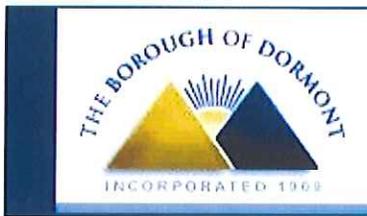




***REGULAR BUSINESS MEETING  
DORMONT BOROUGH COUNCIL  
JUNE 2, 2014***

1. Executive Session 6:00PM
2. Call to Order
3. Pledge of Allegiance
4. Roll Call
5. Registered Comments from the Public
  - A. Proclamation Recognizing June 2, 2014 as Noah Zych Day in Dormont
  - B. Presentation of FY 2013 Audit Report – Maher Duessel
6. Comments from the Mayor
7. Council Committee Reports
8. Council President’s Report
9. Borough Manager’s Report
10. Consent Agenda
  - A. Motion to accept the written report of the Borough Solicitor.
  - B. Motion to accept the written reports of Borough Officials.
  - C. Motion to approve the Minutes of the May 5, 2014 Council Business Meeting.
  - D. Motion to approve the Warrant List for May, 2014.
  - E. Motion to remove Officers Robert Barnes and Adam Schmidt from probationary status and give them permanent status [Recommended by Police Chief Bisignani].
  - F. Motion to approve repairs to the preemption system on the traffic signals at Hillsdale Avenue and West Liberty Avenue by Traffic Systems and Services at a cost of \$5,079.87.
  - G. Motion to approve agreement with Superior Petroleum to replace an illegal sign at 1530 Potomac Avenue in lieu of legal action or a variance request.
  - H. Motion to approve Payment #1 and Final for Insight Pipe Contracting, L.P. for the CCTV inspection and lining of sanitary sewers project for \$20,927.
  - I. Motion to approve Payment #1 and Final for BLT Contracting, Inc. for the asbestos removal at 1218 Dormont Avenue for \$5,900.00.
  - J. Motion to approve summer hires for the Recreation Department as outlined in the Recreation Director’s memorandum.



11. Action Items

- A. **Authorization to Purchase AED for Dormont Volunteer Fire Department Station** – Motion to authorize the Borough Manager to purchase an Automated External Defibrillator for the Dormont Volunteer Fire Department station – Property, Supplies and Planning Committee – Valerie Martino, Chairperson
  - 1. Public Comment
  - 2. Council Discussion
- B. **Approval of Reserved Accessible Parking Space at 3228 Gaylord Avenue** – Motion to not approve a Reserved Accessible Parking Space for Mr. Michael Farrell of 3228 Gaylord Avenue [Recommended for Non-Approval by the Traffic and Parking Planning Commission] – Public Safety/Public Service Committee – Joan Hodson, Chairperson
  - 1. Public Comment
  - 2. Council Discussion
- C. **Authorization to Seek Bids to Address Stormwater Issues in the 2700 Block of Voelkel Avenue** – Motion to authorize the Borough Manager to seek bids for a new stormwater line in the 2700 block of Voelkel Avenue to alleviate flooding problems as outlined in the staff report – Property, Supplies & Planning Committee – Valerie Martino, Chairperson
  - 1. Public Comment
  - 2. Council Discussion
- D. **Award of Bid for 2014 Sanitary Sewer Preventative Maintenance** – Motion to award the bid for the 2014 Sanitary Sewer Preventative Maintenance program to Insight Pipe Contracting, LP for \$49,315 as outlined in the staff report – Public Safety/Public Service Committee – Joan Hodson, Chairperson
  - 1. Public Comment
  - 2. Council Discussion

12. Discussion Items

- A. **Munetrix Financial Modeling Software** – Borough Manager
- B. **Conservatorship Properties Update** – Borough Solicitor

13. Comments from the Public on Non-Agenda Items

14. Announcements

15. Adjournment



## **BOROUGH OF DORMONT**

### **PROCLAMATION**

#### **NOAH ZYCH DAY ON JUNE 2, 2014**

**WHEREAS**, a structure fire broke out at the house located at 2823 Crosby Avenue on Thursday, March 8, 2014; and

**WHEREAS**, firefighters from the Dormont Volunteer Fire Department, the Mt. Lebanon Fire Department and paramedics from MRTSA were called to the scene; and

**WHEREAS**, the temperature on that day reached into the 80s and combined with the heat of the fire required the many people fighting the fire to need hydration; and

**WHEREAS**, Noah Zych took it upon himself to provide drinks for the firefighters and paramedics fighting the fire;

**NOW, THEREFORE WE, THE BOROUGH COUNCIL OF DORMONT**, do hereby proclaim June 2, 2014 as Noah Zych Day in the Borough of Dormont and encourage all residents to emulate the young man's spirit of goodwill and thoughtfulness.

---

Willard McCartney, Council President

---

Phillip Ross, Mayor



**MaherDuessel**  
Certified Public Accountants

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Suite 204  
Butler, PA 16001  
Main 724.285.6800  
Fax 724.285.6875

May 27, 2014

Jeff Naftal  
Borough of Dormont  
1444 Hillsdale Avenue  
Pittsburgh, PA 15216

Dear Jeff:

Enclosed with this letter are copies of the Financial Statements, Management Letter, and Communication to Those Charged with Governance letter.

If you have any questions or concerns, please contact me at (412) 535-5538.

Sincerely,

  
Janet L. Feick, CPA

enclosures

**Communication to Those Charged with Governance**

Members of Council  
Borough of Dormont

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Dormont (Borough), Pennsylvania, as of and for the year ended December 31, 2013. In addition, we have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation (Schedules) included in the Annual Audit and Financial Report of the Borough as of and for the year ended December 31, 2013, as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED). Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our conversations with the Council President and Finance Committee Chair about planning matters on January 23, 2014 and January 24, 2014, respectively. Professional standards also require that we communicate to you the following information related to our audit.

**Our Responsibility under Auditing Standards Generally Accepted in the United States of America**

As stated in our engagement letter dated November 26, 2012, our responsibility, as described by professional standards, is to express opinions about whether the financial statements and Schedules prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and the accounting practices and procedures prescribed or permitted by the DCED, which is a regulatory basis of accounting. Our audit of the financial statements and Schedules does not relieve you or management of your responsibilities.

In addition, our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. As part of our audit, we considered the internal control of the Borough. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

**Significant Accounting Policies**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Borough are described in Note 2 to the financial statements. The Borough has adopted Governmental Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities." This statement reclassifies certain items that were reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. The primary impact of this statement was to classify unavailable tax revenue as deferred inflows of resources on the fund balance sheet. In addition, the Borough changed their accounting basis from the cash basis to

the full accrual basis. We noted no transactions entered into by the Borough during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no sensitive estimates affecting the financial statements.

#### Disclosures

Certain disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

Management's valuation of investments is based on the investment's fair value. The Borough's investments are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that significant changes in risks in the near-term may materially affect the amounts reported in the financial statements.

The disclosure of a property exchange that occurred within the Borough contained in Note 6 (capital assets) was also deemed to be sensitive.

The disclosures in the financial statements are neutral, consistent, and clear.

#### Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

#### Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letters dated March 28, 2014 (for the Schedules) and May 23, 2014 (for the financial statements).

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Borough's financial statements and/or Schedules or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Borough's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Audit Findings or Issues

We have issued a separate management letter concerning internal control related matters dated May 23, 2014.

\* \* \* \* \*

This information is intended solely for the information and use of the Members of Council and management of the Borough and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

*Maher Duessel*

Pittsburgh, Pennsylvania  
May 23, 2014

Members of Council  
Borough of Dormont

In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Dormont (Borough), Pennsylvania, as of and for the year ended December 31, 2013, in accordance with audit standards generally accepted in the United States of America, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness and another matter that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in the Borough's internal control to be a material weakness (items denoted with an asterisk "\*" are carried forward from the prior year):

**Segregation of Duties – Meter Receipts\***

Significant amounts of cash are collected from parking meters. In some instances, one employee is responsible for visiting each meter and removing the money. As a result, errors and irregularities with cash receipts, including the loss of cash, could occur and not be detected in a timely fashion. We continue to recommend that the Borough consider rotating employees responsible to collect the meter funds and prepare weekly comparisons of collections to enhance controls over these cash collections.

**Management's Response:**

We do not have a second employee at this time, though we are training someone for that purpose. However, we will consider in the fiscal year 2015 budget whether to add a part-time person to handle some of these duties.

\*\*\*\*\*

We consider the following deficiency in the Borough's internal control to be a significant deficiency:

**Financial Reporting**

As a part of the audit process, the auditors prepared the financial statements from information provided by the Borough. Although the financial statements were subsequently reviewed by management to ensure that the data was accurately presented, management does not currently have a process in place to ensure that it can produce financial statements in full compliance with accounting principles generally accepted in the United States of America (U.S. GAAP) without the assistance of the auditor. As such, there is a risk that financial statements prepared by management would not contain the necessary presentations and disclosures.

We understand that the Borough may determine that it does not have the resources available to fully prepare their own external financial statements in accordance with U.S. GAAP. We recommend that management of the Borough consider whether it wishes to take measures to ensure that it can eliminate the deficiency outlined above.

**Management's Response:**

The Borough will continue to work with our auditors to develop GAAP financial statements.

\* \* \* \* \*

During our audit, we noted the following other matters involving internal control that are presented for your consideration (items denoted with an asterisk "\*" are carried forward from the prior year):

**Bank Reconciliations**

Our understanding is that bank reconciliations and cancelled checks are reviewed by someone independent of the reconciliation process; however, this review is not formally documented. We recommend that this review and approval be documented on the bank statements and bank reconciliations.

**Management's Response:**

Bank reconciliations are currently done by the Bookkeeper and then reviewed by the Borough's appointed Treasurer. That will continue. We will ask the Treasurer to formally document this review and to provide a quarterly report of any discrepancies found.

**Disaster Contingency Plan**

The Borough formalized a Financial Policies and Procedures manual for 2013 in accordance with a prior year comment. However, there is no Disaster Contingency Plan included in the manual. A Disaster Contingency Plan is a plan devised for an outcome other than the usual plan. It should be stressed that in developing a Disaster Contingency Plan, a large amount of consideration should be given to the Borough's Information Technology infrastructure. We recommend that a Disaster Contingency Plan be created, documented, formalized and enacted.

**Management's Response:**

Staff will work on this during the remainder of fiscal year 2014.

**Pay Rates\***

We continue to recommend that procedures be implemented to ensure that salary and pay rate information is maintained on file for each non-union employee. In addition, we recommend that procedures be implemented to document management's approval of salary rates for each non-union employee on a yearly basis.

**Management's Response:**

The Borough is implementing new financial application software that will include the ability to maintain employee records, including pay rates. That should resolve this issue by the end of 2014.

**Designated Millage\***

A portion of the Borough's real estate tax millage is designated for the fire department, the library, and for debt service. We continue to recommend that the Borough ensure procedures are in place to track any unspent designated real estate tax.

**Management's Response:**

The Borough will look to do this during the fiscal year 2015 Budget Process.

**Outside Collection Agencies\***

We noted that the Borough uses outside agencies for the collection of local service taxes, solid waste fees, and sewer usage fees. The Borough is responsible for monitoring the performance of these outside agencies. We continue to recommend that management evaluate whether the information provided by these agencies is sufficient to allow the Borough to monitor the collections. Collections can be monitored through a regular review of information such as monthly or quarterly statements that may be submitted with the collection data from the outside collection agency.

**Management's Response:**

The Borough receives regular reports from its collection agencies. These reports are reviewed by either the Bookkeeper or Borough Manager. We will implement a regular review of these records for fiscal year 2015.

**Timesheet Approval**

During testing of the payroll system, we noted that electronic timesheets for the Police Department are approved verbally each pay. We recommend that approval of timesheets be formally documented either within the Kronos time system, or in writing.

**Management's Response:**

The Borough will work with the Police Department to formally approve timesheets as recommended.

**Real Estate Tax (RET) Collections**

During our testing of RET collections, we reviewed the individual payments totaling \$14,583 for deposits made eight to ten days after the end of the face period and noted that, of the twelve individual payments made, two were credited at discount, seven were credited at face, and three were credited at penalty. Upon follow-up with the tax collector, he stated that both discount payments were received from a mortgage services company and, as a result, were not charged a penalty. He also stated that, of the seven payments credited at face, two were installment payments, one was received from a mortgage services company, and the remaining four were most likely mailed to the Borough prior to 7/1.

**Management's Response:**

The Borough will work with the Tax Collector to standardize his practices utilizing the software provided to him for this purpose.

**Pension Deposit**

The 2013 employer pension contribution for the Police Pension plan, which included state aid, was deposited into the Non-Uniformed Employees' Pension plan in error. Pennsylvania law requires municipalities to deposit state aid for pension plans within 30 days of receipt. It also requires each pension plan's chief administrative officer to determine an annual minimum municipal obligation and to pay that amount no later than December 31 of the year in which the obligation is due, in order to avoid an interest penalty. Management detected and corrected the error in February 2014; however, no interest payment was made. We recommend that the Borough calculate and make any required interest payments, and that policies and procedures be developed to ensure compliance with all state pension laws.

**Management's Response:**

The Bookkeeper and actuary will determine how much interest was lost and deposit that amount into the Police Pension Plan. The Borough Manager currently must sign off on all deposits of this nature which should eliminate any future issues.

**Pending Pronouncements**

GASB has issued Statement No. 67, "*Financial Reporting for Pension Plans*," effective for financial statements for periods beginning after June 15, 2013, and has also issued Statement No. 68, "*Accounting and Financial Reporting for Pensions*," effective for fiscal years beginning after June 15, 2014. These statements revise existing guidance for the financial reports of most pension plans, and establish new financial reporting requirements for most governments that provide their employees with pension benefits.

GASB has issued Statement No. 69, "*Government Combinations and Disposals of Government Operations*," effective for fiscal years beginning after December 15, 2013 (the Borough's financial statements for the year ending December 31, 2014). GASB Statement No. 69 provides new accounting and financial reporting standards for government mergers and acquisitions and for government operations that have been transferred or sold.

GASB has issued Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*," effective for financial statements for periods beginning after June 15, 2013. This statement addresses an issue regarding GASB Statement No. 68 relating to amounts associated with contributions, if any, made by a state or local government employer or nonemployers contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

The effect of implementation of these statements has not yet been determined. We recommend that the Borough begin considering the effect that these new standards will have on the Borough's financial statements and operations.

**Management's Response:**

The Borough will work with the auditors to ensure we address any effects these new standards might have.

\* \* \* \* \*

Management's written responses to the significant deficiency, material weakness, and other matters identified in our audit have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management of the Borough, Members of Council, and others within the Borough, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Maher Duessel*

Pittsburgh, Pennsylvania  
May 23, 2014

# **Borough of Dormont**

Financial Statements and  
Required Supplementary Information

Year Ended December 31, 2013 with  
Independent Auditor's Report

**MaherDuessel**  
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

Pursuing the profession while promoting the public good<sup>®</sup>  
[www.md-cpas.com](http://www.md-cpas.com)

# **BOROUGH OF DORMONT**

YEAR ENDED DECEMBER 31, 2013

## **TABLE OF CONTENTS**

### **Independent Auditor's Report**

<b>Management's Discussion and Analysis</b>	<b>i</b>
---	----------

### **Basic Government Financial Statements:**

#### Government-Wide Financial Statements:

Statement of Net Position	1
---------------------------	---

Statement of Activities	2
-------------------------	---

#### Fund Financial Statements:

Balance Sheet – Governmental Funds	3
------------------------------------	---

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	4
--	---

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	5
--	---

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	6
---	---

Statement of Fiduciary Net Position – Fiduciary Funds	7
---	---

Statement of Changes in Fiduciary Net Position – Pension Trust Funds	8
---	---

Notes to Financial Statements	9
-------------------------------	---

### **Required Supplementary Information:**

Statement of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget (Non-GAAP Budgetary Basis) Budgeted Governmental Fund Types – General Fund	33
---	----

# BOROUGH OF DORMONT

YEAR ENDED DECEMBER 31, 2013

## TABLE OF CONTENTS

(Continued)

Statement of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget (Non-GAAP Budgetary Basis) All Budgeted Governmental Fund Types – Sewer Fund	35
Note to Required Supplementary Budgetary Schedules	37
 <u>Pension Plans:</u>	
Schedules of Funding Progress	38
Schedules of Contributions from Employers and Other Contributing Entities	39
Note to Required Supplementary Pension Schedules	40
 <u>Postemployment Benefits Other than Pension Benefits (OPEBs):</u>	
Schedule of Funding Progress	41

Independent Auditor's Report

Members of Council  
Borough of Dormont

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Dormont (Borough), Pennsylvania, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Borough's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and the pension and other postemployment benefits information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Maher Duessel*

Pittsburgh, Pennsylvania  
May 23, 2014

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Borough of Dormont, Pennsylvania (Borough), we offer readers of the Borough's financial statements this narrative overview and analysis of the financial activities of the Borough for the year ended December 31, 2013. Prior to fiscal year 2013, the Borough's financial statements were prepared on the cash basis, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). Consequently this discussion and analysis provides few comparisons with the previous year. In future years, however, a comparative analysis of the government-wide data will be presented.

### FINANCIAL HIGHLIGHTS

- The Borough's total net position decreased \$3,788 in 2013.
- Total unrestricted net position was \$1,884,842 at December 31, 2013.
- The Borough's real property tax rate decreased 5.03 mills, from 14.0 mills to 8.97 mills in 2013.
- At December 31, 2013, the Borough had \$2,806,703 of outstanding net debt, which represents a decrease of \$703,951, or 20% from the previous year.
- The total fund balance of the General Fund at December 31, 2013 was \$1,211,661. The unassigned portion of the fund balance was \$1,095,665, which is approximately 15% of General Fund expenditures for fiscal year 2013.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis is intended to serve as an introduction to the Borough's basic financial statements. The Borough's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Borough's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of the Borough's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough is improving or deteriorating.

The statement of activities presents information showing how the Borough's net position changed during fiscal year 2013. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements show functions of the Borough that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Borough include general government, public safety, sanitation, public works, parks and

recreation, and conservation and development.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Borough can be divided into two categories: governmental funds and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Borough's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Borough's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Borough maintains 4 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, Sewer Fund, and the Capital Projects Fund, all of which are considered to be major funds. Data from the other governmental fund, the Liquid Fuels Fund, which is considered to be a non-major fund, is also presented.

The Borough adopts an annual budget for the General Fund and Sewer Fund. Budgetary comparison statements for these funds are provided in this report as required supplementary information to demonstrate compliance with this budget.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the Borough. The Borough is the trustee, or fiduciary, for two single-employer pension plans: non-uniformed employees and police. These plans cover essentially all full-time employees. The Borough is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Borough's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the Borough's government-wide financial statements because the Borough cannot use these assets to finance its operations.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 9-32 of this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Borough's progress in funding its obligation to provide pension and postemployment benefits other than pension benefits (OPEBs) to its employees. Required supplementary information can be found on pages 33-41 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of the Borough's financial position. In the case of the Borough, assets exceeded liabilities by \$15,441,970 at the close of fiscal year 2013.

The Borough's net position at December 31, 2013 is presented below:

<u>Borough of Dormont's Net Position</u>	
	<u>Governmental Activities</u>
Current and other assets	\$ 5,556,168
Capital assets	13,340,550
Total assets	<u>\$ 18,896,718</u>
Current and other liabilities	\$ 1,328,519
Non-current liabilities	2,126,229
Total liabilities	<u>\$ 3,454,748</u>
Net position:	
Net investment in capital assets	\$ 10,533,847
Restricted	3,023,281
Unrestricted	1,884,842
Total net position	<u>\$ 15,441,970</u>

### Net Position

One portion of the Borough's net position (68.2%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Borough uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Borough's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other funding sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Borough's net position (19.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (12.2%, or \$1,884,842) may be used to meet the Borough's ongoing obligations to citizens and creditors.

At the end of 2013, the Borough reported positive balances in all three categories of net position, both for the Borough as a whole, as well as for its separate governmental activities.

The following presents the Borough's change in net position for the fiscal year ended December 31, 2013:

<u>Borough of Dormont's Changes in Net Position</u>	
	<u>Governmental Activities</u>
Revenues:	
Program revenues:	
Charges for services	\$ 3,173,528
Operating grants and contributions	353,968
Capital grants and contributions	-
General revenues:	
Property taxes	3,572,622
Earned income taxes	1,051,779
Other taxes	574,401
Grants and contributions not restricted to specific programs	
Other	748,300
Total revenues	<u>9,474,598</u>
Expenses:	
Program expenses:	
General government	2,907,850
Public safety	2,346,817
Public works	1,557,825
Sanitation	1,884,577
Parks and recreation	600,643
Interest on long-term debt	180,674
Total expenses	<u>9,478,386</u>
Change in net position	(3,788)
Net position - beginning	<u>15,445,758</u>
Net position - ending	<u>\$ 15,441,970</u>

## **GOVERNMENTAL ACTIVITIES**

### **Revenue Sources**

Total governmental activities revenues of \$9,474,598 were derived primarily from Property Taxes, representing 38% of the total. Charges for Services made up the second largest source of revenue at 33%, followed by Earned Income Taxes at 11%, Other General Revenue at 8%, and Other Taxes at 6%.

## **GOVERNMENTAL ACTIVITIES**

### **Program Expenses**

Total governmental activities expenses for all programs in 2013 were \$9,478,386. The expenses cover a range of services, with the largest being General Government at 31%. The second largest program area was Public Safety at 25%, followed by Sanitation at 20%, Public Works at 16%, and Parks and Recreation at 6%, and all others at 4%.

## **GOVERNMENTAL ACTIVITIES**

### **Net Program Expenses/Revenues**

Net program expenses/revenues indicates the amount of support required from taxes and other general revenues for the year. General government expenses required the most general revenue for support, needing \$2,661,548 in 2013. Public Safety required \$1,750,676 general revenues for support, while Public Works required \$1,409,853, Parks and Recreation required \$414,792, and Interest on long-term debt required \$180,674. Sanitation provided general revenues of \$466,653.

## **FINANCIAL ANALYSIS OF THE BOROUGH'S FUNDS**

As noted earlier, the Borough uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Borough's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Borough's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Borough's net resources available for spending at the end of the fiscal year.

As of the end of 2013, the Borough's governmental funds reported combined ending fund balances of \$4,118,946, a decrease of \$45,078 in comparison with the prior year. Of this combined fund balance total, \$1,095,665 or 27% represents unassigned fund balance, meaning it is available to meet the Borough's current and future needs. There is \$2,907,285 restricted for sewer improvements, \$92,090 restricted for the the Fire Department, and another \$23,906 restricted for debt service.

The General Fund is the chief operating fund of the Borough. At the end of 2013, unassigned fund balance of the General Fund was \$1,095,665, while total fund balance reached \$1,211,661. This represents a decrease of \$47,638 or 4% under the prior fiscal year's total fund balance. This decrease is due to the Borough's increased capital projects for the year including some unanticipated projects.

The Sewer Fund accounts for a customer service charge and water usage charge assessed to properties in the Borough. The Sewer Fund is a Special Revenue Fund that accounts for maintenance of the sewer system within the Borough. Expenses from this fund include those necessary for the operation of the

sanitary sewer treatment plant, all costs associated with the maintenance of the sanitary sewer infrastructure, and the Municipality's payments to the Allegheny County Sanitary Authority (ALCOSAN). At the end of 2013, total fund balance of the Sewer Fund was \$2,907,285, all of which is restricted for sewer improvements. The total fund balance increased by \$213,318, or 8% over the prior fiscal year as a result of a planned effort to save between \$200,000 and \$300,000 each year to build up sufficient reserves to pay for mandated system improvements under the Borough's Consent Order that will start in 2026..

The Capital Reserve Fund accounts for funds provided by the Borough, most frequently from General Fund transfers, for use on capital projects. At the end of 2013, total fund balance of the Capital Reserve Fund was \$0. The total fund balance decreased by \$102,601 or 100% under the prior fiscal year as a result of increased capital projects for the year.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

During 2013, actual expenditures were \$45,515 over budget, resulting in very little budget-to-actual variance overall. General Fund expenditures for General Government, Public Safety, and Highways, Roads and Streets exceeded the departmental budget as a result of unanticipated purchases used to enhance services. The excess appropriations in the General Fund were funded by budget surpluses in other departments and transfers from other funds.

General Fund revenues exceeded budgeted amounts by \$126,422. The major reason for the higher revenues was increased Earned Income Taxes and building permit fees.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The Borough's investment in capital assets for its governmental activities as of December 31, 2013 amounts to \$13,340,550 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, and infrastructure.

The following is a summary of the Borough's capital assets at December 31, 2013:

Borough of Dormont's Capital Assets (net of depreciation)	
	Governmental Activities
Land	\$ 1,802,975
Buildings	9,104,169
Machinery and equipment	2,790,146
Infrastructure	15,660,340
Total capital assets	29,357,630
Less accumulated depreciation	(16,017,080)
Net capital assets	<u>\$ 13,340,550</u>

More detailed information about the Borough's capital assets can be found in Note 6 of the notes to financial statements.

**Long-term debt.** At the end of 2013, the Borough had total outstanding debt of \$2,806,703. This represents a decrease of 20% from the previous year.

The following is a summary of the Borough's outstanding debt at December 31, 2013:

<u>Borough of Dormont's Outstanding Debt</u>	
	<u>Governmental Activities</u>
General obligation bonds	\$ 2,796,709
Other	9,994
Total outstanding debt	<u>\$ 2,806,703</u>

More detailed information about the Borough's outstanding debt can be found in Note 5 of the notes to financial statements.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The factors below were considered when preparing the budget and setting rates for the 2014 fiscal year:

- The need to diversify the revenue stream.
- Enhanced parking enforcement and use of modern parking systems.
- The upcoming Transit Oriented Development project.
- New providers of various services including solid waste/recycling removal and swimming pool operations.

#### **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Borough's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Borough Manager, Borough of Dormont, 1444 Hillside Avenue, Pittsburgh, PA 15216.

# BOROUGH OF DORMONT

## STATEMENT OF NET POSITION

DECEMBER 31, 2013

<u>Assets</u>	<u>Governmental Activities</u>
Cash and cash equivalents	\$ 4,295,513
Accounts receivable:	
Taxes	649,840
Sewer charges	314,945
Solid waste charges	75,867
Other	74,549
Net pension asset	145,454
Capital assets not being depreciated:	
Land	1,802,975
Capital assets net of accumulated depreciation:	
Buildings	5,264,111
Furniture, machinery, and equipment	919,803
Infrastructure	5,353,661
<b>Total Assets</b>	<b>18,896,718</b>
<u>Liabilities</u>	
Accounts payable	472,612
Salaries payable	31,977
Bonds payable, current portion	823,930
Compensated absences	100,640
Net other post-employment benefits obligation	42,816
Bonds payable, long-term portion, net of unamortized discount	1,982,773
<b>Total Liabilities</b>	<b>3,454,748</b>
<u>Net Position</u>	
Net investment in capital assets	10,533,847
Restricted for:	
Fire department	92,090
Debt service	23,906
Sewer improvements	2,907,285
Unrestricted	1,884,842
<b>Total Net Position</b>	<b>\$ 15,441,970</b>

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2013

Functions/Programs	Program Revenues			Capital Grants and Contributions	Total	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions			
Governmental activities:						
General government - other	\$ 2,553,740	\$ 40,306	\$ 205,996	\$ -	\$ -	(2,307,438)
General government - building	354,110	-	-	-	-	(354,110)
Public safety	2,346,817	596,141	-	-	-	(1,750,676)
Highways, roads, and streets	1,462,402	-	147,972	-	-	(1,314,430)
Sanitation	1,884,577	2,351,230	-	-	-	466,653
Public works - other	95,423	-	-	-	-	(95,423)
Parks and recreation	600,643	185,851	-	-	-	(414,792)
Interest	180,674	-	-	-	-	(180,674)
Total primary government	\$ 9,478,386	\$ 3,173,528	\$ 353,968	\$ -	\$ -	(5,950,890)

### General revenues:

#### Taxes:

Real estate	3,572,622
Earned income	1,051,779
Regional asset district sales tax	423,870
Real estate transfer taxes	89,088
Local services tax	61,443
Licenses and permits	201,750
Fine and related costs	110,115
Interest, rents and royalties	326,735
Miscellaneous	40,545
Refunds of prior year expenditures	69,155
Total general revenues	5,947,102

### Change in Net Position

Net position - beginning of year

Net position - end of year

	(3,788)
	15,445,758
	\$ 15,441,970

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2013

Assets	Major Funds			Other Fund	Total
	General Fund	Sewer Fund	Capital Projects Fund	Liquid Fuels Fund	Governmental Funds
Cash and cash equivalents	\$ 1,238,562	\$ 3,025,756	\$ 7,027	\$ 24,168	\$ 4,295,513
Accounts receivable:					
Taxes	649,840	-	-	-	649,840
Sewer charges	-	314,945	-	-	314,945
Solid waste charges	75,867	-	-	-	75,867
Other	74,549	-	-	-	74,549
Due from other funds	-	-	357,635	5,157	362,792
<b>Total Assets</b>	<b>\$ 2,038,818</b>	<b>\$ 3,340,701</b>	<b>\$ 364,662</b>	<b>\$ 29,325</b>	<b>\$ 5,773,506</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 67,657	\$ 10,968	\$ 364,662	\$ 29,325	\$ 472,612
Accrued payroll and related benefits	31,977	-	-	-	31,977
Due to other funds	130,108	232,684	-	-	362,792
<b>Total Liabilities</b>	<b>229,742</b>	<b>243,652</b>	<b>364,662</b>	<b>29,325</b>	<b>867,381</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - sewer charges	-	189,764	-	-	189,764
Unavailable revenue - real estate taxes	308,688	-	-	-	308,688
Unavailable revenue - earned income taxes	288,727	-	-	-	288,727
<b>Total Deferred Inflows of Resources</b>	<b>597,415</b>	<b>189,764</b>	<b>-</b>	<b>-</b>	<b>787,179</b>
<b>Fund Balance:</b>					
Restricted for:					
Fire department	92,090	-	-	-	92,090
Debt service	23,906	-	-	-	23,906
Sewer improvements	-	2,907,285	-	-	2,907,285
Unassigned	1,095,665	-	-	-	1,095,665
<b>Total Fund Balance</b>	<b>1,211,661</b>	<b>2,907,285</b>	<b>-</b>	<b>-</b>	<b>4,118,946</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 2,038,818</b>	<b>\$ 3,340,701</b>	<b>\$ 364,662</b>	<b>\$ 29,325</b>	<b>\$ 5,773,506</b>

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2013

<b>Total Fund Balance - Governmental Funds</b>	<b>\$ 4,118,946</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,340,550
Certain taxes and sewer charges are not available to pay for current-period expenditures and, therefore, are unavailable, in the funds.	787,179
Amounts contributed in excess of the annual pension costs are not current financial resources and, therefore, not reported in the funds.	145,454
Long-term liabilities, including compensated absences, other post-employment benefits, and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,950,159)</u>
<b>Net Position - Governmental Activities</b>	<b><u><u>\$ 15,441,970</u></u></b>

See accompanying notes to financial statements.

## BOROUGH OF DORMONT

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2013

	Major Funds			Other Fund	Total Governmental Funds
	General Fund	Sewer Fund	Capital Projects Fund	Liquid Fuels Fund	
<b>Revenues:</b>					
Taxes	\$ 5,244,628	\$ -	\$ -	\$ -	\$ 5,244,628
Licenses and permits	201,750	-	-	-	201,750
Fines and forfeits	110,115	-	-	-	110,115
Interest, rent, and royalties	324,941	1,694	48	52	326,735
Intergovernmental	205,996	-	-	147,972	353,968
Charges for services	1,382,883	1,690,248	-	-	3,073,131
Miscellaneous	40,545	-	-	-	40,545
<b>Total revenues</b>	<b>7,510,858</b>	<b>1,691,942</b>	<b>48</b>	<b>148,024</b>	<b>9,350,872</b>
<b>Expenditures:</b>					
Current:					
General government	894,003	-	19,001	-	913,004
Public safety	2,233,260	-	-	-	2,233,260
Highways, roads, and streets	613,069	-	572,632	261,338	1,447,039
Sanitation	638,637	1,245,940	-	-	1,884,577
Public works - other	95,423	-	-	-	95,423
Parks and recreation	564,374	-	-	-	564,374
Miscellaneous	1,430,310	-	-	-	1,430,310
Debt service	897,118	-	-	-	897,118
<b>Total expenditures</b>	<b>7,366,194</b>	<b>1,245,940</b>	<b>591,633</b>	<b>261,338</b>	<b>9,465,105</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>144,664</b>	<b>446,002</b>	<b>(591,585)</b>	<b>(113,314)</b>	<b>(114,233)</b>
<b>Other Financing Sources (Uses):</b>					
Refunds of prior year expenditures	69,155	-	-	-	69,155
Operating transfers in	-	-	488,984	5,157	494,141
Operating transfers out	(261,457)	(232,684)	-	-	(494,141)
<b>Total other financing sources (uses)</b>	<b>(192,302)</b>	<b>(232,684)</b>	<b>488,984</b>	<b>5,157</b>	<b>69,155</b>
<b>Net Change in Fund Balance</b>	<b>(47,638)</b>	<b>213,318</b>	<b>(102,601)</b>	<b>(108,157)</b>	<b>(45,078)</b>
<b>Fund Balance:</b>					
Beginning of year	1,259,299	2,693,967	102,601	108,157	4,164,024
End of year	<b>\$ 1,211,661</b>	<b>\$ 2,907,285</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,118,946</b>

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2013

**Net Change in Fund Balance - Governmental Funds** **\$ (45,078)**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$801,034) exceeded capital outlays (\$85,737) in the current period. (715,297)

The repayment of the principal of long-term debt and compensated absences consumes the current financial resources of governmental funds. This amount is the difference in the treatment of long-term debt and compensated absences between the two statements. 716,444

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 54,571

Amounts contributed in excess of the annual pension cost are not current financial resources and, therefore, not reported in the funds. (8,867)

Amounts to fund other post-employment benefits are not due and payable in the current period and, therefore, are not reported in the funds. (5,561)

**Change in Net Position of Governmental Activities** **\$ (3,788)**

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS

DECEMBER 31, 2013

<b>Assets</b>	<b>Non-Uniformed Employees</b>	<b>Police</b>	<b>Total</b>
Investments (at fair value):			
Cash and cash equivalents	\$ 120,175	\$ 371,504	\$ 491,679
U.S. government securities	258,308	739,439	997,747
Corporate bonds	223,940	632,369	856,309
Common stock	1,376,101	3,942,336	5,318,437
Fixed mutual funds	655,220	1,725,971	2,381,191
Equity mutual funds	482,096	1,467,546	1,949,642
Other funds	71,470	213,071	284,541
Due from non-uniformed employees fund	-	269,858	269,858
<b>Total Assets</b>	<b>3,187,310</b>	<b>9,362,094</b>	<b>12,549,404</b>
<b>Liabilities</b>			
Due to police fund	269,858	-	269,858
<b>Net Position</b>			
Net position held in trust for pension benefits	<b>\$ 2,917,452</b>	<b>\$ 9,362,094</b>	<b>\$ 12,279,546</b>

See accompanying notes to financial statements.

# BOROUGH OF DORMONT

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Non-Uniformed Employees</u>	<u>Police</u>	<u>Total</u>
<b>Additions:</b>			
<b>Contributions:</b>			
Commonwealth	\$ 10,134	\$ 145,240	\$ 155,374
Borough	-	124,618	124,618
Employee	42,765	93,714	136,479
Total contributions	<u>52,899</u>	<u>363,572</u>	<u>416,471</u>
<b>Investment income:</b>			
Net appreciation in fair value of investments	299,979	944,433	1,244,412
Interest and dividends	94,765	313,741	408,506
Total investment income	<u>394,744</u>	<u>1,258,174</u>	<u>1,652,918</u>
Total additions	<u>447,643</u>	<u>1,621,746</u>	<u>2,069,389</u>
<b>Deductions:</b>			
Benefits	65,063	569,348	634,411
Administrative expense	24,713	59,608	84,321
Total deductions	<u>89,776</u>	<u>628,956</u>	<u>718,732</u>
Increase (Decrease) in Plan Net Position	357,867	992,790	1,350,657
<b>Net Position</b>			
Beginning of year	<u>2,559,585</u>	<u>8,369,304</u>	<u>10,928,889</u>
End of year	<u>\$ 2,917,452</u>	<u>\$ 9,362,094</u>	<u>\$ 12,279,546</u>

See accompanying notes to financial statements.

# **BOROUGH OF DORMONT**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2013**

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### **1. REPORTING ENTITY**

The Borough of Dormont (Borough) operates under Pennsylvania law with an elected Mayor and seven elected Council members. The Borough embraces 3/4 of a square mile approximately four miles outside the City of Pittsburgh and has a population of approximately 9,300. The Borough provides services in many areas to its residents, including various general government services, public safety, highway maintenance, and health and welfare services.

Component units are to be included within the financial reporting entity of the Borough based upon the significance of their operation or financial relationships with the Borough. There are no organizations that meet the criteria for inclusion in the Borough's reporting entity.

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Borough. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a particular function or segment. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Borough considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Deferred inflows of resources reported on the governmental funds balance sheet arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when resources are received by the Borough before it has legal claim to them, as when intergovernmental funds are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Borough has a legal claim to the resources, the unavailable revenue is removed as a deferred inflow of resources or the unearned revenue is removed as a liability and the revenue is recognized.

The accounts of the Borough are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate.

The Borough maintains the following governmental fund types:

#### General Fund

The General Fund is the principal operating fund of the Borough, which is used to account for all financial transactions except those accounted for in other funds.

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. The Borough uses the following Special Revenue Funds:

- The Liquid Fuels Fund accounts for state aid revenues (liquid fuels tax) used for building and improving roads and bridges.
- The Sewer Fund accounts for sewage user fees and capital expenditures for maintenance of the sewer system within the Borough.

### Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital projects.

The Borough maintains the following fiduciary funds:

### Pension Trust Funds

The Pension Trust Funds are used to account for assets held by the Borough in a trustee capacity for employee retirement. The Borough maintains two pension plans; the Non-Uniformed Employees Plan and the Police Plan.

### Budgets and Budgetary Accounting

An operating budget was adopted for 2013 for the General Fund and Special Revenue Funds (Liquid Fuels Fund and Sewer Fund) on the cash basis, which differs from accounting principles generally accepted in the United States of America.

Within the various funds, the secretary/manager is authorized to transfer budgeted amounts between departments and/or accounts, provided that such transfers do not alter total expenditures approved by the Members of Council (Council). Therefore, the level of control over expenditures in these funds is the surplus or deficit of the fund as a whole.

In accordance with the Borough Code, beginning at least thirty days prior to the adoption of the budget, which shall not be later than December 31, a proposed budget for the ensuing year is prepared in a manner designated by the Council. The proposed budget is kept on file with the Borough secretary and made available for public inspection for a period of ten days. Notice that the proposed budget is available for inspection is published by the Borough

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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secretary in a newspaper of general circulation. After the expiration of the ten days, Council makes such revision in the budget as deemed advisable and adopts the budget by motion.

### Cash and Cash Equivalents

The Borough's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

### Investments

Investments are reported at fair value. Funds are invested in accordance with the Borough's investment policy guidelines as described in Note 3.

### Property and Earned Income Taxes

Property tax revenue and earned income tax revenue are recognized to the extent collected during the year. Earned income taxes are recognized as a receivable when the obligation to pay the tax is incurred by the taxpayer (i.e., income subject to the taxes is earned). Interest and penalty charges accrued on unpaid taxes are recognized as revenue when received. Tax refunds are charged against revenues when paid.

### Sewer Fund Accounts Receivable

Accounts receivable for sewer billings remitted to the Borough are reflected as an asset with an offsetting deferred inflow of resources to the extent not available in the fund financial statements.

### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. All capital assets are capitalized at cost and donated fixed assets are recorded at their fair values at the time of donation. The Borough maintains a capitalization threshold of \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

All reported capital assets, except for land and construction in progress, are depreciated. Depreciation is computed using the straight-line method, over the following useful lives:

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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Buildings	40 years
Furniture, machinery, and equipment	5 - 20 years
Infrastructure	15 - 50 years

### Long-Term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond premiums and discounts are recorded as current period costs in the governmental funds.

### Interfund Receivables, Payables, and Transfers

Individual fund receivable and payable balances at December 31, 2013, as well as interfund transfers for the year ended December 31, 2013, were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Due To</u>	<u>Due From</u>
General Fund	\$ -	\$ 261,457	\$ 130,108	\$ -
Sewer Fund	-	232,684	232,684	-
Capital Projects Fund	488,984	-	-	357,635
Liquid Fuels Fund	5,157	-	-	5,157
	<u>\$ 494,141</u>	<u>\$ 494,141</u>	<u>\$ 362,792</u>	<u>\$ 362,792</u>

Transactions between funds which are not expected to be repaid are accounted for as transfers. In those cases when repayment is expected within the next fiscal year, the transactions are accounted for through the various due from and due to accounts. The transfers out from the Sewer Fund and the General Fund represent transfers to the Capital Projects Fund for current and future capital projects.

### Compensated Absences

A liability for compensated absences is determined by the payments which would be available to employees if they would leave or retire from the Borough. These amounts are reflected as long-term liabilities in the government-wide statements unless retirements are

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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likely within the upcoming fiscal year. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

### Net Position

The government-wide financial statements are required to report three components of net position:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflow of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.
- Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets.
- Unrestricted – This component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

### Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of restriction placed upon the funds. These levels are as follows:

- Nonspendable – This category represents funds that are not in spendable form. The Borough currently does not have any nonspendable funds.
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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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- Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. This category includes unspent portions of prior years' tax millage restricted for the fire department and debt service. Restricted fund balance also includes funds that are legally restricted for sewage infrastructure.
- Committed – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by the Borough Council. Such commitment is made via a Borough Council resolution and must be made prior to the end of the fiscal year. Removal of this commitment requires a Borough Council resolution. The Borough currently does not have any committed funds.
- Assigned – This category represents intentions of the Borough Council to use the funds for specific purposes. The Borough currently does not have any assigned funds.
- Unassigned – This category represents all other funds not otherwise defined.

The Borough's policy is to use funds in the order of the most restrictive to the least restrictive.

### Risk Management

The Borough is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees; and natural disasters. Except for workmen's compensation (see Note 11), these risks are covered by commercial insurance purchased from independent third parties. There has been no significant reduction in coverage during the year. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years.

### Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Adoption of Pronouncements

The Borough has adopted Governmental Accounting Standards Board (GASB) Statement No. 65, "*Items Previously Reported as Assets and Liabilities.*" This statement reclassifies

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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certain items that were reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. The primary impact of this statement was to classify unavailable tax revenue as deferred inflows of resources on the fund balance sheet.

### Pending Pronouncements

GASB has issued Statement No. 67, "*Financial Reporting for Pension Plans*," effective for financial statements for periods beginning after June 15, 2013, and has also issued Statement No. 68, "*Accounting and Financial Reporting for Pensions*," effective for fiscal years beginning after June 15, 2014. These statements revise existing guidance for the financial reports of most pension plans, and establish new financial reporting requirements for most governments that provide their employees with pension benefits. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 69, "*Government Combinations and Disposals of Government Operations*," effective for fiscal years beginning after December 15, 2013 (the Borough's financial statements for the year ending December 31, 2014). GASB Statement No. 69 provides new accounting and financial reporting standards for government mergers and acquisitions and for government operations that have been transferred or sold. The effect of implementation of this statement has not yet been determined.

GASB has issued Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*," effective for financial statements for periods beginning after June 15, 2013. This statement addresses an issue regarding GASB Statement No. 68 relating to amounts associated with contributions, if any, made by a state or local government employer or nonemployers contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The effect of implementation of this statement has not yet been determined.

### **3. CASH AND INVESTMENTS**

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits, and certificates of deposit. The statutes also allow the pooling of governmental funds for investment purposes. The deposit and investment policy of the Borough adheres to state statutes. Governmental funds are either maintained in demand deposits and certificates of deposit or invested with the Pennsylvania Local Government Investment Trust (PLGIT). There were no deposit or investment transactions during the year that were in violation of either the state statutes or the Borough's policy.

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### Deposits

The following is a description of the Borough's deposit risks:

**Custodial Credit Risk** – Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned to it. The Borough does not have a formal deposit policy for custodial credit risk. At December 31, 2013, \$4,259,497 of the Borough's bank balance of \$4,509,497 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have a carrying amount of \$4,202,940 as of December 31, 2013.

In addition to the deposits noted above, included in cash and cash equivalents are investments with PLGIT totaling \$92,573. The fair value of the Borough's investments with PLGIT, which is an external investment pool, is the same as the value of pooled shares. The Borough's investments in PLGIT cannot be classified by risk category, because they are not evidenced by securities that exist in physical or book entry form.

**Interest Rate Risk** – The Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments have an average maturity of less than one year.

**Credit Risk** – The Borough has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2013, investments in PLGIT have received an AAAM rating from Standard & Poor's.

### Pension Trust Funds

The Pension Trust Funds' investments are held separately from those of other Borough funds. Assets in the Pension Trust Funds are stated at fair value. The Borough maintains investment policies that summarize the investment philosophy of the Borough and establishes investment guidelines and performance objectives for both the Non-Uniformed Employees and Police Pension Plans.

The Pension Trust Funds are invested in various types of financial instruments. This diversification of the investment portfolio serves to assist in mitigating the various types of risks associated with different types of financial instruments. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

values of investments could occur in the near-term and that such a change could materially affect the amount reported on the statement of fiduciary net position.

As of December 31, 2013, the Borough had the following cash and investments in its Pension Trust Funds:

Cash and Cash Equivalents or Investment Type	Fair Market Value	Investment Maturities from December 31, 2013			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Corporate fixed income	\$ 856,309	\$ 106,262	\$ 750,047	\$ -	\$ -
U.S. government obligations	997,747	-	275,016	72,212	650,519
<b>Total debt-backed investments</b>	<b>1,854,056</b>	<b>\$ 106,262</b>	<b>\$ 1,025,063</b>	<b>\$ 72,212</b>	<b>\$ 650,519</b>
Cash and cash equivalents	491,679				
Fixed mutual funds	2,381,191				
Equity mutual funds	1,949,642				
Other funds	284,541				
Common stock	5,318,437				
<b>Total cash and other investments</b>	<b>10,425,490</b>				
<b>Total cash, cash equivalents, and investments</b>	<b>\$ 12,279,546</b>				

The following is a description of the Pension Trust Funds' deposit and investment risks:

*Credit risk* - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Pension Trust Funds have no formal investment policy that would limit their investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2013, \$346,291 of the Pension Trust Funds' investments in fixed income U.S. Government obligations were rated AAA by Moody's and \$651,456 were unrated. The ratings for the Funds' investments in corporate bonds are detailed out in the schedule below:

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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<u>Bond Rating</u> <u>Moody's</u>	<u>Total Fair</u> <u>Market Value</u>
A1	\$ 85,618
A2	167,776
A3	159,291
Baa1	208,065
Baa2	<u>235,559</u>
Total	<u>\$ 856,309</u>

*Custodial Credit Risk* – For deposits and investments, custodial credit risk is the risk that in the event of the failure of the bank or counterparty, the Pension Trust Funds will not be able to recover the value of their deposits or investments or collateral securities that are in the possession of an outside entity. The Pension Trust Funds do not have a formal deposit or investment policy for custodial credit risk. The Borough's investments in mutual funds cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. All money market funds have an average maturity of one year or less.

*Concentration of Credit Risk* – The Pension Trust Funds place no limit on the amount they may invest in any one issuer. The Manning & Napier FD Core Plus Bond Fund, constituted approximately 17% and 15%, respectively, of the plan net position for the Non-Uniformed Employees and Police plans at December 31, 2013. The pension plans did not have any investment transactions with related parties during the year.

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of the Pension Trust Funds' investments. The Pension Trust Funds do not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The average maturities of debt-backed investments are disclosed above.

#### 4. REAL ESTATE TAXES

Allegheny County is responsible for establishing assessed values (corresponding to 100% of market value) for real property in the Borough. Except for exempt parcels, real estate taxes due to the Borough are calculated by multiplying assessed value by the millage rates set by the Borough. The Borough Code permits real estate tax rates for primary governments of up to 30 mills and additional millage for certain specified purposes. The Borough's real estate

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

tax rate applicable for 2013 was 8.97 mills (4.87 General Government, 2.47 Debt Service, 0.22 Library, and 1.41 Fire Department). Taxable assessed value applied in 2013 was approximately \$388 million.

Real estate taxes are billed and collected by an elected tax collector. Taxes are levied on April 1. Taxes paid by May 31 are reduced by a 2% discount. Taxes paid after July 31 are subject to a 10% penalty. Amounts not collected before the following December 31 are turned over to a contractor for collection.

### 5. LONG-TERM DEBT

Changes in the Borough's long-term debt for the year ended December 31, 2013 were as follows:

	Beginning Balance at January 1, 2013	Additions	Retirements and Refunding	Accretion	Ending Balance at December 31, 2013
General obligation bonds:					
Series of 1997 - capital appreciation	\$ 3,042,817	\$ -	\$ (700,000)	\$ 165,282	\$ 2,508,099
General obligation notes:					
2006 Note	153,329	-	(71,694)	-	81,635
2011 Note	252,011	-	(45,036)	-	206,975
AIM Loan of 2013	-	12,493	(2,499)	-	9,994
Tax exempt appropriation note of 2003	62,497	-	(62,497)	-	-
	<u>\$ 3,510,654</u>	<u>\$ 12,493</u>	<u>\$ (881,726)</u>	<u>\$ 165,282</u>	<u>\$ 2,806,703</u>

#### General Obligation Bonds - 1997

In 1997, the Borough issued \$1,265,000 in Current Interest General Obligation Bonds and \$2,041,634 in Capital Appreciation General Obligation Bonds (1997 Bonds) with interest rates from 4.0% to 5.45%. The 1997 Bonds are due serially through 2018. The outstanding accreted amount of the 1997 Bonds at December 31, 2013 was \$2,508,099.

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### General Obligation Note - 2006

In 2006, the Borough issued a General Obligation Note (2006 Note) in the amount of \$524,191. The proceeds of the 2006 Note were used to refinance the 2000 Note. The 2006 Note bears an interest rate of 4.79%. Interest payments are required on the last day of each month commencing December 31, 2006 and continuing each month thereafter through the date of maturity on January 31, 2015.

### General Obligation Note - 2011

In 2011, the Borough issued a General Obligation Note (2011 Note) in the amount of \$620,000. The proceeds of the 2011 Note were used to purchase a parking lot. The 2011 Note bears an interest rate of 3.25%. Interest and principal payments are required on the first day of each month commencing April 1, 2011 and continuing each month thereafter through the date of maturity on March 1, 2026.

### Tax Exempt Appropriation Note - 2003

In 2003, the Borough obtained a tax-exempt appropriation note (TEAN) in the amount of \$520,000. The proceeds of the TEAN were used to finance the cost of a salt storage enclosure and renovation to the Public Works building. The TEAN bore an interest rate of 4.80%. Principal and interest payments of \$33,100 were required on a semi-annual basis commencing May 31, 2004 and continuing thereafter through the date of maturity on November 30, 2013.

Annual debt service requirements of the Borough are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 777,479	\$ 54,802	\$ 832,281
2015	685,293	75,915	761,208
2016	647,813	106,964	754,777
2017	618,523	136,254	754,777
2018	77,595	20,189	97,784
	<u>\$ 2,806,703</u>	<u>\$ 394,124</u>	<u>\$ 3,200,827</u>

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

### 6. CAPITAL ASSETS

Capital asset activity for the primary government for the year ended December 31, 2013 was as follows:

	Balance at January 1, 2013	Increases	Decreases	Balance at December 31, 2013
Capital assets, not being depreciated:				
Land	\$ 1,802,975	\$ -	\$ -	\$ 1,802,975
Total capital assets, not being depreciated	<u>1,802,975</u>	<u>-</u>	<u>-</u>	<u>1,802,975</u>
Capital assets, being depreciated:				
Buildings	9,104,169	-	-	9,104,169
Furniture, machinery, and equipment	2,704,409	85,737	-	2,790,146
Infrastructure	15,660,340	-	-	15,660,340
Total capital assets, being depreciated	<u>27,468,918</u>	<u>85,737</u>	<u>-</u>	<u>27,554,655</u>
Less: accumulated depreciation for:				
Buildings	(3,601,568)	(238,490)	-	(3,840,058)
Furniture, machinery, and equipment	(1,623,588)	(246,755)	-	(1,870,343)
Infrastructure	(9,990,890)	(315,789)	-	(10,306,679)
Total accumulated depreciation	<u>(15,216,046)</u>	<u>(801,034)</u>	<u>-</u>	<u>(16,017,080)</u>
Capital assets being depreciated, net	<u>12,252,872</u>	<u>(715,297)</u>	<u>-</u>	<u>11,537,575</u>
Capital assets, net	<u>\$ 14,055,847</u>	<u>\$ (715,297)</u>	<u>\$ -</u>	<u>\$ 13,340,550</u>

Depreciation expense for capital assets was allocated to the various functions as follows:

General government	\$ 562,786
Public safety	100,879
Highways, roads and streets	101,100
Parks and recreation	<u>36,269</u>
Total depreciation expense	<u>\$ 801,034</u>

The Borough entered into an agreement with Cochran Real Estate, L. P. to exchange properties as part of the West Liberty Avenue Redevelopment Plan. The Borough swapped land with an appraised value of \$620,000 in exchange for property with an appraised value of \$640,000. No gain or loss has been recognized in the financial statements, since the Borough has determined that the difference in value is not material to the financial statements.

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### 7. PENSION PLAN

#### Plan Descriptions

The Borough administers two single-employer defined benefit pension plans: Non-Uniformed Employees and Police (Plans). These Plans cover substantially all full-time employees. All Plans provide retirement and disability benefits to Plans' members and their beneficiaries. Plan provisions are established by municipal ordinance with the authority for municipal contributions required by Act 205 of the Commonwealth (Act). The Plans are governed by the Council, who has delegated the authority to manage the Plans' assets to an outside third party. The Plans do not issue separate reports.

#### Non-Uniformed Employees Plan

The Non-Uniformed Employees Plan (Plan) is a defined benefit plan available to all full-time Borough employees under the Act. According to the Plan, participants are eligible for retirement upon the later of the completion of 20 years of credited service or attainment of age 65. Participants are fully vested in this Plan upon the completion of 10 years of credited service. The monthly pension benefit is equal to 1.25 percent of the final monthly average compensation multiplied by years of credited service.

#### Police Plan

The Police Plan (Plan) is a defined benefit plan available to all full-time Borough police officers under the Act. According to the Plan, participants are eligible for retirement upon the later of the completion of 25 years of aggregate service or attainment of age 50. Participants are fully vested in this Plan upon the completion of 12 years of aggregate service. The monthly pension benefit is equal to 50 percent of the final monthly average salary. Included in the Borough's Police Plan is a Deferred Retirement Option Plan (DROP). The DROP activity is included in the Police Pension Trust Fund for reporting purposes.

At January 1, 2013, the date of the most recent valuation, participants in the Plans were as follows:

	<u>Police</u>	<u>Non-Uniformed</u>
Participants:		
Retired and inactive	12	4
Active employees	11	22

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### Summary of Significant Accounting Policies

Financial information of the Borough's Plans is presented on the accrual basis of accounting. Employer contributions to each Plan are recognized when due as required by the Act. Benefits and refunds are recognized when due and payable in accordance with the terms of the individual Plan.

Investments of the Plans are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

At December 31, 2013, no individual pension investment constituted more than 5% of any of the Plan net position available for benefits. The Plans did not have any investment transactions with related parties during the year.

### Contributions and Funding Policy

The Act requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). The MMO calculation is based upon the biennial actuarial valuation. Employees are not required to contribute under the Act; such contributions are subject to collective bargaining. The Commonwealth of Pennsylvania allocates certain funds to assist in pension funding. Any financial requirement established by the MMO in excess of the Commonwealth of Pennsylvania allocation must be funded by the Borough.

The annual required contribution for the current year was determined as part of the January 1, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5.5% per year. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized using the level dollar open method (closed method for the Police Plan).

For 2013, Non-Uniformed Employees were required to contribute to the Plan at a rate of 3.8% and Police were required to contribute to the Plan at a rate of 8%.

The MMO obligation for the Non-Uniformed Employees and Police Plans was \$10,134 and \$269,858, respectively, at December 31, 2013.

The Borough's annual pension cost and related information is as follows:

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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	<u>Non-Uniformed Employees</u>	<u>Police</u>
Actuarial valuation date	1/1/2013	1/1/2013
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar Open	Level Dollar Closed
Amortization period	17	10
Asset valuation method	4-Year Smoothing	4-Year Smoothing
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	5.5%	5.5%
Underlying inflation rate	3.0%	3.0%
Cost of living adjustments	n/a	n/a

n/a = not applicable

As noted above, certain pension information and calculations are based upon an actuarial valuation performed as of January 1, 2013. The next actuarial valuation will be performed as of January 1, 2015.

The Borough has a net pension asset (a negative net pension obligation (NPO)) as of December 31, 2013 calculated as follows:

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

	Non-Uniformed Employees	Police
Annual required contribution	\$ 10,134	\$ 269,858
Interest on NPO	(4,036)	(7,538)
Adjustment to the ARC	5,786	14,655
Annual pension cost and other	11,884	276,975
Contribution made	10,134	269,858
Change in NPO	1,750	7,117
NPO, 12/31/2012	(53,820)	(100,501)
NPO, 12/31/2013	\$ (52,070)	\$ (93,384)

### Three-Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
<b>Non-Uniformed Employees:</b>			
	12/31/2011	\$ 13,551	86%
	12/31/2012	12,838	86%
	12/31/2013	11,884	85%
<b>Police:</b>			
	12/31/2011	\$ 182,536	116%
	12/31/2012	193,664	97%
	12/31/2013	276,975	97%

Administrative costs, including investment, custodial trustee, and actuarial services are charged to the appropriate Plan and funded from investment earnings.

### Funding Status and Funding Progress

The following is funded status information for each Plan as of January 1, 2013, the most recent actuarial evaluation date:

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess as a Percentage of Covered Payroll
<u>Police:</u>	\$ 8,228,566	\$ 9,004,774	\$ (776,208)	91.38%	\$1,013,131	(76.61%)
<u>Non-Uniformed Employees:</u>	2,527,053	2,088,682	438,371	120.99%	1,080,001	40.59%

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information about whether the actuarial value of the Plan assets is increasing or decreasing over time relative to the AAL for benefits.

### 8. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEBs)

#### Plan Description

In addition to the pension benefits previously described, the Borough provides certain other postemployment benefits to its retirees. The benefit limits and employee and employer contributions are established through union contracts and past practices. The plan is not accounted for as a trust fund, an irrevocable trust has not been established, the plan does not issue a separate report, and activity of the plan is reported in the Borough's General Fund.

Details of the benefits provided are as follows:

#### Police

The Borough provides \$350 per month towards the purchase of health insurance coverage until the retiree reaches Medicare eligibility (age 65). This benefit will only be paid if the retiree has not obtained health care coverage from any other source (e.g., other employment, spousal coverage, etc.).

#### Public Works Employees

The Borough provides \$150 per month towards the purchase of health insurance coverage until the retiree reaches age 65.

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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### Desk Officers and Fire Apparatus Officers

The Borough provides \$100 per month towards the purchase of health insurance coverage for a maximum of five years following the date of retirement. This benefit will only be paid if the retiree has not obtained health care coverage from any other source (e.g., other employment, spousal coverage, etc.).

### General Employees

No post-retirement benefits are offered by the Borough.

### Funding Policy

These benefits are expensed when incurred and are financed on a pay-as-you-go basis. For fiscal year 2013, the Borough incurred \$11,151 for postemployment benefits other than pension benefits.

The Borough's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over an open period not to exceed 30 years. The following table shows the component of the Borough's annual OPEB cost for the year, the amount actually contributed, and changes in the Borough's net OPEB obligation:

Annual required contribution	\$ 17,900
Interest on net OPEB obligation	1,676
Adjustment to annual required contribution	<u>(2,864)</u>
Annual OPEB cost	16,712
Contributions made	<u>(11,151)</u>
Increase in net OPEB obligation	5,561
Net OPEB obligation - beginning of year	<u>37,255</u>
Net OPEB obligation - end of year	<u>\$ 42,816</u>

The Borough's annual OPEB cost, the percentage of annual OPEB cost contributed, and the net OPEB obligation were as follows:

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# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

Fiscal Year Ending	Annual OPEB Cost	% of AOC Contributed	Net OPEB Obligation (Asset)
December 31, 2013	\$ 16,712	67%	\$ 42,816
December 31, 2012	16,793	85%	37,255
December 31, 2011	N/A	N/A	N/A

N/A - The Borough implemented GASB Statement No. 45 in 2012.

The ARC for the current year was computed as of January 1, 2013 using the following actuarial assumptions:

- actuarial cost method - entry age normal cost;
- amortization method - level dollar;
- amortization period - 30 years;
- discount rate - 4.5% compounded annually;
- mortality - RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment;

The schedule of funding progress for the postemployment benefits is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b)-(a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(a)-(b)]/(c)
January 1, 2012	\$ -	\$ 180,946	\$ 180,946	0.00%	N/A	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and mortality. Amounts determined regarding the funded status and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress as Required Supplementary Information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and

# BOROUGH OF DORMONT

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013

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assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

### 9. COMMITMENTS AND CONTINGENCIES

#### Administrative Consent Order

In 1997, the United States Environmental Protection Agency (USEPA) identified 51 communities tributary to the Allegheny County Sanitary Authority (ALCOSAN), which includes the Borough, whose sanitary sewers are subject to wet weather overflows. The Borough signed an Administrative Consent Order (ACO). The ACO details the timetable for completion of each phase which will involve inspecting, mapping, correcting, and monitoring the sewer system. The Borough is subject to a civil penalty for untimely completion of each term or provision of the ACO. The Borough has paid no civil penalties for the year ended December 31, 2013. The Borough's engineers have estimated the cost to comply with the ACO under the following four scenarios:

- The cost to comply with the ACO being proposed by the Borough, where the Borough's previous work is accepted, is estimated at \$260,748.
- The cost to comply with the ACO being proposed by the Borough, where none of the Borough's previous work is accepted, is estimated at \$1,072,957.
- The cost to comply with a strict interpretation of the Agency's ACO, where some of the Borough's previous work is accepted, is estimated at \$2,188,908.
- The cost to comply with a strict interpretation of the Agency's ACO is estimated at \$2,871,669.

It is management's opinion that costs to comply with the ACO being proposed will approximate \$260,748 over the next three years. In addition, the Borough will be participating in the multi-municipal portion of the Consent Decree which will involve approximately \$7,000,000 in costs over the next 20 years.

The Borough will seek to recover certain of the costs through intergovernmental grants. The Borough also anticipates paying for its portion of the corrective action through the sewer fees paid by residents with no increase in that fee seen at this time.

In addition to the above, the Borough is involved in various disputes. Management is of the opinion that any outcome resulting from these actions would not have a material effect on the Borough's financial position.

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# **BOROUGH OF DORMONT**

## **NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED DECEMBER 31, 2013

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### **10. RISK FINANCING**

The Borough is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past several years. There were no significant reductions in insurance coverage from coverage in the prior years.

For its workers compensation insurance coverage, the Borough participates in the Municipal Risk Management Workers Compensation Pooled Trust (Trust), a public entity risk pool operated for the benefit of 199 cities, municipalities, boroughs, townships, and municipal authorities. Trust underwriting and rate-setting policies are established after consultation with an independent actuary and certain approvals of the Pennsylvania Department of Labor and Industry as mandated by Act 44 of 1993 (Act 44). All Trust participants may be subject to a supplemental assessment/dividend based on the overall experience of the participants, pursuant to Act 44. Each participant of the Trust agrees to jointly and severally assume and discharge the liabilities arising under the Workers' Compensation Act and Occupational Disease Act of each and every participant of the Trust. Political subdivisions joining the Trust must remain members for a minimum of four years; a member may withdraw from the Trust after that time by giving ninety days' notice, subject to approval by the Trust actuary under specified circumstances related to the continued fiscal stability of the pool. At the time of withdrawal, the participant is responsible for their share of assessments but has no claim on any other assets of the Trust.

### **11. DEFERRED COMPENSATION PLAN**

The Borough offers its employees a deferred compensation plan (Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salaries until future years. Participation in the Plan is optional. The deferred compensation is not available to the employee until termination, retirement, death, or unforeseeable emergency. At December 31, 2013, all amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are held in trust solely for the benefit of the participants. Investments are managed by the Plan's trustee under several investment options selected by the participant. Under the provisions of GASB Statement No. 32, *"Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,"* the Plan is not required to be included in the Borough's financial statements.

# **BOROUGH OF DORMONT**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2013**

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### **12. TAX INCREMENT FINANCING**

In September 2012, Borough Council voted to move forward with plans to develop West Liberty Avenue, including a Transportation Oriented Development (TOD) adjacent to the Dormont Junction "T" Stop. As part of that process, Council also agreed to proceed with the creation of a Tax Increment Financing (TIF) District to help provide infrastructure improvements for the developer of the TOD. On December 19, 2012, Borough Council approved a resolution authorizing the Borough to pursue a TIF plan. No other significant development has occurred for the TIF or the TOD.

**Required Supplementary  
Information**

# BOROUGH OF DORMONT

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS) BUDGETED GOVERNMENTAL FUND TYPES - GENERAL FUND

YEAR ENDED DECEMBER 31, 2013

	Actual	Adjustments to Budgetary Basis	Actual on Budgetary Basis
<b>Revenues:</b>			
Taxes	\$ 5,244,628	\$ (24,861)	\$ 5,219,767
Licenses and permits	201,750	-	201,750
Fines and forfeits	110,115	(1,562)	108,553
Interest, rents, and royalties	324,941	(5,319)	319,622
Intergovernmental	205,996	-	205,996
Charges for services	1,382,883	(17,013)	1,365,870
Miscellaneous	40,545	-	40,545
Total revenues	7,510,858	(48,755)	7,462,103
<b>Expenditures:</b>			
Current:			
General government	894,003	(10,351)	883,652
Public safety	2,233,260	6,501	2,239,761
Highways, roads, and streets	613,069	16,673	629,742
Sanitation	638,637	(32,656)	605,981
Public works - other	95,423	(7,194)	88,229
Parks and recreation	564,374	(1,939)	562,435
Miscellaneous	1,430,310	48,619	1,478,929
Debt service	897,118	-	897,118
Total expenditures	7,366,194	19,653	7,385,847
<b>Excess (Deficiency) of Revenues over Expenditures</b>	144,664	(68,408)	76,256
<b>Other Financing Sources (Uses):</b>			
Refunds of prior year expenditures	69,155	13,421	82,576
Operating transfers out	(261,457)	130,108	(131,349)
Total other financing sources (uses)	(192,302)	143,529	(48,773)
<b>Net Change in Fund Balance</b>	\$ (47,638)	\$ 75,121	\$ 27,483

(Continued)

# BOROUGH OF DORMONT

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) BUDGETED GOVERNMENTAL FUND TYPES - GENERAL FUND

YEAR ENDED DECEMBER 31, 2013  
(Continued)

	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Taxes	\$ 5,299,265	\$ 5,299,265	\$ 5,219,767	\$ (79,498)
Licenses and permits	175,050	175,050	201,750	26,700
Fines and forfeits	103,600	103,600	108,553	4,953
Interest, rent, and royalties	306,400	306,400	319,622	13,222
Intergovernmental	198,516	198,516	205,996	7,480
Charges for services	1,251,850	1,251,850	1,365,870	114,020
Miscellaneous	1,000	1,000	40,545	39,545
Total revenues	7,335,681	7,335,681	7,462,103	126,422
<b>Expenditures:</b>				
Current:				
General government	857,785	857,785	883,652	(25,867)
Public safety	2,159,581	2,159,581	2,239,761	(80,180)
Highways, roads, and streets	612,137	612,137	629,742	(17,605)
Sanitation	622,000	622,000	605,981	16,019
Public works - other	87,300	87,300	88,229	(929)
Parks and recreation	622,898	622,898	562,435	60,463
Miscellaneous	1,475,736	1,475,736	1,478,929	(3,193)
Debt service	902,895	902,895	897,118	5,777
Total expenditures	7,340,332	7,340,332	7,385,847	(45,515)
<b>Excess (Deficiency) of Revenues over Expenditures</b>	(4,651)	(4,651)	76,256	80,907
<b>Other Financing Sources (Uses):</b>				
Refunds of prior year expenditures	71,000	71,000	82,576	11,576
Operating transfers in	65,000	65,000	-	(65,000)
Operating transfers out	(131,349)	(131,349)	(131,349)	-
Total other financing sources (uses)	4,651	4,651	(48,773)	(53,424)
<b>Net Change in Fund Balance</b>	\$ -	\$ -	\$ 27,483	\$ 27,483

(Concluded)

# BOROUGH OF DORMONT

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
ALL BUDGETED GOVERNMENTAL FUND TYPES - SEWER FUND

YEAR ENDED DECEMBER 31, 2013

	Actual	Adjustments to Budgetary Basis	Actual on Budgetary Basis
<b>Revenues:</b>			
Interest, rents, and royalties	\$ 1,694	\$ -	\$ 1,694
Charges for services	1,690,248	22,120	1,712,368
Total revenues	1,691,942	22,120	1,714,062
<b>Expenditures:</b>			
Sanitation	1,245,940	424,011	1,669,951
<b>Excess (Deficiency) of Revenues over Expenditures</b>	446,002	(401,891)	44,111
<b>Other Financing Sources (Uses):</b>			
Operating transfers out	(232,684)	232,684	-
<b>Net Change in Fund Balance</b>	\$ 213,318	\$ (169,207)	\$ 44,111

(Continued)

# BOROUGH OF DORMONT

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) BUDGETED GOVERNMENTAL FUND TYPES - SEWER FUND

YEAR ENDED DECEMBER 31, 2013

(Continued)

	Original Budget	Final Budget	Actual on Budgetary Basis	Variance with Final Budget
<b>Revenues:</b>				
Interest, rent, and royalties	\$ 2,200	\$ 2,200	\$ 1,694	\$ (506)
Charges for services	1,902,400	1,902,400	1,712,368	(190,032)
Total revenues	1,904,600	1,904,600	1,714,062	(190,538)
<b>Expenditures:</b>				
Sanitation	1,482,000	1,482,000	1,669,951	(187,951)
Other	139,916	139,916	-	139,916
Total expenditures	1,621,916	1,621,916	1,669,951	(48,035)
Excess (Deficiency) of Revenues over Expenditures	282,684	282,684	44,111	(238,573)
<b>Other Financing Sources (Uses):</b>				
Operating transfers out	(282,684)	(282,684)	-	282,684
Net Change in Fund Balance	\$ -	\$ -	\$ 44,111	\$ 44,111

(Concluded)

# **BOROUGH OF DORMONT**

## **NOTE TO REQUIRED SUPPLEMENTARY BUDGETARY COMPARISON SCHEDULES**

YEAR ENDED DECEMBER 31, 2013

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### **1. BUDGETS AND BUDGETARY ACCOUNTING**

The operating budget for the General Fund and Sewer Funds were adopted on the cash basis of accounting which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP).

Within the funds, the secretary/manager is authorized to transfer budgeted amounts between departments and/or accounts provided that such transfers do not alter total expenditures approved by the Members of Council (Council). Therefore, the level of control over expenditures in the funds is the surplus or deficit of the funds as a whole.

In accordance with the Borough Code, beginning at least thirty days prior to the adoption of the budget, which shall not be later than December 31, a proposed budget for the ensuing year is prepared in a manner designated by the Council. The proposed budget is kept on file with the Borough secretary and made available for public inspection for a period of ten days. Notice that the proposed budget is available for inspection is published by the Borough secretary in a newspaper of general circulation. After the expiration of the ten days, Council makes such revision in the budget as deemed advisable and adopts the budget by motion.

For the year ended December 31, 2013, General Fund expenditures for General Government, Public Safety, and Highways, Roads and Streets exceeded the departmental budget. The excess appropriations in the General Fund were funded by budget surpluses in other departments and transfers from other funds.

For the year ended December 31, 2013, Sewer Fund expenditures for Sanitation exceeded the departmental budget. The excess appropriations in the Sewer Fund were funded by budget surpluses in other departments.

# BOROUGH OF DORMONT

## PENSION PLANS

### SCHEDULES OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age Normal	Excess of Assets Over AAL	Funded Ratio	Covered Payroll	Excess as a Percentage of Covered Payroll
<b>Non-Uniformed Employees:</b>						
1/1/2009	\$ 1,976,330	\$ 1,638,533	\$ 337,797	120.62%	\$ 812,589	41.57%
1/1/2011	2,232,679	1,946,501	286,178	114.70%	891,142	32.11%
1/1/2013	2,527,053	2,088,682	438,371	120.99%	1,080,001	40.59%
<b>Police:</b>						
1/1/2009	\$ 6,789,569	\$ 7,357,944	\$ (568,375)	92.28%	\$ 1,239,321	-45.86%
1/1/2011	7,431,157	8,636,284	(1,205,127)	86.05%	1,041,935	-115.66%
1/1/2013	8,228,566	9,004,774	(776,208)	91.38%	1,013,131	-76.61%

Note: State law requires biennial valuations on the odd-numbered years.

See accompanying note to required supplementary pension schedules.

# BOROUGH OF DORMONT

## PENSION PLANS SCHEDULES OF CONTRIBUTIONS FROM EMPLOYERS AND OTHER CONTRIBUTING ENTITIES

Calendar Year	Non-Uniformed Employees		Police	
	Annual Required Contributions	Percentage Contributed	Annual Required Contributions	Percentage Contributed
2008	\$ 15,701	100%	\$ 134,026	100%
2009	-	n/a	138,271	100%
2010	-	n/a	134,673	100%
2011	11,682	100%	177,879	119%
2012	11,030	100%	187,043	100%
2013	10,134	100%	269,858	100%

Note: Contributions include state pension aid

See accompanying note to required supplementary pension schedules.

# BOROUGH OF DORMONT

## NOTE TO REQUIRED SUPPLEMENTARY PENSION SCHEDULES

YEAR ENDED DECEMBER 31, 2013

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The information presented in the required supplementary pension schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>Non-Uniformed Employees</u>	<u>Police</u>
Actuarial valuation date	1/1/2013	1/1/2013
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar Open	Level Dollar Closed
Amortization period	17	10
Asset valuation method	4-Year Smoothing	4-Year Smoothing
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	5.5%	5.5%
Underlying inflation rate	3.0%	3.0%
Cost of living adjustments	n/a	n/a

n/a - not applicable

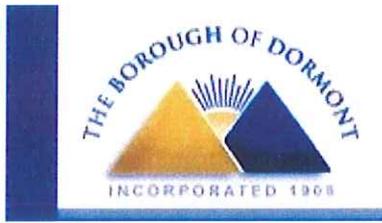
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# BOROUGH OF DORMONT

## POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEBS) SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2007	N/A	N/A	N/A	N/A	N/A	N/A
1/1/2009	N/A	N/A	N/A	N/A	N/A	N/A
1/1/2012	\$	\$ 180,946	\$ 180,946	0.00%	N/A	N/A

Note: Valuation as of 01/01/12 represents the initial valuation for the plan, since this was the first year the Borough implemented GASB Statement No. 45.



## MEMORANDUM

**Date:** May 23, 2014  
**To:** Jeff Naftal, Borough Manager  
**From:** Wayne R. McVicar, P.E., Borough Engineer *WRM*  
**Subject:** Engineer's Report – May 2014

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### 1. COUNCIL ACTION REQUESTED

- a. Sewer CIPP Lining Contract – 2014 (\$34,075.00)  
Contractor: Insight Pipe Contracting, LP  
Recommend approval of Payment No. 1, Final Payment, in the amount of \$20,927.00 to Insight Pipe Contracting, L.P. See my May 12, 2014 Recommendation of Payment memo.
- b. 1218 Dormont Avenue – Asbestos Abatement (\$5,900.00)  
Contractor: BLT Contracting, Inc.,  
Recommend approval of Payment No. 1, Final Payment, in the amount of \$5,900 to BLT Contracting, Inc. See my May 12, 2014 Recommendation of Payment memo.
- c. 2014 Manhole Inspection and Sewer CCTV Contract Preventive Maintenance Contract  
Award is recommended to Insight Pipe Contracting, L.P. in the amount of \$49,315.00 for the 2014 CCTV work. See my May 21, 2014 Recommendation of Award memo.

### 2. ENGINEERING IN PROGRESS

- a. 2014 Manhole Inspection and Sewer CCTV Contract Preventive Maintenance Contract  
A list of manholes for inspection and sewers to be CCTVed in 2014 has been prepared and RFPs were sent out to three (3) contractors. RFQ's were received on May 16, 2014. Low quote was from Insight Pipe Contracting, L.P., in the amount of \$49,315.00.

- b. **Sewer Repair Contract - 2014**  
Based upon the results of the 2013 O&M CCTV contract, a listing of sewer repairs for 2014 will be generated for bidding.

3. **CONSTRUCTION IN PROGRESS**

- a. **Road Reconstruction/Resurfacing Project – 2014 (\$269,685.24)**  
**Contractor: Niando Construction, Inc.**  
Notice to proceed has been issued. Construction at the pool parking lot began on May 1, 2014. Parking lot, including striping was completed on May 20, 2014.

McNeilly Avenue - The resurfacing agreement has been forwarded to the City of Pittsburgh for the resurfacing of McNeilly Avenue from Midland Street to Pioneer Avenue. The City is waiting on our authorization to proceed. Said authorization is on hold pending completion of various utility upgrades. Columbia Gas' work is complete. People's Gas upgrades began on May 19, 2014. Pennsylvania American Water has replaced their mains from Annex Avenue to Belplain Avenue. Each utility will be responsible for final restoration of any sidewalk areas. As the street will be paved by the City, each utility has been advised that only temporary restoration of asphalt trenches will be required. Discussions are ongoing regards to an equitable compensation to the Borough for not having to do final paving.

- b. **Imprinted Crosswalk Project (\$48,040.00)**  
**Contractor: Laurel Asphalt, LLC.**  
Contracts are being processed. Notice to Proceed to be issued.
- c. **Sewer CIPP Lining Contract – 2014 (\$34,075.00)**  
**Contractor: Insite Pipe Contracting, LP**  
Project is complete and being closed out. Final payment is being recommended.
- d. **1218 Dormont Avenue – Building Demolition (\$19,300.00)**  
**Contractor: Schaff Excavating Contractors, Inc.,**  
BLT Contracting, Inc. has completed the asbestos abatement. Final payment is being recommended. Demolition contractor has been notified that the building is ready for demolition. Preliminary work is being prepared. Date of demolition commencement to be scheduled. Work anticipated to begin on or about June 1, 2014.
- e. **Masonry Repairs To Municipal Building (\$15,475.00)**  
**Contractor: Falcone Brothers Construction**  
The portion of the overall project contracted to Falcone Brothers has been completed. What remains is the installation of the concrete slab and handrails. Street department is working on the concrete slab portion of the project. Area has been formed, concrete was poured on May 22, 2014.

Handrail contractor is set to follow up as soon as the cement has adequately set.

- f. **Masonry Repairs To Gymnasium**  
**Contractor: Falcone Brothers Construction**  
The contractor has gone out of business and will not be proceeding with the masonry work. I am in the process of soliciting new quotes for the masonry work.
  
- g. **Masonry Repairs To Recreation Center**  
**Contractor: Falcone Brothers Construction**  
Contractor started construction on March 17, 2014. Three (3) of the lintels have been replaced. Since last month's report the contractor has gone out of business and will not be proceeding with the masonry work. I am in the process of soliciting new quotes for the masonry work.
  
- h. **Reconstruction of Mervin Avenue & Resurfacing of Various Streets Project (\$538,324.87)**  
**Contractor: Niando Construction, Inc.**  
Project is complete. All punch list items have been completed. I am working with the Contractor to close out the project.
  
- i. **Pop Murray Field ADA Access (\$75,225.00)**  
**Contractor: Pampena Landscape & Construction, Inc.**  
Project is complete. I am working with the Contractor to close out the project.



# BOROUGH OF DORMONT

## EXECUTIVE SESSION 6:00 PM

Union Matter – Desk Officers Union Request for Extension

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## REGULAR MEETING OF THE DORMONT BOROUGH COUNCIL HELD ON MONDAY, MAY 6, 2014 7:00PM IN THE DORMONT MUNICIPAL CENTER COUNCIL CHAMBERS

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Council President Bill McCartney called the Meeting of the Dormont Borough Council to order at 7:00PM

McCartney informed that there was an executive session to discuss the Desk Officer/Fire Apparatus Officer's contract.

## PLEDGE OF ALLEGIANCE

## ROLL CALL

The following members of Council responded to roll call:

Onnie Costanzo, Jeff Fabus, Joan Hodson, Drew Lehman, John Maggio (arrived a little late), Val Martino, Bill McCartney

Also present: Jeffrey Naftal, Manager  
John Rushford, Borough Solicitor  
Chief Mike Bisignani  
Mayor Phil Ross  
Erica Bosh, Jr. Council Member

## **REGISTERED COMMENTS FROM THE PUBLIC**

Lawrence Heyl, VFW Commander, Tennessee Avenue RE: VFW Veteran Banner Program.

Harry Munson, HTM Designs RE: VFW Veteran Banner Program brief presentation.

Bob Kittle, President and Co-Founder of Munetrix, RE: Presentation of Financial Performance Software.

## **COMMENTS FROM THE MAYOR**

Chief Mike Bisignani informed that the Police Department had 301 calls for service for the month of April. Bisignani briefed on the Drug Take Back which was also in April; we might partner with CVS next year. Bisignani briefed on the Pub Tour that took place on April 26<sup>th</sup>.

Mayor Ross discussed the events held on May 3<sup>rd</sup>; the Historical Society Open House and the Hollywood Theater birthday party with Mayor Bill Peduto from the City of Pittsburgh.

## **COUNCIL COMMITTEE REPORTS**

**Finance and Legal:** None at this time.

**Community Affairs/Recreation:** Fabus informed that the new North Way Christian Community Church will be opening on May 18<sup>th</sup> and the grand opening will be held at 11:00am. The annual Farmers Market will be held in the North Way Christian Community parking lot Mondays, June 2 thru October 27 from 4:00pm until 7:00pm. They will have a summer camp this year for children in preschool to fifth grade, June 30<sup>th</sup> thru July 3<sup>rd</sup> and costs \$10.00. Fabus stated that on May 16<sup>th</sup> Lifespan will hold their annual Art Show at the Borough Building and the Historical Society will be open from 6:00pm until 9:00pm. The Annual Memorial Day Parade will be on Monday, May 26<sup>th</sup>; the Parade will be dedicated to Bob Rivet, former employee of the borough. Fabus informed on May 17<sup>th</sup> the Tree Climbing Contest will be held at Dormont Park. The Borough is looking for volunteers for Dormont Day; if interested contact Kristen.

**Public Safety/Service:** Hodson briefed on the events in April. She attended the annual SHACOG Banquet on April 17<sup>th</sup>. On April 21<sup>st</sup> there was a tour of the MRTSA facilities for Council. MRTSA responded to 69 calls for the month of April; they sent out 3200 letters for subscriptions to the Dormont residents. They only received 650 returns. The Fire Department responded to 24 calls in the month of April; they mail out 3977 letters of solicitation; they only got 235 back. Hodson attended the MRTSA meeting on the 23<sup>rd</sup> and helped with the Litter Clean Up on the 26<sup>th</sup>. On Saturday, May 17<sup>th</sup>, Dormont is sponsoring CASH MOB; it is a shop & show your support for sustainable businesses in the borough, 11:30am to 3:30pm.

**Property, Supplies and Planning:** Val briefed on the meet and greet at the Library with council. The County wants to consolidate libraries. The Dormont Public Library offers all sorts of programs.

## **COUNCIL PRESIDENT REPORT**

McCartney briefed on MRTSA and public safety. McCartney informed that one of the Strategic Plan goals was to identify the Historic District or properties of the borough. The Borough applied for a Keystone Grant to hire a consultant to help with the process. McCartney stated that the pool is now eligible for a listing on the national register of historical places allowing the grant process to move forward after the Pennsylvania Historic Museum Commission reviewed everything.

## **BOROUGH MANAGER REPORT**

Naftal informed that the pool parking lot work is underway and all the playgrounds have new mulch. Naftal stated that the T crossing on Potomac Avenue is in need of repairs; the Port Authority is aware and is tentatively planning on repairs in September. Naftal informed that Duquesne Light of Allegheny County is offering to change out the sodium lights with LED lights. Naftal plans on applying to have the lights changed to LED with Council approval. Naftal briefed on the Spring Clean-Up that took place on May 3<sup>rd</sup>. Naftal briefed on the work being done on McNeilly Road; Columbia Gas has installed new gas lines; Peoples Gas and PAWC will come in next. The new plaque for the Thomas Lloyd Recreation Center is up.

Naftal received a fax from Traffic Systems and Services with a \$5,000.00 problem that needs to be fixed right away. Naftal asked Council if he can have the authority to make decisions on emergency traffic issues.

Motion by McCartney, second by Costanzo to authorize the Borough Manager to deal with any expenditure that deals with Public Safety that's under \$9,995.00. Motion carried 7-0.

Agendas will go out on May 27<sup>th</sup>; the Tour of Dormont for Council will be Saturday, May 10<sup>th</sup>.

Naftal briefed on the Transportation Oriented Development.

## **CONSENT AGENDA**

Motion by Hodson, second by Fabus to accept Consent Agenda Items A, B, C, D, E, F, G, H, I, J (A. Motion to accept the written report of the Borough Solicitor, B. Motion to approve the written reports of Borough Officials, C. Motion to approve the Minutes of the April 7, 2014 Council Business Meeting, D. Motion to approve the Warrant List for April, 2014, E. Motion to approve the termination of James Michelangelo as Summer Laborer for the Parks Department and the hiring of Dominic Constantini for the same position to be paid a salary of \$10.50 per hour, F. Motion to approve Resolution No. 07-2014 encouraging the Federal Government to restore full funding for the Community Development Block Grant Program, G. Motion to approve Resolution No. 10-2014 opting in to the Community Development Block Grant and HOME Program with Allegheny County for the period of July 1, 2015 through June 30, 2018, H. Motion to approve Resolution No. 11-2014 in support of bills in the legislature to enable municipal police to use radar for speed enforcement, I. Motion to approve Reserved Accessible Parking Space renewals for 2014 for 9 individuals as outlined in the staff report, J. Motion to

approve Payment #2 and Final for Pampena Landscape & Construction, Inc. for the Pop Murray Field Wall CDBG Project for \$45,740). Motion carried 6-0-1, Maggio; Abstain.

## **ACTION ITEMS**

**A.** Motion by Martino, second by Hodson to approve Resolution No. 09-2014 to adopt the 2013 “Dream Dormont” Comprehensive Plan Update as outlined in the staff report as recommended by the Planning Commission.

**Public Comment:** Steve Douglas, 1705 Potomac Avenue, Dig Dormont RE: Planting at Passive Park.

**Council Discussion:** Maggio expressed his interest in Dream Green.  
Motion Carried 7-0.

McCartney briefed on the history of the Passive Park and deciding what will be done with the property. This will be referred to the Planning Commission for a public meeting. Rushford informed that there must be a public hearing advertised to move forward with this.

**B.** Motion by Hodson, second by Costanzo to not approve a Reserved Accessible Parking Space for Ms. Michelle Manion of 1116 Mississippi Avenue, recommended for non-approval by the Traffic and Parking Planning Commission.

**Public Comment:** None

**Council Discussion:** Naftal briefed of why the space will not be approved.  
Motion carried 7-0.

McCartney gave a summary of the Athens Alley stormwater problems.

Rushford gave a summary of the Sunshine Act.

**C.** Motion by Hodson, second by Costanzo to authorize the Borough Manager to contract with Hazen and Sawyer to complete “build ready” plans for the Athens Alley stormwater project and to apply for a Flood Mitigation Program Grant from the State to cover the cost of the project for \$58,000 as outlined in the staff report.

**Public Comment:** Breakdown of the cost. Discussed the damage from the storm water in Athens Alley.

**Council Discussion:** Discussed the cost, the work that will be done and the grant application. The grant would cover 85% of the project.

Roll call: Costanzo, Yes; Fabus, Yes; Hodson, Yes; Lehman, Yes; Maggio, Yes; Martino, Yes; McCartney, Yes. Motion carried 7-0.

**D.** Motion by Hodson, second by Costanzo to approve the purchase of a radio repeater to provide radio service for the Borough’s Streets and Parks Departments from A. V. Luttamus Communications, Inc. for a cost not to exceed \$4,500 as outlined in the staff report.

**Public Comment:** None

**Council Discussion:** None  
Motion carried 7-0.

E. Motion by Fabus, second by Hodson to approve roof repairs to the Thomas Lloyd Recreation Center by McLane Contracting at a cost not to exceed \$1,535.

**Public Comment:** None

**Council Discussion:** None

Motion carried 7-0.

F. Motion by Martino, second by Costanzo to approve the purchase of economizers for the air conditioning system at Borough Hall from Caruso Heating & Air Conditioning for \$1,936 as outlined in the staff report.

**Public Comment:** None

**Council Discussion:** None

Motion carried 7-0.

G. Motion by Costanzo, second by Hodson to approve Resolution No. 08-2014 authorizing the Borough to get a Letter of Credit from PNC Bank for \$10,500 to satisfy PennDOT requirements for sidewalk repairs at the Biltmore Parking Lot as outlined in the staff report.

**Public Comment:** None

**Council Discussion:** None

Motion carried 7-0.

## **DISCUSSION ITEMS**

**Voelkel Avenue Property Drainage Issue:** Naftal briefed on the drainage issue on Voelkel and what would be involved to fix it. Naftal informed that he will come to Council next meeting if Council would like to move forward with this. The first alternative would cost \$19,200; the second alternative would cost \$37,800. Naftal stated that he believes that there is enough money in the sewer budget to repair the problems.

## **PUBLIC COMMENTS ON NON-AGENDA ITEMS**

Leah Petrelli, 2742 Voelkel Avenue RE: Stormwater Committee Meetings; the Post-Gazette article pertaining to the Sunshine Act.

McCartney informed of a great website, [www.threeriverswetweather.com](http://www.threeriverswetweather.com).

Ed Hartman, 1638 LaSalle Avenue RE: Mervin Avenue utility cut and sidewalk.

Kim Kunkel, Crosby Avenue RE: Time frame for the West Liberty Development; the Kiosk machines.

John Atkins, 1421 Kelton Avenue RE: Boyd alley; no left turn sign on Kelton Avenue; curbs.

## **ANNOUNCEMENTS**

## **ADJOURNMENT**

Motion by Fabus, second by Hodson to adjourn. Motion carried 7-0.



# BOROUGH OF DORMONT POLICE DEPARTMENT

1444 HILLSDALE AVENUE  
SUITE # 1  
PITTSBURGH, PENNSYLVANIA 15216  
(412) 561-8900 FAX (412) 561-3516

**MICHAEL J. BISIGNANI**  
*CHIEF OF POLICE*

**PHILLIP A. ROSS**  
*MAYOR*

TO: Council  
Mayor Phil Ross

FROM: Chief Michael Bisignani

DATE: May 5, 2014

SUBJECT: Patrolman, Robert Barnes, Probationary Review

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Section 1401(a) of the Dormont Civil Service Rules and Regulations requires that the Chief of Police advise Council, via a written report, on the "performance and general acceptability" of each probationer police officer under his supervision to determine whether such probationer is fully qualified for permanent appointment. Furthermore, this same section requires that Council address an employee's permanent employment status after a twelve month probationary period.

On May 6, 2014, Robert Barnes will have completed the required twelve month probationary period. Officer Barnes has continually demonstrated an eagerness and ability to perform the essential functions of the job, as well as other duties beyond of what is expected of him. On multiple occasions he has asked for more duties to be delegated to him, and he has successfully completed every task which he has been given and/or ones he volunteered for on his own. I have received letters from citizens, commending Officer Barnes on his professionalism and dedication to the job. I have also personally written Officer Barnes a "Letter of Commendation" for his diligent involvement in a missing person incident.

Based upon his overall performance and recommendations from his immediate supervisors, I highly recommend Officer Barnes for permanent status within the Dormont Police Department.

Sincerely,  
  
Michael J. Bisignani  
Chief of Police

Cc: Jeff Naftal, Borough Manager  
Personnel file  
Robert Barnes



# BOROUGH OF DORMONT POLICE DEPARTMENT

1444 HILLSDALE AVENUE  
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(412) 561-8900 FAX (412) 561-3516

**MICHAEL J. BISIGNANI**  
*CHIEF OF POLICE*

**PHILLIP A. ROSS**  
*MAYOR*

TO: Council  
Mayor Phil Ross

FROM: Chief Michael Bisignani

DATE: May 5, 2014

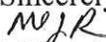
SUBJECT: Patrolman, Adam Schmidt, Probationary Review

---

Section 1401(a) of the Dormont Civil Service Rules and Regulations requires that the Chief of Police advise Council, via a written report, on the "performance and general acceptability" of each probationer police officer under his supervision to determine whether such probationer is fully qualified for permanent appointment. Furthermore, this same section requires that Council address an employee's permanent employment status after a twelve month probationary period.

On May 6, 2014, Adam Schmidt will have completed the required twelve month probationary period. Officer Schmidt has continually demonstrated an eagerness and ability to perform the essential functions of the job. Adam has demonstrated knowledge of the crimes code and vehicle code, and he has applied them wisely and appropriately. Adam has also shown the ability to deal fairly with people and situations. I have received letters from citizens, commending Officer Schmidt on his professionalism and dedication to the job. I have also personally written Officer Schmidt a "Letter of Commendation" for his diligent involvement in a missing person incident.

Based upon his overall performance and recommendations from his immediate supervisors, I highly recommend Officer Schmidt for permanent status within the Dormont Police Department.

Sincerely,  
  
Michael J. Bisignani  
Chief of Police

Cc: Jeff Naftal, Borough Manager  
Personnel file  
Adam Schmidt



## MEMORANDUM

**Date:** May 12, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager   
**Subject:** Traffic Signal Repairs – West Liberty and Hillsdale Avenues

---

### Background:

After the agenda for the May 5, 2014 meeting went out we received from our traffic signal repair company, Traffic Systems and Services, a letter indicating that the Preemption System at West Liberty Avenue and Hillsdale Avenue was not functioning. Their letter indicated that the cost of repairs will be \$5,079.87. The Preemption System is what allows our emergency vehicles, Police and Fire, to turn the signals green to help them reach the scene of an incident more quickly. At the May 5, 2014 Council meeting I received approval to have the work done and then bring the actual approval of the expenditure back to Council for a vote at the June 2, 2014 meeting.

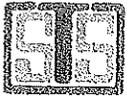
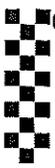
### Discussion:

Traffic Systems and Services was notified following the May meeting to proceed with this project and so now I am asking for approval to expend the \$5,079.87 to make the repairs. The Purchasing Policy allows us to make this purchase without formal bidding either because it would be considered an emergency purchase or because it is a sole source as we only utilize this company for all of our traffic signal maintenance projects. Funding for this is available in the Highway Aid Fund, Repairs Traffic Signals line item where there is currently \$7,447.64 remaining in the budget.

### Recommendation:

I recommend that Council authorize the payment of \$5,079.87 to Traffic Systems and Services for traffic signal repairs to the Preemption System at West Liberty and Hillsdale Avenues.

JN



# TRAFFIC SYSTEMS AND SERVICES

4125 Campbells Run Road • Pittsburgh, PA 15205 • (412) 279-1100 • (412) 279-2588 • Fax (412) 278-2588

April 21, 2014

▶ TRAFFIC SIGNALS-CONTROLS  
▶ SCHOOL DEVICES-LIGHTING  
▶ TRAFFIC SIGNS-STRIPING

Dormont Borough  
Mr. Jeff Naftal, Manager  
Municipal Building – Suite 10  
1444 Hillside Avenue  
Dormont, PA 15216-2019

Dear Sir:

We responded to a Service Call on April 17<sup>th</sup>, the failure of Preemption System at West Liberty Avenue and Hillside Avenue and our follow-up as follows;

1. Removed 3M Model # 754 Opticom Phase Selector.
2. Four 3M Opticom Detector Heads, tested and defective.
3. Detection Light facing Hillside Avenue defective.

The cost in repairs;

4 - 3M Detector Heads, @ \$623.32 =	\$2,493.28
1 - Preemption Light @	\$ 275.00
	<u>\$2,768.28</u>
Less 5%	<u>\$( 138.41)</u>
	\$2,629.87
Labor and Truck @	<u>\$2,450.00</u>
Total =	\$5,079.87

This is a large expenditure, however damages due to Wintery Wind-Storms an Insurance Claim.

All efforts should be made in correcting this serious condition in protection to your Fire and Police Departments.

If you have any questions, please advise.

Yours truly,  
Traffic Systems And Services

  
John P Karney

JPK/bjc



## MEMORANDUM

**Date:** May 12, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager *gn*  
**Subject:** Superior Petroleum Sign Agreement for 1530 Potomac Avenue

---

### Background:

In August of 2013, staff discovered that the representatives of the owners of the CoGo gas station at 1530 Potomac Avenue, Superior Petroleum Company, had illegally installed new signage at this location. They were cited and told to come in and pull a permit for their sign and their application was evaluated to see if it met the requirements of the Zoning Code. It was determined that the pole sign portion of their new signage did not meet the Zoning Code and Superior was notified of this by letter, a copy of which is attached. The sign was determined to exceed the allowable square footage of 40 square feet by 24 square feet and to have an electronic changeable message portion which is prohibited in the Zoning Code.

### Discussion:

Superior determined that rather than fix the issues they would ask for a variance before the Zoning Hearing Board. Their case was heard on October 17, 2013. At the hearing, before any decision was rendered, Superior agreed to work with the Borough Solicitor and I to come up with an agreement to fix the issues that would include signage no larger than 40 square feet. After a number of months of discussion, and a threat by the Borough to make them take their illegal sign down, Superior has finally executed the attached agreement drafted by the Borough Solicitor. This agreement allows them to put up a different sign that will be 40 square feet in area. The drawing of the new pole sign is attached to this report. When the new sign arrives the existing, illegal, sign will be replaced.

### Recommendation:

I recommend that Council authorize the execution of an agreement with Superior Petroleum Company to resolve all zoning disputes related to the pole sign at 1530 Potomac Avenue.

JN



Superior Petroleum  
Company

8199 McKnight Road  
Pittsburgh, Pennsylvania 15237  
(412) 364-2200 \* (412) 367-5916 Facsimile

May 5, 2014

via U.S. Mail

Jeffrey Naftal  
**DORMONT BOROUGH**  
Pittsburgh, PA 15216

RE: 1530 Potomac Avenue Agreement

Jeff:

Enclosed as you requested is an executed copy of the Agreement outlining the parameters by which Dormont Borough will allow the installation of a new digital price sing at the property located at 1530 Potomac Avenue which is owned by DMC Associates.

Please arrange for the execution of the 2 originals, and return one to me at your earliest convenience. This sign pursuant to your assurance has been ordered, and I will arrange to have it installed in a timely manner upon its arrival. If you have any further questions, please feel free to contact me.

Sincerely,

**SUPERIOR PETROLEUM COMPANY**

Milo C. Ritton

MCR/me  
enclosure

AGREEMENT

THIS AGREEMENT made this 2<sup>TH</sup> day of May, 2014 by and between the BOROUGH OF DORMONT, a political subdivision of the Commonwealth of Pennsylvania, having its principal office located at 1444 Hillsdale Avenue, Suite 10, Pittsburgh County of Allegheny, and Commonwealth of Pennsylvania (hereinafter referred to as "Dormont)

A  
N  
D

DMC Associates 2589 Boyce Plaza Road, Pittsburgh, the County of Allegheny, Commonwealth of Pennsylvania (hereinafter referred to as "Owner").

WHEREAS, Owner applied for a building permit to construct a new pole sign with an electronic display at the property located at 1530 Potomac Avenue Dormont; and

WHEREAS, a Zoning Hearing was convened on October 17, 2013;

WHEREAS, the decision of the Zoning Hearing Board was tabled; and

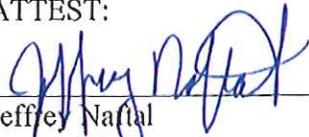
WHEREAS, during the course of the proceedings the parties have arrived at settlement of the issue.

NOW, THEREFORE, intending to be legally bound the parties hereto agree as follows:

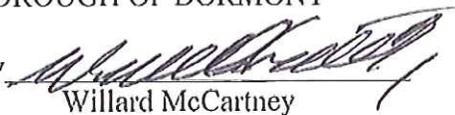
1. Owner agrees to reduce the size of the new sign to a maximum dimension of Forty (40) Square Feet. This will bring it within compliance with the terms of the Zoning Ordinance.
2. Owner agrees that the electronic display portion of sign will only be changed once per day.
3. Owner will agree to withdraw its zoning appeal and the Borough shall grant a permit subject to the provisions of this agreement.

4. IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

ATTEST:

  
\_\_\_\_\_  
Jeffrey Natal  
Borough Manager

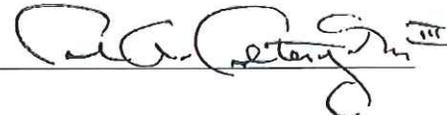
BOROUGH OF DORMONT

By   
\_\_\_\_\_  
Willard McCartney  
President of Council

ATTEST:

  
\_\_\_\_\_

DMC ASSOCIATES

By   
\_\_\_\_\_

81" Cabinet

72 3/4" Cabinet

 	Site - Drawing - # <b>13751 Dwg 46865</b>		 <a href="http://www.alveysigns.com">www.alveysigns.com</a> 13100 Highway 57 N. Evansville, IN 1-888-425-8397 (812) 867-2567 ph. (812) 867-1465 fax	Notes / Scope of Work	
	Date: 6/11/13			Project: Valero	incorporates the V from Valero, a single non- digital price; the Co-Go's logo; and the PNC Bank logo all within 40 sf.
	Requested By: Milo			Drawing By: Dann	
	<small>THIS DESIGN IS THE ORIGINAL AND UNPUBLISHED WORK OF ALVEY'S SIGN COMPANY AND MAY NOT BE REPRODUCED, COPIED OR EXHIBITED IN ANY FASHION WITHOUT WRITTEN CONSENT FROM AN AUTHORIZED OFFICER OF THE COMPANY.</small>				



# BOROUGH OF DORMONT

PITTSBURGH, PA 15216-2019

(412) 561-8900

FAX (412) 561-7805

[www.boro.dormont.pa.us](http://www.boro.dormont.pa.us)

BOROUGH MANAGER  
JEFF NAFTAL

MAYOR  
THOMAS R. LLOYD

SOLICITOR  
DODARO MATTA & CAMBEST

MEMBERS OF COUNCIL  
WILLARD MCCARTNEY, PRESIDENT  
JOAN HODSON, VICE PRESIDENT  
EUGENE BARILLA  
YVONNE COSTANZO  
JEFFREY FABUS  
JOHN MAGGIO  
VALERIE MARTINO

Mr. Milo C. Ritton  
Superior Petroleum Company  
8199 McKnight Road  
Pittsburgh, PA 15237

RE: REQUEST FOR ZONING DETERMINATION  
1530 POTOMAC AVENUE

Dear Mr. Ritton,

I have reviewed your proposals for signage improvements to your property at the above address and have the following comments:

1. The signage on the overhang over the pumps you propose to install appears to fall under the category of "Accessory Structures" in the Commercial Zoning District, not a Canopy Sign. Such structures are regulated in the Zoning Code under Section 210-67, Special Yard Requirements. In particular, 210-67 (C) (10) addresses all other accessory structures. The language in that section says that such structures are not permitted in the required front or side yards and must be at least 10 feet from any principal building. The front yard setback is defined in Section 210-46 (D) as 10 feet. Unless you have altered this structure, it would be grandfathered into its present location and as such would meet the Zoning Code even if it is non-conforming.
2. Given #1 above, the signage you propose for both the accessory structure and the wall of the building would all fall under the Wall Sign section of the Zoning Code, Section 210-84 (C) (1). Based on the calculations you have provided the area of these signs falls under the 100 square feet allowed by the Zoning Code and as such is ready for a building permit.
3. The remaining signage you propose is classified as a Pole Sign and the rules in Section 210-84 (C) (4) apply. The maximum height for these signs is 20 feet and the minimum height is 8 feet. The maximum surface area of the sign cannot exceed 40 square feet because there is only one business on the lot, not 64 square feet as you have marked on the drawings. And pole signs must be set back at least 10 feet from the right-of-way which in this case would be the curb line. This corresponds with the requirement above related to the front yard setback. This signage does not meet the Zoning Code requirement for square footage. This signage is also grandfathered in as to setbacks and sight triangles.

4. The signage on the Pole Sign includes an electronic changeable message sign which is prohibited by Section 210-84 (B) (2) of the Zoning Code.
5. All of the signage requested in this application was installed without a permit and without prior zoning approvals.

Based on the above evaluation, the Pole Sign proposed fails to conform to the Zoning Code both for area (71.7 square feet instead of 40 square feet) and for the prohibited electronic changeable message sign, and as such, if you wish to maintain this signage, you will need to apply for variances from the Zoning Hearing Board, applications for which you have attached to your Building Permit application. I wish to make sure you understand that variances are to be granted for hardships only and that a hardship cannot be self-imposed nor can it be of a financial nature.

Should the Zoning Hearing Board grant you the two variances required, then you would be free to pursue Building Permits with the Building Official. In the meantime, you are free to do so for the Wall Signage as outlined above. All fees are available from the Building Official or in our Fee Resolution online on our website.

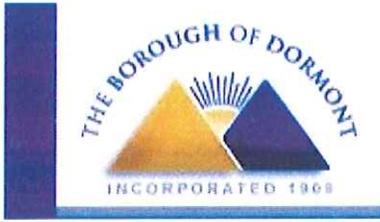
Please let me know if you have any questions about this determination.

Sincerely,



Jeffrey Naftal  
Borough Manager  
Zoning Official

Cc: Pat Kelly, Building Official



MEMORANDUM

**Date:** May 12, 2014

**To:** Jeff Naftal, Borough Manager

**CC:** Sherri Abbondanza, BookKeeper

**From:** Wayne R. McVicar, P.E., Borough Engineer 

**Subject:** **RECOMMENDATION FOR PAYMENT**  
**Insight Pipe Contracting, LP**

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I am in receipt of the final invoice from the contractor, Insight Pipe Contracting, LP, requesting payment. The payment request is in the amount of \$20,927.00 for the CCTV Inspection and CIPP lining of the sanitary sewers on Dell Avenue from Mervin Avenue to McFarland Avenue and through the backyard areas of homes fronting Dwight Avenue, from Kelton Avenue to Dormont Avenue.

I have inspected the work performed and find that it was performed in a professional manner and the installation to be acceptable. I have reviewed the invoice and find that the payment request is accurate and consistent with work performed under the agreement with the contractor.

As a result of my review of the work and the payment request, I would recommend payment to the contractor, **Insight Pipe Contracting, LP**, in the amount of **\$20,927.00**.

Original invoice attached.

# PERIODIC PAY ESTIMATE

**PROJECT DESCRIPTION** 2014 Cured-In-Place Pipe Lining Contract - Borough of Dormont **JOB NO.** 132016  
**CONTRACT NO.** SHEET 1 OF 4 SHEETS  
**OWNER** Borough of Dormont **CONTRACTOR:** Insight Pipe Contracting, L.P.  
**ADDRESS** 1444 Hillside Avenue **ADDRESS:** 232 East Lancaster Road  
 Pittsburgh, PA 15216 Harmony PA 16037

**PERIODIC ESTIMATE NO.** 1 **FOR PERIOD FROM:** 4/1/2013 **TO** 4/30/2013

ITEM NO.	DESCRIPTION	TOTAL CONTRACT		COMPLETE This ESTIMATE		COMPLETE To DATE		
		QUANTITY	UNIT COST	TOTAL COST	QUANTITY	TOTAL COST	QUANTITY	TOTAL COST
	CIPP Lining from MH#819-90 to MH#926-78 (209LF 10" VCP)							
1	Provision of By-Pass Pumping, complete in place	1.00 LS	\$ 50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
2	Provision of Traffic Control as needed, complete in place	1.00 LS	\$ 50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
3	Preliminary CCTV Inspection, complete in place	210.00 LF	\$ 5.00	\$1,050.00	208.40 LF	\$1,042.00	208.40 LF	\$1,042.00
4	Removal of collapsed spot liner 0"-18.5' from MH#819-90, complete in place	5,600.00 LS	\$ 1.00	\$5,600.00	0.00 LS	\$0.00	0.00 LS	\$0.00
5	Jetting & light cleaning of the sewer, complete in place	210.00 LF	\$ 2.00	\$420.00	208.40 LF	\$416.80	208.40 LF	\$416.80
6	Installation of 10" manhole-to-manhole CIPP Liner, complete in place	210.00 LF	\$ 25.00	\$5,250.00	208.40 LF	\$5,210.00	208.40 LF	\$5,210.00
7	Re-installation of any lateral connections, complete in place	1.00 EA	\$ 10.00	\$10.00	1.00 EA	\$10.00	1.00 EA	\$10.00
8	Post-Construction CCTV Inspection, complete in place	210.00 LF	\$ 1.00	\$210.00	208.40 LF	\$208.40	208.40 LF	\$208.40
9	Heavy cleaning & Root Removal, complete in place, (if and when directed)	4.00 HR	\$ 340.00	\$1,360.00	0.00 HR	\$0.00	0.00 HR	\$0.00
	CIPP Lining from MH#819-136 to MH#819-150 (239LF 8" VCP)							

10	Provision of By-Pass Pumping, complete in place	1.00 LS	\$	50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
11	Provision of Traffic Control as needed, complete in place	1.00 LS	\$	50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
12	Preliminary CCTV Inspection, complete in place	240.00 LF	\$	5.00	\$1,200.00	237.90 LF	\$1,189.50	237.90 LF	\$1,189.50	237.90 LF	\$1,189.50
13	Jetting & light cleaning of the sewer, complete in place	240.00 LF	\$	2.00	\$480.00	237.90 LF	\$475.80	237.90 LF	\$475.80	237.90 LF	\$475.80
14	Heavy cleaning & Root Removal, complete in place, (if and when directed)	4.00 HR	\$	275.00	\$1,100.00	1.00 HR	\$275.00	1.00 HR	\$275.00	1.00 HR	\$275.00
15	Installation of 8" manhole-to-manhole CIPP Liner, complete in place	240.00 LF	\$	18.00	\$4,320.00	237.90 LF	\$4,282.20	237.90 LF	\$4,282.20	237.90 LF	\$4,282.20
16	Re-installation of any lateral connections, complete in place	6.00 EA	\$	10.00	\$60.00	3.00 EA	\$30.00	3.00 EA	\$30.00	3.00 EA	\$30.00
17	Post-Construction CCTV Inspection, complete in place	240.00 LF	\$	1.00	\$240.00	237.90 LF	\$237.90	237.90 LF	\$237.90	237.90 LF	\$237.90
18	Site Restoration, Complete in Place	1.00 LS	\$	100.00	\$100.00	0.00 LS	\$0.00	0.00 LS	\$0.00	0.00 LS	\$0.00
	CIPP Lining from MH#819-150 to MH#819-149 (278LF 8" VCP)										
19	Provision of By-Pass Pumping, complete in place	1.00 LS	\$	50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
20	Provision of Traffic Control as needed, complete in place	1.00 LS	\$	50.00	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00	1.00 LS	\$50.00
21	Preliminary CCTV Inspection, complete in place	280.00 LF	\$	5.00	\$1,400.00	276.90 LF	\$1,384.50	276.90 LF	\$1,384.50	276.90 LF	\$1,384.50
22	Locate in field MH#819-149, complete in place	1.00 HR	\$	275.00	\$275.00	0.00 HR	\$0.00	0.00 HR	\$0.00	0.00 HR	\$0.00
23	Raise MH#819-149 to grade (up to 1' burial)	1.00 LS	\$	2,440.00	\$2,440.00	0.00 LS	\$0.00	0.00 LS	\$0.00	0.00 LS	\$0.00
24	Jetting & light cleaning of the sewer, complete in place	280.00 LF	\$	2.00	\$560.00	276.90 LF	\$553.80	276.90 LF	\$553.80	276.90 LF	\$553.80

25	Heavy cleaning & Root Removal, complete in place, (If and when directed)	4.00 HR	\$ 275.00	\$1,100.00	0.00 HR	\$0.00	0.00 HR	\$0.00
26	Trimming of tap in lateral connection, complete in place	4.00 HR	\$ 275.00	\$1,100.00	0.00 HR	\$0.00	0.00 HR	\$0.00
27	Installation of 8" manhole-to-manhole CIPP Liner, complete in place	280.00 LF	\$ 18.00	\$5,040.00	276.90 LF	\$4,984.20	276.90 LF	\$4,984.20
28	Re-installation of any lateral connections, complete in place	8.00 EA	\$ 10.00	\$80.00	5.00 EA	\$50.00	5.00 EA	\$50.00
29	Post-Construction CCTV Inspection, complete in place	280.00 LF	\$ 1.00	\$280.00	276.90 LF	\$276.90	276.90 LF	\$276.90
30	Site Restoration, Complete in Place	1.00 LS	\$ 100.00	\$100.00	0.00 LS	\$0.00	0.00 LS	\$0.00
<b>TOTAL SHEET NO.</b>		<b>1</b>		<b>\$34,075.00</b>		<b>\$20,927.00</b>		<b>\$20,927.00</b>

# APPLICATION AND CERTIFICATE FOR PAYMENT AIA DOCUMENT G702

**TO (OWNER):** Borough of Dormont  
1444 Hillsdale Avenue  
Pittsburgh, PA 15216

**PROJECT:** 2014 Cured-in-Place Pipe Lining Contract - Borough

Distribution to:

OWNER	4/1/2013
ARCHITECT	4/30/2013
CONTRACTOR	

**PERIOD FROM:** 4/1/2013  
**PERIOD TO:** 4/30/2013  
**ARCHITECTS**  
**PROJECT NO.:**

**FROM (CONTRACTOR):**  
Insight Pipe Contracting, L.P.  
232 East Lancaster Road  
Harmony PA 16037

**ARCHITECT:**

**CONTRACT FOR:**

**CONTRACT DATE:**

Application is made for Payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

## CONTRACTOR'S APPLICATION FOR PAYMENT

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Change Orders approved in previous months by Owner			
TOTAL			
Approved this Month			
Number	Date Approved		
TOTALS			

**Net change by Change Orders**

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

- 1. ORIGINAL CONTRACT SUM** ..... \$ 34,075.00
- 2. Net change by Change Orders** ..... \$ \$0.00
- 3. CONTRACT SUM TO DATE (Line 1+/- 2)** ..... \$ \$34,075.00
- 4. TOTAL COMPLETED & STORED TO DATE** ..... \$ \$20,927.00  
(Column G on G703)

**5. RETAINAGE:**

- a.** 0% of Completed Work (Column D + E on G703) \$ -
- b.**      % of Stored Material (Column F on G703) \$

- Total Retainage (Line 5a +5b or Total in Column 1 of G703) ..... \$ \$0.00
- 6. TOTAL EARNED LESS RETAINAGE**..... \$ \$20,927.00  
(Line 4 less Line 5 Total)

**7. LESS PREVIOUS CERTIFICATES FOR PAYMENT** (Line 6 from prior Certificate)..... \$ 0

- 8. CURRENT PAYMENT DUE**..... \$ \$20,927.00
- 9. BALANCE TO FINISH, PLUS RETAINAGE**..... \$ \$0.00  
(Line 3 less Line 6)

State of: **Pennsylvania** County of: **Butler**  
Subscribed and sworn to before me this May day of 2014  
Notary Public: Diane N. Reiber COMMONWEALTH OF PENNSYLVANIA  
My Commission expires: 5/12/14 Notarial Seal  
Diane N. Reiber, Notary Public

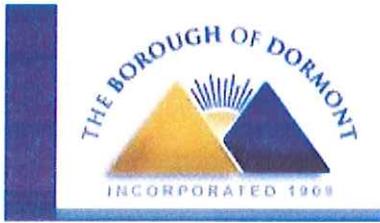
**AMOUNT CERTIFIED**.....  
(Attach explanation if amount certified differs from the amount requested on the Application for Payment)  
**ARCHITECT:**      Lancaster Twp., Butler County  
My Commission Expires Feb. 12, 2018  
By:      Date: 5/12/14

## ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

**CONTRACTOR:** Insight Pipe Contracting, L.P. Date: 5/12/14

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.



MEMORANDUM

**Date:** May 12, 2014

**To:** Jeff Naftal, Borough Manager

**CC:** Sherri Abbondanza, BookKeeper

**From:** Wayne R. McVicar, P.E., Borough Engineer 

**Subject:** RECOMMENDATION FOR PAYMENT  
BLT Contracting, Inc.  
1218 Dormont Avenue  
Asbestos Abatement

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I am in receipt of an invoice from the contractor, BLT Contracting, Inc., requesting payment. The payment request is for work performed under the project referenced above identified as follows:

Asbestos Abatement	\$5,900.00
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Attached is a copy of the invoice. I have reviewed the invoice and find that the payment request is accurate and consistent with the approved proposal.

As a result of my review of the payment requests, in accordance with their proposal, I would recommend payment in the amount of **\$5,900.00** to the contractor, **BLT Contracting, Inc.**



ABATEMENT  
SPECIALISTS

## INVOICE

BOROUGH OF DORMONT  
1444 Hillsdale Avenue  
Pittsburgh, PA 15216

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### 1218 Dormont Avenue-Asbestos Abatement

Invoice covering removal of asbestos containing floor tile on the above noted project.

TOTAL CONTRACT	\$5,900.00	
100% Complete to Date		5,900.00
Less Previous Billings		<u>0.00</u>
<b>NET AMOUNT DUE THIS INVOICE</b>		<b>\$5,900.00</b>

Date: May 5, 2014

Order Number: **Letter dated April 10**

Job Number: 141112

Invoice Number: 1112-A

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INTEROFFICE MEMORANDUM

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**TO:** JEFF NAFTAL, BOROUGH COUNCIL  
**FROM:** KRISTIN HULLIHEN  
**SUBJECT:** SUMMER STAFF 2014  
**DATE:** 5/27/2014

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THE FOLLOWING ARE RECOMMENDATIONS FOR SUMMER EMPLOYMENT FOR THE  
BOROUGH OF DORMONT:

POOL STAFF (N=NEW, R=RETURNING)/POSITION/START DATE/HOURLY RATE

Patty Costantini (R)- Cashier - 5/19/2013 - 7.25

DAYCAMP STAFF/POSITION/START DATE/HOURLY RATE

Jeff Quail - Day Camp Director - 5/14/2013 - 10.00

Brittany Conway - Counselor - 6/3/2014 - 9.00

Kristin Kaminski - Counselor - 6/1/2014 - 9.00

Jordan R. Nardozi - Counselor - 6/3/2014 - 9.00

Roman Nardozi - Counselor - 6/3/2014 - 9.00



## MEMORANDUM

**Date:** May 13, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager   
**Subject:** Purchase of AED for Fire Station

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### Background:

The Dormont Volunteer Fire Department recently completed their review by the Insurance Services Office (ISO) which evaluates every fire department in the country to determine their level of readiness. The rating they give then determines how high fire insurance premiums are for the community served by that department. Our rating prior to this review was a 5 which is in the middle of their ten point scale. Once we receive the review rating we will let Council and the public know whether we have improved or not.

### Discussion:

One of the items that a fire department is rated on is whether they have an Automated External Defibrillator (AED) that can be used in emergencies. When the department was determining what they needed to do prior to the ISO review, they determined that they did not have an AED, either on their trucks or at the station. Because the Police carry AEDs in their vehicles and are on scene quickly, having them on the fire trucks wasn't critical. But not having one in the fire station is critical. In addition to the public who might come to the fire station when having a heart attack because the station is considered a safe haven, it is shown that most firefighter deaths from heart attacks occur in the time after a fire while they are recuperating from fighting the fire. Having an AED in the station can help save lives in both of these situations. And we already have AEDs in the Borough Building, the Streets Department, and the Thomas Lloyd Recreation Center.

The Police Chief contacted the company that provides all of our other AEDs, Physio-Control, and they provided pricing information on their various models. The Fire Department determined that the Lifepak CR Plus AED is the one best suited for their needs. Information on this AED is attached to this report. The cost of this AED is \$2,155. Because all of our current AEDs come from one manufacturer it wouldn't make sense to buy a new one from somewhere else. So pursuant to our Purchasing Policy this purchase would be considered a "sole source" purchase. Funding for this purchase is available in the Government Building budget in the Minor Purchases line item which has \$5,000 available.

Recommendation:

I recommend that Council authorize the purchase of a Lifepak CR Plus AED for the Dormont Volunteer Fire Department station from Physio-Control at a cost of \$2,155.

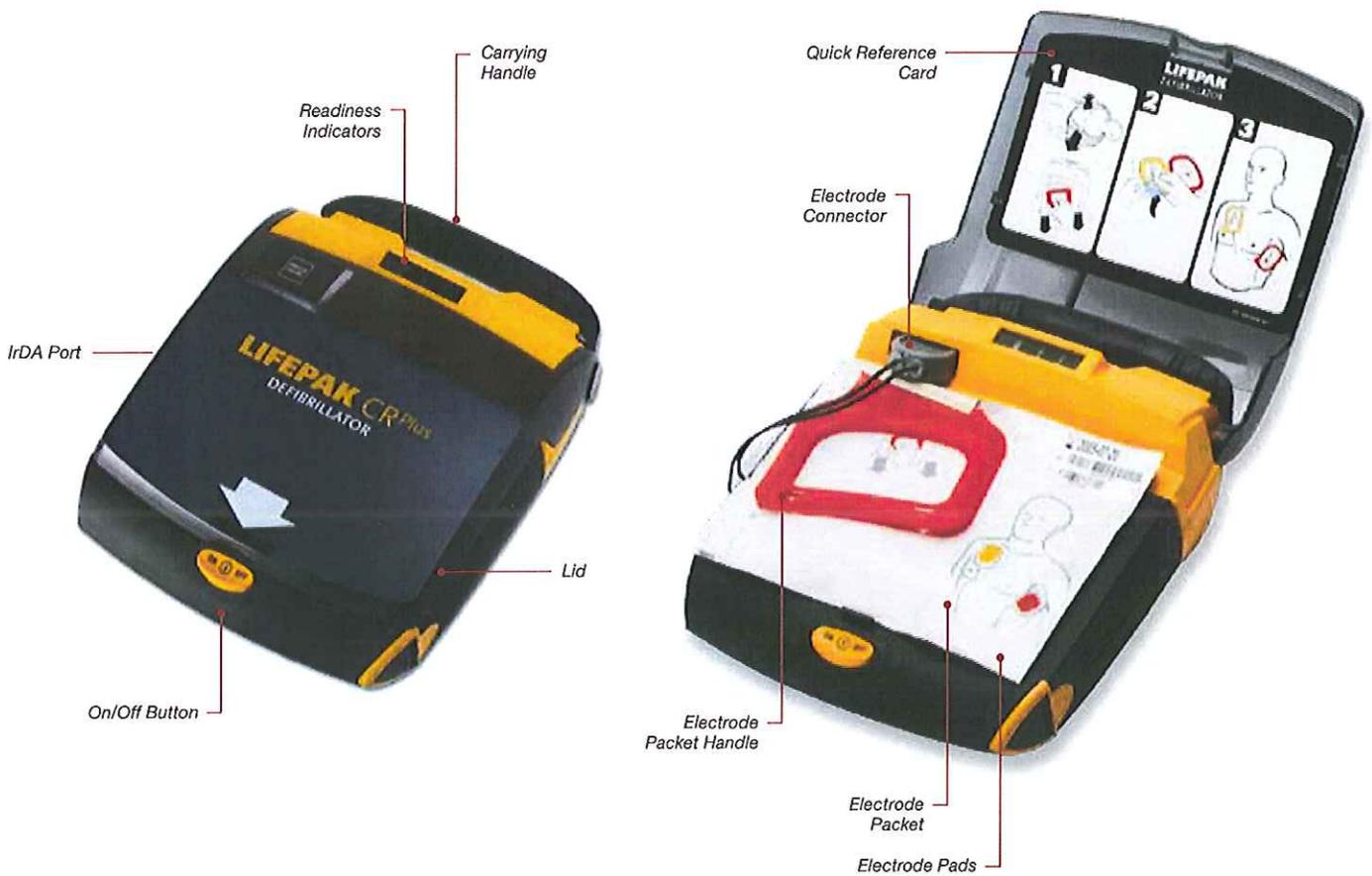
JN

Attachments

Cc: Jeff Arnold, Fire Chief

# LIFEPAK CR Plus AED

at a glance



## Defibrillator

**Waveform:** Biphasic truncated exponential, with voltage and current duration compensation for patient impedance.\*

**Output Energy Sequence:** Multiple levels, configurable from 150 joules to 360 joules (200 joules min for Japan). Factory default settings of 200J, 300J, 360J.

**Output Energy Accuracy:** ±10% into 50 ohms, ±15% into 25 to 100 ohms.

**Shock Advisory System:** An ECG analysis system that advises whether a shock is appropriate; meets rhythm recognition criteria specified in DF39.

The device charges for shock only when the Shock Advisory System advises defibrillation.

### Device Capacity:

**Typical:** Thirty (30) full discharges or 210 minutes of "on time" with a fully charged device.

**Minimum:** Twenty (20) full discharges or 140 minutes of "on time" with a fully charged device.

**Shock Charge Time:** Charge times with a fully charged device: 200 joules in less than 9 seconds, 360 joules in less than 15 seconds.

**System Recharge Times:** Recharge times with a fully discharged device: Able to deliver 6 shocks or provide 42 minutes of operating time after 24 hours of recharge time and 20 shocks or 140 minutes of operating time after 72 hours of recharge time with a new CHARGE-PAK at temperatures above 15° C (59° F).

### Controls:

Lid Release/ON-OFF—Controls device power.

SHOCK button (semi-automatic version)—delivers defibrillation energy. After electrodes are attached to a patient, the fully automatic version of the device delivers a shock, if appropriate, not requiring operator intervention.

**Electrical Protection:** Input protected against high voltage defibrillator pulses per  IEC60601-1/EN60601-1.

**Safety Classification:** Internally powered equipment. IEC60601-1/EN60601-1.

## User Interface

**User Interface:** The user interface includes voice prompts, audible tones and graphic prompts.

**Readiness Display:** The readiness display shows the device status.

**OK Indicator:** Shows "OK" when the last self-test was completed successfully. When the "OK" indicator is visible, all other indicators are not visible. The "OK" indicator is not displayed during device operation.

**CHARGE-PAK Indicator:** When displayed, replace the CHARGE-PAK™ battery charger.

**Attention Indicator:** When first displayed, at least six (6) discharges or 42 minutes of operating time remain.

**Service Indicator:** Service required when displayed.

## Environmental

**Note:** All performance specifications defined assume the unit has been stored (two hours minimum) at operating temperature prior to operation.

**Operating Temperature:** 0° to +50° C (+32° to +122° F).

**Storage Temperature:** -40° to +70° C (-40° to +158° F) with CHARGE-PAK and electrodes, maximum exposure time limited to one week.

**Atmospheric Pressure:** 760 mmHg to 429 mmHg, 0 to 15,000 feet above sea level.

**Relative Humidity:** 5 to 95% (non-condensing).

**Water Resistance:** IEC60529/EN60529 IPX4 "Splash proof" with electrodes connected, CHARGE-PAK installed.

**Shock:** MIL-STD-810E, Method 516.4, Procedure 1, (40g, 6-9 ms pulse, 7 sine each axis).

**Vibration:** MIL-STD-810E, Method 514.4, Helicopter - category 6 (3.75 Grams) and Ground Mobile - category 8 (2.85 Grams).

## Physical Characteristics

**Height:** 10.7 cm (4.2 in).

**Width:** 20.3 cm (8.0 in).

**Depth:** 24.1 cm (9.5 in), excluding handle.

**Weight:** 2.0 kg (4.5 lb) with CHARGE-PAK and electrodes.

## Default Settings

**Energy Sequence:** Energy sequence is set to 200J, 300J, 360J.

**Motion Detection:** The motion detection system is set to on during analysis.

**Energy Protocol:** The energy protocol is set to increase energy only after a lower energy shock was unsuccessful.

**Stack Shocks:** Stack shocks option is set to off.

**Turn-On Prompt:** The turn-on prompt is set to provide voice prompts upon power on.

**CPR Time:** The CPR Time is set to 120 seconds.

**Voice Prompt Volume:** The voice prompt volume is set to high.

## Accessories

### CHARGE-PAK Battery Charger

**Type:** Li/SO<sub>2</sub>Cl<sub>2</sub> Lithium Sulfuryl Chloride, 11.7V, 1.4 amp-hours.

**Replacement:** Replace the CHARGE-PAK battery charger and QUIK-PAK™ electrodes packet after using the defibrillator, if the CHARGE-PAK symbol appears in the readiness display or when the Use By date is reached (typically 2 years).

**Weight:** 80.5 grams (0.18 lb).

### QUIK-PAK Electrode Pads

**Pads:** ECG is received from disposable defibrillation electrodes, standard placement (anterior-lateral).

**Pads Packaging:** User intuitive, rapid release QUIK-PAK electrodes allow the electrode pads to be preconnected to the device and protected under a top cover.

**Pads Replacement:** Replace every two (2) years.

### Infant/Child Reduced Energy Defibrillation Electrodes:

For use on infants and children less than 8 years of age or less than 55 lbs (25kg).

## Data Storage

**Memory Type:** Internal digital memory.

**ECG Storage:** Dual patient data storage. Minimum 20 minutes of ECG stored for the current patient, summarized data stored for the previous patient.

### Report Types:

- Continuous ECG – A continuous patient ECG report.
- Continuous Summary report – A summary of critical resuscitation events and ECG waveform segments associated with these events.
- Event Log report – A report of time stamped markers, which reflect operator and device activity.
- Test Log report – A device self-test activity report.

**Capacity:** Minimum 200 time-stamped event log markers.

**Communications:** Wireless transfer to a personal computer.

**Data Review:** Physio-Control provides an array of tools to meet customer needs for data viewing and analysis.

\* The specifications apply from 25 to 200 ohms. Voltage compensation is limited to the voltage that would result in delivery of 360 joules into 50 ohms.

All specifications are at 20° C unless otherwise stated.



Physio-Control, Inc.  
11811 Willows Road NE, P.O. Box 97006, Redmond, WA 98052  
Tel 425.867.4000 Toll-free 800.442.1142  
[www.physio-control.com](http://www.physio-control.com)

May, 2014

Physio-Control offers two different lines of **LIFEPAK®** AEDs. This allows customers to address different staffing situations, applications, and budgets. Our AEDs are the **LIFEPAK® CR+** line (3 versions: semi-automated, fully-automated, Express), and the **LIFEPAK® 1000** line (various features available, including adult AED, manual override, 3-lead EKG monitoring). All of our AEDs are available, and are shipping without restriction.

Enclosed with this note are a number of data sheets about the LIFEPAK® AEDs that we offer. I have also written a brief synopsis for your review below. All of our AEDs are clinically identical – they use the same algorithms, and can provide the same full-energy (360 joule) biphasic defibrillation. We're the only AED manufacturer that can say this. So, what's the difference between the LIFEPAK AEDs:

- If compatibility with LIFEPAK® 12 or LIFEPAK® 15 monitor/defibrillators is a priority or if you need an AED with additional available features such as manual override and 3-lead EKG monitoring, then the LIFEPAK® 1000 is the AED for you.
- If finances are an issue, or if you are looking for an "easier to use" AED, or if your AED is most likely to be in "standby" mode much of the time - then the LIFEPAK® CR+ may be your best choice. The LIFEPAK® CR+ AED line is easy to buy, easy to use, and easy to maintain, while staying compatible in energy levels, Quik-Combo plug, and data format with our other LIFEPAK® products.

But first, a little background might be in order.

Physio-Control is a science driven company. We invented external defibrillation – did you know that? And we have studied biphasic defibrillation, and published on more than twice as many patients as all other AED manufacturers combined.

All AEDs on the market today are biphasic, but only the LIFEPAK® brand of AEDs offer true, full-energy (360 joule) biphasic defibrillation capability.

Low energy biphasic defibrillators are fine for easy to defibrillate patients. However, a full-energy, biphasic, 360 joule AED is especially important for hard to defibrillate patients, and patients with refractory v-fib. With LIFEPAK® you get both in one defibrillator. Low energy for easy to defibrillate patients, and full-energy for hard to defibrillate patients.

All AED manufacturers will offer their views (and science) about their “waveforms”, and how much biphasic energy is needed to successfully resuscitate patients, and we have them also. Let me know if you’d like them – great reading. However, there’s a real simple 2-step proof:

1. LIFEPAK® biphasic defibrillators have **successfully** defibrillated patients **who failed to be converted** with other manufacturers' biphasic, limited energy defibrillators - and we have the records and studies to back that up.

- While on the other hand -

2. There is no known instance of a limited energy biphasic AED (200 joules or less) successfully defibrillating a patient during a rescue when a full-energy, biphasic defibrillator (like the LIFEPAK® ) had failed to convert the patient.

**In other words, with all else being equal, if you can't defibrillate the victim with a biphasic LIFEPAK® AED at 360 joules, no defibrillator can!**

So, bottom line, since you're only bringing one defibrillator to save a person's life - shouldn't it be the one that gives every person the best possible chance?

The FDA has even posted a notice requesting information on failures of low energy biphasic defibrillators to successfully cardiovert or defibrillate, when the patient was subsequently successfully converted/defibrillated with a biphasic full-energy device.

Check it out yourself. Here's the link:

<http://www.fda.gov/MedicalDevices/Safety/AlertsandNotices/ucm189259.htm#ft1#ft1>.

And, here’s a link to the FDA’s video broadcast web page:

(<http://www.accessdata.fda.gov/psn/transcript.cfm>).

And here’s the link to the FDA written communication:

<http://www.fda.gov/MedicalDevices/Safety/AlertsandNotices/ucm189259.htm>.

A brief overview of our LIFEPAK® lines of AEDs is below, and a number of LIFEPAK® AED data sheets and catalogs are enclosed. I'd be glad to meet with you and other members of the department at your convenience, discuss your needs and show you our different AEDs. Just call or write.

Ray

Ray Carlin, EMT-P

Sr. Sales Representative - W.PA and WV

Physio-Control, Inc.

*"Lifesaving tools for Lifesaving Teams"*

**mobile: 412-215-9620**

toll free: 800-442-1142, option 1, x72920

fax: 412-563-0475

email: [ray.carlin@physio-control.com](mailto:ray.carlin@physio-control.com)

## LIFEPAK® AEDs - Synopsis

**LIFEPAK® 1000 AED:** Many emergency responders are moving to the LIFEPAK® 1000 AED. The LIFEPAK® 1000 was chosen by NASA from a field of 18 different AEDs worldwide as the best AED to protect the astronauts on the International Space Station. The LIFEPAK® 1000 is the AED on the ISS right now. There's no second chance in space. If it's good enough for the engineers at NASA, it must be pretty good!

**LIFEPAK® CR+ line of AEDs:** A great choice, especially in situations where they will be used infrequently or by laypersons. Many Police and Fire Departments use this AED, both for emergency response, and in-house use. Businesses, factories, offices, social halls, etc. are also excellent applications for this AED.

### Quick overview:

The LIFEPAK® 1000 is a configurable AED device, with a number different features available. It is our newest AED. I can be purchased as a basic AED, or an AED with manual override, and 3-lead EKG monitoring.

The LIFEPAK® 1000 includes a large screen, and a high capacity lithium battery with battery gauge. (lithium-ion, rechargeable battery also available). This AED is ideal in a mixed response system (ALS, BLS, 1st responder). The LIFEPAK® 1000 AED uses the same data format, and exact same Quick Combo pads as used with our LIFEPAK® 12 and LIFEPAK® 15 equipment.

The LIFEPAK® CR+ AED can be ordered either as a semi-automated or fully-automated AED, or as the Express (semi-automated only) version. The LIFEPAK® CR+ is smaller, lighter, and very easy to use (there are many more "prompts" to help the infrequent user). As you know, most AEDs are "semi-automated" (the rescuer pushes the shock button). The CR Plus is the only full-energy (360 joule) AED available in "fully automated" mode (no shock button). This is very useful in a system where the AED is used infrequently, or by individuals who don't respond often to CPR events.

The CR+ and Express AED adult electrodes are electrically identical to the electrodes used with LIFEPAK® 12 and LIFEPAK® 15 heart monitor/defibrillators, and have the same Quick-Combo plug. They have different markings and packaging to make it easier for the occasional user to understand and use them quickly.

### Additional Notes:

1. All of our AEDs are compatible with the LIFEPAK® line of heart monitor/defibrillators [such as the LIFEPAK® 12 and LIFEPAK® 15] in electrodes, energy protocols, and data formats.
2. All of our AEDs are full-energy biphasic, and can escalate up to 360 biphasic joules - giving you and your patient the best chance for a successful resuscitation.

3. All of our AEDs have pediatric capability built in, (special reduced-energy infant/child electrodes are optional, at additional cost)
4. All are loaded with the latest version of the operating software, compatible with the new AHA 2010 Guidelines.
5. All come with **5-year** factory warranties (except for the LIFEPAK® CR+, which comes with an **8-year** warranty!)

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**PRICING:**

1. PA COSTARS contract pricing below is for eligible PA Municipalities, Authorities, Fire, Police and EMS agencies only. **This pricing is not available to other agencies!**
2. PA COSTARS prices are "each", before trade-in allowance. AEDS come complete and ready to put in service. Includes free shipping & handling. Additional discounting may be available for multiple unit purchases.

1. LIFEPAK® 1000 (adult, semi-automated)	\$2,206.00 each
2. LIFEPAK® 1000 (adult, with manual override and 3-lead EKG)	\$2,716.00 each
3. LIFEPAK® CR+ (adult, fully-automated)	\$2,155.00 each
4. LIFEPAK® CR+ (adult, semi-automated)	\$1,975.00 each
5. LIFEPAK® Express (adult, semi-automated)	\$1,525.00 each
6. Pediatric electrode starter kit (for any of the above AEDs)	\$ 127.50 each



## MEMORANDUM

**Date:** May 14, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager   
**Subject:** Request for Residential Accessible Parking Space

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### Background:

Pursuant to the Accessible Parking Policy of the Borough, one resident has made application for a new residential handicap parking space on the street in front of their house. The application was heard by the Traffic and Parking Planning Commission at their regular meeting on May 13, 2014. This application is attached for Council review.

### Discussion:

The applicant is Mr. Michael Farrell of 3228 Gaylord Avenue. Mr. Farrell requested a residential handicap parking space in front of his house because of significant breathing issues. The Commission questioned a number of issues including the fact that there is parking for 2 vehicles in the rear yard with only one step to the house as opposed to 12 steps from the street to the house in the front. In addition, Mr. Farrell indicated that his brother was parking in the back and that he was not disabled. While discussing these issues, the Commission also discovered that Mr. Farrell has been allowing neighbors to use his rear yard spots and not telling them to stop or contacting the Police to have them removed. The Commission strongly recommended that Mr. Farrell be proactive to take back his parking area and one member even offered to put up a "No Parking" sign for Mr. Farrell to help with this issue. Finally, the Commission also noted that Mr. Farrell was rejected for a Reserved Accessible Parking Space in 2012 because of having the off-street rear parking with easy access to the house. Based on the above, the members of the Commission voted to recommend not approving the request.

### Recommendation:

I recommend that Council follow the recommendations of the Traffic and Parking Planning Commission regarding the above residential handicap parking space application and not approve a reserved accessible parking space for 3228 Gaylord Avenue.

JN

### Attachments

Cc: Michael Bisignani, Chief of Police  
Traffic and Parking Planning Commission Members

3228 GAYLORD  
AVENUE  
DORMONT

CONTENTS

- 1: APPLICATION
- 2: DRIVER'S LICENSE
- 3: TPC MEETING LETTER
- 4: SITE INSPECTION
- 5: DIGITAL PICTURES



\* Includes disabled veteran, severely disabled registration plate/decals and person with disability motorcycle plate.

- 5 Are you:  
 Permanently Disabled  
 Disabled for one (1) year or more  
 Other -

Explain: CAD car, hip + knee replacement + bone disease.

6 Briefly explain why the Applicant is need of a reserved accessible parking space.

There is not enough parking with all neighbors parking  
2 or more vehicles on street. Something should be done  
+ I can't walk far distances. Sometimes have to park on 13th Ave

#### APPLICANT'S CERTIFICATION

I am aware that it is my responsibility to file a complete application. I understand that the application will be returned to me if it is found to be incomplete, illegible, or otherwise not filed in compliance with the instructions. The Application (New or Renewal) must be accompanied by a completed copy of the attached Physician's certification.

I understand that if I use this Reserved Accessible Parking Space in any manner other than that which I described at the time of this application, the space will be removed. In addition, I agree that the Borough of Dormont retains the right to remove this Reserved Accessible Parking Space at any time.

I further understand that it is my responsibility to promptly notify the Borough of Dormont Manager should I no longer need the Reserved Accessible Parking Space. Should I require the Reserved Accessible Parking Space, I shall submit a renewal application every year during the month of my original approval or the space will be removed.

I acknowledge that, should my request for a Reserved Accessible Parking Space be denied, that I may appeal the decision to deny my request to the Council of the Borough of Dormont by re-applying with a written appeal statement.

I further acknowledge that I have read and understand the entirety of the Borough's Reserved Accessible Parking Policy.

I certify that the information contained herein is true and correct to the best of my knowledge and belief. I understand that any false statements made herein are subject to the penalties of 18 Pa C.S. Section 4904, relating to unsworn falsifications to authorities.

Michael J. Farrell  
Applicant's Signature

4-2-2014  
Date

-----  
Office Use Only

Application Submitted Date: 4-11-14 / K Site Inspected Date: 4-23-14

T&PPC Review Date: 5-13-2014 / K Council Review Date: 6-2-2014 / K

Approved: \_\_\_\_\_ Denied: \_\_\_\_\_ Council President Initials: \_\_\_\_\_

Work Order Issue Date: \_\_\_\_\_ Manager Initials: \_\_\_\_\_



# BOROUGH OF DORMONT POLICE DEPARTMENT

1444 HILLSDALE AVENUE  
SUITE # 1  
PITTSBURGH, PENNSYLVANIA 15216  
(412) 561-8900 FAX (412) 561-3516

MICHAEL J. BISIGNANI  
*CHIEF OF POLICE*

PHILLIP A. ROSS  
*MAYOR*

April 23, 2014

Michael Farrell  
3228 Gaylord Avenue  
Pittsburgh Pa. 15216

Dear Michael,

There will be a meeting of the Dormont Borough Traffic and Parking Commission on **Tuesday May 13, 2014 at 7:00 P.M** in the Borough Council Chambers' concerning your application for a handicapped parking space at **3228 Gaylord Avenue.**

In order to complete the application process, your attendance is required.

If you have any questions, please call Handicapped Parking Coordinator James Kolesky at 412-561-8900 x 300 or voice mail #372.

Sincerely,

James Kolesky,  
Handicapped Parking Coordinator

Cc: Dormont Borough Traffic and Parking Commission

# **SITE INSPECTION 3228 GAYLORD AVENUE**

**On April 23, 2014, James Kolesky performed a site inspection at 3228 Gaylord Avenue, in regards to a new application for a Handicapped Parking Space.**

**The applicant had applied for Handicapped Parking Space in 2012 and was denied by the Traffic and Parking Commission and Borough Council in October of that year. It was noted in the denial that the applicant had easy access and level off street parking, which is located in the rear of his residence.**

**Kolesky observed that 3228 Gaylord Avenue is a single family residence. When the applicant exits the front of his residence, he would go down approximately 12 steps to a concrete side walk. This side walk runs parallel to the 3200 block of Gaylord Avenue. The parking for the 3200 block of Gaylord Avenue is on the western side of the street only, which is the same side as the applicant's residence.**

**Kolesky observed in the rear of the applicant's residence there is a two vehicle parking pad that exits directly onto the 3200 block of second alley. The rear exit of the applicant's residence comes out directly onto a small porch and with one step goes directly to the parking pad.**

**There are no Handicapped Parking Spaces issued in the 3200 block of Gaylord Avenue.**

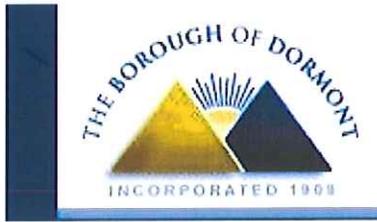
**Please see digital pictures that accompany this site inspection.**

**James Kolesky**



**Handicapped Parking  
Coordinator**





## MEMORANDUM

**Date:** May 15, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager *gn*  
**Subject:** Repair of Dangerous Drainage Condition on Voelkel Avenue

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### Background:

In December of last year, we were made aware of a situation on Voelkel Avenue in the 2700 block through a Dormont Delivers request. The situation, outlined in more detail in the Borough Engineer's report attached, is that water is coming from the house at 2717 Voelkel directly into the street in such large quantities that it is forming dangerous ice flows during the winter. We believe that this problem has been ongoing since at least 2002 but no one in the Borough ever took any actions to alleviate or at least mitigate the situation. And we know of at least 3 other situations like this that have also been left unaddressed over the years. Council discussed this situation and possible alternatives at the May 5, 2014 Council Meeting and asked to bring it back for action at the June 2, 2014 Council Meeting.

### Discussion:

As noted by the Borough Engineer, the problem appears to be coming from an underground spring and apparently started at 2703 and then moved to 2715 and now to 2717 as both 2703 and 2715 built on site drainage that moved the problem to their neighbors. The owner of 2717, Ms. Carol Thomas has now proposed to do the same thing, construct on site drainage that will simply move the problem to her neighbor and continue the pattern. Because the Borough never stepped in, the property owners have been forced to make their own remedies and push the problem up the block.

As the Borough Engineer notes, the only way to eliminate the problem is to direct the water directly to our storm sewer system thus getting it off of the street, the sidewalk, and not pushing it to a neighbor. The Borough Engineer evaluated the situation and came up with 2 possible alternatives. They are:

Alternative #1: Connect the roof drain for 2717 directly to our storm water system by running approximately 385 feet of pipe to LaSalle Avenue. The cost for this is estimated to be \$19,200 but would only help the one property.

Alternative #2: This would be similar to Alternative #1 except it would use larger pipe and connect in every roof drain on the street all of the way to LaSalle. The cost for this is estimated to be \$37,800 but it has the advantage of addressing storm water on most of the street.

The Borough Engineer correctly notes that there are sufficient funds in this year's Budget for the Sewer Fund to do either of these alternatives. He also notes an option to charge the property owners for the work since having their storm water directed off their property would enhance their property's value. I am not recommending that because our stormwater problems affect everyone so even though the solution is localized, much like Athens Alley, the impact of the solution will be felt in a much greater area of the Borough.

I believe that the best solution is Alternative #2 because it takes the most stormwater off of the street and because you get the most value for your funding. For less than twice the cost you take the water from 10 houses instead of just one. So my opinion is that we should do this project to alleviate a major safety issue as well as begin to address some of the many storm water issues throughout the Borough. Should this project go through and be successful, I will probably try to take care of the similar situations noted in the background of this report either this year or in 2015.

As noted, funding is available in the Sewer Fund, Operations and Maintenance Line Item. We will need to bid this project out should Council authorize moving forward and Council will still need to award a bid and approve payments for the project.

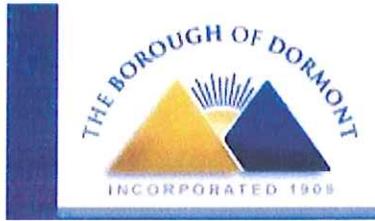
Recommendation:

I recommend that Council authorize us to proceed to bid out a project to add a stormwater line in the 2700 block of Voelkel Avenue to alleviate continual flooding on the street as outlined in the staff report above.

JN

Attachment

Cc: Wayne McVicar, Borough Engineer



## MEMORANDUM

**Date:** May 15, 2014  
**To:** Jeff Naftal, Borough Manager  
**From:** Wayne R. McVicar, P.E., Borough Engineer   
**Subject:** 2717 Voelkel Avenue Property Drainage/Winter Icing

On December 16, 2013 I visited the above referenced property with Pat because of a complaint on Dormont Delivers of water coming out of the garage and freezing on the sidewalk and street, creating a safety hazard.

I observed water trickling from inside the garage, crossing the apron/sidewalk going into the street. The apron/sidewalk in front of the garage was a sheet of ice from the water. The water appeared to be coming from cracks in the wall of the garage. Pat tells me there has been an ongoing issue with this property since 2002. I understand the property has been dye tested and it has been determined that the water is not coming from the roof drains. It is also not coming from the sanitary sewer as it is clean water. It appears that it may be an outcropping of a natural spring.

Back in December I gave my opinion that I didn't think the leak was a stormwater committee issue, but rather a homeowner matter that needed to be stopped or managed. To this end the homeowner was cited by Code Enforcement and advised that corrective action had to be taken.

Last month the homeowner, Ms. Carol Thomas, contacted my office and asked if I would meet her to discuss the remedial measures she proposed. Pat and I visited her and upon arrival she first gave her opinion as to the creation of the problem. She advised that historically there has always been a spring outcropping on the hill. Her Father advised her that it originally outcropped on the lot where the apartment building currently exists, #2703. She said that during construction a French drain was constructed along a retaining wall running parallel to the street that routed the outcrop water to her neighbor's property, #2715 immediately adjacent to her property. This neighbor then installed a French drain of her own that further directed the outcrop water to her property resulting in the condition that exists now. This is an unverified account, provided merely to present her understanding, but does nothing to change the need to address the current condition.

Ms. Thomas' plan is to install a French drain of her own, running the full width of the lot between the house and the garage, to intercept the groundwater. This drain would then be tied into the existing roof drain shared between her property and #2715 that discharges through the curb to the street. By intercepting the groundwater above the garage it is her hope that the leak through the garage wall will be eliminated.

If successful, the remedial measure will address the freezing condition on the sidewalk, however, it will do nothing to address the freezing condition in the street. It merely pushes the problem away from the garage apron to the curb line. As the road is cross sloped downward from this side of the street to the opposite, during the cold months any groundwater that is discharged through the curb will merely freeze across the street.

The only way to eliminate the freezing condition in its entirety is to convey the intercepted groundwater directly to the closest storm sewer inlet in a closed conduit/piping system. The closest inlet is approximately 385 feet away at the end of the block intersecting with LaSalle Avenue.

Option #1 – Would be to connect the roof drain directly to that inlet. The sidewalk and the pavement along the edge of the curb would have to be opened from the subject property for a distance of 365 feet to LaSalle Avenue and a catch basin installed. 4" ADS would be installed along the curb and run to the new catch basin. Then this new catch basin would have to be connected to the existing basin on the opposite side of the street with 20 feet of 12" ADS pipe. The cost of this option would be approximately \$19,200.00 and would serve just the subject property. (See attached sketch and estimate.)

Option #2 – Would be similar to Option #1, but with some significant differences. Instead of 4" ADS the pipe would be 8" PVC. There would be no need to install a catch basin at LaSalle Avenue. Instead a "TEE" cleanout would be installed in the sidewalk providing an angle point from which the 8" PVC would be directed to the existing catch basin. There would be no need to open the street except for the 20 feet of the crossing to the catch basin, however, the sidewalk would have to be replaced. Currently the roof drains of each of the houses along the street discharges through the curb. With the installation of this option, each roof drain crossed would be tied in to 8" PVC. The cost of this option would be approximately \$37,800.00 but would serve each property along the street.

There are 2 ways to pay for each of these options. If Option #1 is selected, either the property owner could be made to pay (possibly on an interest free loan for a finite period) or the Borough could pick up the cost from the Sewer Fund. There is sufficient funding to allow for this in the 2014 Budget. If Option #2 is selected, either the Borough could pick up the cost as with Option #1 or the cost could be shared by each of the properties on that side of the street who would be tied in. The cost to tie-in would be approximately \$3,800.00 based upon 10 connections. (See attached sketch and estimate). Again, this amount could be done as an interest free loan from the Borough for a finite period instead of requiring a lump sum payment.

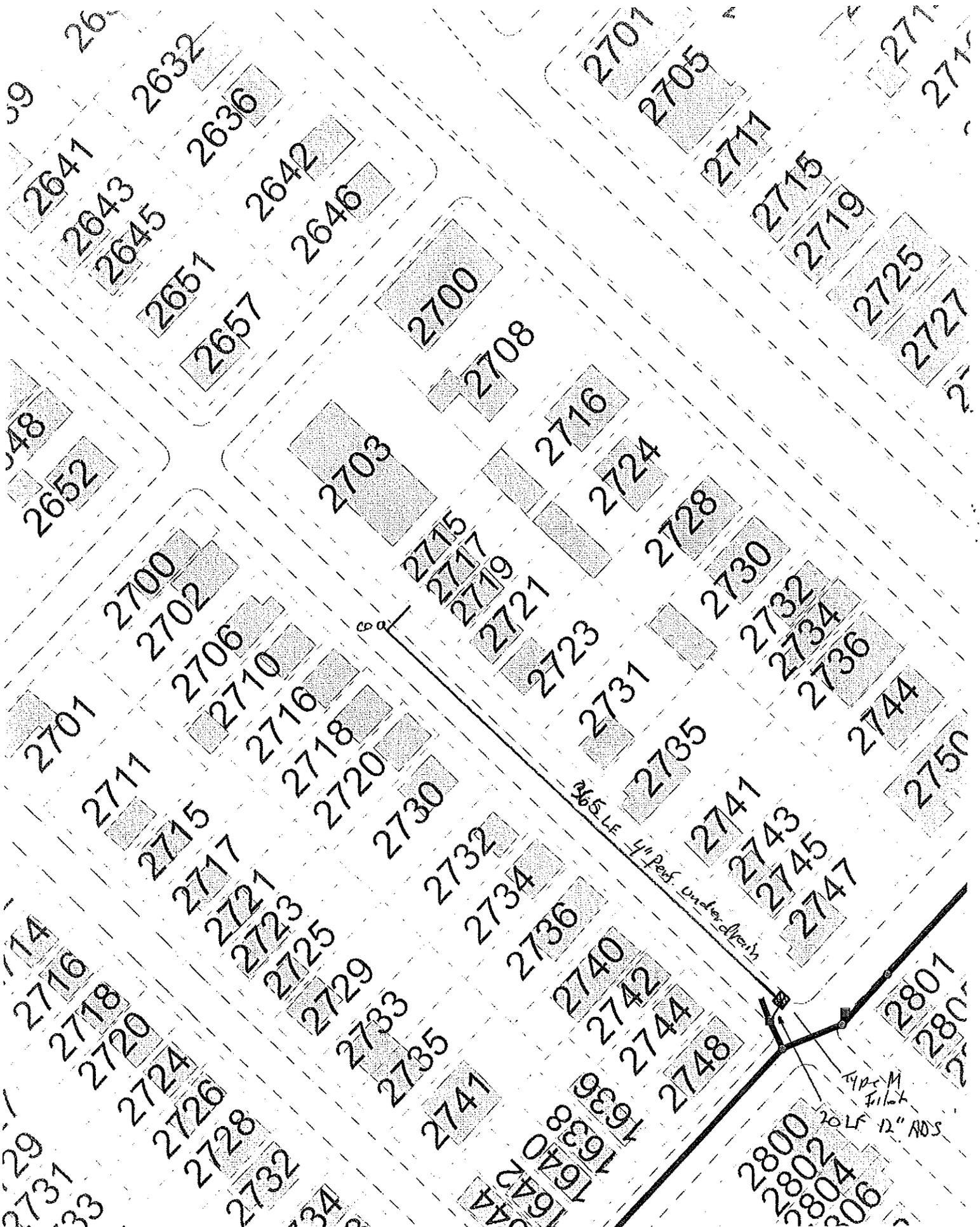
**Recommendation:**

Provided the French drain proposed by the owner is installed properly and the groundwater is intercepted, either of the options identified above would eliminate the icing condition that exists in winter. Connecting the French drain to the roof drain alone is not an option. As indicated above the problem would not be fully addressed. Of the two options listed, I would recommend Option #2. Although almost twice the cost, under Option #2 a true collection system would be constructed that would benefit the entire street, not just the subject property. This option takes, not just the intercepted groundwater from the subject property, but also the roof drain discharge from the entire block and conveys it to the existing storm sewer system.

**OPTION 1****4" DRAIN IN STREET ALONG CURB (only PIQ Tied In)**

Item	Quantity	Units	Description	Unit Price	Amount
1	130	SY	Roadway excavation	\$ 17.75	\$ 2,307.50
2	365	LF	4" Underdrain	\$ 8.25	\$ 3,011.25
3	1	EA	Type M Inlet	\$ 3,500.00	\$ 3,500.00
4	20	LF	12" ADS Storm Sewer	\$ 80.00	\$ 1,600.00
5	25	SF	Removal and Replacement of 5" Concrete Sidewalk	\$ 8.00	\$ 200.00
6	130	SY	19.0 mm Superpave Binder Course, 8" Thick	\$ 38.00	\$ 4,940.00
7	130	SY	9.5 mm Superpave Fine Grade Wearing Course, 1-1/2" Thick	\$ 8.50	\$ 1,105.00

Subtotal: \$ 16,663.75  
Miscellaneous 15% \$ 2,499.56  
Total Estimate: \$ 19,163.31



OPTION 2

4/1/2014

8" SDR 35 DRAIN UNDER SIDEWALK (All Fronting Properties Tied In)

Item	Quantity	Units	Description	Unit Price	Amount
1	385	LF	8" SDR-35 Underdrain	\$ 45.00	\$ 17,325.00
2	3	EA	"TEE" Connection Cleanouts	\$ 300.00	\$ 900.00
3	8	EA	WYE Connections or "TEE"	\$ 250.00	\$ 2,000.00
4	9	SY	Asphalt Restoration, 8" Binder; 1-1/2" Wearing Course	\$ 60.00	\$ 540.00
5	1	EA	Connection to Existing Inlet	\$ 250.00	\$ 250.00
6	1,480	SF	Removal and Replacement of 5" Concrete Sidewalk	\$ 8.00	\$ 11,840.00

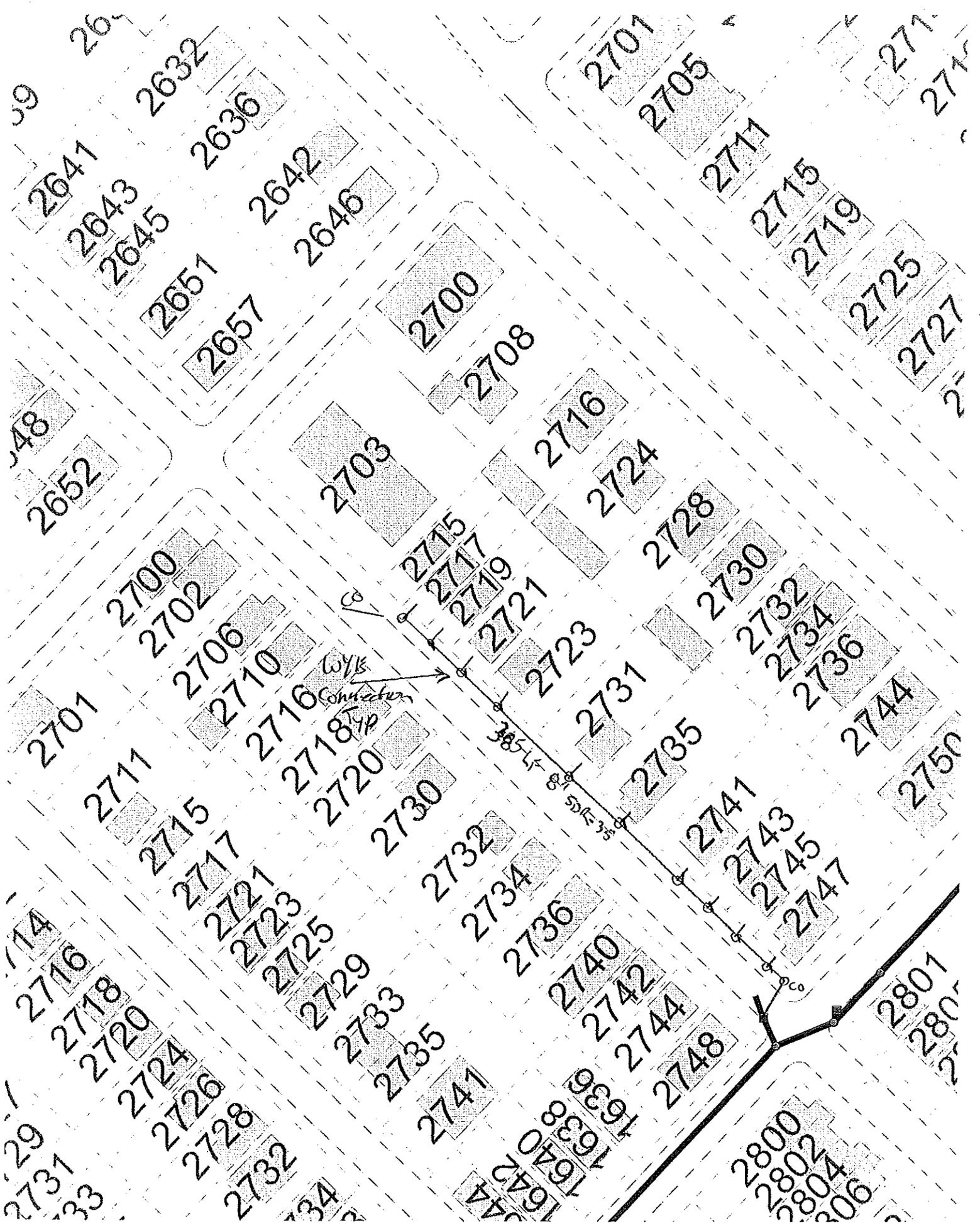
Subtotal: \$ 32,855.00

Miscellaneous 15% \$ 4,928.25

Total Estimate: \$ 37,783.25

Properties Affected: \$ 10.00

Anticipated cost per connection: \$ 3,778.33





**MEMORANDUM**

**Date:** May 27, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager *gn*  
**Subject:** Award of Bid – 2014 Sanitary Sewer Project – Preventative Maintenance

---

Background:

The Borough Engineer has broken out the 2014 Sanitary Sewer Project into its various components for the purpose of obtaining quotes. These areas are: televising of lines; cured-in-place pipe lining; manhole repairs; and all other repairs to lines including replacements. Each of these separate areas will be brought to Council for approval from the total budget of \$500,000.

Discussion:

The Borough Engineer solicited quotes from three local contractors who have prior experience in sanitary sewer maintenance for the preventative maintenance portion of the 2014 Sanitary Sewer Project. This portion includes cleaning lines, locating and inspecting manholes, CCTV inspections prior to cleaning, and removal of any protruding service taps. The three proposals are attached to this report and are summarized as follows:

<u>COMPANY</u>	<u>QUOTE</u>
Insight Pipe Contracting, LP	\$49,315
Jet Jack, Inc.	\$70,325
Robinson Pipe Cleaning Company	\$87,963

The attached report from the Borough Engineer details his recommendation as to why we should utilize Insight Pipe Contracting for the preventative maintenance portion of the 2014 Sanitary Sewer Project. Our Purchasing Policy classifies this type of work as professional services. As such, we are able to procure these services without needing to go to a formal bid process. The three contractors have all done work for the Borough in the past and all would be able to perform the work in this project.

The price proposed by Insight is \$49,315 and the Borough Engineer and I believe that this is a good price for this type of work. It is significantly less than the other two proposals as well. If Council approves this purchase there will be approximately \$357,000 remaining in the Sewer Fund, Operations and Maintenance line item for other projects.

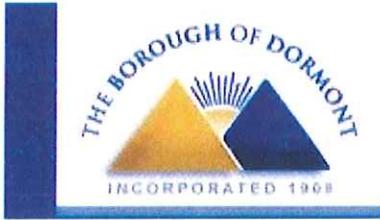
Recommendation:

I concur with the Borough Engineer and would ask Council to award the preventative maintenance portion of the 2014 Sanitary Sewer Project to the lowest responsive and responsible bidder, Insight Pipe Contracting, LP for a cost of \$49,315.

JN

Attachments

Cc: Wayne McVicar, Borough Engineer



**MEMORANDUM**

**Date:** May 21, 2014

**To:** Jeff Naftal, Borough Manager

**CC:** Sherri Abbondanza, Book Keeper

**From:** Wayne R. McVicar, P.E., Borough Engineer *WRM*

**Subject:** **RECOMMENDATION OF AWARD**  
**2014 Preventive Maintenance Contract**

---

On April 23, 2014, proposals were solicited for the above captioned project. Since this type of work is considered a professional service, Requests For Proposal (RFPs) were submitted to three (3) contractors with whom the Borough has had prior satisfactory experience. All three contractors provided quotations. On Friday, May 16, 2014, the Borough received quotations from Insight Pipe Contracting, LP and Jet Jack, Inc. On May 21, 2014, a third quotation was received from Robinson Pipe Cleaning Company. A bid tabulation has been prepared and is enclosed for your use. Also attached are copies of the three quotations. The following are the results of the quotations received:

<b>Insight Pipe Contracting, LP</b> 232 East Lancaster Road Harmony, PA 16037	Quote: \$49,315.00
---	--------------------

<b>Jet Jack, Inc.</b> 5020 Thoms Run Road Oakdale, PA 15071	Quote: \$70,325.00
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<b>Robinson Pipe Cleaning Company</b> 2656 Idlewood Road Pittsburgh, PA 15205	Quote: \$87,963.00
---	--------------------

My review of the proposal indicates that all totals are mathematically correct and reasonable.

**Recommendation:**

Insight Pipe Contracting, LP, has performed a substantial amount of work in the Pittsburgh area. Recently this company did some work for the Borough, installing cured in place liners in three sections of sanitary sewer pipe. I find their work to be professional and satisfactory. I would therefore have no objection to the award of the contract to Insight Pipe Contracting, LP for the quoted amount of \$49,315.00.

**Borough of Dormont**  
**2014 PREVENTATIVE MAINTENANCE CONTRACT**  
**TABULATION OF BIDS RECEIVED**  
 DATE: May 21, 2014

Insight Pipe Contracting, LP  
 232 East Lancaster Road  
 Harmony, PA 16037

Jet Jack, Inc.  
 5020 Thoms Run Road  
 Oakdale, PA 15071

Robinson Pipe Cleaning Co.  
 2656 Idlewood Road  
 Pittsburgh, PA 15205

BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT		BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT		BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT		BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT	
#	ITEM	QUANTITY & UNITS	MINIMUM PRICE	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	8" Sanitary Sewer Preventive Maintenance Cleaning, complete in	5,700 LF		\$1.65	\$9,405.00	\$3.00	\$17,100.00
2	10" Sanitary Sewer Preventive Maintenance Cleaning, complete in	870 LF		\$1.65	\$1,435.50	\$3.00	\$2,610.00
3	12" Sanitary Sewer Preventive Maintenance Cleaning, complete in	7,800 LF		\$1.65	\$12,870.00	\$3.00	\$23,400.00
4	15" Sanitary Sewer Preventive Maintenance Cleaning, complete in	230 LF		\$1.65	\$379.50	\$3.00	\$690.00
5	15" Storm Sewer Preventive Maintenance Cleaning, complete in	400 LF		\$3.00	\$1,200.00	\$3.00	\$1,200.00
6	Locating Manholes for Work Access, complete in place.	5 HR		\$50.00	\$250.00	\$300.00	\$1,500.00
7	Pre-Cleaning CCTV Inspections, utilized only if there is no cleaning	1,000 LF		\$1.65	\$1,650.00	\$3.00	\$3,000.00
8	Removal of Protruding Service Taps, complete in place.	15 HR		\$200.00	\$3,000.00	\$100.00	\$1,500.00
9	Manhole inspections, complete in place.	251 EA		\$75.00	\$18,825.00	\$75.00	\$18,825.00
10	Traffic Control, complete in place.	1 LS		\$300.00	\$300.00	\$500.00	\$500.00
					\$49,315.00		\$70,325.00
							\$87,963.00

BASE BID TOTAL

Robinson Pipe Cleaning Co  
5/21/14

ARTICLE 4 BASIS OF BID

Bidder will complete the work in accordance with the Contract Documents for the following price(s):

**BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT**

Item	Quantity	Units	Description	Unit Price	Amount
1	5700	LF	8" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.20	\$ 18,240.00
2	870	LF	10" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.40	\$ 2,958.00
3	7800	LF	12" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.50	\$ 27,300.00
4	230	LF	15" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 6.50	\$ 1,495.00
5	400	LF	15" Storm Sewer Preventive Maintenance Cleaning, complete in place	\$ 5.50	\$ 2,200.00
6	5	HR	Locating Manholes for Work Access, complete in place.	\$ 285 <sup>00</sup>	\$ 1,425.00
7	1,000	LF	Pre-Cleaning CCTV Inspections, utilized only if there is no cleaning necessary on the manhole-to-manhole sanitary sewer pipe segment specified, complete in place.	\$ 3.50	\$ 3,500.00
8	15	HR	Removal of Protruding Service Taps, complete in place.	\$ 400 <sup>00</sup>	\$ 6,000.00
9	251	EA	Manhole Inspections, complete in place.	\$ 95 <sup>00</sup>	\$ 23,845.00
10	1	LS	Traffic Control, complete in place.	\$ 1,000 <sup>00</sup>	\$ 1,000
Total Amount Bid Based on Estimated Quantities, Items # 1 - #10, Inclusive				\$ 87,963.00	

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid items will be based on actual quantities, determined as provided in the Contract Documents.

**ARTICLE 4 BASIS OF BID**

Bidder will complete the work in accordance with the Contract Documents for the following price(s):

**BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT**

Item	Quantity	Units	Description	Unit Price	Amount
1	5700	LF	8" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.00	\$ 17,100.00
2	870	LF	10" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.00	\$ 2,610.00
3	7800	LF	12" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.00	\$ 23,400.00
4	230	LF	15" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.00	\$ 690.00
5	400	LF	15" Storm Sewer Preventive Maintenance Cleaning, complete in place	\$ 3.00	\$ 1200.00
6	5	HR	Locating Manholes for Work Access, complete in place.	\$ 300.00	\$ 1500.00
7	1,000	LF	Pre-Cleaning CCTV Inspections, utilized only if there is no cleaning necessary on the manhole-to-manhole sanitary sewer pipe segment specified, complete in place.	\$ 3.00	\$ 3,000.00
8	15	HR	Removal of Protruding Service Taps, complete in place.	\$ 100.00	\$ 1500.00
9	251	EA	Manhole Inspections, complete in place.	\$ 75.00	\$ 18,825.00
10	1	LS	Traffic Control, complete in place.	\$ 500.00	\$ 500.00
Total Amount Bid Based on Estimated Quantities, Items # 1 - #10, Inclusive				\$	<u>70,325.00</u>

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid Items will be based on actual quantities, determined as provided in the Contract Documents.

**JET JACK INC.**  
**5020 THOMS RUN RD.**  
**OAKDALE, PA. 15071**

**412-221-1113**

Insight Pipe Contracting LP.  
5/16/14

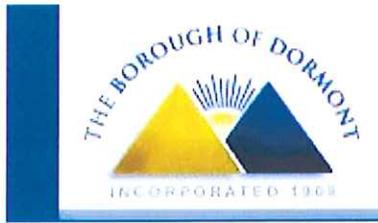
**ARTICLE 4 BASIS OF BID**

Bidder will complete the work in accordance with the Contract Documents for the following price(s):

**BASE BID - 2014 PREVENTIVE MAINTENANCE CONTRACT**

Item	Quantity	Units	Description	Unit Price	Amount
1	5700	LF	8" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ <u>1.65</u>	\$ <u>9,405.00</u>
2	870	LF	10" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ <u>1.65</u>	\$ <u>1,435.50</u>
3	7800	LF	12" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ <u>1.65</u>	\$ <u>12,870.00</u>
4	230	LF	15" Sanitary Sewer Preventive Maintenance Cleaning, complete in place	\$ <u>1.65</u>	\$ <u>379.50</u>
5	400	LF	15" Storm Sewer Preventive Maintenance Cleaning, complete in place	\$ <u>3.00</u>	\$ <u>1,200.00</u>
6	5	HR	Locating Manholes for Work Access, complete in place.	\$ <u>50.00</u>	\$ <u>250.00</u>
7	1,000	LF	Pre-Cleaning CCTV Inspections, utilized only if there is no cleaning necessary on the manhole-to-manhole sanitary sewer pipe segment specified, complete in place.	\$ <u>1.65</u>	\$ <u>1,650.00</u>
8	15	HR	Removal of Protruding Service Taps, complete in place.	\$ <u>200.00</u>	\$ <u>3,000.00</u>
9	251	EA	Manhole Inspections, complete in place.	\$ <u>75.00</u>	\$ <u>18,825.00</u>
10	1	LS	Traffic Control, complete in place.	\$ <u>300.00</u>	\$ <u>300.00</u>
Total Amount Bid Based on Estimated Quantities, Items # 1 - #10, Inclusive				\$ <u>49,315.00</u>	

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all Unit Price Bid items will be based on actual quantities, determined as provided in the Contract Documents.



## MEMORANDUM

**Date:** April 24, 2014  
**To:** President, Vice-President, Council and Mayor  
**From:** Jeff Naftal, Borough Manager *JN*  
**Subject:** Presentation of Munetrix Software

---

### Background:

When I attended the ICMA Annual Conference last year in Boston one of the vendors I spoke with was Mr. Bob Kittle with Munetrix Software. They provide software that allows municipalities (and other governmental agencies) to compare their financial status on an annual basis with both prior years internally and externally to other communities of similar size or geographical location. They are a Michigan company and it turns out they have a working relationship with our new application software provider, BS&A, who started out in Michigan.

### Discussion:

Munetrix is very interested in moving from a Michigan-only company to a nationwide company. And they have targeted Pennsylvania as their first foray outside of Michigan because of the similarities to Michigan including large numbers of municipalities and a significant amount of data available from the State. So they approached me if they could get data from us to create a site where our data would be compared to other communities in Pennsylvania and to our own history to show us what their product could do. We agreed since most of our data they got from our budget and audit documents and then manually input the data into their system.

The result is a site that shows us how we are doing in a “dashboard” format with scores and colors to show how we are doing. Some examples of these are attached to this report. Once they had completed the setup of our site, Munetrix asked if they could present their software to Council to see if the Borough would be interested in being the lead for Pennsylvania on implementation. So tonight Mr. Kittle will be presenting their software briefly to see if Council wishes to pursue this any further. A proposal from them is attached that would be the subject of further Council action at another time if Council chooses to move forward. They have already scheduled meetings with both Allegheny County and the State to see about working out a direct transfer of data to use for all municipalities in the State.

JN

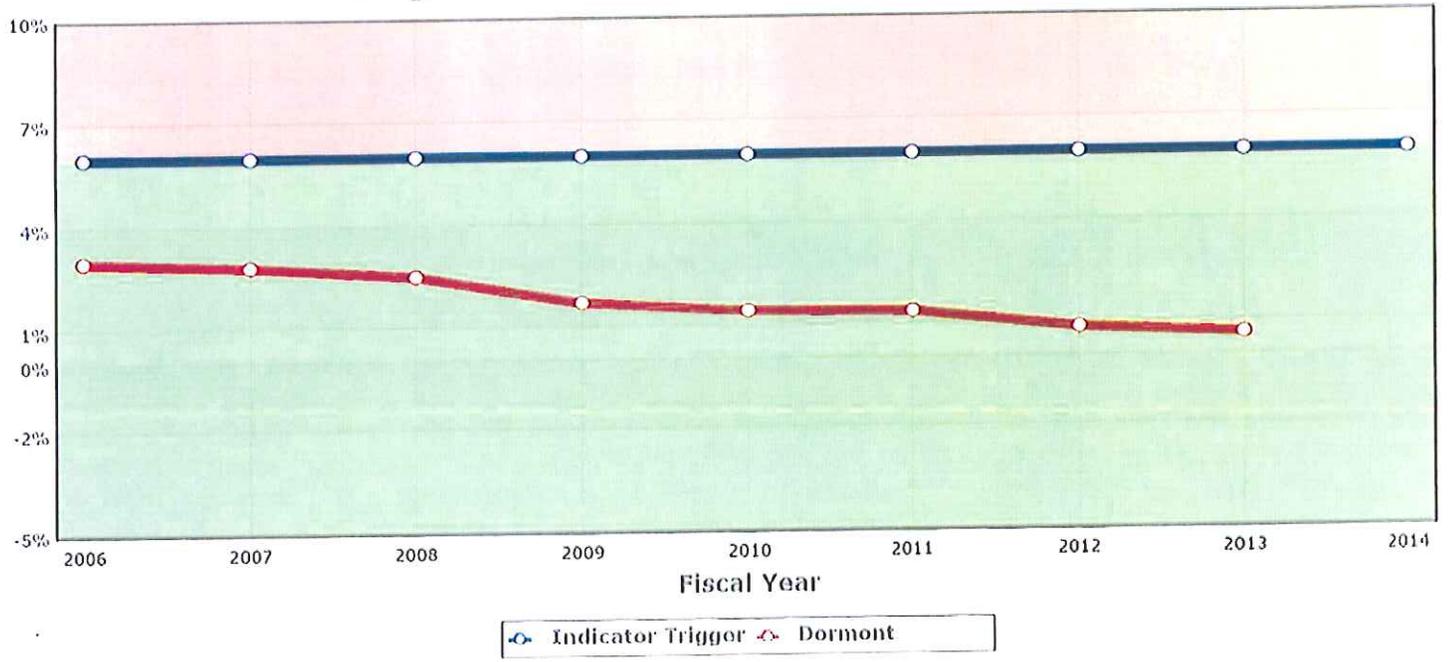
## Multi-year General Fund Data for Dormont

0 AM N/A

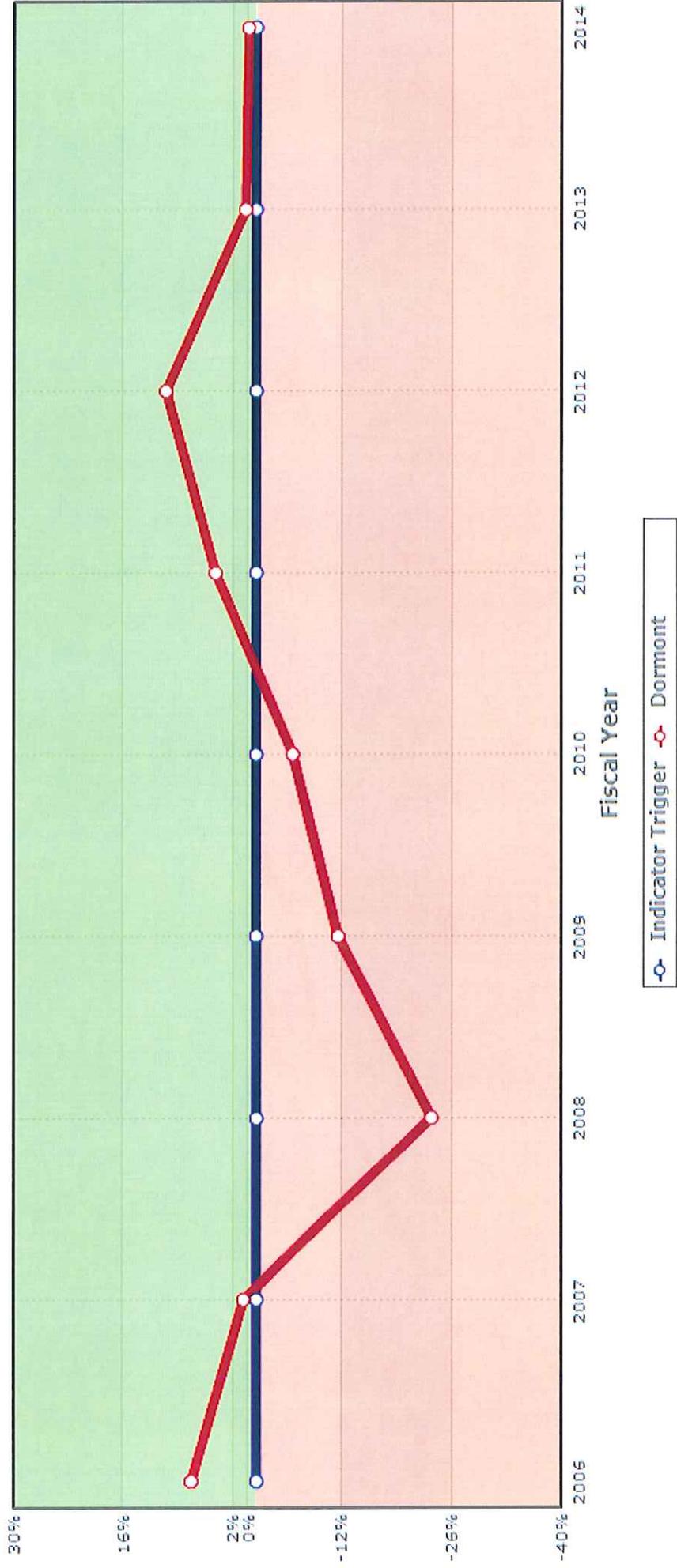
Edit	Year	Data Status	Fiscal Indicator Score	Scenario	Population	General Fund Revenues	General Fund Expenditures	Available General Fund Balance	Governmental Activities Long Term Debt	Taxable Value
<a href="#">Edit</a>	<a href="#">2014</a>	Budget	1	Baseline	8,593	\$7,990,650	\$7,990,650	\$1,238,563		\$383,767,530
<a href="#">Edit</a>	<a href="#">2013</a>	Actual	0	Baseline	8,593	\$7,544,680	\$7,517,196	\$1,238,563	\$3,042,817	\$460,873,808
<a href="#">Edit</a>	<a href="#">2012</a>	Audited	3	Baseline	8,593	\$6,112,473	\$6,172,831	\$1,215,451	\$3,510,654	\$405,534,400
<a href="#">Edit</a>	<a href="#">2011</a>	Audited	4	Baseline	8,593	\$7,667,619	\$7,342,968	\$418,105	\$4,249,838	\$307,374,250
<a href="#">Edit</a>	<a href="#">2010</a>	Audited	5	Baseline	8,564	\$6,724,456	\$7,109,009	\$581,670	\$4,399,929	\$306,563,513
<a href="#">Edit</a>	<a href="#">2009</a>	Audited	3	Baseline	9,305	\$6,303,915	\$7,031,543	\$523,736	\$5,273,620	\$307,053,450
<a href="#">Edit</a>	<a href="#">2008</a>	Audited	3	Baseline	9,305	\$7,310,517	\$9,014,068	\$188,591	\$5,973,079	\$236,209,550
<a href="#">Edit</a>	<a href="#">2007</a>	Audited		Baseline	8,564	\$7,419,472	\$7,371,616	\$779,637	\$6,695,077	\$237,060,250
<a href="#">Edit</a>	<a href="#">2006</a>	Audited		Baseline	8,564	\$6,913,422	\$6,404,603	\$691,879	\$7,108,559	\$238,916,350



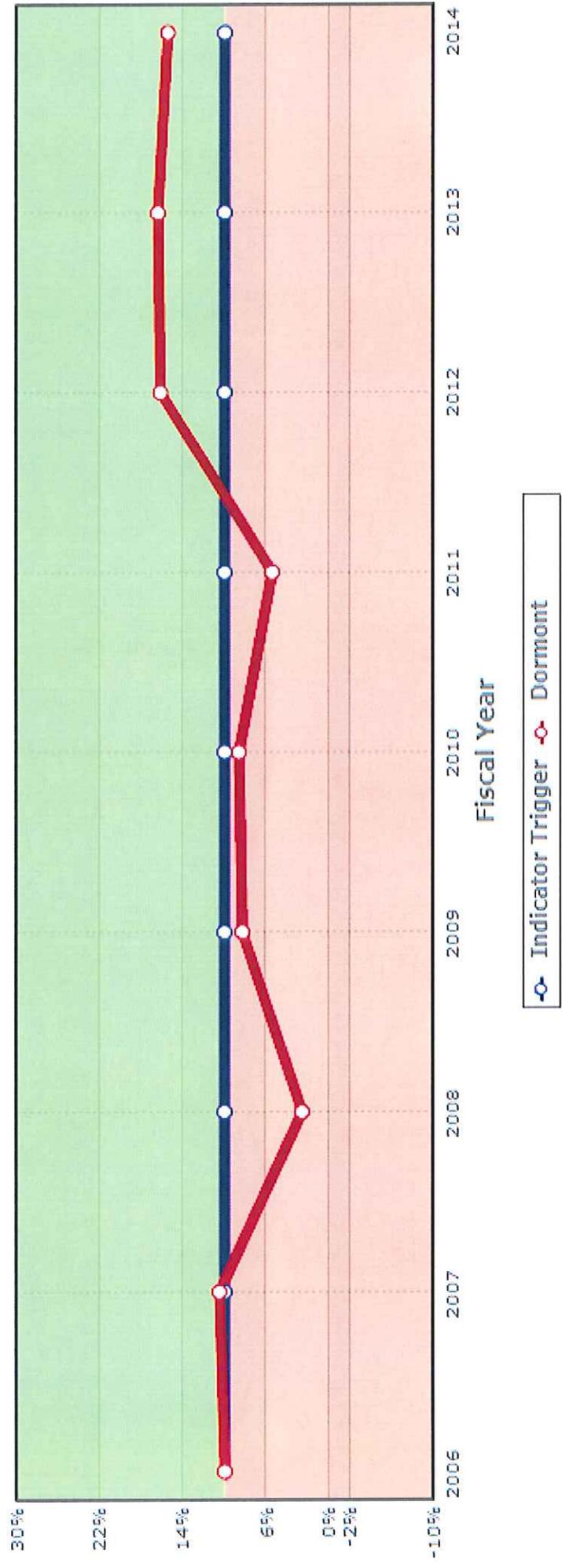
# Long-term Debt as a Percent of Taxable Value



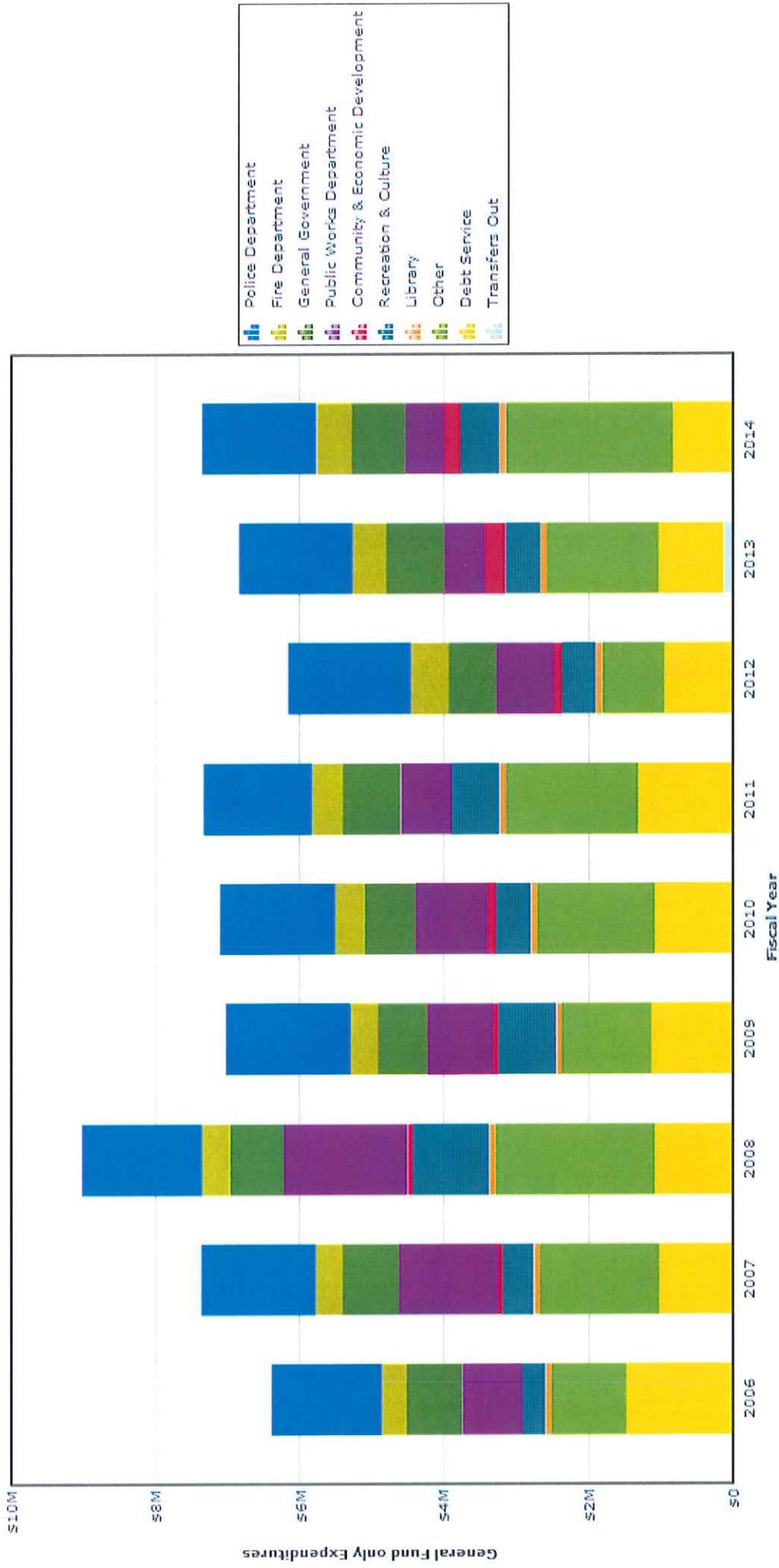
### General Fund Operating Deficit (Revenues-Expenses) / Revenues



# Fund Balance as a Percent of Fund Revenues

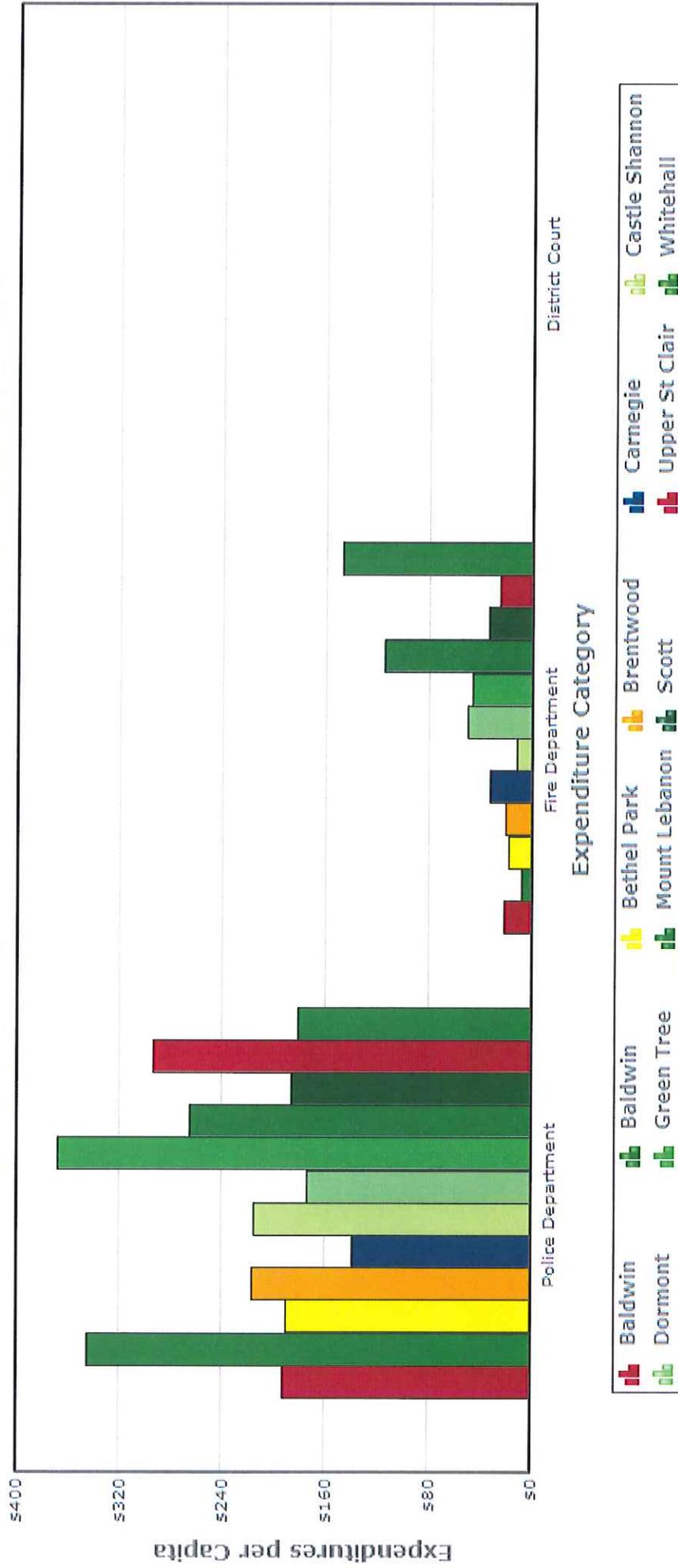


**Dormont**  
**How the Money is Spent by Function (includes General Fund only)**



# Test Peer Group

## Expenditures per Capita 2011 - General and All Other Governmental Funds





March 19, 2014

Mr. Jeffrey Naftal  
Manager  
Borough of Dormont  
1444 Hillsdale Avenue  
Dormont, PA 15216

Dear Jeff:

As a follow up to our discussions and the work already performed in Munetrix for the Borough of Dormont, this letter is to serve as a proposal for how we might move forward together and officially launch Dormont's website in Munetrix.

First, we would like to say it has been a pleasure getting to know you and your community better. The work performed on Dormont has been both rewarding and educational for our team.

As far as moving forward, we would like to leverage your presence and use Dormont as a gateway to the rest of the state eventually. With that in mind, please consider the following list of what we would like to accomplish:

1. Conduct an in-depth and personal review of Munetrix with your council.
2. Following that, and ideally as part of the same trip, conduct a local meeting with neighboring communities and the County of Allegheny as an introductory session. This would also be good to include the appropriate county school personnel, and could get broader (see #3 below).
3. Leverage this session to include the Southwest Regional Planning Council. This would be worked on in parallel with our partner, the National Association of Regional Councils (of government) which is the Washington DC based "parent" organization to the nation's COGS (the NARC).
4. Invite in state government officials from both education and local government departments, if they are interested and schedules permit.

We are already working on a pincer move to dovetail these agencies into the discussion, including corresponding associations that serve the public sector in PA.

As you can see, we are ready to launch the Munetrix PA edition and want to try and make as big a splash as possible in doing so. We are confident the path taken in Michigan will work in PA, since the states have a lot in common relative to structure and data availability.

Mr. Jeffrey Naftal  
March 19, 2014

Page 2

From a Dormont perspective, we see the economics of the project as follows:

<u>Item &amp; Status</u>	<u>Timing</u>	<u>Investment</u>
1. Website set-up and Implementation (85%)	3 weeks	\$10,000

**Notes:**

Investment above reduced by 50% if Dormont is willing to “sponsor” or otherwise help coordinate the local, county and regional meeting mentioned earlier.

Further mapping of financials and conducting a high level data validation is assumed as part of this work. All aspects of website will be populated, including all reported debt and liabilities as included in the Debt Detail module.

2. Annual License Fee	Yearly	\$1,875
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**Notes:**

The first year license will be included in the set-up and implementation for year one (net \$5,000 with sponsor/coordination agreement). This fee is an annual charge after that, billed 60 days before the renewal or anniversary date, due before the actual anniversary date.

We have attached an actual subscription agreement, the language of which may be tailored slightly for the Pennsylvania market.

For your part, upon execution of any agreement, Dormont would have full use and access to the entire array of Munetrix tools, including:

- Citizens Guide & Transparency, including customized guest user link and tracking of visitor hits. This includes dozens of relative reports
- Customizable and dynamic dashboard
- Unlimited Peer Groupings for comparisons
- Shared Servicer “Collaboratorium” including exclusive use of member contacts database for either within PA’s borders or outside of them.
- ProjectTracker™
- DebtManager™
- All Fiscal Admin tools including BudgetBuilder™
- Data uploads
- Quick reference summary or Investor reports
- Open Gov document & links storage

Mr. Jeffrey Naftal  
March 19, 2014

Page 3

- Full access to our Contacts database (only licensed users get access to this list as part of our privacy policy)
- Training, personally, and using all on-line training/reference material
- All updates and enhancements will be free of charge as part of agreement

We hope you can tell from this letter that we are very interested in using Dormont and the SW Region of PA to help springboard Munetrix into the state.

We also hope that between what you have seen so far of Munetrix, and digested as per this communication, you are intrigued enough to consider beginning a journey with us!

We realize that you must review this offer and corresponding material with your elected officials, to seek their input and approval. At the right time, we would be happy to trip to your community to begin the journey and dialogue with the other parties as well.

We look forward to the next discussion with you Jeff. This is an exciting proposition for us, and if we can promise you one thing, you will be over-served as the inaugural Level 3 licensed user in Pennsylvania!

This offer is good for 60 days.

Sincerely,



Bob Kittle  
President & CEO  
[bob@munetrix.com](mailto:bob@munetrix.com)

w/attachments

**DODARO, MATTA, & CAMBEST, P.C.**  
**ATTORNEYS AT LAW**  
**1001 ARDMORE BOULEVARD, SUITE 100**  
**PITTSBURGH, PENNSYLVANIA 15221-5233**  
**TEL: (412) 243-1600**  
**FAX: (412) 243-1643**

**MEMORANDUM**

TO: DORMONT BOROUGH COUNCIL  
MAYOR AND JEFF NAFTAL, MANAGER

FROM: JOHN H. RUSHFORD

RE: CONSERVATORSHIP PROPERTIES

DATE: MAY 19, 2014

---

This memorandum is in regard to the status of the conservatorship properties located in the Borough of Dormont. The Conservator has performed a full inspection of both properties and developed a full specification for the required improvements. The idea behind the Conservatorship Act is that the improvements bring the property into compliance with all relevant codes and ordinances. Once each property is free of code violations, the Conservatorship Act allows for the properties to be prepared for sale on the open market after obtaining permission from the court.

**I. 1447 Dormont Avenue**

Attached is the Final Plan for Abatement that was approved by the court for the property located at 1447 Dormont Avenue. The plan calls for installation of a new roof, new exterior doors, demolition of the front porch and landscaping of the

front and back yards. The total cost of the renovation work is estimated to be \$40,600.00.

Currently, we are waiting for the Conservator to obtain real estate sales estimates for the property. This will serve as reassurance that the appropriate scope of renovations have been planned to sufficiently increase the value of the property so the sale covers the costs associated with the conservatorship process.

## **II. 2708 Broadway Avenue**

The property located at 2708 Broadway Avenue requires more intensive measures to bring the property into compliance with all relevant codes and ordinances. The Final Plan for Abatement is attached, which describes why the structure on this property is beyond economic feasibility to repair, and should instead be demolished. The Conservator estimates that the minimum amount of repairs necessary to bring the structure up to code would cost \$194,935.00. Because of this large cost, the Conservator also provided an estimate for the cost of demolition of the property which is \$25,950.00. Based upon the provided estimates and the opinion of the Conservator, the court approved the plan calling for the demolition of the property.

As with the other property, we are waiting for the Conservator to obtain real estate sales estimates to ensure that the planned course of action will sufficiently increase the value of the property to cover the costs associated with the conservatorship process.

### **III. Future Steps**

Once the estimates of anticipated fair market value are received for these properties, the Conservator will be in a position to present a formal request for financing to the Borough. The financing, of course, will be contingent upon the real estate valuations indicating that the Borough will not have any trouble recouping its expenditures upon the sale of the properties. After renovations are complete, we will begin the process of requesting permission from the court to sell the properties free and clear to a private party.

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA**

BOROUGH OF DORMONT,

Petitioner,

vs.

MARK W. KOSANCHICH,

Respondent.

CIVIL DIVISION

GD No.: 13-15180

**FINAL PLAN FOR ABATEMENT**

Real Estate Involved:  
1447 Dormont Avenue  
Pittsburgh, PA 15216  
Borough of Dormont  
Block: 98-C Lot: 323

Filed on Behalf of Petitioner,  
BOROUGH OF DORMONT

Counsel of Record for this Party:

John H. Rushford  
PA ID No. 60029

DODARO, MATTA & CAMBEST, P.C.  
1001 Ardmore Blvd., Suite 100  
Pittsburgh, PA 15221-5233  
412-243-1600  
412-243-1643 (fax)

FILED

14 FEB 18 11:13 AM '14

CIVIL DIVISION  
ALLEGHENY COUNTY, PA

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15180

MARK W. KOSANCHICH,

Respondent.

NOTICE OF PRESENTATION

TO:

Mark W. Kosanchich  
703 Ridgemont Drive  
Pittsburgh, Pennsylvania 15220

Allegheny County Department of Court Records  
Criminal Division  
436 Grant Street  
Room 114  
Pittsburgh, Pennsylvania 15219-2497

Keystone Oaks School District  
1000 Kelton Avenue  
Pittsburgh, Pennsylvania 15216

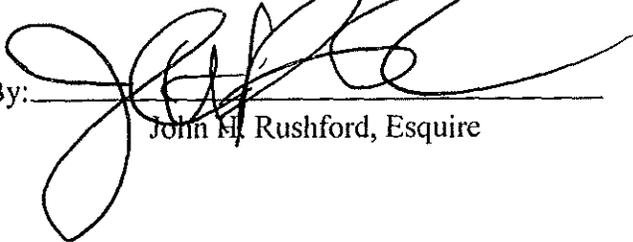
Allegheny County Treasurer  
436 Grant Street, Room 108  
Pittsburgh, Pennsylvania 15219-2497

PLEASE TAKE NOTICE that the enclosed Final Plan for Abatement will be presented before the Motions Court Judge at the Allegheny County Court of Common Pleas, Grant Street, Pittsburgh, Pennsylvania, on the 18th day of February, 2014 at 11:15 a.m.

Respectfully submitted,

DODARO, MATTA & CAMBEST, P.C.

By: \_\_\_\_\_

  
John M. Rushford, Esquire

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

Petitioner,

vs.

MARK W. KOSANCHICH,

Respondent.

CIVIL DIVISION

GD No.: 13-15180

**FINAL PLAN FOR ABATEMENT**

AND NOW, comes the Petitioner, Borough of Dormont, by its attorneys, John H. Rushford, Esquire and Dodaro, Matta & Cambest, P.C. and files the following Final Plan for Abatement:

1. On November 13, 2013, this Honorable Court entered an Order appointing Keith Buono as Conservator for the property located at 1447 Dormont Avenue, Pittsburgh, Pennsylvania pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"). The said Order of Court is attached hereto as **"Exhibit A"**;

2. Pursuant to the Act, the Conservator hereby submits the Final Plan for Abatement to the Court for consideration and approval;

3. In accordance with § 1106(c) of the Act, the following information is included in the Final Plan for Abatement:

a. A cost estimate and description of the work to be done for rehabilitation of the property is attached hereto as **"Exhibit B"**;

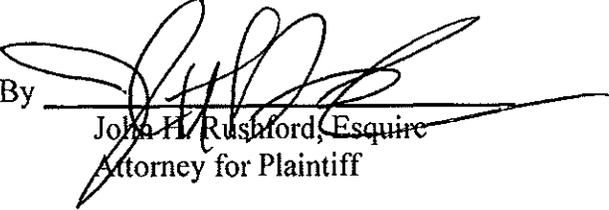
b. A financing plan for rehabilitation of the property is attached hereto as **"Exhibit C"**;

WHEREFORE, the Petitioner, Borough of Dormont, respectfully requests that this Honorable Court approve the Final Plan for Abatement.

Respectfully submitted,

DODARO, MATTA & CAMBEST, P.C.

Date: 1/31/14

By   
John H. Rushford, Esquire  
Attorney for Plaintiff

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15180

MARK W. KOSANCHICH,

Respondent.

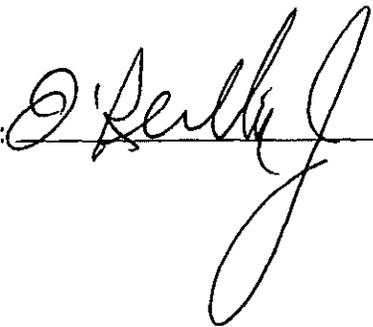
**ORDER OF COURT**

AND NOW, this 18 day of Feb, 2014, upon consideration of the foregoing Final Plan for Abatement ("Final Plan") and pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"), it is HEREBY, ORDERED, ADJUDGED and DECREED that:

1. The Petitioner has satisfied the conditions for submission of the Final Plan in accordance with § 1106(c) of the Act and the Petitioner is entitled to consideration of the Final Plan by this court;
2. As required by § 1106(c) of the Act, the court shall issue a decision on the Conservator's Final Plan for Abatement within 15 days of this hearing;
3. The Final Plan for Abatement is hereby approved and shall be fully implemented for the property located at 1447 Dormont Avenue, Pittsburgh, Pennsylvania;
4. A status report shall be submitted to the court within 12 months, or as often as the court requires;
5. The Conservator is immediately authorized to exercise all powers of the Act in implementing the plan;

6. The Conservator may be removed by the court at any time upon the request of the Conservator or upon a showing by a party to the action that the Conservator is not carrying out his responsibilities under the Act;

7. A copy of this Order of Court shall be served upon all required parties by the Petitioner in accordance with 68 P.S. § 1104(d).

By the Court:  \_\_\_\_\_ J.

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15180

MARK W. KOSANCHICH,

Respondent.

ORDER OF COURT

FILED

AND NOW, this 13th day of Nov., 2013, upon consideration of the foregoing Petition for the Appointment of a Conservator pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"), it is HEREBY, ORDERED, ADJUDGED and DECREED that:

1. The Petitioner has satisfied the Conditions for Conservatorship in accordance with § 1105(d) of the Act and is entitled to the relief requested;

2. In accordance with § 1105(e) of the Act, KEITH BUONO is hereby appointed Conservator for the subject real estate at 1447 Dormont Ave., Borough of Dormont, Pittsburgh, PA 15216.

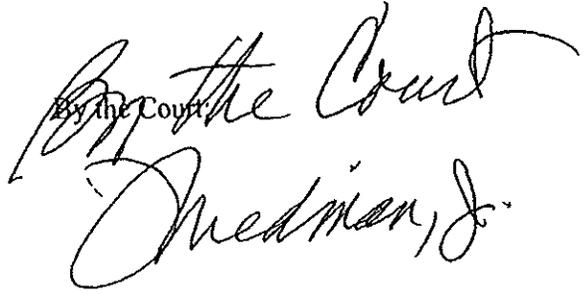
3. The Conservator shall promptly take possession of the building and other property subject to the conservatorship and shall immediately be authorized to exercise all powers of the Act;

4. The Conservator may be removed by the court at any time upon the request of the conservator or upon a showing by a party to the action that the conservator is not carrying out its responsibilities under the Act;

Exhibit "A"

5. As required by the Act, a hearing on the Conservator's final plan for abatement shall be set within 120 days of appointment, and will be held on Jan. 14th 2014, ~~2013~~ at 10.00 o'clock A.m., in the Courtroom 812 of Judge of Civil Motions

6. A copy of the Petition for the Appointment of a Conservator and a copy of this Order of Court shall be served upon all required parties by the Petitioner in accordance with 68 P.S. § 1104(d).

 By the Court  


**Buono Construction**  
225 Sleepy Hollow Rd  
Pittsburgh, PA 15216

**ESTIMATE**  
PA034384

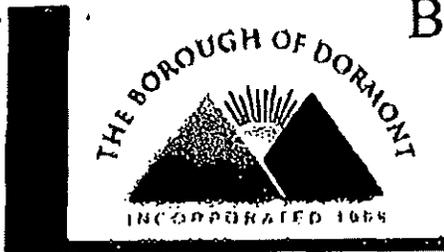
Home: 412.388.1391  
Cell: 412.443.5848

**Submit to: Dormont Boro**

**Scope of work to be performed; To renovate 1447 Dormont ave**

<b>QUANTITY</b>	<b>DESCRIPTION</b>	<b>RATE</b>	<b>AMOUNT</b>
<b>1</b>	Repair hole in roof and install new roof trust damaged from tree, new roof point chimney and repair box gutters		<b>\$16400.00</b>
<b>2</b>	Repair damaged wood on rear decks from falling tree		<b>\$4,200.00</b>
<b>3</b>	New exterior doors		<b>\$2800.00</b>
<b>4</b>	Demo front porch roof and re frame		<b>\$8800.00</b>
<b>5</b>	Remove trees and landscape front and back yards		<b>\$3500.00</b>
<b>6</b>	Clean all debris from interior		<b>\$4,900.00</b>
	With these improvements the property will be secure and up to code and ready for resale		
		<b>TOTAL</b>	<b>\$40600.00</b>

Exhibit "B"



# BOROUGH OF DORMONT

PITTSBURGH, PA 15216-2019

(412) 561-8900

FAX (412) 561-7805

[www.boro.dormont.pa.us](http://www.boro.dormont.pa.us)

MANAGER  
JEFF NAFTAL

MAYOR  
PHIL ROSS

SOLICITOR  
DODARO MATTA & CAMBEST

MEMBERS OF COUNCIL  
WILLARD MCCARTNEY, PRESIDENT  
JOAN HODSON, VICE PRESIDENT  
DREW LEHMAN  
YVONNE COSTANZO  
JEFF FABUS  
JOHN MAGGIO  
VALERIE MARTINO

January 24, 2014

Re: FINAL PLAN FOR ABATEMENT; FINANCING PLAN / GD-13-15180  
To the Allegheny County Court of Common Pleas,

I hereby certify that the rehabilitation of the property located at 1447 Dormont Avenue Pittsburgh, Pennsylvania will be funded by the Borough of Dormont in accordance with the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008).

Respectfully Submitted,

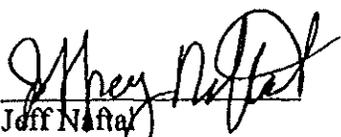
  
Jeff Naftal  
Borough Manager  
Borough of Dormont, Pennsylvania  
412.561.8900 x228  
[jnaftal@boro.dormont.pa.us](mailto:jnaftal@boro.dormont.pa.us)

Exhibit "C"

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

Petitioner,

vs.

MARK W. KOSANCHICH,

Respondent.

CIVIL DIVISION

GD No.: 13-15180

**ORDER OF COURT**

AND NOW, this \_\_\_\_\_ day of \_\_\_\_\_, 2014, upon consideration of the foregoing Final Plan for Abatement ("Final Plan") and pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"), it is HEREBY, ORDERED, ADJUDGED and DECREED that:

1. The Petitioner has satisfied the conditions for submission of the Final Plan in accordance with § 1106(c) of the Act and the Petitioner is entitled to consideration of the Final Plan by this court;
2. As required by § 1106(c) of the Act, the court shall issue a decision on the Conservator's Final Plan for Abatement within 15 days of this hearing;
3. The Final Plan for Abatement is hereby approved and shall be fully implemented for the property located at 1447 Dormont Avenue, Pittsburgh, Pennsylvania;
4. A status report shall be submitted to the court within 12 months, or as often as the court requires;
5. The Conservator is immediately authorized to exercise all powers of the Act in implementing the plan;

6. The Conservator may be removed by the court at any time upon the request of the Conservator or upon a showing by a party to the action that the Conservator is not carrying out his responsibilities under the Act;

7. A copy of this Order of Court shall be served upon all required parties by the Petitioner in accordance with 68 P.S. § 1104(d).

By the Court: \_\_\_\_\_ J.

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

Petitioner,

vs.

MARK W. KOSANCHICH,

Respondent.

CIVIL DIVISION

GD No.: 13-15180

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing **Final Plan for Abatement** has been served upon all other parties at the address(es) below via first class mail, this 31 day of JAN, 2014.

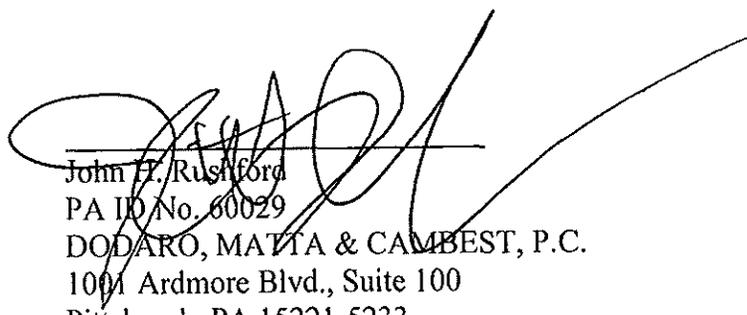
Mark W. Kosanchich  
703 Ridgmont Drive  
Pittsburgh, PA 15220

Allegheny County Treasurer  
436 Grant Street  
Room 108  
Pittsburgh, PA 15219-2497

Keystone Oaks School District  
1000 Kelton Avenue  
Pittsburgh, PA 15216

Allegheny County Department of Court Records  
Criminal Division  
436 Grant Street  
Room 114  
Pittsburgh, PA 15219-2497

Borough of Dormont, Pennsylvania  
1444 Hillsdale Avenue  
Pittsburgh, PA 15216

  
John F. Rushford  
PA ID No. 60029

DODARO, MATTA & CAMBEST, P.C.  
1001 Ardmore Blvd., Suite 100  
Pittsburgh, PA 15221-5233  
412-243-1600  
412-243-1643 (fax)  
Attorneys for Petitioner

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA**

BOROUGH OF DORMONT,

Petitioner,

vs.

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

CIVIL DIVISION

GD No.: 13-15179

**FINAL PLAN FOR ABATEMENT**

Real Estate Involved:  
2708 Broadway Avenue  
Pittsburgh, PA 15216  
Borough of Dormont  
Block: 63-H Lot: 303

Filed on Behalf of Petitioner,  
BOROUGH OF DORMONT

Counsel of Record for this Party:

John H. Rushford  
PA ID No. 60029

DODARO, MATTA & CAMBEST, P.C.  
1001 Ardmore Blvd., Suite 100  
Pittsburgh, PA 15221-5233  
412-243-1600  
412-243-1643 (fax)

FILED

14 FEB 13 11:11:00

CIVIL  
ALLEGHENY COUNTY

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15179

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

NOTICE OF PRESENTATION

TO:

Household Consumer Discount Company  
636 Grand Regency Boulevard  
Brandon, Florida 33510-3942

Commonwealth of Pennsylvania  
Department of Revenue  
Bureau of Business Trust Fund Taxes  
PO Box 280905  
Harrisburg, Pennsylvania 17128-0905

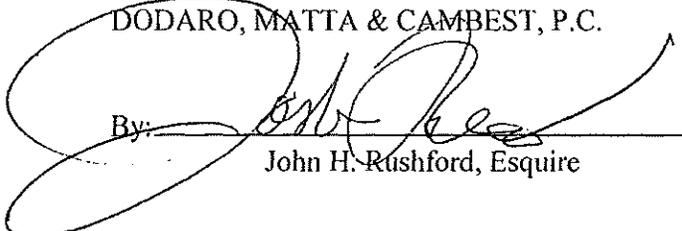
Keystone Oaks School District  
1000 Kelton Avenue  
Pittsburgh, Pennsylvania 15216

Allegheny County Treasurer  
436 Grant Street, Room 108  
Pittsburgh, Pennsylvania 15219-2497

PLEASE TAKE NOTICE that the enclosed Final Plan for Abatement will be presented before the Motions Court Judge at the Allegheny County Court of Common Pleas, Grant Street, Pittsburgh, Pennsylvania, on the 18th day of February, 2014 at 11:15 a.m.

Respectfully submitted,

DODARO, MATTA & CAMBEST, P.C.

By: 

John H. Rushford, Esquire

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15179

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

FINAL PLAN FOR ABATEMENT

AND NOW, comes the Petitioner, Borough of Dormont, by its attorneys, John H. Rushford, Esquire and Dodaro, Matta & Cambest, P.C. and files the following Final Plan for Abatement:

1. On November 13, 2013, this Honorable Court entered an Order appointing Keith Buono as Conservator for the property located at 2708 Broadway Avenue, Pittsburgh, Pennsylvania pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"). The said Order of Court is attached hereto as **"Exhibit A"**;
2. Pursuant to the Act, the Conservator hereby submits the Final Plan for Abatement to the Court for consideration and approval;
3. In accordance with § 1106(c) of the Act, the following information is included in the Final Plan for Abatement:
  - a. A cost estimate and description of the work to be done for the demolition of the existing structure and rehabilitation of the lot is attached hereto as **"Exhibit B"**;

b. A cost estimate and description of the work that would be necessary to rehabilitate the existing structure is included as evidence that rehabilitation would be cost-prohibitive and is attached hereto as "Exhibit B-1";

c. A financing plan for the demolition and rehabilitation of the property is attached hereto as "Exhibit C";

WHEREFORE, the Petitioner, Borough of Dormont, respectfully requests that this Honorable Court approve the Final Plan for Abatement.

Respectfully submitted,

DODARO, MATTA & CAMBEST, P.C.

By   
John H. Rushford, Esquire  
Attorney for Plaintiff

Date: \_\_\_\_\_

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15179

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

ORDER OF COURT

AND NOW, this 13 day of Nov, 2013, upon consideration of the

foregoing Petition for the Appointment of a Conservator pursuant to the Abandoned and  
Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the

"Act"), it is HEREBY, ORDERED, ADJUDGED and DECREED that:

1. The Petitioner has satisfied the Conditions for Conservatorship in accordance with  
§ 1105(d) of the Act and is entitled to the relief requested;

2. In accordance with § 1105(e) of the Act, KEITH BUONO is  
hereby appointed Conservator for the real estate at issue Pittsburgh,  
2708 Broadway Ave., Boro of Dormont, PA

3. The Conservator shall promptly take possession of the building and other property 15216.  
subject to the conservatorship and shall immediately be authorized to exercise all powers of the  
Act;

4. The Conservator may be removed by the court at any time upon the request of the  
conservator or upon a showing by a party to the action that the conservator is not carrying out its  
responsibilities under the Act;

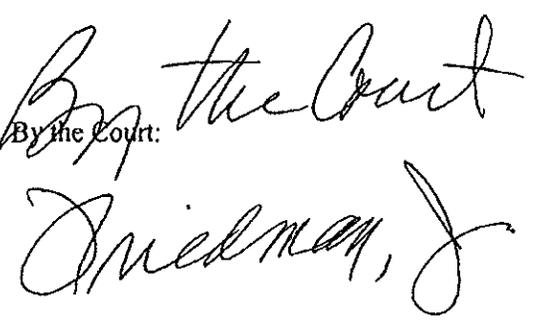
Exhibit "A"

ALLEGHENY COUNTY  
13 NOV 13 PM 1:19  
FILED

5. As required by the Act, a hearing on the Conservator's final plan for abatement shall be set within 120 days of appointment, and will be held on Jan 14th 2014, ~~2013~~ 10:00 clock Am., in the Courtroom 817 of Judge of Carl Motus

6. A copy of the Petition for the Appointment of a Conservator and a copy of this Order of Court shall be served upon all required parties by the Petitioner in accordance with 68 P.S. § 1104(d).

  
unopposed

By the Court  


**Buono Construction**  
225 Sleepy Hollow Rd  
Pittsburgh, PA 15216

**ESTIMATE**  
PA034384

Home: 412.388.1391  
Cell: 412.443.5848

**Submit to: Dormont Boro**

1/20/14

**Scope of work to be performed; To demolish 2708 Broadway Ave**

<b>QUANTITY</b>	<b>DESCRIPTION</b>	<b>RATE</b>	<b>AMOUNT</b>
1	Unis demolishing to demo house and haul away		\$12,000.00
2	Clear lot of trees and dig out stumps remove old concrete sidewalk driveway and steps. Grade off lot seed and straw so lot is clear and ready for sale.		\$13,950.00
		<b>TOTAL</b>	<b>\$25,950.00</b>

Exhibit "B"



**UNIS DEMOLITION COMPANY**  
INDUSTRIAL - COMMERCIAL - RESIDENTIAL

*Wrecking ... Our only business for over 40 years*

1306 MARATTA ROAD • ALIQUIPPA, PA 15001  
(724) 378-3978 • Fax (724) 378-0724 4473

FEBRUARY 7, 2014

KEITH BUONO  
225 SLEEPY HOLLOW  
PITTSBURGH, PA. 15216

RE: 2708 BROADWAY AVENUE  
DORMONT, PA. 15216

UNIS DEMOLITION PROPOSES TO FURNISH ALL SUPERVISION, LABOR, MATERIAL, EQUIPMENT AND ALL ELSE NECESSARY TO COMPLETE THE RAZING AND REMOVAL OF A TWO (2) STORY RESIDENTIAL STRUCTURE LOCATED AT THE ABOVE-REFERENCED SITE FOR THE SUM OF TWELVE THOUSAND (\$ 12,000.00) DOLLARS.

CONTRACTOR AGREES TO OBTAIN ALL NECESSARY DEMOLITION PERMITS REQUIRED BY THE BOROUGH OF DORMONT AND TO CONTACT PENNSYLVANIA ONE CALL AND THE UTILITY COMPANIES REQUESTING THE DISCONNECTION AND REMOVAL OF ALL ACTIVE SERVICE, LINES AND METERS.

CONTRACTOR AGREES TO HAVE SEWERS PROPERLY SEALED AND INSPECTED BY THE LOCAL AUTHORITIES.

CONTRACTOR AGREES TO REMOVE ALL DEBRIS AND COMBUSTIBLE MATERIAL FROM SITE AND TRANSPORT SAME TO AN APPROVED LANDFILL. REMOVE FOUNDATION THREE (3) FEET BELOW GRADE, LEVEL TO EXISTING GRADE.

CONTRACTOR AGREES TO MAINTAIN THE PROPER AMOUNT OF INSURANCE COVERAGE DURING THE PERFORMANCE OF THE ABOVE DESCRIBED WORK.

SINCERELY,  
UNIS DEMOLITION COMPANY

  
RALPH E. UNIS



**Buono Construction**  
225 Sleepy Hollow Rd  
Pittsburgh, PA 15216

Home: 412.388.1391  
Cell: 412.443.5848

Submit to: Dormont Boro

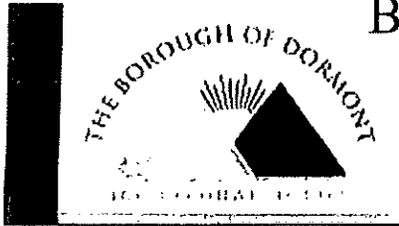
**ESTIMATE**  
PA034384

1/20/14

**Scope of work to be performed; To renovate 2708 Broadway Ave**

QUANTITY	DESCRIPTION	RATE	AMOUNT
1	Landscape front yard and remove trees.		\$12,000.00
2	Demo front porch roof and floor and frame in new.		\$25,000.00
3	New roof , and sheeting, gutters, downspouts		\$19,350.00
4	Add new electrical service and 200 amp panel		\$2,100.00
5	Frame new back porch and steps		\$7,500.00
6	Add new exterior doors and new windows and hang new siding		\$25,800.00
7	Demo all interior down to studs and floor joist leaving only shell.		\$6,250.00
8	Ruff in new electric and plumbing, install new furnace/air and run all new duct work		\$32,000.00
9	Insulate all exterior walls and attic. Close up floors with 3/4 "tong-n-groove plywood. Close up walls with 1/2 "drywall and finish drywall and prime hang all new 6 panel doors.		\$24,775.00
10	Tile bathroom floors and inside showers walls install fixtures and finish plumbing.		\$9,885.00

<b>11</b>	Install new kitchen cabinets new floor and new countertop and new appliances.		<b>\$22,000.00</b>
<b>12</b>	Install base board and case doors and windows prime and paint .		<b>\$11,500.00</b>
<b>13</b>	Install carpet upstairs and hardwoods on the first floor		<b>\$12,975.00</b>
<b>14</b>	Install new driveway and steps and side walk up to front porch. Build new retaining wall on driveway.		<b>\$15,800.00</b>
		<b>TOTAL</b>	<b>\$194,935.00</b>



# BOROUGH OF DORMONT

PITTSBURGH, PA 15216-2019

(412) 561-8900

FAX (412) 561-7805

[www.boro.dormont.pa.us](http://www.boro.dormont.pa.us)

MANAGER  
JEFF NAFTAL

MAYOR  
PHIL ROSS

SOLICITOR  
DODARO MATTA & CAMBEST

MEMBERS OF COUNCIL  
WILLARD MCCARTNEY, PRESIDENT  
JOAN HODSON, VICE PRESIDENT  
DREW LEHMAN  
YVONNE COSTANZO  
JEFF FABUS  
JOHN MAGGIO  
VALERIE MARTINO

January 24, 2014

Re: FINAL PLAN FOR ABATEMENT: FINANCING PLAN / GD-13-15179

To the Allegheny County Court of Common Pleas,

I hereby certify that the rehabilitation of the property located at 2708 Broadway Avenue Pittsburgh, Pennsylvania will be funded by the Borough of Dormont in accordance with the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008).

Respectfully Submitted,

Jeff Naftal  
Borough Manager  
Borough of Dormont,  
Pennsylvania  
412.561.8900 x228  
[jnaftal@boro.dormont.pa.us](mailto:jnaftal@boro.dormont.pa.us)

Exhibit "C"

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15179

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

ORDER OF COURT

AND NOW, this 18 day of Feb, 2014, upon consideration of the

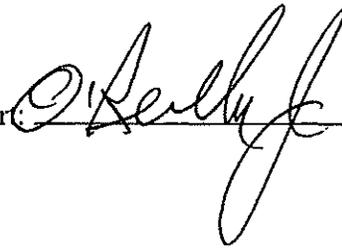
foregoing Final Plan for Abatement ("Final Plan") and pursuant to the Abandoned and Blighted Property Conservatorship Act, P.L. 1672, No. 135, 68 P.S. § 1101 et seq. (2008) (the "Act"), it is HEREBY, ORDERED, ADJUDGED and DECREED that:

1. The Petitioner has satisfied the conditions for submission of the Final Plan in accordance with § 1106(c) of the Act and the Petitioner is entitled to consideration of the Final Plan by this court;
2. As required by § 1106(c) of the Act, the court shall issue a decision on the Conservator's Final Plan for Abatement within 15 days of this hearing;
3. The Final Plan for Abatement is hereby approved and shall be fully implemented for the property located at 2708 Broadway Avenue, Pittsburgh, Pennsylvania;
4. A status report shall be submitted to the court within 12 months, or as often as the court requires;
5. The Conservator is immediately authorized to exercise all powers of the Act in implementing the plan;

6. The Conservator may be removed by the court at any time upon the request of the Conservator or upon a showing by a party to the action that the Conservator is not carrying out his responsibilities under the Act;

7. A copy of this Order of Court shall be served upon all required parties by the Petitioner in accordance with 68 P.S. § 1104(d).

By the Court:



J.

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA

BOROUGH OF DORMONT,

CIVIL DIVISION

Petitioner,

vs.

GD No.: 13-15179

HOUSEHOLD FINANCE CONSUMER  
DISCOUNT COMPANY,

Respondent.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing **Final Plan for Abatement** has been served upon all other parties at the address(es) below via first class mail, this 31st day of January, 2014.

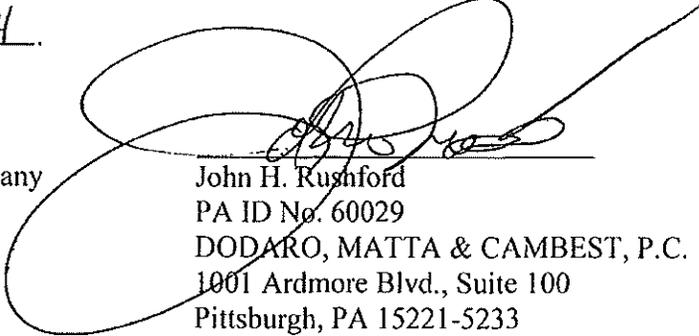
Household Consumer Discount Company  
636 Grand Regency Boulevard  
Brandon, Florida 33510-3942

Borough of Dormont, Pennsylvania  
444 Hillsdale Avenue  
Pittsburgh, PA 15216

Commonwealth of Pennsylvania  
Department of Revenue  
Bureau of Business Trust Fund Taxes  
P.O. Box 280905  
Harrisburg, PA 17128-0905

Keystone Oaks School District  
1000 Kelton Avenue  
Pittsburgh, PA 15216

Allegheny County Treasurer  
436 Grant Street  
Room 108  
Pittsburgh, PA 15219-2497



John H. Rushford  
PA ID No. 60029  
DODARO, MATTA & CAMBEST, P.C.  
1001 Ardmore Blvd., Suite 100  
Pittsburgh, PA 15221-5233  
412-243-1600  
412-243-1643 (fax)  
Attorneys for Petitioner