

Canonsburg Borough Council Meeting  
Special Voting Meeting for the 2016 Budget  
Monday, November 16, 2015  
7:00 PM

**CALL TO ORDER:**

The meeting was called to order by Mr. Bevec at 7:00 pm.

A. **Moment of Silence** called by Mr. Bevec

**Present:**

Mr. Paul Sharkady-Present  
Mr. John Severine-Present  
Mr. Tim Bilsky - Present  
Mr. Rich Russo - Absent  
Mrs. Fran Coleman - Present  
Mr. Joe McGarry - Present  
Mr. John Bevec –President- Present

**Others Present:** Canonsburg Borough Manager Mr. Bob Kipp, Assistant Borough Manager Denise Lesnock, Mayor David Rhome, Chief of Police Alex Coghill, Solicitor Pat Derrico and Public Works Tom Lawrence. Also present was RT Bell and Tina Bails 2016 Council members.

Mr. Bevec stated the meeting was called as Special Voting Meeting for the 2016 budget. First to be a budget workshop to cut down the balance of the deficit of \$42,675.00. Mr. Bevec invited Mr. Bell and Ms. Bails to ask questions and to provide comments or suggestions during the meeting. Mr. Bevec said at least have to advertise a vote to pass a preliminary budget, even if it is not balanced, it is still legal.

Copies of updated budgets were provided to those present. Mr. Bevec stated the plan was to make changes to get the budget to get as close to balance so they can advertise it. It has to be voted tonight or running out of time.

Mr. Bevec asked if there were any revenue increase changes. Mr. Severine inquired about the Cypher and Cypher Audit and bank statements and returned checks. Mr. Severine asked if that information was at the Borough. Mr. Bevec and Mr. Kipp stated it will come to the Borough once the audit is completed and all the information will return to the Borough office where it will be available for inspection for anyone to review that is on Council. Mr. Severine stated the \$27,000 can make a difference in the budget. Mr. Severine stated insurance could pick up the difference. Mr. Kipp stated that Rob Simonine said it would not make a difference. Mr. Severine stated he said “yes” as he stated if it was misused, the Borough would get the insurance. Mr. Severine stated they will reimburse the Borough and they will go after who ever they have to go after. Mr. Bevec replied to Mr. Severine that he does not know if that will be determined prior to the end of the year and he did not know how much it can be counted on as it is still up in the air. Mr. Bevec said this relies on the findings of an audit that can lead to an investigation. Mr. Coghill and Mr. Bevec stated that an investigation would take years before proving any wrong doings. Mr. Kipp stated the insurance deductible is \$1,500.00. Mr. Bevec said it could be an option but he does not know that it is an option to include into this budget. Mr. Severine asked if it was still being investigated. Mr. Bevec said Cypher was waiting for some clarification on a couple of outstanding bank statements. He was hoping to have the final audit last week, but because of the delay in the documents it will probably be December. Mr. Severine asked if there was a Statute of Limitations. Mr. Bevec stated they have not found any wrong doing at this time. Mr. Coghill stated the timing of discovery will be the Statute of Limitations. Mr. Bevec stated to keep in mind that it may have been an accidental accounting error or intentional but does not mean any wrong doing and Mr.

Severine should not jump to the conclusion there was any wrong doing. Mr. Severine stated it has been 4 years. Mr. Kipp stated he received a letter from July 19, 2015. Mr. Kipp stated it actually goes back to 2005. Mr. Severine said that if it goes that far back then someone should have known what they were doing and if they didn't then it was a mistake. Mr. Severine stated that books should have added up as there are yearly audits. Mr. Kipp stated the money did not flow through their office and Cypher did not get the audits. Mr. Kipp said Cypher has to do a Forensic. Mr. Coghill stated if an audit comes back with discrepancies, then will have to wait for a Forensic audit, be certified for court which court possibly take 1-3 years. Mr. Coghill stated that would be billable hours. Mr. Bevec said the Borough could end up spending what they are fighting over. Mr. Coghill stated the Borough could possibly ask for restitution for the billable hours. Mr. Bevec stated that it is a lot of money that just could have been an error. Mr. Bevec stated he was not advocating in anyone's favor; but have to outweigh what the Borough would spend. Mr. Bevec said his thought behind the audit was to see if the Borough was truly paying for what it should be paying for or were there outstanding matches that never came in. Mr. Bevec said those were identified and there is a possibility that those that promised a match to take that in against the money that the Borough pays the state. Mr. Bevec stated he thinks that is a possible resolution and maybe that can help balance the budget.

Mr. Bevec stated there will have to be a Special Meeting in December which will have to be advertised for a 30 day review.

Mrs. Coleman discussed Comcast for the park. She stated it is used for the summer; however, they are paying \$200.00 a month. It was clarified the amount is \$247.00 per month and falls under recreation equipment under the Park Board. Mrs. Coleman inquired about \$9,500.00. Denise stated they did not use all of their money last year and wanted it carried over. Ms. Lesnock stated it is tax money in its own checking account and does not affect the budget too much unless they go over. Mrs. Coleman stated that did not seem fair. Mrs. Coleman asked if the Comcast can be turned off when not in use. Mr. Bevec asked for clarification if it was Comcast for the WiFi at the pool or the Comcast that runs the security camera. Ms. Lesnock stated there are three bills for the pool; the third one is for the security camera. Ms. Lesnock stated the monthly bill for the security camera is \$113.00. Mr. Severine stated that if Comcast was turned off, then an activation fee may be applied when turned back on. Mr. Severine stated that possibly that fee could be lowered during the winter months. Ms. Lesnock to call Comcast to inquire about lowering the fee. That could possibly save \$1,000 per month. Mr. Bevec said assuming that works, leaves \$41,675.00 deficit.

Mrs. Coleman stated she was sad to mention the fireman. She stated the wages would be close to \$50,000.00 and the benefits around \$10,000.00. Mr. Lawrence stated that \$25,000.00 of that is in revenue, reducing that to \$30,000.00. If that position is taken out, then have to take \$25,000.00 off the budget in revenue. Mr. Bilsky stated there is still a net gain. Mr. Bevec stated that in the future he could out earn what he is being charged. Mrs. Coleman asked about a part-time position without benefits. Mr. Lawrence stated he has not explored a part-time position. Mr. Lawrence said there has been a lot of money and hours spent trying to put that position together. Mr. Lawrence said that the most disappointing is not that Council is considering that, but he failed to show the significance that he believes in that position. Mrs. Coleman said she did not agree with that. Mr. Bevec said because it is a new position there would be growing pains; the potential is there to generate more than the person would get paid, but not the first year. Mr. Bevec said they were always clear on that. Mrs. Coleman said it is money they do not have. Mr. Bevec discussed the two part time police officers being paid for out of the Equitable Share Fund. Mr. Bilsky said his point was that the Borough can estimate what they think the fireman can bring in but if they do not end up anywhere close to that then someone needs to say it didn't work. Mr. Bevec said it needs to be given a chance for public safety and who should pay

for that. Mr. Bilsky inquired if a volunteer could do inspections. Mr. Lawrence said they would have to be trained in that field, however, that is not feasible due to liability issues. Mr. Lawrence said the Fire Department conducts courtesy inspections with suggestions but they are not told what they have to have. Mr. Lawrence discussed some of the buildings and multi family dwellings with no escape routes, no fire extinguishers and no egress. Mayor Rhome said when you put an inspector in place that has the authority to provide a 24 hour time period or what is deemed by code it becomes another issue. Mr. Bevec said if it is a wash and a safer town, then it is worth it. Mrs. Coleman stated she is not against it but perhaps it could be three days a week. Mr. Severine said if the small businesses cannot afford the corrections from the inspections then small businesses will be forced away. Mr. Lawrence said the code is not picked and chosen. Mr. Severine said many small businesses will not be able to afford making changes. Mayor Rhome said then they should not open. Mr. Bevec stressed the safety of individuals. Mr. Severine asked about hiring an inspector that is not a fireman. Mr. Lawrence stated they will be a fireman and an inspector, as they run hand in hand. Mr. Severine and Mr. Bevec discussed further the inspector being a fireman and an inspector vs. just an inspector. Mr. Bevec stated it made sense for an inspector to be a fireman to make the town safer. Mr. Severine questioned how one person can complete the duties of a fireman and an inspector at one time. Mr. Sharkady inquired about charging by the square foot. Mr. Lawrence said it was a formula. Mr. Lawrence said the most is \$150.00. Mayor Rhome said the inspector goes back a second time to make sure items is up to code. Mayor Rhome said it is not forcing businesses out of town, but allowing them time to make changes to meet code. Mr. Bevec discussed grand fathering conditions in codes. Discussion held regarding making renovations versus grandfathering. Mr. Severine questioned paying for an inspector that is also a fireman. Mr. Bevec provided an example of how a full time employee is paid. Mr. Bevec tabled the issue of the inspector.

Mrs. Coleman reviewed Engineering in general. Last year was \$65,000.00 to an increase of \$97,000.00 for next year. Mrs. Coleman inquired about the increase. Ms. Lesnock stated the building permits are included in this line item. Mr. Bevec stated it was reflected on the revenue said and works out to 20%. Mrs. Coleman asked if the Borough is receiving \$25,000.00 in revenue. Mr. Severine inquired about miscellaneous projects with a budget next year of \$6,000.00 vs. \$3,000 from last year. Ms. Lesnock stated it is HMT projects; they lucked out this year as they did not spend the projected amount. The Engineer gives a bill every year with projected projects, the bills are scattered throughout the year as a need comes up. Mr. Severine mentioned dropping Engineer down to \$25,000.00, building permits lowered to \$20,000.00 and miscellaneous projects to \$3,000.00. Mrs. Coleman stated that the engineer is billing every time any Council members calls. She suggested that only the Borough Manager calls the engineer to limit Engineer charges. Mr. Bevec stated that HMT needs to let others know that the call will be billable. Mr. Bevec inquired if Council was agreeable with Mr. Severine's suggestion. Mr. Bilsky stated that miscellaneous may come in more than budgeted. Mr. Bell suggested a policy for Council that any outside calls to the Engineer or Solicitor should be made by the Borough Manager. Mr. Bevec suggested making that part of the re-organization. Mr. Bevec mentioned the changes suggested for Engineering: \$12,100.00 for Engineering, \$5,000.00 for permit fees and miscellaneous projects is \$3,400.00. Mr. Bevec said it is manageable. Reduces the deficit to \$21,175.00.00.

Mr. Kipp stated the Code Officer said the Code Secretary was a luxury and he did not need that position as he is doing a lot of the work himself, which is a saving of \$14,352.00. Mr. Bilsky stated if that is a luxury, then paying a guy over \$50,000 to clean buildings is too much. Mr. Bevec said it is bound by union contract. Mr. Bevec said negotiations are coming up and that can be changed. Discussion held on eliminating that position and if calls and paperwork will be neglected. Mr. Kipp said the Code Officer averages 4-6 hearings a month, they are all scheduled the same day and he is

finished with hearings within an hour. Mrs. Coleman mentioned that Kim's position in the Borough is for all departments in the Borough therefore she could answer phone calls. This leaves a deficit of \$6,823.00.00. Mr. Bevec asked if Council was agreeable to changes with Engineering. Mr. Bilsky stated he was not comfortable with eliminating the secretary as it was a position that was just brought on within the year due to the importance and focus on Code. Mrs. Coleman personally spoke to the Code Officer and he told her he did not need the secretary. Mr. Bell asked what Mr. Kipp thought about this. Mr. Kipp said he was listening to his Department Head. Mr. Bevec inquired if the bottom line would change with one person in that department vs. one. Mr. Kipp stated it would stay the same. Mr. Severine disagreed and stated it would have to be compared and looked at. Mrs. Coleman said the Code Officer said his schedule is to be out in the morning and he will do paperwork in the afternoon. Mr. Bevec suggested Council speak to the Code Officer personally. Mr. Bevec discussed the budget can be re-opened in January with re-organization; the budget is a spending guideline.

Mr. Severine inquired about Mechanical Tax being reduced. Mr. Bevec and Mr. Kipp pointed out that was on the revenue side. Mr. Severine stated about being accurate with revenue. Year to date is \$16,700.00 and budgeted \$25,000.00. Ms. Lesnock stated that there is still a collection due.

Ms. Lesnock said she has two line items that can balance the budget.

Discussion held regarding the Maintenance of Lots. Mr. Lawrence said there is a \$5,000.00 bill still pending. Mr. Severine inquired if a lot has to be done every year. It was stated it does.

Ms. Lesnock stated the two line items that can be changed are: advertising take \$1,500.00 as it is steadily declining over the years. Mr. Bevec stated to keep in mind that the Borough has only had a handful of special meetings, keep that in mind for next year. The other item is EIT can be increased by \$5,000.00.

Mr. Severine inquired about Jordan bills and could they be a savings. Mr. Bevec stated Jordan is paid for by the Sewer Authority. Mr. Severine inquired about an employee that is the responsibility of the Sewer Authority. Mr. Severine discussed Robert Sacco taking over for Jordan with the exception of delinquent accounts. Mr. Bevec suggested a RFP in the beginning of the year. Mr. Severine inquired about paying the Solicitor to collect delinquent accounts. Mr. Bevec stated it is a process and to start with the RFP.

Mr. Severine inquired about revenue of the magistrate. Denise stated it was all included unless the magistrate office is rented and that can be added with a possible savings of \$1,000 a month. Office space discussed.

Mr. Kipp read the advertisement: "The Borough of Canonsburg will have a budget workshop Monday November 16, 2015 at 7:00 pm at Council Chambers located at Canonsburg Borough Building 68 East Pike Street, Canonsburg, Pa 15317."

Mr. Bevec stated it was made clear last week they were having this and advertising so Council can vote. Mr. Derrico will be asked to rule on it tomorrow. Mr. Bevec stated he thought the advertisement should have mentioned a Voting Meeting. If it is not good, then will have to have another voting meeting.

Mr. Severine discussed a sale tire deal with a possible \$30,000.00 per year. Mr. Bevec said there has to be an ordinance. Mr. Severine stated there is an ordinance on the books. Mr. Severine said he asked for

these four to five months ago. Mr. Bevec said to have Mr. Derrico prepare an advertisement.

Mr. Severine inquired about police cars. Mr. Coghill stated vehicle maintenance will not get any better.

**Motion to adopt a tentative budget at \$4,989.022.00.**

Motion by Mr. McGarry to adopt a tentative budget at \$4,989.022.00. Seconded by Mrs. Coleman.

**Roll Call:**

Mr. McGarry-Yes

Mrs. Coleman-Yes

Mr. Bilsky-No

Mr. Severine-No

Mr. Sharkady-No

Mr. Bevec-Yes

3 Yes, 3 No.

Mayor voted "Yes" in favor of the budget, in lieu of Public Safety.

**Motion Carries.**

Mr. Severine questioned asked how the budget got lower. Mr. Bevec explained accounting procedures and reviewed some of the changes made during the meeting. Mr. Bevec asked if Mr. Severine needed more explanation, he stated no.

Mr. Severine mentioned the Mayor's voting for some of the items is under his control, such as the police and asked how that works. Mr. Bevec stated it was not different than Council voting. Mr. Severine state he thought more could be cut from the budget.

**Special Business:**

Mr. Bevec asked about milling and putting a special mix with sand on Craighead Street due to cars sliding on black ice. Mr. Lawrence stated it was milled, paved and blacktop and there was not as many problems with that road.

Mayor Rhome mentioned 2 new jail cell doors that were damaged by prisoners. The vendor has agreed to replace the doors at no charge. Due to the vendor being a small vendor, they are asking for any financial relief. Mayor Rhome inquired if they receive restitution could that be paid to the vendor. Mr. Bevec stated the responsible thing to do is to pay something; The doors are about \$4,000.00. Mr. Coghill stated the doors were horrible manufacturer defects and the welds should have not broken. Discussion continued regarding the doors and the warranty of one year. Mr. Coghill's recommendation was to offer restitution payment. Mr. Bilsky inquired if the manufacturer had insurance. Mr. Coghill stated restitution would be to the General Fund. Mr. Derrico to be consulted on how to separate restitution payments from the General Fund.

Speed humps discussed. The Mayor continues to complete research, however, the liability with speed humps is the responsibility of the Borough along with signage and reflective painting. Mr. Severine stated it should be tried. Mr. Bevec stated to take it to Public Safety and it is not in the budget.

Mrs. Coleman discussed the budgeted salary for the fireman position. Mr. Lawrence stated it was based on a patrolman's salary. Mrs. Coleman stated that with benefits, it will be around \$28.00 per hour. Advertising for the position did not include the salary. The salary can be negotiated with Council. Mrs. Coleman stated it is not fair paying a new hire more than other employees. Mr. Lawrence stated the expertise and training warranted the salary. Mr. Lawrence stated the position can be offered at what Council determines. Mr. Severine inquired about going to another town that have full time fireman to determine their pay scale. Other towns discussed.

Motion by Mr. McGarry to adjourn the Voting Meeting for the 2016 Budget at 8:41 pm. Seconded by Mrs. Coleman.

All in favor. Motion Carries.

Submitted by,

Michelle LoBello