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

Borough of Doylestown

2027 Preliminary Budget

November 16, 2026

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. By November 22, each Municipality shall provide written notice to the Commission of its approval or disapproval of the proposed budget.

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.

2027 Budget Calendar

Preparation of Staff Requests	July – August 2026
Manager Capital Budget Review	September 2026
Central Bucks Regional PD Budget Due	September 1, 2026
Staff Budget Update to Finance & Pension Committee	September 10, 2026
First Budget Meeting (Joint Finance Committee/Council)	October 8, 2026
Budget Changes/Amendments	October 9 – October 31, 2026
Second Budget Meeting (Joint Finance Committee/Council)	November 12, 2026
Third Budget Meeting (Joint Finance Committee/Council) Prior to Council meeting	November 16, 2026
Adoption of Preliminary Budget	November 16, 2026
Central Bucks Regional PD Budget approval	November 22, 2026
Proposed Budget Advertised for Public Inspection	November 30, 2026
Final Budget Meeting (Joint Finance Committee/Council) Prior to Council meeting	December 21, 2026
Adoption of 2027 Budget and Tax Ordinance	December 21, 2026

EXECUTIVE SUMMARY

For the first time in nearly a decade, the 2027 Preliminary Budget increases funding to the Fire Protection and Road Improvement Funds.

Doylestown Fire Company's first request for additional funding in nine years will address both operating and capital budget shortfalls and allow them to remain an all-volunteer operation for the foreseeable future.

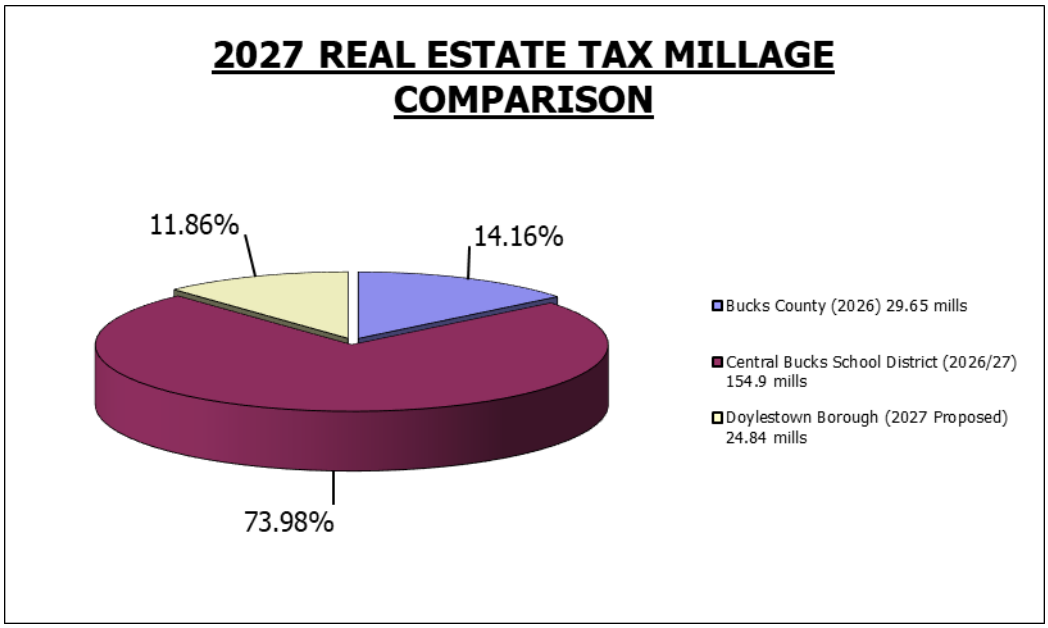
The first increase to the Road Improvement levy in eight years will nearly double the number of roads paved in 2027.

The average homeowner will pay $770.04 in ***total*** real estate taxes in 2027, an increase of $93.00.

Average Residential Assessment		$31,000
Dollar Cost of 1 mill of Borough Tax		$31.00
2027 Total Borough Property Tax for the Average Homeowner:		
$31.00 per mill x 24.84 total mills of tax	=	$770.04 per year
General Purposes Tax 15.075 mills (60.7%)	=	$467.33 per year
Fire Protection 3.04 mills (12.2%)	=	$ 94.24 per year
Special Road Fund Tax 2.50 mills (10.1%)	=	$ 77.50 per year
Ambulance & Rescue 0.50 mills (2.0%)	=	$ 15.50 per year
Debt Service Fund 3.725 mills (15.0%)	=	$115.48 per year



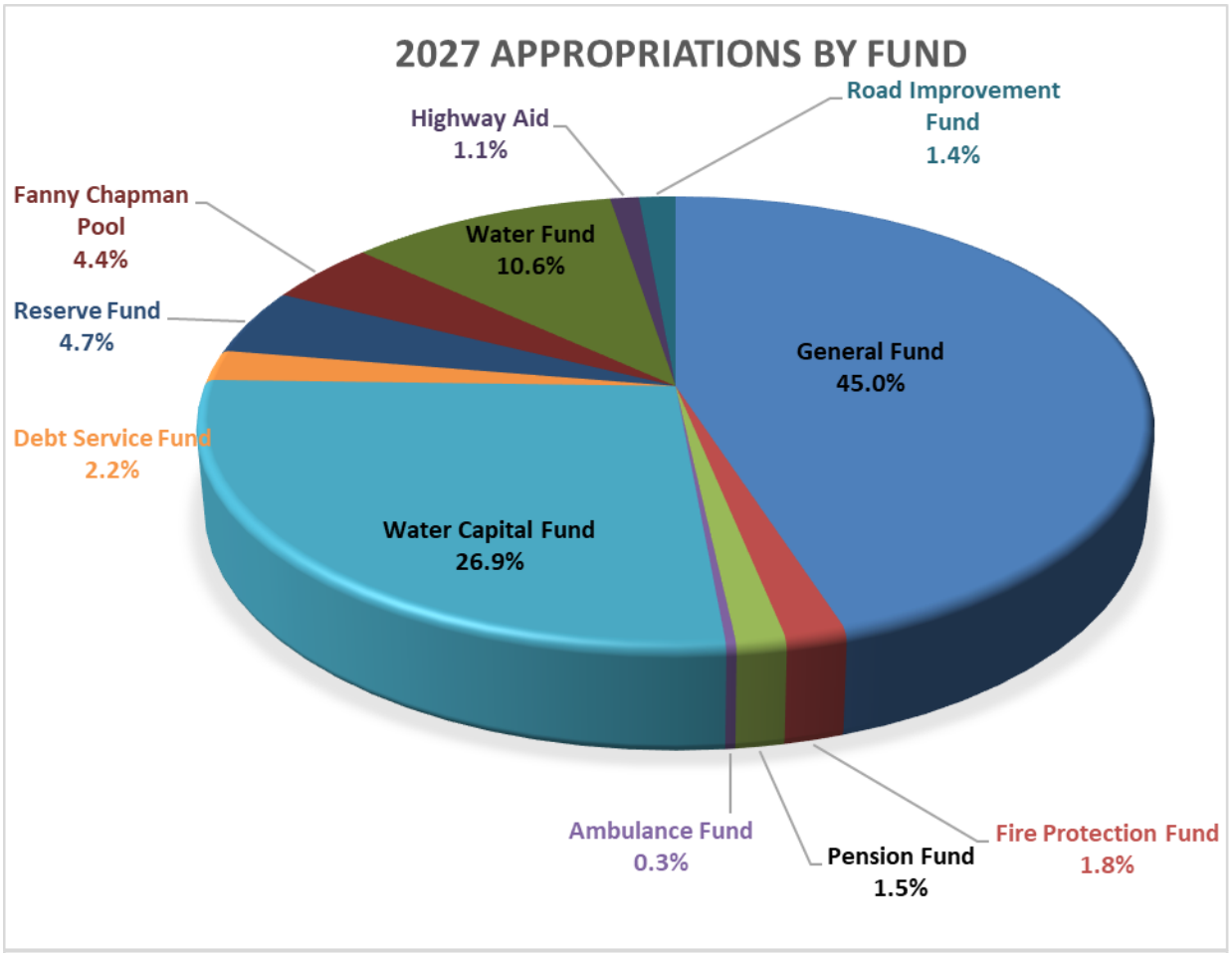
The Doylestown Borough Real Estate Tax continues to be the smallest portion of a Borough homeowner's overall Real Estate Tax bill, accounting for 11.86% of the total taxes paid.

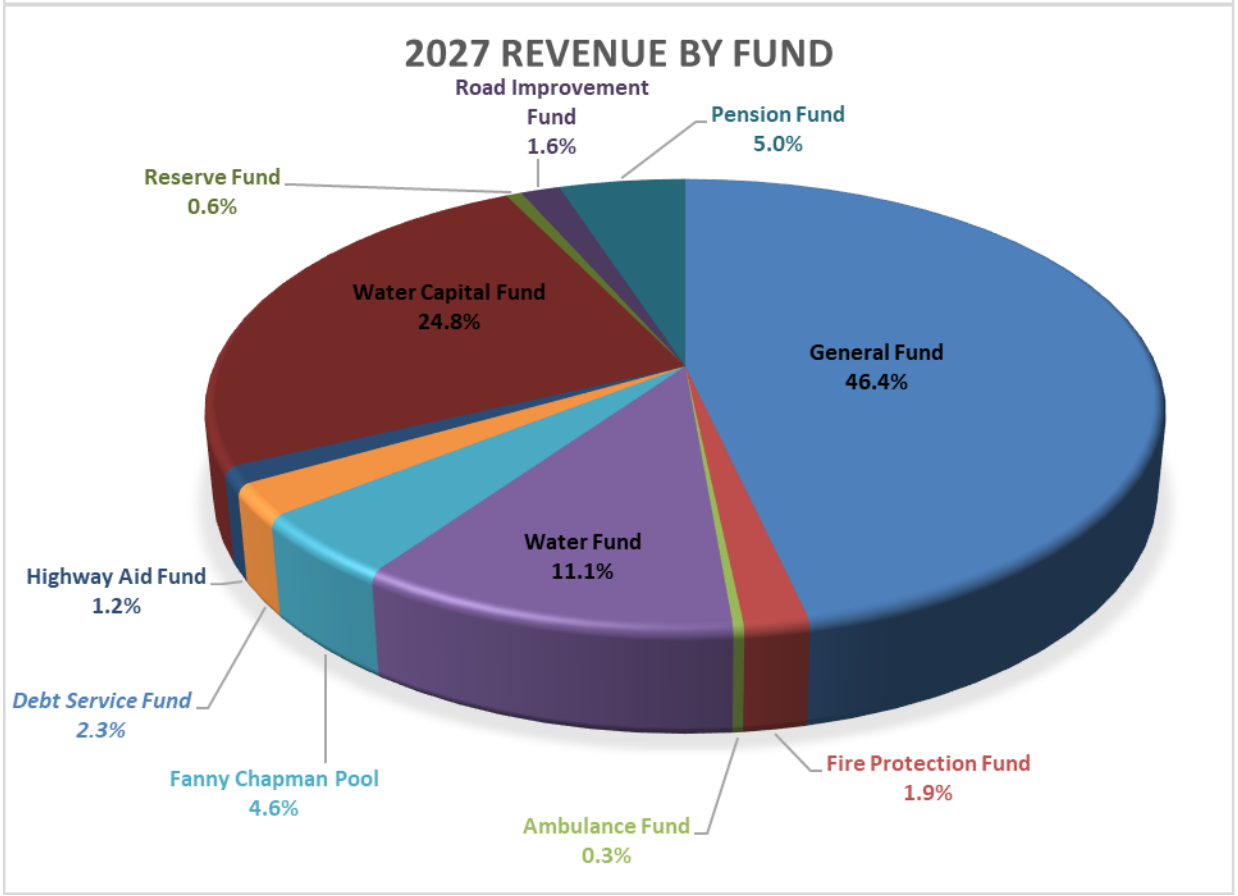


Although water rates will remain among the lowest in the region, the average quarterly water bill will increase by $8.90 in 2027, as the Borough continues with PFAS and lead remediation. Successful grant applications totaling $6.5 Million, have alone required $726,800 in matching funds.

The forecasted total beginning fund balance (all funds) for 2027 is $12,166,553. A total of $19,574,737 in revenues is anticipated with $20,496,582 proposed in expenditures over all eleven funds, leaving a fund balance of $11,244,708. The breakdown of revenues and expenditures is listed below:

TAX MILLAGE	FUND	BEGINNING BALANCE	2027 REVENUES	2027 APPROPRIATIONS	ENDING BALANCE
14.415	General Fund	$ 710,288	$ 9,090,085	$ (9,219,725)	$ 580,648
0	Water Fund	202,801	2,170,650	(2,181,812)	191,639
0	Water Capital Fund	715,036	4,864,000	(5,514,000)	65,036
0	Reserve Fund	2,693,684	122,847	(963,832)	1,852,699
3.040	Fire Protection Fund	100	369,950	(369,950)	100
0.500	Ambulance Squad Fund	-	60,900	(60,900)	-
0	Fanny Chapman Pool Fund	100,000	908,700	(908,700)	100,000
3.725	Debt Service Fund	42,064	454,300	(449,663)	46,701
0	Highway Aid Fund	22,074	243,960	(231,500)	34,534
2.500	Road Improvement Fund	8,773	304,350	(296,500)	16,623
0	Non Uniform Pension Fund	7,671,733	984,995	(300,000)	8,356,728
24.180	**TOTAL:**	**$ 12,166,553**	**$ 19,574,737**	**$ (20,496,582)**	**$ 11,244,708**


2027 APPROPRIATIONS BY FUND
Highway Aid
1.1%
Road Improvement
Fund
1.4%
Fanny Chapman
Pool
4.4%
Water Fund
10.6%
Reserve Fund
4.7%
General Fund
45.0%
Debt Service Fund
2.2%
Water Capital Fund
26.9%
Ambulance Fund
0.3%
Pension Fund
1.5%
Fire Protection Fund
1.8%


2027 REVENUE BY FUND
Road Improvement
Fund
1.6%
Pension Fund
5.0%
Reserve Fund
0.6%
Water Capital Fund
24.8%
General Fund
46.4%
Water Fund
11.1%
Highway Aid Fund
1.2%
Debt Service Fund
2.3%
Fanny Chapman Pool
4.6%
Fire Protection Fund
1.9%
Ambulance Fund
0.3%

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 2027 General Fund Budget includes a 5.5% increase, totaling $246,266, in support for the Central Bucks Regional Police Department. This represents over 50% of the overall increase in General Fund expenditures from 2026 to 2027. To address this, along with general inflationary pressure, the General Fund levy will increase 0.66 mills in 2027 at a cost of $20.46 to the average Borough property taxpayer.

WATER & WATER CAPITAL FUNDS

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.

Borough water rates will remain among the lowest in the region in 2027, despite a 5% increase in water rates and a $5 per quarter increase in the Capital Fee. The average Borough residential customer's quarterly bill will increase from $88.55 to $97.45.

The increase in the capital fee is in part necessary to provide the required $726,800 in matching funds for $6.5 Million in grants for PFAS Treatment Systems and the refurbishing of the Spruce Street Standpipe. Continued lead service identification and replacement will cost an additional $50,000.

WATER RATE STRUCTURE

Quarterly Base Charge Per Meter Size

Meter Size	2026 Base Charge	2027 Base Charge
<1.5" meter	$ 37.05	$ 38.90
1.5" meter	$ 38.95	$ 40.90
2" meter	$ 42.70	$ 44.84
3" meter	$ 44.58	$ 46.81
4" meter	$ 46.48	$ 48.80

Quarterly Usage Charges

CONSUMPTION	CHARGES - 2026	CHARGES - 2026
0-3,000 gallons	Base Charge	Base Charge
3,001-20,000 gallons	$5.54/1,000 gal	$5.82/1,000 gal
20,001 gallons & up	$6.91/1,000 gal	$7.26/1,000 gal

Quarterly Capital Contribution Fee

$15.50/unit

WATER RATE COMPARISON – 2027

~All are 2026 rates unless otherwise noted~

MUNICIPALITY	MINIMUM CONSUMP-TION	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
Warwick Township MA	None	$32.09	$4.830/1,000 to 40,000 $7.22/1,000 over 40,000	$82.32	2
North Wales Water Auth. (non-Warrington)	None	$20.63	$6.19/1,000	$85.00	3
North Wales Water Auth. (Warrington)	None	$20.63	$6.19/1,000	$85.00	3
Newtown Borough (Newtown Artesian Water)	None	$23.02	$6.882/1,000	$94.58	4
Doylestown Borough 2027 Proposed	3,000 gallons	$38.90	$5.82/1,000 3,000-20,000 $7.26/1,000 over 20,000 $15.50/unit Capital Fee	$97.45	5
Warminster Township	None	$40.00	$5.98/1,000	$102.19	6
Doylestown Township	None	$30.00	$7.05/1,000	$103.32	7
Horsham Township MA	None	$37.08	$3.19/1,000 to 10,000 $5.52/1,000 over 10,000 $3.25/1,000 capacity rental	$104.98	8
Dublin Borough	None	$50.00	$5.70/1,000	$109.28	9
Buckingham Township District 1	3,000 gallons	$21.40	$3.54/1,000 over 3,000 +$62.15 fixed Capital Fee/qtrly	$109.74	10
Quakertown Borough (in town)	None	$18	$9/1,000	$111.60	11
Perkasie Borough	None	$66.00	$4.75/1,000 to 5,000 $5.00/1,000 6k-10k $5.35/1,000 11k to 15k	$116.89	12
New Hope Borough (BCWSA)	None	$75	$4.70/1,000	$123.88	13
Quakertown Borough (out of town)	None	$55.17	$18.39 up to 2,250gl $6.25/1,000 gl over	$147.47	14
Buckingham Township District 2	3,000 Gallons	$29.65	$4.59/1,000 over 3,000 $141.50 fixed Capital Fee/qtrly	$205.11	15
Chalfont Borough (Aqua)	None	$67.20	$16.24 up to 2,000 $19.23/1,000 over 2k	$261.21	16

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 $702,750 Capital Budget is more than $130,000 lower than in 2026, including $30,000 in grant matching funds for the $1.1 Million Green Street Complete Streets Project, and $55,000 in grant matching funds for the $552,990 pedestrian and signalization improvement project at the intersection of State, Court, and Clinton Streets. Other noteworthy capital items include an additional portable speed board, habitat restoration and invasive plant removal in Chapman and Maplewood Parks, amenities for the new picnic pavilion at the Borough Dam and new dog park on North Broad Street, and the first phase of a Complete Streets Study for the Borough focused on the North Broad Street area around Broad Commons Park.

OTHER FUNDS

Fire Protection Fund

In response to a request from Doylestown Fire Company #1, the Borough will levy a 3.04 mill real estate tax for the fire protection services for 2027. Similar requests were made to the other municipalities served by the Company including Doylestown Township. This 1.34 mill increase is the first such increase since 2018. The primary drivers behind the increased funding needs are rising operational costs, apparatus replacement and fleet sustainability, volunteer recruiting challenges, and deferred infrastructure and facility investments. The fire company's request is supported by the Commonwealth's 2025 Central Bucks Regional Fire Study and will allow them to remain a fully volunteer organization in the near term.

The fire protection levy represents an annual cost of $94.24 per year for the average Borough property taxpayer.

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 2027. For 2027, it is estimated that $60,900 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 increase modestly in 2027 to help offset large structural repairs to the main pool and aging infrastructure. The budgeted expenditures are $908,700 of which $161,255 is for capital purchases.

Debt Service Fund

The **Debt Service Fund** accounts for debt obligations on outstanding bonds and notes. The Borough currently has $4.871 million in outstanding bonds and notes. Principal payments are approximately $370,000 each year through 2030. These payments drop to $305,000 in 2031 and again drop to $282,000 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 2027, generating $452,300, sufficient to fund the debt service for 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 $235,100 in 2027.

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's tax levy dedicated to road repairs, reconstruction, and paving will increase 1 mill in 2027, from 1.5 to 2.5 mills. This is the first increase in the road improvement levy since 2019 and will allow for the resurfacing of a minimum of four additional roads. Paving and road repair services are provided primarily by the Doylestown Borough Public Works Department at significant savings to Borough taxpayers.

The road improvement levy represents a cost of $77.50 per year to the average Borough taxpayer.

Roads scheduled for paving/reconstruction in 2027 include:

- East Court Street (Church to East)
- West Court Street (Lafayette to West)
- West Street (Court to State)
- West Street (State to Doyle)
- Green Street (Ashland to Bridge)
- East Oakland Avenue (West to Franklin)
- Broadale Court (Sandy Ridge Drive to end)
- Juniper Drive (Chestnut to end)
- Stryker Avenue (Myers to Kreutz)
- Putnam Lane (Alternate)
- Bridge St/Hillside Ave Alleys (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 $8.3 million at year-end.

The required Borough contribution to maintain the actuarial soundness of the plan in 2027 is $467,153. 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

John Davis
Borough Manager