

# **Allegheny County Council**

*436 Grant Street  
Pittsburgh, PA 15219  
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## **Meeting Minutes**

**Wednesday, September 28, 2016**

**4:00 PM**

**Conference Room 1**

## **Committee on Budget and Finance**

*Mike Finnerty, Chair*

*Members; Sam DeMarco, Nick Futules, Paul Klein, Ed Kress, Bob Macey, Chuck Martoni, Sue Means, John Palmiere*

**I. Call to Order**

*The meeting was called to order at 4:04.*

**Invited Guests:**

**The Honorable Chelsa Wagner, County Controller**

**William D. McKain, CPA, County Manager or Designee**

**Mary Soroka, Director, Budget and Finance or Designee**

*Mr. McKain was present from the Office of the County Manager.*

*Deputy Controller Weise, Ms. Griffin and Ms. Chardon were present from the Office of the Controller.*

*Ms. Soroka, Mr. Lentz, Mr. Cox, Mr. Moore and Ms. Berbekec were present from the Department of Budget & Finance.*

*Mr. Barker and Mr. Szymanski were present from the Office of County Council.*

**II. Roll Call**

**Members Present:** 5 - Finnerty, Sam DeMarco, Paul Klein, Ed Kress and Sue Means

**Members Absent:** 3 - Nick Futules, Chuck Martoni and John Palmiere

**Members Phone:** 2 - Bob Macey and Tom Baker

**Members** 1 - Cindy Kirk

**Non-Members:**

**III. Approval of Minutes**

[9832-16](#)

Motion to approve the minutes of the Committee on Budget and Finance meeting held on September 21, 2016.

**A motion was made by DeMarco, seconded by Means, that this matter be Passed. The motion carried by a unanimous vote.**

**IV. Agenda Items****Discussion Topic****Financial Status of the County, presented by Allegheny County Controller Chelsa Wagner**

*At the request of the Chair, Deputy Controller Weise came to the table and gave a presentation that provided an overview of the operating budget. Ms. Weise noted that the new Opengov website is up and running, and that that site allows for access to fiscal data from the County's website.*

*Ms. Weise discussed year to date revenues in comparison to 2015, noting that the revenue received thus far is approximately 75% of the amount budgeted for 2016. Ms. Weise also indicated that alcoholic beverage and car rental tax receipts run a month behind, so they appear to be further behind forecasts than they actually are, while other revenue sources such as gaming revenues are received quarterly or on other schedules that do not necessarily lend themselves to consistent collection rates in each month. Ms. Weise noted that the royalties for natural gas extraction under Deer Lakes Park are beginning to catch up to estimated levels. Ms. Weise indicated that federal and state*

revenues are also slightly below expected levels, and that approximately \$9 million would be moved from the transit fund to the County at year end to pay for debt service on Port Authority related projects, in accordance with Act 44. Ms. Weise provided a very rough estimate that the fund balance will likely grow again in 2016, most likely by an amount broadly comparable to the growth seen in 2015.

Ms. Weise discussed expenditures by department, noting that only five departmental expenditure amounts exceed the expected levels for this point in the year. Of those five, Ms. Weise noted that the Law Department appears to be over budget but likely is not, as they receive reimbursements from Human Services and the Courts for services rendered, and the Medical Examiner's office and Human Services are over expected expenditures by relatively small amounts. Ms. Weise discussed the budgeted non-departmental expenditures and described how the Duquesne Law Library receives the \$500,000 budgeted by the County in four quarterly expenditures. Ms. Weise provided some additional detail regarding the Jail, County Police and Emergency Services and Parks. Ms. Weise noted that RAAC appears to be significantly over budget at this time, but that gaming revenues would be received later in the year to balance the apparent overspend. Ms. Weise indicated that the entire Port Authority County match has already been paid.

In sum, Ms. Weise noted that the data indicates that the County is doing very well with regard to meeting its operating budget, that the unrestricted and restricted cash balances are both well ahead of 2015, and that the County has retired significant debt, although the debt service amount will likely increase in 2017.

In response to a question from Ms. Kirk, Ms. Weise explained noted that the County's current debt amounts to \$684 for each County resident.

In response to a question from Ms. Kirk, Ms. Weise walked the Members through the process of looking at the Council Members' individual cost centers in the Opengov website. Ms. Kirk suggested that the Members could avoid asking questions of staff, and instead seek data on their own, directly from the website.

In response to a question from the Chair, Ms. Weise discussed revenues collected through the drink and rental vehicle taxes, noting that the County operating match for this year was \$30.5 million and the capital match was \$8.5 million, while \$9 million from the transit fund would be put towards debt service on capital projects relating to the Port Authority. The Chair noted that the total collections from the drink and car rental taxes typically run in the neighborhood of \$43.5 million.

In response to a question from Mr. Kress, Ms. Weise noted that the County ultimately controls the extent to which the transit fund is used to pay debt service, and that this allows the County to control the extent to which the fund is depleted, as collections are slightly greater than the statutorily mandated matches.

Mr. DeMarco and the Chair discussed the funding provided by the County to the Airport Corridor Transport Association.

Ms. Weise described some of the more detailed information that is available through the Opengov website.

In response to a question from Mr. Kress, Ms. Weise discussed the revenue sources that comprise the miscellaneous revenue line item, noting that the two largest are royalties from natural gas extraction and charges paid by ACJ inmates for telephone service.

*In response to a question from Mr. Kress, Ms. Weise discussed the item labelled "Commission Vend Machines."*

**V. Adjournment**

*The meeting was adjourned at 5:05.*