

Glen Rock Borough Public Meeting

16 November 2011

Changes in Real Estate Taxes

	'07	'08	'09	'10	'11	'12
• Budgeted*	\$282,500	317,000	320,305	320,305	320,305	323,717
• Received	\$272,200	285,400	303,899	305,427	307,276	?
• Difference	-10,300	-31,600	-16,406	-14,878	-13,029	(86,213)

*Budgeted amount is based on appraised property value (\$109,741,280 on 9/29/11)

Changes in Real Estate Transfer Taxes

	'07	'08	'09	'10	'11	'12
• Budgeted	\$60,000	60,000	30,000	30,000	30,000	20,000
• Received	\$57,000	30,000	25,000	26,000	20,000	?
• Difference	-3,000	-30,000	-5,000	-4,000	-10,000	(52,000)
• Total Change	-13,300	-61,600	-21,426	-18,878	-23,029	(138,213)
• Borough Employees	2008 – 3 Full Time 1 Part Time					
	2009 – 2 full Time Savings of \$35,941					

Borough Real Estate Tax Rate

- '04 3.0 mils
- '05 2.3 mils (property reassessment)
- '06 2.4 mils
- '07 2.5 mils
- '08 2.6 mils
- '09 2.8 mils
- '10 2.8 mils
- '11 2.8 mils
- '12 2.95 mils

Impact of Real Estate Tax Increase

- | House Value | 2011 | 2012 | Change |
|-------------|---------|---------|--------|
| \$100,000 | \$280 | \$295 | \$15 |
| \$200,000 | \$560 | \$590 | \$30 |
| \$300,000 | \$840 | \$885 | \$45 |
| \$400,000 | \$1,120 | \$1,180 | \$60 |
| \$500,000 | \$1,400 | \$1,475 | \$75 |

Discussion Pertaining to the Continuation of Police Services

- Southern Regional Police Department represents Glen Rock, New Freedom and Shrewsbury Boroughs with service provided to Railroad Borough and Loganville on a cost basis.
- In accordance with the Municipal Contract, a borough wishing to withdraw from the contract must hold a public meeting and issue its letter of intent not later than 31 December for the year following the current year, i.e., Dec 2011 for fiscal year 2013.

Change in SRPD Budget

2010	2011	2012	2013	2014
\$226,820	\$227,350	\$238,000	<i>\$245,000</i>	<i>\$252,300</i>

Basis for Increase: Under arbitration, the SRPD was awarded;

- 1) 3% pay increase each year for 4 years with 2011 retroactive to 1 Jan
- 2) Full insurance coverage for the officer and family with the officer paying 1% of their base pay.
- 3) A longevity step increase at 15 years of 5% vs. 3 ½%

Option 1

- Terminate Municipal Contract and rely on PA State Police coverage
- Pros: Coverage provided at no cost - saving \$245,000
- Cons: SP coverage for criminal offenses and traffic accidents only
No coverage for enforcement of Borough ordinances
No coverage for traffic enforcement
Reduced response time if committed on I-83
Borough loses its share of the equity in the SRPD assets
H.B. 1500, if passed, would charge for services at a rate in excess of \$150 per capita (current SRPD rate is approximately \$127)

Option 2

- Terminate Municipal Contract and purchase services
- Pros: Borough determines amount of services desired
e.g.: \$15,000 per month (\$180,000) with \$20,000 for special coverage (Carolers, etc)
- Cons: Borough loses voice on Police Commission
Borough loses its share of the equity in the SRPD assets
Borough would be responsible for total cost of services during a catastrophic event vs. being shared by all members

Option 3

- Terminate the Municipal Contract and establish a local police department
- The cost for this option would be prohibitive
 - 16x7 coverage would require a minimum of 4 officers
 - 24x7 coverage would require a minimum of 6 officers
 - Purchase of vehicles, radios and other equipment
 - Agreement for use of a holding cell if required

Option 4

- Do Nothing
- Glen Rock Borough has been receiving excellent service since 2010
- SRPD is working on developing additional service contracts that would maintain, if not lower, future costs

Impact of Letter of Withdraw

- ❖ The Borough's actions may force the other municipalities to take a similar action resulting in the loss of all police services in 2013
- ❖ Borough may withdraw its letter of intent if costs stabilize in 2012