

OFFICIAL BOROUGH OF WEST VIEW
SPECIAL BUDGET WORKSHOP MINUTES
NOVEMBER 15, 2011

Minutes of the Special Budget Workshop Meeting, held Tuesday, November 15, 2011 in Council Chambers at 441 Perry Highway, Pittsburgh, PA 15229. The Meeting was called to order at 5:30 p.m. by Mrs. Bernhard, followed by a moment of silent prayer and the pledge of allegiance to the flag.

Mrs. Bernhard read the special meeting notice advertised on November 12, 2011.

Roll call was taken by Chief of Police Bruce A. Fromlak/Manager at 5:35 p.m. President Mary C. Bernhard, Vice President Barry G. Schell, Member William F. Aguglia, Member John W. Koerts, Member Donald E. Mikec, Member Ralph R. Burchell and Member M. Kimberly Steele were present. J. R. Henry, Mayor was absent.

Chief Fromlak said the proposed 2012 Budget expectation is tax neutral but we will still be able to maintain all services without a tax increase in 2012.

Chief Fromlak reported on the Police capital, being maintained at \$45,000.00 since 2009. The Chief anticipates the purchase of an all-wheel drive or SUV type vehicle for the Police Department and said we were able to purchase a \$70,000.00 Truck for the Public Works Department in 2011 and any anticipated purchases in 2012 should not exceed \$12,000.00.

Chief Fromlak was happy to report the paving program has been completed and \$257,470.00 has again been budgeted for paving in 2012. Uniformed Employees will receive a 3% increase in wages in 2012 and Non-Uniformed Employees will receive a 2.5% increase in wages, both as per contract. The Borough's tax anticipation loan for 2012 should range between \$450,000.00 and \$500,000.00 and the Chief will receive quotes this coming Thursday. The Borough received a slight windfall from the Pension State aid, receiving \$8,000.00 above our projection for 2011.

The Chief addressed 2012's budget, revenues for real property taxes \$1,757,700.00, local tax enabling act \$725,100.00, penalty and interest on delinquent taxes \$22,100.00, business license and permits \$133,000.00, non-business license and permits \$7,000.00, fines \$60,600.00, earnings from investments \$1,000.00, federal grants \$74,700.00, State shared revenue \$103,000.00, local capital (sales tax from Act 77) \$150,000.00, payment in lieu of taxes \$3,500.00, charges for services \$17,500.00, special Police services \$71,000.00, highway and streets \$46,000.00, sanitation \$300.00, miscellaneous revenue \$2,500.00, bringing the total general fund revenues for 2012 at \$3,175,000.00.

Member Burchell addressed Act 32, regarding the unknown impact of the pending collection of our local income taxes. The timing of the receipt of the Borough's payments in 2012 will depend on how well the new collection system is conducted, but the Borough will closely monitor the 2012 collections.

Chief Fromlak said the 2012 proposed Budget for general fund revenues and expenditures is \$3,175,000.00, building fund is \$111,000.00, liquid fuel fund is \$128,900.00, proprietary fund is \$875,080.00, 2007 project account (sewer) is \$466,835.00, with the total 2012 revenues and expenditures being \$4,756,815.00, which is a 1.6% decrease over the 2011 budget, which is an anticipated savings projected for 2012.

President Bernhard requested that Chief Fromlak read the general fund expenditure items. Chief Fromlak said the projected general fund expenditures for 2012 for the legislative body is \$32,100.00, executive is \$34,100.00, financial administration is \$18,000.00, tax collection is \$120,400.00, law is \$19,200.00, clerk/secretary is \$51,800.00, engineer is \$21,200.00, police is \$1,071,000.00, fire is \$95,600.00, ambulance and rescue is \$12,100.00, protective inspection is \$4,000.00, planning and zoning is \$3,800.00, health is \$11,500.00, highway general services is \$225,350.00, cleaning of streets and gutters is \$35,800.00, snow and ice removal is \$110,700.00, traffic signals and street signs is \$22,000.00, street lighting is \$4,200.00, sidewalks and crosswalks is \$17,000.00, storm sewers and drains is \$34,500.00, repair of tools and machinery is \$16,600.00, repairs to highways and bridges is \$126,600.00, construction and rebuilding is \$257,500.00, parks is \$13,700.00, civil and military celebrations is \$9,100.00, senior citizen centers is \$18,650.00, the debt principal that was paid off this year is zero, with the debt interest being \$10,000.00, retirement and pension contribution is \$137,800.00, insurance is \$214,900.00, employee benefits is \$425,800.00 and refunds of prior year revenues is zero, with a total 2012 expenditures being projected at \$3,175,000.00.

Member Burchell said the Borough's allocation for funding for ambulance and rescue is \$12,100.00 for 2012, as is all member

municipalities and their projected funding requirement seems to have leveled off, with no anticipated increases being projected. Mr. Burchell requested a proposal from the independent auditor, Don Reddinger, and Mr. Burchell believes it will be a two-year proposal. Mr. Burchell said all employees cooperated in the past to help lower the high health care costs, changing to a different program in 2011, resulting in a lower health care expense cost. The current plan expires May 1, 2012 and the Borough will be aggressively pursuing new programs for employees. The employees are now contributing to the health insurance costs and have been instrumental in instituting a change over the old plan.

Member Mikec questioned the expense for the bookkeeper position and Mr. Burchell explained Council is still considering this matter for the future and will keep reviewing how the current operations are going.

Chief Fromlak read the building fund revenues for earnings from investments is \$300.00, rents of buildings is \$108,000.00, interfund operating transfers being zero, expenditures for law is zero, engineer is \$2,000.00, buildings and plant is \$101,000.00, zero for debt interest and general liability insurance is \$8,000.00, bringing the total 2012 building fund revenues and expenditures to \$111,000.00. The liquid fuel state shared revenue is \$128,900.00 and \$63,000.00 for highway maintenance for snow and ice supplies is a budgeted expense, along with \$65,900.00 for street lighting costs, bringing the total revenue and expenditures for 2012 for the liquid fuel fund to \$128,900.00. Capital Reserve UDAG fund revenues and expenditures are both zero and the proprietary fund (Alcosan) revenues and expenditures are both \$875,080.00 for 2012. The 2007 Project account (sewer) revenues and expenditures are both \$466,835.00 and this encompasses the general obligation serial bond for 2012.

Mr. Mikec questioned a typo on item 341 on the building fund revenue interest and Chief Fromlak said this error would be addressed. Mr. Burchell questioned the leasing under the building fund. Chief Fromlak said all facilities are currently being rented by the Borough and he is negotiating with the County regarding the Magistrate's current month-to-month lease. PNC has another year on their lease, Schorr's Bakery has two years, the smoke shop has two years with a third year option remaining and Dollar General has three years remaining and has expressed an interest to pursue a longer term lease (seven to ten years) with the Borough through the Chief.

The Chief addressed past liquid fuel allotments and expects a decrease for 2012 from the State for our road salt allotment. Mr. Burchell said a line item was added in the past to help budget for the deficiency in income received from the State for road salt reimbursement. The Chief said the Borough is locked into a \$63.00 per ton for salt for 2012.

Mr. Koerts had requested a different breakdown of the budget than had been presented to Council in the past and Mr. Koerts felt the Chief did a really good job of presenting this budget and extended his thanks. Mr. Mikec agreed and the Chief said he is only as good as the staff around him and that Patty Rapp had put the 2012 budget together. Mr. Burchell said the best news is that the Borough has a tax neutral budget for 2012.

With no further business, Mrs. Bernhard requested a Motion to Adjourn. *Motion to adjourn the Meeting was made by Mr. Schell and was seconded by Mr. Koerts. Motion was approved and ordered by Council.* Meeting adjourned at 6:00 p.m.

APPROVED: December 14, 2011

BOROUGH OF WEST VIEW

BY: _____
Police Chief Bruce A. Fromlak/Manager

BY: _____
President of Town Council Mary C. Bernhard