

TOWNSHIP OF CARBONDALE
LACKAWANNA COUNTY, PA

COMPREHENSIVE PLAN
PART II

2003 - 2013

PREPARED BY

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**TOWNSHIP OF CARBONDALE
LACKAWANNA COUNTY, PA**

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**CARBONDALE TOWNSHIP
COMPREHENSIVE PLAN, 2003 – 2013
PART II**

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SECTION XIV
FISCAL ANALYSIS
CARBONDALE TOWNSHIP

INTRODUCTION

An understanding of present and future financial needs is a critical element in the policy-making capability of local officials. A fiscal analysis provides the information necessary to assess the potential of the Township to finance future investments which will further development, and to compare the relative costs of alternative growth policies.

This fiscal analysis examines the financial transactions of the Township during the five (5) year period, from 1995 - 1999; it identifies trends in municipal spending and income; and makes an estimate of future revenues and expenditures. Income from all sources are evaluated, including real estate taxes, occupational and income taxes, Federal and State Grants, and income generated by Township activities. Government expenditures are studied in terms of the costs associated with services provided.

In addition to the changes resulting from planning decisions in the Township, there will undoubtedly be major changes in future municipal budgets because of the unstable situation in the national economy. It is impossible to predict how long and at what rate inflation will continue to rise, but it is certain that the costs of providing municipal services will continue to increase.

The "business" of local government in Pennsylvania is to provide basic community services to its residents. Township governments are responsible for the building and maintenance of local roads, police and fire protection, and other services which may include sewage disposal, sanitation, recreation, and planning and zoning services. They must also assume the expenses of administering these services, and support a municipal building, office staff and supplies and tax collection. The budgeting process must provide reasonable estimates of the cost of providing these services as well as policies which will provide sufficient revenues to cover these costs. A projection of future budgets concludes this report. It hypothesizes a continuation of existing trends as a benchmark against which the Township can estimate the future demand for services and future resources needed to finance them.

REVENUES

Revenues available to the Township are divided into two (2) categories: Tax Revenues and Non-Tax Revenues, as described below.

Tax Revenues

A detailed breakdown of all tax revenues is included in Table No. 1. A discussion of the trends of each of the Township's tax revenue sources follows Table No. 1.

TABLE NO. 1
TAX REVENUES
CARBONDALE TOWNSHIP, LACKAWANNA COUNTY, PA, 1995-1999

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Real Estate Taxes	\$ 80,300	\$ 78,100	\$ 80,400	\$ 81,700	\$ 98,800
Wage Taxes	\$ 55,000	\$ 62,500	\$ 59,000	\$ 83,000	\$ 85,000
Real Estate Transfer Taxes	\$ 4,300	\$ 24,200	\$ 3,000	\$ 4,700	\$ 6,100
Delinquent Taxes(1)	\$ 14,000	\$ 14,000	\$ 11,600	\$ 19,200	\$ -
Other Local Taxes(2)	\$ -	\$ 15,600	\$ -	\$ -	\$ -
Total Taxes	\$ 153,600	\$ 194,500	\$ 154,000	\$ 188,600	\$ 189,900

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999.

(1) Delinquent taxes in 1999 not reported separately-included in 1999 real estate taxes

(2) \$15,600 in 1996 reported in interview as collected back taxes

Real Estate Taxes. Real Estate taxes are a function of both tax base and tax rate. The tax base is the assessed value of real estate, as shown in Table No.2, below. The tax rate is the millage enacted each year by the governing body. The tax rate is also shown in Table No.2. As shown in Table No.2, there has been little change in the assessed value and no change in the tax rate over the past 5 years. Accordingly, we will continue to expect about \$100,000.00 per year in the future, based on a tax rate of 14 mills and an assessed value of about \$6,800,000.00. This amount appears to be divided between \$80,000.00 from current tax collections and about \$20,000.00 per year from delinquent tax collections. The recent completion of the Governor Casey Highway, however, may result in an acceleration of development. If this occurs, the Township can expect an additional \$1400.00 per year for each \$100,000.00 of assessed value, with assessed value representing about 20% of actual real estate value as of July 2000. This represents a reduction from the previous ratio of 22.5%.

TABLE NO. 2
REAL ESTATE ASSESSED VALUE
CARBONDALE TOWNSHIP
LACKAWANNA COUNTY, PA, 1995-1999

YEAR	TOTAL	RATE IN MILLS	ANNUAL CHANGE %	ANNUAL CHANGE, AMOUNT
1995	\$ 6,653,140	14		
1996	\$ 6,768,180	14	1.73%	\$ 115,040
1997	\$ 6,783,610	14	0.23%	\$ 15,430
1998	\$ 6,866,459	14	1.22%	\$ 82,849
1999	\$ 6,800,159	14	-0.97%	\$ (66,300)

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999.

Wage Taxes As shown in Table No.1, wage taxes were around \$60,000 between 1995 and 1997. In 1998 and 1999 they were around \$85,000. It is believed that this was due to an adjustment in the tax collection system that will result in future collections at the level of about \$85,000.00.

Real Estate Transfer Taxes. This is a tax paid by the buyer and the seller participant in a real estate transfer. It has increased from \$4300 in 1995 to \$6100.00 in 1999. There were some extraordinarily low and high returns from this source in 1996 and 1997, but they were unusual and are not considered a consistent part of the trend.

Other Taxes. There are no other local taxes; but, as shown in Table No. 1, the amount of \$15,600.00 was reported in 1996, and, it is believed to represent back-taxes, which should have been reported as Delinquent Tax collections.

Non-Tax Revenues

Table No. 3 includes non-tax revenues for the period, 1995-1999. This data has been drawn from the Township's Annual Audit and Financial Reports for this period. Due, however, to a change in format (1998) and inconsistent reporting, these figures have been adjusted on the basis of local interviews and interpretations by Marvin A. Brotter Consulting Services. Local records are not adequate to confirm the accuracy of this data.

TABLE NO. 3
NON-TAX REVENUES - GENERAL FUND
CARBONDALE TOWNSHIP
LACKAWANNA COUNTY, PA, 1995-1999

Net Non-Tax Sources	1995	1996	1997	1998	1999
Licenses and Permits	1,650.00	1,125.00	2,034.00	-	214.00
Fines	3,600.00	2,700.00	2,700.00	3,174.00	2,320.00
Intergovernmental (State)	14,300.00	6,449.00	6,264.00	6,491.00	6,320.00
<i>Public Utility Realty Tax</i>	<i>1,400.00</i>	<i>1,874.00</i>	<i>2,164.00</i>	<i>1,841.00</i>	<i>1,720.00</i>
<i>Alcoholic Beverage Tax</i>	<i>350.00</i>	<i>475.00</i>	-	<i>750.00</i>	<i>600.00</i>
<i>State Revenue (1)</i>	<i>12,000.00</i>	<i>4,100.00</i>	<i>4,100.00</i>	<i>3,900.00</i>	<i>4,000.00</i>
<i>Highways</i>	<i>550.00</i>	-	-	-	-
Charges for Services	4,200.00	4,354.00	950.00	-	570.00
<i>General Government</i>	<i>4,200.00</i>	-	<i>300.00</i>	-	-
<i>Public Safety</i>	-	-	-	-	<i>570.00</i>
<i>Highways & Streets</i>	-	<i>1,774.00</i>	-	-	-
<i>Solid Waste Disposal Charges</i>	-	-	<i>650.00</i>	-	-
<i>Other</i>	-	<i>2,580.00</i>	-	-	-
Miscellaneous (2)	-	50,049.00	1,452.00	3,671.00	2,310.00
Total Net Non-Tax	23,750.00	64,677.00	13,400.00	13,336.00	11,734.00
Other Non-Tax Sources					
<i>Interfund Transfers</i>	<i>40,000.00</i>	<i>44,000.00</i>	<i>25,000.00</i>	<i>50,000.00</i>	<i>40,000.00</i>
<i>Other</i>	<i>9,201.00</i>	<i>7,322.00</i>	<i>14,683.00</i>	-	-
Total Other Non-Tax Revenues	49,201.00	51,322.00	39,683.00	50,000.00	40,000.00
GROSS NON-TAX REVENUES	72,951.00	115,999.00	53,083.00	63,336.00	51,734.00

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999; and, M.A. Brotter Consulting Services

(1) Additional grant of \$8000.00 received/reported in 1995.

(2) \$50,049 received in 1996 included extraordinary amounts from FEMA and from the City of Carbondale

Licenses and Permits Based on data reported for 1995-1997, it is estimated that these receipts will amount to about \$1500.00 per year.

Fines. This source is expected to continue to provide an average of about \$3000.00 per year.

Intergovernmental Funds. This source represents payments from the State. With the exception of 1995, it appears to be fairly constant at about \$6500.00 per year. The larger amount reported in 1995 included an additional State grant of \$8,000.00.

Charges For Services. As shown in Table No.3, there have been no significant receipts from 'charges for services' since 1997. Accordingly, no future income is estimated from this source.

Miscellaneous. Except for an extraordinary amount in 1996, this appears to average about \$2500.00 per year; and, it is suspected that this actually represents the same source identified above as 'charges for services.' The \$50,049.00 reported in 1996 represented State reimbursement for flood recovery costs.

Other Non-Tax Revenues. Other non-tax revenues include loans, and transfers from other funds. These sources, however, do not represent income generated by the Township, and are not incorporated into this analysis.

Summary. Table No. 4 includes a summary of all revenues generated in the General Fund. This table reports the combined total of tax and non-tax revenues, which currently amounts to about \$200,000.00 per year, with tax revenues of about \$190,000.00 per year and non-tax revenues of about \$12,000.00 to \$13,000.00 per year.

**TABLE NO. 4
SUMMARY OF GENERAL FUND REVENUES
CARBONDALE TOWNSHIP
LACKAWANNA COUNTY, PA, 1995-1999**

<u>Sources</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Tax Revenues	153,600	194,500	154,000	188,600	189,900
Net Non-Tax Revenues	23,750	64,677	13,400	13,336	11,734
SUBTOTAL	177,350	259,177	167,400	201,936	201,634
Other Non-Tax Revenues	49,201	51,322	39,683	50,000	40,000
GROSS REVENUES	226,551	310,499	207,083	251,936	241,634

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999; and, M.A. Brotter Consulting Services

EXPENDITURES

General Fund expenditures are reported in Table No. 5. Again, reporting problems (Annual Audit and Financial Reports) have required numerous adjustments by Marvin A. Brotter Consulting Services. Accordingly, these figures and Table No. 5 are not consistent with the data in those reports.

Government. General Government expenditures represent the cost of the administration of Township government. These costs have consistently been about \$25,000.00 per year, except in 1998, when they were nearly \$38,000.00.

Public Safety. These costs include police, fire, planning and code enforcement. Police costs have fluctuated greatly, between \$15,000.00 and \$24,000.00 per year at an average of nearly \$20,000.00 per year; but, from 1998 to 1999 these costs increased by nearly \$7,000.00. It is estimated that these costs will continue at a level of about \$25,000.00 per year. Fire protection costs have also fluctuated. Although expenses were less than \$7,000.00 per year in 1996 and 1997, they have ranged from about \$22,000.00 to nearly \$30,000.00. Fire protection costs also increased greatly in 1999, by more than \$8,000.00. It is estimated, therefore, that these costs will continue at about \$30,000.00 per year.

Other public safety costs have averaged about \$1,000.00 per year, except for the extraordinary expenses of \$13,000.00 in 1997 and \$6,000.00 in 1999.

Except for 1996 and 1999, the combined cost of all public safety activities has been about \$41,000.00 per year. The increases in police and fire in 1999, however, raised this to nearly \$60,000.00 and we estimate that this will be the cost level for the next several years.

Sanitation. These costs have fluctuated within a very narrow range, from \$1268.00 to \$4869.00. With no apparent trend, it is estimated that they will continue at their current average of about \$3,000.00 per year.

Highways. These costs include general expenses, snow removal, street lighting, storm sewer improvements, repairs, and construction and reconstruction of roads and bridges. As shown in Table No. 5, except for a major paving project in 1996 (\$70,000.00)

These costs have ranged from \$35,000.00 to nearly \$67,000.00. It is estimated that expenses over the next several years will be around the current average, between \$60,000.00 and \$70,000.00 per year, unless the Township undertakes another major paving program.

Miscellaneous. This category includes such expense items as insurance premiums and employee tax payments. Expenditures in 1995 and 1996 included some extraordinary expenses such as a return check to the City of Carbondale for nearly \$20,000.00 in 1996. Otherwise, these expenses appear to average about \$20,000.00 per year.

Total Expenditures. Exclusive of interfund transfers, and excluding the extraordinary expenses incurred in 1996, total expenditures have averaged about \$155,000.00 per year; and, considering their most recent level, at about \$179,000.00 they will probably increase gradually over the next several years to about \$200,000.00 per year.

TABLE NO. 5
EXPENDITURES - GENERAL FUND
CARBONDALE TOWNSHIP
LACKAWANNA COUNTY, PA, 1995-1999

Purposes	1995	1996	1997	1998	1999
Government	\$ 24,178	\$ 24,912	\$ 27,053	\$ 37,789	\$ 25,021
Public Safety					
<i>Police</i>	\$ 15,065	\$ 19,817	\$ 20,621	\$ 17,748	\$ 24,436
<i>Fire</i>	\$ 25,461	\$ 6,909	\$ 6,775	\$ 21,710	\$ 29,429
<i>Other Public Safety</i>	\$ 1,262	\$ 800	\$ 13,084	\$ 885	\$ 5,864
Total Safety	\$ 41,788	\$ 27,526	\$ 40,480	\$ 40,343	\$ 59,729
Sanitation	\$ 3,488	\$ 1,268	\$ 4,368	\$ 4,869	\$ 1,865
Highways					
<i>Gen'l & Snow Remove</i>	\$ 31,335	\$ 38,990	\$ 10,505	\$ 6,746	\$ 5,179
<i>Street Lighting</i>	\$ 15,696	\$ 20,444	\$ 20,087	\$ 21,766	\$ 19,689
<i>Constr. and Rebuild.</i>	\$ -	\$ 74,735	\$ 27,129	\$ 6,745	\$ 41,733
Total Highways	\$ 47,031	\$ 134,169	\$ 57,721	\$ 35,257	\$ 66,601
Miscellaneous	\$ 41,727	\$ 48,060	\$ 16,764	\$ 17,543	\$ 25,600
SUBTOTAL	\$ 158,212	\$ 235,935	\$ 146,386	\$ 135,801	\$ 178,816
Interfund Transfers	\$ 62,000	\$ 60,000	\$ 32,000	\$ 50,000	\$ 40,000
TOTAL EXPENDITURES	\$ 220,212	\$ 295,935	\$ 178,386	\$ 185,801	\$ 218,816

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999; and, M.A. Brotter Consulting Services.

OTHER FUNDS

In addition to the General Fund, which encompasses nearly all of the Township's activities, there are 3 other funds maintained by the Township – the Liquid Fuels Tax Fund, Capital Projects Fund and Special Revenues Fund(s). The activities in these funds are reported in Table No. 6. These activities are summarized, as follows:

Liquid Fuels Tax Fund. This fund is generated by revenue received from the State based on the number of miles of roadway maintained by the Township; and, its use is restricted to road maintenance. As shown in the table, revenues are currently between \$18,000.00 and \$19,000.00 per year. Expenditures have been erratic, resulting in a current balance of nearly \$50,000.00

Capital Projects Fund This fund is maintained on an as-needed basis. As shown in Table No. 6, there have been no transactions in this fund since 1997, but this may be due to the change in the State's reporting form.

Special Revenues Fund This fund appears to be a pass-through fund, with funds transferred in amounts sufficient to cover expenses. As shown in Table No. 6, there have been no transactions in this fund since 1997, but this may be due to the change in the State's reporting form.

TABLE NO. 6
REVENUES AND EXPENDITURES BY FUND
CARBONDALE TOWNSHIP
LACKAWANNA COUNTY, PA, 1995-1999

<u>FUND</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
GENERAL FUND					
Prior Year's Balance	9,201	6,672	14,034	42,944	6,672
Revenue (Tax + Non-Tax)	217,683	303,297	207,296	251,936	201,672
Expenditures	220,212	295,935	178,386	185,801	218,816
BALANCE	6,672	14,034	42,944	6,672	(10,472)
LIQUID FUELS TAX					
Prior Year's Balance	2,731	17,731	15,416	31,603	29,392
Revenue	15,000	15,713	16,187	19,107	18,409
Expenditures	-	18,028	-	21,318	-
BALANCE	17,731	15,416	31,603	29,392	47,801
CAPITAL PROJECTS					
Prior Year's Balance	57,644	-	99,098		
Revenue	64,071	-	35,324		
Expenditures	40,000	-	25,000		
BALANCE	81,715	-	109,422	-	-
SPECIAL REVENUE					
Prior Year's Balance	10,717	9,077	9,106		
Revenue	63,507	54,980	74,458		
Expenditures	65,147	54,951	55,097		
BALANCE	9,077	9,106	28,467	-	-

Source: Carbondale Township Financial Statements, Annual Audit and Financial Reports, and Annual Budget Reports, 1995-1999.

CONCLUSIONS

As reported above, we cannot generate any meaningful projections of future revenues and expenditures due to the data limitations identified above. The data that has been generated indicates that revenues are relatively stable, with little expectation of any significant growth without a substantial amount of new development or significant increases in the real estate tax rate. Based on the current rate of 14 mills over an assessed value of about \$7 million dollars, each mill generates about \$7000.00 per year. Similarly, there is no evidence of any substantial acceleration of expenditures. Accordingly, if the Township can maintain expenditures at current levels with only moderate annual increases, there will be no need to increase the real estate tax rate or to generate additional revenue sources. If needed, however, such additional sources may include intergovernmental grants, and/or additional fees for services.

SECTION XV
CARBONDALE TOWNSHIP
CAPITAL IMPROVEMENTS PROGRAM

2003 – 2008

INTRODUCTION

During the preparation of the Carbondale Township Comprehensive Plan, several projects have been proposed. In order to implement these projects the Township requires a financing plan. This proposed financing plan is classified as a Capital Improvements Program. A Capital Improvements Program is a 5-6 year funding plan for undertaking capital improvements, including the purchase of land, equipment, and/or buildings. Capital improvements generally have a life span of not less than 3-5 years, and a cost of at least \$5000.00 to \$10,000.00.

Normally there are many proposed capital improvements, resulting in a difficult decision process to identify the most desirable sequence for the scheduling of the capital improvements. In order to facilitate this process, the community should establish a hierarchy of criteria against which to measure the proposed improvements. Following is a proposal for such a hierarchy of criteria.

1. Projects to eliminate safety hazards
2. Completion of projects which have been started
3. Projects to conserve the usefulness of existing properties
4. Projects that will result in the increased utilization of existing properties
5. Project costs and funding availability

The last criterion may be considered to be a threshold criterion for the inclusion or the exclusion of an item from the Capital Improvements Program. In other words, if the project is cost-prohibitive, it may be placed on the "back-burner" until funding is available; or, if an intergovernmental funding program is imminently available for the proposed project, it may be prudent to schedule the improvement at a time when it can avail itself of such financial assistance.

It should also be noted that one of the major purposes of a capital improvements program is to schedule its implementation in a manner that will allow for a relatively constant level of capital expenditures, either in the form of cash payments, installment payments, or in the form of debt service (annual payments for the retirement of debt.)

PROPOSED CAPITAL IMPROVEMENTS.

The following capital improvements are proposed on the basis of the various studies reported above. Recently completed improvements, reflecting the implementation of these proposals are identified accordingly.

Fire Protection Facilities

Whites Crossing Hose Company

- Roof replacement and painting of fire house by the Hose Co.
- Turn out gear (boots, pants, jacket, and helmet) for 6 men to be provided by the Hose Co. with Firemen's Relief Fund.
- The 1974 Ford F 800 is to be replaced by State equipment at no cost to the Township.

Other Fire Protection

Dry hydrants have been provided throughout the Township. Additional dry hydrants are needed in the Salem Mountain area; but, there is no available water to serve them. Instead, fire protection is provided through mutual aid, by the fire companies in Waymart and the nearby Townships of Greenfield and Clifford.

Police Protection

- Portable radios are to be provided from the Township's operating budget
- A new (2002) Chevy Impala was recently acquired, at a cost of about \$27,000.00. The Police Department has two (2) other cruisers. Barring accidents, the Township will generally replace cruisers at the rate of one (1) every 3 to 5 years, depending on vehicle condition.

Township Offices

- The Township recently (2002) erected an addition to the Police Station in order to provide space for the Tax Collector.
- A Township Building is needed; and there is a proposal for a 4000 sq. ft. building to be erected on Gordon Ave. Site ownership problems, however, are delaying this project. The estimated cost is \$200,000.00, but there is no set date, pending the resolution of the property under consideration.

Recreation

The Township proposes to acquire land for the development of a major recreation area on a site of about 10 acres. It is the same site where the Municipal Building is planned. This project is also delayed pending the resolution of this site, or the determination of an alternative site.

Storm Drainage

Gordon Avenue - 8 inlets and 2000 l.f. of storm piping to the Lackawanna River. The estimated cost, not including easements, is \$170,000.00.

Canaan Street - 2 inlets and 1200 l.f. of storm piping to Racket Brook. The estimated cost for this work, not including easements, is approximately \$128,000.00 The separation of the stormwater drainage system and the sanitary sewer system is also required.

Storm Drainage Study - To study highway runoff related to the Casey Highway. Estimated cost of \$25,000.00

Thoroughfare Improvements

Improvements proposed in the Thoroughfares Plan, Section XI, are primarily improvements that are the responsibility of PennDOT, except as follows:

- Circulation plan for Orchard Drive/ Mill Street. One-way street signs are needed.
- Continuation of current level of annual road improvements.

FISCAL IMPACT OF PROPOSED CAPITAL IMPROVEMENTS PROGRAM

As shown in Table No.1, it is proposed that the Township undertake a Capital Improvements Program for improvements totaling \$545,000.00 at the rate of about \$70,000.00 per year. Where funding is scheduled over a period of several years, the table represents annual leasing costs, or debt service, including principal and interest payments.

The Township has spent about \$25,000.00 to \$30,000.00 per year for road construction and improvements and this plan proposes the continuation of this level of road improvements. In addition, during the 5-year study period, the Township undertook other capital improvements through the Capital Projects Fund; and, this amounted to about \$40,000.00 per year. It is proposed that the Township continue at this level as shown in Table No.1.

TABLE NO. 1

CAPITAL IMPROVEMENTS PROGRAM CARBONDALE TOWNSHIP, 2003 – 2008 (Dollars in Thousands)

<u>Description</u>	<u>Cost</u>	2003	2004	2005	2006	2007	2008	Notes & Criteria
Police Protection								
- New Cruiser	27.0		7.0	7.0	7.0	7.0	7.0	
Township Offices								
- New Twp. Bldg.	200.0	12.0	12.0	12.0	12.0	12.0	12.0	
Storm Drainage								
- Gordon Avenue	170.0	15.0	15.0	15.0	15.0	15.0	15.0	
- Canaan Street	128.0				10.0	10.0	10.0	
- Strm. Drng Study	20.0	10.0	10.0	10.0				
Thoroughfares								
- Annual Construction	<u>25/yr</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	
C.I.P Totals	545.0	62.0	69.0	69.0	69.0	69.0	69.0	
Recreation – South Side Park								
- Land Acquisition	55.0							
- Development	(a)							

(a) The Township has obtained a State grant in the amount of \$25,000, but the purchase has been delayed as described above. Development will be undertaken in stages, as the Township secures intergovernmental financial assistance.

APPENDIX

A-1	Financial Management Plan: Procedural Guide for Maintaining a Current 6-year Capital Improvement Program
A-5	Inventory of Equipment
A-6	Equipment Maintenance Record
A-7	Inventory of New Development

FINANCIAL MANAGEMENT PLAN
PROCEDURAL GUIDE FOR
MAINTAINING A CURRENT 6-YEAR
CAPITAL IMPROVEMENTS PROGRAM

INTRODUCTION

As provided in the Pennsylvania Municipalities Planning Code, it is the responsibility of the Township Planning Commission to submit a recommended capital improvements program to the Township Board of Supervisors. [Ref. Act 247, Section 209.1(7)]

In order for the Planning Commission to fulfill this responsibility, as indicated in the body of this report, they must have information on the capital improvement needs of the Township, the cost of needed improvements, the financial resources of the Township, and alternative sources of financing.

Following is a description of the procedures which should be followed in order to enable the Planning Commission to perform this function.

DETERMINATION OF NEEDS

Capital improvement needs and methods for collecting such data may be determined in several ways, as follows:

1. Public facilities and equipment become damaged by floods or other disasters and/or parts may simply wear-out as a result of extensive use and age. There are times when such facilities and equipment must be repaired or replaced on an emergency basis as damage occurs. At other times, the facility/equipment may be capable of temporary repairs which may indicate a need for more extensive repairs or replacement. Major repairs or replacement should be scheduled as part of the Capital Improvements Program. The Equipment Maintenance Record included in this Appendix will provide the data needed to make these determinations. Accordingly, the Township Board of Supervisors should provide a copy of this record to the Planning Commission and meet on a monthly basis in order to discuss and evaluate these needs.
2. Other needs can be anticipated; i.e. police cruisers. Available data plus the data to be provided on the Equipment Maintenance Record will provide the basis for planning to replace vehicles on a regularly scheduled 3-4 year cycle.

3. New developments in the Township will generate the need to provide additional capital improvements. Due to the Planning Commission's role in reviewing applications for subdivisions and for land developments, they will be knowledgeable of any improvements which may be needed in conjunction with such activities.
4. The Planning Commission should review preceding capital improvements programs and budgets to determine if planned improvements have been started or completed, if previously scheduled improvements are still needed, and if the previously assigned priorities are still valid. Newly identified needs may preempt the priority status assigned to previously planned improvements. In addition, if the Board of Supervisors has not adopted the first year of the Capital Improvements Program in their current budget, the Planning Commission should meet with the Township Board of Supervisors to determine the rationale for excluding such improvements and/or including other improvements which were not scheduled.

CAPITAL IMPROVEMENTS COSTS

The initial source of data regarding costs should be the previously prepared Capital Improvements Program. This will provide rough cost estimates, but they will have to be updated to reflect any price increases since the time of the original estimate. Reference to the prior year's Capital Improvements Program should also be tempered by the recognition of any technological improvements which may indicate the desirability of different equipment models which may be more or less costly than the original proposal. In addition, cost estimates may be determined as follows:

1. Calls to vendors.
2. Consultation with the Township Engineer.
3. Consultation with various department heads such as the Chief of Police.
4. Reference to the Inventory of Equipment Form which includes the data and purchase price of the equipment to be replaced.

FINANCIAL RESOURCES

The Capital Improvements Program for 2003-2008 includes an estimate of the Township's financial capability based on the Fiscal Analysis which has been prepared as part of this Comprehensive Plan Update. Both bodies of information should be reviewed with the Township Board of Supervisors in order to determine if the estimates that have been presented are still valid; e.g. if actual resources and expenditures are higher or lower than projected. If there is a significant deviation from the projections, a new/updated fiscal analysis may be required. In addition, the Inventory of New Developments Form will provide information on changes in the

real estate tax base which may be utilized to anticipate changes in real estate tax revenues.

In addition to the revenues to be generated internally by the Township, there are various external funding sources (e.g. State and Federal grants) for which the Township may qualify. The Planning Commission should determine which of the needed improvements may be funded fully or partially with such external funds. Although some guidance with regard to this matter will be included in the current proposed Capital Improvements Program, grant programs and their rules change frequently, and information will have to be gathered to keep such data current. For this purpose the Planning Commission may wish to consult with the Pennsylvania Department of Community and Economic Development, their publications, and/or the Township's planning consultant.

OTHER

In order for all parties to this process to have access to all readily available information, it is imperative that the Township Board of Supervisors, in its budgeting process, and the Township auditors, properly identify all proposed and actual capital expenditures.

TIMING AND PROCEDURES

The procedure for the Planning Commission to maintain a current 6-year capital improvements program has been described above. Following is a suggested time table for this process:

1. The proposed capital improvements program should be submitted to the Township Board of Supervisors by September of each year. This will give the Board of Supervisors sufficient time to consider the inclusion of the first year of the program into its annual capital budget; it will also provide an opportunity for consultation with the Planning Commission and all necessary parties prior to finalizing the budget.
2. Following the adoption of the budget, in January of each year, the Planning Commission should review the adopted budget to determine which proposals have been incorporated into the budget.
3. All of the data needs should be collected on a monthly basis throughout the year; and, the Commission should meet with the Township Board of Supervisors to review this data on a monthly or a bi-monthly basis.
4. The actual work of preparing the capital improvements program should begin no later than June of each year in order to submit the plan to the Board of Supervisors in September as described above. Accordingly, the period from June to September should be used to review newly identified needs, needs which have been met, unmet needs which were previously identified, cost estimates, and financial resources.

CONCLUSIONS

The Capital Improvements planning process is essential to the long-term growth and development of the Township. As indicated above, this is consistent with the functions and the responsibilities of the Planning Commission. If the Planning Commission is to efficiently carry out this charge, it must take a leadership role in the process in order to secure all needed data and to coordinate with all of the other participants in the process, such as the Township Board of Supervisors and the various department heads. This will require the commitment of time and energy on the part of the Planning Commission.

TOWNSHIP OF CARBONDALE
LACKAWANNA COUNTY, PA
INVENTORY OF EQUIPMENT

	Description/Name	Year Of Model	Date of Purchase	Est. Date Of Replacement*	Purchase Price	Est. Repl. Cost *
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						
14.						
15.						
16.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
24.						
25.						

* Excluding trade-in deduction.

TOWNSHIP OF CARBONDALE
LACKAWANNA COUNTY, PA
EQUIPMENT MAINTENANCE RECORD

DESCRIPTION/NAME YEAR OF MODEL DATE OF PURCHASE EST. DATE OF REPLACEMENT PURCHASE PRICE EST REPL. COST

REPAIR AND OPERATING RECORD

Date	Cost	Downtime (Days)	Gallons of Fuel Used	Odometer Reading	Description of Repairs/Maint.

TOWNSHIP OF CARBONDALE
LACKAWANNA COUNTY, PA
INVENTORY OF NEW DEVELOPMENTS

REPORT MO./YR. _____, 20____(a)

REPORT NO. _____

DEVEL. NO. (b)	NAME OF DEVELOPMENT	1. ZONING	1. RES'L.	ACRES	DWELLING UNITS	USE	LOCATION (b)	MARKET	ASSESSED
		2. SUBDIV.	2. COMM'L.						

Notes: (a) Copy of monthly report and copies of plans to be submitted to Computer Map Contractor by 15th day of month following date of report.
(b) Write location in space provided and record number (i.e. 4/01-1, 4/01-2, 4/01-3, etc.)