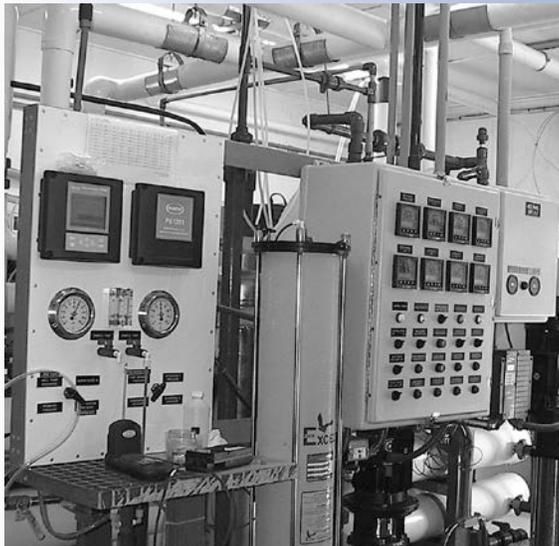


RCAP Project Highlights



Where:
Gilberton, PA

Problem:
Technical, Managerial and Financial
Management



Gilberton Borough Sewer Department

The Borough of Gilberton is a small community located in rural Schuylkill County. In better economic times, iron and coal mining provided jobs and economic stimulus that enabled both Gilberton and the region to thrive; however, these industries have collapsed as is demonstrated by a median household income of \$24,792. This creates a declining revenue base as high school graduates leave for better job opportunities and senior citizens customers die off. This situation was further enhanced when a devastating flood forced the demolition of more than 20 homes. Poorly built treatment plant and collection systems have required ongoing costly repairs. Bad management practices, especially in allowing a high amount of delinquent customers has pushed Gilberton to the brink of insolvency. A debt service re-amortization plan between the USDA and Gilberton was executed in 2010. One of the major components of the plan was the required funding of two reserve accounts to fund system repairs and equipment replacement costs. \$1,000 per month is to be deposited into each reserve account.

The financial technical assistance provided by RCAP Solutions will allow for Gilberton to make better financial decisions and hopefully enable them to fulfill the standards of the Rural Development management plan. RCAP Solutions will provide technical assistance through budget development and in the completion of USDA/RUS required annual reporting. The 2012 USDA annual report showed a profit for the year as revenues met operations and maintenance costs and debt service obligations.

RCAP Solutions will closely monitor the fiscal position of Gilberton and meeting the terms of the re-amortization agreement.

RCAP Solutions works with communities to address a broad range of needs, including community infrastructure, and to promote public, environmental, and economic health.

RCAP Solutions is a member of the Rural Community Assistance Partnership. RCAP is a national network of regional nonprofit organizations that provide comprehensive, on-site technical assistance and training to help small, rural communities address their drinking water, wastewater, and other community development needs.

For more information

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