



1444 Hillsdale Avenue
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Members of Council
President – Kate Abel
Vice President – Daniele Ventresca
Joanna Bouldin
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John Maggio
Jen Mazzocco

2019 Revenue Memo

September 14, 2018

Members of Council,

The 2019 budget spreadsheet, with budget outlooks through 2023, is now available. Most line items are set, but there may be changes to certain items, such as health insurance, information for which is still unavailable.

Real Estate

Homes sales continue to increase the value of the borough, but the sale of the Hollywood Theater to a non-profit has removed most of the 2019 growth from the taxable value. Sales have also allowed Transfer Tax collections to remain strong.

Income Tax

EIT distributions continue to show steady growth, but I do not want the budget to show too much reliance on that growth. Local Services Tax collections also remain consistent.

Cable TV

Cable franchise distributions continue to decline slowly. New agreements with both Comcast and Verizon are expected within the next couple years, but cord-cutting is affecting revenues.

Parking

The parking department has faced numerous issues throughout 2018, which has significantly affected collections. Chief Bisignani and I are working on plans for 2019 to return enforcement and collections to prior levels. Based on prior Council discussions, it may be worth looking into increasing the cost of a parking violation, since the cost of the ticket is lower than the rate to stay in a parking lot for the day. Our ticket fees are below our neighbors'.

Rentals

The Rec Center and Gym continue to bring in solid revenue. The Pittsburgh Sports League may look to add an additional league in our gym very soon.

Sales Tax

The regional sales tax distribution has declined again. This has been a fairly steady decline, even though the overall economy has improved.



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Tenant Registration

Our clerks continue to do a great job pursuing tenant registration. While this is not an item we use to seek revenue, their efforts have led to more consistent registration.

Building Permits

As with home sales, building permits continue to perform well. Many residents have been investing in their properties, with new porches, decks, parking, and fencing as the primary updates.

Solid Waste

For this line item, it is good to see a decrease in revenue. As this is an offset item, lower revenue comes from lower expenses. The new SHACOG contract, along with the move to bi-weekly recycling and per unit billing, has led to lower costs for residents.

Dormont Pool

The pool had a great year, but we must always be cautious in over-estimating the next year's revenue. The pool is very weather dependent. The rainy August weather held the pool back from its potential, as we saw the majority of our revenue in July. This line can drop or spike by around \$20,000 annually.

Recreation Programs

This year's day camp was a fantastic success, with near capacity registration throughout all ten weeks. Dormont Day, however, continues to decline. Just a few years ago, Dormont Day was a revenue neutral event, while it was a nearly \$20,000 loss in 2018.

Sale of Fixed Assets

This year saw the sale of our former platform truck and a few old Public Works and Parks vehicles. While we also budgeted for the sale of a fire engine, we now do not expect that to happen before the end of the year. That sale will be budgeted for 2019.

Sewer Fund Transfer

As with prior years, this line accounts for the work performed by our engineer and bookkeeper for the Sewer Fund throughout the year.

Conservatorship

Because it was difficult to get dates in front of a judge this year, the sale of 2850 Glenmore is not expected until 2019. Therefore, the expected revenue will move accordingly.