

**BRIDGEVILLE BOROUGH
WORKSHOP MEETING MINUTES
NOVEMBER 22, 2016
MUNICIPAL BUILDING
425 BOWER HILL ROAD
BRIDGEVILLE, PA 15017**

MEMBERS PRESENT:

Council President,
Michael Tolmer
Council Vice President,
Bruce Ghelarducci
Council,
William Henderson
Joseph Colosimo
Joseph Verduci
Bert Cherry

Neil Lyons - Absent
Solicitor, Thomas McDermott – Absent
Police Chief, Chad King - Absent
Engineer, Joe Sites – Absent
SouthBridge EMS, Dan Miller – Absent

ALSO PRESENT:

Mayor, Pasquale DeBlasio
Borough Manager, Lori Collins
Fire Chief, Bill Chilleo

The Budget Workshop Meeting is called to order with the pledge of allegiance and a moment of silence for the sick, handicapped, departed, military personnel of the community and particularly for the passing of Albert C. “Babe” Ramous who served as a Bridgeville Policeman for 27 years.

ROLL CALL

VISITORS, PLEASE STATE NAME AND ADDRESS

No Visitors

2017 PROPOSED BUDGET REVIEW

Manager Collins reviewed the 2017 proposed budget – all funds, which are attached to the minutes.

PROPOSED ORDINANCE NO. 993

A motion was made by B. Cherry, seconded by J. Colosimo approving Solicitor McDermott to prepare Proposed Ordinance No. 993 and Manager Collins to advertise the same; an ordinance amending the current rates charged for sewer service within the Borough of Bridgeville with the Allegheny County Sanitary Authority increase of an additional \$.68 per 1,000 gallons of water usage and a \$1.44 per quarterly bill increase of the service charge. The Borough proposes an increase of \$.62 per 1,000 gallons of water usage.

	<u>2016 Rates</u>	<u>2017 Rates</u>
ALCOSAN Rate:	\$ 6.23 per 1,000 gallons	\$ 6.91 per 1,000 gallons
Borough Rate:	\$ 5.61 per 1,000 gallons	\$ 6.23 per 1,000 gallons
	\$11.84 per 1,000 gallons	\$13.14 per 1,000 gallons
ALCOSAN Service Charge	\$13.07 per quarter	\$14.51 per quarter

All in favor, motion carried 6-0.

PUBLIC HEARING ADVERTISEMENT

A motion was made by B. Cherry, seconded by W. Henderson approving Manager Collins to advertise a Public Hearing on Monday December 12, 2016 at 6:30 p.m. to review Proposed Ordinance No. 993; an ordinance regarding the 2017 ALCOSAN and Borough sewage rates. All in favor, motion carried 6-0.

PROPOSED ORDINANCE NO. 994

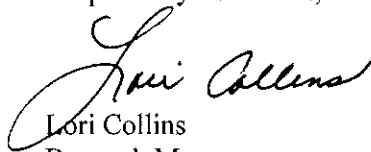
A motion was made by B. Ghelarducci, seconded by W. Henderson approving Manager Collins to advertise Proposed Ordinance No. 994; an ordinance fixing the Tax Rate and levying Borough Taxes for the Fiscal Year 2017 and re-enacting all other revenue acts. All in favor, motion carried 6-0.

Council advised Manager Collins to include a Public Works employee in the line item cash on hand in the amount of \$60,395.

ADJOURNMENT

A motion to adjourn was made by B. Ghelarducci, seconded by W. Henderson. Motion carried 6-0.

Meeting adjourned at 8:01 p.m.
Respectfully submitted,


Lori Collins
Borough Manager

BOROUGH OF BRIDGEVILLE

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TO: Borough Council
FROM: Lori Collins
RE: 2017 Proposed Budget
DATE: November 17, 2016

The 2017 Calendar Year Tentative Budget is complete and ready for Council's suggested changes and action.

GENERAL FUND

The 2017 General Fund Budget with the current Millage contains projected Revenues and Expenditures of \$2,825,501. Projected General Fund balance at year end 2016 is \$1,328,585 with \$500,000 earmarked as Tax Anticipation Funds and an additional \$494,782 to be earmarked for the Chartiers Street widening, adaptive lighting grant share and the contribution to the bridge widening project. The matching \$215,512 for the McLaughlin Park LWCF Conservation Grant and \$160,000 still remain within the capital improvement budget. With Council's approval I will make the 2017 transfer of \$494,782 to the Capital Improvements Fund as the projects come to fruition. The 2017 budget includes contractual wage increases of 4.5% for all departments for the year ending December 31, 2017 and continues the 15% of deductible employee contributions to the medical expenses.

Revenues

The appeals of the re-assessment values of 2013 have been slowly decreasing. With that being said, I have kept the real estate tax budget at \$1,378,835. I have also budgeted \$5,500 in tax refunds for the year 2017 (we have refunded \$4,928 to date in 2016). Should we experience greater revenues than the allotted 5%; as in 2016 these funds were earmarked to be transferred to the Capital Improvements Funds to be utilized for Capital Projects that we must begin to prepare for. Prior year real estate tax collections are remaining steady along with the lien collections as we are collecting these taxes before they are to be turned over to Jordan Tax.

Earned Income Tax collections have become steady with the changeover to PSD Numbers and the Act 32 withholding requirement implemented in 2012. Jordan Tax is now in the process of completing their reviews of the accounts to ensure correct communities are credited; lessening the need for reimbursements down the road. We are now seeing the positive impacts of this new collection procedure with the highest anticipated earned income tax revenues budgeted in years - \$513,000.

The Business Privilege, Mercantile and Local Services Taxes continue to be collected by Jordan Tax. The BP and Mercantile Tax collections have dropped a significant amount. I have

contacted Jordan Tax to provide a listing of business remittals so that I may reference current business with Jordan's records. Line item 310.510 Local Services Taxes has been budgeted again reflecting the \$52 implemented a few years ago proving to provide a revenue increase of approximately \$51,000. I have again taken into consideration individuals earning \$12,000 or less who are exempt from this tax. As a note, the Borough will receive \$47 per individual, school district \$5.

Foreign Fire Insurance revenues have been budgeted at \$27,166 reflecting amounts received in 2016 and State Pension Aid has been budgeted per the amount received in 2016; \$95,727. We have no way of knowing the actual funding amount until September 2017. The General Fund obligation to the police pension fund for the year 2017 is approximately \$14,405 more than the state funding anticipated to be received; thus general fund monies will be utilized for this expenditure. The actuary has completed a study of the pension fund and recommends the police pension begin to be withheld at the maximum 8% contribution per Act 600 as of January 1, 2017.

Line item 380.101 Miscellaneous Insurance Reimbursements reflects an estimate of Workers Compensation and General Liability insurance pooled refunds of \$71,173. These refunds are calculations of experience modifiers and claims within the past 8 years.

Line Items 390.101 and 390.102 Sanitary Sewer Fund reimbursements reflects clerical and public works wages. Jordan Tax is the most economical way to bill the sewage at \$.43 per bill plus postage, but the administrative office assists with collections prior to Jordan Tax placing a lien on the properties. Per Act 32 all collection costs are to be passed onto the delinquent account owner. We will continue the quarterly garbage billing as this task is not as time consuming thus not as costly to remain in house. Public Works and Clerical wages have also been calculated and charged to the Garbage Fund line items 390.106 and 390.107.

Expenditures

Expenditures within the 400 accounts remain steady with a 4.5% wage increase included for all employees. There are no noticeable changes in the administration budget proposed for the New Year.

The legal line item has been raised to \$45,000 in anticipation of additional projects throughout the year along with an increase in the retainer to \$500 per month.

The Engineering line item has also been raised to \$45,000 since the amount of projects within the Borough that require the attendance of the engineer have increased with traffic studies, sanitary and storm sewer consent orders, source reduction and paving maintenance projects.

The Personnel Administration line item 406.156 Hospitalization/Major Medical Ins. reflects an 8.5% increase in premiums. Vision and Dental plans have experienced no change in premiums in 2017. The employees have been given a choice to utilize Highmark or UPMC with our current plan. The coverage for both plans is the same with the same premiums charged. Employees will continue to contribute 15% of their deductible. This deductible payment is reflected on the revenue side of the budget in line item 387.104. Workers' compensation premiums for firefighters have remained constant. The State Workers Insurance Fund is the only entity that will insure the fire department due to increased claims experienced since the attacks on 911. The workers compensation for the borough employees has increased 15%. This increase is

due to the experience modifiers with recent claims and an increase in payrolls due to the increase in police overtime of approximately \$153,000 this year.

Line item 407.312 includes a \$10,000 expenditure for an updated web and Facebook site.

All line items reflecting electrical costs remain constant with the upgrades to LED Traffic signals and streetlights. All lighting has been upgraded to LED.

Line items within the police department reflect a 4.5% wage increase per the collective bargaining agreement. Additional line items within the police department remain constant.

Line item 411.200 remains at \$10,500 for the year 2016. The Foreign Fire Insurance line item is of course reflective of the disbursement received from the state. Line item 411.321 continues a \$75,000 to cover costs of the ladder truck as requested by the Volunteer Fire Department.

Line item 415.341 and 415.450 includes monies to cover the consulting fees.

Public Works Department reflects a wage increase of 4.5%. The balance of the public works budget remains constant with no out of the ordinary expenditures proposed. With the help of Council over the last few years, our public works fleet is now at a point where general maintenance should carry us for the next few years.

Line item 432.245 reflects our 125% quantity salt purchase for the year at the contract price of \$69.29 per ton. I have reserved 900 tons with 80% of the tonnage required to be purchased. I have budgeted for 125% should we have a severe winter. I have received permission from the Wheeling & Lake Erie Railroad to place a salt storage building in the storage area. I will be requesting this expenditure be charged to the 2016 salt line item since we are well under budget in this item this year.

Line item 436.251 has been budgeted at \$30,000 as we must still comply with the federal mandates regarding the MS4 permits and Operation and Maintenance plans which is in full swing at this time. We continue to make repairs to our storm drains documenting the repairs per the MS4 requirements.

Line item 437.251 remains at \$18,000 due to the work and parts needed by our mechanic to keep our police and public works vehicles in good condition.

Line item 438.212 has been added to address plant maintenance in the boxes on Washington Avenue. Line item 438.262 includes monies earmarked for the Greenwood Place steps and sidewalk underneath the Wheeling & Lake Erie trestle.

Park expenditures have been budgeted to maintain services throughout the year. Line item 454.261 has been increased to \$10,500 in order to install a camera system in Chartiers Park. A camera system is included in the grant funding for McLaughlin Run Park.

Line item 456.450 for the Bridgeville Public Library continues to be budgeted at \$20,000. The budgeted number remains under the allocation requested by the Library; but continues to be a substantial increase from recent years.

I have budgeted my best estimates for the year 2017 within the insurance categories. I am certain that these insurance expenditures will not exceed budgeted amounts. That information will not be obtained until the renewals in February, March and June 2017.

Line item 480.354 Police Pension reflects MMO calculations with a continuation in police contributions of 8% to the police pension account. The police pension contribution will be reassessed in September 2017. It is required that we remit funding under the Commonwealth Minimum Municipal Obligation (MMO) Calculations. Line item 480.353 PMRS Non-Uniformed Pension also reflects this obligation.

SANITARY SEWER FUND

As we embark in the second year of the Interim Consent Order, estimated costs as anticipated continue. An 11% increase in rates has been implemented by ALCOSAN as was last year. I have recommended an 11% increase this year in the Borough rates as well. Mandated point repairs have been included in the amount of \$396,773 along with maintenance costs, CCTV projects and \$40,000 for Source Reduction Projects such as the installation of backflow preventers, etc. The borough rate will increase to \$6.23 per thousand gallons of water usage (an approximate yearly increase of \$62,000). The ALCOSAN 11% increase will raise their rates to \$6.92 per thousand gallons of water usage plus a service charge increase from \$13.07 per quarter to \$14.51.

REFUSE FUND

The Refuse (Garbage) Fund reflects the contract signed with Waste Management on October 12, 2015. This contract includes weekly waste removal and recycling along with a HHW and E-Waste program. No rate increase is recommended at this time.

CAPITAL IMPROVEMENT FUND

This fund is being utilized as a holding fund for anticipated capital improvement projects. Currently the cash on hand in this fund is comprised of the following:

\$160,000 Bower Hill Road Paving Project
\$215,512 Borough Share of McLaughlin Park Grant
\$ 46,538 in excess funds as the planned New York Storm drain project was not needed
\$422,050

The 2017 proposal includes the following:

\$288,000 Borough grant share of the Chartiers Park widening project
\$200,000 Monies earmarked for expansion of the bridge
53,320 Adaptive Lighting grant 20\$ Borough share
(46,538) Excess
\$494,782 Proposed to be transferred from the General Fund

LIQUID FUELS FUND

The Liquid Fuels Fund will end the year with revenues in the amount of \$39,457 to be earmarked for next years' paving projects. The Liquid Fuels revenue for the year 2017 is \$140,752. We will review the 2017 scope of paving work with the public works committee and prepare for the 2017 Pavement Maintenance Program.

FINAL COMMENTS

We as always will continue to maintain a tight budget by aggressive but fair collection policies and the control of line item expenses pending unforeseen circumstances. I thank all Councilpersons for their help and support over the past year and look forward to a financially sound New Year.

Kindest regards,