, fire department's truck computers, and financial record-keeping software.

What other departments do you interact with regularly? I work with every department most days! Whether it be helping the Public Works Department with their computers that interact with streetlights or the Community and Recreation Center and its meeting rooms and sound systems, I'm there to help.

Do you have a favorite Township event or program? Autumn Fest is my favorite event because I get to engage with our community more directly. I get to help our residents and vendors by shuttling them around on golf carts.

What is your favorite lunchtime place to eat in the Township? Don't tell Chik fil' A this but I think Taco Bell might be my favorite spot.



Amy Gehman

Assistant Zoning Officer

What is your role at Montgomery Township? I am the Assistant Zoning Officer, here for almost 4 years.

What does a typical day look like for you? Greet customers in the office and on the phone, accept permit applications, and answer inquiries on various topics. Application input, issue permits. Work in conjunction with the entire team to ensure all inquiries are handled. Shade Tree Commission representative.

How does your work contribute to serving the community? Residents often have "how-to" questions, such as whether they need a permit, how big they can build, and what is allowed in the Township.

What other departments do you interact with regularly? MTMSA, Finance, Administration.

Do you have a favorite Township event or program? Trick question—Autumn Fest.

Wh**at is your favorite lunchtime place to eat in the Township?** In the lunchroom or outdoors in nice weather.

Capital Fund (30)

$4,089,225

2026 Anticipated Grant Funding

$195,000

Cost Sharing with both Horsham Township and Lansdale Borough

$3,500,000

Funds Transferred from General Fund

$11,572,300

2026 Capital Approved Expenditures

Fast Facts

The Capital Fund supports Montgomery Township's long-term investment in infrastructure, facilities, vehicles, equipment, technology, and other major improvements that help maintain high-quality services for residents.

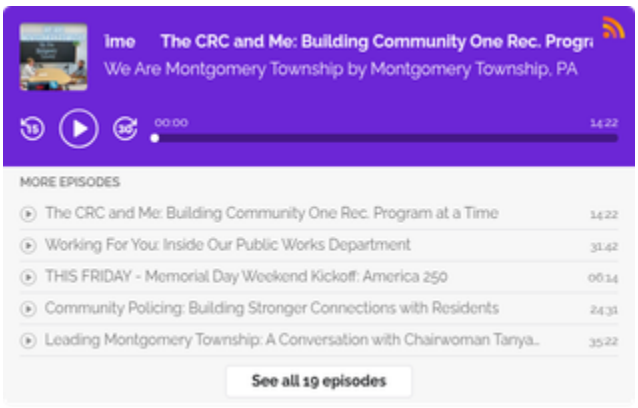
Unlike the General Fund, which supports day-to-day operations, the Capital Fund is used for larger, planned expenses that often provide benefits over many years. Projects are reviewed and prioritized through the Township's capital planning process to balance community needs, available funding, and long-term financial sustainability. By setting aside resources for capital needs, the Township can replace aging assets, address infrastructure demands, and plan ahead for future improvements while reducing the need for unexpected spending.

Want a closer look at how Montgomery Township plans for future capital needs? This podcast episode highlights the projects, priorities, and internal processes that guide long-term improvements across the Township. Rather than focusing only on dollars and budgets, the discussion offers insight into how needs are identified, how projects move from idea to planning, and how departments work together to address infrastructure, equipment, facility, and service-related priorities. Listeners will hear more about current projects, future needs, and the careful coordination required to keep Township operations running smoothly while preparing for continued community growth. It is a helpful companion to the Capital Fund overview and gives residents a better understanding of the work behind the improvements they see throughout the Township.

2025 Fund Analysis

Expenditures for the Capital Reserve Fund for 2025 were $4,292,428 for budgeted capital construction projects and capital equipment purchases. Revenues for this fund were $358,766 and interfund transfers in of $2,530,000. The fund balance of this fund totaled a positive $7,206,740.

Additional details about the Capital Reserve Fund, including project activity, revenues, expenditures, and year-end balances, are available in Montgomery Township's Annual Comprehensive Financial Report (ACFR), which provides a more complete overview of the Township's financial position.



https://rss.com/podcasts/monttwp/

2026 Capital Project Spotlight

Curb and Ramp



Montgomery Township allocates $635,500 of its capital budget directly to concrete curb and sidewalk infrastructure. Every local roadway overlay and reconstruction project triggers strict federal ADA regulations. Ramps must integrate precise slopes, transitions, and detectable textures for universal accessibility.

Traffic Improvments



As part of the Township's $1,196,200 Capital budget allocated to Traffic, a new Rectangular Rapid Flashing Beacon was installed at the Stump Road crosswalk to The Village Shopping Center. This improvement supports pedestrian safety, increases driver awareness, and reflects continued investment in safer, more accessible community infrastructure.

Reflecting On 20 Years of Stewardship

Looking back 20 years offers more than nostalgia; it shows how long-term planning continues to shape the services residents rely on today. In 2006, Montgomery Township was already focused on many priorities that remain familiar in 2026, including public safety, parks and recreation, open space, traffic flow, stormwater management, fiscal soundness, and community engagement.

The scale of those responsibilities has grown. In 2006, the Police Department responded to 24,792 calls for service; by 2025, that number had increased to 33,023. The 2006 report also noted 683 fire calls and 299 fire and public safety inspections, underscoring how essential emergency services were then and continue to be today.

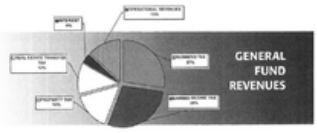
Capital planning shows a similar story. In 2006, the Township set aside $2 million to support the Park and Recreation Board's Five-Year Plan and identified $2.13 million for open space planning and the preservation of Knapp Farmhouse. Today, the Township's Capital Improvement Plan incorporates forward-looking strategies for both municipal parks and the Community and Recreation Center, reflecting changing facility needs, construction costs, and resident expectations.

This 20-year view reinforces a steady theme: stewardship means balancing today's needs with tomorrow's responsibilities. As Montgomery Township continues to invest in safety, transparency, economic development, sustainability, and service excellence, responsible planning remains an ongoing commitment. To explore the Township's 2006 financial report in its entirety, please scan the QR code.

Montgomery Township Income Statement

	2006	2005	% Change
REVENUES			
BUSINESS TAX	$ 3,472,803	$ 3,326,858	4.39%
EARNED INCOME TAX	3,637,531	3,139,545	15.86%
PROPERTY TAX	1,922,421	1,685,282	14.07%
REAL ESTATE TRANSFER TAX	1,563,984	1,183,697	32.13%
INTEREST	458,030	100,555	355.50%
CHARGES, FINES AND FORFEITS	1,686,769	1,768,023	(4.61)%
TOTAL REVENUES	**$ 11,054,769**	**$ 9,455,937**	**12.16%**

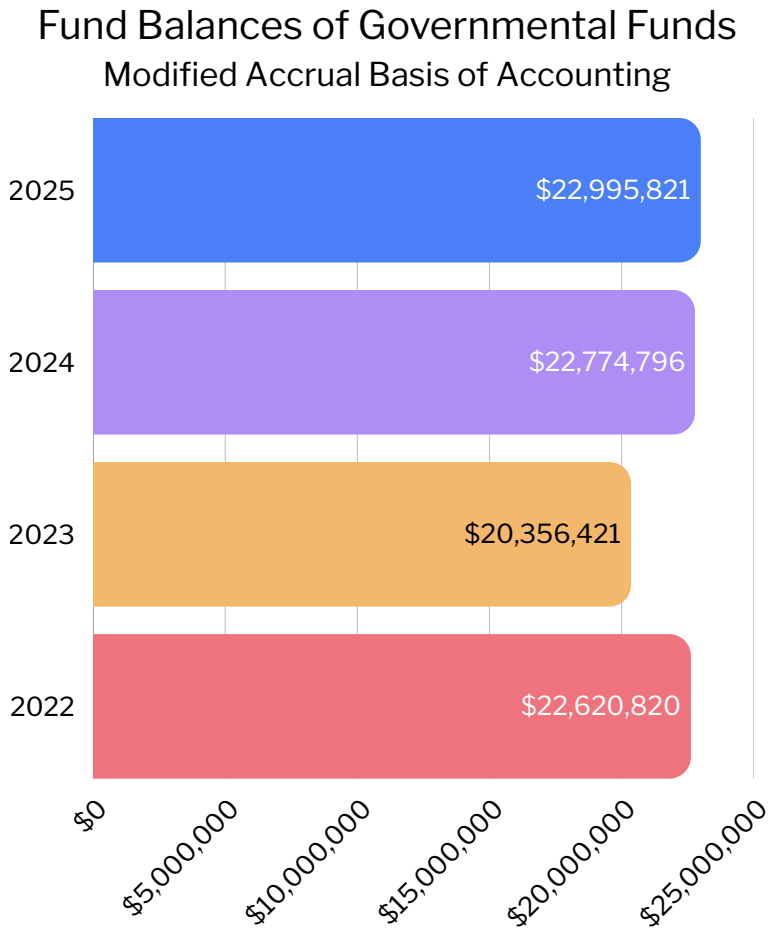
Actual revenues exceeded the original budgeted levels by 20.3%.



EXPENDITURES			
GENERAL GOVERNMENT	$ 1,772,550	$ 1,679,955	5.51%
PUBLIC SAFETY	5,446,987	5,147,543	5.82%
HIGHWAYS AND STREETS	1,503,686	1,550,864	(3.04)%
OTHER	469,714	459,437	2.24%
TOTAL EXPENDITURES	**$ 9,192,937**	**$ 8,837,799**	**4.02%**

SCAN ME

Financial Analysis



As highlighted at the beginning of this report, the Township's overall financial position remains resilient and structurally strong.

Why This Matters:

The chart above shows the Township's governmental fund balances from 2022 through 2025. Governmental funds are used to track the Township's core public services, including administration, police, public works, parks and recreation, and capital improvements. Funds that are set aside for specific operations, such as sewer and the Community Recreation Center, are tracked separately.

Fund balance is important because it helps show whether the Township has enough available resources to continue providing services, manage unexpected costs, and plan for future capital needs. Looking at fund balance over several years gives residents a clearer picture of the Township's financial position and how resources are being managed over time.

This chart provides a high-level summary for public reporting purposes. More detailed information and analysis are available in the Township's Annual Comprehensive Financial Report (ACFR), including ACFR pages 13xiv, 13xv, and 91.

MONTGOMERY TOWNSHIP'S 24TH ANNUAL

AUTUMN FESTIVAL





Date: Saturday, October 17th, 2026

Time: Noon - 5 p.m., Fireworks at 7 p.m.

Place: William F. Maule Park at Windlestrae (1147 Kenas Rd., North Wales, PA 19454)





An afternoon filled with family, friends, food and fall fun!

www.montgomerytwp.org ~ (267)-649-7200 ~ #MTAutumnFest

Contact Us

Phone	215-393-6900 or 215-855-6656
Email	generalinfo@montgomerytwp.org
Website	www.montgomerytwp.org
Address	1001 Stump Road, Montgomeryville, PA 18936

Readers interested in learning more about the Township's finances are encouraged to visit the Township website. In addition to the annual budget, the website provides access to several important financial documents, including the Annual Comprehensive Financial Report, Popular Annual Financial Report, Capital Budget, Fee Schedule, and other helpful resources. These documents offer additional detail about the Township's financial position, long-term planning efforts, revenues, expenditures, and the services supported by public funds.

