



# FY 2015 PRELIMINARY BUDGET

West Norriton Township

# West Norriton Township

- West Norriton is a First Class Township in the Commonwealth of Pennsylvania.
  - ▣ Population of 15,633 (2010 Census)
  - ▣ Located in Montgomery County, West Norriton is approximately 10 square miles.
  - ▣ Current 2014 real estate millage is 3.487

# Financial Challenges: Rising Costs, Stagnant Revenues

- Like many municipalities throughout the Commonwealth of Pennsylvania, increasing costs and flat revenue have created a “structural imbalance” for West Norriton. Operating Expenditures have outpaced Operating Revenues.
  - Health Care and Pension obligations continue to rise while revenues remain relatively stagnant

# Financial Challenges

- The current 2015 General Fund budget shows an operating deficit.
- Simply addressing this deficit through a real estate tax increase would be short-sighted. A combination of township-wide revenue enhancements and reductions in expenditures, need to be analyzed in the coming weeks.
  - ▣ Many municipalities are facing the same fiscal challenges that we are currently facing.
- There is no simple solution to the problem.

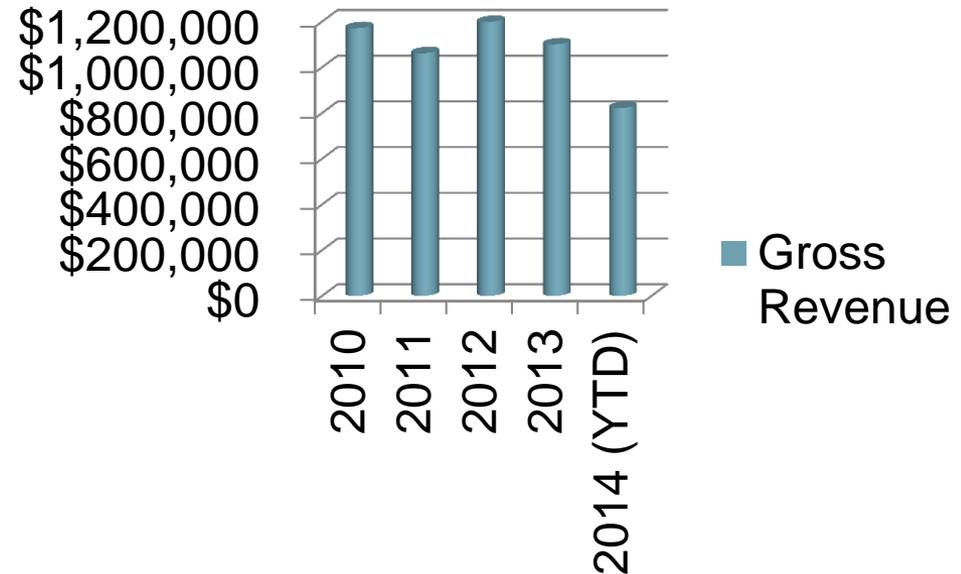
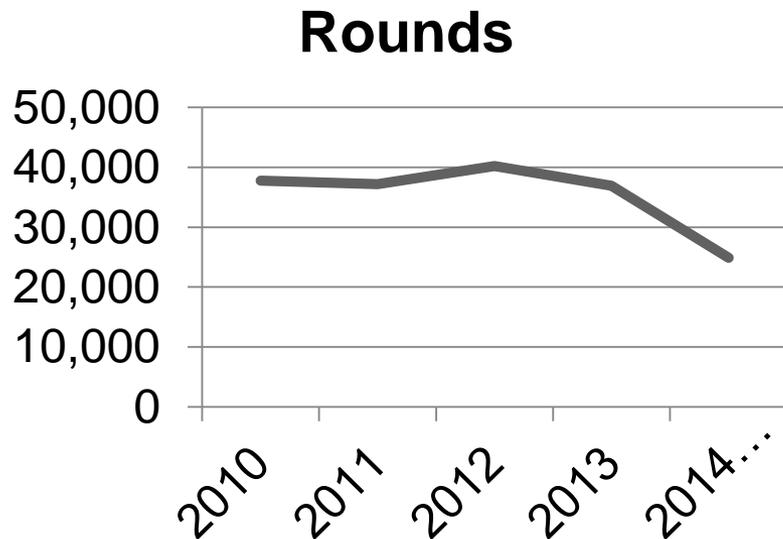


# JEFFERSONVILLE GOLF CLUB

Proposed FY 2015 Budget \$1,374,616

# Gross Revenue and Rounds

Year	Rounds	Gross Revenue
2010	37,796	\$1,171,068
2011	37,191	\$1,061,372
2012	40,198	\$1,198,573
2013	36,921	\$ 1,100,218
2014 (as of 9/30)	24,913	\$ 821,971



# Revenues for FY 2015

	2013	2013	2014	2014	2015	% +/-
	Budget	Actual	Budget	To 8/31/2014	Budget	over 2014
<b><u>REVENUES</u></b>						
Interest Earnings	600	1,498	1,500	645	1,500	0.00%
Greens Fees	842,000	803,713	887,360	588,828	876,000	-1.28%
Membership	65,000	67,496	65,000	62,355	75,000	15.38%
Power Carts	244,000	210,155	228,000	160,824	230,000	0.88%
Gift Certificates (Pro Shop)	0	2,372	0	-88	0	0.00%
Outing Deposit	0	-10	0	-148	0	0.00%
Tee-Advertising			12,820		3,600	-71.92%
Rent-Grove	500	0	0		0	0.00%
Lease-Trinity Broadcasting	43,200	46,800	46,800	27,300	46,800	0.00%
Lease Restaurant	31,000	19,550	23,400	15,600	24,108	3.03%
Hand Carts	1,600	912	2,030	460	2,400	18.23%
Pro Shop Revenue	0	226	0		0	0.00%
Sales Tax	14,735	12,661	13,802	9,647	13,944	1.03%
Miscellaneous Receipts	0	0	0		0	0.00%
Proceed on Sale of Fixed Asset	0	0	0		0	0.00%
Transfer from General Fund	0	0	35,000			-100.00%
<b>TOTAL REVENUE</b>	<b>1,242,635</b>	<b>1,165,373</b>	<b>1,315,712</b>	<b>865,423</b>	<b>1,273,352</b>	

# Revenues for FY 2015

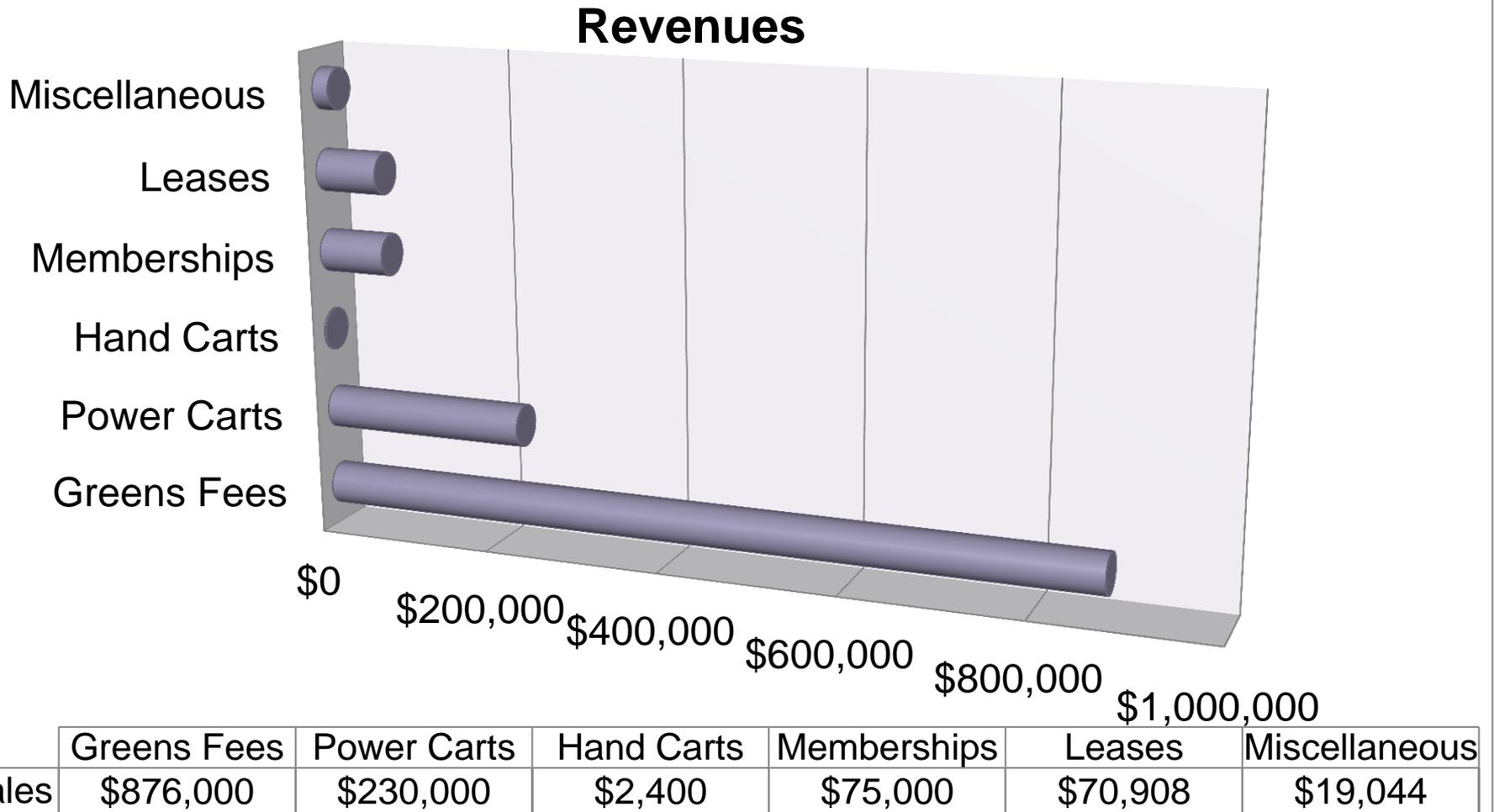
## Revenues Summary

- Greens Fees- \$876,000
- Power Carts- \$230,000
- Hand Carts- \$2,400
- Memberships- \$75,000
- Leases- \$70,908
- Miscellaneous- \$19,044

**Total Revenues: \$1,273,352**

- Revenues as of 8/30/14 are \$865,423

# Revenues



# Expenses for FY 2015

## Expenses- Wages

- Wages
  - ▣ Part-time: \$122,942
  - ▣ Salaried: \$138,288
  - ▣ Maintenance: \$163,708
  - ▣ Pro-Shop: \$80,000
- **Total: \$504,938**

## Expenses- Benefits

- Social Security- \$38,154
- Unemployment- \$15,012
- Health/Life Insurance- \$128,918
- Workers' Compensation- \$11,647
- **Total: \$193,731**

# Expenses for FY 2015

Expenses- General Operating	FY 2015 Budget
Material & Supplies- Buildings	\$4,400
Pro-Shop Expenses (Scores cards, pencils, etc.)	\$2,525
Credit Card Fees & POS Support	\$18,469
Cable, Internet & Phone	\$6,600
Advertising	\$1,200
Utilities (Water, Sewer, Electric)	\$59,600
Refuse Removal	\$4,356
Insurance Premiums	\$20,000
Hand Cart Expenses	\$2,200
Contracted Services	\$7,992
Sales Tax	\$13,944
<b>Total:</b>	<b>\$141,286</b>
<b>FY 2014 Budget</b>	<b>\$122,468</b>

# Expenses for FY 2015

Expenses- Maintenance	FY 2015 Budget
Agricultural Supplies	\$63,614
Chemicals	\$67,626
Uniforms	\$2,825
Golf Cart Parts	\$13,000
Course Equipment Parts	\$29,000
Irrigation Parts	\$6,880
Minor Equipment	\$1,600
Repair to Buildings	\$4,500
<b>Total:</b>	<b>\$189,045</b>
<b>FY 2014 Budget</b>	<b>\$227,700</b>

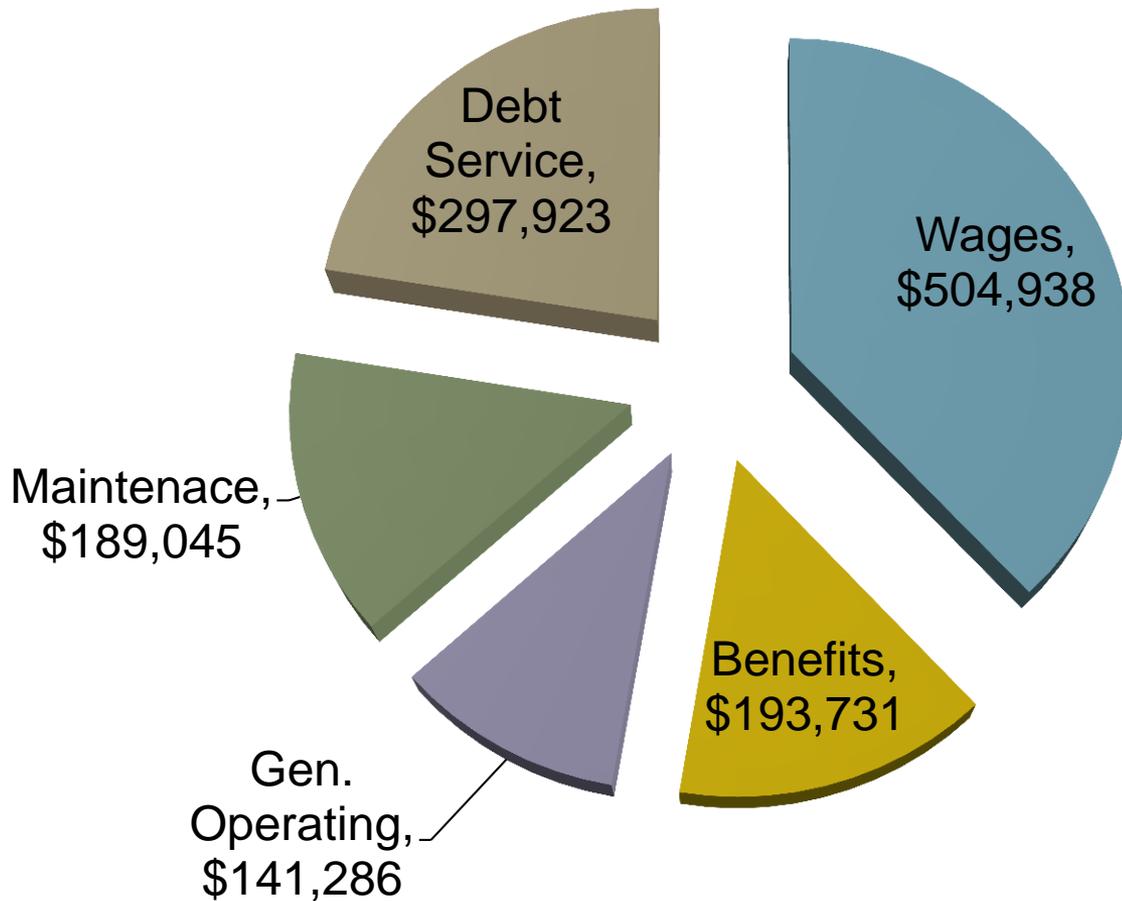
# Expenses for FY 2015

Debt Service	FY 2015 Budget
Debt Service *	\$277,923
Depreciation Costs **	\$20,000
(28) Golf Carts	
2014 Chevrolet Silverado	
Rotary Mower	

\* Transfer to Sinking Fund

\*\* Transfer to Capital Replacement Fund

# Total Revenue Costs

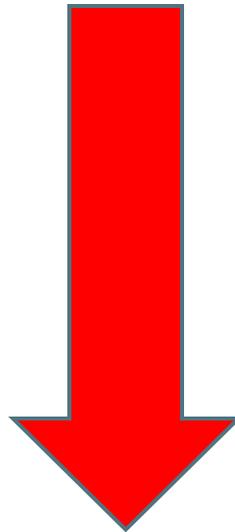


# Budget Impacts

- Wage increases by AFSCME contract
  - ▣ Negotiations on-going.
  - ▣ Place holder of 3% used for budgeting purposes.
- Premium increases for health care
  - ▣ Impact of 24% renewal
- Water and Sewer Rate Increases
  - ▣ Based on averages and consumption
- Eliminated \$35,000 transfer from General Fund

# Projected deficit of \$101,264

- Projected Expenses for FY 2015
  - ▣ **\$1,374,616**
    - Increase of \$58,904 over FY 2014 Budget



# Recommend Actions

- Negotiate changes to health care coverage to generate immediate savings.
- Use of proceeds from warranty claim for trees to balance the remainder of budget.
- No increase to greens fees at this time.



# GENERAL FUND

Proposed FY 2015 Budget \$10,517,784

# Components of General Fund

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- Administration & Finance
- Police
- Building & Zoning
- Health & Welfare
- Public Works
- Parks & Recreation
- Contributions
- Benefits & Insurance
- Inter-fund Transfers

# Proposed FY 2015 Expenses

Department	FY 2015 Proposed	FY 2014 Adopted
Administration & Finance	\$899,227	\$855,646
Police	\$3,611,053	\$3,433,907
Building & Zoning	\$109,310	\$108,296
Health & Welfare	\$10,000	\$10,000
Public Works	\$745,418	\$725,579
Parks & Recreation	\$505,733	\$487,967
Contribution	\$11,950	\$10,950
Benefits & Insurance	\$3,721,082	\$3,119,767
Inter-Fund Transfers	\$913,961	\$952,000

# Administration & Finance

- Increased costs associated with bank card fees and off-site document storage
- Costs associated with contractual obligations for wages:
  - ▣ Township Manager
  - ▣ Management and AFSCME Staff members
- Costs added for requirement of single audit for federal funds
  - ▣ Required since township receives over \$500,000 in federal funds per year
- Increased legal fees for pending and on-going litigation

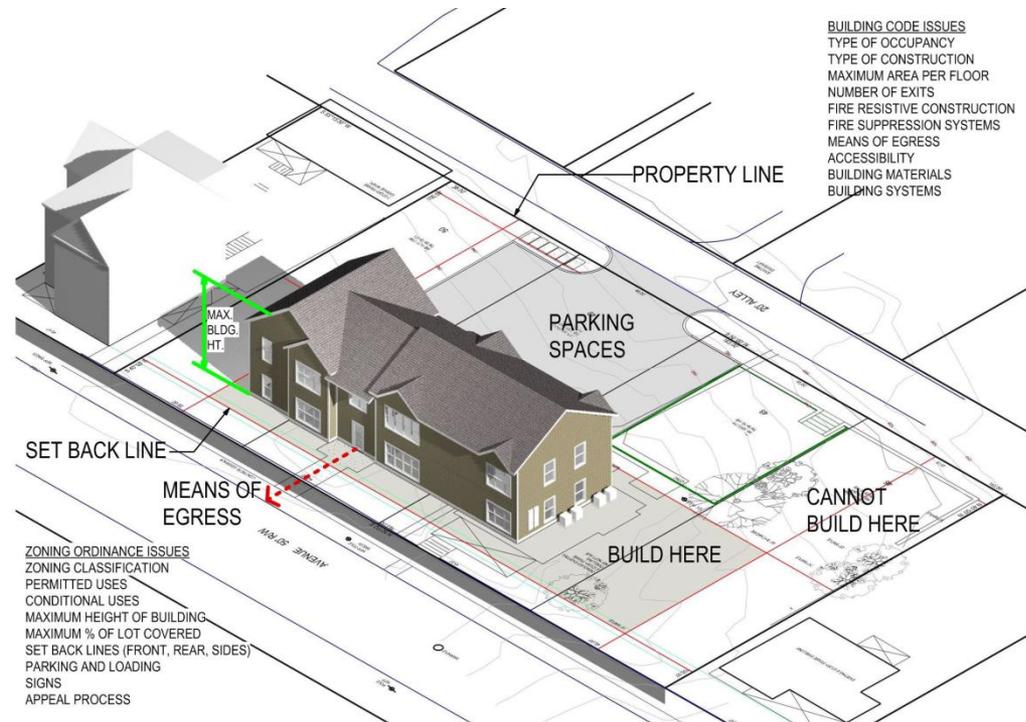
# Police

- Eliminated (1) Radio Room Clerk position through attrition.
- Costs associated with contractual obligations for wages:
  - ▣ Police Union – 3% wage increase
    - Longevity payments based on years of service
  - ▣ AFSCME Staff – budgeted 3%
  - ▣ Chief & Deputy Chief – employment contracts
- Increase in overtime costs due to staffing requirements



# Building & Zoning

- No major changes to budget category
  - ▣ Costs associated with demand and use of services



# Health and Welfare

- No major changes in category.
  - ▣ Costs in the category are associated with use of street sweeper and asphalt removal for minor street repairs.
  - ▣ No change from FY 2014 Budget

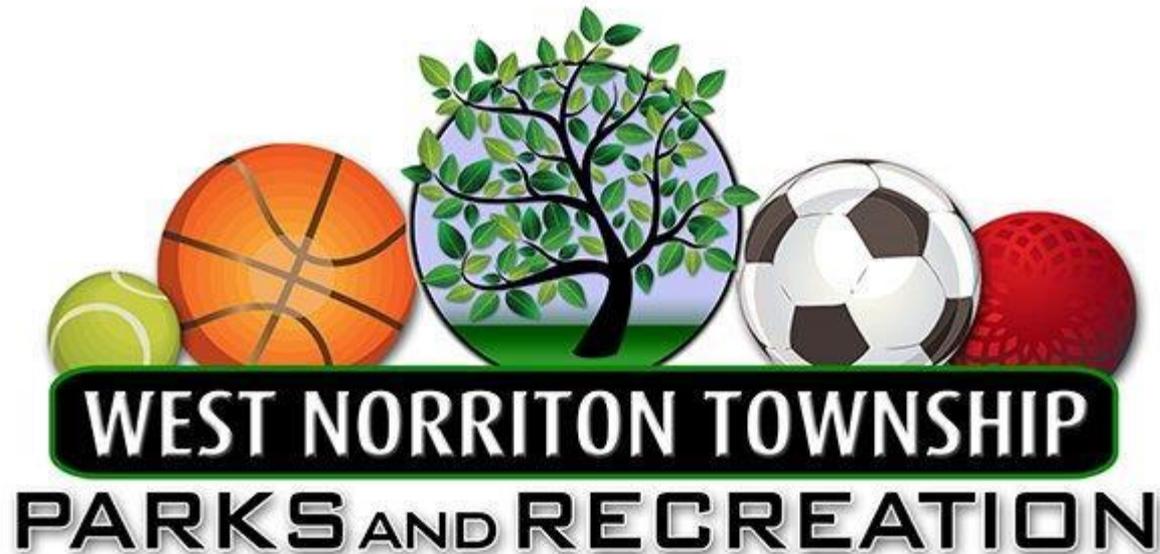


# Public Works

- Increased costs associated with snow removal.
  - ▣ Overtime associated with township staff
  - ▣ Costs associated with third-party contractors
- Costs associated with contractual obligations for wages:
  - ▣ AFSCME Staff – budgeted 3%

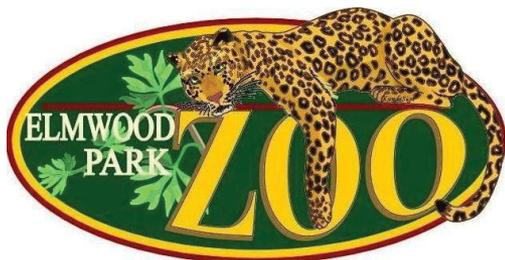
# Parks & Recreation

- Increased capital improvements:
  - ▣ Replacement of playground equipment at Oxford Circle
  - ▣ Installation of walking trail at Centennial Park



# Contributions

- ❑ West Norriton Little League
- ❑ Greater Norristown Police Athletic League
- ❑ West Norriton Girls Athletic Association
- ❑ Elmwood Park Zoo
- ❑ Silver Circle
- ❑ Montgomery County Library

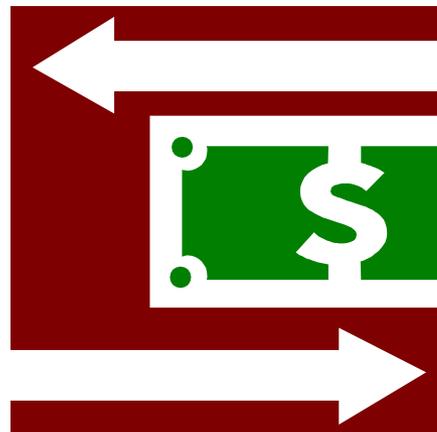


# Insurance and Benefits

- Pension obligations increased per the Minimum Municipal Obligation for FY 2015
  - ▣ Non-Uniform increased **\$39,326** (16%)
    - \$232,544 to \$271,970
  - ▣ Police increased **\$164,938** (21%)
    - \$788,038 to \$952,976
- Health care premiums increased **24%**
  - ▣ Major medical coverage has gone up **\$369,920**
  - ▣ Vision, Dental and Prescription (non-police) has increased **4%**

# Inter-Fund Transfers

Fund	Amount
Sinking Fund	\$517,603
Capital Replacement	\$139,4452
Emergency Services	\$258,906
<b>Total</b>	<b>\$913,961</b>



# Summary: Proposed Expenses FY 2015

- Health Care costs increased 24%
  - ▣ Additional \$369,920
- Wage increases budgeted for AFSCME contract- 3%
- Wage increases set by Police contract- 3%
- Increased pension costs based on MMO
  - ▣ Additional \$204,264 to FY 2015 Budget

# Breakdown of Expenditures

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- Employee salary and benefits make up roughly 70% of the General Fund expenses.
  - ▣ \$7,311,000 of the proposed FY 2015 Budget

# Proposed FY 2015 Budget

	FY 2015
Revenues	\$9,947,435
Expenses	\$10,517,784
<b>Difference</b>	<b>-\$570,349</b>



# GENERAL FUND

Revenues

# Preliminary Revenues FY 2015

Account Title	2013 Budget	2013 Actual	2014 Budget	2014 TO 8/31/2014	2015 Budget	% +/- Over 2014
<b>REVENUES</b>						
Real Estate Taxes-Current	3,236,896	3,257,221	3,231,450	3,211,786	<b>3,234,419</b>	0.09%
Real Estate Taxes-Prior Year	20,000	38,838	25,000	25,706	<b>25,000</b>	0.00%
Delinquent Real Estate Tax	60,000	80,868	60,000	44,646	<b>60,000</b>	0.00%
Real Estate Tax-Interim	10,000	639	8,000	452	<b>8,000</b>	0.00%
<b>REAL PROPERTY TAXES</b>	<b>3,326,896</b>	<b>3,377,566</b>	<b>3,324,450</b>	<b>3,282,590</b>	<b>3,327,419</b>	

# Preliminary Revenues FY 2015

Account Title	2013 Budget	2013 Actual	2014 Budget	2014 TO 8/31/2014	2015 Budget	% +/- Over 2014
Per Capita Tax-Current	3,000		3,000	2,166	<b>3,000</b>	0.00%
Per Capita Tax-Prior Year	28,000	29,254	28,000	27,402	<b>28,000</b>	0.00%
Per Capita Tax-Delinquent	10,000	10,672	10,000		<b>10,000</b>	0.00%
Deed Transfer Tax	215,000	347,089	300,000	145,737	<b>275,000</b>	-8.33%
Earned Income Tax	2,450,000	3,198,806	3,000,000	2,161,241	<b>3,000,000</b>	0.00%
LST Tax	323,000	392,098	340,000	245,198	<b>340,000</b>	0.00%
<b>ACT 511 ENABLING TAXES</b>	<b>3,029,000</b>	<b>3,977,919</b>	<b>3,681,000</b>	<b>2,581,744</b>	<b>3,656,000</b>	

# Preliminary Revenues FY 2015

Account Title	2013	2013	2014	2014	2015	% +/-
	Budget	Actual	Budget	TO 8/31/2014	Budget	Over 2014
Contractor & Plumbing Licenses	15,000	21,175	18,000	16,575	<b>18,000</b>	0.00%
Garage Sale Licenses	1,000	1,085	1,000	795	<b>1,000</b>	0.00%
Sign Licenses	29,000	35,345	25,000	14,995	<b>30,000</b>	20.00%
Itinerant Licenses	0	1,060	0	1,290	<b>0</b>	0.00%
Mechanical Device Tax	25,000	20,988	23,000	19,700	<b>20,000</b>	-13.04%
Cablevision Revenue	265,000	387,684	375,000	302,164	<b>380,000</b>	1.33%
Highway Opening Permits	3,600	4,700	3,600	1,795	<b>3,600</b>	0.00%
<b>BUSINESS/NON-BUSINESS LICENSE</b>	<b>338,600</b>	<b>472,037</b>	<b>445,600</b>	<b>357,314</b>	<b>452,600</b>	
District Justice Fines	55,000	50,896	55,000	29,060	<b>55,000</b>	0.00%
Other Violations-State Police	12,000	7,240	12,000	3,853	<b>7,000</b>	-41.67%
<b>FINES</b>	<b>67,000</b>	<b>58,136</b>	<b>67,000</b>	<b>32,913</b>	<b>62,000</b>	
Interest Earnings	20,000	18,548	20,000	14,386	<b>20,000</b>	0.00%
<b>INTEREST</b>	<b>20,000</b>	<b>18,548</b>	<b>20,000</b>	<b>14,386</b>	<b>20,000</b>	
Recycling Grant	43,000	58,062	26,514		<b>27,910</b>	5.27%
Bullet Proof Vest Grant	2,000		0	2,338	<b>3,000</b>	100.00%
Public Utility Realty Tax	7,500	8,776	7,500		<b>7,500</b>	0.00%
Beverage Licenses	2,400	2,400	2,400		<b>2,400</b>	0.00%
<b>FED/STATE/LOCAL SHARED REV</b>	<b>54,900</b>	<b>69,238</b>	<b>36,414</b>	<b>2,338</b>	<b>40,810</b>	

# Preliminary Revenues FY 2015

Account Title	2013 Budget	2013 Actual	2014 Budget	2014 TO 8/31/2014	2015 Budget	% +/- Over 2014
Zoning, Sub-division Fees	7,000	5,600	5,000	4,345	<b>5,000</b>	0.00%
<b>CHARGES FOR SERVICES</b>	<b>7,000</b>	<b>5,600</b>	<b>5,000</b>	<b>4,345</b>	<b>5,000</b>	
Police Revenues	54,500	51,919	52,000	49,628	<b>50,305</b>	-3.26%
Police Overtime Reimbursement	89,710	45,147	58,514	20,784	<b>64,468</b>	10.18%
Smooth Operator Grant	0	985	0	0	<b>2,000</b>	100.00%
DUI Grant from State	40,000		40,000	36,599	<b>40,000</b>	0.00%
Seat Belt Grant from State	0	877	0	1,297	<b>2,000</b>	100.00%
NHS Reimburse-SRO Officer	67,945	131,071	100,000	103,320	<b>100,000</b>	0.00%
Building/Plumbing Permits	198,000	237,840	155,000	165,952	<b>150,000</b>	-3.23%
U & O Certification	16,000	20,650	16,000	14,025	<b>16,000</b>	0.00%
Rental Unit Inspections	90,000	91,125	90,000	105,025	<b>100,000</b>	11.11%
Highway Dept Revenue	5,000	4,941	5,000	10,324	<b>8,000</b>	60.00%
FEMA Reimbursement	0	100,080	0	0	<b>0</b>	0.00%
<b>PUBLIC SAFETY &amp; HIGHWAY</b>	<b>561,155</b>	<b>684,635</b>	<b>516,514</b>	<b>506,954</b>	<b>532,773</b>	

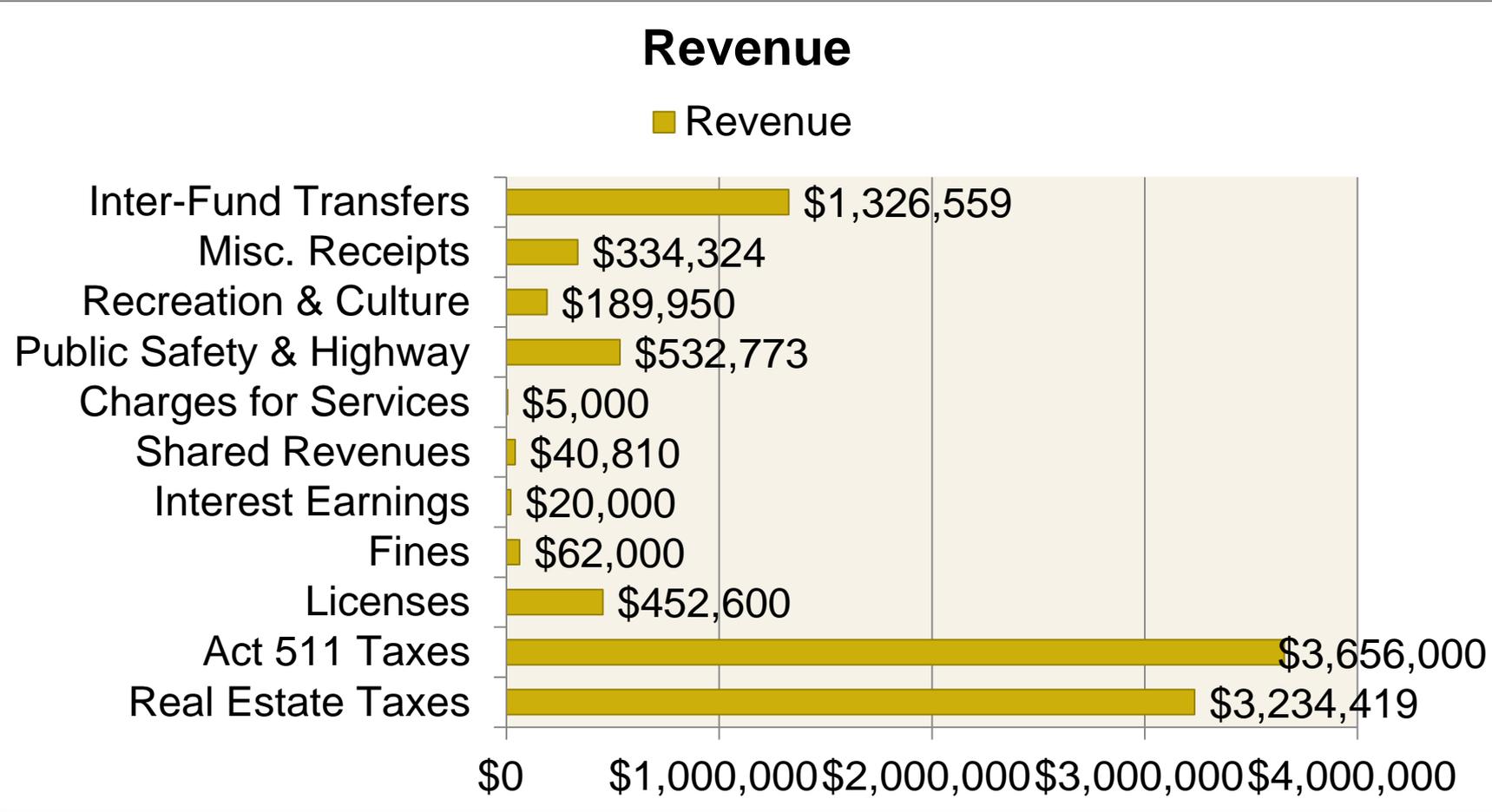
# Preliminary Revenues for FY 2015

	2013	2013	2014	2014	2015	% +/-
Account Title	Budget	Actual	Budget	TO 8/31/2014	Budget	Over 2014
Recreation Dept Revenue	100,000	100,706	105,000	85,210	<b>110,500</b>	5.24%
Cultural Trip Revenue	70,000	21,491	70,000	90,014	<b>70,000</b>	0.00%
Recreation Event Sponsorship		9,947	8,000	7,125	<b>8,000</b>	0.00%
Donations to Parks & Recreation			0	2,000	<b>0</b>	0.00%
Parks Vending Machines	200	185	250	83	<b>250</b>	0.00%
Ticket Sale Proceeds				900	<b>1,000</b>	100.00%
Park Rental Fee	250	150	250		<b>200</b>	-20.00%
History Book/Cent. Sales	250	30	0	30	<b>0</b>	0.00%
<b>RECREATION &amp; CULTURE</b>	<b>170,700</b>	<b>132,509</b>	<b>183,500</b>	<b>185,362</b>	<b>189,950</b>	
Miscellaneous Receipts	9,000	9,683	10,000	1,684	<b>10,000</b>	0.00%
Reimb. Health/Life Insurance	1,990	0	0	6,891	<b>10,000</b>	100.00%
Refund - Insurance	0	7,684	0		<b>0</b>	0.00%
Pension Fund Receipts	292,419	296,354	295,212	294,324	<b>294,324</b>	-0.30%
Permit Admin Fee	20,000	20,342	20,000	13,473	<b>20,000</b>	0.00%
Cont/Donation Private Sector	0	2,370	0		<b>0</b>	0.00%
<b>MISCELLANEOUS RECEIPTS</b>	<b>323,409</b>	<b>336,433</b>	<b>325,212</b>	<b>316,372</b>	<b>334,324</b>	

# Preliminary Revenues for FY 2015

Account Title	2013 Budget	2013 Actual	2014 Budget	2014 TO 8/31/2014	2015 Budget	% +/- Over 2014
Transfer from Traffic Impact	0	0	0		0	0.00%
Transfer from Sewer Fund	30,000	0	1,088,472		1,326,559	21.87%
Transfer from Capital Reserve	0	0	0		0	0.00%
Transfer from Highway Aid	273,961	11,589	0		0	0.00%
Transfer from Escrow Fund	0	0	0		0	0.00%
Transfer from Golf Course	93,470	0	0		0	0.00%
<b>INTERGOVERNMENTAL TRANSFERS</b>	<b>397,431</b>	<b>11,589</b>	<b>1,088,472</b>	<b>-</b>	<b>1,326,559</b>	

# Preliminary Revenues FY 2015



# Preliminary Revenues FY 2015

Revenues	FY 2015	FY 2014 (as of 8/31)
Real Estate Taxes	\$3,327,419	\$3,282,590
Act 511 Taxes	\$3,656,000	\$2,581,744
Licenses	\$452,600	\$357,314
Fines	\$62,000	\$32,913
Interest Earnings	\$20,000	\$14,386
Shared Revenues	\$40,810	\$2,338
Charges for Services	\$5,000	\$4,345
Public Safety & Highway	\$532,773	\$506,954
Recreation & Culture	\$189,950	\$185,362
Receipts	\$334,324	\$316,372
Inter-Fund Transfers	\$1,326,559	\$0
<b>Total FY 2015 Revenues</b>	<b>\$9,947,435</b>	

# Funding Gap

Fund	Proposed Budget	Current Tax Mills	Deficit
General Fund	\$ 10,517,784	3.487	<b>-\$570,349</b>
Golf Fund	\$ 1,374,616	0	<b>-\$101,264</b>

## What makes up the Millage:

	Millage	Revenue Generated (at 97% collection)
General Fund	2.415	\$2,274,699
Debt Service	0.847	\$797,793
Recreation	0.07	\$65,934
Fire Department	0.155	\$145,996
<b>Total</b>	<b>3.487</b>	<b>\$3,284,420</b>

Revenue Generated based on preliminary 2015 Assessment of \$971,035,001

# Assessment Breakdown

Average assessed home value                      \$119,000  
Annual Township Real Estate Tax                      \$415

(Based on current millage of 3.487)

## Breakdown of Mills

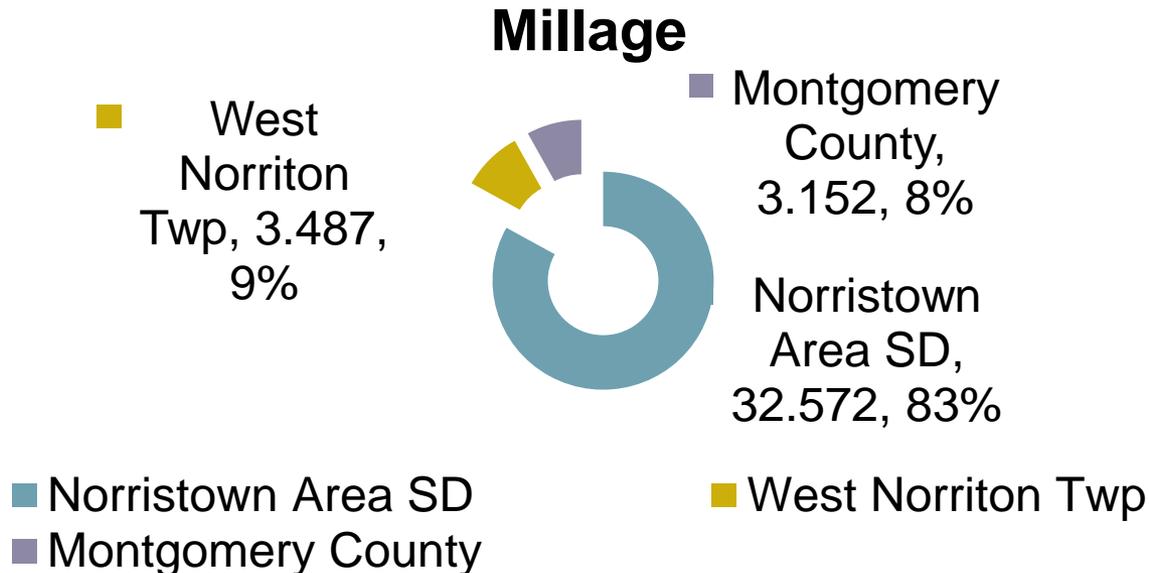
(Based on average home value)

<b>Mills</b>	<b>Annual Cost</b>	<b>Description of Services</b>
0.07	\$8	Parks
0.155	\$18	Fire Protection
0.847	\$100	Roads/Infrastructure/Capital Improvements
2.415	\$289	Police Protection/Snow Plowing/Brush & Leaf Pick-up/Code Enforcement
3.487	\$415	Total

Total Township taxes cost the average homeowner \$34.58 per month

# Tax Millages

Millage	
Norristown Area SD	32.572 mils
West Norriton Twp	3.487 mils
Montgomery County	3.152 mils
<b>Total</b>	<b>39.211</b>



# 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>
<b>2015</b>	<b>\$971,035,001</b>	<b>877,930</b>
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

# Current Revenues

- Pa Act 511, the Local Tax Enabling Act, controls a municipality's ability to garner new revenues.
  - Act 511 governs the taxes that school districts and municipalities are allowed to levy. Schools and cities must choose from a menu of 10 allowable taxes listed in Act 511. In some cases, a maximum allowable tax rate is also mandated by Act 511.
    - For example, the maximum rate for earned income tax is one percent. If a school district and a municipality both levy the same tax, they must share the proceeds equally.
- Currently, the bulk of our revenues are derived from real estate taxes, earned income taxes, state allocations and user fees.

# Solutions

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- We must address our structural imbalance with a long-term plan in mind. One year “fixes” will only put us in the same situation next year.
  - ▣ Solution must be comprehensive and sustainable

# Short-term vs. Long-term Issues

## Short-term

- Reduce current deficits without a major impact to services

## Long-term

- Lack of operating reserve
  - ▣ Best Practice is 10-15% of operating budget
- Plan for cost containment on healthcare and pension costs



# SEWER OPERATING FUND

Proposed FY 2015 Budget \$3,546,401

# Sanitary Sewer

## Current Rates

- Cost per 1,000 gallons: \$6.51
- Residential flat rate for first 4,000 gallons: \$35 per quarter
- Multi-unit residential flat rate: \$10 per unit per quarter
- Multi-unit residential (3 units or less) flat rate for first 4,000 gallons: \$75 per quarter
- Non-residential flat rate for first 4,000 gallons: \$80 per quarter

## Overview

- 18 miles of sanitary sewer
- 6 Pumping stations
- 7,490 Residential EDU's
- 545 Commercial EDU's
- 95 Public/Institutional EDU's

# Sewer Operating Fund

## FY 2015 Revenues

Revenue	
Sewer Rental	\$3,473,601 (with rate increase)
Penalties on Sewer Rental	\$62,300
Sewer Certifications	\$6,000
Application Fees	\$500
Reimbursed Fees	\$2,500
<b>Total</b>	<b>\$3,546,401</b>

# Recommended Rate Structure

- In order to generate enough revenues to fund new debt service, the following is recommended:
  - ▣ Increase base rate by \$7.00 per quarter
    - Category 1: \$35.00 to \$42.00
    - Category 2: \$100.00 to \$107.00
    - Category 3: \$75.00 to \$82.00
    - Category 4: \$10.00 to \$42.00
    - Category 5: \$80.00 to \$87.00
  - ▣ Increase consumption rate by \$1.00
    - \$6.51 to \$7.51
  - ▣ Bill Category 1 and 4 customers equally
  - ▣ Reduce consumption credit by 1,000 gallons
    - From 4,000 gallons to 3,000 gallons

# Sewer Operating Fund

Account Title	2013 Budget	2013 Actual	2014 Budget	2014 To 8/31/2014	2015 Budget	% +/- Over 2014
Legal Fees		8,878	9,000	5,197	<b>9,000</b>	0.00%
Wages-Maintenance Helper	18,406	17,226	1,140	830	<b>1,140</b>	0.00%
Meter Data & Postage-Sewer	14,000	16,689	14,000	9,379	<b>12,252</b>	-12.49%
Other Admin. Exp-Sewer	0	755	2,000	1,100	<b>2,000</b>	0.00%
Engineer's Fees	125,000	596,439	175,000	241,578	<b>170,000</b>	-2.86%
Telephone-Pumping Stations	5,500	6,653	6,000	4,559	<b>6,000</b>	0.00%
Fuel, Light & Water-Sewer	110,282	97,379	49,000	87,502	<b>115,000</b>	134.69%
Treatment Expense	870,000	771,849	900,000	426,250	<b>900,000</b>	0.00%
Pennsylvania One Call	2,000	1,891	2,000	1,454	<b>2,000</b>	0.00%
Maint./Repair/Cleaning Sewer	85,000	79,830	226,000	47,192	<b>253,000</b>	11.95%
Operations Assistance	68,000	100,199	100,000	94,867	<b>125,000</b>	25.00%
Repairs from Sewer Capital				572,231	<b>0</b>	100.00%
Capital-Norristown Mun. Auth.				48,169	<b>0</b>	100.00%
Pollution Insurance					<b>0</b>	0.00%
<b>Sewer Department</b>	<b>1,298,188</b>	<b>1,697,788</b>	<b>1,484,140</b>	<b>1,540,308</b>	<b>1,595,392</b>	
<b>EXPENDITURES</b>						
Transfer to Capital Reserve Fd						0.00%
Transfer to Sinking Fund			323,232		<b>624,450</b>	93.19%
Transfer to Sewer Capital						0.00%
Transfer to General Fund			1,088,472		<b>1,326,559</b>	21.87%
<b>Other Financial Uses-Subtotal</b>	<b>-</b>	<b>-</b>	<b>1,411,704</b>	<b>-</b>	<b>1,951,009</b>	

# Sewer Operating Fund

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- Projected revenues of \$3,546,401
  - ▣ Revenues include a sewer rate increase
- Projected expenses of \$3,546,401



# EMERGENCY SERVICES FUND

FY 2015 Proposed Budget \$396,191

# Emergency Services Fund

- Includes expenses for:
  - ▣ Allocation to Jefferson Fire Company
  - ▣ Fireman's Relief Grant to Jefferson Fire Company
  - ▣ Fees associated with fire hydrants in Township
  - ▣ Wages and expenses for Fire Marshal & Deputy Fire Marshal
  
- Revenues for fund:
  - ▣ Fireman's Relief Grant
  - ▣ Transfer from General Fund
    - Includes Fire Tax Millage

# Emergency Services Fund

## Revenues

Revenue	
Fireman's Relief	\$137,285
Transfer from General Fund	\$258,906
<b>Total</b>	<b>\$396,191</b>

Note: Fire Tax millage does not cover allocation to Jefferson Fire Company. Fire Tax generates roughly \$146,000

## Expenses

Expense	
Salaries & Wages	\$8,996
Expense-Fire Marshal	\$5,000
Hydrant Fees	\$74,910
Jefferson FC Allocation	\$170,000
Jefferson FC Fireman's Relief	\$137,285
<b>Total</b>	<b>\$396,191</b>



# SINKING FUND

FY 2015 Proposed Budget \$ 1,419,976

# Sinking Fund

- Revenues include:
  - ▣ Transfer from General Fund of \$517,603
  - ▣ Transfer from Sewer Operating of \$624,450
  - ▣ Transfer from Golf Fund of \$277,923
  
- Expenses are lease payments and debt service payments

	Revenues	Expenses
FY 2015	\$1,419,976	\$1,419,976

# Debt Service

## FY 2015 Payments

Bonds/Notes	
2010 GO Bond-Refinance & Sewer	\$533,215
2009 PIB Note-Roads	\$217,509
2014 Loan- Sewer	\$363,135
Debt Service- Streetlight Upgrade	\$28,193
<b>Total</b>	<b>\$1,142,053</b>

# Debt Service

## FY 2015 Payments

Equipment	
Triplex Mower- Golf Course	\$11,606
Jacobsen Mower & Pro-Flex Mower-Golf Course	\$13,746
<b>Total</b>	<b>\$25,082</b>

**Paid by Golf Fund thru a transfer**



# LIQUID FUELS FUND

FY 2014 Proposed Budget \$308,317

# Liquid Fuels

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- Revenues for fund are based on the state allocation of gas tax receipts
  - ▣ Money must be kept from General Fund and interest be kept separate
- Expenses are based on the allowable items through the Liquid Fuels program

# Liquid Fuels

## Revenues

State Allocation	\$350,717
Interest	\$1,000
<b>Total</b>	<b>\$351,717</b>

## Expenses

Traffic Lights	\$5,200
Street Lights	\$195,000
Road Salt	\$50,000
Debt Service	\$58,117
<b>Total</b>	<b>\$308,317</b>

# Liquid Fuels

- Finalizing preliminary electric saving due to street lighting upgrade.
  - ▣ Project expected to be completed in March 2015
- Potential to move \$100,000 from General Fund to Liquid Fuels Fund once preliminary savings is calculated.
  - ▣ Road Resurfacing would now be paid from Liquid Fuels Fund
- Fund currently has a surplus of \$43,400

# CAPITAL IMPROVEMENT FUND

FY 2015 Proposed Budget \$ 2,376,055

# Capital Improvement Fund

- This type of fund will ensure adequate funds are available to purchase vehicles and equipment while stabilizing the budget for major purchases. Additionally, it will provide a township-wide approach to procurement and replacement of the vehicle fleet.
- The advantages of such a fund is that it prevents wide fluctuation in operating budgets from year to year due to vehicle and equipment purchases while providing a framework for replacements and management of the fleet.
- This new fund would “own” the vehicles and equipment and the assets and depreciation would occur in this fund and not the General Fund. The General Fund or other funds would pay lease fees into the new fund based on a formula.

Formula example:

$$[A+B-D]/\text{useful life} \times C = X$$

A= Asset Cost

B= Fund Shortage

C= Inflation Factor

X= Normal Annual Lease Fee

## Example

Police Vehicle= \$35,000

A= \$35,000

B= \$0.00 (assume no shortage)

C= 2.0%

$$[\$35,000+\$0.00]/ 5 \text{ years} \times 2.0\% = \$7,140 \text{ (payment per year to fund)}$$

# Vehicle Depreciation Costs

Revenue	
Bond Proceeds	\$2,216,603
Transfer from General Fund	\$139,452
Transfer from Golf Fund	\$20,000
<b>Total</b>	<b>2,376,055</b>

# Vehicle Depreciation Costs

Vehicle	FY 2014		FY 2015 Budget	
Depreciation-2013 Dodge Charger (Pol 62-15)	12,410		12,410	3 yr/From Veh Rep Fd
Depreciation-2013 Chev Tahoe (Pol 62-17)	9,333		9,333	5 yr/From Veh Rep Fd
Depreciation-2013 Chev Tahoe (Adm-02)	4,793		4,793	5 yr/From Veh Rep Fd
Depreciation-2013 Chev Silverado (PW-34)	4,718		4,718	7 yr/From Veh Rep Fd
Depreciation-2013 ODB Leaf Machine (PW)	2,447		2,447	12 yr/From Veh Rep Fd
Depreciation-2013 Dodge Charger (Pol 62-01)	5,648		5,648	3 yr/From Veh Rep Fd
Depreciation-2014 Dodge Charger (Pol 62-14)	11,587		11,587	3 yr/From Veh Rep Fd
Depreciation-2014 Dodge Durango (Adm-01)	9,694		6,317	3 yr/From Veh Rep Fd
Depreciation-2014 Chev Tahoe (Pol 62-20)	9,476		9,476	5 yr/From Veh Rep Fd
Depreciation-2014 Chev Silverado (PW-28)	4,985		4,985	7 yr/From Veh Rep Fd
Depreciation-2014 Chev Silverado (PW-29)	4,538		4,538	7 yr/From Veh Rep Fd
Depreciation-2014 Chev Silverado (Golf)	3,875		3,875	7 yr/From Veh Rep Fd
Depreciation-2014 Chev Pass Van (P&R-01)	4,249		4,249	7 yr/From Veh Rep Fd
Depreciation-Kubota Mower (PW)	3,624		3,624	7 yr/From Veh Rep Fd
Depreciation-Rotary Mower (Golf)	1,697		1,697	10 yr/From Veh Rep Fd
Depreciation-Golf Carts (Golf)	12,834		12,100	10 yr/From Veh Rep Fd
Depreciation-2015 Chev Silverado (PW-24)			5,700	7 yr/From Veh Rep Fd
Depreciation-2015 Ford Dump (PW-25)			14,000	
Depreciation-2015 Dodge Charger (Pol 62-11)			12,717	5 yr/From Veh Rep Fd
Depreciation-2015 Dodge Charger (Pol 62-18)			14,280	5 yr/From Veh Rep Fd
Depreciation-72" Mower (PW)			1,619	

# Capital Improvement Projects

## Capital- Norristown Plant

- \$500,000 for capital improvements share at Norristown Plant

## Capital- West Norriton Sewer

- Sewers- TVing, lining & replacement
  - ▣ \$707,500
- Manholes- lining & replacement
  - ▣ \$300,000

# Questions?

