
TOWNSHIP OF SOUTH FAYETTE 2020 BUDGET



SOUTH FAYETTE
T O W N S H I P

A Community Growing Together

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Officials

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Joseph Horowitz, Vice President, Board of Commissioners

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Lisa Malosh, Commissioner

Rebecca Sray, Commissioner

Township Solicitor

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Parks & Recreation

Paula Willis, Director

Engineering, Planning & Building

Andrew W. Blenko, Director

Lynette King, Assistant

Gary Hartz, Building Code Official

Joe Niedermeyer, Inspector

John Kanaskie, Engineer Technician

Public Works

Butch Truitt, Director

Nick Nickolas, Superintendent

Dan Dernosek, Foreman

Finance

Nancy Degenhardt, Director

Shannen McKahan, Assistant

Communications & Community

Development

Andrea Iglar, Director

Police

John Phoennik, Chief of Police

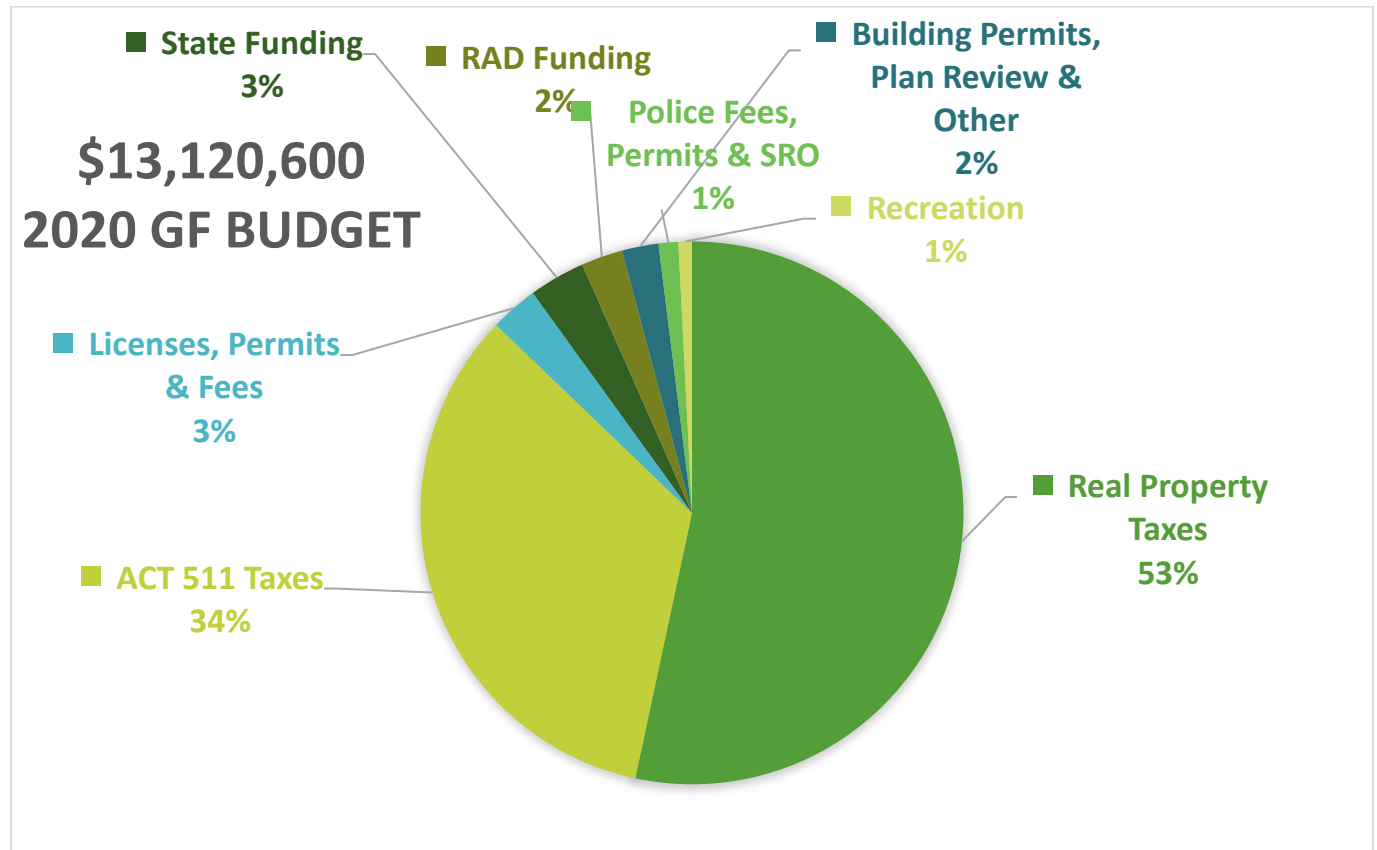
Evonne Williams, Assistant

2020 Budget Message

Dear Board of Commissioners;

On behalf of the Township Administration, I am pleased to submit the 2020 South Fayette Township Budget to you, and to the residents of South Fayette. The budget is balanced and requires no additional tax revenue to support operations and programming. The 2020 Real Estate Tax Millage rate will remain 4.73 mills. To South Fayette residents, this means that for every \$100,000 of assessed value of real estate owned, a payment of \$473 is owed to the Township.

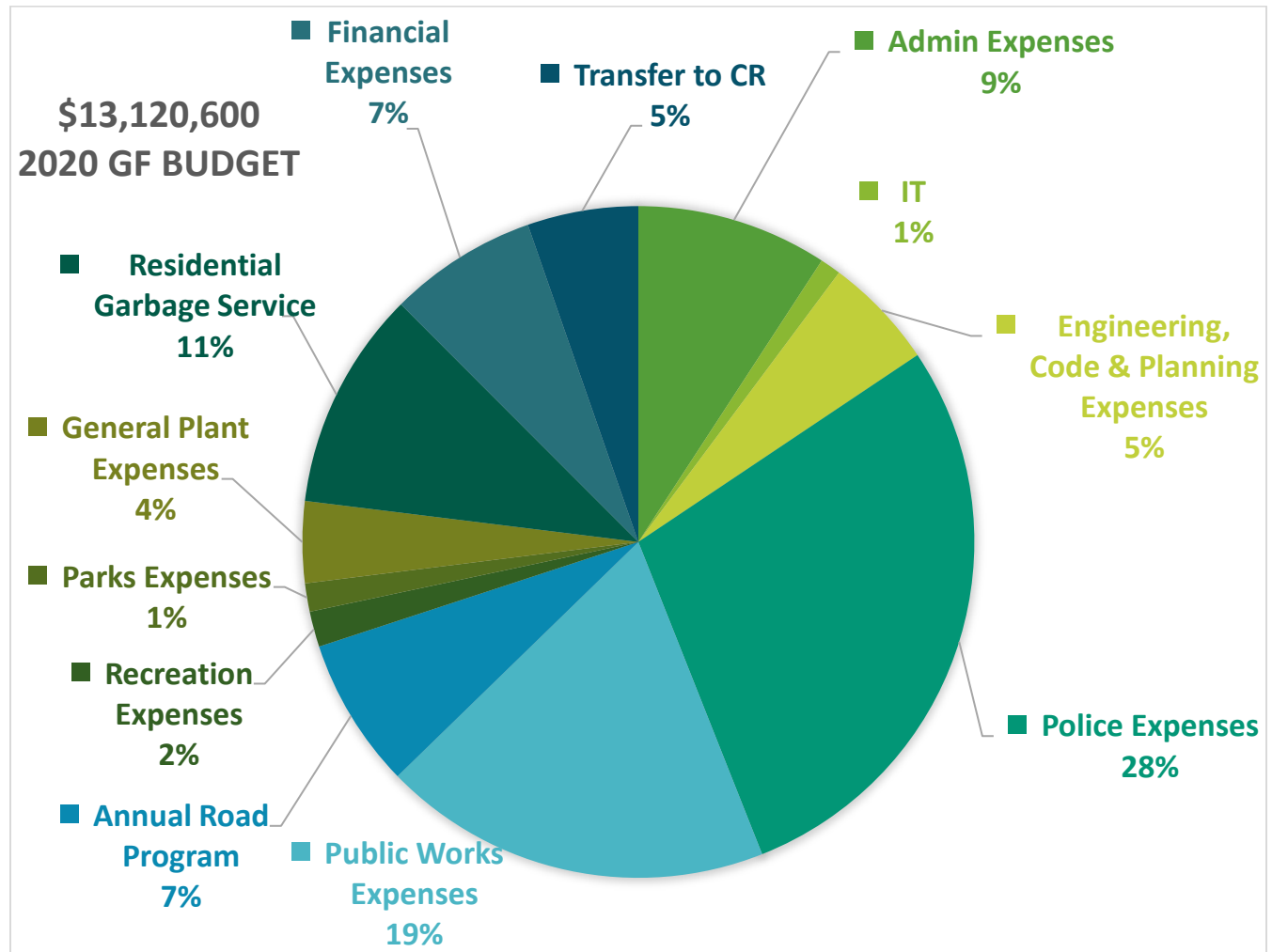
I believe that transparency in our fiscal operations are paramount to 'good government', and the 2020 South Fayette Township Budget strives to accomplish that. Serving as not only an operational guide and a financial plan for the Township, the 2020 South Fayette Township Budget also serves as a valuable communication tool to our residents, and to the general public. The 2020 South Fayette Township Budget complies with all local and state laws and consists of a \$13,120,600 General Fund. Real Estate Property Taxes are expected to generate close \$7M in 2020, which is about 53% of the total General Fund Revenues.



2020 GENERAL FUND BUDGET

MANAGER'S MESSAGE

The General Fund supports the core services of the Township, including Police, Public Works, Parks and Recreation, Code Enforcement, Solid Waste Collection, Recycling, as well as Administrative Services. The General Fund is supported predominantly by various tax revenues; Real Estate Tax, Earned Income Tax, and Local Services Tax Revenue are the largest contributors. Additional revenues within the General Fund include various fees the Township collects, including Cable Television Franchise fees and permit fees. The Township also strives to leverage tax revenues with various state and county grant programs and coordinates an aggressive membership/marketing program that brings additional revenue into the Township to support core services. The illustration below reveals the distribution of revenues by source within the General Fund, as well as a breakdown of expenditures by department.



2020 GENERAL FUND BUDGET

MANAGER'S MESSAGE

Budget Highlights;

Advancement of the Capital Reserve – Dedicated support from the General Fund will provide a reliable funding source to our 5-Year Capital Improvement Program. A well-conceived CIP will support projects which operate and maintain existing infrastructure and should also include a plan to design and develop new amenities within the Township.

The 2020 South Fayette Township Budget includes a transfer to the Capital Reserve of \$1,650,000 which will be used to support an aggressive capital program that includes roughly \$5.5M in projects this year. The 2020 Capital Program includes \$2M in road paving activities, and another \$2.3M in Park Improvement Projects, which make up most of our program this year. The remainder of the capital program would include various equipment and vehicle purchases, repairs and maintenance to stormwater facilities, minor facility improvements as well as several police department expenditures (body cameras, license plate reader and traffic control devices). The inclusion of a transfer to the Capital Reserve provides a reliable funding source to the Capital Budget and demonstrates the Township's commitment to investing in our infrastructure.

Incremental Growth of Personnel. The numbers within the General Fund Budget show the continued growth the Township has experienced. As the Township grows in both population and in average daily population that incorporates workers, visitors and others that travel to and within the Township each day, the demand for Township services also increases. Moreover, as new residential communities are built and developed, the road network within those communities often become part of the Township network of infrastructure. These factors place additional stress on both Police and Public Works operations. The Township has appropriately responded to the demands of a growing community by professionalizing our operations and adding manpower in a calculated and systematic fashion. To that end, the 2020 South Fayette Township budget continues this systematic practice by including additional manpower within the Public Works Department and incorporating a promoted structure to the South Fayette Township Police Department. Both of these actions demonstrate a sustainable response to the continued growth of the Township.

Increased Support for Volunteer Fire Service. The Township is fortunate to be served by four (4) independent Volunteer Fire Companies. The men and women who serve in our volunteer departments are not paid for their service. All active firefighters are obligated to seek out ongoing training, participate in fundraising activities, and respond to numerous emergency calls throughout the year. Additionally, the costs for outfitting volunteer firefighters have increased dramatically in recent years, as have the costs of equipment and trucks. The Township recognizes the tremendous resource that exists in our Volunteer Fire Companies. Without their volunteer efforts the costs to provide this service throughout the Township would be beyond our budget limitations. The Township Board of Commissioners recognizes the importance of investing in volunteer fire service. The 2020 South Fayette Township budget includes additional support for our Volunteer Fire Companies.

2020 GENERAL FUND BUDGET

MANAGER'S MESSAGE

Ultimately, the 2020 South Fayette Township Budget reflects a responsible and prudent spending plan that supports and expands service levels to residents. The budget is a result of a comprehensive and transparent process which was open to the public and led by the Board of Commissioners. The process forced the Township to prioritize the needs of the community and to produce a strategy to continue to provide services at a high level and to appropriately plan for the operation and maintenance of our assets and infrastructure. Central to the budget planning process is overall support for these five financial principles;

- The Township will continue to use its tax dollars wisely and prudently. All of our core services strive to be efficient, and our Department Heads shall consistently seek to enhance and improve our service delivery models.
- Any increase in the rates of taxation will be considered only after all other efforts to reduce costs or increase revenues have been explored.
- It is the Township's goal to minimize borrowing. Borrowing for capital expenditures will only occur when sufficient current funds are unavailable for essential purchases.
- Fees are charged for specialized services and our fee schedules are reviewed annually to assure that they adequately cover the total costs for providing services.
- State, federal, and private grants are actively sought to assist with current or proposed projects or programs that have a fund shortage. South Fayette Township has been very effective in securing many grants and other funds to offset necessary expenses.

I am pleased to present this budget to our elected leaders and the residents of the Township, and I look forward to building on the momentum we have established in 2019 to make the upcoming year another successful one for South Fayette.

Respectfully Submitted,

John M. Barrett

John M. Barrett
Township Manager

2020 GENERAL FUND BUDGET

SUMMARY BY DEPARTMENT

2020 GENERAL FUND SUMMARY BY DEPARTMENT

2020 EXPENSES BY DEPARTMENT	ACCOUNT	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Revenue		12,867,356	12,116,000	13,305,839	13,120,600	8%	100.00%
Admin Expenses	400, 401, 403, 404, 409	906,661	1,208,850	1,042,228	1,206,015	0%	9.19%
IT Expenses	407	92,903	121,800	111,797	130,700	7%	1.00%
Engineering Expenses	408	283,090	299,150	376,747	389,850	30%	2.97%
Code & Planning Expenses	413-414	315,992	438,000	288,274	321,250	-27%	2.45%
Police Expenses	410	3,062,615	3,539,150	3,433,402	3,724,233	5%	28.38%
Public Works Expenses	430-439	2,361,829	3,093,000	3,130,612	2,456,800	-21%	18.72%
Recreation Expenses	452	207,532	211,000	225,048	224,250	6%	1.71%
Parks Expenses	454	373,106	390,800	359,110	178,700	-54%	1.36%
General Plant Expenses	411, 421, 427	1,604,838	1,832,500	1,783,282	1,900,000	4%	14.48%
Financial Expenses	456, 471, 472, 475, 486, 487, 491	897,290	981,750	898,599	2,588,803	164%	19.73%
Total Fund Balance - General Fund		2,761,498	0	1,656,740	(0)	-105%	0.00%
Total Expenses - General Fund		10,105,858	12,116,000	11,649,099	13,120,600		

2020 GENERAL FUND BUDGET

REVENUES

Real Property Taxes

Summary

Real Estate Property Taxes 01-301-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Total Real Estate Taxes	6,464,317	6,451,000	6,850,100	7,000,000	9%	53%

Description

About half of all General Fund revenue is generated by real estate taxes, also known as property taxes. The tax is assessed on all commercial, industrial, residential, and other non-exempt properties within the Township.

The tax is calculated using the millage rate, set each year by Township Commissioners, and a property's assessed value, set by Allegheny County. In 2020, South Fayette Township's millage rate is 4.73, which means that a property with an assessed value of \$100,000 would have a Township real estate tax bill of \$473 ($100,000 \times .00473$).

Real estate taxes are billed and collected by the Township's elected Tax Collector, Kevin Beiber. Taxes are due by June 1st each year. If a property owner pays prior to March 31st, they receive a 2% discount. If a property owner pays after June 1st, they receive a 10% late penalty. If property taxes have not been paid within one year of the due date, the delinquent account is sent to the Township's third-party delinquent tax collector, Jordan Tax Services. Each January the Allegheny County Office of Property Assessments sends the Township a list of the certified assessed values of each parcel and its tax-exempt status. The Township Tax Collector uses this data in combination with the Township's millage rate to create the year's tax bills.

Budget Detail

Real Estate Property Taxes 01-301-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-301-100 Current Year	6,253,164	6,251,000	6,542,617	6,750,000	8%	51%
01-301-105 Interim	11,502	25,000	83,451	25,000	0%	0%
01-301-110 Prior Year	28,154	50,000	6,523	25,000	-50%	0%
01-301-130 Delinquent	171,497	125,000	217,510	200,000	60%	2%
TOTAL	6,464,317	6,451,000	6,850,101	7,000,000	9%	53%

Act 511 Taxes

Summary

Act 511 Taxes 01-310-1**	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Total Act 511 Taxes	4,405,693	4,007,000	4,653,070	4,437,000	11%	34%

Description

Pennsylvania state law enables local governments to levy other types of taxes to supplement revenue from property taxes. South Fayette Township collects three of these local taxes – the real estate transfer tax, the earned income tax, and the local services tax.

Real estate transfer tax is .5% of the sale price of any home sold within the Township and is paid at closing to the County Recorder of Deeds. The amount of revenue collected from the tax varies year to year, as the price and number of homes sold fluctuates. The School District also collects a .5% real estate transfer tax.

Earned Income Tax (EIT) is a .5% tax on earned income and compensation (W-2 income from salaries or wages) and other forms of earned income as defined by the Local Tax Enabling Act. State Act 32 designated Tax Collection Districts (TCDs) as an area outlined and designated by statute for the purpose of collecting income taxes for the political subdivisions within its borders. A Tax Collection Committee is the committee established to govern each Tax Collection District for the purpose of collecting EIT. South Fayette Township is one of 63 municipalities and school districts in the Allegheny Southwest Tax Collection Committee.

Although the rate has not increased in recent years, EIT revenue increases modestly each year. This means either the number of Township residents who are employed is growing annually and/or residents are getting paid higher wages for their work. Upward trends in EIT revenue not only contribute to the Township’s financial stability but provides a strong economic indicator that the quality of life for residents is improving as aggregate income rises. The School District also collects a .5% earned income tax.

Originally called the Emergency and Municipal Services Tax, the Local Services Tax is a \$47 tax per employee working within the municipality. The School District also collects a \$5 local service tax per person.

2020 GENERAL FUND BUDGET

REVENUES

Budget Detail

Act 511 Taxes 01-310-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-310-140 RE Transfer Tax	683,642	600,000	732,074	650,000	8%	5%
01-310-155 Earned Income Tax	3,437,633	3,170,000	3,609,073	3,500,000	10%	27%
01-310-160 Local Services Tax	271,718	225,000	299,523	275,000	22%	2%
01-310-170 Mechanical Devices Tax	12,700	12,000	12,400	12,400	3%	0%
TOTAL	4,405,693	4,007,000	4,653,070	4,437,400	11%	34%

Licenses

Summary

Licenses 01-321-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Licenses	395,926	359,800	369,285	354,300	-2%	3%

Description

South Fayette requires the issuance of licenses and permits in order to conduct certain activities within the Township. Generally, these are a means to ensure that all municipal regulations and ordinances are upheld and to protect public welfare. Fees charged for permits and licenses are intended to cover the cost of inspection, enforcement, and administration.

The Township grants non-inclusive Cable Franchise agreements to cable service vendors (currently Comcast Cable Communications and Verizon) and permits the cable providers to operate within the public right-of-ways. These franchise fees make up most of the revenue in this line item. Additionally, the Township collects revenue from Lamar Advertising in exchange for local advertisements on bus shelters within the township. The Township also charges a small fee for an off-collar dog permit (for use in Fairview Park).

Budget Detail

Licenses 01-321-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-321-180 Miscellaneous Permits	22,900	10,000	10,550	10,000	0%	0%
01-321-185 Dog Licenses	3,900	3,500	2,000	2,000	-43%	0%
01-321-190 Transit Shelters	12,800	6,300	6,300	6,300	0%	0%
01-321-200 Cable TV Franchise	356,326	340,000	350,435	336,000	-1%	3%
TOTAL	395,926	359,800	369,285	354,300	-2%	3%

Non Business Licenses & Permits

Description

South Fayette requires that Pennsylvania Utilities or other private contractors to secure a Street Opening Permit before excavating within a Township road right of way. The Township also requires restoration is performed to an adopted standard following construction.

Budget Detail

Non Business Licenses & Permits 01-322-310	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	35,268	25,000	9,672	10,000	-60%	0%

Fines

Description

South Fayette Township levies fines for traffic violations as well as violations of our local ordinances. These cases are typically settled by the local magistrate, and often result in fines being paid by the violator. The Township is entitled to portions of said fines, depending on the type of violation and the amount of the fine.

Budget Detail

Fines 01-331-220	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	34,232	25,000	27,994	25,000	0%	0%

Rent and Royalties

Description

South Fayette permits the farming near Boys Home Park by a qualified individual, who pays a fee to the Township for access to the property.

Budget Detail

Rents and Royalties 01-342-200	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	700	700	700	700	0%	0%

State Capital and OP Grants

Description

Recycling Program Performance Grants are available to all Pennsylvania local governments with recycling programs from the Pennsylvania Department of Environmental Protection. The grants awards are based on the total tons recycled and the applicant's recycling rate. Recent changes to the Township recycling program, namely the elimination of glass as an accepted recyclable material, will likely reduce the level of Performance Grant revenue in 2020.

Budget Detail

State Capital & OP Grants 01-354-550	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	23,491	10,000	25,478	10,000	0%	0%

State Shared Revenue

Description

The public utility realty tax (PURTA) is levied against certain entities furnishing utility services regulated by the Pennsylvania Public Utility Commission or a similar regulatory body. The commonwealth imposes this tax on public utility realty in lieu of local real estate taxes and distributes the local realty tax equivalent to South Fayette Township.

Commercial establishments with a valid liquor license pay liquor license fees of \$300 annually to the Township, as part of the annual license renewal or validation process. Twice a year, as required by law, the PLCB returns a portion of liquor license fees paid by PLCB-approved licensees to the Township.

Foreign Fire Insurance Tax Revenue for the Township comes from a two percent tax on premiums paid for casualty and fire insurance sold in Pennsylvania by out-of-state insurance companies. Funds are allocated through the PA Auditor General to South Fayette to enable the purchase of training, equipment and insurance, and pay for death benefits for volunteer firefighters in the Township.

Under the Pension Reform Act, Act 205, the Township receives an allocation from the State of Pennsylvania for each active full-time employee in the pension plan, sometimes referred to as State Aid. The State generates this revenue through the foreign causality insurance premium tax. The State Aid for public pensions makes up about 40% of the Township’s mandatory municipal obligation contribution (MMO) to the pension.

Budget Detail

State Shared Revenue 01-355-2**	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-355-240 Public Utility Realty Tax	10,670	10,000	10,305	10,000	0%	0%
01-355-250 Alcoholic Beverage Tax	4,300	4,000	4,300	4,000	0%	0%
01-355-265 Foreign Fire Insurance	88,358	90,000	96,488	90,000	0%	1%
01-355-267 Pension State Aid Allocation	276,379	266,000	286,748	300,000	13%	2%
TOTAL	379707	370000	397,841	404,000	9%	3%

Local Government Grants

Description

Allegheny County levied the Regional Asset District (RAD) tax in March 1994 and every municipal government in Allegheny County voted to participate in the benefits of the tax. 25% of the funds go directly to the County and 25% goes to the other municipal governments based on a formula weighted to help distressed communities. The proceeds are used to assist in shifting the tax burden away from property taxes and for municipal functions such as road repair and police protection. Municipal funds do not go through the RAD Board; they are distributed directly to the municipalities from the state which collects the tax.

Budget Detail

Local Government Grants 01-357-601	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Allegheny County Sales Tax (RAD)	333,301	300,000	356,947	325,000	8%	2%

General Government

Description

Revenues represented are notably pass through funds and should not be relied upon for income. Engineering services, and other third-party expenses the Township incurs during the land development process are passed along to the applicant and appear to be revenue to the Township. It should be noted that the Township incurs an expense for this service, so revenues within this category should be relied upon for. The Township charges application fees such applications, and also collects fees to provide lien letters required for real estate closings.

Budget Detail

General Government 01-361-3**	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-361-300 Engineering Review Fees	0	0	0	20,000	0	0%
01-361-301 Zoning Apps/Land Development	43,109	25,000	29,084	30,000	20%	0%
01-361-310 Sale of Maps, Supplies, Etc	658	500	250	500	0%	0%
01-361-330 Lien Letter Fees	11,225	10,000	14,210	10,000	0%	0%
TOTAL	54,993	35,500	43,544	60,500	70%	0%

Public Safety

Description

Revenue in this category is most from fees associated with the issuance of building permits for both residential and commercial purposes. Building permits are required for alterations to existing property, as well as for the construction of new buildings. The Township also issues permits for swimming pools, fences as well as for various home improvements depending on the nature of the work. In addition to fees charged for these services, the township passes along the costs of any Third Party Plan Reviews required for commercial building permits to the applicant.

Additionally, the Township Police Department and the Township School District have partnered for the deployment of a School Resource Officer to patrol school grounds to promote school safety. The School Resource Officer is certified to serve in this capacity, but remains a sworn officer of the South Fayette Township Police Department. The Township and the School District have an agreement for the reimbursement of a portion of the officer’s personnel expenses to serve in this capacity.

Township property owners who install personal security alarms and would like the police notified during an alarm event are responsible for paying a small fee to the Township. The revenue from this fee is reflected in this revenue category.

Budget Detail

Public Safety 01-362-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-362-360 Sale of Police Reports	7,955	3,000	4,435	3,000	0%	0%
01-362-380 Building Permits	279,822	175,000	124,928	125,000	-29%	1%
01-362-381 3rd Party Plan Review	60,043	50,000	28,734	45,000	-10%	0%
01-362-382 PA Surcharge	40	0	0	0	0	0%
01-362-410 Alarm Permits	600	500	500	500	0%	0%
01-362-450 Occupancy & Use Permits	15,350	10,000	12,923	10,000	0%	0%
01-362-500 School Resource Officer	102,684	120,000	145,221	125,000	4%	1%
TOTAL	466493	358500	316,741	308,500	-14%	2%

2020 GENERAL FUND BUDGET

REVENUES

Highways and Streets

Description

The Township has entered into a voluntary agreement with PennDOT to perform winter maintenance on select State Roadways within the Township. PennDOT reimburses the Township for this service, based off a district-wide formula applied to each lane mile of roadway maintained by the Township. Through this collaboration, state roadways are maintained much faster which further protects Township residents and motorists in South Fayette.

Budget Detail

Highways and Streets 01-363-400	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	27,457	24,000	30,527	25,000	4%	0%

Recreation

Description

The Township provides various recreation programs and offerings to residents on a fee for service basis. Additionally, the Township will rent various pavilions and shelters within our park system, for a fee. The Township also hosts several community events throughout the year and strives to offset the costs of these events with corporate sponsorships and other cooperative efforts. The Township's strives to offer a robust recreation calendar of events to residents without relying upon public tax dollars to implement.

Budget Detail

Recreation 01-367-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-367-430 Use of Park Facilities	14,770	17,000	19,015	17,000	0%	0%
01-367-550 Instructed Classes/Programs	31,099	30,000	29,432	30,000	0%	0%
01-367-570 Summer Playground Camp	19,495	24,000	26,471	25,000	4%	0%
01-367-580 Program Fees	1,370	3,000	2,280	3,100	3%	0%
01-367-590 Donations/Fees - Fireworks	0	0	0	0	0	0%
01-367-591 Donations/Fees - Community Day	26,772	20,000	29,612	20,000	0%	0%
01-367-592 Donations/Fees - Special Events	14,970	8,000	9,575	8,000	0%	0%
01-367-593 Donations/Fees - Special Needs Events	3,400	2,500	1,000	2,500	0%	0%
TOTAL	111,876	104,500	117,385	105,600		

Other Financing Sources

Description

When new housing plans are constructed, the interior road network remains private until the Developer has completed the construction of homes, and petitions the Township to take ownership of the roads. Prior to accepting a private street, the Township performs various inspections to insure the roads have been built to the Township standard, and appropriate legal instruments are in place to formally assume ownership responsibilities. When residents move in to new homes prior to the roads being adopted by the Township, the Homeowners Association will be required to perform winter maintenance on the roadways. In many instances, the Township will offer to perform winter maintenance, for a fee, based on a review of time and material needed to salt and plow the neighborhood. When an HOA agrees to pay the Township for this service, the funds appear in this line item as a revenue.

Budget Detail

Other Financing Sources 01-393-510	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Winter Road Maintenance	44,997	35,000	25,939	25,000	-29%	0%

Total General Fund Revenue

	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL GENERAL FUND REVENUES	12,867,356	12,116,000	13,305,839	13,120,600	8%	100%

2020 GENERAL FUND BUDGET

EXPENSES

Legislative Body

Summary

Legislative Body 01-400-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	51,644	61,450	54,095	57,750	-6%	0%

Description

South Fayette must adhere the PA First Class Township Code, which prescribes five members of a Board of Commissioners each of whom are elected at-large. The Township Code identifies a modest stipend for each member of the Board of Commissioners, who receive no other financial or employment benefits. This account also provides resources for the Commissioners to seek continuing professional education as well as memberships to various state and local associations.

South Fayette is one of twenty-two south hills communities to belong to the South Hills Area Council of Governments (SHACOG). Participation in the SHACOG provides South Fayette access to multi-municipal cooperation in joint purchasing, data collection, police testing and other services. When there are increases in County Sales Tax revenues, contributions to the Allegheny Regional Asset District will increase, and SHACOG will receive a portion of the increase. In addition to standard membership fees, a portion of the increased sales tax is redistributed back to SHACOG.

Budget Detail

Legislative Body 01-400-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-400-113 Salaries - Commissioners	16,250	16,250	16,250	16,250	0%	0.12%
01-400-161 FICA/Medicare	1,243	1,250	1,243	1,250	0%	0.01%
01-400-220 General Expense	894	1,700	827	1,000	-41%	0.01%
01-400-309 Community Relations	1,487	2,000	1,680	1,500	-25%	0.01%
01-400-310 COG/RAD Funds	7,921	8,000	8,380	7,000	-13%	0.05%
01-400-420 Dues & Subscriptions	15,106	21,750	19,269	21,750	0%	0.17%
01-400-460 Seminars & Travel Expense	8,382	8,000	4,989	8,000	0%	0.06%
01-400-470 Codification/Ord Updates	-	-	-	-	#DIV/0!	0.00%
01-400-493 SF Clean-up Project	182	1,500	1,457	-	-100%	0.00%
01-400-740 Computer Equipment	180	1,000	-	1,000	0%	0.01%
TOTAL	51,644	61,450	54,095	57,750	-6%	0.44%

Executive Administration

Summary

Executive Administration 01-401-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
	591,699	804,735	711,703	840,000	4%	6.40%

Description

The executive category includes the personnel costs of the Township Manager and various Department Heads. Beginning in September 2019, the Township added a new executive administrative position, the Director of Engineering and Planning, to properly manage the Township’s land development and building processes, as well as oversight to post approval construction throughout the Township. The Township anticipates a reduction in third-party engineering expenses with the addition of the Director of Engineering and Planning.

The Township participates in a self-insured trust for health insurance through Municipal Benefits Services. The benefit of the trust is less volatility in health insurance premiums, while still providing an array of plan designs and providers to allow flexibility to the Township when selecting a benefit plan. The Township saw a 6% increase in premiums in 2020.

South Fayette Connect is a quarterly magazine that is prepared by the Township’s Director of Communications. The publication has received numerous awards and has become a communications tool for the Township. The costs associated with production and mailing of the magazine are reflected in this line item.

Each year, South Fayette hires independent auditors to review the Township’s financial documents and procedures to provide transparency, ensure our operations are free of fraud, improve our credit rating, and confirm compliance with all rules of the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP).

2020 GENERAL FUND BUDGET

EXPENSES

Budget Detail

Executive Administration 01-401-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-401-140 Salaries - Administration	340,857	448,500	415,428	465,000	4%	3.54%
01-401-156 Health Insurance	69,280	111,750	82,518	118,950	6%	0.91%
01-401-158 Life/Disability Insurance	2,114	4,000	2,635	4,000	0%	0.03%
01-401-160 Pension	23,176	38,350	35,486	43,000	12%	0.33%
01-401-161 FICA/Medicare	21,846	34,500	29,064	35,850	4%	0.27%
01-401-190 Employee Development	3,684	6,000	3,948	5,500	-8%	0.04%
01-401-200 Material & Supplies	5,628	9,000	10,391	9,000	0%	0.07%
01-401-220 Miscellaneous Expense	22,750	2,535	493	1,500	-41%	0.01%
01-401-221 Community Dev Expense	12,897	15,000	16,369	15,250	2%	0.12%
01-401-231 Vehicle Gas & Oil	2,938	3,000	1,682	3,000	0%	0.02%
01-401-309 Community Relations/Newsletter	18,469	24,000	26,425	27,250	14%	0.21%
01-401-311 Audit Expense	13,602	22,500	19,937	22,500	0%	0.17%
01-401-319 Bank Service Charges	107	750	270	1,500	100%	0.01%
01-401-321 Telephone/Internet Expense	14,027	22,000	16,609	20,000	-9%	0.15%
01-401-325 Postage	2,228	3,000	2,567	3,000	0%	0.02%
01-401-341 Advertising	1,583	5,000	2,650	3,000	-40%	0.02%
01-401-342 Printing	1,715	2,000	1,573	2,000	0%	0.02%
01-401-351 Insurance & Bonding	6,661	8,150	11,231	14,000	72%	0.11%
01-401-374 Vehicle Maintenance	660	1,000	300	1,000	0%	0.01%
01-401-420 Dues & Subscriptions	1,119	3,000	2,644	3,000	0%	0.02%
01-401-450 Contracted Services	19,411	23,500	21,563	25,500	9%	0.19%
01-401-460 Seminars & Travel Expense	6,791	17,000	7,746	16,000	-6%	0.12%
01-401-470 Cable TV Station Operations	155	200	175	200	0%	0.00%
TOTAL	591,699	804,735	711,703	840,000	4%	6.40%

2020 GENERAL FUND BUDGET

EXPENSES

Tax Collection

Description

Tax collection expenditures cover the costs to employ the Township's tax collector. Since the tax collector is an elected official, their stipend is dictated by the Township's charter. The Tax Collector currently services both the Township and the School District in the collection of real estate taxes and maintains a private office space to work out of. Earned income taxes are collected by a third-party agency appointed by the Allegheny County Southwest Tax Collection Committee, and the Township pays a percentage commission based on the amount of taxes collected. Delinquent property taxes are collected by Jordan Tax Services, another third-party agency, who charge 10% commission on all collections.

Budget Detail

Tax Collection 01-403-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-403-110 Salaries - Tax Collector	10,000	10,000	10,000	10,000	0%	0.08%
01-403-161 FICA/Medicare	765	765	765	765	0%	0.01%
01-403-318 EIT/LST Commission	67,849	67,900	67,642	75,500	11%	0.58%
01-403-325 Postage	3,999	4,000	5,502	4,000	0%	0.03%
01-403-351 Insurance & Bonding	4,078	5,000	6,652	5,000	0%	0.04%
01-403-450 RE Tax Commission - Delinquent	31,333	35,000	48,386	35,000	0%	0.27%
TOTAL	118,025	122,665	138,948	130,265	6%	0.99%

2020 GENERAL FUND BUDGET

EXPENSES

Law

Description

Township Code requires that the Board of Commissioners appoint a Township Solicitor. The Solicitor attends Board of Commissioners and Planning Commission meetings and serves to advise the Commissioners and the Township Manager on legal issues. When issues arise that are outside of the Solicitor's expertise, the services of specialized lawyers are retained, such as a labor attorney or bond counsel. A portion of the Solicitor's expenses related to land development projects are reimbursable to the Township.

Budget Detail

Law 01-404-31*	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-404-310 Professional Services	6,313	10,000	4,790	10,000	0%	0.08%
01-404-316 Legal Services	61,213	80,000	57,673	70,000	-13%	0.53%
TOTAL	67,526	90,000	62,463	80,000	-11%	0.61%

2020 GENERAL FUND BUDGET

EXPENSES

General Government - Buildings

Description

The Township facilities include the Township Administrative Offices, Police Station, Library and Public Works Facility. These buildings are located in the Municipal Complex currently situated at 515 Millers Run Road. The various expenses associated with operation and maintenance of these buildings, including utilities, janitorial services and maintenance supplies are found in this category.

Budget Detail

General Government - Buildings 01-409-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-409-202 PW Bldg - Matl & Supplies	2,921	5,000	7,668	5,000	0%	0.04%
01-409-203 Muni Bldg - Matl & Supplies	4,700	20,000	5,183	8,000	-60%	0.06%
01-409-360 Muni Bldg - Utilities	20,044	30,000	20,263	25,000	-17%	0.19%
01-401-367 PW Bldg - Utilities	22,184	30,000	19,113	25,000	-17%	0.19%
01-409-372 Muni Bldg - Maint & Repairs	10,343	14,000	3,500	14,000	0%	0.11%
01-409-373 PW Bldg - Maint & Repairs	7,441	19,000	9,311	9,000	-53%	0.07%
01-409-450 Contracted Cleaning Service	10,133	12,000	9,981	12,000	0%	0.09%
TOTAL	77,767	130,000	75,020	98,000	-25%	0.75%

2020 GENERAL FUND BUDGET

EXPENSES

Technology (I.T.)

Description

The Township outsources profession I.T. services to a Third Party provider. The service is shared with the Municipal Authority of the Township of South Fayette (MATSF) in an effort to address both agencies needs in a cost-effective manner. The expenses in this category are mostly related to the Third Party costs of this contractor, and related server/hardware/software costs. Additionally, the Township engages a separate vendor for website development and hosting.

Budget Detail

Technology (I.T.) 01-407-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-407-120 IT Consultant	44,940	64,600	54,988	66,000	2%	0.50%
01-407-200 IT Material & Supplies	3,226	3,000	2,888	3,000	0%	0.02%
01-407-420 IT Renewals	11,694	14,200	11,187	14,200	0%	0.11%
01-407-425 IT Managed Services	22,375	25,000	26,532	25,000	0%	0.19%
01-407-440 Website	4,971	7,500	7,719	15,000	100%	0.11%
01-407-740 IT Upgrades	5,698	7,500	8,483	7,500	0%	0.06%
TOTAL	92,903	121,800	111,797	130,700	7%	1.00%

2020 GENERAL FUND BUDGET

EXPENSES

Engineering

Summary

Engineering 01-408-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL	283,090	299,150	376,747	389,850	0.30	0.03%

Description

The Township relies upon Engineering Services in a variety of ways. Primarily, the Township utilizes the professional engineering services of a Township Employee, our Director of Engineering & Planning. This position is responsible for managing the day to day operations of the Planning, Building and Inspection Departments. This line item includes the personnel expenses related to the Township's in-house Engineer. Additionally, the Township relies upon a Third Party, contract engineering firm that represents the Township on Land Development applications, as well as support for post-approval construction activities. Also, depending upon the size and nature of a land development, the Township has recognized another engineering firm to serve as the Township's Traffic Engineer. The role of the Traffic Engineer is to review land development applications from a traffic impact standpoint, and to represent the Township with both the developer and PennDOT District 11 on all traffic matters surrounding various land development applications.

Budget Detail

Engineering 01-408-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-408-120 Salaries - Engineering	98,441	89,000	121,679	186,000	109%	1.42%
01-408-130 Traffic Engineer Fees	9,483	15,000	33,487	15,000	0%	0.11%
01-408-156 Health Insurance	42,146	52,200	50,090	64,350	23%	0.49%
01-408-158 Life/Disability Insurance	949	1,300	1,232	2,000	54%	0.02%
01-408-160 Pension	9,298	8,900	8,002	18,600	109%	0.14%
01-408-161 FICA/Medicare	7,494	7,000	8,936	14,250	104%	0.11%
01-408-200 Material & Supplies	60	1,000	1,047	2,000	100%	0.02%
01-408-231 Vehicle Gas & Oil	342	1,200	1,475	4,800	300%	0.04%

2020 GENERAL FUND BUDGET

EXPENSES

01-408-313 Eng/Architect Projects	109,793	110,000	139,370	66,300	-40%	0.51%
01-408-321 Telephone Expense	214	1,700	770	1,700	0%	0.01%
01-408-341 Advertising	1,448	2,000	3,862	2,000	0%	0.02%
01-408-351 Vehicle Insurance	553	600	401	600	0%	0.00%
01-408-374 Vehicle Maintenance	-	750	119	750	0%	0.01%
01-408-420 Dues & Subscriptions	-	300	460	500	67%	0.00%
01-408-460 Seminars & Travel Expense	250	1,500	1,049	2,000	33%	0.02%
01-408-470 Map/GIS Updates	2,619	6,700	4,770	9,000	34%	0.07%
TOTAL	283,090	299,150	376,747	389,850	30%	2.97%

Police Department

Summary

Police 01-410-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL	3,062,615	3,539,150	3,433,402	3,724,233	5%	28%

Description

Police expenditures pay for the public safety services of the Township. They account for the salaries and benefits of the Chief of Police, 20 Full-Time Patrol Officers, and 1 Office Manager. Police expenditures also account for the costs to operate and maintain an office space in the Township Building as well as supplies, vehicles, fuel, equipment, and continuing education. These expenditures do not account for the police pension or professional liability insurance.

Budget Detail

Police 01-410-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-410-130 Salaries - Police	1,584,391	1,874,000	1,860,104	2,012,000	7%	15%
01-410-156 Health Insurance	352,478	426,600	374,323	450,000	5%	3.43%
01-410-158 Life/Disability Insurance	11,291	16,000	14,813	16,500	3%	0.13%

2020 GENERAL FUND BUDGET

EXPENSES

01-410-160 Pension	671,310	689,200	689,361	699,000	1%	5.33%
01-410-161 FICA/Medicare	118,654	157,450	143,526	168,383	7%	1.28%
01-410-181 OIC Pay	6,091	3,000	2,673	3,000	0%	0.02%
01-410-182 Longevity Pay	21,125	25,000	25,000	30,000	20%	0.23%
01-410-183 Overtime Pay	21,893	25,000	19,868	25,000	0%	0.19%
01-410-185 Education Incentive	4,200	6,000	5,950	7,400	23%	0.06%
01-410-187 Court Time Pay	12,774	20,000	14,454	16,500	-18%	0.13%
01-410-188 Holiday Pay	67,960	80,000	80,000	80,000	0%	0.61%
01-410-190 Sick Pay	23,110	25,000	25,000	25,000	0%	0.19%
01-410-191 Employee Development	658	1,000	921	1,000	0%	0.01%
01-410-200 Materials & Supplies	6,188	6,500	4,909	5,500	-15%	0.04%
01-410-220 General Expense	8,591	9,500	3,534	2,000	-79%	0.02%
01-410-228 Canine	3,097	3,950	3,194	3,500	-11%	0.03%
01-410-231 Vehicle Gas & Oil	43,221	40,000	47,819	45,000	13%	0.34%
01-410-238 Uniforms	14,275	15,000	25,666	9,500		
01-410-239 Ammo, Flares & Taser	4,461	4,750	5,597	6,000	26%	0.05%
01-410-242 Detainee Expense	4,200	4,500	4,200	4,500	0%	0.03%
01-410-260 Minor Equipment	458	2,000	1,651	2,500	25%	0.02%
01-410-309 Community Relations	4,818	5,000	4,551	4,500	-10%	0.03%
01-410-321 Telephone Expense	9,477	9,600	9,728	11,500	20%	0.09%
01-410-327 Portable Radio Repairs	1,581	2,500	422	2,500	0%	0.02%
01-410-341 Advertising	22	500	-	-	-100%	0.00%
01-410-342 Printing	370	1,000	891	750	-25%	0.01%
01-410-351 Vehicle Insurance	3,320	3,800	2,735	3,500	-8%	0.03%
01-410-352 Liability Insurance	9,628	11,000	9,628	10,000	-9%	0.08%
01-410-372 School Warning Devices	621	850	695	850	0%	0.01%
01-410-374 Vehicle Maintenance	10,284	15,000	6,173	12,000	-20%	0.09%

2020 GENERAL FUND BUDGET

EXPENSES

01-410-375 Vehicle Tires & Tubes	6,605	7,000	6,098	8,000	14%	0.06%
01-410-376 Equip Maintenance & Repairs	8,500	5,750	2,800	4,000	-30%	0.03%
01-410-420 Dues & Subscriptions	645	1,200	560	1,200	0%	0.01%
01-410-450 Contracted Services	10,141	24,500	17,656	36,150	48%	0.28%
01-410-460 Seminars & Travel Expense	14,072	14,000	15,377	14,000	0%	0.11%
01-410-740 Computer Equipment	2,105	3,000	3,525	3,000	0%	0.02%
TOTAL	3,062,615	3,539,150	3,433,402	3,724,233	5%	28.38%

Fire

Description

In 2020, the Township will contribute \$300,000 total to our four (4) Volunteer Fire Companies. The funds are distributed evenly to each department and serves to offset the expenses required to operate an efficient and effective fire department. The 2020 contribution has been increased by \$50,000 from 2019 totals. The Township also must pay a rental fee to Pennsylvania American Water for each fire hydrant within the Township. Additionally, this section also includes pass through funding described as Foreign Fire Insurance. The Commonwealth of Pennsylvania collects a portion of premiums paid to out-of-state insurance companies for fire insurance and disburses those funds to local municipalities. The funds must be passed along to a Volunteer Fire Relief Association to be used only for select expenditures, which are prescribed by the state. These funds are audited by the Pennsylvania Auditor General and reported to the Township annually.

Budget Detail

Fire 411-***	01-	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Insurance & Bonding		13,517	15,000	13,581	14,500	-3%	0%
Fire Hydrant Rental		89,644	100,000	105,509	100,000	0%	0.76%
Contributions to VFDS		250,000	250,000	250,000	300,000	20%	2.29%
Emergency Management		719	6,000	2,459	5,000	-17%	0.04%
Foreign Fire Insurance		88,358	90,000	96,488	90,000	0%	0.69%
TOTAL		442,238	461,000	468,037	509,500	11%	3.88%

2020 GENERAL FUND BUDGET

EXPENSES

Code / Planning & Zoning

Description

The Township employs a Code Enforcement Officer who is responsible for upholding the Township's Code of Ordinances. On occasion this requires the use of Third Party Agencies for specialized reviews. When a Third Party is required, the Township will pass the expense for such review on to the applicant so that there is no financial responsibility from public funds. Additionally, the Township uses a Zoning Hearing Board as a quasi-judicial board that hears appeals and requests for variances. The Pennsylvania Municipalities Planning Code requires that the Zoning Hearing Board conducts business in the presence of a Township appointed legal advisor, as well as a stenographer who keeps a transcript of all hearings. The expenses for these items are located in this section.

Budget Detail

Code Planning/Zoning	01-413-*** 01-414-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Code							
01-413-120	Salaries - Code	140,526	231,000	148,059	152,000	-34%	1.16%
01-413-156	Health Insurance	47,125	76,500	44,337	52,800	-31%	0.40%
01-413-158	Life/Disability Insurance	1,158	2,300	1,304	1,600	-30%	0.01%
01-413-160	Pension	13,926	23,100	15,117	15,200	-34%	0.12%
01-413-161	FICA/Medicare	10,701	18,000	11,288	11,700	-35%	0.09%
01-413-200	Material & Supplies	385	1,200	556	1,200	0%	0.01%
01-413-231	Vehicle Gas & Oil	2,844	1,500	2,282	2,400	60%	0.02%
01-413-312	3rd Party Review Fees	59,844	50,000	22,243	45,000	-10%	0.34%
01-413-321	Telephone Expense	1,852	1,700	1,680	1,700	0%	0.01%
01-413-351	Vehicle Insurance	553	600	377	500	-17%	0.00%
01-413-374	Vehicle Maintenance	810	1,500	2,719	2,500	67%	0.02%
01-413-420	Dues & Subscriptions	530	600	385	600	0%	0.00%
01-413-450	Emergency Demolition	7,700	10,000	22,450	12,500	25%	0.10%
01-413-460	Seminars & Travel Expense	2,122	1,800	539	1,500	-17%	0.01%
01-413-470	Codification/Ordinance Updates	3,190	3,400	3,400	3,400	0%	0.03%

2020 GENERAL FUND BUDGET

EXPENSES

TOTAL	293,266	423,200	276,737	304,600	-28%	2.32%
Planning / Zoning						
01-414-310 Professional Services	1,154	1,000	500	500	-50%	0.00%
01-414-315 ZHB Transcripts	421	800	(16)	2,400	200%	0.02%
01-414-316 Legal Services	18,655	12,000	10,603	12,000	0%	0.09%
01-414-341 Advertising	2,495	1,000	450	1,750	75%	0.01%
TOTAL	22,726	14,800	11,537	16,650	13%	0.13%

Health Services

Description

The expenditures in this section relate to animal control services, which are provided by a Third Party through a service agreement. Additionally, the Township pays for an annual pesticide license through the Commonwealth of Pennsylvania that permit trained Public Works Employees to discharge select pesticides with our park network and throughout the Township at select locations.

Budget Detail

Health Services 01-421-450	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Animal Control	5,135	5,500	5,100	5,500	0%	0%

Solid Waste Collection & Disposal

Description

The Township has a multi-year contract with Waste Management to collect solid waste at South Fayette residences on a weekly basis and recycling every other week. Additionally, Waste Management is retained to perform several weeks of leaf collection. In 2020, this expense is expected to exceed \$1.3M.

Some municipalities have solid waste companies bill property owners directly for the service. South Fayette Township has and will continue to incorporate the cost of solid waste collection into the budget as an expenditure that is paid for with general tax revenues

Budget Detail

Solid Waste Collection & Disposal 01-427-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
General Expense	2,190	10,000	12,189	15,000	50%	0%
Contracted Services	1,155,275	1,356,000	1,297,956	1,370,000	1%	10.44%
Total	1,157,465	1,366,000	1,310,145	1,385,000	1%	10.56%

Public Works

Summary

Public Works 01-430-***, 01-431-***, 01-432-***, 01-433-***, 01-434-***, 01- 436-***, 01-437-***, 01-438-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL Public Works	2,361,829	3,093,000	3,130,612	2,456,800	-21%	19%

Description

South Fayette Township Public Works is essential to the maintenance of parks, roads, buildings and other township-owned property and facilities. The department is on call 24 hours a day, 365 days a year.

The Public Works Department includes a management team consisting of a director, a superintendent, and a foreman. The full-time union workforce includes heavy equipment operators, mechanics, general laborers / truck drivers and parks maintenance laborers / truck drivers. Responsibilities and activities of the Public Works Department include, but are not limited to:

2020 GENERAL FUND BUDGET

EXPENSES

- Snow maintenance, such as plowing and salting
- Grass mowing and trimming
- Road improvements and pothole repair
- Storm sewer maintenance
- Park upkeep
- Street sweeping
- Wood chipping
- Debris cleanup
- Sign installation
- Utility line marking
- Building and facility maintenance
- Use and monitoring of herbicides and pesticides (appropriate employees are certified)

Budget Detail

Public Works 01-430-***, 01-431-***, 01-432-***, 01-433-***, 01-434-***, 01-436-***, 01-437-***, 01-438-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-430-130 Salaries - Public Works	1,008,516	1,027,500	1,115,571	1,219,000	19%	9%
01-430-140 Salaries - Part Time	27,522	48,000	37,580	48,000	0%	0%
01-430-156 Health Insurance	274,595	308,500	256,832	396,000	28%	3%
01-430-158 Life/Disability Insurance	7,922	9,000	8,873	10,300	14%	0.08%
01-430-160 Pension	126,717	135,000	133,679	168,000	24%	1.28%
01-430-161 FICA/Medicare	82,129	88,500	90,697	105,000	19%	0.80%
01-430-183 Overtime	66,199	80,000	77,782	95,000	19%	0.72%
01-430-200 Materials & Supplies	30,267	40,000	23,606	35,000	-13%	0.27%
01-430-220 General Expense	7,139	1,000	405	1,000	0%	0.01%
01-430-222 Drugs Testing & Physicals	1,157	1,500	1,441	1,500	0%	0.01%
01-430-231 Vehicle Gas & Oil	89,125	75,000	92,281	90,000	20%	0.69%
01-430-238 Uniforms	19,894	11,500	4,295	13,500	17%	0.10%
01-430-321 Telephone Expense	4,934	5,000	4,553	5,000	0%	0.04%
01-430-351 Vehicle Insurance	29,142	33,000	32,406	38,000	15%	0.29%

2020 GENERAL FUND BUDGET

EXPENSES

01-430-375 Vehicle Tires & Tubes	9,851	12,000	14,661	12,500	4%	0.10%
01-430-384 Equipment Rental & Maintenance	(1,577)	500	500	500	0%	0.00%
01-430-420 Dues & Subscriptions	-	-	-	-		0.00%
01-430-450 Contracted Services	675	2,000	1,197	2,000	0%	0.02%
01-430-460 Seminars & Travel Expense	1,093	2,000	512	1,000	-50%	0.01%
TOTAL	1,785,297	1,880,000	1,896,871	2,241,300	19%	17.08%
01-431-200 Street Sweeping	2,060	7,500	7,513	7,500	0%	0.06%
01-432-200 Snow/Ice Materials Reserve	-	-	-	-		0.00%
01-432-245 Snow Plow Maintenance	7,519	10,000	2,697	7,500	-25%	0.06%
TOTAL	7,519	10,000	2,697	7,500	-25%	0.06%
01-433-200 Street Sign Materials	10,643	12,000	8,417	12,000	0%	0.09%
01-433-450 Contract Line Painting	1,263	3,500	3,500	3,500	0%	0.03%
01-433-670 Traffic Signal Maintenance	21,780	15,000	34,365	20,000	33%	0.15%
TOTAL	33,685	30,500	46,282	35,500	16%	0.27%
01-434-200 Street Lighting	1,626	-	1,059	-		0.00%
01-436-200 Materials - Stormwater Maintenance	58,191	60,000	73,102	65,000	8%	0.50%
01-437-200 Materials - Vehicle Maintenance	100,609	100,000	112,996	100,000	0%	0.76%
01-438-200 Annual Road Program	372,841	1,000,000	989,687	-	-100%	0.00%
01-438-245 Guide Rails	-	5,000	405	-	-100%	0.00%
TOTAL	372,841	1,005,000	990,092	-	-100%	0.00%
TOTAL DPW	2,361,829	3,093,000	3,130,612	2,456,800	-21%	18.72%

2020 GENERAL FUND BUDGET

EXPENSES

Recreation

Summary

Recreation 01-452-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL	207,532	211,000	225,048	224,250	6%	2%

Description

The Township coordinates a number of recreation program offerings for residents of all ages. All recreation activities are coordinated by our Director of Recreation. The Township strives to provide Recreation programs with minimal reliance on public tax dollars. Instead relying upon user fees and various program sponsorships and creative partnerships to keep overhead costs at a minimum. The Recreation Director also coordinates various events, such as South Fayette Community Day, to provide opportunities for residents and families to come together and celebrate as a community. Additionally, the Township provides athletic fields for Township youth sports associations which require some various expenses to maintain.

Budget Detail

Recreation 01-452-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-452-120 Salaries - Recreation	69,713	80,050	83,810	83,000	4%	1%
01-452-156 Health Insurance	22,711	24,300	21,262	33,600	38%	0%
01-452-158 Life/Disability Insurance	509	750	746	750	0%	0%
01-452-160 Pension	5,359	5,650	5,818	5,000	-12%	0.04%
01-452-161 FICA/Medicare	5,333	6,150	6,411	6,500	6%	0.05%
01-452-200 Material & Supplies	1,505	1,600	1,400	2,000	25%	0.02%
01-452-231 Vehicle Gas & Oil	213	-	155	-		0.00%
01-452-246 Fireworks	10,250	10,000	11,000	11,000	10%	0.08%
01-452-247 Community Day	28,181	25,000	37,635	25,000	0%	0.19%
01-452-248 Special Events	19,614	12,000	10,058	12,000	0%	0.09%
01-452-249 Special Needs Events	3,811	2,500	1,508	2,500	0%	0.02%

2020 GENERAL FUND BUDGET

EXPENSES

01-452-321 Telephone Expense	770	850	947	850	0%	0.01%
01-452-341 Advertising	806	800	701	800	0%	0.01%
01-452-342 Printing/mailings	-	250	377	250	0%	0.00%
01-452-420 Dues & Subscriptions	199	300	230	300	0%	0.00%
01-452-450 Contracted Instructors	29,794	27,000	32,259	27,000	0%	0.21%
01-452-451 Program Fees	1,691	4,000	2,969	3,900		0.03%
01-452-452 Summer Playground Camp	972	1,500	1,141	1,500	0%	0.01%
01-452-460 Seminars & Travel Expense	1,603	3,500	2,122	3,500	0%	0.03%
01-452-740 Computer Equipment	4,500	4,800	4,500	4,800	0%	0.04%
TOTAL	207,532	211,000	225,048	224,250	6%	1.71%

Parks

Description

The Township maintains a network of parks, which include;

- *Boys Home Park*
Boys Home Park has a pavilion, a tot playground, a soccer field, trails, and nature areas.
- *Fairview Park*
Fairview Park's 125 acres includes baseball fields, soccer fields, three playgrounds, tennis and basketball courts, two pavilions, picnic tables, walking trails, an off-leash dog park (by permit only), green space and a flag retirement facility.
- *Farm Preserve*
A land preserve between Boys Home Park and Preservation Park is used for farming and hunting (township permit required).
- *Morgan Park*
Morgan Park has baseball fields, tennis courts, a basketball court, a playground, a batting cage, gazebos, a walking path and a concession stand.
- *Panhandle Trail*
The Panhandle Trail is a walking and biking trail with parking in South Fayette Township at the Sturgeon Station and at Mill Street.
- *Sturgeon Park*
Sturgeon Park contains a baseball field, tot playground with disabled access, and parking.

2020 GENERAL FUND BUDGET

EXPENSES

- Preservation Park
Preservation Park, which opened in 2018, includes three multipurpose athletic fields and a walking path.

The Department of Public Works provides maintenance to all Township parks and park facilities. Previously, the Township budget would show a portion of Public Works wages within the Parks category. However, in 2020, the Township has elected to show all Public Works labor expenses, including parks labor expenses, in the Public Works expenditure section. The budget detail below will therefore reflect a reduction in labor expenses; however, that is only due to the shift in the reporting of those expenses.

Budget Detail

Parks 01-454-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Salaries - Parks	123,397	124,750	127,357	-	-100%	0.00%
Salaries - Part-Time	21,264	33,300	25,836	33,300	0%	0.25%
Health Insurance	44,978	48,500	43,138	-	-100%	0.00%
Life/Disability Insurance	1,011	1,100	948	-	-100%	0.00%
Pension	17,660	18,500	17,695	-	-100%	0.00%
FICA/Medicare	11,566	12,900	12,279	2,900	-78%	0.02%
Overtime	12,780	10,000	14,292	-		0.00%
Materials & Supplies	29,957	35,000	24,112	25,000	-29%	0.19%
Vehicle Gas & Oil	-	-	-	-	#DIV/0!	0.00%
Minor Equipment	2,495	3,000	3,000	3,000	0%	0.02%
Vehicle Insurance	-	500	-	-	-100%	0.00%
Portable Toilet Rental	22,150	21,250	21,845	22,500	6%	0.17%
Utilities	14,239	20,000	15,428	20,000	0%	0.15%
Maintenance & Repairs	3,583	3,000	-	3,000	0%	0.02%
Field Maintenance	34,681	35,000	33,044	45,000	29%	0.34%
Maintenance - Park Buildings	1,417	8,500	3,904	8,500	0%	0.06%
Maintenance - Vehicle & Equipment	10,275	8,000	7,611	8,000		0.06%
Equipment/Land Rental	6,205	3,000	2,903	3,000	0%	0.02%

2020 GENERAL FUND BUDGET

EXPENSES

Park Improvements	15,450	4,500	5,719	4,500	0%	0.03%
TOTAL	373,106	390,800	359,110	178,700	-54%	1.36%

Library

Description

The Township provides an annual contribution to the South Fayette Township Library, which is housed within the Township complex at 515 Millers Run Road. The Township also provides support to the Library by providing this space, free of charge and covering the utility expenses for the building.

Budget Detail

Library 01-456-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
Annual Contribution	138,000	143,000	143,000	143,000	0%	1.09%

Debt Principal and Interest

Description

The Township secured a tax exempt bond to finance the purchase of the Star City Movie Theater in 2009. The repayment of this borrowing is reflected in this section. It should be noted that the Township sold this parcel in 2019, and has placed the proceeds in a restricted account authorized solely for the construction costs of a new Township Building.

Budget Detail

Debt Principal 01-471-802 Debt Interest 01-472-802	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-471-802 Prinicipal on 2009 Bond Series	425,000	435,000	435,000	445,000	2%	3.39%
01-472-802 Interest on 2009 Bond Series	119,520	111,000	111,000	102,200	-8%	0.78%

2020 GENERAL FUND BUDGET

EXPENSES

Insurance and Employee Benefits

Description

This section includes expenses related to various insurances as well as Unemployment Compensation and Worker's Compensation insurance.

Budget Detail

Insurances Employee Benefits	01-486-9** 01-487-9**	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
01-486-904	Excess Liability (Umbrella)	2,600	3,000	1,790	2,000	-33%	0.02%
01-486-905	Errors and Omissions	8,318	9,500	7,905	9,000		
TOTAL		10,918	12,500	9,695	11,000	-12%	0.08%
01-487-906	Workers Compensation	155,249	200,000	159,223	180,000	-10%	1.37%
01-487-907	Unemployment Comp	4,295	10,000	-	5,000	-50%	0.04%
TOTAL		159,545	210,000	159,223	185,000	-12%	1.41%

Refunds

Description

The most significant item in this section is the Transfer to Capital Reserve. The transfer of \$1,650,000 will provide the resources needed to expand the Township Road Paving Program and also cover the expenses for equipment and vehicle purchases as outlined in our Capital Budget.

Budget Detail

Refunds 01-491-***	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget	
01-491-909	Real Estate Taxes	5,303	28,500	4,883	10,000	-65%	0.08%
01-491-930	Employee Payments	38,255	40,850	35,047	41,703	2%	0.32%
01-491-950	Transfer to Capital Reserve			-	1,650,000		12.58%
TOTAL	43,558	69,350	39,931	1,701,703	2354%	12.97%	

2020 GENERAL FUND BUDGET

EXPENSES

Total General Fund Expenditures

	2018 Actual	2019 Budget	2019 Estimate	2020 Budget	%Inc/Dec	% of Total Budget
TOTAL GENERAL FUND EXPENDITURES	10,105,858	12,116,000	11,649,099	13,120,600	8%	100.00%

2020 GENERAL FUND BUDGET

CAPITAL PROJECTS LISTING

Expenditures (Projects)		
		2020
Buildings:		
Soft Costs for Township Building Project		
DPW Bldg drain correction		20,000
DPW storage building		10,000
Twp Bldg security improvements		15,000
Library Courtyard		13,000
Total Buildings		58,000
Equipment:		
DPW Heavy Equipment		550,000
Total Equipment		550,000
Information Technology:		
Computer Replacements		5,000
AccuFund Conversion		20,000
Total Information Technology		25,000
Parks:		
Fairview Phase 1		1,500,000
Playground Replacement		800,000
Total Parks		2,300,000
Road & Traffic Projects:		
Paving		2,000,000
Total Road & Traffic Projects		2,000,000
Storm Sewer Projects:		
MS4 / PRP pond retrofits		350,000
Total Storm Sewer		350,000

2020 GENERAL FUND BUDGET

CAPITAL PROJECTS LISTING

Expenditures (Projects)		
		2020
Vehicles:		
DPW Trucks		100,000
Police Vehicles		80,000
Total Vehicles		180,000
Other:		
License Plate Reader		14,000
Police Body Camera		50,000
Speed sign		5,000
Total Other		69,000
GRAND TOTAL		5,532,000
Revenues (Sources of Funds)		2020
Pa Turnpike Commission		650,000
Grants		1,000,000
General Fund Transfer		1,650,000
Capital Reserve		2,232,000
TOTAL REVENUE		5,532,000

2020 GENERAL FUND BUDGET

APPENDIX – FINAL BUDGET PRESENTATION



SOUTH FAYETTE
TOWNSHIP
A Community Growing Together

2020 South Fayette Township Budget



Summary 2020 Draft Budget

	Actual	Actual	Actual	Actual	YTD	Budget	Budget	Budget
	2015	2016	2017	2018	9/2019	2019	2020 V1	2020 V2
Revenues	10,834	11,543	12,163	12,867	11,940	12,116	12,801	13,121
Growth %	7.2%	6.5%	5.4%	5.8%	-7.2%	1.5%	6.2%	8.3%
Admin & Plant Expenses	-4,397	-4,695	-4,080	-4,101	-3,164	-4,882	-5,673	-6,537
Police Expenses	-2,800	-2,614	-2,807	-3,063	-1,958	-3,539	-3,738	-3,724
PW, Parks & Rec Expenses	-2,240	-2,478	-3,864	-2,942	-2,027	-3,693	-4,001	-2,866
Total Expense	-9,443	-9,787	-10,551	-10,106	-7,147	-12,116	-13,492	-13,121
% of Revenues	87.2%	84.8%	86.7%	78.5%	59.9%	100.0%	104.7%	100.0%
Fund Balance	1,392	1,756	1,612	2,762	4,793	0	-611	0
% of Revenues	12.8%	15.2%	13.3%	21.5%	40.1%	0.0%	-4.7%	0.0%

Budget 2020 vs Budget 2019

- Revenue growth of \$1,005k and 8.3% includes increased real estate tax +549k, EIT +330k, LST +50k, Real Estate Transfer tax +50k, RAD +25k, interest earnings +20k, Pension Aid +34k, offset by decrease in Wtr Maint, Bldg permits, review & street fees -50k
- Admin expense increase of \$1655k due to Transfer to Capital Reserve (CR) +700k, Paving transfer to CR \$950k, VFD contribution +50k, Trash +19k, Website & GIS enhancements +11k and overall wage and benefit (6%) cost increase, offset by decreased utility & facility costs -\$32k, WC & UC -\$25k, RE tax refunds -\$19k
- Police expense increase of \$185k due to personnel cost increases per CBA with tenure (pension MMO, longevity, education) including 5 officers currently with 10% step increases +162k, 6% benefit rate increase and increased coverage (single->family) +24k, Lexipol implementation +16k, offset partially by removal of 2018 hiring costs -\$8k and misc supplies -\$7k
- PW, Parks & Recreation expense decrease of -\$835k due to Paving transfer to CR -\$1m, +1 PW laborer (July) +60k, 6% benefit rate increase & increased coverage (single->family) +26k, wage & pension increase per CBA +62k, PT Rec temporary +8k, fuel +15k

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Revenues

Revenue Sources In '000's	Actual Results					Budget	
	2015	2016	2017	2018	YTD 9/2019	2019	2020
Real Estate Taxes	4,453	5,753	6,118	6,464	6,781	6,451	7,000
Other Taxes	3,996	3,934	4,145	4,406	3,652	4,007	4,437
Bus License, Permit, Franchise	382	418	463	431	287	385	364
State Grants & RAD	324	323	302	357	284	310	335
State Revenues	13	16	14	15	4	14	14
State Aid - Fire & Pension	285	339	361	385	383	356	390
Engineering & Code	318	388	421	410	194	271	241
Public Safety & Violations	115	117	120	145	171	148	153
Winter Maintenance	49	80	61	72	9	59	50
Recreation	78	93	112	112	112	106	106
Tax Anticipation Note	800	-	-	-	-	-	-
Other Miscellaneous	20	82	45	90	62	11	31
Total Revenues	10,824	11,543	12,163	12,867	11,940	12,116	13,121

Revenue Analysis

- Real estate (property) tax revenue increase +\$579k 9.5%, driven by anticipated township growth
- Other tax revenue increase +\$430k 10.9%, driven by EIT of \$330k & real estate transfer taxes of \$50k
- Permits decrease -\$21k due to decline in street opening permits in 2019 and projected for 2020
- Engineering & Code decrease -\$30k, driven by decreased building permits, review fees in 2019 and projected for 2020 -\$50k, partially offset by Engineering staff fees +\$20k

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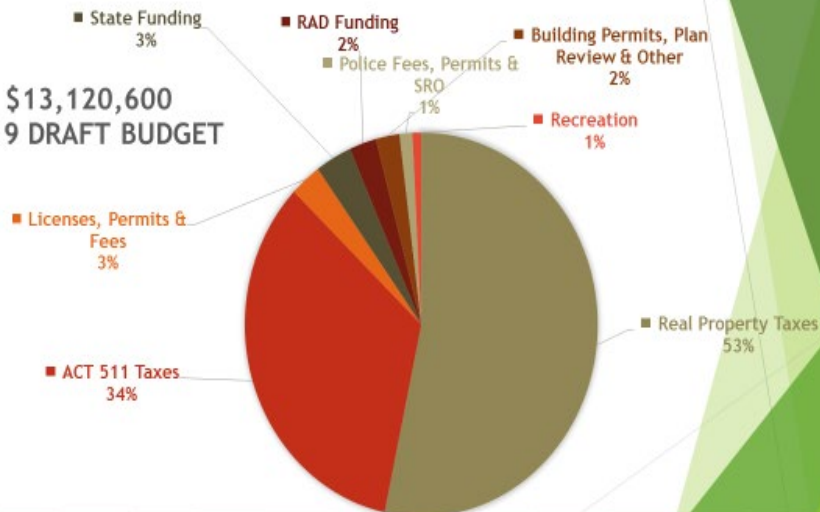
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Revenue by Category

\$13,120,600
2019 DRAFT BUDGET



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12/11/19

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Expenses

Expense Analysis (in '000's)	Budget 2020	%
Total Expense	13,120	
Less Fixed:		
Personnel	6,953	53.0%
MMO	694	5.3%
Annual Road Program	950	7.2%
Waste Collection	1,385	10.6%
Debt Service	548	4.2%
General & Liability Insurance & Bonding	97	0.7%
Workers Comp & Unemployment	185	1.4%
Vehicle Maintenance	297	2.3%
Building utilities, materials, maintenance	129	1.0%
Misc Other - hydrants, fire aid, audit	213	1.6%
Total 'Controllable' Expense	1,670	87%

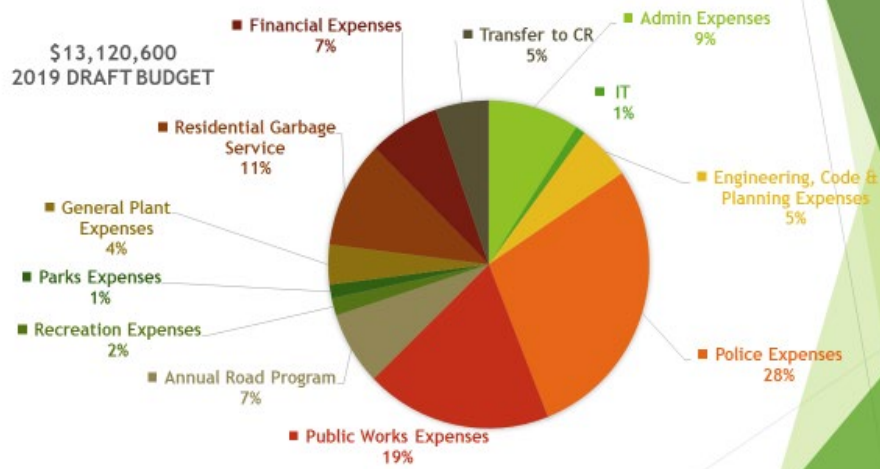
Expense Analysis

- Fixed costs represent 87% and \$11.5m of total expense draft budget of \$13.1m
- Other expenses include IT services, Engineering services, Legal counsel, Professional services, Contracted services, Training, COGS & Dues, Real Estate Tax Commissions, Park maintenance, Field Maintenance, Website, Postage, Advertising, Printing and Review fees.



Spending by Category

\$13,120,600
2019 DRAFT BUDGET





Evolution of the 2020 Budget

► Highlights of the First Draft (v1) of 2020 Budget

- 2 Additional Public Works Laborers
- \$1 M in Public Works Equipment (Capital)
- Permanent Part-Time Recreation Coordinator
- Expanded Summer Camp
- 2020 Paving Budget a discussion item
- \$611,000 Shortfall



Evolution of the 2020 Budget

► Highlights of the v2 2020 Budget

- Deficit was eliminated by;
 - Reduce new Public Works Hires from 2 to 1
 - Reduce capital outlay for DPW equipment to \$650,000, and fund through Turnpike Commission one-time payment
 - Eliminate the Permanent PT Rec Coordinator
 - Minor expenditure reductions across all departments in training, supplies, minor equipment, and other non-essential items totaling over \$244k
 - Additionally, revenues were adjusted upwards to account for a less conservative year end projection. Additional \$240,000 of revenue.
 - v2 did not account for increases to Volunteer Fire or Library annual contributions



Evolution of the 2020 Budget

- ▶ Changes to v3 and Final Recommended Budget
 - ▶ Additional \$50,000 of annual contribution to Township Volunteer Fire Departments. Total annual contribution is \$300,000 for 2020.
 - ▶ Library annual contribution will remain the same as 2019. The 2020 Capital Budget carries a line-item for the proposed improvements to the Courtyard, a project the Library had requested permission to complete at their expense in 2020.
 - ▶ Additional Public Works employee costs are reduced 50% by adjusting starting date ½ year.



Financial Trends 2015-2019 YTD

in '000's	2015	2016	2017	2018	YTD 9/2019
Revenues	10,834	11,543	12,163	12,067	11,940
Growth %	7%	7%	5%	6%	-7%
Expenses	9,443	9,787	10,551	10,106	7,147
% of Revenues	87.2%	84.8%	86.7%	78.5%	59.9%
Fund Balance	1,392	1,750	1,612	2,701	4,793
% of Revenues	12.8%	15.2%	13.3%	21.5%	40.1%

2015 – 2019 Actual Results

- Revenues as of September 2019 98% of \$12,116,000 budget target
- Expenses for 2019 are expected to be in line with budget target
- Fund Balance is projected to be positive and will be used to continue to build reserves for capital spending and unexpected projects, and to build an appropriate undesignated fund balance (10% to 20% recommended) in accordance with Government Finance Officers Association (GFOA) guidelines and Resolution 17 of 2017
- Tax Anticipation Note (TAN) inflates revenue and expense by \$800k for 2015

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SOUTH FAYETTE TOWNSHIP ALLEGHENY COUNTY

ORDINANCE No. 5 OF 2019

AN ORDINANCE OF THE TOWNSHIP OF SOUTH FAYETTE, A FIRST-CLASS TOWNSHIP OF THE COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA ESTABLISHING THE 2020 REAL ESTATE TAX RATE FOR PROPERTY IN SOUTH FAYETTE AT 4.73 MILLS.

WHEREAS: The 2020 Township operating budget has been developed; and

WHEREAS: The real estate tax rate for the 2020 Budget is to be 4.73 mills

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Board of Commissioners of the Township of South Fayette, and it is hereby ordained and enacted as follows:

1. A tax shall be levied and the same is hereby levied on all real property within the said municipality subject to taxation of the fiscal year 2019, as follows:

Tax rate for general purposes, the sum	4.73 mills
on each dollar assessed valuation	0.00473 cents
on each one hundred dollars of assessed valuation	0.473 cents

2. For purposes of payment on said tax, and the determination of the discount period and the penalty period, it is hereby ordained that the discount period during which discount tax paid hereunder is the month of April and May. Taxes shall be paid at the face amount June and July. Taxes paid after July shall be delinquent.

3. The proper officials of the Township of South Fayette are hereby authorized and directed to do all things necessary to effectuate the purpose of this Ordinance.

4. All ordinances and parts of ordinances inconsistent with the terms of this ordinance are hereby repealed, provided, however, that such repeal shall be only to the extent of such inconsistency and in all other aspects this ordinance shall be cumulative of the other ordinances regulating and governing the subject matter covered by this Ordinance.

2020 GENERAL FUND BUDGET

APPENDIX – REAL ESTATE TAX RATE ORDINANCE

5. If any section or provision or parts thereof in this ordinance shall be adjudged invalid or unconstitutional such invalidity or unconstitutionality shall not affect the validity of the ordinance as a whole or any other section or provision of the part thereof.

6. This Ordinance shall be in full force and effect from and after its passage and publication as required by law.

ORDAINED AND ENACTED INTO LAW, this 11th day of December 2020.

Attest:

TOWNSHIP OF SOUTH FAYETTE

John M. Barrett
Township Manager

By: _____
Raymond Pitetti, President
S.F. Twp. Board of Commissioners