

WESTTOWN TOWNSHIP

1039 Wilmington Pike West Chester, PA 19382 610-692-1930 administration@westtown.org

Post Office Box 79 Westtown, PA 19395 FAX 610-692-9651 www.westtownpa.org

December 6, 2022

Dear Westtown Resident:

I wanted to take an opportunity to wish all of you a very happy and healthy holiday season and bring you up to speed on some important developments in Westtown Township that will take effect on January 1.

New Earned Income and Real Estate Taxes, Effective January 1, 2023

First, as you are probably aware, the Open Space Tax Referendum on the November 8 general election ballot passed by a 68%-32% margin. That referendum authorized the Township to increase earned income taxes by up to 0.08% and real estate taxes by up to 0.42 mills to acquire and maintain open space. To that end, on December 5, the Board of Supervisors adopted an ordinance increasing earned income taxes by 0.04% and real estate taxes by 0.21 mills, or 50% of the maximum levels authorized in the referendum.

The Board decided not to increase the taxes higher until our County and State partners have made grant commitments in line with the levels outlined in the Township's April 2022 Agreement of Sale to purchase Crebilly Farm. Specifically, the Agreement of Sale is contingent upon the Township receiving approximately 75% of the purchase price of the property from State and County grants, or about \$15.45 million total. In addition, a separate conservation easement proposal requires the County to provide about \$2.15 million in grant funds for the cost of the conservation easements that would restrict future development on the four parcels spread across 102 acres that will remain as private property.

The Township remains hopeful that the grant commitments from our partners are forthcoming, but until then the Board has agreed to maintain open space taxes below the maximum amounts authorized. Importantly, however, the Board's decision to raise the open space taxes to these levels does not prevent the Township from issuing bonds to finance the Township's agreedupon share of the acquisition and conservation easement costs. The Township remains steadfastly committed to complying with the terms of the agreement of sale and the conservation easement proposal.

If you work for a Pennsylvania-based employer, your local earned income tax withholdings should be automatically adjusted in your paycheck beginning on January 1. If they are not, please be sure to check with your payroll department right away. If you file quarterly estimated payments to the Keystone Collections Group, please be sure to remit earned income at the rate of 1.04% beginning with your return corresponding with wages earned in the 1st Quarter of 2023.

Your 2023 real estate tax bill will be mailed out by or before February 1. Remember, if you have an escrow account, do not make a payment to the Township; your mortgage company will make payment directly to the Township on your behalf.

New Quarterly Trash and Recycling Rates Effective January 1, 2023

As you may be aware, the Township's solid waste and recycling contract with AJ Blosenski will expire at the end of this year. Therefore, earlier this year, the Township went out to bid for a new three-year contract. Unfortunately, due to a perfect storm of inflationary pressures, higher gasoline prices and supply chain issues, the low bid reflected a 61.7% increase over the 2022 contract. While the Township has sufficient fund balance in our Refuse Fund to absorb some of this increase, it will be necessary to increase the quarterly trash and recycling fee from \$80 to \$100 per quarter.

Needless to say, it gives us no pleasure to raise fees in these amounts and we remain laser focused on providing critical public services as cost efficiently as possible. This is the first increase to the Township's trash and recycling rate since 2009 and Westtown's increase will be in line with increases that other municipalities in our region are implementing. However, we certainly understand the financial pressures that many households in our region face.

This increase will be reflected in the sewer and trash bill that you receive in late December, which is due by February 15. Fortunately, no increase in the sewer rate will be necessary in 2023.

Communicating information about tax and fee increases is obviously a difficult, if necessary step in the operation of the Township, and we are grateful for your understanding. Please do not hesitate to contact me by email at jaltshul@westtown.org if you have any additional questions or concerns.

Sincerely,

Jon Altshul

Township Manager