

Police Protection

Franklin Township, along with other upper Luzerne County municipalities and all of Bradford, Sullivan and Wyoming Counties are served by Troop P of the Pennsylvania State Police from their barracks located in Wyoming Borough and satellite stations in Laporte, Shickshinny, Towanda and Tunkhannock.



Troop P, Wyoming, PA
(www.psp.state.pa.us)

Police protection is important to community survey respondents and almost half of the respondents support spending Township tax revenues for police protection. However, local police protection provided by the Township is not planned at this time given its cost. A local police force can be one of the most costly services provided by local government, not only in terms of the number of employees and equipment requirements, but also continuing benefits and pensions, as well as liability insurance. The regionalization of police protection or contracting with a nearby municipal police force can be a means of providing service at reduced cost. Savings in manpower, administration, space and equipment costs can be realized by such intermunicipal cooperation. The Pocono Mountain Regional Police Department, which serves four municipalities, is an area example.

The Board of Supervisors will monitor the need for police protection, the cost involved, and any changes to the State Police system including proposed charges to local municipalities; and assess its feasibility in terms of the financial resources available and other necessary facilities and services. If local service is provided by Franklin Township, regionalization and contracting with an existing police department will be considered.

**Fire Protection and
Emergency Medical
Service**

Adequate emergency service will continue to be an important element of maintaining the existing quality of life in the Township. The issues should be addressed as a long term goal of the Township and area wide municipalities. As noted earlier, emergency response is typically one of the most important services to residents of small communities, and it ranked very high with respondents to the Franklin community survey

In the case of Franklin Township, fire protection and basic life support service is provided by two volunteer companies, the Franklin Township Fire Department and the Franklin-Northmoreland Township Ambulance Association serve the entire Township. Service areas are defined by inter-company agreements among the volunteer companies in the region and all companies are dispatched via the 911 System, and the companies are organized in a regional mutual aid system. The state-required mutual aid agreements are good examples of intermunicipal collaboration to improve both the efficiency and quality of service.

**Franklin Township
Fire Department**

The Franklin Township Fire Department is committed to providing good service with adequate fire response and life support transit times to the entire community it serves. Similar to other rural areas throughout the Country, finding and retaining volunteers is a critical issue. The Department currently has 12 active firefighters that respond to some 60 calls each year. The mutual aid system with has enabled area companies to work together to serve the larger area. For example, the Luzerne County Tanker Task Force is organized to ensure an adequate water supply is available for rural fires by mobilizing mutual aid companies to respond to fires with other companies providing backup to responding companies.



Franklin Township Fire Department

The fire company operates four trucks - a 1995 KME engine/pumper, a 2002 KME tanker/pumper, a 1986 Chevrolet brush truck and a 1980's mini-pumper. No acquisition of additional or new vehicles is planned. Funding depends on an annual fund drive letter, events, hall rental and Township support.

Franklin-Northmoreland Ambulance Association

The Ambulance Association website notes: *The Franklin - Northmoreland Township Ambulance Association is a group of dedicated individuals who work hard to provide quick and efficient care to the residents of Franklin Township, Northmoreland Township and surrounding municipalities. Ambulance 535 is stationed at the Franklin Township Volunteer Fire Company on Orange Road in Franklin Township. Ambulance 535 covers all of Franklin Township, Luzerne County, Northmoreland Township, Wyoming County, as well as providing mutual aid to surrounding municipalities in Northeast Pennsylvania.*

Ambulance 535 (<http://fntaa.synthasite.com/>)

The Association was formed in 1969 with the first ambulance purchased for \$4,000. The Association is now staffed by some 20 volunteers including 11 Emergency Medical Technicians who provide basic life support. Advanced life support service in Franklin Township is provided by Trans-Med Ambulance, Inc., under contract with the Ambulance Association. The Association now operates with Ambulance 535, a 2002 Freightliner, and an incident command trailer which is used for rehabilitation at fires and as an office for the company. The Association recently put a new ambulance into service at a cost of \$235,000. While the new ambulance will serve for many years, ongoing expenses will include the upgrade of necessary emergency equipment.

The Association operates on funds from memberships, municipalities, donations, grants and billing. Individuals, families and businesses who are members are not required to pay for any charges not covered by insurance. Given the cost of equipment and increasing difficulty of maintaining an adequate number of volunteers, paid ambulance staff appears to be inevitable at some point.

Volunteers

Rural emergency service providers are finding it more and more difficult to find volunteers given the increased demands for training and qualifications. Unfortunately, this is affecting the Franklin Fire Company and other local volunteer companies, and this situation must be monitored along with the need for paid staff. The situation is

a problem in Tafton for firefighters, but is becoming critical for life support services.

- The volunteer organizations are finding it more and more difficult to recruit and retain volunteers.
- Large time commitment required not only for answering calls but for training.
- Individual liability does not appear to be an issue; the *Good Samaritan Law* applies.
- Husband and wife both work in most families which limits volunteer time.
- More and more residents work at jobs out of the area which limits availability for day time response.
- Many young recruits go away to college and do not return.
- Fewer and fewer residents have a direct feeling of connection to the community.
- Generally changing attitudes about volunteering -- more people expect to be paid.
- What to do about volunteers and staffing?
 - Work with the State Office of Fire Prevention and Control to set standards for volunteer firefighter and ambulance personnel which are reasonable for rural areas and which do not discourage volunteer participation.
 - Consider paid staff for emergency services.
 - Regionalize services with a number of paid staff supplemented by volunteers.
 - An adequate pay scale would be critical.
 - Volunteer marketing plan linked to service organizations, schools, Boy Scouts, Girl Scouts, 4-H, etc.
 - Offering EMT and paramedic training in high school.

911 Addressing

The 911 emergency response addressing has been completed in the Township in coordination with Luzerne County.

Emergency Response Actions

Township officials and emergency service organizations have historically maintained good working relationships and the Township has annually provided funding to support emergency services. In addition, the Township receives funding from the state Foreign Fire Insurance Program which is passed through to emergency services providers. Given the increasing demand for services, the high expense of acquiring and maintaining equipment, and the exacting training required for volunteers, the Township Supervisors recognize that providing effective emergency services is an important issue. Ongoing actions include:

- Continue to provide financial support to volunteer emergency services organizations.
- Support efforts to petition the State Office of Fire Prevention and Control to set

Municipal Assistance for Emergency Service Providers

A recent *Pennsylvania Township News* article suggested the following ways in which EMS (and other emergency service providers) can be assisted by municipalities:

- **Find out what they need** - Meet with your EMS provider on a regular basis to find out what the group needs and how the township can help.
- **Put out the call for volunteers** - Advertise for EMS volunteers in your newsletter and on your Web site. Find out if the EMS provider needs administrative volunteers, in addition to medical ones, and try to connect the group with local business people, a CPA, or a bank manager.
- **Offer volunteer incentives** - If the township sponsors recreation programs, special events, or even has a township pool, offer free tickets or a free membership to anyone who volunteers for EMS duty.
- **Help EMS providers with grant searches and grant writing** - Use your own experience securing grants for the township to show EMS providers where to look, such as the state Department of Community and Economic Development and other state and federal agencies. If they're new at grant writing, offer some pointers.
- **Check out purchasing options using state contracts** - Emergency medical equipment is available for purchase through statewide contract. Tell the EMS provider how the system works and also alert them to the availability of state and federal government surplus programs.
- **Consider funding options** - Townships can use the new emergency and municipal services tax to help fund emergency medical services. They can also dedicate up to half a mill of township taxes to such services. Some townships make annual donations to their EMS provider a regular part of the budget, and others participate in special fund raising campaigns.

Source: Pike County Comprehensive Plan, Ch. 18, p. 18.

reasonable standards for volunteer firefighter and ambulance personnel in rural areas.

- Work with the Franklin Township Fire Department and the Franklin-Northmoreland Ambulance Association to maintain adequate staff/volunteers and building and other support equipment and facilities.

Emergency Management

Emergency management planning at the local level is coordinated by the Luzerne County Emergency Management Agency (EMA). County emergency management agencies throughout the Commonwealth receive direction from the Pennsylvania Emergency Management Agency and the Federal Emergency Management Agency. The Township works with the County EMA, and has appointed an Emergency Management Coordinator who is in the process of updating the Township Emergency Management Plan. Luzerne County is working with Lackawanna County on a joint Hazard Mitigation Plan.

Lackawanna-Luzerne Hazard Mitigation Plan - This plan will evaluate the potential for natural or technological hazards that could affect Lackawanna and Luzerne Counties and determine an approach to manage those hazards. Hazard Mitigation Planning is a process for states and communities to identify policies, activities and tools to implement hazard mitigation actions. Mitigation is any sustained action taken to reduce or eliminate long-term risk to life and property from a hazard event. This process has four steps: 1. organizing resources; 2. assessing risks; 3. developing a mitigation plan; and 4. implementing the plan and monitoring progress. Actions, as outlined by the Hazard Mitigation Plan, can be structural or nonstructural in nature and can include construction of levees, storm drainage improvements, property acquisition, flood-proofing, natural resource protection, zoning ordinance amendments, land use planning, public awareness and improved emergency service measures, among others. Local governments are required to have approved natural hazard mitigation plans to be eligible for federal hazard mitigation funding. (Source: www.lackawanna-luzerneplans.com/Plans.aspx.)

Solid Waste Disposal and Recycling

Planning for solid waste disposal and recycling is a county responsibility as mandated by the State Solid Waste Management Act, and local municipalities are authorized to regulate solid waste disposal by ordinance. In Franklin Township, homeowners and business owners contract with private haulers for the collection and disposal of solid waste, and this has been adequate to meet current needs. Given the adequacy of the current system, the Township has not adopted any regulatory ordinance and no action is planned.

Recycling ranked very high in importance to Franklin Township community survey respondents, but the quality of recycling facilities was rated very low. Recycling drop-off facilities in neighboring municipalities are available to Franklin Township residents, but there may be interest in a facility in the Township. One approach would be for the Board of Supervisors to ask the Township Planning Commission, or an ad hoc committee of interested residents, to work with the Luzerne County Department of Solid Waste Management to evaluate options for recycling in the Township.

Utilities

Electricity in the Township is supplied by UGI Utilities, Inc., telephone service by Frontier Communications Corporation, and cable television, internet and voice connection by Comcast. The Township has adopted a cable franchise ordinance to ensure adequate service in the Township. No other action is proposed.

Water Supply

Groundwater is the source for all potable water in the Township with all homes served by individual wells and the two mobile home parks served by a common water supply and distribution system. No publically-owned water supplies serve any part of the Township and the Township has no plans to provide public water supply facilities.

Respondents to the community survey reported five cases of bacterial contamination of wells which were likely related to isolated conditions such as an unsecured well cap, inadequate well grouting or failing on-site sewage disposal system. In any case, Township officials and the Township Sewage Enforcement Officer are not aware of any continuing groundwater supply or quality problems. Almost 96% of survey respondents support Township action to prevent groundwater contamination and encourage water conservation. (See the discussion about groundwater in the Natural resources Section of this Plan for details about groundwater protection.)

Sewage Disposal

The disposal of wastewater must be addressed by all communities, but especially by a community that relies on groundwater for its potable supply. The volume of wastewater generated is directly related to a community's population and the extent and nature of commercial and residential development. In Franklin Township, wastewater is comprised of sewage, that is, human wastes associated with residential, institutional and retail/service types of commercial development. Given the lack of industrial development in the Township, industrial wastewater disposal is not an issue.

Sewage disposal is one of the most critical factors affecting the future growth and development and quality of life of the Township. Department of Environmental Protection regulations allow for two basic types of sewage treatment and effluent disposal - soil based disposal of effluent including individual, subsurface disposal and spray irrigation; and the discharge of treated effluent to surface waters (i.e. lakes and streams). Solids, following treatment, are either applied to agricultural lands or are disposed of in an approved solid waste landfill.

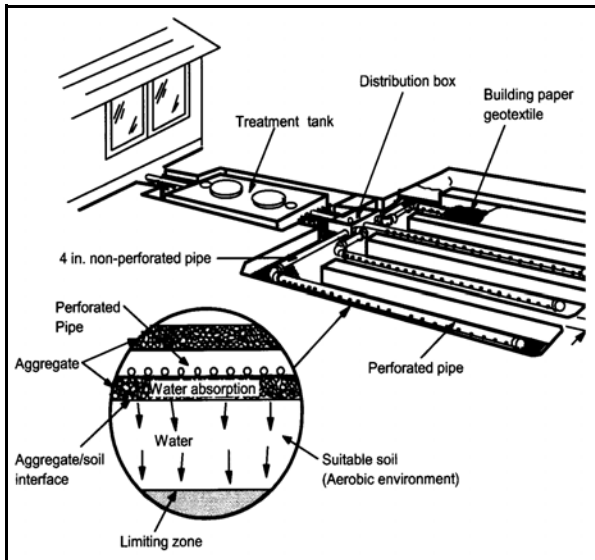
Many soils in the Township have severe limitations for extensive use for land based

sewage effluent disposal. At the same time, surface water quality in the Township is excellent, and its protection is paramount to maintaining the area's rural character and quality of life. Finding a sensible solution within the bounds of current Department of Environmental Protection regulations and the reluctance to rely on a proliferation of treatment plants with stream discharges is a perplexing problem. It is clear that cost-effective and environmentally sound alternatives for sewage disposal must be identified by the scientific community and then must be legitimized by the Department of Environmental Protection via their regulatory process.

On-Lot Sewage Disposal

The primary means of sewage disposal in Franklin Township is the use of a septic tank and subsurface soil disposal of the effluent, which includes both in-ground seepage beds and elevated sand mounds. The Country Village Mobile Home Park is served by a community subsurface disposal system, while the Valley View Mobile Home Park uses a central sewage treatment plant with a stream discharge.

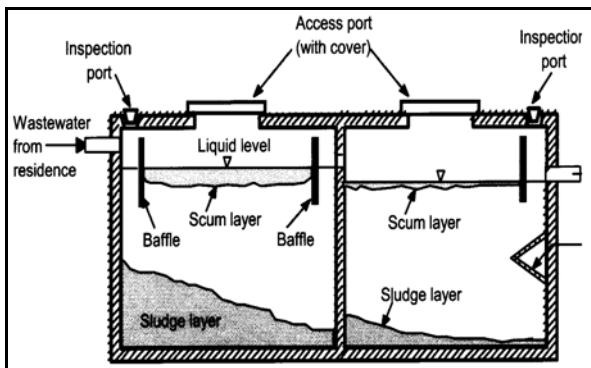
The Township Sewage Enforcement Officer (SEO) reports that all new systems in the Township have been elevated due to inadequate soil depth for in-ground systems. It is also important to remember that many of the housing units in the Township were constructed prior to the 1970 state enactment of sewage regulations. Nevertheless, the SEO is not aware of any widespread malfunctions and notes that immediate action is taken to correct any reported problems. In addition to the importance of compliance of new systems and correction of malfunctioning systems, is the need to improve existing or develop new institutional arrangements for the monitoring and possible operation of sewage disposal systems. Some communities have initiated municipally-operated on-site sewage disposal management programs, sewage treatment plant inspection and monitoring, and in some cases, municipal acquisition and operation of private sewage treatment plants. County and local municipal efforts should include imploring the Department of Environmental Protection to actively investigate the use of alternative sewage disposal methods to meet the needs of rural municipalities and other unique areas of the state.



On-Lot Sewage System



Sand Mound Under Construction



Typical 2-Compartment Septic Tank



Sewage Disposal Actions

- Continue to monitor the functioning of existing on-lot sewage disposal systems and order corrections when malfunctions occur.
- Continue to ensure that all new on-lot systems meet DEP regulations.
- Consider an on-lot sewage system management program, particularly in areas where malfunctions are occurring or are likely to occur (e.g., poor soils, concentrated numbers of small residential lots).
- Encourage DEP to actively investigate the use of alternative sewage disposal methods to meet the needs of municipalities in high quality and exceptional value watersheds.



(www.backmountainlibrary.org)

Public Libraries

Libraries play an important role in the community by making information available to all residents. Libraries supplement school libraries for students, provide life-long learning opportunities for adults, and offer special services such as interlibrary loan, books by mail and children's reading programs, and in more recent years, Internet access. The Pennsylvania Second Class Township Code authorizes townships to contribute to public libraries, and Franklin Township makes an annual contribution to the Back Mountain Memorial Library in Dallas Borough.

Community Facilities for New Development

A critical concern for any community is the provision of adequate facilities for new development. The Pennsylvania Municipalities Planning Code establishes the authority for local governments to require developers to provide adequate community facilities for their particular project. Via the subdivision and land development ordinance, roads, central water supply, central sewage disposal, storm water control and other facilities, must either be installed or be financially guaranteed prior to the sale of any lots in the development.

It is critical that the Township carefully enforce the subdivision and land development ordinance, and continue to update it to ensure that roads, drainage and other community facilities are installed to standards which will result in quality, durable facilities.

Community Facility and Service Priorities

A common theme in this *Comprehensive Plan* is the need for local municipalities to set priorities for the use of resources in meeting community needs and resident expectations. Concurrently, immediate community needs and resident expectations must be balanced with local officials' long term view of the future of the community and the costs of action or non-action in providing or postponing facilities and services. Based on this tenet, the Township will focus local municipal resources on those facilities and services traditionally provided by small municipalities and those important to residents. When asked about spending Township tax receipts to improve or initiate specific facilities and services typically provided by township government, road improvements and recycling were the only two with a majority of respondents favoring increased spending. (See the *Township Tax Money Spending Table*.)

Township Roads - Road maintenance now accounts for much of the municipal budget and this will continue to be a primary role of the Township.

Emergency Services - The Township will work with the volunteer organizations to maintain and improve emergency services.

Police Protection - Regional solutions or contracting for police service will be explored when the need dictates and financial resources permit.

Recycling - Recycling will be explored in cooperation with the Luzerne County department of Solid Waste Management.

(See the Land Use Section for open space conservation and the Natural Resource Protection Section for water quality.)

23. To what extent would you favor spending your Township tax money for each of the following services and facilities? Create Chart Download				
	Decrease	Continue As Is	Add or Increase	Response Count
A. Acquire land/conservation easements for open space	9.2% (11)	55.8% (67)	35.0% (42)	120
B. Building and zoning permit services	10.8% (13)	82.5% (99)	6.7% (8)	120
C. Emergency medical service	3.1% (4)	52.3% (67)	44.5% (57)	128
D. Fire protection	2.3% (3)	51.9% (67)	45.7% (59)	129
E. Improve water quality of lakes and streams	2.4% (3)	52.8% (65)	44.7% (55)	123
F. Police protection	2.4% (3)	49.2% (62)	48.4% (61)	126
G. Recreation facilities	9.7% (12)	54.0% (67)	36.3% (45)	124
H. Recycling	1.6% (2)	45.3% (58)	53.1% (68)	128
I. Township road improvements	1.6% (2)	45.1% (55)	53.3% (65)	122
			answered question	131
			skipped question	4

Township Tax Money Spending

Intermunicipal Cooperation

The Township will also explore ways to cooperate with Luzerne County and other municipalities, and particularly the Back Mountain Community Partnership, to manage growth and development in the area as the best means for minimizing community impacts, using municipal resources for facilities and services, and maintaining a quality lifestyle.

Taxing Authority

The Pennsylvania Second Class Township Code establishes the maximum rate for real estate taxes which may be levied, setting the maximum annual rate at fourteen mills. One levied mill equals one dollar of property tax on one thousand dollars of assessed value. Upon approval of the County Court of Common Pleas, a township may increase the millage as much as five mills for general purposes to meet the needs of an approved budget. The Code also permits townships to assess additional real estate tax millage for special purposes such as fire protection, municipal building construction, road maintenance equipment, recreation and street lighting. Municipalities in Pennsylvania are also authorized, under the Local Tax Enabling Act (Act 511) to levy a number of other taxes including income, per capita, mercantile license, business privilege, amusement, local services, occupation, and mechanical devices. (See *Taxes Authorized for Second Class Townships Sidebar.*)

Other Revenue Sources

In addition to the funds generated by local taxes, municipalities receive a variety of funds from the state, including for example, various grants such as the Dirt and Gravel Road Program, payments in-lieu of taxes on state forest and game lands, Public Utility Realty Tax Act funds, alcoholic beverage license receipts, certain fines collected by the State Police, and State Liquid Fuels Highway Aid Fund allocations. The Liquid Fuels allocation, based on the local municipal population and road miles, is generally the largest annual amount of state funds received by a municipality. The funds must be used for road maintenance and construction, and must be maintained in an account separate from the municipality’s general funds.

Franklin Township Revenue/Expenditure

Franklin Township operates on an annual general fund budget of approximately \$320,000 with most revenue raised by taxes. The balance of annual revenues is from a variety of sources such as the cable television franchise, cell tower royalty, state Foreign Fire Insurance receipts, grants and charges for services.

- real estate: \$ 70,000
 - per capita: \$ 5,000
 - real estate transfer: \$ 7,000
 - earned income: \$ 100,000
 - local services: \$ 1,500
- Total: \$ 183,500

Roads comprise the greatest proportion of expenditures in the Township. The higher level of spending on roads is not uncommon in less populated townships where road maintenance and improvement have historically been a principal governmental responsibility. General government expenses, such as the costs of administration and associated salaries and building maintenance, and insurance account for most of the other expenditures. Other expenditures include such items as pass through funds such as the Foreign Fire Insure which is passed on to the Fire department and grants which are paid for special projects, along with general fund contributions to the Fire Department and Ambulance Association, and code enforcement expenses.

- road maintenance: \$ 112,000
 - admin/general govt: \$ 55,000
 - insurance: \$ 45,000
- Total: \$ 212,000

Second Class Townships

Potential Tax Sources	Legal Limit ¹	Citation
General Purpose Tax Levies		
Real Estate	14 mills ²	53 P.S. 68205
Act 511 Taxes		53 P.S. 6901
Per Capita	\$10 ³	
Occupation (Flat Rate) ⁴	\$10 ³	
Occupation (Millage) ⁴	no limit	
Occupational Privilege	\$10 ³	
Earned Income	1 percent ³	
Realty Transfer	1 percent ³	
Mechanical Devices	10 percent ³	
Amusement ⁵	10 percent ³	
Business Gross Receipts ⁶	1 mill wholesale ³ 1½ mills retail ³ no limit other businesses	
Act 24 Earned Income ⁴	set by referendum	53 P.S. 6927.1
Special Purpose Taxes		
Municipal Building	½ general rate	53 P.S. 68205
Firehouses and Equipment	3 mills ⁷	53 P.S. 68205
Recreation	no limit	53 P.S. 68205
Debt Service	no limit	53 P.S. 68205
Permanent Improvement Fund	5 mills	53 P.S. 68205
Road Machinery Fund	2 mills	53 P.S. 68205
Library	no limit	24 P.S. 4401
Ambulance and Rescue Squads	½ mill ⁷	53 P.S. 68205
Fire Hydrants for Township	2 mills	53 P.S. 68205
Street Lights for Township	5 mills	53 P.S. 68205
Debt Payment ⁸	no limit	53 P.S. 68205
Open Space (real estate or earned income) ⁹	set by voters	32 P.S. 5007.1
Community Colleges	(10)	24 P.S. 19-1909-A
Distressed Pension System Recovery Program	no limit	53 P.S. 895.607(f)
Municipalities Financial Recovery Program ⁸	no limit	53 P.S. 11701.123(c)

- Home rule townships may set rates higher than the limits provided in state law for property taxes and for personal taxes levied on residents. They may not create new subjects of taxation
- Five additional mills available with court approval.
- Maximum rate subject to sharing with school district.
- If a municipality raises the rate of the earned income tax through a referendum authorized by Act 24 of 2001, it can not levy an occupation tax.
- For taxes first levied after December 31, 1997, maximum rate is 5 percent.
- Only if enacted before December 1, 1988.
- Higher rate may be approved by voters in referendum.
- Levied only on court order.
- Requires approval of voters in referendum.
- Local sponsors may levy any tax permitted by law to support a community college. Revenues from the tax cannot exceed 5 mills of the market value of real estate.

Taxes Authorized for Second Class Townships (Source: *Taxation Manual*, 8th Edition, October 2002, PA DCED.)
 (Note: The Occupational Privilege tax is now the Local Services Tax, \$52 limit.)

Demand for Facilities and Services	Increased spending for additional facilities and services must be assessed in terms of the total local tax burden (township, county, and school district) and the real need and demand. The demand for increased levels of normal facilities and services is often associated with a dramatic increase in residential development. Concurrently, the assessed valuation would be increasing, which could partially offset the need for an increase in millage. However, studies have shown that residential development generates the need for more public expenditures than it does tax receipts to cover such costs. The School District's perspective is the most obvious example; an increase in population and number of school children would directly result in increased costs.
Revenue Potential	The greatest potential for raising increased revenue is with the real estate tax. The recent property reassessment conducted by Luzerne County resulted in a tax rate adjustment in the Township to 0.55 mills as required by state law to keep real estate tax revenue in line with prior years. In the long term, the millage could be raised to the maximum of 14 mills. Based on the current taxable assessed valuation of some \$130,700,000 one mill of assessment would raise \$130,700.
Future Spending	<p>Given the overall tax burden on Township residents and the current national economy, the Board of Supervisors intend to limit any tax increases to those required to maintain the existing level of facilities and services unless resident demand for such service is clear or additional funds are required to maintain the service, paid staff for emergency services for example. The Supervisors will also use grants to the extent available.</p> <p>Continued careful financial management, setting spending priorities, and planning for necessary capital expenditures are critical. A capital budget with earmarked reserve funds is an invaluable tool for anticipating and funding large expenditures such as equipment, buildings and parks, and the Township should develop a budget for any such expenditures. This Comprehensive Plan will serve to identify and prioritize community facility and service needs which can be incorporated into financial planning and budgeting. The Plan can also strengthen grant applications for specific facilities. Finally, the Township must continue to work with other municipalities on providing facilities and services to use area wide resources most efficiently.</p>
Capital Improvements Program	Along with land use control ordinances, a formal capital improvements program (CIP) is a primary tool for the implementation of a comprehensive plan. Although not legally binding, the CIP includes and establishes a time frame for the long-term capital expenditures planned by a municipality. A capital expenditure may be defined as an outlay of municipal funds to purchase, improve or construct a piece of equipment or a facility that is expected to provide service over a long period of time. Typically, a capital expenditure is relatively large when compared to normal operating expenditures included in the budget. Examples include the construction of, or major improvements, to buildings, land acquisition, recreation facilities, highway improvements, and vehicle purchases. In short, the CIP is a budgeting device to guide the allocation of non-operating funds, and to avoid the unexpected mid-year expenditure of large sums.
Informal v. Formal	Many local officials think in terms of a capital improvements program in the more informal terms of simply setting aside funds for anticipated large expenditures. Township Supervisors know what they need, how much it costs, and if the municipality can afford it. While this is certainly one technique in planning for community facilities and services, a more formal approach with an adopted, written CIP has certain advantages. <i>The Practice of Local Government Planning</i> , published

by the International City Management Association, identifies the following benefits of an effective CIP:

- Ensures that plans for community facilities are accomplished.
- Provides an adopted plan that continues even if local officials change.
- Allows improvement proposals to be evaluated against established policies and the comprehensive plan.
- Enables the scheduling of improvements requiring more than one year to construct.
- Provides the opportunity for the purchase of needed land before costs increase.
- Encourages long range financial planning and management.
- Provides for sensible scheduling of improvements.
- Offers the opportunity for public participation in decision making.
- Leads to improved overall municipal management.

<u>SAMPLE</u> FUND PROJECTION AND CAPITAL BUDGET						
GENERAL FUND PROJECTION	YEAR					
	2011	2012	2013	2014	2015	2016
Projected general fund revenue	\$200,000	\$210,000	\$225,000	\$250,000	\$260,000	\$275,000
Projected general fund expenditures	\$160,000	\$168,000	\$175,000	\$205,000	\$215,000	\$250,000
Projected Net Funds Available	\$40,000	\$42,000	\$50,000	\$45,000	\$45,000	\$25,000
CAPITAL BUDGET						
Township Park - land acquisition, engineering, construction, and debt service. \$300,000 over 20 years beginning in 2006	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Road Improvement - right-of-way acquisition, engineering, construction, and debt service. \$200,000 over 10 years beginning in 2008.	\$0	\$0	\$0	\$20,000	\$20,000	\$20,000
Total New Capital Expenditures	\$0	\$15,000	\$15,000	\$35,000	\$35,000	\$35,000
Net New Financing Required* Equals Total New Capital Expenditures Minus Projected Net Funds Available	(\$40,000)	(\$27,000)	(\$35,000)	(\$10,000)	(\$10,000)	\$10,000
* Parentheses indicate available funds exceed new capital expenditures.						

Prioritization of Municipal Needs

In developing a CIP a municipality must prioritize its capital needs based on planning findings, and the CIP establishes commitment for public investment in accord with the specific goals and objectives included in the comprehensive plan. *The Practice of Local Government Planning* suggests one method is for a community to divide its needs into three categories: essential, desirable and deferrable. In prioritizing needs, municipal officials must also consider the revenue side of the equation. Needed capital expenditure can only be made by identifying anticipated revenues in terms of

other operating expenditures. In other words, the costs of scheduled capital expenditures must be evaluated in terms of acquiring the necessary revenue to fund the improvements. In any case, the CIP is, by necessity, an on-going process which must be reevaluated annually, with a planning period of six years being typical.

A variety of CIP techniques are available and the process can be very complex in larger municipalities. A more simplified approach is certainly more appropriate for Franklin Township where capital needs are more manageable. A sample is provided in the *Sample Fund Projection and Capital Budget* on the previous page. In any case, the costs of operation and maintenance of new facilities and equipment must also be considered for inclusion in annual budgets. The principal anticipated direct capital expenditures for the Township identified by this *Plan* are outlined below in terms of essential, desirable, and deferrable to provide the foundation for formal capital improvements programming.

**FRANKLIN TOWNSHIP NEEDS
EQUIPMENT, BUILDINGS AND
OTHER FACILITIES**

Essential

- replace trucks and equipment as needed
- road paving

Desirable

- implement park master plan

Deferrable

- improve/enlarge township office