

## Goal is no tax increase this year

16 Feb 2010 — Bucks County Courier Times

Neshaminy

The board hopes to close a \$7.3 million deficit to avoid a tax increase in July. The district's proposed budget calls for an average \$265 increase in tax bills.

Zero. Zilch. Nada.

That's the amount of tax increase the Neshaminy school board is shooting for as administrators attempt to tackle a \$7.3 million deficit over the next few months.

The board recently voted 7-1 to approve a preliminary 2010-11 budget, which is expected to be about \$162.8 million. Richard Eccles voted no and William O'Connor wasn't present, officials said. But revenues are estimated to be about \$155.5 million.

The \$7.3 million gap would mean a 9.6 percent tax increase. For homeowners with an average assessment of \$27,626 that would be a \$265 hike. The average tax bill would increase from \$4,199 to \$4,464, said Joseph Paradise, business administrator.

The value of 1 mill in Neshaminy is \$736,526. The district's current millage rate is 152, Paradise said.

Under Act 1, the district's tax increase limit is 2.9 percent, or 4.4 mills, or \$3.4 million. But the district also qualifies for two exceptions: \$1.6 million in special education costs and \$1.3 million for increasing contributions to the state pension fund, said Superintendent Lou Muenker.

So, Neshaminy's legally allowed to raise taxes by 5.37 percent, or a total of \$6.2 million, Muenker said.

However, after passing the first-round spending plan, the school directors then unanimously approved a motion to at least try to pass a zero tax increase and use the Act 1 limit only as a last resort.

"This will not be an easy task and may require some extremely difficult decisions from the board and administration and the community," said Ritchie Webb. "If we stand together, work together, we will get through these very difficult financial times."

Neshaminy has been considering outsourcing transportation and custodial services to save more than \$30 million over the next five years. But, officials emphasized, that the district's ultimate goal is to negotiate with the support union.

The school board and support staff will be meeting with a fact-finder this month to present their offers for a nonbinding recommendation in March, administrators said.

Members of the Neshaminy Educational Support Professional Association, which includes 270 full-time and 282 part-time positions for jobs ranging from bus drivers to janitors to food service workers, have been working off an expired contract since July, officials said.

While school board directors have said Neshaminy can't keep paying for a top tier health insurance plan, union members have said they can't afford to contribute what the board is asking.

The board is proposing annual wage increases of 1 percent in the first year and 3 percent in the second and third years of a three-year contract. The union, though, wants a five-year deal with no wage increase in the first year - provided there's no employee contribution to health care premiums - and a 3.5 percent wage increase for the middle three years plus a 4 percent increase in the final year of a five-year contract, according to Neshaminy's Web site.

The board is also asking the support staff to contribute 10 percent, 11 percent and 12 percent to a changed base medical plan over three years.

The union wants to keep the PC-15 plan and pay percentages of 0, 2, 3, 4 and 5 over five years, administrators said.

The board is scheduled to approve the proposed final spending plan in April and the final budget in June, Paradise said.

Rachel Canelli can be reached at 215-949-4191 or [rcanelli@phillyBurbs.com](mailto:rcanelli@phillyBurbs.com).

*"Goal is no tax increase this year" Bucks County Courier Times 16 Feb 2010: B1*