

The McKeesport Plan

Early Intervention Program EIP Management Plan



The preparation of The McKeesport Plan was financed in part through an Early Intervention Program – grant from the Pennsylvania Department of Community and Economic Development, as administered by the Governor's Center for Local Government Services.

Step IV – Management Audit



Submitted by:

Delta Development Group, Inc.

November 2010

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TABLE OF CONTENTS

Step IV: Management Audit/Review.....	1
General Government	3
Finance Department	19
Community Development, Planning, and Code Enforcement	33
Public Works and Parks	51
McKees Point Marina/McKees Café/Palisades	73
Technology Management	81
Appendix 1 – Sample Fee Resolution	95
Appendix 2 – Internal Control Questionnaire	97
Appendix 3 – Vehicle Fleet.....	99
Appendix 4 – IT Hardware Inventory.....	101

Maps

Map 1 – Median Housing Values	2
Map 2 – McKeesport Traffic Department Boundaries.....	56

Figures

Figure 1 – McKeesport’s Current Local Government Structure under the City Charter	6
Figure 2 – Policy-Making Process for Modern Local Government	8
Figure 3 – Current Administrative Organizational Structure.....	12
Figure 4— Proposed Administrative Organizational Structure	14
Figure 5 – Recommended Future Structure of Finance Department.....	30
Figure 6 – Current Department of Community Development Organizational Chart.....	35
Figure 7 – Community Development Expenditures Trend	40
Figure 8 – Proposed Community Development Organizational Chart	48
Figure 9 – Public Works and Parks Department Current Organizational Chart.....	53
Figure 10 – IT Expenditures.....	84

Tables

Table 1 – Finance Department Expenditures – Comparable Communities	21
Table 2 – Finance Department Detailed Budget 2002 – 2009.....	23
Table 3 – Overview of Program Activities	38
Table 4 – City of McKeesport Community Development Budget	41
Table 5 – McKeesport Parks.....	57
Table 6 – Public Works Expenditures of Comparable Communities	59
Table 7 – McKeesport Public Works Department Projected Expenses	59
Table 8 – McKeesport Public Works and Parks Department Actual Expenses	60
Table 9 – Palisades and McKees Café Expenditures	76
Table 10 – Marina Expenditures	77
Table 11 – Database Servers in the City of McKeesport	82
Table 12 – Technology Expenditures in Comparable Communities	85

STEP IV: MANAGEMENT AUDIT/REVIEW

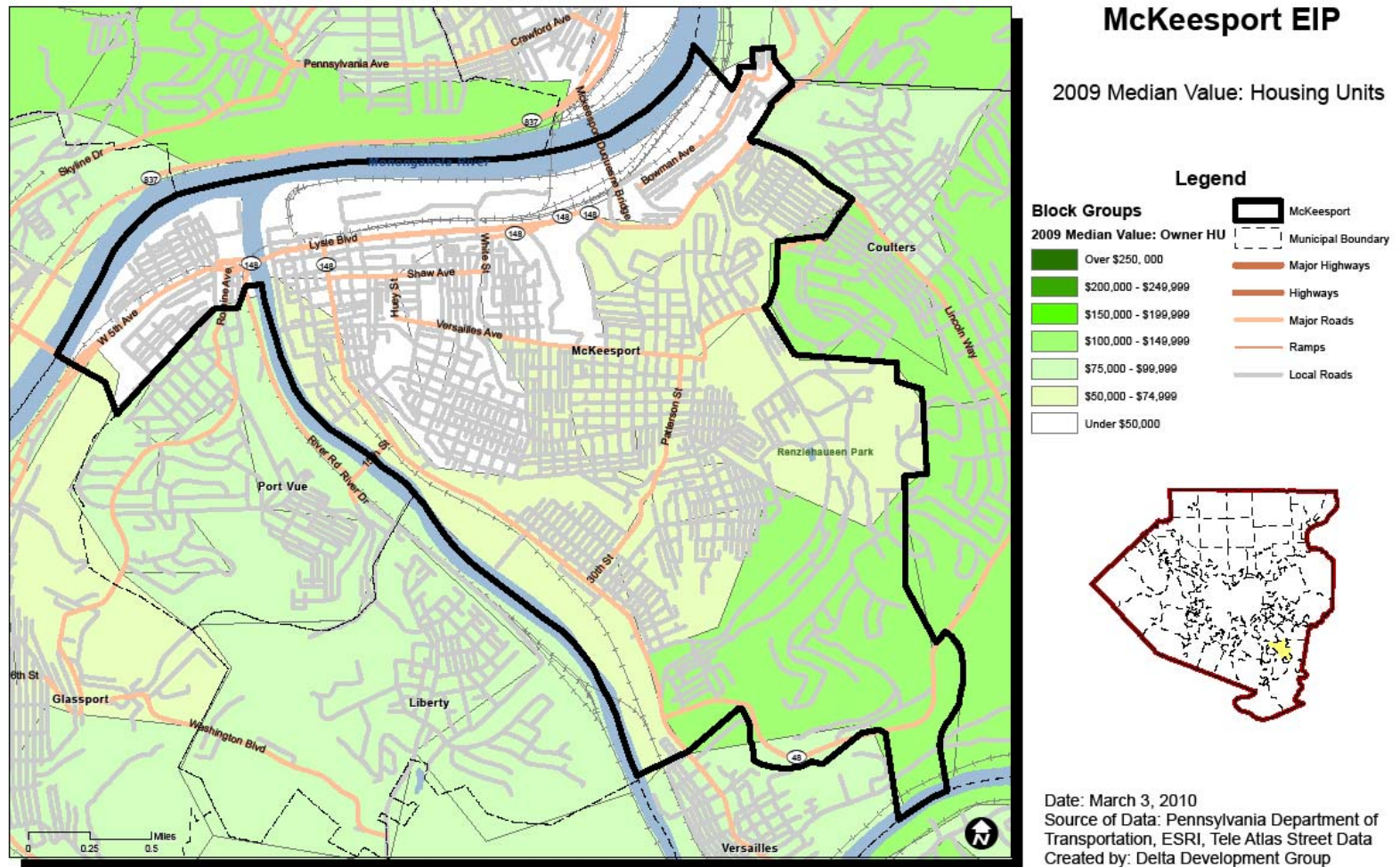
As part of the Early Intervention Program (EIP) and with assistance from Delta Development Group, Inc. (Delta), the City of McKeesport (City) is required to perform a management audit of all major departments and operations. The audit is to include narrative summaries of each department, comprising budget and personnel information as well as other relevant data. This data is to be supported by interviews with each department's director, bureau manager, and staff in order to facilitate the most comprehensive view of the City's most critical operational needs.

The City of McKeesport, with a population of 22,130 (as of 2008) in an area of 5.15 square miles, is a densely populated, urban community in the Pittsburgh metropolitan area. McKeesport was founded in 1795 by John McKee, incorporated as a borough in 1842, and then as a city in 1891. Located at the confluence of the Monongahela and Youghiogheny Rivers and part of the Pittsburgh Metro Area, McKeesport is the second-largest city (following Pittsburgh) in Allegheny County. It shares common borders with White Oak Borough, Versailles Borough, North Versailles Township, Liberty Borough, Port Vue Borough, Dravosburg Borough, West Mifflin Borough, and the City of Duquesne. The City of McKeesport is one of the few cities in the United States that has a direct connection to the Atlantic and Pacific Oceans (from the Monongahela to the Ohio, to the Mississippi, to the Gulf of Mexico, to the Atlantic Ocean, and to the Pacific Ocean through the Panama Canal).

The City has experienced population decline in every decade since 1940, at which time the population was at its all-time high of 55,355. The median age of its residents is 40 years of age. About 20.9% of the City's population is over the age of 65. The poverty level is over twice that of Allegheny County, at 23%, and significantly higher than the communities at its borders. Housing values are very low, making the City's housing stock attractive and affordable. However, the affordable, lower values keep the City's assessed values lower than other Allegheny County communities, limiting the City's ability to generate additional real estate tax revenue. Map 1 provides an overview of the City's housing stock values.



MAP 1 – Median Housing Values



GENERAL GOVERNMENT

The review of McKeesport's general government operation was conducted by Deborah J. Grass, Senior Associate at Delta, as part of Step IV of the EIP Five-Year Financial and Management Plan for the City of McKeesport.

To complete this evaluation, the consultant conducted fieldwork and site investigations, analyzed data, gathered information from comparable local government operations, and performed extensive research. Personal interviews were conducted with the City Administrator, Mayor, City Controller, City Solicitor, and other staff members. The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates.

The fundamental basis for the authority and action of any local government is the leadership and management of its organizational and operational components. To this end, the structure, culture, and



resources for basic leadership and management activities are critical to the success of the organization and, by extension, to the health and welfare of the community and its residents. If the leadership does not operate optimally, the immediate organization and the broader community will suffer. This report relies heavily on the Southwest Pennsylvania Commission's (SPC) *Standards for Effective Local Government*, which has been adopted and distributed by the International City/County Management Association (ICMA) and is the basis for much of the evaluation of the departments and programs in this report. The

ICMA's *Standards* assert the following:

If a local government is to function effectively it must possess three critical assets:

- 1. The will to act,*
- 2. The necessary human and monetary resources, and*
- 3. The administrative machinery to bring the first two assets to bear upon its problems.*

The ICMA publication further states that "excellence in the general management area, most especially leadership on the part of elected officials, is essential if a local government is to be viable and capable of functioning independently." Leadership and management excellence must exist in order for the community to thrive. A well-led and well-managed local government sets the tone and conditions that instill public trust and confidence.

It is also critical for elected officials to understand and support professional expertise as the basis for informed and effective government action and to include the best and highest standards in administrative practices. Elected officials have the obligation to ensure that competent personnel are in place as part of the management team and that this expertise is utilized as a resource in developing and executing the policies that flow from their actions. Management has the important role of identifying

and nurturing the energies of talented and committed employees, as well as members of citizen boards, committees, and commissions. Ideally, a partnership will emerge that will ensure that government works well and serves the residents to the highest degree possible.

This evaluation of the general government operation will focus on professional expertise, human and capital resources, and the organizational structure that allows the employees in the organization to perform to their highest capacity. The “will to act” identified above as the first critical asset is entirely within the control of the local elected officials who are currently holding positions as Mayor and City Council members.

THE GOVERNING BODY

ORGANIZATION AND STRUCTURE

The City of McKeesport operates under a Home Rule Charter based on a “Strong Mayor”/Council form of government that was adopted in 1974. Under the Charter, the seven-member City Council is elected “at large” for staggered four-year terms. The Council acts as the legislative body and is responsible for establishing policy through the adoption of ordinances, resolutions, or motions. Most government action and legislative authority in City government rests with the City Council, with the exception of the executive and administrative authority that is “exclusively vested in and exercised by the Mayor.”¹ The Mayor, who is not a member of the City Council, by law and in practice, is recognized as the leader of the City government. Under the Charter, the Mayor is elected at large and is responsible for the oversight and control of the City’s day-to-day operation. As such, he is considered a full-time City employee and is entitled to the same types of compensation and benefits as other City employees. The Mayor is also eligible for the reimbursement of expenses that are incurred as part of his duties as Mayor. Under the Charter, the Mayor may appoint a Deputy Mayor from the department heads by filing such notice with the City Clerk.



According to Chapter 13, Section 13.08-802, “the Council may from time to time establish, by ordinance, various boards, commissions, authorities and other City agencies to act in an advisory capacity or to perform special functions. In all instances when such boards, commissions, authorities and other City agencies are constituted in the name of the City or directed to act on behalf of the City, the members thereof shall be appointed by the Mayor, with the advice and consent of a majority of all the members of Council. Except as may otherwise be provided by Pennsylvania statute or by this Charter, the Mayor shall have authority to suspend or remove

¹ City of McKeesport Home Rule Charter, Chapter 13.701, “The Mayor,” page 13-10.

any member of such board, commission, authority and other City agency, acting in the name or on behalf of the City.”

The Council also appoints a City Clerk who attends all meetings of the Council and keeps minutes of its proceedings. The City Clerk transcribes the bylaws, rules and regulations, resolutions, and ordinances into the appropriate books, preserves the records and documents of the City, and has custody of the corporate seal. The City Clerk attests the execution of all instruments and records all ordinances and resolutions.

The Mayor is charged with appointing a Director of Administration to oversee the Administrative Department. The following duties and functions belong to the Department of Administration:

1. Assist in the preparation of the Budget

The Mayor, who is not a member of the City Council, by law and in practice, is recognized as the leader of the City government.

2. Administer a centralized personnel system

3. Establish and maintain a centralized record system

4. Administer and coordinate intergovernmental relationships

5. Perform other duties as assigned by ordinance or the Mayor

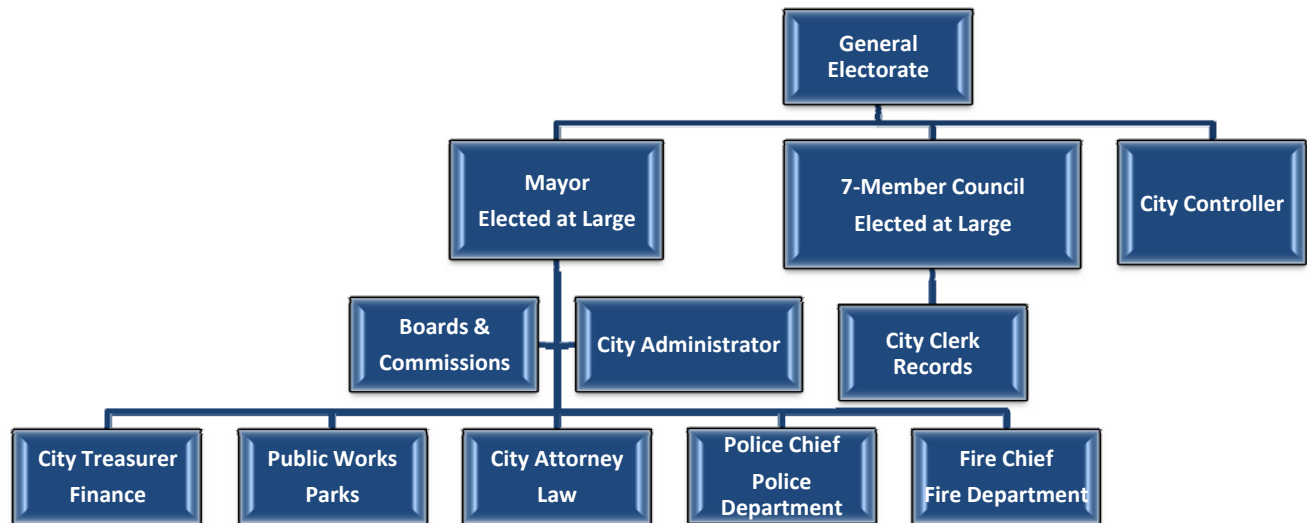
The City Charter also provides for the ability of the Mayor to appoint a City Attorney who directs the Department of Law and the City Treasurer who leads the Department of Finance. In McKeesport, the Council has established the position of City Administrator by ordinance and has formally delegated the responsibility for the day-to-day operation of the City to the Administrator, with oversight, and under the direction, of the Mayor.

The Charter also provides for an independently elected City Controller. According to the Charter, the City Controller is responsible for reviewing and investigating the current fiscal operation and affairs of the City. On behalf of the citizens of the City and the City Council, the Controller reviews and reports on all fiscal activities of the Mayor and his administration. It is the intent of the Charter to place on the City Controller the responsibility of fiscal “watchdog” for all current operations of the City government, including its various boards, commissions, authorities, etc.² The City Controller is elected “at large” for a four-year term.

The current structure of the McKeesport government organization under the City Code is shown in Figure 1 below.

² McKeesport Home Rule Charter, Chapter 13, Article 13, 13.12-1201, “City Controller,” page 13-17.

FIGURE 1 — MCKEESPORT'S CURRENT LOCAL GOVERNMENT STRUCTURE UNDER THE CITY CHARTER



The McKeesport City Council typically operates in a cooperative and supportive manner, relying on the Mayor and City Administrator to prepare information, provide policy advice and recommendations, and to carry out Council legislative mandates. City Council meetings are conducted in an orderly fashion and provide an adequate amount of time for Council members to express opinions and for residents to make comments. The Mayor and City Administrator develop the agenda and conduct orderly and efficient Council meetings. There has been a good deal of continuity and little turnover in the elected officials and key staff, providing for a relatively stable policy process that is communicated and imbedded in the organizational structure and processes.

THE POLICY PROCESS

One of the important standards that has been identified in the SPC document for effectiveness in local government is Standard No. 2, which states that the governing body *"helps people to see the community as a total enterprise, not as a series of separate factions to be separately accommodated."* The Mayor and City Council in McKeesport have done a good job of providing a united front for the advancement of the City's goals over the years and have responded positively to goals and objectives set forth by the Administration. As a result, the McKeesport governing body has been able to meet another important standard, Standard No. 3, which states: *"The reputation of the municipal government is that of a well-run local government, as opposed to a government dominated by 'politics' and self-interest."*

For the most part, the Council members treat each other with respect and allow the discourse that is necessary to fully explore options and competing agendas that are available to the City. The commentary for SPC Standard No. 3 provides valuable insight into the benefit of striving to meet this standard for the enhancement of the community, as outlined below:

The reputation of public officials is greatly enhanced when they are able to explain their actions, supported by facts, in a way that reasonable people can understand, even if they disagree. Some of the clearest indicators of "reputation trouble" come from public exposure of actions, and are clearly within the control of the elected officials. For example:

- *When there is a frequent turnover in the position of Administrator/administrator and/or professional department heads. Usually this is a clear indication of politics taking priority over stable and consistent municipal management.*
- *When elected officials are unable, or unwilling, to respond to questions from the public or explain votes; when it is obvious that they have not done the necessary homework to intelligently respond to agenda items; when the solicitor is, routinely, the spokesperson for the elected officials; when the municipality finds its policies are the subject of citizen-initiated lawsuits.*
- *When personality conflicts among members of the governing body dominate over problems and issues. When bickering, vituperative and abusive language, and even physical encounters come to characterize meetings of the elected officials. It is cause for concern when public meetings come to be seen as "the best show in town" or "government by uproar."*

Training for elected officials, especially newly elected officials, relative to the ability to have effective and productive discourse in order to advance the City's goals is available through the Local Government Academy. Additional analysis and recommendations are provided under the "Recommendations" section of this report.

Local government works best when the elected officials, as a governing body, establish thoughtful, well-designed, and carefully examined policy directives based on a clear vision of the organization's mission and goals. Responsible action derived from the policy mandates of Council and the executive orders from the Mayor are then carried out by a professional Administrator and dedicated staff who are fully aware of policy decisions and supervised by trained supervisors. Proper training of the staff to continually adhere to and advance the goals of the organization is absolutely critical in a professional government scenario.

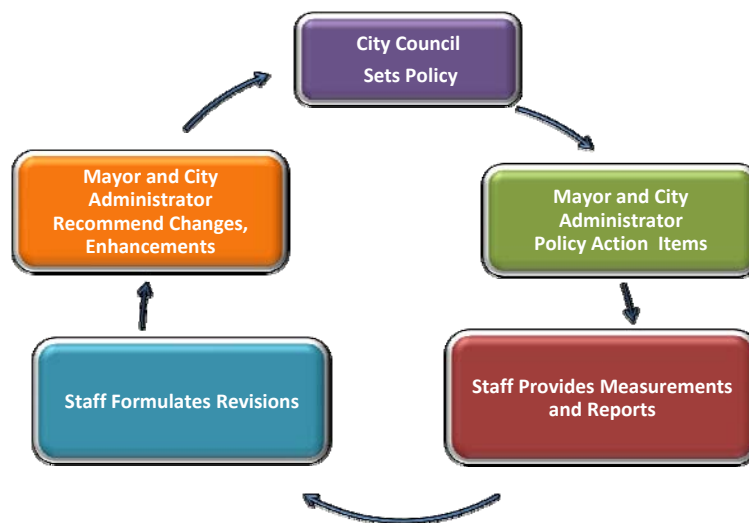
Local government works best when the elected officials, as a governing body, establish thoughtful, well-designed, and carefully examined policy directives based on a clear vision of the organization's mission and goals.

In McKeesport, the Administrator and the City Clerk provide the elected officials with timely information necessary to thoroughly evaluate available options when problems and issues arise. Elected officials are responsible for doing their homework prior to attending work sessions and

Council meetings so that they can be conversant with issues prior to participating in discussions and decision making. The elected officials should not be concerned about winning but rather should work toward an outcome that serves the interest of the City's residents.

In a properly functioning organization, the employees are fully aware of the organization's and department's objectives and work toward accomplishing the action items that have been articulated to them. The departments then develop performance measures that are quantifiable and reportable so that the Council can be routinely updated about the progress of the policy implementation. As the process unfolds, adjustments can be reported and evaluated and the staff can make additional recommendations regarding revisions and enhancements to the process. The Council can then take further action, if necessary, to adjust the policy directives. Ideally, the staff carries out the action items or tasks related to the policy and assists with the development of whatever information is necessary for the Council to make informed decisions. Figure 2 is a graphic representation of this process in a properly functioning policy-making environment.

FIGURE 2 — POLICY-MAKING PROCESS FOR MODERN LOCAL GOVERNMENT



In McKeesport, the policy process works effectively in the following ways:

1. The Mayor and City Administrator establish agendas, priorities, and action plans and attempt to advance these based on the City's objectives.
2. Department directors work closely with the Mayor and City Administrator to provide information, emerging issues, and work measurements.
3. The Mayor and City Administrator retain control of the hiring and recruitment process and deal with most personnel matters without the involvement of the governing body.
4. The City Attorney and City Administrator prepare ordinances, resolutions, rules, regulations, grant applications, and operating procedure documents.
5. The Mayor and City Administrator direct day-to-day operational activities through the Department directors.

Because the administrative control is vested in the Mayor's office and delegated through the City Administrator, the overall goals and policy initiatives are focused and fairly well articulated. There is general cohesiveness and consensus about where the community is headed and how the resources should be allocated. The department's employees are clear about who is in charge of the operation and what the objectives are because the goals of the organization are well-formulated and communicated.

There are some disadvantages of the Mayor/Council form of government:

- The administrative and executive authority is vested in the Mayor, who may or may not have the ability to manage departments.
- The departments may deliver services in a politicized manner rather than in a way that is based on professional analysis and optimal allocation of resources.
- The Council may rely heavily on the advice of the Mayor and City Administrator and as a result may not develop an effective process for making policy decisions.
- Because executive and administrative functions and decisions are unified in the Mayor, there is an absence of "checks and balances."

MUNICIPAL MANAGEMENT

COMPETENT MANAGEMENT

According to the SPC standards, in order to establish a local government that best promotes the interests of the public, the following is the highest standard for effecting competent local government management:

The local governing body by resolution, ordinance, or home rule charter provision, hires and delegates general administrative/management responsibilities to a professional Administrator/administrator. The enacting legislation should designate the major responsibilities of this position to include financial management; management of departmental operations; and personnel management, inclusive of hiring and firing of employees; with or without, the consent of the governing body.

Standard No. 2 further supports the concept of competent local government management:

The individual hired as Administrator/administrator has been educated or trained in the field of municipal management/administration, or a related field, or is qualified on the basis of equivalent experience. Such qualifications are established as part of the authorizing resolution, ordinance or home rule charter provision.

The City of McKeesport's Home Rule Charter includes language that establishes the position of Director of the Department of Administration and states that the position will be filled by a person to be chosen "solely on the basis of his executive and administrative qualifications with special reference to his actual experience in, or his knowledge of, accepted practice in respect to

carrying out the duties of this Department.”³ For the most part, the City has relied on this section to recruit and retain its Administrators. The current City Administrator, hired pursuant to this section in 2005, has extensive experience in local government management in western Pennsylvania and worked as a professional community and economic development consultant prior to his tenure with the City of McKeesport.

The stability in the Administrator position has resulted in a relatively effective operation and organizational consistency for McKeesport’s local government operation. The Mayor and key decision makers seem to recognize that a stable, competent, and experienced management team installed for the City government for the long term can help to advance policy decisions and organizational effectiveness and sustainability.

LINES OF COMMUNICATION

The Mayor and City Administrator have clearly established the lines of authority and communication between the Council, the Mayor, the Administrator, and the employees. Individual Council members or committees do not give direct orders to any department director or other employees and it does not appear that they interfere with the duties of employees. The Administrator and the Mayor worked toward a clear understanding about how concerns, complaints, and suggestions from the Council members that are related to day-to-day municipal operations are to be handled. With these practices in place, there is no confusion about which orders and directives should receive highest priority and whether there is a consensus from Council members about the action that has been requested. Council members are discouraged from undercutting the Administrator by giving orders directly to employees, or by permitting employees to go directly to them with grievances or suggestions. Employees are redirected by the Council members to their supervisors, to the Mayor, or to the City Administrator.

COMMUNICATION WITH COUNCIL

As an aid to providing information to Council members, the City Administrator routinely prepares a memorandum and reports for the Mayor and City Council which address what has taken place during the most recent work period: problems, things accomplished, emerging issues, progress on projects, personnel notes, financial matters, etc. These reports are in a format that allows for quick reading by the elected officials and should be continued and enhanced as time permits.

If the relationship between the City Council and the Administrator is to be productive and respectful, issues and concerns must be dealt with in a fair, firm, and straightforward manner. The City Administrator should strive to clearly understand the will of the majority of Council and clearly recognize when there are problems that must be addressed, even if the problems identified are only relevant to some of the Council members. The Administrator should

³ McKeesport Home Rule Charter, Chapter 13, Article 9, Section 13.9-902, “Department of Administration,” page 13-14.

regularly communicate with all Council members about the expectations and achievements of the staff and about what can be accomplished and what cannot.

OPEN RECORDS – OPEN MEETINGS

The City management is charged with ensuring that citizens have access to public records and to the public meetings where decision making takes place, in order to provide a foundation for establishing trust in local government. Pennsylvania's "sunshine law," also called the Open Meetings Law, like those of most other states, requires that all public meetings, special meetings, and work sessions be open to the public. The law provides that some discussions may be held in private, such as those related to real estate transactions, legal matters, and personnel. The Open Records Law requires that public documents and information be made available to members of the public on a timely basis and without unreasonable costs. The City should be committed to the concept of transparency and accountability in its operation.

The City appears to be responsive to its residents in requests for public information and has set up a record request policy pursuant to the Open Records Law. The City's record system is a paper system, so the retrieval of records is tedious and sometimes impossible due to the lack of proper record storage and retrieval mechanisms.

All meetings are advertised by the City Clerk at the beginning of the calendar year, and special meetings are advertised when necessary. The City Clerk ensures that special meetings and committee meetings are advertised as necessary.

The Pennsylvania Open Meetings Law defines "local agency" as the governing body or any committee of the governing body authorized to take action or to provide advice to the governing body. This lends additional weight to the requirement to provide public access to regularly scheduled Council meetings, committee meetings, and workshops where a majority of the governing body attends.

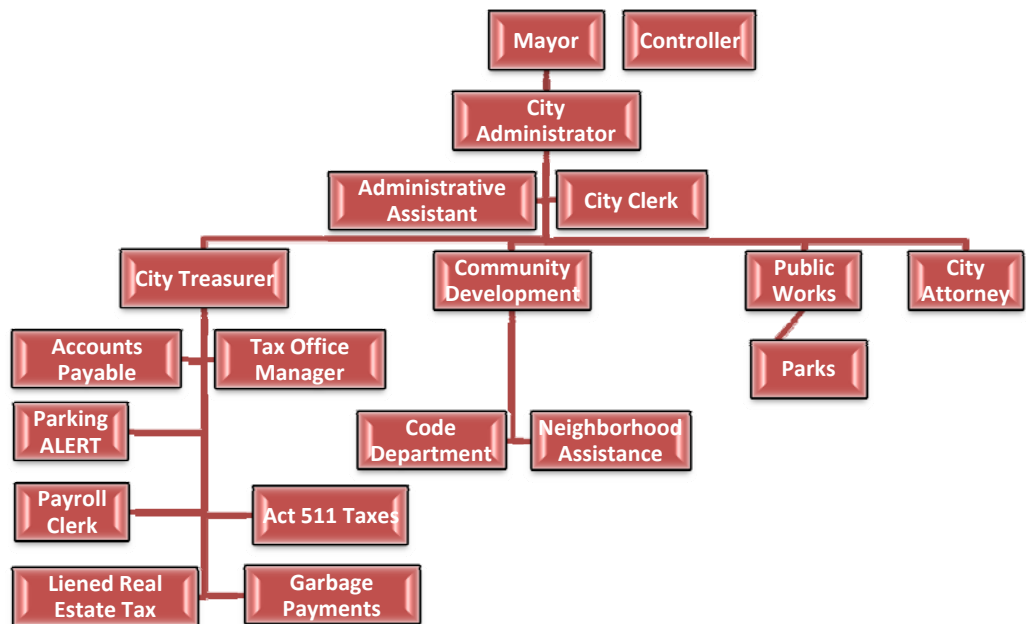
The McKeesport Council has established orderly procedures for its meetings that are effective for creating a sense of openness and order and that respect the time of the public and the elected officials. Council meeting agendas and procedures provide for the orderly flow of business while allowing for the proper inclusion of citizen input. An established formal agenda is prepared by the City Administrator and City Clerk after discussion with the Council members at the work session. All Council members have an opportunity to provide input. The agenda outlines for the public what the business of the meeting will be. The agenda is available to elected officials in advance of public meetings and executive sessions, along with materials, documents, or commentary essential to understanding the business items that will come before the Council. A brief explanation of each agenda item is provided. The public has an opportunity to provide comment in advance of Council action on agenda items, as required by law.

ADMINISTRATIVE ORGANIZATION

STRUCTURE

The City of McKeesport has no administrative code or municipal ordinance that establishes the local administrative organizational structure. The current configuration for the administrative structure is reflected in Figure 3 below.

FIGURE 3 — CURRENT ADMINISTRATIVE ORGANIZATIONAL STRUCTURE



An analysis of the current structure reveals that the management team, although strong and experienced, is weak in terms of resources and specialization of skills and competencies in the area of human resource management. The current Administrator is professionally trained and has long tenure in municipal management. However, there is no employee who focuses exclusively on this very important area. The areas of personnel and collective bargaining are an extremely troublesome and expensive part of any City operation. There have been complaints, grievances, and lawsuits filed against the City related to employment practices that have resulted in payments and settlements to complainants. Furthermore, written procedures providing performance standards for employees and appointed officials and specific procedures to direct the work of each group should be developed for each department, board, and commission. For this reason, additional attention and resources should be directed to this area, either in the form of additional staff or contracted services. An investment in this area would produce significant savings in the long run.

Likewise, although the code enforcement department is the most critical function in the entire operation for preserving and protecting the neighborhoods from further decline, it has received little to no attention and resources based on a review of the budget over the past seven years. The activities and structure in this department cry out for leadership and direction. A department director should be installed and charged with a complete overhaul of the zoning and code enforcement functions and a restructured focus on aggressive enforcement activities in all neighborhoods. This issue is further explored in the Code Enforcement section of this report.

Although the finance department appears to have been staffed adequately and with an appropriate level of resources assigned, there is no official Finance Director or Chief Financial Officer (CFO) with a strong background in governmental accounting. Considering that the City is a \$20 million operation, the absence of a competent, highly trained CFO is a glaring omission in the City's operation. With the addition of a CFO and the retention of 5 full-time employees, the department should be able to produce all of the information and undertake all of the functions normally assigned to a finance operation. In fact, if the operation were running at its peak capacity, the functions of the finance department could be carried out with a director and three highly trained, highly motivated employees to carry out the day-to-day activities. This topic is discussed in great length in the Finance Department portion of this report.

Finally, there is an obvious absence of a full-time information technology (IT) director or adequate attention to this important focus for local government. Although there is an employee assigned to this duty, the employee has other duties and obligations that prevent him from properly addressing many of the City's ongoing IT problems and issues. There should be a designated person or contractor on-site or off-site who is responsible for the IT operation on a daily basis and who is able to respond 24/7. Because the City has an extensive IT operation that supports every department of the City operation, this is a critical deficiency that must be addressed before there is an IT breakdown that cripples the operation. Various City employees have attempted to fill this void by coordinating and supporting the City's IT operation. This deficiency has been fully addressed in the Technology Management section of this report.

The City should consider benchmarking and periodic performance assessments of its departments to determine the correct level of staffing and services that should be established for the various departments. A proposed structure based on best practices of similar organizations of similar size and budget constraints is shown below. In addition, the City should continually identify functions, services, and programs that may benefit from a more regional approach to service delivery. Figure 4 establishes a streamlined organizational structure that addresses the deficiencies noted above.

FIGURE 4— PROPOSED ADMINISTRATIVE ORGANIZATIONAL STRUCTURE



Special Appointments – Outside Consultants

Every local government requires the use of outside consultants who are appointed by the Mayor and City Council for specific areas of expertise or special services. When the municipality requires the services of special consultants such as attorneys, accountants, engineers, planners, financial advisers, or bond counsel, the governing body should follow an established formal contracting procedure: (1) the development of a scope of services for the work to be performed; (2) the use of a formal request for proposal (RFP) or request for qualifications (RFQ); (3) public advertisement that proposals are being accepted; (4) review and evaluation of proposals in accordance with the pre-established criteria contained in the scope of services; and (5) award of a contract to the individual or firm with the best professional qualifications that is able to do the work for the most reasonable cost. There is no requirement for the City to award to the lowest bidder for professional services – only to select the firm that is most able to meet the City's requirements for a price that it has determined to be reasonable. This is best achieved through an open, competitive process as described above.

The City has used this process effectively over the years to purchase legal services, engineering services, auditing services, and insurance protection. The City should continue to be vigilant in the purchasing of special services for its needs by occasionally reviewing the pricing and service delivered by its consultants.

Likewise, from time to time, the City Council must fill vacancies on its boards and commissions; on committees such as zoning, planning, recreation, and civil service; other authorities; and ad hoc committees. It is important to inform the public when there are vacancies to be filled and to encourage interested and qualified citizens to apply. The process should attempt to balance broad-based community representation with specific qualifications needed to ensure effective performance.

Citizen boards, commissions, and committees do important work. Members should be selected on the basis of high interest, qualifications for the work, and/or a willingness to participate in training courses designed to further their understanding of the requirements and duties associated with their work. When there are vacancies on boards and commissions, the governing body should publicly advertise its intent to fill a position in newsletters and local newspapers along with a listing of appropriate background qualifications.

RECOMMENDATIONS

RECOMMENDATION NO. 1: HIRE A HIGHLY TRAINED, HIGHLY EXPERIENCED PERSONNEL AND HUMAN RESOURCE DIRECTOR TO OVERSEE PERSONNEL MANAGEMENT, COLLECTIVE BARGAINING, AND BENEFIT MANAGEMENT.

Like most communities, the largest expenditure in the City's budget is personnel and personnel-related items. Likewise, the most expensive complaints and lawsuits paid by municipalities, by far, are employee-related, usually because of the municipality's employment practices and personnel policies or lack thereof. As stated previously, these activities require a high degree of training and experience in order to be addressed methodically and in accordance with public-sector employment law. Typically, in a local government organization, these responsibilities rest with professional staff who are trained and sometimes certified in personnel and human resource management and who have a comprehensive understanding of public-sector personnel law.

In the highly charged, union-dominated environment in McKeesport, it is absolutely critical to address the practices in all departments relative to employee complaints, grievances, unfair labor practices, and civil rights complaints. In addition, incidents involving workers' compensation claims, disabilities, and long-term absences can be expensive if they are not addressed in an effective and expedient manner. A personnel and human resource specialist should be initially charged with addressing the policies and procedures in place, but should ultimately work with the entire organization to create an organizational culture that supports dedication to public service and the highest workforce ethic possible. In the long term, this position could pay for itself several times over in the reduction of legal fees, insurance expenses, and actual payout of claims and settlements.

In the highly charged, union-dominated environment in McKeesport, it is absolutely critical to address the practices in all departments relative to employee complaints, grievances, unfair labor practices, and civil rights complaints.

RECOMMENDATION NO. 2: CREATE A POLICE LEADERSHIP COMMITTEE THAT INCLUDES THE MAYOR, POLICE CHIEF, CITY ADMINISTRATOR, AND COUNCIL PRESIDENT AND MEETS ON A MONTHLY BASIS TO DISCUSS POLICE STAFFING, OPERATIONS, AND FUNDING.

Since the police department is the most expensive and the most visible of all City operations, a committee that includes the Mayor, the Police Chief, the Council President, and the City Administrator should meet monthly to discuss policy, direction, staffing, equipment, and funding for the police department. Out of this meeting, there should emerge specific action items that move to the Council agenda for discussion at the monthly agenda setting meeting or, if it is a personnel matter, to the executive session of the full Council for consideration. The development and full involvement of such a committee could create a more cohesive and coordinated approach to the provision of police services and could provide a united front for police negotiations, regional police initiatives, and overall enhancements to the operation.

RECOMMENDATION NO. 3: DEVELOP AN ADMINISTRATIVE CODE THAT IDENTIFIES ORGANIZATIONAL STRUCTURE AND PROCESSES.

The City currently has no administrative code that sets up its structure, positions, or administrative processes. Therefore, over the years, the structure of the organization and the nature of positions for the purposes of delivering critical public services have changed to react to the ever-changing economic and political environment in the City. An administrative code should be developed that identifies the administrative structure, all of the positions, the relationship of positions and departments to each other, and the authority and responsibilities that are vested in each position. It is recommended that the code be developed based on the proposed organizational structure that was recommended above. The development of an administrative code would address two deficiencies that have been previously noted:

1. Positions will be established so that, even in transition periods, the position with identified duties, responsibilities, and place in the organizational chart will be preserved.
2. Professional staff will be assigned duties and tasks that are currently retained and undertaken by elected officials, thereby moving the work to trained and experienced staff and freeing the Mayor and Council members to work on policy initiatives.

RECOMMENDATION NO. 4: DEVELOP A CODE OF ETHICS ORDINANCE FOR THE CITY ORGANIZATION.

With the technological advances over the past several years and the additional layers of privacy and potential conflict of interest issues, a Code of Ethics ordinance should be developed and adopted in order to be fully compliant with recent case law and ethics decisions. A sample Code of Ethics that was recently enacted by the City of Ebensburg can be found at www.Citys.org.

RECOMMENDATION NO. 5: APPOINT AN IMPLEMENTATION ADMINISTRATOR AND IDENTIFY AN IMPLEMENTATION STEERING COMMITTEE FOR IMPLEMENTATION OF THIS PLAN.

Because the City lacks the capacity and resources (both financial and human capital) and because several of the recommendations of this plan are broad-based and sweeping changes to the current organizational structure and community processes, the City should consider the



appointment of an outside agency or consultant to be the Implementation Administrator for the items included in this plan. The Implementation Administrator should work with the City Administrator, the City Council, and an Implementation Steering Committee and should be responsible for providing monthly updates on the progress of the implementation of the recommended

items. By setting up such a structure, the EIP will be a living document that provides the basis for a reenergized focus and direction for the community leaders.

SUMMARY

There are many fine, dedicated, hard-working elected officials and professional staff who are striving to make a difference in the McKeesport community and to work toward a brighter future for the City. Many of the employees are experienced, knowledgeable, and committed to doing a good job. The recommendations that are outlined here are intended to improve and maximize the organization, operation, deployment, and management of the municipal resources and human capital. The observations and information provided by staff, the Administrator, Council members, and the team of consultants provided valuable insight into the existing organizational climate and the possibility for making significant positive changes for the future.

There are many fine, dedicated, hard-working elected officials and professional staff who are striving to make a difference in the McKeesport community and to work toward a brighter future for the City.

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FINANCE DEPARTMENT

The review of the McKeesport Finance Department was conducted by Deborah J. Grass, Senior Associate at Delta, as part of Step IV of the EIP Five-Year Financial and Management Plan for the City of McKeesport.

To complete this evaluation, the consultant conducted fieldwork and site investigations, analyzed data, gathered information from comparable local government operations, and performed extensive research. Personal interviews were held with the Mayor, the City Administrator, and the Controller. In addition, interviews were conducted with employees who work in the Finance Office as part of the Technology review. The ICMA publication *Standards for Effective Local Government* and the Department of Community and Economic Development's (DCED) publication *Fiscal Management Handbook* were used as part of the review of the Finance Department. The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates. According to the ICMA standards,

Municipal financial management includes five areas of activity: accounting, budgeting for operations and capital projects, cash management and investments, debt management and auditing.

A brief description of each area is presented below:

- accounting - the process of creating and maintaining a consistent and readily accessible records system which represents all of the local government's financial transactions;
- budgeting - the plan annually adopted by the legislative body which allocates revenues to support the local government's spending priorities for services, programs and capital improvements;
- cash management and investments - the actions taken to accelerate the collection of revenues, to meet expenditure obligations in a timely manner and generate investment earnings on available cash until it is used to meet expenditure obligations;
- debt management - the use of long term borrowing by the municipality to finance capital improvements; and
- auditing - the annual review of the accounting records using generally accepted accounting practices to determine whether the municipality's financial transactions conform to those permitted by municipal codes and charters and authorized in the annual budget.

BACKGROUND

The McKeesport Finance Department (Treasurer's Office) is located on the first floor of the McKeesport City Building at 500 Fifth Avenue and includes a full-time Tax Manager who acts as the Finance Director, eight full-time employees, and one part-time employee. With the exception of the Treasurer, the full-time staff are members of the Service Personnel and Employees of the Dairy Industry, Teamsters Local 205, bargaining unit. This department handles all of the financial management and financial transactions in the City, including accounts payable

(A/P), payroll preparation, billing, cashiering, budget administration, pension administration, financial reporting, bank reconciliations, and grants management.

The finance department uses the MUNIS accounting/budgeting software package for all of its financial operations and reporting. This full-service enterprise resource planning (ERP) software, specifically designed for local governments, has the potential to be fully deployed to capture additional functions related to payroll, real estate tax billing, fixed assets, human resource functions, and licensing and permitting. It is currently only partially deployed for the basic accounting functions: A/P, cashiering, budgeting, utility billing, purchase order processing, and financial reporting. The software support is provided by MUNIS corporate support services in Falmouth, Maine, through an 800 number. Supplemental financial information and data are captured in Excel spreadsheets.

Municipal financial management includes five areas of activity: accounting, budgeting for operations and capital projects, cash management and investments, debt management and auditing.

INITIAL OBSERVATIONS

The consultant's evaluation found that the McKeesport Finance Department functions at an above-average level of competency due to the longevity of the full-time employees. Although there has been turnover in the Director's position over the past years, the staff members have continued in their positions for years and have been trained in the aspects of the financial operation specific to their

respective job duties. The current Tax Manager has years of experience with the City of McKeesport and is quite competent in her specific duties. Other observations include the following:

- McKeesport spent about \$641,000 for its financial operation in 2009. Since most local governments do not report the Finance Department as a separate budget category (it is usually aggregated as part of "general government"), it is difficult to make direct comparisons. However, for those municipalities in southwest Pennsylvania with similar population and budgets that report the finance operation as a separate budget item, most spend approximately 1% of the general fund budget for the finance operation. McKeesport spends about 2.9% of its budget for financial administration — almost three times as much as other communities. The comparison communities and the respective expenditures are shown in Table 1 below.

TABLE 1 — FINANCE DEPARTMENT EXPENDITURES — COMPARABLE COMMUNITIES

COMPARATIVE EXPENSES - 2008 BUDGET YEAR				
MUNICIPALITY	COUNTY	POPULATION	BUDGET FINANCE	% OF BUDGET
NEW CASTLE CITY	LAWRENCE	26,309	\$195,860	0.71%
CRANBERRY TOWNSHIP	BUTLER	23,625	\$248,088	0.83%
WEST MIFFLIN CITY	ALLEGHENY	22,464	\$147,919	1.09%
MCKEESPORT CITY	ALLEGHENY	22,130	\$641,030	2.91%
WILKINSBURG BOROUGH	ALLEGHENY	19,196	\$281,311	2.41%
SHARON CITY	MERCER	16,328	\$139,100	1.20%
Source: Online Budgets/DCED Municipal Statistics				

- Of the total budget in the finance department, 75% of the expenditures are related to salary and benefits, and 25% are related to other expenditures (i.e., office supplies, auditing services, banking fees, and other computer services). Part of the 25% that is spent for other expenditures includes about \$20,000 for payroll services.
- Non-personnel costs are a relatively small part of the budget. However, the use of a payroll service company when the MUNIS software provides an excellent payroll module that is used by hundreds of municipalities across the state seems to be a redundant expense. When the expense for an outside service is added to the expense of a full-time payroll employee, the expense is close to \$80,000 annually for the payroll function alone. This is much higher than the typical expense for payroll processing.
- The salaries of employees themselves are not high and seem to be in line with the typical salaries for employees with the respective skill-sets. However, there may be some opportunity to reduce the number of employees who are currently carrying out the financial management functions. Especially in light of the transition to county-wide collection of earned income tax pursuant to Act 31 in 2012, the two employee positions that are associated with this function should be phased out.
- The City's Home Rule Charter requires that on or before November 15 of each year, the Mayor must submit to the Council a proposed budget for the ensuing fiscal year and an accompanying message. The Mayor's message must explain the budget both in fiscal terms and in terms of the work programs. The budget message should outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures and revenues, together with the reasons for such changes, summarize the City's debt position, and include such other material as the Mayor deems desirable. The budget process is coordinated by the Mayor, the

City Administrator, and the Finance Department Director. Department directors have limited involvement in the budget process. They complete budget requests on summarized spreadsheets prepared by the Finance Department. However, the spreadsheets provide only one prior year of actual financial data.

- Budgets are prepared for each fund, with the Mayor and the City Administrator's recommendations included for each budget category.
- A budget message to the Council from the Mayor and City Administrator is not prepared or delivered to the Council during the preliminary budget discussions.
- The City does not currently prepare a five-year capital improvement plan. There is no inventory of the City roadways completed by a qualified engineer. There is no replacement schedule for equipment and vehicles and no repair schedule for facilities.
- The City contracts with an outside company to collect delinquent taxes and fees. Keystone Collection Agency collects delinquent real estate taxes, earned income taxes, business privilege taxes, and local services taxes. The Finance Department issues bills and collects all current municipal service fees (the billing for residential garbage collection and recycling).
- The City has a very detailed and thorough procedure established for the collection of cash receipts, and all collection is done in the Finance Department. Every batch has a bank deposit attached to the summary of receipts.
- The MUNIS system includes a full-service purchase order system for the control of all purchases city-wide. There is no evidence that the City departments use this system and there is no "point of service" installation that allows the departments to do electronic requisitions or purchase order processing.
- The fixed asset module in the MUNIS system has not been deployed. Therefore, there is no regular update to the fixed asset categories as part of the overall financial management system.
- Monthly budget comparison reports are provided to the Controller, Council, and City Administrator. The Finance Department distributes these reports on an irregular basis and not always in a timely manner. The regular preparation and distribution of monthly reporting has not been integrated as a regular and routine commitment of the Finance Department, and there are times when financial information is not distributed or available on a timely basis.

The complete Finance Department budget is shown in Table 2.

TABLE 2 — Finance Department Detailed Budget 2002 — 2009

FINANCE	2002	2003	2004	2005	2006	2007	2008	2009 Budget	2009
Deputy Finance Director Salary	33,228	33,986	35,125	33,470	31,996	37,086	37,716	38,809	38,809
PR/Benefits/Grants Spec.	33,041	33,860	35,144	32,160	31,704	36,827	39,113	38,456	38,456
Deputy Treasurer	32,203	33,559	35,898	32,232	30,813	35,855	39,163	37,375	37,663
Clerk (3)	82,708	84,422	59,293	55,396	54,075	54,924	65,361	32,762	35,597
Tag Collector	21,947	15,255	29,938	27,648	27,256	31,592	33,625	33,060	33,434
Lien Tax Collector	28,959	28,855	29,373	27,840	27,446	31,812	33,859	33,290	33,659
Lien Tax Clerk	27,449	23,103	-	-	-	-	-	-	-
Switchboard Operator	21,405	22,655	24,336	22,468	21,927	26,341	27,373	25,825	27,205
Accounts Payable Clerk	30,693	31,287	32,379	29,960	29,421	35,621	36,211	35,603	35,926
Programmer	35,331	36,946	35,207	40,211	46,983	40,323	44,600	43,860	44,021
Finance Department Manager	-	-	-	-	-	-	36,878	40,000	41,022
Wages Payable	7,399	3,046	-	10	-	4,892	-	-	-
Supplies	24,337	16,168	8,182	14,377	27,502	7,106	30,521	25,000	22,046
Postage/Pitney Bowes	72,987	65,033	63,400	31,589	32,984	61,216	54,032	38,000	52,113
Travel/Seminar	3,013	1,141	384	415	326	641	-	1,000	2,961
Computer/Maintenance	6,985	8,018	8,336	9,496	9,462	13,596	16,993	50,000	21,848
Payroll ADP	14,097	13,209	14,660	13,846	12,264	14,481	15,453	15,000	16,665
Collection Cost	-	-	-	-	-	-	-	-	1,744
Bonding	1,900	3,731	3,075	3,161	3,193	6,464	-	3,232	3,232
Association Dues	231	200	513	-	390	-	-	500	500
Rent	6,000	91,729	109,475	98,143	17,804	33,644	-	-	-
Computer Hard/Software	48,355	28,734	8,226	8,855	8,382	1,882	1,853	50,000	20,071
PT Floater	-	-	-	-	-	-	-	-	-
Medical	53,842	67,956	90,082	86,531	99,629	82,753	106,080	105,795	107,857
Dental & Eye	7,101	5,912	5,385	4,936	5,863	7,073	7,216	6,328	7,300
Life	1,887	1,696	1,484	2,354	962	952	931	905	950
Unemployment	5,890	-	-	-	-	-	-	-	-
SUBTOTAL	617,803	663,427	639,856	586,859	533,231	581,025	644,787	670,300	641,030

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RECOMMENDATIONS

RECOMMENDATION NO. 6: APPOINT A FULL-TIME CHIEF FINANCIAL OFFICER (CFO) WITH COMPLETE RESPONSIBILITY FOR THE FINANCIAL MANAGEMENT OPERATION OF THE CITY.

The City operation is currently supported by a \$20 million annual operating budget. In order to protect the assets and resources of the City (both human and capital), it is important that the City has an accounting system based upon generally accepted accounting principles (GAAP) and that the responsibility for the accounting function rests with an individual who has had training in accounting procedures and processes, and who understands GAAP for governmental accounting.

Typically, when a City experiences a financial crisis, it is an indicator that it does not have a good accounting and budgeting system. Governmental officials should prepare financial statements in conformity with GAAP and use supporting schedules to demonstrate compliance with legal requirements.

In order to provide the reporting, oversight, investment management, debt management, and internal controls necessary to meet these standards, the City should appoint a CFO with a strong and extensive background in governmental accounting. Ideally, the CFO will have five or more years of experience with a local government that has at least a \$10 million annual operating budget and is an active member and participant in the Government Finance Officers Association (GFOA).

***RECOMMENDATION NO. 7: USE PROFESSIONALLY TRAINED STAFF FOR BUDGET PREPARATION AND FINANCIAL MANAGEMENT.***

The City should staff the Finance Department with qualified professional employees who understand the governmental accounting process, have experience in local government fund accounting systems, and are committed to the integrity of a quality financial management operation. Where competencies are lacking, the City should provide updates, training, and mentoring for employees. The City should require ongoing training, certification, and participation in the GFOA programs and ongoing training in respective areas of the financial management system. The Finance Department is the basis for all other City operations and should be supported by allocating the proper resources for it and by insisting on the highest standards and performance for the staff.

RECOMMENDATION NO. 8: THE CITY SHOULD REQUIRE THE DEPARTMENT DIRECTORS TO TAKE A MORE ACTIVE ROLE IN DEVELOPING AND ADMINISTERING THE DEPARTMENT BUDGETS.

The department directors should be required to provide accurate and comprehensive budget information during the budget preparation process. The directors should be given monthly budget reports distributed by the Finance Department and have access to the MUNIS system on a query basis so that they can monitor their budgets on a weekly basis. They should be held accountable for budget overruns and should be required to justify expenditures that are not routine or ordinary. Any items requested for the new budget year should have a complete analysis of cost (initial and maintenance), a statement of need, supporting data, the volume and nature of the work performed, benefits to be achieved, and justification for the purchase. Any proposed new revenue items or revenue enhancements should be encouraged and fully explored by the department directors and relevant staff.



RECOMMENDATION NO. 9: SEVERAL ENHANCEMENTS SHOULD BE MADE TO THE BUDGETING PROCESS THAT WILL IMPROVE THE QUALITY OF THE INFORMATION PROVIDED TO DECISION MAKERS DURING THE BUDGET'S DEVELOPMENT AND ADOPTION.

The development of the annual budget sets the tone for the entire operation for the fiscal year. It is a policy statement about what programs and services will be provided as well as a decision about how resources will be allocated. The Finance Department Director (or City Administrator – whoever is charged with preparation of the budget) should be responsible for implementing the following enhancements to the budget development process:

- The Finance Department Director should work with the software provider to develop customized budget worksheets in MUNIS that include at least three years of prior data (preferably five years) in order to make proper projections for prospective budget years. A historical analysis of revenue and expenditure trends is critical to making accurate budget projections.
- The Finance Department Director should develop a budget calendar that is published and distributed within and outside of the City organization. The calendar enables the persons who are involved in the budget process (department directors, committees, the Mayor, and Council members) to plan accordingly for workshops, public presentations, and adoption of the final budget. It also provides the public with the ability to participate in the process and to provide public comments in a timely manner. Finally, it keeps the process focused and on target to meet the legal requirements of advertisement, publication, public inspection, and adoption.
- The Finance Department Director should set up a routine procedure that will require a complete analysis of cost prior to any new planned hire in any department. The City's personnel costs make up about 75% of the overall budget, and it is therefore critical to evaluate every position prior to the Council's approval of a new hire. The analysis should include not only starting costs but projected benefit and pension costs over the entire employment period, with adjustments for estimated inflation rates. This analysis should be presented to the City Administrator, the Mayor, and Council prior to a planned staffing decision during the budget process.

- The Mayor and City Administrator should prepare a detailed budget message that accompanies the initial presentation of the budget to the Council and the public for preliminary review. The budget message should include areas of financial concern such as a reduction in revenues, the need for a tax rate increase, or changes to staffing or service levels. The budget message should also report accomplishments for the prior year and projects and plans for the upcoming fiscal year. The budget document itself should be presented in a format that is clearly understandable by officials, the public, and the media.

RECOMMENDATION NO. 10: THE FINANCE DEPARTMENT SHOULD DEVELOP A FIVE-YEAR CAPITAL IMPROVEMENT PLAN IN CONJUNCTION WITH THE MAYOR, THE CITY ADMINISTRATOR, CITY ENGINEER, AND DEPARTMENT DIRECTORS.

The Finance Department should prepare and the City should implement a multiyear capital improvement plan. The plan should be undertaken separately from the annual budget process and should include all projects with descriptions, estimated costs, estimated schedules, and identified revenue sources to support the projects and equipment. The plan should also identify the impact each capital project will have upon the operating budget. An annual capital budget should be prepared, based on the multiyear capital plan.

RECOMMENDATION NO. 11: AN ELECTRONIC PURCHASING SYSTEM SHOULD BE INSTALLED, SIMPLIFIED, AND STREAMLINED.

The MUNIS software has an excellent purchasing system available as part of the budget/accounting package. It also has the ability to provide for the processing of purchase orders via electronic approvals as a “point of service” process. The City of McKeesport should adopt a purchasing ordinance that explicitly assigns the responsibility for the purchasing system to the City Administrator (or delegated to the Finance Department Director, and elected officials should not be included in the purchasing process. Departments should have a threshold for purchases without approval, and City Administrator’s approval should only be triggered at higher levels. The following are suggested thresholds for items within budget parameters based on the City’s \$20 million budget: department directors up to \$1,000; Finance Department Director (or CFO) up to \$5,000; and City Administrator up to \$10,000. This change to the purchasing system will create greater efficiencies and will prevent department directors from attempting to circumvent the system.

RECOMMENDATION NO. 12: THE CITY SHOULD CONTINUE TO UPGRADE AND IMPROVE INTERNAL CONTROLS AS THEY RELATE TO THE COLLECTION OF PARKING TICKET FINES.

In any open system where cash is the primary means of payment, there is a high potential for theft. In McKeesport, over \$300,000 annually is provided by parking ticket revenues. The collection of parking ticket fees must be continuously monitored and regulated and the proper internal controls rigorously enforced. It is important that payments be properly recorded, receipts provided, tickets reconciled to deposits, and proper information reported. The payment of parking tickets is currently centralized in the Finance Department, with the entry and reconciliation of parking tags is done by the Tag Clerk.

RECOMMENDATION NO. 13: FEES FOR SERVICES, ESPECIALLY THE MUNICIPAL SERVICE FEE, MUST BE ANALYZED AND ADJUSTED REGULARLY TO COVER THE COSTS OF PROVIDING SERVICE.

Fees for services must cover all direct and indirect costs of providing the services. These costs should include wages, benefits, contracted services, overhead (building, utilities, insurance), printing, postage, supplies, capital equipment, and uncollectable accounts. The Finance Department should conduct regular analyses of the costs associated and incurred for each service the City provides. The department should also produce a regular report for the City about comparable fees and charges assessed by adjacent municipalities for similar services.

Specifically, the municipal service fee generates almost \$2 million annually and is billed in the City's Finance Department. Because this fee is difficult to collect, it is important to calculate the amount of uncollectible fees regularly and to consider this amount when establishing the next fiscal year's fees.

RECOMMENDATION NO. 14: THE CITY SHOULD PUBLISH AND ADOPT A FEE RESOLUTION ANNUALLY AS PART OF THE BUDGET PROCESS

The City should identify all of the fees that are set throughout the City for all of the City's services and include this resolution as part of the annual adoption of the budget ordinance and supporting budget documents. The fee resolution should identify each of the fees charged by the City and the corresponding rate. The fee resolution should then be published and distributed so that the City departments and City residents are aware of the published rates and confusion is eliminated about the applicable charge for each service. A sample fee resolution is attached in Appendix 1 of this report.

RECOMMENDATION NO. 15: THE FINANCE DEPARTMENT SHOULD PRODUCE MONTHLY FINANCIAL REPORTS FOR THE MAYOR, THE COUNCIL, THE CITY ADMINISTRATOR, AND DEPARTMENT DIRECTORS.

Monthly financial reporting should be a routine and required function of the Finance Department as soon as bank reconciliation is completed but no later than the 10th of each month. Monthly reports should include but not be limited to the following information:

- ***BUDGET COMPARISON REPORT*** – Report that compares budgeted revenues and expenditures to actual revenues and expenditures for each and every department line item for each fund
- ***SUMMARY BALANCE SHEET REPORT*** – Report that shows the assets, liabilities, and fund balance for each and every municipal fund
- ***CASH FLOW ANALYSIS*** – Report that compares cash flow in the current fiscal year to previous year(s) and identifies what the actual availability of cash is estimated to be by month and at year's end.

Additional reports should be available at the request of the Mayor, the City Administrator, or the Council.

RECOMMENDATION NO. 16: THE FINANCE DEPARTMENT SHOULD HAVE WRITTEN STANDARD PROCEDURES FOR BUDGETING, PURCHASING, ACCOUNTS PAYABLE, PAYROLL PROCESSING, CASHIERING, INVESTMENTS, AND FINANCIAL REPORTING.

These written procedures should be reviewed, updated, and adopted by Council on a regular basis.

RECOMMENDATION NO. 17: THE FINANCE DEPARTMENT SHOULD DEPLOY THE SOFTWARE MODULES THAT ARE AVAILABLE BUT NOT CURRENTLY BEING UTILIZED IN THE MUNIS SYSTEM.

Additional modules are available in the City's financial management and enterprise system but have not been fully deployed. Modules for payroll, fixed assets, personnel and human resources, and licensing and permitting should be populated and used by the relevant staff. Using these capabilities would help to integrate information into a centralized location and format that is more usable and readily available to the service providers in the departments. Additional training and resources may need to be targeted for this deployment.

RECOMMENDATION NO. 18: THE FINANCE DEPARTMENT SHOULD MONITOR, RECORD, AND REPORT ACTIVITY TO THE MAYOR, THE CITY ADMINISTRATOR, AND COUNCIL RELATIVE TO THE PENSION FUNDS ON AT LEAST A QUARTERLY BASIS.

Investment performances of the pension funds has fluctuated and become increasingly troublesome over the past several years. It has become more important than ever for key decision makers to ensure that the pension assets are safeguarded and preserved for future legacy costs. The City should conduct a due diligence review of the investment performance in the funds over every three- and five-year period with the assistance of an independent professional pension consultant. Considering the current investment climate, the City could be compelled to contribute higher amounts from its general operating fund to the respective pension funds if the investments are under-performing and higher liabilities are generated in the funds. Higher contributions to pension funds could greatly deplete available general operating resources for the delivery of public services.

RECOMMENDATION NO. 19: THE FINANCE DEPARTMENT SHOULD UTILIZE AN INTERNAL CONTROL QUESTIONNAIRE ON A REGULAR BASIS AS A WAY TO CONTINUALLY UPDATE PROCEDURES AND RULES RELATIVE TO THE CITY'S CONTROL OVER CASH RECEIPTS AND DISBURSEMENTS.

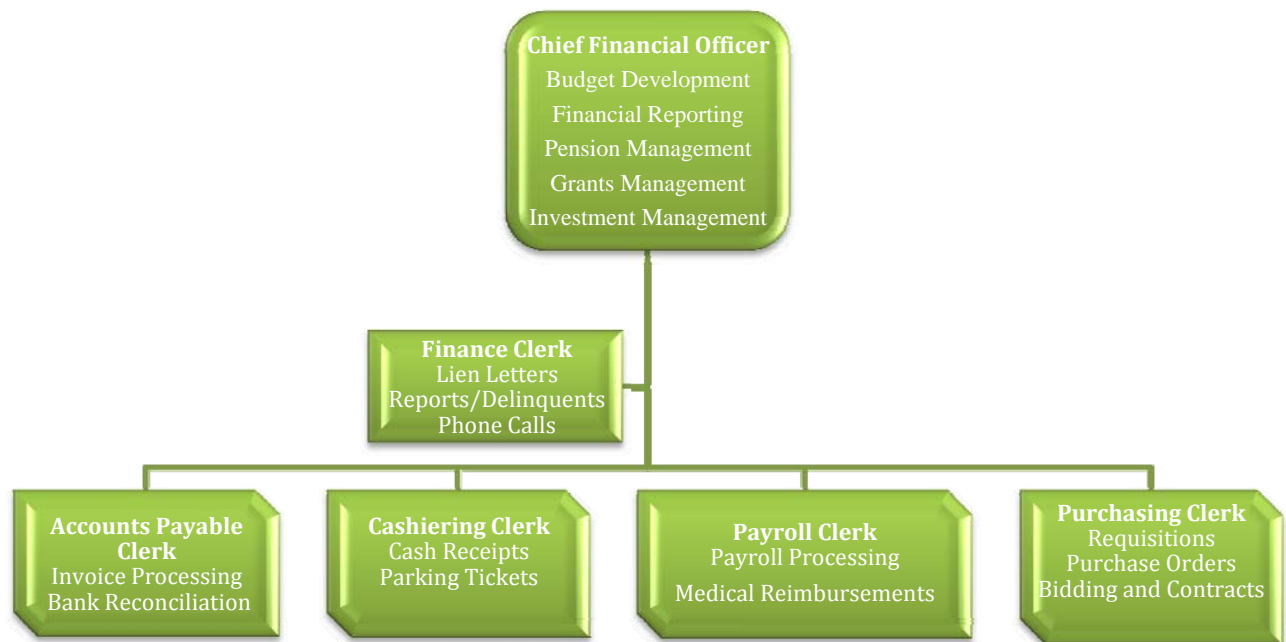
An Internal Control Questionnaire is included in Appendix 2 of this document.

RECOMMENDATION NO. 20: THE CITY SHOULD RESTRUCTURE AND RE-DEPLOY ACTIVITIES IN THE FINANCE DEPARTMENT IN A STAFFING CONFIGURATION THAT IS MORE EFFICIENT, STREAMLINED, AND CONDUCIVE TO AN IMPROVED WORKFLOW.

Based on the relatively high expenditures for the Finance Department and compared to the number of employees in comparable communities, it would seem that there are more positions than necessary in the Finance operation. In addition, once the Act 32 requirements are fully

implemented in 2012 and 2013, there will no longer be any activity related to earned income tax collection in the Finance Department. The City may be able to transfer business privilege and mercantile tax collections to the county-wide collector. A recommended configuration for the Finance Department is shown in Figure 5 below.

FIGURE 5 — RECOMMENDED FUTURE STRUCTURE OF FINANCE DEPARTMENT



Although this is a recommended configuration, the position titles, compensation, and job duties would have to be negotiated with the Teamsters in the next round of collective bargaining. But there is no doubt that the work in this department can be done with fewer employees who are highly skilled, experienced, and focused on achieving departmental objectives. Meanwhile, the City can begin to leave positions vacant if possible, and work on re-distributing work based on the new proposed workflow. It will be much easier to “lose” additional positions through attrition rather than furloughs or comprehensive restructuring. It will also be important to cross-train employees on a regular basis so that the work is accomplished whether or not employees are seated in specific positions. It may be necessary to also negotiate the “cross-training” language in the next round of collective bargaining agreement sessions.

SUMMARY

This evaluation is intended to improve the organization, operation, deployment, and management of the finance operation. During the course of this evaluation, the consultant found the Mayor, the City Administrator, and the Controller to be forthcoming, cooperative, and

helpful in reviewing the overall operation, and the insight provided by the professional staff was important for the preparation of this review.

The Finance Department and the staff are experienced, knowledgeable, and committed to doing a good job. Based on the higher-than-average expenditures in the Finance Department, the City should review the overall duties and assignments to determine whether employees are fully deployed and if additional assignments should be made to some employees. This might require additional training and/or cross-training and will initially require strong direction and oversight. But in order to implement the recommendations outlined, it will be necessary for employees to accept some additional assignments, at least in the short term.

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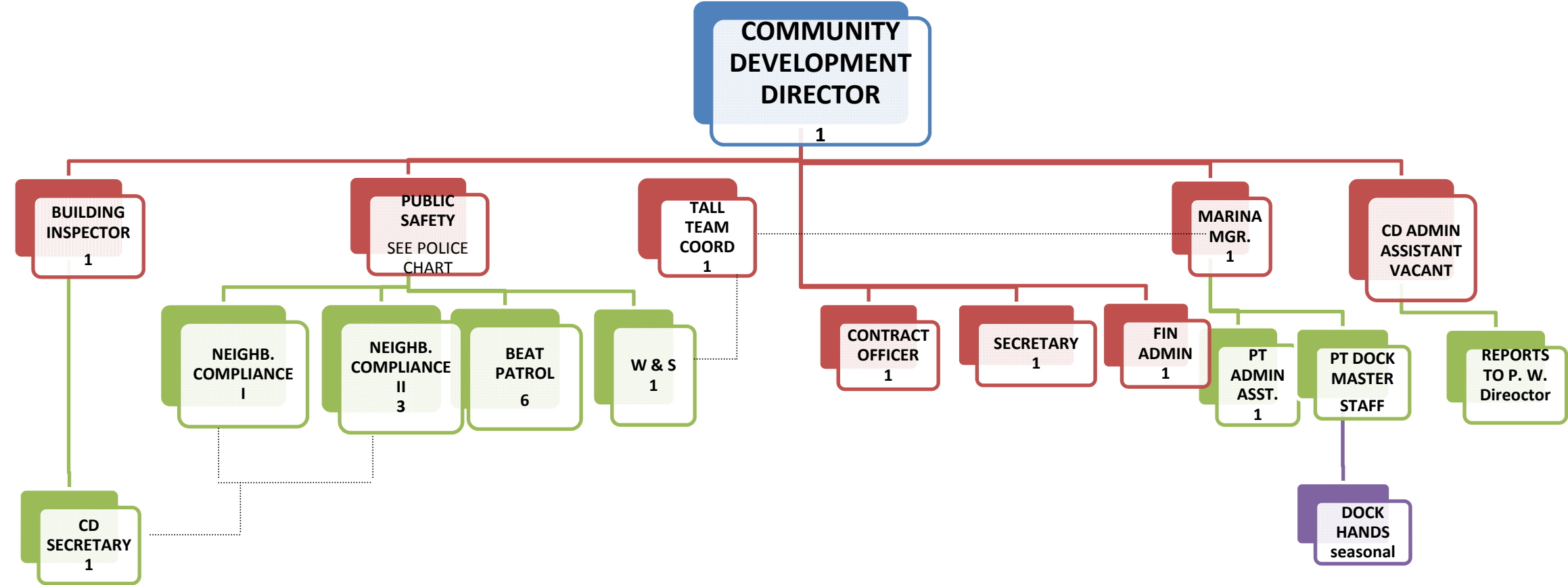
COMMUNITY DEVELOPMENT, PLANNING, AND CODE ENFORCEMENT**BACKGROUND**

The City of McKeesport Department of Community Development is located on the second floor of the City of McKeesport's Municipal Building at 500 Fifth Avenue, McKeesport, Pennsylvania. The Director of Community Development (Director) oversees the building and codes department, recreation department, and the City's Weed and Seed Program. The Director is also responsible for the grants management of the City's Community Development Block Grant (CDBG) Program.

The department is staffed with one Building Inspector, three Code Enforcement Officers, one Recreation Director, a Police Officer assigned to the Weed and Seed Program, and three administrative staff members. All staff members are full-time employees and are represented by Teamsters Local 205. The Recreation Director is the only position within the Department of Community Development that is not represented by a union or included in a collective bargaining agreement. The organization chart for this department is as follows:

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FIGURE 6 – Current Department of Community Development Organizational Chart



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The Building Inspector is responsible for the issuing of permits and conducting plan reviews. The Code Enforcement Officers are responsible for all code enforcement, responding to complaints, and are responsible for identifying properties that are targeted for boarding up or demolition for safety reasons. Administrative staffing for the Planning Commission and the Zoning Hearing Board is provided by the Department of Community Development's clerical staff. Professional staff oversight to the Planning Commission and the Zoning Hearing Board is provided by the Building Inspector.

The Recreation Commission is responsible for providing recommendations and advice regarding recreational programming in the City. The Recreation Director provides administrative support to the Recreation Commission. The Recreation Director is responsible for all facets of recreation programming within the City of McKeesport, with the exception of the oversight to the McKeesport International Village program. Oversight of this activity is provided by the Department of Public Works.

ECONOMIC AND COMMUNITY DEVELOPMENT ORGANIZATIONS

In order to better understand the Economic and Community Development environment in the City, it is necessary to identify the status of other City of McKeesport organizations and their activities. The primary organizations currently active in this area are identified in this section. The location, description of the organization, hours of operation, and their respective mission is provided below.

McKeesport Housing Corporation (MHC) is a 501(c) (3) organization located at 500 Fifth Avenue, Suite 503, McKeesport, PA 15132. Hours of operation are Monday through Friday from 8:00 a.m. to 4:30 p.m.

MHC is a nonprofit corporation and is a sub-recipient of the City of McKeesport's Community Development Block Program. MHC manages a low-interest loan program and manages the Lead Elimination Action Program. MHC's mission is to rehabilitate owner-occupied homes for qualified low-income homeowners within the City. Through a combination of grant money and low-interest loans, critical home repairs are made. Part of MHC's mission is to correct code violations, perform interim controls on lead base paint and address safety and security issues. The corporation is also a Community Housing Development Organization (CHDO) that both rehabilitates homes for resale and/or builds new homes for neighborhood revitalization on various lots within the City.

McKeesport Neighborhood Initiative (MNI) is a 501(c) (3) organization located at 500 Fifth Avenue, Suite 311, McKeesport, PA 15132. Hours of operation are Monday through Friday from 8:00 a.m. to 4:30 p.m.

MNI is a community grass roots nonprofit organization that was established in 2001. MNI's goal and mission is to help rejuvenate the City of McKeesport, starting with home ownership. MNI collaborates with the Commonwealth of Pennsylvania (State), Allegheny County, City of McKeesport, McKeesport Redevelopment Authority, the Pennsylvania Housing Finance Agency,

the state's Weed and Seed Program, and the federal Home Loan Bank and Blue Print Community Initiative.

McKeesport Development Corporation (MDC) is a 501(c) (3) organization and is a sub-recipient of the City of McKeesport's CDBG Program. MDC is located at 500 Fifth Avenue, McKeesport, PA 15132. Hours of operation are Monday through Friday from 8:00 a.m. to 4:30 p.m.

MDC was incorporated as a private, nonprofit development corporation in 1986. MDC's mission is to promote the economic revitalization of the City of McKeesport. MDC attempts to fulfill its mission by coordinating public and private investment in the City by promoting McKeesport as an attractive City for business development and supporting business ventures that will create jobs for its residents.

Services provided by MDC include business plan assistance, site location assistance, innovative financing assistance, access to MDC's small business loan, and access to other state and local tax credit programs.

RANGE OF SERVICES

A summary table of each organization's range of services is provided in Table 3. This table illustrates areas of duplication of effort and services in association with the City of McKeesport's Economic and Community Development organizations.

TABLE 3 – Overview of Program Activities

Overview of Program Activity									
	Rehab owner housing	Code violations	Lead base paint	Safety and security	Rehab/sale new homes	Credit counseling	Innovative financing	Site location assistance	Low-interest loan
MHC	X	X	X	X	X	X	X	X	X
MNI	X	X		X	X	X		X	
MDC						X	X	X	X

In addition to the three Economic and Community Development organizations mentioned previously, the Redevelopment Authority of the City of McKeesport (RACM) is also established and undertakes specific activities. RACM was created by resolution of the City of McKeesport and is organized under the provisions of Pennsylvania's Urban Redevelopment Law of 1945. RACM is located at 500 Fifth Avenue, McKeesport, PA.

Under the law, the RACM has broad-based power to assemble, prepare, and convey sites for development; maintain and administer economic and community development programs that include financing for business location, relocation, and expansion; housing construction and rehabilitation; and home purchases and improvements.

Currently, the RACM's primary responsibility includes the management of the City's Vacant Property Review program. The RACM maintains ownership of property for development throughout the City.

HISTORICAL CALL VOLUME

Call volume information is not available to track, as the department keeps very little data on the number of calls received for service.

SCHEDULING

The regular work week for all employees covered by the collective bargaining agreement consists of five consecutive eight-hour days, Monday through Friday, where such a schedule is possible and has been the past practice for employees. A regular work day consists of eight consecutive hours of work inclusive of a one-half-hour paid lunch period. The collective bargaining agreement also contains an addendum that says all overtime will be issued in the form of compensatory time at the rate of time and one-half.

UNION REPRESENTATION

Community Development employees are represented by Service Personnel and Employees of the Dairy Industry, Teamsters Local 205 of White Oak, Pennsylvania, affiliated with the International Brotherhood of Teamsters. They are operating under a five-year contract that expires on December 31, 2013.

INITIAL OBSERVATIONS

UNIFIED VISION

The initial review and evaluation found that the City of McKeesport's Department of Community Development is in need of additional training and is in need of a coordinated plan for community and economic development activities within the City. The Director of Community Development spends more time on administrative matters than on directing the operations and establishing goals and direction for the staff. Because of the substantial grants management and administrative responsibilities required of the Director, the Director is not involved with providing direction to MHC and MDC. Given that the CDBG Program provides direct financial assistance to both MHC and MDC, there is a need for a unified direction on Community and Economic Development activities within the City.

PROFESSIONAL STAFF SUPPORT

The Building Inspector currently provides professional staff support to both the Planning Commission and the Zoning Hearing Board. The Inspector needs to work closely with the Director to make sure she is informed and knowledgeable about all major complaints, permits, and pending appeals cases. At the same time this will allow the Director to remain in the loop and be able to update the elected officials on an as-needed basis.

CODE ENFORCEMENT

Without a database to provide details on the number of complaints received, the number of complaints investigated, number of complaints resolved, or the number of code violations issued by the Code Enforcement Officers, it is hard to gauge the workload of this function. It is also tough to measure the re-activeness or pro-activeness of the department without detailed records.

BUDGET EXPENDITURES

In a review of activity since 2002, the expenditures for the department have consistently decreased. This is primarily due to the reductions in the CDBG at the federal level and the overall decreasing ability of the City to support community development functions from its general operating budget.

FIGURE 7 – Community Development Expenditures Trend

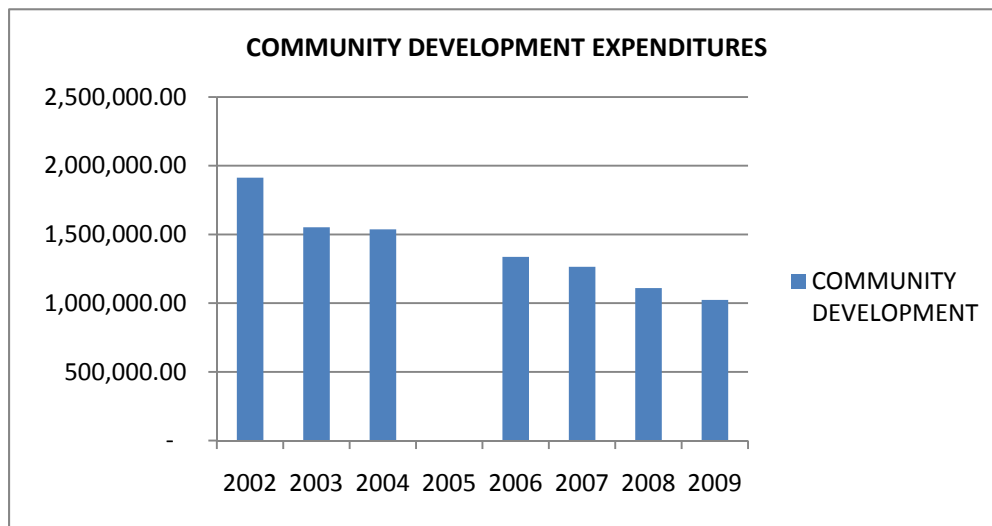


TABLE 4 – City of McKeesport Community Development Budget

Account	Expenditure Category	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
		2002	2003	2004	2005	2006	2007	2008	2009
	COMMUNITY DEVELOPMENT								
3441	CD Recreation	444,209.91	622.50	18,613.14					
3442	CD Public Improvements	388,102.14	199,938.08	356,153.44		120,667.49	254,221.06	111,265.55	83,305.25
3443	CD Housing	529,302.41	532,308.44	542,799.13		362,152.06	317,295.26	361,488.89	208,774.41
3444	CD Economic Development	37,585.18	501,492.60	77,168.00		51,287.36	26,011.00	49,923.68	155,493.20
3445	CD Public Service	258,184.93	146,910.67	217,373.37		136,601.49	60,000.00	19,550.00	33,707.97
3446	CD Administration	255,189.12	170,833.70	324,781.09		666,401.71	607,521.35	566,836.61	542,566.00
	TOTAL	1,912,573.69	1,552,105.99	1,536,888.17		1,337,110.11	1,265,048.67	1,109,064.73	1,023,846.83

BEST MANAGEMENT PRACTICES

The Best Management Practices for the ICMA for planning, land use control, and code enforcement are reviewed in the following section. These standards were developed by the SPC and are applied to the City's Building and Code functions.

Standard No. 1: *The municipality has, by ordinance, either created a planning agency (a Planning Commission and/or a Planning Department), contracts with a county planning department or is a member of a multi-municipal planning commission as permitted by the provisions of the Pennsylvania Municipalities Planning Code (MPC). It has placed with this agency the powers and duties for physical planning and development, consistent with the provisions of the MPC. The City does have a Planning Commission that meets on an as-needed basis to review items such as conditional uses, site plans, land developments, and subdivisions. The Planning Commission makes recommendations to the City Council. **This standard has been met.***

Standard No. 2: *Members of the Planning Commission and/or employees of the Planning Department are selected on the basis of their interest in, and knowledge of, the planning and land use control function. Planning Commission members are appointed based on a combination of interest as well as background. Department employees are qualified and have technical knowledge of the subject matter. **This standard has been met.***

Standard No. 3: *Planning Commission members and/or other planning personnel are encouraged to, and do, take advantage of appropriate training opportunities to enhance their knowledge and skills. Planning Commission members and planning personnel do not attend training on a regular basis, and there is no specific line item identified for training in the general fund budget. **This standard has not been met.***

Standard No. 4: *Sufficient municipal funds are annually budgeted to permit the planning agency to carry on its activities, including training for planning personnel. As mentioned in the previous standard, the City needs to make a commitment to training for its planning staff and volunteers on the planning commission. **This standard has not been met.***

Standard No. 5: *A zoning hearing board (ZHB) has been created by ordinance, under the provisions of the Pennsylvania Municipalities Planning Code. **This standard has been met, as the City does have a zoning hearing board created by ordinance.***

Standard No. 6: *Members of the Zoning Hearing Board are appointed on the basis of their interest and knowledge of the zoning function. The Mayor appoints members to the Zoning Hearing Board when a vacancy occurs. Because of the nature of the decisions that the board will make, it is important when making appointments to ensure that there are no conflicts of interest that could result in biased decisions not in the best interest of the municipality. **This standard has been met.***

Standard No. 7: *Members of the Zoning Hearing Board are encouraged to, and do, take advantage of training opportunities to enhance their knowledge and skill.* As previously mentioned, there are no line items dedicated to training opportunities. Training is extremely important for Zoning Hearing Board members because the Municipalities Planning Code is amended every two or three years, and board members need to be aware of these updates and how they affect the City. **This standard has not been met.**

Standard No. 8: *Sufficient funds are annually budgeted to cover the expenses associated with the functioning of the Zoning Hearing Board such as retention of independent legal counsel and special transcription services.* **As the board has its own independent counsel, this standard has been met.**

Standard No. 9: *The municipality has adopted a comprehensive plan.* This plan includes, as a minimum, the following: an overall statement of objectives concerning the future development of the municipality; plans for land use, housing, transportation, community facilities and utilities, a statement of the interrelationships among various plan components, a statement of compatibility between the community's existing and proposed plans and contiguous portions of neighboring municipalities or a statement indicating measures have been taken to provide buffers between disparate uses, a statement indicating that the existing and proposed development of the municipality is consistent with the objectives of the county's comprehensive plan, the timing and character of proposed land use; a discussion of short- and long-range implementation strategies, and a plan for the protection of natural and historic resources. Section 301 (c) of the Municipalities Planning Code says that the comprehensive plan shall be reviewed every 10 years. The plan that the City has in place is at least 10 years old. **The standard has been met because there is a plan on file, but it is not effective because it has not been updated.**

Standard No. 10: *The comprehensive plan is reviewed at least every ten (10) years and updated, as appropriate, and actively used to guide planning and land use activities.* Unfortunately, it is not unusual for a municipality to adopt a comprehensive plan and then put it on the shelf when land use decisions need to be made. As previously mentioned, the City's comprehensive plan is greater than 10 years old and needs to be updated or completely replaced. **This standard has not been met.**

Standard No. 11: *The municipality has adopted a comprehensive zoning ordinance which incorporates the purposes set forth in the Municipalities Planning Code, and which reflects the latest legal requirements in the zoning/land use areas.* An official map has been incorporated as part of the zoning ordinance. The City does have an ordinance and a map. However, the ordinance needs to be reviewed and updated to ensure that they contain all of the Municipalities Planning Code amendments from the past few years. **The standard has not been met.**

Standard No. 12: *Granting exceptions and variances to the zoning ordinance is the exception and not the rule on the part of the Zoning Hearing Board.* However, according to the zoning officer, most exceptions are granted by the Board. It is the norm and not the exception. **The standard has not been met.**

Standard No. 13: *The municipality has adopted a subdivision and land development ordinance. It has been more than 10 years since this ordinance has been reviewed and updated. The standard has been met but is not effective.*

Standard No. 14: *A zoning officer has been appointed to administer the zoning ordinance, as required under the Municipalities Planning Code. The appointment of this individual is based on the knowledge, skills and abilities needed for the job, and selection is done through open and competitive means. This individual possesses the appropriate education and/or training for the position. The current Zoning Officer has received certifications under the Uniform Construction Code, understands the process, and has worked with the Zoning Hearing Board in the past. The standard has been met.*

Standard No. 15: *Responsibility and monitoring and enforcing land use regulations, particularly the zoning ordinance, is clearly fixed. Enforcement of these regulatory ordinances is stressed, and enforcement personnel are expected not only to investigate non-compliance complaints, but also to be pro-active, regularly monitoring the community for compliance. The zoning officer is charged with this duty and carries it out to the best of his ability. The standard has been met.*

Standard No. 16: *There is a comprehensive fee schedule, available to the public, setting forth costs and related matters for required permits building, demolition, occupancy, grading, street openings, etc.); and for hearings before the governing body the Planning Commission or the Zoning Hearing Board for zoning amendments, conditional uses, subdivision approval, site plan approval sewer tap-ins, etc. The standard has been met.*

Standard No. 17: *There is a comprehensive checklist available to citizens and contractors which outlines all needed permits and hearings, and other requirements, related to land development and construction activity. Those who plan to undertake any construction should be able secure, in advance, a checklist outlining the requirements for permits and possible hearings needed for the activity. Since such a checklist does not exist, the standard has not been met.*

Standard No. 18: *All permits and information related to local planning, building, zoning, and code enforcement are centralized in a single office, or with a designated staff person, easily accessible to the public. The building function and the code enforcement function are located in the same part of City Hall, but are not in the same office. However, they are close enough as far as distance is concerned, and the Department Director is available to answer questions concerning any of these items. The standard has been met.*

Standard No. 19: *The municipality, by ordinance has either opted to enforce the Uniform Construction Code (UCC) locally except where municipal or the contracted service provider lack the certification necessary to approve plans and inspect commercial construction or opted to rely on the Pennsylvania Department of Labor and Industry or its designees to enforce the UCC which includes building, property maintenance and fire code provisions. The City has adopted the UCC and its Building Inspector has received certifications under the code. The standard has been met.*

Standard No. 20: *Building property maintenance and fire codes are periodically reviewed and updated, as necessary. As the recognized code, when the International Construction Code/ Pennsylvania's Uniform Construction Code is updated, the municipality takes action to incorporate the revision into its code enforcement process.* The City still enforces the BOCA 1997 Fire Code, which has been updated numerous times in the last 13 years. **The standard has not been met.**

Standard No. 21: *There are established procedures for receiving and following through on complaints concerning code violations.* There may be established procedures for following through on complaints, but such procedures are not recorded in writing. In addition, everything is tracked by hand, and not recorded in any sort of electronic database. Until some sort of standardized reporting system is put in place, **the standard has not been met.**

Standard No. 22: *There is an established and effective appeals process for individuals who are aggrieved by code enforcement actions.* As there is no building code of appeals board in place, **this standard has not been met.**

Standard No. 23: *All code enforcement personnel employed by the municipality or retained under a professional services contract are certified as prescribed by Pennsylvania law to enforce building, fire and/or property maintenance codes.* The Building Inspector has certifications under the UCC. In addition, the City contracts with the Middle Department for various inspection items. **The standard has been met.**

Standard No. 24: *Codes are enforced, and the duties of code enforcement personnel are established in writing.* These duties include procedures for reports and reporting, and professional responsibilities. As these duties are not established in writing, **the standard has not been met.**

Standard No. 25: *The activities of code enforcement personnel are carefully monitored through reporting procedures and routine field supervision.* Supervisory responsibilities are prescribed in writing. **This standard has not been met** as there is no routine field supervision of Code Enforcement Officers.

Standard No. 26: *Code enforcement personnel (employees and those under service contract) meet and actively participate in training and development programs to maintain the state required certification to enforce the codes recognized by municipality.* The code personnel do what is necessary to maintain their certifications. **The standard has been met.**

RECOMMENDATIONS

RECOMMENDATION NO. 21: THE CITY OF MCKEESPORT SHOULD UPDATE OR DEVELOP A COMPREHENSIVE PLAN AS REQUIRED BY SECTION 301 (C) OF THE PENNSYLVANIA MUNICIPALITIES PLANNING CODE (MPC). In addition to what is required to be in the plan by the MPC, the plan should include a business district plan and a strategic redevelopment plan for housing and neighborhoods. It should include a specific action strategy that can be monitored for progress for the long term.

RECOMMENDATION No. 22: IN CONJUNCTION WITH THE DEVELOPMENT OF AN UPDATED COMPREHENSIVE PLAN, THE CITY SHOULD INCLUDE A MARKET-BASED ASSESSMENT TO HELP SHAPE AND GUIDE FUTURE DEVELOPMENT BASED UPON A SOUND ASSESSMENT OF FUTURE MARKET CONDITIONS. This market-based assessment will be a tool for guiding future land use that should be incorporated into the comprehensive plan.

RECOMMENDATION No. 23: FOLLOWING THE ADOPTION OF A COMPREHENSIVE PLAN, A COMPREHENSIVE REVIEW AND UPDATE OF THE CITY'S ZONING ORDINANCE AND SUBDIVISION PROCESS SHOULD BE DEVELOPED WITH THE ASSISTANCE OF A PROFESSIONAL PLANNING CONSULTANT. Specific ordinances should be reviewed to ensure compliance with the MPC.

RECOMMENDATION No. 24: THE BUILDING OFFICIAL/ZONING OFFICER SHOULD CONTINUE TO SERVE AS PROFESSIONAL STAFF TO THE PLANNING COMMISSION AND THE ZONING HEARING BOARD. The Building Official should be trained on the Planning, Zoning, and the MPC and should be charged with the oversight of code enforcement of the local ordinances under the City of McKeesport Code.

RECOMMENDATION No. 25: CODE ENFORCEMENT OFFICERS SHOULD BE PROACTIVE IN ENFORCING THE APPROPRIATE CODES IN ALL COMMERCIAL AND RESIDENTIAL DISTRICTS. In older communities the code enforcement department and staff are the most important operation for enhancing the business district, stabilizing neighborhoods and preserving existing housing stock.

RECOMMENDATION No. 26: THE RACM SHOULD CONTINUE ITS AGGRESSIVE EFFORTS RELATED TO THE DEMOLITION OF VACANT BUILDINGS. A program to maintain these vacant properties beyond demolition should be developed by the RACM and coordinated with City staff. The vacant lots become overgrown and are eyesores to the surrounding property owners.

RECOMMENDATION No. 27: THE CONTINUATION OF THREE SEPARATE COMMUNITY DEVELOPMENT ORGANIZATIONS (I.E., MHC, MNI, AND MDC) WITH SIMILAR VISIONS, DIRECTIONS, AND BOARDS OF DIRECTORS WEAKENS THE CITY'S ABILITY TO MAINTAIN A UNIFIED DIRECTION FOR COMMUNITY DEVELOPMENT ACTIVITIES IN THE CITY. Based upon the overlap and duplication of services as presented in Table 3, the competition for the same sources of funding, and the budgetary woes of each of these organizations, a merger of these organizations under the RACM is recommended. The merger of these organizations under the RACM or under the Community Development Director could provide a clear direction for development plans within the City and also establish a single point of contact for economic and community development activities that does not exist currently. The organizations may continue to exist on paper but should be staffed and organized under the umbrella of either the Redevelopment Authority or the Community Development Director. They should not continue to have separate staff and separate resources.

RECOMMENDATION NO. 28: UPDATED MARKETING BROCHURES OF THE PROGRAMMATIC ACTIVITIES OF MHC, MNI, AND MDC SHOULD BE PREPARED ONCE THE CONSOLIDATION OF THESE ORGANIZATIONS UNDER AN UMBRELLA ORGANIZATION IS COMPLETED.

The city's Web site should be immediately updated, since there is no information on the current programmatic activities for these organizations. The current Web site only states that information about MHC and MDC is coming soon.

RECOMMENDATION NO. 29: THE CITY SHOULD REVISE AND UPDATE ITS OCCUPANCY PERMIT PROGRAM.

The City should take a much firmer stance on identifying violations and violations corrected prior to the transfer of property from seller to buyer. The following issues should be addressed by management and the City Council as a starting point for discussion on occupancy permits:

- The City currently requires occupancy permits for single-family homes and should continue to maintain this requirement. Occupancy permits should be tied to the sale of a property. However, prior to the issuance of a final occupancy permit, the Building Inspector should ensure that all deficiencies have been corrected.
- The City should require occupancy permits for all residential properties. An occupancy permit should be tied to the sale of the property, allowing this to occur routinely at the closing. The City should not issue a final occupancy permit until all of the identified deficiencies have been corrected.
- In any other zoning district (commercial, industrial, etc.), an occupancy permit should be required for the sale of a property, for a change in use of the property, or for a change in tenants. Deficiencies should be identified and corrected prior to the issuance of a final occupancy permit.

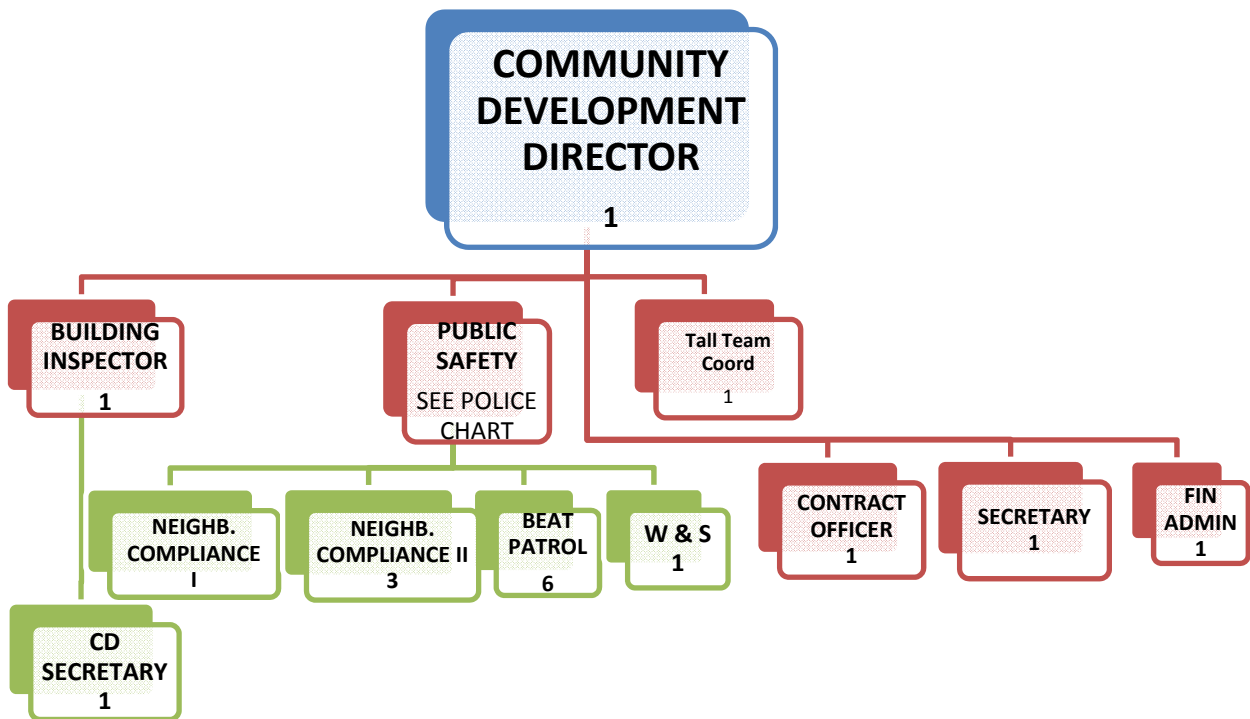
One of the keys to the occupancy permit process is that a zoning review and as well as a building code review should be included in the process. Assigned staff should be experienced in the MPC as part of the review process. The steps in the recommended process are as follows:

1. When the City receives a request for a lien letter, the request should be forwarded to the Director of Community Development and the Building Inspector.
2. The Building Inspector notifies the owner, buyer, or closing agent that the no-lien letter also triggers the request for an occupancy permit and the occupancy permit must be issued prior to the release of a no-lien letter. The requesting party can then go to the City's Web site and download the application for an occupancy permit.
3. The occupancy permit application form, at a minimum, needs to have the following information: property address, lot and block number, zoning district in which the property is located, current use of the property, and proposed use of the property. With this information, the Building Inspector should be able to conduct a search to see if there are any problems with the current or proposed use of the property.
4. The application should be accompanied by a check for the occupancy permit.

5. The Building Inspector, as well as a member of the fire department, conducts the inspection of the property. All building code, fire code property maintenance codes, etc., are noted by the inspectors. A letter is sent to the owner of the property outlining all the violations that need to be fixed. The letter lists the problems and shows the corresponding code section for the violation.
6. Once the owner fixes the violations, he contacts the Building Inspector, who then verifies the violation has been fixed. Once all violations are fixed, the occupancy permit is issued and the lien letter is released.

RECOMMENDATION No. 30: THE ORGANIZATIONAL CHART FOR THE DEPARTMENT NEEDS TO BE REVISED TO ELIMINATE THE POSITIONS AT THE MARINA BECAUSE THOSE POSITIONS TRULY DO NOT REPORT TO THE DEPARTMENT DIRECTOR. The updated chart would appear as shown below:

FIGURE 8 – Proposed Community Development Organizational Chart



RECOMMENDATION NO. 31: JOB DESCRIPTIONS, WORK RULES, AND PROCEDURES SHOULD BE UPDATED. From a personnel and human resource perspective, the Department of Community Development should have updated job descriptions so that employees have a clear understanding of their duties and responsibilities and the lines of communication and authority. There should be a formal process of adoption that identifies all work assignments, goals, and steps for carrying out job responsibilities.

RECOMMENDATION NO. 32: ALL EMPLOYEES WITHIN THE DEPARTMENT SHOULD HAVE AN ANNUAL PERFORMANCE REVIEW IN ORDER TO DISCUSS FAILURES AND ACCOMPLISHMENTS FROM THE PAST YEAR AS WELL AS TO ESTABLISH GOALS FOR THE UPCOMING YEAR.

RECOMMENDATION NO. 33: THE APPROPRIATE TRAINING SHOULD BE MADE AVAILABLE TO THE BUILDING INSPECTOR, CODE ENFORCEMENT OFFICERS, PLANNING COMMISSION AND ZONING HEARING BOARD MEMBERS. Council needs to show that training is a priority by establishing specific line items for training in the general fund budget.

RECOMMENDATION NO. 34: THE CITY SHOULD DEVELOP AND PROVIDE TURNKEY PACKETS FOR RESIDENTS AND CONTRACTORS. The City should develop and provide the public with a checklist of items required for zoning permits, special exceptions, and for subdivision and land development applications. Packets can be prepared in advance with all of the associated items necessary for the permit requester to begin the process. The prepared packets should outline the necessary approvals and timelines needed for various steps of the process. This is an enormous benefit to residents, business owners, and potential developers. Much of the routine information and permit applications should be available on the City's Web site so that residents can save time and resources by downloading and completing applications in advance of an inspection or permit request.

RECOMMENDATION NO. 35: THE CITY SHOULD FORMALLY ESTABLISH A BUILDING CODES BOARD OF APPEAL AS REQUIRED BY THE UCC. An appeals board is required by the UCC and specific background subject matter skills and certifications are identified for the members of the appeal board. The City should either appoint the board members or work with the Twin Rivers Council of Governments (COG) to put together and utilize a joint board of review.

RECOMMENDATION NO. 36: THE CITY SHOULD REVIEW THE NEWEST VERSION OF THE FIRE CODE AND OFFICIALLY ADOPT IT BY ORDINANCE. The City currently enforces the 1997 edition of the BOCA Code, but should be enforcing the International Fire Code.

RECOMMENDATION NO. 37: A COMPREHENSIVE ELECTRONIC DATABASE PROGRAM SHOULD BE UTILIZED TO TRACK ALL CODE ENFORCEMENT AND BUILDING PERMIT ITEMS. A server-based database program needs to be purchased and utilized to track all code enforcement, building code, planning commission, and zoning hearing board activity. Such a program will also have built-in reporting capabilities that will standardize reports for department heads and elected officials. All department personnel will need to receive extensive training to ensure that there is more than a basic understanding of the software.

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PUBLIC WORKS AND PARKS

BACKGROUND AND ORGANIZATIONAL STRUCTURE

The review of the McKeesport Public Works and Parks Department was conducted by David A. Soboslay, at Delta Development Group, Inc., as part of Step IV of the EIP Five-Year Financial and Management Plan for the City of McKeesport. Mr. Soboslay has over 20 years of experience in local government management and has worked directly with public works issues related to local government during that time. To complete this evaluation, the consultant conducted fieldwork and site investigations, analyzed data, gathered information from comparable local government operations, and conducted extensive research. Personal interviews were held with Nick Shermenti, Director of Public Works and Parks Department, for issues relative to the public works and parks maintenance operations. The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates.

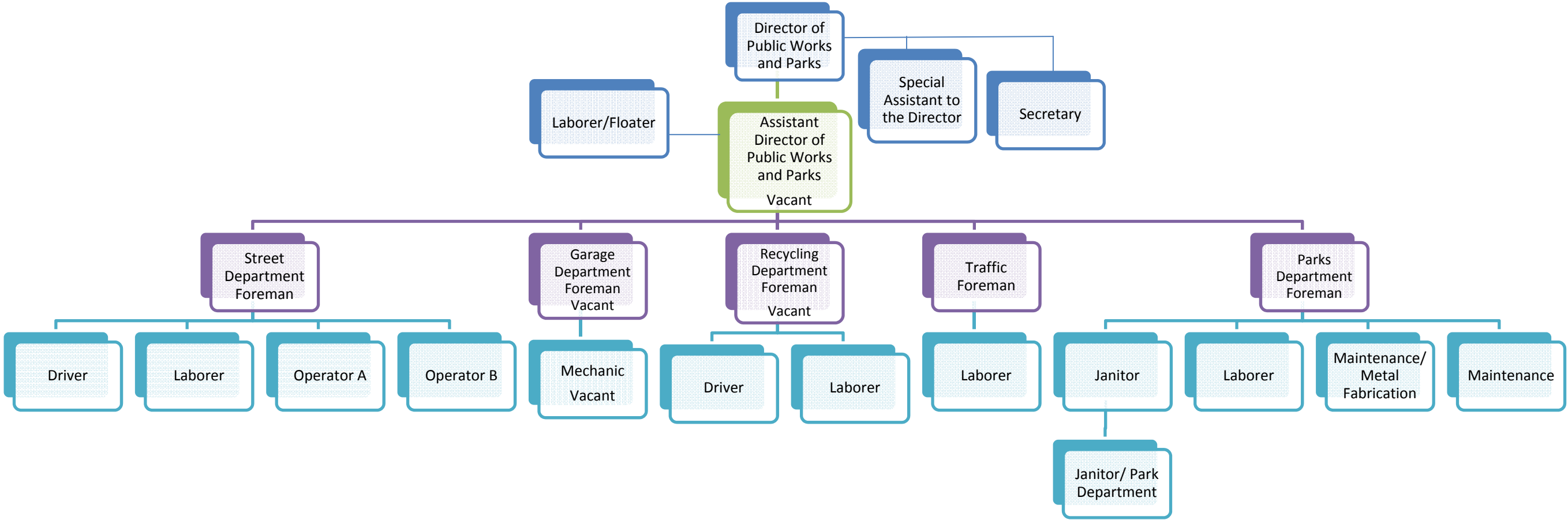
OVERVIEW

The Public Works and Parks Department currently employs 27 full-time members that deliver roads, parks, traffic, recycling, facilities, and public property maintenance services. It is unknown how many calls for service are received every year, as there is no official tracking system in place.

The 27 full-time employees are members of a collective bargaining agreement under the service personnel and employees of the dairy industry, Teamsters Local 205. Figure 9 shows the organizational structure of the Public Works and Parks Department.

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FIGURE 9 – PUBLIC WORKS AND PARKS DEPARTMENT CURRENT ORGANIZATIONAL CHART



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As seen from the organizational chart, the Public Works and Parks Department is divided into the following service delivery areas with the following job responsibilities:

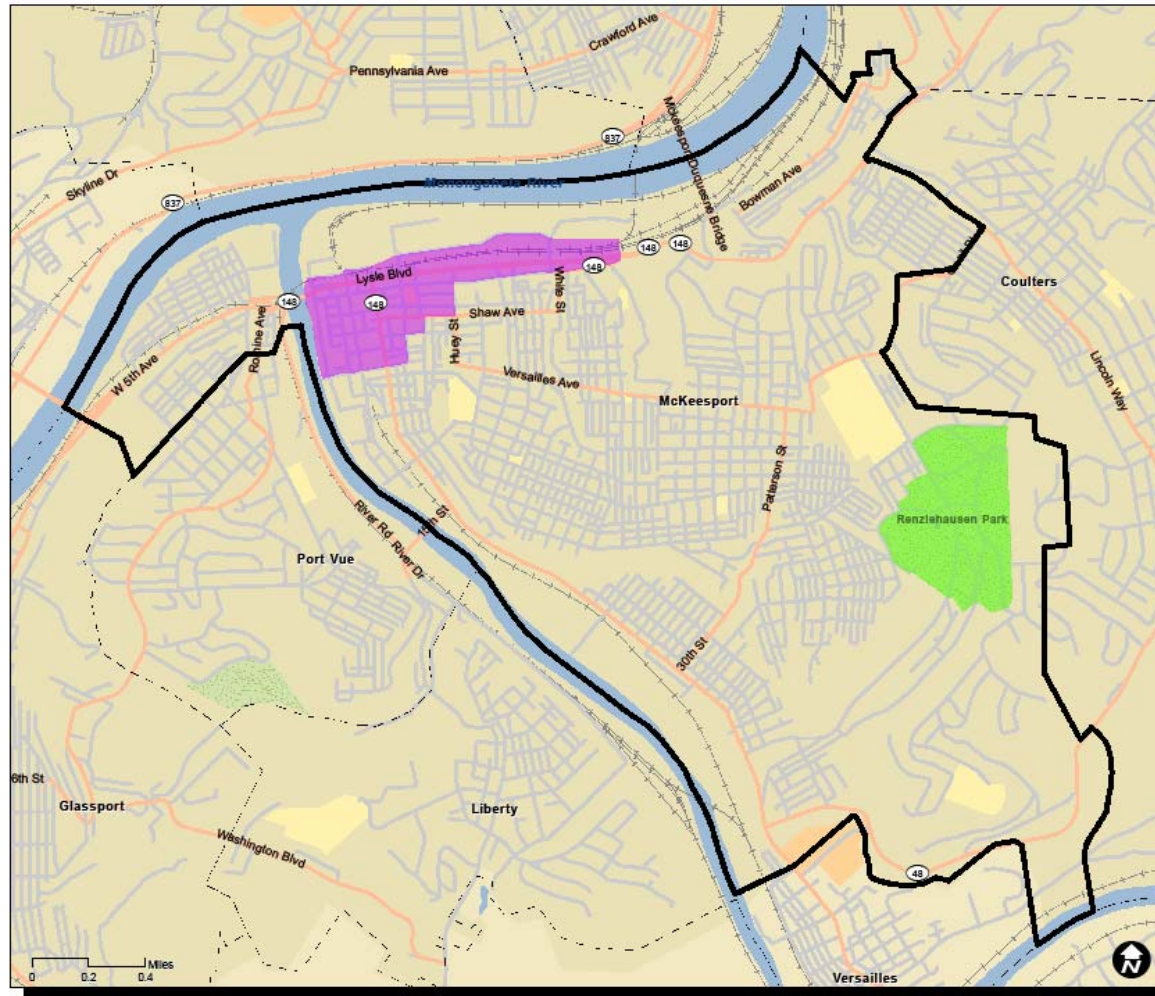
Street Department: This department maintains 104 miles of City-owned roadways, in addition to the state and county roads that it salts and plows under agreement with Allegheny County and the Commonwealth of Pennsylvania. This department performs the following tasks:

- Patching potholes on an as-needed basis
- Paving and re-paving entire City blocks. In 2009, the majority of the funds used for paving purposes were CDBG funds.
- Plowing and salting the roadways of the City across seven different plow routes. Also, through agreements with the state and county, these areas include O'Neil, Hartman, and Eden Park Boulevard (county roads) as well as Route 48, Lysle Boulevard, Route 148 (Walnut), and the bridge ramps for the Duquesne McKeesport Bridge (state roads).
- Removing trees that fall during storms
- Maintaining the six miles of the bike trail that runs from Christy Park to the Riverton Bridge and is part of the Great Allegheny Passage. The trail has an asphalt base and aggregate in some areas. Other items on the trail include trees, trash, weeds, and portable restroom maintenance.
- Maintaining storm sewers. The storm sewers are about 150 years old and made of terra cotta with brick tunnels. The department only maintains the outlets to the river. The Sewer Authority maintains all inlets and pipes throughout the City.
- Street sweeping from April through October in the downtown area and through the main commercial corridors
- Picking up miscellaneous trash in the neighborhoods

Traffic Department: Tasks for the traffic department include the following:

- Maintaining and emptying parking meters. Approximately 200 meters have money removed twice a week and are taken directly to the police station.
- Cleaning and maintaining downtown areas through the use of a street sweeper and a Madvac. Garbage cans are emptied and taken to the trash compactor at the City garage. It should be noted that the Traffic Department can only empty cans in the Downtown District from Water Street to Canon at Lyle and Fifth Avenue (see Map 2 below).
- Maintaining parking garages at Mid-Town (200 spaces) and 6th Street (200 spaces). The majority of the customers utilize permit parking. However, there is a cashier at each of the garages on Monday through Friday from 8 a.m. until 4 p.m.
- Maintaining street signs. The Administrative Assistant surveys the entire City in early spring to see what street signs are missing or need replaced. All replacement signs are made in the Public Works facility and immediately replaced.
- Maintaining sidewalks on 5th Avenue
- Maintaining municipal building parking lots

MAP 2 – MCKEESPORT TRAFFIC DEPARTMENT BOUNDARIES



McKeesport Early Intervention Plan (EIP)

Legend

- Renziehausen Park
- Downtown District
- McKeesport
- Municipal Boundary
- Major Highways
- Highways
- Major Roads
- Ramps
- Local Roads



Date: March 22, 2010
 Source of Data: Pennsylvania Department of
 Transportation, ESRI, Tele Atlas Street Data,
 Delta Development Group
 Created by: Delta Development Group

City Garage: The city garage maintains over 90 different police, public works, and community development vehicles.

Recycling: The City recycles newspaper, clear glass, and mixed tin in a relatively new truck purchased in 2004. Recyclables are picked up by the City on a biweekly basis.

Parks Department: The Parks Department maintains all public property and works seven days a week when necessary. The department's responsibilities include the routine maintenance of the following:

- City Hall
- Public Safety Building
- Senior Recreation Center
- Parks, playgrounds, and ball fields (cited in Table 5)

TABLE 5 – McKeesport Parks

PARKS	PLAYGROUNDS	BALL FIELDS
Renziehausen	Safefoot	Stephen Barry
Kennedy	Fawcett	Helen Richey
Kelly	Highland Grove	Jimmy Long
Gergely	West Side	Sulfer Springs (2 new fields)
Highland	Christy Park	Duncan
Veterans Memorial	Hadley Park	Schatino
Christy Park Memorial	Riverview	Heatherington

The City parks department also performs other tasks:

- Installs handicapped ramps
- Cuts grass
- Shovels snow
- Maintains mowers and riding mowers
- Fabricates materials for various vehicles and tools
- Provides plumbing services
- Sets up and cleans up after summer concerts
- Sets up and cleans up after the international food festival



HISTORICAL CALL VOLUME

Call volume information is not available to track the number and type of complaints from a historical perspective. The department keeps very little data about calls for service.

SCHEDULING

The regular work week for all employees covered by the collective bargaining agreement consists of five consecutive eight-hour days, Monday through Friday. A regular work day consists of eight consecutive hours of work, inclusive of a one-half-hour paid lunch period. Split shifts are not permitted by the current collective bargaining agreement.

UNION REPRESENTATION

The 27 full-time employees are members of a collective bargaining agreement under the service personnel and employees of the dairy industry, Teamsters Local 205, White Oak, Pennsylvania, affiliated with the International Brotherhood of Teamsters. The current contract is a four-year agreement that runs from January 1, 2009, through December 31, 2013.

OBSERVATIONS

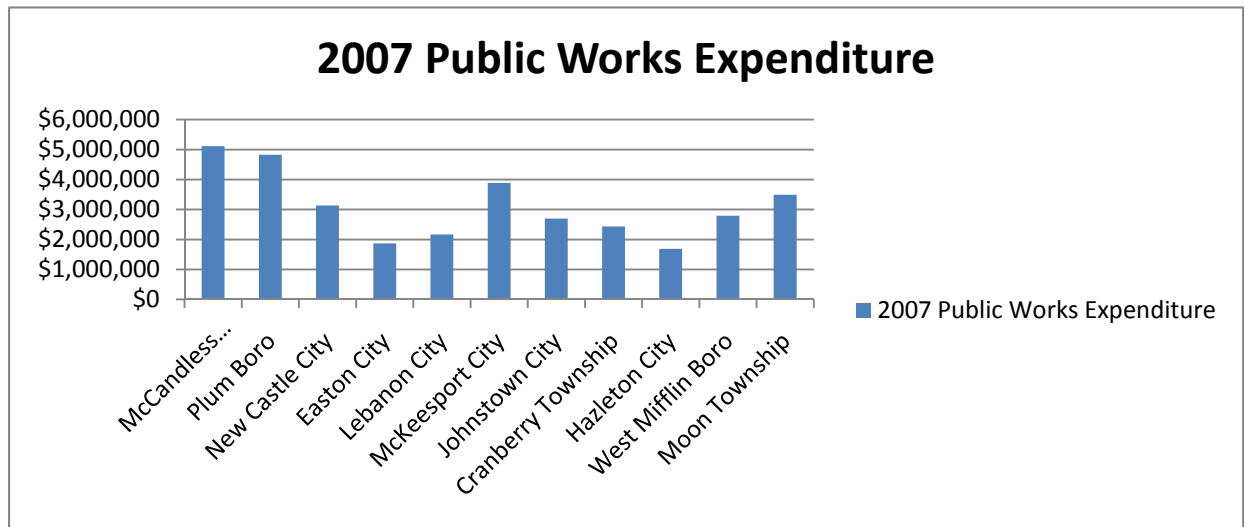
STAFFING LEVELS

As previously stated, the Public Works and Parks Department consists of 27 full-time employees plus one full-time Director. Two additional employees are furloughed, so this contractually prevents the department from using any part-time employees. One employee has 37 years of seniority and receives nine weeks of vacation annually, while another has 30 years of seniority and receives eight weeks of vacation per year. There are five foreman positions, one for each department, with two of those positions currently vacant.

BUDGET EXPENDITURES

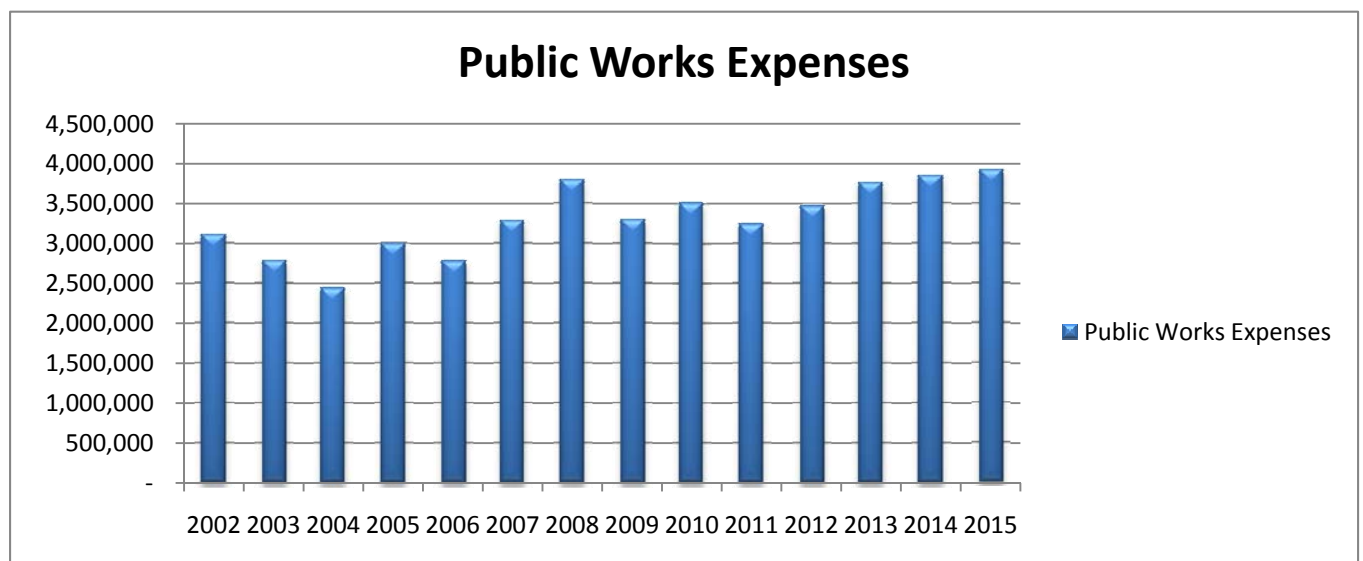
The City of McKeesport spends more for its Public Works and Parks Department than most communities of its size and demographics, as shown in Table 6 below. Of the 10 other similar communities researched for the budget year 2007, only the Town of McCandless and Plum Borough spent more for public works activities than McKeesport.

TABLE 6 – Public Works Expenditures of Comparable Communities



Looking back to 2002 and projecting ahead to 2014, the Public Works and Parks Department is expected to average an increase in expenditures of 2.9% per year. Some of the reasons for the moderate increase include an increase of salary and benefits for the employees, the increased cost for snow removal supplies, the increased cost for the removal of solid waste, and the ever-increasing cost of medical insurance.

TABLE 7 – McKeesport Public Works Department Projected Expenses



The actual expenditures are shown in the Table below.

Table 8 – McKeesport Public Works and Parks Department Actual Expenses

Account	Expenditure Category	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET
		2002	2003	2004	2005	2006	2007	2008	2009
1426	PUBLIC WORKS ADMIN								
41101	Public Works Adm. Salary	47,172	48,660	16,615	42,242	42,899	51,388	56,504	54,060
41102	Clerk	31,313	33,492	34,229	35,628	31,180	32,431	41,566	37,820
41103	Deputy PW Director	37,000	39,033	36,403			36,192	36,549	
42200	Supplies	5,870	5,527	3,627	5,568	4,286	7,634	5,248	7,500
42201	Uniforms/Safety Equipment	6,916	4,954	6,160	7,319	7,582	10,492	7,654	9,000
42202	Computer	218	-					8	-
43303	Weather Contract	1,258	1,056	-	1,081				-
43304	Engineering	65,549	27,139	17,614	4,207	9,123	15,295	29,652	13,000
43330	McIntosh Roadway Repair					1,626			
43350	Bridge Inspection						11,067		9,817
43351	Assistant Public Works Director							41,767	41,412
49101	Medical	14,804	17,335	4,194	35			10,233	26,222
49102	Dental & Eye	2,092	2,943	1,433	15	380	320	298	1,936
49103	Life	530	530	334	632	303	399	371	418
49106	FICA	1,842	2,366	1,301	1,213	1,287	1,361	2,533	1,600
49107	Unemployment	6,583	21,887	50,150	16,250	16,794	4,864	7,719	-
49108	Benefit Buyouts	385	865	2,500	2,322	2,211	6,200	3,219	
	SUBTOTAL	221,532	205,789	174,560	116,514	117,671	177,644	243,322	

1427	SANITATION								
41101	Truck Driver	34,565	35,462	33,595	31,392	32,756	37,080	39,693	38,613
41102	Laborer	29,385	49,361	62,950	53,737	56,866	51,226	46,513	36,831
42701	Purchase Recycling Truck								50,000
43305	Sanitation Contract	781,930	606,531	605,296	761,436	694,931	790,748	1,315,857	906,890
43333	Recycling Tires						1,117		3,000
43334	Materials							53	
49101	Medical	13,665	18,958	29,595	25,076	31,091	28,880	33,896	39,621
49102	Dental & Eye	1,321	1,593	2,307	1,854	2,037	1,881	1,880	1,464
49103	Life	269	336	418	680	202	252	201	139
49106	FICA	957	1,239	1,430	1,531	1,568	1,366	1,210	1,600
49108	Benefit Buyouts								
	SUBTOTAL	862,091	713,481	735,590	875,706	819,452	912,550	1,439,303	1,078,158
1430	STREETS								
41101	Foreman				32,328	38,183	44,842	47,609	42,899
41105	Truck Driver Salary (5)	125,772	132,518	137,381	129,131	132,123	151,234	162,654	154,452
41106	Laborer (7)	202,988	243,671	246,991	220,038	234,334	207,031	201,514	110,491
41109	Overtime Pay (Snow)	13,677	24,719	11,646	31,601	12,947	30,416	27,647	30,000
41110	Heavy Equipment Oper. Salary	35,042	35,508	36,062	33,846	35,533	41,742	47,132	43,259
41111	Seasonal Help	33,613	4,775						
41140	McIntosh Dr Recon						23,900		
41142	Tree Removal							5,550	10,000
41150	Summer Crew	29,504	6,092	13,677	38,667	25,711	17,778	15,345	16,000
41151	Brick Crew			886					
42201	Materials	372,688	131,822	166,755	138,097	93,240	210,933	163,002	105,000

CITY OF MCKEESPORT
EARLY INTERVENTION AND FIVE-YEAR PLAN

43303	Snow Removal Supplies	59,240	126,904	80,811	89,998	89,577	126,720	144,690	174,540
43304	Vehicle Repair/Maintenance	68,603	64,650	42,607	79,213	66,930	81,113	88,716	75,000
43305	Snow Removal Contract		63	33	106	690		2,133	2,096
49101	Medical	111,423	107,292	128,924	106,013	129,554	100,551	125,008	140,663
49102	Dental & Eye	10,007	8,955	9,010	6,745	8,712	7,353	9,872	8,052
49103	Life	1,732	1,874	1,717	3,229	1,119	966	803	766
49106	FICA	13,054	9,967	10,200	13,664	13,248	12,583	12,043	12,000
49107	Unemployment						6,384		
49108	Benefit Buyouts	2,500					3,100		
49123	MAWC Paving Reimbursement						77,498	(68,992)	
	SUBTOTAL	1,079,844	898,812	886,700	922,678	881,901	1,144,143	984,726	925,218
1432	GARAGE								
41112	General Work Foreman	34,059	32,654	36,085	31,765	15,447	33,408	26,321	
41113	Mechanic	33,314	34,812	35,438	32,987	25,541	36,972	42,394	
42202	Materials	20,381	11,168	5,919	11,523	9,472	10,659	7,995	12,000
42203	Capital Upgrades	5,005			12				
43308	Gas	70,340	86,333	79,674	181,859	141,824	195,874	229,778	225,000
43309	Oil	5,504	2,389	1,362	16,606	8,326	3,708	1,936	4,000
43310	Grease	60							1,000
43311	C.D. Car Repair	1,356	2,523	859	1,817	2,741	1,007	1,655	2,500
43332	Tire Purchases						7,538		58,000
49101	Medical	11,913	14,605	16,973	14,235	19,703	23,649	32,226	37,057
49102	Dental & Eye	1,321	1,319	1,428	1,124	1,529	1,140	1,660	1,464
49103	Life	269	254	278	538	177	224	154	139

CITY OF MCKEESPORT

EARLY INTERVENTION AND FIVE-YEAR PLAN

49106	FICA	475	525	523	528	684	1,085	1,235	1,200
	SUBTOTAL	183,996	186,582	178,539	292,994	225,443	315,264	345,353	342,360
1433	TRAFFIC SAFETY								
42201	Traffic Main/Meter	9,561	6,720	2,642	6,979	7,240	16,724	3,385	6,000
42203	Traffic Signal Maintenance	1,325	2,423	2,913	10,706	448	1,525		2,400
43303	Current for Signals	23,064	35,314	14,012	65,651	32,705	31,996	30,650	45,000
43304	Street Lighting	470,286	519,512	239,295	510,740	482,930	470,551	496,205	480,000
	SUBTOTAL	504,235	563,969	258,863	594,076	523,323	520,796	530,239	533,400
1436	SEWERS								
41101	Working Foreman	34,359	35,700	26,700	34,276	30,489	40,789	43,867	
41102	Sewer Vac. Operator	1,228					560		600
41103	Truck Driver	31,384	34,208	35,060	32,282	32,946	36,480	40,546	38,613
41104	Laborer (2)	92,132	80,556	76,278	39,464	30,824	35,269	37,642	36,830
41106	Overtime	2,793							
41110	Heavy Equipment Operator				20,816	30,097	38,600	39,730	38,359
43304	Materials	53,167	19,521	15,741	18,617	29,889	18,827	30,765	30,000
49101	Medical	32,776	43,675	46,139	39,619	49,123	42,019	53,425	65,844
49102	Dental & Eye	3,852	3,241	2,875	2,472	2,735	2,470	3,320	2,928
49103	Life	605	567	557	1,120	326	336	307	278
49106	FICA	950	2,000	692					
	SUBTOTAL	253,245	219,469	204,043	188,667	206,428	215,350	249,602	213,452
	SUBTOTAL - PUBLIC WORKS	3,104,943	2,788,102	2,438,295	2,990,635	2,774,218	3,285,747	3,792,545	3,301,573

BEST MANAGEMENT PRACTICES

The following best management practices for the Public Works Department were established and published by the SPC. The following review looks at how these standards can be applied to the City of McKeesport:

Overall Management of Public Works

Standard No. 1: *The responsibility for the public works function has been placed with an individual trained and experienced in the major areas of public works management.* The Director has an extensive background in construction, trucking, and excavating. He worked for five years as the Assistant Public Works Director before being promoted to Director in 2005 and has shown the ability to handle budgetary, personnel, and other work matters. The Director is knowledgeable in all aspects of the department and appears to have a good grasp on his department. **This standard has been met.**

Standard No. 2: *Training should be provided for all public works personnel on a regular basis.* The Director has expressed interest in providing training on safety policies, the use of equipment, and even confined space training. However, the public works budget provides no funds for training. **This standard has not been met.**

Standard No. 3: *Following the adoption of the annual budget, an implementation plan encompassing all public works operations including a system for monitoring goals and objectives is developed by the public works director in consultation with the City Manager.* In this instance, the Public Works Director has little to no input on his department's annual budget, nor does he have input on the execution of the budget. Management has not set any goals or objectives for the Director. **This standard has not been met.**

Standard No. 4: *A comprehensive vehicle and equipment maintenance records system is used as basis for the City's replacement schedule for public works equipment and vehicles.* There are equipment maintenance records kept for the vehicles, but these records are not used because there is no replacement schedule in place.

The public works vehicle fleet is quite old, as evidenced by the schedule in Appendix 3. Four of the 36 vehicles (11%) were built between 1986 and 1989, 21 of the 36 vehicles (58%) were built between 1990 and 1999, and 11 of the 36 vehicles (31%) were built between 2000 and 2007.

The majority of the fleet is between 10 and 20 years old and is in desperate need of updating. At times during the past year, some of the trucks in the fleet sat idle because the City would not nor could not afford to purchase the parts needed to repair the trucks. **This standard has not been met.**

Standard No. 5: *For all public works projects there is a system of monitoring all projects in all phases of implementation by appropriate management personnel.* In this instance all of the projects are monitored by the Director and his foremen. The Director interfaces with personnel at City Hall in order to keep the Mayor and the Manager up to date on the status of all projects. **This standard has been met.**

Standard No. 6: *Regular progress reports on the implementation of public works projects are provided to the manager and elected officials. This standard has been met, as verbal and written reports are given to the Manager and elected officials on a regular basis.*

Standard No. 7: *Municipal Facilities are maintained in accordance with policies and procedures designed to preserve these assets and to reduce injury and liability claims. There are no preventive policies or procedures in place for items such as pavement cuts in the street, maintenance and construction work on/in public works facilities and buildings, traffic flow in locations of construction or maintenance, and operation of municipal vehicles and equipment. This standard has not been met.*

Standard No. 8: *The responsibilities of the public works department in the event of a natural or man-made disaster have been identified as part of the municipality's emergency management plan. In the event of an emergency, the Director has been trained on the call-out procedures for department employees, and there has been some training on the protocol for equipment. However, the employees have not received any training on what to do or what their role is in the event of a disaster. This standard has not been met.*

Standard No. 9: *All municipal streets and appurtenances are well maintained and supported by a systematic multi-year pavement management program which focuses on the maintenance, restoration and reconstruction of municipal streets and roads. A planned approach is essential because of the City's susceptibility to liability suits related to unsafe streets. The City recently purchased a new paving machine and the Public Works Department is doing its best to pave as many streets as its budget will allow. The City also has to deal with old brick streets that are deteriorating and in need of repair. The general fund budget has not provided funds for brick repair since \$866 was spent in 2004. The purchase of a new paving machine and the installation of new sidewalks in the commercial district are steps in the right direction, but the standard still has not been met.*

Standard No. 10: *The municipality has a multi-year plan which presents an assessment of the current condition of all municipal streets and highways and a schedule for resurfacing restoration or reconstruction projects. Every year the Mayor and the Director tour the City and make an assessment of the overall condition of the streets. From this assessment a two-year paving schedule is developed and implemented as funds will allow. It would be nice to have a five-or ten-year plan in place to allow developers and the public to see the City's priorities. However, with so many streets in need of paving or reconstruction, the physical nature of the streets often changes quickly, and for the most part the worst streets are easily identifiable without having to be quantifiable. This standard has been and will only continue to be effective if an overall inspection is completed on an annual basis.*

Standard No. 11: *State standards and mandates governing procedures, materials and specifications guide street and road construction repair and resurfacing. The Public Works Director is aware of the Pennsylvania Department of Transportation's (Penn DOT) mandates and procedures and follows them as closely as possible. As the City directs its state-funded liquid fuels money toward the payment of its street lighting bill and does not have to worry about following Penn DOT's regulations exactly, this standard is not relevant.*

Standard No. 12: *Berms, catch basins and storm sewers associated with municipal streets and roads are cleaned on a regular basis.* Catch basins and storm sewers are maintained in accordance with an adopted work schedule. The City owns and operates a street sweeper and Madvac, which is a very important starting point for keeping catch basins and storm sewers clean. **The City has combined storm and sanitary sewer lines, which are maintained by the Municipal Authority of McKeesport. Therefore, this standard is not relevant.**

Standard No. 13: *All streets are signed.* Street signs are aesthetically pleasing, well maintained, and located for maximum visibility. Street signs are important as they enable residents, consumers, and visitors to find their way around the City.

Every year the assistant to the Public Works Director does a field survey of the streets, and a comprehensive list of missing or deteriorating signs is assembled. The Public Works Department makes the replacement signs in its shop and installs them as they are completed. **This standard has been met.**

Standard No. 14: *In accordance with traffic studies, all municipal regulatory signs are installed, well maintained, and are supported by appropriate ordinances.* The public works department replaces signs on an as needed basis in addition to their comprehensive review of signs every January. **This standard has been met.**

Standard No. 15: *Planning street maintenance for the winter months include three major components:*

- *Snow and Ice control equipment is in good working condition in advance of the ice and snow season.*
- *A current snow and ice control plan exists. It includes procedures for call-outs, route coverage and priorities, salt/cinder stockpiles and access to additional resources in emergencies.*
- *Preseason snow and ice control training program for all public works personnel.*

Snow and ice removal is a basic function that the Public Works Department does very well. Every year the department preps its equipment for snow and ice removal, making sure that everything is in good working order. The City does have established snow routes, call-out procedures, and a salt and cinder stockpile. However, there is no preseason safety training for the crew. **Without the pre-season training, the standard is not met.**

Standard No. 16: *Municipal Shade Tree Program is based upon a comprehensive plan which has been developed from an assessment of the condition of existing municipal trees and which identifies needs, fixes priorities and proposes a means to finance the program.* **There is no assessment of the trees in place and there is no shade tree commission to implement a plan. Therefore, this standard has not been met.**

Standard No. 17: *Whether done by municipal employees, by contracting out, or by other arrangements, refuse collection is mandated for each household and business in the community, and such waste is properly collected, transported, and disposed of in accordance with state law. Solid waste is collected in McKeesport by a third-party contractor. **The standard has been met.***

Standard No. 18: *Garbage, rubbish and trash are collected at least weekly to assure the public's health, safety and welfare. This includes arrangements for the pickup of bulk wastes, yard wastes, leaves, and authorized recyclable materials. Trash is picked up every week by a third-party contractor, and the City picks up the recyclable materials every other week. **The standard has been met.***

Standard No. 19: *The municipality has written standards which require that routes are completed as scheduled, that households are not missed and that pick-ups are thorough and the areas left clean of solid wastes. The municipality has established written standards to assure this quality control and has a system in place for monitoring the quality of the refuse collection service. The City does manage complaints and missed pickups via phone calls. However, there are no written quality control standards. **The standard has not been met.***

Standard No. 20: *By municipal ordinance or through contract, policy is set which, among other things, stipulates the type of container, and limits the time when garbage/trash can be placed at the curb, and when emptied containers must be removed from the curb. Compliance is monitored. **This standard has been met.***

Standard No. 21: *Regardless of the current means which the municipality uses to collect refuse, management periodically makes an analysis of the system to determine whether it is the most cost-effective means to provide refuse service. Management reviews the performance of the trash hauler every few years and rebids the contract at that time. **The standard has been met.***

RECOMMENDATIONS:

RECOMMENDATION NO. 38: THE CITY SHOULD PROVIDE TRAINING OPPORTUNITIES FOR ITS PUBLIC WORKS EMPLOYEES. The City currently provides no training for the employees in the Public Works Department. There are free programs offered by the Local Government Academy, the DCED, the League of Cities, and even the SPC. Training provided to employees can greatly affect their productivity and efficiency. Advantages of training include improvements in morale, motivation, productivity, and quality of services. Training must be identified as a priority and recognized as such in the general fund budget.

As a starting point, the Public Works Director should contact the insurance company's risk management agent to obtain material on basic safety training. Monthly "tool box talks" would be a good way to get the employees together and start a program of scheduled safety training.

RECOMMENDATION No. 39: PUBLIC WORKS EMPLOYEES SHOULD BE TRAINED ON THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) IN ORDER TO BETTER RESPOND TO LARGE-SCALE EMERGENCIES. The Public Works Director has received information related to the protocol on equipment and call-out of employees in the event of a disaster. However, the Public Works crew has not received specific training on what they are to do for such an event. NIMS is an approach to incident management and response that establishes a uniform set of processes and procedures that emergency responders at all levels of government use to conduct response operations. The benefits of the NIMS system will be significant for the Public Works Department in that it will create standardized organizational structures, processes, and procedures. In the end the Public Works employees will learn about the command structure and how they fit into that structure within their own department as well as within the framework for the entire City.

In October 2005, the Pennsylvania Emergency Management Agency issued a training matrix containing specific information, requirements, and who specifically should take each NIMS course. As a starting point, Public Works employees are recommended to take Incident Command System (ICS)-100 and ICS-200. In addition, all elected officials and management employees should be trained in ICS-100.

RECOMMENDATION No. 40: THE DIRECTOR SHOULD BE MORE INVOLVED IN THE BUDGET PROCESS. The Director should meet with management prior to the adoption of the budget to discuss what has happened in the current fiscal year, what projects are planned for the upcoming year, and how he plans to accomplish these projects. Involving the Director in budget discussions will allow

- the budget to serve as a statement of decisions and responsibilities that will translate into *specific programs and activities* for the Public Works Department;
- the director to use and measure the department's accomplishments against the goals that should be stated in the budget;
- the budget to serve as a major policy tool, as available resources will identify project goals.

RECOMMENDATION No. 41: THE PUBLIC WORKS DEPARTMENT SHOULD DEVELOP A VEHICLE REPLACEMENT PROGRAM THAT WILL, OVER TIME, UPDATE THE FLEET TO A POINT WHERE THE OLDEST VEHICLE WILL BE NO OLDER THAN 10-15 YEARS OLD. A budgetary commitment must be made to this program by management and Council. A schedule, once in place, will provide the employees with safer, more modern vehicles, and will allow management to more easily forecast vehicle capital costs for the upcoming year. Vehicles should be acquired through a lease/purchase approach on a regular schedule, so there will not be spikes in debt service when a large piece of equipment, such as a grader or a street sweeper, is scheduled to be replaced.

RECOMMENDATION No. 42: AN AUTOMATED SYSTEM IS NEEDED TO TRACK COMPLAINTS. This system, once in place, will allow the Director and his secretary to enter complaints, enter new information as the complaint is addressed, and close out the complaint once the issue is resolved. The system will serve as a valuable management tool, as reports will

be able to be printed on a regular basis, showing all activity within the department. The system will also serve as a valuable tool for accessing historical information that someday may need to be used by management. The purchase and implementation of such a system should be coordinated on a City-wide basis, as this system could also benefit other departments.

RECOMMENDATION NO. 43: THE CITY SHOULD DEVELOP AND ADOPT PREVENTIVE POLICIES AND PROCEDURES TO HELP LIMIT THE CITY'S EXPOSURE TO LIABILITY. These policies should cover items such as the use and operation of municipal equipment, the milling and reconstruction or repavement of streets and alleys, and the flow of traffic around municipal construction and maintenance projects. This will create standards for the Director and the department employees to follow, and will ensure the safety of the traveling public.

RECOMMENDATION NO. 44: A CAPITAL REPLACEMENT PROGRAM MUST BE PUT IN PLACE FOR THE PUBLIC WORKS DEPARTMENT VEHICLE PURCHASES. A review of the current fleet (Appendix 3) indicates that the majority of the vehicles are at least 10 to 20 years old. In addition, there is no long-term plan in place to replace these vehicles. A plan whereby the City commits to an ongoing program of vehicle lease/purchases that will

- ensure that there is a constant infusion of new equipment into the fleet,
- ensure that the employees are driving and operating equipment that is safe and efficient,
- eventually reduce maintenance costs for the fleet as a whole, and
- allow management to have more certainty regarding the costs of vehicles when putting together the annual general fund budget.

RECOMMENDATION NO. 45: THE CITY SHOULD TRANSITION THE RECYCLING COLLECTION SERVICE TO A PRIVATE CONTRACTOR. A "cost benefit" analysis should be performed to determine whether or not the City should continue to pick up its own recyclables. The Borough should request a proposal from their waste hauler as well as the Twin Rivers Council of Governments for this service for 2011 and compare it to the costs associated with the provision of the current service provided by the City's Public Works Department. The analysis of the City's current service should include a calculation by the Finance Department regarding the compensation and benefits of the employees involved in the recycling operation, the capital expenditures, the overhead (building, utilities, insurances, etc.) and the long-term legacy costs. If a decision is made to contract the recycling service to a private contractor, two full-time employees could be furloughed in order to save money.

Regardless of the final decision regarding the means that the City uses to undertake garbage collection and recycling activities, the Director should periodically conduct an analysis of the system to determine whether it is the most cost-effective method to provide this service. There should be an ongoing analysis and evaluation of the costs associated with the service and the quality and performance of the contractors involved.



RECOMMENDATION NO. 46: THE CITY MANAGER SHOULD WORK WITH THE DIRECTOR TO UNDERTAKE A STRATEGIC PLANNING SESSION WITH THE PUBLIC WORKS DEPARTMENT.



The Public Works Department has experienced layoffs over the past few years. For this reason, it is difficult for this department to undertake all of the work assignments and responsibilities that have been assigned to it in the past. A strategic planning session should be scheduled for the department in order to determine the course that should be established for the

next several years. Strategic planning for the Public Works Department should include critical discussions:

- Where are we going? (Mission)
- How do we get there? (Strategies)
- What is our blueprint for action? (Budget, Goals, and Objectives)
- How do we know if we are on track? (Control)

The following issues for discussion should be included:

- Are there any programs or services that we currently provide that we should stop providing? If yes, which programs?
- Are there any new services that the department should start providing?
- What are the department's strengths?
- What are the department's weaknesses?
- What opportunities do you feel the department should pursue over the next 5 years?
- What challenges does the department face, or do you envision the department facing, over the next 5 years?



It might be helpful to retain an independent facilitator who can work with this department to strengthen the connection of the staff to the mission of the organization and to help establish reasonable goals that can be accomplished. A trained public works professional who has the skills to facilitate the outlined process could move the department to a successful outcome.

RECOMMENDATION NO. 47: THE CITY SHOULD ESTABLISH A MUNICIPAL SHADE TREE COMMITTEE: A survey conducted by Penn State University in 1991 estimated that only 28% of Pennsylvania's boroughs and cities had a community tree program. With numerous other issues to deal with on a daily basis, trees quickly become a low priority. However, by forming and empowering a Shade Tree Committee of dedicated volunteers with various backgrounds and talents, the City of McKeesport could develop a comprehensive, long-term program that will

provide benefits from a public works perspective. A Shade Tree Committee would complete the following tasks:

- Conduct a street tree inventory and develop a management plan
- Reduce community liability by identifying and removing hazardous trees
- Design tree plantings with species that minimize conflicts with utilities, sidewalks, signs, and other infrastructure
- Inform, educate, and involve the public in community tree care
- Foster cooperation between homeowners, utility companies, contractors, and developers

RECOMMENDATION NO. 48: MANAGEMENT SHOULD SET GOALS AND OBJECTIVES FOR THE DIRECTOR SO THAT HE HAS AN IDEA WHAT THE EXPECTATIONS ARE FOR THE UPCOMING YEAR. Goals and objectives will help to establish priorities, identify expected outcomes, create a working vision, and provide a road map for the Director for the year. All goals and objectives should be realistic, achievable, and put in writing.

RECOMMENDATION NO. 49: OVERTIME SHOULD BE TRACKED BY CATEGORY IN THE GENERAL FUND BUDGET. Overtime is only tracked for snow removal, so it is impossible to undertake any practical analysis of how overtime is used and whether it is effective in addressing critical scheduling requirements. It is recommended that the department and/or the City break overtime usage into specific categories and that management record this information as a part of the payroll process in order to allow for a more focused analysis of overtime usage. This will be particularly useful during future budget years.

This recommendation for cost containment is potentially available through managing the department overtime budget. But due to a lack of categorization of overtime by specific use (e.g., regular, training, snow removal, emergency response, etc.), it is not possible to determine the amount of cost containment, if any, that is available.

RECOMMENDATION NO. 50: ELIMINATE THE VARIOUS DEPARTMENTS THAT EXIST IN THE CURRENT LABOR CONTRACT THROUGH THE COLLECTIVE BARGAINING PROCESS. The collective bargaining agreement divides the employees into departments (street, garage, recycling, traffic, and parks) that are essentially boundaries or barriers for the Director when formulating work assignments. Instead of being able to work on the true priorities of the City, the priority becomes finding work for employees within their own category. The “department” system also creates inefficiencies with work boundaries that have been created. For example, the traffic department can only empty trash cans from Water Street to the canon at Lysle Blvd and 5th Avenue. Any other trash can, no matter how close to that boundary line, cannot be picked up by traffic department employees. See Map 2 to see how the “downtown” area is defined for work purposes. In the end, the Director must be able to establish priorities and assign as many workers to that project or projects that are necessary in order to complete them in a timely manner. The elimination of the current functional category system will also ensure that employees always have sufficient work assignments and that they will not end up without work if they complete their initial assignments before the end of the day.

RECOMMENDATION NO. 51: ELIMINATE THE LANGUAGE IN THE CURRENT CONTRACT, THROUGH THE COLLECTIVE BARGAINING PROCESS, THAT ALLOWS EMPLOYEES UP TO HALF AN HOUR TO REPORT WHEN CALLED OUT FOR OVERTIME.

The collective bargaining agreement allows employees up to half an hour to report when called out for overtime. The employee gets paid for the half hour even though there is no work being completed. This language provides no incentive to report quickly and can be counterproductive in the event of a large scale disaster.



RECOMMENDATION NO. 52: THE CITY NEEDS TO FIND A WAY, THROUGH THE COLLECTIVE BARGAINING PROCESS, TO UTILIZE PART-TIME SUMMER EMPLOYEES IN THE PUBLIC WORKS DEPARTMENT.

Ten years ago the City of McKeesport had 42 full time public works employees. While the number of employees and residents has decreased dramatically over that time, the number of streets and parks that must be maintained has not changed. As previously mentioned, the rigid system of sub-departments and categories should be eliminated so that the Director can assign his crews as he sees fit based on the current workload. This proposed change will keep the skilled personnel working on the larger more complex projects, while the part-time summer workers can be assigned to routine items such as cutting grass in the parks and performing clean up jobs on streets.

RECOMMENDATION NO. 53: THE MECHANIC POSITION IS CURRENTLY VACANT AND AN ANALYSIS SHOULD BE UNDERTAKEN TO DETERMINE IF THE POSITION SHOULD BE FILLED.

With such a large fleet of vehicles city-wide, management should consider hiring a mechanic to maintain and repair City vehicles. An in-house mechanic may save money in the long-run by increasing productivity across all departments as vehicles experience less downtime, by maintaining tighter controls over the repair process, and by purchasing parts and materials at a much lower price.

In 2001 The American Public Works Association published a manual entitled *Managing Public Equipment*, in which it recommends using a method for determining staff size (in this case the number of mechanics) required to maintain equipment. This concept, originally developed by the military to determine labor requirements for equipment maintenance, uses a system of Vehicle Equivalents (VEs). VEs can give management useful information as to a reasonable ratio of equipment to mechanics, considering the complexity of maintenance requirements for various types of equipment. It is important to have a good history of repairs available in order to conduct such an analysis.

McKEES POINT MARINA/McKEES CAFÉ/PALISADES

The review of the McKeesport Marina, McKees Café, and the Palisades was conducted by Jennifer Hass, Associate at Delta Development Group, Inc. as part of Step IV of the Five-Year Financial and Management Plan for the City of McKeesport.

To complete this evaluation, the consultant conducted field work and site investigations, analyzed data, gathered information from comparable local government operations (if applicable), and conducted extensive research. A personal interview was held with the Manager of the McKees Point Marina and McKees Café. The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates.

BACKGROUND

PALISADES

McKeesport's Palisades Center for the Performing Arts is located at 100 Fifth Avenue, McKeesport, occupying the second floor of the McKee's Point Marina Complex. Since its opening, the Palisades has served as a dance hall and music venue for the surrounding community. There are events planned at the Palisades nearly every weekend. The venue is home to many music concerts as well as community line dancing. The venue is also available for rental by the public. According to the Palisade's Web site, the facility is available for rental for the following activities:

- DJ Dances
- Group or individual performances
- Banquets
- Parties
- Fundraisers
- Community events
- Reunions
- Wedding receptions
- Organization meetings
- Line dancing
- Ballroom dancing
- Instruction workshops
- Health fairs

The McKeesport Palisades has a unique ownership and operating structure compared to the rest of the City's services and departments. The Palisades is operated by an independent board, which is a registered non-profit association that has a 501c(3) status. It runs independently of the City and does its own fundraising and revenue earning for the facility. The building in which the Palisades resides is also owned separately from the City and is owned by the City of McKeesport Redevelopment Authority. The Palisades' current board consists of President – Mike Joyce; Vice President - Rob Libretore, Secretary – Michele Baich Matuch, and Council Member – Mike Chrepko.

McKEES CAFÉ

The McKees Café is located at 501 Water Street, McKeesport, on the first floor of the McKees Point Marina Complex. The McKees Café primarily serves breakfast and lunch during the week, and dinners on the weekend. The Café serves a variety of menu items all primarily under \$6. The Café also recently expanded a large banquet room that can be used for private parties. The Café schedules the banquet room for a variety of events at no charge. The room is used for Christmas parties, bridal showers, and

other events.

The Café originally went through two different private ownerships before it was shut down during the 2007 season due to failing profits. In 2008 the City reopened the Café and hired Ray Dougherty, its IT director to manage the restaurant and its staff. Although the Café is run and operated by Ray Daugherty, who is a City employee, it is financially organized, operated, and maintained under its own Limited Liability Corporation (LLC), under the McKeesport Housing Corporation (MHC). The full-time Café employees are therefore not City employees but work for the McKees Café, LLC.



The Café is opened from 8 a.m. to 2 p.m. Sunday through Thursday and 8 a.m. to 10 p.m. Friday and Saturday. Four employees staff the Café from April to October, and one employee staffs the Café during the winter months. A majority of the business and revenue for the Café during the winter months is a result of take-out orders, particularly from UPMC McKeesport Hospital, which provides a great majority of the business of the Café during the winter season. During the summer months, cyclists who travel the Great Allegheny Passage (through McKeesport) frequently stop at the Café for lunch. One distinct feature of the Café is the walls that are filled with cyclists' signatures, including names from around the country and world of those who have traveled through the area on the Great Allegheny Passage.

McKEES POINT MARINA

Located in a "no wake zone," the City obtained the assistance of federal grants and loans to help fund \$3 million McKeesport Marina which opened in 1997. At its opening, the Marina housed 60 boats and was run and operated by a private group. Within a few years, the City took over the marina, which was operated by five City employees. Ray Dougherty, the City's IT Director, currently manages and operates the Marina. Currently, no other staff are needed to work at the Marina



the

because the City recently installed permanent docks that require less maintenance. Ray is the fourth city employee to manage the marina under the City's control.

The Marina is located on the Youghiogheny River, just south of the Monongahela, which keeps the Marina's boaters out of the way of tugboats and barges that are located along the Monongahela. The Youghiogheny River has a seven to nine foot channel at McKeesport. The Marina has 190 boat slips and currently holds 182 boats. The remaining open slips are located under the CSX railroad bridge that causes dust and rust to fall on boats, making the slips undesirable for boat owners. There is a waiting list for the remaining boat slips. The Marina also has 17 jet-ski docks, which have seen a large increase in popularity over the past few years.



The Marina's annual budget is typically around \$110,000. The City of McKeesport Redevelopment Authority owns the Marina and leases the Marina to the City to manage for an annual lease of \$24,000. In 2010, the Marina began subletting a part of the first floor of the McKees Point Marina Complex building to a boat sales company called Pittsburgh Boat Sales (www.pittsburghboatsales.com), which sells both new and used boats.

OBSERVATIONS



Initial observations indicate that the McKees Point Marina and McKees Café are significant, positive assets for the community. The Marina's location, where the Youghiogheny and Monongahela rivers meet, was an untapped resource for the community of McKeesport prior to the establishment of the Marina. The overall goal of making the City's marina a "destination point" for the region has been a positive step towards building upon the assets of the City. The Marina has been a resource that the City has been able to leverage as an attraction. For boaters, the Marina sits in a quiet location on

the Youghiogheny River where there are no barges or commercial traffic travel unlike the Monongahela River. This creates a safer, more enjoyable environment for boaters.

The recent decision of the City to replace the Marina's temporary docks with permanent docks has also had a positive impact. The permanent docks are more stable and durable, attracting a number of new boaters. The use of permanent docks has also allowed the Marina to reduce its staff from five to one, because the permanent docks require less maintenance. The Marina's manager and sole operator, Ray Dougherty, enlists volunteers to help bring in the docks each fall and reinstall the docks each spring. The use of volunteers instead of paid employees has helped in reducing overall operational costs for the Marina.

The close proximity of the Marina, McKees Café, Palisades, and Great Allegheny Passage to one another has helped establish this area as a tourist attraction and brings hundreds of people outside of the City into the community. Users of the Great Allegheny Passage and the Marina

tend to use the McKees Café. The Great Allegheny Passage and the Marina also help to attract visitors to attend concerts or other events at the Palisades and at the Marina.

STRUCTURE AND FINANCES

Some confusion exists regarding the management of the operations at the McKees Café. The Café, which is owned by the McKeesport Housing Corporation, is legally managed through its own Limited Liability Corporation (LLC). However, Ray Dougherty, a City of McKeesport employee, is the “de facto” manager of the Café. Ray is also the sole manager and operator of the Marina. This arrangement causes particular confusion for financial reporting for the McKees Café, the Marina, and the Palisades. Although the Palisades, the McKees Café building, and the Marina are owned by the McKeesport Redevelopment Authority, the Palisades is operated by its own board that has a nonprofit 501(c)(3) status. The Marina, which is also owned by the Redevelopment Authority, is leased and managed by the City, and the Café, also owned by the Redevelopment Authority, is managed by the McKeesport Housing Corporation, which has structured the operation of the Café under an LLC which, in turn, is operated by a City employee.

The City has had to financially support the Palisades and the Café since 2007 when the Café was turned over to the McKeesport Housing Corporation from a prior private owner in order to keep both entities operating. The City has characterized the annual subsidies as “seed money,” meaning that the money will be repaid if the Palisades and Café turn a profit. In 2009, the Palisades required \$36,000 in subsidies from the City. The historical expenditures that the City has used to supplement both the Palisades and McKees Café are shown in Table 9 below:

TABLE 9 – PALISADES AND MCKEES CAFÉ EXPENDITURES

EXPENDITURES	2002	2003	2004	2005	2006	2007	2008	2009
Palisades	(\$10,491.81)	(\$9,128.35)	(\$13,739.26)	n/a	(\$2,159.86)	(\$32,954.91)	(\$52,271.59)	(\$15,157.56)
McKees Café	-	-	-	-	-	(\$62.39)	(\$419.62)	(\$6,169.00)

Reviewing the financials of the City’s Marina between 2002 and 2009, it appears that the Marina has been operating at a deficit since 2004. Shown in Table 10 the largest deficit was recorded in 2006 with a recorded deficit of \$72,608.89. The deficits of the Marina operations would be larger if the City of McKeesport paid the Redevelopment Authority its annual lease of \$24,000 for the Marina and Café space. However, the City has only paid the Redevelopment Authority the full \$24,000 once in 2002. This also underscores the general confusion relative to the management structure for the City, the Café, and the Housing Corporation, because the City pays rent to the Redevelopment Authority for the space where the Café resides; however, the Housing Corporation manages the Café, which is itself an LLC.

TABLE 10 – MARINA EXPENDITURES

MARINA	2002	2003	2004	2005	2006	2007	2008	2009
Expenditures	(\$108,917.28)	(\$103,205.55)	(\$155,492.83)	n/a	(\$174,461.64)	(\$139,174.39)	(\$144,891.86)	(\$69,504.13)
Revenue	\$136,364.29	\$121,116.32	\$139,148.51	n/a	\$101,852.75	\$131,930.58	\$120,402.18	\$59,222.81
Difference	\$27,424.01	\$17,910.77	(\$16,344.31)	n/a	(\$72,608.89)	(\$7,243.81)	(\$24,489.68)	(\$10,281.32)

RECOMMENDATIONS

Based on interviews, review, and research for the Marina/Cafés/Palisades operations, the following recommendations are made:

RECOMMENDATION NO. 54: THE CITY SHOULD DEVELOP A BUSINESS PLAN FOR USE OF THE MARINA, CAFÉ, AND PALISADES.

Although the Marina, Café, and Palisades, are separately operated, the City of McKeesport should create a business plan for all three entities in order to determine how to best capitalize on the assets of each of the three. McKeesport's location on the river provides a valuable asset that the City should leverage as a tourist attraction and an economic development driver. Specifically, the City should focus its business plan on how to best utilize the Marina in association with the Café as well as the Palisades to create opportunities for tourism, recreation, and historic and cultural opportunities. The City should also take into consideration the Great Allegheny Passage, which runs through its City, as a way to attract people from outside the community. A business plan would help ensure that the City continues to build upon these assets.

RECOMMENDATION NO. 55: IN ADDITION TO THE MARINA, THE CITY OF MCKEESPORT SHOULD TAKE OVER MANAGEMENT OF BOTH THE MCKEES CAFÉ AND THE PALISADES.

According to the historical financials, the City of McKeesport is already financially subsidizing the Palisades and the McKees Café when needed. A City employee already works at the Café, which is operated by the MHC. Confusion would likely be reduced and accountability increased if the management of all three entities were controlled by the City. This would not impact the current operation of the entities; however, it would be a positive enhancement of the City's financial reporting and address weaknesses in the internal controls. Upon the City taking over management of both the McKees Café and the Palisades, it should hire a full-time manager to oversee the operations of the Marina, the Café, and the Palisades in order to ensure effective and efficient operations of all three entities.

RECOMMENDATION NO. 56: THE PALISADES SHOULD TURN OVER OWNERSHIP TO THE CITY.

Because the City of McKeesport already financially provides subsidies to the Palisades, the Palisades should transfer ownership to the City. The existing Palisades board should remain in place in order to ensure that programming and operations remain consistent and focused. However, ownership by the City would be a positive enhancement for the City's financial reporting and would address weaknesses in the internal controls.

RECOMMENDATION NO. 57: FINANCIAL REPORTING SHOULD BE CONSISTENT WITH THE PROCEDURES AND INTERNAL CONTROLS OF THE CITY OF MCKEESPORT.

Because the City of McKeesport has been continually subsidizing the Palisades and the Café, the Marina, Café, and Palisades should develop financial reporting procedures that are consistent with the City's. This would make financial monitoring for all three entities more efficient and accurate, which will better help determine the overall operations of all three entities.

RECOMMENDATION NO. 58: THE CITY SHOULD PERFORM A FUNDING ANALYSIS OF PROGRAMS AT THE STATE AND FEDERAL LEVELS TO HELP IN THE FINANCIAL ASSISTANCE OF FUNDING UPGRADES AT THE MARINA – PARTICULARLY FOR ENERGY EFFICIENT LIGHTING THAT IS PLANNED FOR THE MARINA.

A number of federal and state funding programs can be identified and applied for to help with the upgrades to the Marina. In particular, there are future plans to install energy efficient lighting at the Marina. As energy efficiency is an area where savings can commonly pay for themselves in a short time period, there are a number of programs available to municipal and county governments to reduce the cost of purchasing energy efficient equipment including lighting, HVAC, controls and sensors, appliances and motors. Programs include low interest loans, rebates and grants. In addition to energy efficiency programs, the State has established a number of financing incentives designed to promote the use of renewable sources of energy and the growth of alternative energy industries. Many of these programs are available to municipal and county governments as well as economic development organizations to support public projects. For example, the City might investigate applications for the Alternative and Clean Energy Program and the Green Energy Loan Fund.

SUMMARY

The Marina, McKees Café, and Palisades are assets that the City of McKeesport has recognized and has been able to leverage to enhance economic development in form of recreation and tourism. The Marina and the Great Allegheny Passage have attracted people from outside the community into McKeesport to visit the McKees Café and to attend concerts in the park at the Marina.

Although these operations are some of the most valuable assets of the City, the structure and financing of them is a bit confusing and leads to inconsistency in financial reporting. The City has continually subsidized the Palisades over the past several years when the Palisades needed additional operating funds. Although the City provides funding to the Palisades, it is located in a building owned by the Redevelopment Authority and is operated by its own board that has a 501(c) (3) status. The situation is similar with the McKees Café, where the Redevelopment Authority owns the building but the Café is operated by the MHC, which in turn set up the Café as an LLC. Although the MHC theoretically runs the Café, a City employee is the practical manager of the Café.

In order to make operations more efficient and to ensure accurate and consistent financial reporting, it is recommended that the City of McKeesport take over ownership of all three entities and create a business plan to help better capitalize on each entity's potential. The

Marina has great potential. There are plans to construct a new building at the Marina in which larger and more boats can be stored during winter months, which will help increase the Marina's revenue. There are also plans to install a security camera and energy efficient lighting at the Marina.

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TECHNOLOGY MANAGEMENT

BACKGROUND

The review of the McKeesport Technology function was conducted by David A. Soboslay, at Delta Development Group, Inc., as part of Step IV of the Early Intervention Program (EIP) Five-Year Financial and Management Plan for the City of McKeesport. Mr. Soboslay has over 20 years of experience in local government management and has worked directly with technology issues related to local government. To complete this evaluation, the consultant conducted fieldwork and site investigations, analyzed data, gathered information from comparable local government operations, and conducted extensive research. Personal interviews were held with Ray Dougherty, the IT Director (Director) regarding issues with the computer network at City Hall, and police officer Mike Mihalko (Officer) for issues concerning the computer network at the public safety building. The recommendations contained in this report are based on recognized standards, accepted practices, and government mandates.

OVERVIEW

The Department of Technology in the City of McKeesport is responsible for providing technology support services for the entire City operation with the exception of the police and fire departments. Technology services are currently provided by this department for the Mayor, the City Administrator and his administrative staff, the Department of Community Development, the tax and treasurers office, and most of the employees at City Hall, located at 500 Fifth Avenue.

The police department and fire department are located at 201 Lysle Boulevard and operate their own computer network at that location. This network is totally independent of the administrative network and is not administered or supported by the IT Department. Instead, the network is administered by one of the City's police officers.

MISSION

The Department of Information Technology does not have a formal written mission statement. The basic elements of service provided by the department include networking, security, and ensuring that user information is backed-up and secured.

Organizational Structure The department's staff consists of the Director, who splits his time between the IT department, managing the Café at the Marina, and managing the Marina itself. In essence, the Director spends less than half of his time managing the IT function. The Director reports directly to the Mayor and the City Administrator.

The computer network at the public safety building is maintained by an Officer. While this technical work is not part of the police contract or police job descriptions, and is not typically a part of a police officer's duties, the Officer spends much of his time maintaining the network, troubleshooting the calls, and making improvements to the system.

IT Equipment

The City's computer network is distributed throughout two buildings, and includes five different servers:

1. The first server is located in the City building and runs the applications for the tax office. MUNIS is the major program that contains modules for the real estate tax bills, the municipal service fee, and Act 511 taxes.
2. The second server is also located at the City building and is utilized as a domain controller for the network.
3. The third server located at the City building and acts as a terminal server for the users in the system.
4. The fourth server is located at the public safety building, and serves the needs of the police and fire departments. This server runs the ALERT reporting system for the police department and the FIREHOUSE reporting system for the fire department. Both of these software packages are recognized as standard reporting packages for Pennsylvania communities.
5. The fifth server is located at the public safety building and is the domain controller for the network.
6. The sixth server is also located at the public safety building and is a Citrix server. This server allows users to log onto the network from remote locations and run network programs.



TABLE 11 – DATABASE SERVERS IN THE CITY OF MCKEESPORT

Server Location	Operating System	Functions
City Hall	Windows 2003 r2 Server	Main database server – runs MUNIS, Collection of EIT, Municipal Service Fee
City Hall	Windows 2008 Server	Domain Controller, Print Server
City Hall	Windows 2000 Server	Terminal Server
Public Safety Building	Windows 2000 Server	Visual Alert Reporting System Firehouse Reporting System
Public Safety Building	Windows 2000 Server	Domain Controller
Public Safety Building	Windows 2003 r2 Server	Citrix Server

Work Load

There is no work load information for this department as there is no process to log requests for service. However, the police and fire departments estimate 70 staff requests for service per month, and the Director estimates that he receives approximately ten staff requests per month. It should be noted that many of the employees located at City Hall expressed frustration that there is not a full-time person available to provide support and therefore have simply stopped initiating requests for service.



Scheduling

As previously mentioned, the Director does not devote his full time to technology issues. He has been assigned other duties at the Marina. The Officer addresses issues at the public safety building while on duty, and responds to requests for service from officers on other shifts when possible. However, as the police and fire department function 24 hours a day, there are often times when the Officer has to respond to requests for service when he is not on duty.

Union Representation

The IT Director is not a member of a collective bargaining agreement.

The Officer is represented by Teamsters Local 205. The union members are currently working under a five-year contract that expired on December 31, 2009.

OBSERVATIONS

Overtime Use

As the IT Director is an “at- will” employee, and he performs all of the IT work, there is no overtime incurred in this function. However, the same cannot be said for the maintenance of the network at the public safety building. The police and fire departments function 24 hours a day, and their computer network is expected to do the same. However, since the Officer is only scheduled for a regular shift of 8 hours, there are many times when the Officer is called out for overtime related to computer network issues. Depending on the nature of the request, the Officer may or may not charge for overtime worked.

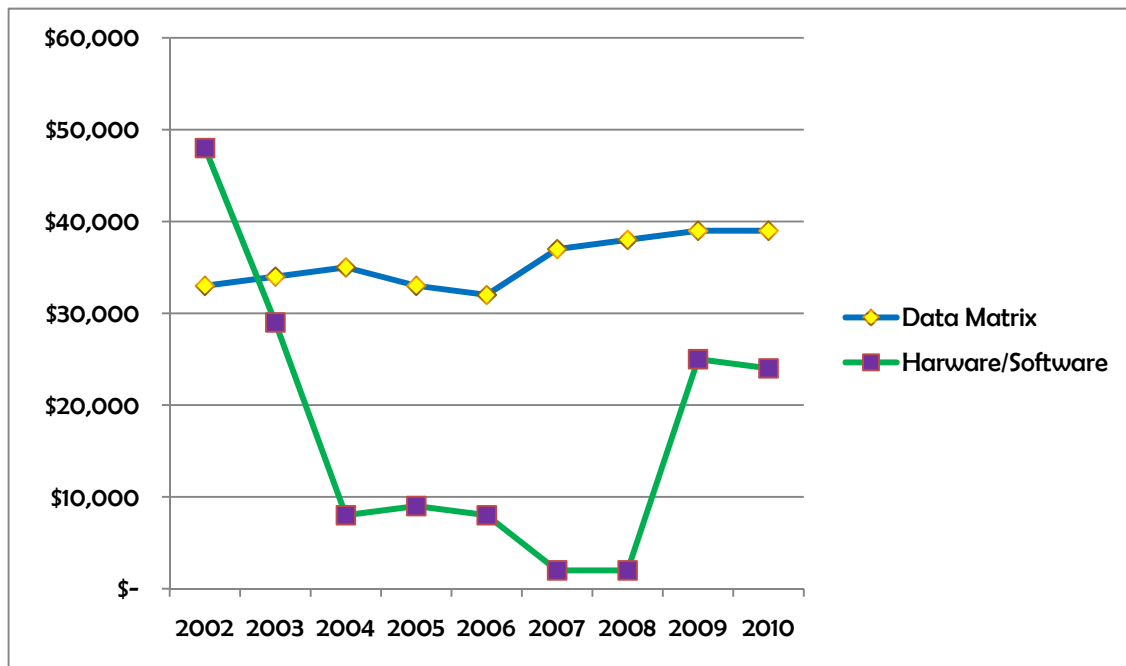
Compensation

The Director, as an “at will” appointed employee receives an annual salary as approved by the Mayor and City Council. The Officer is a full-time employee and is entitled to benefits, including pension benefits, as outlined in the police collective bargaining agreement.

Budget and Financial Trends

The technology expenditures are contained in the finance section of the general fund budget and are not isolated in a separate section as is typically done for most municipalities. The first line item (01-402-9999) lists the expense for Datamatrix to examine the network on a monthly basis. The second line item (01-402-47101) is for computer hardware and software. The expenditure on Datamatrix has fluctuated over the years, and the expenses for data processing materials (hardware and software) has been erratic at best.

FIGURE 10 – IT Expenditures



Between 2002 and 2004 the expenditures for computer hardware and software fell by almost \$40,000. The expenditures leveled out for the next two years and then dropped to almost nothing in 2007 and 2008. However, expenditures spiked in 2009 because of the need to upgrade network hardware at City Hall.

In reviewing the 2009 budget year as it relates to similar communities in western Pennsylvania, the City of McKeesport was on the low end for technology expenses. However, this relates to general fund expenses only. The McKeesport Police Department may have purchased some equipment outside of the general fund, which would increase their bottom line expenditures.

TABLE 12 – TECHNOLOGY EXPENDITURES IN COMPARABLE COMMUNITIES

MUNICIPALITY	COUNTY	POPULATION (2009)	2009 EXPENDITURES
Cranberry Township	Butler	28,000	\$1,240,000.00
Plum Borough	Allegheny	26,249	\$250,000.00
Borough of Wilkinsburg	Allegheny	17, 112	\$100,000.00
City of New Castle	Lawrence	24,060	\$70,000
City of McKeesport	Allegheny	22,076	\$40,000

FINDINGS

ANALYSIS OF OPERATING DEFICIENCIES

The IT function should be established for all City departments at a more consistent level of support than is currently provided. Hardware and software should be purchased every year for some portion of the system in order to insure that no one computer becomes out of date or unable to perform necessary functions and work tasks.

POSITIVE AND NEGATIVE BUDGET TRENDS

There is an overall lack of funding included in the annual budget for the routine upgrade and replacement of computer hardware and software throughout the organization. Maintenance of desktop software is just as important as larger server based software. Additional funds need to be provided on a yearly basis to ensure that a percentage of the City's 44 computers have their desktop software upgraded to the newest version. This annual allocation of budget funds will guarantee that the desktop software is current enough to communicate with other PCs, the network, and peripherals such as printers and scanners.

The City has been fortunate to have fully functioning computer hardware donated from various companies. However, a plan should be developed and implemented that will provide for the continuation of the regular purchase of hardware on a regular basis.

EXISTING PRACTICES

There are no written practices or regulations regarding the use of computers and the implementation of software packages on City owned computers. Once a new computer is issued to a user, the user is able to alter the computer by downloading programs from the Internet. The user may also connect to an Internet streaming site that would use a lot of bandwidth. Very specific policies need to be developed to regulate the users within the system,

and these policies need to be communicated and explained to the users in great detail. After they are developed and communicated, they should be strictly enforced.

RECOGNIZED STANDARDS

As part of the evaluation process, the analysis relied on standards, benchmarks, and best practices commonly used in the IT industry. In particular, a set of best management practices was used to measure the effectiveness in the case of the City of McKeesport.

BEST MANAGEMENT PRACTICES

The following section reviews best practices for the technology function at the City of McKeesport:

Standard No. 1: *Inventories Should Clearly Identify Computer Equipment, Software, and Standards.* Approximate inventories exist for equipment at City Hall and the police department, but specific details about the equipment have not been collected or documented. For planning purposes, a master list of hardware and software is needed to make an assessment of the status of the IT functions, and is valuable for formulating a plan for the future. An inventory of hardware at the public safety building has been attached to this section as Appendix 4. **This standard has not been met.**

Standard No. 2: *Key policies, procedures, and the current operating environment should be documented.* Currently there are no policies and procedures in place to document. While the operating environment of the servers at City Hall and the public safety building are documented, the environment of the various workstations are not recorded. This is very important because workstation environments observed include Windows 2000, Windows XP, Windows Vista and one workstation with Windows 7. **This standard has not been met.**

Standard No. 3: *Policies and procedures should be communicated to staff.* This standard has not been met as the City has no formal policies and procedures related to the computer network or technology in general. **This standard has not been met.**

Standard No. 4: *Adherence to computer system policies and procedures should be monitored.* While there are no formal policies in place, computer usage, such as Web sites visited, is tracked on a weekly basis, and software is used to block sites, such as social networking sites, that are not work related. **This standard has been somewhat met.**

Standard No. 5: *Policies and procedures should be regularly reviewed and updated.* As previously indicated, there are no formal procedures in place to review and update. **This standard has not been met.**

Standard No. 6: *The expertise of the technology staff should be assessed.* A current staff assessment has not been completed. An assessment would identify which strong users would assist when the Director is out of the building, as well as those employees that might be able to assist with training. **This standard has not been met.**

Standard No. 7: *A recruitment and retention process should be in place for technology staff.* This standard does not apply to the situation in McKeesport because the staff is small. However, the Director admits that he is nearing retirement age, so this issue will become relevant in the near future. **This standard cannot be fully applied to the City of McKeesport.**

Standard No. 8: *Training for technology staff should be on-going.* The Director and the Officer have not received formal on-going training regarding IT issues. However, both employees indicated that they don't have the time to attend training classes because of other duties they perform. This issue sends a clear signal that there must be a dedicated person responsible for technology issues city-wide. **This standard has not been met.**

Standard No. 9: *User support should be provided.* As previously indicated, technology support is sporadic city-wide because there is no one person dedicated to this function. **This standard has not been met.**

Standard No. 10: *A risk assessment should be conducted and security policies should be based on it.* The City uses Data Matrix, a third party vendor that monitors and provides constant feedback on risk factors related to the system at City Hall. However, there is no such monitoring or assessment of the network at the public safety building. **This standard has been met, but is not effective because the monitoring is not done at all locations, as there has been no security policies developed as a result of the monitoring.**

Standard No. 11: *User accounts should be managed, and procedures should identify who may modify equipment or system data.* User accounts are administered in both locations, and equipment is only modified by proper personnel. However, there are no formal procedures in place to identify who may make modifications. **This standard has not been met.**

Standard No. 12: *Firewalls and Antivirus software should be employed and monitored.* **This standard has been met as firewalls and antivirus are in use at all locations city-wide.**

Standard No. 13: *A disaster recovery plan should be developed, and back-up procedures should be conducted.* While nightly back-up procedures are in place for both networks, a disaster recovery plan has not been developed. User data would be easily restored, but the systems themselves could not be recreated from a back-up, and would require days, if not longer to reassemble. **The standard has not been met as there is no formal disaster recovery plan in place.**

Standard No 14: *The security plan should be tested.* While Data Matrix is charged with reviewing the network at City Hall, there has been no testing of the system at the public safety building because no one has been tasked with this activity. **The standard has not been met.**

Standard No. 15: *Trained professionals should plan, monitor, and enforce security.* As mentioned in standard #14, there has been some planning and monitoring of system security, but it should be expanded to cover both network locations in the City. **The standard has not been met.**

RECOMMENDATIONS

RECOMMENDATION NO. 59: ALL CITY LOCATIONS NEED TO BE NETWORKED TO A CENTRAL SERVER. The City currently utilizes Citrix technologies to communicate between the Public Safety Building, City Hall, and various schools throughout the McKeesport Area School District. This technology needs to be expanded to allow other locations such as the Marina and the public works building to connect to the network. This expansion will allow various departments to utilize the programs running on the server, such as the financial software and the complaint tracking system.

RECOMMENDATION NO. 60: THE CITY SHOULD ESTABLISH A CENTRALIZED SYSTEM OF COMPUTING WITH NETWORK SERVERS BASED IN ONE LOCATION. Currently, the City has servers located in the Public Safety Building as well as at City Hall. The City has two different systems, maintained by two different people. In order to eliminate redundancies, the majority of the server based equipment should be centralized in one area, in a secure, dry, and well ventilated area. There should be one domain running across the two sites.

RECOMMENDATION NO. 61: TRAINING IS NEEDED FOR DESKTOP SOFTWARE APPLICATIONS. Employees in the Department of Community Development are still using Wordperfect as their main word processing program. These employees are trying to make the transition to Microsoft Word, but have not received the necessary training or a current version of Microsoft Word. In order to resolve this issue, as well as other similar issues experienced by other City employees, employees need to be sent to a third party for training on all Microsoft Office applications.

RECOMMENDATION NO. 62: DESKTOP SOFTWARE MUST BE UPDATED ON A FIXED SCHEDULE. As part of a Capital Replacement Plan, desktop software must be continuously updated and replaced on a regular schedule. This will insure that the work stations remain up-to-date and are able to handle any and all attachments sent to the City via e-mail.

RECOMMENDATION NO. 63: DEVELOP GIS TECHNOLOGY. GIS technology is non-existent and should be developed and implemented for various users. The City should work with Senate Engineering and their GIS department on this issue. Base layers such as streets, street names, contours and right-of-way lines should be developed. These maps may also be available through the Allegheny County Department of Planning. Once the base information has been established, the City should consider adding further features such as traffic signal locations, park locations and storm sewers. While these features may only represent the beginning of the project, the GIS system will be used as a valuable management resource.

RECOMMENDATION NO. 64: AN EASY TO USE DATABASE PROGRAM NEEDS TO BE PURCHASED AND IMPLEMENTED TO WORK WITH THE GIS INFORMATION. Property lines, permits, planning, zoning, and complaint information need to be tracked electronically in this database program. This program will serve as a tool for management to track and review property owner information, building permits applied for and issued, code violations and complaints, zoning information and appeals, and conditional use requests, etc. This program will run on the network and allow users the ability to access all the information, or just the information needed to complete a certain job function.

RECOMMENDATION NO. 65: STANDARDIZE AND CENTRALIZE E-MAIL. Currently, the City and the police department use separate third party companies for their e-mail needs. In order to take control of this function, Microsoft Exchange Server software should be purchased and implemented on the City's network. This software will do the following:

- Standardize the e-mail addresses for all users that access the system. One domain will be used for all employees. There are currently two e-mail domains for e-mail addresses: mckeesport.org and mckpd.us
- Allow users to browse a company directory to find an individual's e-mail address. Under the current system there is no standard format for employee e-mail addresses. The exchange server, in conjunction with Microsoft Outlook, will eliminate the guessing game for employees.
- Allow individual e-mail addresses to be organized into distribution groups such as patrolmen, sergeants, detectives, department heads, and community development, etc.
- Provide system users the ability to look at other employees' schedules and set up meetings. As long as users keep their schedule in Microsoft Outlook, the Exchange Server will allow employees access to each other's schedules.
- Allow the City to back-up all e-mail from a central location for archiving purposes. In the event of a lawsuit or even a simple public request for information, the IT Director will be able to access any and all e-mails. Additional hardware may be needed for this function.
- Allow the City to make instantaneous changes to the system when needed.

RECOMMENDATION NO. 66: THE ALERT REPORTING SYSTEM SHOULD BE USED TO RECORD ALL MATTERS RELATED TO EVIDENCE. This recommendation is made only to point out that the ALERT software is capable of managing the inventory of the evidence room. As all police reports are completed using this software program, it is only logical to record the evidence also, as the reporting program ties the evidence back to specific incident reports.

RECOMMENDATION NO. 67: PURCHASE CRIME MAPPING SOFTWARE. The police department has expressed interest in mapping crimes recorded in their database. Metro Technology, the company that created and provides updates to the current police reporting package (ALERT), has also developed an interface with ARCINFO that will allow for this mapping to occur. Metro should be contacted in order to review the product and see how it works with the ALERT software.

RECOMMENDATION NO. 68: PRINT CENTERS NEED TO BE UTILIZED FOR DOCUMENT SCANNING. The City made a cost-effective move to get rid of local printers attached to users' computers, and move to networked print centers. These print centers utilize copiers that serve a number of users in an area. The print centers need to add software that will allow users to scan documents to a pdf format and e-mail the document to the users' standard e-mail address. This will provide the staff with a very simple procedure to scan documents to a central location, or to share with others in a standard format.

RECOMMENDATION NO. 69: ELIMINATE FAX MACHINES AND ROUTE FAXES TO A CENTRAL LOCATION. With the implementation of standardized e-mail to go along with the print centers, all faxes received should be routed to a central location where they will be distributed via e-mail to the intended recipient. This centralized distribution system will eliminate junk faxes that are received, and allow users to save faxes on their computers for future reference. In the end, there will be a lot less paper used to print faxes.

RECOMMENDATION NO. 70: CELL PHONES NEED TO BE MANAGED BY THE IT DIRECTOR. Currently there are approximately 33 phones in use by all City departments. In addition, many of the phones are "smartphones" that have the ability to link back to the computer network to obtain e-mail messages, contact information, and schedules, etc. The IT Director must manage this function as it directly relates to the computer network.



RECOMMENDATION NO. 71: CAMERAS NEED TO TIE INTO THE CITY'S NETWORK. Any cameras installed on City streets, in parks, or at the Marina need to be tied into the City's computer network. All video should be backed up onto a DVR, have the ability to be archived for at least six months, and have the ability to be quarantined for an unlimited period of time if video is needed for a court case.

RECOMMENDATION NO. 72: STANDARDIZE COMPUTER HARDWARE. Future purchases of computer hardware should be standardized so that all work stations have similar operating systems. As the basic employee workstation becomes standardized, it will be easier for the IT staff to maintain and provide support for the unit.

RECOMMENDATION NO. 73: HIRE OR APPOINT A FULL-TIME IT DIRECTOR WHO CONCENTRATES ONLY ON TECHNOLOGY ISSUES. The current IT Director is charged with managing the IT function for City Hall, managing the Marina as well as managing the restaurant at the Palisades. Admittedly, his focus is on the Marina and not the IT Department, and the IT function has suffered because of this. In order to provide the level of service necessary for this position, a full-time employee dedicated to IT is necessary.

Likewise, Officer Mihalko has done a fantastic job with providing technical services at the police department. However, his ability to manage the IT function is limited by time. He is a full-time police officer and he should be spending his time doing police work, not IT work. He should

begin to transition this work and his knowledge to the Director. Officer Mihalko should remain the Director's point of contact at the public safety building, as he should continue to be the administrator for the ALERT program and JNET.

RECOMMENDATION NO. 74: SEEK GRANTS TO PURCHASE AND INSTALL MOBILE DATA TERMINALS (MDT) IN ALL POLICE VEHICLES. An MDT is a high-powered laptop computer that is mounted and hardwired into a police car. It allows a police officer to run license plates, driver's licenses, and to search for other information that is available in databases. Everything the officer needs to know about a car and its operator is right there at his/her fingertips. It also provides the capability for the officer to access e-mail, connecting him to other officers in the McKeesport Police Department and in adjacent departments. By utilizing e-mail, the system users can communicate without broadcasting information over the air waves, keeping information more secure and eliminating much of the "chatter" that goes out over police radio channels.

The laptop will also be loaded with a terminal services or Citrix-based software that will allow officers to stay on the road while completing incident reports. The communications software will connect the officer directly to the Visual Alert Server at the station via a wireless Internet connection and allow him to log into the ALERT reporting system to complete his report. This will ensure that incident reports are done in a timely manner, and are available for officers to view at the next shift change.



This system, once in place, will permit police officers to spend more of their time out in the community instead of being bound to their desks at headquarters.

RECOMMENDATION NO. 75: THE IT DIRECTOR SHOULD BE AVAILABLE TO ANSWER REQUESTS FOR SERVICE DURING NORMAL BUSINESS HOURS. Between the police department, fire department, and City Hall, there are approximately 20 to 25 calls for service per week. The Director should be on-site and responsive to the needs of the users. Right now there is little to no responsiveness to the users at City Hall because the current IT Director is busy with other matters.

RECOMMENDATION NO. 76: POLICIES THAT GOVERN THE USE OF TECHNOLOGY SHOULD BE PUT IN PLACE. The City currently does not have any formal technology policies for its employees. Policies that deal with the use of computers, fax machines, cell phones, Web pages, etc., must be developed, reviewed, discussed by Council, and formally adopted by resolution or ordinance. Once adopted, all employees should be given a copy of the policies and asked to sign off, indicating that they have received and read the policies.

RECOMMENDATION NO. 77: A JOB DESCRIPTION IS NEEDED FOR THE IT DIRECTOR. A job description that outlines the required experience, responsibilities, and the essential functions for this position should be created. The job description will also indicate exactly where the employee is located on the organizational chart.

RECOMMENDATION NO. 78: A TRANSITION PLAN SHOULD BE PREPARED. The Director has indicated that he is getting close to retirement and may only work a few more years. Currently, he is spending less and less time working on IT issues, and more time concentrating on other issues as requested by management. The Director is a valuable employee and has complete working knowledge of the systems at the City Building. If the current Director is not identified as the person to administer systems city-wide, then a transition plan should be put in place to allow him to work with the new system administrator to document current operations and maintenance.

RECOMMENDATION NO. 79: WEB PAGE: The City of McKeesport Web page is graphically pleasing and the City has been steadily adding information to the site over the last few months. The site now has council minutes, permit applications that can be printed, contact information, and even a recycling schedule. However, the site is still missing essential information about Community Development and the nonprofit corporations that are involved in community development. The Department of Community Development, along with the nonprofit organizations, need to show contact information as well as a listing and explanation of their particular initiatives. In general, the Web site should serve as a community directory with plenty of names, phone numbers and e-mail addresses that make it easy to communicate with City employees and City officials.

RECOMMENDATION NO. 80: AN INVENTORY OF ALL CITY COMPUTER HARDWARE AND SOFTWARE IS NEEDED IN ORDER TO ASSESS CURRENT AND FUTURE NEEDS. The IT Director and Officer Mihalko were able to present rudimentary hardware inventories, and it appears as if most computers are currently functional. However, in order to develop any sort of capital replacement plan, a more detailed inventory is necessary and should include the following:

- Information related to the manufacturer, model, and serial number
- Equipment description such as desktop, laptop, printer, etc.
- Comment Field (may have a history of who has had the equipment, how it was used, etc.
- Warranty information to go along with the already existing purchase date
- Configuration information, including disk size and amount of memory, device name memory, etc.
- Internet Protocol (IP) name and IP address, if applicable
- Location, such as room number
- Owner history (if applicable)
- Usability (in use, ready to reassign, ready to dispose, scrapped for parts, retired, lost or stolen)

An up-to-date inventory of the computer system is also necessary for financial accounting purposes (such as the GASB 34) as well as for insurance purposes.

RECOMMENDATION NO. 81: DETAILED BUDGET LINE ITEMS NEED TO BE INCLUDED IN THE GENERAL FUND BUDGET. The general fund currently has two line items for the IT function. 01-402-99999 is the line item for DataMatrix Computer Services (3rd party company) and 01-402-47101 is the line item for computer hardware and software. There is no listing for anything related to the police and fire departments. A data processing category should be created in the general fund budget that contains, at a minimum, costs related to GIS updates, software, hardware, software and hardware maintenance, and police and fire expenditures.

RECOMMENDATION NO. 82: THE CITY SHOULD BEGIN TO ALLOW ELECTRONIC PAYMENTS VIA CREDIT CARD AND DEBIT CARD. Residents, contractors, and businesses should be able to make a payment over the counter or over the Internet. Payment for items such as parking tickets, parking passes, building permits, earned income taxes, etc., should be made available. All convenience fees will be paid by the applicant, so this can be accomplished at no cost to the City.

RECOMMENDATION NO. 83: A DISASTER RECOVERY PLAN SHOULD BE PUT IN PLACE. Right now there are two separate backup systems in place. One of the servers at City Hall conducts a nightly backup of user data. A tape with backup information is taken off-site on a regular basis. At the police department there is a continuous backup of user data to an external hard drive. This information exists on-site and would be lost during a fire or other similar disaster. In order to be able to restore the City's complete network in a short amount of time, all program information and user information must be backed up, off-site, on a consistent basis. This will allow the City, through an outside vendor, to be able to completely restore its network and user data in a number of hours, instead of a number of days or weeks.

RECOMMENDATION NO. 84: THE CITY SHOULD EXPLORE COST CONTAINMENT STRATEGIES FOR MAINTAINING AND IMPROVING ITS IT SYSTEM. There is no doubt that a full-time Director is needed. However, the City should consider the following as a way to supplement its staff:

- The City should continue to establish relationships with local universities that are willing to provide interns that can provide technology services for minimal cost. Interns could supplement the work done by a third-party technology support provider. Interns could also be charged with gathering the two years' worth of data that is necessary for updating the GIS system.
- The City should enhance its relationship with the Local Government Academy (LGA) in order to utilize interns for possible technology development.
- Consider contracting with a private vendor to connect to an off-site server via the Internet to run all applications. While this strategy is not very popular, it would eliminate the need for an on-site IT person, and allow the City to take advantage of the services provided by the off-site provider, such as firewall and intrusion detection services, penetration testing, security assessments, maintenance, and backups, a disaster recovery program available for critical applications, redundant hardware and software in critical areas, 24/7 system monitoring and problem resolution, multiple platforms, and server maintenance. This would also eliminate the need to provide on-site servers, server upgrades, desktop software, upgrades of the desktop software, e-mail software, etc.

REVENUE GENERATION AND ENHANCEMENTS

Technology is not a function that generally yields any revenue. However, as small as the revenue may be, the City may want to consider providing data service for the other tenants on the upper floors in City Hall. While this may only generate a few hundred dollars a year, it may provide some much-needed cost savings to agencies that can barely survive.

FUNDING STRATEGIES

The comprehensive set of recommendations made in this section will no doubt require the dedication of additional funds by the City. As grant money continues to dwindle, it is increasingly harder to find money for issues such as these. In order to obtain additional funding, the City may want to explore the following funding strategies:

- State Senators and Representatives are always looking to provide small DCED grants to communities. Submit DCED applications to these elected officials in amounts of \$5,000 to \$10,000.
- The U. S. Department of Justice is an excellent source of grant funds for the police department. The federal appropriations process may be a way to obtain funds through the COPS fund.
- Funds may be available through DCED for the implementation of recommendations made in this EIP report. DCED should be contacted for more information.