

15 November 2019

Dear Neighbors,

We are pleased to present a draft of the 2020 borough budget for public comment. In constructing the borough budget, our priorities have been, and remain, to ensure a balanced budget while providing the borough the ability to meet emerging needs and opportunities.

Over the course of the last two years, we have focused on bringing structural and operational changes to the borough budget to foster fiscal transparency and good practices; enhance our opportunities for supplementary revenue; and ensure future needs and opportunities can be anticipated, planned for, and embraced. To date, these changes in operations and practice have allowed this Council to:

- Receive over \$500,000 in grants, including
 - \$425,000 to line the sewer mains throughout the entire borough
 - \$120,000 DVRPC grant with Morton for the Safe Routes to Transit Master Plan
 - \$30,000 for upgrades to Triangle Park
 - \$5,000 for Triangle Park planning

Through better planning, we are also able to be better partners in opportunities for cost sharing to ensure a small borough like ours doesn't pay more for the same services our neighbors need. Working with our neighbors in Morton, we are exploring joint proposals for street maintenance. With our neighbors in Swarthmore, we are able to jointly purchase salt and patching material.

As operational costs for our borough (and all municipalities) continue to rise, we are confident the proposed budget can meet the needs of the borough today while ensuring we are well positioned for the future. What does this mean for this year's taxes? Your Annual Borough tax bill is broken into 3 categories:

1. **Borough Taxes:** This is based on individual property assessments. The borough millage rate for 2020 will increase from 5.71 to 6.71. Over the past two years, we have been able to absorb the incremental increases of several of our ongoing costs including the current police contract, annual contributions to the fire company, and borough maintenance. Increasing this rate now will ensure we have the ability to meet these rising costs through the duration of their contracts (two more years) while not sacrificing the borough's ability to plan for large infrastructure projects and flexibility in meeting emerging needs. **Special Note on Per Capita:** We have eliminated the per capita tax for 2020. The cost of administering this tax made it ineffective. This revenue has been absorbed into the general Borough Tax.

2. **Trash Service Fee:** This is a flat per household fee. This consists of the contracted rate for picking up the trash and recycling as well as the dumping fees. The costs for this are directly passed on. A modest increase of \$34.19 per household is proposed.

3. **Sewer Usage Fee:** This is also a flat fee per household made up of two items. The largest cost is the fee we pay to Central Delaware County Authority (CDCA) to process our wastewater. This is charged per gallon and is measured as the flow leaves our borough. Unfortunately, the ongoing costs to deal with waste water is ever increasing, made worse by the storm water that makes its

way into the system. This year the CDCA is raising our rates by 25.2%. This year we are also including the second portion of the sewer relining grant match. The great news is that the Borough lines are 100% lined, meaning our infrastructure costs will be minimized for years to come.

We welcome your thoughts on the borough budget. You can share those thoughts and ideas with us electronically rutledgemanager@gmail.com, in writing (just drop-off your note at the borough office), or in person. The borough finance committee will hold a special session on Tuesday, 3 December, at 7pm at the borough office if you'd like to stop by and speak with us in person.

Sincerely,

Heidi Sentivan, Council President

Jody A. Roberts, Council Vice-President