

Residents,

The 2022 Borough of Rutledge tax bills have been issued and have started arriving at residents' houses. We wanted to take this opportunity to reshare a summary of the tax bill rates and fees provided last fall by the Council when the 2022 budget was under consideration..

The Borough Tax Bill is divided into 3 components: Borough Tax, Trash Service Fee and Sewer Usage Fee. These are described in more detail below.

1. **Borough Taxes:** This is based on individual property assessments and covers general borough expenses. For 2022, the Borough millage rate **DID NOT GO UP, it is the same as 2021**, which is set to 3.07. Your tax rate is determined by multiplying the assessed value of your property x 0.00307.

2. **Trash Service Fee:** This is a flat per household fee. This consists of the contracted rate for *hauling* the trash and recycling plus the trash and recycling *disposal* fees. Changes in both hauling *and* disposal costs are changing things in 2022. Here are some of those changes:

- a. The Borough's five-year contract expired at the end of 2021. A new contract for hauling went into effect January 1, 2022, with an increase of over 95%. This increase is due, in part, to:
 - i. the previous contract being written 5 years ago, prior to a large increase in multiple aspects of hauling and disposal
 - ii. increases in labor rates and fuel costs
 - iii. uncertainty in the location of disposal (old sites are reaching capacity and new sites are still under development; these uncertainties in location lead to uncertainties in distance, which lead to speculation on costs for transport and hauling).
- b. Delaware County Solid Waste Authority increased the dumping or "tipping" fees by 20% for 2022. This is a direct cost billed to the Borough monthly based on the actual trash tonnage. This is due to the high cost of expanding their landfill and the uncertainty of the contract with the Covanta Incinerator in Chester.
- c. Previously we were not paying a recycling disposal fee, as it was covered in our hauling fee. Now there is a substantial cost to ensure it is being recycled properly.
- d. The continued increase in waste tonnage produced by Rutledge. This is the second year in a row where we have seen a large increase in tonnage coming from Rutledge.

Why are trash fees going up, and what can we do about it? While there is little the Borough can do to address hauling and disposal costs in general, there are steps that we can take, together, to help soften the impact. First, given the current uncertainties in the market, the Borough elected to enter into a shortened, 2-year contract (with an optional 3rd year). This provides us with an opportunity to gather data within the Borough, more information about options in the county, and a chance for some clarity on things that are uncertain at the moment. Second, **we can address the issue of how much waste we produce**. The Borough Office has been tracking monthly tonnage for the last three years. Like many municipalities, 2020 saw a dramatic increase in total waste produced as more families stayed home, and therefore created more waste. Yet, in 2021, Rutledge has sent **even more** waste into the waste stream than in 2020 – nearly 8% more. Dumping fees

are based on tonnage and are assessed in addition to our hauling costs. More waste = higher fees. We know that some of that waste can be diverted. For instance, yard waste is heavy and adds to our overall tonnage. But yard waste doesn't need to go to a dump site. That's why this year Rutledge will be piloting a monthly yard waste pickup. We also know that not all neighbors dispose of waste equally. This year the Borough will be exploring options to address this, including possible caps on bulk waste disposal.

3. Sewer Usage Fee: This is also a flat fee per household. The vast majority of this fee is paid to Central Delaware County Authority (CDCA) to process our wastewater. This is charged per gallon and is measured as the flow leaves our borough. The fees from CDCA continue to increase, approximately 11% for 2022. Additionally the Borough's total flow increased by over 30% in 2021. Last year, with lower flows, we were able to decrease the sewer fees. However, as both the CDCA fees and Rutledge's flow have increased, the fee that we owe will increase this year. The Borough balances this budget every year and it is solely based on the cost of running the sewer system. In order to minimize this increase, we are offsetting this by utilizing the \$14,000 collected in overdue sewer fees in 2020.