

**EARLY INTERVENTION PROGRAM REPORT  
FOR  
WEST NORRITON TOWNSHIP**

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## Table of Contents

		<u>Page</u>
CHAPTER 1	INTRODUCTION .....	1-1
CHAPTER 2	GOVERNMENT STRUCTURE AND DEMOGRAPHICS .....	2-1
CHAPTER 3	HISTORICAL FINANCIAL REVIEW .....	3-1
CHAPTER 4	FINANCIAL PROJECTIONS .....	4-1
CHAPTER 5	DEBT AND ASSET ANALYSIS .....	5-1
CHAPTER 6	LABOR .....	6-1
CHAPTER 7	ECONOMIC DEVELOPMENT .....	7-1
CHAPTER 8	OPERATIONS REVIEW .....	8-1
CHAPTER 9	OBERVATIONS AND RECOMMENDATIONS .....	9-1
CHAPTER 10	LIST OF RECOMMENDATIONS .....	10-1
APPENDIX A	WEST NORRITON TOWNSHIP POLICE REPORT	
APPENDIX B	GENERAL FUND REVENUES AND EXPENDITURES	

## CHAPTER 1 INTRODUCTION

In 2017, West Norriton Township received a grant from the state Department of Economic and Community Development through the Early Intervention Program to conduct a management and financial audit and to prepare a five-year financial plan. The objective as stated in the Township's Request for Proposals was to "establish short and long-term management objectives as well as short and long-term financial objectives to strengthen the internal management structures of the Township, improve the Township's ability to provide necessary services, improve the Township's ability to increase non-tax revenues and ensure the long-term fiscal health of the Township through better management, cost-containment and economic growth. The Pennsylvania Economy League was selected to complete the report.

The current analysis involved a review of the municipality's year-end financial reports; independent audits; debt payment schedules; pension obligations; collective bargaining agreements; the 2017 budget; other fiscal data; and other relevant information and factors that may affect the current and future financial condition of the municipalities, including socio-demographic data. In addition, PEL staff interviewed and held discussions with Township officials regarding the municipal information.

PEL acknowledges and appreciates the full cooperation of all who contributed in the preparation of this study including the elected officials, department heads and staff of West Norriton Township. Special thanks are extended to the members of the Board of Commissioners, Ralph Panzullo, president; Jason Donoghue, vice president; David McKenzie III; Brian Kennedy; and Stephen Tolbert, and to Jason Bobst, Township Manager/Secretary. The analysis could not have been successfully completed without their assistance.

In the course of this project PEL:

- Analyzed the financial history of the Township from 2012 through 2016 focusing on such factors as revenues, expenditures, tax base, operating positions, and debt structure.
- Examined the historical data and the 2017 budget in relation to ongoing operations, collective bargaining agreements, other salary and benefit requirements, financial inter-relationships among the component funds and other obligations of the Township.

- Projected, to the extent possible based on known factors and available data, revenues and expenditures for 2018 through 2022 assuming continuation of obligated levels of wages and operations, existing revenue patterns, and other operating trends.
- Performed an operational/management review of the Townships various departments, as well as reviews of economic development, labor and assets/debt.
- Compiled recommendations for all areas reviewed including finances, operations/management, economic development, labor and assets/debt.

## CHAPTER 2 GOVERNMENT STRUCTURE AND DEMOGRAPHICS

### Introduction

The existence of municipal governments in Pennsylvania is authorized by the Pennsylvania Constitution and state law. All land within the Commonwealth is incorporated by law as a municipality with its own government. There are three primary types or classifications of municipal governments: cities (of the first, second, or third class), boroughs and townships (of the first or second class).

Municipal governments in Pennsylvania are the principal providers of direct public services to citizens. Services often include, but are not limited to, police and fire protection; construction and maintenance of roadways and bridges; street lighting; parks and recreation facilities and programs; planning and zoning activities; enforcement of building and related codes; water treatment and distribution; sewage collection and treatment; storm water management; solid waste collection and disposal; and recycling collection.

### West Norriton Township Government

#### Location and Structure

West Norriton Township, Montgomery County is located in southeast Pennsylvania approximately 20 miles northwest of Philadelphia. The Township is 6.2 square miles. It is bordered by the townships of East Norriton, Upper Merion and Lower Providence, and the borough of Norristown. The Schuylkill River runs along the Township's southern border.

The Township was originally part of a property sold by William Penn's son, also known as William, to Isaac Norris and Williams Trent in 1704. In 1730, the Township of Norriton was created, including present day West Norriton, East Norriton and Norristown. The Borough of Norristown was established as a separate municipality in 1812. The Township of Norriton was divided again in 1909 into West Norriton and East Norriton.

West Norriton is a First Class Township operating under Pennsylvania's First Class Township Code. The West Norriton Board of Commissioners is comprised of five members who serve four-year terms. The Commissioners are charged with the general governance of the Township including the execution of legislative, executive and administrative powers in order to

maintain good government and protect the safety and welfare of Township residents. The Commissioners adopt resolutions and ordinances, hire staff, establish fees and charges, adopt a budget and establish tax rates. In addition to the elected Commissioners, the Township has an elected treasurer who collects taxes.

An appointed township manager/secretary is the Township's chief administrative officer. The manager's responsibilities include informing and making recommendations to the Commissioners in the areas of personnel, finance and general administration. In addition, the manager prepares and submits the annual budget to the Commissioners and handles day-to-day Township administration.

### Overview of Government Services, Staffing, Taxes, and Fees

In addition to the township manager, the Township administration includes an assistant township secretary, a finance administrator, a director of public works and planning, a bookkeeper, a recreation and public works secretary, and a receptionist/clerk.

The Township provides direct police protection to its residents with 27 full-time officers including a chief, deputy chief, and three divisions (patrol, detectives and records), as well as five support staff. Fire protection is provided by the volunteer Jefferson Fire Company No. 1 and emergency management services are provided by the Plymouth Community Ambulance Association, which is a mix of paid personnel and volunteers.

Curbside recycling and trash collection are provided by third-party refuse collectors. Public works has six employees in addition to the director — a foreman, an assistant foreman, three maintenance workers and a mechanic — who are responsible for maintaining the Township's 50 miles of streets and related infrastructure. The Township owns the sewage collection system and charges a fee to residents for this service. Treatment is handled by Norristown.

Parks and recreation is overseen by a director and assistant director with maintenance delegated to public works. The Township has six parks (Centennial Park, the Jefferson Firehouse Recreation Site, Oxford Circle Park, Padden Park, Squire Croft Park and Betzwood Park) with amenities including baseball fields, batting cages, softball fields, walking tracks, pavilions, playgrounds, basketball courts, and tennis courts. Parks and recreation also provides various

sports leagues, camps and programs for all ages. The Township also owns and operates the Jeffersonville Golf Club.

Township taxes in 2017 include a 4.475 mill real estate tax (3.36 for general purposes, 0.847 for debt service, 0.1980 for fire, and 0.07 for recreation). The resident earned income tax received by the Township is 0.5 percent. Other taxes include a \$52 local services tax, a \$225 mechanical devices tax, a 0.5 percent realty transfer tax, and \$5 per capita tax.

### West Norriton Township Demographics

#### Introduction

Demographics in West Norriton portrays a community that is above average in terms of income and housing value levels when compared to Pennsylvania but is below average when contrasted with Montgomery County as a whole. The greatest amount of population growth over the last 40 years was from 1970 to 1980, followed by the period from 1980 to 1990. Much of the population growth can be attributed to “natural” population change as opposed to in-migration. The Township actually lost population from 1990 to 2000. The population since 1990 experienced a slight percentage decline in the under age 18 population and modest increase in the over age 65 population but the working age population is relatively stable. Renter occupied units grew 42 percent from 1990 to 2010 compared to a 25 percent increase in owner occupied units, with the number of renter occupied and vacant units making up a larger percentage of total units by 2010. Still, 66 percent or 5,153 housing units out of a total 7,810 were owner occupied. However, the two trends of an increasing older population and a growing percentage of rental and vacant units bear watching. The graying of the population could erode the working age population, which would result in less earned income tax. It also places more pressure on the Township to keep property taxes in check because of concerns about burdening property owners on a fixed income. Larger numbers of rental and vacant housing units, meanwhile, can result in lower property values and blight, which could ultimately impact the assessment value of the Township and hence negatively affect property values.

Population

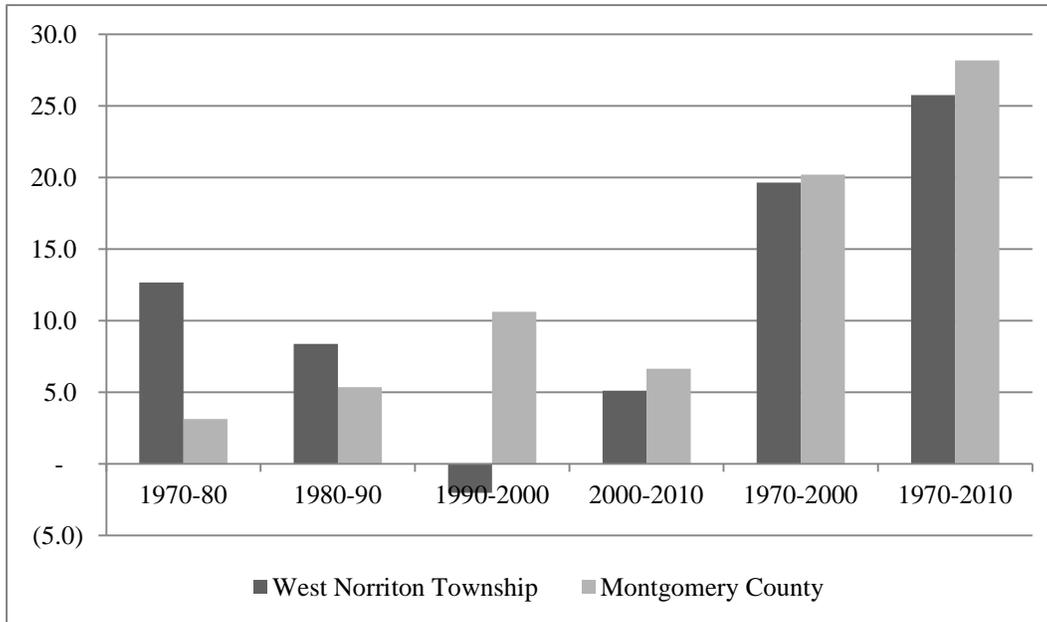
The Township experienced the most significant population growth from 1970 to 1980 when the number of residents rose by 1,578 or 12.7 percent from 12,456 in 1970 to 14,034 in 1980. The population since then has fluctuated with a decline from 1990 to 2000. The change between 1970 and 2010 is an increase of 3,207 or 25.0 percent. The percentage increase over the 40 year period mirrors the growth in Montgomery County, where the population rose by 28.2 percent. However, unlike West Norriton Township, growth in Montgomery County was steady during the entire review period. In fact, the County experienced its largest population increase (10.6 percent) during the 1990’s when population declined in the Township. (See Table 2-1 and Graph 2-1.)

Table 2-1  
WEST NORRITON TOWNSHIP  
Population Trend  
1970 to 2010

	1970	1980	1990	2000	2010	
<b>West Norriton</b>	12,456	14,034	15,209	14,901	15,663	
<b>Montgomery County</b>	624,080	643,621	678,111	750,097	799,874	
<b>Population Change</b>	<b>1970-80</b>	<b>1980-90</b>	<b>1990-2000</b>	<b>2000-2010</b>	<b>1970-2000</b>	<b>1970-2010</b>
<b>West Norriton</b>	1,578	1,175	(308)	762	2,445	3,207
<b>Montgomery County</b>	19,541	34,490	71,986	49,777	126,017	175,794
<b>% Change</b>	<b>1970-80</b>	<b>1980-90</b>	<b>1990-2000</b>	<b>2000-2010</b>	<b>1970-2000</b>	<b>1970-2010</b>
<b>West Norriton</b>	12.7	8.4	(2.0)	5.1	19.6	25.7
<b>Montgomery County</b>	3.1	5.4	10.6	6.6	20.2	28.2

Source: US Census Bureau

Table 2-1  
 WEST NORRITON TOWNSHIP  
% Population Change  
 1970 to 2010



Source: US Census Bureau

Births, Deaths, and Population Change 1970 through 2014

West Norriton experienced a “natural” population growth of 227 from 1970 to 1979, while the total population change during that period was 1,578. That indicates a net migration into the Township of 1,351, the largest of the review period. In contrast, net migration fell from 1990 to 1999, indicating lost population of 1,471 from residents moving out of the Township. Comparing 1970 to 2014, the “natural” population change was an increase of 2,552, while net migration was only a growth of 743. (See Table 2-2.)

Table 2-2  
 WEST NORRITON TOWNSHIP  
Resident Births, Deaths and Population Trend  
 1970 to 2014

	1970 to 1979	1980 to 1989	1990 to 1999	2000 to 2009	2010 to 2014	1970 to 2014
<b>Births</b>	1,057	1,583	2,156	1,707	1,000	7,503
<b>Deaths</b>	830	1,079	993	1,251	798	4,951
<b>Natural Pop. Change</b>	227	504	1,163	456	202	2,552
<b>Total Population (start)</b>	12,456	14,034	15,209	14,901	15,663	12,456
<b>Total Population (end)</b>	14,034	15,209	14,901	15,663	15,751	15,751
<b>Total Population Change</b>	1,578	1,175	-308	762	88	3,295
<b>Less Natural Change</b>	227	504	1,163	456	202	2,552
<b>Net Migration</b>	1,351	671	-1,471	306	-114	743

Source: US Census Bureau and PA Department of Health

Population by Age Group

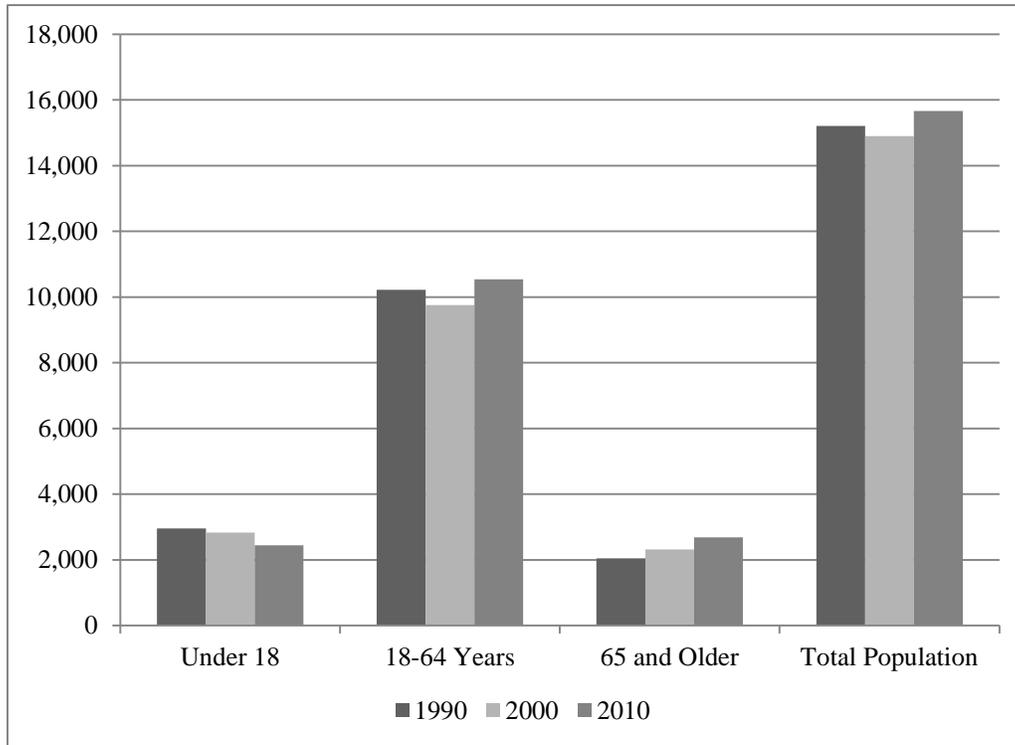
The largest percentage population growth by age from 1990 to 2010 came in the 65 and over category, while the under 18 population declined and the 18 to 64 population was relatively flat. The 65 and over population increased by approximately one-third during the review period, rising from 2,042 in 1990 to 2,684 in 2010. The under age 18 population declined from 2,951 in 1990 to 2,444 in 2010, a drop of 17.2 percent, while the 18 to 64 population increased from 10,217 in 1990 to 10,535 in 2010, a growth of 3.1 percent. (See Table 2-3 and Graph 2-2.)

Table 2-3  
 WEST NORRITON TOWNSHIP  
Population by Age  
 1990 to 2010

	1990		2000		2010		Change 1990 -2010	
	#	%	#	%	#	%	#	%
<b>Under 18</b>	2,951	19.4	2,830	19.0	2,444	15.6	-507	-17.2
<b>18-64</b>	10,217	67.2	9,756	65.5	10,535	67.3	318	3.1
<b>65 &amp; over</b>	2,041	13.4	2,315	15.5	2,684	17.1	643	31.5
<b>Total Population</b>	15,209	100.0	14,901	100.0	15,663	100.0	454	17.4

Source: US Census Bureau

Graph 2-2  
 WEST NORRITON TOWNSHIP  
Population by Age  
 1990 to 2010



Source: US Census Bureau

Housing Units

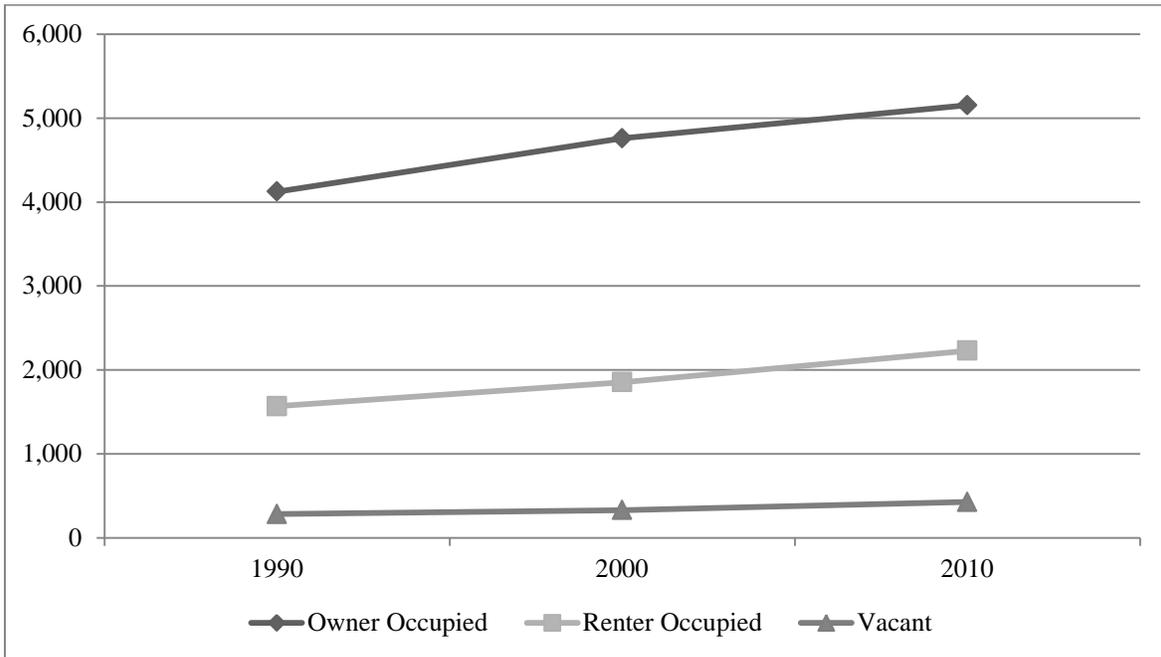
The total number of housing units in West Norriton Township increased from 1990 to 2010, rising by 30.7 percent from 5,976 in 1990 to 7,810 in 2010. The largest absolute growth was in owner-occupied housing, with 1,029 units added for an increase of 25 percent. Renter-occupied units increased by 660 or 42 percent. The Township had 4,124 owner-occupied units in 1990, which represented 69 percent of all housing units. By 2010, owner-occupied units made up only 66 percent of all housing units, with renter-occupied units growing to 28.5 percent of the total and vacant units rising to 5.5 percent of the total. (See Table 2-4 and Graph 2-3.)

Table 2-4  
 WEST NORRITON TOWNSHIP  
Owner, Renter, Vacant and Total Housing  
 1990 to 2010

	1990		2000		2010		Change 1990-2010	
	#	%	#	%	#	%	#	%
<b>Owner Occupied</b>	4,124	69.0	4,759	68.5	5,153	66.0	1,029	25.0
<b>Renter Occupied</b>	1,569	26.3	1,855	26.7	2,229	28.5	660	42.1
<b>Total Occupied</b>	5,693	95.3	6,614	95.2	7,382	94.5	1,689	29.7
<b>Vacant</b>	283	4.7	331	4.8	428	5.5	145	51.2
<b>Total Units</b>	<b>5,976</b>	<b>100.0</b>	<b>6,945</b>	<b>100.0</b>	<b>7,810</b>	<b>100.0</b>	<b>1,834</b>	<b>30.7</b>

Source: US Census Bureau

Graph 2-3  
 WEST NORRITON TOWNSHIP  
Total Housing Units  
Owner, Renter and Vacant Housing  
 1990 to 2010



Source: US Census Bureau

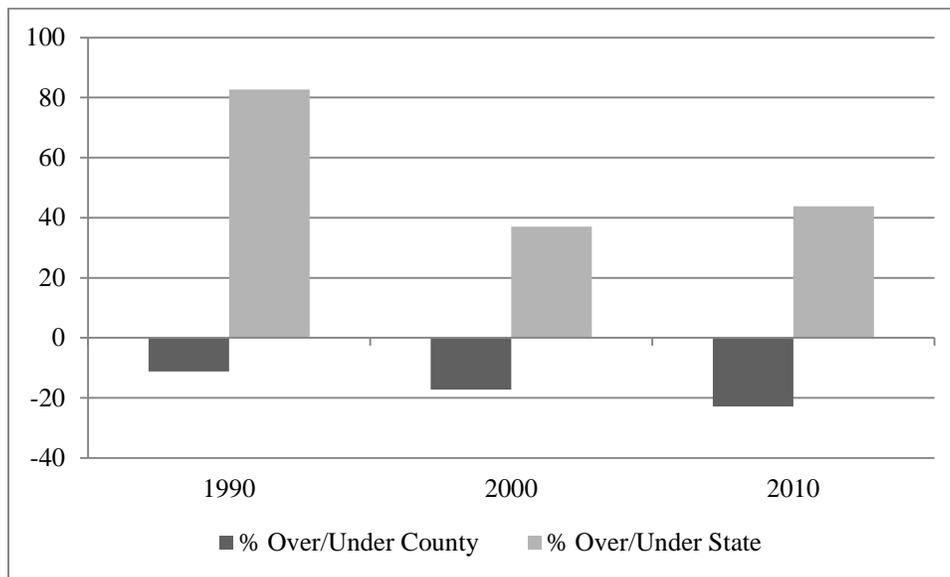
The Township’s median value of an owner-occupied house rose from \$127,300 in 1990 to \$229,100 in 2010, an increase of \$101,800. West Norriton’s median housing value was consistently below Montgomery County but above that of the state as a whole. However, West Norriton’s percentage increase in median value (80 percent) during that time period was below both the County (107 percent) and the state (128.6). (See Table 2-5 and Graph 2-4.)

Table 2-5  
 WEST NORRITON TOWNSHIP  
Median Value of Owner Occupied House  
 1990 to 2010

	1990	2000	2010	Change 1990 - 2010	
				\$	%
<b>West Norriton Township</b>	<b>\$127,300</b>	<b>\$132,900</b>	<b>\$229,100</b>	<b>101,800</b>	<b>80.0</b>
<b>Montgomery County</b>	\$143,400	\$160,700	\$297,200	153,800	107.3
<b>Pennsylvania</b>	\$69,700	\$97,000	\$159,300	89,600	128.6

Source: US Census Bureau

Graph 2-4  
 WEST NORRITON TOWNSHIP  
Median Value of Owner Occupied House  
Compared to Montgomery County and Pennsylvania  
 1990 to 2010



Source: US Census Bureau

Income Measures

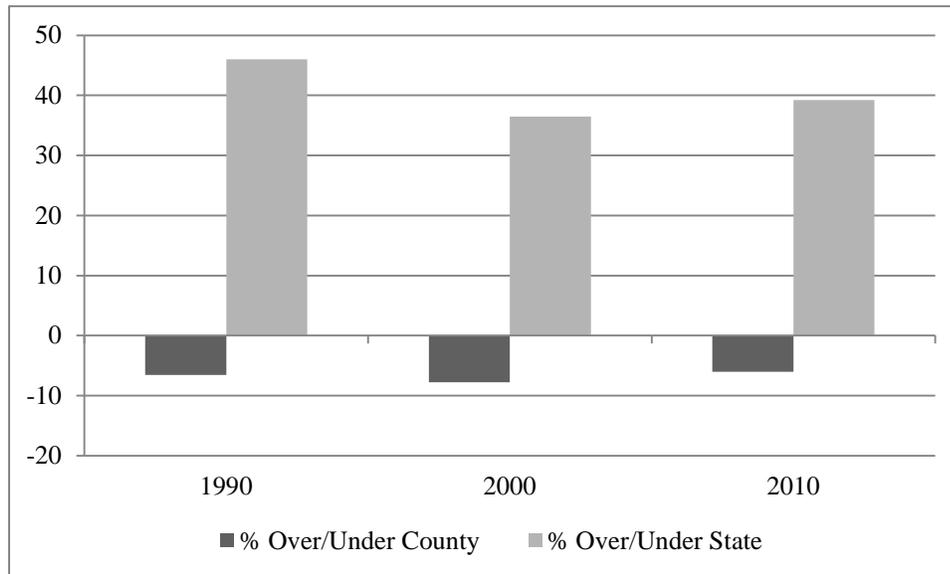
West Norriton’s per capita income was slightly lower than that of Montgomery County but well above the state from 1990 to 2010. Median per capita income increased by \$17,114 or 83 percent, from \$20,544 in 1990 to \$37,658 in 2010. Meanwhile, Montgomery County’s per capita income rose to \$40,076, an increase of \$18,086 or 82 percent, and the state’s grew to \$27,049, an increase of \$12,981 or 92.3 percent. (See Table 2-6 and Graph 2-5.)

Table 2-6  
WEST NORRITON TOWNSHIP  
Per Capita Income  
1990 to 2010

	1990	2000	2010	Change 1990 - 2010	
				\$	%
<b>West Norriton Township</b>	<b>\$20,544</b>	<b>\$28,497</b>	<b>\$37,658</b>	<b>17,114</b>	<b>83.3</b>
<b>Montgomery County</b>	\$21,990	\$30,898	\$40,076	18,086	82.2
<b>Pennsylvania</b>	\$14,068	\$20,880	\$27,049	12,981	92.3

Source: US Census Bureau

Graph 2-5  
WEST NORRITON TOWNSHIP  
Per Capita Income  
Compared to Montgomery County and Pennsylvania  
1990 to 2010



Source: US Census Bureau

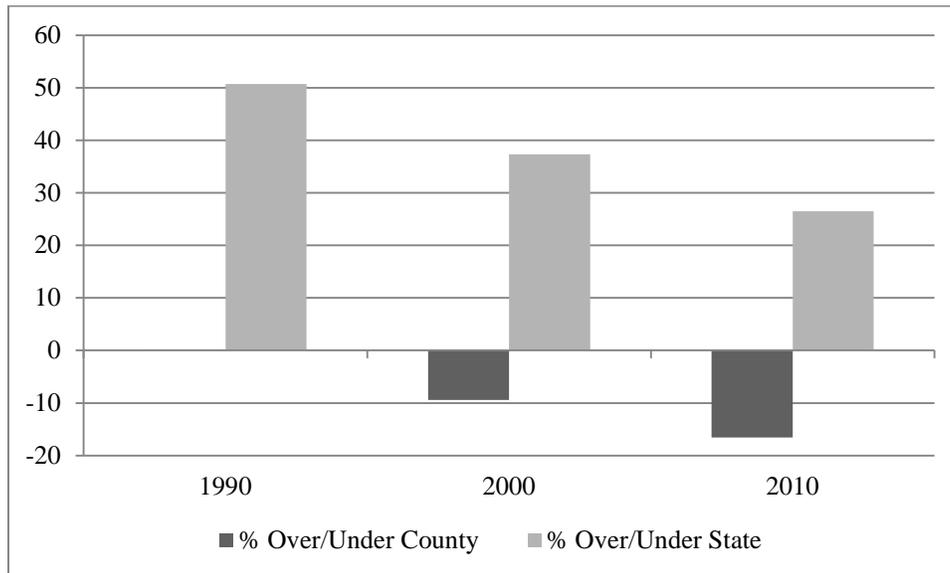
Median household income in West Norriton Township increased from \$43,803 in 1990 to \$63,750 in 2010, a growth of \$19,947 or 45.5 percent. During the same period, median household income in Montgomery County rose from \$43,720 to \$76,390, a 75 percent increase. For Pennsylvania, median household income grew from \$29,069 to \$50,398 in 2010 or 74 percent. (See Table 2-7 and Graph 2-6.)

Table 2-7  
 WEST NORRITON TOWNSHIP  
Median Household Income  
 1990 to 2010

	1990	2000	2010	Change 1990-2010	
				\$	%
<b>West Norriton Township</b>	<b>\$43,803</b>	<b>\$55,086</b>	<b>\$63,750</b>	<b>19,947</b>	<b>45.5</b>
<b>Montgomery County</b>	\$43,720	\$60,829	\$76,390	32,670	74.7
<b>Pennsylvania</b>	\$29,069	\$40,106	\$50,398	21,329	73.4

Source: US Census Bureau

Graph 2-6  
 WEST NORRITON TOWNSHIP  
Median Household Income  
Compared to Montgomery County and Pennsylvania  
 1990 to 2010



Source: US Census Bureau

CHAPTER 3  
HISTORICAL REVIEW OF WEST NORRITON TOWNSHIP FINANCES  
2012 to 2016  
2017 Estimated To Budget

The Township's historical review period from 2012 to 2016 was marked by great change in the financial management system. In 2014, the Township created five new funds: Sewer, Emergency Services, Sinking, Capital Reserve/Vehicle Replacement, and Liquid Fuels, in addition to the existing General Fund and Golf Fund. The Township also conducted a cost allocation study in order to charge indirect General Fund costs in administration, finances and public works to the Sewer Fund.

Meanwhile, financial pressures caused the Township to raise real estate taxes almost 40 percent in 2016 to avoid laying off six police officers. One area of increased costs was pension expenditures, mostly related to police, which grew more than any other category. However, the reason for the pension expenditure growth – the use of more accurate mortality tables and a more reasonable rate of return for the pension fund – is a long-term economic benefit for the Township. Sewer rates were increased in 2015 following a rate study and a 2014 deficit, the only Sewer Fund deficit during the period. The 2014 Sewer Fund deficit was due in part to a one-time payment to the General Fund resulting from the cost allocation study and a balloon debt service payment that will smooth out future debt service payments.

In terms of debt, the Township borrowed money for sewer improvements, a streetlight project and to refinance old debt. The Township also incurred debt totaling over \$2 million for improvements at the Township-owned Jeffersonville Golf Club. The Golf Club has run deficits consistently since 2012. Township officials are making improvements, particularly to banquet facilities, which they expect will make the operation profitable.

Methodology

PEL compiled this historical review of the Township's General, Sewer, Sinking and Golf funds through analysis of year-end financial reports, independent audits, annual budgets, debt obligation documents, salary and benefit data, pension obligations and other financial obligations, as well as interviews with Township officials.

### Generally Accepted Accounting Principles

Generally accepted accounting principles (GAAP) require that municipalities account and report their financial data for business-type activities in a manner similar to a private sector business. Business-type activities are those functions that are generally intended to have their costs covered by fees and charges. These activities are intended to be at a breakeven point or close to it.

The Township has two such types of business-type activities: its sewer and golf operations. There are a number of differences in accounting and reporting for business activities versus regular governmental accounting. The two most important differences are:

- Governmental accounting shows the payment of debt principal as an expenditure. Business/enterprise activity shows the payment of debt principal as a reduction of debt payable.
- Governmental accounting does not include depreciation as an expense. In contrast, business-activity accounting does include depreciation as an expense. (Depreciation is a non-cash expense that reduces the value of fixed assets because of age and use.)

However, many municipalities' budget and account for their business activities as if they were a general government activity. This practice may arise from concerns of having sufficient financial (cash) resources to meet all costs, in particular debt payments of both principal and interest. It also may be less complicated to follow than using business accounting. Municipalities will often convert their business transactions to the business accounting reporting model at year end.

The Township currently presents its sewer and golf activity in a governmental accounting manner. In the data presented below, the governmental accounting approach for its sewer and golf activities is as reported by the Township.

Finally, the Township is recording depreciation as expenditure. These entries, however, are not actual expenditures, but rather set asides of assigned fund balance. These set asides are intended to be for the acquisition of capital items.

### 2012 - 2016 General Fund Revenues and Expenditures

The Township made numerous changes in its financial management system during the historical review period including the levying of a separate, special purpose debt millage (0.847 mills) starting in 2012, the creation of additional municipal funds in 2014, and the inclusion of depreciation. To get a clear picture of Township finances, it is necessary to track the impact of these changes.

Revenues during the historical review period fluctuated from a low of almost \$9.5 million in 2013 to a high of almost \$10.4 million in 2016 following a property tax millage increase. The revenue change between 2012 and 2016 was an increase of \$524,200 or 5.3 percent. Expenditures also varied from a low of \$9.3 million in 2013 and a high of almost \$10.2 million in 2016. The expenditure change from 2012 to 2016 was an increase of \$274,751 or 2.8 percent.

When depreciation and debt service millage revenue are included in the General Fund, the Township shows a deficit of \$54,299 in 2012 followed by surpluses in each of the next four years. Adding the depreciation amount (listed as an expenditure in the actual General Fund financials) back to the numbers raises the surpluses in 2015 and 2016 to \$402,344 and \$527,821, respectively. As noted previously, the depreciation represents an assigned portion of the Township's fund balance in the General Fund and not an expenditure.

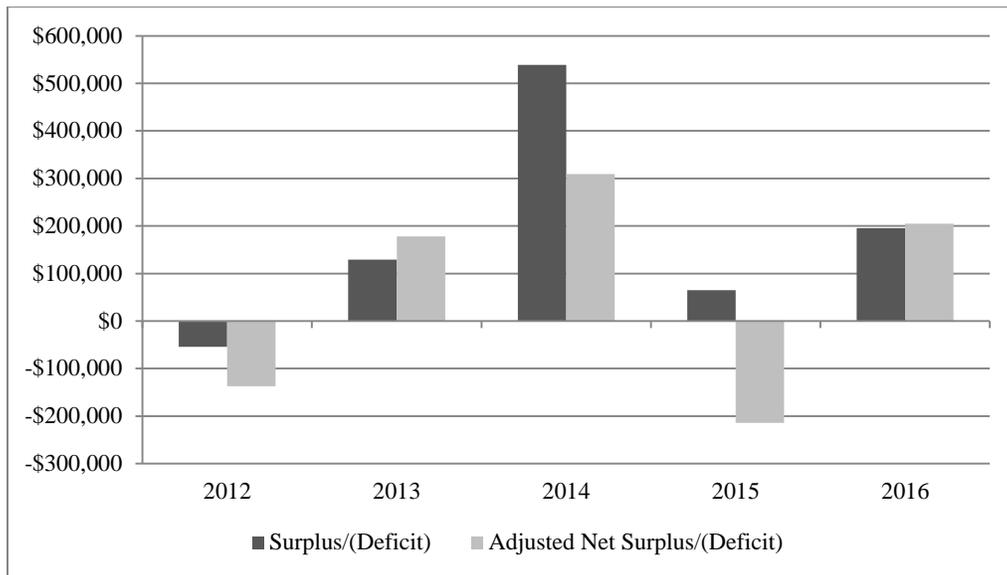
Next, the total amount of revenue collected for debt service millage must be removed from the General Fund revenues. Under state law, revenue collected by a debt service special purpose millage must be used to pay for debt service, which in the Township's case is paid from the Sinking Fund. Therefore, all debt service millage revenues should be transferred from the General Fund to the Sinking Fund. The Township averaged approximately \$792,000 in debt service millage annually from 2012 to 2016. However, the amount transferred to the Sinking Fund from the General Fund for 2012 and for 2014 through 2016 was less than annual debt service millage revenue.

Once net adjustments for the actual amount of debt service millage revenue and Sinking Fund transfers are made to the General Fund net surplus/deficit, the deficit for 2012 more than doubles (from \$54,299 to \$137,206), and 2015 shows a deficit of \$214,293 as opposed to a surplus of \$64,706. Meanwhile, the adjustment also results in increased General Fund surpluses for 2013 and 2016, and a decreased General Fund surplus for 2014. (See Table 3-1 and Graph 3-1.)

Table 3-1  
 WEST NORRITON TOWNSHIP  
General Fund Revenues, Expenditures and Surplus/(Deficit)  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-2016	
	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Revenues</b>	\$9,829,057	\$9,467,042	\$10,316,526	\$9,614,949	\$10,353,258	524,200	5.3
<b>Expenditures</b>	9,883,356	9,338,144	9,777,598	9,550,243	10,158,107	274,751	2.8
<b>Surplus/(Deficit)</b>	<b>-\$54,299</b>	<b>\$128,898</b>	<b>\$538,927</b>	<b>\$64,706</b>	<b>\$195,151</b>		
<b>Add Back:</b>							
<b>Depreciation</b>	0	0	0	337,638	332,671		
<b>Net Surplus/(Deficit)</b>	<b>-\$54,299</b>	<b>\$128,898</b>	<b>\$538,927</b>	<b>\$402,344</b>	<b>\$527,821</b>		
<b>Remove Net From Surplus/(Deficit)</b>							
<b>Debt Service Taxes</b>	787,388	791,186	794,596	793,449	794,334		
<b>Transfer to Sinking Fund</b>	704,481	840,119	565,001	176,812	471,015		
<b>Net</b>	82,907	-48,933	229,595	616,638	323,319		
<b>Adjusted Net Surplus/(Deficit)</b>	<b>-\$137,206</b>	<b>\$177,831</b>	<b>\$309,332</b>	<b>-\$214,293</b>	<b>\$204,502</b>		

Graph 3-1  
 WEST NORRITON TOWNSHIP  
General Fund Surplus/(Deficit) and Adjusted Net Surplus/(Deficit)  
 2012 to 2016



Revenue Components

The Township receives the bulk of its General Fund revenue from taxes, ranging from 71 percent to 78 percent of total revenues from 2012 to 2016. Tax revenue rose from \$6.9 million in 2012 to \$7.9 million in 2016, an increase of \$1 million or 14.8 percent.

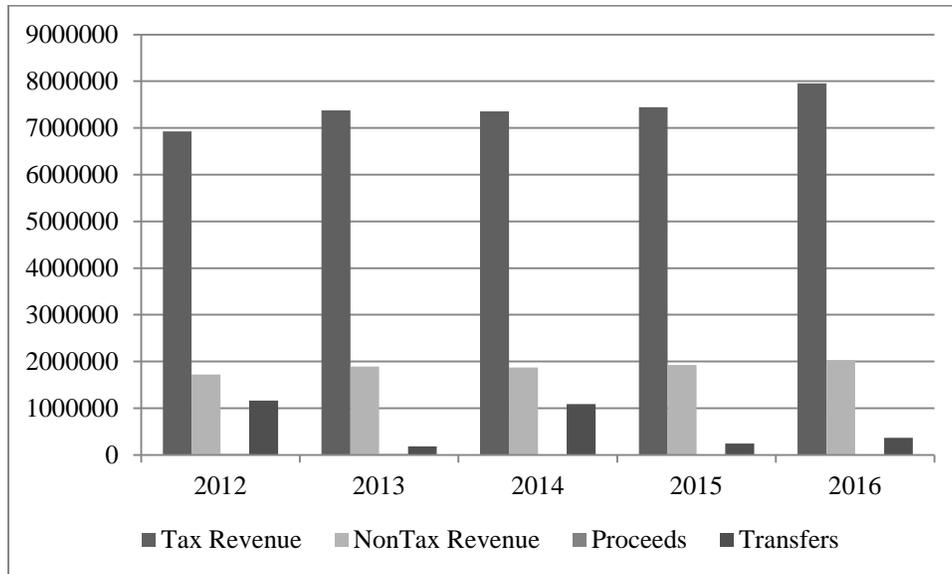
Other non-tax revenue accounts for an average of 19 percent of total revenues. Like tax revenue, non-tax revenue grew throughout the historical review period, rising from \$1.7 million in 2012 to \$2 million in 2016. The change from 2012 to 2016 was an increase of \$301,763 or 17.5 percent. Transfers from other funds fluctuated significantly, ranging from a high of almost \$1.2 million in 2012 to a low of \$181,209 in 2013.

Transfers into the General Fund were made from the Sewer Fund (\$901,720 in 2012, \$181,209 in 2013, \$1 million in 2014, and \$2,690 in 2016), Capital Reserve Fund (\$178,076 in 2015 and \$174,622 in 2016), Highway Aid Fund (\$162,659 in 2012, \$63,177 in 2015, and \$38,264 in 2016) and Golf Course Fund (\$95,176 in 2012 and \$150,000 in 2016). The 2014 Sewer Fund transfer was based on a study conducted to properly allocate various Township expenditures to sewer operations. Starting in 2015, certain General Fund costs were moved to the Sewer Fund as a result of the study. (See Table 3-2 and Graphic 3-2.)

Table 3-2  
WEST NORRITON TOWNSHIP  
General Fund Total Revenues  
2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16		
Revenue Type	Actual	Actual	Actual	Actual	Actual	\$	%	
<b>Tax Revenue</b>	\$6,926,723	\$7,376,473	\$7,355,964	\$7,445,597	\$7,951,946	1,025,224	14.8	
<b>Nontax Revenue</b>	1,722,957	1,890,181	1,872,090	1,928,099	2,024,720	301,763	17.5	
<b>Proceeds</b>	19,822	19,179	0	0	11,015	-8,807	-44.4	
<b>Transfers</b>	1,159,555	181,209	1,088,472	241,253	365,576	-793,979	-68.5	
<b>Total Revenues</b>	<b>\$9,829,057</b>	<b>\$9,467,042</b>	<b>\$10,316,526</b>	<b>\$9,614,949</b>	<b>\$10,353,258</b>	<b>524,200</b>	<b>5.3</b>	
	<u>Percent of Total</u>							
<b>Tax Revenue</b>	70.5	77.9	71.3	77.4	76.8			
<b>Nontax Revenue</b>	17.5	20.0	18.1	20.1	19.6			
<b>Proceeds</b>	0.2	0.2	0.0	0.0	0.1			
<b>Transfers</b>	11.8	1.9	10.6	2.5	3.5			
<b>Total Revenues</b>	100.0	100.0	100.0	100.0	100.0			

Graphic 3-2  
 WEST NORRITON TOWNSHIP  
General Fund Total Revenues  
 2012 to 2016



Real Estate Market Value and Assessed Value

Despite a 110.8 percent rise in the Township’s market value from 2001 to 2015 as estimated by the State Tax Equalization Board (STEB), Montgomery County’s assessed value for the Township increased by only 14.0 percent during that time period. As a result, the Township was unable to capture market value growth that might have resulted in increased real estate tax revenue. In addition, the assessed value of the Township declined slightly every year from 2011 through 2014. STEB market value also declined during that time period with the exception of 2012, when it increased by 2.5 percent. Montgomery County last underwent a full reassessment in 1998. (See Table 3-3.)

Table 3-3  
 WEST NORRITON TOWNSHIP  
Market Value and Assessed Value  
 2001 to 2015

	Market Value	Change	% Change	Assessed Value	Change	% Change
<b>2001</b>	\$683,320,700			\$854,186,041		
<b>2002</b>	744,416,000	61,095,300	8.9	873,869,508	19,683,467	2.3
<b>2003</b>	749,139,800	4,723,800	0.6	878,714,079	4,844,571	0.6
<b>2004</b>	841,163,500	92,023,700	12.3	884,834,549	6,120,470	0.7
<b>2005</b>	864,252,700	23,089,200	2.7	903,653,479	18,818,930	2.1
<b>2006</b>	1,066,424,600	202,171,900	23.4	943,181,897	39,528,418	4.4
<b>2007</b>	1,073,627,300	7,202,700	0.7	946,692,357	3,510,460	0.4
<b>2008</b>	1,263,613,029	189,985,729	17.7	949,242,727	2,550,370	0.3
<b>2009</b>	1,294,514,024	30,900,994	2.4	964,058,217	14,815,490	1.6
<b>2010</b>	1,407,200,240	112,686,216	8.7	975,289,757	11,231,540	1.2
<b>2011</b>	1,403,597,331	-3,602,909	-0.3	972,987,387	-2,302,370	-0.2
<b>2012</b>	1,438,115,226	34,517,895	2.5	971,739,027	-1,248,360	-0.1
<b>2013</b>	1,437,925,703	-189,523	0.0	971,569,521	-169,506	0.0
<b>2014</b>	1,436,963,933	-961,770	-0.1	971,061,251	-508,270	-0.1
<b>2015</b>	1,440,558,277	3,594,344	0.3	973,351,701	2,290,450	0.2
<b>Change 2001 - 2015</b>		<b>\$757,237,577</b>	<b>110.8</b>		<b>\$119,165,660</b>	<b>14.0</b>

Real Estate Taxes

Real estate taxes are the Township’s largest source of revenue, averaging 47 percent of General Fund total taxes annually throughout the historical review period. The Township levies real property millages for general purpose, debt service, recreation, and fire equipment and fire houses.

General purpose millage was 2.415 mills from 2012 through 2015. In 2016, general purpose millage was increased to 3.36 mills. The fire millage rose from 0.155 to 0.198 in 2015. Debt service millage (0.847 mills) and recreation millage (0.07) was constant from 2012 through 2016.

The Township recorded the total amount received from all property tax millages in the General Fund under one line item until 2015, when separate line items were established within the General Fund for debt and recreation millage revenue. Fire millage revenue was recorded in a separate Emergency Services Fund starting in 2015.

Total real estate millage generated approximately \$3.3 million annually from 2012 through 2014. The amount dipped to \$3.2 million in 2015, but that figure does not include \$184,471 in fire millage revenue, which as previously noted was recorded in a separate Emergency Services Fund starting in 2015. Real estate tax revenue (excluding \$185,689 in fire millage) was \$4.1 million in 2016 in the wake of a 0.945 general purpose property millage increase. The change in General Fund real estate taxes from 2012 to 2016 was an increase of \$763,931 or 22.8 percent. (See Table 3-4.)

Table 3-4  
 WEST NORRITON TOWNSHIP  
Total Tax Revenue by Source  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16	
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	\$	%
<b>Real Property Taxes</b>	\$3,347,324	\$3,377,565	\$3,348,973	\$3,229,083	\$4,111,255	763,931	22.8
<b>Earned Income Tax</b>	2,739,285	3,198,806	3,259,132	3,120,611	3,097,892	358,607	13.1
<b>Local Services Tax</b>	309,420	392,098	345,569	313,970	324,219	14,799	4.8
<b>Real Estate Transfer Tax</b>	469,565	347,089	341,173	723,980	363,819	-105,746	-22.5
<b>Per Capita Tax</b>	38,778	39,926	41,417	39,504	35,554	-3,225	-8.3
<b>Other 511 Taxes</b>	22,350	20,988	19,700	18,450	19,208	-3,142	-14.1
<b>Total Taxes</b>	<b>\$6,926,723</b>	<b>\$7,376,473</b>	<b>\$7,355,964</b>	<b>\$7,445,597</b>	<b>\$7,951,946</b>	<b>1,025,224</b>	<b>14.8</b>
<u>Percent of Total Taxes</u>							
<b>Real Property Taxes</b>	48.3	45.8	45.5	43.4	51.7		
<b>Earned Income Tax</b>	39.5	43.4	44.3	41.9	39.0		
<b>Local Services Tax</b>	4.5	5.3	4.7	4.2	4.1		
<b>Real Estate Transfer Tax</b>	6.8	4.7	4.6	9.7	4.6		
<b>Per Capita Tax</b>	0.6	0.5	0.6	0.5	0.4		
<b>Other 511 Taxes</b>	0.3	0.3	0.3	0.2	0.2		
<b>Total Taxes</b>	100.0	100.0	100.0	100.0	100.0		

Act 511 Taxes

The Township levies a 1.0 percent Earned Income Tax (EIT), which is evenly split with the Norristown Area School District, leaving the Township with an actual collection of 0.5 percent of EIT. The Township levies a \$52 Local Services Tax (LST), which is not shared with the school district. The Township also charges a 0.5 percent realty transfer tax and a \$5 per capita tax. A flat-rate mercantile/business privilege tax of \$1,000 was eliminated in 2013.

EIT is the Township's second most productive tax, averaging over 40 percent of General Fund total taxes. EIT grew from \$2.7 million in 2012 to a peak of almost \$3.3 million in 2014. The amount then started to decline, ending the review period at \$3 million in 2016. The variances in EIT collection may reflect the change to a new countywide collection system during the historical review period. The EIT change from 2012 to 2016 was an increase of \$358,607 or 13.1 percent.

The LST accounts for about 4.5 percent of General Fund total taxes. LST fluctuated throughout the period from a high of \$392,098 in 2013 to a low of \$309,420 in 2012. Other Act 511 taxes include realty transfer tax, which accounts for the majority of additional tax revenue, and the per capita tax. The realty transfer tax, which is dependent on local real estate sales, varied from a high of \$723,980 in 2015 to a low of \$341,173 in 2014. Per capita tax collections ranged from high of \$41,417 in 2014 to a low of \$35,554 in 2016.

### Non-Tax Revenue

The Township's main sources of non-tax revenue are business/non-business license, state aid for pensions and federal/state/local shared revenue. Business/non-business license includes various license fees, permit fees and Cabelvision revenue. Much of the revenue was from Cabelvision, which grew from \$370,619 in 2012 to \$425,110 in 2016. Other major revenue items within this category were building and plumbing permits (growing from \$187,789 to \$374,643) and rental unit inspections (averaging approximately \$100,000 annually) Overall, the business/non-business license category rose from \$725,522 in 2012 to \$994,922 in 2016, an increase of \$269,400 or 37.1 percent.

State pension aide payments increased from \$279,797 in 2012 to \$319,349 in 2016, a growth of \$39,553 or 14.1 percent. Fed/State/Local shared revenue fluctuated from a low of \$192,571 in 2014 to a high of \$303,626 in 2013. This category includes reimbursement from the Norristown Area School District for the school resources office (SRO), which ranged from \$135,343 in 2012 to \$103,210 in 2016, and SRO grant money of \$30,000 to \$60,000 annually starting in 2014. The Township also received FEMA reimbursements in this Fed/State/Local shared revenue category of \$80,224 in 2012, \$100,080 in 2013 and \$63,996 in 2016. (See Table 3-5.)

Table 3-5  
 WEST NORRITON TOWNSHIP  
Total Non-Tax Revenues  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16	
Revenue Type	Actual	Actual	Actual	Actual	Actual	\$	%
Business/Non-Business License	\$725,522	\$800,739	\$894,060	\$913,444	\$994,922	269,400	37.1
Fines	65,036	58,136	43,757	45,427	42,414	-22,623	-34.8
Interest	13,212	18,548	22,440	27,599	35,661	22,450	169.9
Fed/State/Local Shared Rev	230,451	303,626	192,571	216,956	289,266	58,816	25.5
State Aid for Pension	279,797	296,354	294,324	305,825	319,349	39,553	14.1
Fire Relief	121,214	137,285	0	0	0	-121,214	-100.0
Charges For Services	12,950	5,600	5,579	20,257	2,096	-10,854	-83.8
Public Safety & Highway	107,683	97,066	110,538	126,931	116,991	9,308	8.6
Recreation & Culture	137,590	132,749	248,836	221,532	178,707	41,117	29.9
Miscellaneous Receipts	<u>29,503</u>	<u>40,078</u>	<u>59,985</u>	<u>50,128</u>	<u>45,314</u>	<u>15,811</u>	<u>53.6</u>
<b>Non Tax Revenue</b>	<b>\$1,722,957</b>	<b>\$1,890,181</b>	<b>\$1,872,090</b>	<b>\$1,928,099</b>	<b>\$2,024,720</b>	<b>301,763</b>	<b>17.5</b>
<b>Nontax Revenue</b>	<u>Percent of Non-Tax Revenue</u>						
Business/Non-Business License	42.1	42.4	47.8	47.4	49.1		
Fines	3.8	3.1	2.3	2.4	2.1		
Interest	0.8	1.0	1.2	1.4	1.8		
Fed/State/Local Shared Rev	13.4	16.1	10.3	11.3	14.3		
State Aid for Pension	16.2	15.7	15.7	15.9	15.8		
Fire Relief	7.0	7.3	0.0	0.0	0.0		
Charges For Services	0.8	0.3	0.3	1.1	0.1		
Public Safety & Highway	6.2	5.1	5.9	6.6	5.8		
Recreation & Culture	8.0	7.0	13.3	11.5	8.8		
Miscellaneous Receipts	<u>1.7</u>	<u>2.1</u>	<u>3.2</u>	<u>2.6</u>	<u>2.2</u>		
<b>Total</b>	100.0	100.0	100.0	100.0	100.0		

Expenditures

Personnel

The majority of the Township’s day-to-day expenses are related to personnel including salaries and wages (41.6 percent to 44.5 percent of total), healthcare (16.0 percent to 18.7 percent of total) and pension (9.4 percent to 18.7 percent).

Pension showed the highest absolute growth, rising fairly steadily from \$984,979 in 2012 to \$1.7 million in 2016, an increase of \$720,580 or 73.2 percent. Wages — the largest expenditure category — were relatively flat at approximately \$4.2 million throughout most of the historical review period and actually declined in 2013, 2015 and 2016. The change from 2012 to

2016 was a decrease of \$33,012 or 0.8 percent. Health care fluctuated, ranging from a low of \$1.4 million in 2013 to a high of almost \$1.8 million in 2015, ending the historical review period at almost \$1.7 million. The difference between 2012 and 2016 was an increase of \$66,360 or 4.1 percent.

Overall, personnel costs (salaries and wages, FICA/Social Security, healthcare, pension, life insurance, unemployment compensation and uniform expense) were \$739,929 or 10.4 percent higher in 2012 (\$7.1 million) than in 2016 (\$7.85 million). (See Table 3-6.)

Table 3-6  
WEST NORRITON TOWNSHIP  
Personnel Expenditures  
2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16	
	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Salaries &amp; Wages</b>	\$4,261,646	\$4,071,272	\$4,283,400	\$4,245,518	\$4,228,634	-33,012	-0.8
<b>FICA/Social Security</b>	134,793	128,056	134,396	128,862	126,557	-8,236	-6.1
<b>Healthcare</b>	1,599,374	1,445,071	1,562,299	1,790,316	1,665,734	66,360	4.1
<b>Pension</b>	984,979	877,532	1,020,582	1,224,946	1,705,559	720,580	73.2
<b>Life Insurance</b>	60,187	60,332	61,385	62,239	66,892	6,705	11.1
<b>Unemployment Comp</b>	50,605	38,006	40,750	41,336	39,999	-10,606	-21.0
<b>Uniform Expense</b>	<u>27,191</u>	<u>28,236</u>	<u>25,634</u>	<u>27,405</u>	<u>25,330</u>	<u>-1,861</u>	<u>-6.8</u>
<b>Total</b>	<b>\$7,118,775</b>	<b>\$6,648,506</b>	<b>\$7,128,447</b>	<b>\$7,520,621</b>	<b>\$7,858,704</b>	<b>739,929</b>	<b>10.4</b>

Non-Personnel

Non-personnel expenditures for the most part fell from 2012 to 2016, decreasing by \$668,328 or 32.9 percent, from \$2.0 million to \$1.4 million. The largest drop was in other services and charges, a large miscellaneous category that includes items such as phones, advertising, equipment, legal services, recreation programs and more. The two items in other services and charges that decreased the most from 2012 to 2016 were street lighting (from \$214,098 to \$13,981) and parks and playgrounds (from \$110,561 to \$18,906). However, some, if not all, street lighting expenditures were moved to the newly created Liquid Fuels Fund in 2014, along with various other public works costs.

The contributions category for 2012 and 2013 is the money transferred to the fire company including fire millage revenue and fire aid from the state. Those revenues are now recorded in the Emergency Service Fund instead of the General Fund.

Capital purchases fluctuated during the period with money spent on police and public works equipment and on parks and recreation capital improvements. (See Table 3-7.)

Table 3-7  
 WEST NORRITON TOWNSHIP  
Non-Personnel Expenditures  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16	
	Actual	Actual	Actual	Actual	Actual	\$	%
Vehicle Fuel	\$96,080	\$90,052	\$84,982	\$50,495	\$32,018	-64,062	-66.7
Operating Supplies	7,553	6,802	7,130	9,881	19,651	12,098	160.2
Professional Services	109,997	80,721	142,361	87,202	138,460	28,463	25.9
Workers' Comp	202,358	218,106	220,902	231,811	236,413	34,055	16.8
Insurance	77,471	79,784	91,170	61,678	60,501	-16,970	-21.9
Maintenance & Repair	21,619	15,755	11,220	18,973	16,294	-5,326	-24.6
Repair & Maintenance	19,123	14,308	18,291	11,489	12,427	-6,696	-35.0
Vehicle Expense	28,841	14,169	17,821	29,585	23,059	-5,783	-20.0
Supplies	109,353	148,257	171,525	124,292	133,867	24,514	22.4
Other Services/Charges	998,808	679,353	882,110	736,014	683,382	-315,425	-31.6
Contributions	281,214	297,285	0	0	0	-281,214	-100.0
Recycling	8,082	6,974	6,656	6,666	3,015	-5,066	-62.7
Capital Purchase	72,477	197,929	88,708	43,589	5,561	-66,916	-92.3
<b>Total</b>	<b>\$2,032,976</b>	<b>\$1,849,494</b>	<b>\$1,742,876</b>	<b>\$1,411,674</b>	<b>\$1,364,649</b>	<b>-668,328</b>	<b>-32.9</b>

Transfers, Depreciation and Debt Service

Most of the money transferred from the General Fund during the historical review period went to the Sinking Fund to pay debt service: \$704,481, 2012; \$840,119, 2013; \$565,001, 2014; \$176,812, 2015; and \$471,015, 2016. Other transfers went to the Capital Reserve/Vehicle Replacement Fund (\$90,452, 2014; \$100,000, 2015; and \$116,430, 2016), the Golf Fund (\$27,124, 2012), the Sewer Capital Fund (\$13,427, 2016), and the Emergency Services Fund (\$250,823, 2014). The Emergency Services Fund transfer approximated the amount that the Township received from the dedicated fire millage for that year. As previously noted, revenue from the fire millage subsequent to 2014 was placed directly in the Emergency Services Fund.

Depreciation, which is an assigned portion of the Township’s fund balance and not an expenditure, is listed for non-building improvements, buildings and machines/equipment, and it is being used as capital reserves. (See Tables 3-8 and 3-9.)

Table 3-8  
 WEST NORRITON TOWNSHIP  
Transfers, Depreciation and Debt Service  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16	
	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Transfers</b>	\$731,605	\$840,144	\$906,275	\$276,812	\$600,872	-130,733	-17.9
<b>Depreciation</b>	0	0	0	337,638	332,671	332,671	0.0
<b>Debt Service</b>	0	0	0	3,498	1,211	1,211	0.0
<b>Total</b>	<b>\$731,605</b>	<b>\$840,144</b>	<b>\$906,275</b>	<b>\$617,948</b>	<b>\$934,754</b>	<b>203,149</b>	

Table 3-9  
 WEST NORRITON TOWNSHIP  
Depreciation  
 2012 to 2016

	2012	2013	2014	2015	2016
	Actual	Actual	Actual	Actual	Actual
<b>Depreciation-Non Bldg Improvements</b>	0	0	0	\$2,293	\$4,492
<b>Depreciation Bldgs</b>	0	0	0	120,115	120,034
<b>Depreciation-Mach/Equip</b>	0	0	0	\$215,230	\$208,145

General Department Expenditures

Police expenditures and employee benefits accounted for the largest amount of Township spending during the review period. Police expenditures (wages, supplies, equipment, training, educational expenses) averaged approximately one-third of total expenditures for the historical period. In terms of dollar amounts, police spending steadily increased throughout the period, rising from \$3.4 million in 2012 to \$3.5 million in 2016, for an increase of 135,602 or 4.0 percent.

Benefits for all employees (health insurance, life insurance, FICA, unemployment insurance, workers' compensation) ranged from just over 20 percent to 23.6 percent of total expenditures. The cost of employee benefits varied throughout the period, ranging from a low of \$1.9 million in 2013 to a high of almost \$2.3 million in 2015. The change from 2012 to 2016 was an increase of \$88,277 or 4.3 percent.

Pension experienced the largest absolute expenditure growth, rising from \$984,979 in 2012 to \$1.7 million in 2016, an increase of \$720,580 or 73.2 percent. The increase is in part the

result of adjusting the pension fund's mortality tables to reflect modern longer mortality rates and a drop in the expected rate in investment returns to 7.5 percent. Pension is the Township's third largest expenditure category, ranging from a low of 9.4 percent of total expenditures in 2013 to a high of 16.8 percent in 2016.

As noted previously, the Township conducted a study during the historical review period to determine the percentage of Township expenditures that properly could be paid from the Township's Sewer Fund. As a result, some costs from departments including administration and public works were allocated to the Sewer Fund starting in 2015. Public works departmental expenses in the General Fund fell as a result, dropping from \$871,670 in 2012 to \$395,903 in 2016. The change was a decrease of \$475,767 or 54.6 percent. Administration costs dropped as well although the difference was not as dramatic — the variation from 2012 to 2016 was a decline of \$136,814 or 14.1 percent.

Fire expenditures were moved from the General Fund to the Emergency Services Fund, which accounts for the zeroing out of that line item in 2014. (See Table 3-10.)

Table 3-10  
 WEST NORRITON TOWNSHIP  
Departmental Expenditures  
 2012 to 2016

Department	2012	2013	2014	2015	2016	Change 2012-16		
	Actual	Actual	Actual	Actual	Actual	\$	%	
Administration	\$972,269	\$816,730	\$911,518	\$846,594	\$835,456	-136,814	-14.1	
Police	3,397,556	3,411,926	3,423,227	3,457,252	3,533,158	135,602	4.0	
Fire	360,061	375,422	0	0	0	-360,061	-100.0	
Health & Welfare	6,000	6,000	6,000	6,000	6,000	0	0.0	
Building/Zoning	63,461	41,387	126,453	150,711	164,945	101,484	159.9	
Recycling	8,082	6,974	6,656	6,666	3,015	-5,066	-62.7	
Public Works	871,670	595,119	706,063	466,298	395,903	-475,767	-54.6	
Culture & Recreation	362,886	397,555	559,922	457,587	383,223	20,337	5.6	
Miscellaneous Expense	0	0	0	3,498	1,211	1,211	0.0	
Pension	984,979	877,532	1,020,582	1,224,946	1,705,559	720,580	73.2	
Employee Benefits	2,047,317	1,889,571	2,019,732	2,254,563	2,135,594	88,277	4.3	
Insurance	77,471	79,784	91,170	61,678	60,501	-16,970	-21.9	
Transfers	731,605	840,144	906,275	276,812	600,872	-130,733	-17.9	
Depreciation	0	0	0	337,638	332,671	332,671	0.0	
<b>Total Expenditures</b>	<b>\$9,883,356</b>	<b>\$9,338,144</b>	<b>\$9,777,598</b>	<b>\$9,550,243</b>	<b>\$10,158,107</b>	<b>274,751</b>	<b>2.8</b>	
	<u>Percent of Total</u>							
Administration	9.8	8.7	9.3	8.9	8.2			
Police	34.4	36.5	35.0	36.2	34.8			
Fire	3.6	4.0	0.0	0.0	0.0			
Health & Welfare	0.1	0.1	0.1	0.1	0.1			
Building/Zoning	0.6	0.4	1.3	1.6	1.6			
Recycling	0.1	0.1	0.1	0.1	0.0			
Public Works	8.8	6.4	7.2	4.9	3.9			
Culture & Recreation	3.7	4.3	5.7	4.8	3.8			
Miscellaneous Expense	0.0	0.0	0.0	0.0	0.0			
Pension	10.0	9.4	10.4	12.8	16.8			
Employee Benefits	20.7	20.2	20.7	23.6	21.0			
Insurance	0.8	0.9	0.9	0.6	0.6			
Transfers	7.4	9.0	9.3	2.9	5.9			
Depreciation	0.0	0.0	0.0	3.5	3.3			
<b>Total Expenditures</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>			

Police

Payroll is the largest police expenditure, ranging from 66.5 percent to 74.8 percent of the total. Wages for the department grew fairly steadily throughout the historical period from almost \$3.1 million in 2012 to almost \$3.3 million in 2016, a change of \$186,846 or 6.0 percent. Pension is the second highest police expenditure (15.6 percent to 27.2 percent of total) and

experienced the highest absolute increase, rising from \$768,734 in 2012 to \$1.3 million in 2016. The difference was a growth of \$571,270 or 74.3 percent. As noted earlier, the increase was the result of adjusting the pension fund’s mortality tables to reflect modern longer mortality rates and a drop in the expected rate in investment returns to 7.5 percent. All other categories represent less than 5 percent of departmental expenditures. (See Table 3-11)

Table 3-11  
 WEST NORRITON TOWNSHIP  
Police Expenditures  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012-16		
	Actual	Actual	Actual	Actual	Actual	\$	%	
Salaries & Wages	\$3,094,594	\$3,040,934	\$3,193,476	\$3,214,679	\$3,281,440	186,846	6.0	
FICA/Social Security	57,043	56,506	59,338	57,575	58,616	1,573	2.8	
Pension	768,734	640,507	788,038	952,976	1,340,004	571,270	74.3	
Uniform Expense	27,191	28,236	22,661	25,447	22,803	-4,388	-16.1	
Vehicle Fuel	59,957	59,157	54,219	35,503	23,967	-35,990	-60.0	
Operating Supplies	7,553	6,802	7,130	9,881	19,651	12,098	160.2	
Professional Services	2,500	2,500	5,572	5,572	6,700	4,200	168.0	
Repair & Maintenance	0	0	6,234	5,838	5,896	5,896	0.0	
Vehicle Expense	27,989	12,328	6,960	21,252	16,381	-11,607	-41.5	
Supplies	7,709	7,800	7,118	6,515	6,897	-812	-10.5	
Other Services & Charges	115,046	121,448	119,858	132,566	149,422	34,376	29.9	
Capital Purchase	43,733	122,214	0	0	0	-43,733	-100.0	
<b>Total Expenditures</b>	<b>\$4,212,049</b>	<b>\$4,098,434</b>	<b>\$4,270,603</b>	<b>\$4,467,803</b>	<b>\$4,931,778</b>	<b>719,729</b>	<b>17.1</b>	
	<u>Percent of Total</u>							
Salaries & Wages	73.5	74.2	74.8	72.0	66.5			
FICA/Social Security	1.4	1.4	1.4	1.3	1.2			
Pension	18.3	15.6	18.5	21.3	27.2			
Uniform Expense	0.6	0.7	0.5	0.6	0.5			
Vehicle Fuel	1.4	1.4	1.3	0.8	0.5			
Operating Supplies	0.2	0.2	0.2	0.2	0.4			
Professional Services	0.1	0.1	0.1	0.1	0.1			
Repair & Maintenance	0.0	0.0	0.1	0.1	0.1			
Vehicle Expense	0.7	0.3	0.2	0.5	0.3			
Supplies	0.2	0.2	0.2	0.1	0.1			
Other Services & Charges	2.7	3.0	2.8	3.0	3.0			
Capital Purchase	1.0	3.0	0.0	0.0	0.0			
<b>Total Expenditures</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>			

### Recreation

The Township provides a robust recreation program with a wide variety of activities for all ages. The current program list includes a summer day camp, drama camp, various children and adult sport leagues and lessons, community trips (ball games, casinos, shows, etc.) and special events (5K run, movie night, Halloween parade, etc.). Fees are charged with the objective of ensuring programs are revenue neutral. For instance, the six-week day camp is \$275 for residents and \$375 for nonresidents, with trips an extra cost. Leagues and lessons range from \$50 for soccer to \$100 for tennis, with nonresidents often paying slightly more. Trip costs vary depending on the event. In addition to the fee revenue, the Township also levies a recreation millage.

In terms of revenues, recreation millage collections ranged from an estimated high of \$68,022 in 2012 to a low of \$65,574 in 2015. Recreation department revenues, which include the program fees except for cultural trip revenue, have steadily grown from \$98,221 in 2012 to \$112,548 in 2016, an increase of \$14,327 or 14.6 percent. The Township has also been growing its sponsorship revenue, increasing from \$9,947 in 2013 to \$12,875 in 2016.

On the expenditure side, the largest cost is salaries and wages, which grew from \$149,380 in 2012 to \$219,004 in 2016. The change was an increase of \$69,624 or 46.6 percent. The category includes seasonal day camp and maintenance workers. Cultural trip expenditures are mostly offset by cultural trip revenues paid by the program participants. The Township's recreational program incurred operating deficits in each year of the historical review. (See Table 3-12.)



2017 General Fund Estimated Versus 2017 General Fund Budget

The Township’s estimated 2017 financials indicate that the Township will end the 2017 fiscal year with a \$279,338 surplus. Revenues are estimated to be over budget by \$556,890 or 5.7 percent. Significant revenue sources that are expected to be higher than budget are EIT, realty transfer tax, business and non-business licenses, and federal/state/local revenue sources.

Expenditures are estimated to be over budget by \$277,552 or 2.8 percent. Expenditures that are over budget include healthcare, capital purchases and transfers. (See Tables 3-13, 3-14 and 3-15.)

Table 3-13  
 WEST NORRITON TOWNSHIP  
Revenues, Expenditures and Surplus/(Deficit)  
Estimated Versus Budget  
 2017

	2017	2017	Estimated vs. Budget	
	Estimated	Budget	\$	%
<b>Revenues</b>	\$10,331,268	\$9,774,378	556,890	5.7
<b>Expenditures</b>	<u>10,051,930</u>	<u>9,774,378</u>	277,552	2.8
<b>Surplus/(Deficit)</b>	<b>\$279,338</b>	<b>\$0</b>		

Table 3-14  
 WEST NORRITON TOWNSHIP  
Estimated Versus Budget Revenues  
 2017

	2017	2017	Estimated vs Budget	
Revenue Type	Estimated	Budget	\$	%
<b>Tax Revenue</b>	\$7,967,324	\$7,834,746	132,578	1.7
<b>Non-Tax Revenue</b>	2,203,202	1,839,632	363,570	19.8
<b>Transfers</b>	<u>160,742</u>	<u>100,000</u>	<u>60,742</u>	<u>60.7</u>
<b>Total Revenues</b>	\$10,331,268	\$9,774,378	556,890	5.7
<b>Tax Revenue</b>	77.1	80.2		
<b>Non-Tax Revenue</b>	21.3	18.8		
<b>Proceeds</b>	0.0	0.0		
<b>Transfers</b>	<u>1.6</u>	<u>1.0</u>		
<b>Total Revenues</b>	100.0	100.0		

Table 3-15  
 WEST NORRITON TOWNSHIP  
Total Expenditures  
 2017 Estimated vs. 2017 Budget

	2017	2017	Estimated vs Budget	
	Estimate	Budget	\$	%
Salaries & Wages	4,236,289	4,275,384	-39,095	-0.9
FICA/Social Security	142,309	135,000	7,309	5.4
Healthcare	1,719,762	1,697,469	22,293	1.3
Pension	1,596,768	1,596,768	0	0.0
Life Insurance	61,241	55,816	5,425	9.7
Unemployment Comp	45,498	42,350	3,148	7.4
Uniform Expense	23,316	28,440	<u>-5,124</u>	<u>-18.0</u>
<b>Total Personnel Expense</b>	<b>7,825,183</b>	<b>7,831,227</b>	<b>-6,044</b>	<b>-0.1</b>
Vehicle Fuel	42,339	84,600	-42,261	-50.0
Operating Supplies	7,259	14,300	-7,041	-49.2
Professional Services	220,389	85,315	135,074	158.3
Workers' Comp	223,342	221,000	2,342	1.1
Insurance	82,176	71,874	10,302	14.3
Maintenance & Repair	13,311	12,600	711	5.6
Repair & Maintenance	13,931	14,835	-904	-6.1
Vehicle Expense	20,407	37,300	-16,893	-45.3
Supplies	94,911	131,939	-37,028	-28.1
Other Services & Charges	645,230	706,518	-61,288	-8.7
Recycling	6,092	8,000	-1,908	-23.9
Capital Purchase	<u>207,813</u>	<u>123,445</u>	84,368	68.3
<b>Non-Personnel Expenditures</b>	<b>1,577,200</b>	<b>1,511,726</b>	<b>65,474</b>	<b>4.3</b>
Transfers	649,547	431,425	218,122	50.6
<b>Total Expenditures</b>	<b>10,051,930</b>	<b>9,774,378</b>	<b>277,552</b>	<b>2.8</b>

### Sewer Fund

The Township created a separate Sewer Fund in 2014 along with numerous other funds. Prior to 2014, the only existing funds were the General Fund and the Golf Fund. In 2015, the Township hired Maximus to perform a cost allocation study to determine the amount of indirect costs for finances, administration and public works services that could properly be charged to the General Fund. Other major factors that impacted the Sewer Fund include a \$1.7 million payment towards the 2010 GO Sewer Bond in 2014; a rate increase in 2015; and refinancing of the 2010 GO Sewer Bond in 2016.

Operations revenue increased from \$2.9 million to almost \$3.6 million in 2016, a growth of \$651,964 or 22.2 percent. Transfers were made from the capital reserve fund in 2012 (\$1.4 million) and 2015 (\$3.3 million), and from the General Fund and Sinking Fund (\$241,895) in 2016.

Total revenues fluctuated during the historical review period from a high of \$6.9 million in 2015 to a low of \$3.1 million in 2014. The change from 2012 to 2016 was a decline of \$470,720 or 10.5 percent.

Sewer operation expenses varied from a peak of \$1.8 million in 2013 (including a one-time \$957,188 expenditure for maintenance/repair/cleaning) to a low of \$532,968 in 2012. Transfers were made to the capital reserve fund (\$1.4 million in 2012), the Sinking Fund (\$142,906 in 2012, \$2.0 million in 2014, \$599,671 in 2015, and \$780,197 in 2016), and the General Fund (\$901,720 in 2012, \$181,209 in 2013, \$1.1 million in 2014, and \$2,690 in 2016). The 2014 General Fund transfer was the result of the Maximus study. After 2014, expenditures allocated under the Maximus study were taken directly from the Sewer Fund.

Sewer Fund expenditures fluctuated throughout the historical review period, ranging from a high of \$4.8 million in 2014 to a low of \$2.5 million in 2015. The change from 2012 to 2016 was a decrease of \$842,562 or 21 percent. The Sewer Fund experienced surpluses of various amounts every year during the historical review period with the exception of 2014, when the fund had a \$1.4 million deficit. The largest surplus was \$4.3 million in 2015. (See Table 3-16.)

Table 3-16  
 WEST NORRITON TOWNSHIP  
Sewer Fund Revenues, Expenditures, Surplus/(Deficit)  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012 - 2016	
	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Operations Revenue</b>	\$2,933,198	\$2,849,478	\$2,855,555	\$3,535,294	\$3,585,162	651,964	22.2
<b>Grants</b>	89,027	224,373	336,616	0	200,000	110,973	124.7
<b>Interest</b>	88,289	52,275	47,339	20,992	3,868	-84,421	-95.6
<b>Miscellaneous</b>	-20,948	-10,169	152,710	4,450	465	21,413	-102.2
<b>Transfers</b>	1,412,544	0	0	3,332,986	241,895	-1,170,650	-82.9
<b>Other Financing</b>	0	0	0	0	0	0	0.0
<b>Total Revenues</b>	<b>\$4,502,110</b>	<b>\$3,115,957</b>	<b>\$3,392,220</b>	<b>\$6,893,721</b>	<b>\$4,031,390</b>	<b>-470,720</b>	<b>-10.5</b>
<b>Operations Expense</b>	\$532,968	\$1,794,420	\$654,449	\$626,000	\$535,722	2,754	0.5
<b>Treatment Expense</b>	792,172	771,849	723,564	823,866	694,348	-97,824	-12.3
<b>Facilities</b>	247	80,000	0	0	40,990	40,743	16,524.7
<b>Recycling</b>	0	0	0	0	1,781	1,781	100.0
<b>Administration</b>	0	8,878	7,462	22,005	130,137	130,137	100.0
<b>Public Works</b>	0	0	22	143,536	300,193	300,193	100.0
<b>Employee Benefits</b>	0	0	0	103,838	217,422	217,422	100.0
<b>Insurance</b>	9,750	0	7,019	27,938	21,713	11,963	122.7
<b>Capital</b>	0	0	109,484	34,882	0	0	0.0
<b>Miscellaneous</b>	21,951	0	0	0	0	-21,951	-100.0
<b>Depreciation</b>	240,992	233,102	203,689	162,793	418,716	177,724	73.7
<b>Amortization</b>	0	0	6,786	14,105	2,994	2,994	100.0
<b>Transfer to Sinking</b>	142,906	0	2,031,225	599,671	780,197	637,290	445.9
<b>Transfers Other</b>	<u>2,276,560</u>	<u>181,209</u>	<u>1,088,472</u>	<u>0</u>	<u>30,772</u>	<u>-2,245,788</u>	<u>-98.6</u>
<b>Total Expenditures</b>	<b>\$4,017,546</b>	<b>\$3,069,459</b>	<b>\$4,832,172</b>	<b>\$2,558,634</b>	<b>\$3,174,984</b>	<b>-842,562</b>	<b>-21.0</b>
<b>Surplus/(Deficit)</b>	<b>\$484,564</b>	<b>\$46,498</b>	<b>-\$1,439,952</b>	<b>\$4,335,087</b>	<b>\$856,406</b>		

Sinking Fund

The Township made bond payments of approximately \$1 million in 2012 and 2013 on a 2010 bond issue and a 2009 note. In 2014, the Township made a balloon payment of \$1.7 million to smooth out future payments on the 2010 bonds along with the regular debt service payments for that year. In addition, the Township obtained two bonds issues in 2014. Series A of 2014 (\$1.2 million) was for a street light project. Series B of 2014 (\$5.6 million) was for a sewer project. However, the Township had only drawn down approximately \$513,000 of the total Series B as of the end of 2016 due to project delays. The Township now intends to draw down the remainder in four installments through 2020.

In 2016, the Township obtained three bond issues. Series A (taxable) and AA (nontaxable) of \$1.03 million each are for improvements to the Township golf course banquet facility and maintenance building, with only interest payments due until 2021. Series B of 2016 refinanced the remainder of the 2010 bond issue.

In 2015 and 2016, debt service payments were recorded in the Sinking Fund for the general obligation, golf and sewer bonds during the year. Year-end adjustments recorded these payments as a transfer to the Capital Reserve Fund and a corresponding debt service payment from this fund. (See Table 3-17.)

Table 3-17  
 WEST NORRITON TOWNSHIP  
Sinking Fund Revenues, Expenditures, Surplus/(Deficit)  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012 - 2016	
	Actual	Actual	Actual	Actual	Actual	\$	%
Interest	\$183	\$197	\$182	\$164	\$104	-79	-43.0
Transfer from General Fund	704,481	840,119	565,001	176,812	471,015	-233,466	-33.1
Transfer from Capital Reserve	0	0	2,482	0	0	0	0.0
Transfer from Sewer Capital	142,906	0	2,031,225	599,671	780,197	637,290	445.9
Transfer from Golf Fund	<u>195,000</u>	<u>195,000</u>	<u>200,000</u>	<u>252,570</u>	<u>0</u>	<u>-195,000</u>	<u>100.0</u>
<b>Total Revenue</b>	<b>\$1,042,570</b>	<b>\$1,035,316</b>	<b>\$2,798,889</b>	<b>\$1,029,217</b>	<b>\$1,251,315</b>	<b>208,745</b>	<b>20.0</b>
	2012	2013	2014	2015	2016	Change 2012 - 2016	
	Actual	Actual	Actual	Actual	Actual	\$	%
Bonds - General	\$1,042,400	\$1,035,131	\$645,572	0	0	1,042,400	100.0
Bonds - Golf	0	0	200,000	0	0	0	0.0
Bonds - Sewer	0	0	1,875,000	0	0	0	0.0
Lease - General	0	0	78,148	0	0	0	0.0
Lease - Golf	0	0	0	0	0	0	0.0
Lease - Sewer	0	0	0	0	0	0	0.0
Miscellaneous	0	0	0	0	0	0	0.0
Transfer to Capital Reserve	0	0	0	1,029,081	1,018,576	1,018,576	100.0
Transfer to Sewer Rev Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>228,467</u>	<u>228,467</u>	<u>100.0</u>
<b>Total Expenditures</b>	<b>\$1,042,400</b>	<b>\$1,035,131</b>	<b>\$2,798,720</b>	<b>\$1,029,081</b>	<b>\$1,247,044</b>	<b>204,644</b>	<b>19.6</b>
Surplus/(Deficit)	171	185	170	136	4,272		

Golf Fund

The Township-owned Jefferson Golf Club experienced deficits for four out of the five years during the historical period, starting in 2013. In 2012, the golf course had a \$407,144 surplus, followed by deficits of \$17,659, 2013; \$62,041, 2014; \$39,534, 2015; and \$304,762, 2016. Revenues fluctuated from a high of \$1.7 million in 2012 to a low of almost \$1.2 million in 2013. The change from 2012 to 2016 was a decrease of \$526,360 or 30 percent. Expenditures also varied from a high of almost \$1.7 million in 2015 to a low of \$1.3 million in 2012. The difference between 2012 and 2016 was an increase of \$185,545 or 14 percent.

To get a better picture of the financial situation, amortization and depreciation were added back. That increases the surplus in 2012 and lowers the deficits in 2013, 2014 and 2016; and changes the 2015 deficit to a surplus. Depreciation represents an assigned portion of the Township’s fund balance in the Golf Fund. (See Table 3-18.)

Table 3-18  
 WEST NORRITON TOWNSHIP  
Golf Fund Revenues, Expenditures, Surplus/(Deficit)  
 2012 to 2016

	2012	2013	2014	2015	2016	Change 2012 - 2016	
	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Revenues</b>	\$1,741,311	\$1,165,353	\$1,172,102	\$1,637,158	\$1,214,951	-526,360	-30.2
<b>Expenditures</b>	<u>1,334,167</u>	<u>1,183,012</u>	<u>1,234,142</u>	<u>1,676,692</u>	<u>1,519,712</u>	185,545	13.9
<b>Net Surplus/(Deficit)</b>	<b>\$407,144</b>	<b>-\$17,659</b>	<b>-\$62,041</b>	<b>-\$39,534</b>	<b>-\$304,762</b>		
<b>Add Back:</b>							
<b>Amortization</b>	7,018	7,018	7,018	0	0		
<b>Depreciation/Capital Reserve</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>297,703</u>	<u>296,456</u>		
	7,018	7,018	7,018	297,703	296,456		
<b>Net Surplus/(Deficit)</b>	<b>\$414,162</b>	<b>-\$10,641</b>	<b>-\$55,022</b>	<b>\$258,170</b>	<b>-\$8,305</b>		

Revenues from golf (green fees, memberships, carts) decreased after 2012, with the difference between 2016 and 2012 revenues a decline of \$69,745 or 5.9 percent. Facility revenue steadily increased, growing from \$69,238 in 2012 to \$80,940 in 2016. Miscellaneous revenue varied throughout the review period. The 2012 transfer is from a settlement between the Township and DuPont related to chemical damage to trees at the golf course. The money was used to remove the trees and is now used for course improvements.

Employees (salary and wages, insurances, FICA, etc.) are the largest expenditure, growing steadily from \$528,057 in 2012 to \$728,873 in 2016, an increase of \$200,816 or 38 percent. The 2016 transfer repaid the General Fund for a golf debt service payment. (See Table 3-19.)

Table 3-19  
WEST NORRITON TOWNSHIP  
Detailed Golf Fund Revenues and Expenditures  
2012 to 2016

	2012	2013	2014	2015	2016	Change 2012 - 2016	
<b>Revenues</b>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	\$	%
<b>Golf</b>	\$1,188,311	\$1,097,279	\$1,100,213	\$1,145,154	\$1,118,566	-69,745	-5.9
<b>Facility</b>	69,238	66,576	70,200	79,158	80,940	11,702	16.9
<b>Interest</b>	1,783	1,498	1,101	782	444	-1,338	-75.1
<b>Miscellaneous</b>	200,213	0	588	412,063	10,000	-190,213	-95.0
<b>Transfers</b>	<u>281,766</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000</u>	-276,766	-98.2
<b>Total Revenue</b>	<b>\$1,741,311</b>	<b>\$1,165,353</b>	<b>\$1,172,102</b>	<b>\$1,637,158</b>	<b>\$1,214,951</b>	<b>-526,360</b>	<b>-30.2</b>
	2012	2013	2014	2015	2016	Change 2012 - 2016	
<b>Expenditures</b>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	\$	%
<b>Employee Expense</b>	528,057	600,553	635,094	702,285	728,873	200,816	38.0
<b>Maint &amp; Repair- Course</b>	143,211	111,745	91,379	133,372	135,839	-7,373	-5.1
<b>Facility Expense</b>	116,848	100,390	113,558	171,365	106,526	-10,321	-8.8
<b>Material &amp; Supplies- Buildings</b>	49,265	36,243	5,959	4,932	4,788	-44,477	-90.3
<b>Equipment Expense</b>	46,698	39,680	42,066	65,587	41,137	-5,561	-11.9
<b>Other Expense</b>	81,469	30,171	58,076	35,709	56,019	-25,450	-31.2
<b>Sales Tax</b>	13,759	12,820	12,062	12,709	0	-13,759	-100.0
<b>Amortization</b>	7,018	7,018	7,018	0	0	-7,018	-100.0
<b>Capital Reserve</b>	0	0	0	297,703	296,456	296,456	100.0
<b>Interest</b>	57,666	49,394	50,525	460	74	-57,592	-99.9
<b>Transfer to General Fund</b>	95,176	0	0	0	150,000	54,824	57.6
<b>Transfer to Sinking Fund</b>	195,000	195,000	200,000	252,570	0	-195,000	-100.0
<b>Transfer to Veh Repl Fund</b>	<u>0</u>	<u>0</u>	<u>18,406</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total Expenditures</b>	<b>1,334,167</b>	<b>1,183,012</b>	<b>1,234,142</b>	<b>1,676,692</b>	<b>1,519,712</b>	<b>185,545</b>	<b>13.9</b>

CHAPTER 4  
FINANCIAL PROJECTIONS OF WEST NORRITON TOWNSHIP  
2018 to 2022

PEL's financial projections for 2018 to 2022 indicate that the Township's General Fund revenues will not be able to keep pace with growing General Fund expenditures. As a result, the Township will most likely need to consider appropriate expenditure reductions or revenue increases in order to avoid future operating deficits in the General Fund. In terms of General Fund expenditures, the largest increases are projected in employee benefits, police and pension. In addition, the Golf Fund is anticipated to experience deficits each year from 2019 to 2022 if historical patterns are followed. One large unknown that will impact the Township's finances is how much revenue the Golf Fund will gain from improvements to the golf course including upgraded banquet facilities. Assuming the Golf Fund generates enough new revenue from the improvements, the Golf Fund could have enough money to pay its own debt service. For the purposes of this review, it is assumed that special purpose debt millage of 0.847 is converted to general purpose millage as recommended by this report, bringing the general purpose millage to 4.207 mills.

The Township should review recommendations from Chapters 5 and 6 in this report for additional recommendations for revenue generation and expenditure control.

PEL prepared its General Fund operating projections using the 2018 budget, the historical revenue and expenditure patterns outlined in Chapter 3, the current collective bargaining agreements, actuarial pension data, amortization tables and similar information.

Revenue Projection Assumptions

- The 2018 budget serves as the baseline
- Real Estate Tax revenue increased at 0.8 percent annually
- 1.0 percent annual growth in Earned Income Tax revenue
- No change in Local Services Tax or Real Estate Transfer Tax
- Real estate transfer tax increased to \$350,000 for 2018 and then held constant
- Other revenues and transfers from other funds held at budgeted levels or 2012-2016 average revenue

Expenditure Projection Assumptions

- The 2018 budget with adjustments serves as the baseline
- Employee counts were assumed to remain at 2018 budgeted levels
- Police and Public Works salary increases were estimated at the current contractual level and then 2.0 percent annually for the remainder of the projection period
- Other salaries increase 2.0 percent throughout period
- Pension contribution increased by same percentage as salaries/wages
- Healthcare increases 6.0 percent annually
- No new debt incurred
- Other items adjusted using a 2.0 percent inflator

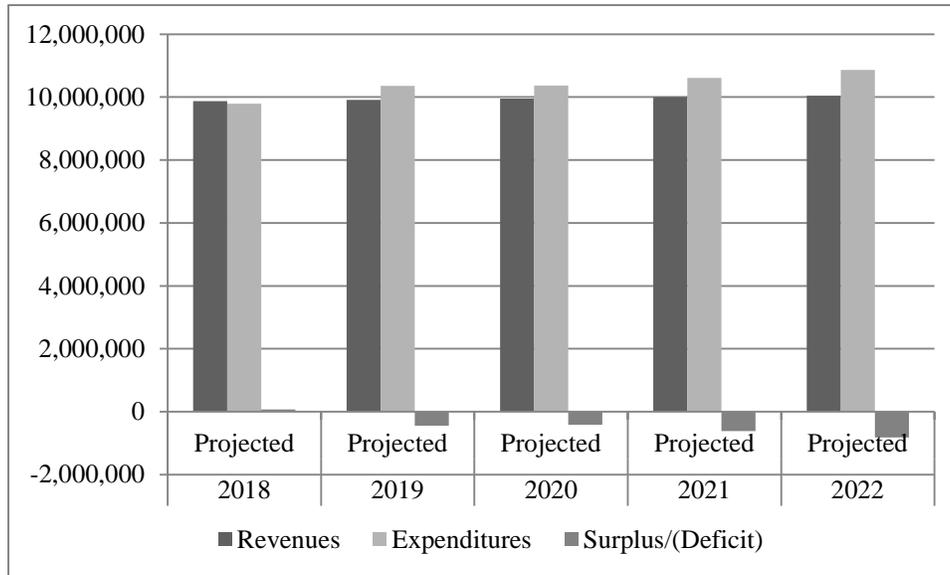
General Fund Revenues and Expenditures

Projections indicate only slight growth in revenues, which are expected to increase by \$176,496 or 1.8 percent, rising from \$9.9 million in 2018 to \$10.0 million in 2022. Expenditures are anticipated to increase by \$1.1 million or 10.9 percent, growing from \$9.8 million in 2018 to almost \$10.9 million in 2022. The Township is projected to end 2018 with a \$75,727 surplus. Starting in 2019, the Township is anticipated to experience annual deficits through 2022, rising from a shortfall of \$441,973 to a deficit of \$818,678. (See Table 4-1 and Graph 4-1.)

Table 4-1  
 WEST NORRITON TOWNSHIP  
General Fund Revenues, Expenditures, Surplus/(Deficit) and Cash Balance  
 2018 to 2022

	2018	2019	2020	2021	2022	Change 2018-2022	
	Projected	Projected	Projected	Projected	Projected	\$	%
<b>Revenues</b>	\$9,870,969	\$9,913,447	\$9,957,515	\$10,002,184	\$10,047,464	176,496	1.8
<b>Expenditures</b>	<u>9,795,242</u>	<u>10,355,421</u>	<u>10,371,213</u>	<u>10,615,560</u>	<u>10,866,143</u>	<u>1,070,901</u>	<u>10.9</u>
<b>Surplus/(Deficit)</b>	\$75,727	-\$441,973	-\$413,698	-\$613,376	-\$818,678		

Graph 4-1  
 WEST NORRITON TOWNSHIP  
General Fund Revenues, Expenditures, and Surplus/(Deficit)  
 2018 to 2022



General Fund Revenues

Tax revenue is projected to account for 80 percent of total revenues going forward. Tax revenues are anticipated to remain relatively flat, increasing by only \$138,913 or 1.7 percent, growing from almost \$8.0 million to approximately \$8.1 million. Nontax revenue is expected to grow by \$37,583 or 2.0 percent. Projections also include an annual \$50,000 transfer from capital reserve based on historical trends. (See Table 4-3.)

Table 4-3  
 WEST NORRITON TOWNSHIP  
Total Revenues  
 2018 to 2022

Revenue Type	2018	2019	2020	2021	2022	Change 2018 - 2022	
	Budget	Projected	Projected	Projected	Projected	\$	%
Tax Revenue	\$7,957,204	\$7,991,460	\$8,026,029	\$8,060,913	\$8,096,116	138,913	1.7
Non-Tax Revenue	1,863,765	1,871,987	1,881,486	1,891,270	1,901,348	37,583	2.0
Transfers	50,000	50,000	50,000	50,000	50,000	0	0.0
<b>Total Revenues</b>	<b>\$9,870,969</b>	<b>\$9,913,447</b>	<b>\$9,957,515</b>	<b>\$10,002,184</b>	<b>\$10,047,464</b>	<b>176,496</b>	<b>1.8</b>
Tax Revenue	80.6	80.6	80.6	80.6	80.6		
Non-Tax Revenue	18.9	18.9	18.9	18.9	18.9		
Transfers	0.5	0.5	0.5	0.5	0.5		
<b>Total Revenues</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		

Tax Revenue

The bulk of projected tax revenue growth is in EIT, which is anticipated to increase by 4.1 percent or \$125,872, from \$3.0 million in 2018 to \$3.2 million in 2022. Property taxes are anticipated to rise by \$13,040 or 0.3 percent. Revenue from all other taxes is expected to remain flat. (See Table 4-4.)

Table 4-4  
WEST NORRITON TOWNSHIP  
Total Taxes  
2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
Revenue Type	Budget	Projected	Projected	Projected	Projected	\$	%
Real Property Taxes	\$4,138,204	\$4,141,460	\$4,144,719	\$4,147,980	\$4,151,244	13,040	0.3
Earned Income Tax	3,100,000	3,131,000	3,162,310	3,193,933	3,225,872	125,872	4.1
Local Services Tax	340,000	340,000	340,000	340,000	340,000	0	0.0
Real Estate Transfer Tax	320,000	320,000	320,000	320,000	320,000	0	0.0
Per Capita Tax	41,000	41,000	41,000	41,000	41,000	0	0.0
Other 511 Taxes	18,000	18,000	18,000	18,000	18,000	0	0.0
<b>Total Taxes</b>	<b>\$7,957,204</b>	<b>\$7,991,460</b>	<b>\$8,026,029</b>	<b>\$8,060,913</b>	<b>\$8,096,116</b>	<b>138,913</b>	<b>1.7</b>
Real Property Taxes	52.0	51.8	51.6	51.5	51.3		
Earned Income Tax	39.0	39.2	39.4	39.6	39.8		
Local Services Tax	4.3	4.3	4.2	4.2	4.2		
Real Estate Transfer Tax	4.0	4.0	4.0	4.0	4.0		
Per Capita Tax	0.5	0.5	0.5	0.5	0.5		
Other 511 Taxes	0.2	0.2	0.2	0.2	0.2		
<b>Total Taxes</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		

Non-Tax Revenue

The state pension payment is the only non-tax category projected to increase, with state pension aid anticipated to rise by \$41,284 or 12.6 percent. Business/non-business licenses are the largest source of non-tax revenues, followed by the state pension payment. The federal, state, local shared revenue category includes a \$1,000 bullet proof vest grant in 2018, which accounts for the decrease in that category from 2018 to 2022. (See Table 4-5.)

Table 4-5  
 WEST NORRITON TOWNSHIP  
Total Non-Tax Revenues  
 2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
Revenue Type	Budget	Projected	Projected	Projected	Projected	\$	%
Business/Non-Business License	898,600	898,600	898,600	898,600	898,600	0	0.0
Fines	42,100	42,100	42,100	42,100	42,100	0	0.0
Interest	25,000	25,000	25,000	25,000	25,000	0	0.0
Fed/State/Local Shared Revenue	228,210	227,210	227,210	227,210	227,210	-1,000	-0.4
State Aid for Pension	307,413	316,635	326,134	335,918	345,996	38,583	12.6
Fire Relief	0	0	0	0	0	0	0.0
Charges For Services	5,000	5,000	5,000	5,000	5,000	0	0.0
Public Safety & Highway	106,192	106,192	106,192	106,192	106,192	0	0.0
Recreation & Culture	200,475	200,475	200,475	200,475	200,475	0	0.0
Miscellaneous Receipts	<u>50,775</u>	<u>50,775</u>	<u>50,775</u>	<u>50,775</u>	<u>50,775</u>	0	0.0
Non Tax Revenue	1,863,765	1,871,987	1,881,486	1,891,270	1,901,348	37,583	2.0
Non-Tax Revenue		Percentage of total					
Business/Non-Business License	48.2	48.0	47.8	47.5	47.3		
Fines	2.3	2.2	2.2	2.2	2.2		
Interest	1.3	1.3	1.3	1.3	1.3		
Fed/State/Local Shared Revenue	12.2	12.1	12.1	12.0	11.9		
State Aid for Pension	16.5	16.9	17.3	17.8	18.2		
Fire Relief	0.0	0.0	0.0	0.0	0.0		
Charges For Services	0.3	0.3	0.3	0.3	0.3		
Public Safety & Highway	5.7	5.7	5.6	5.6	5.6		
Recreation & Culture	10.8	10.7	10.7	10.6	10.5		
Miscellaneous Receipts	<u>2.7</u>	<u>2.7</u>	<u>2.7</u>	<u>2.7</u>	<u>2.7</u>		
Total	100.0	100.0	100.0	100.0	100.0		

General Fund Expenditures

Projections indicate that employee benefits will grow the most of any category, rising by \$477,710 or 21.3 percent. Police is expected to increase by \$335,147 or 8.8 percent. Pension, at approximately 16 percent of expenditures, is likely to grow by \$315,008 or 22.8 percent. Other projected expenditure increases are: administration, \$41,332 or 5.9 percent; public works, \$36,404 or 8.0 percent; culture and recreation, \$21,221 or 4.0 percent; and building/zoning, \$10,794 or 8.1 percent. Annual transfers are made to the Sinking Fund for debt service payments and to the Emergency Services Fund (fire millage). In addition, \$101,930 annually is transferred to vehicle replacement in the Capital Reserves Fund in keeping with historical trends. Transfers decline by \$166,715 or 35.1 percent as debt service payments drop from 2018 to 2022. (See Table 4-6.)

Table 4-6  
WEST NORRITON TOWNSHIP  
Total Departmental Expenditures  
2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
Department	Budget	Projected	Projected	Projected	Projected	\$	%
Administration	\$699,823	\$709,851	\$720,080	\$730,514	\$741,156	41,332	5.9
Police	3,795,346	3,895,820	3,973,139	4,051,896	4,130,493	335,147	8.8
Health & Welfare	6,000	6,000	6,000	6,000	6,000	0	0.0
Building/Zoning	133,939	136,558	139,229	141,954	144,733	10,794	8.1
Recycling	7,700	7,700	7,700	7,700	7,700	0	0.0
Public Works	452,949	461,781	470,790	479,980	489,353	36,404	8.0
Culture & Recreation	535,110	540,259	545,511	550,867	556,331	21,221	4.0
Pension	1,380,466	1,653,152	1,667,105	1,681,316	1,695,474	315,008	22.8
Employee Benefits	2,240,142	2,349,512	2,465,326	2,587,971	2,717,852	477,710	21.3
Insurance	69,200	69,200	69,200	69,200	69,200	0	0.0
Transfers	474,566	525,587	307,132	308,163	307,851	-166,715	-35.1
<b>Total Expenditures</b>	<b>\$9,795,242</b>	<b>\$10,355,421</b>	<b>\$10,371,213</b>	<b>\$10,615,560</b>	<b>\$10,866,143</b>	<b>1,070,901</b>	<b>10.9</b>
		<u>Percentage of Total</u>					
Administration	7.1	6.9	6.9	6.9	6.8		
Police	38.7	37.6	38.3	38.2	38.0		
Health & Welfare	0.1	0.1	0.1	0.1	0.1		
Building/Zoning	1.4	1.3	1.3	1.3	1.3		
Recycling	0.1	0.1	0.1	0.1	0.1		
Public Works	4.6	4.5	4.5	4.5	4.5		
Culture & Recreation	5.5	5.2	5.3	5.2	5.1		
Pension	14.1	16.0	16.1	15.8	15.6		
Employee Benefits	22.9	22.7	23.8	24.4	25.0		
Insurance	0.7	0.7	0.7	0.7	0.6		
Transfers	4.8	5.1	3.0	2.9	2.8		
<b>Total Expenditures</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>		

Sewer Fund

The Sewer Fund is anticipated to experience surpluses from 2018 through 2021 ranging from a high of \$115,937 in 2019 to a low of \$12,751 in 2021. A deficit of \$31,948 is anticipated in 2022. Revenues are likely to remain flat while expenditures grow by \$507,492 or 16.7 percent. (See Table 4-7.)

Table 4-7  
WEST NORRITON TOWNSHIP  
Sewer Fund  
2018 to 2022

	2018	2019	2020	2021	2022	Change 2012 - 2016	
	Projected	Projected	Projected	Projected	Projected	\$	%
<b>Revenues</b>	\$3,563,189	\$3,563,189	\$3,563,189	\$3,563,189	\$3,563,189	0	0.0
<b>Expenditures</b>	<u>3,531,482</u>	<u>3,447,252</u>	<u>3,486,739</u>	<u>3,550,438</u>	<u>3,595,137</u>	507,492	16.7
<b>Surplus/(Deficit)</b>	<b>\$31,707</b>	<b>\$115,937</b>	<b>\$76,450</b>	<b>\$12,751</b>	<b>-\$31,948</b>		

Golf Fund

The Golf Fund is anticipated to experience annual deficits beginning in 2019 at \$198,714. In 2018, the Township intends to pay for debt service on the golf bonds with \$114,867 from the Golf Fund and \$200,000 from the Capital Reserve Fund. Starting in 2019, the assumption is that all money for debt service on the golf bonds will be taken from the Golf Fund, which results in annual deficits. Revenues are projected to be flat and expenditures are likely to grow by \$141,745 or 10.8 percent. The largest increase in expenditures is expected in employee costs, anticipated to rise by \$87,802 or 11.4 percent. (See Tables 4-9, 4-10 and 4-11.)

Table 4-9  
WEST NORRITON TOWNSHIP  
Golf Fund Revenues, Expenditures, Surplus/(Deficit)  
2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
	Projected	Projected	Projected	Projected	Projected	\$	%
<b>Revenues</b>	\$1,315,433	\$1,313,781	\$1,314,634	\$1,315,512	\$1,316,417	984	0.1
<b>Expenditures</b>	<u>1,315,433</u>	<u>1,512,495</u>	<u>1,540,353</u>	<u>1,426,047</u>	<u>1,457,177</u>	141,745	10.8
<b>Surplus/(Deficit)</b>	0	-\$198,714	-\$225,719	-\$110,535	-\$140,760		

Table 4-10  
 WEST NORRITON TOWNSHIP  
Golf Fund Detailed Revenues  
 2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
<u>Revenues</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	\$	%
<b>Golf</b>	\$1,217,088	\$1,214,608	\$1,214,608	\$1,214,608	\$1,214,608	-2,480	-0.2
<b>Facility</b>	74,400	75,228	76,081	76,959	77,864	3,464	4.7
<b>Interest</b>	500	500	500	500	500	0	0.0
<b>Transfers</b>	<u>23,445</u>	<u>23,445</u>	<u>23,445</u>	<u>23,445</u>	<u>23,445</u>	<u>0</u>	<u>0.0</u>
<b>Total Revenue</b>	<b>\$1,315,433</b>	<b>\$1,313,781</b>	<b>\$1,314,634</b>	<b>\$1,315,512</b>	<b>\$1,316,417</b>	<b>984</b>	<b>0.1</b>

Table 4-10  
 WEST NORRITON TOWNSHIP  
Golf Fund Detailed Expenditures  
 2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
<u>Expenditures</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	\$	%
<b>Employee Expense</b>	\$768,552	\$789,303	\$810,828	\$833,166	\$856,354	87,802	11.4
<b>Maint &amp; Repair- Course</b>	152,000	155,040	158,141	161,304	164,530	12,530	8.2
<b>Facility Expense</b>	130,280	101,688	103,125	104,590	106,085	-24,195	-18.6
<b>Material &amp; Supplies- Buildings</b>	5,000	5,100	5,202	5,306	5,412	412	8.2
<b>Equipment Expense</b>	81,208	82,208	83,228	84,268	85,329	4,122	5.1
<b>Other Expense</b>	50,518	51,429	52,358	53,306	54,273	3,755	7.4
<b>Sales Tax</b>	13,008	13,008	13,008	13,008	13,008	0	0.0
<b>Transfer to Sinking Fund</b>	114,867	314,719	314,463	171,100	172,187	57,320	49.9
<b>Total Expenditures</b>	<b>\$1,315,433</b>	<b>\$1,512,495</b>	<b>\$1,540,353</b>	<b>\$1,426,047</b>	<b>\$1,457,177</b>	<b>141,745</b>	<b>10.8</b>

Sinking Fund

Transfers are made annually from the General Fund, Sewer Capital Fund and the Golf Fund to pay debt service on general obligation, sewer and golf bonds. In 2018, there is a transfer from the Capital Reserve Fund of \$200,000 (See Table 4-8.)

Table 4-8  
WEST NORRITON TOWNSHIP  
Sinking Fund  
2018 to 2022

	2018	2019	2020	2021	2022	Change 2018 - 2022	
	Projected	Projected	Projected	Projected	Projected	\$	%
<b>Transfer from General Fund</b>	\$271,635	\$322,656	\$104,201	\$105,232	\$104,920	-166,715	-61.4
<b>Transfer from Capital Reserve</b>	200,000	0	0	0	0	-200,000	0.0
<b>Transfer from Sewer Capital</b>	670,649	623,553	617,025	633,465	629,613	-41,037	-6.1
<b>Transfer from Golf Fund</b>	114,867	314,719	314,463	171,100	172,187	57,320	49.9
<b>Total Revenue</b>	<b>\$1,257,151</b>	<b>\$1,260,928</b>	<b>\$1,035,690</b>	<b>\$909,797</b>	<b>\$906,719</b>	<b>-350,432</b>	<b>-27.9</b>
	2018	2019	2020	2021	2022	Change 2018 - 2022	
	Projected	Projected	Projected	Projected	Projected	\$	%
<b>Bonds - General</b>	322,555	322,656	104,201	105,232	104,920	-217,635	-67.5
<b>Bonds - Golf</b>	314,867	314,719	314,463	171,100	172,187	-142,681	-45.3
<b>Bonds - Sewer</b>	619,729	623,553	617,025	633,465	629,613	9,884	1.6
<b>Total Expenditures</b>	<b>\$1,257,151</b>	<b>\$1,260,928</b>	<b>\$1,035,690</b>	<b>\$909,797</b>	<b>\$906,719</b>	<b>-350,432</b>	<b>-27.9</b>

General Obligation Debt

A significant amount of the Township’s debt relates to the street lighting project, the sewer collection and conveyance system and the golf assets. An in depth look at the Township’s debt is discussed in Chapter 5. Listed below are the outstanding amounts as of the end of 2016 and the corresponding annual debt service as it effects the projections. (See Tables 4-12 and 4-13.)

Table 4-12  
 WEST NORRITON TOWNSHIP  
General Obligation Debt  
 Principal Amount Outstanding as of December 2016

Debt	Purpose	Fund	Issue Date	Maturity Date	Original Amount of Issue	Outstanding 12/31/2016
<b>GO - PIB Loan</b>	Road Projects	GF	2009	2019	\$2,000,000	\$634,366
<b>GO, Series A of 2014</b>	Streetlight/Energy	GF	2014	2034	1,210,000	1,120,088
<b>GO, Series B of 2016</b>	Refund 2010 - Fire Truck	GF	2016	2017	150,000	150,000
<b>GO, Series A of 2016</b>	Tax Exempt Golf project	Golf	2016	2036	1,030,000	29,250
<b>GO, Series AA of 2016</b>	Taxable Golf Projects	Golf	2016	2036	1,030,000	29,250
<b>GO, Series B of 2016</b>	Refund 2010 Golf Projects	Golf	2016	2020	900,000	900,000
<b>GO, Series B of 2014</b>	Sewer Project	Sewer	2014	2039	5,590,000	218,181
<b>GO, Series B of 2016</b>	Refund 2010 Sewer Projects	Sewer	2016	2027	\$3,615,000	\$3,615,000

Source: Official Bond Statements

Table 4-13  
 WEST NORRITON TOWNSHIP  
General Obligation Debt Service  
 2017-2022

	General	Sewer	Golf	Total
<b>2017</b>	\$477,217	\$453,139	\$275,835	\$1,206,191
<b>2018</b>	322,555	619,729	314,867	1,257,151
<b>2019</b>	322,656	623,553	314,719	1,260,928
<b>2020</b>	104,201	617,025	314,463	1,035,690
<b>2021</b>	105,232	633,465	171,100	909,797
<b>2022</b>	<b>\$104,920</b>	<b>\$629,613</b>	<b>\$172,187</b>	<b>\$906,719</b>

## CHAPTER 5 DEBT AND ASSET ANALYSIS

### **A. Introduction**

In reviewing the outstanding debt of West Norriton Township, it is apparent that a significant amount of the Township's debt relates to the street lighting project, the sewer collection and conveyance system and the golf assets. The street lighting project is structured to pay for itself – that is, debt service is being paid using savings resulting from reduced electricity usage. As to the sewer collection and conveyance system (“Sewer Assets”) and the golf course, banquet facilities and ancillary facilities (“Golf Assets”) they both:

- generate revenue,
- require operating expenses and capital expenditures, and
- have debt associated with them.

Our analysis of the Township's debt and assets is focused on how the debt service burdens relating to the Sewer Assets and Golf Assets impact the Township's General Fund and whether there may be options to consider that would improve the long- term fiscal impact on the Township's General Fund, tax payers and rate payers.

**1. Sewer Assets** The Township owns and operates the Sewer Assets that compromise its wastewater system. All wastewater generated in West Norriton is currently conveyed for treatment by the Township's Sewer Assets to a Wastewater Treatment Plant (“WTP”) located in Norristown and owned and operated by the Norristown Municipal Waste Authority (“NMWA”). Pursuant to an Intermunicipal Treatment Agreement between the Borough of Norristown and the NMWA, 6.5 MGD of the WTP's treatment capacity is allocated to Norristown and 3.25 MGD is allocated to West Norriton. The majority of the flow from West Norriton is conveyed to the treatment plant via an 18-inch force main from the Rittenhouse Pumping Station. The balance is combined with flow from Norristown through a conventional sewer line at Jackson Street.

The challenges facing the Township relating to its wastewater system stem in large part from the fact that NMWA's WTP is in need of extensive upgrades or replacement. Norristown has been considering construction of a new WTP in lieu of upgrades for more than a decade. In the absence of a comprehensive

solution to wastewater treatment, and in light of increasing regulatory restrictions on effluent, the future capacity of the current NMWA WTP is limited. This will have a detrimental impact on future residential and commercial development in the Township and will likely require greater resources from the Township to continue wastewater treatment at an antiquated plant.

The Township's Sewer Assets have historically generated sufficient revenue to pay for their own operations, indirect overhead, routine capital maintenance and improvements and all associated debt service (except for 2014—in that year approximately \$1.7 million was used to cash defease a portion of the Township's 2010 Bonds issued for sewer purposes)<sup>1</sup>. The General Fund of the Township benefits from some cash flow generated by the Sewer Assets to the extent such cash flow defrays overhead and other costs associated with the Township's wastewater system. Indirect overhead was assessed in a *Central Services Cost Allocation Plan* prepared by Maximus and released on October 15, 2015 for the fiscal year ending December 31, 2014. As of 2015, the Township has moved the Sewer Fund out of the General Fund and currently transfers overhead charges from the Sewer Fund to the General Fund.

As stated above, the Township has been, and continues to be, concerned about whether to continue to treat its wastewater at the NMWA WTP in Norristown or whether to seek its own solution, separate and apart from Norristown. Options have been studied over the years but no clear path has been chosen by either Norristown or West Norriton. The cost to the Township of constructing a new WTP either in Norristown or within the Township is not built into the current rate base. Current solutions being explored would entail a large expenditure by the Township, will likely require a significant amount of borrowing and will place pressure on rate payers. That being said, the Township understands that a solution will be required to ensure sufficient treatment capacity and to meet the growth needs of the Township.

The NMWA WTP has been subject to a Consent Order and Agreement (CO&A) since March 18, 2003, with the Pennsylvania Department of

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<sup>1</sup> See *infra*, \$6,800,000 General Obligation Notes, Series of 2014, at page 5-6.

Environmental Protection (DEP) in part due to Infiltration and Inflow<sup>2</sup> (“I & I”) issues throughout the service area. A significant amount of the capital expenditure on Sewer Assets by the Township has been aimed at addressing the I & I problem in West Norriton.

- 2. Golf Assets.** The Jeffersonville Golf Club (Golf Club) was purchased by the Township in 1972 for approximately \$1.5 million. It is an 18 hole, par 70, public golf course. The Golf Club features a banquet facility, fully stocked pro shop and a restaurant/snack bar with a full service bar. The Golf Club and banquet hall have not in the past generated sufficient revenue to pay for operations, capital improvements and debt service. The Township’s Golf Fund has experienced deficits for four out of the past five years. The Township’s General Fund has been subsidizing the Golf Fund for several years and the debt load on the Golf Club together with the lack of profitability of the operations places the Township at some risk.

In 2013, the Township entered into a Lease Agreement with Amedeos, LLC (“Lease Agreement”) for the first floor restaurant on an exclusive basis, and for the second floor banquet facility and picnic grove on a non-exclusive basis. The rental payments are modest, in line with the facilities that were then being leased. The Lease Agreement expires by its terms on December 31, 2017. Because the Golf Club was losing 500-1,000 rounds of golf per year due to inferior banquet facilities – outings and leagues were not returning due to deteriorating conditions – the Township decided to invest a little over \$2 million to improve the banquet facility and parking, to renovate the pro-shop and to relocate the maintenance facility. The Township financed these improvements by borrowing a like amount in 2016 and structured the borrowing to wrap around existing debt service over a 20-year term. Annual debt service from 2017 – 2020 increased to approximately \$312,000 per year. Thereafter, debt service declines and remains relatively steady from 2021 through 2036.

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<sup>2</sup> Infiltration and inflow are terms used to describe the ways that groundwater and stormwater enter into wastewater systems. Infiltration is groundwater that enters into wastewater systems through cracks and/or leaks in the sanitary sewer pipes caused by age related deterioration, loose joints, poor design, installation or maintenance errors, damage or root infiltration. Inflow is stormwater that enters into wastewater systems at points of direct connection to the systems such as footing/foundation drains, roof drains, downspouts, outdoor basement stairwells and basement sump pumps.

**B. Options to Consider - General**

The Township may wish to look at a combination of strategies that involve debt restructuring, cash defeasance, and/or monetization of assets in order to accomplish multiple objectives. First, here are some definitions.

- 1. Debt Restructuring:** Involves refinancing the debt in question in order to reduce debt service cost in certain years. This technique may increase cash flow to the Township but may also have either a present value cost or a present value savings. Generally speaking, the Township should not restructure debt that has a present value cost, unless it has significant cash flow problems that cannot be otherwise addressed. If the Township extends the period over which debt is repayable, it will incur more interest cost on the same amount of debt. If the Township reduces the amortization period and or the yield on the debt, the Township will generally enjoy a present value savings.
- 2. Cash Defeasance:** Can be used in combination with a debt restructuring or on a stand-alone basis, and involves taking cash (from any available sources including reserve funds or perhaps a monetization which is described below) and using it to pay debt service (or pension obligations) either immediately upon application, or if the debt is not currently payable or pre-payable (callable), the cash can be deposited into an escrow account, earn interest, and then be applied once the debt can be prepaid in accordance with its terms. A cash defeasance can render the debt obligation null and void or reduce debt service payments. The Township cash defeased some of its sewer debt in 2014.
- 3. Monetization:** A general term for taking all or a portion of the net cash flow generated by an asset and turning it into either an upfront lump sum payment, periodic payments, or a combination of both. A monetization can take the form of an outright sale of the asset, a long-term lease or concession, a long-term operation or management agreement, or one of a variety of other structures. The sale or long-term lease could be to a public or private entity.

### C. Options to Consider – Debt

In reviewing the bond issues referenced below, it appears that the financial advisor to the Township is current with debt restructuring and defeasance opportunities, but both should be reviewed on an ongoing basis as circumstances change.

- 1. \$6,725,000 Township of West Norriton, General Obligation Note, Series A, AA and B of 2016:** The Series A of 2016 Notes were used to finance capital projects consisting of the design, construction, renovation and equipping of two buildings at the Golf Club that will contain maintenance operations, locker room facilities, a pro shop, a halfway house and golf cart storage as well as parking improvements. The Series A of 2016 Notes were issued on a tax exempt basis in the aggregate principal amount of \$1,030,000 and bear interest at a fixed rate of 2.46% until November 15, 2026. The amortization of the Series A of 2016 Notes does not begin until 2028. Thereafter, the Series A Notes bear interest at a variable rate. The additional costs of 2.46% on \$1,030,000 amounts to another approximately \$25,300 per annum. The 2016 AA Notes were issued to finance the demolition of all or a portion of an existing structure and the design, construction renovation and equipping of a new banquet facility at the Golf Club as well as related parking and driveway improvements. The Series AA of 2016 were issued on a taxable basis in the aggregate principal amount of \$1,040,000 and bear interest at a fixed rate of 3.59% until November 15, 2026. The 2016 B Notes were issued to refund a portion of the General Obligation Bonds Series of 2010 stated to mature in November 15 of 2017 through 2023, and 2025 and 2027. The 2016 B Notes were issued in the aggregate principal amount of \$4,665,000 bear interest at a fixed rate of 2.16% per annum until November 15, 2023. All of the 2016 Notes are pre-payable at any time, according to the form of notes in the transcript provided to us.

**\$6,800,000 General Obligation Notes, Series A and B of 2014:** The \$1,210,000 Series A of 2014 Notes were issued to finance a streetlight improvement project. The Series A of 2014 Notes bear interest at a fixed rate of 2.33% per annum until December 1, 2021. The \$5,590,000 of Series B of 2014 Notes were issued to finance improvements to the Rittenhouse and Whitehall

sewer pump stations, improvements to the sewage inflow and infiltrations systems, other capital improvements to the sewer system and to provide capitalized interest on the 2014 B Notes during the construction of the foregoing. Contemporaneously with this note issuance, the Township used a portion of its unrestricted funds to defease or cash refund \$1,740,000 principal amount of the 2010 Bonds scheduled to mature on November 15 in the years 2021 through 2023 inclusive and 2025 and 2027. The 2014 B Notes bear interest at a fixed rate of 2.65% per annum until December 1, 2024. The 2014 Notes are prepayable at any time, according to the form of notes in the transcript provided to us.

**2. \$9,700,000 Township of West Norriton, General Obligation Bonds, Series of 2010:**

The 2010 Bonds were issued in November of 2010 for the following purposes:

- i. Currently refund the Township's 2002 Bonds, (Sewer, Firehouse and Misc.);
- ii. Currently refund the Township's 2004 Bonds;
- iii. Currently refund the Township's 2006 Note;
- iv. Approximately \$5,000,000 used to finance various capital improvements to the wastewater collections and conveyance system including the Rittenhouse and Whitehall pump stations.

The 2010 Bonds became callable at par beginning May 15, 2016. The coupons (or interest rate being paid by the Township) range from 2.25% to 4.00% (in 2027). Most if not all of the bond issue was cash defeased in 2014 and refunded in 2016.

- 3. 2009 Pennsylvania Infrastructure Bank Loan:** This loan has principal due from 10/31/17 through and including 10/31/19. It is outstanding in the principal amount of \$426,323.72 and will cost the Township \$211,436 in 2018 and \$214,886.77 in 2019. With an effective annual rate of 1.63%, there will unlikely be a reason to refinance this debt.

**D. Options to Consider - Assets**

**1. Jeffersonville Golf Club:**

The Golf Club last covered its annual costs using operating revenues and reserves in 2012. For the past four years, it has shown a loss from operations (See Table 3-16 in

Chapter 3). In Chapter 3, we add back amortization and depreciation, which increases the surplus in 2012, and reduces the deficits. Notwithstanding the fact that there is a separate Golf Fund, the Township is legally responsible for any Golf Fund cash shortfalls which result in the General Fund being called upon to make debt service payments.

It is not known at this time whether the capital improvements to the Golf Club and its facilities will increase revenues in excess of expenses sufficiently to pay all operating costs, capital costs and debt service over the long term. The current Lease Agreement for the restaurant and banquet facilities expires later this year. As a result of the capital improvements to these facilities the Township expects to receive significantly more in rental payments. With these capital improvements and the expiration of the Lease Agreement, there is an opportunity for the Township to explore additional options.

- i. Replacing the current Lease Agreement with one that could generate more revenues, include guaranteed revenue to the Township and additional variable payments based upon success of the lessee (e.g. percentage of revenues, but not net profits).
- ii. The Township may also wish to explore a solicitation of private golf management companies that would be interested in entering into an operations and management contract (“O & M Contract”) to manage and operate: a) the Golf Club, b) the banquet facilities, or c) the Golf Club, banquet facilities and all other facilities.
- iii. Other options would include offering the Golf Assets under a long-term lease, a concession agreement, or for an outright sale.

In all of the above options, the Township would seek to shift risks relating to costs of operations, maintenance and improvements to a private party thereby insulating the General Fund and Township tax payers from losses and/or debt service costs. In the case of an O & M Contract, a long-term lease or a concession, there would be a negotiated risk shifting arrangement and the Township could retain the ability to limit greens fee increases, among other things. It may be possible to receive upfront payments which could be used to buy down the debt on the Golf Assets, thereby reducing annual debt service expenses and making it more likely that the Golf Assets would be cash flow positive for the Township.

In the case of an outright sale of the Golf Assets, the risks and benefits of ownership would all reside with the purchaser. The Township would transfer the cost risks and contingent liability on debt service, but lose control over greens fees and a reduction or elimination of public access. Before entertaining a sale of the Golf Assets the current collective bargaining agreements would need to be reviewed to ascertain whether there would be any impediments to selling the Golf Assets. In any proposed sale the Township can negotiate that current labor agreement commitments be honored through a variety of arrangements, including a “no cut contract” for existing employees for a number of months (e.g. 12, 18, or 24 months).

We understand that there is value in having a municipally-owned public course that does not require membership. There currently exists within the Township the Westover Golf Club, a semi-private course that accommodates public access. In an O & M Contract, a long term lease, or a concession arrangement, the Township might be able to get the best of the professional management while requiring that fees remain lower than those at the Westover Golf Club, memberships not be sold or required, labor commitments are honored with the goal of improving the overall fiscal operations of the Golf Club.

## **2. Township Sewer Assets and Wastewater Treatment:**

- i. **Joint Sewer Authority Proposal.** In 2005, a spokesperson for the DEP stated that the NMWA’s WTP was antiquated and seen as an impediment to future commercial development along the riverfront. That year, Norristown and West Norriton explored the idea of developing, financing and constructing a new plant and entering into a more regional, joint sewer authority for such purposes. A joint sewer authority was discussed among the Borough of Bridgeport, the Township and Norristown. In 2007, Bridgeport decided against the joint venture in favor of maintaining its own treatment facility.
- ii. **Consent Orders.** As previously mentioned, the NMWA has been under a CO&A with DEP since 2003. The CO&A was issued due to excessive I & I in the wastewater collection system, among other things. In August 2008 the NMWA signed a Consent Order and

Agreement Amendment (CO&A Amendment) with DEP. The CO&A Amendment broke the wastewater collection system into geographic quadrants and established time frames for the investigation, rehabilitation and flow monitoring work to be done in each quadrant with a goal of reducing the amount of I & I entering the wastewater collection system and ultimately the WTP. The CO&A Amendment mandates the completion of the work and the issuance of a final report by February 2019 documenting the amount of I & I removed from the wastewater collection system. During dry weather conditions, the plant at the time of the study had no trouble meeting its National Pollution Discharge Elimination System<sup>3</sup> permit limits and effluent concentrations and loading were within permit limits. That being said, wet weather conditions highlight the fact that I & I has been and continues to be a problem that both Norristown and West Norriton have had to confront, and spend significant amounts of money to address.

- iii. **CDM Study.** In January of 2009, CDM's Philadelphia office issued a report entitled *Municipality of Norristown and Norristown Municipal Waste Authority Joint Committee – Evaluation of Norristown Sewage Treatment Plant Options*. The first phase of the study was intended to provide a basis for either upgrading the existing WTP or building a new facility on the Nicollette Site in West Norriton<sup>4</sup>.

Two refurbishment alternatives were explored along with two alternatives for construction of a new wastewater treatment plant on

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<sup>3</sup> National Pollutant Discharge Elimination System (NPDES) is a provision of the federal Clean Water Act that prohibits discharge of pollutants into waters of the U.S. unless a special permit is issued by the Environmental Protection Agency (EPA), a state, or a tribal government. NPDES permits establish discharge limits and conditions for discharges from municipal wastewater treatment facilities to waters of the United States.

<sup>4</sup> In the past, the Montgomery County Redevelopment Authority had conducted a study to evaluate various alternative locations for a plant to treat the flows from Norristown, West Norriton and Bridgeport. The study assessed refurbishing the existing Norristown and Bridgeport treatment plants using an existing Joint Sewer Authority, and constructing a new plant on various parcels of land. None of these initiatives went past the conceptual stage. Subsequently the NMWA entered into negotiations with a private utility relative to the construction and operation of a new treatment plant for the communities but they determined that the approach at that time was not financially viable.

a different parcel. An evaluation process along with criteria and weighting took place upon completion of first phase of the study. The 2009 Report indicates that the Golf Club could be one site for the construction of a new wastewater treatment plant in West Norriton. The cost of this new facility, which would be intended to serve both Norristown and West Norriton, was estimated to be \$161,000,000 at that time.

As reported at that time, construction of a new WTP at Nicollette Site was the preferred alternative. The site chosen was not ideal for riverfront development in Norristown and was estimated at that time to cost \$150,000,000 if intended to serve both Norristown and West Norriton; \$116,000,000 was the estimated cost if it were to be for Norristown waste only.

We note that in terms of providing wastewater services to both Norristown and West Norriton, it most likely would be materially less expensive to undertake one construction project in one or the other municipality rather than both municipalities seeking their own separate solutions. That being said, intermunicipal concerns, policies and control have in the past, and will likely be in the future, obstacles that would have to be overcome.

- iv. **Rettew WTP Study.** Rettew, an engineering consulting firm headquartered in Lancaster, issued a *Wastewater Treatment Plant Feasibility Study* in May of 2011. This study assessed five proposals including continuing to use the NMWA WTP and an ISAM Suspended Batch Reactor. Locating the ISAM SBR near the Rittenhouse Pump Station was considered at that time to be the best alternative for the Township with an estimated cost at that time of \$37,300,000. The report stated, “This alternative will effectively handle the anticipated flowrates for the Township while meeting the strict effluent requirements especially for TN (nitrogen) and TP (phosphorus).”

- v. **Rettew I & I Study.** Rettew Associates Inc. issued a *Sanitary Sewer System Inflow and Infiltration Study* in November 2013 outlining certain capital improvements that could be undertaken to mitigate I & I in the Township. By ordinance 2014-684 the Board of Commissioners approved a \$5.58 million financing for, among other things, upgrades to the Township's wastewater system (approx. \$4,795,000). Repairs to the Whitehall Road Pump Station and Rittenhouse Pump Station (cost over runs) were included in the project.

At the time, debt service paid by the Sewer Fund was approximately \$334,000 per year and it was anticipated that debt service would increase by approximately \$350,000 per year. To pay for the debt service the recommendation was to increase the Base Rate by \$7.00 per quarter and consumption rate by \$1.00 and reduce the consumption credit by 1,000 gallons.

- vi. **Current Trends – Wastewater and Drinking Water Monetization.** We note that many municipalities have been offering for sale their wastewater and drinking water assets during the past year or two including:

- City of Scranton (Closed in 2016)
- Middletown Borough (Closed in 2015)
- New Garden Township and New Garden Sewer Authority (PUC approval in June of 2017, expecting to close 10/17).
- City of McKeesport – at PUC for approval.
- Limerick Township – at PUC for approval.
- Exeter Township – preparing for PUC submission.

The general observation among participants is that Act 12 of 2016, which in part was intended to make sure that rate payers were not charged more when a private utility bought a municipal utility for an amount less than the depreciated cost of the plant and equipment, is actually resulting in higher prices being paid to the

selling municipalities. This may be somewhat responsible for fueling the current trend. On the one hand, larger than expected upfront payments to municipalities may be perceived as a good thing. On the other hand, the utilities will tell us that this will put pressure on them to raise rates in the future to recoup their upfront payments.

Another relatively recent statute, Act 11 of 2012, allows private utilities to spread their system improvement charges across their entire rate base over time. The combination of Act 12 and Act 11 may provide the Township with a unique opportunity to enter into a monetization arrangement that would provide for the private utility to pay for a new wastewater treatment plant and may also result in some additional payments to the Township that could be used to pay down a portion of the debt on the Golf Assets. The right balance would be to try to achieve both of the foregoing goals without putting too much pressure on sewer rates. The reason why some municipalities find a sale to be more desirable than a concession or lease is that if they have large mandated costs through a consent order or otherwise, or a large capital expenditure, the private sector does have some advantages. As alluded to above, the private utility can spread their capital costs over a much larger rate base, and over a much longer period of time than the municipal sector. In addition, because public bidding requirements can add costs to public construction projects, the private sector can often build larger scale projects for less.

- vii. **Benefits of Monetization.** The Sewer Rental Act places certain limitations on use of sewer rents to pay for direct and indirect overhead of the Township as well as limitation on use of sewer rents for reserves and other costs relating to sewer operations. Assuming the Township utilizes its existing Maximus Study and any updates to

allocate overhead, any improvements in net operating income for the Sewer Assets will inure to the benefit of ratepayers.

That being said, an O & M Contract arrangement or monetization of the Sewer Assets may be worth considering for one or more of the following reasons:

- improve the cash flow to the General Fund (so long as such cash flow is used for one of the permitted purposes and is justified by an overhead allocation that is reasonable);
- use any upfront proceeds of monetization to pay down Township debt (golf, sewer, etc.);
- use any upfront proceeds of monetization to make a deposit into one or more of the Township's pension funds thereby reducing the unfunded accrued actuarial value, improving the structural balance of the General Fund and reducing the MMO in future years;
- protect the Township from some of the operational risk of regulatory mandates and/or the cost of future capital improvements;
- improve operating efficiencies so that rate increases can be mitigated, and
- use of upfront proceeds of a monetization to pay for or defray the costs of constructing a new wastewater treatment plant.

E. **Approach Recommended:** Based on the foregoing, we recommend that:

1. The Township consider developing a request for information and ideas relating to the Golf Assets, circulate it to banquet management companies and golf course management companies, to ascertain whether an O & M Contract, long-term lease, concession agreement or sale might be desirable for the Township.
2. If desirable, using information learned from the process in "1" above, the Township could put together a team comprised of one or more transactional lawyers and a financial advisor to develop an RFP that details the Township's

needs including upfront amounts, guaranteed annual amounts, revenue sharing, and disposition of existing employees and labor agreements.

3. The Township consider whether to develop a request for information and ideas relating to the Sewer Assets, circulate it to regulated utilities and other interested parties, to ascertain whether construction of a new wastewater treatment plant within West Norriton, for West Norriton and Norristown, or solely for West Norriton, can be accomplished in an economical fashion at this time.
4. If desirable, using information learned from the process in “3” above, the Township could put together a team comprised of one or more transactional lawyers, labor counsel and a financial advisor to develop an RFP that details options being sought (e.g. long-term lease, O & M Contract, concession agreement or sale), along with provisions, if warranted, relating to minimum upfront proceeds, disposition of labor and an established rate schedule (in the case of a lease or concession arrangement).
5. Bond Counsel and the financial advisor to the Township should provide the Township with a bond by bond analysis of the Township’s outstanding debt that allocates debt and debt service to the Sewer Assets, to the Golf Assets, or to general fund projects.

## CHAPTER 6 LABOR CONSIDERATIONS

### Introduction

Employee compensation costs, including healthcare, pension, salaries and other benefits, are one of the biggest cost drivers in the Township's budget, which is not surprising given that the services provided by the Township are labor intensive. Therefore, to ensure the future sustainability of all of its services, it is imperative that the Township focus on these significant, structural cost drivers that are associated with the Township's bargaining units and corresponding wages and benefits.

This effort to safeguard the Township's future must include steps to control the structural cost drivers relating to personnel expenses across the Township's bargaining units as well as non-represented staff. The goal is sustainability; that is to be able to provide a stable employment experience for employees with reasonable compensation and benefits, while also safeguarding the West Norriton taxpayers against future budget shortfalls and economic downturns and avoiding the negative impact of such downturns. As this Township is well aware from recent experience, such downturns can raise the threat of employee layoffs, the reduction of services or tax increases, or all of the foregoing.

A renewed focus on sustainability and the implementation of the recommendations of this Report will require the Township to develop a more intensive view of direct employee compensation and to take a comprehensive evaluation of total employee compensation, which includes direct compensation as well as the value (and cost) of current and future employee remuneration and benefits. This cannot be viewed as a one-time effort with overnight success. Instead, this effort must be harnessed and be the consistent focus of all future employee compensation and all future employee collective bargaining negotiations and interest arbitration. It will also require a change in the expectations and culture among some employee groups. However, unless the Township begins to consistently adopt the recommendations in this Report, the Township will face increasing expenditures that will have a negative impact on the Township's budget and fiscal health.

Currently, the Township has two bargaining units: the AFSCME District Council 88, Local 317 (AFSCME), which represents highway employees, golf course maintenance employees and secretaries, and the West Norriton Township Police Association (WNPA), which

represents the Township's full and regular part time (if any) police officers. The Township's current collective bargaining agreement with its AFSCME (AFSCME CBA) bargaining unit expires on December 31, 2017. The collective bargaining agreement with the WNPA (WNPA CBA) expires on December 31, 2018. (The AFSCME CBA and WNPA CBA referred to jointly as the "CBA's").

One notable point identified in this Report is that the police department is heavy in terms of supervisory and command employees. Staffing, including employee compliment and managerial staffing, is an issue that will be addressed later in this Report; however, with the department's high number of supervisory and command staff, the police department will incur higher costs in salary and related costs such as overtime, pension costs, etc. This issue in the police department should be addressed over time.

With the foregoing in mind, the following areas of concern and recommendations are highlighted.

### Labor Recommendations

As is typically the case, the Township's main cost driver for personnel costs is its collective bargaining agreements. This is neither unusual nor unanticipated. In addition to healthcare, however, the collective bargaining agreements contain some areas of concern that require attention. All of those areas will be discussed below along with the areas of concern for other employee groups:

A. Healthcare: One of the most glaring personnel cost issues facing the Township is its costs for healthcare. This issue is highlighted first because it is so glaring and carries across all personnel groups, unionized and non-unionized. The Township should be comparing the price and quality of its healthcare provider on a periodic basis. To the extent this has not been done, it should be done as soon as possible since the Township's healthcare costs are a significant cost driver. These costs are only compounded by the offering of post-retirement ?healthcare? benefits for police and non-uniformed personnel.

The Township has many options for shopping its healthcare business. There are a number of quality brokers, several insurance consortia and trusts which have helped other public employers reduce healthcare costs. While there are two well-known such entities

that provide healthcare to municipalities in Montgomery County, the Township should not limit itself to those groups and should reach out to a variety of brokers and trusts and consortia before selecting the best option.

While the Township has achieved a cost sharing payment from some of its employees, that payment is still not enough to help defray the expensive nature of the benefits provided. The payment should not be reduced simply because the Township changes plans or plan providers. In addition to cost sharing, the Township must focus on plan redesign and consider offering pay-up options if an employee chooses family coverage or chooses an alternate health plan that the Township may choose to offer. For example, a less expensive health plan can be offered for a standard cost sharing amount to all employees. Alternatively, a more costly health plan can be offered in addition to a less expensive health plan. Employees who want such the more expensive plan will pay the standard cost sharing amount plus the difference between the less expensive plan and the more expensive plan (the “buy-up”). In addition, similar buy-up options can be considered for offering coverage for employees only and family members. The multiple options would allow the Township to provide several plans with different plan designs from which the employees can choose depending upon their needs and cost sharing preferences.

A defined contribution approach to health care should also be investigated so that the Township could provide a sum certain or stipend to employees to purchase the benefits they choose from the options offered by the Township. The stipend should be the maximum that the Township would pay for health benefits for each employee, regardless of the plan chosen by the employee.

The Township’s CBAs also should avoid mentioning a specific plan. Instead, a more preferred and realistic option is to mention the current level of benefits. The CBAs should specifically reserve the right for the Township to change plans or carriers so long as it provides a reasonably similar level of benefits. This precise language will have to be negotiated but the right should be reserved to provide the Township with more flexibility in the future.

Notwithstanding any future amendments to the Patient Protection and Affordable Care Act (Affordable Care Act), the “Cadillac Tax” imposed pursuant to the Affordable

Care Act is still a reality and cannot be ignored. The Affordable Care Act imposes an annual 40% excise tax on plans with annual premiums exceeding \$10,800 for individuals or \$29,500 for a family starting in 2020, to be paid by insurers—the Township. Regardless of the year in which it is slated to take effect, the Township needs language to deal with that possibility. Indeed, unless the Township changes its benefits, the existing Cadillac Tax is likely to become a reality for the Township and its taxpayers. While the current collective bargaining agreement reopener language is helpful, the Township should insist on a change in healthcare benefits to prevent the imposition Cadillac Tax on the Township and its taxpayers. It is imperative that the Township do so because the tax it would pay under the current healthcare benefit structure would be daunting and possibly unaffordable. Such a scenario must be avoided at all costs.

Even with these preemptive steps, the Township needs to negotiate language to protect it from the Cadillac Tax. Such language should become part of the CBAs and should not relate to any specific date. Instead, the reopener should be triggered when the Township learns that it is reasonably likely to be subjected to the excise tax under any law existing now or in the future. This language should stay in the CBAs until it is clear that the excise tax is completely eliminated from the law.

In addition, current retiree benefits could become subject to the Cadillac Tax if not changed. It will be very difficult for a variety of reasons to require such retirees to pay the tax or to make changes to the language under which they retired. The Township, however, should take steps to protect itself from this scenario. To do so, the Cadillac Tax language in the CBAs must incorporate this possible scenario and provide an avenue of relief. As noted above, if the Cadillac Tax applied to the Township's current benefits, it would be very costly and the Township should protect itself. The Union should understand this issue and hopefully be willing to take action because the rising costs for retiree benefits impacts the benefits and compensation for current employees.

- B. Continuation of Benefits: The police CBA provides that the Township will maintain all insurance benefits (which as noted above are extremely expensive) “in full force and effect” until the officer returns to full-time status regardless of the duration of a leave of absence. This is an overly broad provision which could significantly impact the ability of the Township to lawfully manage its costs

during an extended leave of absence. It also goes far beyond the obligation imposed under the Family and Medical Leave Act (FMLA) to the extent Township employees are eligible for such leave.<sup>1</sup> While the EEOC frowns upon limiting leave of absences expressly (especially without mentioning an obligation to engage in the interactive process under the Americans with Disability Act (ADA)), there is no requirement beyond the 12-weeks noted in the FMLA that the Township maintain health insurance for the open ended duration of any leave. In order to more adequately manage such leave, the Township should put a definite date on the termination of benefits, e.g. 180 days from the date the leave begins. An enforceable time limit would provide a starting point for any discussion that would involve a possible accommodation.

C. Benefits Review: Considering the Township's expenses related to employee compensation and the generous nature of its health benefits, the Township should conduct an analysis to determine the total level of benefits provided to each bargaining unit and the real cost of such benefits, including the cost of compensation. This analysis must calculate the cost to the Township and the value to employees of all compensation and benefits, including wages, longevity, uniform stipends and reimbursements, current and retiree health care, pension benefits, all accrued leave, the impact any form of compensation has on pension benefits and pension liability, etc. Only by calculating the value of such benefits will the Township, its taxpayers and its employees fully understand the cost of an employee and the value received by that employee as a result of his or her employment. This analysis and audit should also include a review of the following:

- i. Eligibility Review: Eligibility coordination rules for employees who have access to health care elsewhere should be developed for all employees and enforced. Periodic eligibility audits should be conducted to insure that only eligible individuals are receiving the

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<sup>1</sup> The Township should be careful in all of its references to the FMLA to provide such benefits only if legally required to do so. The FMLA applies to all public employers, but public employees still must satisfy all of the eligibility requirements for such leave. Unless the Township has decided to contractually provide employees with the leave required under the FMLA, it should insure that all employees must satisfy all FMLA eligibility rules.

Township's benefits and that the Township has coordination and carve outs for certain contingencies. If an employee can get comparable coverage elsewhere or his or her dependents can do so, the Township should not be obligated to provide coverage. Having this option is useful, but its utility is limited if there is no effective periodic audit or enforcement procedure in place. This audit should be conducted for current employees and retirees.

- ii. Other Post-Retirement Benefits (OPEB): With respect to the Township's post-retirement benefits, one can ask whether municipal taxpayers should be required to pay the post-retirement medical benefits for any retired municipal employee. However, ignoring that question, it is clear that the Township's post-retirement healthcare benefits are not as crippling as those found in other municipalities. On the other hand, with a DROP available to many employees, the justification for such benefits is lessened. Additionally, while OPEB benefits are not uncommon for uniformed personnel, they are uncommon for non-uniformed personnel. The elimination of such benefits for future employees, especially non-unionized personnel, should be a priority.
- iii. OPEB Trust: While the Township should continue to pursue the funding of an OPEB trust, it should analyze the benefit of having such a trust if it is able to terminate OPEB benefits for new hires. While the funding of such a trust is generally a good idea, the Township will have to consider its unique circumstances if it is successful in terminating such benefits for new hires. In some cases where such benefits are stopped or controlled going forward, or a combination of the those scenarios, the financial requirement to support such benefits could decline in the future and the placement of money in such a dedicated trust may not be the best use of or best way to tie up public funds, depending upon the needs of the Township. This depends upon a careful actuarial study and

financial analysis of the City's funds and the City's needs going forward.

Due to the uncertainty and rising costs of medical insurance, the Township has to remain vigilant in controlling the costs of its OPEBs with a goal of eliminating such benefits in the future. Although legal obstacles may be a hurdle in this area, creative ideas should be evaluated. For example, with the availability of a DROP, the Township has a sound basis to oppose any future increases in OPEBs for current employees. In addition, the DROP also provides a sound basis to argue that the benefits should be eliminated for future employees. As for current employees, it should be clarified to the extent that it is not done already, that future retirees will not only take the same benefits as future current employees, but also have the same cost sharing obligations as well. The Township also should strengthen its coordination language so that the future retiree will have to take any healthcare benefit from any other source when eligible. The Township can consider paying any cost-sharing obligation if it is less than what it would normally pay for the employee's benefit.

- iv. Cadillac Tax: As noted above, any Cadillac Tax provision must also apply to OPEBs. Future retiree health benefits will be subject to the excise tax, so the contract must be clarified to deal with such a scenario.
- v. Pension Benefit Changes: Although a current Compliance Audit from the Pennsylvania Department of the Auditor General under Act 205 is not available, the last such study in 2015 listed the police pension plan having a 75% funding ratio. The non-uniform plan was 68% funded. While one can debate whether it is good to have a fully funded plan, the above funding percentages are concerning and steps need to be taken to increase the funding status and reduce the costs to the Township. In 2017, the

minimum municipal obligation for the Police Plan (MMO) was \$1,212,328 after employee contributions but before state aid. The MMO for the Non-Uniformed Plan was \$443,158. Combined or individually, the MMOs are sizable and highlight the need for action. When combined with the costs of healthcare and retiree healthcare, the amount that the Township pays for healthcare and pension benefits is too significant to ignore.

Under the current law, the Township is statutorily limited with respect to pension benefits for uniformed personnel. Other non-statutory limitations may apply to changing pension benefits for non-uniformed employees. However, all pension plans should be reviewed to determine what benefits can be reduced for current employees or eliminated for future employees. It appears that there are several officers who are or soon will be retirement eligible or will be leaving the DROP. We recommend that the Township consider pension changes prior to hiring new officers.

These suggestions include:

- The Township should consider imposing timing and sunset provisions with respect to any non-mandatory pension benefit. Such provisions will allow re-evaluation of the cost and affordability of such benefits for the protection of the tax payers.
- A new benefit structure should be created for future new hires. This structure will have to comply with all current mandatory statutory benefits, but should not contain any optional pension benefits. Even without optional benefits, the employees subject to such statutes (mainly uniformed employees) will still be entitled to a generous pension benefit upon retirement. Such optional benefits include the Cost of Living Adjustment, Service Increment, Vesting, disability benefit or survivor's benefit in excess of 50%, and the DROP.
- The pension plan applicable to all future employees should be subject to the terms and conditions of any future pension law that reduces the funding costs to the Township.

- The Township should also eliminate any inclusion of lump sum payments or overtime into any pension calculation. While the Township has taken steps to implement this action, it also must be careful when considering the inclusion of any payment for compensatory time in lieu of overtime.
- Pension contributions should be maintained at the highest level possible and the current language should be changed so that it mandates the maximum applicable pension contribution unless it is reduced to a certain level in any given year at the discretion of the Township Board of Commissioners.
- No new benefits should be added in the future until it is clear that any such new benefit will not reduce the pension plan's funding percentage to below 100% while also leaving a cushion for any downturn in the investment market. Future public services should not have to be reduced to fund pension or other legacy costs.
- Due to what appear to be the significant underfunded status and annual MMO for the non-uniformed defined benefit ("DB") pension plan, the Township should consider between several options. Unlike uniformed employees, Pennsylvania law does not require that the Township provide a defined benefit plan for non-uniformed employees:
  - For non-uniformed employees, the Township should consult with its labor counsel and its pension counsel to determine the possibility and economic benefit or detriment of either freezing or terminating the non-uniformed defined benefit pension plan and replacing it with a defined contribution ("DC") plan. This option potential applies to current employees and new hires. It also could be implemented for only new hires after a certain date. This latter approach would avoid the potential legal issues that might be raised if it applied to current employees. This analysis will involve legal, fiscal and workplace issues.
  - In some cases, however, due to the start-up and maintenance costs, including factoring in the Township's contribution to a new DC plan, it is more beneficial to alter the current benefit structure in the existing DB plan. For example, the cost of the current DB plan for non-uniformed employees could be reduced by changing the monthly benefit calculation formula or reducing the multiplier for

determining the monthly pension benefit, extending the final salary averaging period or eliminating benefits. Although the most common option suggested for reducing pension costs is to eliminate the DB plan and move to a DC plan, that approach is not always the best. Some municipalities have found it more beneficial to maintain the current DB plan but to lower the benefits provided by that plan. The determination of whether this option is best for the Township will require the analysis of an actuary but several options should be considered. If the DB plan is maintained, at the very least, the Township should consider raising the current contribution rate for non-uniformed employees of .75% of pensionable wages in light of the funding status of the pension plan.

- The Township should consider amending the DROP so that it deals with the hidden costs of the DROP. These include the higher salary and benefits of a DROP Participant as well as the absence of state aid and pension contributions. It is our understanding that the Township's DROP applicable to police employees is a pre-Act 44 DROP. Thus, it will have more leeway to be creative in this regard. Such changes include:
  - Imposing a sunset provision;
  - Limiting or halting the entitlement to certain leave time or the amount of certain leave time and the accrual of leave time while in the DROP;
  - Reduction or elimination of certain forms of compensation while in the DROP, such as longevity pay, education bonus, etc.
  - Requiring as a condition of entering the DROP that the DROP Participant pay to the Township upon leaving the DROP the amount of lost state aid or a significant portion thereof;
  - Developing a limited time period to enter the DROP or a reduction of the DROP Participation Period by one year for each year the officer delays entering the DROP.
  - Mandating other conditions for entering the DROP to insure that the DROP not only is cost neutral but also furthers the goals of the Township and its police department.

It must be noted that some of the foregoing recommendations are unique and could be deemed assertive by some unions whose goal is to get the most for its employees. Further, even if the Township is able to obtain such changes through collective bargaining with respect to a post-Act 44 DROP, the bargaining unit will be bound by such changes. The Township should consult its labor counsel on this issue

- D. Wages and Longevity: While salaries are significant, they are not the most significant cost driver for the City's personnel costs and they are not currently the main structural issue that will cause future fiscal distress. Nevertheless, in many respects, salaries are beginning to exceed the necessary level for the work performed and the experience of employees.

With respect to wages and other compensation, the Township should consider the development of a new expanded wage scale for new employees, particularly uniformed employees, and possibly other categories of employees, including an elimination or adjustment of the longevity formula. This expanded wage scale would increase the time and steps a new hire is required to complete before reaching top salary. The top salary should also be lower than the current top salary. The newly hired employee would receive only the designated step increase and not the general wage increase (GWI) for each year until the year after they reach the applicable top salary.

Likewise, longevity can't be eliminated for current employees, but it should be capped. While the longevity provision by its terms is not outrageous, some officers receive longevity of more than \$4,500 annually, which is a number that causes one to question its purpose, other than being another form of compensation. Thus, a cap should be developed and negotiated for all unionized employees. As for new employees, the Township should seriously consider eliminating the benefit or eliminating it in its current form. This will be opposed strenuously, but if such a benefit is supported by good cause and deemed justified by reasons that are not served by the payment of base salary and annual GWI's, the longevity payment should be converted to a periodic (not annual) bonus. This

bonus should not be included in base or the pension calculation. The bonus should be paid only every few years, such as every five years at most.

The foregoing salary suggestions apply to all Township job classifications, including golf course employees. The Township operates a very nice golf course which has a good reputation and of which it and its tax payers should be proud, but the Township should investigate controlling or reducing labor costs at the course. The golf course must adequately compensate a knowledgeable golf pro and course manager if it wants to maintain the current status of the course, but it appears that the salaries at the golf course are high. The insurance cost for these employees further unnecessarily drives up the costs of the golf course. Steps should be taken to control these salaries going forward. Perhaps an alternative compensation arrangement could be developed with the golf pro based on other activities and rentals at the course that would be beneficial to both parties.

Overtime does not appear to be an uncontrolled issue at the golf course. The golf superintendent and the golf pro are most likely exempt from overtime under one of the white collar exemptions in the FLSA. However, if overtime becomes an issue, the golf course should review whether it can take advantage of the Amusement or Recreational Exemption for any other golf course employee under Section 13(a) (3) of the FLSA. That section provides an exemption from the minimum wage and overtime provisions of the FLSA for an employee employed by an establishment which is an amusement or recreational establishment, if:

- A. It does not operate for more than seven months in any calendar year, or
- B. During the preceding calendar year, its average receipts for any six months of such year were not more than 33 and 1/3 per centum of its average receipts of the other six months of such year.

29 U.S.C. 213(a) (3).

While the FLSA does not specifically define “amusement or recreational establishment”, the Department of Labor has opined that golf courses operated by local governments can qualify for the exemption if they meet either Test (A) or

(B). U.S. Dept. of Labor Field Operations Handbook Ch. 27j12. It does not appear to be possible for the Township to meet the first criterion but it might be able to meet the second under this test. The Township should review this possibility with its fiscal staff and labor counsel and determine if it is applicable and decide whether it wants to utilize this exemption.

- E. On-Duty Disability: The disability benefits for WNPA employees raise several concerns that are of such importance that they must be discussed separately. The benefits for other employees do not have these concerns.

This provision in the WNPA is unique in that typically, officers who are injured in the line of duty receive Workers' Compensation Act (WCA) benefits and likely Heart and Lung Benefits (HLA). The WCA benefit check is provided to the employer. We assume this provision applies only to permanent work disabilities, but this provision should be clarified for several reasons:

- i. Section B of this provision, page 19-20 of the CBA, contains references to a long term disability policy and using accrued sick leave during the 90-day elimination period, neither of which would be applicable to a work-related injury. A work related injury would be covered by the HLA and an officer would not have to use sick leave.
- ii. Section C of this provision references a benefit that reduces depending on the time that the officer is out of work due to a permanent work related disability which starts when the officer is honorably discharged. This language suggests that the benefit is actually a disability benefit from the Police Pension Fund based on a permanent work related disability (sometimes inaccurately referred to as a disability pension). While a disability benefit under Act 600 has to be at least 50% of the officer's salary at the time of the disability, which is when the officer is honorably discharged by the Board, raising the benefit to more than 50% is not necessary and not a wise decision. Such disabilities can occur well before an officer's normal pension benefit is fully funded and a disability benefit at 50% of salary is very fiscally traumatic to the Pension Fund. The existence of multiple disability benefits in any given pension plan is a

common cause of pension plan underfunding. A disability benefit more than 50% only compounds that problem. This CBA provision provides for a disability benefit at 70% to 100%. While such a benefit might be justified if the officer is disabled from working in any other profession as under social security, disabilities under Act 600 often are not near that disabling. The Township should re-examine this benefit and seek to change it in the future to a benefit of no greater than 50% of salary.

There are other problematic provisions of the disability provisions in the WNPA. For example, Article III, Section I (D) provides that the Township and the Police will be bound by the WCA determination with regard to an on-duty disability. This is potentially problematic in that the scope of injury under the WCA and the HLA are slightly different. The former is broader than the latter. While often the determination under the WCA will be the same as the HLA, there are times when it will not be the same. This language should thus be changed.

- F. Sick Leave, Personal Days and Holidays: For police employees, there is excessive time off. In addition to the normal increased number of days off resulting from a 12-hour shift, each year a police officer will receive thirty (30) days of sick leave, ten (10) holidays, eight (8) personal days and nine (9) Kelly Days, in addition to vacation leave. This time off is excessive and can result in overtime expenses. Although the Township should evaluate the total costs of providing that much time off, we suggest the following steps to address this matter:
- i. The Township should consider bargaining and adopting a sick leave policy and personal leave policy where days are earned every month or through some other formula. The concept of “earning” sick and all other forms of leave over a period of time, i.e. each month, can be phased in over a period of time. The ultimate goal should be to require employees to earn sick and other forms of leave and not to receive a lump sum amount at the start of each year.

- ii. Thirty (30) sick days is a lot of sick time. The Township should evaluate if this is causing an absentee issue. If not, the purpose of such a high allotment of sick time might be to allow employees to accrue sick days to use during the waiting or elimination period for Long Term Disability (LTD) benefits. Such a purpose would encourage the accrual of sick leave, but also reduce the need for 30 days of annual sick leave after the first three or four years of employment.

If that is the purpose of the accrual, the Township defeats that purpose in the LTD section of the CBA, Article III, Section 1(B)(1), because it states that the Township will subsidize the LTD elimination period if the officer does not have the accrued leave to use. While this is a worthy goal, it only compounds the generous nature of the CBA. A compromise would be to self-insure that elimination period only if the officer has not been employed for three years, which would allow him to have accrued the necessary leave to cover the LTD elimination period.

- iii. Leave Time Buy Backs: The WNPA CBA leave provisions have buy back provisions that only drive up the Township's costs and provide the bargaining unit with hidden forms of income. These provisions do not appear as much in the AFSCME CBA, but in the WNPA CBA they apply to vacation leave, personal leave and sick leave. These provisions are discussed jointly because the problems raised by such a provision are similar regardless of the type of leave involved.

Leave time is intended to be paid time off for rest and recuperation. It should not be counted as overtime (as discussed above) and it is not intended to be extra hidden forms of compensation. Compensating time off encourages it to not be used, which defeats its main purpose and costs the Township money in extra compensation.

Further, the Township should not allow the carryover of any time from year to year, particularly where, as here, the employees receive copious amounts of paid time off. If the carry over and pay out or buy back

provisions are necessary, it is a sign that the employees have too much paid time off, so much that they cannot or do not want to use it all.

With respect to sick leave specifically, it is not unusual and is justified to provide sick leave bonus if an employee does not use sick leave, or to allow accrual for the purpose stated above. However, to compensate employees for any unused days off of any type drives up costs in a manner that often results in unfunded liabilities which must be paid at severance or at the end of a year.

Although it is common for a police officer working a 12-hour shift to be off on a holiday as a result of his or her regular schedule, that fact alone does not justify a provision that allows the officer to use that calendar holiday on which he was not scheduled to work and was not paid to get an additional day off. Typically, employees have off on a holiday and they receive their normal pay for the pay period in which that holiday occurred. The same is true for a police officer (or other employee) whose work schedule gives him that day off without pay, but he receives his normal pay amount for that pay period.

Such a result is simply caused by the normal work schedule, which in this case, a 12-hour shift schedule, happens to provide the officer/employee with more days off. The employee is not losing out on anything and there is no equitable reason to provide the extra day off. Ideally, the WNPA CBA should provide officers with a list of potential holidays on which they will be paid a certain amount, i.e. time and one-half, if they work or they can take off with pay. If they are otherwise off, such officers have not lost time off. Such a provision would not deprive such employees of any holidays, time off or pay. It would, however, save the Township from the unnecessary expense of paying an employee for a day he or she had off simply because that day was designated as Labor Day, Memorial Day or some other holiday.

- iv. Conversion of Police Leave Days to 12 hours: It might be too late to address this issue, but it appears that leave time was converted to 12-hours

for a police officer when the 12-hour shift was implemented. Even though the days were not converted to 12-hours for the purposes of the sell back of time, by agreeing that a day off was equivalent to 12-hours, the Township agreed to increase the leave time of all officers. Instead, the leave time should merely have been converted to hours so that three personal days equaled 24 hours. By converting the days to 12-hours to match the officer's shift, the time equivalent of three personal days was converted to 36 hours. This is typically not the intent of the conversion to a 12-hour shift. While it may not be possible to recalculate the leave hours, this issue should be raised by the Township during negotiations and the Township should seek some sort of reconciliation of the cost of this conversion elsewhere in the CBA.

- v. Although we did not see any minimum manning requirements in either contract, the Township should adequately staff its shifts with enough personnel to provide the level of service the taxpayers' desire. However, any minimum compliment or manning requirements should be avoided. Eliminate or reduce minimum manning requirements. The Township should maintain flexibility to determine its staffing needs based upon the circumstances and finances and the need to reduce overtime costs.

G. Light Duty and Disability: The Township's CBA with the WNPA contains a light duty provision in Article III, Section I (M). The decision to impose light duty is a managerial prerogative. The Township will have to bargain over the impact of such a decision, but the impact issues relating to the decision are relatively limited. The wording of this light duty provision reads as an obligation of the Township to provide light duty for all injuries. Where legally possible, the Township should consider limiting light duty to work related injuries. However, such a policy is hard to administer and can be compromised by ADA obligations. Due to the unique nature of and limited justification for the DROP from perspective of the taxpayer and municipality, there should be a limitation on the length of time a DROP Participant can occupy a light duty position. The Township should remove this provision from the contract since it is a non-

mandatory subject of bargaining and negotiate over impact issue. The light duty policy should be separate from the CBA. This recommendation applies to all employee groups, except non-unionized employees with whom the Township does not need to negotiate. For those employees, the Township can apply the DROP.

- H. Disability Procedure Policy: The Township should develop a clear disability procedure policy for all employee groups. The decision of any forum to evaluate eligibility issues for a disability must be negotiated.
- I. Tuition Reimbursement and Education Bonus: While there are advantages to having an educated workforce, paying an education bonus and providing tuition reimbursement is unnecessary and of questionable appropriateness. Under this provision, employees can have the Township pay tuition and then pay the same employee an education bonus. Taxpayers have enough trouble paying tuition for their own children and should not be required to do so for Township employees. Alternatively, they should not be required to pay 100% of the tuition cost for a public employee who receives only a grade of “C”. It is our recommendation that this provision be eliminated from the benefit structure. While an education bonus is superficially justifiable, if such education is required, it presumably is already part of the salary. If it is not required, taxpayers should not be required to pay for it.
- J. Grievance Procedure: The grievance procedures applicable to all employees should be changed so that all grievances have to be brought to the attention of the Township within a reasonably short period of time. The WNTA CBA, for example, allows a grievance to be brought within one year after the individual becomes aware or should have been aware of the grievance. This time period is too long. In addition, grievance procedures should be shortened to two steps, the immediate supervisor and the Manager. The Manager can and typically does discuss important grievances with the Board so having the Board involved in the procedure is a waste of time, unless the Board enjoys refereeing such disputes.

In addition, the Township utilizes the American Arbitration Association, which is generally the typical source used for administering the arbitration

process. This is often a knee-jerk decision, but it is one the Township should fully evaluate in terms of cost and benefits of utilizing this agency. We make no recommendation in this regard. This is not a major or even significant cost savings issue, but we do recommend that the Township evaluate this decision.

- K. No Layoff or Furlough Clause: Section II of the WNPA CBA contains a no layoff and no furlough provision. This may have been the result of the last round of negotiations, but it should be eliminated. Such a provision is a managerial prerogative and not a mandatory subject of bargaining. The provision takes away from the Township one tool that it may reluctantly use to control its budget. Any limitation on the Township's need or ability to layoff or furlough employees or to subcontract services must be avoided.

Both the AFSCME and the WNPA CBAs contain restrictions on when employees can be laid off and require part time employees to be laid off first. It is recommended that the Township regain the authority to layoff based upon its needs. The Township must maintain flexibility to layoff or reduce hours as necessary to meet its service needs.

Both contracts also mandate the Township to recall laid off employees before hiring new employees. Such a restriction is reasonable, but there should be a time limitation of 12 months. This is particularly true where continued certification is necessary.

- L. Overtime and Compensatory Time:
- i. FLSA Section 7(k): It does not appear that the Township has taken full advantage of section 7(k) of the Fair Labor Standards Act (FLSA) which provides that employees engaged in fire protection or law enforcement may be paid overtime on a "work period" basis. The work period may consist of 7 to 28 consecutive days. For work periods of at least 7 but less than 28 days, overtime is only required when the number of hours worked exceeds a certain number of hours contained in a formula and chart listed in the FLSA. For example, law enforcement personnel working a 14-day work period must receive overtime pay after 86 hours worked during a 14-day period. While it appears that the Township is taking advantage of the

Section 7(k) exemption of the FLSA to reduce overtime or compensatory time paid based on time “worked” (see below), the use of Kelly Days to reduce the number of hours worked to 2080 can cause overtime that would otherwise be unnecessary and drive up overtime costs. This result is particularly problematic in light of the high salaries and generous benefits received by officers. This is an area that should be more closely examined.<sup>2</sup>

- ii. Compensatory Time: A related area that needs attention, however, is the area of compensatory time. This provision is found in Article II, Section V of the WNPA CBA. It is referenced in Article 8 of the AFSCME CBA, but the same general concepts and concerns apply (although non-uniformed personnel have a different amount of compensatory time that can be legally accrued). Compensatory time is permissible under the FLSA and it allows the Township to pay public employees time off in lieu of overtime. Law enforcement employees may accrue up to 480 hours of compensatory time in lieu of overtime. Other employees may accrue up to 240 hours. Compensatory time may be accrued up until the applicable limits and must be paid when the employee leaves service. When paid out at the end of employment, it is not paid out at the rate at which it was earned. Compensatory time must be paid at the then applicable rate when it is paid out or at a rate equal to an averaging of the rate during the employee’s last three years of employment. While compensatory time allows the Township to manage its overtime costs on an annual basis, it ends up paying more for such overtime when the officer retires. This provision should be revised to limit the accrual and mandate a payout of all or most compensatory time every year.
- iii. Time “Worked”: Both of the Township’s CBAs count time not worked as time worked for the determination of when overtime is due. The WNPA

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<sup>2</sup> Likewise, the Township should seek to only pay non-uniformed workers overtime for working more than 40 hours a week, as opposed to when they work more than 8 hours in a day. This could be a significant change in weeks if the Township also removes paid leave time from the calculation of time worked for satisfying the 40 hour threshold as noted below.

CBA is more egregious in this regard, but both CBAs contain provisions that count time not worked as time worked for the calculation of overtime. This is not legally required and we recommend that the practice be eliminated. Overtime is to be paid for hours worked over a certain threshold amount. The time should be actually worked. The Township's handbook does not specify the same benefit being provided to unrepresented employees. Such a benefit is not logical and is not legally required.

- iv. Guaranteed Overtime: The CBA with the WNPA provides several forms of guaranteed overtime. For example, the police receive a guarantee of four hours of overtime for court appearances before a Court of Common Pleas, a District Justice or other forum. This is not unusual but it is unusual that all types of appearances receive the same minimum four hours of overtime. Consideration should be given to paying a minimum of two hours of regular pay or overtime, whichever is applicable. Of course, the officer would be paid for all actual time spent attending each forum.
  - i. Cost of Overtime: Determining whether overtime costs are high or unnecessarily high is a difficult task, which is why the first item in this section deals with some recommendations on best practices for overtime management. Our understanding from the police operations section of the EIP is that the Township's five year average overtime expenditure is 05.77% of the budget and that overtime costs have decreased from \$224,532 in 2012 to \$203,419 in 2016, a \$21,113 reduction. While such a reduction is good, the snapshots can be misleading and a closer analysis of those costs is recommended. This is a difficult task because overtime often involves so many issues including scheduling, sick leave, vacations, minimum manpower, policy and practice and Supervision/Command approval-oversight etc. The recommendations and best practices suggested in other portions of this section will help enhance the Township's control over

overtime costs, especially the avoidance of minimum staffing requirements, the use of part-time officers, the inclusion of time off in the calculation of overtime hours, and the permitted accumulation of compensatory time in lieu of overtime for extended periods of time past the time when the compensatory time was earned.

- ii. Each department should be allotted an overtime budget, if it has the need, but each budget must be carefully monitored and each Department head must seek prior approval for exceeding the allotted overtime budget. If such prior approval is not sought, the Department head must be held responsible for any overrun. The overtime practices of each department should be reviewed and all practices that result in unnecessary or excessive unplanned overtime should be addressed and eliminated.

M. Part-time Police Officers: Although it is my understanding that part-time officers are not utilized, the Township should consider that option. Regular part-time officers will become part of the bargaining unit and there is no distinction between the two groups in the current CBA. Although the obvious intent is for part-time officers to not receive the same pay and benefits as full-time officers, it is imperative that the CBA distinguish between the pay and benefits applicable to full and part-time officers. This can be done by making the distinction in every term of the contract or, more simply, defining the benefits that they will receive in one section.

The bargaining unit, which apparently is currently composed only of full-time officers, will undoubtedly want to negotiate and put limits on the use of part-time officers. They will also want to negotiate training and safety concerns, real or imagined, but all part-time officers should be adequately trained and must be properly certified. The Township will have to bargain over the terms and conditions of part-time officers, but it should resist restrictions that render the use of such officers impractical or not beneficial. We note that the current definition

of “Officers, Police, Policeman” could be interpreted to include part-time officers, if hired, and would have to be changed.

- N. Establish a Bargaining Pattern: To the extent possible, the Township should always try to set a pattern for collective bargaining across all Township CBAs and bargaining units. An attempt to obtain the benefit and compensation changes discussed above should be the focus. To achieve that goal, the Township should work with labor counsel to develop an acceptable and fiscally responsible collective bargaining strategy that sets a pattern for all bargaining units for the future. This pattern should start with non-unionized employees and then continue with all bargaining units. If the Township is going to rein in personnel costs, it does not have the leeway to expand or increase benefits, and this scenario must be highlighted and fully explained during negotiations. To further maintain flexibility, the Township should attempt to keep CBAs to a short term. This will allow the Township to continue to focus on and take the necessary steps to control its labor costs so it will avoid layoffs, the reduction of services and increases in taxes.
- O. Promotions in Police Department: The current language of Article II, Section XV provides that when a vacancy arises in a position that is subject to promotion, the Township “will” post and “will” fill the position within ninety (90) days of the posting. This provision also states that the promotion list “shall be good for one year.” The concern with this section is two-fold
- i. The language suggests that the Township must fill any promotional position. This is contrary to the managerial rights of the Township and should be changed. The Township decides the level of service and whether to fill a position. This change is important because the current language will make it more difficult for the Township to reduce the apparent overload in supervisory and command staff in the Department.
  - ii. The one year limit on the life of the promotional list is inconsistent with the First Class Township Code. The Code provides that the Civil Service Commission “shall certify for each vacancy the names of the three persons on the eligibility list who have received the highest average in the last

promotion examination held within a period of two years preceding the date of the request for the eligibility list.” 53 Pa. Stat. Ann. § 55642 (West) (emphasis added). The CBA language is inconsistent with the Code and should be brought into compliance. The Township’s Civil Service regulations also should be made consistent with the new language in the CBA.

- P. Indemnification: The Township provides indemnification and insurance for its employees, including its police officers. Such a benefit is appropriate, but the benefit in the WNTPA CBA is excessive. The Township should limit this benefit to only that required by law.
- Q. Regionalization and Shared Services: Although often politically and culturally unrealistic, regionalization and shared services should be considered. Whether regionalization is a realistic option depends on a variety of factors including the satisfaction within the potential member departments with current police service, the current cooperation between municipalities, the degree of concern and occurrence of overlapping law enforcement response, the costs of each potential member municipality, the feasibility of merging terms and conditions of employment in a manner that does not increase costs or result in the “best of the best” in terms of benefits and compensation, and the ability of the member municipalities to negotiate appropriate authority and controls for a new regionalized police commission. There are potential advantages and disadvantages to regionalizing or combining police services that would have to be reviewed. Any applicable collective bargaining agreement from the new regionalized service must be carefully analyzed, however, to determine if it would reduce City personnel expenses.

One issue that was beyond this Report was the review of job descriptions for each position. The Township should review each job description to insure that it is accurate. This analysis can also be used to insure that the Township is appropriately treating each position under applicable law in terms of pay (FLSA) and whether it is still properly within one of the bargaining units. In light of the high number of ranking offices in the police bargaining unit, and the recommendation above to reduce this number over time, probably through attrition, this

analysis could be particularly helpful in terms of the duties of any current or future command position in the police bargaining unit.

## CHAPTER 7 ECONOMIC DEVELOPMENT

The Township's economic vision is for West Norriton to become a retail destination by offering unique amenities in a smaller, more focused locale in contrast to large-scale, nearby shopping centers such as the King of Prussia Mall. Three project areas were reviewed to determine how they could be enhanced or broadened to provide true impact to their respective neighborhoods. The Township can use zoning, the movement of people, availability of local assets and funding options to provide these projects with more flexibility and thus allow them to create a broader and more robust tax base.

The Township is strategically located as the last community along the U.S. Route 422 corridor before the King of Prussia area. West Norriton has a solid tax base with many stable neighborhoods, two Industrial Parks for industry growth, large tracts of land for redevelopment, large areas of retail and service space, the Bretzwood Trail for outdoor recreation and West Norriton's most enviable asset — its location on the Schuylkill River.

There are three major areas of the Township that could be the focus of small business growth, each with its own flavor and character. Each could become a destination in its own right with amenities specific to that area.

### West Main Street Corridor Study Area

West Norriton has developed a Revitalization and Transportation Overlay Area that runs from Trooper Road to Whitehall Street over the commercially zoned properties on either side of West Main Street. The Township is interested in addressing blight, examining traffic calming tools and allowing for a walkable area within that overlay to encourage an inviting mixed use commercial/retail area that promotes a more so-called Main Street environment. In this case, Main Street refers to the successful preservation-based, economic and community revitalization strategy employed by the National Main Street Center. The strategy focuses on economic vitality, design, promotion and organization.

The Transportation and Revitalization Overlay is a large area in which to pinpoint a defined Main Street area. An ideal Main Street corridor covers only four or five working blocks to keep the amenities around public spaces and service/commercial businesses and to keep a neighborhood feel. An ideal area for this Main Street approach is off of a busy thoroughfare.

Usually the focus is on an already walkable neighborhood that can accommodate commercial/retail businesses. Side streets off of state roads or busy four lane streets work well to allow access but still promote a neighborhood feel.

The status, including public input, of the West Main Street Corridor Study, was reviewed with the Montgomery County Planning Bureau and its director, Brandon Rudd. Discussion concentrated on which areas along West Main Street would be ideal for a Main Street vision. Focus centered on a parcel that includes a strip mall with a large parking lot and the possibility of acquiring land in back of the strip mall. The land is now storage for cars and is privately owned. The proposed project area includes West Main Street and Potts Avenue.

Three themes from the study were presented to the Township and the public. Themes 1 and 2 are shown below but the discussion here will focus on Theme 3, which was favored by the Township. Theme 3 shows a mixed use building facing West Main Street with Potts Avenue as the side street. This area has good potential provided that the zoning is amended and the neighborhood along Potts Avenue is involved and part of this discussion. The existing neighborhood could also become part of the project with new sidewalks and trees installed where needed and benches placed along Potts Street.

The Planning Department developed Theme 4 to show how Potts Avenue could be the entrance to an enclosed, inviting public space for relaxing, perhaps for enjoying food and beverages from amenities within the complex. A movie theater could also be located here for entertainment. The larger building facing West Main Street should be mixed use with residential living as well as office space and retail space along the first floor.

In addition, elected officials pointed to the new Route 422 ramps that move traffic flow away from the central area of West Norriton, making it easier for residents in the southern part of the Township to access amenities elsewhere. West Norriton can create this Main Street corridor as a destination, drawing in people from the north and south.

THEME 1



Rendering courtesy of Kevin Chavous, MCPC Design Planner

THEME 2



Rendering courtesy of Kevin Chavous, MCPC Design Planner

THEME 3



Rendering courtesy of Kevin Chavous, MCPC Design Planner

THEME 4



Rendering courtesy of Kevin Chavous, MCPC Design Planner

THEME 4  
AERIAL VIEW



Rendering courtesy of Kevin Chavous, MCPC Design Planner

THEME 4  
POTTS AVENUE VIEW



Rendering courtesy of Kevin Chavous, MCPC Design Planner

### Objectives

- Develop an area that will support public space, commercial/retail amenities, and mixed use commercial/residential uses
- Allow for a more walkable neighborhood
- Keep neighborhood atmosphere while allowing for building expansion and business growth

### Recommendations

- Review zoning to allow apartment units within the Revitalization and Transportation Overlay.
- Review zoning to allow for mixed use buildings within the Revitalization and Transportation overlay
- Review zoning to allow for mixed use within the Revitalization and Transportation overlay
- Involve neighborhood in any discussion to incorporate into a Main Street project
- Work with private land owner to participate in the project
- Apply to the state's Department of Community and Economic Development Keystone Communities Program for possible Main Street project funding
- Work with the Pennsylvania Downtown Center for further ideas on starting a Main Street project
- Continue work with existing business owners in the area who may want to participate
- Invite new small businesses and boutiques interested in neighborhood commercial areas

### Riverview Corporate Center

Located to the south of the Township along the Schuylkill River, this large area is owned by a local developer and has had several starts over the years. It currently has a Keystone Opportunity Expansion Zone (KOEZ) designation that expires Dec. 31, 2019. Several presentations have been made as to its reuse. There is a townhouse development to the east of the property with full or almost full tenancy.

In 2014, the developer presented a new plan for housing units. That plan overbuilds the area with too much impervious parking space, negatively impacting water runoff as well as promoting suburban sprawl. Flood plain issues also affect this plan.

The expanse is perfectly located to draw outdoor recreation enthusiasts. With the recent grant award for the Bretzwood Trailhead and the growing use of the Valley Forge Park trail system, the Riverview Corporate Center area should be focused on millennials who rarely use a car, and who bike to work or to local amenities. Businesses that support trail use and outdoor recreation should be encouraged to locate there, such as bicycle retail and repair shops, bicycle and outdoor sportswear, coffee shops geared to trail users, and apartments that are market rate but affordable. With access to the river trail, more and more users would be drawn to that area. The corporate building that was once used as a recording studio could be an entertainment venue that would spawn eating and drinking establishments.

### Objectives

- Seek highest and best use for large parcel
- Develop strategy to make the area a destination
- Examine housing (other than townhomes) and small business opportunities
- Focus and build on existing assets: the Schuylkill River, Schuylkill River trail and Valley Forge Park

### Recommendations

- Discuss alternate project ideas with current owner prior to expiration of KOEZ
- Review zoning to allow apartments in this area
- Review zoning to develop Commercial/Recreational Overlay
- Limit surface parking to promote good storm water management and less reliance on vehicles
- Encourage small businesses and boutiques that promote outdoor recreational uses to locate in the project area
- Work with current developer to encourage small business development within the project area

### Barbados Island

Barbados Island is strategically located to the southeast of West Norriton, bordering on the borough of Norristown and Upper Merion Township. Although still owned by Exelon, discussions have been held with them as to the possible sale and reuse of the island. West Norriton could use the parcel for outdoor/river activities such as rowing, which has a popular following in many forms, with the most recent growth seen in dragon boating. Boat houses along the river towards Philadelphia are limited with high demand. Areas in which to practice, particularly for high schools and clubs, are also limited. A partnership among the three municipalities could produce a truly impactful project that would benefit all three. The island is in a flood plain so building and improvements should be carefully designed to allow for recreational uses while keeping the natural beauty of the island intact. Students have provided ideas and renderings to the Township for boating facilities and other amenities that could be incorporated into the island while preserving the nature there.

Exelon might be persuaded to become a partner or could donate the land to the Township via a land bank, thus allowing a charitable contribution. Enhanced access to would allow for more efficient use of the island. Rail line use would require a discussion with Norfolk Southern.

### Objectives

- Determine highest and best use for the island
- Promote partnerships with surrounding entities
- Build on island and the river assets
- Create another destination for West Norriton

### Recommendations

- Work with current owner (Exelon) on participation or land donation through a land bank
- Focus on river uses, such as rowing and dragon boating
- Build on targeted reuse by promoting businesses that support recreational reuse
- Encourage small business growth that will support recreational reuse
- Identify a large funding source through the Commonwealth Office of Budget Revitalization Capital Assistance Program, which supports job creation and regional approaches to economic development (See Appendix B)

- Work with the state Department of Conservation and Natural Resources to identify funding sources
- Work with the state Department of Environmental Protection for appropriate river activities and funding

#### Industrial Parks

The Township currently has two industrial parks that provide space for new business growth.

#### Objectives

- Increase tax base by encouraging larger businesses to locate in the Township
- Encourage new high-tech and research based businesses that would provide higher wages for local residents

#### Recommendations

- Retain marketer for the two industrial parks to focus on business growth
- Focus on high-tech, research companies and health care related services to provide for job creation with higher wages for local residents

## Housing

West Norriton has engaging, quiet neighborhoods for home ownership. Township housing units are 65.8 percent owner occupied. Households with only one person are a growing trend. Apartment units are limited within the Township to only six small zoning areas identified as A – Apartment. Communities that wish to grow their economies do so by also providing appropriate housing for all residents. A good variety in housing type and cost will provide that opportunity for those who work at retail malls within the Township as well as new commercial/industrial businesses, which are employing a younger demographic.

Workers in the retail and hospitality industries or those workers in an entry level position may drive from neighboring municipalities if housing options are limited. This puts pressure on their earning capacity as well as promotes vehicular use that only serves to increase traffic and pollution. Promoting a walkable community invites workers who will work, live and play in the same area, thus building a tax base for the community.

Mixed income neighborhoods, as well as mixed types of housing, also promote community and allow for a diverse group of residents within an area so that more residents can have access to all areas of the Township.

Developers should be encouraged to build housing in any one area for mixed income levels. This can be accomplished through discussions with the public as to the use of inclusionary housing for new developments and/or preferred developer status through points for mixed income housing and a variety of housing types.

## Objectives

- Increase tax base
- Increase population to provide more customers for businesses within the Township
- Create a walkable environment to entice workers to live in the Township
- Diversify types of housing to include more apartments for workforce, millennials and those who wish to downsize their current housing without home ownership
- Diversify neighborhoods to include a variety of housing types
- Provide access to all housing areas of the Township through mixed income developments

## Recommendations

- Review zoning to provide inclusionary housing in new housing developments such as Markley Farms and Westover Golf Course.
- Review zoning to include inclusionary housing for apartment unit projects to include a percentage of the units as workforce housing.
- Review new housing plans that may include points for a percentage of mixed income homes
- Review zoning to include apartments within the R-3 zones

### Community Center

In speaking to the Commissioners, the topic of a Community Center was discussed. The desire is to have a space for all children in the area to enjoy and grow the sports programs that the Township provides and to add new ones. Some properties have been identified but would require acquisition from the current owners.

### Objectives

- Provide an all-season space for area youth to enjoy
- Grow existing programs and add new ones
- Promote healthy, recreational alternatives for youth
- Engage community in a common project for youth

### Recommendations

- Identify partners, such as non-profit groups, that manage and provide sports programs to help with a joint opportunity for local youth
- Identify needs through a study of youth programs in the area
- Identify properties for a possible building project
- Identify existing buildings that could be reused for a Community Center
- Identify possible ownership besides the Township
- Develop capital campaign once site and project are identified and details finalized

## CHAPTER 8 ADMINISTRATION AND PUBLIC WORKS OPERATIONS REVIEW

### Administrative Review

#### Overview

West Norriton Township's administrative office includes the following full-time employees: a manager, a finance manager, an administrative assistant/secretary and a parks and recreation director. All administrative employees share office space in the Township building. These positions report directly to the Township manager.

The 2017 General Fund budget does not plan for any additions in administrative staff. There are several possible changes, however, that could strengthen the administrative office, more clearly distribute work load and provide backup when someone is unavailable. These recommendations will be discussed in the Staffing section of this chapter.

#### The Township Manager

The Township manager is appointed to the position by the Township Board of Commissioners and is delegated the responsibility of taking care of the day-to-day business of the Township. The manager operates under the directions and official actions of the Board of Commissioners. Among other duties, the manager directs and supervises the daily work of the administrative staff and coordinates the activities of all municipal departments.

#### The Expanding Role of the Township Manager

Serving as a Township manager in Pennsylvania is seldom, if ever, a 40-hour-per-week job. Increasingly, the manager is required to take on additional responsibility, especially when there is no plan to add other administrative staff (such as an assistant manager's position) as is the case at West Norriton. The administrative assistant/secretary, on occasion performs duties similar to an assistant to the Township manager. The current manager is highly regarded by the Department Directors.

**Major Responsibilities of the Township Manager in West Norriton Township**

<b>Role of the Township Manager</b>	<b>Specific Responsibilities</b>
<p>The Township manager works in tandem with the finance manager in day-to-day fiscal operations and other administrative duties</p>	<p>Monitors and oversees the budget process                      Conducts periodic reviews of expenses, revenue projections, and department compliance with the Board’s adopted budget                      Has the ability to mutually enforce budget decisions with the Board, police chief, Public Works director, and other colleagues</p>
<p>Begins the Township budget process in July/August of each year using ongoing information from monthly reviews of finances and operations</p>	<p>The Board (and its committees) and each Township department head participate in the budget preparation and such periodic reviews                      Helps all Township employees adjust to new financial and budget realities                      Keeps the Board informed of the Township’s fiscal health                      Eliminates the possibility of “unexpected surprises” at the end of the year                      Enforces budgeted expenditure levels on an ongoing basis</p>
<p>Working with Board of Commissioners, the current manager has established separate use funds, including the Capital Reserve Fund</p>	<p>Keeping the capital expenditures separate from the General Fund gives a clearer view of ongoing fiscal health, but is an additional responsibility for the manager                      Separate funds help bring the Township into compliance with generally accepted accounting principles</p>
<p>The manager attends/participates in regional meetings and represents the Township on various committees and activities where the</p>	<p>Groups established by Montgomery County, planning and development partnerships, committee meetings, and many more</p>

<b>Role of the Township Manager</b>	<b>Specific Responsibilities</b>
Township serves as host	
The manager is responsible to direct and provide leadership to all department directors	<p>The department directors are “seasoned staff” with the exception of the finance director who is a new hire.</p> <p>The newly hired finance director will need to work closely with the Township manager, which may result in distractions for the Township manager from day-to-day operations. These activities place additional burdens upon the time and staff resources of the Administration Department, resulting in long hours of work to attend to other essential duties</p>
Responding to government mandates	<p>Efforts demanded by additional mandates, especially those instituted by the state, generally fall upon the manager by default (an example is Right to Know responses)</p> <p>New mandates should be assigned to distribute additional workloads</p>
IT Support	The manager updates the website and posts Township news and updates on social media
Public Records Officer	The Manager serves as the Public Information Officer
Grant Writing	The manager writes many of the Township’s grants, however, the Township does utilize its engineer to write grants.

### The Administrative Assistant/Secretary

The full-time position of the administrative assistant/secretary includes a long list of responsibilities, which is not unusual for this position because of the unique needs of the Township. Responsibilities include:

- Board of Commissioners support
- Agenda Preparation
  - Prepares meeting minutes
  - Background research
  - Schedule and advertise meetings
  - Prepare reports including the annual report
- Prepares, tracks and fulfills public records requests
- Health insurance administrator
- Human resource management (benefit coordinator, insurance, pensions, disability and insurance claims)
- Coordinates building maintenance planning and scheduling
- Serves as assistant to the Township manager
- Office management
  - Mail distribution
  - Supply inventory and acquisition
  - Directs and coordinates tasks for administrative employees

### Finance Department

The Finance Department maintains the financial books and records of West Norriton Township. The departmental tasks are carried out by a finance manager, a bookkeeper, and one cashier (receptionist). The major areas of responsibility are:

- Preparation, monitoring and control of the annual budget
- Preparation of financial reports
- Payment of all Township bills and liabilities (accounts payable)
- Creation of all invoices for receipt of fees
- Receipt and deposit of all revenues of the Township except real estate and per capita taxes (accounts receivable)

### Planning and Zoning Department

West Norriton Township utilizes Montgomery County Planning Department for all its planning functions such as: sub-division, land development, etc. The Township utilizes a third party as its zoning officer. The role of the zoning officer is to enforce the Township's zoning ordinances.

### Code Enforcement Officer

The Township's Public Works Director also serves as the Township's code enforcement officer. The role of the code enforcement officer is to enforce the ordinances in the Township including monitoring property maintenance, solid waste removal and recycling, snow and ice removal from sidewalks, and nuisances such as accumulations of trash and debris, storage of junked or abandoned vehicles, dangerous structures, overgrown grass and weeds, and items that impact the health, safety and welfare of the residents and visitors of West Norriton Township.

### Building Codes Officer

The Township utilizes a third party to enforce the building codes within the Township. It is the responsibility of the Township building code enforcement office to administer the Pennsylvania Uniform Construction Code (UCC) adopted by West Norriton Township. All building code ordinances or portions of ordinances adopted before 1999, including the "BOCA Basic Building Code, 1990 Edition," which meet or exceed the requirements of the UCC, continue in full force and effect until such time as it fails to meet or exceed the minimum requirements of the UCC.

## Administrative Office Related Activities

### Budgeting

In hiring the current finance director, the Board was fortunate to find a person who has direct knowledge and experience with governmental budgeting and accounting processes. The finance director and the manager are currently responsible for coordinating the budget process, providing projections, analyzing past expenditure and revenue experiences, proposing the most efficient operations, and providing budget development to support operations.

### Park and Recreation Department

The Township's Park and Recreation Department provides many park services, facilities, and recreational programs for the residents of West Norriton and the surrounding municipalities. In addition to maintaining the Township's parks, the department organizes special events, year round sports and recreation programs for people of all ages.

The department is staffed by full-time parks and recreation director, full-time assistant and seasonal employees. The director is very successful at creating popular recreational programming. He also administers all the grants the Township receives for its parks. In addition, the director serves as project manager for park improvements. The focus, due to the staffing level, has been split between parks/infrastructure and recreation/programming. Additional discussion of the staffing for this department is in the Staffing section of this report.

### Administration Recommendations

West Norriton Township is facing financial and operational challenges similar to most municipalities in Pennsylvania. Because a majority of Township expenditures support its human resources, it is logical that the Commissioners review its current staffing and efficiencies.

### General Issues

#### Training, Competency, and Backup

A well-trained and competent workforce is the first tool needed for efficient Township staffing and subsequent operations. While efficiency is largely a function of providing adequate services with the least number of staff, it is also necessary to have well-trained staff functioning in the right positions. Put simply, the right *team* is needed to maximize the available resources of the Township when providing effective services for its residents. A secondary benefit is a Township team that works closely together, understands the roles of others, and can fill in for others as needed (this is especially important for West Norriton Township where staffing is already minimal). West Norriton has a considerable amount of long term staff that is very competent and dedicated to providing quality services to the public they serve. The Township has also experienced two new key staffers in the hiring of their manager and the finance director to the team. The staffs, both newly hired and long term, are consistently working towards

becoming a strong cohesive team as evidenced by their willingness to share information with one another as well as work together to improve efficiency within their respective departments.

### Position Review and Individual Job Descriptions

Competence is determined by the ability to fulfill the requirements of one's job description. The current job descriptions should be reviewed and revised to match current position requirements. Each job description should be prepared by an outside consultant or by the Township manager and the administrative assistant/secretary with the assistance of each department manager and employee. Every job description should be reviewed and revised to include all the job duties for each position that exists. Typically, the first four or five functions of the position account for 80 percent of the employee's primary job duties. The majority of the job descriptions do not reflect the core duties of each position in the order typically seen. Existing job descriptions should be voided as new ones are approved. The final version is then submitted to the Commissioners for approval. It is important that:

- Job descriptions refer only to a position and never an individual
- Only references to salary/benefits are part of the job description.

### Township Manager's Office

#### Township Manager

The Township manager does an excellent job and has the support of the Commissioners and the staff. It was noticed, however, that the Township manager is stretched very thin with all the responsibilities that rest on his shoulders. The position of Assistant Manager was eliminated by the Township. Without the position of assistant Township manager, the Township needs to clearly define who is responsible to take over the manager's duties when the manager is out sick or on vacation. In the case of West Norriton Township, the administrative assistant/secretary is relied upon to take over the manager's duties when the manager is on vacation or sick leave. However, this is not clearly defined in the Personnel Policy Manual and should be clearly defined as a matter of policy.

It is also recommended that the Township draft and adopt a new Personnel Policy Manual incorporating all the new revisions in labor law. The manual should be reviewed yearly to incorporate changes in the law.

It is also recommend that the Township manager provide cross training opportunities and that a successor plan for key people or for individuals with specialized skills be prepared and followed when necessary.

#### Administrative Assistant/Secretary

The administrative assistant functions as Township secretary. Typically, a Township secretary performs all the duties of taking meeting minutes, agenda preparation, and works at the pleasure of the Commissioners, providing administrative support to the Township manager and the Commissioners. During our review, the administrative assistant/secretary served as assistant secretary with the Township manager serving as secretary to the Township.

The Township should review this position. It is recommended that the administrative assistant/secretary be appointed as Township secretary and assume those tasks from the manager. In addition, the Township should hire a part-time person to act as a “floater” to assist in the administrative office. This position can also fill in for the receptionist or clerk when there is an absence due to sickness or vacation. The floater can also assist the administrative assistant/secretary. Hiring a floater can allow the administrative assistant/secretary to focus on many of the larger tasks such as human resources, insurance and meeting preparation.

In order to increase efficiency and streamline tasks of the administrative assistant/secretary, it is recommended that the Township move away from paper agendas to electronic versions through the purchase of lap top computers or I-Pads for the Commissioners. Civic Plus (the Township’s webpage administrator) offers a module for Board meeting packets called Agenda Setters. This alleviates the cost and time required to print the packets and deliver them.

#### Finance Office

The Township’s Finance Office has a newly hired one full-time finance director and one full-time bookkeeper. Backup and training for this department is provided by the Township manager, conferences such as GFOA, and other networking opportunities. The new director has many years of municipal accounting and finance experience. This is the ideal time for the Township to

streamline its efficiency and improve communication between finance and other departments. Policies and procedures for purchasing, credit card usage, invoices, and purchase orders should be reviewed, revised or drafted where necessary and enforced.

At the time of this report, the director and bookkeeper had many difficulties with the current software. The software is not fully integrated. The Township should purchase an accounting software package that provides a module to integrate the finance department with the other departments. The difficulties the staff is encountering with the current software is taking up an unusual amount of their time and slowing their efficiency. The proper software package could alleviate frustration and maximize the efficiency between the departments. The Township should review and budget for the purchase of a new accounting software package.

The Township should adopt a fund balance policy. The finance director and the Township manager can work with the Commissioners on a policy that would address the specific needs of the Township. Drafts of fund balance policies can be found at GFOA or other municipalities.

Training of core competencies for finance staff should be encouraged. Oftentimes, if staff is long term hires, they become complacent and may be resistant to new technologies and procedures. The finance department staff should attend GFOA and/or Pennsylvania Municipal League trainings offered throughout the year. The trainings are reasonably priced and employees often benefit through the networking opportunities that training provides.

Finally, the Township should consider outsourcing the sewer billing to maximize efficiency.

### Parks and Recreation

#### Structure

The basic services provided by parks and recreation are maintenance, development and expansion of the Township's parks and the development and expansion of recreational opportunities for the Township residents and others. Park maintenance employees are under the direct supervision of the Public Works director and work in the Public Works Department. The maintenance employee is shared with Public Works.

While the parks and recreation director does an excellent job of creating and overseeing the recreational programs of the Township, there is limited staff to expand the program. It is clear that the manager needs additional, competent help to assist with the recreation side of the department. The Township should consider changing the structure of the department by hiring a

part-time employee or an intern to concentrate and assist with recreational programming. An emphasis on expanding recreational programs can be structured so that fees collected for the programs would pay for the salary of this new position. This position is best suited for a college intern or a teacher who is looking for summer work. Often, interns provided by the schools are students in their junior and senior years of their education and can offer the Township expertise that is needed at a greatly reduced cost and a limited time frame. An intern could also be assigned to assist the parks and recreation director accomplish a particular special project without having to hire a competent individual on a permanent full-time basis. The addition of a part-time recreation programmer, or partnering with the school district or neighboring municipalities, may also increase recreation programs and revenues.

The Township should consider hiring a full-time maintenance employee for the parks. At the present time, the Parks Department shares the maintenance position with Public Works. A shared position often results in routine maintenance not getting done, such as playground inspections. A full-time maintenance person would provide more availability and would report directly to the parks and recreation director.

In the event that the Township does not wish to increase the staffing in the Parks and Recreation Department, the Township should explore the potential of a partnership with the School District's Athletic Director to assist and provide recreation opportunities to the residents of the Township and surrounding municipalities.

The Township should reach out to neighboring parks and recreation programs to streamline recreational programs and reduce the amount of duplication that often takes place when neighboring municipalities offer similar programs. In so doing, each municipality would actually be making their particular recreation programs more appealing by offering programs that they may not have had the opportunity to offer due to the removal of duplicate programs that may be in competition. Partnering with the neighboring municipalities should strengthen the quality of the recreation programs and possibly increase revenue to the Township.

### Golf Course Grounds Department

Jeffersonville Golf Course is an 18-hole, par 70 public golf course that is owned and operated by West Norriton Township. West Norriton Township purchased the golf course in 1972. The golf course was opened in 1931 and was designed by the well-known architect Donald J. Ross. The Jeffersonville Golf Course underwent a restoration project in 2000 under the design of architect Ron Pritchard. The golf course is enjoyed by residents of West Norriton and the surrounding municipalities.

Jeffersonville Golf Course Grounds Department provides maintenance services for the grounds and related equipment. There is one full time grounds supervisor who prepares (in cooperation with the Township manager) and oversees the budget, staff, and schedules all maintenance on the grounds. The grounds supervisor is successful at maintaining the golf course grounds with the budget and staff available. At the time of this interview the staffing level consists of four full-time (including supervisor) employees, including two laborers who are foreman, certified sprayers, and maintain the grounds to include the irrigation systems. There is also a full-time mechanic who repairs and maintains all equipment such as mowers, trimmers, and all 72 golf carts and related equipment. The department also consists of five seasonal employees. Of those, one works from mid-March to mid- November, two from mid-March through December, and two from June through August. Staffing is adequate to maintain the grounds; however, certain maintenance tasks (i.e. bunker maintenance) get placed on a lower priority or do not get the level of attention they should due to lack of available staff. The department assists the Public Works Department from time to time, as well as receives assistance from Public Works when extra help is needed. The departments communicate and work well together.

The equipment has been updated and replaced in recent years since the manager was hired. Golf carts are being replaced on a scheduled rotation. Between the efforts of the mechanic maintaining the equipment and the support of the manager in replacing old equipment, the golf course equipment is adequate.

The Township should be pleased that the efforts of the grounds staff have not gone unnoticed. Jeffersonville Golf Course has received recommendations from Golf Digest as one of the nation's top 25 affordable courses. Jeffersonville Golf Course also has ranked as one of the top three golf courses in Pennsylvania for three years in a row.

### Public Works Department Overview

A municipal department of public works is one of the most visible presences of local government to the local population and provides many of the services upon which the local population is reliant. The public works department maintains municipal government infrastructure, buildings, parks, playgrounds, sewers, storm water facilities, traffic signals, street lights, and fire hydrants. The public works department provides services that are critical to the health, safety and welfare of a community including snow removal, street sweeping and leaf removal, refuse collection and disposal, recycling, traffic signal maintenance, street maintenance and line painting. The public works department also assists in extreme weather events that bring down trees, flood streets and sidewalks, cause storm and sanitary sewers to back up and overflow, and cause traffic control devices to malfunction.

The goal of an effective and efficient public works department is to maintain municipal resources at a high performance standard, which requires a commitment of resources and support by elected officials and taxpayers. Failure to appropriate adequate resources will result in frustration for residents, elected officials and the public works staff. It will also likely result in higher costs and heightened liability.

### Personnel, Workforce, and Resources

West Norriton Township uses a combination of outsourcing and in house delivery of its public works services. There are many reasons why a municipality might choose between outsourcing and providing the service in house. Some of the factors are cost, availability of tools/equipment, expertise, certification and licensure, and inadequate demand to warrant hiring employees.

The in-house public works staff consists of eight regular full-time positions: the director of public works, a foreman and assistant foreman, four laborers, and a mechanic. Five public works employees hold commercial driver's licenses. Additionally, the Township hires seasonal employees for specific tasks. The public works director, who also serves as the director of planning, reports to the Township manager. The Township maintains a functional safety committee operated in concert with its workers' compensation carrier. The committee conducts periodic evaluation of various work sites to identify hazards and develop recommendations to

improve safety. Moreover, the maintenance of a functional safety committee earns the Township a 5 percent discount on its workers' compensation premium.

One concern is the lack of public works job descriptions to guide the employees and management on issues of accountability and performance improvement. This issue will be addressed in more detail in the discussion and recommendations section.

### Public Works Functions, Tasks and Responsibilities

#### Streets

Care of municipal streets is a major function of the public works department. The tasks involved include street sweeping, snow removal, line painting, traffic signal maintenance, structural and surface maintenance repair and replacement, street lights and more. The public works department cares for 38 miles of Township streets and over 12 miles of state roads. For 2017, the Township has budgeted over \$800,000 for labor and materials to care for streets. Seasonal Street Maintenance: Three significant seasonal street maintenance tasks are street sweeping, leaf collection and snow removal. Snow removal is performed during the late fall, winter, and early spring depending upon the weather. The Township provides snow removal in a hybrid mode using both in house staff and outsourcing. The Township budgets \$27,650 for outsourced snow removal and about \$25,000 per year for winter road material. Five of the Township public works employees also hold CDL licenses. The labor costs for in house snow removal depends on the severity of the weather.

Street sweeping begins in April or May and ends sometime in October. Both dates are dependent upon the condition of the streets and the weather. One public works employee operates the 50-mile street sweeper route, making as many circuits of the route between April-May to October as time allows. The Township may be able to complete more circuits if restricted parking zones were implemented. However, the prevalence of residential off street parking could limit the increase. In addition to the esthetic and health benefits of street sweeping, the Township receives credit on its MS4 permit for reducing the chemical and particulate matter that drains into the watershed.

Leaf collection runs from October through the second week of December. The Township also collects tree branches once per month from April through September. Information for

residents regarding leaf and branch collection is posted on the Township's web site. Finally, the Township collects Christmas trees during the month of January. The Township budgeted \$10,500 for these collections in 2017.

### Traffic Signals

The Township hosts 38 miles of streets. Throughout the Township there are 19 signalized intersections that are equipped with battery and generator backup. Higgins Electric does the annual inspections and responds to calls for malfunctions. For 2017, the Township has budgeted \$20,000 from the liquid fuels fund for traffic signal maintenance and repair.

### Street Lights

The Township has 899 municipal-owned street light fixtures. Prior to 2014, the light fixtures were a combination of mercury vapor, metal halide, high pressure sodium, and incandescent. This technology uses a high level of energy and at least three of them provide distorted color rendering. In 2014, the Township began the process of replacing the current fixtures with LED fixtures. LED lighting is energy efficient, longer lived than other technologies and provides accurate color rendering light. Accurate color rendering is valued by law enforcement.

In 2013, the Township budgeted \$238,747 in the liquid fuels fund and \$36,192 in the general fund for a total of \$274,939 dedicated to energy costs and maintenance of street lights. After completion of the LED conversion, the Township budgeted \$90,000 for energy and maintenance of the same 899 street lights, a significant technology improvement and cost reduction.

### Line Painting and Street Signs

Street lines and traffic signs are key elements in facilitating a safe traffic flow. With changes in environmental laws and mandated changes in chemical compounds in paint used for street lines, the material is less weather proof and thus fades faster. Consequently, street line painting is an annual activity. Street signs are impacted by the same issues as street lines thus requiring more frequent replacement. The Township purchases replacement signs from an outside source. The Township budgeted \$7,000 for street sign replacement in 2017.

### Street Restoration Program

Each year the Township Board of Commissioners reviews a street restoration program recommended by the Township manager. After evaluation and modification, if warranted, the proposed program is approved by the commissioners. A notice is posted on the Township website and in the newspaper listing the streets to be restored and an estimated timeline for completion. The notice also provides instructions, plans and warnings for parking, street access, and safety. For 2017, the Township has budgeted \$100,000 for the street restoration program. The Township is developing a two-year street resurfacing plan to be implemented in 2018.

### Maintenance of Buildings, Facilities and Grounds

The Township owns \$16 million of real and personal property, the majority of which is maintained by the public works department. The real property consists of buildings and land, while the personal property consists mainly of pumping station equipment. The Township owns and maintains 11 pumping stations for the sewer collection system. The Township golf course buildings, Jefferson Fire Station, and the Township Municipal Building represent about \$10 million of the Township real property. All HVAC maintenance and repair for municipal buildings is outsourced.

The Township employs two seasonal employees, 40 hours per week each, to mow 18 acres of land, including Township building sites, recreation facilities, and storm water retention. Sites are mowed one to two times per week depending on weather. One regular Public Works employee works on golf course maintenance and mows grass there. Annual cost of grass mowing, except for the golf course, is about \$32,000. The Township is studying outsourcing grass mowing.

### Storm Water Infrastructure

The Township maintains separate sanitary and storm water collection systems as mandated by the MS4 requirements for municipalities of less than 100,000 people. The Township is mandated to reduce the load of phosphorus and particulate material and other pollutants carried by the storm water that is released to the waterways of the Commonwealth. The Township is mandated to accomplish this through storm water management practices and public education.

Some storm water management practices encouraged by the Commonwealth include street sweeping, rain gardens, and storm water retention structures. The Township maintains storm water inlets that accomplish both traffic safety and directing runoff into the storm water sewer system. Most runoff that goes into the sewer system is deposited into a stream or creek through an outfall that is also maintained by the Township. The Township maintains other structures that facilitate storm water leaching into the ground rather than becoming runoff that can cause flooding and ultimately ends up in the local waterways. Maintaining retention structures includes regularly mowing the grass.

Much of the Township's storm water infrastructure is old and in disrepair. The MS4 mandates have the potential to impose significant cost burdens on local municipalities. It is probably in the long term interest of the Township to develop a plan for phasing in the upgrade and improvement of the legacy storm water infrastructure.

The Township administers a storm water permit system. Any construction requires a storm water permit. The permit system is designed to control construction and post construction run off in new development and redevelopment, to detect and eliminate illicit discharge, to promote public education, outreach, participation and involvement, and to encourage good housekeeping for municipal operations and maintenance.

#### Refuse Collection and Disposal and Recycling

Township ordinances mandate that all residents and commercial, industrial and institutional establishments shall contract with a private hauler for municipal waste and recyclable collection and disposal. Periodically the Township issues a Request For Proposals for those services. Upon evaluation, several companies are "licensed" by the Township to contract with the above described residents and establishments to provide the mandated services. The residents and other establishments select a company from the list of licensed companies to provide the services. Receptacles for recycling are required to be so marked and all are mandated to separate recyclables from waste. When the program began all residences were issued recycling containers. Now residents can either buy a recycling container from the Township or obtain one from their hauler. Haulers bill their customers, collect the fees, and administer their customers' accounts. This process relieves the Township of the administrative

and cost burdens incurred by municipalities that contract with a hauler to serve the whole municipality.

Three municipalities, West Norriton and East Norriton townships and the Borough of Norristown, jointly initiated a leaf composting facility in 1989 located at the Norristown Farm Park. A Township ordinance mandates that residents separate leaves from the municipal waste stream and prepare them for collection by the Township. The Township collects approximately 4,500 cubic yards of leaves from October to December and deposits them at the composting site. Two sites are operated: one for East Norriton and one for West Norriton and Norristown. Pursuant to the terms of a contract amongst the three municipalities, East Norriton operates both composting sites.

### Discussion

West Norriton Township is very well managed. Management is progressive, forward thinking and driven by the goals of efficiency, effectiveness and provision of the wide array of services that make for a high quality of life. Maintaining a healthy economic demographic while integrating population growth evidences the Township's desirability as a residential and business community. All levels of the Township's management team are proficient in their respective discipline. The department managers explore opportunities for cost savings and quality improvement and should be encouraged to continue along the path they are following. The Board of Commissioners is mindful of their oversight of management and their willingness to let professional managers manage. Of course, there are always areas where improvements can be made that will further enhance the quality of the municipality.

A significant gap in management tools is the lack of job descriptions. Employee accountability and performance improvement starts with the job description. Hiring and promotion should be based upon a comprehensive job description that provides the reporting relationships, examples of typical tasks, a list of knowledge, skills and abilities, education requirements, licensure and certification requirements, and the physical demands/abilities. Compensation should also tie into the job descriptions, and both should tie into a rational compensation scale that has been developed through a market study. Human resources is an area of significant liability exposure.

An issue that the Public Works director raised is the struggle to "get things done." From the discussion it appears that staffing limitations, seasonal demands, and a lack of a work

prioritization policy, frustrates the ability of the director and staff to schedule and complete work. A wet summer means that more time of regular full-time employees must supplement the efforts of the seasonal employees for grounds keeping. A work request from the police department is assumed to take precedence. Hence it is difficult for department employees to complete tasks.

The Public Works director and the Township manager both reported that they were studying outsourcing grass cutting/landscape management. The Township is responsible to care for 18 acres of land, grass cutting, cleanup, hedge clipping weed whacking, etc. The Township also cares for the storm water management structures such as retention and detention ponds, rain gardens, storm water swales along the roads, etc. If these structures are not maintained by mowing and cleaning, they become ineffective and could potentially result in liability to the municipality imposed by the U.S. Environmental Protection Agency. One Public Works employee is shared with the recreation department, two full-time seasonal employees are dedicated to grass cutting/landscaping, and when landscaping demands are so great the regular full time employees in Public Works are pulled off their tasks to help with grass cutting, etc. The Township should issue a bid specification for all grass cutting and landscaping for all Township land (excluding the golf course)to include parks, recreation and playgrounds, lands on which municipal facilities are located and all storm water management structures, swales and retention/detention ponds

The Township employs a number of different planning tools to maintain the assets and infrastructure of the community. Planning for maintenance, repair and replacement of Township assets starts with a comprehensive inventory to include: vehicles and equipment, facilities (such as parks, playgrounds and pools), buildings, such as the administration building, police department buildings and facilities, Public Works shops, garages, community centers, traffic signals, street lights, storm water facilities, sanitary sewer system facilities and any other equipment or structures where proper functioning promotes the health, safety and welfare of the community.

For each of the foregoing the following an analysis should be performed and the results should include: a condition analysis, a life expectancy analysis, replacement cost estimate, a funding plan, a priority assessment, a review of potential cooperative arrangements with other municipalities or a council of governments, the potential role of leasing and outsourcing, a long-

term capital replacement plan, and a long-term infrastructure maintenance, repair and replacement plan, and a ten year street reconstruction program. Finally, there should be a written maintenance schedule from oil changes to roof/gutter cleaning to window washing. The preparation of the initial asset management plan is time consuming and labor intensive. Once the initial asset management plan is created, the next tasks are to fund it and update the plan as tasks are completed. An asset management plan can facilitate planning for important future needs such as repair and replacement of storm water management infrastructure.

## CHAPTER 9 OBSERVATIONS AND RECOMMENDATIONS

### Introduction

While West Norriton Township's General Fund experienced surpluses throughout most of the historical review period, the Township faces fiscal challenges ahead with projected growing annual deficits after 2018 unless steps are taken to control expenditures, and provide sufficient revenues.

The largest cost increases are anticipated in pension, employee benefits and the Police Department. Labor recommendations in this chapter are designed to assist the Township in controlling those expenditures.

In terms of revenues, money collected from the designated debt service millage exceeds the amount that the Township currently requires to pay debt service for both its General Fund and Golf Fund, resulting in surpluses to the restricted-use Sinking Fund. The Township is considering changes to the debt service millage to more closely align the revenue with the expenditures.

The Township is in the process of updating its banquet and other facilities at the Jeffersonville Golf Course with the expectation that it will increase revenue. The golf course has run deficits since 2012. Projections indicate that the golf course does not generate enough revenue to pay its own debt service and maintain anticipated capital reserves without running a deficit in the Golf Fund. In addition to the facilities upgrade, the Township should consider other recommendations in this report, such as exploring a concession, lease or sale of this asset, to increase revenue related to the course.

Another challenge facing the Township is wastewater treatment. The Township's sewer conveyance system generates sufficient revenues and, following an allocation study, reimburses the General Fund for appropriate costs incurred by the Township for administration and other sewer-related expenditures. However, the Norristown Municipal Waste Authority's Wastewater Treatment Plant, which treats the Township's wastewater, needs extensive upgrades or replacement. In the absence of a comprehensive solution to wastewater treatment, and in light of increasing regulatory restrictions on effluent, the future capacity of the current plant is limited. This will have a detrimental impact on future residential and commercial development in the Township and will likely require greater resources from the Township to supply capacity for

Township growth. Recommendations to address this situation include pursuing studies of whether the Township should consider building a new treatment plant or investigating other options such as concession, lease or sale of the sewer assets.

Regarding Township operations, the Township is in need of job descriptions, a personnel policy manual, and technology upgrades, among other recommendations. This report also provides guidance for various economic development strategies designed to strengthen the Township’s tax base in three locations: the West Main Street Corridor, the Riverview Corporate Center and Barbados Island. Economic development approaches are also outlined for a community center, the industrial parks and housing.

The Pennsylvania Economy League advises the Township to seek Early Intervention Plan (EIP) Phase II funds for the recommended initiatives as outlined in the remainder of this chapter. Recommended target dates for initiatives are immediate, short term (one to two years) and long term (two years or more)

**RECOMMENDED INITIATIVES**

**FINANCE**

<b>FIN 01:</b>	<b>Eliminate use of the term depreciation in financial statements.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Clarification and planning of fund balance

- The Township is attempting to set aside an assigned fund balance to be used for future equipment acquisitions by using a depreciation category. The set aside amount is really a part of fund balance. The Township should discuss with its auditors a method to track and/or reserve such amounts without the use of depreciation.

<b>FIN 02:</b>	<b>Continue to budget/develop Sewer and Golf Funds as governmental funds.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

- Generally accepted accounting principles (GAAP) require municipalities to account and report their financial data for business-type activities in a manner similar to a private sector business instead of a general governmental activity. However, many municipalities’ budget and account for their business activities as if they were a general government activity. The Township currently presents its sewer and golf operations (business activities) in a governmental accounting manner. The auditors should convert this to a full accrual business basis at year end.

<b>FIN 03:</b>	<b>Unless prohibited by loan agreements, consider converting debt service millage to general purpose millage.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Increases General Fund revenues

- It is PEL’s understanding that this issue will be resolved in the 2019 budget by eliminating the 0.847 debt service millage and increasing the general purpose millage from 3.36 mills to 4.207 mills.

<b>FIN 04:</b>	<b>Place bond/note proceeds in appropriate fund.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Brings funds into compliance with GAAP

- The Township should put bond/note proceeds into the General Fund for government activities, the Sewer Fund (for sewer activities) and the Golf Fund (for golf activities).

<b>FIN 05:</b>	<b>When initiating debt drawdown, have specific supporting schedules to indicate drawdown policy and a summary of transactions.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides budget and accounting clarity on status of debt proceeds

- Supporting schedules provide a historical documentation to the reasons and actions that facilitate audit reviews.

<b>FIN 06:</b>	<b>Verify that fund transfers match for relevant funds.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Lessens possible transmittal errors

- The Township should verify that Transfers In and Out of funds correspond to the relevant funds. This verification should include both actual transactions and for each year’s budgets. The Township should maintain consistency in the number, purpose and transactions for each fund and among funds.

<b>FIN 07:</b>	<b>Prepare, present, and explain monthly financial reports to the governing body.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

- The Township Commissioners’ should have timely financial reports to monitor the Township’s financial progress and to make informed decisions. The Township should prepare monthly financial reports to the Board of Commissioners that include actual results to budget, income statements and balance sheets.

<b>FIN 08:</b>	<b>Prepare monthly cash flow estimates.</b>	
	Target Date:	Immediate
	Responsible Party:	Finance Administrator/Finance Dept.
	Budget Impact:	Prevents excess budget expenditures/inability to meet commitments

- Cash flow is the money that flows into and out of the Township as it conducts business. A regular cash flow report is a valuable tool to determine whether there is enough cash to cover upcoming Township expenses. The Township should prepare monthly cash flows to determine if cash reserves are sufficient for upcoming expenses.

<b>FIN 09:</b>	<b>Have a third party review account transactions to ensure accuracy.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

- The Township should consider retaining a financial and accounting consultant to provide regular financial record keeping review and assistance to the Township. This review can be performed monthly or quarterly and will ensure that the Township’s recordkeeping is accurate and will provide staff with a professional resource for questions and training.

<b>FIN 10:</b>	<b>Develop detailed spreadsheets in support of each year’s budget especially for personnel wages and related costs including any allocation among funds.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

- Detailed spreadsheets facilitate understanding of relevant revenue and expenditure items. The Township should develop detailed spreadsheets that include detailed personnel rosters with current wages, benefits, bargaining units, healthcare coverage, etc. to assist with preparing subsequent year’s budgets

<b>FIN 11:</b>	<b>Develop a policy to determine the minimum amount of unassigned fund balance that should be maintained each year.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides for future financial stability

- The Township should establish a formal policy on an amount of unrestricted fund balance that should be maintained for the General Fund. The policy should be set by the Board of Commissioners and include a process for how the Township would increase or decrease the level of unrestricted fund balance. The recommended amount of unrestricted fund balance should be a minimum of no less than two months of regular General Fund operating revenues or regular General Fund operating expenditures.

<b>FIN 12:</b>	<b>Develop a policy for investments that is approved by the governing body.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Greater safety and understanding of investments by governing body

- The intent of an investment policy is to define the parameters within which funds are to be managed. The Township should develop an investment policy that conforms to the First Class Township Code that effectively and judiciously manages the Township’s general funds.

<b>FIN 13:</b>	<b>Develop a five-year capital plan for all governmental activities.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Capital planning is an important component of a municipality’s ability to continue to provide services. A prudent multi-year capital plan will identify and prioritize the Township’s capital needs and will establish projected costs and identify funding sources. From this overall capital plan the Township should develop annual capital budgets with projected revenues and expenditures.

<b>FIN 14:</b>	<b>Develop a five-year capital plan for each enterprise fund.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Along with developing a capital plan for governmental activities it is equally important that the Township develop capital plans for its sewer and golf operations. A capital plan for the Township’s enterprise funds should emphasize resources to meet debt obligations, major repairs and possible program enhancements. From these capital plans the Township should develop annual capital budgets with projected revenues and expenditures.

<b>FIN 15:</b>	<b>Continue to have an annual full audit.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides better understanding of Township finances and budgets

- Prior to 2015, only the Department of Community and Economic Development report was prepared. The full audit now prepared provides much greater detail and explanation of the Township’s accounting and financial transactions.

<b>FIN 16:</b>	<b>Review policies and procedures for purchasing, credit card usage, invoices, and purchase orders.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township’s Finance Office has a newly hired full-time finance director. This is the ideal time for the Township to streamline its efficiency and improve communication between finance and other departments.

<b>FIN 17:</b>	<b>Seek Phase II EIP grant for the purchase of a new accounting software package.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Enhances efficiency and reliability of financial reports

- At the time of this report, the director and bookkeeper reported many difficulties with the current software. The software is not fully integrated. The difficulties the staff is encountering with the current software is taking up an unusual amount of their time and slowing their efficiency. The proper software package could alleviate frustration and maximize the efficiency between the departments.

<b>FIN 18:</b>	<b>The finance department staff should attend trainings throughout the year.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Training of core competencies for finance staff should be encouraged. The finance department staff should attend GFOA, or Pennsylvania Municipal League trainings offered throughout the year. The trainings are reasonably priced and employees often benefit through the networking opportunities that training provides.

<b>FIN 19:</b>	<b>The Township should consider outsourcing sewer billing.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township should consider outsourcing the sewer billing.

**DEBT AND ASSETS**

<b>ASSET 01:</b>	<b>Continue to monitor the Township’s debt structure for cash saving opportunities.</b>	
	Target Date:	Short Term (Ongoing)
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Potential expenditure reduction

- The Township should continue to monitor and review its debt structure on an ongoing basis.

<b>ASSET 02:</b>	<b>Seek a Phase II EIP grant to continue to explore feasibility of constructing a new wastewater treatment plant.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Presently, the Township owns and operates the sewer collection and conveyance assets in the Township. All wastewater generated in the Township is conveyed for treatment by the Township’s Sewer Assets to a Wastewater Treatment Plant (“WTP”) located in Norristown and owned and operated by the Norristown Municipal Waste Authority (“NMWA”). The challenges facing the Township relating to its wastewater system stem in large part from the fact that NMWA’s WTP is in need of extensive upgrades or replacement. The Township should consider developing a request for information and ideas relating to its sewer assets and circulate it to regulated utilities and other interested parties. The request for information should ascertain whether construction of a new wastewater treatment plant within West Norriton, for West Norriton and Norristown, or solely for West Norriton, can be accomplished in an economical fashion at this time.

<b>ASSET 03:</b>	<b>Seek a Phase II EIP grant to explore the feasibility of monetizing the Township’s wastewater collection and conveyance system</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Should the Township decide not to construct a new wastewater treatment plant, the Township should consider entering a concession agreement or an outright sale of its sewer assets. By monetizing its sewer assets the Township will receive cash proceeds upfront or made available over a certain period of time.

<b>ASSET 04:</b>	<b>Seek a Phase II EIP grant to explore feasibility of entering an operations and management contract for the Jeffersonville Golf Club.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township should explore a solicitation of private golf management companies that would be interested in entering into an operations and management contract (“O & M Contract”) to manage and operate: a) the Golf Club, b) the banquet facilities, or c) the

Golf Club, banquet facilities and all other facilities. O & M contracts generally allow a contractor to manage a range of activities and for a short term (two to five years).

<b>ASSET 05:</b>	<b>Seek Phase II EIP grant to explore the feasibility of monetizing the Jeffersonville Golf Club.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township’s General Fund has been subsidizing the Golf Fund for several years. Over the past two years the Township has financed major capital investments in the Golf Club thereby significantly increasing its annual debt service. The increased debt load on the Golf Club together with the lack of profitability of the operations places the Township at some financial risk. The Township should evaluate the benefit of developing a request for information and ideas relating to the golf assets and circulate it to banquet management companies and golf course management companies to ascertain whether a concession agreement or sale might be desirable for the Township.

**LABOR**

<b>LABOR 01:</b>	<b>Compare the price and quality of Township healthcare provider on a periodic basis.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	Cost control

- The Township’s healthcare costs are a significant cost driver. These costs are only compounded by the offering of post-retirement healthcare benefits for police and non-uniformed personnel. The Township has many options for shopping its healthcare business. There are a number of quality brokers, several insurance consortia and trusts that have helped other public employers reduce healthcare costs.

<b>LABOR 02:</b>	<b>At a minimum, maintain the current level of employees' healthcare cost sharing payments.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

- Employee cost sharing payments help defray the expensive nature of healthcare benefits provided by the Township to its employees and their families. These payments assist the Township and the taxpayers with the expense of providing healthcare to Township employees.

<b>LABOR 03:</b>	<b>Evaluate a health plan redesign and consider offering buy-up options.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

- A less expensive health plan can be offered for a standard cost sharing amount to all employees. Alternatively, a more costly health plan can be offered in addition to a less expensive health plan. Employees who want the more expensive plan would pay the standard cost sharing amount plus the difference between the less expensive plan and the more expensive plan (the "buy-up"). In addition, similar buy-up options can be considered for offering coverage for employees only and family members. The multiple options would allow the Township to provide several plans with different plan designs from which the employees can choose depending upon their needs and cost sharing preferences.

<b>LABOR 04:</b>	<b>Evaluate a defined contribution approach to healthcare benefits.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

- The Township could provide a sum certain or stipend to employees to purchase the benefits they choose from the options offered by the Township. The stipend should be the

maximum that the Township would pay for health benefits for each employee, regardless of the plan chosen by the employee.

<b>LABOR 05:</b>	<b>Seek to prevent imposition of the so-called Cadillac Tax on healthcare benefits.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

- The “Cadillac Tax” included in the Patient Protection and Affordable Care Act (Affordable Care Act), is still a reality as of the date of this report and cannot be ignored. The Cadillac Tax imposes an annual 40% excise tax on plans with annual premiums exceeding \$10,800 for individuals or \$29,500 for a family starting in 2020, to be paid by insurers. Unless the Township changes its benefits, the existing Cadillac Tax is likely to become a reality for the Township and its taxpayers. The Township should insist on a change in healthcare benefits to prevent the imposition of a Cadillac Tax on the Township and its taxpayers.

<b>LABOR 06:</b>	<b>Provide a definite date for the termination of insurance benefits.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

- The Township currently maintains all insurance benefits “in full force and effect” until a police officer returns to full-time status regardless of the duration of a leave of absence. This is an overly broad provision that could significantly impact the ability of the Township to manage its costs during an extended leave of absence. It goes far beyond the obligation imposed under the Family and Medical Leave Act (FMLA) to the extent Township employees are eligible for such leave.

<b>LABOR 07:</b>	<b>Seek a Phase II EIP grant to conduct a compensation and benefits analysis of each bargaining unit.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township should conduct an analysis to determine the total level of benefits provided to each bargaining unit, including the cost of compensation. The benefit analysis should calculate all compensation and benefits to current employees including all insurances, longevity, uniform stipends and reimbursements, pension contributions, all accrued leave and the eligibility criteria for any benefit. Only by calculating the value of such benefits will the Township, its taxpayers and its employees fully understand the cost of an employee and the value received by employees as a result of his or her employment with the Township.

<b>LABOR 08:</b>	<b>Review the Other Post-Employment Benefits offered to employees.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Other Post-Employment Benefits (OPEB) are benefits received by an employee at retirement. The most common OPEB is payment of healthcare premiums (medical, dental, prescription, etc.) and deferred-compensation arrangements. The Township should review the annual expense of its OPEB liabilities to current retirees and continue to analyze the cost/benefit of pursuing the funding of an OPEB trust.

<b>LABOR 09:</b>	<b>Review Township pension plans to determine if any plan changes can be made to reduce Township pension costs.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Under current law, the Township is statutorily limited with respect to pension benefits for uniformed personnel. Other non-statutory limitations may apply to changing pension

benefits for non-uniformed employees. However, all pension plans should be reviewed to determine what benefits can be reduced for current employees or eliminated for future employees.

<b>LABOR 10:</b>	<b>Consider the development of a new expanded wage scale for new employees.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- An expanded wage scale would increase the time and steps a new hire is required to complete before reaching top salary. The top salary should also be lower than the current top salary. For, example, newly hired employees would receive only the designated step increase and not the general wage increase (GWI) for each year until the year after they reach the applicable top salary.

<b>LABOR 11:</b>	<b>Consider capping, eliminating or adjusting the longevity pay formula.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Longevity pay is an entitlement payment to employees based on time of service with an employer. It is paid in addition to an employee’s base salary. Longevity pay cannot be eliminated for current employees; however, the Township should consider negotiating a cap for all unionized employees. As for new employees, the Township should seriously consider eliminating the benefit or eliminating it in its current form.

<b>LABOR 12:</b>	<b>Investigate controlling or reducing labor costs at the Jeffersonville Golf Course.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- While it is prudent to employ a knowledgeable golf pro and course manager, health insurance and wages for these positions increase golf course costs. The Township should investigate steps to control these salary and insurance costs going forward. Consider exploring an alternative compensation arrangement with the golf pro and course manager based on other activities and rentals at the course.

<b>LABOR 13:</b>	<b>Review on-duty disability provisions in police collective bargaining agreement.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager
	Budget Impact:	Cost Control

- The current police collective bargaining agreement should be reviewed to clarify provisions and control Township costs. For example, the current police collective bargaining agreement contains references to a long term disability policy and using accrued sick leave during the 90-day elimination period, neither of which would be applicable to a work-related injury. A work related injury would be covered by the Heart and Lung Act and an officer would not have to use sick leave. In addition, while a disability benefit under Act 600 has to be at least 50% of the officer’s salary at the time of the disability, raising the benefit to more than 50% is not necessary. The current police collective bargaining agreement provides for a disability benefit of 70% to 100%.

<b>LABOR 14:</b>	<b>Evaluate reducing the total cost of compensated leave.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township’s compensated leave, particularly for police, is very generous. The Township provides various forms of compensated leave: sick leave, personal days and holidays. The Township should evaluate modifying sick leave and personal days policy where days are earned every month or through some other formula instead of receiving a lump sum amount at the start of each year. The Township should not allow the carryover of any time from year to year, particularly where, as here, the employees receive copious

amounts of paid time off. To compensate employees for any unused days off of any type drives up costs in a manner that often results in unfunded liabilities that must be paid at severance or at the end of a year from general funds.

<b>LABOR 15:</b>	<b>Consider reducing personal day hours earned from 12 hours to 8 hours for police.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Personal leave time was converted to 12 hours for a police officer when the 12-hour shift was implemented. Even though the days were not converted to 12-hours for the purposes of the sell back of time, by agreeing that a day off was equivalent to 12 hours, the Township agreed to increase the leave time of all officers. This is typically not the intent of the conversion to a 12-hour shift. Leave time should be converted to 8 hours so that, for example, three personal days equals 24 hours not 36 hours.

<b>LABOR 16:</b>	<b>Avoid any minimum complement or minimum manning requirements.</b>	
	Target Date:	Short Term (Ongoing)
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township should maintain flexibility to determine its staffing needs based upon circumstances, and finances and the need to reduce overtime costs.

<b>LABOR 17:</b>	<b>Consider limiting light duty to work related injuries.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The decision to impose light duty is a managerial prerogative. The Township will have to bargain over the impact of such a decision. The light duty policy should be separate from the CBA. This recommendation applies to all employee groups, except non-unionized employees with whom the Township does not need to negotiate.

<b>LABOR 18:</b>	<b>Develop a clear disability procedure policy for all employee groups.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The decision of any forum to evaluate eligibility issues for a disability must be negotiated with the Township’s collective bargaining units.

<b>LABOR 19:</b>	<b>Eliminate or modify employee tuition reimbursement and education bonuses.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Under current provisions, employees can have the Township pay tuition and then pay the same employee an education bonus. While an education bonus is commendable, if such education is required for a position, it presumably is already part of an employee’s salary. If it is not required, taxpayers should not be required to pay for it. The Township currently supports skills training for its employees to maintain a skilled workforce.

<b>LABOR 20:</b>	<b>Consider changing grievance procedures so that all grievances must be brought to the Township’s attention within a reasonably short period of time.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The current police collective bargaining agreement allows a grievance to be brought within one year after the individual becomes aware or should have been aware of the grievance. The Township should consider negotiating a shorter time period.

<b>LABOR 21:</b>	<b>Consider eliminating the no layoff or furlough clauses.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Both the AFSCME and the WNPA CBAs contain restrictions on when employees can be laid off and require part time employees to be laid off first. It is recommended that the Township regain the authority to layoff based upon its needs. The Township must maintain flexibility to layoff or reduce hours as necessary to meet its service needs.

<b>LABOR 22:</b>	<b>Examine reducing overtime expenses.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- While it appears that the Township is taking advantage of the Section 7(k) exemption of the Fair Labor Standards Act to reduce overtime or compensatory time paid based on time “worked,” the use of Kelly Days to reduce the number of hours worked to 2080 can cause overtime that would otherwise be unnecessary and drive up overtime costs. Likewise, the Township should seek to only pay non-uniformed workers overtime for working more than 40 hours a week, as opposed to when they work more than 8 hours in a day.

<b>LABOR 23:</b>	<b>Review compensatory time accrual and payout.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Compensatory time may be accrued up until the applicable limits and must be paid when the employee leaves service. When paid out at the end of employment, it is not paid out at the rate at which it was earned. Instead, it is paid at the then applicable wage rate when it is paid out or at a rate equal to an averaging of the rate during the employee’s last three years of employment. While compensatory time allows the Township to manage its overtime costs on an annual basis, it ends up paying more for such overtime when the

officer retires. The Township should review the compensatory time accrual limits and consider requiring a payout of all or most compensatory time annually.

<b>LABOR 24:</b>	<b>Allow only time “worked” as time for calculating when overtime payment is due.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Both of the Township’s CBAs contain provisions that count time not worked as time worked for the calculation of overtime. This is not legally required. It is recommended that the Township consider eliminating this practice and require that overtime is only paid for hours actually worked. The Township’s handbook does not specify the same benefit being provided to unrepresented employees.

<b>LABOR 25:</b>	<b>Reduce the minimum hours of guaranteed overtime.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Currently under the police CBA, the police receive a guarantee of four hours of overtime for court appearances before a Court of Common Pleas, a District Justice or other forum. This is not unusual but it is unusual that all types of appearances receive the same minimum four hours of overtime. Consideration should be given to paying a minimum of two hours of regular pay or overtime, whichever is applicable. Of course, the officer would be paid for all actual time spent attending each forum.

<b>LABOR 26:</b>	<b>Consider using part-time police officers.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township will have to bargain over the terms and conditions of part-time officers with the police collective bargaining unit to include pay, benefits, training and safety

concerns. Use of part-time police officers by the Township is a means to reduce overall police personnel expenses.

<b>LABOR 27:</b>	<b>Consider modifying police collective bargaining agreement language that requires the Township to fill a promotional position.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The current language of the police collective bargaining agreement provides that when a vacancy arises in a position that is subject to promotion, the Township “will” post and “will” fill the position within ninety (90) days of the posting. This language suggests that the Township must fill any promotional position. This is contrary to the managerial rights of the Township and should be changed. This change is important because the current language will make it more difficult for the Township to reduce the apparent overload in supervisory and command staff in the Police Department.

<b>LABOR 28:</b>	<b>Consider modifying police collective bargaining agreement language that requires the promotion list to be valid for only one year.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The one year limit on the life of the promotional list is inconsistent with the First Class Township Code. The Code provides that the Civil Service Commission “shall certify for each vacancy the names of the three persons on the eligibility list who have received the highest average in the last promotion examination held within a period of two years preceding the date of the request for the eligibility list.” 53 Pa. Stat. Ann. § 55642 (West) (emphasis added). The CBA language is inconsistent with the Code and should be brought into compliance. The Township’s Civil Service regulations also should be made consistent with the new language in the CBA.

<b>LABOR 29:</b>	<b>Review indemnification and insurance for Township employees.</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township provides indemnification and insurance for its employees, including its police officers. Such a benefit is appropriate, but the Township should limit this benefit to only that required by law.

<b>LABOR 30:</b>	<b>Consider shared municipal services with other governmental entities or the regionalization of municipal services.</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- Although often politically and culturally unrealistic, shared services and regionalization should be considered. There are potential advantages and disadvantages to regionalizing or combining services that would have to be reviewed. Any applicable shared service agreement or the regionalization of a service must be carefully analyzed to determine if it will reduce the Township’s expenses and maintain the quality of service currently being provided by the Township.

<b>LABOR 31:</b>	<b>Review employee job descriptions. See also ADM 01 and PWORK 01</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township should review each job description to insure that it is accurate. This analysis can also be used to insure that the Township is appropriately treating each position under applicable law in terms of pay (FLSA) and whether it is still properly within one of the bargaining units.

<b>LABOR 32:</b>	<b>Establish a collective bargaining strategy.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

- The Township should develop a coherent strategy for collective bargaining across all Township CBAs and bargaining units. To achieve that goal, the Township should work with labor counsel to develop an acceptable and fiscally responsible collective bargaining strategy that sets a pattern for all bargaining units for the future. This pattern should start with non-unionized employees and then continue with all bargaining units.

**ECONOMIC DEVELOPMENT**

<b>ECDEV 01:</b>	<b>West Main Street Corridor Study Area</b>	
	Target Date:	Study: Short Term Project: Long Term
	Responsible Party:	Montgomery County Planning/Township Manager/Commissioners
	Budget Impact:	May require local match for certain activities

- Review zoning to allow apartment units within the Revitalization and Transportation Overlay.
- Review zoning to allow for mixed use buildings within the Revitalization and Transportation overlay
- Review zoning to allow for mixed use within the Revitalization and Transportation overlay
- Involve neighborhood in any discussion to incorporate into a Main Street project
- Work with private land owner to participate in the project
- Apply to the state’s Department of Community and Economic Development Keystone Communities Program for possible Main Street project funding
- Work with the Pennsylvania Downtown Center for further ideas on starting a Main Street project
- Continue work with existing business owners in the area who may want to participate
- Invite new small businesses and boutiques interested in neighborhood commercial areas

<b>ECDEV 02:</b>	<b>Riverview Corporate Center</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	May require local match for certain activities

- Discuss alternate project ideas with current owner prior to expiration of KOEZ
- Review zoning to allow apartments in this area
- Review zoning to develop Commercial/Recreational Overlay
- Limit surface parking to promote good storm water management and less reliance on vehicles
- Encourage small businesses and boutiques that promote outdoor recreational uses to locate in the project area
- Work with current developer to encourage small business development within the project area

<b>ECDEV 03:</b>	<b>Barbados Island</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners/Montgomery County Redevelopment Authority
	Budget Impact:	May require local match for certain activities

- Work with current owner (Exelon) on participation or land donation through a land bank
- Focus on river uses, such as rowing and dragon boating
- Build on targeted reuse by promoting businesses that support recreational reuse
- Encourage small business growth that will support recreational reuse
- Identify a large funding source through the Commonwealth Office of Budget Revitalization Capital Assistance Program, which supports job creation and regional approaches to economic development
- Work with the state Department of Conservation and Natural Resources to identify funding sources
- Work with the state Department of Environmental Protection for appropriate river activities and funding

<b>ECDEV 04:</b>	<b>Housing</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Review zoning to provide inclusionary housing in new housing developments such as Markley Farms and Westover Golf Course.
- Review zoning to include inclusionary housing for apartment unit projects to include a percentage of the units as workforce housing.
- Review new housing plans that may include points for a percentage of mixed income homes
- Review zoning to include apartments within the R-3 zones

<b>ECDEV 05:</b>	<b>Community Center</b>	
	Target Date:	Mid Term-Long Term
	Responsible Party:	Township Manager/Commissioners/Private Non-Profit Partners/Private Partners
	Budget Impact:	May require local match for certain activities

- Identify partners, such as non-profit groups, that manage and provide sports programs to help with a joint opportunity for local youth
- Identify needs through a study of youth programs in the area
- Identify properties for a possible building project
- Identify existing buildings that could be reused for a Community Center
- Identify possible ownership besides the Township
- Develop capital campaign once site and project are identified and details finalized

<b>ECDEV 06:</b>	<b>Industrial Parks</b>	
	Target Date:	Short term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Retain marketer for the two industrial parks to focus on business growth
- Focus on high-tech, research companies and health care related services to provide for job creation with higher wages for local residents

**OPERATIONS**

<b>ADM 01:</b>	<b>Seek a Phase II EIP grant to review current job descriptions and revised to match current position requirements. See also PWORK 01 and LABOR 31</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Each Township job description should be prepared by an outside consultant or by the Township manager and the administrative assistant/secretary with the assistance of each department manager and employee. The final version is then submitted to the Commissioners for approval. Existing job descriptions should be voided as new ones are approved.

<b>ADM 02:</b>	<b>The Township needs to clearly define who is responsible to take over the manager’s duties when the manager is temporarily out of the office.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The position of Assistant Manager was eliminated by the Township. In the case of West Norriton Township, the administrative assistant/secretary takes over the manager’s duties when the manager is absent. However, this is not clearly defined in the Personnel Policy Manual and should be defined as a matter of policy.

<b>ADM 03:</b>	<b>Seek a Phase II EIP grant to draft and adopt a new Personnel Policy Manual.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- The Township should draft and adopt a new Personnel Policy Manual incorporating all the new revisions in labor law. The manual should be reviewed yearly to incorporate changes in the law.

<b>ADM 04:</b>	<b>The Township Manager should provide cross training opportunities and a successor plan for key people.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- It is also recommend that the Township manager provide cross training opportunities and that a successor plan for key people or for individuals with specialized skills be prepared and followed when necessary

<b>ADM 05:</b>	<b>The administrative assistant/secretary should be appointed as Township secretary and assume those tasks from the Township Manager</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- Typically, a Township secretary performs all the duties of taking meeting minutes, agenda preparation, and works at the pleasure of the Commissioners, providing administrative support to the Township Manager and the Commissioners. During our review, the administrative assistant/secretary served as assistant secretary with the Township manager serving as secretary to the Township. The Township should review this position.

<b>ADM 06:</b>	<b>The Township should hire a part-time person to act as a “floater” to assist in the administrative office.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- This position can also fill in for the receptionist or clerk when there is an absence. The floater can also assist the administrative assistant/secretary. Hiring a floater can allow the

administrative assistant/secretary to focus on many of the larger tasks such as human resources, insurance and meeting preparation.

<b>ADM 07:</b>	<b>Seek a Phase II EIP grant to assist with technology upgrades. The Township should move away from paper agendas to electronic agendas.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Reduce Printing Costs

- Civic Plus (the Township’s webpage administrator) offers a module for Board meeting packets called Agenda Setters. This will decrease the cost and time required to print the packets and deliver them.

<b>PAREC 01:</b>	<b>Consider hiring a part-time employee to assist with recreational programming.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- While the parks and recreation director does an excellent job of creating and overseeing the recreational programs of the Township, there is limited staff to expand the program. The addition of a part-time recreation programmer may also increase recreation programs and revenues.

<b>PAREC 02:</b>	<b>Consider hiring a full-time maintenance employee for the parks. See also PWORK 04.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

- At the present time, the Parks Department shares the maintenance position with the Public Works Department. A shared position often results in routine maintenance not getting done, such as playground inspections. A full-time maintenance person would provide more availability and would report directly to the parks and recreation director.

<b>PAREC 03:</b>	<b>Reach out to neighboring parks and recreation programs</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Potential Revenue

- Working together with neighboring parks and recreation programs may enable the Township to streamline its recreational programs and reduce the amount of duplication that often takes place when neighboring municipalities offer similar programs. Partnering with the neighboring municipalities should strengthen the quality of the recreation programs and possibly increase revenue to the Township.

<b>PWORK 01:</b>	<b>Seek a Phase II EIP grant to update job descriptions for each job position. See also ADM 01 and Labor 31.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	N/A

- Job descriptions should include reporting relationships, examples of typical tasks, a list of knowledge, skills and abilities, education requirements, licensure and certification requirements, and the physical demands/abilities. Compensation should also tie into the job descriptions, and both should tie into a rational compensation scale that has been developed through a market study. The completed job descriptions should then form the basis of employee accountability and performance evaluation.

<b>PWORK 02:</b>	<b>Seek a Phase II EIP grant to evaluate out-sourcing for grass cutting.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	Potential cost saving

- One public works employee is shared with the recreation department, and two full-time seasonal employees are dedicated to grass cutting/landscaping. When landscaping demands are high, regular full time employees in public works are pulled off their tasks

to help. By calculating the actual costs of doing this work in house and comparing the cost of outsourcing this task the Township can make an informed decision on whether to continue to have its Public Works employees perform this service.

<b>PWORK 03:</b>	<b>Establish criteria for prioritizing Public Works tasks.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	N/A

- The Township should establish a system of work orders to request tasks be performed by Public Works. In addition there should be a work prioritization policy to give the Public Works director guidance on how to prioritize requests from different departments.

<b>PWORK 04:</b>	<b>Seek a Phase II EIP grant to review staffing levels and organizational structure in Recreation, Golf Course and other Township departments. See also PAREC 02 and Labor 12.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Appropriate Department Heads
	Budget Impact:	Potential reduced overtime costs

- The Township should consider dedicating at least one staff person permanently to Parks and Recreation. This should be a new employee, not a transfer to Parks and Recreation that leads to a reduction in Public Works staff. Moreover, this new full time position should be primarily involved with the routine tasks that are being missed due to understaffing, such as play-ground inspections.

<b>PWORK 05:</b>	<b>Seek a Phase II EIP grant to prepare an asset management plan</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Appropriate Department Heads
	Budget Impact:	Assist in developing a capital budget

- An asset management plan can facilitate planning for important future needs such as repair and replacement of storm water management infrastructure. The asset management

plan should include a comprehensive inventory of all buildings, facilities, infrastructure, and equipment of the Township.

**POLICE**

<b>POLICE 01:</b>	<b>Evaluate the current “Span of Control”</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	Cost Control

- Review and consider the clearance rates of Part I and Part II crimes in comparison to the County clearance rates when completing “Span of Control” recommendation for the detectives.
- Consider the current “Span of Control” when collective bargaining and attrition present the opportunity.

<b>POLICE 02:</b>	<b>Evaluate current policies</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Continue to routinely inspect policy, rules and regulations manuals for completeness and accuracy as it relates to re-accreditation by the Pennsylvania Chiefs of Police Association.

<b>POLICE 03:</b>	<b>Define department objectives</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Develop a structure of organizational objectives.
- The structure must include objectives for the Department and for each unit. The objectives must specify the ultimate outcomes that the Department and the sub-divisional organizational units wish to achieve. The objectives must be measurable.
- Develop one or more measures of achievement for each objective in the structure.

- Effectiveness measures are most important. Productivity, efficiency and workload measures are also important since they have many additional valuable managerial uses.
- Responsibility for developing and implementing the system of objectives and measures should be assigned to the Department’s command staff (chief and lieutenant as a unit). Key senior officers should participate heavily in the developmental process also.
- Require that the objectives and measures be used for planning, decision making and performance evaluation at all organizational levels.
- Department command staff should be trained to use the objectives and measures for the foregoing management process.

<b>POLICE 04:</b>	<b>Strengthen the inspections process</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Formally establish a line and staff inspections program. Line inspections could be the responsibility of all unit sergeants. Responsibility for staff inspections could be assigned to the deputy chief who reports directly to the chief.
- Prepare a written directive to govern line and staff inspections. The directive should cover objectives, procedures, and criteria to identify those inspections, which require a written report, follow-up procedures to ensure corrective action is taken and provision for inspection of every organizational component at least every other year.
- Arrange for the chief and the deputy chief to attend a workshop on the inspections function.

<b>POLICE 05:</b>	<b>Strengthen internal affairs</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Publish a summary of the number, type and disposition of complaints against officers in the Departments’ annual report.

<b>POLICE 06:</b>	<b>Strengthen planning</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Affix responsibility for the planning function in the job description of the deputy chief of police.
- Develop written directives on the planning and research function.
- Prepare an agenda or inventory of planning and research needs. Special care must be taken to ensure that long-range needs are given due consideration.
- Prioritize items on the agenda. This should be a joint effort of the chief, deputy chief, sergeant, and support staff.
- Formally adopt the inventory and the priorities on the work plan for the planning function.

<b>POLICE 07:</b>	<b>Strengthen personnel</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Prepare a written directive that clarifies and documents the responsibilities, authority and pertinent personnel practices assigned to the Department and the chief of police.
- Move the personnel records maintenance and responsibility from the Township to the office of the chief of police.
- Evaluate, prepare and introduce a performance evaluation system for all Police Department members/positions, both sworn and civilian alike.
- Design a career development program even though the promotional opportunities are quite adequate for this size Department.

<b>POLICE 08:</b>	<b>Promotional system</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Prepare a probationary performance evaluation system for all command and supervisory positions and reduce the process to a written directive.
- The promotional system should allow the chief of police input after the “rule of three” or similar system has been established.
- Adopt and practice succession planning as discussed above.

<b>POLICE 09:</b>	<b>Performance Evaluations</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

- Research, develop and utilize a probationary sworn officer, supervisor and command evaluation system.
- Research, develop and utilize the sworn officer, supervisor and command performance evaluation system.
- Research, develop and utilize a non-sworn member performance evaluation system.

<b>POLICE 010:</b>	<b>Vehicles and Equipment</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	Cost control

- Gather and analyze cost/mileage/repair, insurance, equipment, etc. statistics for the entire fleet.
- Using a cost effectiveness approach, analyze the overall Department fleet needs with a goal of reducing or maintaining the vehicle fleet accordingly.
- Conduct annual inspections to maintain an up-to-date inventory.

<b>POLICE 11:</b>	<b>Cooperative arrangements</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	Lower deficits

- The Township Board of Commissioners, Township administrative staff and the police chief should meet and discuss whether or not the Township is interested in pursuing a cooperative arrangement for Police services.
- If a decision is made to move forward on a cooperative arrangement, the chief of police should be instructed to network with adjoining municipal chiefs of police to discover whether or not there is genuine interest in their participation in a cooperative arrangement.
- Start small with one or two at most municipalities in order to improve the opportunity for a successful outcome.
- Carefully select a consultant that understands clearly the issues and costs involved.

CHAPTER 10  
LIST OF RECOMMENDATIONS

Recommended target dates for initiatives are immediate, short term (one to two years) and long term (two years or more). Early Intervention Phase II grant opportunities are listed first. Please see Chapter 9 for complete recommendation details.

**EARLY INTERVENTION PHASE II GRANT OPPORTUNITIES**

<b>FIN 17:</b>	<b>Seek Phase II EIP grant for the purchase of a new accounting software package.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Enhances efficiency and reliability of financial reports

<b>ASSET 02:</b>	<b>Seek a Phase II EIP grant to continue to explore feasibility of constructing a new wastewater treatment plant.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ASSET 03:</b>	<b>Seek a Phase II EIP grant to explore the feasibility of monetizing the Township's wastewater collection and conveyance system</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ASSET 04:</b>	<b>Seek a Phase II EIP grant to explore feasibility of entering an operations and management contract for the Jeffersonville Golf Club.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ASSET 05:</b>	<b>Seek Phase II EIP grant to explore the feasibility of monetizing the Jeffersonville Golf Club.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 07:</b>	<b>Seek a Phase II EIP grant to conduct a compensation and benefits analysis of each bargaining unit.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>ADM 01:</b>	<b>Seek a Phase II EIP grant to review current job descriptions and revised to match current position requirements. See also PWORK 01 and LABOR 31</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ADM 03:</b>	<b>Seek a Phase II EIP grant to draft and adopt a new Personnel Policy Manual.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ADM 07:</b>	<b>Seek a Phase II EIP grant to assist with technology upgrades. The Township should move away from paper agendas to electronic agendas.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Reduce Printing Costs

<b>PWORK 01:</b>	<b>Seek a Phase II EIP grant to update job descriptions for each job position. See also ADM 01 and Labor 31.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	N/A

<b>PWORK 04:</b>	<b>Seek a Phase II EIP grant to review staffing levels and organizational structure in Recreation, Golf Course and other Township departments. See also PAREC 02 and Labor 12.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Appropriate Department Heads
	Budget Impact:	Potential reduced overtime costs

<b>PWORK 05:</b>	<b>Seek a Phase II EIP grant to prepare an asset management plan</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Appropriate Department Heads
	Budget Impact:	Assist in developing a capital budget

**FINANCE**

<b>FIN 01:</b>	<b>Eliminate use of the term depreciation in financial statements.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Clarification and planning of fund balance

<b>FIN 02:</b>	<b>Continue to budget/develop Sewer and Golf Funds as governmental funds.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

<b>FIN 03:</b>	<b>Unless prohibited by loan agreements, consider converting debt service millage to general purpose millage.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Increase General Fund revenues

<b>FIN 04:</b>	<b>Place bond/note proceeds in appropriate fund.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Brings funds into compliance with GAAP

<b>FIN 05:</b>	<b>When initiating debt drawdown have specific supporting schedules to indicate drawdown policy and a summary of transactions.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides budget and accounting clarity on status of debt proceeds

<b>FIN 06:</b>	<b>Verify that fund transfers match for relevant funds.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Lessens possible transmittal errors

<b>FIN 07:</b>	<b>Prepare, present, and explain monthly financial reports to the governing body.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

<b>FIN 08:</b>	<b>Prepare monthly cash flow estimates.</b>	
	Target Date:	Immediate
	Responsible Party:	Finance Administrator/Finance Dept.
	Budget Impact:	Prevents excess budget expenditures/inability to meet commitments

<b>FIN 09:</b>	<b>Have a third party review account transactions to ensure accuracy.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

<b>FIN 10:</b>	<b>Develop detailed spreadsheets in support of each year's budget especially for personnel wages and related costs including any allocation among funds.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	N/A

<b>FIN 11:</b>	<b>Develop a policy to determine the minimum amount of unassigned fund balance that should be maintained each year.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides for future financial stability

<b>FIN 12:</b>	<b>Develop a policy for investments that is approved by the governing body.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Greater safety and understanding of investments by governing body

<b>FIN 13:</b>	<b>Develop a five-year capital plan for all governmental activities.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>FIN 14:</b>	<b>Develop a five-year capital plan for each enterprise fund.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>FIN 15:</b>	<b>Continue to have an annual full audit.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Provides better understanding of Township finances and budgets

<b>FIN 16:</b>	<b>Review policies and procedures for purchasing, credit card usage, invoices, and purchase orders.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>FIN 18:</b>	<b>The finance department staff should attend trainings throughout the year.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>FIN 19:</b>	<b>The Township should consider outsourcing sewer billing.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

**DEBT AND ASSETS**

<b>ASSET 01:</b>	<b>Continue to monitor the Township’s debt structure for cash saving opportunities.</b>	
	Target Date:	Short Term (Ongoing)
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

**LABOR**

<b>LABOR 01:</b>	<b>Compare the price and quality of Township healthcare provider on a periodic basis.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Finance Administrator
	Budget Impact:	Cost control

<b>LABOR 02:</b>	<b>At a minimum, maintain the current level of employees’ healthcare cost sharing payments.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

<b>LABOR 03:</b>	<b>Evaluate a health plan redesign and consider offering buy-up options.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

<b>LABOR 04:</b>	<b>Evaluate a defined contribution approach to healthcare benefits.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

<b>LABOR 05:</b>	<b>Seek to prevent imposition of the so-called Cadillac Tax on healthcare benefits.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

<b>LABOR 06:</b>	<b>Provide a definite date for the termination of insurance benefits.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost control

<b>LABOR 08:</b>	<b>Review the Other Post-Employment Benefits offered to employees.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 09:</b>	<b>Review Township pension plans to determine if any plan changes can be made to reduce Township pension costs.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 10:</b>	<b>Consider the development of a new expanded wage scale for new employees.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 11:</b>	<b>Consider capping, eliminating or adjusting the longevity pay formula.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 12:</b>	<b>Investigate controlling or reducing labor costs at the Jeffersonville Golf Course.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 13:</b>	<b>Review on-duty disability provisions in police collective bargaining agreement.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager
	Budget Impact:	Cost Control

<b>LABOR 14:</b>	<b>Evaluate reducing the total cost of compensated leave.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 15:</b>	<b>Consider reducing personal day hours earned from 12 hours to 8 hours for police.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 16:</b>	<b>Avoid any minimum complement or minimum manning requirements.</b>	
	Target Date:	Short Term (Ongoing)
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 17:</b>	<b>Consider limiting light duty to work related injuries.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 18:</b>	<b>Develop a clear disability procedure policy for all employee groups.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 19:</b>	<b>Eliminate or modify employee tuition reimbursement and education bonuses.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 20:</b>	<b>Consider changing grievance procedures so that all grievances must be brought to the Township’s attention within a reasonably short period of time.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 21:</b>	<b>Consider eliminating the no layoff or furlough clauses.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 22:</b>	<b>Examine reducing overtime expenses.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 23:</b>	<b>Review compensatory time accrual and payout.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 24:</b>	<b>Allow only time “worked” as time for calculating when overtime payment is due.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 25:</b>	<b>Reduce the minimum hours of guaranteed overtime.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 26:</b>	<b>Consider using part-time police officers.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 27:</b>	<b>Consider modifying police collective bargaining agreement language that requires the Township to fill a promotional position.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 28:</b>	<b>Consider modifying police collective bargaining agreement language that requires the promotion list to be valid for only one year.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 29:</b>	<b>Review indemnification and insurance for Township employees.</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 30:</b>	<b>Consider shared municipal services with other governmental entities or the regionalization of municipal services.</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

<b>LABOR 31:</b>	<b>Review employee job descriptions. See also ADM 01 and PWORK 01</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>LABOR 32:</b>	<b>Establish a collective bargaining strategy.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Cost Control

**ECONOMIC DEVELOPMENT**

<b>ECDEV 01:</b>	<b>West Main Street Corridor Study Area</b>	
	Target Date:	Study: Short Term Project: Long Term
	Responsible Party:	Montgomery County Planning/Township Manager/Commissioners
	Budget Impact:	May require local match for certain activities

<b>ECDEV 02:</b>	<b>Riverview Corporate Center</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	May require local match for certain activities

<b>ECDEV 03:</b>	<b>Barbados Island</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners/Montgomery County Redevelopment Authority
	Budget Impact:	May require local match for certain activities

<b>ECDEV 04:</b>	<b>Housing</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ECDEV 05:</b>	<b>Community Center</b>	
	Target Date:	Mid Term-Long Term
	Responsible Party:	Township Manager/Commissioners/Private Non-Profit Partners/Private Partners
	Budget Impact:	May require local match for certain activities

<b>ECDEV 06:</b>	<b>Industrial Parks</b>	
	Target Date:	Short term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

**OPERATIONS**

<b>ADM 02:</b>	<b>The Township needs to clearly define who is responsible to take over the manager’s duties when the manager is temporarily out of the office.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ADM 04:</b>	<b>The Township Manager should provide cross training opportunities and a successor plan for key people.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ADM 05:</b>	<b>The administrative assistant/secretary should be appointed as Township secretary and assume those tasks from the Township Manager</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>ADM 06:</b>	<b>The Township should hire a part-time person to act as a “floater” to assist in the administrative office.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>PAREC 01:</b>	<b>Consider hiring a part-time employee to assist with recreational programming.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>PAREC 02:</b>	<b>Consider hiring a full-time maintenance employee for the parks. See also PWORK 04.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	N/A

<b>PAREC 03:</b>	<b>Reach out to neighboring parks and recreation programs</b>	
	Target Date:	Long Term
	Responsible Party:	Township Manager/Commissioners
	Budget Impact:	Potential Revenue

<b>PWORK 02:</b>	<b>Seek a Phase II EIP grant to evaluate out-sourcing for grass cutting.</b>	
	Target Date:	Immediate
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	Potential cost saving

<b>PWORK 03:</b>	<b>Establish criteria for prioritizing Public Works tasks.</b>	
	Target Date:	Short Term
	Responsible Party:	Township Manager/Public Works Director
	Budget Impact:	N/A

**POLICE**

<b>POLICE 01:</b>	<b>Evaluate the current “Span of Control”</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	Cost Control

<b>POLICE 02:</b>	<b>Evaluate current policies</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 03:</b>	<b>Define department objectives</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 04:</b>	<b>Strengthen the inspections process</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 05:</b>	<b>Strengthen internal affairs</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 06:</b>	<b>Strengthen planning</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 07:</b>	<b>Strengthen personnel</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 08:</b>	<b>Promotional system</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 09:</b>	<b>Performance Evaluations</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	N/A

<b>POLICE 10:</b>	<b>Vehicles and Equipment</b>	
	Target Date:	Short Term
	Responsible Party:	Police Chief
	Budget Impact:	Cost control

<b>POLICE 11:</b>	<b>Cooperative arrangements</b>	
	Target Date:	Immediate
	Responsible Party:	Police Chief
	Budget Impact:	Lower deficits

## **APPENDIX A**

A STUDY OF THE MANAGEMENT AND OPERATIONS OF  
THE WEST NORRITON TOWNSHIP POLICE DEPARTMENT

Conducted and Prepared by

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Police Management Consultant  
2349 Harvest Ridge Drive, State College, Pennsylvania 16803  
Summer 2017

## FOREWORD

This report presents the findings and recommendations of the Consultant's study of the management and operations of the W. Norriton Township Police Department, Montgomery County, Pennsylvania. Management studies, by their very nature, often appear somewhat negative and highly critical of current operating procedures. Since the objective is to look for ways to improve the delivery of police service, shortcomings must be addressed more fully than the positive aspects of police operations and procedures. Therefore, review of this report should be conducted with this understanding in mind.

The Consultant found the Township officials, Manager and Township Staff, Chief and members of the Police Department to be candid, polite and professional. For this, each deserves special recognition. With continued attention, careful study, and implementation of the major recommendations of this report, the Police Department should experience improved function and efficiency.

The police portion of this study was conducted by W. Ronald Smeal, Police Management Consultant and retired Chief of Police of the Northern York County Regional Police Department in Dover, Pennsylvania.

The Consultant thanks the Township of W. Norriton for the opportunity to assist in exploring improvement opportunities of its police services. The cooperation extended to the Consultant is appreciated.

W. Ronald Smeal  
Police Management Consultant

## TABLE OF CONTENTS

<b>INTRODUCTION.....</b>	<b>1</b>
<b>I: CURRENT ORGANIZATION AND STAFFING.....</b>	<b>3</b>
<b>A. PROJECTED MANPOWER NEEDS AND STAFFING LEVELS.....</b>	<b>6</b>
<b>B. PATROL.....</b>	<b>10</b>
<b>C. DETECTIVE/INVESTIGATIONS.....</b>	<b>11</b>
<b>D. POLICY.....</b>	<b>14</b>
<b>E. RECORDS.....</b>	<b>15</b>
<b>F. DISPATCHING.....</b>	<b>16</b>
<b>II: TOOLS FOR EVALUATING DEPARTMENT EFFECTIVENESS IN FIELD OPERATIONS.....</b>	<b>18</b>
<b>A. ACCIDENT ENFORCEMENT INDEX.....</b>	<b>19</b>
<b>B. PART I INDEX CRIMES.....</b>	<b>21</b>
<b>C. CRIME RATE.....</b>	<b>22</b>
<b>D. PART II INDEX CRIMES.....</b>	<b>23</b>
<b>III: MANAGEMENT, TECHNICAL AND SUPPORT SERVICES.....</b>	<b>24</b>
<b>A. ORGANIZATIONAL OBJECTIVES.....</b>	<b>25</b>
<b>B. INTERNAL COMMUNICATIONS.....</b>	<b>26</b>
<b>C. SUPERVISION.....</b>	<b>28</b>
<b>D. MANAGEMENT CONTROLS.....</b>	<b>29</b>
<b>E. INTERNAL AFFAIRS.....</b>	<b>32</b>
<b>F. PLANNING.....</b>	<b>34</b>
<b>IV: PERSONNEL AND TRAINING.....</b>	<b>36</b>
<b>A. PROMOTION.....</b>	<b>37</b>
<b>B. PERFORMANCE EVALUATION.....</b>	<b>40</b>
<b>C. EDUCATION AND TRAINING.....</b>	<b>41</b>
<b>V: FACILITIES, VEHICLES AND EQUIPMENT.....</b>	<b>46</b>
<b>A. FACILITIES.....</b>	<b>46</b>
<b>B. VECHILES.....</b>	<b>46</b>
<b>C. EQUIPMENT.....</b>	<b>48</b>
<b>VI: COST ANALYSIS OF POLICE BUDGET EXPENDITURES.....</b>	<b>48</b>
<b>VII: POLICE COOPERATIVE INITIATIVES INFORMATION.....</b>	<b>53</b>
<b>VIII: GOVERNING BODY–POLICE DEPARTMENT RELATIONSHIP..</b>	<b>59</b>
<b>IX: SUMMARY OF RECOMMENDATIONS.....</b>	<b>60</b>

**CHARTS**

**CHART 1 W. Norriton Township Organization Chart..... 5**  
**CHART 2 W. Norriton Township Manpower Needs..... 9**

**TABLES**

**TABLE 1 W. Norriton Township Accident Enforcement Index..... 19**  
**TABLE 2 Part I Index Crimes..... 21**  
**TABLE 3 W. Norriton Township Crime Rate ..... 22**  
**TABLE 4 Part II Index Crimes..... 24**  
**TABLE 5 W. Norriton Township Vehicles..... 48**  
**TABLE 6 W. Norriton Township Fiscal Information..... 49**  
**TABLE 7 W. Norriton Township Wage Information..... 49**  
**TABLE 8 W. Norriton Township Overtime Information..... 50**  
**TABLE 9 W. Norriton Township Police Cost Data..... 51**  
**TABLE 10 Municipal Police Department’s Comparative Information..... 52**

## **INTRODUCTION**

The purpose of this study was to conduct a management review of the W. Norriton Township Police Department in conjunction with the Pennsylvania Economy League (PEL). PEL was retained to conduct an overall in-depth Management Review of all Township Departments. The review was to develop strategies to improve overall management effectiveness and efficiencies and to provide recommendations with ways to improve the Township's long-term financial outlook. The review and recommendations were to explore the possibilities for the provision of inter-municipal services, regional cooperation, and inter-municipal cost sharing.

On Monday, June 19, 2017, W. R. Smeal, Police Management Consultant, met with the W. Norriton Township Manager to discuss the mission of the study. The Consultant then met with the Chief of Police, Dale Mabry, and several Staff members. The meeting involved discussions about police operations, gathering data and information necessary to conduct the study. The Consultant would then complete the police portion of the Management Study Report.

W. Norriton Township in Montgomery County has a population of 15,663 as recorded in the 2010 census. The Police Department is authorized twenty-eight (28) full-time sworn police officers. Currently, there are twenty-seven (27) sworn officers as follow:

- 1 Chief of Police
- 1 Deputy Chief of Police
- 6 Sergeants (4 Patrol, 1 Detective and 1 Administration)
- 4 Corporals (Patrol)
- 3 Detectives
- 11 Police Officers
- 1 School Resource Officer

There are three (3) full-time civilian employees as follows:

- 1 Lead Secretary
- 1 Secretary
- 1 Dispatcher Clerk

W. Norriton Township Police Department is accredited by the Pennsylvania Chiefs of Police Association. The Pennsylvania Chiefs of Police Association introduced the Pennsylvania Law Enforcement Accreditation Program to the Commonwealth in July 2001

Policies, practices, problems, issues and operations were evaluated as they relate to the principles that follow:

Management: goals and objectives setting and evaluation; policy development; written directives; communications and coordinating mechanisms; and supervision.

Management Controls: line inspections; staff inspections; and internal affairs.

Organization: grouping of functions; chain of command; span of control; duplication and fragmentation of responsibilities.

Personnel Management: promotion and performance evaluation.

Education and Training: educational requirements for the appointment and promotion of members; educational incentives; and recruit, field, specialized, advanced, refresher, and remedial training.

Patrol Operations; patrol methods and procedures; supervision; communications; vehicles; equipment; preliminary investigations; report preparation and review; shift structure and organization; and special enforcement operations.

Staff Allocation and Distribution: number, temporal and geographical distribution of patrol personnel; and appropriateness of staffing levels in other units of the Department.

Criminal and Special Investigations: case screening; case management; workload distribution; crime scene policies and procedures; shift structures; investigations policies and practices.

Crime Analysis: types and frequencies of analyses; data collection procedures; analytical techniques; dissemination patterns; and feedback and evaluation.

Records: report review; records controls; storage, maintenance, retrieval and retention; information security; privacy and access guidelines; and compliance with Uniform Crime Reporting (UCR) and auditing requirements.

Data Processing: scope and nature of applications and reports; use and utility of reports; command and staff input to selection and design of applications and reports; information security; computer-literacy levels; and equipment adequacy and redundancy.

Property Management and Evidence Control: issuing, accounting, and controlling agency-issued property; accountability for care and replacement; fleet management; marking, labeling, packaging, receipting, storing, accounting for and withdrawing found, recovered and evidentiary property; analysis of evidence.

Planning and Research: long-range planning; proactive and reactive planning; status of planning in departmental hierarchy and quality of planning products.

Legal Services: use of legal services; legal bulletins and information dissemination.

The study also examined factors that condition the environment in which the Department now operates and is likely to operate in the near future. This includes the incidence of crime, workload trends and the population growth.

## **I: CURRENT ORGANIZATION AND STAFFING**

West Norriton Township Police Department provides 24-hour service 7 days a week. The Department works twelve (12) hour shifts. The Department meets professionally accepted standards of educational achievement, recruitment and selection procedures, written and oral examinations, psychological, medical and drug screening, background investigation, basic and field training requirements, along with in-service training.

The Department provides several “Specialty” services as follows:

- 4 Detectives, one (1) works Juvenile cases and one (1) is a supervising Sergeant.
- 1 School Resource Officer providing service to the Norristown School District within the Township.
- 6 Trained Officers for the Regional Tactical Team.
- 2 Trained Officers for the Major Incident Response Team.
- Bike Patrol operates Memorial Day through September with a significant assignment to the Schuylkill River Trail.
- 2 Self Defense Tactics Trainers.
- 1 Taser Instructor.
- 4 Range Instructors.
- 1 EVOG Instructor.
- 6 County Drug Task Force Instructors (PD reimbursed for overtime expenditures).

Four (4) municipalities border the Township. Those four (4) adjacent municipalities (Norristown, E. Norristown, Lower Providence and Upper Merion) field their own Departments.

The Police Department has a formal organizational chart and is divided into areas of responsibility. The basic areas of responsibility are patrol and response to calls for service and investigations responsible for follow up on incidents that are criminal in nature.

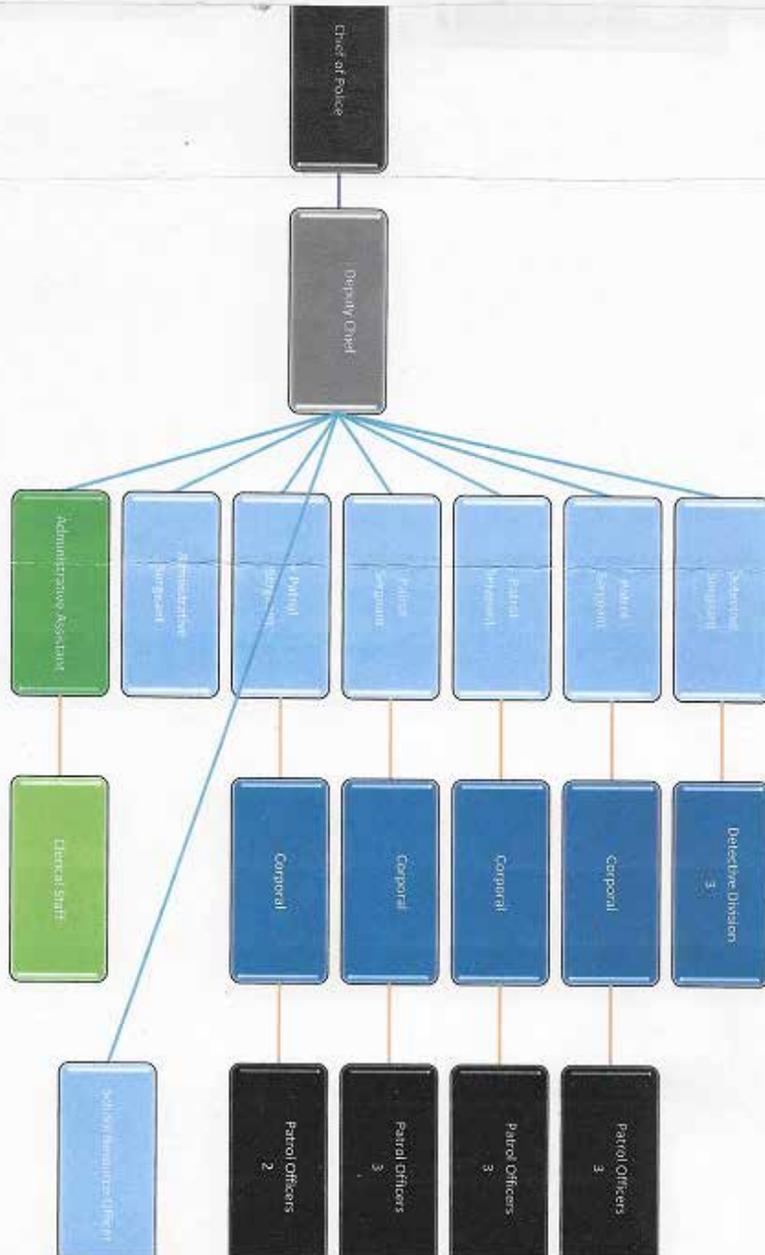
In addition to the Department specialties mentioned above, they have the following:

- Evidence Custodian
- Report Review/Uniform Crime Reporting
- Field Training Officer
- Firearms Training Officer

Patrol officers perform some of the specialty duties on an “as needed” basis. In addition to numerous other duties, the civilian employees function as the Records Section Coordinator, Dispatcher, Clerical Support, and Receptionist. All employees report directly to their Sergeant, Deputy Chief or Chief in accordance with the de-facto response from interviews.

The Police Department Organizational Chart follows:

**CHART 1  
WEST NORRITON TOWNSHIP POLICE DEPARTMENT  
ORGANIZATIONAL CHART**



## **PROJECTED MANPOWER NEEDS AND SERVICE LEVELS**

The International Association of Chiefs of Police developed the formula used by the Consultant to determine police personnel needs. The formula has been used and applied extensively throughout the Commonwealth by the Consultant and found to be reliable. However, like most situations where an overall standard is used to determine a factor, it is subject to error and should not be considered infallible.

The IACP formula is applied on the assumption that forty-five (45) minutes is the average time necessary to handle the average police incident. Furthermore, one-third of an officer's duty time should be utilized for responding to and handling incidents. A police officer is actually available for duty approximately 1,760 hours a year when all vacation, training, holidays, sick leave, bereavement leave, court time, etc. is considered. This calculation determines only the manpower needs for patrol officers "on the street" handling calls and does not include administrators, supervisors and/or specialists. In order for the formula to be accurate, it is extremely important that the information about the number of incidents reported be accurate.

While conducting studies over the past thirty-three (33) years, the Consultant has found that the reporting of data on incidents has been less than accurate. Due to the lack of a standardized reporting network in the Commonwealth of Pennsylvania, the lack of standardized training of police personnel and the administrative prerogative of individual municipal departments, there appears to be inconsistency in reporting. Therefore, it has been found that the realistic incident data lies somewhere between that reported by Departments and that expected, if utilizing the average of .55 incidents per thousand population. This report was prepared by considering the incidents/assignments reported and the population average. Experts report that of all calls answered, 20% will be criminal in nature and 80% will be service in nature. Consideration of these methods to determine incident workload allows for increased reliability of incident workload. The IACP formula is summarized as follows:

## **Determining Patrol Force Manpower Needs**

**Step 1** Determine the number of complaints or incidents received and responded to by the police department. Complaints and incidents include all forms of police activity where an officer responded and/or took an official action. Incidents do not include situations where advice was given over the telephone, delivering messages, handling internal police department matters, etc.

If the actual number of incidents is unknown, sound estimates may be made based upon the assumption that, on the average in any community, 550 complaints or incidents will occur for every 1,000 residents, or .55 per resident.

**Step 2** Multiply the total complaints or incidents by 0.75 (45 minutes). It is generally conceded that 45 minutes is the average time required to handle a complaint or incident.

**Step 3** Multiply by three (3) to add a buffer factor and time for preventive patrol. General experience has shown that about one-third of an officer's time should be spent handling requests for services. Other requirements for servicing police vehicles, personal relief, eating, and supervision must also be taken into consideration. Multiplying by three (3) makes up for the unknown.

**Step 4** Divide the product by 2,920, which is the total number of hours necessary to staff one basic one-officer patrol unit for one year (365 days x 8 hours = 2,920 hours). The result of applying the IACP formula established the number of patrol elements necessary to police the community. This is not the number of officers, but the number of patrol elements.

To determine the number of officers required to staff each patrol element, the assignment/availability factor must be determined. Determining how many hours each year the average police officer is not available for duty on the street and

subtracting that time from the patrol element hours of 2,920 accomplishes this. Summarized below is that calculation.

**8-HOUR SHIFT**

<u>Factor</u>	<u>Annual Man Hours</u>
Regular Days off (2 days per week)	832
Vacation (15 days per year)	120
Holidays (10 days per year)	80
Court Days (5 per year)	40
Training (5 days per year)	40
Sick and injury (5 days per year)	40
Miscellaneous leave (1 day per year)	<u>8</u>
Total	1,160

(2,920 hours minus 1,160 Non-Available hours equals 1,760 Available Hours)

**12-HOUR SHIFT**

<u>Factor</u>	<u>Annual Man Hours</u>
Scheduled Days off (191.2 days per week)	2,294.4
Vacation (14.25 days per year)	171
Holidays (1 days per year)	12
Court Days (2.08 per year)	24.99
Training (8.15 days per year)	97.82
Sick and Bereavement (3.75 days per year)	45
Personal Days (4.8 per year)	57.65
Special Assignment (2.02 per year)	<u>24.27</u>
Total	2,727.13

(4,380) hours (365 days x 12 hr shift = 4,380) minus 2,727.13 Non-Available hours equals 1,652.87 Available Hours)

**Step 5**

Once the total available hours of the average patrol officer is established, the assignment/availability factor is determined by dividing the available hours into the patrol element requirement of 2,920 hours. This results in a factor of 1.66 for an 8-hour shift and 2.65 for a 12-hour shift. In other words, it takes 1.66 or 2.65 police officers to staff each patrol element required to police the community. This includes only patrol personnel and does not include administrators, supervisors, or specialists.

Chart 2 follows and demonstrates the application of the International Association of Chiefs of Police Association manpower formula (12 hour shift) that is “incident based”. The column marked +A/S/I includes the number of fixed positions in W. Norriton Township that follow:

- (3) Detectives, one (1) Detective Sergeant,
- (1) Administrative Sergeant,
- (4) Patrol Sergeants,
- (4) patrol Corporals,
- (1) Deputy Chief and
- The Chief of Police.

These positions are authorized to staff administration, supervision and investigation positions. The number ten (10) is represented in the column marked A/S/I. The Chart also represents a total manpower need of thirty-four (34) using population averages and thirty (30) when using W. Norriton Township activity report of incidents handled.

**CHART 2  
MANPOWER NEEDS  
W. Norriton Township  
Based upon a population of 15,663  
and  
Based upon reported 2016 incidents of 6,780**

<b>INCIDENTS</b>	<b>X.75</b>	<b>X3</b>	<b>DIVIDE BY 2920</b>	<b>X 2.65</b>	<b>+A/S/I</b>	<b>TOTAL</b>
<b>Population</b>						
15,663 = 8,615	6461.25	19,383.75	6.63827	17.59	15	32.59
<b>W. Norriton based upon 2016 Incidents 6,780</b>	5,085	15,255	5.224315	13.84	15	28.84

**Findings:**

1. The aforementioned calculations are based upon population averages and the 2016 reportable incidents (Criminal and Non-Criminal) calculated from the Police Monthly Reports. Time did not provide for verification of incidents by the W. Norriton Township

Police Department. The Consultant has found that Pennsylvania Police Departments report fewer incidents per year than the IACP population average of .55 per thousand.

2. The IACP Manpower Formula does NOT provide 12 hour shift averages. Figures used in this instance were gathered from a department that tracks closely 12 hour shift information. W. Norriton Township should insert their specific data to insure the averages used here are accurate for their Department.
3. During 2016, WNPD reported 4,690 crimes to the Pennsylvania Uniform Crime Reporting System. As reported earlier, experts report that of all calls answered, 20% will be criminal in nature and 80% will be service in nature. If so, the Department would have handled 4,690 UCR crimes. Therefore, WNPD is handling less than the IACP average of .55 per thousand population and greater incidents calls/ than Experts suggest when non-criminal/service calls should be 80%.
4. Sam Walker, Professor Emeritus of Criminal Justice Institute at the University of Nebraska at Omaha, reported in his article, Current Issues and Research Needs, that “Span of Control is an organizational-level factor detailing how many officers a supervisor can be expected to effectively control. While there is no definite figure, experts tend to agree on a ratio of roughly eight (8) officers per supervisor. It is highly unlikely that a single supervisor could effectively supervise more than eight (8) patrol officers. A larger ratio would more than likely result in too many officers to effectively supervise, while too small a ratio would not be an optimal use of supervisory resources”.

Note: Mitchell P. Weinzetl, Chief of Police, Buffalo Minnesota Police Department discussed the concept of succession planning in the Police Chief Magazine, November, 2012, page 46. Succession planning is a process through which many organizations, both public and private, prepare for the eventual departure of key leaders. Through this process, organizations engage in a variety of strategies to identify individuals who might eventually assume a primary leadership

role, generally taking steps along the way to prepare these individuals for transition. This can be important from a strategic perspective because “during a leadership change, a succession plan maintains the continuity of the agency’s mission and reduces uncertainty.” Organizational leadership involves identification of potential talent within the organization. Training should be provided to those individuals identified. Individuals who show promise should be “monitored”. Staff should be empowered to make key decisions within an agency.

### **Recommendations:**

1. Evaluate the current “Span of Control”. The Detective Sergeant’s Span of Control is three. Three (3) Patrol Sergeants and three (3) Patrol Corporals Span of Control is three (3) Police Officers. One Patrol Sergeant and one (1) Patrol Corporal’s Span of Control is two (2) Police Officers. The Deputy Chief’s Span of Control is seven (7) Sergeants and a School Resource Officer.
2. The Title of “Deputy Chief of Police” is more commonly used in larger Police Agencies. Mid-size Police Agencies more often use the title of Captain or Lieutenant. However, the job description, compensation, etc., is appropriate for WNPDP.
3. Review and consider the clearance rates of Part I and Part II crimes in comparison to the County clearance rates when completing “Span of Control” recommendation for the Detectives in number 1 above. The WNPDP clearance rate is above the County average and will surely be negatively impacted if reductions in manpower were to occur. Clearance rates will be discussed later in this report, beginning on page 21.

### **A. PATROL**

The uniformed patrol section’s basic mission is to “prevent crime, protect life and property, preserve, enforce, detect, apprehend and arrest violators of law”. In addition, there are a variety of additional tasks and functions enumerated in the Police Officer Job Descriptions.

10.

The Police Department schedules police patrol service with four (4) platoons working twelve (12) hour shifts. A Sergeant supervises each platoon. Corporals are in charge

when Sergeants are off. Corporals and Officers are assigned zones to handle calls for service.

Corporals and Patrol officers respond to incidents and complete reports of initial investigations. Incidents are entered into the Alert Computer System. The Patrol Sergeant reviews the accuracy and content of the reports.

## **B. INVESTIGATIONS/DETECTIVE BUREAU**

The investigation of crime is a basic responsibility of law enforcement officers. However, it should not be viewed as the sole responsibility of the criminal investigator. To be successful, the investigative effort requires the cooperation of all personnel, but in particular, the uniformed Patrol Officer and the Investigator. The effectiveness of a patrol unit's proactive strategies, the speed with which it responds to crimes in progress and the quality of its preliminary investigations all have a major impact on whether or not an offender is ultimately apprehended.

When a call on a criminal matter results in an arrest by a Patrol Officer, the Detective's role is usually limited to assisting. The Detective assists with filing complaints, recovering property, when appropriate, and determining whether arrestees are responsible for other unsolved crimes. When a call on a criminal matter does not result in an arrest by a Patrol Officer, identity of offenders is not known, and apprehension of an offender is not imminent, criminal investigators begin follow-up investigations. The responsibility of a Patrol Officer in these instances is to conduct a thorough preliminary investigation, gather as much information about the nature of the crime and physical evidence as is available and practical. Departments must promote the effectiveness of the preliminary investigation process. This is accomplished by providing field report forms that are structured to ensure that essential information and evidence are sought and by having expert crime scene criminal investigators, evidence specialists, or both.

The Detective analyzes all reports and information supplied by the Patrol Officer, integrating them with the knowledge and experience gained by investigating other similar crimes. The Detective employs the latest criminality techniques, as well as interview and interrogation skills, to solve a case. The Detective must be capable, dedicated and

well-trained. He must develop a close working relationship with the uniformed patrol personnel. This partnership should lead to a continuing exchange of case information and intelligence. If kept informed about current investigations, the Patrol Officer can focus efforts on the most productive areas.

The Investigative Supervisor (Sergeant) must coordinate and manage the entire follow-up process to ensure that a Department's limited manpower is used in the most productive

11.

manner. To maximize investigations productivity, which is measured by case clearances, criminal investigations units should use solvability factors to determine which cases have a reasonable potential for clearance and will, therefore, be followed up. Cases that do not have a potential for clearance should not be followed up. When cases are not followed up, complainants should be so notified and told why the case is not being investigated further. Supervisors must distribute workload equitably, establish guidelines for the amount of time that can be committed to individual investigations, authorize investment of "exceptional" time on investigations and ensure that the case clearances and closures comply with UCR standards. Supervisors must evaluate the performance of the entire unit and the performance of the individual investigators.

Investigators must be selected carefully. Selection techniques, both written and oral, should emphasize analytical abilities and interpersonal skills. Tests used for the selection process must be based on job analysis. Once selected, Investigators must be well trained in interviewing and interrogation; information development and retrieval; planning, organizing and conducting searches; forensics; arrest; case preparation and testimony. Upon appointment, new criminal investigators should undergo 80 or more hours of intensive, specialized training. Like other field personnel, Investigators need periodic in-service training to remain up-to-date on evolving legal issues and court decisions and to become proficient in the use of new procedures and technology. Because of the significance of the preliminary investigation to the ultimate success of the follow-up investigations, field Patrol Officers must also be trained in the same subject areas, though not as in depth as full-time criminal Investigators.

Departments should have Investigators available or on call 24 hours per day, or should establish other flexible arrangements to accommodate investigative requirements at crime scenes. The varying schedules of citizen witnesses and other demands of the investigations process necessitate availability. The authority, responsibilities, policies and procedures of criminal investigation units should be covered by written directive. It is particularly important to establish clear written directives for areas of great sensitivity. This includes the use of informants; use of Departmental funds, drugs, evidence, and other resources for investigative purposes; confidentiality of information, and especially information that pertains to youth and sexual abuse victims.

### **Current Conditions in the W. Norriton Township Police Department:**

The W. Norriton Township Detective Bureau functions on a full-time basis. There is a Sergeant that supervises the Detective Bureau. As the reports come in from the Patrol Bureau, the Detective Sergeant reviews all reports to determine whether or not the incident requires follow-up investigation by the Detective Bureau. He determines to which Detective he is going to assign the follow-up investigation and whether it is going to be assigned to one of the two (2) Adult Case Detectives or the Juvenile Detective.

The Detective Sergeant formally supervises follow-up cases. It is relevant to consider here, and will be addressed later in this report, that the average “clearance rate” of Part I Crimes for W. Norriton Township is 67.58% from 2012 through 2016. During the same time period, the entire Montgomery County’s clearance rate is 37.14%. It should be noted that WNPDP’s statistics are part of the county figures. As can be realized, W. Norriton Township’s Part I clearance rate is significantly (30.44 or 81.96%) greater than the county as a whole.

It is also relevant to consider, and will be depicted later in this report, that the average “clearance rate” of Part II Crimes for W. Norriton Township is 90.37% from 2012 through 2016. During the same time period, the entire County’s clearance rate is 61.14%. Again, it should be noted that WNPDP’s statistics are part of the County figures. W. Norriton Township’s Part II clearance rate is (29.23 or 47.80%) greater than the County as a whole.

The manner in which the Detective working in these units does appear to have justification with regard to workload (correlation to the number of Part I and Part II crimes) reported or the investigations being conducted, and/or case clearance rates. There is a professional policy, methodology, and procedure about the manner in which cases are selected for follow-up investigation. Solvability factors are formally considered throughout the investigative process.

### **Evaluation:**

The current basic organizational scheme appears to produce effective results. Policies and procedures appear adequate as reflected in Department's Clearance Rates published in the Pennsylvania Uniform Crime Report.

### **Recommendations:**

To strengthen patrol, investigations, and improve crime clearance rates, the Department should consider the following actions:

1. Consider the current "Span of Control" when Collective Bargaining and Attrition present the opportunity.
2. Revisit the methodology and practice of Uniform Crime Reporting of "Clearance" of crimes. The Township is reporting a significant number of clearances compared with the County clearances.

### **C. POLICY**

Policy refers to a course or courses of action adopted and pursued to achieve agency objectives in acceptable ways, to establish the directions in which an agency will proceed, to establish required modes of institutional behavior and to encourage uniform operational action. Policy specifies principles to be observed rather than procedures or rules to be followed to actualize principles. Formulating policy is the responsibility of the Chief of Police. It is one of the most important responsibilities a Chief has to perform.

A Police Department should have a standing policy in every area of significance as to its role and operations. Consensus on even the approximate number of areas, which are significant, and the nature of the areas does not exist. A contemporary, high-quality manual that the IACP uses as a model contains 151 individual policy statements. Policy must be definitive, clear and comprehensive. It must be written so that it can be uniformly communicated and understood. Having policy in writing is a major defense in liability situations, assuming that policy is also appropriate and constitutional. Although the policy positions of a Department are ultimately those chosen by the Chief of Police, members of a Department should be relied upon to help identify areas in which new policy is needed, areas in which current policy must be modified and to help formulate policy. Staff involvement enriches the policy identification and formulation process and gives staff an investment in the product. Policy development and modification should be ongoing. A Department's entire body of policy should be comprehensively reviewed, at least biannually. The review should focus on the need to change existing policy and to establish new policy. Special attention should be directed toward eliminating conflicts and redundancy in policy.

### **Current Conditions in the W. Norriton Township Police Department**

The policies of the W. Norriton Township Police Department are contained and distributed in a Department Manual. The Manual also contains job descriptions that include the essential functions of the job.

Policy and Policy implementation have been examined and assessed by the Pennsylvania Chiefs of Police Association. It is noteworthy to mention that WNPD is one (1) of only one hundred fifteen (115) police agencies that have been accredited by the Pennsylvania Chiefs of Police Association according to Mr. Richard Hammon, Accreditation Manager. Only 7.75% of the Commonwealth's 1200 municipal police agencies have been accredited.

### **Evaluation:**

The current system is adequate and in compliance with established professional standards. It appears that policy development and updating have received considerable attention.

**Recommendation:**

To strengthen the body of policy, the Department should consider the following action:

1. Continue to routinely inspect policy, rules and regulations manuals for completeness and accuracy as it relates to re-accreditation by the Pennsylvania Chiefs of Police Association.

**D. RECORDS**

A Police Records System must be complete and accurate in its information gathering capability, swift in its ability to deliver needed information and operated at a minimal cost. With such a system, a Police Department may keep a watchful eye on the criminal activities in the community and monitor its own success in suppressing these criminal activities. Without high-quality information, no Police Department can hope to provide the kind of service that the taxpayers deserve.

The basic tool of the modern Police Officer is the police report. It is in this report that the Officer forms the groundwork for an active and successful prosecution of the criminal offender. It also records information that the Officer has taken action on a complaint and has documented his/her reasons for acting or not acting on the complaint. The report also assists the Police Department by providing accurate proof of police activities.

In a larger perspective, the individual police report becomes part of a larger tool used by the Department's Record System. This system is the informational base of any Police Department.

It is here that the individual Officers deposit their findings in a common pool that all other officers may draw from when necessary. In order for this System and the Police Department to

be effective, the System must have the ability to accurately record information and hold it, and conversely, to quickly give out information when necessary.

### **Current Conditions in the W. Norriton Township Police Department**

The Records Section receives day-to-day attention and functions under standard operating procedures. The records are maintained in the Central Records area under adequate security. This section provides all support services for the entire Police Department operations. The Records Section provides Officers with information not routed through Montgomery County Emergency Operations Center. In addition the Unit provides records maintenance, data entry, completing and maintaining statistics and preparation of the monthly report, false alarm billing, clerical and secretarial support to all divisions, receptionist duties and a myriad of duties too numerous too list. The Records Section is staffed with three (3) full-time civilian employees.

### **Evaluation:**

The Department has developed a Records Section that appears to be in compliance with established professional standards.

### **Recommendations:**

None

## **E. DISPATCHING**

Dispatching service is provided Monday through Friday, in part, by the W. Norriton Township Police Department Dispatcher and constantly through the Montgomery County Emergency Operations Center. The MCEOC call sheet is used to compare the Police Department's completed incidents to ensure that reports are being prepared on dispatched calls. The

Dispatcher handles walk-in complaints, citizens requesting fingerprint services, general information, and paying fees and parking tickets.

### **Current Organization and Staffing Evaluation:**

The current organization of the Department appears to reflect consideration of the majority of principles of organization. The most important are:

- Responsibility must be clearly fixed to ensure that every function of a police agency should provide is performed.
- Responsibility for every function that a police agency performs must be clearly assigned to one person.
- Functions which are similar or related in purpose, process, method, or clientele should be grouped together in one or more units.
- Responsibilities, duties and authority of units should be clearly defined and delineated so that accountability can be fixed and duplication of effort and non-performance of duties due to failure to assign can be prevented.
- Responsibilities, duties and authority of units should be known to all members of a Department through written directives.
- Only one person should control each unit and each individual, thus achieving the principle of unity of command and avoiding the friction that results from duplication of direction and supervision.
- Names of organizational units should reflect purpose.

- Specialized units should exist only if they significantly increase overall departmental capability.
- Control channels should exist to enable information to flow up and down, and to enable management to delegate authority, place responsibility, supervise work and coordinate efforts. These channels should be well understood by all members of a Department to ensure that they know to whom they are responsible and who is responsible to them.
- Span of control must be broad enough for economical management and supervision, but not so broad that managers and supervisors cannot manage or supervise effectively.
- Each assignment or duty must be paralleled by commensurate authority to fulfill the responsibility.
- Persons to whom authority is delegated should be held accountable for the use of the authority or the failure to use it.

Most problems that confront police departments cannot be resolved or prevented simply by observing principles of organization. Observing principles of organization cannot overcome innate weaknesses in the motivation or capabilities of personnel, eliminate inertia, or generate the initiative required for effective direction and control. Observing the principles will produce an organizational structure, however, that will influence the efficiency of a police department positively when capable personnel, motivation and other essential factors are present.

Management is a science and outstanding management training for police organizations is readily available. A manager plans, organizes and controls the efforts of an organization. He or she focuses on function, facts and priorities.

Lee P. Brown, past President of the IACP stated: “A leader is a visionary, charting a course for the organization then guiding it toward the chosen destination. A leader influences others to achieve stated purposes and reach the goals that are consistent with established values.

Courageous individuals, leaders are those who dream and have the ability not only to share their dream with others, but, to translate the dream into reality.”

**Recommendations:**

1. Maintain the Department in accordance with the above principles of organization.
2. Maintain Accreditation by re-accreditation through the Pennsylvania Chiefs of Police Association.

**II: TOOLS FOR EVALUATING DEPARTMENT EFFECTIVENESS IN FIELD OPERATIONS**

The effectiveness of a police department is determined by many factors. The police department and the citizens of the community look upon crime and the relative feeling of safety that exists within the jurisdiction as a primary role of the police. There is some question concerning how much impact the police really have on crime. However, we must look at the crime rate, the ability of the police to respond in a timely fashion, the amount of violent crimes (Part I offenses), and the less serious crimes (Part II offenses) occurring in the community as effectiveness measures.

Another important factor is the ability of police to solve crime once it is brought to their attention. This deals with a police department’s arrest rate and clearance rate. Yet another factor can be examined by looking at the conviction rate – those cases in which an arrest was made and whether or not a court conviction was achieved.

Patrol is the backbone of any law enforcement agency. The philosophy held by officers on patrol has very serious ramifications toward accomplishment of the police mission.

Studies indicate that police departments employing an “aggressive” patrol strategy experience higher arrest rates and lower crime rates for robberies than jurisdictions with a “passive” patrol strategy. Making frequent “street stops” or issuing an above-average number of traffic citations accomplishes this. Generally, if a criminal knows that police are actively stopping suspicious persons and making field checks, or if the criminal sees more police on patrol, he may not commit crime because he perceives that his chances of being caught are greater. This perception will often lower the crime rate in a given jurisdiction.

Accident Enforcement Index is another measure of effectiveness that can be drawn through an examination of data. Experts (Northwestern Traffic Command Institute) report that for every injury accident, twenty (20) citations should be issued for optimum enforcement. Optimum enforcement is desirable in an effort to reduce injury accidents.

The WNTPD Monthly Report indicates the number of traffic citations and accident information. Table 1 depicts the information as follows:

**TABLE 1  
W. NORRITON TOWNSHIP POLICE DEPARTMENT  
ACCIDENT ENFORCEMENT INDEX**

<b>Year</b>	<b>Citations Issued</b>	<b>Injury Accidents</b>	<b>Enforcement Index</b>
2012	987	76	12.99
2013	836	54	15.48
2014	686	59	11.63
2015	744	53	14.04
2016	927	64	14.48

Source: W. Norriton Township Police Department Records Section

**Findings:**

1. The table indicates that WNTPD’s traffic enforcement index falls below optimum during the five – 5 years above.
2. Citations issued in the WNTPD decreased from 987 during 2012 to 927 during 2016 or 60 (6.07%) over the five (5) year period.

3. Although the total five (5) year enforcement record (306 divide by 4,180 = 13.66) suggests a patrol mission that subscribes to less than an “aggressive” patrol strategy.
4. Injury Accidents have a five (5) year average of 61.2 per year with an enforcement index of 13.66.

**Recommendations:**

1. Research, evaluate and consider the causal factors impacting the accident enforcement index.
2. Initiate strategies to improve the AEI.

**Reported Part I Index Crimes**

Table 2, Reported Part I Index crimes 2012 – 2016, follows and summarizes the number of serious crimes reported to the WNPd during this five (5) year period ending In December 2016. Index crimes are commonly used to portray the level and nature of crime in a jurisdiction. Part I crimes include the offenses of Homicide, Rape, Robbery, Aggravated Assault, Burglary, Larceny, Motor Vehicle Theft, and Arson.

**TABLE 2  
WEST NORRITON TOWNSHIP POLICE DEPARTMENT  
REPORTED PART I INDEX CRIMES  
2012-2016**

<b>Year</b>	<b>Murder</b>	<b>Rape</b>	<b>Robbery</b>	<b>Assault</b>	<b>Burglary</b>	<b>Larceny Theft</b>	<b>Motor Vehicle Theft</b>	<b>Arson</b>	<b>Total</b>
2012	0	11	3	16	39	320	11	1	401
2013	0	2	13	29	31	370	10	0	455
2014	0	4	8	15	38	344	24	0	433
2015	0	5	3	32	24	274	17	2	357
2016	0	1	4	19	36	284	13	0	357
<b>TOTAL</b>	<b>0</b>	<b>23</b>	<b>31</b>	<b>111</b>	<b>168</b>	<b>1,592</b>	<b>75</b>	<b>3</b>	<b>2,003</b>

Source: Uniform Crime Report, Compiled By the Pennsylvania State Police, Bureau of Research and Development.

\*A table showing, Montgomery County statistics was not provided due to the sheer volume of information

### **Findings:**

1. West Norriton's Index crimes increased by 54 from 2012 to 2013, decreased 22 in 2014, then decreased 76 in 2015, then there was no change in 2016. Overall, index crimes **decreased** 44 or 10.97% compared to five (5) years earlier.
2. During that same time period, index crimes across the entire county decreased 259 from 16,698 in 2012 to 16,439 in 2013; decreased 1,134 to 15,305 in 2014, then decreased 268 to 14,573 in 2015. Index crimes decreased 732 to 13,841 in 2016. Overall, index crimes **decreased** 2,857 or 17.11% compared to five (5) years earlier.
3. In WNPJ jurisdiction, the greatest number of Part I crimes (455), were reported in 2013. Montgomery County experienced the greatest number of Part I crimes (16,698) in 2014.
4. Larceny-Theft was the crime category most frequently reported in WNPJ and Montgomery County. Burglaries and Motor Vehicle Theft followed as the number two (2) and three (3) crime categories in the Township and across the entire County.
5. WNPJ's five (5) year average clearance rate was 67.58%. The County average was 36.95%.

20.

### **Crime Rate**

A review was conducted of the reported crime in West Norriton Township Police Jurisdiction over the past five (5) years from 2012 through 2016 as reported in the Uniform Crime Report, compiled by the Pennsylvania State Police, Bureau of Research and Development.

The same review, for the same time period, was conducted for the entire Montgomery County for comparison purposes. This allows West Norriton Township to better understand the Crime

Trends in their jurisdiction in comparison to all the reporting municipalities across the County. It should be noted that the WNPDP statistics are included in the County statistics.

Crime Rate information follows and provides a formula to indicate a municipalities' crime rate in numerical terms. The rate is determined by dividing 100,000 by a municipalities population, times the Part I reported Crimes as follows:

**TABLE 3  
CRIME RATE COMPARISONS  
2012-2016**

MUNICIPALITY	POPULATION CALCULATION	PART 1 CRIMES	CRIME RATE	YEAR	CLEARANCE RATE
WNPDP	100,000 / 15,663 = 6.38	x 401	2,558.38	2012	63.6%
		x 455	2,902.90	2013	56.7%
		x 433	2,762.54	2014	64.4%
		x 357	2,277.66	2015	80.7%
		x 357	2,277.66	2016	72.5%
Montgomery County	100,000 / 799,874 = .125	x 16,698	2,087.25	2012	38.21%
		x 16,439	2,054.88	2011	36.39%
		x 15,305	1,913.13	2010	36.14%
		x 14,573	1,821.63	2009	38.02%
		x 13,841	1,730.13	2008	36.95%

Source: Pennsylvania Uniform Crime Reporting System

**Findings:**

1. The data suggests that WNPDP, over a five (5) year period from 2012 to 2016, has experienced a **decrease of 280.72 or 10.57%** in the crime rate, down from 2,558.38 in 2012 to 2,277.66 in 2016.
2. Montgomery County over the same time period has also experienced a **decrease of 357.12 or 17.11%** in the crime rate, down from 2,087.25 in 2012 to 1,730.13 in 2016.
3. West Norriton Township's Crime Rate is greater than the County average.

### **Evaluation:**

From the data examined, West Norriton Township Police Department appears to be clearing a greater percentage (67.58%) of crime compared to the County percentage (36.95%) of crime. However, the County Crime Rate average (1,921.40) is less than the Township Crime Rate average (2,555.83). Part 1 crime is decreasing at a greater rate across the County than crime reported in West Norriton Township.

### **Conviction Rate**

Another measure of effectiveness can be gleaned from a department's "conviction rate". A conviction is the successful prosecution of an offender arrested, charged and prosecuted and convicted for committing a crime.

### **Evaluation:**

West Norriton Township Police Department does not specifically track conviction rate information regarding the disposition of offenders charged with committing crimes within their jurisdiction. The WNPDP "Monthly Activity Report" does include much information on the number of crimes occurring but not being investigated in the Township. Therefore, for the purposes of this report, it was not possible to determine "conviction rate" data.

### **Recommendations:**

1. Collect, compile and analyze conviction data on criminal prosecutions.
2. Include statistical information on crimes being investigated (followed up by Detectives) on the monthly and annual reports.

### **Reported Part II Index Crime**

Table 4, Reported Part II Index Crimes summarizes the less serious crimes than the Part I index crimes reported by the West Norriton Township Police Department during the five (5) year, time period from 2012 through 2016.

**TABLE 4**  
**WEST NORRITON TOWNSHIP POLICE DEPARTMENT**  
**REPORTED PART II INDEX CRIMES**  
**2012-2016**

<b>Crime</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
Other Assault	91	82	75	63	52	363
Forgery	6	4	1	6	1	18
Fraud	91	81	124	111	145	552
Embezzlement	0	1	1	0	0	2
Stolen Property	1	2	1	1	3	8
Vandalism	94	94	69	83	61	401
Weapons	7	4	7	6	9	33
Prostitution	0	0	1	0	0	1
Sex Offenses	5	7	6	7	11	36
Narcotics	63	52	51	56	35	257
Gambling	0	0	0	0	0	0
Family Offenses	3	5	2	0	5	15
DUI	51	60	47	39	41	238
Liquor Laws	8	6	1	3	3	21
Drunkenness	29	32	31	27	17	136
Disorderly Conduct	170	149	106	127	132	684
Vagrancy	2	2	0	5	3	12
All Others	77	91	64	68	63	363
<b>TOTAL</b>	<b>698</b>	<b>672</b>	<b>587</b>	<b>602</b>	<b>581</b>	<b>3,140</b>

Source: Uniform Crime Report, Compiled By the Pennsylvania State Police, Bureau of Research and Development.

**Findings:**

1. Part II crimes decreased 117 or 16.76% in WNPDP, down from 698 in 2012 to 581 in 2016.
2. During the same time period, Montgomery County Part II crimes decreased 1,506 or 4.79%, down from 31,424 in 2012 to 29,918 in 2016.
3. During the five (5) year time period, Disorderly Conduct 684, Fraud 552, Vandalism 401, Other Assault and All Others each recorded 363 for the top four (4) Part II crimes reported in the West Norriton Township Police Department.

4. During the same time period crimes reported across the entire County, All Others 23,511, Disorderly Conduct 20,673, Fraud 20,192 and Vandalism 18,619 were the top four (4) Part II crimes reported across the entire County. Again take note that the County statistics include Part II crimes reported by the WNPDP.
5. WNPDP five (5) year (2012 – 2016) Part II clearance rate was 29.23% greater, 90.37% compared to the Montgomery County average of 61.14%.

It is also noteworthy to consider that West Norriton Township is experiencing a **greater** (16.76%) **decrease** in reported crime than the Counties (4.79%) reported decrease. The most frequently occurring crimes, county wide, are identical during this five (5) year period. The uniform crime reports indicate that Disorderly Conduct, Vandalism, and Fraud are among the most frequently reported crimes.

#### **Total Crime Statistics Notes:**

1. There were 5,143 total crimes (2,003 Part I and 3,140 Part II) reported to the West Norriton Township Police Department during the study period (2012 through 2016).
2. Serious crimes totaled 2003 or 38.95% of the total (2,003 of 5,143).
3. Less serious crimes totaled 3,140 or 61.05% of the total (3,140 of 5,143).
4. Larceny Theft was the most frequently reported crime and accounted for 80.27% (1,592 divided by 2,003= 79.48%) of the serious crime in the Township.
5. In comparison, for that same period of time across Montgomery County, Larceny Theft accounted for 75.87% (58,310 divided by 76,856 = 75.87%).

### **III: MANAGEMENT, TECHNICAL AND SUPPORT SERVICES**

Management is the process of organizing and using personnel and material resources to accomplish objectives. The management process comprises a comprehensive and diverse array of functions. Among the most essential are setting organizational objectives; organizing programs to achieve objectives; assembling staff and other resources required to conduct programs; establishing policies and procedures to govern programs; directing programs through

written directives, internal communications and supervision; and controlling programs to ensure compliance with policies and procedures.

The Chief of W. Norriton Township Police Department bears ultimate responsibility for achieving objectives and for the effectiveness of the management process. Because the Chief cannot be omnipresent nor conduct the management process by himself, responsibility must be delegated to division and section commanders and supervisors. To manage the Department effectively, the Chief and his delegates must have the support of a number of executive or administrative services, principally research and planning, legal counsel, public information and fiscal management.

### **ORGANIZATIONAL OBJECTIVES**

Objectives are ultimate ends that police agencies strive to achieve. Although objectives are not immutable, they do not change substantially over time. Crime prevention, apprehension of offenders, clearance of crimes, and recovery of property, locating missing persons, and protecting constitutional guarantees, have long characterized the Police function. In both theory and practice, objectives are often referred to as goals. They are also referred to as outcomes. Although there are technical distinctions, these terms are used synonymously in this report.

Objectives, by definition, are prerequisite to managing by objectives. Their existence allows all management functions to be directed toward their achievement. Objectives should exist for a Department as a whole and for each division, section and unit within it. Logical relationships must exist between and among levels of objectives. Division objectives, for example, should connect, integrate and in some instances be identical with objectives of a Department. Objectives must be stated with sufficient precision to yield to valid measurement. Agencies must measure the degree to which objectives are achieved, which is effectiveness, and the cost incurred to achieve objectives, which is productivity.

Most agencies prepare objectives, mainly to satisfy municipal-level budgeting requirements. Agencies normally assign the development task to a budget or planning unit and require only perfunctory involvement of operating personnel. Few agencies exploit the management,

evaluation and performance measurement potential of objectives. This defeats the entire purpose of efforts that are made.

### **Current Conditions in the W. Norriton Township Police Department**

There is nothing written in this area.

### **Evaluation:**

None.

### **Recommendations:**

To strengthen its system of organizational objectives, the Department should consider the following actions:

1. Develop a structure of organizational objectives.  
The structure must include objectives for the Department and for each unit. The objectives must specify the ultimate outcomes that the Department and the sub-divisional organizational units wish to achieve. The objectives must be measurable.
2. Develop one or more measures of achievement for each objective in the structure.  
Effectiveness measures are most important. Productivity, efficiency and workload measures are also important since they have many additional valuable managerial uses.  
Responsibility for developing and implementing the system of objectives and measures should be assigned to the Department's command staff (Chief and Lieutenant as a unit). Key Senior Officers should participate heavily in the developmental process also.
3. Require that the objectives and measures be used for planning, decision making and performance evaluation at all organizational levels.
4. Department command staff should be trained to use the objectives and measures for the foregoing management process.

## **A. INTERNAL COMMUNICATIONS**

A variety of techniques should be used, in addition to written directives, to communicate intended objectives, policies and procedures to Department personnel. Those found to be effective, when properly designed and administered, are staff meetings, distribution of staff meeting summaries and/or similar in-house communications media; roll-call discussions; work site and field visits by the Chief of Police and other departmental executives; major events, such as awards presentations, which rank-and-file employees are expected to attend; and frequent interaction, both formal and informal, between police executives and benevolent, Fraternal Order of Police or union association representatives. While these communication mechanisms are designed to help Department Commanders and Supervisors communicate and direct downward, a number of them provide a simultaneous opportunity for rank-and-file officers and employees to communicate upwards – to ask questions, make comments and generally express feelings and concerns. A Department should take every opportunity to use these situations and mechanisms to improve upward communications.

As a medium for directing departmental operations, the importance and potential of staff meetings cannot be overemphasized. Staff meetings provide face-to-face opportunities for managers to communicate intent and explain rationales. In addition, the meetings transmit facts, and provide opportunities for staff to comment on operations and their effectiveness. They also provide opportunity to discuss and resolve specific problems and policy proposals and to express ideas that can contribute to the progress of an agency. Contributing tends to promote satisfaction and a sense of accomplishment among staff. Through participation, subordinates tend to identify with organizational objectives and endorse management plans.

In most departments, only senior officers attend or have staff meetings. This should not nor need not be the case. Staff meetings should be held at all levels of a police agency. Staff meetings should follow regular schedules and prepared agendas. Written minutes should be kept. Minutes of previous meetings should be reviewed as a matter of regular business. This ensures automatic review of previously discussed matters and provides the basics for determining whether controlling actions have been taken between meetings.

Stable departments require fewer meetings than those undergoing reorganization, rapid growth or other forms of transition. Frequent meetings are desirable when new systems or programs are being planned or introduced. Departments should modify standard schedules of meetings as conditions warrant, either increasing or decreasing the number. It is preferable to err on the high side when determining frequency of meetings, since redundant communication is preferable to under-communication. At the same time, care must be taken to avoid scheduling meetings so frequently that participants lose valuable time unnecessarily.

### **Current Conditions in W. Norriton Township Police Department**

The Chief has regularly scheduled monthly staff meetings monthly on the 2<sup>nd</sup> Wednesday and does visit the Department on evening or night shifts. There appears to be standing committees, such as accreditation and drug investigations that enable management and non-management personnel to work together on any issue regardless of the importance of the issue. The exception is the officers of the labor organization who meet with Township Officials on contractual matters. At times, this may tend to be oriented more toward adversarial relationships than it does toward harmonious relationships. That is not the case in W. Norriton Township, as the Police Department has not been to Arbitration since 1980.

### **Evaluation:**

The Department does utilize most of the internal communications mechanisms available

### **Recommendations:**

None.

## **B. SUPERVISION**

First-line supervisors are critical links in the direction process. Being closest to those who actually administer most police services and who are directly responsible for their performance, it is the first-line supervisors who must ensure on a day-to-day basis that objectives are being met and that policies and procedures are being carried out as intended. To do so, supervisors must be thoroughly conversant with Departmental objectives, policies and procedures that pertain to their areas of supervision and with the jobs to be performed by those supervised. They must monitor and evaluate the performance of personnel and must correct and teach when personnel do not perform as required. The most influential supervisor in a police agency is the patrol supervisor, usually a field sergeant. The patrol supervisor normally has more personnel to manage than other supervisors. He or she controls effectively, or ineffectively, the actions of those police employees who are most often and most directly involved in the delivery of police services.

To produce supervisors who can direct effectively, a Police Department must take a series of deliberate actions. It must administer promotional examinations and employ selection procedures that validly and accurately measure supervisory skills and potential. The procedures include the following: provide extensive training to those appointed to supervisory positions; make clear that supervisors are part of the management structure and will be held accountable for exercising the authority granted to them; use formal, structured, evaluation methods to measure and assess supervisory performance; give supervisors the tools they need to systematically diagnose and evaluate the performance and needs of their subordinates; correct inadequate performance (this should be accomplished, also, through a formal, structured system of performance evaluation); and supervisors must be provided time to evaluate subordinates and correct deficiencies through training. When supervisors must spend most or all of a shift on emergencies, other duties, effective direction, evaluation and training cannot occur. For supervisors to train effectively, officers must have sufficient free time to be trained.

## **Findings:**

There are ten (10) supervisory positions in the Department. There is a Detective Sergeant, an Administrative Sergeant, four (4) Patrol Sergeants and four (4) Patrol Corporals.

Supervision within the entire Department is one of the strong aspects of the Department's management process. This is due, in part, because the Department's size allows for an esprit de corps due to the closeness of all Department members.

The Chief subscribes to journals and publications such as but not limited to, Americans for Effective Law Enforcement, The Effective Executive, Labor Contract Law Bulletin, The Chief's Bulletin, etc. These publications are made available and are required reading for the Deputy Chief, Sergeants and Corporals.

## **Recommendations:**

1. Although Legal Council recommended against Performance Evaluations, the subject should be revisited to determine the advantages of developing and introducing a performance evaluation system.
2. Become familiar with and practice the "Principles of Quality Leadership":
  - Believe in, foster and support TEAMWORK.
  - Be committed to the PROBLEM-SOLVING process; use it and let DATA, not emotions, drive decisions.
  - Seek employees' INPUT before making key decisions.
  - Believe that the best way to improve the quality of work or service is to ASK and LISTEN to employees who are doing the work.
  - Strive to develop mutual RESPECT and TRUST among employees.
  - Have a CUSTOMER orientation with focus toward employees and citizens.
  - Manage on the BEHAVIOR of 95 percent of employees and not on the 5 percent who cause problems. Deal with the 5 percent.
  - Improve SYSTEMS and examine PROCESSES before placing blame on people.
  - Avoid "top-down" POWER ORIENTED decision making when possible.

- Encourage CREATIVITY through RISK TAKING, and be TOLERANT of honest MISTAKES.
- Be a FACILITATOR and COACH. Develop an OPEN atmosphere that encourages providing and accepting FEEDBACK.
- With TEAMWORK, develop with employees the agreed upon GOALS and a PLAN to achieve them.

### **C. MANAGEMENT CONTROLS**

Results are not achieved only by issuing orders, or by directing an objective to be achieved, a plan implemented, or a task undertaken. To achieve a desired end, management must do more than direct. It must control. Control is the process of ensuring that policies, procedures and operations correspond to the intent and directives of management. Control is part of a larger four-step process. Determining what results or objectives are to be achieved and selecting policies, procedures, and operations to achieve them is the first step. Issuing directions designed to produce the desired results is the second step. Monitoring the operations to identify undesirable deviations is the third step. If operations are proceeding as planned and monitoring does not disclose deviations there is no need for action. If the monitoring discloses deviations or side effects, then action must be taken. Correcting the deviation, or undertaking some other course of action designed to promote success, is the fourth step. These last two steps are the elements of control. Line inspections, staff inspections and internal affairs reviews are three (3) forms of management controls that should be administered in every police department.

The inspections process is designed to observe evaluate and record flaws in the application of sanctioned policies and procedures and in use of human and material resources to accomplish the Departmental mission. Line and staff are two types of inspections in the police service. Supervisors in the regular course of activities should perform line inspections. Though line inspections are commonly associated with patrol, line inspections should be conducted by supervisors at all levels in all units. The appearance of subordinates; the condition of equipment, the completeness of the orders manual and officer demeanor with the public, typify the focus of line inspections. Written line inspectors in the instances of major or continuing problems should

produce reports and when training or some other remedy is in order, it must be approved at executive levels.

Staff inspections are essentially “independent audits.” Members of a special unit, in the name of the Chief of Police, should perform them. Staff inspections should focus on the degree to which established policies and procedures have been implemented properly, the degree to which orders are being carried out and upon the proper or improper use of personnel and material resources. Organizational units should be inspected bi-annually, at a minimum. Written reports of findings and recommendations should be prepared for the Chief of Police subsequent to every inspection. He should share reports with executive staff and the commanders of units that are to be inspected, except in cases of extreme sensitivity and where confidentiality is required. Unit supervisors should be required to evaluate and comment on reports, especially when findings are negative and/or recommendations seem questionable. Timetables should be established for corrective actions in all situations where such actions are preferred.

There is a common feeling among police administrators that close proximity to subordinates reduces or eliminates the need for continuing the inspection process. This belief is especially prevalent in small agencies, but is without basis. Police administrators should hold all supervisors responsible for line inspections. The Chief of Police should also assign responsibility for staff inspections to a command individual who has a comprehensive understanding of the Department as well as the Department’s policies and procedures. Members of a Department should view inspections as a normal and desirable administrative activity. They should be completely informed about reasons for inspections, the nature of inspection procedures to be used, and the consequences, which will follow when deficiencies are noted and reported. Covert inspections should be conducted only when a probability exists that very serious conditions detrimental to the best interests of a Department are present. Even then, covert inspections should be conducted only under the immediate direction of the Chief of Police. Although covert inspections usually unearth a greater number of defects than open inspections, they also engender serious morale problems when used routinely. Covert inspections should be resorted to only when it is absolutely necessary to protect the Department from grave public

embarrassment. For the most part, open inspections, known and anticipated by the employees, will produce desired remedial results.

### **Current Conditions in the W. Norriton Township Police Department**

The Department does not have a formal, comprehensive, agency wide inspections program. The Deputy Chief and patrol section Sergeants do limited inspections (inspecting vehicles for damage and operating condition). The inspections program utilized for the most part is an informal one of dealing with issues as they may become apparent from time to time.

### **Findings:**

Formal Line and Staff inspections are nonexistent. Accordingly, the Department fails to comply with professional standards in this area. Absence of line and staff inspections is mainly attributable to the common and mistaken perception that small agencies do not require the formal, structured inspections program necessary in larger departments. Every agency, regardless of size, must have organized, systematically administered management controls.

### **Recommendations:**

To strengthen the inspections process, the Department should consider the following actions:

1. Formally establish a line and staff inspections program. Line Inspections could be the responsibility of all unit Sergeants. Responsibility for Staff Inspections could be assigned to the Deputy Chief who reports directly to the Chief.
2. Prepare a written directive to govern line and staff inspections. The directive should cover objectives, procedures, and criteria to identify those inspections, which require a written report, follow-up procedures to ensure corrective action is taken and provision for inspection of every organizational component at least every other year.

3. Arrange for the Chief and the Deputy Chief to attend a workshop on the inspections function.

#### **D. INTERNAL AFFAIRS**

A Police Department cannot be successful for very long without public belief in its integrity. Integrity is demonstrated and protected through a strong, fair and responsive Internal Affairs process. This gives notice to both the community and members of the Department that an agency is willing to “police its own.” It is Management’s way of demonstrating that Officers and civilian employees will be held accountable for complying with sanctioned forms of behavior and punished for violating them.

A Police Department should have a central Internal Affairs Unit or Officer. The Unit or Officer reports directly to the Chief of Police, when practical. Principal functions of the Unit or Officer should be to receive, record, process, investigate and control complaints against employees. Adequate resources must be devoted to the Internal Affairs function. Internal Affairs must have a positive emphasis. Management should view Internal Affairs as a proactive tool to achieve positive results. Police Officers, normally skeptical about Internal Affairs procedures, usually respond in a highly professional manner to an affirmative process as long as the rules are clear, fair and applied consistently. Too often, the function is managed in a way that reduces morale and motivation and strains community relations. In many agencies it is mysterious and burdensome, appearing deliberately designed to discourage complaints. Citizens have also traditionally been suspicious of the Internal Affairs process. When an informal public believes that its Police Department will investigate all allegations of misconduct against its members honestly and fairly, it will be less likely to become prematurely indignant or seek redress elsewhere.

A Police Department should have a simple and efficient system for receiving and processing complaints. Once a complaint has been received, from either inside or outside the agency, it must be investigated thoroughly and impartially and in a timely manner. Anonymous complaints should be handled in the same manner as any other. Frivolous allegations should be screened out

during the preliminary investigation. Minor complaints should be referred to an employee's supervisor. The Internal Affairs Unit should handle serious allegations. Internal Affairs should maintain staff control over all investigations, even when complaints have been referred. The Department must take positive steps to be sure that the public understands how the Internal Affairs process works. Citizens should be notified when complaints are being investigated and advised of the outcome. The investigative phase is the most critical part of the Internal Affairs process. Both the public and the employee must be satisfied that the investigation is thorough and fair. An Officer should be advised promptly when a complaint of misconduct is received, except in those cases where it would jeopardize the investigation. A Department must have a procedure for temporarily relieving employees from duty when charges dictate such action. This form of supervision is to be distinguished from one imposed as punishment following a final determination of misconduct. Neither Officers nor civilian employees have a constitutional right to counsel during an internal investigation, although Departmental policy or labor contracts often establish the privilege. Officers can be ordered to answer questions and submit to a polygraph test. When criminal prosecution is contemplated, Miranda guidelines apply. A search warrant or voluntary agreement is required to search an Officer's home or personal vehicle. Search of a locker or Department office requires neither.

When an internal investigation sustains an allegation of misconduct, formal charges should be filed. Filing officially notifies Officers that they are being charged with violations of Departmental rules, explains the nature of the charges and advises what procedural steps can be taken to answer them. Police misconduct may constitute violation of both criminal law and Departmental policy. In most jurisdictions, criminal and administrative procedures are entirely separate and distinct. An acquittal on criminal charges does not prevent a Department from taking disciplinary action against an Officer based on the same conduct. The laws of most states, as well as federal due process standards, require that an Officer be allowed a hearing on disciplinary charges at some point before discipline becomes final. A court reviewing an appeal of a Department's disciplinary action will only examine a written record. Generally, a court will not consider new evidence. As a result, although adherence to strict rules of evidence is not required in an administrative hearing, a verbatim record should be kept with the hearing board clearly stating the evidence on which its decision is based. As with any important administrative

decision, a Chief is well advised to consult with various levels of his staff before imposing penalties.

Internal Affairs policies and procedures and the functioning of the Internal Affairs Unit or Officer should be formalized in a written directive.

### **Current Conditions in the W. Norriton Township Police Department**

Responsibility for Internal Affairs remains vested with the office of the Chief of Police. The Deputy Chief conducts the investigation and reports findings to the Chief. The Department has policy covering the Internal Affairs process, along with training on conducting such investigations. The Department is a Civil Service Organization.

#### **Finding:**

The Department does have written policy on the Internal Affairs Process and appears to be in compliance with professional personnel management practices.

#### **Recommendation:**

To strengthen the Internal Affairs function, the Department should consider the following action:

1. Publish a summary of the number, type and disposition of complaints against officers in the Departments' Annual Report.

### **E. PLANNING**

Planning is the process of developing and selecting the best possible course of action to meet a police need or achieve a police objective. It is a basis for rational, effective police decision-making, management and operations. Without planning, the objectives of police agencies will not be achieved effectively. Lack of formal planning, particularly long-range planning, is one of

the most critical deficiencies in police management today. Many Police Chiefs attempt to manage their Departments without adequate planning.

A Police Department should have a full-time planning unit. Small agencies should have at least a part-time planning officer. Planning units and officers should have Department-wide staff supervision over all planning activities. They should:

- Evaluate and recommend improvements to existing programs, systems, procedures and methods.
- Prepare crime projections and complete allocation studies.
- Conduct long-range planning and research to design new systems and develop new policies, procedures and methods.
- Work with Township management to plan and coordinate long-range fiscal needs.
- Conduct demographic studies and research to match future police service in developing community requirements.
- Develop plans for responding to natural or technological disasters and civil disorders.
- They should also subject each existing procedure and operation to a test of efficiency. This is accomplished by applying the following questions:

1. What is accomplished by the procedure or operation?
2. Would the Department's overall operation be materially impaired if the process or procedure were eliminated entirely?
3. Can some other person or unit accomplish the process or procedure more efficiently or effectively?

4. Has another agency found a better way of performing this process or operation?
5. If the procedure or operation is continued unmodified, is the result worth the cost?

Systematic analysis of existing procedures is a valuable technique for maintaining Departmental efficiency and effectiveness. The investment of time in the procedure usually produces substantial savings in police manpower and money and results in better service to the public.

Variation in the foregoing list of responsibilities, additions or deletions, will be dictated by local conditions.

A planning unit should be staffed by persons who collectively combine all of the knowledge and skills required to effectively conduct the contemporary police planning function: Police science; principles of organization and management; principles and techniques of planning; research methods; information collection, handling, and processing; long-range planning; budgeting; performance measurement; governmental operations and law enforcement technology. A staff must maintain up-to-date knowledge of emerging Criminal Justice research and development of current and emerging issues and problems. A planning officer must have many of these skills and the resources to acquire the remainder when necessary.

A unit may be composed of either civilian or sworn personnel. A blend usually works well. The director of a planning unit may be either sworn or civilian. He or she must, however, be a skilled manager and be knowledgeable in at least several of the disciplines mentioned above. A planning unit should report directly to the Police Chief.

Planning and research units should produce completed staff work. Completed staff work involves study of a problem, examination and presentation of alternative solutions and presentation of the best solution in such form that the Chief of Police only need review and approve or disapprove the proposed plan of action. The principal idea of the concept is to avoid

presenting an incomplete plan, which would unnecessarily consume the valuable time of the Chief and the command staff.

The responsibilities of a Planning Unit should be formalized in a written directive.

### **Current Conditions in the W. Norriton Township Police Department**

A five (5) year Capitol Purchasing Budget Planning Assignment is being conducted by the Chief of Police. Otherwise, there is little formal planning being conducted. Informally, planning occurs on an ad hoc basis. There is no written policy.

### **Finding:**

None.

### **Recommendations**

To strengthen the planning function, the Department should consider the following actions:

1. Affix responsibility for the planning function in the job description of the Deputy Chief of Police.
2. Develop written directives on the planning and research function.
3. Prepare an agenda or inventory of planning and research needs. Special care must be taken to ensure that long-range needs are given due consideration.
4. Prioritize items on the agenda. This should be a joint effort of the Chief, Deputy Chief, Sergeant, and support staff.

5. Formally adopt the inventory and the priorities on the work plan for the planning function.

#### **IV: PERSONNEL AND TRAINING**

The quality of the service provided by a Police Department depends directly upon the quality of the personnel employed. The current quality and level of service provided by the W. Norriton Township Police Department rests largely with the competence and capabilities of the personnel presently employed. Future achievements and effectiveness will depend on the competence and capabilities of the men and women now being hired, those remaining in the Department and those hired in the future.

The Personnel Administrator for a police agency has complex and demanding functional responsibilities. Personnel Administrators must be sensitive to validity issues in selection and promotion, affirmative action requirements, collective bargaining procedures and potential challenges to the Township's selection, promotion or retirement systems. These concerns cause many Personnel Administrators to approach their work defensively and in so doing, lose sight of the overall goal of molding a quality workforce well suited to careers in police service.

To guarantee that the workforce is of the highest professional quality, an agency must have a comprehensive personnel program. It must maximize the effectiveness of its recruiting, selection, promotional and performance evaluation practices. Of utmost importance, it must be competitive in the labor market. Once quality personnel are employed, their abilities must be developed to their maximum potential through career-long education and training.

#### **Current Conditions in W. Norriton Township Police Department**

The primary responsibility for personnel matters for the Department, including recruiting, selection, and personnel records rests with the Chief of Police. When requested, the Chief assists the Manager and Township Supervisors with hiring, promotions, salary and related issues.

Disciplinary procedures are ultimately the responsibility of the Chief of Police. The Internal Affairs Function was discussed earlier in this report.

The Department does not have a formal career development program. It does not have a performance evaluation system. The Chief of Police performs employee personnel actions; however, the records are maintained by/in the Township. This practice appears to have been accepted without issue.

### **Findings:**

The Department has fashioned a personnel program and is in compliance with established professional standards.

### **Recommendations:**

To strengthen the organization of the personnel function, the Department should consider the following actions:

1. Prepare a written directive that clarifies and documents the responsibilities, authority and pertinent personnel practices assigned to the Department and the Chief of Police.
2. Move the personnel records maintenance and responsibility from the Township to the Office of the Chief of Police.
3. Evaluate, prepare and introduce a “Performance Evaluation System” for all Police Department members/positions, both sworn and civilian alike.
4. Design a career development program even though the promotional opportunities are quite adequate for this size Department.

## **A. PROMOTION**

Leadership qualities, intelligence, mastery of law enforcement procedures and supervisory or management skills are requisites for promotion to positions of higher responsibility. It is especially important that these characteristics be present in those promoted to the rank of Sergeant since they form the group from which future command officers and administrators will be selected.

All aspects of the promotion process must be based on a detailed analysis of positions into which personnel will be promoted. To observe this principle, written job analyses must exist. Written notices that describe qualifications testing procedures to be employed and other essential data needed by potential applicants should be posted prominently, well in advance of the closing date for applications. Three (3) years in grade as a Police Officer should be required for promotion to Sergeant and at least one (1) year in grade should be required for promotion to ranks above Sergeant. Recommended times in grade are considered a good compromise between limiting promotional opportunities to personnel with sufficient experience for advancement and creating a broad competitive base.

Testing should include a written examination, an oral examination and a medical examination for those who pass the written and oral examination. Performance evaluation also should be used to determine eligibility. Study materials should either be identified for applicants or be provided to them. The promotional process, in its entirety and in each of its elements, must meet requirements of validity and utility and minimize adverse impact. If assessment centers are used to examine candidates for promotion, a team of assessors should be used, a battery of assessment techniques should be employed, and the appraisals of assessors should be pooled to form recommendations on and to rank candidates. Candidates should be ranked on eligibility lists in order of total scores of the various elements of the testing process.

The “rule of three” should be followed. A Chief of Police should be able to recommend (to the Board of Supervisors, Council members, or Commissioners) individuals for promotion from among the first three (3) qualified or presented to an examining board. This gives a Chief some

latitude in the actual promotion of successful candidates. It is unfair to hold the Chief responsible for the performance of the Agency, while at the same time withholding from the Chief some discretionary power in the appointment of supervisory and command personnel from among qualified applicants. The “rule of three” recognizes imperfections inherent in any examination process and provides the Chief an opportunity to exercise professional judgment in selecting staff. At the same time, however, the rule limits the Chief’s discretion to acceptable bounds. To exploit the value of “rule of three”, the Chief of Police should have or be able to obtain knowledge about the capabilities of 39 individuals, the demands of the position to be filled, and the personal attributes necessary for successful performance on the job.

The performance of new Supervisors, normally new Sergeants, should be evaluated every three (3) months during a one-year probationary period. Findings should be discussed with them. Their supervisors should counsel probationers and corrective measures taken to assist those who fall short of expectations. The Chief of Police should give the probationer permanent status only after successful completion of the probationary period and after certification. Those probationers who cannot adjust to the responsibilities of higher rank should be returned to their previous grade, without prejudice.

Mitchell P. Weinzetl, Chief of Police, Buffalo, Minnesota Police Department discussed the concept of succession planning in the Police Chief Magazine, November 2012, page 46. Succession planning is a process through which many organizations – public and private – prepare for the eventual departure of key leaders. Through this process, organizations engage in a variety of strategies to identify individuals who might eventually assume a primary leadership role, generally taking steps along the way to prepare these individuals for transition. This can be important from a strategic perspective because “during a leadership change, a succession plan maintains the continuity of the agency’s mission and reduces uncertainty.”

Organizational leadership involves identification of potential talent within the organization. Training should be provided to those individuals identified. Individuals who show promise should be “mentored.” Staff should be empowered to make key decisions within an agency.

## **Current Conditions in the West Norriton Township Police Department**

The Department has a written policy and procedure on the Civil Service promotional process. The Department provides any newly promoted supervisors first line supervisory training at the first opportunity, but within the first year after promotion. Penn State POSIT and POLEX are excellent training opportunities that have been utilized. The Deputy Chief has attended the FBI National Academy.

### **Evaluation:**

None.

### **Recommendations:**

1. Prepare a probationary performance evaluation system for all Command and Supervisory positions and reduce the process to a written directive.
2. The promotional system should allow the Chief of Police input after the “rule of three” or similar system has been established.
3. Adopt and practice succession planning as discussed above.

## **B. PERFORMANCE EVALUATION**

Performance evaluation is the measurement and analysis of on-the-job performance of police employees. It focuses on the manner and effectiveness by which prescribed duties are carried out. Performance evaluation serves valuable purposes to administrators, supervisors and employees. Performance evaluations provide information to enable officers to maintain acceptable performance and improve unacceptable performance; reveal training needs individual and collective; provide the basis for decisions including assignment, promotion, discipline and termination; and provide a medium for supervisor-subordinate discussion and counseling.

Performance evaluations promote job satisfaction for officers who are performing well and provide incentive to improve for those who are not performing well.

Every police agency should have a formal performance evaluation system. Each officer in the agency should be evaluated, at least annually, preferably semi-annually. Probationary employees should be evaluated at least bi-monthly, preferably monthly. The entire evaluation process must meet standards of validity. The evaluation period must be specified on evaluation instruments or otherwise recorded. Evaluations are to be done by the immediate supervisor or supervisors of the employee being rated and reviewed by the supervisor or the rater/raters. The work of all raters should be evaluated for quality and consistency.

Employees must have the opportunity to review evaluations and should be required to sign evaluations to validate that they have been read. A signature should neither state nor imply agreement or disagreement with an evaluation. Raters and employees should discuss the contents of evaluations, even positive evaluations. Unsatisfactory ratings must be explained both orally and in writing. Employees should have the right to contest ratings and seek formal review. A copy of each evaluation should be provided to the employee. The operation of the performance evaluation system should be evaluated annually.

### **Current Conditions in the W. Norriton Township Police Department**

The Department does not utilize a Performance Evaluation System based upon the recommendation of the Township Solicitor.

### **Finding:**

The Department's non-use of the Performance Evaluation System does not comply with recommended standards in this area of professional personnel management.

## **Recommendations:**

With respect to performance evaluation, the Department should consider developing specific, identifiable criteria to better quantify and identify acceptable and unacceptable performance and then take the following actions:

1. Research, develop and utilize a probationary sworn officer, supervisor and command evaluation system.
2. Research, develop and utilize the sworn officer, supervisor and command performance evaluation system.
3. Research, develop and utilize a non-sworn member performance evaluation system.

## **C. EDUCATION AND TRAINING**

It is the unanimous opinion of professional police administrators, civic officials and informed laymen that improvements in the police service will parallel advancements in the level and quality of the education and training of the police officer. Education tends to “round” a police officer, to provide broader understanding of the social problems with which he or she comes in contact, and to judge alternative resolutions to a problem or situation more insightfully. It enables officers to cope more effectively with citizens and makes them more receptive to social and organizational change, and new ideas and concepts. Training improves the ability of police officers to make correct decisions and take appropriate action at the right time. It prepares officers to act decisively and correctly, makes them more productive, and instills a personal sense of competence and worth. The trained police officer can function better if well educated. An educated person cannot function effectively as a police officer until well trained. Obviously, both education and training are needed for contemporary police work. While a Department should approach education and training positively and emphasize their contributions to police service, it is no longer possible to ignore

the value of strong programs of education and particularly, training as essential defenses in “failure to train” liability situations.

For decades it has been recommended that a police agency should establish college education, preferably a degree as a minimum entrance requirement for employment. The national educational level of police officers has increased to 13.5 years as noted in a recently published report. Working officers without degrees should be required to earn them. An agency should strive to have a uniformed force composed entirely of officers with degrees. To encourage basic and continuing education, an agency should have an incentive pay program that awards pay increments for credits earned toward and beyond the minimum college requirement. A small percent increment is commonly recommended for each 30 credits needed for a degree.

Earning full credit would result in a larger percent incentive pay. Agencies must also support educational efforts by reimbursing tuition payments, granting educational leaves and providing shift preferences whenever possible so that officers can attend classes.

A police agency should provide six (6) types of training: basic, field, specialized, advanced refresher and remedial.

- Basic Recruit Training: Recruit training prepares new officers to function as policemen and policewomen. Its purpose is to develop fundamental operational skills, to impact a Department’s philosophy, and to familiarize recruits with Departmental policies and procedures. Recruit training is the most intensive training an officer receives and in many ways the most important. It helps form attitudes, philosophies and habits that influence officers throughout their careers. Every sworn member of a Department must go through recruit training. Recruit training is classroom based, though it should also include field exercises.

The Municipal Police Officers’ Education and Training Act requires that officers receive a minimum of 520 hours of basic instruction. Instruction must include the vehicles code, the crimes code, rules of criminal procedure, legal issues, investigative techniques,

interviews, interrogation, surveillance, firearms, first-aid, collection and preservation of evidence and a variety of other topics important to the recruit.

- Field training: Field training is an extension or continuation of recruit training. Assigning a recruit to work in the field with an experienced patrol officer or number of patrol officers is the central feature of field training. It is on-the-job training in the truest sense. Field training must be designed to enable recruits to apply and practice in the field what is taught in the classroom.

Field training officers must be selected very carefully since the success of field training depends, ultimately, upon the ability of field training officers to instruct and guide. The following factors should govern selection:

- a. Desire to serve: Only enthusiastic volunteers should be considered. Half-hearted instruction is inadequate.
- b. Ability: The training officer should be able to properly demonstrate approved techniques for conducting both routine and non-routine duties. The training officer must have mastered all tasks of the uniformed patrol officer.
- c. Attitude: A field training officer must have a positive attitude toward top management, command and supervisory officers and the policies of the organization. The attitude conveyed to the recruit must consistently be one of a professional police officer dedicated to public service. The recruit will look to the training officer for interpretation of policy, will begin to internalize attitudes toward the public, and will learn intangibles of police service which can never be completely transmitted in the classroom. Therefore, the examples shown to the recruit must be exceptional.

Neither age nor seniority should be given any great weight in the selection of a field training officer, since ability and attitude are not related to age.

Field training officers should be instructed on how to conduct field training. They should have field-training guides and lesson plans. The guides should state training objectives and describe preferred training methods. Lesson plans should familiarize field-training officers with what recruits are to have learned during recruit training. The field training itself should cover a majority of the situations the trainee will encounter when he or she performs independently.

It is essential to formally evaluate the performance of recruits. Weekly evaluations are counseling sessions to discuss evaluations and permit recruits to ask questions. Sessions should be private and confidential. At the end of the training period, field-training officers should recommend retention, termination, or retention with additional training and/or monitoring. All recommendations must be justified and documented. A recruit whose termination is recommended should be entitled to basic due process protections. Field training should last at least three (3) months.

- Specialized Training: Specialized training prepares those who serve on special assignments or conduct special activities, either managerial or technical, to function more effectively. It is designed to develop skills, abilities and attitudes in areas not dealt with during recruit and field training. Executive development, supervision, crime analysis, data processing, juvenile investigations and records management exemplify this class of training. Training to provide new skills and information to those in patrol, investigations, or other basic Departmental assignments also qualifies as specialized training.

Whenever possible, every sworn and non-sworn individual who functions in a specialized job should be trained for that job prior to assignment,. This is especially essential for new patrol and other supervisors who command large groups of personnel. To ensure that all who require specialized training receive it. A police agency must maintain an inventory of jobs requiring specialized training, the amount and kind of training required, and determine whether incumbents of the jobs have the requisite training.

- Advanced Training: Advanced training is a form of specialized training. The term is reserved, however, for training designed to impart the skills, knowledge and attitudes required for the highest executive and leadership positions in an agency. Advanced training is mainly available from outside providers. The FBI National Academy, Southern Police Institute, Northwestern University Traffic Institute, and the International Association of Chiefs of Police are the best-known providers of advanced training. A Department should ensure that all personnel serving in leadership and executive capacities, or being groomed for leadership, receive advanced training.
- Refresher Training: Refresher training is designed to reinforce, update and review, aspects of the basic training curriculum. Duration can vary from a few minutes during roll call to a week or more in a classroom or academy setting. A Department should use the roll call constantly to provide refresher training. Patrol officers should have a 40-hour refresher session every year. Curriculum should be geared to areas of critical significance and to problem areas. Arrest procedures, officer safety, report writing and community relations are examples of refresher training. The MPOETC annual mandatory training meets this training area for the most part, however, Police Chiefs have continued to lobby for improvement in the selection of topic areas.
- Remedial Training: Remedial training is designed to correct specific deficiencies of individual officers. Supervisors normally discover deficiencies during the course of work, by instructors during training sessions, through preparation of evaluations, or during testing. A Department should insist on remedial training for all officers who exhibit continuing deficiency in important aspects of job performance.

To maximize the quality of training, a Department must ensure that all courses are taught by certified or otherwise qualified instructors. Instructors must be supervised and evaluated by a Department's training director and trainees. Trainees should be tested and evaluated frequently to ensure the course material is being absorbed effectively and at expected rates. Course design is critical. Every course must have performance objectives. Performance objectives specify what course participants are expected to learn and provide a basis for evaluating participant

achievement, as well as the content of a course itself. There must be a lesson plan for each course, consisting of performance objectives, an outline of course content, required sequence of presentation, recommended instructional techniques, references, instructor and student work materials and evaluation materials. Most courses should provide material geared to job tasks. This requires that job analysis precede course design. These criteria should be used to select courses provided by outside providers, as well as to guide development of courses.

Large Police Departments should have a full-time training unit. The unit should identify training needs of every member of the Department; ensure that training needs of every member of the Department are met expeditiously; plan, develop, present, and/or arrange for presentation of training courses; select instructors; schedule training courses and attendance of personnel; ensure that personnel attend courses; evaluate courses and instructors; and maintain training files. Small Departments should have a training coordinator.

Responsibilities; authority; functions and duties of training units; training goals; policies and procedures; and the training obligations of Department personnel should be covered in a written directive. The directive should also declare a Department's commitment to the highest level of education and training attainable.

### **Current conditions in the W. Norriton Township Police Department**

The Department requires a high school diploma for the position of Police Officer. The national average is 13.5 years across the police profession.

The Chief of Police, Sergeants and some Officers have attended the Pennsylvania State University POSIT and POLEX and Advanced POLEX training programs. The Deputy Chief of Police has attended the FBI National Academy. This is particularly commendable for a medium size department

### **Evaluation:**

The Department's training program appears to be in conformance with professionally accepted standards. The Department has members trained as instructors in the areas of, but not limited to, Regional Tactical Team, Major Incident Response Team, Bike Patrol, 2 Self Defense Tactics Trainers, Taser Instructor, Range Instructors, EVOC Instructor and County Drug Task Force Officers.

### **Recommendation:**

To strengthen the training function, the Department should consider the following actions:

1. Utilize the full range of training areas as described above.

## **V: FACILITIES, VEHICLES AND EQUIPMENT**

### **A. FACILITIES**

#### **Current Conditions in the W. Norriton Township Police Department**

The Police Department headquarters is located on the ground floor, left side of the municipal building. The Township municipal officers are on the right side. The Municipal Facility was a former school building. Rooms are as follow:

- Front public lobby/waiting room area,
- A reception/dispatch room,
- Central Records/Communication room,
- Complaint room,
- Administrative Sergeants office,
- Detective Sergeants Office,
- Juvenile Detectives Office,

- Two (2) Conference rooms,
- Patrol room,
- Roll Call room,
- Traffic Safety room,
- Two (2) Cells,
- Processing Area,
- Two (2) Interview rooms,
- Dark room,
- Two (2) Interview rooms,
- A Tactical/Weapons Cleaning room,
- and an Evidence room.

**Finding:**

The aforementioned information speaks for itself. The facility is clean and adequate for the purpose.

**Recommendation:**

None

**B. VEHICLES**

The Township Police Department operates with a fleet of eighteen (18) vehicles. The fleet is serviced and maintained by the Township Municipal Garage when possible and by Commercial Vendors when the Township is busy and/or unable to provide maintenance or repairs. The following information was current as of June 19, 2017.

**TABLE 5  
VEHICLES INFORMATION  
W. NORRITON TOWNSHIP POLICE DEPARTMENT**

<b>Equipment #</b>	<b>Year/make</b>	<b>Description</b>	<b>Mileage</b>	<b>MO/Average</b>	<b>Condition</b>
62-1	2014 Dodge	Durango – Black	32,809		Excellent
62-2	2014 Dodge	Charger – Silver	29,947		Excellent
62-10	2016 Ford	Expedition – Marked	10,848		Excellent
62-11	2015 Dodge	Charger – Marked	35,915		Excellent
62-12	2017 Chevy	Tahoe – Marked	2,300		Excellent
62-14	2014 Dodge	Charger – Marked	48,054		Good
62-15	2017 Dodge	Charger – Marked	2,754		Excellent
62-16	2013 Dodge	Charger – Marked	51,087		Good
62-17	2013 Chevy	Tahoe – Marked	65,002		Fair
62-18	2015 Dodge	Charger – Marked	26,128		Excellent
62-20	2014 Chevy	Tahoe – Marked	56,816		Good
62-30	2013 Ford	Explorer – Black	48,506		Good
62-31	2009 Ford	Fusion – Green	56,725		Good
62-32	2012 Ford	Fusion – Charcoal	64,400		Good
62-33	2007 Chevy	Impala – Bronze	66,690		Good
62-tact	2001 Ford	Ambulance – Black	93,084		Poor
Surv-van	3003 Chrys	Van – Red	92,974		Poor
Surv-van	2006 Buick	Lucerne – Burgundy	47,417		Excellent

Evaluation

The current vehicle fleet is impressive. There is one (1) high mileage vehicles utilized for tactical work

The Department has a five (5) year Capitol Replacement Program for of vehicles. Vehicle numbers 62-14 a 2014 marked Dodge Charger and 62-17 a 2013 marked Chevrolet Tahoe, are due to be replaced this year.

**Recommendations:**

1. Gather and analyze cost/mileage/repair, insurance, equipment, etc. statistics for the entire fleet.

2. Using a cost effectiveness approach, analyze the overall Department fleet needs with a goal of reducing or maintaining the vehicle fleet accordingly.

### **C. EQUIPMENT**

There is so much equipment involved in police work that a complete review was not conducted. The Department Quartermaster is tasked with conducting and maintaining an inventory of property and equipment.

#### **Evaluation:**

None.

#### **Recommendation:**

1. Conduct annual inspections to maintain an up-to-date inventory.

### **VII: COST ANALYSIS OF POLICE BUDGET EXPENDITURES**

Currently, the Police Department operates under an independent police line item budget. However, there are additional police related costs that could be included within the line items. The information that follows examines W. Norriton Township figures gleaned from the Line Item Budget.

During the years 2012 through 2016, the police budget listed forty-three (43) specific line items that were attributed to the Police Department.

The budget does not specifically allocate many line items that are directly attributable to police costs in the following areas: Audit, Accounting & Payroll, Solicitor Fee's and other Legal Costs, Building, Utilities, Building Maintenance & Repair expense, Inland Marine Insurance, Employee Benefits Liability Insurance, Business Auto Insurance, Building Fire Insurance, Errors & Omissions Insurance, and Crime Insurance appear to be among police related costs..

The following Table 6 was obtained from a review of the W. Norriton Township General Fund figures from 2012 through 2016 and the line items previously mentioned.

**TABLE 6  
FISCAL INFORMATION  
W. NORRITON TOWNSHIP – W. NORRITON POLICE DEPARTMENT  
2012 – 2016**

Year	General Fund	General Fund Inc-Dec & %	Police Department	Police Inc-Dec & %	Police % of General Fund
2012	\$9,852,972	N/A	\$3,441,977	N/A	34.93%
2013	\$9,669,992	- \$182,980 = (1.86%)	\$3,455,892	+\$13,915 = (.004%)	35.74%
2014	\$9,693,162	+ \$23,170 = (.0024%)	\$3,443,907	- \$11,985 = (.003%)	35.53%
2015	\$10,154,067	+\$460,905 = (4.75%)	\$3,568,268	+\$124,361 = (.0361%)	35.14%
2016	\$9,700,768	-\$453,299 = (.0446%)	\$3,640,303	+\$72,035 = (.0202%)	37.53%
<b>TOTAL</b>	<b>\$49,070,961</b>	<b>+\$484,075</b> <b>- \$ 636,279</b>	<b>\$17,550,347</b>	<b>+\$210,311</b> <b>- \$ 11,985</b>	<b>35.77%</b>

Year	General Fund	Change		Police Department	Change		Police % of General Fund
		\$	%		\$	%	
2012	\$9,852,972			\$3,441,977			34.93%
2013	\$9,669,992	(\$182,980)	- 1.86%	\$3,455,892	\$13,915	0.40%	35.74%
2014	\$9,693,162	\$23,170	0.24%	\$3,443,907	(\$11,985)	-0.35%	35.53%
2015	\$10,154,067	\$460,905	4.75%	\$3,568,268	\$124,361	3.61%	35.14%
2016	\$9,700,768	(\$453,299)	- 4.46%	\$3,640,303	\$72,035	2.02%	37.53%

**TABLE 7  
SALARY INFORMATION  
W. NORRITON TOWNSHIP POLICE DEPARTMENT  
2012 – 2016**

<b>Year</b>	<b>Salaries</b>	<b>Percent Increase/Decrease</b>	<b>Police Budget</b>	<b>Percent of Police Budget</b>
2012	\$ 2,655,442	N/A	\$3,441,977	77.15%
2013	\$ 2,560,881	(\$94,561) (-.0356)	\$3,455,892	74.10%
2014	\$ 2,505,502	(\$55,379) (-.0216)	\$3,443,907	72.75%
2015	\$ 2,586,297	\$80,795 + .0322	\$3,568,268	72.48%
2016	\$ 2,648,351	\$62,054 + .0240	\$3,640,303	72.75%
<b>TOTAL</b>	<b>\$12,956,473</b>	<b>+\$142,849 (\$149,940)</b>	<b>\$17,550,347</b>	<b>73.82%</b>

<b>Year</b>	<b>Salaries</b>	<b>Change</b>		<b>Police Budget</b>	<b>Percent of Police Budget</b>
		<b>\$</b>	<b>%</b>		
2012	\$2,655,442			\$3,441,977	77.15%
2013	\$2,560,881	(\$94,561)	-3.56%	\$3,455,892	74.10%
2014	\$2,505,502	(\$55,379)	-2.16%	\$3,443,907	72.75%
2015	\$2,586,297	\$80,795	3.22%	\$3,568,268	72.48%
2016	\$2,648,351	\$62,054	2.40%	\$3,640,303	72.75%

Note: Wage information police salaries for all full time staff included in the Police Budget Line Item 01.410.112.

**TABLE 8  
OVERTIME BUDGET INFORMATION  
W. NORRITON TOWNSHIP POLICE DEPARTMENT  
2012 – 2016**

<b>Year</b>	<b>Overtime</b>	<b>Amount/Percent Increase/Decrease</b>	<b>Police Budget</b>	<b>Percent of Police Budget</b>
2012	\$224,532	N/A	\$3,441,977	06.52%
2013	\$242,192	+\$18,002 +8.01	\$3,455,892	07.00%
2014	\$157,399	(-\$66,793) (-3.36)	\$3,443,907	04.57%
2015	\$203,371	+\$45,972 +4.42	\$3,568,268	05.70%
2016	\$203,419	+\$48.00 +.0002	\$3,640,303	05.59%
<b>TOTAL</b>	<b>\$1,012,913</b>	<b>+\$46,020 (\$67,133)</b>	<b>\$17,550,347</b>	<b>05.77%</b>

Note: The Actual Expenditures were \$977,737 or \$35,176 (1.547%) less than the Budget Figures. The only year that overtime expenditures exceeded the budget was during 2014. Court Overtime Pay (line item # 01.410.181) was established in FY 2014.

<b>Year</b>	<b>Overtime</b>	<b>Change</b>		<b>Police Budget</b>	<b>Percent of Police Budget</b>
		<b>\$</b>	<b>%</b>		
2012	\$224,532			\$3,441,977	6.52%
2013	\$242,192	\$17,660	7.87%	\$3,455,892	7.01%
2014	\$157,399	(\$84,793)	-35.01%	\$3,443,907	4.57%
2015	\$203,371	\$45,972	29.21%	\$3,568,268	5.70%
2016	\$203,419	\$48	0.02%	\$3,640,303	5.59%

**Findings:**

1. The General Fund Budget decreased \$ 152,204 or 01.54% (\$9,852,972 - \$9,700,768 = \$152,204) over the above period of time (2012 – 2016).
2. The Police Department's Budget increased \$198,326 or 5.76% (\$3,640,303-\$3,441,977 = \$198,326) over the same period of time.

3. From 2012 through 2016, Police Salaries have decreased \$7,0711 or .002% ( $\$2,655,442 - \$2,655,442 = \$7,0711$ ). During the five (5) year period. Salaries accounted for 73.82% of the Police Budget.
4. From 2012 through 2016, the Police Overtime costs have increased \$ 21,113.00 or 9.4% ( $\$203,419 - 224,532 = \$21,113$ ). During the five (5) year period, overtime accounted for 5.77% of the Police Budget.
5. During 2012, the cost per resident (using the 2010 census population 15,663 and budget expenditure of \$2,648,351 for police service is \$169.08.
6. The per incident cost using 2016 monthly reports of 6,780 and the budget expenditure of \$2,648,351 is \$390.61.
7. The man-year cost during 2016 is \$98,087.07. This figure is also determined by dividing the Police Budget (\$2,648,351) by the total number (27) of sworn police officers.
8. The hourly cost can be calculated by dividing the total number of hours worked ( $2080 \times 27 = 56,160$ ) annually by all sworn members into the annual budget (\$2,648,351). Therefore, the hourly cost is \$47.16.
9. Using the man-year cost as an average cost per position, the leadership component, or the costs associated with administering and supervising the Department was \$971,106 in 2016. This figure is determined by multiplying the leadership positions (Chief, Deputy Chief, 6 Sergeants and 4 Corporals = 12) x the man –year cost (\$220,695.91) by the annual budget (\$2,648,351).
10. Using the man-year cost again, the three (3) Detectives will cost \$882,783.66.

The costs associated with each individual element in the Police Department structure can be assessed more accurately by measuring each actual cost. However, for the purposes of this report, using the man-year cost is adequate.

The 2016 cost data previously discussed is summarized as follows:

**TABLE 9  
POLICE COST DATA  
W. NORRITON TOWNSHIP POLICE DEPARTMENT  
2016**

Police Expenditures	\$2,648,351
Percent of Total Municipal Expenditures	37.53
Per Capita Cost for Police Service	\$169.08
Per Incident Cost for Police Service	\$390.61
Per Man-Year Cost for Police Service	294,261.22
Per Hour Cost for Police Service	\$47.16
Cost for Police Leadership Component	\$971,106
Cost for Investigative Component	\$882,783.66

In order to provide information with which to compare W. Norriton Township with other municipalities within Montgomery County, additional research was conducted and obtained for fiscal year 2016. In addition to W. Norriton Township, four (4) Departments having similar populations were selected. Plymouth Township had an annual budget of 7.5 Million, Towamencin’s budget was \$3.62 Million, E. Norriton’s budget was \$3.4 Million, Lower Salford’s Budget was \$2.3 Million, and W. Norriton’s budget was \$3.5 Million. The 2016 comparative information follows:

**TABLE 10  
MUNICIPAL COMPARATIVE INFORMATION  
2016**

<b>Municipality</b>	<b>Population</b>	<b>Officers</b>	<b>Officers per Thousand</b>	<b>Calls for Service</b>	<b>Cost/Call</b>	<b>Cost/Citizen</b>
Plymouth	16,525	47	2.84	1,200	\$6,250.00	\$453.86
Towamencin	17,578	23	1.31	7,292	\$493.97	\$204.92
E. Norriton	13,590	27	1.99	8,726	\$389.64	\$250.18
Lwr Salford	15,318	19	1.24	8,074	\$284.86	\$150.15
W. Norriton	15,663	27	1.72	6,870	\$512.09	\$224.61

Note: Calls for service via MCEOC are not “incidents”. Incidents will be less in number than calls.

**Evaluation:**

W. Norriton Township has an authorized manpower of twenty-eight (28) police officers but has been staffed with twenty-seven (27) for years. The last hire was three (3) years ago. Calls and Incidents are accounted for differently in police departments and budget line items are not identical. For these and other reasons, comparisons are not exact and conclusions should take differences into account.

**Recommendations:**

1. Meet with Township Administrators and the Chief of Police to consider and amend the line item budget for the W. Norriton Township Police Department. Include all costs directly attributable to the operation of the Police Department.

Note: See Cost Analysis of Police Budget Expenditures, paragraph 3, page 48 for costs to be considered.

2. The W. Norriton Township General Fund budget should be amended to include the changes in number 1.

3. After receiving its independent line item budget, the Police Department should arrange for an annual, independent operations audit of its fiscal affairs. The Township's audit staff or outside-certified public accounting firm may be retained to conduct the audit. The Chief should be responsible for correcting any policy or procedural inadequacies discovered during the audit.

The procedure just described is intended to result in an objective-based program budget that will support development of costs of service for each organizational section and for each function within the Police Department. This should increase the awareness of police supervisors to program costs and their role in managing programs in the most cost-effective manner.

4. Conduct a survey among area municipalities, in order to determine the average municipal police service percentage costs and how the Township compares. Insure that the comparison is “**apples to apples**” by considering the same line items discussed earlier in this section of the report. Also understand that a municipality can be so cost conscious to render itself ineffective, or it can be so cost unconscious that the effectiveness outcome is cost inefficient.

## **VII: COOPERATIVE POLICING INITIATIVES INFORMATION**

In order to provide background information, it is relevant to review prior findings of an earlier statewide study. Between 1988 and 1990, the Department of Community Affairs (now the Center for Local Government Services) conducted a study of ten (10) of the then twelve (12) consolidated police agencies within the Commonwealth. There are currently thirty-three (33) consolidated Police Departments within the Commonwealth. The purpose of the study was to determine the cost effectiveness of consolidated as opposed to traditional policing models. To determine cost effectiveness and establish a basis for comparison, models were created from within the immediate area of each consolidated Department. Communities were selected from within the immediate area of each consolidated Department. Communities were selected that had their own police agencies, which were comparable demographically and socio-economically

to those, served by a consolidated Department. DCA then studied and compared police service costs in the model by the consolidated Department. The results of that study are as follows:

1. The per officer costs in consolidated Departments was 3.5% higher than it was in traditional Departments.
2. Communities served by consolidated Departments spent an average of 24 % less for services than did communities served by traditional Departments.
3. The percentage of total budget committed to police services was 9% less in communities served by consolidated Departments than in those served by traditional Departments.
4. The cost per capita for police service was 29% lower in communities served by consolidated Police Departments than it was in those served by their own Police Department.
5. Consolidated Police Departments provided better patrol coverage to more municipalities with 26.5% fewer officers than did traditional Departments.
6. Consolidated Departments operated with 59% fewer vehicles than did traditional Departments.
7. Uniform crime reporting and financial accountability was better in consolidated Departments than in traditional Departments.

A more recent study “Berks County Pennsylvania Policing Study” conducted by the Police Executive Research Forum in July 2009, provided information on “Merger and Consolidation” on pages 70 through 74 of their Final Report. It would be relevant to visit their information.

The report stated that a number of studies in the 1960’s and 1970’s advocated the merging of law Enforcement agencies to provide citizens with a better police service. The President’s

Commission on Law enforcement and Administration of Justice in 1967 recommended that “each metropolitan area and each county should take action directed toward the pooling, or consolidation, of police services through the particular technique that will provide the most satisfactory law enforcement service and protection at lowest possible cost.” The Advisory Commission on Intergovernmental Relations in 1971 advised that “small local police departments, particularly those with 10 or fewer men are unable to provide a wide range of patrol and investigative services to local citizens. Moreover, the existence of these small agencies may work a hardship on nearby jurisdictions. Small police departments, which do not have adequate full-time patrol and preliminary investigative services, may require the aid of larger agencies in many facets of their police work.” The National Advisory Commission on Criminal Justice Standards and Goals in 1973 suggested consideration of “the recombination and consolidation of police departments with less than ten (10) full–time officers”.

The number of U.S. police agencies and their general small size has been a continuing issue for over 40 years. Public administrators, scholars, and some citizen groups have long advocated the merging of similar government functions into one as a method for reducing government overhead and inefficiency.

The recent economic situation in the United States has renewed the call for local government to find more effective and efficient ways to deliver police service to their communities. As reported on May 19, 2009, in USA Today, in the past 15 months, 19 suburban and rural police agencies in Pennsylvania have closed and 7 others have cut patrols. The closures and cuts have forced the Pennsylvania State Police, who also face budget struggles, to assume full or partial public safety responsibility for about 54,000 more people.

There are conditions that seem to push for consolidation of police agencies. In Small Police Agency Consolidation: Suggested Approaches, Koepsell and Girard suggest these conditions tend to be present.

- An increased demand for better law enforcement service with declining financial resources.
- A concern with inter-jurisdictional overlapping of law enforcement services.
- A significant problem or crisis that is present in a community.
- An agency already exists that can provide police service throughout all political subdivisions.
- A history of cooperation between local governments.
- A jurisdiction's desire to remove itself from the administrative problems that exist in operating a police department.

When jurisdictions consider merging Police Departments, there are two common methods. One is to consolidate all police service into one agency and abolish the individual Police Departments that exist. The other is to contract police services from another agency and abolish local Police Department. These methods often face political and legal problems, as well as issues regarding labor agreements and community opposition. Consolidation requires increased cooperation and leadership at the local level in order to be successful.

Common advantages and disadvantages of police mergers include the following:

- Improves the effectiveness of the services delivered. Mergers can reduce the inter-jurisdictional overlapping that can occur with a fragmented police service delivery system. They also can provide consistent enforcement, policies, practices, and procedures across the jurisdiction served by the merged agency.
- Reduce the cost through efficiencies. Mergers bring a certain economy of scale to the delivery of police service. Having multiple police facilities, vehicle fleets, communication facilities, records systems, and other capital overhead, including

administrative functions like multiple hiring and promotional systems and increased operating costs of office supplies, insurance, fuel contracts, and uniforms, can produce duplicated costs. Mergers can provide a better use of civilian personnel by eliminating multiple communication centers, records sections, crime analysis functions, and human resource functions.

- Improve the amount and quality of service delivered. Mergers can provide full-time law enforcement and emergency backup capabilities, specialized services for high-risk situations, improved communication capabilities, reduced response time to genuine emergency situations, and improved officer safety through increased availability of back-ups.
- Eliminate the need for part-time officers, resulting in the delivery of service provided by full-time professionals.
- Improved recruitment, training, and career development of police personnel. Mergers can provide the ability to pay a higher consistent salary across the combined Department, whereas, small agencies may not be able to compete for the best police officers because they offer lower salaries. Mergers also allow for more training, because there is sufficient staffing to allow officers time-off to attend class. Smaller agencies, at times, cannot send officers to training because of staffing limitations. Mergers permit officers to have more choices for specialized assignments and promotional opportunities. Training and career development prospects tend to attract more candidates and better qualified candidates to the agency.
- Enhanced liability control. Because of civil litigation, the actions of one police officer can put a small city, township, or borough in financial peril in defending or paying a judgment on a claim. A merged police department would not deter the litigation, but could spread the liability over a larger tax base and enable the organization to have a staff attorney employed full-time to manage claims. Small agencies typically retain a law firm for defense work, which may cost more.

## **Disadvantages**

- Possible increase in cost. Mergers may cost more than leaving the smaller police departments to operate as they do. The most expensive part of any police budget is employee costs. Merged agencies frequently create a salary structure that uses the highest salary levels of the police agencies involved in the merger.
- Loss of local control over the amount and level of services delivered. A multi-jurisdictional agency may become less accessible to local leaders, and citizen satisfaction with service may decrease.
- Loss of “personalized” services. Mergers may result in weakened relationships between members of the local police department and their city, township, or borough. The enforcement of certain local priorities may dwindle in a larger agency that is not devoted to a small jurisdiction’s local neighborhood issues.
- Decreased upward mobility. With only a single Chief and fewer top command positions, those seeking advancement to the top level may see increased competition. However, there may be an increase of positions for the first-line supervisors and mid-managers, depending on the exact structure of merged agencies.

Additional information to consider as you look at contracting, merger or consolidation of Police Service is as follows:

**DEFINITION;** Consolidation of police services requires that individual political subdivision boundaries and individual Police Departments be abolished by ordinance, and those existing individual Police Departments be consolidated into one regional police department encompassing all political boundaries. The distinctive characteristic of this method of policing is the operation of the police agency outside the direct control of any one specific municipality. The Police Department operates under and is governed by a Police Commission consisting of elected and/or appointed officials from each of the participating municipalities.

**EXPRESS AUTHORITY:** The newly created police commission should have the “Express Authority” to conduct business to include, but not be limited to, some or all of the following:

- a. Lease, sell, purchase real estate;
- b. Lease, sell, purchase personal property;
- c. Enter contracts for purchase of goods and services, and collective bargaining agreements;
- d. Hire, fire, suspend, promote, demote, discipline, set salaries, and otherwise deal with employees;
- e. Serve as a hearing board for employee grievances;
- f. Establish and maintain bank accounts and other financial accounts;
- g. Invest monies;
- h. Borrow monies;
- i. Establish and fund employee benefit programs, including pension fund;
- j. Delegate any of its powers expressed or implied to the Chief of Police or his next in command, at the discretion of the Police Commission.

LEGAL AUTHORITY FOR POLICE CONSOLIDATION: Section 5 of Article IX of the Constitution of the Commonwealth of Pennsylvania serves as the legal and constitutional basis for consolidation of police services in the state. Section 5 of Article IX states:

A municipality by act of its governing body may, or upon being required by initiative and referendum in the area affected shall, cooperate or agree in the exercise of any function, power or responsibility with or delegate or transfer any function, power or responsibility to one or more other governmental units including other municipalities or other governmental units including other municipalities or districts, the federal government, any other state or its governmental units, or any newly created governmental unit.

Act 180, as passed by the General Assembly and signed into law by the Governor on 7/12/72, serves as the enabling legislation that makes cooperation of public services in the Commonwealth a legal process. Contained in the Act are the provisions for initiating the cooperation and identification of the necessary contents of the agreement. Section 1202, clause 34 and 35 of the Borough Code; Section 1502, clause 53 and 54 of the First Class Township

Code and Section 702, clause 40 of the Second Class Township Code also bestow authority upon municipal governments to enter into agreements for the purpose of intergovernmental cooperation.

**GOVERNING LAW:** With the exception of pension, there has been no decision to date about whether or not any specific law (such as borough code, tenure act, civil service and/or others) applies. However, Regional Police Departments have looked to such acts and codes for guidance and direction in the handling of their affairs. In so doing, they have not been deemed, in any fashion, to have adopted or become bound to abide by said acts and codes by implication or past practice unless they decide to do so. If such a decision is made, it must be so stipulated within the Articles of Agreement/Charter Agreement. The Regional Departments must, at a minimum, abide by the provisions of 2 PA C.S.A. 101 et seq., commonly known as the Local Agency Law.

**NOTE:** With regard to pension, Act 1966-33 amended the act of May 29, 1956 (1955 P.L. 1804, No. 600) entitled “An act providing for the establishment of police pension funds or pension annuities in certain boroughs, towns and townships, and the regulation and maintenance thereof “, to include Regional Police Departments and was approved by Governor Thomas J. Ridge on May 10, 1996. At such time as a newly created Regional Police Department becomes operational, attention to this Act will be required.

**Finding:**

Experience suggests it is imperative that prior to any inter-governmental cooperative agreement, each municipality should have precise knowledge of the costs involved. Many cooperative agreements have ended because it was later determined they were paying less on their own than it was costing them after consolidation. Others have not entered into cooperative agreements because they were not accurately aware of what it was costing them to provide on their own police service. This occurs when all costs are not included in the municipal police line item

budget. Therefore, the cost to enter the agreement might appear to be greater than their current expenditures, however the comparison was not “line item to line item”.

Further, this Consultant has found that when cooperative agreements are being discussed and studied, the more municipalities initially involved, more often than not, the potential success of the agreement diminishes. Often, municipalities enter a cooperative study to go along to see what the results are. They eventually receive a cost for services and determine (incorrectly as discussed above) that it will cost more than they think they are paying on their own. Subsequently, they drop out of the arrangement. As a result, the budget figures for fewer remaining municipalities must be recalculated causing an increase and another withdrawal and so on. When one of the municipalities that wanted to stay sees the costs increase, they drop out and a downward spiral occurs.

W. Norriton Township has a professional and effective Police Department that could be instrumental in becoming a Consolidated Police Department with the cooperation of neighboring municipalities(s). Cooperative arrangements have proven to be quite successful and cost effective when arranged properly. Unfortunately, there have been misunderstandings and many poor arrangements that have caused the failure of inter-governmental police cooperative arrangements across the Commonwealth. Successful arrangements have a proven record of being effective and less costly for the municipalities and residents they serve.

**Recommendations:**

1. W. Norriton Township Board of Commissioners, Township Administrative Staff and the Police Chief should meet and discuss whether or not the Township is interested in pursuing a cooperative arrangement for Police services.
2. If a decision is made to move forward on a cooperative arrangement, the Chief of Police should be instructed to network with adjoining municipal Chiefs of Police to discover whether or not there is genuine interest in their participation in a cooperative arrangement.

3. Start small with one (1) or two (2) at most municipalities in order to improve the opportunity for a successful outcome.
4. Carefully select a consultant that understands clearly the issues and costs involved.

### **VIII: GOVERNING BODY – POLICE DEPARTMENT RELATIONSHIP**

There is the no specific person/position on the Township Board of Supervisors assigned with authority and responsibility to govern the Borough Police Department. The Chief works with and reports to the Township Manager as he fulfills his responsibilities. The Chief attempts to keep the Manager well informed on matters of mutual concern and/or interest.

#### **Current conditions in the W. Norriton Township Police Department**

There appears to be a healthy and positive relationship with the governing body and the Police Department personnel. Only one (1) arbitration has occurred in thirty-seven (37) years, dating back to 1980. There is little, if any, history of grievances with regard to the labor agreement. The Chief and Deputy Chief attend monthly work sessions and Board meetings.

#### **Evaluation:**

None.

#### **Recommendation:**

To strengthen the governing body – Police Department relationship, the Borough should consider the following actions:

1. Work jointly to develop a plan to meet the future financial and operational challenges facing the Township and Police Department.

**IX: SUMMARY OF RECOMMENDATIONS**

**Current Organization and Staffing**

1. Evaluate the current “Span of Control”. The Detective Sergeant’s Span of Control is three. Three (3) Patrol Sergeants and three (3) Patrol Corporals Span of Control is three (3) Police Officers. One Patrol Sergeant and one (1) Patrol Corporal’s Span of Control is two (2) Police Officers. The Deputy Chief’s Span of Control is seven (7) Sergeants and a School Resource Officer.....Page 10.
2. The Title of “Deputy Chief of Police” is more commonly used in larger Police Agencies. Mid-size Police Agencies more often use the title of Captain or Lieutenant. However, the job description, compensation, etc., is appropriate for WNPD.....Page 10.
3. Review and consider the clearance rates of Part I and Part II crimes in comparison to the County clearance rates when completing “Span of Control” recommendation for the Detectives in number 1 above. The WNPD clearance rate is above the County average and will surely be negatively impacted if reductions in manpower were to occur. Clearance rates will be discussed later in this report, beginning on page 21. .... Page 10.
4. Consider the current “Span of Control” when Collective Bargaining and Attrition present the opportunity.....Page 13.
5. Revisit the methodology and practice of Uniform Crime Reporting of “Clearance” of crimes. The Township is reporting a significant number of clearances compared with the County clearances.....Page 13.
6. Continue to routinely inspect policy, rules and regulations manuals for completeness and accuracy as it relates to re-accreditation by the Pennsylvania Chiefs of Police Association.....Page 15.

**Tools for Evaluating Department Effectiveness in Field Operations**

7. Maintain the Department in accordance with the above principles of organization.....Page 17.
8. Maintain Accreditation by re-accreditation through the Pennsylvania Chiefs of Police Association..... Page 18.
9. Research, evaluate and consider the causal factors impacting the accident enforcement index.....Page 19.
10. Initiate strategies to improve the AEI..... Page 19.

## Management, Technical, and Support Services

11. Develop a structure of organizational objectives.....Page 26.

The structure must include objectives for the Department and for each unit. The objectives must specify the ultimate outcomes that the Department and the sub-divisional organizational units wish to achieve. The objectives must be measurable.

12. Develop one or more measures of achievement for each objective in the structure.....Page 26.

Effectiveness measures are most important. Productivity, efficiency and workload measures are also important since they have many additional valuable managerial uses.

Responsibility for developing and implementing the system of objectives and measures should be assigned to the Department's command staff (Chief and Lieutenant as a unit). Key Senior Officers should participate heavily in the developmental process also.

13. Require that the objectives and measures be used for planning, decision making and performance evaluation at all organizational levels.....Page 26.

14. Department command staff should be trained to use the objectives and measures for the foregoing management process.....Page 26.

15. Although Legal Council recommended against Performance Evaluations, the subject should be revisited to determine the advantages of developing and introducing a performance evaluation system.....Page 29.

16. Become familiar with and practice the "Principles of Quality Leadership":.....Page 29.

- Believe in, foster and support TEAMWORK.
- Be committed to the PROBLEM-SOLVING process; use it and let DATA, not emotions, drive decisions.
- Seek employees' INPUT before making key decisions.
- Believe that the best way to improve the quality of work or service is to ASK and LISTEN to employees who are doing the work.
- Strive to develop mutual RESPECT and TRUST among employees.
- Have a CUSTOMER orientation with focus toward employees and citizens.
- Manage on the BEHAVIOR of 95 percent of employees and not on the 5 percent who cause problems. Deal with the 5 percent.
- Improve SYSTEMS and examine PROCESSES before placing blame on people.
- Avoid "top-down" POWER ORIENTED decision making when possible.
- Encourage CREATIVITY through RISK TAKING, and be TOLERANT of honest MISTAKES.

- Be a FACILITATOR and COACH. Develop an OPEN atmosphere that encourages providing and accepting FEEDBACK.
- With TEAMWORK, develop with employees the agreed upon GOALS and a PLAN to achieve them.

17. Formally establish a line and staff inspections program. Line Inspections could be the responsibility of all unit Sergeants. Responsibility for Staff Inspections could be assigned to the Deputy Chief who reports directly to the Chief.....Page 31.

18. Prepare a written directive to govern line and staff inspections. The directive should cover objectives, procedures, and criteria to identify those inspections, which require a written report, follow-up procedures to ensure corrective action is taken and provision for inspection of every organizational component at least every other year.....Page 31.

19. Arrange for the Chief and the Deputy Chief to attend a workshop on the inspections function.....Page 31.

20. Publish a summary of the number, type and disposition of complaints against officers in the Departments’ Annual Report.....Page 33.

21. Affix responsibility for the planning function in the job description of the Deputy Chief of Police.....Page 36.

22. Develop written directives on the planning and research function.....Page 36.

23. Prepare an agenda or inventory of planning and research needs. Special care must be taken to ensure that long-range needs are given due consideration.....Page 36.

24. Prioritize items on the agenda. This should be a joint effort of the Chief, Deputy Chief, Sergeant, and support staff.....Page 36.

25. Formally adopt the inventory and the priorities on the work plan for the planning function.....Page 36.

**Personnel and Training**

26. Prepare a written directive that clarifies and documents the responsibilities, authority and pertinent personnel practices assigned to the Department and the Chief of Police.....Page 37.

27. Move the personnel records maintenance and responsibility from the Township to the Office of the Chief of Police.....Page 37.

28. Evaluate, prepare and introduce a “Performance Evaluation System” for all Police Department members/positions, both sworn and civilian alike.....Page 37.

29. Design a career development program even though the promotional opportunities are quite adequate for this size Department.....Page 37.
30. Prepare a probationary performance evaluation system for all Command and Supervisory positions and reduce the process to a written directive.....Page 39.
31. The promotional system should allow the Chief of Police input after the “rule of three” or similar system has been established.....Page 39.
32. Adopt and practice succession planning as discussed above.....Page 39.
33. Research, develop and utilize a probationary sworn officer, supervisor and command evaluation system.....Page 41.
34. Research, develop and utilize the sworn officer, supervisor and command performance evaluation system.....Page 41.
35. Research, develop and utilize a non-sworn member performance evaluation system.....Page 41.
36. Utilize the full range of training areas as described above.....Page 45.
37. Conduct annual inspections to maintain an up-to-date inventory.....Page 48.
38. Meet with Township Administrators and the Chief of Police to consider and amend the line item budget for the W. Norriton Township Police Department. Include all costs directly attributable to the operation of the Police Department.....Page 52.
- Note: See Cost Analysis of Police Budget Expenditures, paragraph 3, page 50 for costs to be considered.
39. The W. Norriton Township General Fund budget should be amended to include the changes in number 1.....Page 52.
40. After receiving its independent line item budget, the Police Department should arrange for an annual, independent operations audit of its fiscal affairs. The Township’s audit staff or outside-certified public accounting firm may be retained to conduct the audit. The Chief should be responsible for correcting any policy or procedural inadequacies discovered during the audit.....Page 52.
41. W. Norriton Township Board of Commissioners, Township Administrative Staff and the Police Chief should meet and discuss whether or not the Township is interested in pursuing a cooperative arrangement for Police services.....Page 59.

42. If a decision is made to move forward on a cooperative arrangement, the Chief of Police should be instructed to network with adjoining municipal Chiefs of Police to discover whether or not there is genuine interest in their participation in a cooperative arrangement.....Page 59.

43. Start small with one (1) or two (2) at most municipalities in order to improve the opportunity for a successful outcome.....Page 59.

44. Carefully select a consultant that understands clearly the issues and costs involved.....Page 59.

**Governing Body, Police Department Relationship**

45. Work jointly to develop a plan to meet the future financial and operational challenges facing the Township and Police Department.....Page 60

## **APPENDIX B**

		2012	2013	2014	2015	2016	Change 2012 - 2016	
G.L. #	Account Title	Actual	Actual	Actual	Actual	Actual	\$	%
<b>Real Estate Taxes - Current</b>								
01.301.100	Real Estate Taxes-Current	3,272,658	3,257,221	3,271,288	2,268,463	3,130,960	-141,698	-4.3
01-301-101	Real Estate Taxes-Debt-Current	0	0	0	793,449	794,334	794,334	100.0
01-301-102	Real Estate Taxes-Rec-Current	0	0	0	65,574	65,647	65,647	100.0
01.301.200	Real Estate Taxes-Prior Year	17,528	38,838	13,857	14,730	16,414	-1,114	-6.4
01.301.400	Delinquent Real Estate Tax	54,733	80,868	63,335	57,385	57,319	2,586	4.7
01.301.600	Real Estate Tax-Interim	2,405	639	494	29,481	46,580	44,175	1,836.7
	Total Real Estate Taxes-Current	3,347,324	3,377,565	3,348,973	3,229,083	4,111,255	763,931	22.8
<b>Local Taxes</b>								
01.310.010	Per Capita Tax-Current	2,668	0	0	0	843	-1,825	-68.4
01.310.020	Per Capita Tax-Prior Year	26,072	29,254	29,568	28,099	24,243	-1,828	-7.0
01.310.030	Per Capita Tax-Delinquent	10,039	10,672	11,849	11,405	10,467	429	4.3
01.310.100	Deed Transfer Tax	469,565	347,089	341,173	723,980	363,819	-105,746	-22.5
01.310.200	Earned Income Tax	2,739,285	3,198,806	3,259,132	3,120,611	3,097,892	358,607	13.1
01.310.510	LST Tax	309,420	392,098	345,569	313,970	324,219	14,799	4.8
	Total Local Taxes	3,557,049	3,977,919	3,987,290	4,198,064	3,821,484	264,435	7.4
<b>Licenses &amp; Permits</b>								
01.321.100	Contractor & Plumbing Licenses	14,475	21,175	23,483	23,962	26,442	11,967	82.7
01.321.150	Garage Sale Licenses	1,170	1,085	1,205	1,349	910	-260	-22.2
01.321.160	Sign Licenses	23,920	35,345	27,415	31,715	24,555	635	2.7
01.321.300	Trash Haulers' Licenses	0	0	60	0	302	302	100.0
01.321.610	Itinerant Licenses	1,555	1,060	1,405	1,341	1,845	290	18.6
01.321.700	Mechanical Device Tax	22,350	20,988	19,700	18,450	19,208	-3,142	-14.1
01.321.800	Cablevision Revenue	370,619	387,684	403,411	411,899	425,110	54,491	14.7
	Total Licenses & Permits	434,089	467,337	476,679	488,716	498,371	64,283	182.4
<b>Highway Revenue</b>								
01.322.800	Highway Opening Permits	3,505	4,700	3,745	3,505	3,355	-150	-4.3
	Total Highway Revenue	3,505	4,700	3,745	3,505	3,355	-150	-4.3
<b>Violations &amp; Fines</b>								
01.331.100	District Justice Fines	53,491	50,896	36,666	38,472	36,356	-17,134	-32.0
01.331.120	Other Violations-State Police	11,546	7,240	7,092	6,955	6,057	-5,488	-47.5
	Total Violations & Fines	65,036	58,136	43,757	45,427	42,414	-22,623	-34.8
<b>Interest</b>								
01.341.000	Interest Earnings	13,212	18,548	22,440	27,599	35,661	22,450	169.9
	Total Interest	13,212	18,548	22,440	27,599	35,661	22,450	169.9

G.L. #	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
		Actual	Actual	Actual	Actual	Actual	\$	%
<b>Grants</b>								
01.354.005	Recycling Grant	0	58,062	0	26,513	50,447	50,447	100.0
01.354.006	Bullet Proof Vest Grant	0	0	2,338	0	0	0	0.0
01.354.008	Parks Grant	-5,000	0	0	14,500	0	5,000	-100.0
01.354.010	Comcast Grant Funds	-26,366	-3,566	0	0	0	26,366	-100.0
01.354.013	Server Grant	-4,444	0	0	0	0	4,444	-100.0
01.354.014	SRO Grant Funds	0	0	60,000	30,000	60,000	60,000	100.0
01.354.016	Eco Harvester Grant Funds	0	0	0	0	0	0	0.0
01.354.017	Growing Greener Grant 2017	0	0	0	0	0	0	0.0
01.354.018	Early Intervention Grant	0	0	0	0	0	0	0.0
	Total Grants	-35,810	54,496	62,338	71,013	110,447	146,257	-408.4
<b>State Revenue</b>								
01.355.010	Public Utility Realty Tax	7,638	8,776	9,312	8,463	8,571	934	12.2
01.355.080	Beverage Licenses	2,400	2,400	2,400	3,000	2,400	0	0.0
01.355.130	Fire Company Relif Assn Grant	121,214	137,285	0	0	0	-121,214	-100.0
	Total State Revenue	131,251	148,460	11,712	11,463	10,971	-120,280	-91.6
<b>Zoning</b>								
01.361.300	Zoning, Sub-division Fees	12,950	5,600	5,579	20,257	2,096	-10,854	-83.8
	Total Zoning	12,950	5,600	5,579	20,257	2,096	-10,854	-83.8
<b>Police</b>								
01.362.100	Police Revenues	52,250	51,919	60,804	57,228	54,184	1,934	3.7
01.362.101	Police Overtime Reimbursement	55,433	45,147	49,734	69,703	62,807	7,374	13.3
01.362.102	Smooth Operator Grant	1,117	985	0	1,138	0	-1,117	-100.0
01.362.103	DUI Grant from State	33,276	0	27,690	0	-4,759	-38,035	-114.3
01.362.104	Seat Belt Grant from State	2,713	877	2,517	1,429	987	-1,726	-63.6
01.362.105	NHS Reimburse-SRO Officer	135,343	131,071	72,220	122,561	103,210	-32,133	-23.7
01.362.410	Building/Plumbing Permits	187,789	237,840	306,986	305,792	374,643	186,855	99.5
01.362.430	Plumbing License	3,315	0	0	0	0	-3,315	-100.0
01.362.450	U & O Certification	17,875	20,650	19,600	23,950	29,010	11,135	62.3
01.362.470	Rental Unit Inspections	101,300	91,200	106,750	102,981	102,200	900	0.9
01.362.500	Annual Alarm License	0	0	0	6,950	6,550	6,550	100.0
	Total Police	590,411	579,689	646,301	691,732	728,833	138,422	23.4
<b>Highway Aid</b>								
01.363.000	Highway Dept Revenue	3,550	4,941	16,094	9,352	4,413	863	24.3
01.363.300	FEMA Reimbursement	80,224	100,080	0	0	63,996	-16,228	-20.2
	Total Highway	83,774	105,021	16,094	9,352	68,409	-15,365	-18.3

G.L. #	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
		Actual	Actual	Actual	Actual	Actual	\$	%
<b>Recreation</b>								
01.367.000	Recreation Dept Revenue	98,221	100,706	101,726	110,414	112,548	14,327	14.6
01.367.010	Cultural Trip Revenue	38,912	21,491	135,049	95,322	47,258	8,346	21.4
01.367.050	Recreation Event Sponsorship	0	9,947	8,625	10,850	12,875	12,875	100.0
01.367.075	Donations to Parks & Recreation	0	0	2,100	284	3,120	3,120	100.0
01.367.100	Parks Vending Machines	257	185	270	155	0	-257	-100.0
01.367.150	Elmwood Park Ticket Sales	0	0	1,026	870	630	630	100.0
01-367-155	PRPS Ticket Sales	0	0	0	3,222	2,137	2,137	100.0
01.367.200	Park Rental Fee	150	390	0	275	500	350	233.3
01.367.550	History Book/Cent. Sales	50	30	40	140	140	90	180.0
01.367.555	Celebration 5K Run	0	0	0	0	-500	-500	-100.0
	Total Recreation	137,590	132,749	248,836	221,532	178,707	41,117	29.9
<b>Miscellaneous</b>								
01.380.000	Miscellaneous Receipts	6,342	9,683	26,616	12,424	5,946	-396	-6.2
01.380.001	Reimb. Health/Life Insurance	2,889	0	11,738	9,508	8,679	5,790	200.4
01.380.002	Refund - Insurance	122	7,684	0	0	0	-122	-100.0
01.380.200	Pension Fund Receipts	279,797	296,354	294,324	305,825	319,349	39,553	14.1
01.380.500	Permit Admin Fee	19,800	20,342	21,631	28,196	30,689	10,889	55.0
	Total Miscellaneous	308,949	334,063	354,308	355,953	364,663	55,714	18.0
<b>Contributions</b>								
01.387.000	Cont/Donation Private Sector	350	2,370	0	0	0	-350	-100.0
	Total Contributions	350	2,370	0	0	0	-350	-100.0
<b>Proceeds from Asset Sales</b>								
01.391.000	Proceeds of General Fixed Asset	19,822	19,179	0	0	11,015	-8,807	-44.4
	Total Proceed from Asset Sales	19,822	19,179	0	0	11,015	-8,807	-44.4
<b>Interfund Transfers</b>								
01.392.060	Transfer from Traffic Impact	0	0	0	0	0	0	0.0
01.392.080	Transfer from Sewer Fund	901,720	181,209	1,088,472	0	2,690	-899,030	-99.7
01.392.100	Transfer from Capital Reserve	0	0	0	178,076	174,622	174,622	100.0
01.392.350	Transfer from Highway Aid	162,659	0	0	63,177	38,264	-124,395	-76.5
01.392.600	Transfer from Escrow Fund	0	0	0	0	0	0	0.0
01.392.900	Transfer from Golf Course	95,176	0	0	0	150,000	54,824	57.6
	Total Interfund Transfers	1,159,555	181,209	1,088,472	241,253	365,576	-793,979	-68.5
	<b>Total Revenue</b>	<b>9,829,057</b>	<b>9,467,042</b>	<b>10,316,526</b>	<b>9,614,949</b>	<b>10,353,258</b>	<b>1,048,401</b>	<b>10.7</b>

G.L. #	Account Title	2017	2017	Actual vs. Budget	
		Actual	Budget	\$	%
<b>Real Estate Taxes - Current</b>					
01.301.100	Real Estate Taxes-Current	3,146,844	3,150,832	-3,988	-0.1
01-301-101	Real Estate Taxes-Debt-Current	791,720	794,272	-2,552	-0.3
01-301-102	Real Estate Taxes-Rec-Current	65,431	65,642	-211	-0.3
01.301.200	Real Estate Taxes-Prior Year	23,942	25,000	-1,058	-4.2
01.301.400	Delinquent Real Estate Tax	74,693	60,000	14,693	24.5
01.301.600	Real Estate Tax-Interim	3,665	8,000	-4,335	-54.2
	<b>Total Real Estate Taxes-Current</b>	<b>4,106,295</b>	<b>4,103,746</b>	<b>2,549</b>	<b>0.1</b>
<b>Local Taxes</b>					
01.310.010	Per Capita Tax-Current	957	3,000	-2,043	-68.1
01.310.020	Per Capita Tax-Prior Year	24,765	28,000	-3,235	-11.6
01.310.030	Per Capita Tax-Delinquent	10,752	10,000	752	7.5
01.310.100	Deed Transfer Tax	372,115	320,000	52,115	16.3
01.310.200	Earned Income Tax	3,104,347	3,025,000	79,347	2.6
01.310.510	LST Tax	332,903	325,000	7,903	2.4
	<b>Total Local Taxes</b>	<b>3,845,838</b>	<b>3,711,000</b>	<b>134,838</b>	<b>3.6</b>
<b>Licenses &amp; Permits</b>					
01.321.100	Contractor & Plumbing Licenses	25,608	21,000	4,608	21.9
01.321.150	Garage Sale Licenses	730	1,000	-270	-27.0
01.321.160	Sign Licenses	24,660	30,000	-5,340	-17.8
01.321.300	Trash Haulers' Licenses	0	0	0	0.0
01.321.610	Itinerant Licenses	590	0	590	100.0
01.321.700	Mechanical Device Tax	15,191	20,000	-4,809	-24.0
01.321.800	Cablevision Revenue	418,199	400,000	18,199	4.5
	<b>Total Licenses &amp; Permits</b>	<b>484,978</b>	<b>472,000</b>	<b>12,978</b>	<b>2.7</b>
<b>Highway Revenue</b>					
01.322.800	Highway Opening Permits	3,100	3,600	-500	-13.9
	<b>Total Highway Revenue</b>	<b>3,100</b>	<b>3,600</b>	<b>-500</b>	<b>-13.9</b>
<b>Violations &amp; Fines</b>					
01.331.100	District Justice Fines	35,260	36,000	-740	-2.1
01.331.120	Other Violations-State Police	7,516	6,100	1,416	23.2
	<b>Total Violations &amp; Fines</b>	<b>42,776</b>	<b>42,100</b>	<b>676</b>	<b>1.6</b>
<b>Interest</b>					
01.341.000	Interest Earnings	40,192	25,000	15,192	60.8
	<b>Total Interest</b>	<b>40,192</b>	<b>25,000</b>	<b>15,192</b>	<b>60.8</b>

G.L. #	Account Title	2017	2017	Actual vs. Budget	
		Actual	Budget	\$	%
<b>Grants</b>					
01.354.005	Recycling Grant	0	27,910	-27,910	-100.0
01.354.006	Bullet Proof Vest Grant	0	2,500	-2,500	-100.0
01.354.008	Parks Grant	0	0	0	0.0
01.354.010	Comcast Grant Funds	0	0	0	0.0
01.354.013	Server Grant	0	0	0	0.0
01.354.014	SRO Grant Funds	30,000	30,000	0	0.0
01.354.016	Eco Harvester Grant Funds	5,000	0	5,000	100.0
01.354.017	Growing Greener Grant 2017	112,996	0	112,996	100.0
01.354.018	Early Intervention Grant	24,635	0	24,635	100.0
	Total Grants	172,630	60,410	112,220	185.8
<b>State Revenue</b>					
01.355.010	Public Utility Realty Tax	8,363	9,000	-637	-7.1
01.355.080	Beverage Licenses	2,100	3,000	-900	-30.0
01.355.130	Fire Company Relif Assn Grant	0	0	0	0.0
	Total State Revenue	10,463	12,000	-1,537	-12.8
<b>Zoning</b>					
01.361.300	Zoning, Sub-division Fees	2,441	5,000	-2,560	-51.2
	Total Zoning	2,441	5,000	-2,560	-51.2
<b>Police</b>					
01.362.100	Police Revenues	55,321	49,230	6,091	12.4
01.362.101	Police Overtime Reimbursement	70,273	54,418	15,855	29.1
01.362.102	Smooth Operator Grant	0	0	0	0.0
01.362.103	DUI Grant from State	42,786	25,000	17,786	71.1
01.362.104	Seat Belt Grant from State	3,844	2,000	1,844	92.2
01.362.105	NHS Reimburse-SRO Officer	109,769	107,175	2,594	2.4
01.362.410	Building/Plumbing Permits	509,698	300,000	209,698	69.9
01.362.430	Plumbing License	0	0	0	0.0
01.362.450	U & O Certification	30,624	16,000	14,624	91.4
01.362.470	Rental Unit Inspections	93,475	100,000	-6,525	-6.5
01.362.500	Annual Alarm License	475	7,000	-6,525	-93.2
	Total Police	916,266	660,823	255,443	38.7
<b>Highway Aid</b>					
01.363.000	Highway Dept Revenue	3,854	8,000	-4,146	-51.8
01.363.300	FEMA Reimbursement	0	0	0	0.0
	Total Highway	3,854	8,000	-4,146	-51.8

G.L. #	Account Title	2017	2017	Actual vs. Budget	
		Actual	Budget	\$	%
<b>Recreation</b>					
01.367.000	Recreation Dept Revenue	111,595	110,500	1,095	1.0
01.367.010	Cultural Trip Revenue	12,680	70,000	-57,320	-81.9
01.367.050	Recreation Event Sponsorship	11,650	8,000	3,650	45.6
01.367.075	Donations to Parks & Recreation	3,891	2,000	1,891	94.6
01.367.100	Parks Vending Machines	0	150	-150	-100.0
01.367.150	Elmwood Park Ticket Sales	1,413	1,000	413	41.3
01-367-155	PRPS Ticket Sales	2,144	6,375	-4,231	-66.4
01.367.200	Park Rental Fee	300	500	-200	-40.0
01.367.550	History Book/Cent. Sales	130	50	80	160.0
01.367.555	Celebration 5K Run	-500	0	-500	-100.0
	<b>Total Recreation</b>	<b>143,302</b>	<b>198,575</b>	<b>-55,273</b>	<b>-27.8</b>
<b>Miscellaneous</b>					
01.380.000	Miscellaneous Receipts	29,397	10,000	19,397	194.0
01.380.001	Reimb. Health/Life Insurance	16,858	12,775	4,083	32.0
01.380.002	Refund - Insurance	3,057	0	3,057	100.0
01.380.200	Pension Fund Receipts	325,766	319,349	6,417	2.0
01.380.500	Permit Admin Fee	23,312	30,000	-6,688	-22.3
	<b>Total Miscellaneous</b>	<b>398,389</b>	<b>372,124</b>	<b>26,265</b>	<b>7.1</b>
<b>Contributions</b>					
01.387.000	Cont/Donation Private Sector	0	0	0	0.0
	<b>Total Contributions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Proceeds from Asset Sales</b>					
01.391.000	Proceeds of General Fixed Asset	0	0	0	0.0
	<b>Total Proceed from Asset Sales</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Interfund Transfers</b>					
01.392.060	Transfer from Traffic Impact	0	0	0	0.0
01.392.080	Transfer from Sewer Fund	0	0	0	0.0
01.392.100	Transfer from Capital Reserve	45,000	100,000	-55,000	-55.0
01.392.350	Transfer from Highway Aid	0	0	0	0.0
01.392.600	Transfer from Escrow Fund	6,000	0	6,000	100.0
01.392.900	Transfer from Golf Course	109,742	0	109,742	100.0
	<b>Total Interfund Transfers</b>	<b>160,742</b>	<b>100,000</b>	<b>60,742</b>	<b>60.7</b>
	<b>Total Revenue</b>	<b>10,331,268</b>	<b>9,774,378</b>	<b>556,890</b>	<b>5.7</b>

G.L. #	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
		Estimated	Projected	Projected	Projected	Projected	\$	%
<b>Real Estate Taxes - Current</b>								
01.301.100	Real Estate Taxes-Current	3,177,901	3,180,444	3,182,988	3,185,534	3,188,083	10,181	0.3
01-301-101	Real Estate Taxes-Debt-Current	801,096	801,737	802,378	803,020	803,663	2,567	0.3
01-301-102	Real Estate Taxes-Rec-Current	66,206	66,259	66,312	66,365	66,418	212	0.3
01.301.200	Real Estate Taxes-Prior Year	25,000	25,020	25,040	25,060	25,080	80	0.3
01.301.400	Delinquent Real Estate Tax	60,000	60,000	60,000	60,000	60,000	0	0.0
01.301.600	Real Estate Tax-Interim	8,000	8,000	8,000	8,000	8,000	0	0.0
	Total Real Estate Taxes-Current	4,138,204	4,141,460	4,144,719	4,147,980	4,151,244	13,040	1
<b>Local Taxes</b>								
01.310.010	Per Capita Tax-Current	3,000	3,000	3,000	3,000	3,000	0	0.0
01.310.020	Per Capita Tax-Prior Year	28,000	28,000	28,000	28,000	28,000	0	0.0
01.310.030	Per Capita Tax-Delinquent	10,000	10,000	10,000	10,000	10,000	0	0.0
01.310.100	Deed Transfer Tax	320,000	320,000	320,000	320,000	320,000	0	0.0
01.310.200	Earned Income Tax	3,100,000	3,131,000	3,162,310	3,193,933	3,225,872	125,872	4.1
01.310.510	LST Tax	340,000	340,000	340,000	340,000	340,000	0	0.0
	Total Local Taxes	3,801,000	3,832,000	3,863,310	3,894,933	3,926,872	125,872	4
<b>Licenses &amp; Permits</b>								
01.321.100	Contractor & Plumbing Licenses	21,000	21,000	21,000	21,000	21,000	0	0.0
01.321.150	Garage Sale Licenses	1,000	1,000	1,000	1,000	1,000	0	0.0
01.321.160	Sign Licenses	30,000	30,000	30,000	30,000	30,000	0	0.0
01.321.300	Trash Haulers' Licenses	0	0	0	0	0	0	0.0
01.321.610	Itinerant Licenses	0	0	0	0	0	0	0.0
01.321.700	Mechanical Device Tax	18,000	18,000	18,000	18,000	18,000	0	0.0
01.321.800	Cablevision Revenue	420,000	420,000	420,000	420,000	420,000	0	0.0
	Total Licenses & Permits	490,000	490,000	490,000	490,000	490,000	0	0
<b>Highway Revenue</b>								
01.322.800	Highway Opening Permits	3,600	3,600	3,600	3,600	3,600	0	0.0
	Total Highway Revenue	3,600	3,600	3,600	3,600	3,600	0	0
<b>Violations &amp; Fines</b>								
01.331.100	District Justice Fines	36,000	36,000	36,000	36,000	36,000	0	0.0
01.331.120	Other Violations-State Police	6,100	6,100	6,100	6,100	6,100	0	0.0
	Total Violations & Fines	42,100	42,100	42,100	42,100	42,100	0	0
<b>Interest</b>								
01.341.000	Interest Earnings	25,000	25,000	25,000	25,000	25,000	0	0.0
	Total Interest	25,000	25,000	25,000	25,000	25,000	0	0

G.L. #	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
		Estimated	Projected	Projected	Projected	Projected	\$	%
<b>Grants</b>								
01.354.005	Recycling Grant	29,589	29,589	29,589	29,589	29,589	0	0.0
01.354.006	Bullet Proof Vest Grant	1,000	0	0	0	0	-1,000	-100.0
01.354.008	Parks Grant	0	0	0	0	0	0	0.0
01.354.010	Comcast Grant Funds	0	0	0	0	0	0	0.0
01.354.013	Server Grant	0	0	0	0	0	0	0.0
01.354.014	SRO Grant Funds	30,000	30,000	30,000	30,000	30,000	0	0.0
01.354.016	Eco Harvester Grant Funds	0	0	0	0	0	0	0.0
01.354.017	Growing Greener Grant 2017	0	0	0	0	0	0	0.0
01.354.018	Early Intervention Grant	0	0	0	0	0	0	0.0
	Total Grants	60,589	59,589	59,589	59,589	59,589	-1,000	-100
<b>State Revenue</b>								
01.355.010	Public Utility Realty Tax	9,000	9,000	9,000	9,000	9,000	0	0.0
01.355.080	Beverage Licenses	3,000	3,000	3,000	3,000	3,000	0	0.0
01.355.130	Fire Company Relif Assn Grant	0	0	0	0	0	0	0.0
	Total State Revenue	12,000	12,000	12,000	12,000	12,000	0	0
<b>Zoning</b>								
01.361.300	Zoning, Sub-division Fees	5,000	5,000	5,000	5,000	5,000	0	0.0
	Total Zoning	5,000	5,000	5,000	5,000	5,000	0	0
<b>Police</b>								
01.362.100	Police Revenues	49,000	49,000	49,000	49,000	49,000	0	0.0
01.362.101	Police Overtime Reimbursement	57,192	57,192	57,192	57,192	57,192	0	0.0
01.362.102	Smooth Operator Grant	0	0	0	0	0	0	0.0
01.362.103	DUI Grant from State	25,000	25,000	25,000	25,000	25,000	0	0.0
01.362.104	Seat Belt Grant from State	4,000	4,000	4,000	4,000	4,000	0	0.0
01.362.105	NHS Reimburse-SRO Officer	118,621	118,621	118,621	118,621	118,621	0	0.0
01.362.410	Building/Plumbing Permits	300,000	300,000	300,000	300,000	300,000	0	0.0
01.362.430	Plumbing License	0	0	0	0	0	0	0.0
01.362.450	U & O Certification	16,000	16,000	16,000	16,000	16,000	0	0.0
01.362.470	Rental Unit Inspections	100,000	100,000	100,000	100,000	100,000	0	0.0
01.362.500	Annual Alarm License	7,000	7,000	7,000	7,000	7,000	0	0.0
	Total Police	676,813	676,813	676,813	676,813	676,813	0	0
<b>Highway Aid</b>								
01.363.000	Highway Dept Revenue	8,000	8,000	8,000	8,000	8,000	0	0.0
01.363.300	FEMA Reimbursement	0	0	0	0	0	0	0.0
	Total Highway	8,000	8,000	8,000	8,000	8,000	0	0

G.L. #	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
		Estimated	Projected	Projected	Projected	Projected	\$	%
<b>Recreation</b>								
01.367.000	Recreation Dept Revenue	110,500	110,500	110,500	110,500	110,500	0	0.0
01.367.010	Cultural Trip Revenue	70,000	70,000	70,000	70,000	70,000	0	0.0
01.367.050	Recreation Event Sponsorship	10,000	10,000	10,000	10,000	10,000	0	0.0
01.367.075	Donations to Parks & Recreation	2,000	2,000	2,000	2,000	2,000	0	0.0
01.367.100	Parks Vending Machines	0	0	0	0	0	0	0.0
01.367.150	Elmwood Park Ticket Sales	1,000	1,000	1,000	1,000	1,000	0	0.0
01-367-155	PRPS Ticket Sales	6,375	6,375	6,375	6,375	6,375	0	0.0
01.367.200	Park Rental Fee	500	500	500	500	500	0	0.0
01.367.550	History Book/Cent. Sales	100	100	100	100	100	0	0.0
01.367.555	Celebration 5K Run	0	0	0	0	0	0	0.0
	Total Recreation	200,475	200,475	200,475	200,475	200,475	0	0
<b>Miscellaneous</b>								
01.380.000	Miscellaneous Receipts	10,000	10,000	10,000	10,000	10,000	0	0.0
01.380.001	Reimb. Health/Life Insurance	12,775	12,775	12,775	12,775	12,775	0	0.0
01.380.002	Refund - Insurance	0	0	0	0	0	0	0.0
01.380.200	Pension Fund Receipts	307,413	316,635	326,134	335,918	345,996	38,583	12.6
01.380.500	Permit Admin Fee	28,000	28,000	28,000	28,000	28,000	0	0.0
	Total Miscellaneous	358,188	367,410	376,909	386,693	396,771	38,583	13
<b>Contributions</b>								
01.387.000	Cont/Donation Private Sector	0	0	0	0	0	0	0.0
	Total Contributions	0	0	0	0	0	0	0
<b>Proceeds from Asset Sales</b>								
01.391.000	Proceeds of General Fixed Asset	0	0	0	0	0	0	0.0
	Total Proceed from Asset Sales	0	0	0	0	0	0	0
<b>Interfund Transfers</b>								
01.392.060	Transfer from Traffic Impact	0	0	0	0	0	0	0.0
01.392.080	Transfer from Sewer Fund	0	0	0	0	0	0	0.0
01.392.100	Transfer from Capital Reserve	50,000	50,000	50,000	50,000	50,000	0	0.0
01.392.350	Transfer from Highway Aid	0	0	0	0	0	0	0.0
01.392.600	Transfer from Escrow Fund	0	0	0	0	0	0	0.0
01.392.900	Transfer from Golf Course	0	0	0	0	0	0	0.0
	Total Interfund Transfers	50,000	50,000	50,000	50,000	50,000	0	0
	<b>Total Revenue</b>	<b>9,870,969</b>	<b>9,913,447</b>	<b>9,957,515</b>	<b>10,002,184</b>	<b>10,047,464</b>	<b>176,496</b>	<b>1.8</b>

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.400.105	Administration	Commissioners' Salaries	20,625	20,625	20,625	20,625	17,944	-2,681	-13.0
01.400.210	Administration	Office Supplies	29,235	30,261	27,624	31,871	29,173	-62	-0.2
01.400.215	Administration	Office Equipment/Leases	33,266	14,956	5,723	6,606	4,944	-28,323	-85.1
01.400.216	Administration	Internet/Web Page Fees	0	0	0	0	0	0	0.0
01.400.300	Administration	Other Administration Expenses	14,917	18,885	29,662	20,819	9,375	-5,541	-37.1
01.400.321	Administration	Telephone	30,182	25,449	21,363	21,684	18,378	-11,804	-39.1
01.400.340	Administration	Advertising & Printing	25,614	26,294	23,205	20,779	22,142	-3,472	-13.6
01.400.352	Administration	Public Officials Liability Ins.	7,837	7,584	9,357	8,922	-325	-8,162	-104.1
01.400.420	Administration	Association Dues & Expenses	9,029	15,294	12,830	14,852	11,222	2,193	24.3
01.400.740	Administration	Purchase of Major Equipment	19,644	41,356	0	0	0	-19,644	-100.0
01.401.000	Administration	Administration Salaries	316,045	221,149	239,188	254,408	257,598	-58,447	-18.5
01.401.140	Administration	Wages - Clerks	116,050	119,005	122,329	127,238	80,077	-35,974	-31.0
01.401.190	Administration	Manager's Auto Expense-fuel	1,443	1,034	1,479	1,126	591	-852	-59.0
01.402.115	Administration	Auditor's Fee	10,000	17,250	32,900	24,100	31,000	21,000	210.0
01.403.115	Administration	Comp-Treas/Tax Collector	10,000	10,000	10,000	10,073	10,039	38	0.4
01.403.310	Administration	Other Exp-Tax Collector	2,944	3,053	3,035	3,206	3,512	568	19.3
01.403.350	Administration	Tax Collector Committee	0	0	386	0	0	0	0.0
01.404.120	Administration	Solicitor's Fees	52,000	51,043	21,750	15,075	10,500	-41,500	-79.8
01.404.300	Administration	Other Legal Expenses	125,697	41,611	93,043	83,634	112,665	-13,032	-10.4
01.406.310	Administration	Other Consulting Services	135	0	0	0	0	-135	-100.0
01.407.216	Administration	Internet/Web Page Fees	18,851	1,587	3,173	9,360	11,512	-7,339	-38.9
01.407.220	Administration	Computers & Technology	0	67,118	97,565	50,722	69,581	69,581	100.0
01.408.313	Administration	Engineering Service	35,497	-71	52,139	32,382	80,222	44,725	126.0
01.409.100	Administration	Janitorial Services	19,447	19,150	18,800	18,000	11,550	-7,897	-40.6
01.409.236	Administration	Material & Supplies - Twp Bldg	5,651	4,871	6,122	6,418	5,562	-88	-1.6
01.409.260	Administration	Equipment - Twp Bldg	660	1,874	1,008	760	439	-221	-33.5
01.409.360	Administration	Fuel, Light & Water	36,733	32,475	37,205	35,555	16,039	-20,694	-56.3
01.409.373	Administration	Maintenance & Repairs - Twp Bldg	21,619	15,755	11,220	18,973	16,294	-5,326	-24.6
01.409.375	Administration	Security System	9,149	9,122	9,788	9,403	5,422	-3,727	-40.7
01.409.740	Administration	Purchase of Major Equipment	0	0	0	0	0	0	0.0
01.410.112	Police	Police Salaries/Full Time Staff	2,717,277	2,612,879	2,508,707	2,597,888	2,705,113	-12,163	-0.4

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.410.114	Police	Wages-Clerks	152,238	155,992	151,758	129,048	131,484	-20,754	-13.6
01.410.142	Police	Salary-Police Secretary	11,284	10,506	0	0	0	-11,284	-100.0
01.410.158	Police	Life Insurance-Retiree	0	0	0	0	0	0	0.0
01.410.115	Police	Wages-Crossing Guards & Part Tim	44,081	44,213	58,447	47,758	46,502	2,421	5.5
01.410.179	Police	Longevity Pay	0	0	64,800	69,600	72,960	72,960	100.0
01.410.180	Police	Overtime Pay	180,999	227,850	240,475	186,968	141,800	-39,199	-21.7
01.410.181	Police	Court Overtime Pay	0	0	17,948	11,933	9,261	9,261	100.0
01.410.182	Police	Degree Bonus	0	0	8,900	8,200	8,200	8,200	100.0
01.410.183	Police	Special Detail - Reimbursed	0	0	55,072	57,324	50,298	50,298	100.0
01.410.184	Police	Sick Pay Buy-Back	0	0	0	0	0	0	0.0
01.410.185	Police	Vacation/Time Off Pay Buy-Back	0	0	87,369	105,959	115,822	115,822	100.0
01.410.186	Police	Uniform Allowance	0	0	9,149	9,416	9,424	9,424	100.0
01.410.190	Police	Crossing Guard Uniform	0	0	250	0	204	204	100.0
01.410.191	Police	Police Uniforms	0	0	0	0	0	0	0.0
01.410.210	Police	Office Supplies	5,689	5,419	5,858	5,617	5,049	-640	-11.3
01.410.215	Police	Office Equipment	2,020	2,382	578	530	1,337	-683	-33.8
01.410.216	Police	Computer Equipment	0	0	0	0	0	0	0.0
01.410.220	Police	Materials & Supplies	7,553	6,802	6,849	9,881	9,938	2,385	31.6
01.410.231	Police	Fuel-Gasoline	59,957	59,157	54,219	35,503	23,967	-35,990	-60.0
01.410.234	Police	Oil	0	0	681	368	510	510	100.0
01.410.238	Police	Clothing and Uniforms	27,191	28,236	13,262	16,031	13,176	-14,016	-51.5
01.410.239	Police	Cleaning	0	0	13,954	14,906	16,326	16,326	100.0
01.410.241	Police	Purchase Minor Equipment	5,251	169	735	2,248	2,303	-2,948	-56.1
01.410.242	Police	In-Car Video Equipmemnt	0	0	0	4,405	0	0	0.0
01.410.243	Police	Weapons	0	0	281	0	9,713	9,713	100.0
01.410.251	Police	Vehicle Parts	0	0	9,298	9,725	12,399	12,399	100.0
01.410.252	Police	Repair & Maintenance Supplies	0	0	6,234	5,838	5,896	5,896	100.0
01.410.300	Police	Other Police Expense	3,328	18,024	6,328	3,220	3,687	359	10.8
01.410.303	Police	Civil Service	0	4,535	4,949	0	0	0	0.0
01.410.304	Police	Calibrations	0	0	683	675	255	255	100.0
01.410.310	Police	Professional Services	2,500	2,500	5,572	5,572	6,700	4,200	168.0
01.410.320	Police	Phone America (Oasis Recorder)	0	0	1,270	0	0	0	0.0

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.410.323	Police	Modem Fees	0	0	1,369	1,441	3,679	3,679	100.0
01.410.324	Police	Cell Phones	0	0	7,035	7,174	6,960	6,960	100.0
01.410.327	Police	Radio Equipment	3,397	5,405	1,251	1,088	1,051	-2,347	-69.1
01.410.340	Police	Printing	1,945	3,305	1,068	708	938	-1,007	-51.8
01.410.350	Police	Police Prof Liability Insurance	14,756	14,858	16,088	15,892	6,683	-8,074	-54.7
01.410.384	Police	Equipment Rentals	14,865	14,149	-501	78	0	-14,865	-100.0
01.410.419	Police	Training	0	0	2,843	7,043	3,620	3,620	100.0
01.410.420	Police	Association Dues & Subscriptions	7,799	7,019	3,626	3,968	3,254	-4,545	-58.3
01.410.451	Police	Contracted Vehicle Maint & Repair	27,989	12,328	-2,338	11,527	3,982	-24,007	-85.8
01.410.452	Police	Computer Software Equip//Training	22,164	27,216	4,783	4,171	4,257	-17,907	-80.8
01.410.460	Police	Education Expense	8,265	26,768	26,688	34,168	47,300	39,035	472.3
01.410.500	Police	Grant Disbursements	33,276	0	27,690	31,381	49,110	15,834	47.6
01.410.700	Police	Capital Purchases	0	0	0	0	0	0	0.0
01.410.740	Police	Purchase of Major Equipment	43,733	122,214	0	0	0	-43,733	-100.0
01.411.140	Fire	Fire Marshall Salary	11,899	10,002	0	0	0	-11,899	-100.0
01.411.300	Fire	Other Expense-Fire Protection	694	1,960	0	0	0	-694	-100.0
01.411.373	Fire	Improvements to Firehouse	0	0	0	0	0	0	0.0
01.411.375	Fire	Hydrant Fee	66,255	66,175	0	0	0	-66,255	-100.0
01.411.540	Fire	Contribution to Fire Company	160,000	160,000	0	0	0	-160,000	-100.0
01.411.550	Fire	Jeff Fire Co Relief Association	121,214	137,285	0	0	0	-121,214	-100.0
01.412.500	Health & Welfare	Ambulance Contribution	6,000	6,000	6,000	6,000	6,000	0	0.0
01.413.120	Building/Zoning	Salary-Bldg & Zoning	46,904	16,406	33,796	34,960	37,008	-9,896	-21.1
01.413.310	Building/Zoning	Code Review Fee	0	0	79,739	99,516	118,789	118,789	100.0
01.414.120	Building/Zoning	Salaries-Zoning Hearing Board	3,250	3,350	3,200	3,400	3,000	-250	-7.7
01.414.300	Building/Zoning	Other Expense-Zoning	5,543	7,217	7,224	9,583	5,928	386	7.0
01.414.374	Building/Zoning	Maint & Repair-Vehicle	853	1,840	0	0	0	-853	-100.0
01.415.000	Building/Zoning	Township Emergency Mgmt	0	585	2,495	3,253	220	220	100.0
01.421.130	Building/Zoning	Salary Plumbing Inspect	6,912	11,989	0	0	0	-6,912	-100.0
01.421.200	Building/Zoning	Materials & Supplies - Health	0	0	0	0	0	0	0.0
01.427.000	Recycling	Waste Recycling	3,359	5,359	5,311	6,154	2,840	-518	-15.4
01.427.100	Recycling	Asphalt Removal	4,723	1,614	1,346	512	175	-4,548	-96.3
01.430.120	Public Works	Salary-Highway Supt	16,910	20,823	33,796	34,960	13,334	-3,576	-21.1

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.430.140	Public Works	Wages-Highway Dept	453,661	415,916	328,500	244,772	241,115	-212,546	-46.9
01.430.150	Public Works	Overtime-Highway Dept	0	0	20,719	17,997	11,085	11,085	100.0
01.430.175	Public Works	Wages-Seasonal Help	0	0	62,035	63,804	58,199	58,199	100.0
01.430.231	Public Works	Vehicle Fuel-Gasoline	36,123	30,896	15,475	6,874	1,964	-34,159	-94.6
01.430.232	Public Works	Vehicle Fuel-Diesel	0	0	14,402	7,466	5,621	5,621	100.0
01.430.234	Public Works	Oil-Highway Dept.	0	0	289	600	238	238	100.0
01.430.260	Public Works	Purchase Tools & Minor Equip.	2,940	4,365	3,731	1,101	3,557	616	21.0
01.430.300	Public Works	Other Highway Expense	9,894	6,572	2,203	1,068	1,322	-8,572	-86.6
01.430.313	Public Works	Engineer's Service	0	0	0	0	0	0	0.0
01.430.305	Public Works	Highway Uniforms	0	0	2,973	1,957	2,527	2,527	100.0
01.430.310	Public Works	Cell Phones/Radios	0	0	791	721	759	759	100.0
01.430.312	Public Works	Highway Dues & Memberships	0	0	604	617	492	492	100.0
01.430.740	Public Works	Capital Exp-Machinery	0	34,359	390	0	0	0	0.0
01.431.100	Public Works	Pers Serv-Leaf Removal	14,132	1,122	10,523	8,094	8,830	-5,302	-37.5
01.432.000	Public Works	Contract Snow Removal	3,435	5,760	40,875	13,245	14,300	10,865	316.3
01.432.500	Public Works	Winter Maintenance-SALT	13,449	11,589	0	0	0	-13,449	-100.0
01.433.200	Public Works	Street Signs & Markings	3,969	6,455	6,548	6,816	-252	-4,221	-106.3
01.433.375	Public Works	Traffic Signals	68,018	3,501	16,875	23,650	3,258	-64,760	-95.2
01.434.360	Public Works	Street Lighting	214,098	36,192	0	16,432	13,981	-200,116	-93.5
01.436.000	Public Works	Storm Sewers & Drains	3,314	719	13,450	8	0	-3,314	-100.0
01.437.000	Public Works	Repair Tools & Machinery	19,123	14,308	10,095	4,081	5,379	-13,744	-71.9
01.437.374	Public Works	Maint. & Repairs PW Vehicles	0	0	9,635	7,704	6,359	6,359	100.0
01.437.375	Public Works	Maint. & Repairs Mowers	0	0	1,962	1,569	1,152	1,152	100.0
01.438.245	Public Works	Road Materials	2,754	-10,206	4,382	2,153	1,799	-955	-34.7
01.438.384	Public Works	Rent of Equipment	748	1,013	896	608	884	136	18.2
01.438.740	Public Works	Purchase Major Equipment	9,100	0	0	0	0	-9,100	-100.0
01.439.000	Public Works	Resurfacing of Roads	0	11,735	104,915	0	0	0	0.0
01.451.120	Culture & Recreation	Salary-Recreation Dir/Asst Dir	102,026	109,086	123,085	128,597	131,189	29,163	28.6
01.451.140	Culture & Recreation	Wages-Seasonal Recreation	47,354	56,156	8,265	5,085	225	-47,129	-99.5
01.451.145	Culture & Recreation	Wages-Parks Maintenance	0	14,203	45,255	45,382	43,686	43,686	100.0
01.451.150	Culture & Recreation	Wages-Day Camp	0	0	38,608	41,517	43,904	43,904	100.0
01.451.231	Culture & Recreation	Fuel-Gasoline	0	0	887	652	466	466	100.0

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.451.247	Culture & Recreation	Material & Supplies Recreation	8,276	8,139	10,228	10,203	11,576	3,300	39.9
01.451.250	Culture & Recreation	Partnership Programs	12,029	12,912	16,586	14,864	11,538	-492	-4.1
01.451.275	Culture & Recreation	Partnership Program-Tickets	0	0	0	3,800	2,047	2,047	100.0
01.451.300	Culture & Recreation	Other Recreation Expense	5,229	5,667	2,763	2,188	1,978	-3,250	-62.2
01.451.302	Culture & Recreation	Day Camp Trips	16,754	17,025	16,585	19,779	19,631	2,877	17.2
01.451.303	Culture & Recreation	Cultural Trips	40,214	21,355	140,991	93,085	47,812	7,598	18.9
01.451.353	Culture & Recreation	Sports Liability Insurance	3,830	3,890	3,890	3,730	3,730	-100	-2.6
01.451.380	Culture & Recreation	NASD Facility Rental	0	1,955	1,820	1,505	1,665	1,665	100.0
01.451.450	Culture & Recreation	Recreation Serv (Refs, Etc)	4,165	4,580	3,350	4,270	10,065	5,900	141.7
01.451.475	Culture & Recreation	Family Movie Night	-518	1,397	956	1,855	1,798	2,316	-447.0
01.451.480	Culture & Recreation	Halloween Event	0	0	1,972	2,147	2,727	2,727	100.0
01.451.485	Culture & Recreation	Easter Egg Hunt Event	0	0	535	970	1,180	1,180	100.0
01.451.500	Culture & Recreation	Community Day and Parade	4,967	10,043	11,185	11,988	8,407	3,441	69.3
01.451.510	Culture & Recreation	55+ Club	500	500	500	500	1,000	500	100.0
01.451.540	Culture & Recreation	Contribution to Little League	2,000	2,000	2,450	2,450	2,450	450	22.5
01.451.542	Culture & Recreation	Contribution to Sr Citizens Ba	2,500	0	0	0	0	-2,500	-100.0
01.451.545	Culture & Recreation	Contribution to PAL	0	0	500	250	500	500	100.0
01.451.550	Culture & Recreation	Cont. to Norristown Youth Eagles	0	0	0	0	500	500	100.0
01.451.560	Culture & Recreation	Contribution to WNGAA	2,000	2,000	2,000	2,400	2,000	0	0.0
01.451.700	Culture & Recreation	Capital Improvements	0	0	88,318	43,589	5,561	5,561	100.0
01.451.740	Culture & Recreation	Purchase Major Equipment	0	0	0	0	0	0	0.0
01.452.600	Culture & Recreation	Parks & Playgrounds	110,561	123,648	12,129	9,932	18,906	-91,654	-82.9
01.453.500	Culture & Recreation	Contribution to Norristown Zoo	500	500	2,125	1,500	1,500	1,000	200.0
01.454.000	Culture & Recreation	Open Space	0	0	0	0	0	0	0.0
01.456.500	Culture & Recreation	Contribution to Montg Co Library	500	2,500	4,000	5,000	6,500	6,000	1,200.0
01.459.100	Culture & Recreation	Vehicle Maintenance	0	0	938	29	81	81	100.0
01.459.150	Culture & Recreation	Professional Memberships	0	0	0	320	600	600	100.0
01.459.313	Culture & Recreation	Engineering/Planning	0	0	20,000	0	0	0	0.0
01.472.100	Miscellaneous Expense	Interest Payments	0	0	0	3,498	1,211	1,211	100.0
01.483.160	Pension	Employee Pension-Non police	216,245	237,025	232,544	271,970	365,555	149,310	69.0
01.483.165	Pension	Employee Pension-Police	768,734	640,507	788,038	952,976	1,340,004	571,270	74.3
01.486.156	Employee Benefits	Health Care Insurance	1,599,374	1,445,071	1,562,299	1,790,316	1,648,289	48,915	3.1

G.L. #	Department	Account Title	2012	2013	2014	2015	2016	Change 2012 - 2016	
			Actual	Actual	Actual	Actual	Actual	\$	%
01.486.157	Employee Benefits	Employee Reimburs Healthcare	0	0	0	0	17,445	17,445	100.0
01.486.158	Employee Benefits	Employee Life Insurance	49,145	48,124	48,835	49,419	53,581	4,436	9.0
01.486.160	Employee Benefits	Life Insurance-Retiree	11,042	12,208	12,550	12,820	13,310	2,269	20.5
01.486.161	Employee Benefits	Social Security Cont Fund	134,793	128,056	134,396	128,862	126,557	-8,236	-6.1
01.486.162	Employee Benefits	Unemployment Comp Ins	50,605	38,006	40,750	41,336	39,999	-10,606	-21.0
01.486.351	Insurance	Bldgs & Equip Insurance	34,866	15,575	40,109	15,486	26,339	-8,527	-24.5
01.486.352	Insurance	General Liability Insurance	16,625	36,530	18,089	20,434	14,683	-1,942	-11.7
01.486.353	Insurance	Official & Employee Bonds	906	906	2,406	-594	0	-906	-100.0
01.486.354	Employee Benefits	Workers' Compensation	202,358	218,106	220,902	231,811	236,413	34,055	16.8
01.486.355	Insurance	Insurance for Vehicles	22,959	26,773	23,546	26,351	19,479	-3,480	-15.2
01.486.356	Insurance	Flood,Earthquake & Pollution Ins	2,115	0	7,019	0	0	-2,115	-100.0
01.487.180	Employee Benefits	Longevity - Non- Uniform	0	0	0	0	0	0	0.0
01.492.020	Transfers	Transfer to Capital Reserve Fund	0	25	0	0	116,430	116,430	100.0
01.492.030	Transfers	Transfer to Golf Fund	27,124	0	0	0	0	-27,124	-100.0
01.492.200	Transfers	Transfer to Sinking Fund	704,481	840,119	565,001	176,812	471,015	-233,466	-33.1
01.492.300	Transfers	Transfer to Sewer Capital	0	0	0	0	13,427	13,427	100.0
01.492.400	Transfers	Transfer to Vehicle Replace Fd	0	0	90,452	100,000	0	0	0.0
01.492.500	Transfers	Transfer to Emergency Services Fd.	0	0	250,823	0	0	0	0.0
01.493.820	Depreciation/Capital Reserve	Depreciation-Non Bldg Improvemen	0	0	0	2,293	4,492	4,492	100.0
01.493.830	Depreciation/Capital Reserve	Depreciation Bldgs	0	0	0	120,115	120,034	120,034	100.0
01.493.840	Depreciation/Capital Reserve	Depreciation-Mach/Equip	0	0	0	215,230	208,145	208,145	100.0
		<b>TOTAL EXPENDITURES</b>	<b>9,883,356</b>	<b>9,338,144</b>	<b>9,777,598</b>	<b>9,550,243</b>	<b>10,158,107</b>	<b>274,751</b>	<b>2.8</b>

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.400.105	Administration	Commissioners' Salaries	17,944	17,944	0	0.0
01.400.210	Administration	Office Supplies	29,235	30,261	-1,026	-3.4
01.400.215	Administration	Office Equipment/Leases	33,266	14,956	18,311	122.4
01.400.216	Administration	Internet/Web Page Fees	0	0	0	0.0
01.400.300	Administration	Other Administration Expenses	14,917	18,885	-3,969	-21.0
01.400.321	Administration	Telephone	30,182	25,449	4,733	18.6
01.400.340	Administration	Advertising & Printing	25,614	26,294	-680	-2.6
01.400.352	Administration	Public Officials Liability Ins.	7,837	7,584	253	3.3
01.400.420	Administration	Association Dues & Expenses	9,029	15,294	-6,265	-41.0
01.400.740	Administration	Purchase of Major Equipment	19,644	41,356	-21,712	-52.5
01.401.000	Administration	Administration Salaries	316,045	221,149	94,896	42.9
01.401.140	Administration	Wages - Clerks	116,050	119,005	-2,955	-2.5
01.401.190	Administration	Manager's Auto Expense-fuel	1,443	1,034	409	39.6
01.402.115	Administration	Auditor's Fee	10,000	17,250	-7,250	-42.0
01.403.115	Administration	Comp-Treas/Tax Collector	10,000	10,000	0	0.0
01.403.310	Administration	Other Exp-Tax Collector	2,944	3,053	-109	-3.6
01.403.350	Administration	Tax Collector Committee	0	0	0	0.0
01.404.120	Administration	Solicitor's Fees	52,000	51,043	958	1.9
01.404.300	Administration	Other Legal Expenses	125,697	41,611	84,086	202.1
01.406.310	Administration	Other Consulting Services	135	0	135	100.0
01.407.216	Administration	Internet/Web Page Fees	18,851	1,587	17,264	1,087.7
01.407.220	Administration	Computers & Technology	0	67,118	-67,118	-100.0
01.408.313	Administration	Engineering Service	35,497	-71	35,568	-50,004.7
01.409.100	Administration	Janitorial Services	19,447	19,150	297	1.5
01.409.236	Administration	Material & Supplies - Twp Bldg	5,651	4,871	779	16.0
01.409.260	Administration	Equipment - Twp Bldg	660	1,874	-1,214	-64.8

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.409.360	Administration	Fuel, Light & Water	36,733	32,475	4,258	13.1
01.409.373	Administration	Maintenance & Repairs - Twp Bldg	21,619	15,755	5,864	37.2
01.409.375	Administration	Security System	9,149	9,122	27	0.3
01.409.740	Administration	Purchase of Major Equipment	0	0	0	0.0
01.410.112	Police	Police Salaries/Full Time Staff	2,717,277	2,612,879	104,398	4.0
01.410.114	Police	Wages-Clerks	152,238	155,992	-3,754	-2.4
01.410.142	Police	Salary-Police Secretary	11,284	10,506	778	7.4
01.410.158	Police	Life Insurance-Retiree	0	0	0	0.0
01.410.115	Police	Wages-Crossing Guards & Part Tim	44,081	44,213	-132	-0.3
01.410.179	Police	Longevity Pay	0	0	0	0.0
01.410.180	Police	Overtime Pay	180,999	227,850	-46,851	-20.6
01.410.181	Police	Court Overtime Pay	0	0	0	0.0
01.410.182	Police	Degree Bonus	0	0	0	0.0
01.410.183	Police	Special Detail - Reimbursed	0	0	0	0.0
01.410.184	Police	Sick Pay Buy-Back	0	0	0	0.0
01.410.185	Police	Vacation/Time Off Pay Buy-Back	0	0	0	0.0
01.410.186	Police	Uniform Allowance	0	0	0	0.0
01.410.190	Police	Crossing Guard Uniform	0	0	0	0.0
01.410.191	Police	Police Uniforms	0	0	0	0.0
01.410.210	Police	Office Supplies	5,689	5,419	271	5.0
01.410.215	Police	Office Equipment	2,020	2,382	-362	-15.2
01.410.216	Police	Computer Equipment	0	0	0	0.0
01.410.220	Police	Materials & Supplies	7,553	6,802	751	11.0
01.410.231	Police	Fuel-Gasoline	59,957	59,157	800	1.4
01.410.234	Police	Oil	0	0	0	0.0
01.410.238	Police	Clothing and Uniforms	27,191	28,236	-1,045	-3.7
01.410.239	Police	Cleaning	0	0	0	0.0

Appendix  
General Fund Expenditures  
2017 Actual vs. Budget

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.410.241	Police	Purchase Minor Equipment	5,251	169	5,082	3,006.7
01.410.242	Police	In-Car Video Equipmemnt	0	0	0	0.0
01.410.243	Police	Weapons	0	0	0	0.0
01.410.251	Police	Vehicle Parts	0	0	0	0.0
01.410.252	Police	Repair & Maintenance Supplies	0	0	0	0.0
01.410.300	Police	Other Police Expense	3,328	18,024	-14,696	-81.5
01.410.303	Police	Civil Service	0	4,535	-4,535	-100.0
01.410.304	Police	Calibrations	0	0	0	0.0
01.410.310	Police	Professional Services	2,500	2,500	0	0.0
01.410.320	Police	Phone America (Oasis Recorder)	0	0	0	0.0
01.410.323	Police	Modem Fees	0	0	0	0.0
01.410.324	Police	Cell Phones	0	0	0	0.0
01.410.327	Police	Radio Equipment	3,397	5,405	-2,008	-37.1
01.410.340	Police	Printing	1,945	3,305	-1,359	-41.1
01.410.350	Police	Police Prof Liability Insurance	14,756	14,858	-102	-0.7
01.410.384	Police	Equipment Rentals	14,865	14,149	716	5.1
01.410.419	Police	Training	0	0	0	0.0
01.410.420	Police	Association Dues & Subscriptions	7,799	7,019	779	11.1
01.410.451	Police	Contracted Vehicle Maint & Repair	27,989	12,328	15,660	127.0
01.410.452	Police	Computer Software Equip//Training	22,164	27,216	-5,052	-18.6
01.410.460	Police	Education Expense	8,265	26,768	-18,503	-69.1
01.410.500	Police	Grant Disbursements	33,276	0	33,276	100.0
01.410.700	Police	Capital Purchases	0	0	0	0.0
01.410.740	Police	Purchase of Major Equipment	43,733	122,214	-78,481	-64.2
01.411.140	Fire	Fire Marshall Salary	11,899	10,002	1,896	19.0
01.411.300	Fire	Other Expense-Fire Protection	694	1,960	-1,266	-64.6
01.411.373	Fire	Improvements to Firehouse	0	0	0	0.0

Appendix  
General Fund Expenditures  
2017 Actual vs. Budget

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.411.375	Fire	Hydrant Fee	66,255	66,175	80	0.1
01.411.540	Fire	Contribution to Fire Company	160,000	160,000	0	0.0
01.411.550	Fire	Jeff Fire Co Relief Association	121,214	137,285	-16,071	-11.7
01.412.500	Health & Welfare	Ambulance Contribution	6,000	6,000	0	0.0
01.413.120	Building/Zoning	Salary-Bldg & Zoning	46,904	16,406	30,498	185.9
01.413.310	Building/Zoning	Code Review Fee	0	0	0	0.0
01.414.120	Building/Zoning	Salaries-Zoning Hearing Board	3,250	3,350	-100	-3.0
01.414.300	Building/Zoning	Other Expense-Zoning	5,543	7,217	-1,674	-23.2
01.414.374	Building/Zoning	Maint & Repair-Vehicle	853	1,840	-987	-53.7
01.415.000	Building/Zoning	Township Emergency Mgmt	0	585	-585	-100.0
01.421.130	Building/Zoning	Salary Plumbing Inspect	6,912	11,989	-5,077	-42.3
01.421.200	Building/Zoning	Materials & Supplies - Health	0	0	0	0.0
01.427.000	Recycling	Waste Recycling	3,359	5,359	-2,001	-37.3
01.427.100	Recycling	Asphalt Removal	4,723	1,614	3,109	192.6
01.430.120	Public Works	Salary-Highway Supt	16,910	20,823	-3,913	-18.8
01.430.140	Public Works	Wages-Highway Dept	453,661	415,916	37,746	9.1
01.430.150	Public Works	Overtime-Highway Dept	0	0	0	0.0
01.430.175	Public Works	Wages-Seasonal Help	0	0	0	0.0
01.430.231	Public Works	Vehicle Fuel-Gasoline	36,123	30,896	5,228	16.9
01.430.232	Public Works	Vehicle Fuel-Diesel	0	0	0	0.0
01.430.234	Public Works	Oil-Highway Dept.	0	0	0	0.0
01.430.260	Public Works	Purchase Tools & Minor Equip.	2,940	4,365	-1,425	-32.6
01.430.300	Public Works	Other Highway Expense	9,894	6,572	3,323	50.6
01.430.313	Public Works	Engineer's Service	0	0	0	0.0
01.430.305	Public Works	Highway Uniforms	0	0	0	0.0
01.430.310	Public Works	Cell Phones/Radios	0	0	0	0.0
01.430.312	Public Works	Highway Dues & Memberships	0	0	0	0.0

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.430.740	Public Works	Capital Exp-Machinery	0	34,359	-34,359	-100.0
01.431.100	Public Works	Pers Serv-Leaf Removal	14,132	1,122	13,010	1,159.2
01.432.000	Public Works	Contract Snow Removal	3,435	5,760	-2,325	-40.4
01.432.500	Public Works	Winter Maintenance-SALT	13,449	11,589	1,861	16.1
01.433.200	Public Works	Street Signs & Markings	3,969	6,455	-2,486	-38.5
01.433.375	Public Works	Traffic Signals	68,018	3,501	64,517	1,842.8
01.434.360	Public Works	Street Lighting	214,098	36,192	177,905	491.6
01.436.000	Public Works	Storm Sewers & Drains	3,314	719	2,595	360.9
01.437.000	Public Works	Repair Tools & Machinery	19,123	14,308	4,814	33.6
01.437.374	Public Works	Maint. & Repairs PW Vehicles	0	0	0	0.0
01.437.375	Public Works	Maint. & Repairs Mowers	0	0	0	0.0
01.438.245	Public Works	Road Materials	2,754	-10,206	12,960	-127.0
01.438.384	Public Works	Rent of Equipment	748	1,013	-265	-26.2
01.438.740	Public Works	Purchase Major Equipment	9,100	0	9,100	100.0
01.439.000	Public Works	Resurfacing of Roads	0	11,735	-11,735	-100.0
01.451.120	Culture & Recreation	Salary-Recreation Dir/Asst Dir	102,026	109,086	-7,061	-6.5
01.451.140	Culture & Recreation	Wages-Seasonal Recreation	47,354	56,156	-8,801	-15.7
01.451.145	Culture & Recreation	Wages-Parks Maintenance	0	14,203	-14,203	-100.0
01.451.150	Culture & Recreation	Wages-Day Camp	0	0	0	0.0
01.451.231	Culture & Recreation	Fuel-Gasoline	0	0	0	0.0
01.451.247	Culture & Recreation	Material & Supplies Recreation	8,276	8,139	137	1.7
01.451.250	Culture & Recreation	Partnership Programs	12,029	12,912	-882	-6.8
01.451.275	Culture & Recreation	Partnership Program-Tickets	0	0	0	0.0
01.451.300	Culture & Recreation	Other Recreation Expense	5,229	5,667	-438	-7.7
01.451.302	Culture & Recreation	Day Camp Trips	16,754	17,025	-271	-1.6
01.451.303	Culture & Recreation	Cultural Trips	40,214	21,355	18,859	88.3
01.451.353	Culture & Recreation	Sports Liability Insurance	3,830	3,890	-60	-1.5

Appendix  
General Fund Expenditures  
2017 Actual vs. Budget

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.451.380	Culture & Recreation	NASD Facility Rental	0	1,955	-1,955	-100.0
01.451.450	Culture & Recreation	Recreation Serv (Refs, Etc)	4,165	4,580	-415	-9.1
01.451.475	Culture & Recreation	Family Movie Night	-518	1,397	-1,915	-137.1
01.451.480	Culture & Recreation	Halloween Event	0	0	0	0.0
01.451.485	Culture & Recreation	Easter Egg Hunt Event	0	0	0	0.0
01.451.500	Culture & Recreation	Community Day and Parade	4,967	10,043	-5,076	-50.5
01.451.510	Culture & Recreation	55+ Club	500	500	0	0.0
01.451.540	Culture & Recreation	Contribution to Little League	2,000	2,000	0	0.0
01.451.542	Culture & Recreation	Contribution to Sr Citizens Ba	2,500	0	2,500	100.0
01.451.545	Culture & Recreation	Contribution to PAL	0	0	0	0.0
01.451.550	Culture & Recreation	Cont. to Norristown Youth Eagles	0	0	0	0.0
01.451.560	Culture & Recreation	Contribution to WNGAA	2,000	2,000	0	0.0
01.451.700	Culture & Recreation	Capital Improvements	0	0	0	0.0
01.451.740	Culture & Recreation	Purchase Major Equipment	0	0	0	0.0
01.452.600	Culture & Recreation	Parks & Playgrounds	110,561	123,648	-13,087	-10.6
01.453.500	Culture & Recreation	Contribution to Norristown Zoo	500	500	0	0.0
01.454.000	Culture & Recreation	Open Space	0	0	0	0.0
01.456.500	Culture & Recreation	Contribution to Montg Co Library	500	2,500	-2,000	-80.0
01.459.100	Culture & Recreation	Vehicle Maintenance	0	0	0	0.0
01.459.150	Culture & Recreation	Professional Memberships	0	0	0	0.0
01.459.313	Culture & Recreation	Engineering/Planning	0	0	0	0.0
01.472.100	Miscellaneous Expense	Interest Payments	0	0	0	0.0
01.483.160	Pension	Employee Pension-Non police	216,245	237,025	-20,780	-8.8
01.483.165	Pension	Employee Pension-Police	768,734	640,507	128,227	20.0
01.486.156	Employee Benefits	Health Care Insurance	1,599,374	1,445,071	154,303	10.7
01.486.157	Employee Benefits	Employee Reimburs Healthcare	0	0	0	0.0
01.486.158	Employee Benefits	Employee Life Insurance	49,145	48,124	1,021	2.1

Appendix  
General Fund Expenditures  
2017 Actual vs. Budget

G.L. #	Department	Account Title	2017	2017	Actual vs Budget	
			Actual	Budget	\$	%
01.486.160	Employee Benefits	Life Insurance-Retiree	11,042	12,208	-1,166	-9.6
01.486.161	Employee Benefits	Social Security Cont Fund	134,793	128,056	6,737	5.3
01.486.162	Employee Benefits	Unemployment Comp Ins	50,605	38,006	12,598	33.1
01.486.351	Insurance	Bldgs & Equip Insurance	34,866	15,575	19,291	123.9
01.486.352	Insurance	General Liability Insurance	16,625	36,530	-19,904	-54.5
01.486.353	Insurance	Official & Employee Bonds	906	906	0	0.0
01.486.354	Employee Benefits	Workers' Compensation	202,358	218,106	-15,748	-7.2
01.486.355	Insurance	Insurance for Vehicles	22,959	26,773	-3,814	-14.2
01.486.356	Insurance	Flood,Earthquake & Pollution Ins	2,115	0	2,115	100.0
01.487.180	Employee Benefits	Longevity - Non- Uniform	0	0	0	0.0
01.492.020	Transfers	Transfer to Capital Reserve Fund	0	25	-25	-100.0
01.492.030	Transfers	Transfer to Golf Fund	27,124	0	27,124	100.0
01.492.200	Transfers	Transfer to Sinking Fund	704,481	840,119	-135,638	-16.1
01.492.300	Transfers	Transfer to Sewer Capital	0	0	0	0.0
01.492.400	Transfers	Transfer to Vehicle Replace Fd	0	0	0	0.0
01.492.500	Transfers	Transfer to Emergency Services Fd.	0	0	0	0.0
01.493.820	Depreciation/Capital Reserve	Depreciation-Non Bldg Improvemen	0	0	0	0.0
01.493.830	Depreciation/Capital Reserve	Depreciation Bldgs	0	0	0	0.0
01.493.840	Depreciation/Capital Reserve	Depreciation-Mach/Equip	0	0	0	0.0
		<b><u>TOTAL EXPENDITURES</u></b>	<b>9,880,675</b>	<b>9,335,463</b>	<b>545,213</b>	<b>5.8</b>

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.400.105	Administration	Commissioners' Salaries	17,944	17,944	17,944	17,944	17,944	0	0.0
01.400.210	Administration	Office Supplies	19,600	19,992	20,392	20,800	21,216	1,616	8.2
01.400.215	Administration	Office Equipment/Leases	6,328	6,455	6,584	6,715	6,850	522	8.2
01.400.216	Administration	Internet/Web Page Fees	0	0	0	0	0	0	0.0
01.400.300	Administration	Other Administration Expenses	18,774	19,149	19,532	19,923	20,322	1,548	8.2
01.400.321	Administration	Telephone	19,775	20,171	20,574	20,985	21,405	1,630	8.2
01.400.340	Administration	Advertising & Printing	17,886	18,244	18,609	18,981	19,360	1,474	8.2
01.400.352	Administration	Public Officials Liability Ins.	6,245	6,245	6,245	6,245	6,245	0	0.0
01.400.420	Administration	Association Dues & Expenses	10,500	10,500	10,500	10,500	10,500	0	0.0
01.400.740	Administration	Purchase of Major Equipment	0	0	0	0	0	0	0.0
01.401.000	Administration	Administration Salaries	194,051	197,932	201,891	205,929	210,047	15,996	8.2
01.401.140	Administration	Wages - Clerks	92,550	94,401	96,289	98,215	100,179	7,629	8.2
01.401.190	Administration	Manager's Auto Expense-fuel	700	714	728	743	758	58	8.2
01.402.115	Administration	Auditor's Fee	25,900	25,900	25,900	25,900	25,900	0	0.0
01.403.115	Administration	Comp-Treas/Tax Collector	10,000	10,200	10,404	10,612	10,824	824	8.2
01.403.310	Administration	Other Exp-Tax Collector	3,000	3,000	3,000	3,000	3,000	0	0.0
01.403.350	Administration	Tax Collector Committee	0	0	0	0	0	0	0.0
01.404.120	Administration	Solicitor's Fees	12,000	12,000	12,000	12,000	12,000	0	0.0
01.404.300	Administration	Other Legal Expenses	85,400	85,400	85,400	85,400	85,400	0	0.0
01.406.310	Administration	Other Consulting Services	0	0	0	0	0	0	0.0
01.407.216	Administration	Internet/Web Page Fees	7,122	7,122	7,122	7,122	7,122	0	0.0
01.407.220	Administration	Computers & Technology	60,158	61,361	62,588	63,840	65,117	4,959	8.2
01.408.313	Administration	Engineering Service	20,000	20,000	20,000	20,000	20,000	0	0.0
01.409.100	Administration	Janitorial Services	12,600	12,600	12,600	12,600	12,600	0	0.0
01.409.236	Administration	Material & Supplies - Twp Bldg	7,000	7,140	7,283	7,428	7,577	577	8.2
01.409.260	Administration	Equipment - Twp Bldg	700	700	700	700	700	0	0.0
01.409.360	Administration	Fuel, Light & Water	28,000	28,560	29,131	29,714	30,308	2,308	8.2
01.409.373	Administration	Maintenance & Repairs - Twp Bldg	14,000	14,280	14,566	14,857	15,154	1,154	8.2
01.409.375	Administration	Security System	9,590	9,782	9,977	10,177	10,381	791	8.2
01.409.740	Administration	Purchase of Major Equipment	0	0	0	0	0	0	0.0

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.410.112	Police	Police Salaries/Full Time Staff	2,783,487	2,860,976	2,918,195	2,976,559	3,036,090	252,603	9.1
01.410.114	Police	Wages-Clerks	139,035	141,816	144,652	147,546	150,496	11,461	8.2
01.410.142	Police	Salary-Police Secretary	0	0	0	0	0	0	0.0
01.410.158	Police	Life Insurance-Retiree	0	0	0	0	0	0	0.0
01.410.115	Police	Wages-Crossing Guards & Part Tim	68,026	69,387	70,774	72,190	73,634	5,608	8.2
01.410.179	Police	Longevity Pay	77,760	85,920	90,720	95,520	98,880	21,120	27.2
01.410.180	Police	Overtime Pay	150,427	153,515	156,737	160,017	163,284	12,857	8.5
01.410.181	Police	Court Overtime Pay	22,733	23,200	23,687	24,182	24,676	1,943	8.5
01.410.182	Police	Degree Bonus	8,700	8,700	8,700	8,700	8,700	0	0.0
01.410.183	Police	Special Detail - Reimbursed	57,192	58,366	59,591	60,838	62,080	4,888	8.5
01.410.184	Police	Sick Pay Buy-Back	30,913	31,548	32,210	32,884	33,555	2,642	8.5
01.410.185	Police	Vacation/Time Off Pay Buy-Back	113,688	116,022	118,457	120,936	123,405	9,717	8.5
01.410.186	Police	Uniform Allowance	10,790	10,790	10,790	10,790	10,790	0	0.0
01.410.190	Police	Crossing Guard Uniform	525	525	525	525	525	0	0.0
01.410.191	Police	Police Uniforms	0	0	0	0	0	0	0.0
01.410.210	Police	Office Supplies	6,000	6,120	6,242	6,367	6,495	495	8.2
01.410.215	Police	Office Equipment	2,750	2,750	2,750	2,750	2,750	0	0.0
01.410.216	Police	Computer Equipment	0	0	0	0	0	0	0.0
01.410.220	Police	Materials & Supplies	11,900	12,138	12,381	12,628	12,881	981	8.2
01.410.231	Police	Fuel-Gasoline	60,000	61,200	62,424	63,672	64,946	4,946	8.2
01.410.234	Police	Oil	1,400	1,428	1,457	1,486	1,515	115	8.2
01.410.238	Police	Clothing and Uniforms	14,100	14,100	14,100	14,100	14,100	0	0.0
01.410.239	Police	Cleaning	16,000	16,000	16,000	16,000	16,000	0	0.0
01.410.241	Police	Purchase Minor Equipment	10,700	10,700	10,700	10,700	10,700	0	0.0
01.410.242	Police	In-Car Video Equipmemnt	0	0	0	0	0	0	0.0
01.410.243	Police	Weapons	2,000	2,000	2,000	2,000	2,000	0	0.0
01.410.251	Police	Vehicle Parts	20,000	20,400	20,808	21,224	21,649	1,649	8.2
01.410.252	Police	Repair & Maintenance Supplies	4,335	4,422	4,510	4,600	4,692	357	8.2
01.410.300	Police	Other Police Expense	9,500	9,690	9,884	10,081	10,283	783	8.2
01.410.303	Police	Civil Service	6,000	6,000	6,000	6,000	6,000	0	0.0
01.410.304	Police	Calibrations	570	570	570	570	570	0	0.0
01.410.310	Police	Professional Services	8,315	8,315	8,315	8,315	8,315	0	0.0

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.410.320	Police	Phone America (Oasis Recorder)	250	250	250	250	250	0	0.0
01.410.323	Police	Modem Fees	4,320	4,406	4,495	4,584	4,676	356	8.2
01.410.324	Police	Cell Phones	7,260	7,260	7,260	7,260	7,260	0	0.0
01.410.327	Police	Radio Equipment	2,800	2,800	2,800	2,800	2,800	0	0.0
01.410.340	Police	Printing	2,600	2,600	2,600	2,600	2,600	0	0.0
01.410.350	Police	Police Prof Liability Insurance	16,300	16,300	16,300	16,300	16,300	0	0.0
01.410.384	Police	Equipment Rentals	0	0	0	0	0	0	0.0
01.410.419	Police	Training	9,380	9,380	9,380	9,380	9,380	0	0.0
01.410.420	Police	Association Dues & Subscriptions	4,845	4,845	4,845	4,845	4,845	0	0.0
01.410.451	Police	Contracted Vehicle Maint & Repair	8,250	8,415	8,583	8,755	8,930	680	8.2
01.410.452	Police	Computer Software Equip//Training	5,550	5,661	5,774	5,890	6,007	457	8.2
01.410.460	Police	Education Expense	40,000	40,000	40,000	40,000	40,000	0	0.0
01.410.500	Police	Grant Disbursements	25,000	25,000	25,000	25,000	25,000	0	0.0
01.410.700	Police	Capital Purchases	0	0	0	0	0	0	0.0
01.410.740	Police	Purchase of Major Equipment	31,945	31,945	31,945	31,945	31,945	0	0.0
01.411.140	Fire	Fire Marshall Salary	0	0	0	0	0	0	0.0
01.411.300	Fire	Other Expense-Fire Protection	0	0	0	0	0	0	0.0
01.411.373	Fire	Improvements to Firehouse	0	0	0	0	0	0	0.0
01.411.375	Fire	Hydrant Fee	0	0	0	0	0	0	0.0
01.411.540	Fire	Contribution to Fire Company	0	0	0	0	0	0	0.0
01.411.550	Fire	Jeff Fire Co Relief Association	0	0	0	0	0	0	0.0
01.412.500	Health & Welfare	Ambulance Contribution	6,000	6,000	6,000	6,000	6,000	0	0.0
01.413.120	Building/Zoning	Salary-Bldg & Zoning	37,439	38,188	38,952	39,731	40,526	3,086	8.2
01.413.310	Building/Zoning	Code Review Fee	80,000	81,600	83,232	84,897	86,595	6,595	8.2
01.414.120	Building/Zoning	Salaries-Zoning Hearing Board	3,000	3,060	3,121	3,184	3,247	247	8.2
01.414.300	Building/Zoning	Other Expense-Zoning	10,500	10,710	10,924	11,143	11,366	866	8.2
01.414.374	Building/Zoning	Maint & Repair-Vehicle	0	0	0	0	0	0	0.0
01.415.000	Building/Zoning	Township Emergency Mgmt	3,000	3,000	3,000	3,000	3,000	0	0.0
01.421.130	Building/Zoning	Salary Plumbing Inspect	0	0	0	0	0	0	0.0
01.421.200	Building/Zoning	Materials & Supplies - Health	0	0	0	0	0	0	0.0
01.427.000	Recycling	Waste Recycling	3,850	3,850	3,850	3,850	3,850	0	0.0
01.427.100	Recycling	Asphalt Removal	3,850	3,850	3,850	3,850	3,850	0	0.0

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.430.120	Public Works	Salary-Highway Supt	26,208	26,732	27,266	27,812	28,368	2,160	8.2
01.430.140	Public Works	Wages-Highway Dept	252,207	257,251	262,396	267,644	272,997	20,790	8.2
01.430.150	Public Works	Overtime-Highway Dept	14,000	14,280	14,566	14,857	15,154	1,154	8.2
01.430.175	Public Works	Wages-Seasonal Help	65,104	66,406	67,734	69,089	70,471	5,367	8.2
01.430.231	Public Works	Vehicle Fuel-Gasoline	12,600	12,852	13,109	13,371	13,639	1,039	8.2
01.430.232	Public Works	Vehicle Fuel-Diesel	10,500	10,710	10,924	11,143	11,366	866	8.2
01.430.234	Public Works	Oil-Highway Dept.	1,050	1,050	1,050	1,050	1,050	0	0.0
01.430.260	Public Works	Purchase Tools & Minor Equip.	3,500	3,500	3,500	3,500	3,500	0	0.0
01.430.300	Public Works	Other Highway Expense	1,000	1,000	1,000	1,000	1,000	0	0.0
01.430.313	Public Works	Engineer's Service	0	0	0	0	0	0	0.0
01.430.305	Public Works	Highway Uniforms	2,100	2,100	2,100	2,100	2,100	0	0.0
01.430.310	Public Works	Cell Phones/Radios	700	714	728	743	758	58	8.2
01.430.312	Public Works	Highway Dues & Memberships	525	525	525	525	525	0	0.0
01.430.740	Public Works	Capital Exp-Machinery	0	0	0	0	0	0	0.0
01.431.100	Public Works	Pers Serv-Leaf Removal	10,500	10,710	10,924	11,143	11,366	866	8.2
01.432.000	Public Works	Contract Snow Removal	26,705	27,239	27,784	28,340	28,906	2,201	8.2
01.432.500	Public Works	Winter Maintenance-SALT	0	0	0	0	0	0	0.0
01.433.200	Public Works	Street Signs & Markings	0	0	0	0	0	0	0.0
01.433.375	Public Works	Traffic Signals	5,250	5,250	5,250	5,250	5,250	0	0.0
01.434.360	Public Works	Street Lighting	0	0	0	0	0	0	0.0
01.436.000	Public Works	Storm Sewers & Drains	0	0	0	0	0	0	0.0
01.437.000	Public Works	Repair Tools & Machinery	7,000	7,140	7,283	7,428	7,577	577	8.2
01.437.374	Public Works	Maint. & Repairs PW Vehicles	7,000	7,140	7,283	7,428	7,577	577	8.2
01.437.375	Public Works	Maint. & Repairs Mowers	2,100	2,100	2,100	2,100	2,100	0	0.0
01.438.245	Public Works	Road Materials	3,500	3,500	3,500	3,500	3,500	0	0.0
01.438.384	Public Works	Rent of Equipment	1,400	1,400	1,400	1,400	1,400	0	0.0
01.438.740	Public Works	Purchase Major Equipment	0	0	0	0	0	0	0.0
01.439.000	Public Works	Resurfacing of Roads	0	0	0	0	0	0	0.0

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.451.120	Culture & Recreation	Salary-Recreation Dir/Asst Dir	137,195	139,939	142,738	145,592	148,504	11,309	8.2
01.451.140	Culture & Recreation	Wages-Seasonal Recreation	0	0	0	0	0	0	0.0
01.451.145	Culture & Recreation	Wages-Parks Maintenance	44,607	45,499	46,409	47,337	48,284	3,677	8.2
01.451.150	Culture & Recreation	Wages-Day Camp	47,633	48,586	49,557	50,549	51,559	3,926	8.2
01.451.231	Culture & Recreation	Fuel-Gasoline	1,000	1,020	1,040	1,061	1,082	82	8.2
01.451.247	Culture & Recreation	Material & Supplies Recreation	12,000	12,240	12,485	12,734	12,989	989	8.2
01.451.250	Culture & Recreation	Partnership Programs	16,400	16,400	16,400	16,400	16,400	0	0.0
01.451.275	Culture & Recreation	Partnership Program-Tickets	6,375	6,375	6,375	6,375	6,375	0	0.0
01.451.300	Culture & Recreation	Other Recreation Expense	2,500	2,550	2,601	2,653	2,706	206	8.2
01.451.302	Culture & Recreation	Day Camp Trips	20,500	20,500	20,500	20,500	20,500	0	0.0
01.451.303	Culture & Recreation	Cultural Trips	70,000	70,000	70,000	70,000	70,000	0	0.0
01.451.353	Culture & Recreation	Sports Liability Insurance	3,900	3,900	3,900	3,900	3,900	0	0.0
01.451.380	Culture & Recreation	NASD Facility Rental	2,500	2,500	2,500	2,500	2,500	0	0.0
01.451.450	Culture & Recreation	Recreation Serv (Refs, Etc)	12,750	12,750	12,750	12,750	12,750	0	0.0
01.451.475	Culture & Recreation	Family Movie Night	2,000	2,000	2,000	2,000	2,000	0	0.0
01.451.480	Culture & Recreation	Halloween Event	2,500	2,500	2,500	2,500	2,500	0	0.0
01.451.485	Culture & Recreation	Easter Egg Hunt Event	1,500	1,500	1,500	1,500	1,500	0	0.0
01.451.500	Culture & Recreation	Community Day and Parade	13,000	13,000	13,000	13,000	13,000	0	0.0
01.451.510	Culture & Recreation	55+ Club	1,000	1,000	1,000	1,000	1,000	0	0.0
01.451.540	Culture & Recreation	Contribution to Little League	2,450	2,450	2,450	2,450	2,450	0	0.0
01.451.542	Culture & Recreation	Contribution to Sr Citizens Ba	0	0	0	0	0	0	0.0
01.451.545	Culture & Recreation	Contribution to PAL	500	500	500	500	500	0	0.0
01.451.550	Culture & Recreation	Cont. to Norristown Youth Eagles	500	500	500	500	500	0	0.0
01.451.560	Culture & Recreation	Contribution to WNGAA	2,000	2,000	2,000	2,000	2,000	0	0.0
01.451.700	Culture & Recreation	Capital Improvements	90,000	90,000	90,000	90,000	90,000	0	0.0
01.451.740	Culture & Recreation	Purchase Major Equipment	500	500	500	500	500	0	0.0
01.452.600	Culture & Recreation	Parks & Playgrounds	12,500	12,750	13,005	13,265	13,530	1,030	8.2
01.453.500	Culture & Recreation	Contribution to Norristown Zoo	1,500	1,500	1,500	1,500	1,500	0	0.0
01.454.000	Culture & Recreation	Open Space	0	0	0	0	0	0	0.0

G.L. #	Department	Account Title	2018	2019	2020	2021	2022	Change 2018 - 2022	
			Estimated	Projected	Projected	Projected	Projected	\$	%
01.456.500	Culture & Recreation	Contribution to Montg Co Library	6,500	6,500	6,500	6,500	6,500	0	0.0
01.459.100	Culture & Recreation	Vehicle Maintenance	1,000	1,000	1,000	1,000	1,000	0	0.0
01.459.150	Culture & Recreation	Professional Memberships	300	300	300	300	300	0	0.0
01.459.313	Culture & Recreation	Engineering/Planning	20,000	20,000	20,000	20,000	20,000	0	0.0
01.472.100	Miscellaneous Expense	Interest Payments	0	0	0	0	0	0	0.0
01.483.160	Pension	Employee Pension-Non police	328,922	388,457	390,527	392,637	394,790	65,868	20.0
01.483.165	Pension	Employee Pension-Police	1,051,544	1,264,695	1,276,578	1,288,678	1,300,684	249,140	23.7
01.486.156	Employee Benefits	Health Care Insurance	1,774,076	1,880,521	1,993,352	2,112,953	2,239,730	465,654	26.2
01.486.157	Employee Benefits	Employee Reimburs Healthcare	0	0	0	0	0	0	0.0
01.486.158	Employee Benefits	Employee Life Insurance	43,216	43,216	43,216	43,216	43,216	0	0.0
01.486.160	Employee Benefits	Life Insurance-Retiree	12,600	12,600	12,600	12,600	12,600	0	0.0
01.486.161	Employee Benefits	Social Security Cont Fund	135,000	137,700	140,454	143,263	146,128	11,128	8.2
01.486.162	Employee Benefits	Unemployment Comp Ins	43,000	43,000	43,000	43,000	43,000	0	0.0
01.486.351	Insurance	Bldgs & Equip Insurance	21,000	21,000	21,000	21,000	21,000	0	0.0
01.486.352	Insurance	General Liability Insurance	25,000	25,000	25,000	25,000	25,000	0	0.0
01.486.353	Insurance	Official & Employee Bonds	3,200	3,200	3,200	3,200	3,200	0	0.0
01.486.354	Employee Benefits	Workers' Compensation	221,000	221,000	221,000	221,000	221,000	0	0.0
01.486.355	Insurance	Insurance for Vehicles	20,000	20,000	20,000	20,000	20,000	0	0.0
01.486.356	Insurance	Flood,Earthquake & Pollution Ins	0	0	0	0	0	0	0.0
01.487.180	Employee Benefits	Longevity - Non- Uniform	11,250	11,475	11,705	11,939	12,177	927	8.2
01.492.020	Transfers	Transfer to Capital Reserve Fund	0	0	0	0	0	0	0.0
01.492.030	Transfers	Transfer to Golf Fund	0	0	0	0	0	0	0.0
01.492.200	Transfers	Transfer to Sinking Fund	271,635	322,656	104,201	105,232	104,920	-166,715	-61.4
01.492.300	Transfers	Transfer to Sewer Capital	0	0	0	0	0	0	0.0
01.492.400	Transfers	Transfer to Vehicle Replace Fd	132,931	132,931	132,931	132,931	132,931	0	0.0
01.492.500	Transfers	Transfer to Emergency Services Fd.	70,000	70,000	70,000	70,000	70,000	0	0.0
01.493.820	Depreciation/Capital Reserve	Depreciation-Non Bldg Improvemen	0	0	0	0	0	0	0.0
01.493.830	Depreciation/Capital Reserve	Depreciation Bldgs	0	0	0	0	0	0	0.0
01.493.840	Depreciation/Capital Reserve	Depreciation-Mach/Equip	0	0	0	0	0	0	0.0
		<b>TOTAL EXPENDITURES</b>	<b>9,795,242</b>	<b>10,354,818</b>	<b>10,369,995</b>	<b>10,613,714</b>	<b>10,863,657</b>	<b>1,068,415</b>	<b>10.9</b>