

EAST ROCKHILL TOWNSHIP
Budget Message from the Township Manager
2011 Budget

I am pleased to present a completed 2011 Budget that includes a balanced General Fund with no increase to the real estate tax rate or street light assessment; and a balanced Sewer Fund with no increase to sewer rental rates. The total budget is balanced at \$3,370,525.

The driving force behind the preparation of the 2011 budget is revenue projections for 2011. The Township is projecting a \$30,000 reduction in Earned Income Tax from amounts collected in 2009 and projected for 2010. The depths of this decline is still unknown and the Township will need to monitor the decline and attempt to bolster alternative revenues such as rent received from mobile phone carriers co-locating on towers located on Township property. The Local Services Tax is also declining and the real estate transfer tax is quite volatile making projections for 2011 difficult.

The Township needs to balance a strict austerity plan with the need to maintain basic function and services. Capital purchases felt necessary for operations include a replacement HVAC system that will provide reliability and increased energy efficiency, a new phone system, and basic computer and Windows software upgrades. The Township has tried unsuccessfully for three straight years to garner state grants to pay for these necessities and cannot afford to wait for them to breakdown.

The Liquid Fuels and Capital Budget are also lean. While the Township is aware of many road segments that ideally should be repaved, road improvement projects are selected by not only by surface condition but by the condition of the base and whether or not they are candidates for less expensive maintenance techniques such as Oil and Chip application. Blooming Glen Road from the shopping center entrance to Branch Road, Richhill Road from the township line to the Quarry Entrance are scheduled to be Oil & Chipped. Schwenkmill Road from 5th Street to Ridge Road will be paved and various other roads will receive scratch coat repairs in anticipation of more detailed repairs in future years. The Township will also obtain an additional storage shed for salt and anti-skid material. A few stormwater management improvements are also included in the budget.

The Township's full time employees were reduced in 2009 from eight full-time employees to six. Employees have absorbed greater work responsibilities and accepted increases in employee contributions to the Pension Plan and a pay freeze in 2010. Full-time employees will see an average of 3% wage increases in 2011 for an average net increase of 1.33% over a three year period. While all of the Township employees perform necessary and important services for the execution of public services, I would especially like to commend the three man Public Works Department who are tasked with keeping our roads safe and traversable all year round and still find time to maintain the waste water treatment system, the park system and collect leaves and yardwaste.

In all, I believe the budget presented is purposeful and practical. I am very pleased to be able to present this budget without reductions in public services and without any tax rate or sewer rate increases.

Sincerely

Anne W. Klepfer
East Rockhill Township Manager