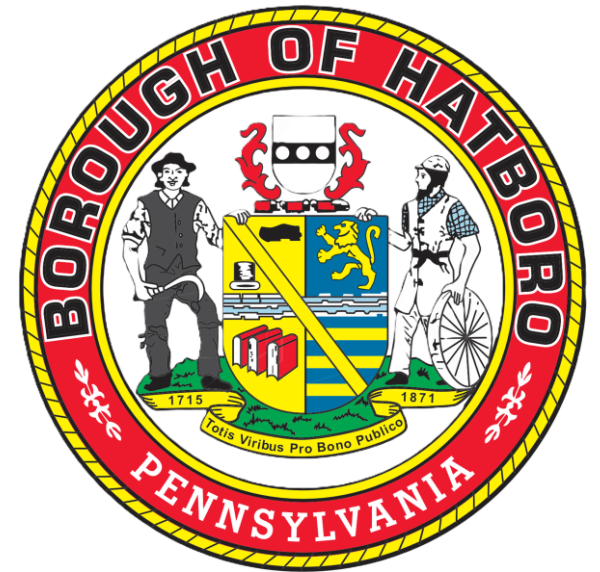


**2026
PRELIMINARY
OPERATING BUDGET**



BUDGET PROCESS

- Department Heads have been working on their 2026 Budget requests since July.
- All requests for 2026 were submitted to the individual committees of Council (public works, public safety, finance, etc.) and were carefully reviewed based on “needs” vs. “wants” for the 2026 fiscal year.
- Council held a Budget Workshop on Wednesday, November 5th and made significant changes to the draft budget.
- Following the workshop, individual committees of Council continued to work with staff to make more changes to the budget.
- Council will consider preliminary adoption of the 2026 operating budget at the November 17th meeting (tonight’s meeting)
- Once Council adopts a preliminary budget, the budget will be available for a public inspection period. *The requirement for public inspection is 10 days; however, the Borough always makes the budget available for longer to ensure the public has adequate time to review the information prior to Council voting on final adoption.*
- After the public inspection period, Council considers adoption of the final budget at the December 15th Committee/Council meeting.

ANNUAL BUDGETING GOALS

Each year, the annual Borough Budget is formulated in accordance with the following overall goals:

1. Continue to provide the highest quality services to the Hatboro Community while maintaining the lowest operational costs possible through utilization of conservative budgeting practices.
2. Maintain a high quality of life for Hatboro Residents and Business Owners
3. Streamline functions of all departments to ensure the most efficient operation of the Borough
4. Trimming of all non-essential expenditures across each department

ANNUAL BUDGETING GOALS

- Each year, approximately 80% of the Borough's budget is comprised of set expenditures (wages, benefits, insurance, and utilities). These costs unfortunately increase each year based on labor contracts, inflation, etc.
- While preparing annual budgets, the Borough begins looking at these set expenditures and aims to reduce spending on flexible costs including but not limited to supplies, uniforms, maintenance/repairs, training, computer/technology costs, fuel, etc.
- Like other industries, the Borough is impacted by inflation and rising costs. These cost increases have been more evident year after year. Each year, the goal is to prevent a tax increase or increase in fees charged for services; however, depending on costs the Borough is facing for goods and services, that is not always possible.

2026 COUNCIL BUDGET GOALS

- Continue to provide the highest quality services to residents and the community on a daily basis
- Maintain high quality of life for residents
- Prioritize Downtown Development functions to help foster a diverse, vibrant main street
- Eliminate any expenditures that are not 100% essential to the day-to-day functions of each department

2026 ADMINISTRATIVE GOALS

- Continue training for Borough Manager and Staff to further strengthen operations of the Administration Offices
- Streamline Administrative functions for more efficient operations
- Continue review of Zoning Ordinances and amendment of other ordinances including Solicitation/Food Truck, Road Opening, etc.
- Add a part time employee to Borough Staff to replace two full time employees and one part time employee that left in 2024 but were never replaced.

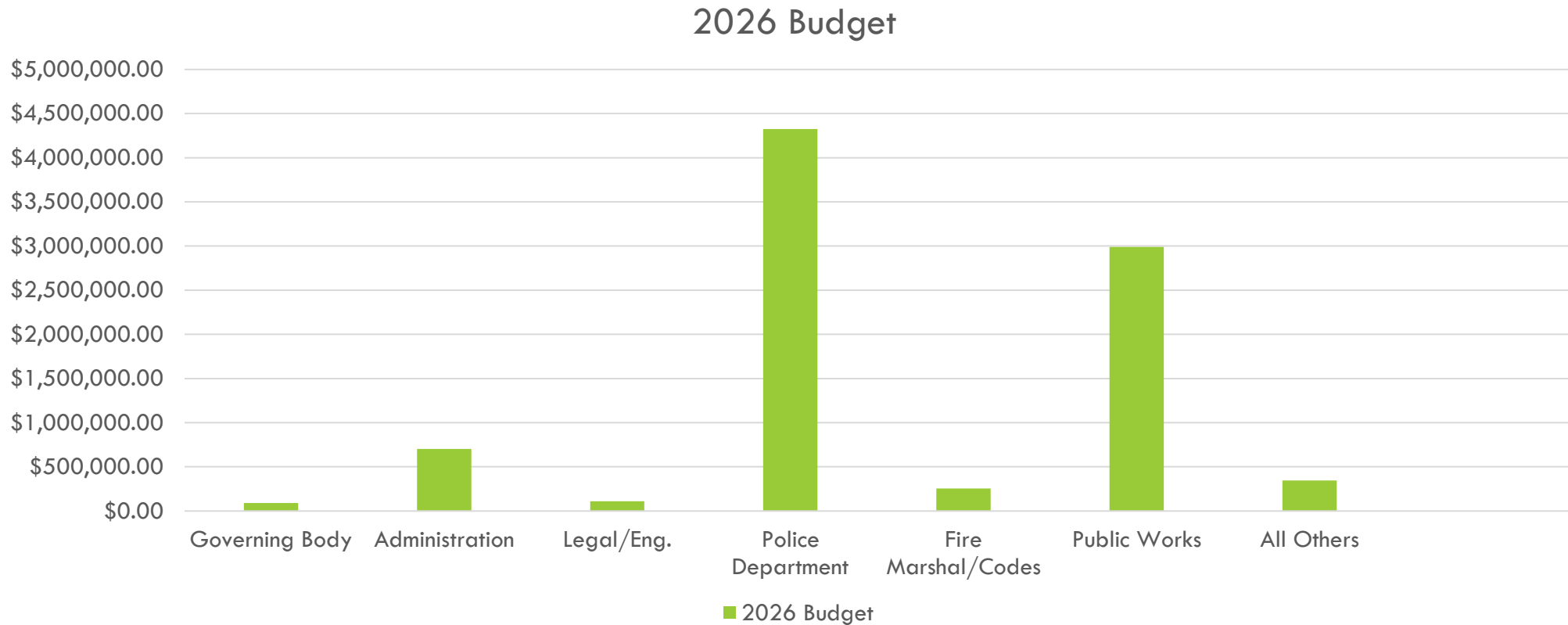
2026 PUBLIC WORKS GOALS

- Continue efficient maintenance of all Borough parks, streets, and facilities on a daily basis
- Continue to provide reliable twice per week refuse collection to residents
- Continue weekly training for employees to strengthen overall knowledge and expertise of the department
- Prioritize performing larger projects in-house to save taxpayer funds where possible (storm drain repairs, facility repairs, etc.)

2026 POLICE DEPARTMENT GOALS

- Continue to provide the highest quality of public safety and law enforcement services to community
- Continue to provide top of the line training to officers
- Continue to explore technology to improve efficiency of Public Safety services
- Maintain Law Enforcement Accreditation

2026 BUDGET BREAKDOWN BY DEPARTMENT



2026 BUDGET CHALLENGES

- Inflation continues to impact nearly every industry making expenses higher for the Borough as time progresses.
- On top of inflation, the Borough has increases for wages, benefits, etc. for employees. Many of the Borough's employees are covered under contract, so these increases are fixed.
 - Health insurance costs for the Borough are going up nearly \$200,000 in 2026 –a record increase. While the Borough's insurance company does provide incentives to help reduce premiums, this is still a very large change from 2025
- Costs for Refuse Collection continue to rise as labor and solid waste disposal increase in 2026 (13% increase overall). This is on top of fuel, tolls, and wear/tear on vehicles for collection.
- Most expenditures in the Borough's budget are “set” meaning there is very little to no ability to trim approximately 80% of line items

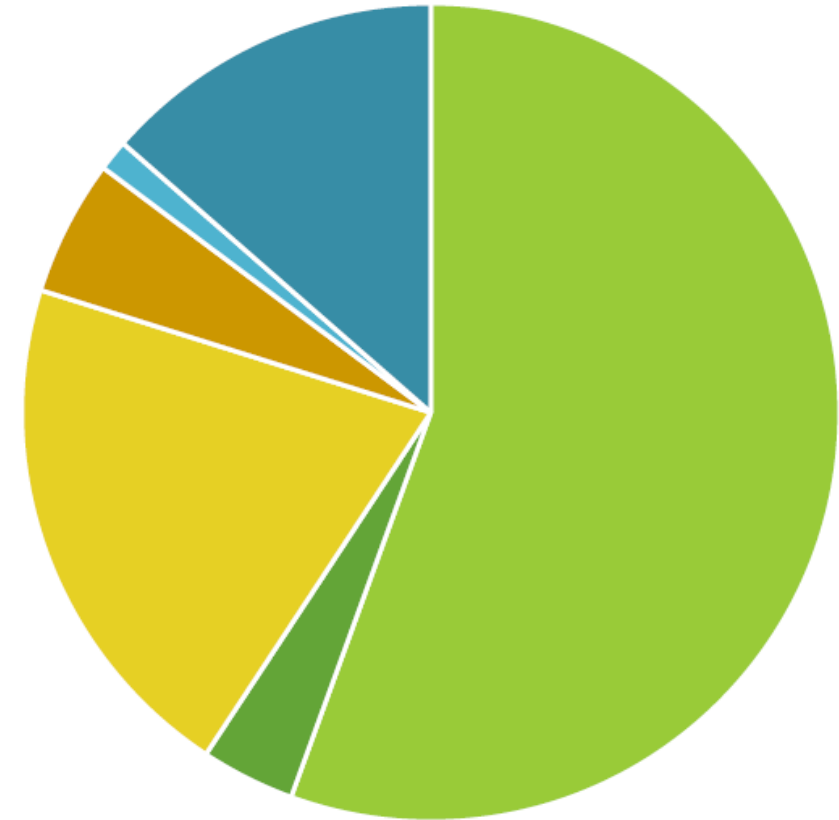
2026 SET EXPENDITURES

• SET OBLIGATIONS:

- Wages (Police and Public Works both include contractual increases)
- Insurance costs (Health, STD/LTD/Life, Property/Liability, Workers Comp)
- Employee Benefits (Pension, Longevity, etc.)
- Utilities/Contractual Obligations (Electric, Gas, Water, Sewer, Trash/Recycling/Yard Waste Disposal)
- Legal and Engineering Services

• OTHER COSTS:

- Supplies (uniforms, training, office supplies, etc.)
- Maintenance (of facilities, vehicles, parks, equipment, etc.)
- Computers, Internet, Telephone, etc.
- Equipment Costs
- Fuel



■ Wages ■ Insurance ■ Benefits ■ Utilities ■ Legal & Engineering ■ Remainder of Budget

BUDGET AVAILABILITY

- Copies of the Borough's budgets are always available at Borough Hall, 414 S. York Road. The Borough also receives many requests for the budget via telephone and email. Requests are always granted immediately by the Borough Manager.
- A budget page has also been created on the Borough website for viewing 24 hours a day, 7 days a week at www.myhatboro.org.
 - Hover over the "Departments" tab on the menu bar
 - Click "Annual Budget"
- As the budget process progresses, this webpage will be updated with information for the 2026 budget.
- As always, Borough Staff is always more than happy to answer questions and concerns regarding the budget or any other matters in person at Borough Hall, via phone at 215-443-9100 or via email.