

FY 2015 Budget

West Norriton Township

Fiscal Impacts for FY 2015



WestNorritonTwp.org



Fiscal Impacts for FY 2015

- Contractual Items
 - AFSCME Union
 - West Norriton Police Officers Association
- Revenue Impacts
- Expense Impacts

Contractual Items: Police Union

- Current CBA with West Norriton Police Officers Association expires on December 31, 2015
 - FY 2015 salaries will see a **3% increase** by contract
 - **Impact to FY 2015 Budget = \$80,795**

Position	Year- 2015	Budget Totals
Patrolman		
Class A (11)	\$92,824	\$1,021,064
Class B (1)	\$68,848	\$68,848
Corporal (4)	\$93,947	\$375,788
Detective (3)	\$95,632	\$286,896
Sergeant (6)	\$99,520	\$597,120

Contractual Items: AFSCME Union

- AFSCME represents all non-uniformed staff
 - Public Works
 - Golf Course Maintenance
 - Police Office staff
 - Administration staff
- Current CBA is set to expire on December 31, 2015
 - Negotiations are on-going
- FY 2015 reflects a **3% increase** as a place holder
 - **Impact to FY 2015 Budget = \$26,428**
 - **Also reflects the elimination of (1) Radio Room Clerk due to retirement effective Oct. 1, 2014**

Current AFSCME Hourly Wages

Administration	Year-2014
Bookkeeper	\$21.72
Secretary	\$19.54
Receptionist/Clerk	\$17.34

Golf Course	Year- 2014
Mechanic	\$27.31
Laborer	\$24.12
Spray Tech	\$20.81
Seasonal	\$12.25

Police Office	Year-2014
Lead Clerk	\$21.36
Secretary	\$19.54
Receptionist/Radio Room Clerk	\$17.34

Public Works	Year-2014
Foreman	\$29.63
Assistant Foreman	\$27.82
Laborer/Mechanic	\$27.31
Seasonal	\$14.50

Revenue Impacts

- As of October 1, 2014 the Assessed Value of Township has increased due to re-development
 - FY 2015 is a projection at this time

** Several appeals still remain for 2014**

Township Taxable Assessments

Change in Assessment by Year

<u>Year</u>	<u>Assessment</u>	<u>Change</u>
2015	\$971,035,001	877,930
2014	970,157,071	-1,535,256
2013	971,692,327	-599,330
2012	972,291,657	-201,680
2011	972,493,337	510,090
2010	971,983,247	1,518,850

Revenue Impacts

- West Norriton Township has received a **\$30,000** grant to off-set the costs associated with the School Resource Officer (SRO) at Norristown High School.
 - Township received a \$60,000 grant in FY 2014
- Township is still responsible for 30% of cost for SRO

Revenue Impacts

- Deed Transfer Tax
 - Projected revenue for FY 2015 has been **decreased by \$50,000** compared to FY 2014 Budget

Revenue Impacts: Tax Mils

- Township current levies the following tax millages:

Millage	Rate
General Purpose	2.415 mils
Debt Service	0.847 mils
Fire House Maintenance	0.155 mils
Parks & Recreation	0.07 mils
Total	3.487 mils

Revenue Impacts: Tax Mils

Assessed Value	Purpose	Millage as a percent	Billable	Collection at 97%	Collection at 95%	Collection at 90%
\$ 971,035,001	Total	0.003487000	\$ 3,385,999.05	\$ 3,284,419.08	\$ 3,216,699.10	\$ 3,047,399.14
\$ 971,035,001	General Purpose	0.002415000	\$ 2,345,049.53	\$ 2,274,698.04	\$ 2,227,797.05	\$ 2,110,544.57
\$ 971,035,001	Debt	0.000847000	\$ 822,466.65	\$ 797,792.65	\$ 781,343.31	\$ 740,219.98
\$ 971,035,001	Fire House Maintenance	0.000155000	\$ 150,510.43	\$ 145,995.11	\$ 142,984.90	\$ 135,459.38
\$ 971,035,001	Parks & Rec	0.000070000	\$ 67,972.45	\$ 65,933.28	\$ 64,573.83	\$ 61,175.21
		0.003487000	\$ 3,385,999.05	\$ 3,284,419.08	\$ 3,216,699.10	\$ 3,047,399.14
Less Commission			(\$50,000)	(\$50,000)	(\$50,000)	

Revenue Impacts: Tax Mils

- Revenue generated vs. actual expenses

Tax Millage		Collection at 97%	FY 2014 Budget	Difference
General Purpose	2.415 mils	\$ 2,274,698		
Debt Service	0.847 mils	\$797,792	\$1,169,577	(\$371,785)
Fire House Maint.	0.155 mils	\$145,995	\$160,000	(\$22,005)
Parks & Rec.	0.07 mils	\$ 65,933	\$91,900	(\$25,967)

Expense Impacts

- Pension Costs

- Act 44 allowed the Township to elect to defer 25% of amortization requirements for both pension plans.
 - Township elected this is FY 2011, FY 2012, FY 2013 and FY 2014.
 - Election of deferment is no longer an option to the Township under Act 44.
 - **Maximum is 4 years.**

- **Impact to FY 2015 Budget = \$204,364**

Plan	FY 2015	FY 2014	Difference
Police	\$952,976	\$788,038	(\$164,938)
Non-Uniform	\$271,970	\$232,544	(\$39,426)
Total	\$1,244,946	\$1,020,582	

Expense Impacts

- Estimated General Municipal State Aid for FY 2015
 - Based on 2013 unit value of \$3,884,3586
 - 78 units of aid (27 police and 24 non-uniform)
 - **Estimated State Aid is \$302,980 for FY 2015**

Expense Impacts

- Healthcare Renewal
 - As of September 30, 2014, the preliminary renewal for healthcare will **increase 24%**
 - Final rate increase in FY 2014 was 9%
- **Impact to FY 2015 Budget = \$413,644**
 - ****Includes renewals for dental and prescription****
****Medical only is \$369,921****

Plan	Current Cost	Renewal Cost
Personal Choice 7 with \$5/\$10 Rx	\$13,066.45	\$16,252.92
Personal Choice 15 with \$10/\$20/\$35 Rx	\$73,512.34	\$91,326.89
Personal Choice 15	\$25,066.23	\$31,076.79
Keystone POS 10B	\$15,804.12	\$19,619.24

Expense Impacts

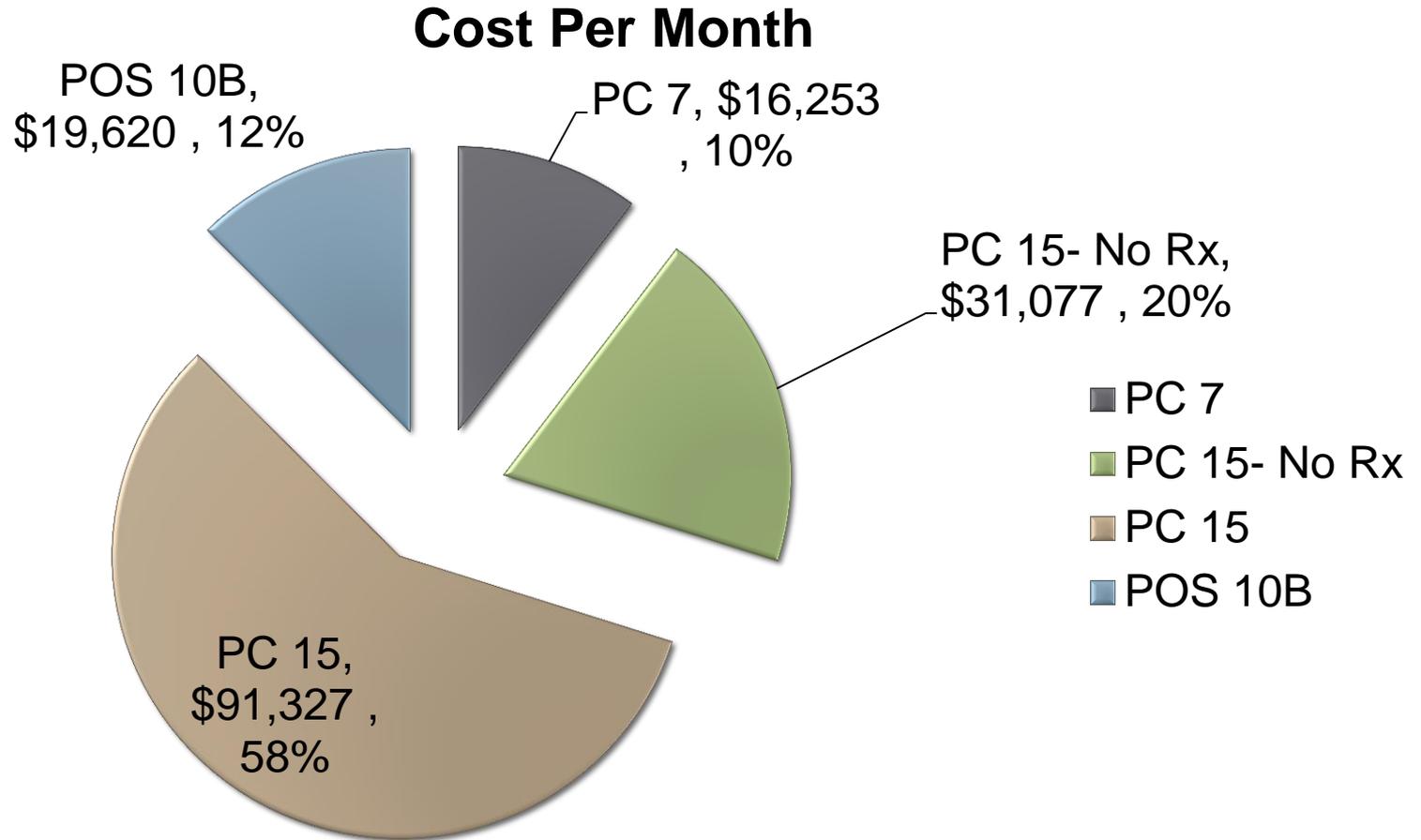
Plan	Current Cost	Renewal Cost	Yearly Cost per Plan
Personal Choice 7 with \$5/\$10 Rx	\$13,066.45	\$16,252.92	\$195,035.04
Personal Choice 15 with \$10/\$20/\$35 Rx	\$73,512.34	\$91,326.89	\$1,095,922.68
Personal Choice 15	\$25,066.23	\$31,076.79	\$373,921.48
Keystone POS 10B	\$15,804.12	\$19,619.24	\$235,430.88
Total Monthly	\$127,449.16	\$158,275.84	
		\$30,826.68 Increase	

Total Annual Increase = \$369,920.16

24%



Expense Impacts



"Cadillac Tax" under the Affordable Care Act

Avg. Increase since
2013 15%

PC 7 Plan	Census	Renewal	Yearly	Total (Census)	ACA 2018				Threshold	40% Tax	Total
					2015	2016	2017	2018			
Employee	0	\$1,463.49	\$17,561.88	\$0.00	\$17,561.88	\$20,196.16	\$22,013.82	\$23,995.06	\$10,200.00	\$5,518.02	\$0.00
Employee & Child	0	\$2,215.87	\$26,590.44	\$0.00	\$26,590.44	\$30,579.01	\$33,331.12	\$36,330.92			
Employee & Children	0	\$3,181.57	\$38,178.84	\$0.00	\$38,178.84	\$43,905.67	\$47,857.18	\$52,164.32			
Employee & Spouse	1	\$3,368.31	\$40,419.72	\$40,419.72	\$40,419.72	\$46,482.68	\$50,666.12	\$55,226.07	\$27,500.00	\$11,090.43	\$11,090.43
Family	3	\$4,294.87	\$51,538.44	\$154,615.32	\$51,538.44	\$59,269.21	\$64,603.43	\$70,417.74	\$27,500.00	\$17,167.10	\$51,501.29
				\$195,035.04							\$62,591.72

PC 15 Plan (Police)	Census	Renewal	Yearly	Total (Census)	ACA 2018				Threshold	40% Tax	Total
					2015	2016	2017	2018			
Employee	3	\$1,183.77	\$14,205.24	\$42,615.72	\$14,205.24	\$16,336.03	\$17,806.27	\$19,408.83	\$10,200.00	\$3,683.53	\$11,050.60
Employee & Child	0	\$1,792.63	\$21,511.56	\$0.00	\$21,511.56	\$24,738.29	\$26,964.74	\$29,391.57	\$27,500.00	\$1,891.57	
Employee & Children	2	\$2,573.12	\$30,877.44	\$61,754.88	\$30,877.44	\$35,509.06	\$38,704.87	\$42,188.31			
Employee & Spouse	1	\$2,724.58	\$32,694.96	\$32,694.96	\$32,694.96	\$37,599.20	\$40,983.13	\$44,671.61	\$27,500.00	\$6,868.65	\$6,868.65
Family	23	\$3,474.12	\$41,689.44	\$958,857.12	\$41,689.44	\$47,942.86	\$52,257.71	\$56,960.91	\$27,500.00	\$11,784.36	\$271,040.35
				\$1,095,922.68							\$288,959.59

PC 15 Plan	Census	Renewal	Yearly	Total (Census)	ACA 2018				Threshold	40% Tax	Total
					2015	2016	2017	2018			
Employee	4	\$920.72	\$11,048.64	\$44,194.56	\$11,048.64	\$12,705.94	\$13,849.47	\$15,095.92	\$10,200.00	\$1,958.37	\$7,833.48
Employee & Child	0	\$1,394.65	\$16,735.80	\$0.00	\$16,735.80	\$19,246.17	\$20,978.33	\$22,866.37	\$27,500.00	-\$4,633.63	
Employee & Children	0	\$2,001.01	\$24,012.12	\$0.00	\$24,012.12	\$27,613.94	\$30,099.19	\$32,808.12			
Employee & Spouse	4	\$2,119.33	\$25,431.96	\$101,727.84	\$25,431.96	\$29,246.75	\$31,878.96	\$34,748.07	\$27,500.00	\$2,899.23	\$11,596.91
Family	7	\$2,702.37	\$32,428.44	\$226,999.08	\$32,428.44	\$37,292.71	\$40,649.05	\$44,307.46	\$27,500.00	\$6,722.99	\$47,060.90
				\$372,921.48							\$66,491.28

POS 10B Plan	Census	Renewal	Yearly	Total (Census)	ACA 2018				Threshold	40% Tax	Total
					2015	2016	2017	2018			
Employee	1	\$874.06	\$10,488.72	\$10,488.72	\$10,488.72	\$12,062.03	\$13,147.61	\$14,330.90	\$10,200.00	\$1,652.36	\$1,652.36
Employee & Child	0	\$1,322.15	\$15,865.80	\$0.00	\$15,865.80	\$18,245.67	\$19,887.78	\$21,677.68	\$27,500.00	-\$5,822.32	
Employee & Children	1	\$1,901.40	\$22,816.80	\$22,816.80	\$22,816.80	\$26,239.32	\$28,600.86	\$31,174.94			
Employee & Spouse	2	\$2,011.09	\$24,133.08	\$48,266.16	\$24,133.08	\$27,753.04	\$30,250.82	\$32,973.39	\$27,500.00	\$2,189.36	\$4,378.71
Family	5	\$2,564.32	\$30,771.84	\$153,859.20	\$30,771.84	\$35,387.62	\$38,572.50	\$42,044.03	\$27,500.00	\$5,817.61	\$29,088.05
				\$235,430.88							\$35,119.12

Total \$1,899,310.08

Total ACA Tax for 2018 \$453,161.72

Time Table for FY 2015 Budget

- Preliminary Budget presented on October 14, 2014
 - Staff is awaiting final budget numbers to complete FY 2015 Budget
 - General Fund and Golf Fund currently show a significant deficit
 - AFSCME negotiations will have an impact on budget
 - Overall review of healthcare options moving forward
 - Current plans can not be sustained in the long term, relief is needed now!