

**OFFICIALS:**

NONI WEST, Mayor
JACK O'BRIEN, President
AMY POPKIN, Vice President
JOHN H. DAVIS, Manager

Borough of Doylestown
2026 Preliminary Budget
November 17, 2025

BUDGET PROCESS

Doylestown Borough's fiscal year coincides with the calendar year, beginning January 1 and ending December 31, per §1301 of the Borough Code.

The annual Borough budget is developed and analyzed throughout the fiscal year. In many cases, three fiscal-year budgets are being worked on in one fiscal year: closing out the previous year's budget, analyzing and working through the current year's budget, and developing the next year's budget. At the same time, Borough Council and staff continue to monitor the rolling 5-year Capital budget and make additions or deletions as warranted.

The process begins with a comparison of the current budget to actual revenues and expenditures. We are able to learn from any discrepancies and incorporate that knowledge into the proposed budget. We also evaluate current operations and staffing to see if adjustments are needed.

Starting in August, meetings are held with department heads to receive their input and needs for the coming fiscal year. The direction given to department heads is to present what they feel their department needs and estimated costs using the 5-year Capital budget as a starting point. Additional Capital budget requests are also submitted and reviewed. These requests are then reviewed with Council at the first budget worksession in October.

Police protection for Doylestown Borough is provided by the Central Bucks Regional Police Department, which serves Doylestown, New Britain, and Chalfont Boroughs. The Department was formed in 2014 by Doylestown and New Britain Boroughs, with Chalfont Borough joining in 2016. Percentage share contributions from each municipality are reviewed annually and are based on road miles, three-year average call volume, three-year year average crimes and population. Each municipality appoints elected officials to serve on the Police Commission which is responsible for preparing and submitting the police department budget to each municipality annually by September 1. The Boroughs will either accept or reject the budget at that time. If rejected, the Commission must make adjustments and resubmit a budget to the Boroughs by November 1.

After this process, a first draft of the budget is assembled. Once the first draft is ready, and revenue and expenditure numbers solidify, the Borough Manager then makes decisions on what to recommend to the Borough Council. The analysis takes into account the priority of budget requests, impact to the community, and potential tax implications. After the analysis is complete, the Borough Manager finalizes the proposed budget and transmits it to Borough Council. The first budget worksession is held in early October and is Council's first review of the entire budget and capital requests for all departments.

A second budget worksession is held in early November. Through this process, Council will work with the Manager to understand the proposal and ensure it meets the needs of the community. Council may amend the proposal as they deem fit. When Borough Council is comfortable with the budget, they will formally propose the budget in November and advertise it according to §1308 of the Borough Code.

After Council proposes and advertises a budget, and the required time has passed, they may make final amendments if desired and then adopt the budget no later than December 31. In conjunction with adoption of the budget, Borough Council will establish millage rates and fees for the coming year.

[2026 Budget Calendar](#)

Preparation of Staff Requests	July – August 2025
Manager Capital Budget Review	September 2025
Central Bucks Regional PD Budget Due	September 1, 2025
Staff Budget Update to Finance & Pension Committee	September 11, 2025
First Budget Meeting (Joint Finance Committee/Council)	October 9, 2025
Budget Changes/Amendments	October 10 – October 31, 2025
Central Bucks Regional PD Amended Budget Due	November 1, 2025
Second Budget Meeting (Joint Finance Committee/Council)	November 13, 2025
Third Budget Meeting (Joint Finance Committee/Council) Prior to Council meeting	November 17, 2025
Adoption of Preliminary Budget	November 17, 2025
Proposed Budget Advertised for Public Inspection	November 30, 2025
Final Budget Meeting (Joint Finance Committee/Council) Prior to Council meeting	December 15, 2025
Adoption of 2026 Budget and Tax Ordinance	December 15, 2025

EXECUTIVE SUMMARY

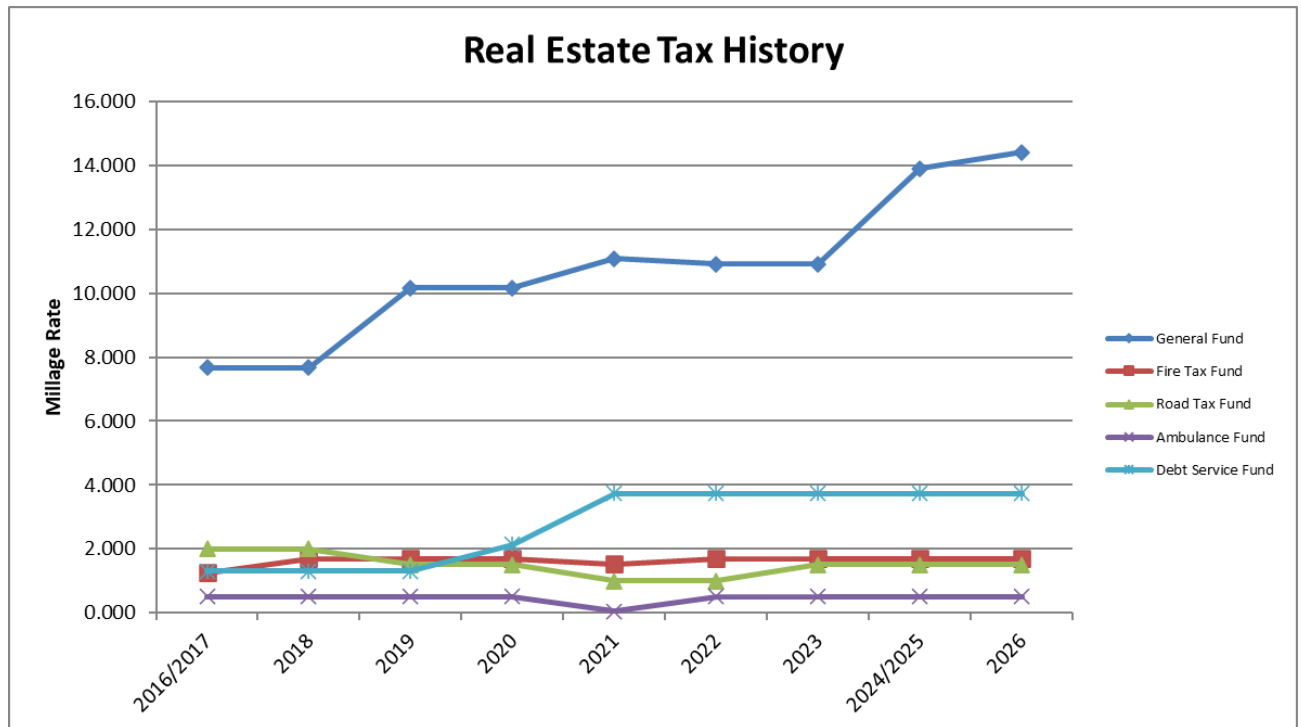
An extraordinary \$356,785 increase in Doylestown Borough's share of the Central Bucks Regional Police Department's 2026 Budget created a \$292,498 Operating Deficit in the Borough's General Fund. To address this deficit, the **2026 Preliminary General Fund Budget** includes property tax, parking fee, and parking fine increases.

The millage for General Purposes will increase 0.5 mills in 2026. The average homeowner will pay \$674.86 in **total** Borough Real Estate taxes in 2026, and increase of \$15.45.

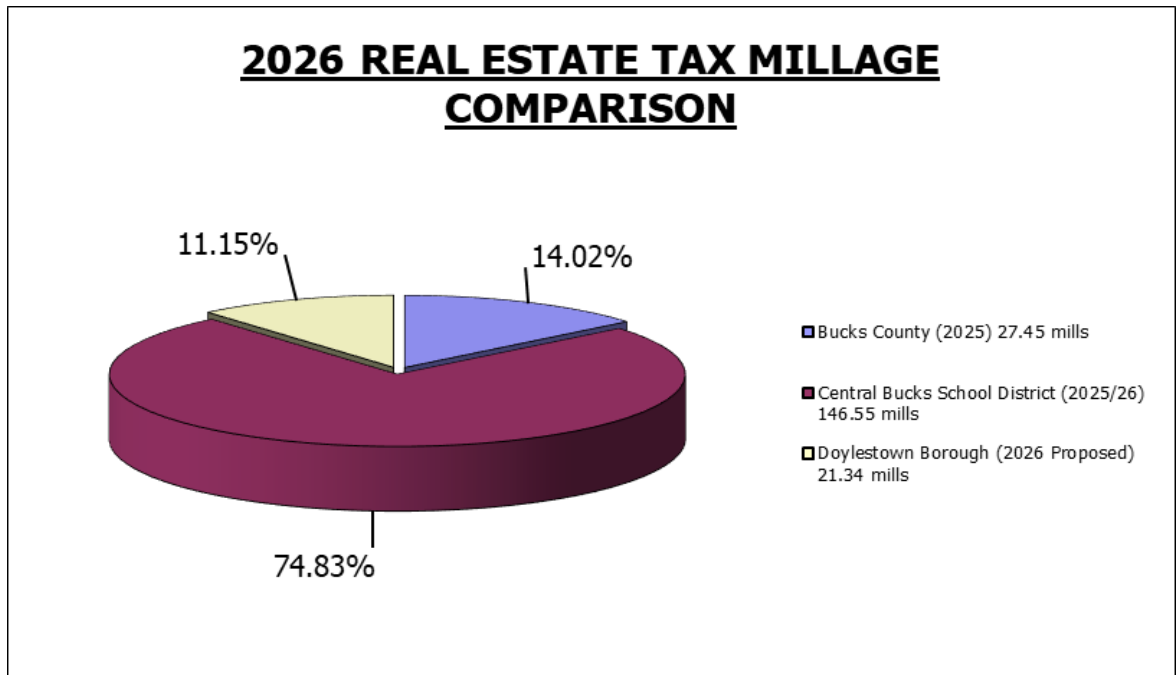
Average Residential Assessment	\$30,900
Dollar Cost of 1 mill of Borough Tax	\$30.90
2026 Total Borough Property Tax for the Average Homeowner:	

$$\$30.90 \text{ per mill} \times 21.84 \text{ total mills of tax} = \$674.86 \text{ per year}$$

General Purposes Tax 14.415 mills (66.0%)	=	\$445.42 per year
Fire Protection 1.70 mills (7.8%)	=	\$ 52.53 per year
Special Road Fund Tax 1.50 mills (6.8%)	=	\$ 46.35 per year
Ambulance & Rescue 0.50 mills (2.3%)	=	\$ 15.45 per year
Debt Service Fund 3.725 mills (17.1%)	=	\$115.11 per year



The Doylestown Borough Real Estate Tax continues to be the smallest portion of a Borough homeowner's overall Real Estate Tax bill, accounting for 11.15% of the total taxes paid.



In addition, parking meter and lot fees will increase from \$1.50 per hour to \$1.75 per hour, and the expired parking meter fine will increase from \$20 to \$25.

The new \$1.75 meter fee places the Borough at roughly the regional average while the new \$25 expired meter fine is equivalent to the lowest in the region.

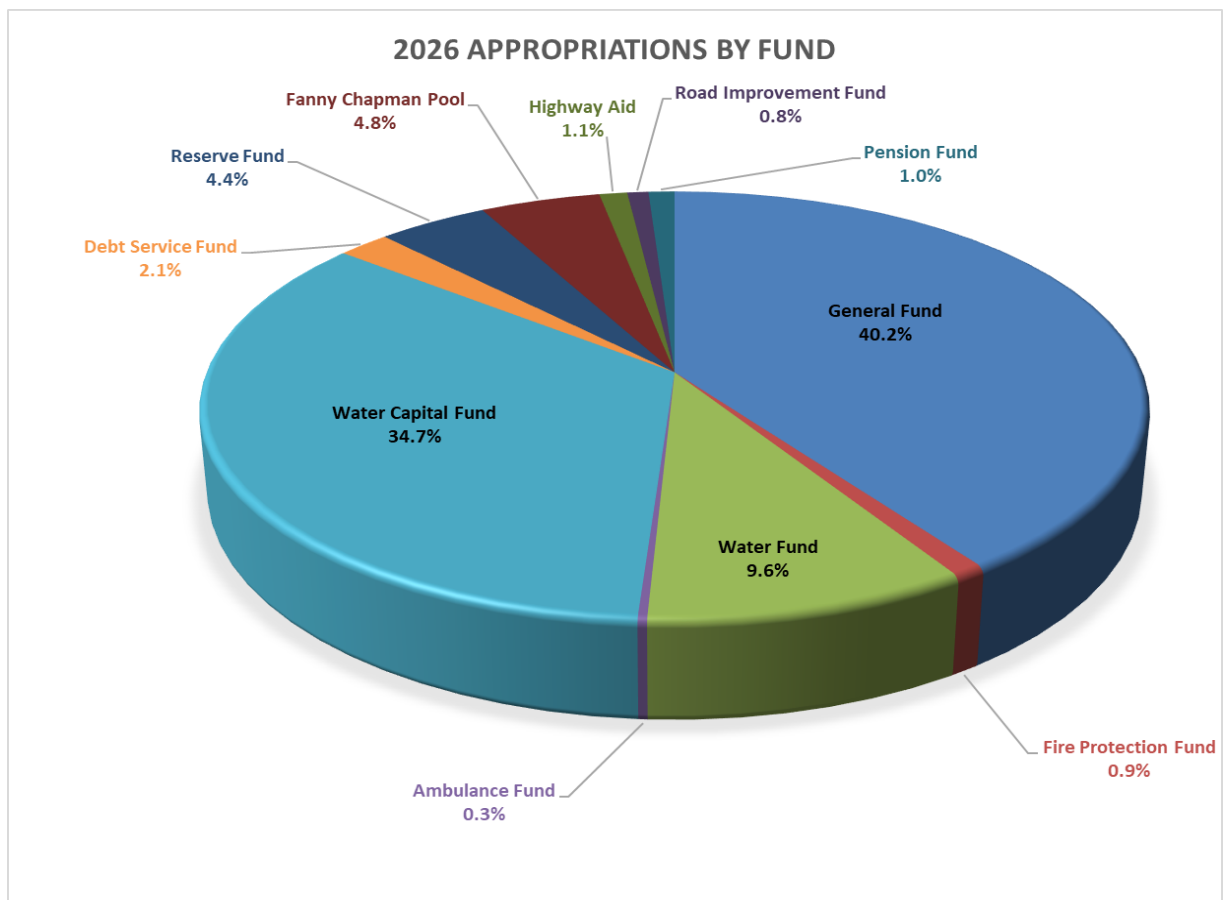
<u>Hourly Parking Meter Fee</u>		<u>Expired Parking Meter Fine</u>	
New Hope Borough	\$ 2.00	New Hope Borough	\$ 35.00
Phoenixville	\$ 2.00	Reading	\$ 35.00
Allentown	\$ 2.00	West Chester	\$ 30.00
Reading	\$ 2.00	Norristown	\$ 28.00
Doylestown Borough	\$ 1.75	Phoenixville	\$ 25.00
West Chester	\$ 1.50	Allentown	\$ 25.00
Media	\$ 1.50	Media	\$ 25.00
Norristown	\$ 1.50	Doylestown Borough	\$ 25.00

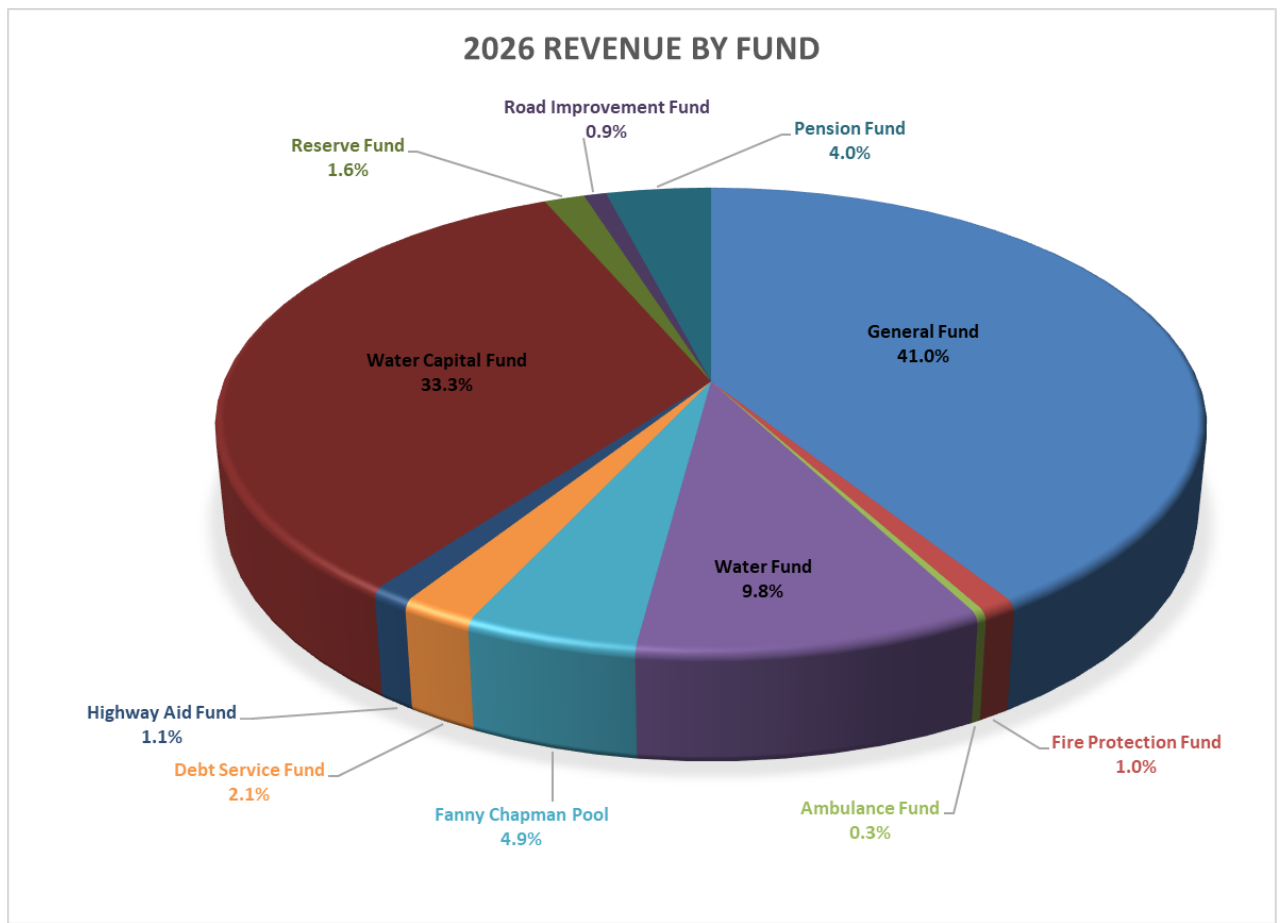
Although water rates are expected to remain below the regional average, the average quarterly household water bill will increase by \$7.08 in 2026 as the Borough deals with rising chemical, electric, and drought-related costs and continues to take steps to address the nationwide PFOS/PFAS contamination crisis, and EPA's stringent new lead regulations.

Despite the receipt of a \$6 million Pennvest Grant and low-interest loan, the Borough's cost to fund PFOS/PFAS and lead remediation is estimated to cost an additional \$5 million over the next five years with significant increases in operating expenses for water treatment to follow.

The forecasted total beginning fund balance (all funds) for 2026 is \$11,976,033. A total of \$21,227,945 in revenues is anticipated with \$21,746,368 proposed in expenditures over all eleven funds, leaving a fund balance of \$11,457,610. The breakdown of revenues and expenditures is listed below:

TAX		BEGINNING	2026	2026	ENDING
<u>MILLAGE</u>	<u>FUND</u>	<u>BALANCE</u>	<u>REVENUES</u>	<u>APPROPRIATIONS</u>	<u>BALANCE</u>
14.415	General Fund	\$ 500,000	\$ 8,704,993	\$ (8,744,491)	\$ 460,502
0	Water Fund	269,476	2,087,150	(2,096,703)	259,923
0	Water Capital Fund	714,744	7,075,000	(7,548,700)	241,044
0	Reserve Fund	3,655,926	330,007	(955,332)	3,030,601
1.700	Fire Protection Fund	100	204,500	(204,500)	100
0.500	Ambulance Squad Fund	-	60,200	(60,200)	-
0	Fanny Chapman Pool Fund	100,000	1,038,725	(1,038,725)	100,000
3.725	Debt Service Fund	32,721	448,500	(450,189)	31,032
0	Highway Aid Fund	3,936	240,132	(241,000)	3,068
1.500	Road Improvement Fund	3,500	180,500	(182,000)	2,000
0	Non Uniform Pension Fund	6,695,630	858,238	(224,528)	7,329,340
21.840	TOTAL:	\$ 11,976,033	\$ 21,227,945	\$ (21,746,368)	\$ 11,457,610





GENERAL FUND BUDGET

The **General Fund** is Doylestown Borough's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General fund includes appropriations for administration and finance, planning and zoning, code enforcement, public works, parking, parks and recreation, community development, and employee benefits and insurance.

Primary revenue sources for the General Fund are Real Property Taxes, Act 511 taxes (Earned Income, Local Services and Real Estate Transfer taxes), Licenses & Permit fees, Meter Fines and Fees, and State Shared Entitlements and charges. Other sources of revenue in the General Fund include cable TV franchise fees, cell tower rental revenue, and interfund transfers.

The 2026 General Fund Budget is severely impacted by a 9.6% increase in the Borough's share of the Central Bucks Regional Police Department's budget totaling \$356,785. This amount is significantly larger than the General Fund operating deficit, necessitating a 0.5 mill increase in the General Purpose tax, expected to generate approximately \$60,000. The Borough's partners in the Central Bucks Regional Police Department face the same situation and are expected to take a similar step.

In addition, parking meter fee and fine increases are expected to generate \$195,000, while remaining at or below the regional average.

WATER FUND BUDGET

Residents and businesses of the Borough receive water service from Doylestown Borough. The Borough has five supply wells and two water storage standpipes located at Spruce Street (1-million-gallon capacity) and South Chubb Drive (500,000-gallon capacity). Billing is quarterly, and the rates are reviewed and set annually.

The 2026 **Water Fund Operating Budget** includes a \$190,500 (10%) expenditure increase driven by rising chemical and electrical costs, as well as drought impact costs including additional chemical usage and the purchase of water from outside sources.

Despite the receipt of a \$6 million Pennvest Grant and low-interest loan, the Borough estimates that over \$5 million may be necessary in the next 5 years to address both the national PFOS/PFAS contamination crisis and the U.S. EPA's stringent new lead remediation regulations.

In addition, \$366,000 is budgeted for the overdue repainting and refurbishing of the Spruce Street water tank, even if a \$500,000 grant application is successful.

To address these costs, water rates will increase in 2026 resulting in a \$7.08 increase in the average residential customer's quarterly bill from \$81.41 to \$88.49. Despite the increase, Borough water rates are expected to remain below the regional average.

Quarterly Base Charge Per Meter Size

<u>Meter Size</u>	<u>2025</u>	<u>2026</u>
	<u>Base Charge</u>	<u>Base Charge</u>
<1.5" meter	\$ 33.68	\$ 37.05
1.5" meter	\$ 35.41	\$ 38.95
2" meter	\$ 38.82	\$ 42.70
3" meter	\$ 40.53	\$ 44.58
4" meter	\$ 42.25	\$ 46.48

Quarterly Usage Charges

<u>CONSUMPTION</u>	<u>CHARGES - 2025</u>	<u>CHARGES - 2026</u>
0-3,000 gallons	Base Charge	Base Charge
3,001-20,000 gallons	\$5.03/1,000 gal	\$5.54/1,000 gal
20,001 gallons & up	\$6.28/1,000 gal	\$6.91/1,000 gal

Quarterly Capital Contribution Fee

\$10.50/unit

WATER RATE COMPARISON – 2026

~All are 2025 rates unless otherwise noted~

MUNICIPALITY	MINIMUM CONSUMPTION	QTRLY BASE CHARGE	OVERAGE CHARGE	AVG QTRLY BILL (10,400 gallons)	CURRENT RANK
Hilltown Township	None	\$25.00	\$3.72/1,000 to 24,000 \$4.43/1,000 over 24,000	\$63.69	1
North Wales Water Auth. (non-Warrington)	None	\$15.87	\$4.76/1,000	\$65.38	2
Dublin Borough	None	\$25.00	\$4.65/1,000	\$73.36	3
Warwick Township MA	None	\$30.56	\$4.60/1,000 to 40,000 \$6.88/1,000 over 40,000	\$78.40	4
Horsham Township MA	None	\$30.81	\$3.19/1,000 to 10,000 \$5.52/1,000 over 10,000 \$1.73/1,000 capacity rental	\$78.65	5
Doylestown Township	None	\$20.00	\$5.85/1,000	\$80.84	6
North Wales Water Auth (Warrington)	None	\$20.63	\$6.19/1,000	\$85.00	7
Doylestown Borough 2026 Proposed	3,000 gallons	\$37.05	\$5.54/1,000 3,000-20,000 \$6.91/1,000 over 20,000 \$10.50/unit Capital Fee	\$88.49	8
Warminster Township	None	\$38.00	\$5.86/1,000	\$98.94	9
Buckingham Township District 1	3,000 gallons	\$19.90	\$3.29/1,000 over 3,000 +\$57.80 fixed Capital Fee/qtrly	\$102.04	10
Newtown Borough (Newtown Artesian Water)	None	\$26.27	\$7.676/1,000	\$106.10	11
Quakertown Borough (in town)	None	\$18	\$9/1,000	\$111.60	12
Perkasie Borough	None	\$66.00	\$4.55/1,000 to 5,000 \$4.80/1,000 6k-10k \$5.05/1,000 11k to 15k	\$114.67	13
New Hope Borough (BCWSA)	None	\$75	\$4.70/1,000	\$123.88	14
Quakertown Borough (out of town)	None	\$55.17	\$18.39 up to 2,250gl \$6.25/1,000 gl over	\$147.47	15
Buckingham Township District 2	3,000 Gallons	\$25.54	\$3.95/1,000 over 3,000 \$122.06 fixed Capital Fee/qtrly	\$176.83	16
Chalfont Borough (Aqua)	None	\$67.20	\$16.24 up to 2,000 \$19.23/1,000 over 2k	\$261.21	17

RESERVE FUND

The **Capital Projects/Reserve Fund** was created in the early 1990's to provide for both capital and emergency expenditures.

The Borough's \$835,800 2026 Capital Budget is more than \$1 million lower than in 2025. One highlight is a thermoplastic pavement marking machine at an ultimate cost of \$45,000 which will greatly enhance the Borough's ability to maintain crosswalks, stop bars, and other pavement markings. \$109,000 in matching funds are included for the grant-funded upgrade of the intersection of State, Court, and Clinton Streets and \$27,000 is included for traffic calming on East Street. In addition, \$45,000 in matching funds are included in anticipation of a successful grant application for sidewalks, bike lanes, and traffic calming on Green Street.

Finally, implementation of the Borough's new Comprehensive and Climate Action Plans will begin with \$20,000 each in funding for a *Complete Streets Plan* and new historic architectural guidelines and \$26,500 for invasive plant removal and habitat restoration in Chapman and Veterans Memorial Parks.

OTHER FUNDS

Fire Protection Fund

The Borough will levy a 1.70 mill real estate tax dedicated to fire protection services provided by Doylestown Fire Company #1, which will not increase for 2026. For 2026, it is estimated that \$204,500 in real estate taxes and interest will be collected and disbursed to the Fire Company. These receipts are disbursed quarterly to the Fire Company.

Ambulance Squad Fund

The Borough levies a 0.50 mill real estate tax dedicated to ambulance and rescue squad services provided by Central Bucks EMS, which will not increase in 2026. For 2026, it is estimated that \$60,200 in real estate taxes and interest will be collected and disbursed to the Ambulance Squad. These receipts are disbursed quarterly to the Ambulance Squad.

Fanny Chapman Pool Fund

The **Fanny Chapman Pool Fund** is used to account for the financial activity of the Borough's community swimming pool. The Fanny Chapman Pool complex has five pools and operates from Memorial Day to Labor Day. It is overseen by an appointed Board of Managers who has the authority, subject to the approval of Borough Council, to employ and discharge personnel, fix the salaries of employees, establish membership fees, enforce rules and regulations and purchase supplies to maintain the grounds, buildings and equipment of the pool.

Membership fees will not increase in 2026, remaining at the 2025 rates. The budgeted expenditures are \$1,038,725 of which \$300,000 is for facility repairs.

Debt Service Fund

The **Debt Service Fund** accounts for debt obligations on outstanding bonds and notes. The Borough currently has \$5.201 million in outstanding bonds and notes. Principal payments are approximately \$430,000 each year through 2030. These payments drop to \$340,000 in 2031 and again drop to \$283,000 in 2034. The Bonds have an average interest rate of 2.194%. The Borough settled on a \$6,000,000 PENNVEST Grant and Guaranteed Revenue Note in 2025. The principal amount of the 2025 Note is \$1,043,503 and payments will not begin until 2027. Payments for this Note will be funded through the Water Capital Fund.

The current tax levy of 3.725 mills will not change for 2026, generating \$446,500, sufficient to fund the debt service three debt obligations (2013 Note, 2015 Note and 2020 Note).

The Borough of Doylestown maintains an AA rating from Kroll Bond Rating Agency, with a *Stable Outlook*.

Highway Aid Fund

The **Highway Aid Fund** accounts for the Borough's share of liquid fuels tax dollars provided by the Commonwealth of Pennsylvania for maintenance of local roadways. The Commonwealth generates funds through a tax on motor fuels. Municipalities receive a percentage of the total collected by the Commonwealth and PennDOT uses the remaining funds to maintain state owned roadways. A formula using population and qualifying road mileage determines the Borough's share. It is estimated that the Borough will receive \$229,772 in 2026.

The Borough also receives \$5,360 each year through a road take-back program, contracting with PennDOT to plow snow on state-owned roads.

These funds are used for costs associated with winter maintenance services, traffic control devices, and street lighting.

Road Improvement Fund

The Borough levies a 1.5 mill real estate tax dedicated to road repairs, reconstruction, and paving. These services are provided primarily by the Doylestown Borough Public Works Department at significant savings to Borough taxpayers. The tax levy will generate approximately \$180,000 in 2026. Since 2006, all 26.2 road miles in Doylestown Borough have been paved.

Roads scheduled for paving/reconstruction in 2026 include:

- Atkinson Drive (post office to Veterans)
- East Court Street (Broad to Church)
- Broad Street (Veterans to Lantern)
- Veterans Lane (Broad to Woodbridge)
- Maple Avenue
- Stryker Avenue (Chubb to Myers)
- Putnam Lane (Alternate)

Pension Fund

The **Non-Uniformed Pension Fund** is a trust fund that provides monthly defined-benefit pensions to retired employees. An ordinance adopted by Borough Council governs the administration of the plan, and the Council Finance & Pension Committee review investment performance and recommends investment strategies. The committee meets quarterly with the Borough's investment advisor – Girard Pension Services.

The pension fund consists of a mixed bond and equities portfolio with asset allocations according to an Investment Policy Statement adopted by Borough Council. The Borough's actuary calculates annual required contributions for the plan (Minimum Municipal Obligation) to fund future retirement benefits.

The plan will have assets of approximately \$7.3 million at year-end.

The required Borough contribution to maintain the actuarial soundness of the plan in 2026 is \$406,283. It is anticipated that the Borough will receive State Aid to help offset the contribution.

The Non-Uniformed Pension Plan has a 78% funding ratio as of the 1/1/2025 Actuarial Valuation. The ratio represents the difference between plan assets and plan liabilities. This funding ratio is an acceptable level and has been given a Distress Level Code of "1" by the Commonwealth of Pennsylvania, Public Employees Retirement Commission.

Respectfully Submitted,



John Davis
Borough Manager