



## WHAT COULD DERRY TOWNSHIP MUNICIPAL AUTHORITY HAVE TO DO WITH FUNDING THE COMMUNITY CENTER?

Derry Township supervisors initiated a process to look at Township- controlled assets to look for creative funding solutions.



By law, Derry Township has the right at any time to assume ownership of DTMA operations and its assets



- Standalone authority
- Its own board
- Well run for many years
- Keeps rates low

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It was decided that DTMA could be sold for an amount that would fund the entire Community Center

If sold, sewer rates could rise as much as **75%**, and the Township would lose control of a stable asset

However...

## SO WHERE DID THIS LEAD?

Supervisors agreed a sale is not in the best interest of township residents, but in the process of investigating options, it was realized that DTMA has two distinct operations and that one of them may be able to help.

1

- Its core sewer collection and processing business which is paid for by rate payers
- Storm water management paid for by rate payers

2

- An ancillary business called the Trucked-in Waste Acceptance program. Examples of customers include jiffy john companies and bulk food waste companies.

**\$800,000  
PER YEAR**

ESTIMATED NET INCOME FROM THE  
TRUCKED-IN WASTE ACCEPTANCE PROGRAM  
HAS BEEN USED TO SUBSIDIZE SEWER RATES

## POSSIBLE SOLUTION:

Derry Township receives  
these revenues



The revenues could be used for debt service on the Community Center, eliminating the subsidy to the core DTMA sewer processing operations.

**75%**

**12%-  
20%**

Because the core sewer business would no longer be receiving this subsidy, it is likely that sewer rates could increase 12%-20%, but this is far less than the projected 75% increase if the authority was sold.

By using these private activity funds to help fund the Community Center, the Township may minimize, or avoid, a tax increase.