



State of the Township January 17, 2013 Council President Bob Lewis

Good evening and thank you for joining me for my first State of the Township address. As always, I would like to thank the Township Council for working together to serve the residents of this great community despite the demands of their work schedules and family life. In addition to the efforts of the elected officials, it is even more important to recognize the hard work of all of our Township volunteers who serve on boards, commissions, and civic organizations that guide this Township. They are the keys to this success story!

One year ago, I joined with four newly elected Council members who shared a joint vision in their Township government. The vision was that it could do more, be better, and exist to solely serve the taxpayers of Bristol Township, not politicians and special interests. Township employees would deliver quality services in a courteous and polite manner with an emphasis on customer service. The voters of Bristol Township sent clear message that the status quo was not working by choosing a new form of government and a new majority of members on Council. Before laying out plans for 2013, I would like to take this opportunity to review the year just completed.

SO HOW DID WE DO IN 2012?

Quite simply, we had a banner year! As we moved forward in 2012, we addressed many priorities that were in dire need of attention and had been forgotten for too long. There were notable successes across the board.

Sound Management

Immediately upon taking office, the Council voted to re-open the adopted 2012 Township Budget which included a tax increase and used \$700,000 in reserves as revenue to balance the budget. This is known as a structural deficit. The new Council directed the new Interim

Township Manager to prepare a new budget that eliminated the tax increase and reduced the use of fund balance. On February 15, 2012, Council adopted an amended 2012 budget with NO TAX MILLAGE INCREASE and reduced spending by \$105,249. This was the first step towards eliminating the structural deficit and using surplus funds to balance the Township Budget.

It is my great pleasure to report that the Township ended 2012 with a balanced budget that did not use any of the \$700,000 of fund balance appropriated as revenue in the original 2012 Township Budget that was adopted last December! This is nothing short of a phenomenal accomplishment in less than one year.

What makes this achievement even more amazing is that the administration, led by Township Manager Bill McCauley, did this in a year when we experienced and responded to Superstorm Sandy, and had to incur unanticipated expenses related to the devastation caused by this unprecedented hurricane. Getting the budget balanced so quickly is a momentous accomplishment, but getting it done in a year when the Township had to respond to the worst weather disaster in its history is amazing.

Further, I am happy to report that the financial condition of the Township is drastically improved and that a balanced budget was presented and approved for 2013. Make no mistake, there are still great financial challenges ahead for the Township. However, if we continue to work together, I am confident that Bristol Township's best days are ahead.

Economic Development

A cornerstone solving the woes of the Township was attracting businesses to invest in our community and maintain every job that we presently have. The Township Council has worked hard to send the message that Bristol Township was *OPEN* for business. This is done not by breaking laws or looking the other way at regulations, but by cultivating an economic environment where businesses know that they will get a fair shake and be heard by the local government. I am pleased that we have had some success in this area especially in the worst economic conditions since the Great Depression.

The efforts of the Council have resulted in the following businesses to locate or expand in Bristol Township:

- Airgas new 248,500 square foot facility on Green Lane
- OKNA Windows & Doors new 260,000 square foot facility manufacturing facility
- Northtec-Estee Lauder 53,865 addition to existing facility
- Co-Ax Valves new 30,000 square foot manufacturing facility

- Bottom Dollar new 16,645 square foot facility supermarket
- Rite Aid Drug Store new 14,673 square foot store on New Falls Road
- Action Manufacturing 6,704 square foot addition to existing business
- Aamaco new 6,270 square foot facility
- Easter Seals of SE PA major renovation of former temple

Housing

Another priority for the new Council was housing in Bristol Township. Newly elected Council members felt that the Township was an impediment to increasing vacancy rates and property values. The new Council members came into office with specific ideas on how to change business as usual in Bristol Township. Perception is reality and the perception in the real estate community was that Bristol Township was mired in red tape, slow, bureaucratic, and customer unfriendly. Now change is never an easy thing especially in government. If it was, the road to reform would be much more crowded.

In February, Council voted to appoint Keystone Municipal Services as the Township's third party building inspector and United Inspections as its electrical inspector. The main objectives in making these changes were to improve customer service and save money. I am thrilled to report that these changes have been an overwhelming success.

Where the Building and Planning Department once was the source of complaints, the criticisms have been replaced with compliments. Residents, contractors, and real estate professionals have all provided positive feedback on the drastic changes in this department. Customers are dealt with in a courteous and professional manner and permits are issued faster than ever while still complying with all regulatory codes! Further, the Township had projected saving \$75,000 by changing inspection companies. In 2012, we paid \$165,000 less for these services than in 2011.

In October, after much study and debate on the topic, the Council eliminated the requirement for \$500 escrows for the purchase of single family dwellings in Bristol Township. Also, Council amended the ordinance requiring resale inspection and occupancy permits, and placed a moratorium on the requirement for Township inspection of curbs and sidewalks while requiring a statement on sales agreements that these curbs and sidewalks were the property owner's responsibility. At the same time, Council added a requirement for chimney and electrical certifications prior to the transfer of a home.

The intent of these legislative actions was to eliminate as many barriers to home ownership in Bristol Township as possible while still protecting the health, safety, and welfare of our residents. I am excited to report that these actions have had exactly the desired effect and produced the results Council sought. At the height of the housing crisis, there were 223 vacant and abandoned houses in Bristol Township. Today, I am ecstatic to report that this number is down to 158. Of this reduction in 65 vacant/abandoned houses, 42 homes have either been removed or become occupied since Council eliminated the escrow fee requirement and amended the ordinance on resale inspections. The proof is in the pudding.

2013

The challenges that lie ahead are indeed daunting. I do not want to criticize prior administrations, but the facts are impossible to refute: The Township has been badly mismanaged for many, many years. The present Township Council and taxpayers are paying for the sins of the past. Let me be crystal clear, the political mismanagement has only been exceeded by the fiscal mismanagement!

SO WHERE DO WE GO FROM HERE?

This is indeed a rebuilding effort and we must continue to rebuild. We must build on the successes of the past year. We can and must do better for the residents and taxpayers of Bristol Township.

Just like the Bristol Township School District, Bucks County and every Township around, we were forced to eliminate positions and were reduced to part-time. These reductions to the workforce were made with much pain, but were essential to the Township's financial recovery. Let me say this again, it is incumbent upon this Township Council to maintain the course and continue to seek ways to make the organization more efficient.

In 2012, the Township paved just over \$1,000,000 in Township highways. I am pleased to report that Maple Avenue, which had not been resurfaced in over 20 years, was completed this past fall. This year, we will be expending \$4,000,000 on the paving of Township roads. There are still many original roads installed by Levitt in Bristol Township that have never been repaved. This is both inconceivable and unacceptable. Our goal is to pave as many of them, if not all, in 2013.

The Bristol Township Municipal Building is another Township asset that has been sadly neglected for years. I actually feel bad for the conditions that employees have to work in on a daily basis. The numerous leaks in the roof and unreliable HVAC system are only the tip of the

iceberg. I am pleased to report that \$2,000,000 has been appropriated in the 2013 budget to rehabilitate this building.

Another area lacking in improvements for a long time are Township streetlights. Like much of the Township's infrastructure, they are old, antiquated, and becoming increasingly expensive. In short, we have too many of them. This year, we will begin the process of replacing many of these inefficient light fixtures with state of the art LED lights. The Township has been awarded a \$597,000 casino grant to accomplish this project.

As you can see, Council is continuing to build upon the same foundations laid in 2012, but on a grander scale. Fiscal responsibility, public accountability, customer service, and investment in our infrastructure are going to be recurring themes in 2013 and beyond. We have initiated a Lean Government program that helps increase efficiency and reduce the cost of government and must maintain our commitment to the continual improvement of local government.

Summary

While the past year signified a change in business as usual in Bristol Township and was marked by great success, there are still many challenges ahead. We met a balanced General Fund without using any reserves in 2012, but must now face the growing dangers of unfunded liabilities in post-employment benefits such as health insurance and pensions. Make no mistake, these unfunded liabilities are very real and will destroy any chance of restoring fiscal integrity to our Township government, if continued to be ignored.

When Bill McCauley was hired as Township Manager last January, he was given what appeared to be an almost impossible job of turning the township around. In this short time with Council's help, he has accomplished a Herculean task. I am attaching a spreadsheet to my address that details specific cost savings attributed to efficiency improvements implemented by Council and the Manager. While this list is not all-inclusive, it does identify numerous cost-savings made by changes implemented directly by Mr. McCauley. I would like to thank him for his efforts and dedication to Bristol Township.

The list does not include the cost savings from the Township having 24 fewer positions in the 2013 budget as compared to 2012. What makes this particularly remarkable is the fact that Bristol Township has maintained the same level of services while implementing reductions to its workforce. The Township has, in fact, increased services during the past year. This is a tribute to our wonderful Township employees. We need to look no farther than their yeomen-like work during and after Hurricane Sandy to fully appreciate their commitment, efforts, and dedication.

I would be remiss if I did not commend and thank all our Township employees for all that they do for taxpayers each and every day.

The simple truth of the matter is that there is no Democratic or Republican way to pave streets, balance the budget or deliver quality services to our neighbors. There is only the right way and, with your help, that is what this Council will continue to do. Our approach can be summed up in a quote from Harriet Beecher Stowe who said, "Seeing things as they are and doing things as they ought to be done". Now that we have balanced the budget and taken giant steps to restore the fiscal integrity of our Township government, we can actively pursue our dreams for an even more vibrant Township in which to live, work, and play, and raise our families.

As I conclude this annual report, I want to thank every resident, taxpayer, and employee for all of your support, suggestions, and words of encouragement throughout the past year. It is an honor and privilege to serve you.

BRISTOL TOWNSHIP COST SAVINGS AND EFFICIENCY IMPROVEMENTS

ITEM	SAVINGS
Reopened 2012 Budget	\$105,249.00
Elimination of Admin Fee for 401K Plan	\$6,000.00
New Humphrey Park Basketball Courts	\$20,000.00
Renegotiated Copier Leases	\$16,055.00
Hire EBS	\$17,000.00
Hire Bardissi Enterprises	\$4,000.00
Websense	\$3,654.00
Software Upgrades	\$47,000.00
Switch Police Retirees to Fully Insured EGWP Plan	\$91,000.00
Insurance Renewal	\$228,605.00
New Auditors	\$39,000.00
Negotiated Reduction in Travelers Bond	\$26,500.00
Replacement of Public Works Garage Roof	\$145,000.00
Hired Keystone Municipal Services & United Inspections	<u>\$165,000.00</u>
TOTAL	<u><u>\$914,063.00</u></u>