

Borough of Dormont

**FIVE YEAR PLAN AND
FINANCIAL MANAGEMENT STUDY**

**Management Audit of Non-Uniform
Departments & Activities**

Step 4

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Table of Contents

Introduction

Approach	Page 6
General Observations	Page 6

Borough Council, Mayor and Manager

Mission, Goals and Objectives	Page 9
Demand for Services	Page 10
Budget and Financial Observations	Page 11
Performance	Page 14
Business Planning	Page 17
Planning and Budgeting	Page 18
Performance	Page 18
Personnel	Page 21
Performance	Page 21
Significant Issues, Challenges and Problems	Page 22
Recommendations	Page 23

Administration

Mission, Goals and Objectives	Page 24
Staffing	Page 26
Demand for Services	Page 27
Budget and Financial Observations	Page 27
Departmental Accomplishments	Page 27
Performance	Page 27
Significant Issues, Challenges and Problems	Page 29
Recommendations	Page 30

Tax Collection

Mission, Goals and Objectives Page 31
Information Technology Page 33
Staffing Page 33
Demand for Services Page 34
Budget and Financial Observations Page 34
Departmental Accomplishments Page 35
Performance Page 35
Significant Issues, Challenges and Problems Page 36
Recommendations Page 36

Public Works

Mission, Goals and Objectives Page 37
Staffing Page 38
Equipment Page 38
Demand for Services Page 38
Budget and Financial Observations Page 39
Departmental Accomplishments Page 43
Performance Page 43
Significant Issues, Challenges and Problems Page 45
Recommendations Page 45

Parks

Mission, Goals and Objectives Page 47
Staffing Page 47
Equipment Page 48
Demand for Services Page 48
Budget and Financial Observations Page 48
Departmental Accomplishments Page 50
Performance Page 50

Significant Issues, Challenges and Problems	Page 52
Recommendations	Page 52

Recreation

Mission, Goals and Objectives	Page 53
Staffing	Page 53
Demand for Services	Page 53
Budget and Financial Observations	Page 54
Departmental Accomplishments	Page 56
Performance	Page 56
Significant Issues, Challenges and Problems	Page 57
Recommendations	Page 57

Pool

Mission, Goals and Objectives	Page 58
Staffing	Page 58
Demand for Services	Page 58
Budget and Financial Observations	Page 58
Departmental Accomplishments	Page 61
Significant Issues, Challenges and Problems	Page 61
Recommendations	Page 61

Planning

Background and Demographics	Page 62
Staffing	Page 62
Demand for Service	Page 62
Significant Issues, Challenges and Problems	Page 63
Recommendations	Page 63

Building Inspection and Code Enforcement

Mission, Goals and Objectives Page 69
Staffing Page 70
Demand for Services Page 70
Budget and Financial Observations Page 70
Departmental Accomplishments Page 72
Significant Issues, Challenges and Problems Page 73
Recommendations Page 74

Technology

Mission, Goals and Objectives Page 79
Staffing Page 79
Equipment Page 79
Demand for Services Page 79
Budget and Financial Observations Page 79
Significant Issues, Challenges and Problems Page 81
Recommendations Page 81

Focus Group

Process Page 83
Conclusion Page 87
Recommendations Page 87

Summary of Recommendations Page 88

Introduction

Approach

Step 4 of the Early Intervention Program (EIP) process focuses on the operations and management of the Borough. The EIP guidelines call for a management audit of all major departments and operations. The audit includes narrative summaries of each department comprised of budget and personnel information, as well as other relevant data. These data are supported by interviews with each department manager and staff in order to facilitate the most comprehensive view of the local government's most critical operational needs. The audit includes a review of current and recommended technology needs and upgrades.

To perform this audit, each department and function is explored in a systematic fashion. Where it is appropriate, the following outline is used.

- Mission, Goals and Objectives
- Staffing
- Demand for Services
- Budget and Financial Observations
- Departmental Accomplishments
- Significant Issues, Challenges and Problems
- Recommendations

In addition to this, the performance of each department and function is evaluated in terms of established standards. The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*. This manual was developed for small to medium sized local governments that provide a relatively full range of municipal services. The manual includes standards for most of the Borough's functions. This report also draws on the Pennsylvania Governor's Center for Local Government Services' manuals on local government. One can download these at: <http://www.newpa.com/default.aspx?id=132>.

General Observations

The borough and the borough form of government emerged in the eighteenth and nineteenth centuries as Pennsylvania's answer to the need for public services in growing market towns and suburban communities. Residents of these dense settlements demanded a range of services not provided in the townships. These services included the maintenance of streets, public water and sewer systems, and police. Through the borough code, the Pennsylvania legislature provided the authorization for borough governments to provide these services.

By the latter part of the twentieth century, however, the ability of borough governments to meet the demand for these public services had become strained. A 2007 study by the Pennsylvania Economy League, *Structuring Healthy Communities*, found that of the 906 boroughs included in the analysis, 89 percent lacked the tax base to sustain past levels of service; 24 percent were reducing non-core services; 40 percent were reducing core services; and 25 percent had reached the onset of significant fiscal distress. (The study can be found at http://www.issuespa.net/shc/shc_final.pdf.)

The findings in the first part of the Early Intervention Program analysis indicate that Dormont Borough is at the point where on-going revenues can no longer support the existing level of services without tax increases, revenues from new sources, or changes in the way services are delivered.

Finding 1 Tax revenues are unlikely to increase without rate increases.

Finding 2 Ongoing revenues are unlikely to increase during the forecast period.

Finding 3 Ongoing expenses are likely to increase at a rate of 2 percent per year.

Finding 4 The greatest cost increases are likely to be in health care insurance, and wage and salary increases.

Finding 5 The Borough faces substantial deficits that can only be resolved with a combination of rate increases, new revenues and cost controls. The structural deficit could exceed \$600,000 by 2012.

These findings cover the ongoing operation of the Borough. There may be additional expenses related to major capital projects undertaken by the Borough. Depending on how these are financed, they may add to the annual expenses as either capital expenditures or additional debt service.

There are three broad areas where local governments can improve performance.

They are:

- 1) increasing operational efficiencies,
- 2) entering into intergovernmental activities, and
- 3) engaging in economic and community development.

1. Operational Efficiencies

Increasing operational efficiencies can reduce cost without compromising service. Typical examples of this for local governments include contracting out tasks such as tax collection and major street repairs, where the contractor can provide the service for less than it costs to provide it in-house. Enhanced operational efficiencies can also include

making sure that the accounting and tax collection software is up-to-date and that staff have the training necessary for them to do their jobs properly.

The Borough has already taken actions to reduce costs while maintaining services. These actions have included the use of outside services and the introduction of new technologies. Increasing operational efficiencies and cutting costs is a continuous process. This step in the EIP process, Step 4, identifies additional action that the Borough can take.

2. Intergovernmental Cooperation

Intergovernmental cooperation can also reduce costs without compromising service. Joint purchasing can reduce unit costs; equipment sharing can reduce capital costs; and the creation of regional resources, such as police services and planning commissions, can reduce duplication.

The Borough has taken advantage of intergovernmental cooperation, particularly through the South Hills Area Council of Governments. Current intergovernmental projects include a multi-municipality plan with Green Tree and a Transit Revitalization Investment District with Mt. Lebanon.

3. Economic and Community Development

Economic and community development can add to the tax base and increase the number of jobs. Local governments in Pennsylvania, because they often lack the size and resources needed to have a significant impact on economic and community development, often depend on county agencies and multi-community organizations.

Borough Council, Mayor and Manager

Mission, Goals and Objectives

Council

The Governor's Center for Local Government Services describes the possible roles and functions of a borough council this way:

The council serves as the legislative body of the borough, setting policy, enacting ordinances and resolutions, adopting budgets and levying taxes. Council also performs executive functions such as formulating the budget, enforcing ordinances, approving expenditures and hiring employees. Some boroughs operating under the Code have hired managers, and most others use the borough secretary for general administrative purposes. In many boroughs councilors also play a large role in administrative activities, overseeing the day-to-day operation of borough government.

Because of the councilor's elected status, an individual in that position is often looked to as a community leader. Certainly councilors are the proper recipients of complaints, ideas and suggestions concerning borough affairs. In many cases the councilor is called upon to perform as a problem solver, acting as an agent for borough citizens with municipal or even outside agencies. The councilor has a role in representing the borough's communal interests, past, present and future. Although assisted by a planning commission, paid administrator or historical commission, many of the final decisions must be made by elected officials. (Governor's Center for Local Government Services, *Borough Council Handbook*)

In Dormont, the Council does not take an active role in the administration, but it relies on the Borough Manager to manage the day-to-day operations. The Council operates with six committees – public service; recreation; finance and legal; community affairs; public safety; and property, supplies and planning.

Mayor

The Governor's Center for Local Government Services describes the possible roles and functions of a borough mayor this way:

Although the role of the office of mayor has changed considerably over time, with functions formerly performed by borough mayors now assigned to others in borough government under the Borough Code, the office continues to be very important in local government and carries with it considerable prestige. Borough Councils now exercise most appointive and legislative powers formerly exercised by mayors. Nevertheless, the mayor

remains as the ceremonial head of borough government even though not technically a member of the Borough Council.

Even though modern mayors under Pennsylvania's present Borough Code possess fewer legislative, administrative and judicial powers than before, they exercise important powers and duties under it and are also in a unique position to exercise leadership in the community because of the prestige of the office and its elected status. To a large degree, the mayor's role is also defined by the local political culture, the generalized local attitudes toward municipal government and commonly-held expectations of how officials should operate. (Governor's Center for Local Government Services, *The Borough Mayors Manual*)

The Borough Code gives the mayor power to direct the police chief and the police force. This power, however, is limited. The Council retains the power to set the police budget and to hire, promote and fire police officers. The Mayor, with the consent of Council, can delegate the direction of the chief and police force to a manager. In Dormont, the Mayor has traditionally played a leadership role.

Manager

The Borough has a manager's ordinance that gives the Borough Manager the authority and responsibility for the day-to-day operations of the Borough government. Day-to-day operations can include planning, scheduling and directing work, preparing material for consideration by elected officials, representing the Borough in meetings and negotiations subject to Council approval, monitoring and reporting on Borough activities, responding to citizen complaints, and performing other duties as required by Council. This includes supervising department heads. The responsibility for supervising the police department remains with the Mayor.

Demand for Services

Operating a local government is becoming increasingly complex. Local government officials have to deal with a growing thicket of legislation governing the environment, personnel matters, pensions, debt, taxation, financial reporting, labor relations, waste management and recycling, civil rights, and other matters. The environment in which local government operates is also becoming more complex with changes in technology, the economy, crime and crime rates, less civic involvement, and other factors that are largely outside of the control of local government officials.

The response to this has been an increase in professionalism as local governments set higher standards for employees, and rely more on outside experts including solicitors, engineers, actuaries, code inspectors, testing services, and grant writers.

Budget and Financial Observations

The legislative expenses have decreased, but the decrease is primarily due to a change in accounting practices. Beginning in 2004, the Council's liability insurance has not been allocated to the Council's budget. Administrative expenses went up by 1.1 percent with the major increase in salaries and postage. These increases were off-set, in part, by a decrease in newsletter expenses.

Legislative Expenses 2002 to Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	\$15,300	\$15,300	\$15,231	\$15,300	\$15,265	\$15,300	(\$35)	-0.1%
Public Official Liability	7,252	13,104		-			(7,252)	
Dues, Subscriptions, Memberships	2,337	2,715	2,883	1,964	2,319	2,500	(18)	-0.2%
Meetings & Conferences	8,335	9,719	12,939	8,889	7,019	10,500	(1,316)	-3.9%
Total Council	\$33,225	\$40,837	\$31,053	\$26,153	\$24,604	\$28,300	(\$8,621)	-6.5%

Administrative Expenses 2002 to Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	212,395	215,795	235,757	190,406	222,374	204,804	9,979	1.2%
Vacation Buy Back	800	-		-	2,341	500	1,541	48.2%
Sick Pay Buy Back	800	740		-	1,727	500	927	29.0%
Longevity	2,325	-		2,525	2,625	1,250	300	3.2%
Overtime	121	3,473		-	-	250	(121)	-25.0%
Inspections - PT back yard	3,290	9,107	3,621	2,990	2,658		(632)	-4.8%
Uniform Allowance	488	279	307	148	206		(283)	-14.5%
Office Supplies	2,892	3,962	3,873	3,324	3,202	4,000	310	2.7%
Postage	1,399	4,123	3,230	734	3,817	5,000	2,418	43.2%
Postage Machine Rental	2,000	2,904	2,703	3,202	3,963	4,000	1,963	24.5%
Xerox Copies and Lease	6,049	7,319	8,186	8,829	7,834	8,500	1,785	7.4%
Vehicle Fuel	410	645	479	481	599	-	190	11.6%
Telephone	3,807	4,465	5,234	5,370	4,740	5,200	933	6.1%
Auto Allowance	1,438	375		688	988	1,500	(450)	-7.8%
Consultant Fees				9,830	298	700	298	
Advertising	6,811	13,106	10,341	9,255	6,748		(64)	-0.2%
Printing	4,080	3,488	3,805	4,208	4,667	3,000	586	3.6%
Vehicle Maintenance	535	284	598	316	338	-	(196)	-9.2%
Dues, Subscriptions, Memberships	1,793	2,408	1,672	1,701	1,116	1,000	(676)	-9.4%
Meetings & Conferences	6,551	8,386	4,338	5,110	5,039	4,500	(1,512)	-5.8%
Credit Card Fees	1,376	1,472	1,334	2,539	826	2,000	(550)	-10.0%
Newsletter	21,251	20,019	18,609	13,740	16,380	16,000	(4,871)	-5.7%
State Permit Fees Act 13 B					300		300	
							-	
Total Administration	\$280,609	\$302,350	\$304,089	\$265,393	\$292,785	\$262,704	\$12,177	1.1%
							-	
Auditing Services	\$14,293	\$14,646	\$15,126	\$18,174	\$15,577	\$17,000	\$1,284	2.2%
							-	
Total Finance	\$14,293	\$14,646	\$15,126	\$18,174	\$15,577	\$17,000	\$1,284	2.2%

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*, which includes standards for general municipal management.

The governing body delegates general administrative/management responsibility to a professional manager, secretary or administrator. Depending on the specific position, the responsibilities would include budget preparation and general financial administration; management of municipal departments and their operations; purchasing; and personnel management inclusive of hiring and firing employees with or without the consent of the governing body.

The Council has adopted a manager ordinance. The ordinance gives the Manager the power to “appoint, suspend or remove all offices and employees under his or her supervision.” In practice, personnel actions have been subject to Council approval.

The individual hired as manager, secretary or administrator has been educated or trained in the field of municipal management/administration, or a related field, or is qualified on the basis of equivalent experience.

The manager’s ordinance provides that the Manager “shall be chosen solely on the basis of executive and administrative abilities...” The Manager has experience and training in municipal management.

At the time of hiring, the governing body and the individual to be the municipal manager, administrator or secretary establish the terms and conditions of employment. Areas to be addressed include duties and responsibilities, mutual goals and expectations, periodic formal evaluation of performance, the formal and informal process for communication between the two parties, compensation and benefits, circumstances under which employment might be terminated, and severance provisions.

The Manager has an annual employment contract with the Borough.

At the time of hiring, the governing body and the individual hired to be municipal manager shall establish the terms and conditions of employment. Areas to be addressed include duties and responsibilities, mutual goals and expectations, periodic formal evaluation of performance, the formal and informal process for communication between the two parties, compensation and benefits, circumstances under which employment might be terminated, and severance provisions.

The arrangements are not laid out in a single document. The Borough has adopted a manager's ordinance and has annual employment agreements with both the Manager and the Assistant Manager.

The governing body should clearly establish the lines of authority and communication between it and the municipal employees. And, except for the purposes of investigation and inquiries, individual members of the governing body and/or its committees do not give direct orders to any municipal department head or other employee, either publicly or privately, or interfere with operational duties of such persons.

This is provided for in the manager's ordinance.

Members of the governing body do not put the manager in an "impossible position" by giving conflicting orders and directions, and/or involving him/her in partisan political disputes or personality clashes.

Unfortunately, the former Manager's actions have been interpreted as partisan by some and he has found employment elsewhere.

The governing body, at least yearly, formally, in writing, provides the manager, administrator or secretary with an evaluation of his/her performance. This evaluation is based on predetermined, measurable goals and objectives – expectations – to which both parties agree.

The Council and the Manager have not agreed upon goals and objectives for the Manager.

A weekly or periodic administrative report is prepared by the manager, administrator, or secretary for the elected officials which addresses what has taken place during the period; problems, things accomplished, emerging issues, progress on projects, personnel notes, financial matters, etc. This report is in a format which is easy for the manager to prepare and which allows for quick reading by the elected officials.

The Manager prepares detailed weekly reports for the mayor and Council.

The governing body should define the role of the manager, administrator, or secretary plays in the policy process. Most frequently, the elected officials expect him/her to support their policy-making role by providing needed information, developing options and indicating a recommended course of action. Once the manager, administrator, or secretary has fulfilled his/her role, final decisions are left to the governing body.

The manager, administrator, or secretary supports the policy-making role of the elected officials by providing needed information, developing options and even indicating a preference for a particular course of action.

Once the manager, administrator, or secretary has played this supporting role, he/she yields to the decision of the elected officials.

The manager's ordinance provides for this separation of roles.

The laws governing open meetings and open records are strictly observed.

All meetings are open and records are open to the public.

The governing body has adopted rules of procedure governing the conduct of its meetings. These rules provide for an orderly process by which elected officials address agenda items, and the public may address the governing body and the business before it. The presiding officer conducts meetings in accordance with these rules.

The procedures are in place and they are followed.

A formal agenda is prepared by the manager, administrator or secretary for each meeting, inclusive of regularly scheduled public meetings, and executive sessions of the governing body. Except for work sessions where a department head or member of the governing body identifies the issues for discussion, the agenda is done in consultation with all members of the governing body following an agreed-upon process.

Agendas are prepared for all meetings, including meetings of board and commissions. The agendas for Council meetings are posted on the Borough's Website.

There is an agreed-upon timetable and process that provides that the agenda be available to elected officials at least several days in advance of the public meetings and executive sessions. Provided with the agenda are any materials, documents, notes or commentary essential to understanding the business that will come before the governing body.

Council members receive an agenda and information packet before each meeting.

The agenda is available to the public before and at each meeting.

The agenda is available to the public before and at each meeting, and is posted on the Borough's Website.

Once established, the agenda is not amended except by a majority vote of the governing body, accompanied by a public explanation of the need for the agenda to be changed.

The agenda is amended only by vote of Council. New items, however, may be brought up as new business at Council meetings without being added to the written agenda.

For issues or problems expected to generate more than normal interest and extensive discussion, the governing body schedules special meetings and public hearings.

Council does call special meetings for major issues.

Meetings are run efficiently and in a manner that respects the time of elected officials and the public.

Meetings are usually run in this manner.

The municipality has adopted an administrative code which establishes the government's internal organization, including the major functions and responsibilities of departments, boards, commissions and committees.

The Borough has an administrative code. It should be reviewed to make sure that it is up-to-date.

Written operating procedures have been developed for all major functions and services provided by municipal departments, boards and commissions.

The Borough does have operating procedures, but many of them should be brought up-to-date.

The local governing body, manager/secretary and department heads periodically review municipal services and administrative functions to determine whether existing operating methods are the most efficient and effective way to provide services and activities.

The Council members, Borough Manager, and department heads are aware of alternative service delivery options. The Borough contracts out some functions and has intergovernmental agreements for other functions to provide them in a more efficient and effective fashion.

Business Planning

The Borough is engaged in a number of planning projects. These include work on the Transit Revitalization Investment District (TRID), the multi-municipal comprehensive plan, the pool study, the Early Intervention Program project (EIP), and capital improvements.

There is more, however, that could be done. There are missing elements, such as an economic development plan, and the elements are not tied together in a business plan for the Borough's future. A business plan needs to cover the important elements in local government.

- Governance
- Public safety
- Community development
- Parks and recreation
- Economic development
- Land use and infrastructure
- Finance

A business plan should identify where the Borough should be in ten years and include the actions necessary to achieve this future. A successful business plan has the following characteristics:

- It is driven by the needs of the Borough's customers – the residents, visitors, employees, and entities doing business with the Borough
- It is comprehensive and it draws separate elements together in an integrated plan
- It recognizes the importance of employees
- It focuses on measurable goals and objectives
- It provides action steps and timetables to reach the goals and objectives
- It is updated and renewed on a regular basis

The results of this EIP analysis can become an important part of the business plan.

Planning and Budgeting

The Borough's general fund budget is the primary financial planning tool. The Borough also prepares special revenue and capital budgets each year. These budgets do not provide revenue and expenditure projections for future years.

Performance

The *Standards for Effective Local Government* includes standards for multi-year fiscal planning.

Budget preparation is the responsibility of an appointed official who has a general understanding of, or who has been trained, in the area of budgeting and municipal financial management practices.

The budget is prepared by the Manager and the Assistant Manager. The Police Chief develops an initial draft for public safety functions. Other department heads provide wish lists to the Manager as part of the process.

The annual budget contains a budgeted message which, among other things, draws attention not only to positive situations but also to areas of concern.

The budget includes a detailed budget message. The budget and related materials are posted on the Borough's Website.

The budget is comprehensive, covering all governmental, proprietary and fiduciary funds for each fiscal year. The budget is an essential element of financial planning, control, and evaluation, presents projected revenues and expenditures for both capital and operating areas for all funds.

The budget is comprehensive. It does not provide revenue and expenditure projections for future years.

There are established procedures, including a budget calendar, which guide budget preparation and adoption. The procedures include a stipulation that at least one public hearing on the budget be held after the budget is advertised as publicly available, and is at least one week prior to adoption.

The initial draft budget is prepared by staff and presented to Council. It is discussed and modified at a Council workshop meeting. The budget is then presented at a public workshop for comment by residents. The final draft is put on display and then voted on before the end of the fiscal year.

Each official responsible for a budgeted area presents his/her budget request for the coming year together with a justification. As appropriate in a prescribed format, such a statement is to include need, the volume of work involved, how the work is done, and supporting data for costs and possible benefits to be obtained.

Most of the work on the budget preparation is performed by the Manager, the Assistant Manager, and, for public safety, the Police Chief. Supporting data and the intended outcomes are outlined in the budget message.

The budget format is to display all revenues and expenditures for the immediate past three years, in addition to projections for the coming year.

The 2007 budget displays all revenues and expenditures for all funds for the years 2002 through 2006 as well the budget for 2007 with one exception. The revenues and expenditures for the capital improvement fund are not displayed for prior years. They have been included in the 2008 budget.

Revenue and expenditure projections are realistic and based on valid supporting data.

In past years, there have been significant variances between budgeted and actual amounts for both revenues and expenditures. In 2005, for example, actual revenues exceeded budgeted revenues by \$451,165 and actual expenditures exceeded budgeted expenditures by \$492,929. (Part of the variance, however, is due to an unbudgeted transfer of \$300,000 from the sewer fund to the general fund and an unbudgeted return of the \$300,000 to the sewer fund.)

The municipality has prepared and is implementing a multi-year capital improvement plan. It identifies the estimated cost, starting and completion dates for each project, the amount of money to be spent in each year, the methods of financing each project, and the impact each capital project will have upon the operating budget.

The Borough has a separate capital budget that focuses primarily on street repair and the pool. The budget is supported by a combination of grants, debt and transfers from other funds. The capital budget does not include a multi-year plan.

The multi-year fiscal planning process includes projections of current revenue and expenditure programs. These projections are based upon various assumptions as to the future local environment.

The Borough has not included a multi-year plan in the budget.

Current operating and capital fiscal decisions for the annual budget are based upon appropriate sections of the multi-year plan.

The Borough does not have a formal multi-year capital plan.

As part of the annual capital plan preparation, there is at least one public hearing at which the public can express its view on capital needs.

The capital budget, along with the other budgets, is presented at one public workshop. In addition to this, there has been extensive discussion concerning the capital plans for the pool. In 2007, there have been four public hearings.

Decisions with respect to long-term borrowing or other means of capital financing are made in accordance with the provisions in the municipality's fiscal plan.

The Borough does not have a formal multi-year capital plan.

Detail schedules of debt service requirements are presented in the annual capital budget.

Debt service schedules are not included in the capital budget.

Bond maturity schedules are designed so that they do not exceed the expected life of the projects to be financed by such bonds.

The Borough's borrowing has complied with state municipal debt standards concerning the expected life of projects.

Funds borrowed for longer than one year are used to finance capital projects, not current operating expenses.

The Borough has not used long-term borrowing to finance current expenses.

The replacement and maintenance of municipal equipment, vehicles or facilities is to be in accordance with a formal schedule. This plan is used for planning and in preparing the annual operating budget.

The Borough does not have a formal multi-year capital plan.

Personnel

The Borough has reasonably up-to-date job descriptions for most positions. Positions are posted and advertised. The first interviews are generally done by the position's supervisor. The recommendations are passed on to the Manager and eventually to Council. When the Assistant Manager's position was filled, Council appointed a search committee.

Benefits are administered by the administration.

Performance

The *Standards for Effective Local Government* includes standards for personnel management.

All positions to be filled are openly and publicly advertised in a manner which will reach a maximum number of potential applicants.

Positions are posted and advertised.

All qualifications/requirements for positions to be filled are job-related.

The current department heads have the appropriate experience and education.

For all positions to be filled, candidates compete on the basis of an examination which is job-related and fairly tests for the knowledge, skills and abilities needed for the position.

A formal process of administering job-related examinations is limited to the positions covered by civil service.

Job descriptions, based on an analysis of each job, are the basis for setting principal job requirements, and for structuring examinations.

The Borough has job descriptions. They are used in the recruiting process.

The personnel procedures in the police department are governed by the civil service provisions in the Borough Code and the Police Tenure Act.

The municipality has a formal performance evaluation plan which provides for the evaluation of all employees at least annually. The plan is performance-based, as opposed to a person-based method, and the plan's purposes and uses are clearly identified.

All employees should be evaluated annually.

Significant Issues, Challenges and Problems

The challenges are those that are facing many of Pennsylvania's boroughs. These include a declining and aging population, a loss of jobs, a static tax base, an aging infrastructure, and increases in the crime rate. Because these issues are regional in nature, they can be best addressed in cooperation with the county, the state, other governmental agencies, and neighboring municipalities.

There are a number of specific issues. These include:

- The development and implementation of a plan for the pool
- Balancing budgets in the face of rising costs and flat revenues
- Keeping taxes down
- The possible development of a regional police force
- Controlling fire costs
- Street and other infrastructure repairs
- Encouraging commercial development

Recommendations

The elected and appointed officials understand the challenges that are facing the Borough and the steps that can be taken to meet these challenges. The Borough, however, needs some tools to undertake these steps.

❑ The Borough's elected and appointed officials should develop a business plan that charts a course for the government over the next five to ten years.

❑ The Borough should develop and adopt a five-year operating plan and budget to serve as a guide in annual budget preparation.

❑ The Borough should develop and adopt a five-year capital plan and budget that includes vehicle and other equipment purchases.

❑ The Borough should establish a formal dialogue with neighboring communities to explore intergovernmental cooperation and the feasibility of consolidated services.

There are also some routine administrative matters that should be addressed.

❑ Council should formally approve policies and procedures to take care of purchasing, personnel and other administrative and fiscal functions.

Administration

Mission, Goals and Objectives

The office is responsible for most of the Borough's day-to-day administrative functions. In addition to internal activities, the Clerk Receptionists provide information and handle complaints for Borough residents and the general public. The police department has its own clerical employees.

Accounts and Finance

The office performs the typical accounts and finance functions including budget preparation, accounts payable and receivable, payroll, monthly reporting and assisting the auditors. The Borough uses Munis as its accounting software. The Borough has all of the updates.

Budgeting

The Borough prepares annual general fund, special revenues and capital budgets. The responsibility for budget preparation is split between the Manager, the Assistant Manager and, for public safety, the Police Chief. The Budgets are prepared on Excel spreadsheets. The Finance Officer's responsibilities are limited to providing information to the Manager and Assistant Manager and to entering the budget information into the accounting system.

Reporting

The Finance Officer prepares monthly reports. They are reviewed and approved by the Manager and the Treasurer. They are then sent to Council.

The Borough has an annual, outside audit. The Manager, the Assistant Manager and the Finance Officer deal with the audit.

Purchasing

The Borough has a somewhat decentralized purchasing system. Individual departments prepare purchase orders. The Manager approves all order of \$100 or more. The individual departments make the purchases once the orders are signed. General office supplies are purchased by the Clerk Receptionists and the Finance Officer. The first steps are done on a three-part purchase order form. The purchase information is not entered into the accounting system until payments are made. Because of the way in which the accounting software is set up, any information entered into the system to generate a purchase order would have to be re-entered to generate a payment.

Once the purchases have been received by the departments, the invoices and purchase orders are forwarded to the Finance Officer for processing. The invoices and orders are then sent to the Manager to be approved for payment. The payments are put on a warrant list for Council approval. Payments are

made by check with three signatures. The signatories are the Manager, the Assistant Manager, the appointed Treasurer, the Council President, the Council Vice President and the Finance Officer.

Because of the time that it may take to process payments and present the bills to Council for payment, there is a risk that the bills will not be paid within thirty days. For this reason, the checks are prepared before the bills go to Council for approval. In some instances, the checks may be signed and mailed before the bills go to Council. This is done to avoid late fees.

The Borough regularly takes advantage of SHACOG and state purchase contracts, and has established accounts with local vendors.

Non-purchase payables, primarily long-term service contracts, are approved by the Manager and the Council President for payment. The Assistant Manager is responsible for managing service contracts.

Payroll

The payroll is prepared bi-weekly. During the summer months with seasonal employees, there are approximately 100 employees included in each pay. Paper time records are prepared in each department and sent to the Manager for approval. The Finance Officer enters the information into the accounting system. It takes about one morning to prepare each payroll. Most employees take direct deposit.

The payroll processing had been contracted out to ADP. Over a decade ago, it was brought back in-house. There has been some consideration given to installing a computerized time-keeping system.

There are regular reports that track each employee's salary or wages, longevity, overtime, sick pay, vacation pay, and shift differentials.

Benefit Administration

The office is responsible for benefit administration, payroll deductions and processing employee claims. One of the two Clerk Receptionists and the Finance Officer handle these tasks.

Receivables

Most of the receivables are by check or deposit. The Tax Collector makes his own deposits. The outside collection agencies for the earned income tax, the emergency and municipal service tax, solid waste disposal and sewer fees are paid by check. The Finance Officer and the Council Finance Chair review the deposits.

There is some cash taken in at the front counter, at the pool and in the Police Department. Much of the cash is taken in by the two Clerk Receptionists at the

front counter as they sell permits, pool passes, facility registrations and similar services. They do not take in sewer, solid waste and other utility payments. They do, however, sell leaf bags. Receipts are used at the front counter and in the Police Department. There are register tapes at the pool. The receipts and tapes are matched against the cash. Deposits and reconciliations are done by the Finance Officer.

The only cash that does not have a proper paper trail are the receipts from the parking meters. The meters are emptied weekly by one employee. The meters are not designed to be emptied directly into locked receipt boxes. Collections were as high as \$6,000 a week. With fewer businesses and more parking permit sales, receipts have dropped to about \$3,000 a week.

It is considered a good practice to have more than one employee empty meters, to rotate routes, to keep an inventory of keys, to review collection records for inconsistencies, to maintain an inventory of meter keys, and to use locked receipt boxes. The Finance Officer and the Assistant Manager have not found problems with the present system.

The tax collection agency, Centax, does not provide the Borough with taxpayer information. This makes it impossible for the Borough to verify if the collection agency payments are accurate and timely. Solid waste disposal and sewer fees are also collected by outside agencies. Pennsylvania American Water Company collects the sewer fees and the hauler collects the solid waste disposal fees. The Borough is not provided with the information needed to verify if the payments to the Borough are accurate and timely. The Borough's outside auditor, Maher Duessel, has qualified its opinion because of the lack of information. Borough staff has been meeting with Centax to obtain additional information.

The elected Tax Collector's records are all on paper. He does provide the Finance Officer with monthly reports and closes out the year by January 15 as required by law.

Grant Administration

The Assistant Manager prepares grant applications, oversees grant fund expenditures, and completes close-out reports for the funding agencies.

Staffing

The administration staff includes the Manager and Assistant Manager, the Finance Officer and two clerk receptionists. The assistant manager's position is currently vacant. The need for the position is being evaluated by Council. The two Clerk Receptionists provide clerical support for the administration and are responsible for many routine transactions with the public. They also provide information and handle complaints for Borough residents and the general public. For management purposes, the code enforcement officer and the recreation director are included in the administration.

Demand for Services

The workload brought on by the regular routine in the office can fluctuate during the course of the year. Year-to-year variations in the workload can be the result of special projects, such as the planning for the pool.

Budget and Financial Observations

The administration expenses have been included with the legislative and executive expenses.

Departmental Accomplishments

The staff has been improving accounting procedures to bring them into line with the procedures recommended by the outside auditor. This includes segregating duties, particularly with cash receipts and bank reconciliations. The staff is also being cross-trained so that routine operations will not be disrupted by staff absences. For example, the two Clerk Receptionists have divided up the office duties, but each one can fill in for the other with most duties.

The Manager has been pressing the outside tax collector for more information. There has been a recent risk management review. Because most of the corrections that are needed are of a physical nature, the follow-up is being done by the Code Enforcement Officer.

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*, which includes standards for financial management.

All policies and procedures pertaining to the purchase of goods and services are in writing and are designed to provide the municipality with a cost-effective purchasing system which conforms to laws governing the purchase of materials and services. The local governing body has formally approved the purchasing policies and procedures.

The Borough does have a purchasing policy. It has not been reviewed recently.

There is a system governing inventory and inventory control.

The Borough has implemented a process for recording major equipment items. It is related to the industrial appraisal process. The information is used to comply with GASB 34. The system is not intended to be an inventory control system which can guard against equipment loss.

The municipality has a formalized accounting system based upon generally accepted accounting principals. The responsibility for the accounting function rests with an individual who has had training in accounting procedures and processes, and who understands generally accepted accounting principals.

The Borough has an automated accounting system. The software is fully up-to-date.

Regular monthly reports of actual revenues and expenditures, as compared to budgeted amounts, are prepared and presented to the governing body each month, with appropriate commentary from the preparer.

Financial reports are prepared each month and they are reviewed by the Council's finance committee and by Council.

An internal control system exists and provides for both administrative and accounting controls.

To the extent possible given the small staff in the administration, duties related to financial transactions are separated.

The local governing body has, by formal action, adopted policies and procedures governing the establishment and use of petty cash accounts within the general, or other appropriate funds.

The Borough's administrative procedures have not been reviewed recently.

The annual audit is conducted by an independent, professional auditor or accounting firm in accordance with generally accepted governmental auditing standards.

An accounting firm, Maher Duessel, conducts an annual audit for the Borough.

The most recent annual fiscal report contains an independent auditor's unqualified opinion ("clean opinion").

The most recent audit, the 2005 audit, finds that the financial statements present fairly the Borough's financial position in conformity with an accrual basis of accounting. The audit did point out that the outside tax and fee collectors do not provide the Borough with the information needed to verify if the tax and fee revenue is accurate and timely.

An exit conference between the auditor and local officials takes place at the conclusion of the audit.

The audit is reviewed by the Council's finance committee. The auditor presents the results of that audit at a public meeting.

The municipality has a cash management plan which projects and displays both expected revenues and distributions on a monthly, weekly or daily basis as appropriate.

The Borough does not have a formal cash management plan which projects future cash requirements.

All revenues are combined to investment purposes and an audit trail is maintained for each revenue source.

Revenues are combined to the extent allowed by law and audit trails are maintained.

Investment responsibilities are vested in a single individual within local government.

The Borough's most recent audit has determined that the deposit and investment policy of the Borough adheres to state statutes and prudent business practices.

Significant Issues, Challenges and Problems

The Administration is faced with the challenges that face the elected officials. It is the responsibility of the Manager and his staff to prepare recommendations for Council to assist in meeting these challenges.

The Administration is also faced with a number of internal challenges. These include:

- Satisfying the need for the proper separation of financial duties
- The development of up-dated administrative policies
- Maintaining cross-training for employees
- Securing adequate information from the outside tax and fee collectors
- The ongoing management of the Borough's information system which could include new computers, automated time-keeping system and other improvements
- The continued implementation of a risk management system
- The development and implementation of a monthly schedule that will make it possible for Council to approve the warrants before the bills are paid
- The development and implementation of an inventory control system
- The development of a cash management system

Recommendations

- ❑ The Manager should prepare and present to Council a multi-year financial and capital improvement plan as part of the annual budget process.**
- ❑ The Manager should prepare and present to Council updated administrative policies, procedures and ordinances.**
- ❑ The Manager and staff should review and implement the Auditor's recommendations, particularly those related to the outside tax and fee collectors.**
- ❑ The Manager and staff should review the accounts payable procedures and develop a schedule that will make it possible for the Council to approve payments before they are made.**
- ❑ The Manager and staff should develop a cash management system.**
- ❑ The Manager and staff should continue with the implementation of a risk management system and an inventory control system.**

Tax Collection

Mission, Goals and Objectives

The local tax collector is the municipal officer designated to collect municipal and school real estate and personal taxes levied under the municipal codes. In boroughs, the office is designated as tax collector.

Municipal tax collectors collect school taxes levied under the authority of the Public School Code, including school real estate taxes. There is no authority for a school district to collect these taxes through its own employees; so this function has to be assigned to the municipal tax collectors.

The Local Tax Enabling Act (*Act 511 of 1965*) authorizes municipalities and school districts to provide their own arrangements for collecting taxes levied under the Act. The authorization in Act 511 supersedes any statement in the municipal codes designating the tax collector/treasurer as the sole collector of taxes. School districts and municipalities with powers to levy taxes under the Local Tax Enabling Act have discretion to appoint the elected tax collector to collect some or all of their Act 511 taxes. When so appointed, the tax collector must collect these taxes.

In most local units, the elected tax collector is not designated collector for all Act 511 taxes. Act 511 per capita and occupation taxes are most often collected by the elected tax collector since these are billed and collected once a year, usually with the jurisdiction's real estate and code per capita and occupation taxes. Earned income taxes are usually collected by specialized bureaus or private collection agencies. Mercantile, business privilege and amusement taxes are often collected by municipal licensing agencies. (Governor's Center for Local Government Services, *Tax Collector's Manual*)

In Dormont Borough, the elected Tax Collector collects the real estate tax. The earned income, and emergency and municipal services taxes are collected by Central Tax Bureau of Pennsylvania. Central Tax Bureau also collects for the Keystone Oaks School District. The County Tax Collector also collects the county real estate taxes.

In Allegheny County, the responsibility for paying the earned income tax is shared between the taxpayer and the taxpayer's employer. If the taxpayer works in the municipality where he or she lives, the tax is collected by the employer and remitted to the municipality. If the taxpayer works elsewhere, the taxpayer is responsible for paying the tax on a quarterly basis to the municipality where he or she lives. Most municipalities also require an annual return, due in April of the following year, to verify that the taxes have been paid. This means that Dormont businesses must collect and remit the earned income tax for Dormont residents

to the Borough. Employers, as a courtesy to employees may collect and remit the earned income taxes for employees who are residents of other municipalities. The exception to this is the City of Pittsburgh. Due to a provision in the School Code, all employers of City residents, regardless of where they are located, are required to withhold and remit the school district portion of the earned income tax for all City residents. Employers usually collect and remit the City portion as well. This means that Dormont businesses must collect and remit the earned income tax to the City of Pittsburgh for City residents.

Because of the potential for confusion in a fragmented collection system, it is essential that municipalities keep careful track of tax collections. The Department of Community and Economic Development has estimated that over \$100,000,000 is lost annually. (Testimony of Deputy Secretary Ken Klothen before the House Finance Committee)

Real Estate Taxes

The Borough taxes approximately 3,175 properties. Allegheny County prepares certified assessments for each property and provides each real estate tax collector with an electronic copy of the tax duplicates at the beginning of the year.

At one time, the County provided printed copies as well. In Dormont, the elected Tax Collector has Central Tax Bureau print the bills and deliver them to the Borough building. Jordan Tax Services prints the school district bills. The two Clerk Receptionists put the bills in envelopes and mail them out. They are sent to either the property owner or to an agent, usually a mortgage company. About 40 percent are sent to mortgage companies. They are sent paper bills; they are not billed electronically. About 100 bills are returned by the Post Office because the address is wrong. This is usually due to a change in ownership or the transfer of a mortgage from one company to another. The Tax Collector makes any corrections that are needed

The bills, with payments, are returned to the Tax Collector. About 90 percent are returned in the mail. The remaining ten percent are paid in person. About ten property owners pay with cash. The payments are recorded and the checks and cash deposited into the Borough and School District accounts. During the peak time, the payments are deposited on a daily basis. The Tax Collector reconciles his own records with the bank statements. The Tax Collector prepares monthly reports for the Finance Officer and Council and the final annual report to close out the duplicate. The monthly reports are prepared on a computer.

The Tax Collector maintains a paper record-keeping system. This system has been identified as a potential problem by the Borough's outside auditor because of the inherent difficulties with extracting information from a paper system. The Tax Collector does not use lock box arrangements with a bank. Because the Tax Collector receives a salary for his services, the use of a computerized property

tax system and bank lock boxes could reduce the Tax Collector's workload, but it would not reduce the Borough's tax collection costs.

In December, the Tax Collector sends a reminder to owners who have not paid the tax. Any property taxes that are not paid by the end of the year are turned over to a delinquent collector in January. Central Tax Bureau gets the Borough delinquent taxes and Jordan Tax Service gets the School District delinquent taxes. When the Tax Collector is asked to prepare a tax certification (no lien) letter for a property owner, he has to verify any delinquent tax payments with Central Tax Bureau and Jordan Tax Services. In some cases, this has been difficult to do.

Earned Income and Emergency and Municipal Services Taxes

Central Tax Bureau collects the earned income tax, and the emergency and municipal services tax for the Borough. The contract with the collection agency is managed by the Borough Manager. Unfortunately, Central Tax Bureau has not provided the Borough with the information needed to determine if the tax revenues are accurate and timely. This has been identified as a problem by the Borough's outside auditor. The Manager has been meeting with the collection agency to resolve this issue.

The Borough has a tenant registration program. Each year, landlords are reminded to register their tenants as of the beginning of the year. One of the Clerk Receptionists maintains the tenant file. It is updated during the course of the year. The file is used to identify potential earned income taxpayers. The information is also used by the Police Department and Code Enforcement.

Information Technology

The only part of the property tax collection process that has been computerized is the printing of the bills and the preparation of monthly reports for the Finance Officer and Council. The actual record-keeping is on paper.

Staffing

The Tax Collector is a part-time salaried Borough official. The salary from the Borough is \$6,000 a year. He is also paid on a per-bill basis by the School District and with a portion of any penalty on School District bills that are paid in the penalty phase. He also prepares about 70 to 80 real estate tax certification (no lien) letters a year. He receives \$30 per letter. (No lien letters for other municipal fees are prepared by one of the Clerk Receptionists for the Manager.) During the tax season, The Tax Collector is assisted by the two Clerk Receptionists with mailings. The Borough and the School District are responsible for materials, supplies and postage.

Demand for Services

The demand for services has remained relatively constant over the years. Within the year, the workload varies. The use of tax collection software and lock box arrangements with the bank could reduce the workload. The Tax Collector already uses the two tax services to print the tax bills. The use of a mailing service to stuff and mail envelopes could further reduce the workload.

Budget and Financial Observations

Current property tax collections have increased at an average rate of 4.3 percent per year between 2002 and 2006. These increases have come primarily from increases in the real estate millage, not increases in taxable property values. The have steadily increased from \$2,942,158 in 2002 to \$3,446,796 in 2006

The delinquent collections have increased over the same period by about 8.7 percent per year. However, they have varied from year-to-year from a low of \$137,583 in 2002 to \$193,663 in 2004.

Tax Collection Costs 2002 - 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Tax Collector's Salary	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	-	0.0%
Comm. Liened Tax Collection	9,584	5,309	5,635	5,495	6,044	5,200	(3,540)	-9.2%
Commission OPT	136	148	128	1,163	1,356	1,173	1,220	224.3%
Commission EIT	12,429	10,436	11,622	11,827	11,359	12,000	(1,070)	-2.2%
R.E. Tax Forms/Warrants	630	-	-	-	-	-	(630)	-
Operating Costs/Supplies	9,058	4,275	1,532	20,267	3,733	4,000	(5,325)	-14.7%
EIT Audit	-	-	-	-	-	-	-	-
Fidelity Bond	2,715	-	-	-	2,447	-	(268)	-2.5%
Statistical Service	-	-	-	-	-	-	-	-
Total Tax Collection	\$40,551	\$26,167	\$24,917	\$44,752	\$30,939	\$28,373	(\$9,613)	-5.9%

The Tax Collector is paid on a salaried basis. The salary and the operating supplies for the collector are reasonable. The outside collectors are paid by commission. The tax collections costs have decreased from \$40,551 in 2002 to \$30,939 in 2006. Part of the decrease has been in materials and supplies. The commission on the occupation privilege/emergency and municipal services tax went up as collections increased due to the rate increase.

The earned income tax revenues have been fairly constant from 2002 through 2006 varying from \$648,546 in 2002 to \$639,061 in 2006. The replacement of the occupation privilege tax by the new emergency and municipal services tax has increased these collections from \$5,922 in 2002 to \$77,486 in 2006.

Tax collection costs have decreased from \$40,551 in 2002 to \$30,939 in 2006.

The decrease has come in the cost of materials and supplies. The commission on the occupation privilege/emergency and municipal services tax has increased due to the rate increase.

Departmental Accomplishments

The current collection rate has remained over 90 percent. The shortfall is made up of discounts for taxpayers paying on time, appeals and delinquencies.

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*. The manual includes standards for revenue collection management.

During peak revenue flows, moneys are deposited on the day of the receipt by the responsible collector. In other periods, revenues are to be deposited at least weekly.

The Tax Collector meets this standard. Deposits are made on a daily basis during peak times.

There are established procedures, which attempt to ensure that all businesses and individuals liable for the payment of Act 511 taxes are on the tax rolls.

The 511 taxes are collected by Central Tax Bureau. The collector has not provided the Borough with the information needed to verify that the collections are accurate and timely. This has been identified by the Borough's outside auditor as a problem

Real estate tax rolls are audited annually to ensure accuracy and completeness.

The Tax Collector makes the corrections that are necessary to make sure that the property tax bills are delivered properly. The Borough and the School District have been relatively aggressive in monitoring appeal activity and representing the Borough and the School District at hearings.

The municipality has established an annual verification program to selectively audit Act 511 tax returns.

The 511 taxes are collected by Central Tax Bureau. The collector has not provided the Borough with the information needed to verify that the collections are accurate and timely. This has been identified by the Borough's outside auditor as a problem.

Interest and penalty charges on taxes and fees comply with the law, or are adequate to encourage prompt payment.

They do the following above.

The municipality periodically analyzes tax delinquencies and has a program in place which aggressively attempts to collect these delinquent taxes.

Delinquent property taxes are routinely notified that they are delinquent at the end of the year. If they remain delinquent after January 15 of the following year, the matter is turned over to outside collection agencies, Central Tax Bureau for the Borough delinquent taxes and Jordan Tax Service for the School District delinquent real estate tax services. Central Tax Bureau is also responsible for the Borough's delinquent 511 taxes. The collector does not provide the Borough with the information needed to verify that the collections are accurate and timely. This has been identified by the Borough's outside auditor as a problem.

Where fees and service charges have been established, they are adequate to recoup all direct and indirect costs for these services.

The Borough has a comprehensive fee schedule. The fees are intended to recover costs.

Significant Issues, Challenges and Problems

For both the Elected Tax Collector with the current property taxes and the Borough management with the current 511 taxes and all delinquent taxes, the challenge is to get all of the taxes that are due the Borough in a timely fashion. Because the Elected Tax Collector maintains paper records and because the outside collector is not forthcoming with detailed information on tax collections, it is difficult for the Borough to easily ascertain what it is owed. This is a chronic problem, not only for Dormont, but for many municipalities and school districts in Pennsylvania.

Recommendations

- The Borough should consider using real estate tax-collection software and lock box arrangements for real estate tax collection.**
- The Borough should insist on receiving detailed information from the outside tax collector so that the Borough can verify if the tax receipts are accurate and timely.**
- The Borough should insist on selective audits of the employers in the Borough to determine if withholding is correct.**

Public Works

Mission, Goals and Objectives

In Pennsylvania, boroughs are required to maintain roads and bridges to keep them free of obstructions. As a practical matter, if a borough has traffic lights, street signs, sewers, parks and public buildings, the borough assumes responsibility for their repair and maintenance, as well.

During the winter months, the public works department is responsible for snow removal. The department prepares two five ton dump trucks for plowing each year. The department can also put out three smaller trucks if there is a need. Snow is also removed from the commercial areas. The department relies on outside contractors for some of the snow removal.

During the same months, the department repairs equipment, makes signs, does interior work in the Borough's buildings and performs similar tasks. In the spring, the department cleans up after winter. This includes cleaning major debris off of streets in preparation for street sweeping and cleaning out catch basins. The vacuor is provided by SHACOG. There have been problems with the disposal of vacuor waste. This has limited catch basin cleaning.

During the spring and summer, the department is responsible for maintaining the street. This involves minor street and curb repair as well as street sweeping. The street sweeping begins in April and extends into October. The department can also make minor repairs to the storm water system. The Borough relies on contractors to for major repairs. Park maintenance is handled by the parks department.

A major fall undertaking for the department is leaf pickup. Leaf pickup takes about six weeks and ends when the trucks are prepared for plowing. The leaves are taken to an Allied Waste compost site outside of the Borough. The Borough also rents a bucket truck to trim Borough-owned trees. The tree trimming is usually done in October.

In preparation for the holiday season, the department puts up seasonal flags. The Borough does not have a holiday lights program. Holiday lighting programs can be time-consuming and are best undertaken by volunteer or business groups.

Throughout the year, the department is responsible for street signs. This work is done primarily in the winter. The Borough makes its own signs.

Each year, the department undertakes special projects on a time-available basis. In 2007, the department is talking repairs at the public works building. There has been a chronic problem with a leaking roof.

Most of the major street maintenance and repair is contracted out. Solid waste disposal is contracted out. The Borough also contracts out maintenance on the street and traffic lights.

Staffing

The department has seven full-time employees, including the Working Foreman and the Assistant Working Foreman. The employees are all classified as laborers so that they can be assigned to any task. Some, however, have specialized skills that the department relies on. In the past, the department was larger with eight full-time employees and some part-time employees. All of the staff has been with the Borough at least five years and the working foreman and the assistant working foreman over 25 years.

Department Staffing 2001-2006

	2007	2006	2005	2004	2003	2002	2001
Full time	7	7	7	8	8	8	8
Part time					1	1	3

Equipment

The department has the equipment it needs to accomplish most tasks. During snow, it can put out three five-ton dump trucks and up to three smaller trucks to plow street and alleys. The trucks can be equipped for leaf pickup. The department also has a backhoe, a front loader that is used primarily for loading salt, the use of the SHACOG sewer vector, and a street sweeper that is shared with Green Tree.

Most of the equipment is old. For example, the two five-ton dump trucks are 1988 and 1995 models. The newest piece of equipment is the 2006 street sweeper. The department does most of the equipment maintenance.

Demand for Services

The demand for services fluctuates during the course of the year. For most public works departments, the major work demands are from plowing and summer parks maintenance. The workload from plowing is usually handled with overtime. During the summer months, the parks maintenance is performed by the parks department with seasonal employees.

Budget and Financial Observations

The public works expenditures are allocated among a number of functions. Before 2004, the Borough budgeted a number of public works components separately. These include street lighting, signs and some winter maintenance.

In 2004, they were all consolidated under public works. In 2005 and the following years, street lighting was broken out separately.

The total expenses for the department within the general fund between 2002 and 2006 decreased from \$514,637 to \$449,359. They are budgeted at \$522,147 for 2007. If expenditures from the liquid fuels fund are added, expenditures also decreased from 2002 to 2006 from \$602,881 to \$561,325. The total expenditures are budgeted to increase to \$673,147 in 2007. The increases are in wages and in the cost of road salt.

General Fund Public Works Expenditures 2002 – Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	\$274,877	\$304,849	\$324,296	\$256,193	\$279,610	\$311,272	\$4,733	0.4%
Longevity	4,650	4,975		4,600	5,550	5,875	900	4.8%
Overtime	19,136	32,264	17,061	19,026	10,781	35,300	(8,355)	-10.9%
Summer Labor	1,188	2,616		-	-	12,800	(1,188)	
Uniforms	4,345	4,071	4,748	5,242	5,001	4,800	656	3.8%
Vehicle Fuel	5,766	7,811	9,359	9,270	10,962	11,000	5,196	22.5%
General Supplies	5,003	5,125	6,407	6,097	6,850	7,000	1,847	9.2%
Public Works Supplies	49			-			(49)	
Small Tools and Minor Equipment	572	1,694	1,542	1,416	1,570	2,000	998	43.7%
Medical Services	-	-		138	-		-	
Telephone	365	415	837	812	2,298	2,500	1,933	132.5%
Radio Equipment Maintenance	744	744	812	806	947	800	203	6.8%
Utility Expenses	3,997	5,389	5,137	15,117	7,732	9,000	3,735	23.4%
Natural Gas Service					7,088	6,500	7,088	
Water/Sewage Service					960	800	960	
Garage - Repair/Maintenance	594	2,565	2,530	2,192	2,180	3,500	1,587	66.8%
Vehicle - Maintenance/Repair	10,351	21,723	18,139	15,675	18,767	20,000	8,416	20.3%
Lease Payments					21,053	22,000	21,053	
Road Salt			21,668	-			-	
Signs, Paint and Supplies			3,589	3,976	(87)			
Street Lighting			82,941	89,516				
Telephone Modem Traffic Sign			259	76				
Electric Traffic Signals			12,523	11,675				
Snow Removal	-			-				
Misc. Repairs - Traffic Signals			5,706	7,408				
Highway Maintenance			11,970	10,815	12,450	17,000	12,450	
Capital Purchases - Lease	12,247	3,264		(769)				
Capital Purchases - Major	811			20,261				
Total Highway Maintenance	\$344,695	\$397,506	\$529,524	\$479,543	\$393,710	\$472,147	\$49,015	3.6%

General Fund Public Works Expenditures 2002 – Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Road Salt	\$31,718	\$9,614						
Total Winter Maintenance	\$31,718	\$9,614						
Signs, Paint and Supplies	\$4,753	\$7,488						
Total Signs, Paint and Supplies	\$4,753	\$7,488						
Street Lighting	\$106,537	\$88,224		\$11	\$55,649	\$50,000	(\$50,887)	-11.9%
Misc. Repairs - Street Lighting	833	960	-					
Total Street Lighting	\$107,369	\$89,184		\$11	\$55,649	\$50,000	(\$51,720)	-12.0%
Telephone Modem Traffic Sign	\$294	\$148						
Electric Traffic Signals	12,151	10,187	-					
Misc. Repairs - Traffic Signals	6,770	9,099	-					
Total Traffic Signals	\$19,215	\$19,433						
Maintenance Supplies	\$6,287	\$9,298						
Street Rejuvenation	-	41,137	-					
Total Highway Maintenance	\$6,287	\$50,435						
Total General Fund Public Works	\$514,037	\$573,660	\$529,524	\$479,554	\$449,359	\$522,147	(\$64,678)	-3.1%

Liquid Fuels Fund Public Works Expenditures 2002 – Budget 2007

Liquid Fuels Fund	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Cleaning of Streets and Gutters								
Street Sweeper Lease Payment					\$36,075	\$32,000		
Total Cleaning of Streets and Gutters					\$36,075	\$32,000		
Winter Maintenance- Snow Removal								
Road Salt			\$21,668		\$21,440	\$52,000		
Total Winter Maintenance-Snow Removal			\$21,668		\$21,440	\$52,000		
Traffic Control Devices								
Signs and Paint		-	\$3,589	\$3,976		\$6,000		
Phone Modem Traffic Signal		-	-	-		\$500		
Electric Traffic Signals		-	12,523	11,675		13,000		
Repairs Traffic Signals		-		7,408		8,000		
Total Traffic Control Devices			\$21,817	\$23,059	\$25,349	\$27,500		
Street Lighting								
Electricity		-			\$29,102	\$39,500		
Total Street Lighting					\$29,102	\$39,500		
Total Liquid Fuel Fund Expenditures	\$88,844	\$166,159	\$43,485	\$23,059	\$111,966	\$151,000	\$23,122	6.5%
Total General Fund and Liquid Fuels	\$602,881	\$739,819	\$573,008	\$502,613	\$561,325	\$673,147	(\$41,556)	-1.7%

Departmental Accomplishments

The department has been able to keep up without increases in expenditures.

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*. The manual includes standards for public works management.

The responsibility for the public works function is placed with an individual trained and experienced in the major areas of public works and in management.

The current foreman has over 25 years with the department.

Training is provided for all public works personnel on a regular basis.

Limited training is provided. It is not budgeted separately.

There is a periodic plan covering public works operations and a system for monitoring plan goals and objectives.

The department has an established annual cycle of activities. These are not all documented in a written plan. The monthly street sweeping schedule is posted on the Borough's Website.

There is a system governing the maintenance and replacement of the municipality's public works equipment.

The Borough does not have a formal capital budget for equipment replacement. The department provides regular maintenance for its equipment.

For all public works projects, in progress and completed, there is a system in place which provides for monitoring all projects by appropriate management personnel.

Major projects are contracted out and monitored by the Borough engineer. Those smaller projects done in-house are monitored by the foreman.

There are regular progress reports on public works projects provided to the secretary and elected officials.

The Manager provides regular updates on public works projects in his weekly report.

Municipal facilities are maintained in accordance with policies and procedures designed to preserve these assets and to reduce injury and liability claims.

The department has a regular annual cycle of activities undertaken to maintain the Borough's streets and facilities. Only portions of the cycle of activities are in a written plan.

Surfaces of all municipal streets are well maintained through a systematic and planned approach to maintenance, restoration and resurfacing. There is a plan governing which streets will be resurfaced or restored and when. The plan is based on a needs analysis.

The Borough regularly invests in street paving. Alleys are not paved on a regular basis.

State standards and mandates governing procedures and materials for street repair and resurfacing are adhered to.

The repaving and resurfacing is managed by the engineering firm following accepted standards.

Streets, berms, catch basins and storm sewers associated with municipal streets are cleaned on a regular programmatic basis. Catch basins and storm sewers are maintained in accordance with an adopted work schedule.

Problems with the disposal of vector waste have limited catch basin cleaning. Streets are cleaned on a regular basis. The street sweeping schedule is posted on the Borough's Website and on street signs.

All streets are signed. Street signs are aesthetically pleasing, well maintained, and located for maximum visibility. In accordance with traffic studies, all municipal regulatory signs are installed, well maintained, and are supported by appropriate ordinances

The department maintains the street and traffic signs. The department makes the signs.

Planning street maintenance for winter months includes three major program components:

- 1. Snow and ice control equipment is readied in advance of the start of the snow season;*
- 2. A current snow and ice control plan exists. It includes procedures for crew call-out, route coverage and priorities,*

salt/cinder stockpiles and access to additional recourses in emergencies; and
3. *A preseason snow and ice training program for all public works personnel.*

The department's winter maintenance program includes these components. The department prepares trucks and other equipment for plowing in the fall. The department has a well established routine for plowing. This is not documented in writing.

The municipal shade tree program is based on a comprehensive plan which has been developed from an analysis of the existing municipal "tree environment" and which has identified needs, fixed priorities and proposed means to finance the program.

The Borough budgets for tree trimming. For 2007, the budget is \$4,800. The Council's public service committee is responsible for tree planting and trimming.

Significant Issues, Challenges and Problems

The current working foreman is considering retirement. The Borough will have to fill this position.

The Borough needs a written preventive maintenance program. A good program makes it easier to develop long-term work schedules by reducing the need to respond to emergencies. Part of this is already in place in the annual cycle of activities such as catch basin cleaning, tree trimming, and street sweeping. The department, as with most public works departments, has some equipment that should be replaced. Some of the equipment is over 15 years old. The Borough has not been replacing individual pieces of equipment on a regular basis.

The Borough does invest in street paving on a regular basis. Alleys have not been repaired and repaved on a regular basis. The Borough has considered a number of alternatives to address this problem including buying and operating a paver and adding the alleys to regular paving contracts.

Recommendations

☐ The Borough should reevaluate the organization of the public works department upon the retirement of the current working foreman.

The reevaluation should consider maintaining the present organizational structure, creating the position of a public works director to oversee both streets and parks maintenance, and other alternatives.

❑ The Borough should develop a long-range plan for the department. The plan should include a paving program.

❑ The Borough should develop a long-range capital plan and budget that includes equipment replacement for the streets department, as well as for other departments.

The long-range plan and budget should be based on an appraisal of the Borough's equipment and Borough-owned infrastructure. The Borough Engineer should be involved in the development of the paving program and major projects

❑ The department should develop a written plan that covers the annual cycle of activities, as well as a preventive maintenance program.

The planning does not need to be elaborate. It can be based on the activity reports that the department provides to Council. The plan should provide a monthly checklist of activities for the department and provide the Council with performance standards for the department.

❑ The department should send out equipment maintenance work when it is cheaper than doing it in-house.

The Department of Community and Economic Development (DCED) recommends that municipalities with smaller vehicle fleets (fewer than 25 vehicles) consider contracting out vehicle maintenance. (Governor's Center for Local Government Services, *Public Works Manual*) The department does send out most maintenance work.

The DCED also recommends that one person in the department should have the responsibility of overseeing maintenance whether it is done with department staff or contracted out. The department has designated one employee to keep a repair log on vehicles.

❑ The department should be included in any Borough-wide computer upgrade program.

Parks

Mission, Goals and Objectives

In Pennsylvania, many municipalities have parks and recreation areas for residents and visitors. The responsibility for maintaining these facilities is usually given to the public works department but, as is the case in Dormont, there can be a separate department that is responsible for parks maintenance.

The Borough has two parks. Dormont Park is 23.5 acres with a ball field, creative play area, picnic pavilions, tennis courts, street hockey court, basketball court, horseshoe courts and walking trail. Beggs Snyder Park is 5.2 acres with a ball field, pavilion, new playground equipment, soccer fields, and passive park areas. The pavilions are rented out to Dormont residents for weddings and other events. Dormont has a large pool in Dormont Park.

The department is also responsible for maintaining these facilities as well as for landscaping on other Borough property.

The major task is the operation of the pool. It takes about two months to get it ready for the summer. This involves cleaning and painting the pool and maintenance of the pool operating equipment. The public works department provides staff to assist in the preparations. The superintendent has the necessary licenses to operate the equipment at the pool. The slide is inspected by the insurance company. Once the pool is open, it takes about two hours a day for cleaning and maintenance.

There is a pool manager and life guards for the pool program. They are part of the recreation program.

Staffing

The department has one full-time employee, the Parks Superintendent, and seasonal employees during the summer. The Parks Superintendent has been with the Borough for 17 years. He has been responsible for parks maintenance for the last four years.

Department Staffing 2001-2006

	2007	2006	2005	2004	2003	2002	2001
Full-time	1	1	1	1	1	1	1
Seasonal	4	4	8	6	6	7	6

Equipment

The department has a 2000 Ford 150 truck for mowing equipment. The lawn mowers and other equipment are all relatively new and replaced on a regular basis. The Superintendent would like a Gator to move equipment within the parks.

Demand for Services

The demand for services fluctuates during the course of the year. For most public works departments, the major work demands are from plowing and summer parks maintenance. The workload from plowing is usually handled with overtime. During the summer months, the parks maintenance is performed by the parks department with seasonal employees.

Budget and Financial Observations

Spending on parks maintenance decreased between 2002 and 2006 from \$131,138 to \$116,897. It is budgeted to increase to \$151,585 in 2007. The major increase is in summer labor, going from \$19,416 in 2006 to a budgeted \$31,280 in 2007.

Parks Department Expenditures 2002 – Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	\$40,931	\$50,554	\$34,727	\$42,284	\$39,395	\$45,760	(\$1,536)	-0.9%
Longevity	500	500	500	625	775	775	275	13.8%
Overtime	16,267	14,998	21,027	20,195	10,882	10,000	(5,385)	-8.3%
Summer Labor	14,028	14,364	12,246	16,092	19,416	31,280	5,387	9.6%
General Supplies	1,367	2,354	3,510	2,550	1,281	3,000	(86)	-1.6%
Parks/Playground Supplies	3,393	3,658	2,592	2,482	476	3,000	(2,917)	-21.5%
Telephone	1,262	909	1,908	930	684	1,250	(578)	-11.5%
Utility Expenses	12,936	25,092	36,582	28,222	5,476	7,000	(7,460)	
Natural Gas Service					5,203	7,000	5,203	
Water/Sewage Service					8,332	10,000	8,332	
Park Outdoor Electricity					1,736	1,500	1,736	
Maintenance/Repairs	4,997	8,245	4,816	12,321	10,030	12,000	5,033	25.2%
Trail Projects - Grant	5,702	139		-	-		(5,702)	
Trails Construction	19,117			-	-		(19,117)	
Capital Purchase - Major	10,639	2,053		-	-	15,000	(10,639)	
Capital Purchase - Minor	-			21,444	13,212	4,000	13,212	
Architects - Trails	-	336		-	-		-	
Total Parks and Playgrounds	\$131,138	\$123,203	\$117,908	\$147,143	\$116,897	\$151,565	(\$14,242)	-2.7%

Departmental Accomplishments

The department's major accomplishment has been getting caught up on maintenance over the last few years. The department has also taken responsibility for landscaping around the Borough building.

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*. The manual includes standards for both public works and parks maintenance.

The responsibility for the parks management function is placed with an individual trained and experienced in the major areas of public works and in management.

The current superintendent has 17 years with the Borough and over three years in the department.

Training is provided for all parks maintenance personnel on a regular basis.

The superintendent takes advantage of training opportunities.

There is a periodic plan covering public works operations and a system for monitoring plan goals and objectives.

The department has an established annual cycle of activities. These are not all documented in a written plan.

There is a system governing the maintenance and replacement of the municipality's public works equipment.

The Borough does not have a formal capital budget for equipment replacement. The department has been able to replace equipment on a regular basis.

For all public works projects, in progress and completed, there is a system in place which provides for monitoring all projects by appropriate management personnel.

The projects done in-house are monitored by the superintendent.

There are regular progress reports on public works projects provided to the secretary and elected officials.

The Manager provides regular updates on parks projects in his weekly report.

Municipal facilities are maintained in accordance with policies and procedures designed to preserve these assets and to reduce injury and liability claims.

The department has a regular annual cycle of activities undertaken to maintain the parks. Only portions of the cycle of activities are in a written plan.

All recreational facilities and parks under the jurisdiction of the municipality are inspected regularly, and maintained in good, workable condition.

The park facilities are inspected regularly as part of maintenance.

Litter barrels and rubbish containers are provided in and around all parks and recreation facilities, and rubbish and litter are picked up on a regular basis.

Toilet facilities are regularly cleaned and disinfected.

Grass at the parks and other facilities is cut at least once a week during the growing season.

These functions are part of the department's routine maintenance.

Rules regarding conduct and use of equipment are posted where appropriate and are enforced.

Crime and vandalism policies have been developed and implemented, and there are routine police patrols of parks and other facilities, and analysis of reports and statistics on crime and vandalism.

All parks and recreation personnel, whether part-time, full-time or volunteer, are provided with routine supervision.

The superintendent provides supervision and training for the seasonal staff.

All personnel responsible for the management and operation of the parks and recreation program are provided with the opportunity for training appropriate to their responsibilities.

The superintendent takes advantage of training programs.

Significant Issues, Challenges and Problems

The significant issue that faces the department is managing parks maintenance during construction at the pool and operating the pool following construction.

Recommendations

The Borough should develop a long-range capital plan and budget for the department.

The department should develop a written plan that covers the annual cycle of activities, as well as a preventive maintenance program.

The planning does not need to be elaborate. It can be based on the activity reports that the department provides to Council. The plan should provide a monthly checklist of activities for the department and provide the Council with performance standards for the department.

The department should be included in any Borough-wide computer upgrade program.

Recreation

Mission, Goals and Objectives

In Pennsylvania, many municipalities have parks and recreation areas for residents and visitors. Dormont has an active, year-round recreation program. The program includes a summer camp for about 25 children and an after-school program for about 10 children. Both of these programs were larger until they were classified as day-care programs and the staffing requirements were increased. Events include the Halloween parade, the Easter egg hunt, senior fest, light up night, movies in the park, and cookies with Santa. This year, the department has added a street fair in conjunction with the Main Street Program.

The Borough also has two parks and a pool, as well as a number of facilities that can be rented by residents.

The department works with a number of organizations to provide programs in the Borough. These include the Allegheny County summer food program, South Arts and Kennywood.

Staffing

The Borough has a Recreation Board that serves in an advisory capacity to determine the recreation needs of the Borough residents. The Board coordinates the use of Borough facilities and develops future recreation programs.

The department has one full-time employee, the Recreation Director, and five seasonal employees during the summer. The director has a degree in parks and recreation and has been with the Borough for three years.

Department Staffing 2001-2006

	2007	2006	2005	2004	2003	2002	2001
Full-time	1	1	1	1	1	1	1
Seasonal	5	7	18	26	18	11	14

Demand for Services

The department's program has been growing with the addition of the street fair this year.

Budget and Financial Observations

Spending on the recreation program has fluctuated from a high of \$110,086 in 2004 to a low of \$58,109 in 2006. Spending is budgeted at \$84,782 for 2007.

The major changes have been in salaries reflecting the changes in staffing levels and in contract service fees.

Recreation Expenditures 2002 – Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	\$56,218	\$79,480	\$94,472	\$82,038	\$47,765	\$63,932	(\$8,453)	-3.8%
General Supplies	1,033	725		43	20	100	(1,013)	-24.5%
Recreation Supplies	2,037	3,718	4,579	4,500	3,612	4,500	1,575	19.3%
Day Camp Supplies	-	1,579		-	2,147	2,700	2,147	
After School Supplies				-	431	2,700	431	
Preschool Program Supplies				-	444		444	
Sunday Matinee							-	
Services/Fees	14,245	20,568	8,492	2,672	1,860	2,500	(12,385)	-21.7%
Camp AIM Donation	-			-			-	
Rec Board Supplies				-	85		85	
Community Affairs Supplies				-	-		-	
Telephone	2,974	1,311	1,584	485	94	100	(2,880)	-24.2%
Liability Insurance	-	559	636	-	965	1,000	965	
Repairs and Maintenance	-			-			-	
Idlewild Tickets	1,250		325	742	686	750	(564)	-11.3%
Capital Purchases - Major	-			-		5,500	-	
Capital Purchases - Minor	-			-		1,000	-	
Total Recreation	\$77,756	\$107,938	\$110,086	\$90,480	\$58,109	\$84,782	(\$19,648)	-6.3%

Departmental Accomplishments

The department's major accomplishment this year has been in organizing the street fair in conjunction with the Borough's Main Street Program.

Performance

The Southwestern Pennsylvania Commission has developed a workbook for performance assessments, *Standards for Effective Local Government*. The manual includes standards for recreation management.

A wide range of recreational activities and parks, serving all age groups, is available to residents within a reasonable distance.

Dormont is known for its parks and pool as well as for its recreational programs.

An inventory of, and information about parks, playgrounds and other leisure time activities has been compiled and made generally available to all residents and households in the community.

The information is available on the Borough's Website.

The Borough periodically surveys residents to determine their satisfaction with the programs and activities, and solicits their views on how the service can be strengthened. The survey also gathers information on frequency of use of facilities and programs.

The Borough has surveyed residents on programs and activities in the past. There has not been a recent survey.

All parks and recreation personnel, whether part-time, full-time or volunteer, are provided with routine supervision.

The Director provides supervision and training for the seasonal staff.

All personnel responsible for the management and operation of the parks and recreation program are provided with the opportunity for training appropriate to their responsibilities.

Training is available to staff. It is not budgeted separately.

Municipal officials receive regular reports on the status of parks and recreation programs and activities.

The Manager provides regular updates in his weekly report.

All members of the recreation board have a demonstrated interest and ability to fulfill the requirements and tasks designated to this body.

The Borough has a recreation commission that serves in an advisory capacity. The Borough Council has a recreation committee that is very active.

The governing body has required the board to prepare by-laws, approved by the governing body, which prescribe procedures to be followed by the board, and which set forth the full scope of responsibility of the board.

The Borough does not have up-to-date policies and procedures concerning the operation of the recreation commission.

Significant Issues, Challenges and Problems

The significant issue that faces the department is managing a growing program that meets the needs of the Borough residents.

Recommendations

- The department should be included in any Borough-wide computer upgrade program.**

- The Borough should consider conducting a new resident survey concerning their recreation needs.**

Pool

The current Dormont Pool was opened in 1929 after years of planning and construction. The pool has a 60,000 square foot surface area making it one of the largest public pools in the state. The pool bathhouse includes the pump and filtration system, meeting rooms and changing areas.

The maintenance on the pool is performed by the Public Works and Parks Department. The primary responsibility for maintenance is with the Parks Department with assistance provided by Public Works in the spring.

Staffing

The pool is staffed on a seasonal basis.

Pool Staffing 2001-2006

	2006	2005	2004	2003	2002	2001
Part time	34	36	38	40	41	39

Demand for Services

The pool is open during the summer months. Attendance varies depending on the weather. In 2007, the pool was open for 93 days. The daily average attendance was 339. Total attendance was over 31,000.

Budget and Financial Observations

The budget for the pool includes staff salaries and direct expenses such as chemicals, electricity and water. The maintenance work on the pool is provided by the Public Works and Parks Department. These departments do not break out pool expenses separately. Only some of the maintenance costs are included in the pool budget. Capital costs are not included in the pool's budget. Direct expenditures have exceeded revenues for the period 2002 through 2007. In 2007, the pool was budgeted to have a deficit of \$47,000. Due to warm weather and higher than anticipated revenues, the pool has a deficit of only \$82,256 as of the end of August.

2007 Actual Revenues and Expenditures through August

Revenues	
Pool Passes	\$48,475
Daily Receipts	<u>98,904</u>
Total Revenues	\$147,379

Expenditures	
Salaries	\$83,813
Supplies	29,559
Utilities	31,735
Maintenance	10,278
Meetings and Conferences	<u>250</u>
Total Expenditures	\$155,635
Surplus (Deficit)	(\$8,256)

Pool Expenditures 2002 – Budget 2007

	2002	2003	2004	2005	2006	2007	2002-2006	Average Annual Percent Change
Salaries	\$93,488	\$80,559	\$82,627	\$71,776	\$65,115	\$85,000	(\$28,373)	-7.6%
Chemicals	20,917	20,673	19,701	33,195	16,735	25,000	(4,181)	-5.0%
Swimming Pool Supplies	4,488	5,228	2,352	8,684	3,743	5,000	(745)	-4.1%
Telephone	406			530	-	500	(406)	-25.0%
Utility Expenses	52,555	29,048	21,572	56,953	13,348	14,000	(39,207)	-18.7%
Natural Gas Service					5,680	5,000	5,680	
Water/Sewage Service					23,291	30,000	23,291	
Pool Maintenance/Repair	5,916	5,387	6,103	25,083	2,393	10,000	(3,523)	-14.9%
Filter System Maintenance/Re	2,037	7,680		-	-	-	(2,037)	
Meetings and Conferences	190			585	-	600	(190)	
Total Swimming Pool	\$179,997	\$148,574	\$132,354	\$196,806	\$130,305	\$175,100	(\$49,691)	-6.9%
Swimming Pool Passes	\$54,612	\$41,460	\$37,454	\$37,610	\$34,841	\$40,000	(\$19,771)	-9.1%
Swimming Pool Daily Receipt	107,237	69,635	64,841	92,253	82,886	85,000	(24,351)	-5.7%
Swimming Instructions	3,775	4,005	2,750	3,620	2,638	3,000	(1,137)	-7.5%
Aqua Aerobics	1,247	1,100	445	-	142	100	(1,105)	-22.2%
Concession Stand	4,500	1,200	2,525	1,000			(4,500)	
	\$171,371	\$117,399	\$108,015	\$134,483	\$120,507	\$128,100	(\$50,864)	
Surplus (Deficit)	(\$8,626)	(\$31,175)	(\$24,339)	(\$62,324)	(\$9,799)	(\$47,000)		

Swimming pools, if they are well maintained, can last for years without major capital repairs. Eventually, however, major capital investments are needed to keep them operational. Unfortunately, the Dormont Pool is at the point where major capital investments are needed. The Friends of the Pool has estimated that an investment of \$1,500,000 is needed. The Borough engineers have estimated that the repairs to the pool house will exceed \$715,825 depending on unidentified site conditions.

If the investment is \$1,500,000, the annual debt service could be \$116,000. (The debt service is based on \$150,000 in issuance costs in addition to the \$1,500,000 in proceeds, 5 percent annual interest, and a 25-year issue.) Based on 2007 attendance, the debt service would be about \$3.70 per attendance. Grants, donations and revenues from fund-raising events could lower this cost.

Departmental Accomplishments

The Borough, with assistance from the community, has been able to keep the pool open despite the maintenance problems.

Significant Issues, Challenges and Problems

The significant issue that faces the Borough is the capital investment that is needed in the pool.

Recommendations

- The Borough should consider any capital project carefully so that the pool can continue to meet the needs of the residents of the Borough.**
- The options could include retaining the existing pool program, mixed recreational and commercial uses, and even closing the pool.**
- The Borough should have a financial plan in place that includes the capital costs, the sources of funding, and the annual operating costs once the capital construction is complete.**
- In its planning for the pool, the Borough should consider all of the capital and operating costs associated with the pool, not just the direct operating costs, in the expense calculations.**
- The Borough should consider a fee structure that covers all of the costs, including the debt service costs, to avoid planning an undue burden on the taxpayers for the cost of operating the pool.**

Planning

Background and Demographics

Planning is intended to provide a demographic and physical description of Dormont Borough and, more importantly, to identify any planning issues and provide recommendations regarding them.

The population of Dormont in 2000 was 9,305, which was a 4.7% decline from 1990. The U.S. Census Bureau estimates the 2006 population at 8,564 or a 7.9% decline from 2000. This is consistent with impressionistic evidence of the number of “for sale” signs throughout the community and, secondarily, along the commercial streets.

A conversation with a realtor familiar with the area confirmed that the market in Dormont is weaker than some of its neighboring communities due to the relatively small size of houses and lots, the high percentage of rental units and the age of the stock. Relative to Allegheny County in 2000, the median age for Dormont residents is about 3 years younger, Dormont has a slightly higher percentage of high school graduates but a slightly lower percentage of persons with a bachelor’s degree or higher. Median household income at \$39,958 is about the same as the County and the percentage of families below the poverty level is substantially lower than the County. The median value of owner occupied houses is slightly lower at \$80,500. However, only about 58% of housing units in Dormont are owner occupied while for the County the figure is 67%.

In sum the portrait is slightly negative with respect to population loss and commercial vacancies but positive with respect to the condition of private structures and infrastructure such as parks, streets, schools and the municipal building. Clearly a well-maintained place is necessary to attract shoppers and future residents.

Staffing

Responsibility for planning-type issues is split between the Zoning Officer and the building code enforcement staff. Daniel Mator, who is now the interim Borough Manager, is also the Zoning Officer, a responsibility he held when he was the Assistant Borough Manager. The Building and Code Department consists of one and one-half persons headed by Pat Kelly with secretarial assistance provided from the clerical pool. The Planning Commission and Zoning Hearing Board meet once a month on an as-needed basis.

Demand for Service

As indicated in the following description of Dormont, primary service demand is for building inspection. Because of the lack of land for development, there is little demand for processing development applications and plan review.

According to a recent windshield survey, Dormont is a dense, mostly built out community of predominately single family, sound, modest housing stock that appears to be well maintained for the most part. The non-residential tax base of the Borough is based on retail sales situated along West Liberty and Potomac avenues.



Typical residential street.

In a conversation with the Building Inspector/Code Enforcement Officer, the impression of a well-maintained housing stock was affirmed. While this department reportedly keeps busy with complaints, they state that most are not of a serious nature.

Significant Issues, Challenges and Activities

Dormont Borough has no obvious, pressing community development planning issues. A general issue with land use implications is the relative lack of a non-residential tax base. The major opportunities are the potential development at Dormont Junction and the Potomac Station area currently being explored through the TRID process discussed below.

Based on a conversation with (at the time) the Assistant Manager and the 1995 comprehensive plan update there are three main issues perceived by the residents (or at least by a vocal group of them). In order of tractability they are:

- Lack of residential parking. As an older community, Dormont has alleys and garages. It is reported that many residents use the garages for storage, not for their vehicles. Thus, this is somewhat of a self-inflicted problem with an obvious solution. Otherwise, it does not appear to be an issue warranting a response from the municipality. A number of permit parking areas have been designated, which has relieved some of the demand for parking spaces by non-residents.
- The Dormont Pool. Average daily use is about 4% of the pool's capacity. The Borough subsidizes the operating costs. Estimated capital costs for repairs are estimated at around \$2 million. However, a study is currently underway to refine this estimate. Dormont has options in addition to rehabilitating the existing pool. Recently, a developer proposed to build two pools in the Dormont Park adjacent to the pool plus additional recreational amenities in exchange for the property now occupied by the pool which would be redeveloped into retail use. Assuming that the market is not saturated by existing retail along Route 19, this would be one of those options.



Dormont Pool.

- Enforcement of zoning and building codes. This concern may be attributable to the high percentage of renters, the conversion of single into multiple family structures and the age of the buildings requiring constant attention. However, the issues related to density such as lack of on-street parking can be managed through the zoning ordinance specifically by addressing the location of single and multi-family homes.

The Main Street Program

In 2006 a main street improvement effort began at the encouragement of Dormont Councilwoman Mary Beth Kovic. They have formed a steering committee, compiled a business district inventory, sponsored some promotional activities and formed a non-profit corporation to house the program - the Dormont Community Development Corporation. This organization is in the process of applying for an official Main Street designation as well as a 501, (c) 3 non-profit designation. The steering committee is now recruiting volunteers to staff four committees including Design, Promotion, and Economic Restructuring. At some point in the future the Main Street steering committee is planning to propose an Elm Street program, which would focus on the residential area adjacent to the commercial core.

Transit Revitalization Investment District (TRID) Planning Study

The greatest opportunity for Dormont through this program is to attract young professionals at the early stages of their careers to housing and jobs on the TRID sites. This opportunity will require a mix of rental and medium-priced homes or condominiums, offices and newer retail uses. This state-supported program is intended, "... to spur transit-oriented development, community revitalization and enhanced community character around public transit facilities". The Allegheny County Development Department is managing this process for Dormont. A second of three public meetings in the process was held September 19. At the meeting the consultants proposed a modest development at Potomac Station that would replace the gas station with retail and residential above the retail. A more ambitious project was envisioned at Dormont Junction with structured parking to accommodate the existing park and ride demand plus the demand generated by a mixed use development. This scenario did not envision replacing the auto dealers on West Liberty Avenue. The next phase of the consultants' work will be to evaluate the market feasibility of possible uses at these two sites. The next public meeting will be held in February, 2008.



Potomac Station Area.



The Potomac Station TRID site.



The Dormont Junction TRID site.

Land Use Management Program

Dormont's existing comprehensive plan is a 1995 update. The Municipalities Planning Code calls for an update every 10 years. Therefore, Dormont is due to do so. There have been some discussions about engaging with Green Tree Borough to prepare a multi-municipal comprehensive plan, but no decision has been reached.

The zoning ordinance text is fairly standard. Because zoning should reflect the wishes of the citizens as expressed in the comprehensive plan, the ordinance should obviously be updated following a new comprehensive plan to be consistent with it.

The zoning map is also an expression of the citizens' wishes in terms of the type of land use and its location permitted in the Borough. Again, this should be revisited to conform to a new comprehensive plan.

Recommendations

As noted above there are no major community development threats to the municipality requiring immediate action. The high percentage of rental residential units and commercial vacancies should be monitored. The latter should be a

primary focus of the Main Street Program. The question is how to stabilize or grow the population and right-size the commercial uses. The TRID process and Main Street Program are current attempts to meet these challenges.

❑ **The TRID program holds the greatest promise for an injection of new vitality into Dormont.** Younger professionals just beginning their career could find these areas attractive with the right mix of rental and medium priced homes or condominiums, and offices and newer retail uses.

❑ **The swimming pool site presents another opportunity for commercial or mixed-use development along Route 19.** The study of the pool scheduled to be delivered in the near future should provide the information and the impetus to pursue options aggressively.

❑ **Other potential development sites should include the smaller public parking lots in the business district.** However, given the number of commercial vacancies at this time, such development may not be economically feasible. Perhaps with stimulation by the Main Street Program these sites can be revisited in the future.

❑ **The Borough should cement its cooperation with Green Tree Borough to prepare a new comprehensive plan due to the benefits and incentives offered by the state for planning on a multi-municipal basis.** Following this the zoning ordinance text and map will need to be revised as necessary to ensure that it carries out the intent expressed in the comprehensive plan. The parking and density issues should be addressed in the comprehensive planning and zoning update process. While it would be possible to reduce or remove the ability to convert single family into multi-family residences through zoning, the financial ability of owners to maintain the structures for single-family occupancy must be considered.

Building Inspection and Code Enforcement

Mission, Goals and Objectives

The primary responsibility of the Building Inspection and Code Enforcement Department is oversight of all new construction in the Borough. The staff receives building permit applications, reviews and approves drawings, performs construction inspections, conducts final inspections and issues Certificates of Occupancy.

Beyond new construction, the Building Inspection and Code Enforcement Department performs the following functions:

- Occupancy Inspections: performs inspections of commercial and multi-family residential buildings upon changes in ownership and inspects storefronts upon changes of tenants.
- Emergency Access Key Box Program: tracks installations of emergency access key boxes; verifies correct keys are in the boxes.
- Fire Alarm Systems: review plans, inspects and approves installations and tracks alarm system information in the property database.
- Property Maintenance Code: responds to complaints of property maintenance code violations, performs inspections, verifies complaints and issues citations.
- Property Closings and Lien Letters: conducts property reviews to identify outstanding Code violations for all Lien Letter requests.
- PA 1 Call Program: receives PA 1 Call requests; marks underground lines on GIS map and forwards to the Public Works Department to mark the street; tracks all street openings in property database; inspects for proper restoration work.
- Fire Prevention Code: responds to complaints of Fire Prevention Code violations; conducts inspections of the subject properties, files reports, notifies owners and issues citations where appropriate.
- GIS Program: tracks changes to buildings and properties and records in the property database; forwards copies of all changes to the Borough Engineer to enter onto the GIS map layers.
- Rodent and Mosquito Baiting: works with a Public Works employee to respond to complaints, investigate infestations, perform baiting activities and conduct follow-up inspections.
- Zoning: performs background reviews on proposed new work for Zoning compliance; forwards reports to Zoning Officer.
- Planning: assists Assistant Manager in working with owners and developers on planning issues for new projects.
- Tree Database: maintains a database of all Borough trees; tracks tree trimming, removal and planting; updates information to the GIS System.
- Reports: compiles and issues monthly and annual reports of activities.
- Calls and Complaints: receives approximately 70 calls per day requesting information or making complaints.

Staffing

The Building Inspection and Code Enforcement Department is staffed with one full-time Building Inspection/Code Enforcement Officer and one part-time Building Inspection/Code Officer.

Both employees have over 10 years with the Building Inspection and Code Enforcement Department. Additionally, the full-time Building Inspection/Code Officer has nine years of prior service with the Public Works Department and over 20 years experience as a member of the Dormont Volunteer Fire Department.

Demand for Services

Code-related activities account for the majority of the workload. Currently, the Code Office responds to more than 700 complaints per year and issues more than 1,000 licenses/permits annually. Although Dormont is nearly 100% built out, the volume of code enforcement work has steadily increased.

The new construction activity primarily involves additions and remodeling of existing properties. The amount of this work is relatively stable from year to year.

The job activities that are increasing the workload are code complaints and property maintenance violations. This is a result of an aging building stock, high population density, a number of vacant properties, a high percentage of non-owner occupied dwellings and a large number of absentee landlords.

Because of their long tenure with the Borough of Dormont, the Building/Code Department employees possess a great deal of institutional knowledge about the Borough, its inner workings, past practices and previous dealings with property owners and residents. In recent years, there has been significant turnover in Dormont's senior administrative staff. Newly hired employees have not come in with an understanding of the history and background of the Borough. As such, the Code Department employees are frequently called upon to share their knowledge and historical perspectives with the newer staff

Budget and Financial Observations

The following table provides a line-item breakdown of the Building Inspection/Code Enforcement budget.

CODE ENFORCEMENT
2007 BUDGET

LINE ITEM	ALLOCATION
Full-time Salaries	\$44,500
Code Enforcement/Inspection	\$26,000
Longevity Pay	\$675
Overtime Pay	\$500
Uniform Allowance	\$600
Office Supplies	\$1,000
Vehicle Fuel	\$700
Vehicle Maintenance	\$200
Leases	\$3,600
Dues, Subscriptions, Memberships	\$350
Meetings and Conferences	\$750
State Permit Fees Act 13 B	\$430
TOTAL	\$79,305

The budget does not include fringe benefit costs since the Borough does not allocate them to the departments. An estimate of the fringe cost for the Building Inspection/Code employees is \$25,000.

In future years, the budget is expected to increase by 3.26% annually due to contractual wage increases.

The Building Inspection and Code Enforcement Department is one of the few operating departments with a revenue stream that helps to offset the cost of operations.

The following table shows the revenues received from code enforcement activities from 2002 – 2006.

**CODE REVENUES
2002-2006**

ITEM	2002	2003	2004	2005	2006
Building Permits	\$18,748	\$18,430	\$16,682	\$70,797	\$15,925
Occupancy Permits	\$4,425	\$3,950	\$4,500	\$3,675	\$3,450
State Permit Fee				\$76	\$456
Street Opening					\$4,683
Tenant Registration*	\$9,405	\$10,520	\$10,850	\$11,120	\$10,795
TOTAL	\$32,578	\$32,900	\$32,032	\$85,668	\$35,309

* Tenant registration is not a current function of the Building Inspection and Code Enforcement Department.

Revenues have shown a small increase during the review period with the exception of 2005. In that year, a major building project resulted in the dramatic increase of building permit fees. A similar increase could also occur should a significant development result from the Transit Related Improvement District (TRID) initiative.

Departmental Accomplishments

The Dormont Building Inspection and Code Enforcement Department is exceptionally well run.

The employees have automated the office utilizing a well-designed software program to create a comprehensive database of property information. All data is collected and recorded using the property address as the common thread. Further, all electronic data are routinely backed up and supported by hard copy records. The staff makes extensive use of digital cameras to provide photographic documentation of property records, complaints, building conditions, etc.

Code Office functions are performed using well-documented procedures. Every activity is tracked and recorded in a very organized fashion.

The functions of the Code Enforcement are governed in large measure by adopted codes. Prior to 2004, individual communities enacted their own code requirements and were responsible to provide for enforcement. In 2004, Pennsylvania enacted statewide codes that apply to all communities. The basis of the state codes is the International Construction Codes (ICC) Model Code Set.

One element of the statewide code is a monitored enforcement program. Local municipalities are given the option of providing their own enforcement or securing third-party enforcement. Communities that choose to provide code enforcement must utilize credentialed building inspectors. Requirements include certification in all aspects of construction including footers and foundations, building systems, fire protection systems, energy efficiency, etc. The law provided for a phase-in period to allow existing building inspectors several years to become fully certified in all facets of the codes.

At the time the State Code was enacted, Dormont made the decision to keep the code enforcement process in-house. Since that time, the Code Enforcement Officer has become certified in nearly all code categories. Only two code classification certifications, Mechanical Systems and Energy Efficiency, remain to be attained. Both will be completed well before the 2009 deadline.

A second requirement of the State Code is that Building Inspection and Code Enforcement activities follow prescribed procedures. As noted above, those procedures are already in place and well established.

Significant Issues, Challenges and Problems

The following challenges face the code enforcement function in Dormont:

- Although the Building Inspection and Code Enforcement Department is well run, the workload exceeds the staff's capacity.
- Complaints of property maintenance violations are increasing.
- Elected leaders have stated a desire for increased focus and speedier resolution of property maintenance issues.
- The Fire Prevention Code is only being enforced in a reactive manner, whenever complaints are received or during occupancy inspections. There is no proactive fire inspection program in place.
- Increased revenues are necessary in order to provide more resources for code enforcement activities.
- The tenant registration program is not currently a function of the Building Inspection and Code Enforcement Department. The program is not as effective as it could be and does not generate as much revenue as similar programs in other communities.
- The Building Inspection and Code Enforcement Officer is the only person that has code certifications.

Recommendations

❑ A full-time credentialed inspector should be added to the Building Inspection and Code Enforcement Department staff.

Between the existing workload and a desire by elected officials for stepped up property maintenance inspections, an additional inspector is needed.

Rather than seek to hire an already certified inspector, a suggested approach would be to utilize a fire department Desk Officer/Apparatus Operator for the position. An individual would then need to be hired for the police desk duties.

This makes sense for two reasons. First, code enforcement duties are closely aligned with fire protection. The apparatus operators would work their weekday shifts in the Code Office. Their other shifts would be worked in the police department and the fire station as they are now. Over time, the apparatus operators would acquire certifications, leading to a system with multiple individuals capable of performing inspections.

Second, utilizing a fire department employee for inspection and code enforcement activities would save money. The Borough would only need to hire a daytime police clerk rather than a credentialed building inspector. The wages for a new police clerk would likely be in the \$20,000-\$25,000 range, whereas a credentialed inspector would command a salary of \$40,000 or more. The result would be a savings of at least \$15,000 per year.

Even with the savings, there is still an additional cost to the Borough. However, an additional employee in the Building Inspection and Code Enforcement Department would provide the resources needed to implement a number of revenue-producing initiatives that would help offset the expense of the additional police clerk's salary

❑ A proactive fire inspection program should be initiated.

Currently there is no proactive fire inspection program in place. Fire safety inspections are only performed during occupancy inspections or after a complaint is received.

By following this practice, buildings are not checked until after a risk or hazard has developed. A preferred policy is to inspect for hazards on a scheduled basis (the goal for most buildings is once per year). When this is done, and building owners and tenants are aware of the practice, building maintenance and upkeep is generally better. This translates to fewer safety violations and an increased level of building safety.

Buildings affected are stipulated in the Fire Prevention Code and include multi-family residential buildings with three or more dwelling units, commercial occupancies, institutional occupancies, churches, schools, mercantile facilities, places of assembly and industrial occupancies. With the exception of industrial, all other occupancy types are found in Dormont.

❑ A fire prevention permit system should be implemented along with the proactive fire inspection program.

The Fire Prevention Code contains provisions for the issuance of fire permits and a mechanism for establishing fees for those permits. There are nearly 50 categories of building or occupancy operational activities covered by the Code. These are not the same as building permits. Rather, they are permits that govern the ongoing uses within buildings. Suggested fees for these permits are listed in the table below.

SUGGESTED FIRE PREVENTION FEE SCHEDULE

Permit Description	Suggested Fee
Cutting and Welding	\$25.00
Tents and temporary structures	\$25.00
Open burning	\$50.00
Pyrotechnics (fireworks)	\$60.00
Torch applied roofing	\$30.00
Storage of aerosol products	\$25.00
Heliports, helistops	\$100.00
Battery systems	\$30.00
Combustible dust-producing operations	\$60.00
Combustible fibers	\$30.00
Compressed gases	\$30.00
Covered mall buildings	\$100.00
Cryogenic fluids	\$60.00
Dry cleaning plants	\$60.00
Explosives	\$120.00
Flammable and combustible liquids	\$30.00 – \$70.00
Floor finishing	\$30.00
Fumigation and insecticidal fogging	\$20.00
Hazardous materials	\$100.00
High piled storage	\$30.00
Hot work operations	\$30.00
HPM facilities	\$120.00
Indoor exhibits and trade shows	\$60.00
Industrial ovens	\$60.00
LP gas	\$60.00 – 100.00
Lumber yards and woodworking plants	\$90.00

Magnesium	\$60.00
Miscellaneous combustible storage	\$30.00
Open flames and torches	\$30.00
Organic coatings	\$60.00
Outdoor carnivals and fairs	\$25.00/event
Places of assembly	\$10.00 – 200.00
Private fire hydrants	\$10.00
Pyroxylin plastics	\$60.00
Remove paint with torch	\$30.00
Repair garages and fuel dispensing	\$30.00
Special amusement buildings	\$60.00
Spraying or dipping operations	\$40.00
Storage of scrap tires and byproducts	\$120.00
Tire-rebuilding plants	\$120.00
Waste handling	\$60.00

Each of the activities, processes or conditions listed in the above table would require an initial permit and a yearly renewal. A community the size of Dormont, with a diverse array of commercial, assembly, institutional, educational and mercantile occupancies, has a significant number of the situations described above. Most of the required permits would need to be renewed annually, creating a sustainable revenue source. The Borough should add this fee schedule for fire prevention code required permits when the fee resolution is adopted. A private billing agency should be utilized to manage invoicing and collections. The revenue potential is difficult to quantify without a detailed listing of all Borough occupancies, but a conservative estimate is \$5,000 per year.

☐ Yearly permits should be required for all occupancies within the Borough that are protected by private alarm systems.

In today's world, many homes, businesses, manufacturing firms, health care facilities, educational institutions and other buildings are protected by fire and burglar alarm systems. These alarms can provide crucial advance notice of an emergency need. They can also become an expensive nuisance when fire and police units are dispatched for accidental or false alarms. It becomes even more costly when those units are dispatched to an unoccupied building with no known key holder. Responding personnel are forced to choose between costly forcible entry to verify the nature of the alarm, or to take a chance and not fully investigate the incident.

Many communities require all premises with alarm systems (homes, businesses, apartments, etc.) to obtain a permit that is renewed annually. The permit application requires detailed information on the alarm system, the premises, the occupants and key holders. This information is maintained in a database available to police and fire units. Typically, a fee of \$25.00 to \$50.00 is charged for these permits.

Currently in Dormont, permits are required of any new fire alarm or burglar alarm installation. But these are one-time permits that do not have an annual renewal requirement. This recommendation would require buildings with alarm systems to secure operating permits from the Borough on a yearly basis.

Although it is difficult to quantify the number of such alarm systems installed, some communities have as many as 5% - 15% of all buildings protected.

Potential revenue is shown in the table below:

POTENTIAL ALARM PERMIT REVENUE

Number of Occupied Buildings	~3,500
% Protected by Alarms	~10%
Total Estimated Alarm Systems	350
Suggested Permit Fee	\$50
Total Potential Yearly Revenue	\$17,500

❑ The tenant registration program should be modified to improve effectiveness and increase revenue.

In Dormont, 1,718 of 4,287 housing units are renter occupied. This represents 40.1% of the housing stock. Because rental properties typically house a more transient population and are often owned by absentee landlords, they are generally less well cared for than owner occupied properties.

Additionally, many renters do not pay their fair share of earned income taxes because they are often able to move in and out of a community without being known to the local tax office.

Many communities have enacted tenant inspection programs to address these issues. Requiring inspections of rental properties helps to ensure better building conditions from a fire safety perspective and can generate inspection income from the absentee landlords. They also provide an opportunity to gather tenant data to ensure they are included on the tax rolls.

Dormont has implemented a tenant registration program. Unfortunately, the design of the program is such that it yields less revenue and the inspection frequency is such that property conditions and renter information are not being monitored as closely as they should be. Inspections are only required when building ownership changes. A building could conceivably go many years without a required physical inspection.

Although building owners are currently required to file tenant registration forms once per year and when tenant changes occur, staff limitations prevent effective

enforcement. As such, tenants in some rental properties are able to move in or out of buildings during the year without ever being identified to the tax office.

A recommended program would require an inspection with each tenant change to gather tenant data and to check for code compliance and safe building conditions. It would also ensure smoke detectors and other required safety features were installed and operable. A suggested fee is \$50 for each inspection. Because the modified program would have an inspection component and the Building Inspection and Code Office would have additional personnel resources, it would be logical to place responsibility for the entire program within the Building Inspection and Code Enforcement Department.

The yearly \$10 tenant fee and the requirement for landlords to forward a tenant list to the Borough would remain in effect. To ensure compliance, the Tenant Registration Ordinance should contain a section that stipulates stiff penalties for building owners who fail to comply. A suggested penalty would be \$1,000 for failing to file annual tenant rosters or failing to report a tenant change.

The following table illustrates the potential revenue with these changes.

POTENTIAL RENTAL INSPECTION REVENUE

Number of Rental Units	~1,718
Predicted Yearly Turnover	20%
Potential Number of Yearly Inspections	~345
Suggested Inspection Fee	\$50
Potential Tenant Inspection Revenue	\$17,250
Tenant Registration Revenue (new rate)	\$5,500
Total Revenue	\$22,750
Tenant Registration Revenue	\$11,000
Total Program Revenue	\$28,250

Conclusion

The adoption of these recommendations would allow the Borough to expand and improve upon the current Building Inspection/Code Enforcement program without a net increase in costs.

Technology

Mission, Goals and Objectives

Technology is necessary for the efficient operation of every office of Dormont. This report focuses on the overall technology need of the Borough, as well as implementation and maintenance strategy.

Staffing

A Dormont police sergeant provides day-to-day IT support. While this may be cost-effective, the Borough is at risk with such an informal arrangement based on an individual's interest rather than job requirement and compensation. To mitigate this, a technology consultant is contracted by the Borough.

Equipment

The Borough system consists of one facility housing the administration and police departments:

- On the administration floor is the technology distribution point with Internet connection, four servers (one of which manages building key access) and 11 networked PCs.
- The building has extensive Ethernet wiring and 11 PCs on the lower floor for the Police department staff.
- The police also have four laptops for the vehicles with cellular connection, and five DVR systems.
- Software includes MS Office, Adobe Pro (for online form development), MUNIS, Codes and Services. The system has antivirus, up-to-date Windows patches, backup procedures, a public Borough's Website, but no firewall.

Demand for Service

In discussion with borough officials, requests for technology included a hardware firewall, a more reliable backup system, projector(s), laptops and CompTIA training for the police sergeant. In addition, management had attempted to migrate their Codes and Services software application, but they were unable to resolve differences with the proposed vendor.

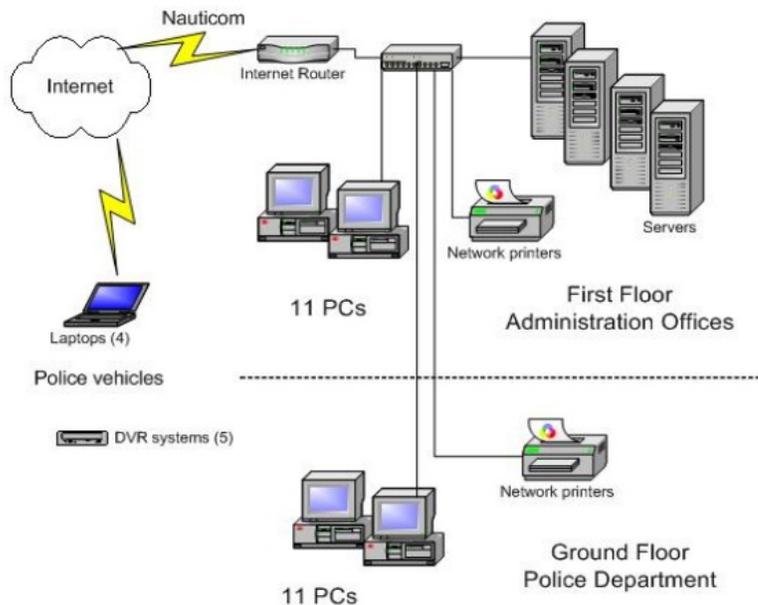
Budget and Financial Observations

The current 2007 technology budget is \$46,800, a 55% increase over the previous year. Support costs not included in the annual budget but provided by the management team, especially the police sergeant and consultant, should be included as line items in future technology budgets to reflect a true IT cost.

2007 DORMONT BUDGET EXPENDITURES								
01 GENERAL FUND EXPENDITURES								
11/03/06								
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGETED	PROPOSED	PERCENTAGE
01	GENERAL FUND	2002	2003	2004	2005	2006	2007	CHANGE
								FROM 2006
01407	DATA PROCESSING							
01 407-241	GENERAL SUPPLIES	\$ 1,236.62	\$ 1,558.63	\$ 1,047.74	\$ 1,402.12	\$ 1,500.00	\$ 2,000.00	33%
01 407-376	REPAIRS & MAINTENANCE	\$ 2,398.80	\$ 4,659.87	\$ 3,885.79	\$ 3,364.46	\$ 2,000.00	\$ 6,000.00	200%
01 407-386	INTERNET SERVICES	\$ 8,793.33	\$ 9,377.50	\$ 2,490.00	\$ 5,443.25	\$ 1,800.00	\$ 1,800.00	0%
01 407-388	GENERAL HARDWARE	\$ 9,063.90	\$ 3,096.38	\$ 15,691.42	\$ 18,057.38	\$ 4,500.00	\$ 5,000.00	11%
01 407-396	GENERAL SOFTWARE	\$ 6,644.78	\$ 15,625.00	\$ 11,015.00	\$ 11,992.67	\$ 5,000.00	\$ 12,000.00	140%
01 407-398	POLICE HARDWARE	\$ 9,999.36	\$ 9,898.85	\$ -	\$ -	\$ 4,300.00	\$ 7,000.00	63%
01 407-420	POLICE SOFTWARE	\$ 89.95	\$ -	\$ -	\$ -	\$ 6,000.00	\$ 6,000.00	0%
01 407-460	MEETINGS & CONFERENCES	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 7,000.00	40%
	TOTAL DATA PROCESSING	\$ 38,226.74	\$ 44,216.23	\$ 34,129.95	\$ 40,259.88	\$ 30,100.00	\$ 46,800.00	55%

Borough of Dormont Technology Overview

Borough Building
1444 Hillsdale Ave, Pittsburgh PA 15216



Tech Components

Internet

- * Website
www.boro.dormont.pa.us

- * ISP: Nauticom

Desktops (22)

- * Generic PCs (20)
- * Apple (2)

Servers (4)

- * Windows, Unix
- * Exchange Server 2003
- * Norton 10.3 Antivirus
- * Symantec Pest Control

Applications

- * MUNIS
- * Codes and Services
- * Adobe Pro
- * MS Office 2003
- * MS Outlook

Expressed Needs

- * Backup solution
- * Projectors
- * Laptops
- * CompTIA training
- * Firewall

Significant Challenges and Problems

Dormont is struggling with the need to increase their technology capabilities versus a commitment to cut all expenditures. Unfortunately, this could lead to practices that are less expensive in the short term but may have long-term consequences. This is reflected in the past practice of building their own PCs from an online computer store rather than purchasing standard models from a manufacturer. While this may appear to be cost-effective, it complicates the support required to maintain the systems. Total cost of ownership studies indicate that hardware is the least expensive component of technology, yet it is the first place organizations look to cut costs.

Support (software, hardware, network) and security are the real technology problems facing every organization. Dormont should look toward outsourcing (see recommendations) to simplify their infrastructure costs and support requirements. Officials indicated they are looking at adding an Apple solution to lower some Windows licensing costs. This could further complicate the support and integration issues, the most important and expensive (but often hidden) technology costs. There is also justified concern that an Apple system will be compatible with the police software because of its reliance on the Windows application.

Dormont officials voiced displeasure with the features of their current website application (GovOffice) and mentioned that they were considering developing their own website.

In summary, the Borough is currently staffed with management intent on making technology changes. This should be encouraged but tempered by support and financial issues so that the decisions are made for the long-term stability of the organization.

Recommendations

❑ **Develop and maintain a technology plan that will guide all technology decisions.** Sample guides can be found online (see the attached technology plan from Winston-Salem) that can assist in developing such a plan. This will identify priorities, assign resources, and also enforce system documentation, inventory and network management requirements. Free software such as Belarc Advisor and Spiceworks can be used for this purpose.

❑ **Include all technology (personnel, consulting) costs in the annual budget, especially the indirect costs associated with support.** These can be identified with a process or tool like the Total Cost of Ownership Calculator found at <http://www.npowerpa.org/resources/tools/index.htm>.

❑ **Ensure that internal staff IT responsibilities are part of job description(s) and included in compensation.** The current informal, non-paid arrangement is not appropriate for Dormont.

❑ **Consider Google Apps for use of hosted mail and office applications.** Currently at \$50 per user account annually, Google provides security protection (virus, spyware, spam) and online collaborative office products. Until Google Apps works offline, the Borough should consider installing OpenOffice on each PC as a backup. This is a significant but potentially cost-effective IT change – it would eliminate much of the network costs, support, and constant product upgrade requirements (servers, office and email software).

❑ **Ensure that enough resources are available to replace the content management website currently provided by GovOffice.** The Borough should not undertake such a step until these one-time and ongoing resources are committed and an implementation plan is approved.

❑ **To minimize support, purchase/lease industry standard hardware from top-tier vendors.** Leasing could provide technology refreshment on a regular basis, eliminating computer obsolescence and recycling costs. If leasing is not acceptable, then purchasing off-lease equipment from vendors like Access Interactive LLC www.systime.com could be considered to enable Dormont to purchase discounted servers and greater quantities of standard desktop and notebook computers. The Borough should also purchase/lease the same PC models if possible to enable the use of tools such as Symantec Ghost.

❑ **Provide technology training for all staff.** Additionally encourage staff to utilize online public sector and/or non-profit resources like <http://www.techsoup.org/> or informal hand on instruction sessions from the IT consultant.

❑ **Address the priority IT needs first, eg. Security, backup, and the Codes and Services application/hardware issues.** These were identified as most pressing by the IT support staff.

❑ **Explore discussions with other municipalities for technical services, such as networking (currently police radios connect via Mt. Lebanon), joint leasing of equipment and sharing application or technical support.**

Focus Group Report

In September, 07, Acting Borough Manager Daniel Mator and LGA consultant Susan Gove agreed to hold five focus groups. There were three meetings scheduled for Dormont residents and two meetings scheduled for Dormont business owners. Mr. Mator compiled three lists of residents to invite: a group that was randomly taken from the tax roles, a group that was vocal about keeping the pool open and a group that was vocal about not keeping the pool open. Mr. Mator also forwarded a list of all Dormont business owners.

To help to ensure that the residents and businesses would open a piece of mail inviting them to the focus group, the Borough sent a letter telling the people about the focus groups. This letter gave the purpose of the focus group and told them that an invitation letter would be coming from LGA consultant Susan Gove with specific date and time information.

Letters were sent to 103 community members and 193 business owners. This letter again explained the purpose of the focus group meeting and designated a date and time for them to participate in a focus group. People were asked to call or email to confirm their attendance.

Of the 296 people who were invited, 20 responded. Of those that responded, 18 were community members and two were business owners. Prior to the focus group meeting date, both business owners cancelled. We rescheduled some of the community members so that all of them would meet as one group.

The Borough was not informed as to who participated in the focus group; the group was assured of their anonymity.

Only 11 community members actually attended the focus group meeting (eight women – three men). Several of these people stated that they had significant past involvement with the Borough.

We asked how long each had been a resident of Dormont.

30, 60, 9, 44, 42, 20, 18, 65, 22, 1, 7 years.

We asked for comments about the Borough.

Police Service: responses ranged from positive to negative.

- Police department is well organized and professional
- Police respond well when called
- Police are always around; they make their presence known
- Police should spend less time getting drink refills at the gas station and hanging around the High School
- Police should not be so grumpy; some have a bad attitude

- When two police officers responded – they were more violent than need be
- Meter Maid does too much ticketing

Fire Service: all responses were very positive.

- Good – fantastic
- Respond very fast; this is a small town and easy to get to everywhere quickly
- They are highly motivated

Public Works: responses were mixed about the borough services and indicated they believed there were problems when outside contractors were used.

- If their equipment works, service is good
- The block building is horrible
- They do an excellent job at snow removal and salting
- Pot holes – City problem not Borough
- Repaving is done really well sometimes, but other times it's a waste of money. It's an issue with outside contractors

Parks and Recreation (note: we asked them to refrain from any discussion about the pool during this meeting): responses were not positive on this subject. People stated that the department had only one employee who could not possibly do all that should be done. There was extensive discussion about involving volunteers.

- Children's playground needs upkeep, but this was always agreed to be a community volunteer project
- Pick up trash is resident/volunteer issue
- Bathrooms are not always opened
- Trash is not picked up
- Parks need maintenance – grass and weeds need to be cut
- Department has only one employee, with extra help from May to September
- Need to organize volunteers – use high school students, but can't rely on kids

Neighborhoods: respondents were very vocal on this issue, stating that there are too many times that residents are not forced to keep their property in good repair.

- Absent landlords – not interested in upkeep of property
- Some residents fear reporting problems – think that the Borough will identify who complained
- "Bates Hotel" – has boarders and has been turned into a hotel – in and out of Court – no enforcement of issue
- Borough bought houses –lost \$\$

- Renters don't pay tax

Business District: responses were extremely positive about the potential of the business district but noted some of the current problems, such as parking and zoning.

- Beautiful area; better than lots of others; has potential for more
- Businesses are too similar – need more types of business that can gather a lot of people
- Too many empty buildings; doesn't seem to be any marketing for Borough
- Parking is a big issue; take vacant houses and make parking available for residents in P.M.
- Zoning Board needs updating; zoning not written for Dormont; think Duquesne is doing a study to rewrite zoning
- Variances – too complicated and expensive to obtain; Borough makes it very difficult to open business
- Seems that the Borough finds it easier to do nothing – change ordinances or enforce rules

Taxes: people were not upset with the amount of taxes they pay, but they were very angry about those who do not pay taxes. There was discussion about the reliability of the Tax Collector in assuring taxes were being paid.

- Dollar for dollar, not a bad place to live
- Go to the city if you want lower taxes
- All taxes are not collected
- There is no organization for collecting or billing; no computer system for taxes
- Every town has uncollected back taxes, but we should pay to have as many back taxes collected as possible
- The Borough has to force landlords to maintain their property and pay their taxes
- It doesn't help the Borough that there are no commercial taxes here
- Elderly make up community (Not true: youngest in Allegheny County)
- Comment on the building that this meeting was in: No cost – rent and bond issue covered

Borough Council Communication: attendees did not have a positive view of Council

- It's a joke!
- Nothing done – lots of arguing
- Upcoming election should solve some issues
- Good relation and quick response – then nothing done
- Discussion of "George"
- Very dysfunctional

- 4 Borough managers - All politics
- Becomes a personality issue

What are the real strengths of Dormont

- Convenience
- Walkability
- Schools
- Transportation
- Neighbors
- Recreation
- Pool
- Public Safety
- Athletic boosters
- Proximity to downtown
- T
- Resident interest
- Civic Pride
- People return to community
- Close knit community
- Safe
- Improving community
- Renovations and Improvements

Weakness

- Improve on better management
- We don't tap the resources that we have
- Parking
- Code enforcement
- We need to raise the bar on rental requirements
- We need to help our elderly with property upkeep
- Need to coordinate volunteer activity
- We should preserve older historical buildings
- Filing empty storefronts
- More for kids to do; need community center and activities for teens

If you could wiggle your nose and make one important change, what would it be?

- Everyone would pull together and listen to one another – Don't pick and choose what you hear
- Borough Council works together for the greater good
- Vibrant business district; build up business district – compel business owners to clean up property
- Strategic location with parking garage with mixed use in center of community

- Tap into volunteer resources of residents
- More community-wide events and better at getting info out; i.e. street fairs, picnics – parades, share resources that are available
- Events seem disjointed now – better working together, i.e. Dormont Newspaper – not newsletter from Council which is not timely
- Develop core community to pull together
- All Pittsburgh could see Dormont as we do – wonderful and safe

Conclusions

We had a very, very small response to the focus group invitation – (a third of 1% of residents and 0% of business owners). This turnout speaks to the feeling that their opinion will have no value. It is important to have the support of both the residents and the business owners to be a healthy community.

While there may be many factual inaccuracies in the responses of the focus group members, we must remember that “perception is reality” to the community.

Recommendations

- Market your community to your community members. Share successes, activities, ideas in a very public manner. Newsletters, website, community meetings.**
- Find a volunteer to coordinate a group of community volunteers. The younger people at the meeting were very enthusiastic about this idea.**
- Temper the negative interactions of Council members.**
- Engage the business community. Consider hiring someone to market the vacant stores.**

Summary of Recommendations

Council, Mayor and Management Recommendations

- The Borough's elected and appointed officials should develop a business plan that charts a course for the government over the next five to ten years.
- The Borough should develop and adopt a five-year operating plan and budget to serve as a guide in annual budget preparations.
- The Borough should develop and adopt a five-year capital plan and budget that includes vehicle and other equipment purchases.
- The Borough should establish a formal dialogue with neighboring communities to explore intergovernmental cooperation and the feasibility of consolidated services.
- Council should formally approve policies and procedures to take care of purchasing, personnel and other administrative and fiscal functions.

Administration Recommendations

- The Manager should prepare and present to Council a multi-year financial and capital improvement plan as part of the annual budget process.
- The Manager should prepare and present to Council updated administrative policies, procedures and ordinances.
- The Manager and staff should review and implement the Auditor's recommendations, particularly those related to the outside tax and fee collectors.
- The Manager and staff should review the accounts payable procedures and develop a schedule that will make it possible for the Council to approve payments before they are made.
- The Manager and staff should develop a cash management system.
- The Manager and staff should continue with the implementation of a risk management system and an inventory control system.

Tax Collection Recommendations

- The Borough should consider using real estate tax collection software and lock box arrangements for real estate tax collection.
- The Borough should insist on receiving detailed information from the outside tax collector so that the Borough can verify if the tax receipts are accurate and timely.
- The Borough should insist on selective audits of the employers in the Borough to determine if withholding is correct.

Public Works Recommendations

- The Borough should reevaluate the organization of the Public Works Department upon the retirement of the current working foreman.
- The Borough should develop a long-range plan for the department. The plan should include a paving program.
- The Borough should develop a long-range capital plan and budget that includes equipment replacement for the Streets department, as well as for other departments.
- The department should develop a written plan that covers the annual cycle of activities, as well as a preventive maintenance program.
- The department should send out equipment maintenance work when it is cheaper than doing it in-house.
- The department should be included in any Borough-wide computer upgrade program.

Parks Recommendations

- The Borough should develop a long-range capital plan and budget for the department.
- The department should develop a written plan that covers the annual cycle of activities, as well as a preventive maintenance program.
- The department should be included in any Borough-wide computer upgrade program.

Recreation Recommendations

- The department should be included in any Borough-wide computer upgrade program.
- The Borough should consider conducting a new resident survey concerning their recreation needs.

Pool Recommendations

- The Borough should consider any capital project carefully so that the pool can continue to meet the needs of the residents of the Borough.
- The options could include retaining the existing pool program, mixed recreational and commercial uses, and even closing the pool.
- The Borough should have a financial plan in place that includes the capital costs, the sources of funding, and the annual operating costs once the capital construction is complete.
- In its planning for the pool, the Borough should consider all of the capital and operating costs associated with the pool, not just the direct operating costs, in the expense calculations.
- The Borough should consider a fee structure that covers all of the costs, including the debt service costs, to avoid placing an undue burden on the taxpayers for the cost of operating the pool.

Planning Recommendations

- The TRID program holds the greatest promise for an injection of new vitality into Dormont.
- The swimming pool site presents another opportunity for commercial or mixed-use development along Route 19.
- Other potential development sites should include the smaller public parking lots in the business district.
- The Borough should cement its cooperation with Green Tree Borough to prepare a new comprehensive plan due to the benefits and incentives offered by the state for planning on a multi-municipal basis.

Building Inspection and Code Enforcement Recommendations

- A full-time credentialed inspector should be added to the Building Inspection and Code Enforcement Department staff.
- A proactive fire inspection program should be initiated.
- A fire prevention permit system should be implemented along with the proactive fire inspection program.
- Yearly permits should be required for all occupancies within the Borough that are protected by private alarm systems.
- The tenant registration program should be modified to improve effectiveness and increase revenue.

Technology Recommendations

- Develop and maintain a technology plan that will guide all technology decisions.
- Include all technology (personnel, consulting) costs in the annual budget, especially the indirect costs associated with support.
- Ensure that internal staff IT responsibilities are part of job description(s) and included in compensation.
- Consider Google Apps for use of hosted mail and office applications.
- Ensure that enough resources are available to replace the content management Website currently provided by GovOffice.
- To minimize support, purchase/lease industry standard hardware from top tier vendors.
- Provide technology training for all staff.
- Address the priority IT needs first, e.g. security, backup and the Codes and Services application/hardware issues.
- Explore discussions with other municipalities for technical services, such as networking (currently police radios connect via Mt. Lebanon), joint leasing of equipment, and sharing application or technical support.

Focus Group Recommendations

- Market your community to your community members. Share successes, activities, and ideas in a very public manner. Utilize newsletters, website, and community meetings.**
- Find a volunteer to coordinate a group of community volunteers. The younger people at the meeting were very enthusiastic about this idea.**
- Temper the negative interactions of Council members.**
- Engage the business community. Consider hiring someone to market the vacant stores.**