

North Braddock Borough
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Date: 11-18-20
To: Borough Council
RE: 2021 Budget Highlights

The 2021 spending plan for the North Braddock Borough totals \$3,290,000. This budget reflects Council's desire to increase wages in the police Department, the impact of COVID-19 on revenue collections and the refuse fee adjustment needed due the recently awarded refuse collection contract. The budget also includes the ALCOSAN mandated 7% increase in sewer fees.

REVENUES

Overall revenue collections have decreased approximately 7% during the first three quarters of 2020 however, expenditures are less than anticipated for this same period due to the impact of COVID 19. Real estate tax collections are down approximately 5% for the year, and Act 511 collections (EIT & LST) are approximately 20% behind the collection rate of 2020.

Current real estate tax collections are reduced in 2021 budget considering the trend of collections in 2020. However the decrease in real estate current collections will be offset somewhat, by higher delinquent collections similar to the 2020 collection pattern. Real estate taxes are budgeted at \$680,000 in 2021. **The 2021 Real Estate Tax rate remains at 11 mills and has not increased for the past thirteen (13) years.**

Earned Income Tax (EIT) and Local Service Tax (LST), the major contributors to ACT 511 tax collections, are reduced in 2021 reflecting the 2020 collection pattern. EIT and LST are based on employment patterns and

collection rates are reflecting the economic impact of COVID19. Act 511 taxes are budgeted at \$374,400 in 2021.

ALCOSAN sewer revenue is a major revenue item in the Borough budget. However the use of these funds is restricted based on an agreement between the Borough and ASCOSAN. The agreement requires the Borough collect ALCOSAN sewer user fees and transmit the fees to ALCOSAN based on quarterly billing. ALCOSAN revenue cannot be used for other municipal activities. ALCOSAN sewer rates increase in 2021 as follows: customer service charges increases \$1.25 from \$17.86 to \$19.11 per bill and the 2021 ALCOSAN treatment charge increases 60 cents, from \$8.50 to \$9.10 for each 1,000 gallons of water used. The average customer, who uses 12,000 gallons of water per quarter will pay \$8.45 more per quarter, increasing the average sewer quarterly bill from \$119.86 to \$128.31. ALCOSAN revenues are budgeted at \$946,00 in 2021.

Borough sewer rates are unchanged. Borough sewer rates were decreased in 2013 and again in 2014. Borough sewer revenues fund general fund sewer related activities and sewer capital projects.

The 2021 budget proposes a \$30 annual increase in residential refuse fees to accommodate the increased cost of the recently awarded solid waste collection contract. The residential customer user fee will increase to \$150.00 per year for refuse collection representing a \$2.50 monthly increase. Residential refuse fees have not increased since 2003 even though the contracted cost of collection has increased. Refuse fees are considered a service charge so the customer fee should approximate the cost of collection.

Other 2021 General Fund revenues are adjusted based on actual collections patterns in 2020. Liquid Fuels State funding is budgeted at \$175,50000. These funds are restricted by statute for use on public works activities. Liquid fuel revenues are allocated for street light and salt supply expenditures. The RAD tax, which is a product of the additional 1% sales tax collected in Allegheny County, fluctuates based on economic conditions and consumer

spending patterns. RAD tax collections are reduced in 2021 again reflecting the impact of COVID 19. However, RAD tax collections may improve in 2021 if a second stimulus program is enacted and/or the pandemic recedes and economic conditions improve.

The State grant received for pension plan funding is projected to be \$41,000 in 2021.

EXPENDITURES

2020 expenditures mirror prior year budgets with the exceptions of a significant increase in police department wages, an increase of \$36,024 for refuse collection due to the new solid waste contract and the 7% ALCOSAN sewer rate increase.

Police wages were scheduled to increase 2% in 2021 based on the negotiated collective bargaining agreement (CBA). Members of Council suggested a more substantial wage increase would be needed in 2021 to better align Borough police wages with neighboring municipalities. The wage increase will improve officer recruitment and minimize turnover leading to a fully staffed schedule and reduced overtime.

Therefore the 2021 police budget includes a \$1.50 per hour wage increase for patrol officers and sergeants compared to the \$.32 cent per increase negotiated in the CBA. The patrol officers hourly rate increases to \$17.19 and the sergeant hourly rate increase to \$18.03 in 2021 representing a 10 % increase over 2020 wages. The wage increase is offset by the reduced premium for police liability insurance, reductions in contracted services in both the street and sewer departments and a reduction in transfer to capital.

An additional \$.50 per hour police wage increase will be included in next year's budget to insure North Braddock police wages remain competitive with surrounding police departments. Patrol officers will earn a very competitive hourly rate of \$18.50 in 2022.

Street Department proposed expenditures decrease \$7,100 in 2021 reflecting the adjustment made in

contracted services and salt requirements. A part time summer employee is included in 2021.

Sewer department expenditures increase to reflect the 7% ALCOSAN sewer rate increase. ALCOSAN bills the Borough quarterly for residential sewer service. The Borough is contractually required to collect the sewer fees and transmits the quarterly payment to ALCOSAN.

All non uniformed employees **except** the Manager receive a collectively bargained 2% wage increase. Employee benefit expenditures decrease in 2021 based on 2020 expenditure patterns.

\$65,000 is budgeted as a transfer to the capital fund for Borough expenditures related to ongoing sewer upgrades due the Sewer Consent Order and other capital expenditures.

RECAP OF 2019 Capital and O & M activities

Activities in the street department were scaled back in 2021 as a precautionary response to the COVID 19 epidemic. However the department was able to: complete ten catch basin repairs located at various locations along Lobinger, Jones and Hawkins avenues, install major sewer line replacements in General Braddock and Terrace street, eliminate a severe storm water drainage problem on McClure Way, coordinate contracted main sewer line cleaning, initiate site preparation work at the Hawkins Avenue recreation site, clear a majority of the abandoned lots and alleys throughout the Borough, install/replace approximately 100 street and traffic signs, begin the construction of the new salt storage facility on Bell avenue and perform routine maintenance activities such as pothole patching, snow removal and the never ending clean up of debris and refuse illegally dumped in the Borough.

The office of code enforcement activities were also limited in 2020 due to COVID 19 however the department did issue code enforcement letters of violation, occupancy/rental permits and building permits at the same level as previous years. The code office generated in excess of \$22,000.00 in related fees through September of

this year offsetting approximately 50% of the cost of code enforcement department..

The Police department has responded to approximately 4800 service calls through September, towed abandoned vehicles at a rate exceeding previous years, increased patrolling throughout the Borough and vigorously tagged non compliant vehicles. The department upgraded computers in the office and cars and implemented updated reporting systems. The Department also issued body cameras to all patrol officers.

Doug Marguriet
Manager

NORTH BRADDOCK BOROUGH BUDGET

GENERAL FUND REVENUES

	2020	2021
REAL ESTATE TAXES		
CURRENT	610,000.00	600,000.00
PRIOR YR	10,000.00	10,000.00
DELIQUENT	65,000.00	70,000.00
TOTAL R.E. TAXES	685,000.00	680,000.00
ACT 511 TAXES		
DEED TRANSFER	10,000.00	12,000.00
EARNED INCOME	255,000.00	235,000.00
EARNED INCOME(DELQ.)	60,000.00	74,400.00
LSTS	45,000.00	35,000.00
AMUSEMENT	8,000.00	8,000.00
MECHANICAL DEVICES	12,500.00	10,000.00
TOTAL ACT 511	390,500.00	374,400.00
LICENSES & PERMITS		
CATV FRANCHISE	75,000.00	76,000.00
STREET OPENING	15,000.00	18,000.00
TOTAL LICENSE & PERMITS	90,000.00	94,000.00
FINES & FORFIETS		
FINES (COMMONWEALTH)	3,500.00	3,500.00
FINES MAGISTRATE	5,000.00	5,000.00
TOTAL FINES & FORFIETS	8,500.00	8,500.00
INTEREST & RENTS		
INTEREST	500.00	500.00
RENTS	1,500.00	1,500.00
TOTAL INTEREST & RENTS	2,000.00	2,000.00
INTERGOVERNMENTAL REVENUES		
P.U.R.T.A.	1,200.00	1,300.00
LIQUOR LICENSE	1,600.00	1,600.00
FIRE RELIEF STATE GRANT	17,200.00	17,500.00
RAD TAX	230,000.00	220,000.00
PAYMENT IN LIEU OF TAXES	3,000.00	3,000.00
STATE PENSION GRANT	41,000.00	41,000.00
TOTAL INTERGOVERNMENTAL	294,000.00	284,400.00

DEPARTMENTAL EARNINGS		
SERVICES FEES	5,000.00	6,000.00
OCCUPANCY/DYE PERMITS	4,200.00	5,000.00
RENTAL	20,000.00	18,000.00
DELINQUENT SEWAGE	0.00	0.00
ALCOSAN SEWAGE FEES	869,000.00	946,000.00
BOROUGH SEWAGE FEES	350,000.00	340,000.00
REFUSE COLLECTION FEES	220,000.00	263,200.00
DELINQUENT REFUSE FEES	45,000.00	30,000.00
BUILDING PERMIT FEE	3,500.00	3,500.00
ELCTRICAL PERMIT FEE	1,000.00	1,000.00
REIMBURSEMENTS	56,000.00	45,000.00
TOTAL DEPARTMENTAL EARNINGS	1,573,700.00	1,657,700.00
MISC. REVENUES		
MISC.	5,000.00	5,000.00
GRANT	0.00	
TOTAL MISC.	5,000.00	5,000.00
OTHER FINANCING & TRANSFERS		
TRANSFER LIQUID FUELS	175,500.00	174,000.00
TRANSFER FROM TAN	0.00	0.00
TRANSFEIR M.M.	0.00	
REFUNDS	12,000.00	10,000.00
TOTAL FINANCING & TRANSFERS	187,500.00	184,000.00
TOTAL REVENUES	3,236,200.00	3,290,000.00

GENERAL FUND EXPENDITURES

	2020	2021
GENERAL GOVERNMENT		
MAYOR SALARY	1,700.00	1,700.00
COUNCIL SALARY	10,800.00	10,800.00
SUPPLIES	1,500.00	1,500.00
AUDIT	7,000.00	7,000.00
LEGAL ADVERTISING	2,000.00	3,000.00
DUES	1,500.00	1,500.00
CONFERENCE & TRAVEL	5,000.00	5,000.00
FICA	1,000.00	1,000.00
TOTAL GENERAL GOVERNMENT	30,500.00	31,500.00
EXECUTIVE/MANAGER		
MANAGER SALARY	65,000.00	65,000.00
CLERICAL SALARY	2,500.00	2,500.00
TREASURER		
SUPPLIES	2,500.00	2,500.00
POSTAGE	1,000.00	1,000.00
EQUIP & MAINT.	1,000.00	2,000.00
BONDING	1,000.00	1,000.00
FICA	6,000.00	6,000.00
WORKERS COMP	1,200.00	1,500.00
TOTAL EXECUTIVE/MANAGER	80,200.00	81,500.00
TAX COLLECTION		
SALARY	7,000.00	6,000.00
ACT 511 COLLECTOR FEES	1,000.00	1,000.00
SUPPLIES	500.00	500.00
POSTAGE	1,000.00	1,000.00
BOND	600.00	600.00
FICA	300.00	300.00
TOTAL TAX COLLECTION	10,400.00	9,400.00
LEGAL		
SOLICITOR	7,000.00	7,000.00
SUPPLIES	100.00	100.00
FILING FEES	10,000.00	20,000.00
LEGAL EXPENSE	7,000.00	7,000.00
LICENSE & PERMITS		0.00
TOTAL LEGAL	24,100.00	34,100.00
DATA PROCESSING		
COG SERVICES	30,000.00	30,000.00
SUPPLIES	1,000.00	1,000.00
TOTAL DATA PROCESSING	31,000.00	31,000.00

ENGINEERING		
ENG. FEES	50,000.00	40,000.00
OTHER EXPENSE		
TOTAL ENGINEERING	50,000.00	40,000.00
PUBLIC PROPERTY		
MAINTENANCE & REPAIR	13,000.00	10,000.00
SUPPLIES	1,000.00	1,000.00
TELEPHONES	6,000.00	8,000.00
UTILITIES	30,000.00	30,000.00
TOTAL PUBLIC PROPERTY	50,000.00	49,000.00
POLICE		
CHIEF	66,000.00	74,000.00
PART TIME LIEUTENANT		0.00
PART TIME SERGEANT	45,500.00	49,000.00
PATROL OFFICERS PT	220,000.00	242,000.00
OVERTIME	48,000.00	40,000.00
DISPATCHERS PT	0.00	0.00
SCHOOL CROSSING GUARDS	27,000.00	27,000.00
RANGE OFFICER	0.00	0.00
SUPPLIES	9,000.00	12,000.00
EQUIPMENT	3,000.00	3,000.00
GASOLINE	10,000.00	10,000.00
COMMUNICATION REPAIR	6,000.00	6,000.00
UNIFORM ALLOWANCE	5,500.00	5,500.00
VEHICLE REPAIR	10,000.00	8,000.00
TRAINING	2,000.00	2,000.00
LIABILITY INSURANCE	47,000.00	38,500.00
ANIMAL CONTROL	6,000.00	6,000.00
VEHICLE PURCHASE		
FICA	31,000.00	33,000.00
WORKERS COMP	23,500.00	25,000.00
TOTAL POLICE	559,500.00	581,000.00
FIRE & CODES		
SALARY	45,500.00	46,400.00
GASOLINE	5,000.00	4,000.00
HYDRANT RENTALS	11,500.00	11,500.00
INSURANCE		
EQUIPMENT	1,000.00	1,000.00
FIRE RELIEF PAYMENT	17,200.00	17,200.00
FICA	3,500.00	3,600.00
WORKERS COMP	16,000.00	16,000.00
MEDICAL		
TOTAL FIRE	99,700.00	99,700.00
SANITATION		

SUPPLIES	2,000.00	2,000.00
POSTAGE & BILLING	8,000.00	8,000.00
LANDFILL	0.00	0.00
REFUSE COLLECTION FEE	268,200.00	296,400.00
RODENT CONTROL		
FREON & TIRE REMOVAL		
TOTAL SANITATION	278,200.00	306,400.00
SEWAGE		
SUPPLIES	2,000.00	6,000.00
CONTRACTED SERVICES	60,000.00	30,000.00
EQUIPMENT RENTAL	6,000.00	4,000.00
ALCOSAN	869,000.00	946,000.00
DELINQUENT ALCOSAN	0.00	0.00
TOTAL SEWAGE	937,000.00	986,000.00
STREETS & HIGHWAYS		
FOREMAN	44,600.00	45,500.00
LABORERS	210,000.00	220,000.00
OVERTIME	12,000.00	12,000.00
SUPPLIES	30,000.00	30,000.00
SNOW SUPPLIES	60,000.00	50,000.00
FUEL	7,500.00	6,000.00
VEHICLE REPAIR	8,000.00	8,000.00
EQUIPMENT	3,000.00	3,000.00
STORM SEWER MAINT.	2,000.00	0.00
EQUIPMENT RENTAL		
EQUIPMENT RENTAL SNOW		
CONTRACTED SERVICES	40,000.00	35,000.00
EQUIPMENT REPAIR		
MEDICAL BENEFITS		
LIFE INSURANCE		
FICA	21,000.00	21,500.00
WORKERS COMP	24,000.00	24,000.00
TOTAL STREET & HIGHWAYS	462,100.00	455,000.00
STREET CLEANING		
SUPPLIES	2,000.00	2,000.00
TOTAL STREET CLEANING	2,000.00	2,000.00
TRAFFIC		
TRAFFIC SIGNS	2,000.00	2,500.00

STREET LIGHTING	120,000.00	120,000.00
TOTAL TRAFFIC	122,000.00	122,500.00
RECREATION		
SUPPLIES	2,000.00	2,500.00
MAINTENANCE & REPAIRS	4,000.00	2,500.00
TOTAL RECREATION	6,000.00	5,000.00
CIVIC & MILITARY		
CONTRIBUTIONS	3,000.00	3,000.00
TOTAL CIVIC	3,000.00	3,000.00
DEBT SERVICE		
BOND PRINCIPAL	0.00	0.00
BOND INTEREST	0.00	0.00
DCED LOAN		
TAN PRINCIPAL	0.00	0.00
TAN INTEREST	0.00	0.00
TOTAL DEBT SERVICE	0.00	0.00
CLAIMS & JUDGMENTS		
CLAIMS	100.00	100.00
TOTAL CLAIMS & JUDGMENTS	100.00	100.00
INSURANCE		
VEHICLES	24,000.00	24,000.00
FIRE		
GENERAL LIABILITY	41,000.00	41,000.00
PUBLIC OFFICIALS	7,800.00	7,800.00
BOILER & MACHINERY		
TOTAL INSURANCE	72,800.00	72,800.00
EMPLOYEE BENEFITS		
LIFE & DISABILITY INS	13,000.00	14,400.00
MEDICAL (RETIREEES)	180,000.00	160,000.00
PENSION CONTRIBUTION	115,000.00	130,000.00
UNEMPLOYMENT COMP.	8,000.00	8,000.00
TOTAL EMPLOYEE BENEFITS	316,000.00	312,400.00

OTHER FINANCING USES

REFUNDS	500.00	500.00
TRANSFER TO CAPITAL	100,000.00	65,000.00
TRANSFER TO SEWER PRIOR YR EXP		
MISCELLANEOUS	2,100.00	2,100.00
TOTAL OTHER FINANCING USES	102,600.00	67,600.00
TOTAL EXPENDITURES	3,237,200.00	3,290,000.00