

WILKINSBURG BOROUGH
Council Work Session
April 17, 2013

CALL TO ORDER

Vice President McCarthy-Johnson called the meeting to order at approximately 6:37 PM in Council Chambers, second floor of the Municipal Building, 605 Ross Ave., Wilkesburg, PA.

ROLL CALL

The roll was called to establish a quorum. Present were: Mr. Lefebvre, Ms. Evans, Ms. Trice, Ms. Moore, Ms. Goodman, Ms. McCarthy-Johnson, Ms. Macklin and President Cohn (via telephone connection). Also present was Marla P. Marcinko, Borough Manager. Mayor John Thompson and Ms. Ervin were absent. A quorum was established.

PLEDGE OF ALLEGIANCE

Following the pledge of allegiance, a moment of silence was observed to remember victims of violent crime.

PUBLIC COMMENT

Kate Luxemburg – 432 Rebecca Ave. – Ms. Luxemburg commented that the Wilkesburg School District Delinquent Tax Committee met last month regarding delinquent tax collection efforts. Sheriff's sales were postponed by Portnoff Law Associates as payment plans on those properties were being met. The committee is very active and will be implementing an amnesty program. She spoke about movement in the collection of Section 8 property owners' delinquent taxes and announced their solicitor is in contact with the Executive Director of Allegheny County Housing Authority. Ms. Marcinko clarified that the Borough Solicitor's office took the lead on this effort and prepared the communications/letters to the delinquent property owners. The School District solicitor signed off on same.

FINANCE

1. Monthly financial reports.

Vice-President McCarthy-Johnson turned the meeting over to Mr. Lefebvre who asked Mr. Egler, Finance Director, to provide a summary of the financial reports.

- Real estate tax collection is down compared to prior year due to the fact that the bills went out late due to an error on the part of the County.
- Act 511 tax revenues are doing well. 2012 figures are still being closed out so there is no final year end figure at this time.
- Ms. Evans inquired as to whether the amusement device tax is being pursued. Mr. Egler was not aware of any efforts in this regard. Ms. Marcinko commented that the administration and enforcement rests with the Police Department. Mr. Trice inquired as

to what types of machines are covered. Ms. Marcinko advised that it is any mechanical device which includes pool tables, cigarette machines, and pinball machines. Chief Coleman informed Council that the Police Department does not conduct routine inspections for these types of machines and the information should be provided to them by the Code Enforcement Department and triggered by building permit applications or inspections. Business owners are to complete an application on an annual basis; the Police Department then inspects the business to determine what machines exist to collect revenue or to require the revenue be paid. Ms. Evans commented that efforts should be made to collect the fees or the revenue should not be budgeted. Ms. Macklin commented on the requirement of Berkheimer to seek out businesses which are not paying business privilege tax. Ms. Evans commented that she is receiving a lot of phone calls from persons who are receiving notice from Berkeimer of the need to pay business privilege tax. Mr. Egler reported that tenant registration information is being sent to both Berkheimer Tax Service and Keystone Tax Collection Services. Ms. Marcinko explained that there are not many permit applications for new businesses and that most of the mechanical devices are in existing businesses.

- Street opening permit revenue is down from prior year due to the major gas line replacement project in 2012.
- Municipal Services Fees collection is down slightly as the bills did not go out until later in the month of February.
- Sale of fixed assets is lower than prior year due to the sale of the fire truck in 2012.
- The disbursement request was submitted for the COPS Hiring Grant.
- Mr. Egler commented that legal costs are up for the year-to-date and he hopes this trend will not continue into the rest of the year.
- Fire service costs were up over prior year due to the fact that a partial payment was made last year.
- Ms. Macklin commented on an increase in the contracted services for cleaning. Mr. Egler will check and report back. She also noted an increase in contracted services for the building.
- The expense for police uniforms is low compared to prior year due to a change in the way in which this is paid as a result of the interest arbitration award.
- Mr. Egler stated that debt service will be as budgeted.
- Insurance expense is behind prior year due to the timing of payments.
- Ms. Macklin inquired as to the expense for retiree health care benefits. Mr. Egler advised that this is not a figure that is budgeted but rather is managed through a journal entry.

SPECIAL PRESENTATIONS

Recognition of Retirees

- **Melvin McGuire**
- **Frank Teresi**

Vice President McCarthy-Johnson read aloud the Certificate of Appreciation presented to Frank Teresi for forty-one years of service to the Borough of Wilkinsburg. A Certificate of

Appreciation was also read aloud and presented to Melvin McGuire for forty-two years of service. Pictures were taken of the retirees.

2. Discussion – Capital Asset Planning and Policies Manual

Mr. Lefebvre referred Council to the highlighted sections of the handouts. Ms. Marcinko reported that the Capital Asset Planning and Policies Manual was prepared by peer Nancy Carroll, on assignment to the Borough through the Peer to Peer Program provided by the Department of Community and Economic Development. The highlighted areas represent those provisions requiring Council action. Ms. Marcinko advised that the policy is very detailed and comprehensive. She suggested that the manual be looked at as two planning documents – a capital planning process tool and a financial asset management procedure. Ms. Marcinko suggested Council review the information and set aside a work session to review the policies and procedures determine what is reasonable and manageable for the Borough. Mr. Egler concurred with Ms. Marcinko's assessment and recommendation. Ms. Macklin commented that the plan may be overkill for the size of our community and questioned when an updated inventory should be performed. She inquired as to whether the Borough is in compliance with GASB 34 relative to capital assets and Ms. Marcinko responded that the Borough is not. Ms. Macklin would be willing to assist with the review and revisions to the document. Ms. Evans stated she would like to obtain feedback from department heads and hold a work session outside of a regular Council meeting to further review and discuss. Ms. Marcinko suggested that she will meet and gather information from the department heads and work to refine/pare back the plan and then meet with a subcommittee of Council to finalize a recommendation for Council. Ms. Macklin commented on the "pay as you go" principle for items such as computer equipment, small furnishings etc. and the "pay as you use" principle.

3. Update – 2011 Management Letter – Responses and Action Items.

Ms. Macklin questioned whether hiring an Assistant Finance Director would save on audit costs if some tasks could be performed in-house. Mr. Egler replied that it would slightly.

Mr. Lefebvre questioned whether there is a report of daily cash deposits which are made. Mr. Egler advised that a batch is entered daily and that an effort is made to make a daily deposit. Mr. Egler stated that segregation of duties is an issue in most communities. Ms. Evans asked is there a clear recommendation from the auditors on how to achieve an acceptable level of segregation of duties. Mr. Egler stated there is not. Ms. Evans requested that the auditors provide a detailed recommendation as to how to improve segregation of duties in order to avoid continued observations in the audit report. Mr. Lefebvre asked to clarify whether hiring of an additional staff person would resolve the issue. Mr. Egler responded that it would not.

Mr. Lefebvre inquired if there are separate checks for the Capital Improvement Fund. Mr. Egler responded that there are not. Checks are written out of the General Fund and accounted for through transfers between the funds. Mr. Lefebvre asked if the recommendation of the auditors was to not manage these accounts through transfers. Mr. Egler responded that the issue related more with the timeliness in which the transfers were processed.

Ms. Macklin commented that bank reconciliations may need to be performed by another staff member with the level of skill to do so. Mr. Lefebvre commented that management's response to the issue with bank reconciliations being performed was that statements would be reconciled June 2012 and every month in going forward. Mr. Lefebvre asked if that had taken place. Mr. Egler responded that it had.

Mr. Lefebvre asked if the Borough has been successful in receiving requested information from WPJWA. Ms. Marcinko advised that multiple attempts have been made and WPJWA is either unable or unwilling to provide the information. It was suggested that the new Executive Director be approached. President Cohn will assist in facilitating this. Ms. Evans suggested getting other communities on board if they are experiencing similar difficulties. Ms. Marcinko stated that WPJWA staff has consistently stated that Wilkesburg is the only community requesting additional reports.

Mr. Lefebvre asked about the benefits of an additional staff person and whether progress was made on those discussions. Mr. Egler stated that there had not been any serious discussion. President Cohn stated that he understands the desire for another staff member but that is not an acceptable reason for hiring. Mr. Egler commented on the need to have a discussion about potential reorganization of the staffing structure of the department. Ms. Moore commented that a conversation on the matter should be held with the Finance Director. President Cohn stated that he is not averse to having a conversation but would like to see a reorganization plan in advance of any discussion.

Mr. Lefebvre asked how information technology management was going. Mr. Egler stated he has mixed feelings about how software support is going. Ms. Marcinko commented that organizational structure and staffing should be discussed in executive session. President Cohn agreed and stated he had some thoughts to share on the issue.

Ms. Macklin commented on the observation relating to cash disbursements and stated that the issue with a missing invoice could have been verified with the utility company.

With regard to the observation relating to outstanding checks, Mr. Egler advised that the Finance Department is working through this issue. Mr. Egler stated that vendors may be incorrect when they state that a payment to them has cleared. Mr. Lefebvre asked if an outstanding check list has been created. Mr. Egler replied that it had and vendors are being contacted to determine why checks remain outstanding.

Ms. Macklin asked that reminder letters be sent out for the Statement of Financial Interest forms. Mr. Lefebvre commented that the Manager's office sends the forms out every year.

Ms. Macklin inquired as to the completion date for the Policies and Procedures Manual for the Finance Department. Mr. Egler advised it is nearly complete and the Finance Department is working on an independent component for it.

4. Discussion – 2012 MSF collections and assessment of administrative fee.

Ms. Macklin commented that a 65% collection rate is still low. Ms. Marcinko commented that the collection rate is up by about 19% over in-house collection. Ms. Marcinko explained the assessment of the administrative fee. Ms. Macklin commented on the need to cover costs and advocates simplification. Ms. Macklin inquired as to whether revenue is covering the costs of collection. Mr. Egler will prepare an analysis. Ms. Evans commented that while the administrative fees seem high, there are three opportunities to pay. She suggested adding a note on the envelopes for the reminder letters indicating that a bill is enclosed so residents do not inadvertently dispose of the bill.

GENERAL MATTERS

1. Approving Resolution No. 13-035 – Sponsoring Banner – TreeVitalize Tree Planting.

Moved: Mr. Lefebvre

Second: Ms. Goodman

All voted in favor of the motion. Motion carried.

2. Approving Resolution No. 13-036 – Concurring Resolution Emergency Demolition 427 South Avenue.

Moved: Mr. Lefebvre

Second: Ms. Macklin

All voted in favor of the motion. Motion carried.

3. Approving Resolution No. 13-037 – Designating slums and blight – 427 South Avenue.

Moved: Ms. Evans

Second: Ms. Trice

All voted in favor of the motion. Motion carried.

President Cohn, on behalf of Mayor Thompson, advised Council of the plan to hold a community festival on May 25, 2013 at Hunter Park. This will be similar to the event held last year as part of the 125th Anniversary activities. An itemized budget for the event is not yet available but it is anticipated that costs will be approximately \$1800. President Cohn did not require action from Council but merely wanted to make sure all were in agreement to sponsor the event. A health fair and ecumenical church service is also planned. Ms. Evans stated that a clear policy on purchasing requirements for these types of events should be established and followed.

Mr. Lefebvre stated that he will be proposing amendments to the Vehicles and Traffic ordinance relating to parking at the Public Safety meeting in May. He will be providing additional information via email.

Ms. Moore reported that she, Mr. Lefebvre and Ms. Goodman toured the Borough over the weekend and documented trash and debris and code issues. She stated that DPW did pick up some items. Mr. Lefebvre stated to the Chief that dumping is obviously occurring.

Ms. Evans announced three upcoming sessions at the Local Government Academy which would be beneficial to many of our department directors.

Ms. Macklin left the meeting at approximately 8:37 p.m.

Ms. Trice asked whether the annual community clean-up would be conducted and asked what could be done about some of the blighted properties, specifically on Cresson St. Ms. Marcinko explained that DPW cannot be directed to go onto private property.

Ms. Moore announced an event which will be taking place on April 25, 2013 from 6:00-8:00 p.m. at the Carnegie Library, 7101 Hamilton Avenue. The theme of the program is "How Do We Stop Gun Violence". State Representative Ed Gainey's office is sponsoring the event. Ms. Moore thanked Ms. Goodman and Mr. Lefebvre for taking a tour of the Borough and noting issues.

ADJOURNMENT

Being no further business, on motion by Mr. Lefebvre, second by Ms. Trice the meeting was adjourned at approximately 8:37 P.M.

Jason Cohn, Council President