

## Mayor's Budget Message – FY2026 General Fund

Fellow Residents and Members of Council,

It is with both optimism and commitment to responsible governance that I present the proposed FY2026 General Fund Budget for Upper Darby Township, totaling \$104,737,066. This budget represents a significant step forward in ensuring the long-term fiscal health and operational stability of our community, all while continuing to provide the essential services our residents rely upon—**and without any increase in the Township's millage rate.**

The FY2026 budget is built on a foundation of conservative, sustainable planning and reflects our ongoing work to modernize Township operations and strengthen our financial position. Most notably, this is the first full-year budget to reflect the anticipated \$17.8 million in additional revenue from the Earned Income Tax (EIT), approved by the Township Council. This critical revenue source allows us to both preserve current service levels and begin planning strategically for the future.

As part of our fiscal responsibility efforts, the proposed budget reflects an operational reserve of nearly \$4.3 million, beginning the process of building toward our goal of maintaining an unencumbered 20% fund balance. This is a long-term objective that will better position Upper Darby to weather economic uncertainties and unforeseen challenges in the years ahead.

### Investing in the Future

We are committed to strengthening core operations and public services. The FY2026 budget includes targeted investments in technology upgrades, including the Township's website, Human Resources and Finance software systems, and critical IT infrastructure improvements. These upgrades will increase efficiency, improve public transparency, and ensure more accessible services for residents.

We are also closely examining capital needs across our infrastructure, including sewer and trash systems. Current fee structures are not sufficient to cover long-term maintenance or increased treatment penalties from Philadelphia's sewer system. To address this, we are recommending a comprehensive rate study to ensure fees more accurately reflect the cost-of-service delivery and capital investment. These efforts, combined with infrastructure improvements, will reduce long-term costs, and improve system reliability.

## **Responsible Financial Stewardship**

In 2026, we will continue managing significant financial obligations related to contractual labor agreements, pension costs, and health benefits. We are actively engaged in contract negotiations with our Police and Fire unions—one currently in arbitration—and remain committed to fair and sustainable agreements that respect both our public servants and taxpayers.

As part of our broader financial strategy, we are now in the preliminary stages of establishing a formal fund balance policy, investment policy, and capital fund policy. These frameworks will provide long-term financial stability and support future bonding opportunities. In the months ahead, we plan to bring these policies before Council for adoption, reinforcing our commitment to transparent and responsible fiscal management.

Additionally, the Township has begun efforts to establish a credit rating and secure bonding capacity—key steps that will enable us to begin major capital initiatives, including the long-awaited community center project, extensive renovations to Naylor's Run and Observatory Parks, and a public safety center for Police and Fire operations.

## **Planning for Growth and Equity**

Despite ongoing assessment appeals and property value challenges, we are committed to reversing this trend through strategic redevelopment and new investment opportunities throughout Upper Darby. At the same time, we are continuing to review our fee structures to ensure equity and full-cost recovery across all services provided.

Funding for the Library remains an important community priority. The Township currently provides approximately 90% of the Library's annual costs through direct funding, in-kind contributions, and use of Township facilities. Ongoing discussions with Library board members are focused on sustainable funding solutions, and we look forward to bringing those conversations to Council for input.

We also await the upcoming Fire/EMS study from CPSM, which will offer recommendations critical to the safety and wellbeing of our residents. We are committed to carefully evaluating its findings and planning accordingly.

## **Conclusion**

Upper Darby is at a pivotal moment. With the support of Township Council, our residents, a resolute team of employees, and the new EIT revenue stream, we are now equipped to move from fiscal triage to long-term strategic planning. The FY2026 budget lays the groundwork for improved services, stronger reserves, better infrastructure, and responsible stewardship of public resources.

We are turning the corner—and we are doing it together.

With prudent planning, transparent leadership, and continued collaboration, Upper Darby Township is on a strong path forward.

Sincerely,  
Ed Brown  
Mayor  
Upper Darby Township