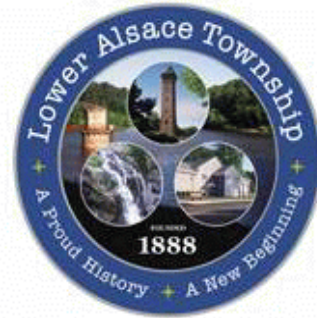


LOWER ALSACE TOWNSHIP 2018 Budget

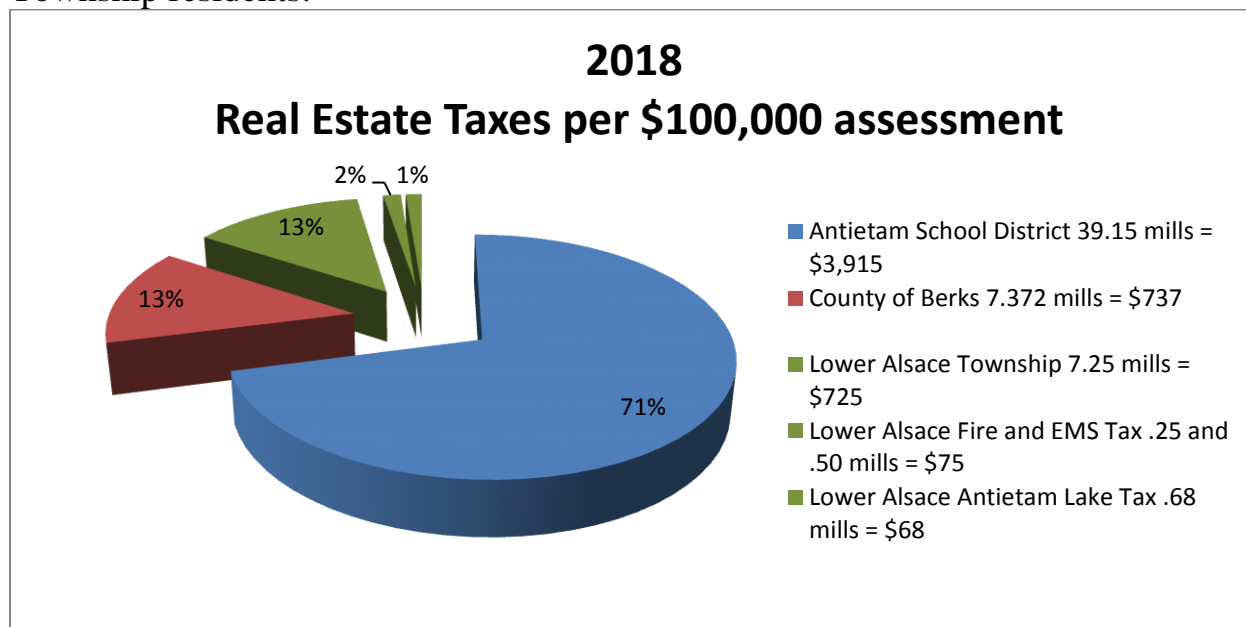


1200 Carsonia Avenue
Reading, PA 19606
Phone (610)779-6400 - Fax (610) 370-0797

To the Taxpayers of Lower Alsace Township,

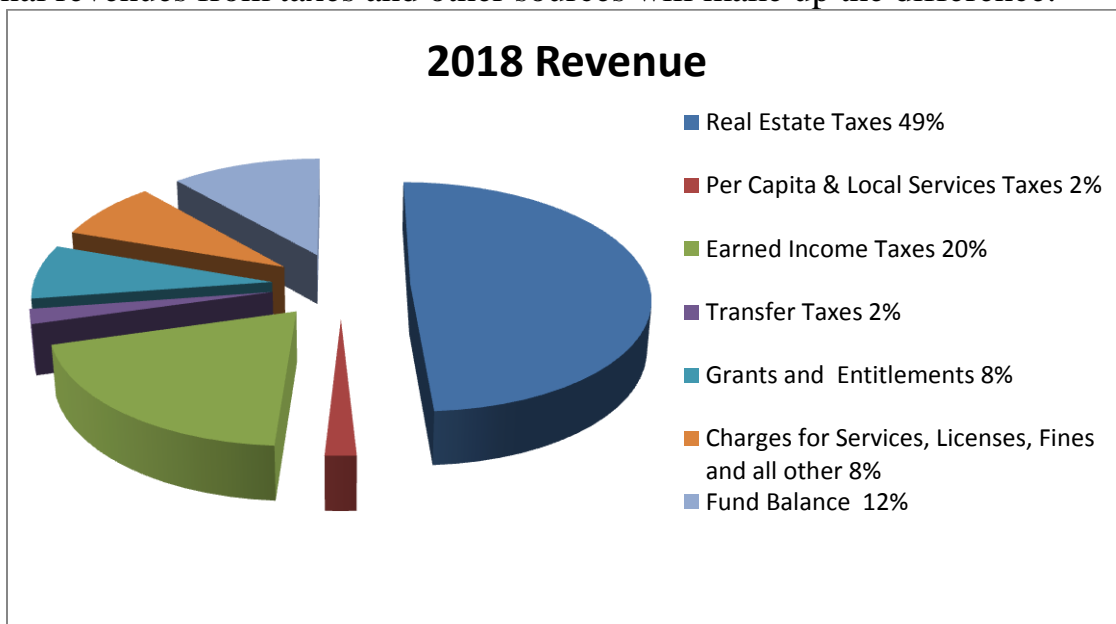
As a citizen of this community you receive many vital services that are funded by the taxes you pay to the Township. The Board of Supervisors has presented a budget that allows them to continue providing those services for 2018 within the existing real estate tax millage.

You pay taxes to the Antietam School District, to the County as well as the Township. The chart below shows the amount of taxes collected by each taxing authority. Most people do not understand that the smallest portion of their overall real estate tax burden is what actually funds your township services. In 2018 the annual Township real estate tax bill for a home assessed at \$100,000 is proposed to remain at a total of \$868.00. For that annual tax bill your family receives 24 hour police protection from the Central Berks Police Department and fire protection from the Lower Alsace Fire Company; snow removal and road construction improvements for the 24 miles of township roads, leaf and brush collection for the densely populated neighborhoods, building, zoning and property maintenance code enforcement, a free recycling drop off facility and an annual spring clean-up program, as well as a summer playground program. Starting in 2016 with the new EMS Tax, the Lower Alsace Ambulance Service became an automatic membership to all Township residents.



Real Estate Taxes continue to be the largest source of revenue for the Township. With the recent recession and lack of buildable space in the township, the assessed property values have been slowly declining since 2013. The Township has emphasized effective property inspections and codes enforcement to help stabilize the eroding tax base. The Township's Earned Income Tax revenue continues to have a slight increase but that is not sufficient to cover increasing costs. In future years, without any significant increase in that tax revenue, the Board of Supervisors will be faced with the difficult decision of cutting services or increasing property taxes. The Board has been able to avoid an increase in the tax rate this year by using grant programs and holding the line on expenses. Thanks to those successes in 2017, the budget proposes to draw down approximately \$326,000 from the fund reserve balance.

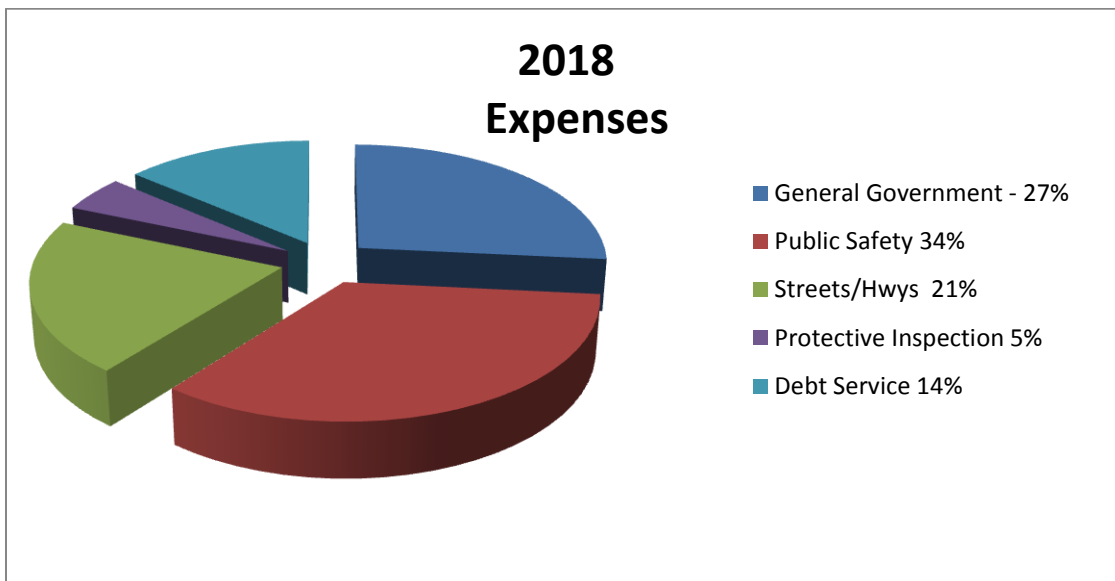
As in prior years, the township will continue to pursue other sources of funding through grant programs. The Township is reviewing permit fee schedules with the goal of eventually covering the cost of those municipal services. During the last year, the cost of property protection through codes enforcement was approximately \$120,000 while the fees from permits and other code related activities was \$80,000. For the foreseeable future, additional revenues from taxes and other sources will make up the difference.



Revenues	\$2,921,937
Real Estate Taxes 49%	\$1,434,385
Per Capita & Local Services Taxes 2%	\$53,925
Earned Income Taxes 20%	\$575,000
Transfer Taxes 2%	\$60,297
Grants and Entitlements 8%	\$223,008
Charges for Services, Licenses, Fines and all other 8%	\$239,245
Fund Balance 12%	\$336,077

Lower Alsace Township participates as a member in a self-insured insurance pool, the Pennsylvania Municipal Health Insurance Cooperative, along with hundreds of other municipal entities across the Commonwealth. The coverage cost is projected to increase in 2018 by 6%. Additionally, the board has identified additional changes to this employee benefit that will cut costs while still providing the employees with a very valuable benefit.

Expenses	\$2,921,937
General Government - 27%	\$775,351
Public Safety 34%	\$996,567
Streets/Hwys 21%	\$605,985
Protective Inspection 5%	\$141,331
Debt Service 14%	\$402,702



This budget is proposed for adoption at the December 14, 2017 meeting of the Lower Alsace Township Supervisors.

The Township Web site can be found at www.latownship.org and the Township’s Face Book page contains a constant stream of information posted about community activities, our local business specials as well as other pertinent Township information. A number of volunteer organizations and partnerships are continuously working to help your community to grow stronger. The Township Board of Supervisors encourages you to get involved. What follows summarizes the many initiatives and programs currently underway in your community.

PROTECTION OF PERSONS AND PROPERTY



Established in 1993, The Central Berks Regional Police Department serves the Township of Lower Alsace and the Borough of Mount Penn. The Commission contracts Police Services to St. Lawrence Borough and starting in 2018, Oley Township. With this new contract, the Township projects a savings of \$33,000 in the 2018 budget. The Police Department is staffed by a Police Chief and Administrative Assistant, a Detective, Four Sergeants and eight patrol officers. Included in their 2018 budget, additional officers will be hired to manage the additional workload of patrolling Oley Township. The Police Commission is overseen by a six-member board of local officials who meet once a month. Those meetings are open to the public, and residents are encouraged to attend.

Total Police calls (Phone, 911, office visits) to Central Berks Police Department:

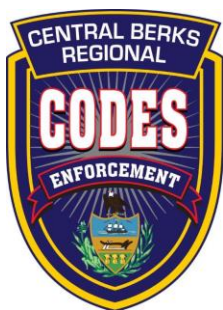
- 2014 - 6,000
- 2015 - 6,500
- 2016 - 6,600

Police incidents (accidents, complaints, arrests) handled by Central Berks Police Department for Lower Alsace Township:

- 2014 - 1,996
- 2015 - 2,495
- 2016 - 2,560



Working to prevent blight



Efforts continue to enhance and equip the Central Berks Regional Codes Department for the benefit of the entire community regardless of municipal boundaries. By placing our property codes professionals under the direction and management of the Central Berks Police Department, it enables the Township and Borough to work more efficiently and effectively with the police officers who regularly see property maintenance issues in the community. With the anticipated goal of Mount Penn Borough Officials to provide a full-time codes enforcement employee in 2018, the department hopes to work even more effectively to help stabilize your neighborhoods and property values.

As part of this effort, Lower Alsace Township and Mount Penn Borough enacted Blight Prevention Ordinances. The Blight Prevent Ordinances enables the Codes Officer to react more quickly to the “nuisance” type of property issues such as grass, weeds and rubbish concerns. This gives the Codes Officers more time to address more complex and time consuming property maintenance enforcement actions using the Property Maintenance Code summary citation process with the Magisterial District Court.

It is the belief of this Board of Supervisors that blight is the single most threatening issue facing communities with aging urbanized neighborhoods and it will not go away on its own. The costs of dealing with blight are far outweighed by the costs of not dealing with it, because poverty follows blight and crime follows poverty. If communities with aging urbanized neighborhoods don’t exercise every tool at their disposal to combat blight, poverty and crime will follow. With that, there will be a need for more police at a great expense. Then, taxes will increase to pay for the police and people will have even fewer resources to care for their homes and properties.

In addition to the above program, a new program for registering Bank Foreclosures was adopted by the board in 2017. This program requires banks to register and provide contact information to the Township regarding the Property Maintenance firms they will be contracting with to make sure these properties are kept up to standards. To accomplish this task, the township is partnering with a company called PROCHAMPS who also partners with hundreds of other communities across USA. The Township contracts with PROCHAMPS who works on our behalf to hold responsible parties (mortgage companies and banks) accountable to register the property, then the cost of PROCHAMPS is covered by the banks. You can find the link on the Township Web site under the Property Maintenance tab. From there you can register a complaint about a property maintenance issue in the township including those in the midst of a foreclosure process.



PROCHAMPS Lower Alsace has partnered with PROCHAMPS to combat neighborhood blight. Below is a link to report a property maintenance issue in your neighborhood. PROCHAMPS will then notify our Codes Department of your complaint.

Click here to register a foreclosure property (or to file a citizen complaint regarding a property issue). Any questions with respect to registration requirements, registration status, etc. should be directed to SUPPORT@PROCHAMPS.COM.

In addition to the above contact information you can always call the Central Berks Codes Department at 610-898-0780.

The following reflects the permits and inspections performed by Township Officials as of October 26, 2017

- Building Permits- 66*
- Burn Permits - 52*
- Dumpster Permits - 7*
- Electrical Permits - 25*
- HVAC Permits -30*
- Plumbing Permits - 32*
- Rental Permits – 26*
- Property Settlement Permits- 57*
- Sidewalk Permits - 9*
- Zoning Permits – 24*
- Driveway Permits - 9*

Street Light upgrades to reduce cost of energy usage and maintenance issues.

When Met-Ed offered a grant program to convert street lights from high-pressure sodium lighting to LED lighting, the Supervisors agreed to take advantage of this cost saving opportunity. In 2017 the Township’s 247 street lights owned by Met-Ed were converted to LED fixtures designed to provide the equivalent amount of lumens as the previous lights but use half the wattage, thereby reducing the cost of electricity. The new lighting does look different and it is more focused to the area directly under the light with less light pollution going into the windows of the nearby homes. The remaining 18 street lights owned by the Township will be considered for upgrades during 2018.



In addition to the conversion of more efficient lighting at the municipal building and the Township’s street lights, the Supervisors have taken advantage of the opportunity to shop for electricity once again. By doing so and locking in lower rates in each contract period since 2012 the average savings will be approximately \$5,500 each year.

Debt service payments explained:

While no one likes to create debt, it can be a fiscally sound method to pay for the cost of major long term projects. The Lower Alsace Township Supervisors have made significant improvements on 15 miles of the township's roads since 2009. Rather than paying for those necessary road re-construction costs in one year, the cost was spread over the projected life of the improvements through a program initiated by the Commonwealth of PA called the Pennsylvania Infrastructure Bank or PIB Loans.

This program allows a municipality to pay back a loan in 10 years at the current fixed rate of 1.625% interest. There is no other means at this point in time for a community to obtain a rate that low, and there is no means for the Commonwealth to receive a rate of interest that high for their investment. So the taxpayers of the township receive a low interest loan and receive road improvements and the taxpayers of the Commonwealth receive a higher rate of return on their investment.

The other debt service payments are for the 2004 Township Building renovation and the \$1.5 million contribution to the County of Berks for their purchase of Antietam Lake Park. Since Antietam Lake Park serves all county residents, the Township Supervisors have requested the County Commissioners to assume the lake debt from the Lower Alsace Taxpayers.



Skyline Drive Multi Modal Grant project completed!

On Friday, September 8, 2017 Officials from Lower Alsace Township, the City of Reading, Alsace Township along with our State Senator Judy Schwank celebrated this successful multi-municipal program with a Ribbon Cutting Ceremony at the William Penn Fire Tower and in conjunction with the first ever Reading Radsport's Mt Penn Hill Climb.



After cutting the ribbon to this newly constructed roadway offering multiple forms of transportation, the first racer in the Radsport's bicycle hill climb crossed the finish line.

A grant application was filed with the PA Department of Community and Economic Development, by Lower Alsace Township on behalf of Alsace Township and the City of Reading. The goal to reconstruct Skyline Drive and provide safer biking and hiking

facilities on this scenic route was achieved with 70% of the costs of this project funded by the grant program.



The Township and City work crews partnered to provide some of the labor and improvements saving costs along with way.





In addition to the improved road surface and new walking and biking paths, much of the historic stone wall was also repaired. A permanent plaque was installed along the roadway which will forever acknowledge the fine work and craftsmanship of the Eshbach Brothers who were actually part of the original construction of the stone wall back in the 1930's.

The roadway was originally constructed in 1932 as an unemployment relief project that provided jobs to 1,200 men. The original building of the "Skyline Drive wall" was funded and constructed by the Federal government under the Administration of President Franklin D. Roosevelt and his creation of the W.P.A. The workers constructed the magnificent wall in 1939 that extends the length of Skyline Drive. The wall begins at Reading's most famous landmark, the world-famous Pagoda, and past the equally prominent landmark, the William Penn Memorial Fire Tower in Lower Alsace Township. To this day Wilson Eshbach and his team can be seen repairing this wall for the Township and the Pagoda Skyline organization and they work hard to seek funds to maintain the iconic structures on the Mount Penn Mountain.

It is the hope of the Lower Alsace Township officials, that this project paves the way for future collaborative projects such as the exciting plans and ideas highlighted in the Master Plan for the Mount Penn Preserve.

Respectfully submitted,

Terry L. Styer

Terry L. Styer, Manager / Secretary-Treasurer
Lower Alsace Township

