

DOYLESTOWN TOWNSHIP MUNICIPAL AUTHORITY
Minutes of 2024 Budget Work Session Meeting
September 21, 2023

The 2024 Budget Work Session meeting of the Doylestown Township Municipal Authority was held at 2:00pm on Thursday, September 21, 2023 in the Township Building with the following members in attendance: Joseph Van Houten, Chairman; Daniel Stairiker, Secretary and Robert Shaffer Assistant Secretary/Treasurer (via zoom 2:11pm). Also present at the meeting was Keith Hass, Executive Director; Ken Wallace, Finance Director of DTMA and Brent Eaton, Water Superintendent.

WELCOME

The DTMA Chairman, Mr. Joseph Van Houten, opened the meeting at 2:06 pm.

Overall General Summary Comments

Mr. Van Houten and Mr. Stairiker requested to see the prior year's information in summary sections in the form of both budgeted figures and percentage increases/decreases.

Mr. Hass reviewed the projected 2024 revenue largely composed of water sales. Mr. Stairiker inquired about the impact of the loss of Carriage Hill in Plumstead Township.

2023 total projected salaries are under budget due to not filling the open operator position.

Capital Expenses

The proposed 2024 capital projects were highlighted:

- 1) Cross Keys Pumping Station Upgrade
- 2) Northern Tank Transmission Loop (grant application determination awaiting).
- 3) Eastern Water Expansion (pertaining to Grasso Tract).
- 4) Replacement vehicle (Ford Escape) for Executive Director

Capital Improvement Revenue

2024 tapping fees are projected lower than in prior years.

Capital reimbursements will continue into 2024 for Pebbleridge/Woodridge and Butler Avenue projects.

Mr. Shaffer inquired about the 2023 capital reserve.

Mr. Wallace highlighted the DTMA investments and the current CD rates approaching 5.5%.

Operation Expenses

Mr. Stairiker inquired about the water purchase line item and the Doylestown Borough cost of water. Mr. Hass responded water purchases are necessary due to production wells that are offline.

Mr. Van Houten inquired about the increased PECO line item for electricity. Mr. Wallace explained DTMA entered into a contract with Constellation for lower rates and green energy. Mr. Van Houten asked if solar panels at well sites are a viable option?

Mr. Shaffer also asked about distribution expenses relating to water purchases. Mr. Hass explained water purchases are kept to a minimum but necessary with production wells that are offline for maintenance or water quality.

Mr. Van Houten inquired about the current rental rate for the water department. Mr. Stairiker discussed income and reserve requirements with the PFAS projects upcoming. Also, he suggested a study into current rates.

Mr. Van Houten discussed the grant possibilities for the upcoming PFAS projects. In addition, borrowing through PennVEST or a bond process must be considered if grants are not favored upon DTMA.

Mr. Van Houten asked Mr. Wallace about Township's Moody's rating – does the Authority benefit from that? Mr. Wallace indicated that most likely DTMA would need their own rating.

Water Cost Analysis

Mr. Hass reviewed the revised water cost report. He highlighted that the tapping fees and miscellaneous revenue will no longer be included per the Board's suggestion. Mr. Hass highlighted the overall cost analysis remained stable due to the increase in water sales.

Adjournment

With no further budget questions to come before the Authority, the meeting was adjourned at 3:10pm

Respectfully submitted,
Keith Hass
Executive Director


