

## **TOWNSHIP OF LOWER MERION**

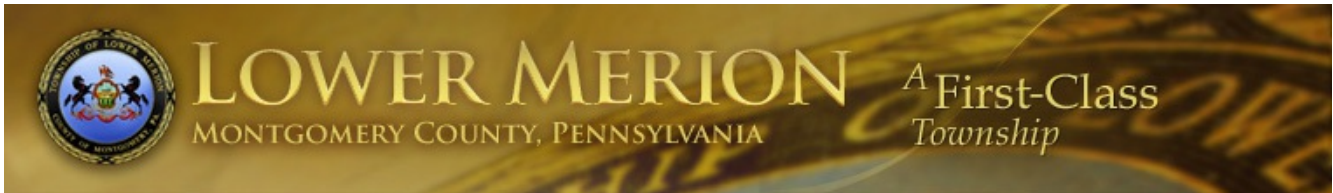
### **FINANCE COMMITTEE**

**Wednesday, March 12, 2025  
6:30 PM ( Approximately)**

Chairperson: V. Scott Zelov  
Vice Chairperson: Ray Courtney, Sean Whalen

### **AGENDA**

1. **AWARD OF CONTRACT – MILLING AND PAVING OF VARIOUS TOWNSHIP STREETS**
2. **AWARD OF CONTRACT – BRYN MAWR COMMUNITY EXTERIOR PAINTING**
3. **APPROVAL OF ELIGIBILITY LIST FOR THE REAL ESTATE TAX CREDIT FOR VOLUNTEER FIREFIGHTER/AMBULANCE**
4. **FINANCIAL PRESENTATION (INFORMATION ONLY)**



## AGENDA ITEM INFORMATION

### ITEM: AWARD OF CONTRACT – MILLING AND PAVING OF VARIOUS TOWNSHIP STREETS

Consider for recommendation to the Board of Commissioners approval to award a contract for Milling and Paving of Various Township Streets to the following low bidder in accordance with bids received on Thursday, February 13, 2025 at 11:00 A.M. prevailing time and the recommendation of the Chief Financial Officer with the approval of the Director of Public Works:

|   |                       |
|---|-----------------------|
| G&B Construction Group  |                       |
| <u>Total Lump Sum Bid</u>   | <u>\$2,158,000.00</u> |
| And acceptance of Add-Alternate unit prices for (1-C, 1-E, and 1-F) as needed |                       |

## PUBLIC COMMENT

### ADDITIONAL INFORMATION:

Funds are available through the Capital Projects Fund (Job #4210) Rotomilling and Road Reconstruction. The unit cost for the primary milling and paving items was \$10.79 per square yard which is \$0.34 or 3.1% less than the prior year. The construction budget is \$1.5 million from the Capital Projects Fund and another \$1.0 – \$1.2 million from PA Liquid Fuels funding. In addition, the Township projects that utility contributions will cover the remaining overall project costs. It is anticipated that available Liquid Fuels funds and utility contributions will result in a minimal net Capital Projects Fund cost for the project.

### ATTACHMENTS:

| Description  | Type            |
|--|-----------------|
| ▣ AWARD OF CONTRACT – MILLING AND PAVING OF VARIOUS TOWNSHIP STREETS | Issue Briefing  |
| ▣ AWARD OF CONTRACT – MILLING AND PAVING OF VARIOUS TOWNSHIP STREETS | Bid Tabulation  |
| ▣ AWARD OF CONTRACT – MILLING AND PAVING OF VARIOUS TOWNSHIP STREETS | Backup Material |

**TOWNSHIP OF LOWER MERION**  
***Finance Committee***  
**Issue Briefing**

**Topic:** Award of Bid for Milling and Paving

**Prepared By:** Adam Szumski, Chief Financial Officer  
Paul McElhaney, Director of Public Works

**Date:** March 5, 2025

**I. Action To Be Considered By The Board:**

Award a contract for milling and paving to G&B Construction Group in the amount of \$2,158,000.00.

**II. Why This Issue Requires Board Consideration:**

A contract of this scope must be awarded by the Board of Commissioners.

**III. Current Policy Or Practice (If Applicable):** N/A

**IV. Other Relevant Background Information:**

The Township received seven bids for paving this year. The low bid received for the primary line items of \$10.79 per square yard for milling and paving was \$0.34 or 3.1% lower than the prior year. However, the 2025 unit price is still \$2.39 or 28.5% higher than the 2021 unit price reflecting the level of material, equipment, and labor cost increases and that has occurred since then.

**V. Impact On Township Finances:**

Funds are available in the Capital Projects Fund through Rotomilling and Road Reconstruction (Project #4210). The construction budget is \$1.5 million. In addition, the Township also projects to use between \$1.0 and \$1.2 million in Pennsylvania Liquid Fuels funding to support the paving program in 2025. Finally, the Township has typically received approximately \$1.0 million annually in recent years from PECO and AQUA for utility contributions. These contributions are put into the Capital Projects Fund to reduce the Township's share of the overall paving program. Any additional utility contributions that exceed the contract amount would reduce the amount of Capital Projects Fund dollars allocated to the final paving costs.





**VI. Staff Recommendation:**

Staff recommend award of the contract for milling and paving to G&B Construction Group in the amount of \$2,158,000.00 and accept add-alternate unit prices.

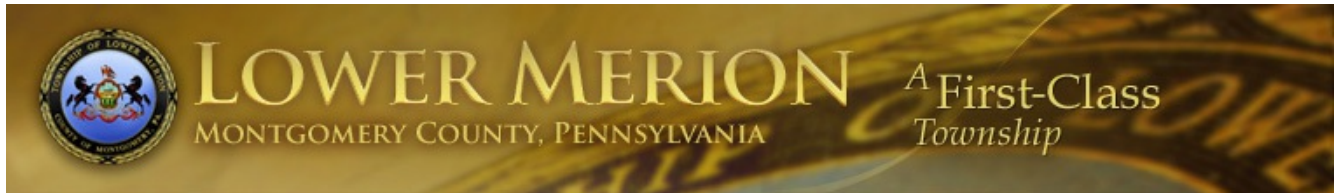
**TOWNSHIP OF LOWER MERION**  
**TABULATION OF BIDS - 2025 Milling Paving of Various Township Streets**  
**CONTRACT NUMBER: 25-02-4210**  
**BIDS RECEIVED: February 13, 2025 - 11:00 AM**

|          | Bidders:   |                        | G&B Construction |                       | Allan Myers LP |                       | Heidelberg Materials<br>Northeast LLC |                       | Glasgow Inc. |                       | General Asphalt Paving |                       | H&K Group, Inc. |                       | Road-Con Inc |                       |
|----------|--|------------------------|------------------|-----------------------|----------------|-----------------------|---------------------------------------|-----------------------|--------------|-----------------------|------------------------|-----------------------|-----------------|-----------------------|--------------|-----------------------|
| Item No. | Description  | Approx. Qty<br>(in SY) | Unit Price       | Total                 | Unit Price     | Total                 | Unit Price                            | Total                 | Unit Price   | Total                 | Unit Price             | Total                 | Unit Price      | Total                 | Unit Price   | Total                 |
|          | Base Bid   |                        |                  |                       |                |                       |                                       |                       |              |                       |                        |                       |                 |                       |              |                       |
| 1-A      | Township Wide Milling (1"-3") as per Detailed Specifications   | 200,000                | \$2.33           | \$466,000.00          | \$2.44         | \$488,000.00          | \$2.40                                | \$480,000.00          | \$3.38       | \$676,000.00          | \$3.03                 | \$606,000.00          | \$4.15          | \$830,000.00          | \$4.00       | \$800,000.00          |
| 1-B      | Township Wide Paving (1-1/2" Asphalt Wearing Coarse) as per Detailed Specifications  | 200,000                | \$8.46           | \$1,692,000.00        | \$8.80         | \$1,760,000.00        | \$9.25                                | \$1,850,000.00        | \$8.50       | \$1,700,000.00        | \$8.97                 | \$1,794,000.00        | \$10.10         | \$2,020,000.00        | \$12.25      | \$2,450,000.00        |
|          | <b>Base Bid Total:</b>   |                        |                  | <b>\$2,158,000.00</b> |                | <b>\$2,248,000.00</b> |                                       | <b>\$2,330,000.00</b> |              | <b>\$2,376,000.00</b> |                        | <b>\$2,400,000.00</b> |                 | <b>\$2,850,000.00</b> |              | <b>\$3,250,000.00</b> |
|          | <b>Add-Alternates</b>  |                        |                  |                       |                |                       |                                       |                       |              |                       |                        |                       |                 |                       |              |                       |
| 1-C      | Add-Alternate 1-C: Additional Milling Depth (3"- 6") as per Detailed Specifications, at Township Specified Locations                                 | 10,000                 | \$2.33           | \$23,300.00           | \$1.22         | \$12,200.00           | \$3.20                                | \$32,000.00           | \$3.03       | \$30,300.00           | \$3.03                 | \$30,300.00           | \$9.65          | \$96,500.00           | \$12.50      | \$125,000.00          |
| 1-D      | Add-Alternate 1-D: Upgraded Wearing Coarse as per Detailed Specifications, at Township Specified Locations   | 34,924                 | \$8.46           | \$295,457.04          | \$0.00         | \$0.00                | \$9.50                                | \$331,778.00          | \$8.50       | \$296,854.00          | \$10.52                | \$367,400.48          | \$10.10         | \$352,732.40          | \$12.25      | \$427,819.00          |
| 1-E      | Add-Alternate 1-E: Upgraded Wearing Coarse - Alternate Performance Grade (PG) 64E-22 as per Detailed Specifications, at Township Specified Locations | 1,000                  | \$18.00          | \$18,000.00           | \$1.48         | \$1,480.00            | \$10.75                               | \$10,750.00           | \$11.30      | \$11,300.00           | \$24.69                | \$24,690.00           | \$11.75         | \$11,750.00           | \$21.00      | \$21,000.00           |
| 1-F      | Add-Alternate 1-F: Scratch/Leveling Coarse as per Detailed Specifications  | Per Ton                | \$100.00         | \$100.00              | \$225.00       | \$225.00              | \$120.00                              | \$120.00              | \$170.00     | \$170.00              | \$108.77               | \$108.77              | \$105.00        | \$105.00              | \$175.00     | \$175.00              |
|          | <b>Total Lump Sum Price Bid for Contract:</b>  |                        |                  | <b>\$2,494,857.04</b> |                | <b>\$2,261,905.00</b> |                                       | <b>\$2,704,648.00</b> |              | <b>\$2,714,624.00</b> |                        | <b>\$2,822,499.25</b> |                 | <b>\$3,311,087.40</b> |              | <b>\$3,823,994.00</b> |

**TOWNSHIP OF LOWER MERION**  
**TEN-YEAR TREND: ANNUAL MILLING PAVING OF VARIOUS TOWNSHIP STREETS**

|  | JES&S          | JES&S          | JES&S          | JES&S          | HM             | AM             | AM              | GAPC            | GAPC            | G&B             |   |
|--|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|-----------------|-----------------|---|
|  | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022            | 2023            | 2024            | 2025            | Unit Price Trend  |
| DESCRIPTION  | Unit Price     | Unit Price     | Unit Price     | Unit Price     | Unit Price     | Unit Price     | Unit Price      | Unit Price      | Unit Price      | Unit Price      | 2016-2025   |
| Township Milling (1"-3") as per Detailed Specifications; Per Square Yards                        | \$ 1.85        | \$ 1.95        | \$ 1.54        | \$ 1.85        | \$ 1.40        | \$ 1.30        | \$ 2.05         | \$ 3.13         | \$ 2.77         | \$ 2.33         |  |
| Township Paving (1-1/2" Asphalt Wearing Course) as per Detailed Specifications; Per Square Yards | \$ 6.25        | \$ 6.30        | \$ 6.48        | \$ 7.05        | \$ 7.10        | \$ 7.10        | \$ 10.90        | \$ 8.73         | \$ 8.36         | \$ 8.46         |  |
| <b>Total Base Bid</b>  | <b>\$ 8.10</b> | <b>\$ 8.25</b> | <b>\$ 8.02</b> | <b>\$ 8.90</b> | <b>\$ 8.50</b> | <b>\$ 8.40</b> | <b>\$ 12.95</b> | <b>\$ 11.86</b> | <b>\$ 11.13</b> | <b>\$ 10.79</b> |  |
| Annual Percentage Change   |                | 1.9%           | -2.8%          | 11.0%          | -4.5%          | -1.2%          | 54.2%           | -8.4%           | -6.2%           | -3.1%           |  |

AM = Allan Myers, L.P.  
GAPC = General Asphalt Paving Co.  
G&B = G&B Construction Group  
HM = Highway Materials, Inc.  
JES&S = Joseph E. Sucher and Sons, Inc.



## AGENDA ITEM INFORMATION

### ITEM: AWARD OF CONTRACT – BRYN MAWR COMMUNITY EXTERIOR PAINTING

Consider for recommendation to the Board of Commissioners approval to award a contract for Bryn Mawr Community Exterior Painting to the following low bidder in accordance with bids received on Thursday, February 13, 2025 at 11:00 A.M. prevailing time and the recommendation of the Chief Financial Officer with the approval of the Director of Public Works and the Township Engineer:

|                                    |                 |
|------------------------------------|-----------------|
| CertaPro Painters of Greater Media |                 |
| Total Lump Sum Bid                 | \$108,012.17    |
| Total Contingency Items (C1 – C3)  | 1,125.00        |
| Add Alternate Item A-3             | <u>6,545.25</u> |
| Total Bid                          | \$115,682.42    |

## PUBLIC COMMENT

### ADDITIONAL INFORMATION:

Funds are available through the Capital Projects Fund (Job # 4025) - Facilities Improvements Project. The budget for this project is \$100,000.00. The total bid amount is \$115,682.42 or 15.7% higher than the budget.

### ATTACHMENTS:

| Description   | Type            |
|---|-----------------|
| ▣ AWARD OF CONTRACT – BRYN MAWR COMMUNITY EXTERIOR PAINTING | Backup Material |
| ▣ AWARD OF CONTRACT – BRYN MAWR COMMUNITY EXTERIOR PAINTING | Bid Tabulation  |



**TOWNSHIP  
OF  
LOWER MERION**  
MONTGOMERY COUNTY



**TOWNSHIP ENGINEER**

75 E. Lancaster Avenue  
Ardmore, PA 19003 2376  
Telephone: (610) 649-4000  
[www.lowermerion.org](http://www.lowermerion.org)

LOWM 093760

**MEMORANDUM**

**TO:** Adam M. Szumski, Chief Financial Officer

**FROM:** Joseph Mastronardo, PE, Township Engineer   
Joann Ma, PE, Senior Engineer 

**DATE:** March 4, 2025

**SUBJECT:** Bryn Mawr Community Center Exterior Painting  
Bid Review / Award Recommendation  
LMT Contract No. 25-06-4025

As requested, we have reviewed the following bid submitted by CertaPro Painters of Greater Media, the apparent low bidder for the referenced project, and are herewith providing our recommendation for award.

|               |                   |
|---------------|-------------------|
| Base Bid      | \$108,012.17      |
| Contingencies | <u>\$1,125.00</u> |
| Total         | \$109,137.17      |

|   |             |
|---|-------------|
| Deduct Alternate A-1: For the base bid items, remove down to stable substrate in lieu of stripping down to bare substrate | \$72,228.19 |
| Add Alternate A-2: Fire Escape Option A: Strip to bare metal and paint  | \$18,808.50 |
| Add Alternate A-3: Fire Escape Option B: Remove down to stable substrate and repaint                                      | \$6,545.25  |

Alternate A-1 was solicited as a credit for removing less paint down to a stable substrate instead of complete removal to bare substrate; however, the low bidder incorrectly listed the line item as the reduced base bid amount instead of a credit amount. Comparatively, the base bid and credit for the deduct alternate would be applied as follows: \$109,137.17 for Base Bid & Contingencies - \$36,908.98 Credit = \$72,228.19. Regardless of the inconsistencies, we recommend keeping the base bid to remove the paint down to bare substrate to provide the best outcome in paint performance and appearance.

Add Alternate A-2 and A-3 are to repaint the exterior fire escapes with either Option A to strip the existing paint to bare metal or a less expensive Option B to remove the existing paint down to stable substrate. In consultation with staff, Option B is recommended.

The total price bid of \$115,684.42 (Base Bid + Contingencies + Add Alternate A-3) is \$15,682.42, or 15.7%, over the construction budget of \$100,000. Please note the \$1,125 for contingencies will only be used if and when directed by the Township. Therefore, we recommend that the contract of \$115,684.42 to be awarded to CertaPro Painters of Greater Media, contingent upon the remainder of the contract requirements being in order. Funds are available through the Capital Projects Fund #4025 – Facilities Improvements.

We trust that this memorandum adequately addresses this matter. As always, please feel free to contact us if you have any questions or concerns.

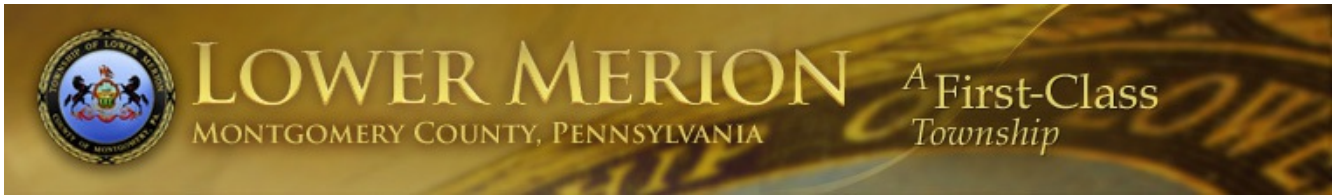
cc: Ernie B. McNeely, Township Manager  
Paul McElhaney, Director of Public Works  
Jesse Hunting, Assistant Director of Public Works  
File P:\Projects\LOWM\093760 Facility Improvements\Bryn Mawr CC\COMMUNICATIONS\2025-03-04 BMCC Bid Review.docx

Brandon J. Ford, MPA, MPS, Asst Township Manager  
Donna Heller, Director of Parks and Recreation  
Al Augustine, Facilities Maintenance Supervisor

TOWNSHIP OF LOWER MERION  
TABULATION OF BIDS - Bryn Mawr Community Center Exterior Painting  
CONTRACT NUMBER: 25-06-4025  
BIDS RECEIVED: February 13, 2025 - 11:00 AM

|  | Bidders:  |     |     | CertaPro Painters of Greater Media |                     | Donald E. Reisinger, Inc |                     |
|--|---|-----|-----|------------------------------------|---------------------|--------------------------|---------------------|
| Item No.   | Description   | U/M | Qty | Unit Price                         | Total               | Unit Price               | Total               |
| <b>Base Bid</b>  |   |     |     |                                    |                     |                          |                     |
| 1-1  | Mobilization and General Conditions: Permit, Contractor's License, Bonding, Insurance, etc.           | LS  | 1   | \$5,380.32                         | \$5,380.32          | \$27,100.00              | \$27,100.00         |
| 1-2  | Submittals & Preconstruction Video  | LS  | 1   | \$150.00                           | \$150.00            | \$2,070.00               | \$2,070.00          |
| 1-3  | Clean, Prepare, and Repaint per Work Notes 1, 2, 2a, 3, 5, 40 & 50                                    | LS  | 1   | \$94,806.85                        | \$94,806.85         | \$586,950.00             | \$586,950.00        |
| 1-4  | Cleaning and Plant Removal per Work Notes 10, 11, & 12  | LS  | 1   | \$150.00                           | \$150.00            | \$3,345.00               | \$3,345.00          |
| 1-5  | Wood Repairs per Work Notes 20, 21, 22 & 23   | LS  | 1   | \$1,875.00                         | \$1,875.00          | \$30,740.00              | \$30,740.00         |
| 1-6  | Reset Missing Stone per Work Note 30  | LS  | 1   | \$150.00                           | \$150.00            | \$2,275.00               | \$2,275.00          |
| 1-7  | Aluminum Downspouts per Work Notes 41 & 42  | LS  | 1   | \$300.00                           | \$300.00            | \$615.00                 | \$615.00            |
| 1-8  | Remove Plywood Infill Panel & Replace with Aluminum per Work Note 43                                  | LS  | 1   | \$1,250.00                         | \$1,250.00          | \$1,890.00               | \$1,890.00          |
| 1-9  | Re-Form Metal Flashing per Work Note 44   | LS  | 1   | \$1,250.00                         | \$1,250.00          | \$275.00                 | \$275.00            |
| 1-10   | Work at Basement Windows per Work Note 51   | LS  | 1   | \$750.00                           | \$750.00            | \$19,400.00              | \$19,400.00         |
| 1-11   | Sealant per Work Note 4 and 4a  | LS  | 1   | \$450.00                           | \$450.00            | \$17,995.00              | \$17,995.00         |
| 1-12   | Repair and Replace Glazing Compound per Work Note 60  | LS  | 1   | \$750.00                           | \$750.00            | \$7,305.00               | \$7,305.00          |
| 1-13   | Mini Column Louver per Work Note 6  | LS  | 1   | \$450.00                           | \$450.00            | \$550.00                 | \$550.00            |
| 1-14   | Close out Documents and Record Drawings   | LS  | 1   | \$300.00                           | \$300.00            | \$1,225.00               | \$1,225.00          |
| <b>Total Lump Sum Price Bid for Base Contract:</b>               |   |     |     |                                    | <b>\$108,012.17</b> |                          | <b>\$701,735.00</b> |
| <b>Contingency Items</b>   |   |     |     |                                    |                     |                          |                     |
| C-1  | Additional excavation under Pump Station Concrete Slab  | SF  | 30  | \$8.50                             | \$255.00            | \$132.30                 | \$3,969.00          |
| C-2  | Additional stone backfill under Pump Station Concrete Slab  | SF  | 20  | \$18.50                            | \$370.00            | \$299.25                 | \$5,985.00          |
| C-3  | Additional 8" Sanitary Sewer Replacement with DIP, including excavation and backfill                  | LF  | 20  | \$25.00                            | \$500.00            | \$70.50                  | \$1,410.00          |
| <b>Total Price Bid for Contingency Items:</b>                    |   |     |     |                                    | <b>\$1,125.00</b>   |                          | <b>\$11,364.00</b>  |
| <b>Total Lump Sum Price Bid for Contract Plus Contingencies:</b> |   |     |     |                                    | <b>\$109,137.17</b> |                          | <b>\$713,099.00</b> |
| <b>Add-Alternates</b>  |   |     |     |                                    |                     |                          |                     |
| A-1  | Deduct Alternate No. A-1: Remove down to stable substrate in lieu of stripping down to bare substrate | LS  | 1   | \$72,228.19                        | \$72,228.19         | -\$135,125.00            | -\$135,125.00       |
| A-2  | Add Alternate No. A-2: Fire Escape Option A: Strip to bare metal and paint                            | LS  | 1   | \$18,808.50                        | \$18,808.50         | \$56,615.00              | \$56,615.00         |
| A-3  | Add Alternate No. A-3: Fire Escape Option B: Remove down to stable substrate and repaint              | LS  | 1   | \$6,545.25                         | \$6,545.25          | \$49,620.00              | \$49,620.00         |





## AGENDA ITEM INFORMATION

### ITEM: APPROVAL OF ELIGIBILITY LIST FOR THE REAL ESTATE TAX CREDIT FOR VOLUNTEER FIREFIGHTER/AMBULANCE

Consider for recommendation to the Board of Commissioners approval of the eligibility list for volunteer firefighters and volunteer emergency medical service personnel who have qualified for the Real Estate Tax Credit for Firefighter/Ambulance Volunteers.

## PUBLIC COMMENT

### ATTACHMENTS:

| Description  | Type           |
|--|----------------|
| <input type="checkbox"/> APPROVAL OF ELIGIBILITY LIST FOR THE REAL ESTATE TAX CREDIT FOR VOLUNTEER FIREFIGHTER/AMBULANCE | Issue Briefing |

## **TOWNSHIP OF LOWER MERION**

### ***Finance Committee***

#### **Issue Briefing**

**Topic:** Real Estate Tax Credit for Firefighter/Ambulance Volunteers

**Prepared By:** Adam M. Szumski, Chief Financial Officer  
James A. McCoy, Chief of Department

**Date:** March 5, 2025

#### **I. Action To Be Considered By The Board:**

Approval of the eligibility list for volunteer firefighters and volunteer emergency medical service who have qualified for the Real Estate Tax Credit for Firefighter/Ambulance Volunteers.

#### **II. Why This Issue Requires Board Consideration:**

In accordance with state enabling legislation and Ordinance No. 4123 adopted by the Board of Commissioners, the Board must approve the list of volunteers who have met the criteria for the tax credit program.

#### **III. Current Policy Or Practice (If Applicable):**

The Township has now gone through this process for the past seven years. Last year all 44 eligible volunteers submitted the required paperwork and were reimbursed a total of \$37,753 or an average of approximately \$858 per volunteer. Last year was the third year the tax relief percentage was 100% compared to the previous cap of 20% of Township real estate taxes.

#### **IV. Other Relevant Background Information:**

On November 15, 2017, the Board of Commissioners adopted Ordinance No. 4123 amending the Code of the Township of Lower Merion, Chapter 78, Fire Prevention, by the addition of a new Article VI, Volunteer Service Credit Program, enacting Real Estate Tax Credits for volunteer members of volunteer fire companies located in Lower Merion and comprising the Lower Merion Fire Department and for volunteer members of Narberth Ambulance. The Board of Commissioners on December 18, 2024, established by Resolution, the annual criteria that must be met to qualify for credits under the program. The fire company chiefs and the Chief of Department have certified the list of volunteers who have met the service criteria during this past year and that list must be approved by the Board of Commissioners for the volunteers to be able seek their tax credit.

The ordinance grants real estate tax relief at 100% Township tax credit for active volunteer firefighters/ambulance personnel who reside in and own property in the Township. Credit is only extended to volunteers who accumulate enough points by responding to emergency calls, training and fulfilling other duties for the fire or ambulance company. Once the Board of Commissioners approves the eligibility list, volunteers may then apply for the tax credit provided they have paid their real estate tax for the year.

The Township does not expect this program to impact a greater number of our volunteer firefighters or ambulance service volunteers compared to past years. This incentive is now more financially attractive and will remain part of our ongoing efforts to recruit and retain volunteers who provide critical emergency services.

**V. Impact On Township Finances:**

This program will result in a modest cost to the Township to offer this incentive to help preserve the volunteer fire/ambulance service system in the community. Based on last year's program we expect the total tax credits to be approximately \$38,000 (\$810 per qualifying volunteer).

**VI. Staff Recommendation:**

Staff recommends that the Board of Commissioners approve the eligibility list of 47 individuals as volunteer firefighters and volunteer emergency medical service that have qualified for the Real Estate Tax Credit for Firefighter/Ambulance Volunteers.

**Township of Lower Merion**  
**2024 Township Real Estate Tax Credit Eligibility List**  
**for Firefighter/Ambulance Volunteers**

**Belmont Hills Fire Company**

1. Francis M. Burdo
2. Eugene W. DiAmicis
3. Paul Fusaro
4. Patrick Fusaro, Jr.
5. Patrick Fusaro, Sr.
6. Vincent S. Fusaro
7. Jason Geary
8. Daniel Hudecki
9. Bartholomew K. Rose
10. Theodore Thompson

**Bryn Mawr Fire Company**

1. Brian R. Giersch
2. Jeffrey Josephson
3. William G. Moller

**Gladwyne Fire Company**

1. Andrew J. Block
2. Brian T. Brown
3. George A. Culbertson
4. Keith L. Hausmann
5. Blaine W. Leis

**Merion Fire Company of Ardmore**

1. Nathaniel J. Bender
2. Justin L. Bianchi
3. Clifford M. Cantrell, III
4. Alex J. Drukier
5. Jeffrey W. Elisca
6. Judith G. Flanagan
7. John H. Gordon
8. Thomas C. Hayden, Jr.
9. John J. Laurino
10. Hunter Brooke McMullin, Jr.
11. Edward F. Powers, III
12. Thomas J. Trainor
13. Timothy R. Van Winkle

**Narberth Fire Company**

1. Thomas Henderson
2. John E. Riddell, Jr.
3. Ramon Solis

**Penn Wynne/Overbrook Hills Fire Company**

1. Brian P. Conboy
2. Patrick J. DeHoratius
3. Sean T. Gisonda
4. Mark McCauley
5. Warren D. Neely
6. Edward W. Schmid, III

**Union Fire Association of Lower Merion**

1. Edward B. Dvir
2. Aaron J. Epstein
3. Scott D. Friedman
4. Steven A. Fusaro
5. Ilya Rakhman

**Narberth Ambulance**

1. Fred T. Crawford, IV
2. Alvin Wang



## AGENDA ITEM INFORMATION

### ITEM: FINANCIAL PRESENTATION (INFORMATION ONLY)

The Chief Financial Officer will provide a quarterly financial presentation discussing the Township's preliminary financial operating results (pre-audit) through December 31, 2024 as well as comments on the results to date for 2025.

## PUBLIC COMMENT

### ATTACHMENTS:

| Description  | Type         |
|--|--------------|
| <input type="checkbox"/> FINANCIAL PRESENTATION (INFORMATION ONLY) | Presentation |



# Township of Lower Merion Financial Update



Finance Committee  
March 12, 2025





# Overview of Presentation

- I. 2024 Financial Performance (Pre-Audit)**
- II. 2025 Year-To-Date Financial Performance**
- III. Other Finance Updates**



## 2024 Financial Performance







# 2024 General Fund Financial Results (Pre-Audit)

| General Fund (Million \$)                | 2024<br>Budget | 2024<br>Estimate | 2024<br>Actual | \$ Variance<br>vs. Budget | \$ Variance<br>vs. Estimate |
|--|----------------|------------------|----------------|---------------------------|-----------------------------|
| Beginning Fund Balance                   | \$ 26.9        | \$ 29.7          | \$ 29.7        |                           |                             |
| Revenues & Transfers In                  | \$ 72.5        | \$ 72.0          | \$ 72.6        | \$ 0.1                    | \$ 0.7                      |
| Expenses & Transfers Out                 | \$ 77.1        | \$ 79.2          | \$ 77.6        | 0.5                       | (1.6)                       |
| Surplus/(Deficit)                        | \$ (4.5)       | \$ (7.3)         | \$ (5.0)       | (0.4)                     | 2.3                         |
| Ending Fund Balance                      | \$ 22.3        | \$ 22.5          | \$ 24.7        |                           |                             |
| Ending FB as % of Operating Expenditures | 29.0%          | 28.4%            | 31.9%          |                           |                             |

- Total revenue within \$100k of Adopted Budget; exceed 2024 Estimate by \$650k
- Expenditures exceed budget by \$500k inclusive of the unbudgeted \$2 million transfer to Capital Projects Fund, and lower than Estimate by \$1.6m
- Township enters 2025 with a Fund Balance position \$2m above Estimate, over \$24m or 32% of expenditures



# 2024 General Fund Financial Results (Pre-Audit)

- Very few revenue categories underperformed compared to their respective 2024 Estimate
  - Building Permits +300k (+9.8%) versus estimate
  - All tax categories met or exceeded estimates by 1.0% - 2.6%
- Most expenditure categories ended the year below estimates
  - Salaries -\$600k (-1.8%) versus EA
  - Utility expenditures beat EA due to impact of streetlight LED project on electricity costs
- Final 2024 General Fund results put Township in a better starting position for 2025 to meet priorities and challenges in the coming year.



## 2024 General Fund Revenues (Pre-Audit)

- GF revenues within 0.1% of 2024 Budget and ended the year slightly better than anticipated, outperforming the 2024 Estimated Actual by \$654,000 (0.9%)

| General Fund Revenue       | 2024<br>Adopted<br>Budget | 2024<br>Estimated<br>Actual | 2024<br>Actual<br>Revenues | \$<br>Change From<br>2024 EA | %<br>Change From<br>2024 EA |
|----------------------------|---------------------------|-----------------------------|----------------------------|------------------------------|-----------------------------|
| Building Permits           | \$ 2,900,000              | \$ 3,100,000                | \$ 3,402,447               | \$ 302,447                   | 9.8%                        |
| Business & Mercantile Tax  | 15,500,000                | 14,950,000                  | 15,191,972                 | 241,972                      | 1.6%                        |
| All Other Revenues Net     | 41,768,000                | 42,192,650                  | 42,372,077                 | 179,427                      | 0.4%                        |
| Real Estate Transfer Taxes | 4,700,000                 | 4,600,000                   | 4,720,242                  | 120,242                      | 2.6%                        |
| Zoning & Subdivision Fees  | 500,000                   | 420,000                     | 517,399                    | 97,399                       | 23.2%                       |
| Fines and Forfeits         | 855,000                   | 825,000                     | 874,406                    | 49,406                       | 6.0%                        |
| Local Services Tax         | 2,275,000                 | 2,300,000                   | 2,328,138                  | 28,138                       | 1.2%                        |
| Franchise Fees             | 1,320,000                 | 1,270,000                   | 1,259,058                  | (10,942)                     | -0.9%                       |
| Liquid Fuels Transfers     | 850,000                   | 850,000                     | 685,959                    | (164,041)                    | -19.3%                      |
| Police Services            | 1,850,000                 | 1,450,000                   | 1,259,857                  | (190,143)                    | -13.1%                      |
| Grand Totals               | \$ 72,518,000             | \$ 71,957,650               | \$ 72,611,557              | \$ 653,907                   | 0.9%                        |



## 2024 General Fund Revenues (Pre-Audit)

- GF revenues were \$6.1 million or 7.8% less than the prior year due to the decline from record business privilege taxes in 2023 as well as less cost-recovery Police Services revenue

| General Fund Revenue         | 2023<br>Actual | 2024<br>Actual | \$ Change<br>From 2023 | % Change<br>From 2023 |
|------------------------------|----------------|----------------|------------------------|-----------------------|
| Building Permits             | \$ 3,067,199   | \$ 3,402,447   | \$ 335,248             | 10.9%                 |
| PHMIC Refund                 | 1,116,895      | 1,347,430      | 230,535                | 20.6%                 |
| Recreation Program Revenue   | 823,497        | 970,866        | 147,369                | 17.9%                 |
| All Other Revenues Net       | 13,738,382     | 13,725,461     | (12,921)               | -0.1%                 |
| Street & Pole Permits        | 275,390        | 192,207        | (83,183)               | -30.2%                |
| RE Taxes - Current & Interim | 31,797,311     | 31,696,953     | (100,358)              | -0.3%                 |
| Grants & Gifts               | 258,364        | 104,122        | (154,242)              | -59.7%                |
| Real Estate Transfer Taxes   | 5,000,479      | 4,720,242      | (280,237)              | -5.6%                 |
| Police Services              | 1,873,449      | 1,259,857      | (613,592)              | -32.8%                |
| Business & Mercantile Tax    | 20,773,121     | 15,191,972     | (5,581,149)            | -26.9%                |
| Grand Total                  | \$ 78,724,087  | \$ 72,611,557  | \$ (6,112,530)         | -7.8%                 |



# 2024 General Fund Expenditures (Pre-Audit)

- GF expenditures ended the year below Estimated Actuals for most categories, particularly salaries and wages due to higher-than-assumed Police vacancies and Highway staff charges to other funds (e.g., Capital Projects, Sewer and Solid Waste Funds)
- Utilities savings due to first full year of streetlight LED conversion project savings

|  | 2024<br>Adopted<br>Budget | 2024<br>Estimated<br>Actual | 2024<br>Actual<br>Expenses | \$ Change<br>From<br>2024 EA | % Change<br>From<br>2024 EA |
|--|---------------------------|-----------------------------|----------------------------|------------------------------|-----------------------------|
| <b>General Fund Expenditures</b>         |                           |                             |                            |                              |                             |
| Professional Technical Serv              | \$ 2,800,908              | \$ 2,409,686                | \$ 2,469,272               | \$ 59,586                    | 2.5%                        |
| Employee Benefits                        | 11,864,330                | 11,899,945                  | 11,928,397                 | 28,452                       | 0.2%                        |
| Uniforms & Clothing                      | 139,010                   | 121,590                     | 86,952                     | (34,638)                     | -28.5%                      |
| Contracted Services                      | 1,714,593                 | 1,724,871                   | 1,650,592                  | (74,279)                     | -4.3%                       |
| Other Compensation                       | 4,339,773                 | 4,187,430                   | 4,098,330                  | (89,100)                     | -2.1%                       |
| Materials & Operating Suppl              | 1,061,700                 | 1,111,152                   | 976,790                    | (134,362)                    | -12.1%                      |
| All Other Expenditures (Net)             | 20,495,136                | 20,476,539                  | 20,307,400                 | (169,139)                    | -0.8%                       |
| Machinery & Equipment                    | 466,023                   | 540,823                     | 343,870                    | (196,953)                    | -36.4%                      |
| Utilities                                | 1,405,243                 | 1,414,300                   | 1,054,005                  | (360,295)                    | -25.5%                      |
| Salaries                                 | 35,380,296                | 33,330,508                  | 32,716,404                 | (614,104)                    | -1.8%                       |
| <b>Expenditure Subtotal</b>              | <b>79,667,012</b>         | <b>77,216,844</b>           | <b>75,632,012</b>          | <b>(1,584,832)</b>           | <b>-2.1%</b>                |
| <b>Budgetary Savings Anticipated</b>     | <b>(2,600,000)</b>        |                             |                            |                              |                             |
| <b>Transfer to Capital Projects Fund</b> |                           | <b>2,000,000</b>            | <b>2,000,000</b>           |                              |                             |
| <b>Total Expenditures</b>                | <b>77,067,012</b>         | <b>79,216,844</b>           | <b>77,632,012</b>          | <b>(1,584,832)</b>           | <b>-2.0%</b>                |



# 2024 General Fund Expenditures (Pre-Audit)

- GF actual expenditures are \$4.0 million or 5.5% greater than 2023 GF expenditures. When the one-time 2024 Capital Projects Fund transfer is excluded, the expenditure increase is \$2.0 million or 2.8%

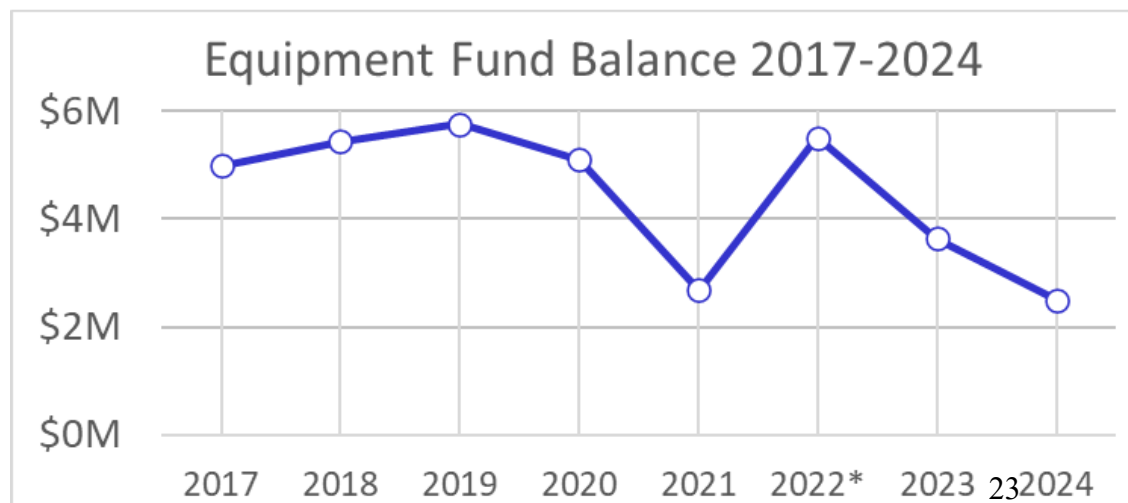
| General Fund Expenditures         | 2023<br>Actual    | 2024<br>Actual    | \$ Change<br>From 2023 | % Change<br>From 2023 |
|-----------------------------------|-------------------|-------------------|------------------------|-----------------------|
| Salaries                          | \$ 31,402,974     | \$ 32,716,404     | \$ 1,313,430           | 4.2%                  |
| Township Equipment Rental         | 2,770,346         | 3,262,935         | 492,589                | 17.8%                 |
| Professional Technical Serv       | 2,123,285         | 2,469,272         | 345,987                | 16.3%                 |
| All Other Expenditures (Net)      | 24,940,753        | 25,286,276        | 345,523                | 1.4%                  |
| Other - Refund                    | (670,334)         | (352,585)         | 317,749                | -47.4%                |
| Materials & Operating Suppl       | 820,559           | 976,790           | 156,231                | 19.0%                 |
| Insurance & Claims                | 532,034           | 633,466           | 101,432                | 19.1%                 |
| Uniforms & Clothing               | 249,850           | 86,952            | (162,898)              | -65.2%                |
| Utilities                         | 1,407,258         | 1,054,005         | (353,253)              | -25.1%                |
| Debt Service                      | 10,009,517        | 9,498,497         | (511,020)              | -5.1%                 |
| <b>Total</b>                      | <b>73,586,242</b> | <b>75,632,012</b> | <b>2,045,770</b>       | <b>2.8%</b>           |
| Transfer to Capital Projects Fund | -                 | 2,000,000         | 2,000,000              | -                     |
| <b>Grand Total</b>                | <b>73,586,242</b> | <b>77,632,012</b> | <b>4,045,770</b>       | <b>5.5%</b>           |





# 2024 Sewer and Equipment Fund Financial Results (Pre-Audit)

- Sewer Fund had a deficit in 2024 but outperformed budget and EA
  - No immediate rate increase need anticipated, but next month's presentation will review fund's multi-year financial outlook
- Equipment Fund's unrestricted fund balance (cash minus outstanding orders) ended 2024 at approx. \$2.5 million
  - Maintenance and repairs continue to increase due to holding onto aging fleet longer in response fleet acquisition delays
  - Further increases to General Fund's replacement charges to Equipment Fund (currently 65%) likely a discussion point for 2026 Budget cycle





# 2024 Sewer/Equipment/Solid Waste Fund Financial Results (Pre-Audit)

- Solid Waste Fund ended 2024 in a worse position than anticipated
  - Approx. \$580,000 fund balance actual vs \$730,000 estimated
  - Higher salary and workers comp costs than estimated, lower misc revenue
  - Solid Waste Fund finished 2024 with a 6.7% fund balance. The 2025 rate increase (~6%) will help, but further policy action will be required this year
- Recycling services will be bid this year for 2026+ contracts

| General Fund (Million \$)           | 2024<br>Budget | 2024<br>Estimate | 2024<br>Actual | \$ Variance<br>vs. Budget | \$ Variance<br>vs. Estimate |
|-------------------------------------|----------------|------------------|----------------|---------------------------|-----------------------------|
| Beginning Fund Balance              | \$ 0.60        | \$ 0.47          | \$ 0.47        |                           |                             |
| Revenues & Transfers In             | \$ 8.72        | \$ 8.83          | \$ 8.76        | \$ 0.04                   | \$ (0.07)                   |
| Expenses & Transfers Out            | \$ 9.10        | \$ 8.57          | \$ 8.65        | \$ (0.45)                 | \$ 0.08                     |
| Surplus/(Deficit)                   | \$ (0.38)      | \$ 0.26          | \$ 0.11        | \$ 0.49                   | \$ (0.15)                   |
| Ending Fund Balance                 | \$ 0.21        | \$ 0.73          | \$ 0.58        |                           |                             |
| Ending FB as % of Operating Expense | 2.3%           | 8.6%             | 6.7%           |                           |                             |





## **2025 Year-To-Date Financial Performance**





# 2025 YTD General Fund Performance

- Real Estate Taxes: Tracking historical performance; highest collections in final weeks of the discount period (ends 3/31)
- Business Taxes: Off to a good start, including two audit settlements totaling \$200k; more clarity on strength of annual business tax collections will be clearer as tax deadline nears (4/15)
- Other Revenues: Building Permits off to strong start due to Residential Rental License and New Commercial Building Construction permits. Most other categories in line or exceeding prior YTD totals.



# 2025 YTD General Fund Performance

- Salaries & Benefits: Early in the year but on track to meet vacancy savings assumptions (\$2.385 million) versus gross salaries budgeted
- Winter Storm Costs: Township has spent \$480,000 on overtime, associated payroll taxes, and salt in 2025. Salt purchases of approx. \$300,000 or \$40,000 overbudget
- Other Expenditures: Largely in line with historical and budgeted levels through the first few months
- Overall, a decent start to the year for the General Fund's finances. As typical, business tax performance will likely dictate overall performance versus the budgeted 2025 General Fund deficit (\$4.0 million)



## Other Finance Updates





# Other Finance Updates

- 2024 Audit Status: The Township's 2024 audit is ongoing, and work is progressing on schedule. Plan is to have audit completed and available on the Township's website by the end of June
- Pension Actuarial Valuations: Biennial 1/1/2025 actuarial valuations work is underway which will inform future MMO calculations
- Business Licensing and Tax system: Staff have provided vendor with forms and workflow outlines for initial configuration. Data migration and payment gateway discussions underway.