

**BOROUGH OF RANKIN**

**RECOVERY PLAN AMENDMENT &  
FINANCIAL PROJECTIONS**

**Adopted:**

**December 9, 2014**

**Ordinance No. 482**

**Completed By:**

**Resource Development & Management, Inc.  
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# Section I

## Introduction

On October 27, 1988 the Borough of Rankin requested that the then PA Department of Community Affairs determine the Borough's eligibility as a distressed municipality under Act 47. In December of that same year a field report was issued which noted that the Borough met the following three criteria for a distressed municipality:

1. The Borough had maintained a deficit over the prior three-year period in excess of 1% of total budget.
2. Expenditures had exceeded revenues in each of the past three years.
3. The operating deficit was in excess of 5% of total revenues in two successive years.

In February of 1989 the firm of Eckert Seamans Cherin & Mellott was appointed to develop a recovery plan, which was formally filed with the Borough Secretary in July of 1989. Recognition of a large negative fund balance necessitated that the Coordinator take immediate action to make application for emergency funding through the State. The size of the deficit presented a threat to the health and safety of the Borough residents due to the fact that the Borough was unable to meet current obligations and many vendors refused to continue to provide any services until arrearages had been cleared. In addition to the outstanding payables at the end of 1988, the Borough faced severe cash flow problems the first six months of 1989.

The Borough's poor financial position was the culmination of many factors which had been developing over the prior few years. Tax appeals greatly reduced the revenue base. Prior to the distress determination the Borough had relied on grants and an unfunded debt loan to meet day-to-day operating expenses and, in 1988, with overall cash reserves depleted, the impact on the general fund finances was devastating.

Although the Borough was one of the first communities in the State to receive the distressed status, in retrospect the problems the Borough faced were not unlike many of its sister communities throughout the Mon Valley. Property values and assessments continued to decline and employment opportunities in the region became scarce with the closing of many of the steel mills. Industrial assessments declined by 26% over a three-year period and tax-exempt properties became a disproportional share of the overall assessment.

With the Borough at its effective and legal limit for taxes, few options existed but to cut services to the residents. The Coordinator noted that the Borough had done an admirable job in reducing service levels and reducing costs. Although police costs were reduced it still represented over 40% of the overall operating budget. Recommendations were made to reduce costs in all public safety areas.

## Section II

### Summary of Recommendations

The original recovery plan reviewed the financial management issues and made recommendations to improve the overall effectiveness. Changes were recommended in the tax collection policies and practices, along with shared service agreements with the COG. The Coordinator further recommended updating and codifying ordinances, and computer upgrades to the recordkeeping system. The plan further recommended that the Borough participate in the circuit rider program and share the costs of a professional manager.

In addition to the emergency loan, which was later converted to a long-term debt obligation, the recovery plan recommended several grants be made available in order to implement the recommendations of the plan.

Since the adoption of the original recovery plan, three subsequent amendments were adopted. Although many of the recommendations of the original plan and subsequent amendments remain relevant, RDM feels that a further revision is required to address the many changes in taxes and other revenue streams. This plan amendment will review the progress to date, along with a summary of the Borough's adherence to the previous recommendations. In addition, this amendment will revise prior recommendations, along with making additional recommendations that should alleviate or improve those factors that are impeding financial solvency of the Borough.

Many factors have contributed to the distressed status and options to alleviate the problems that initially caused the declines are limited. It is evident that it is not current service level costs that are inhibiting the Borough's ability to remove itself from a distressed status, but rather the Borough's inability to generate the revenues necessary to support the required service levels without the additional taxing authority granted under Act 47.

A review of the financial reports from 1998 and 1999 leads one to believe the Borough may have been moving in the right direction. Surpluses were growing and revenues were sufficient to meet current service levels. In addition, Rankin made its final debt service payment to the State in 2000.

Since 2001, growth rates in revenues have remained flat and are barely sufficient to support inflationary increases in fixed costs. Property tax assessments continue to decline and the Borough must still place a continued reliance on the additional taxing authority granted under Act 47. Without this revenue stream, providing basic service levels to residents would be impossible.

A recommendation to remove the Borough from a distressed status cannot be made at this time and it is unlikely that such a recommendation would be made in the near future. Additional DCED related services and assistance will make it possible for the Borough to expand certain contractual services over the next few years. Improvements in delinquent tax collections has provided a cash infusion, which has allowed the Borough to begin to address some of the Borough's capital and infrastructure needs, however, a reduction in the Borough's fund equity, limits the Borough's continued ability to address these needs over the long-term.

The Borough has done an admirable job in attempting to hold the line on expenditures, while continuing to provide a basic service level to the residents. Problems seen in the financial projections are that the revenues have not kept pace with natural inflationary increases in fixed costs. Tax rates are at their effective limit and an effort to address delinquency problems with an aggressive approach to collections was only implemented over the prior few years. To close the revenue void the Borough has had to reach deeply utilizing reserve funds to meet obligations.

The Coordinator is concerned that the Borough cannot continue to operate without encountering significant problems or begin to reduce its reliance on the increase earned income tax within the next three years. During the initial phase of the fiscal recovery period the Borough had a surplus related to the sale of the water operation. Funds from the sale had been utilized for operational needs and capital improvements. Community infrastructure and repairs to the municipal building far exceed current and projected capital reserves. There are concerns when prior year financial statements are reviewed. Expenditures have been cut to a level that provides only a minimal service level, and as it stands now, revenues may be insufficient to meet service demands. Without the changes set forth in this plan amendment the Borough may be forced to continue utilizing limited reserve funds to meet day-to-day operational needs.

In summary, the Borough of Rankin has implemented many of the recommendations detailed in the 2011 amendment and the 2014 peer consultant report. With implementation of the recommendations remaining from both of those documents, revenues should be sufficient to cover basic service levels, but the Borough will require assistance at all levels for economic development if it has any chance of moving toward being financially solvent. Council has had to make some very difficult decisions in the short-term in attempting to improve its financial position over the long-term.

## Section III

# Management Policy Recommendations

Since the adoption of the original recovery plan the Borough has continued to operate with a seven-member council in a mayor/council form of government. As in many Boroughs, council is the legislative arm that oversees most of the administrative functions, while the mayor is primarily responsible for oversight of the police department. Council is responsible for the following administrative appointments and functions:

1. Secretary
2. Police Chief
3. Solicitor
4. Engineer
5. Appointed Auditor (new in 2014)

The tax collector is an elected position and the Borough participates in the Turtle Creek Valley Council of Governments Joint Public Works Program.

The original recovery plan was adopted in 1989. Since that time there have been three amendments subsequent to the adoption of the original plan.

Throughout the initial recovery period the Borough had functioned with a shared manager through the circuit rider program. In the later period the Borough has not employed a manager and the current Secretary has difficulty in managing the many responsibilities of day-to-day administrative and financial operations of the Borough. A part-time assistant/clerk is also employed by the Borough.

Monitoring the progress of the Borough since its appointment as Act 47 Coordinator, RDM has noted that the Secretary is effective in her ability to ensure control of discretionary spending, but at times has been lax in providing council with timely and accurate financial reports. Day-to-day financial functions are running efficiently, but there are drawbacks in having one individual responsible for all such duties. In the event of retirement or extended absence of the Secretary, billings, accounts payable, and financial reporting could be severely impaired. Although the assistant could pick-up some of these functions in the interim, there is no experience utilizing accounting software. Sample financial policies, a detailed job description, and duties of the position were part of the financial consultant's peer report. The Borough initially had utilized the financial services offered by the COG, but was not pleased with the services and elected to continue to provide these services in-house. Since 2012 the Borough has utilized ADP for payroll services as some payroll reporting requirements had not been met, which cost the Borough in penalties and interest.

As in many small municipalities, personnel functions are not felt to be a priority considering the few individuals employed by the Borough. Although the Borough has taken steps to formally adopt a personnel policy, it is the opinion of the Coordinator that the recommendation listed in the prior amendments will need to be modified and repeated.

The Borough continues to provide financial reports on a cash basis, which does not present a true and accurate picture of the Borough's current financial position. It is not necessary to present the monthly reports on an accrual basis since bills are paid in a timely manner. In 2014, the Board of Elected Auditors was eliminated and a request for proposals was prepared for an independent auditor. The firm of Turnley and Associates was approved to prepare audits for 2013, 2014 and 2015; and the firm is currently working on the audit of 2013.

The Coordinator has been working with the delinquent collector for trash and real estate to attempt to increase collections. In reviewing fees for professional services the solicitor's fees have continued to stay within budget parameters. It has been stressed in the mid-year and year-end unaudited reports prepared by the Coordinator that engineering costs continue to put a strain on Borough finances. Also, the custodian's job description was prepared by the peer consultant and more oversight needs to be provided by the Borough as to the duties.

The peer consultant's report included recommendations for capital projects and the recommendations are retained in this plan amendment, but the Borough is not in a financial position to create a capital improvement fund at this time.

Relative to professional services the following recommendations should continue:

- 1. The Borough shall continue to explore and pursue opportunities for increased intergovernmental cooperation in all areas of operation.**
- 2. The Borough, through its solicitor and delinquent tax collector, shall continue to lien outstanding taxes every year.**
- 3. The Borough shall budget no more than \$30,000 in solicitor fees annually.**
- 4. The Borough shall budget no more than \$30,000 in engineering costs in any one year.**
- 5. The Borough shall seek proposals from alternate engineering firms if costs cannot be controlled.**
- 6. The Borough shall seek funding through CDBG to offset some of the engineering costs. In the event the Borough has sufficient funds to establish a restricted capital account any engineering costs shall be budgeted to be paid from the capital fund.**
- 7. The Borough shall not exceed budget or increase the salary and/or hours of the custodian during the period of this plan amendment above the current level.**
- 8. The Borough shall continue to seek proposals for independent energy suppliers for gas and electric utility costs, and evaluate proposals on an annual basis. Electric supplier contracts will terminate after the December meter reading.**

9. **The Borough shall develop a series of long-term goals and objectives that will provide a more defined focus of the Borough for the next five years with the assistance of the Coordinator, engineer, and DCED. This process shall include the development of a five-year capital improvement plan. The plan shall then be incorporated into each year’s budget. The plan shall identify the use of restricted capital dollars for special projects. It is understood that funding for capital projects are limited and any surplus reserves have been utilized to act as a contingency.**
  
10. **Borough Council and the Mayor shall continue to enroll in classes aimed at training elected officials in the areas of policy and decision-making. In addition, Borough staff shall be given the opportunity to attend training sessions to enhance their job performance and skills.**

## **Current Fund Balance Trends**

Reserve funds are dwindling and capital monies necessary to address infrastructure and building improvement needs are insufficient. The last payment from the sale of the water operations was paid in 1998 and continuing operations at current levels will not improve the current fund balance position. All receipts from the sale of the water plant have been utilized and been incorporated into the limited fund balance.

<b>Year</b>	<b>Projected Fund Balance (With Amendment)</b>
1998 (Actual)	\$246,456
1999 (Actual)	\$256,704
2000 (Actual)	\$142,802
2001 (Actual)	\$137,014
2002 (Actual)	\$172,675
2003 (Actual)	\$111,876
2004 (Actual)	\$58,432
2005 (Actual)	\$127,311
2006 (Actual)	\$100,536
2007 (Actual)	\$174,487
2008 (Audited)	\$157,685
2009 (Audited)	\$166,520
2010 (Audited)	\$100,688
2011 (Audited)	\$59,434
2012 (Audited)	\$37,367
2013 (Unaudited)	\$81,915
2014 (Projected)	\$105,623

Revenues in current real estate collections at best can be expected to remain flat, and current collection policies and practices cannot produce the additional revenue to offset any decline. Act 32 has increased the Borough's earned income tax collection going from \$172,887 in 2012, \$192,245 in 2013, and \$186,700 projected in 2014. The current 1.4% for non-residents and 1.5% for residents are recommended to be reduced annually beginning with the 2016 budget in preparation of exiting Act 47 and losing the ability to maintain rates. Outside of the enacted local and municipal services tax, options are limited to increase or expand the revenue base.

Fund balances are projected to remain level over the next three years. Revenues, without any increase in tax and fee levels, may even decline and be insufficient to meet minimal increases in fixed costs. Although the Borough has done well to control costs, service levels cannot be cut further to match any anticipated revenue decline.

Refuse collections in 2014 are projected to be at 75% of the collection rate, which will cover the Borough's expenses. The fee may have to be increased in the future to offset any increase in the refuse contract. Delinquent tax collection policies and procedures may produce some revenue increases. The fund balance declined from the 2008 level through 2012, but should begin to increase in 2014.

Projections made in the 2011 plan amendment placed significant emphasis on delinquent collections and major changes in tax collection policy and practice. If recommendations set forth in the amendment are not implemented it would then cause a significant reduction in the projected fund balance. On the other side of the budget, expenditures can be maintained close to current spending levels over the next five years. Total costs relating to general government should not increase by more than 2% in each of the next five years. Requested increases can be expected in the public safety area, but effective control of manpower costs can hold these increases to a minimum. However, costs relating to shared public works have increased through the 2015 budget year.

Insurance costs are assumed to increase at least 3% each year while most other expenditures should be maintained at current spending levels. It is important to note that in this analysis no assumptions were made to allow for any capital equipment costs, major infrastructure improvements, or significant expansion of discretionary spending levels. A small fund balance is available to address needs of an emergency nature only. It is apparent that unless the Borough makes significant changes to increase revenues and improve collection rates, continued operations at these levels will be impossible to maintain.

- 11. The Borough shall annually request quotes for health care for current employees and retirees.**
- 12. The Borough shall review and request proposals when any significant increases occur in Borough insurance, i.e., general liability, workers' compensation.**



## Fund Equity Trend

It is anticipated that the Borough will end 2014 with a fund balance adjusted to a modified accrual basis of accounting between \$80,000 and \$110,000. Reserves have not been budgeted in the plan amendment forecast. With the implementation of the recommendations outlined in the plan amendment it is felt that the Borough can maintain this fund balance over the next three-year period. At the end of the three-year period it is felt that significant inroads will have been made to improve overall tax collection rates. Revenues from delinquent collections continue to add support to the overall general fund budget.

As in 2011, the objective of this amendment is to develop and expand upon the revenue base, which will support the current service levels without a significant tax impact to the residents. The Borough, however, must continue to develop the relationships necessary to expand the level of shared services and look to be more innovative in ways to form alliances with neighboring municipalities in other service areas. It is not the opinion of the Coordinator that the Borough be forced to merge or consolidate with a neighboring municipality at this time, but if assumptions in this plan fail to materialize within a reasonable time period the Borough's options will be limited. The revenue base has shrunk to a disproportional level when compared with required service needs. Service levels have been reduced not based on perceived needs, but to the level where the shrinking revenue base is able to support it. These perceived needs, specific to public safety, can only be achieved through economies of scale and these economies can only be garnered through joint efforts by all communities in the area.

The Borough must be in a position that current revenues are able to sustain minimal service levels without relying on cash reserves or revenues of a one-time nature, such as proceeds from the sale of the water operation. An aggressive program will work to improve current revenues and help to reduce delinquent collection costs in subsequent years. Although this may be perceived as utilizing a cash source essentially no different than budgeting cash reserves, it is felt that an aggressive tax collection approach will increase future current year collections to a level that will fill the revenue void left by a decrease in budgeted delinquents. The Borough is essentially at its effective limits for most of its taxes and fees (with the exception of the real estate tax due to the county reassessment), and any further increases will more than likely increase the delinquent accounts. Additionally, the real estate millage remains one of the highest in Allegheny County.

ALLEGHENY COUNTY TAX COMPARISON (2014)*					
	<i>Rankin Rates</i>	<i>No. Higher</i>	<i>No. Same</i>	<i>No. Lower</i>	<i>None</i>
Real Estate**	9.6928	10	0	114	0
EIT (Non-Resident)	1.4	0	0	61	66
EIT (Resident)***	1.5	5	6	117	0
LST	\$52	0	104	17	6
*McDonald and Trafford are only partially in Allegheny County and are not included in any of the totals.					
**The cities of Clairton, Duquesne and McKeesport have separate millage and land tax figures and are not included in the totals.					
***The City of Pittsburgh has 1.5% and 3% EIT resident rates depending upon school district where property is located and is counted under both "higher" and same".					

## Section IV Financial Policy Recommendations

### Real Estate

Not unlike many communities in the Mon Valley, the Borough has experienced a dramatic decline in assessments from the late 1970's. Compounding the problem is that the amount of tax-exempt property represents a disproportional share of the total valuation of the community. Tax-exempt properties are almost at 50% of the total real estate assessment for the Borough. The following table is based on Allegheny County assessments:

Dates	Taxable	Tax-Exempt	PURTA	Total
1/15/14	\$22,842,400	\$20,799,600	\$94,900	\$43,736,900
11/21/14	\$22,288,300	\$19,698,000	\$94,900	\$42,081,200

In 2014, Allegheny County required the property owners of tax-exempt property to reaffirm their eligibility as tax-exempt. The following recommendation will remain going forward:

- 13. In conjunction with the Woodland Hills School District, the Borough shall annually review the tax-exempt rolls and file challenges to any questionable tax-exempt parcels.**

On the surface, collection rates of current real estate taxes are in line with other communities throughout the Mon Valley. This year it is projected that collections will come in at about 83.5% with a millage rate of 9.6928. Problems relating to a low collection rate are not unusual for Boroughs such as Rankin, but the new tax collector, along with more aggressive delinquent collection efforts, has increased the collection rate by 5.5% since 2011.

- 14. The Borough shall review assessments on all commercial/industrial parcels to ensure assessments are in line with similar parcels throughout the Mon Valley. If land assessments are low then the Borough shall formally appeal the assessment through the County.**

As noted in the 2011 plan amendment, the financials from previous years note that the Borough utilized surplus funds to meet operating needs. As money from the sale of the water operation diminished the Borough had to look at alternative means to fund current operating expenses. It is felt that the Borough is at its effective tax limit and any further increases will push Borough residents beyond their means to pay. Several alternatives are available that if implemented can provide the operating revenue necessary to continue current service levels. It should be noted that these recommendations have been implemented and should continue:

- 15. The Borough shall evaluate the performance of the delinquent collector annually. Alternatives should be considered if the expected results are not achieved.**
- 16. In cooperation with the delinquent tax collector the Borough shall evaluate the list of delinquent parcels and designate those with value for sheriff sale.**

17. **The Borough shall discuss with the Woodland Hills School District parcels designated for sheriff sale with the intent of entering into a cooperation agreement to share in the costs associated with these sales.**

## **Earned Income Taxes, Occupation Taxes, & Mechanical Device Fees/Licenses/Permits**

Upon the adoption of the initial recovery plan the Borough made changes to the earned income tax ordinance to invoke its authority to increase both the residential and non-residential limits on the tax rates. Up until 1995, the rate on residents was 1.4% and the rate on non-residents was 1.25%. In 1995, those rates were increased to 1.5% and 1.4%, respectively. In 2014, these tax levies, at these rates, are projected to generate approximately \$186,700 in additional revenues. Growth in this revenue area increased since the inception of Act 32.

The Borough's current collector, through the tax collection district, follows the requirements of Act 32 and submits estimated payments on at least a weekly basis with a monthly summary report. The recommendations from the 2011 amended recovery plan have been deleted.

In 2005, the Borough adopted the emergency and municipal services tax, now the local services tax, to replace the former \$10 occupation tax. The new tax is collected at \$52 annually with \$47 going to the Borough and \$5 going to the Woodland Hills School District, and generates additional revenues in the amount of \$13,000.

18. **The Borough shall review on an annual basis the records provided by the tax collector to make certain all businesses are contributing.**
19. **The Borough shall share all relevant information with the collector and require all businesses operating in the Borough to withhold EIT on both residents and non-residents.**
20. **The Borough shall seek court approval on an annual basis for authorization to levy a higher resident and non-resident earned income tax as provided for under Act 47. The Borough shall file their petition for the higher taxing authority no later than January 31 of the tax year. The rate shall be maintained at existing levels of 1.5% residents and 1.4% non-residents through 2015, and begin reducing the rate annually in 2016. There will be no enhancement for non-residents beginning in 2019 and no enhancement for residents beginning in 2020.**

Relative to the mechanical device and cable franchise fee the following recommendations from the 2011 amended recovery plan are still recommended:

21. **The Borough shall ensure that the mechanical device license fee is set by ordinance at a fee of no less than \$400 per machine.**

22. **The Borough shall complete a survey of all potential establishments that may be responsible to pay the fee within 30 days after adoption of the plan amendment.**
23. **The Borough shall invoice all businesses having such devices by April 30 of each year.**
24. **Exclusive of the first year, the Borough shall establish by ordinance a deadline for payment of the license fee as March 31 of each year.**
25. **The Borough shall establish a 10% penalty for any business not paying the fee on time. The ordinance shall also contain a provision to assess interest charges on any late fee of at least 1% per month.**
26. **All business establishments shall be required to display the license, which will note the number of machines licensed in an establishment in a conspicuous place.**
27. **The police department shall be required to visit all establishments for an inspection on an annual basis. Any establishment under reporting the number of machines or failing to pay the license fee shall be issued a citation.**

## **Trash & Sewer Collections**

The Borough now bills approximately 891 residential housing units, down from 1,026 in 2011, on a quarterly basis for trash removal using the services of the Turtle Creek Valley COG. The Borough's garbage collector bills by total residential units and not tonnage. It is projected that the Borough will spend approximately \$117,135 from September 2014 through August 2015; and \$120,691 from September 2015 through August 2016. There is really no incentive outside of a small discount for the residents to pay the fee timely and the 2014 collection rate was only at 75%. With the anticipated widening gap between overall future revenues and expenditures the Borough will need to count on this revenue to continue to support basic service levels. The following recommendations are made in an attempt to strengthen collections in this area:

28. **The Borough shall include penalty and interest charges for late payments in the ordinance. At a minimum the Borough shall assess a penalty of 10% and interest charges of 1.5% per month.**
29. **The Borough shall adjust the current fee levels to compensate for the revenue void on a proportional basis taking collection rates and all costs including billing and collection into account.**
30. **The Borough shall adopt an administrative policy that sets forth the terms and conditions of payment plans. Said payment plan shall include an initial payment upon signing the agreement with the balance due in equal monthly installments over a six-month period.**
31. **The Borough shall bill all landlords or property owners directly for the fee and any legal action taken shall be filed first against the property owner.**

- 32. The definition of a vacant unit shall be changed. A waiver of the fee shall only be granted when all utilities to the residential unit have been disconnected for a period of not less than six months.**
- 33. The Borough shall discuss with the delinquent collector the liening of all outstanding garbage fees.**

The fee for sewer service is assessed at \$30 per bill starting in 2013 and is billed to all units with measurable water consumption, including the Allegheny County Housing Authority. Billing is completed by Wilk-Penn Joint Water Authority (WPJ) with fees based on water consumption and billed with monthly water bills. ALCOSAN surcharge and usage fees are also included on these bills. The Borough pays WPJ \$1 per customer to bill and process the bills. WPJ is responsible to collect what is due on the current bill and has also been appointed as the delinquent collector. Delinquent collections are minimal and the Borough will need to implement corrective action to increase collections in this area. No problems were noted in the actual billing procedures.

Per the Borough sewage ordinance, the Borough bills for the ALCOSAN charge based on individual consumption. In addition, the Borough adds a 30% surcharge onto the regular bill. Charges based on consumption billed by ALCOSAN are approximately \$75,400 per quarter or \$301,600 per year. Projected collections for 2014 are \$275,000 for the entire year.

A review of the current fee structure indicates that in addition to payments to ALCOSAN the Borough should be returning monies to the general fund. Because of the poor collection rates the Borough has been at times subsidizing the payments to ALCOSAN from the general fund. Currently, the collection rates on all accounts are about 90%, which may be due to the lax enforcement currently employed by the delinquent collector. In addition, the Borough will need to reevaluate the current delinquent program and seek proposals to improve the overall collection process.

The following recommendations are made in an effort to shore up problems discussed in this area. Revenue enhancements, such as increasing the sewage surcharge, will be discussed in detail in the budget section of this report.

- 34. The Borough shall request proposals for delinquent sewage collections within 30 days after adoption of the plan amendment.**
- 35. The Borough shall pass along ALCOSAN increases through WPJ billing to residents.**
- 36. The Borough shall evaluate the proposals for delinquent collections in regards to improved effectiveness by combining the garbage and sewage fees under one collector. The performance of the delinquent collector shall be evaluated on an annual basis.**
- 37. The Borough shall request meetings with those communities that utilize the sewage system, which ultimately flows through the Borough, to develop a cooperation agreement for future maintenance and repair.**

## Section V

### Service Levels and Staffing Recommendations

#### Police Department

Currently, the Borough has budgeted a full-time chief and part-time officers. Beginning in 2014, the Chief received hospitalization coverage paid by the Borough. A breakdown of the proposed 2015 budget and number of shifts is listed as follows:

Position	Rate	Shifts per Week	Total Budget
Chief	\$49,553/yearly	5	\$49,553
Lieutenant	\$11.25/hourly	4.5	\$21,060
Sergeant	\$10.23/hourly	10.5	\$44,685
Patrol	\$10.10/hourly	27	\$113,443
<b>TOTAL</b>		<b>47</b>	<b>\$228,741</b>

The department maintains its records in-house and serves the community on a 24-hour per day basis. For the duration of this amended recovery plan, the manpower costs are in-line with budget expectations and any variances from the budget will be financially harmful.

The recommendation to begin financial discussions with the Allegheny County Housing Authority is maintained in this amendment even though recent discussions have been in vain.

The following recommendations are made in an attempt to maintain current service levels:

- 38. The Borough shall schedule no more than 48 shifts per week, including the Chief.**
- 39. The Borough shall continue to utilize officers in the same manner currently in place.**
- 40. The Borough shall approach surrounding municipalities concerning the feasibility of establishing a cooperative approach to police services. If interest is received from one or more municipalities the Borough shall request from the Governor’s Center for Local Government Services that a peer-to-peer study of a regional police department be completed under the center’s peer technical assistance program. Candidates for discussion shall include Braddock, Braddock Hills, North Braddock, Forest Hills, East Pittsburgh, and Swissvale.**
- 41. Base wage and salary increases for all Borough employees following adoption of this revised recovery plan shall not exceed the Consumer Price Index (CPI) – U (urban); provided, however, that any such annual increase in the Consumer Price Index – U (urban) does not exceed 3.5% with no additional increase above this level even if the CPI is higher.**

- 42. The Borough shall continue discussions with the Allegheny County Housing Authority to increase financial support to supplement additional patrols at authority units.**

## **Dispatch Services**

Since the Borough contracted with Allegheny County 9-1-1 as of December 1, 1999, and most municipalities in Allegheny County now use that service, the recommendation to remain with 9-1-1 is removed.

## **School Crossing Guards**

As in the 2011 amended recovery plan, the Borough currently employs four school-crossing guards at a rate of \$7.25 an hour scheduled for four hours per day. Reimbursements are requested from the school district for 50% of all applicable costs in a timely manner and no recommendations are made in this area.

## **Street Lighting**

Recommendation #7 recommends the Secretary research utilities for savings so the recommendation in this line item from the 2011 amended recovery plan is removed.

## **Public Works**

The Borough has continued to participate in the joint public works program through the Turtle Creek Valley COG. The program has worked out quite well over the years and has provided the Borough with an adequate level of public works services. Changes in sharing of staffing were made in 2013 due to Braddock Borough requesting each municipality have their own workers through the COG. There are regular meetings of the advisory board and Rankin participates. Costs paid by each community have increased greatly over the past seven years. Even though costs have increased, it is still thought to be the most effective means for delivery of public works services to Rankin.

Since the 2011 amended recovery plan, the State has provided additional funding for this program with a grant of \$100,000 to purchase much needed equipment that will be shared with Braddock Borough. The following recommendations from the 2011 recovery plan amendment will remain in this plan:

- 43. The Borough should continue to be an active member of the Turtle Creek Valley COG's shared public works program and actively participate on the advisory board for the department.**
- 44. The Borough shall implement a formal maintenance program to facilitate regularly scheduled sewer line inspection, repair, and maintenance.**

## Section VI

### Collective Bargaining Issues, Cost Containment Provisions and Labor Relations Provisions/Recommendations

In September 2012, the Governor signed into law Pennsylvania Act 133 which amended Act 47 and altered the process by which a recovery plan addresses collective bargaining. The amendment authorized Act 47 municipalities to set limits on bargaining unit expenditure growth through the adopted recovery plan. Act 133 mandates that collective bargaining agreements and arbitration settlements “shall not in any manner violate, expand or diminish” the provision of a financial recovery plan provided that expenditure limitations are not arbitrary, capricious or established in bad faith. Under the Act, limits on collective bargaining expenditure growth may be set for the current year, and an additional three years. Given that this plan amendment will be adopted in December 2014, 2014 projected expenditures which are derived from the Borough’s 2014 budget are considered the current year for purposes of Act 133 expenditure limitations. As such, the expenditure limitations defined in this plan are in effect through 2019. The expenditure limitations do not supersede the Borough’s current collective bargaining agreement with the police, which is in effect until December 2015.

- 45. The Borough shall not add full-time personnel without offsetting increases in revenue.**
- 46. The Borough shall limit expenditure increases in the overall police department budget to 2% per year above 2014 projected expenditure levels.**
- 47. The Borough shall cost out all collective bargaining requests to determine the impact on the bottom line.**
- 48. It is important for the financial stability of the Borough to continue to control employee compensation costs. The Borough shall not grant any salary increase outside of those already in place through current labor contracts. Future increase may be granted only in the event that the Borough adheres to the budget detailed in the recovery plan and the Coordinator affirms the fact that proposed increases can be supported by the projected budgets.**
- 49. There shall be no changes or additions to any employee benefit which would result in any increased cost to the Borough, or which would have unknown or uncapped future costs, unless mandated by law as an expense of the Borough as an employer.**
- 50. The Borough should continue to explore the potential of reducing costs by continuing to evaluate alternatives to the current health care plans.**
- 51. Base wage and salary increases for all Borough employees following adoption of this revised recovery plan shall not exceed the Consumer Price Index – U (urban); provided, however, that any such annual increase in the CPI – U (urban) does not exceed 3%. Any deviation shall be approved in advance by the Coordinator.**



- 52. The Borough should continue to participate in the Turtle Creek Valley COG shared public works program to control costs in this area. A request is made for funds to support additional operating costs necessary to maintain the current level of service, and to target capital projects, as well.**
  
- 53. The Borough should explore other opportunities for services offered through the TCVCOG or other area COGs, i.e., code enforcement, financials, and shared services.**

# Section VII

## Budget Analysis/Financial Projections

### Revenues

Rankin Borough Revenue Summary							
	2009	2010	2011	2012	2013	2014	
<i>Description</i>	<i>Actual Revenues</i>	<i>Actual Revenues</i>	<i>Actual Revenues</i>	<i>Actual Revenues</i>	<i>Unaudited Revenues</i>	<i>Projected Revenues</i>	<i>Growth/Rate</i>
Taxes	\$ 490,742	\$ 526,374	\$ 523,909	\$ 634,128	\$ 702,258	\$ 989,608	20.3%
Licenses & Permits	\$ 21,551	\$ 23,882	\$ 21,161	\$ 26,228	\$ 18,915	\$ 33,974	11.5%
Fines & Forfeits	\$ 23,096	\$ 32,803	\$ 37,169	\$ 27,239	\$ 24,003	\$ 14,078	-7.8%
Interest & Rents	\$ -	\$ 22,500	\$ 7,010	\$ 13,000	\$ -	\$ 1,705	1.5%
Intergovernmental	\$ 9,355	\$ 23,256	\$ 29,517	\$ 24,464	\$ 11,855	\$ 208,656	426.1%
Charges for Services	\$ 237,689	\$ 234,540	\$ 217,510	\$ 212,936	\$ 200,243	\$ 476,775	20.1%
Contributions & Donations	\$ 2,501	\$ 13,151	\$ 7,151	\$ 4,502	\$ 9,573	\$ 1,200	-10.4%
Other	\$ 61,836	\$ 47,315	\$ 30,611	\$ 46,327	\$ 29,577	\$ 42,923	-6.1%
<b>Total Operating Revenues</b>	<b>\$ 846,770</b>	<b>\$ 923,821</b>	<b>\$ 874,038</b>	<b>\$ 988,824</b>	<b>\$ 996,424</b>	<b>\$ 1,768,919</b>	<b>21.8%</b>

**Real Estate:** In 2002, the county reassessed all property, setting millage for calculation of property taxes at 100% of market value. Properties were reassessed in 2012 and the millage was reduced due to the anti-windfall provision. Since 2012 the Borough has retained millage at the current rate of 9.6928 with approximately an 83.5% collection rate projected in 2014, which is a marked improvement over the collection rate of less than 80% reported in the 2011 plan.

Problems have been noted in that delinquent collection efforts have not impacted current collection rates. Assumptions were made that if the Borough takes the necessary action to implement the recommendations detailed in this plan, delinquent collections should produce significant revenues by the end of the 2015 budget year.

**Earned Income Taxes and Other 511 Taxes:** EIT rates should start to be gradually reduced starting in 2016 so the Borough can prepare to exit Act 47 status. Also, Act 32 has assisted with the collection of EIT by requiring employers withhold the tax. This has increased that line item steadily every year.

**Licenses and Permits:** With the exception of the cable franchise fee the remaining line items in this budget organization are expected to remain level.

**Fines and Forfeitures:** This line item was lower than projected in 2014 due to circumstances beyond the Borough's control and the expected revenue has been reduced in the proposed 2015 budget.

**Interest and Rents:** Interest rates remain low everywhere. The Borough is satisfied with the services and convenience of PNC Bank.

**Grants:** Continued from the 2011 plan, it is the assumption that the Borough would maintain the current level of grant funding in all areas with the exception of liquid fuels and the 1% sales tax. It is anticipated that at least a 3% growth rate would continue in these areas. Grants, as recommended as part of this amendment, have not been budgeted and included in future projections since their bottom line impact on fund equity is minimal.

**Departmental Earnings:** In all areas it is anticipated that the Borough will be able to maintain current budget levels over the next five years. Rental fees to Laidlaw for the parking of school buses on a lot owned by the Borough have been discontinued and the Borough is hopeful of selling the lot for the development of a discount store.

The Borough is required to remit sewage payments for delinquent residents to ALCOSAN. If collection rates are at a level below what was collected the Borough is forced to subsidize the payment from the general fund. In past years a contingency has been budgeted to pay the delinquents.

As part of prior years' budget processes the Borough had adopted a 25% surcharge added to the regular sewage bill, which increased to 30% in 2012.

**Miscellaneous:** Revenues in this area are minimal.

## Revenue Summary

With the increased emphasis placed on tax collection policies and practices the Borough should have sufficient revenue to meet operating needs over the next three-year period. Because the budgeted revenues are at a level that will meet only basic service needs the Borough will have to take action necessary to ensure revenues remain at least at these projected levels. Failure to attain these goals could force the Borough into a deficit position.

## Expenditures

Rankin Borough Expenditure Summary							
	2009	2010	2011	2012	2013	2014	
	Actual	Actual	Actual	Actual	Unaudited	Projected	Growth/
Description	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Rate
General Govt	\$ 214,045	\$ 255,418	\$ 184,508	\$ 203,649	\$ 226,714	\$ 238,300	2.3%
Public Safety	\$ 352,612	\$ 377,949	\$ 347,485	\$ 382,533	\$ 378,624	\$ 385,412	1.9%
Public Works	\$ 212,871	\$ 252,702	\$ 247,363	\$ 294,369	\$ 279,100	\$ 291,860	7.4%
Culture & Recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Community Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Debt Service	\$ -	\$ -	\$ -	\$ 41,406	\$ -	\$ -	0.0%
Employee Benefits & Withholding	\$ 41,078	\$ 52,692	\$ 87,307	\$ 52,996	\$ 22,873	\$ 32,214	-4.3%
Insurance	\$ 15,644	\$ 39,765	\$ 20,381	\$ 26,654	\$ 51,427	\$ 49,302	43.0%
Other Financing	\$ 1,685	\$ 11,127	\$ 28,248	\$ 9,284	\$ 3,047	\$ 8,398	79.7%
<b>Total Expenditures</b>	<b>\$ 837,935</b>	<b>\$ 989,653</b>	<b>\$ 915,292</b>	<b>\$ 1,010,891</b>	<b>\$ 961,785</b>	<b>\$ 1,005,486</b>	<b>4.0%</b>

**Council and Mayor:** Costs relating to this department are fixed and discretionary spending minimal. No recommendations are made in this area.

**Manager/Secretary:** This budget organization consists of the Secretary and assistant with applicable fringe benefits for the Secretary. Minimal increases may be projected and discretionary spending has been cut to a minimum. No recommendation is made to fill the position of manager, but the Borough must begin to weigh alternatives since the current Secretary may be considering retirement in the near future.

**Tax Collector:** The new tax collector has increased the collection rate and should continue to be aggressive.

**Solicitor:** In this budget organization spending levels are projected to remain flat. The current solicitor is very conscientious of the Borough's financial position and works with the budget.

**Engineering:** Costs relating to engineering are budgeted not to exceed current spending levels, but have been significantly over budget every year. There have been continued discussions with the Borough stressing the need to keep these costs in-line and it is recommended a request for proposals be considered if the costs cannot be contained.

**Public Property:** Costs relating to the custodian have been fixed and utility costs are expected to remain flat. Repairs and building maintenance budgets, along with other discretionary spending, have been reduced.

**Police:** This is an area the Borough will have to control costs during this plan amendment. Recommendations were made specific to scheduling parameters in the 2011 amendment and the Borough continues to operate within the parameters set forth in this plan amendment. The recommendations will be continued in this plan as nothing has changed financially for the Borough.

**Fire:** The Borough must closely monitor discretionary spending within the department. There needs to be better control over line items that continue to go over budget.

**School Crossing Guards:** No changes were recommended to current funding levels.

**Refuse and Sewage:** In the 2011 plan, significant increases were budgeted for refuse collection and adjustments were made to sewage billing charges. In 2012 the Borough's fee was increased from 25% to 30% of the bill with an additional 10% added for late charges. System repairs for the sewage lines were kept at current levels. A line item for the quarterly payment to ALCOSAN reflects a 120% budget allocation of anticipated billings for sewage customers in the Borough. A higher than anticipated collection rate has been budgeted on the revenue side to compensate for this additional expenditure. All ALCOSAN fees and surcharges are passed along to the customer and this should continue.

**Streets:** No changes were recommended in this area with continued participation in the joint public works program through the Turtle Creek Valley Council of Governments. Costs are expected to increase only by the anticipated cost of living.

**Street Lighting:** Costs are expected to continue to remain stable. No recommendations are made outside of those made prior in the report.

**Debt Service:** At the current time there is no debt service.

**Insurance, Miscellaneous and Other Transfers:** Increases are budgeted for insurances and hospitalization benefits for retirees, and now include a second employee. Pension obligations are expected to remain flat. Overall, this budget organization has increased and the Coordinator has recommended obtaining quotes from various providers.

## Expenditure Summary

On whole, expenditures should remain stable over the next three years to keep within budgeted revenues. Salaries have been fixed at current levels and discretionary spending levels have been reduced. Based on past trends it has been shown that the Borough can be quite effective in holding expenditures within acceptable budget variances.

## Financial Projections

Rankin Revenue Projections					
	2015	2016	2017	2018	2019
Description	Projected	Projected	Projected	Projected	Projected
Taxes	431,887	436,206	440,568	444,974	449,423
Licenses and Permits	18,575	18,575	18,575	18,575	18,575
Fines and Forfeits	18,400	18,400	18,400	18,400	18,400
Interest and Rents	100	100	100	100	100
Intergovernmental	299,772	307,266	314,948	322,822	330,892
Charges for Services	507,740	512,817	517,946	523,125	528,356
Contributions and Donations	0				
Other	62,271	62,894	63,523	64,158	64,799
<b>Total Operating Revenue</b>	<b>1,338,745</b>	<b>1,356,258</b>	<b>1,374,059</b>	<b>1,392,153</b>	<b>1,410,546</b>

The above table shows revenue projections from 2015 to 2019. The growth in Taxes is due to increased millage rates on real estate taxes, collection of earned income taxes, and increased collection of delinquents. There is no anticipated growth in Licenses and Permits; Fines and Forfeits; and Interest and Rents. The increase in the Intergovernmental line item is from expected increases in the Act 77 sales tax. The other line items show minimal increases. Sewage and trash were not included as any revenues will be offset with expenditures.

Rankin Expenditure Projections					
1% Expenditure Growth	2015	2016	2017	2018	2019
Description	Projected	Projected	Projected	Projected	Projected
General Government	221,091	223,302	225,535	227,790	230,068
Public Safety	344,422	347,866	351,345	354,858	358,407
Public Works	305,994	309,054	312,144	315,266	318,419
Culture and Recreation	0	0	0	0	0
Community Development	0	0	0	0	0
Debt Service	0	0	0	0	0
Employee Benefits and Writ	85,547	86,402	87,266	88,139	89,021
Insurance	68,544	69,229	69,922	70,621	71,327
Sewage/Alcosan	306,228	309,290	312,383	315,507	318,662
Other Financing	6,919	6,988	7,058	7,129	7,200
<b>Total Expenditures</b>	<b>1,338,745</b>	<b>1,352,132</b>	<b>1,365,654</b>	<b>1,379,310</b>	<b>1,393,103</b>

<b>Rankin Expenditure Projections</b>					
<b>1.5% Expenditure Growth</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Description</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
General Government	221,091	224,407	227,773	231,190	234,658
Public Safety	344,422	349,588	354,832	360,155	365,557
Public Works	305,994	310,584	315,243	319,971	324,771
Culture and Recreation	0	0	0	0	0
Community Development	0	0	0	0	0
Debt Service	0	0	0	0	0
Employee Benefits and Wit	85,547	86,830	88,133	89,455	90,796
Insurance	68,544	69,572	70,616	71,675	72,750
Sewage/Alcosan	306,228	310,821	315,484	320,216	325,019
Other Financing	6,919	7,023	7,128	7,235	7,344
<b>Total Expenditures</b>	<b>1,338,745</b>	<b>1,358,826</b>	<b>1,379,209</b>	<b>1,399,897</b>	<b>1,420,895</b>

The two above tables show expenditure projections at 1% and 1.5% for the period 2015 to 2019. These figures can be accomplished with a continued effort of Council to control spending by keeping all salaries, benefits, and third party contractors utilized for services within the budget.

<b>Rankin Projected Surplus/Deficit</b>					
<b>1% Expenditure Growth</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Revenues	1,338,745	1,356,258	1,374,059	1,392,153	1,410,546
Expenditures	1,338,745	1,352,132	1,365,654	1,379,310	1,393,103
Surplus/Deficit	0	4,126	8,405	12,843	17,443

<b>Rankin Projected Surplus/Deficit</b>					
<b>1.5% Expenditure Growth</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
Revenues	1,338,745	1,356,258	1,374,059	1,392,153	1,410,546
Expenditures	1,338,745	1,358,826	1,379,209	1,399,897	1,420,895
Surplus/Deficit	0	-2,568	-5,149	-7,744	-10,349

The above tables show the projected surplus/deficit projected for 2015 to 2019 with 1% and 1.5% expenditure growth. The Borough needs to contain costs to 1% growth to control costs and maintain a positive position.

## Section VIII

# Community Development Recommendations

### ***Housing***

In the recovery plan updates of 1997 and 2011, it was recommended to launch a residential development program designed to create new/rehabbed housing on property formerly owned by RAAC and/or tax delinquent property. Rankin Community Development Corporation meets monthly and their work with Mon Valley Initiative has resulted in the construction of eight new single-family houses on the former Elk's site in Rankin. All are occupied and property taxes forthcoming and collected. The current status is on-going and the following is recommended:

- 54. Borough officials shall remain involved with the Rankin CDC initiative and provide leadership.**
- 55. Rankin remains involved in a variety of community forums, i.e., the Greater Braddock Development Forum, Design Action Team for the Mon-Fayette Expressway, and the Carrie Furnace Steering Committee. Rankin officials shall continue attending these forums.**
- 56. Council and commissions of the Borough shall participate in training sessions relating to planning, and community and economic development.**
- 57. Rankin shall continue participating in seeking funding for residential property reuse, redevelopment, and demolition initiatives.**
- 58. Rankin shall be an active participant in Allegheny County development initiatives, inclusive of housing development.**

### ***Planning/Zoning***

The following recommendations are retained from the 2011 plan and/or made to strengthen the Borough's position relative to planning and zoning issues:

- 59. Appropriate Rankin officials shall continue to work with Swissvale Borough on a joint zoning update prompted by the development of the Carrie Furnace site, including other areas of the Borough where needed. HRG in Cranberry Township is the consultant that is under contract for the work.**
- 60. The Borough shall commission its engineer to determine who owns Baltimore Avenue and how it can be used to the greatest community benefit. Rankin CDC should be assigned this responsibility.**
- 61. Borough officials shall consult with Turtle Creek Valley COG officials and seek county funds through the COG to meet the objective of infrastructure studies.**

A new recommendation is made in an attempt to obtain funding for a new roof and structural repairs to the Borough building. As part of the peer consultant report it was included as a capital project, but is a project that needs completed before the funding can be raised by the Borough. The Coordinator and Local Government Academy intern have searched extensively for a funding source, but to no avail. Two municipalities in Allegheny County have received Community & Tourism Infrastructure funding for municipal building projects, even though not a qualified use, by requesting waivers to that provision.

**62. The Borough shall apply for a Community Infrastructure & Tourism Fund grant for improvements to the Borough Building.**

The boroughs of Rankin and Edgewood have advertised and are expected to approve an ordinance adopting an inter-municipal zoning implementation agreement whereby they would share certain zoning classes. This was requested by Edgewood in order to implement a multi-municipal plan and whereby they agree to the following specific activity:

*Provision of Industrial Zoning: The multimunicipal plan notes that Edgewood Borough was traditionally a bedroom community. Industrial development was always located in Rankin Borough. The plan found that Edgewood has no suitable areas for industrial development. Rankin Borough shall provide for future industrial development in both communities through provision of industrial designated areas within its zoning ordinance.*

The Borough is hopeful that this could provide tenants interested in the Carrie Furnace site. The Zoning Officer and Council would be involved in meeting with any prospective developers seeking industrial zoning.

***Code Enforcement***

As in many Act 47 communities, the need for code enforcement services is great and the resources available to pay for services are minimal. The Borough had contracted with the Steel Valley Council of Governments for a few hours of code enforcement per week, but the COG elected to discontinue this service. The Borough utilizes a code enforcement official through the engineer's office for this service and building inspection. The following recommendation will remain as the Borough's current provider is not considered "shared" because it is through a third party and not with another municipality:

**63. The Borough shall apply for a Municipal Assistance Program grant in the amount of \$20,000 over a two-year period to assist the Borough in contracting code enforcement services in conjunction with another municipality.**

A new recommendation follows and should be easier to enforce when the codification of ordinances is completed:

**64. The Borough code enforcement officer shall be aggressive in enforcing the Borough codes and in performing occupancy inspections in accordance with the ordinances of the Borough.**



## Section IX

### Economic Development Recommendations

Since the last recovery plan update in 2011, much activity has occurred in preparing the Carrie Furnace site for reuse. Through a TIGER grant the access road is on track and expected to be completed in August 2015. The Borough is proposing flex/office space and light industrial space to hopefully create jobs for the community. A study was completed by a Carnegie-Mellon University graduate class and it anticipates a 14-year development plan and the Allegheny County Department of Economic Development as the master developer. Under the guidance of RAAC, a steering committee was assembled to further study and recommend reuses of this Carrie Furnace site. The steering committee meets monthly and a 'community benefit agreement' among the communities impacted by the site, RAAC, and a potential private developer. Additionally, via a multi-municipal plan developed among Rankin, Swissvale, and Edgewood, a regional zoning board will be established to further guide and enforce new zoning requirements on the Carrie Furnace site.

The following recommendations from the 2011 plan remain:

- 65. County and Commonwealth grant and loan programs should be used to expedite residential and industrial development by supporting specific projects. The Rankin Community Development Corporation shall be utilized to move this along.**
- 66. The Rankin Community Development Corporation has replaced the Rankin Partnership which was formed to meet and to evolve an identity as the “convener/coordinator” forum for development, improvement, and revitalization efforts in Rankin. The Borough, through its Rankin Community Development Corporation, shall continue to forge partnerships with key elements in the community.**
- 67. The Borough shall use the Rankin Partnership forum to bring in the Rankin CDC. Rather than the CDC as the forum, the Partnership is evolving to fill the void, and the CDC will be an important component to community-wide revitalization.**
- 68. The Borough shall continue to actively participate in the Greater Braddock Development Forum.**
- 69. The Borough shall continue to work with those community agencies that express a commitment to promote economic development. A representative of the Borough shall attend regular scheduled meetings and monthly reports shall be made to Council.**
- 70. The Borough should continue to support efforts of the TCVCOG, SVCOC and TRCOG to establish a tri-COG land bank for blighted vacant property as long as cost to the Borough does not exceed the estimated benefit and the school district participates.**

## Section X

### Communication of Progress Requirement

It is essential that the Borough of Rankin undertake the recovery plan elements, particularly key elements, as soon as possible. Throughout the time that the amendment was being formulated the Borough had implemented many of the recommendations and it is anticipated that those remaining recommendations will be implemented following the prescribed timetable.

It is equally important that the Borough maintain regular communication in its progress toward implementation of recommendations to the coordinator. The Coordinator, after reviewing these reports, may know of resources or information that could assist the Borough toward more efficient implementation of these recommendations. The Coordinator may also note, through the regular communication of these reports, trends that would predict upcoming difficulties for the Borough.

The Borough, during the distressed period, should continue to provide the Coordinator with monthly financial statements showing revenues, expenditures, and fund balances, along with quarterly budgetary information. The Coordinator shall be considered a resource during the budgetary process and will assist the Borough in the preparation of the annual budget. The Borough also should send to the Coordinator all regular and special meeting agendas and minutes on a monthly basis.

The Coordinator shall monitor the status of the recommendations and provide assistance to the Borough on any incomplete recommendations. Semi-annual on-site meetings with the Coordinator should also be held to review plan implementation progress and to amend, add, or delete those recommendations, as the Coordinator believes appropriate. The Coordinator may also decide to reprioritize recommendations if conditions in the Coordinator's opinion have changed.

The Coordinator shall monitor the progress by the Borough towards accomplishing the key elements of the recovery plan amendment. Any key management, administrative, and financial decisions of the Borough, which may or may not be part of the recovery plan should also routinely be communicated to the Coordinator. This is particularly true if this action entails an abrupt change or alteration from prior positions or policies of the Borough.

Emergency situations which require immediate action by the Borough may be excluded from this reporting procedure with the caveat that communication must occur as soon as possible after the emergency has been mitigated. Emergency action should be as restricted as possible to mitigate the emergency before the Coordinator approves the activity or actions contrary to the accepted or regular practice. Additional action by the Borough official beyond the immediate mitigation activity should not occur until approved by the Coordinator. If the Borough or its elected or appointed officials demonstrate an intentional and consistent failure to communicate or consult with the Coordinator on a regular basis with the information, reports or documentation requested by the Coordinator, the Borough may, after review and discussion, be found to have violated the recovery plan which may result in the withholding of Commonwealth funding.

## Section XI

### Community Commitment Component

It should be recognized that the alleviation of the municipality's "distressed" status far exceeds simple Borough operations. It is important that the entire community become involved in the financial recovery process as fully as possible. Partnerships between public and private entities should be encouraged to help the community recover.

The Borough should encourage participation through regularly held informational town meetings. Existing organizations, such as merchants' organizations, church, and neighborhood groups, can be solicited for their commitment to help the community recover.

The process should go beyond typical top down information distribution and dissemination. It should truly involve these other community groups. Their ideas and energies should be utilized in the recovery process. The establishment of common goals and objectives for the community could be an important consensus-building technique that warrants consideration. There are organizations in the Borough of Rankin which have citizen influence and these resources ought to be utilized as fully as possible.

This community-wide recovery process should be initiated as soon as possible. Goals and objectives should be set with these community organizations in order to fully involve as broad based an effort as possible.

## Section XII Act 47 Grant/Loan Activities

Project: Joint Code Enforcement

Description: Pursue Municipal Assistance Program grant funds for an inter-municipal Code Enforcement position servicing Rankin and another municipality.

Cost: \$20,000

Project: Shared Public Works

Description: The shared public works project is coordinated through the Turtle Creek Valley COG and shared by only two remaining municipalities. The funds requested would support additional operating costs necessary to maintain the current level of service, and to target capital projects, as well.

Cost: \$50,000

Project: Capital Projects

Description: Grants are necessary to implement numerous capital projects throughout the Borough. The projects are listed in the Multi-Municipal Plan (Rankin-Swissvale-Edgewood) and may be funded by PennDOT, Allegheny County, CDBG, H2), CFA, etc.

Cost: \$100,000

# COMPLETED & REMOVED RECOMMENDATIONS FROM 2011 AMENDED RECOVERY PLAN & 2014 PEER CONSULTANT REPORT

## Completed

- The Borough shall apply for Act 47 grant funds in the amount of \$5,000 for the purpose of updating the codification of Borough ordinances. The Borough will speak with the company that completed the codification specific to entering into a contract to update the codification manual on an annual basis.
- The Borough shall request peer-to-peer assistance from DCED for the purpose of purchasing the services of the financial consultant for a one-year period; and developing, adopting, and implementing a cash management and investment policy and program, which will maximize investment income.
- The primary responsibility of the financial consultant shall be to develop a financial manual of policies and procedures. In addition, the financial consultant shall assess the feasibility of shifting the accounts payable and billing function to the COG and, if deemed advantageous by the Coordinator, to assist in the implementation. Due to the fact that the Borough Secretary may consider retirement it is imperative that procedures are in place to effectuate a smooth transition when the current Borough Secretary elects to retire.
- The Borough shall request peer-to-peer assistance from DCED in establishing appropriate legislation under the PA Records Retention Act that will permit the Borough to properly dispose of older records.
- The Borough shall request peer-to-peer assistance through the Center for Local Government Services to develop a personnel manual, including job descriptions, employee pay plan, performance evaluations, and overall policies relating to employment with the Borough, with the assistance of the Coordinator and implement any recommended changes.
- The Borough shall take advantage of the Local Government Academy's programs and shall follow recommendations from its peer-to-peer assistance in partnership with DCED.
- The Borough shall request proposals beginning with the fiscal 2011 audit to have an independent audit performed based on generally accepted auditing standards. The Borough shall adopt legislation creating the office of independent auditor, thus eliminating the need for elected auditors.
- The audit shall be completed on a modified accrual basis of accounting.
- The Borough shall assure a smooth transition with its EIT information and documents to the newly-appointed Act 32 EIT collector for January 1, 2012 implementation.

- The Borough shall consider that the newly--appointed EIT Collector also collect the Borough's Local Services Tax (LST) effective January 1, 2012.
- The Borough shall contact the current cable provider to request a change in the remittance of the annual license fee. The fee should be remitted four times per year no later than 30 days after the end of the calendar quarter commencing in January of 2011 as opposed to annually.
- The Borough shall maintain by ordinance a 25% surcharge on the quarterly sewage bills for the purpose of billing charges, addressing delinquents along with establishing a capital fund for sewage related infrastructure needs.
- Rankin is involved in a study in partnership with Swissvale, Braddock, Turtle Creek, Hazelwood, and South Oakland regarding connectivity and economic development. Rankin has chosen the access to the Carrie Furnace as paramount to its long-term interests. Rankin officials should remain involved with this planning process and continue to advocate for a direct access to the Carrie Furnace site off the Rankin Bridge.

## REMOVED

After review and discussion the following recommendations were removed as no longer necessary:

- The Borough shall request proposals for banking services from banks in the immediate area with the assistance of the financial consultant.
- The Borough shall request information on establishing accounts at the Pennsylvania Local Government Investment Trust and/or the Pennsylvania Invest Program. Both offer competitive interest rates on both short and long-term investments.
- The Borough shall remain in the current dispatch arrangement with the current 911 regional dispatch center.
- Since the Duquesne Light Grant Program for distressed municipalities no longer exists, the Borough shall investigate joining an electric power consortium and/or working with the COG to pursue the same.
- The Borough shall provide to the collector a list of all businesses operating in the Borough. The Borough shall utilize this list to expand the local services tax and earned income tax rosters.
- Since Allegheny County is currently not pursuing any GIS expansion, the Borough officials shall contact the Southwestern Pennsylvania Commission (SPC), formerly known as the Southwestern Pennsylvania Regional Planning Commission (SPRPC), to access and/or seek expertise for the Borough to be included within the regional GIS network.