

Allegheny County Council

*County of Allegheny
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Committee Meeting Minutes

Wednesday, November 19, 2008

4:00 PM

Reconvened Meeting of November 13, 2008

Conference Room 1

Committee on Budget and Finance

William Russell Robinson, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Mike Finnerty, Vince Gastgeb, Amanda Green, Bob Macey, and Chuck McCullough - Members

*****Reconvened meeting of November 13, 2008*******I. Call to Order**

Summary: *The Chair asked the Clerk to clarify the status of the meeting. The Clerk explained to the committee that this meeting was the reconvened meeting of the recessed November 13, 2008 Budget & Finance Committee meeting. The Chair said that although roll call was not necessary, he would recognize those in attendance.*

Invited Guests:

Jim Flynn, County Manager or Designee

Amy Griser, Director, Budget & Finance

Derek Uber, Deputy County Manager

Summary: *Invited guests in attendance: Mr. Flynn and Ms. Griser*

Council staff in attendance: Jennifer Liptak, John Mascio, and Jared Barker

II. Roll Call

Roll Call: Present: Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Vince Gastgeb, Amanda Green, Bob Macey, and Chair William Robinson

Absent: Michael Finnerty, and Chuck McCullough

III. Agenda Items**Ordinances****4382-08**

An Ordinance amending the Allegheny County Code of Ordinances, Division 1, entitled "Administrative Code," Article 808.A, in order to reduce the rate of County taxation on the sale at retail of liquor and malt and brewed beverages within the County.

Sponsors: Jim Burn, Joan Cleary, John DeFazio, Michael Finnerty, Amanda Green, Chuck Martoni, Bob Macey and Rich Fitzgerald

Summary: *Ms. Liptak provided the committee with a summary of the bill. She said that bill would establish the rate of County taxation on the sale at retail of liquor and malt and brewed beverages within the County at seven percent (7%). This bill proposes a decrease of the rate of taxation by 3% from its current levy of 10%.*

Mr. Burn provided a further explanation of the bill. He said that after studying the current drink tax revenues, 7% seemed consistent with the amount needed to provide a steady revenue stream to the Port Authority.

Mr. Drozd said that he does not think that 7% is low enough but will support the bill because it is at least some kind of reduction. Mr. Burn said that they will revisit this issue in 2009 and continue to have dialogue to consider alternative solutions.

Mr. Gastgeb said that since the county collected almost double the amount that was needed, he wanted to know where the additional pot of revenue was parked and where it was going to go. The Chair said that he did not have an answer for that question at this

time. Ms. Liptak said that currently the money is in the general fund and interest earnings are being collected. She said that the money has not been spent and will remain there until such time that a decision is made on what to do with it.

Mr. DeFazio said that he asked the experts what they thought was the lowest the tax could be to meet the expected revenue. He said they said 7% was the lowest. He asked Mr. Drozd if he was willing to support a property tax increase if the drink tax was eliminated. Mr. Drozd said he would not. He said that the county should pursue money that the state owes the county for the operation of the court system. He also said that funds relating to the North Shore Connector could be used.

Action: A motion was made by Burn, seconded by Macey, that this matter be Affirmatively Recommended. The motion carried by the following vote:

Votes: Yes: 7 - Burn, Cleary, DeFazio, Drozd, Green, Macey and Chair Robinson
Abstain: 1 - Gastgeb
Absent: 2 - Finnerty and McCullough

4391-08

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, establishing the tax levy upon all real property subject to taxation within the limits of Allegheny County. (Chief Executive)

Sponsors: Chief Executive

Summary: Ms. Liptak provided the committee with a summary of the bill. She said that the bill is an Ordinance establishing the tax levy upon all real property subject to taxation within the limits of Allegheny County and that the millage rate for 2009 would be 4.69 mills.

Action: A motion was made by Cleary, seconded by Macey, that this matter be Affirmatively Recommended. The motion carried unanimously.

Resolutions

4405-08

Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting a Capital Budget pursuant to Article IV, §2 and Article VII, §4 of the Home Rule Charter by setting forth appropriations to pay the expenses for capital expenditures during the fiscal year beginning January 1, 2009 and ending December 31, 2009. (Robinson 2)

Sponsors: William Russell Robinson

Summary: The Chair proposed an amendment to the bill. Ms. Liptak provided the committee with a summary of the amendment. She said that the amendment would increase the revenue appropriation of the County Bonds by \$1,100,000, eliminate the project appropriation of \$400,000 for the Community College of Allegheny County (CCAC) Science Center Project, and create a new project appropriation of \$1,500,000 for CCAC. She said that the changes will result in a balanced 2009 Capital Budget and are proposed in order to reflect CCAC's 2009 capital funding needs.

Mr. Macey and Mr. Gastgeb spoke in favor of the amendment. Mr. Drozd spoke against the amendment. He said that he is not in favor of appropriating additional funds to CCAC until they begin to accelerate their fund raising efforts. The Chair said that in the next 16 to 18 months CCAC is initiating a very aggressive fund raising campaign for capital funding.

Mr. DeFazio made a Motion to approve the amendment. Ms. Green seconded the Motion. The Motion was approved 7-1, with Council Members Burn, Cleary, DeFazio, Gastgeb, Green, Macey, and Robinson voting yes; and Mr. Drozd voting no.

Mr. Gastgeb proposed an amendment. Ms. Liptak provided the committee with a summary of Mr. Gastgeb's amendment. She said that the amendment would increase the revenue appropriation of County Bonds by \$50,000 and create a new project appropriation of \$50,000 for South Park - Soccer Fields. She said that the changes will result in a balanced 2009 Capital Budget and are proposed in order to create new soccer fields in South Park.

Mr. Macey spoke in favor of the amendment and made a Motion to approve it. Ms. Green seconded the Motion. The Motion was unanimously approved.

Mr. Gastgeb proposed another amendment. Ms. Liptak provided the committee with a summary of the amendment. She said that the amendment would increase the revenue appropriation of the County Bonds by \$50,000 and create a new appropriation of \$50,000 for Municipal Light Synchronization Program. She said that these changes will result in a balanced 2009 Capital Budget and are proposed for the purpose of creating a Municipal Light Synchronization Program within the 2009 Capital Budget.

Mr. Macey made a Motion to approve the amendment. Mr. Drozd seconded the Motion. The Motion was unanimously approved.

Mr. Drozd requested a specific breakdown of all county roads that are scheduled for repair. Ms. Liptak told him that she is awaiting that information from the administration and will provide it to him when she receives it.

Ms. Cleary asked for a breakdown of the number of miles of road that are in each district. Ms. Liptak said that she would attempt to obtain that information for her.

Discussion took place regarding the condition and safety of various roads within the county. Ms. Cleary said that she believed that Public Works was doing the best that they could with the funding that they have.

Action: **A motion was made by Gastgeb, seconded by Macey, that this matter be Amended and Affirmatively Recommended as Amended. The motion carried by the following vote:**

Votes: Yes: 7 - Burn, Cleary, DeFazio, Gastgeb, Green, Macey and Chair Robinson
 No: 1 - Drozd
 Absent: 2 - Finnerty and McCullough

4406-08 Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting the Grants, Special Accounts, and Agency Fund Budgets, by setting forth appropriations to pay said expenses during the fiscal year beginning January 1, 2009 and ending December 31, 2009. (Robinson 2)

Sponsors: William Russell Robinson

Summary: *Ms. Liptak provided the committee with a summary of the bill. She said that the proposed Resolution adopts the Grants, Special Accounts, and Agency Fund Budgets, by*

setting forth appropriations to pay said expenses during the fiscal year beginning January 1, 2009 and ending December 31, 2009.

She said that the bill appropriates a Grants Budget totaling \$801,149,614, Special Accounts appropriations totaling \$92,013,685 and an Agency Fund Budget, representing an allocation of the estimated Hotel Room Rental Tax available to fund the Sports & Exhibition Authority, totaling \$3,000,000.

Ms. Cleary asked if there were any major changes from last year's budget. Ms. Liptak said that primarily they will see the same programs as last year but some of the amounts may be smaller. She said that there were not many significant changes.

Mr. Macey said that Controller Flaherty once indicated that the hotel/motel revenues have increased and he, Macey, wanted to know if those increased revenues were reflected in the bill. Ms. Liptak explained that the budget merely states the amount but the money is not ours. She said that the county is a pass through, that it is a public statement for the Sports & Exhibition Authority. She said that the County is designated as a depository for the money and it is up to the County to pass it on to the appropriate parties.

Action: **A motion was made by Macey, seconded by Cleary, that this matter be Affirmatively Recommended. The motion carried unanimously.**

4407-08

Resolution of the County of Allegheny, Commonwealth of Pennsylvania, adopting an Operating Budget pursuant to Article IV, §2 and Article VII, §4 of the Home Rule Charter, by setting forth appropriations to pay the expenses of conducting the public business of Allegheny County and for meeting debt charges for the fiscal year beginning January 1, 2009 and ending December 31, 2009. (Robinson 2)

Sponsors: William Russell Robinson

Summary: *The Chair proposed an amendment to the bill. Ms. Liptak provided the committee with a summary of the amendment. She said that the amendment would decrease the expenditure appropriation of the Community College by \$1,000,000 and increase the expenditure appropriation to Non-Department- Services by the same amount. She said that the changes will result in a balanced 2009 Operating Budget and are proposed in order to reflect CCAC's 2009 funding needs.*

Mr. Macey made a Motion to approve the amendment. Mr. DeFazio seconded the Motion. The Motion was unanimously approved.

The Chair proposed another amendment to the bill. Ms. Liptak provided the committee with a summary of the amendment. She said that the amendment would decrease the expenditure appropriation to Non-Departmental - Services by \$360,311 and increase the expenditure appropriation to Treasurer - Services, and Treasurer - Minor Equipment for a total amount of \$360,311. She said that these changes will result in a balanced 2009 Operating Budget and are proposed in order to reflect the Treasurer's 2009 funding needs.

Mr. Gastgeb spoke in favor of the amendment. He said that he was highly impressed by

the great detail in which Treasurer Weinstein described the need for the increased funding.

Mr. Macey made a Motion to approve the amendment. Mr. Gastgeb seconded the Motion. The Motion was unanimously approved.

The Chair discussed another proposed amendment which he presented to the committee at the November 13, 2008 Budget & Finance Committee Meeting. Ms. Liptak provided the committee with a summary of the amendment. She said that the amendment would eliminate the 2009 appropriation to the Port Authority, along with the corresponding transit revenues. He said that the amendment is designed to enable Council to retain oversight over the County's entire 2009 operating budget appropriations to the Port Authority.

The Chair said that he would be willing to hold the amendment until the committee hears from Port Authority Executive Director Steve Bland, who is scheduled to appear before the committee at the next meeting scheduled for November 25, 2008. There was no objection to this.

Action: **A motion was made by Macey, seconded by Cleary, that this matter be Amended and Affirmatively Recommended as Amended. The motion carried unanimously.**

4426-08 A Resolution of the County of Allegheny amending the Grants and Special Accounts Budget for 2008 (Submission #16-08).

Sponsors: Chief Executive

Action: **Held in Committee**

IV. Adjournment

Summary: *The meeting was adjourned at 5:30 PM*