

CITY OF NANTICOKE
2010 ACT 47 RECOVERY PLAN AMENDMENT

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Introduction

At the end of 2006, the City of Nanticoke found itself in a precarious fiscal position. The City had developed a pattern of using borrowed funds in order to meet operational expenditures. Furthermore, because of restrictions under Act 511 and the Third Class City Code, the City had reached the legal limits of its taxing authority. These revenue limitations were overlaid with collective bargaining agreements that made any significant cost or personnel reductions difficult if not impossible. Indeed, most of the elected officials and the public at-large tended to believe that municipal services were already at minimal levels. (The police department's complement was 12 officers in addition to the Chief while the fire department functioned with ten paid firefighters, including the Chief, supplemented by volunteer firefighters.) In short the City was faced with revenue that could not be increased while expenditures could not be significantly reduced without having a deleterious effect on services.

The situation was further complicated by the fact that there was less than adequate administrative capacity and oversight; financial and accounting deficiencies were evidenced by grant audit findings; and there was a lack of funds available for planning, capital improvements and economic development.

The City filed a Petition for Determination of Municipal Financial Distress with the Department of Community and Economic Development (DCED) in April 2006 pursuant to Act 47 of 1987, the Municipalities Financial Recovery Act (Act 47), and was declared a financially distressed municipality on May 25, 2006. DCED subsequently appointed the Pennsylvania Economy League as the City's Act 47 Recovery Plan Coordinator (Recovery Plan Coordinator). The Recovery Plan Coordinator, in consultation with the City of Nanticoke, developed a Recovery Plan for the City. The City of Nanticoke adopted the Act 47 Recovery Plan on January 29, 2007, (Recovery Plan). The Recovery Plan was developed with the following principal provisions:

- There would be no decrease in the number of public safety employees and no layoffs for other positions.

- There would be limitations on future wages and benefits for all employees as new labor contracts were negotiated.
- There would be the passage of an ordinance establishing a City Administrator position under the Third Class City Code.
- The City budgetary and financial processes and practices would be upgraded to ensure useful fiscal information and sound management.
- Most importantly, the City's Earned Income Tax would be increased from 0.5 percent to 1.5 percent on City residents. The additional 1.0 percent was levied under the special legal provisions of Act 47. Budgeted EIT revenues were projected to go from about \$680,000 to \$2.04 million. Without this substantial increase in revenue, the level of municipal services would have required a significant and unacceptable reduction.
- The Recovery Plan also provided for the imposition of a Nonresident Earned Income Tax of 0.33 percent. This tax was earmarked to be used exclusively for capital improvements within the City.
- In order to facilitate the Plan's implementation and to forestall further fiscal degeneration, the Commonwealth, through the DCED, provided a \$700,000 ten year interest-free loan to meet outstanding obligations for which the City did not have sufficient funds. The City used all but approximately \$70,000 of the Commonwealth's original \$700,000 to payoff past due obligations and other liabilities. Much of the remaining balance was utilized to make electrical repairs to City Hall Police Station.

Recovery Plan Implementation 2007-2009

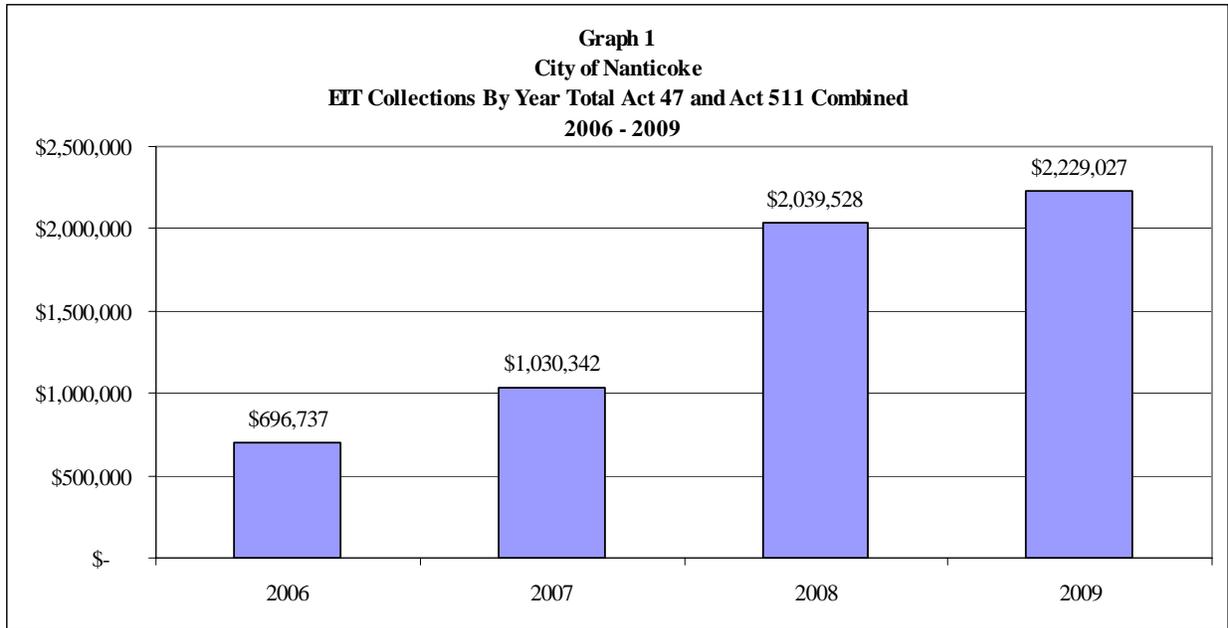
The City of Nanticoke has made deliberate progress in Recovery Plan implementation from early 2007 through early 2010. This is especially true with respect to substantial improvements in the City's financial and management capacity through the hiring of an experienced City Administrator, the retention of a qualified Finance Officer and the implementation of an accurate accounting and financial management system.

In addition, upon termination of the then existing collective bargaining contracts, the City entered into new contracts with all of its bargaining units. Further, there were no layoffs and the new labor contracts did provide for Recovery Plan cost containment provisions. However, the cost containment provisions included in the new labor agreements were not as stringent as delineated in the Recovery Plan. In the opinion of the Recovery Plan Coordinator, these minimums were reasonable first steps in controlling personnel expenditures.

The increase in the City's resident earned income tax began to provide much needed additional revenue to meet the City's expenditure pattern. Unfortunately the new rate did not produce the full projected amount of anticipated revenue until 2009. Because of this collection delay in General Fund earned income tax revenue, an additional \$200,000 loan was provided by DCED in December 2007 to bridge the shortfall period.

Revenues and Cost Containment.

- The Recovery Plan authorized increasing the City's Earned Income Tax rate from 0.5 percent to 1.5 percent. This rate increase was projected to produce \$2.04 million in annual revenue. However, because of delays in rate implementation and the normal cashflow delays in the EIT collection process, the EIT revenues received in 2007 (\$1,030,342) were significantly below the Recovery Plan projection. In 2008 the City did collect the yearly projected revenue (\$2,039,528) and exceeded it in 2009 (\$2,229,027). Prospective collections at the 1.5 percent EIT rate should continue to generate revenue at approximately the same level. (See Graph 1.)
- Due primarily to the shortfall in EIT collections, the City applied for and received an additional \$200,000 short-term interest-free loan in December 2007 from the Commonwealth of Pennsylvania through the DCED. The loan was amended to provided for a ten-year repayment term. The City is current with its payments.



- The 0.33 percent Nonresident Earned Income Tax provided for in the Recovery Plan has not produced significant revenue because EIT rates in many adjoining communities are in excess of 0.5 percent. Therefore, people who work in Nanticoke but live in these communities produce no additional EIT for the City of Nanticoke. The Recovery Plan did not provide for the nonresident rate beyond 2009. In compliance with the Plan, the City did not pass a nonresident earned income tax ordinance for 2010.
- In 2009, Luzerne County completed and implemented a countywide reassessment of real property (2009 Reassessment). Because of the 2009 Reassessment the City of Nanticoke’s General Fund real estate tax millage was reduced from 30.0 mills to 1.457 mills in 2010. With the revised assessment base and equivalent new millage of 1.457, the City was no longer at the Third Class City legal limit on tax millage.
- In 2007 the City negotiated labor contracts with the Brotherhood of Teamsters Local 401 for Blue Collar Nonprofessional Employees and White Collar Nonprofessional Employees for the period 2008 through 2010. Although both contracts were in general conformance with the Recovery Plan, projected costs were greater than in the Recovery Plan. While the contracts provided for increased employee premium health co-pays, the continued increases in employee health care cost are a continuing concern for the City.

- The City successfully negotiated contracts with Local 2655 of the International Association of Firefighters and the Fraternal Order of Police Lodge No.36 for the period January 1, 2009, through December 31, 2012. In each case projected contractual costs were greater than those projected in the Recovery Plan. In the judgment of the Recovery Plan Coordinator, the police and fire agreements were not excessive and avoided costly and time consuming Act 111 arbitration. Accordingly, the Recovery Plan Coordinator in conjunction with DCED approved the final contractual costs as being generally in plan compliance. Both police and fire complements were maintained at their existing manpower configurations.
- Because of increased General Fund cost patterns and slower than projected General Fund revenue, including the failure of the EIT to reach \$2.04 million until 2009, the Recovery Plan's projection of total funds to be set aside for capital improvements utilizing the nonresident EIT funds has not been attained. Furthermore, it appears that there will be little or no excess funds for future capital programs. For the foreseeable future the City will need to rely heavily on grants, liquid fuels funds, and other matching funds for capital improvements.
- The City created the position of City Administrator by ordinance and timely filled the position. In addition the City also retained a Finance Officer.
- The City's budget process was enhanced and monthly financial statements comparing actual revenue and expenditures to those budgeted are presented to City Council.
- A multi-year capital budget plan was developed and approved by City Council.
- The City's financial management and accounting systems improvements resulted in:
 - Audit opinions with only minor disclaimer.
 - Removal of prior DCED audit findings which allowed for continuation of CDBG funding.
- The City received DCED grants to assist in technology upgrades as well as funding for the development of a new comprehensive plan.
- The City Administrator facilitated the coordination of economic development projects which resulted in enhanced economic development plans.
- As a result of the nationwide decline in asset value of most pension funds, including those in Nanticoke, the City's Police and Fire pension funds were adversely affected. In an effort to mitigate these market setbacks, the Pennsylvania General Assembly passed pension fund

legislation to smooth the municipal pension asset decline over a number of years. Even with this supporting legislation, the City still faces significant increased pension amortization payments beginning in 2011. These increased pension costs will need to be included in the City’s Budget for future years and will require additional financial resources.

- The City has made significant progress in eliminating its interfund liabilities especially reducing amounts owed from the General Fund to the Sewer Fund.
- Post employment benefits are provided to certain full-time police and firefighter personnel of City of Nanticoke as stipulated in their respective collective bargaining agreements with the City provided they are both eligible for and elect retirement. The benefits extended to the employee include healthcare, dental, and vision benefits for the employee, spouse, and family. These benefits are available for the life of the employee and life of his spouse until the age of 65, at which time the benefits will be reduced to the amount, which constitutes the deductible, not covered by Medicare. This benefit is financed currently on a pay-as-you-go basis and is addressed during the annual budget process. The employee is not required to contribute. For the year ended December 31, 2008, post employment benefits paid by the City were \$144,083 with twenty-one (21) participants eligible to participate.

Table 1 presented below provides the unaudited financial result on a budgetary basis for the City of Nanticoke’s General Fund for the period of 2007 through 2009, the first three years under the Recovery Plan.

Table 1
City of Nanticoke
Revenue and Expenditures
2007 – 2009

	2007	2008	2009
Revenue and Other Sources	2,912,455	3,825,120	4,391,653
Expenditures and Other Uses	3,419,336	3,679,707	4,026,508
Revenues/Sources over (under) Expenditures/Uses	(506,881)	145,414	365,145

In 2007 the City experienced a significant deficit of over \$500,000. In 2008, the City had moved to a positive “net income” of \$145,000, and in 2009, the City had a substantial “net income” of \$365,000.

Additional detail on the revenue and other sources in comparison to expenditures and other uses is provided in Table 2.

Table 2
City of Nanticoke
Revenue Details, Expenditures and Other Uses
2007 – 2009

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenue	2,658,751	3,525,120	4,089,805
Other Sources			
Sale of Assets	413		
Insurance Proceeds	1,515		
Transfer from Other Funds	1,775		1,848
Tax Anticipation Note	250,000	300,000	300,000
Total Other Sources	253,703	300,000	301,848
Revenue and Other Sources	2,912,455	3,825,120	4,391,653
Expenditures	3,169,336	3,379,707	3,726,508
Other Uses			
Repayment of Tax Anticipation Note	250,000	300,000	300,000
Expenditures and Other Uses	3,419,336	3,679,707	4,026,508
Revenues/Sources over (under) Expenditures/Uses	(506,881)	145,414	365,145
Commonwealth Loan Proceeds	200,000		
Available Net Resources	(306,881)	145,414	365,145

The principal cause for the initial deficit in 2007 and the subsequent turnaround to positive net incomes was the lag in sufficient collection of the increased earned income tax. Initially there was more than a month delay in passing the ordinance authorizing the higher EIT

rate and in obtaining the required Common Pleas Court approved under Act 47. Further, the time to actually collect the increased tax through employee withholding and then for the tax collector to remit the tax to the City involved a rather lengthy delay, up to seven months.

It would have been very difficult for the City to meet its obligations at year-end 2007 with a deficit in excess of \$500,000. As mentioned previously, in order to address this problem the Commonwealth provided an additional \$200,000 loan. In addition City Council authorized the City Administrator to temporarily borrow resources from other funds if the anticipated EIT was not collected to meet City year-end obligations.

Fortunately, the EIT collections increased in the early part of 2008 and no interfund borrowing was necessary. In fact, the 2007 year-end audit based on a **modified accrual** basis shows the General Fund deficit to have been only \$236,635. Further, after applying the \$200,000 loan resources, the deficit for 2007 was only \$36,635. (See Table 3.)

Table 3
City of Nanticoke
General Fund Audited Financial Results

	2007	2008
Beginning Fund Balance	(266,813)	(503,448)
Excess Revenues and Sources	<u>(236,635)*</u>	<u>349,299</u>
Ending Fund Balance	(503,448)	(154,149)

* Does not include \$200,000 Commonwealth Supplemental Loan

The continued growth in the EIT revenue in 2008, along with improved accounting and management practices, moved the City into a positive fiscal position. Moreover, on a modified accrual basis, the 2008 audit results demonstrate a positive net increase of almost \$350,000. Again this can be attributed to continued EIT collections growth reaching its projected level in late 2008 and early 2009, as well as the transfer of \$83,000 from a closed out accounting fund.

As of this the date of this report, the 2009 audit has not yet been completed but the positive results of the City’s 2009 year end fiscal position on a budget basis reflected in Table 1 seem to indicate continued progress.

2010 Amended Act 47 Recovery Plan

With Recovery Plan Coordinator's guidance, the City's elected leaders, administrative staff and employees have dedicated a significant amount of time and effort to implement many of the provisions enumerated in the Recovery Plan. The upshot of their commitment is manifested by the City's return to financial and administrative stability and the City's ability to now focus on achieving long-term economic and community development growth which will ensure the City's future viability as an ongoing entity. Continued progress by the City will position the City, the Recovery Plan Coordinator and DCED to entertain the proposition of rescinding the City's financially distressed status. Thus, the goal of this 2010 Amended Act 47 Recovery Plan (Amended Recovery Plan) is to provide the City with a roadmap that will assist the City's decision-makers as they continue to build upon their achievements made pursuant to the Recovery Plan and position the City for eventual removal from the Commonwealth's Act 47 distressed municipalities program.

A number of events occurred subsequent to the adoption of Recovery Plan need to be included in the Amended Recovery Plan. Among the more important are the existing collective bargaining contracts agreed to by the City, the Recovery Plan Coordinator, and DCED, which differ somewhat from the provisions of the Recovery Plan. In addition, given the lapse of time since the Plan's original development (winter 2006-2007) numerous estimates and timeframes need to be updated and reformulated.

Another reason is the removal of the Third Class City Code's real estate tax millage limits on the City's General Fund millage attributed to the 2009 Reassessment. Because of the 2009 Reassessment, the City has been able to recalculate its equivalent General Fund real estate tax millage from 30 mills in 2006-2008 to approximately 1.457 mills in both 2009 and 2010. As a result, the legal real estate millage limit of 30 mills which helped propel Nanticoke into distress status has been mitigated. The City can now meet its General Fund expenditure patterns by increasing, as necessary, the real estate millage for General Fund purposes.

A number of City elected officials believe that retaining the City's earned income tax rate at the 1.5 percent level is both more equitable and efficient in producing the required revenue for the City's General Fund rather than increasing the real estate millage on the City's property owners. However, the only way to accomplish retention of the higher EIT rate would be for the City to either remain an Act 47 distressed municipality indefinitely or for the City's residents to

enact a Home Rule Charter which would permit the City's elected officials to levy an EIT rate above the 0.5 percent limit under Act 511. Therefore, this Amended Recovery Plan incorporates an option for the City's elected officials to offer its citizens an opportunity to decide the City's future governmental and tax structure.

The adoption of a home rule charter pursuant to the Home Rule Charter and Optional Plans Law can provide the City with the means to maintain its current combined Act 47/Act 511 1.5 percent EIT rate. A home rule charter written by an elected government study commission and adopted by the City's electorate may provide, among other possible governmental changes, local tax enabling authority for City Council to levy an EIT rate that is deemed appropriate to meet the City's General Fund revenue requirements. A home rule charter may also include these basic components:

- General powers of the municipality
- Organization of the government
- Procedures or safeguards to assure due process
- Provisions for citizen participation and powers reserved for voters
- Mandates for administrative practices
- General Provisions, such as transition procedures and effective date

Amended Recovery Plan--Amendments

The amendments in this Amended Recovery Plan shall become effective upon passage by the Nanticoke City Council of an ordinance adopting this Amended Recovery Plan and, unless expressly stated, the amendments shall cover the period for the remainder of 2010 and beyond until amended by subsequent Recovery Plan amendments or the rescission of the City's distress status by the Commonwealth. This Amended Recovery Plan does not invalidate, impair, eliminate or diminish the provisions of the Recovery Plan which are not included in this Amended Recovery Plan. Financial projections as provided in this Amended Recovery Plan cover the period from 2010 through 2013 and are based on *infra*. (See Option A Plan Detail and Summary.)

Revenue

- Earned Income Tax. Enumerated below are four Options whereby the City of Nanticoke utilizes different EIT rates while concurrently going through the home rule process. Each Option provides that if the home rule process is terminated during any of the years included in the financial projections of this Amended Recovery Plan, then the additional 1.0 percent EIT rate levied under Act 47 shall be reduced accordingly resulting in a 0.0 percent Act 47 EIT rate no later than January 1, 2013. The future loss of General Fund revenue due to the mandated reduction of the 1.0 percent Act 47 EIT in any Option shall be replaced by a corresponding increase in General Fund real estate tax millage sufficient to meet projected General Fund expenditures for the period. Beginning with the 2013 fiscal year, the financial projections in each Option do not provide for the additional EIT tax levied under Act 47.

Option A – Option A assumes that the City’s electorate will adopt a Home Rule Charter in 2012 and the 2013 EIT rate of 1.0 percent will be levied pursuant to applicable Home Rule Charter provisions. The EIT rate for the years 2011 and 2012 under Act 47 shall be 1.0 percent.

For the year 2011 – 1.0 percent

For the year 2012 – 1.0 percent

For the year 2013 – 1.0 percent (Home Rule Authorization)

Option B – Termination of Home Rule Process in 2010 without adoption of a Home Rule Charter. The EIT rate under Act 47 shall be:

For the year 2011 – 0.67 percent

For the year 2012 – 0.33 percent

For the year 2013 – 0.0 percent

Option C – Termination of Home Rule Process in 2011 without adoption of a Home Rule Charter. The EIT rate under Act 47 shall be:

For the year 2011 – 1.0 percent

For the year 2012 – 0.5 percent

For the year 2013 – 0.0 percent

Option D – Termination of Home Rule Process in 2012 without adoption of a Home Rule Charter. The EIT rate under Act 47 shall be:

For the year 2011 – 1.0 percent

For the year 2012 – 1.0 percent

For the year 2013 – 0.0 percent

(See Home Rule Schedules A through D and Option A Plan Detail and Summary.)

The total EIT rate under each option is summarized in Table 4.

Table 4
City of Nanticoke
Home Rule Options Earned Income Tax Rates

Option A				Option B			
No Termination				Termination in 2010			
Year	<u>Act 47</u>	<u>Act 511</u>	<u>Total</u>	Year	<u>Act 47</u>	<u>Act 511</u>	<u>Total</u>
2011	1.00	0.50	1.50	2011	0.67	0.50	1.17
2012	1.00	0.50	1.50	2012	0.33	0.50	0.83
2013	0.00	1.50	1.50*	2013	0.00	0.50	0.50

Option C				Option D			
Termination in 2011				Termination in 2012			
Year	<u>Act 47</u>	<u>Act 511</u>	<u>Total</u>	Year	<u>Act 47</u>	<u>Act 511</u>	<u>Total</u>
2011	1.00	0.50	1.50	2011	1.00	0.50	1.50
2012	0.50	0.50	1.00	2012	1.00	0.50	1.50
2013	0.00	0.50	0.50	2013	0.00	0.50	0.50

* The 1.5 percent rate is levied pursuant to the authority of an assumed adoption of a home rule charter by the City and not under an Act 47 Recovery Plan.

If a Home Rule Charter granting the City’s elected officials the authority to levy an EIT rate above the 0.5 percent Act 511 limit is approved by the City’s electorate during 2011 or 2012, the following year the City shall levy an EIT rate of 1.5% pursuant to authority granted by the adopted Home Rule Charter.

For purposes of this Amended Recovery Plan, termination of the Home Rule Study Commission process shall be defined as: a government study commission recommendation not to pursue a home rule charter; the electors’ rejection of a home rule charter recommended by the home rule study commission; the adoption of a home rule charter that prohibits or

does not permit City Council from levying an EIT above 0.5 percent; or the termination of the home rule study commission for any reason prior to a final report and public vote.

- Real Estate Tax for General Fund. The City’s General Fund real estate tax millage for 2010 is 1.457 mills. Subsequent General Fund real estate millage rates shall be sufficient to balance the City’s General Fund budget and shall be in conformance with the real estate millage projections provided in the Amended Recovery Plan Options A through D. A comparison of the Optional Real Estate Millage and Earned Income Tax Rates is provided in Table 5.

Table 5
City of Nanticoke
Earned Income Tax and Millage Rates*

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Option A Home Rule Adopted				
Total City Earned Income Tax Rate	1.50	1.50	1.50	1.50
General Fund Millage	1.457	2.430	2.649	2.670
Option B Home Rule Terminated 2010				
Total City Earned Income Tax Rate	1.50	1.17	0.83	0.50
General Fund Millage	1.457	3.674	5.148	6.364
Option C Home Rule Terminated 2011				
Total City Earned Income Tax Rate	1.50	1.50	1.00	0.50
General Fund Millage	1.457	2.430	4.514	6.364
Option D Home Rule Terminated 2012				
Total City Earned Income Tax Rate	1.50	1.50	1.50	0.50
General Fund Millage	1.457	2.430	2.649	6.364

*Earned Income Tax expressed in percentage and real estate taxes expressed in mills.

An important element of the Amended Recovery Plan’s financial projections is that regardless of the City’s government and tax structure, the City’s General Fund expenditures will continue to increase. The Recovery Plan Coordinator estimates that General Fund expenditures will increase from \$3.97 million in 2010 to \$4.33 million in 2013, an increase of \$360,000 over the period. This increase is driven primarily by additional funds necessary for the City’s pension contributions. The asset value of police and fire pensions were greatly reduced by the national financial crisis of 2008. Of the projected \$360,000 expenditure increase, \$218,000 or 57 percent

of the increase relates to pension cost increases. The remainder is driven by projected labor contract benefits; in particular the significant estimated increases in healthcare costs.

These projected General Fund expenditure increases will have an impact on the revenue resources available to the City. Even if the City's Earned Income Tax remains at 1.5 percent rate in 2013, the City's General Fund real estate tax millage is estimated to increase from 1.46 mills in 2010 to 2.67 mills in 2013, an 82.9 percent increase over the current rate. If the City's EIT reverts to the Act 511 limit of 0.5 percent, the millage for General Fund purposes is estimated to increase from 1.457 mills in 2010 to 6.364 mills in 2013, an increase of 336.8 percent. The General Fund real estate tax revenue will increase from \$456,000 in 2010 to \$2.27 million in 2013.

The Recovery Plan Coordinator believes that in the absence of an increased EIT rate there are no significant alternatives to real estate millage increases to fund the City's future General Fund expenditures unless the City's citizens and elected officials are willing to restructure and substantially reduce the City's workforce. Because of the magnitude of the potential real estate millage increases, the decision to adopt a home rule charter permitting the City to levy an increased EIT without the statutory authority of Act 47 must be given careful consideration by the City's electorate and elected officials.

- Real Estate Collection Rate. The City's collection experience with real estate taxes has been decreasing slightly since 2006, falling from 89.5 percent to 86.7 percent in 2009. Continued monitoring of the collection process, percentage of collection, and delinquency rates must be maintained to avoid shortfalls of budgeted real estate revenue. The City Treasurer shall prepare a report to Council regarding this revenue trend and the process necessary for the Treasurer's Office to increase tax collections. (See Table 6.)

Table 6
 City of Nanticoke
 Real Estate Tax Collection and Percent Collected

	<u>Real Estate Tax Potential</u>	<u>Real Estate Taxes Collected Current</u>	<u>Percent of Collected</u>
2006	\$896,381	\$ --	-- %
2007	659,962	590,622	89.5
2008	660,769	576,354	87.2
2009	930,402	806,681	86.7

- Act 47 Emergency State Loan. The continued repayment of the Act 47 \$200,000 emergency loan received by the City of Nanticoke in December 2007 is incorporated as part of the Amended Recovery Plan. This loan is in addition to the September 2006 \$700,000 Act 47 loan with a ten year period at zero interest rate. Repayment of both Act 47 loans is provided for in the Amended Recovery Plan Budget. The loan documents executed between the City and DCED are hereby incorporated into this Amended Recovery Plan by reference.
- TANs. In consultation with the Recovery Plan Coordinator, the City shall utilize Tax Anticipation Notes (TANs) only for the purpose of meeting single year cashflow requirements. All TANs shall be repaid as required by law.
- Debt Service Millage. Any unreserved fund balance in the Debt Service Fund shall be used each year to reduce the City’s accumulated debt service in accordance with proper financial management practices. The City shall levy sufficient debt service millage each year (in combination with any debt service fund balance) that shall be sufficient to meet the annual debt service obligations of the City. A debt service reserve fund may be established to provide for an early retirement of debt. (See Table 7.)
- Fees for City Services. In general it shall be the goal of the City to charge fees for services which meet the cost of providing each service including applicable administrative costs. To this end, an additional review shall be made of the cost of providing fee for service activities and, in particular, building code and rental inspections. It is understood that fees may lag behind service costs for any given period. A preliminary report on these costs shall be made by the City Administrator to City Council not later than November 1, 2010. Council shall

then take reasonable action to change the fee structure by Ordinance for the 2011 budget year so that fees generally match the projected cost for service. The City shall incorporate a review of its service fees into its annual budget preparation review.

Table 7
City of Nanticoke
Debt Service Requirements
2010-2018

	<u>2004</u>	<u>2005A</u>	<u>2006 Loan</u>	<u>2007 Loan</u>	<u>Annual Total</u>
2010	\$126,350	\$85,847	\$70,000	\$20,000	\$302,196
2011	126,350	85,847	70,000	20,000	302,196
2012	126,350	85,847	70,000	20,000	302,196
2013	126,350	85,847	70,000	20,000	302,196
2014	31,587	85,847	70,000	20,000	207,434
2015		42,923	70,000	20,000	132,923
2016			70,000	20,000	90,000
2017				20,000	20,000
2018				20,000	20,000
Totals	\$1,042,384	\$815,543	\$700,000	\$200,000	
Rate	4.77%	4.20%	0.00%	0.00%	
Principal Remaining as of 1/1/10	\$536,987	\$472,158	\$560,000	\$180,000	\$1,749,145
	<u>2011</u>	<u>2012</u>	<u>2013</u>		
Estimated Real Estate Debt Service Millage Necessary at 90% Collection Rate	0.8640	0.8512	0.8387		

- Accounts Receivable. The City shall aggressively pursue the payment of all accounts receivable including all payments due from other governmental entities and authorities. In particular within 30 days after the passage of this plan amendment the City will meet with the Municipal Authority to develop a payment plan for the funds of approximately \$60,000 owed to the City for maintenance expenses paid from 2007-2010 for the Kanjorski Center. It is imperative to the City’s budget plan that these funds be received promptly.

- Additional Revenue. The City shall explore additional revenue generating possibilities including the sale of advertising space and any other similar arrangements.
- Cable Franchise Fee. The City shall continue to ensure that its cable franchise fee is maximized. To this end, the City Solicitor shall review the existing agreement and make recommendations to City Council.
- Recycling. The City shall continue to apply for revenues from State Recycling Performance Grants as may be applicable.
- Garbage Fee. The City has substantially improved its billing practices for garbage fee collection. In this context the City shall continue to monitor its policies to ensure continued improvement in collection fees from the billing of vacant units, delinquencies and collection of delinquencies.
- Delinquent Sewer Collection. The City has undertaken a review of sewer fee delinquencies. Based upon this review a plan to collect delinquencies was developed and water service termination of delinquent accounts shall be a component of any plan to enforce payment of sewer collection fees.
- Database of Customer Lists. The City shall continue to investigate the use of new software and other techniques to maintain and update its billing/customer lists for garbage and sewage fees and in particular to cross reference said data to billing lists of the school district, water company, and the Wyoming Valley Sanitary Authority.
- Rental Ordinance Enforcement. The City has taken steps to improve enforcement of the City's rental ordinance. This along with Code enforcement shall be given the highest priority and any improved procedures shall be in place by January 1, 2011. To this end, the City shall determine if it has provided sufficient manpower resources for aggressive implementation and development of alternate strategies as needed. To this end, the Fire Chief shall develop a plan by February 1, 2011, to provide fire department manpower to assist with code related items.
- Tax Exempt Properties. By April 2011, the City shall, in conjunction with its Treasurer, verify that all properties exempt from real estate taxation are entitled to the exemption. If any property is not entitled to an exemption—in the judgment of the City—it shall take appropriate action to end the exemption.

Municipal Financial Management and Expenditure Control.

- Contracted Professional Services. All contracted professional services shall be subject to a competitive RFP process and require formal written contracts. The RFP shall clearly define the service to be performed and the experience and qualifications needed, the time period for performance, and any other requirements that must be met. Following the receipt of the RFP the City shall review the submitted proposals and select the one that meets the best combination of qualifications, experience, and cost.
- Utility Payments. It shall continue to be the policy of the City to timely pay all utility bills so that they are paid within all discount periods.
- Competitive Purchasing. The City shall continue to maximize to the extent possible the purchase for all items through cooperative purchase agreements including the Mountain Council of Governments (COG), the Pennsylvania Department of General Services COSTAR program or in conjunction with other governmental entities.
- Functional Consolidation. The City shall continue to explore a variety of options for delivering and financing an appropriate level of services to its residents including service merger, purchase of service, functional consolidation, and/or cooperative ventures.
- Prior Obligations. The City has made great strides to eliminate its prior unpaid financial obligations. It shall be the highest priority of the City to remain current on its financial obligations.
- Five-Year Capital Plan. The City has developed a multi-year capital plan detailing the priorities for the use of all capital funds in a manner consistent with the letter and spirit of the Recovery Plan. The City shall continue to update its capital plan annually and to identify and prioritize all capital needs related to its buildings and equipment infrastructure—with a funding emphasis on repair of streets and the remediation of the combined storm and sanitary sewer system. As previously mentioned revenue/expenditure limitations have precluded the use of non-Liquid Fuel City funds in capital improvements. The City shall attempt to budget each year not less than \$500,000 for capital improvements from non-Liquid Fuel funds.
- Accounting/Record Keeping. Significant improvements have been made to the accounting and record keeping systems. The City shall continue to give the operation of such systems its highest priority.

- Interfund Balances. The City is addressing the interfund balances which have a duration in excess of one year. In particular, significant repayment has been made by the General Fund to the Sewer Fund. During 2010 the City shall put into place a plan to reduce the remaining interfund balances.
- Budget Process. The City has made substantial improvements in the preparation and development of the City's budget including the integration of the budget into the City's accounting system. Any budgetary amendments shall be in conformance with applicable law and duly reflected in the budgetary accounting system of the City. Any such changes shall have proper documentation and the City shall provide timely notice to the Recovery Plan Coordinator.
- Financial Management. City Council is responsible for the financial management of the City under the Commission form of the Third Class City Code. This includes responsibility for contract authorization and monitoring, overseeing of revenues and expenditures, and the approval of the payment of all bills. To this end, a list of bills shall continue to be provided to members of Council in advance of the meetings at which they are to be approved. City Council shall also ensure that those who initiate purchases, incur obligations, and approve the payment of bills are authorized to do so in keeping with applicable law and ordinances. However, Council shall continue to authorize defined prescheduled payments such as payroll, utility bills, debt service payments and related items prior to the approval of the next Council meeting so as to avoid missing discount periods and to meet these prescheduled payments.
- Payroll Administration. The City shall develop a plan to coordinate payroll payment approval. The City Administrator and/or the Finance Director shall have the final payroll approval prior to issuance of payroll.
- Monthly Financial Statements. The Finance Director shall continue to provide City Council with monthly financial statements at its regular scheduled Council Meeting which shall list by line item and in summary the previous months and year to date incurred revenues and expenditures along with a comparison of budgeted allocations. Beginning in 2010 such statements will also be available on the City's internet site.
- Pension Administration. As soon as possible after the adoption of this Amended Recovery Plan, the City Administrator shall meet with the Pennsylvania Municipal Retirement System

(PMRS)—along with the Recovery Plan Coordinator—to explore additional opportunities for providing pension benefits and administering its pension system in a more cost-effective fashion. Concurrently, the City Administrator shall meet with its pension management services consultant in order to explore any alternatives for a more efficient pension management system.

- Purchasing. The purchase of materials and supplies shall be carried out in a manner consistent with applicable law including all bidding requirements.
- Insurance Coverage. The City continues to experience very high costs for both medical insurance and workers' compensation insurance. The City has attempted to look at alternatives especially for medical insurance but the cost remains high. The City shall continue to explore medical insurance alternatives. Similarly, Workers' Compensation is presently placed with the State Workmans' Insurance Fund at the highest rate. At least yearly the City Administrator shall meet with the State Workers' Compensation representative as well as with other insurance compensation consultants to determine if these very high costs can be reduced through different insurance providers.
- Act 32 of 2008. The City shall participate fully in the mandated Act 32 Consolidated Collection of Local Income Tax initiative in Luzerne County.

Cost Containment Provisions Applicable to all Employees, Departments, and Offices

The following are the labor relations, cost containment, and related amendments of the City of Nanticoke's Amended Recovery Plan. They shall become effective as of the date of the adoption of this Amended Recovery Plan and they shall cover the remainder of **2010** as well as the period **2011 and beyond**; provided that the terms and provisions of any existing collective bargaining agreement shall be followed for the remainder of that agreement. It is the express intent of the Recovery Plan Coordinator that these cost containment provisions shall remain in effect until a subsequent Recovery Plan amendment is proposed by the Recovery Plan Coordinator and adopted by Nanticoke's City Council or the City's designation as a distressed municipality under Act 47 is rescinded by DCED.

These cost containment provisions are both reasonable and necessary to the continued financial recovery of the City of Nanticoke. It is the intention of the Recovery Plan Coordinator that the City and the bargaining unit representatives of its employees negotiate these cost

containment provisions in good faith so as to incorporate these cost containment provisions and any other provisions contained in this Amended Recovery Plan into collective bargaining agreements.

However, to the extent that the City is unable to reach agreement with any of its Unions resulting in interest arbitration pursuant to Act 111 or any other arbitration, mediation or legal proceeding, it is the express intention of the Recovery Plan Coordinator that the implementation of these cost containment provisions and all other provisions throughout this Amended Recovery Plan shall be mandatory. Further, these Amended Recovery Plan cost containment provisions and any other provisions in this Amended Recovery Plan shall be made part of any labor agreements between the City and any of its bargaining units which are entered into after the adoption of the Amended Recovery Plan. All cost containment provisions must be addressed. The only exception to the mandatory intent and nature of these provisions shall be by amendment to said provisions, based upon prior approval from the Recovery Plan Coordinator, in conjunction with the Pennsylvania Department of Community and Economic Development. Any such amendment shall be in conformance with the financial parameters of the Amended Recovery Plan.

Cost containment provisions in the Amended Recovery Plan may represent a reaffirmation or clarification of existing management rights. Implementation of some or all of these cost containment provisions would require changes in the City's existing collective bargaining agreements.

Unless, and only to the extent that applicable law requires a change in any of the wages, benefits, terms, provisions or conditions enumerated herein, all new or extensions of current labor agreements between the City and the unions representing its employees, including collective bargaining agreements between the parties, interest arbitration awards pursuant to Act 111 or any other arbitration, mediation or legal proceeding covering the calendar year 2010 and beyond (or any portion thereof) **must not** contain, require or provide for any of the following:

- a. Any term or provision which continues or adds any restrictions on the City's Management Rights. Examples of prohibited terms or provisions include, but are not limited to, provisions limiting the City's ability to engage qualified contractors; to determine employees' hours, shifts and work schedules; to effect a

layoff in workforce; or to choose which bargaining unit performs a particular duty or function.

- b. Any provision which obligates the City to promote or assign or to permit bumping of any employee on the basis of seniority, rather than on the basis of qualifications and performance, except to the extent that preference is accorded to the most senior of those employees having demonstrated relatively equal qualifications and performance histories.
 - c. Any provision which expands the bargaining unit employees' rights to present grievances to the City or to appeal grievances to arbitration.
 - d. New employee or retiree benefits, or improvements to current employee's existing benefits, including without limitation pension or retiree health care benefits.
- Management Rights. The City shall have the right to determine the organizational structure and operation of each Department including, but not limited to, the right to determine and change job duties for each position, the right to determine and change schedules for each employee, and the right to assign work to any employee. Any provision in any collective bargaining agreement, interest arbitration award pursuant to Act 111 or any other arbitration, mediation or legal proceeding which is inconsistent with, or which interferes with, the rights of the City as set forth above, shall be eliminated to the extent of such inconsistency or interference, and the City's management rights, as set forth above, shall not be the subject of any grievance procedure or arbitration clause in any collective bargaining agreement between the City and any of its unions.

The term "Management Rights," also includes, without limitation, the rights to: promulgate and enforce work rules, policies and procedures; select, hire, promote, transfer, assign, determine the duties of, evaluate, layoff, recall, reprimand, suspend, discharge and otherwise discipline employees; establish, eliminate and redefine positions in accordance with the City's needs; determine the qualifications and establish performance standards for jobs and assignments; determine the methods, processes and means of performance, where and when work shall be performed, and the equipment to be used; determine the composition of the work force; create, abolish and change jobs and job duties; determine employees' hours and days of work, work schedules, shifts and

reporting stations; determine whether to assign overtime and the amount required; require employees to work overtime; determine when a job vacancy exists, and select the best qualified candidate to fill it; take necessary actions in emergency situations; extend, curtail or change City operations and otherwise manage the City, its operations and its employees in its discretion.

- Clerical and Public Works Contracts 2008 through 2010. The Collective Bargaining Agreements between the City of Nanticoke and the Clerical Bargaining Unit (White Collar Nonprofessional Employees Brotherhood of Teamsters Local 401) and the Department of Public Works Bargaining Unit (Blue Collar Workers Nonprofessional Employees of Teamsters Local 401) covering the period of January 1, 2008, through December 31, 2010, are the current contracts through December 31, 2010.
- Fire Department Contract 2009 through 2012. The Collective Bargaining Agreement between the City of Nanticoke and the Local 2655 of the International Association of Firefighters for the period of January 1, 2009, through December 31, 2012, is the current contract through December 31, 2012.
- Police Department Contract 2009 through 2012. The Collective Bargaining Agreement between the City of Nanticoke and the Fraternal Order of Police Lodge No.36 for the period of January 1, 2009, through December 31, 2012, is the current contract through December 31, 2012.
- Benefits. All benefits or payments in lieu of benefits provided to municipal employees shall be clearly defined in resolutions duly adopted by City Council if they are not part of collective bargaining agreements. Further, there shall be no improvement or increase in benefits unless specifically provided for in these cost containment provisions. Benefits shall include, but not be limited to: employer provided health care insurance, life insurance, pension, longevity pay, holiday pay, vacation pay, sick pay, personal pay, bereavement pay, court pay, etc.
- Timely Payments. The City shall make all required payments to its employees pursuant to collective bargaining agreements in a timely manner.
- Union Dues. In each collective bargaining agreement the City shall be held harmless and indemnified by the bargaining unit for the collection of union dues pursuant to each respective collective bargaining agreement.

- Prohibition of Parity. There shall be no parity clause(s) linking wages, benefits, conditions, or any other term of employment between any or all of the City’s collective bargaining agreements.
- Compensatory Time. Except as provided for under the Fair Labor Standards Act the City shall develop a written policy regarding compensatory time which will be applicable to all personnel. Such policy shall be developed within 60 days of this plan amendment adoption and will be developed in cooperation with the City’s labor attorney.
- Wages Adjustments Bargaining Unit Personnel. Effective upon the termination of any current collective bargaining agreement, for each collective bargaining unit the annual wage increase for its members in each successive collectively bargained labor agreement, interest arbitration award pursuant to Act 111 or any other arbitration, mediation or other legal proceeding, shall not exceed the schedule listed below:

First Year After Existing Contract	\$ 0 Per Year
Second Year After Existing Contract	\$800 Per Year
Third Year After Existing Contract	\$800 Per Year
Each Year Thereafter	\$ 0 Per Year

- Wage Adjustment Nonbargaining Personnel. For Nonbargaining unit personnel, City Council shall have sole discretion to determine annual wage adjustments. Council shall give due consideration to the prevailing market rate wage factors for the appropriate position and other fiscal conditions including the distress status of the City. For the Amended Recovery Plan budget projections a maximum of \$800 increase per year per employee has been used.
- Medical, Dental, and Vision Insurance. City employees who elect to be covered under medical, dental, and vision insurance provided by the City either for themselves or their families shall contribute to the combined premium cost of those insurances as follows:

First Year After Existing Contract	15 percent of combined insurance premium cost
Second Year After Existing Contract	20 percent of combined insurance premium cost
Each Year Thereafter	20 percent of combined insurance premium cost

The costs of medical and related insurances are escalating yearly. For 2010-11 the medical insurance cost increase will be in excess of 18 percent. The City cannot remain financially viable with this type of escalation of healthcare for employees. Therefore, the City Administrator, Finance Officer, City Council Finance Chairman, and representatives of each bargaining unit, shall review alternative employee medical insurance strategies and report to the full Council as part of the City Council budgeting process.

- Medical Savings Plans. The City shall offer pre-tax medical savings, health flexibility savings plans, and family dependent care account programs to all active employees at no cost to those employees beyond the amount of the pre-tax payroll deduction.
- Nonparticipation Payment Incentive. The City shall not offer any dual incentive for nonparticipation in medical, dental or vision insurance to any spouses that are also employed by the City. The intent of this prohibition is to eliminate extra costs in providing such insurance coverage incentive.
- Medical, Dental, and Vision Insurance—Retirees.
 - All persons hired by the City after December 31, 2008, and their families shall not have medical, dental, and vision insurance provided by the City upon their retirement.
 - All eligible City employees, upon retirement, shall pay a percentage of the insurance costs equal to that of the active employees as of the then current date. Such benefits shall continue until age 65, at which time the benefits shall be reduced to that amount which constitutes the deductible not covered by Medicare.
- Longevity.
 - Effective as of the passage of this plan, no exempt employee shall receive longevity payment. Exempt employees are the managed position of Chief of the Public Safety Collective Bargaining Units.

- For all employees hired prior to December 31, 2008, longevity payments shall be the lesser of the amount specified in the current collective bargaining agreement or 0.5 percent per year up to a maximum of 15 percent.
- For all employees hired after December 31, 2008, but before January 1, 2013, longevity payments shall be the lesser of the amount specified in the current collective bargaining agreement or 0.5 percent per year up to a maximum of 10 percent.
- For all employees hired after December 31, 2012, there shall be no longevity payment.
- Merger/Consolidation of Municipal Functions. Nothing in any collective bargaining agreement shall preclude or limit the City from entering into any agreement with any other entity to merge or consolidate any of its municipal functions or operations.
- Fair Labor Standards Act. All collective bargaining agreements and labor practices including but not limited to the payment for overtime pay, holiday pay, court pay, compensatory time, and calculation of base pay, per the defined normal work period, shall be in conformance with the Fair Labor Standards Act.
- Paid Leave. There shall be no increase or improvement in any form of paid leave. The scheduling of vacation, holidays, and personal days shall be balanced and evenly distributed throughout the year in such a manner as to preclude the need for overtime. The City shall adopt and strictly enforce an aggressive management/supervisory oversight policy covering all types of leave (sick, family, bereavement, etc.).
- Vacation Days. Effective upon the termination of any collective bargaining agreement in effect as of the date that this Amended Recovery Plan is adopted, the total number of vacation days provided to any employee shall be the lesser of that contained in the most recent collective bargaining agreement or its successive agreement or that contained in the table below:

Greater than one but less than five years of service	10 Vacation Days
Greater than five but less than fifteen years of service	17 Vacation Days
Greater than 15 years of service	20 Vacation Days

- Annual Vacation Leave. Annual vacation shall be scheduled and used during the year for which it is earned. If, due to operational reasons, emergencies, and/or scheduling difficulties, leave cannot be used within this time period, said leave may be carried forward into the next calendar year for a period of three (3) months. Carryover leave not used within the first three (3) months of the subsequent year shall be lost. In order for an employee to carry over leave, the written approval of the respective department head and the City Administrator shall be required. The City Administrator in consultation with the department heads shall establish standards and guidelines for granting such approval.

No vacation time shall be earned by an employee who is on extended leave because of injury, sickness, personal days, or holidays which would result in the employee being paid for more than 52 weeks in a year. There shall be no duplication of any form of paid leave or accrual of paid leave for the same period of time.

- Holidays/Personal Days. Effective upon the termination of any collective bargaining agreements in effect as of the date this Amended Recovery Plan is adopted, the total number of combined holidays and personal days shall be the lesser of ten days or the number specified in the collective bargaining agreements in effect in 2010.
- Uniform allowances. Uniform allowances shall not be greater than the amount specified in the respective collective bargaining agreements in effect as of the date of adoption of this Amended Recovery Plan. The City and the Bargaining Unit shall agree on a list of items which may be purchased under the uniform allowance.
- Sick Days. Unless precluded by law, full-time employees hired after the expiration of each existing contract, shall earn the lesser of one sick day per month beginning the first day of the month following the date of hire or the number of days specified in the collective bargaining agreement. All employees shall be entitled to accumulate the lesser of 120 days or that specified by a collective bargaining agreement. Employees may earn sick days only while on active pay status (i.e., when an employee is actually working and not on any form of leave (paid or unpaid) in excess of 30 calendar days.) Sick leave for employees hired on or prior to the expiration date of the applicable current collective bargaining agreement shall not be greater than that stipulated in the existing collective bargaining agreement.
- Holidays/Vacation Entitlement. Employees shall not be entitled to payment for any holidays/personal days which occurs after their retirement, discharge, or layoff date. Further,

at the time of discharge, retirement, or layoff an employee shall be entitled to vacation pay only if the employee is currently on active pay status.

- Pension Requirements. All collective bargaining agreements shall fully comply with the Third Class City Code, a Home Rule Charter if adopted, any other applicable laws and the opinions of the Pennsylvania Auditor General and Pennsylvania Attorney General with regard to the qualifications of participants for receipt of benefits and the basis and calculation method for such pension benefits. During this Amended Recovery Plan no new benefits and no improvements in existing benefits shall be made to any and all existing Pension Plans. In addition, no changes may be made to such pension plans with regard to pension eligibility.
- Part-time Employees.
 - Fire Bargaining Unit. For the period 2010 through 2012 and **beyond** the City shall have the right to hire part-time firefighters in conformance with the provisions of the Collective Bargaining Agreement in effect between the firefighters and the City of Nanticoke as of the adoption of this Amended Recovery Plan.
 - Police Bargaining Unit. For the period 2010 through 2012 and **beyond** the City shall have the right to hire Reserve Police Officers in conformance with the provisions of the Collective Bargaining Agreement in effect between the Police Officers and the City of Nanticoke as of the adoption of this Amended Recovery Plan.
 - Clerical and Public Works Bargaining Unit Employees. Part-time employees shall be used or scheduled in such a fashion so as to virtually eliminate the need for nonemergency overtime within the City. Part-time employees shall be part of the applicable bargaining unit. Part-time employees may be scheduled at any time but shall not be scheduled to work more than 35 hours per week, except for training, and in cases of emergency. Part-time employees may be used to replace a full-time employee who is absent from work for any reason. In this regard, the City shall have the right to change the schedules of part-time employees, for any reason, or to use part-time employees as “on call” replacements for full-time employees.
 - Part-Time Employees—General. The City shall have the right, in its sole discretion, to determine the starting wages and job duties of **all** part-time employees. **The City shall not hire part-time employees which would displace any existing full-time employees.** Qualified part-time employees shall be considered for any full-time positions which the

City decides to fill through the job posting procedure. In cases of layoffs, all part-time employees within a job classification shall be laid off first, according to lowest seniority first, before full-time employees are laid off within the same job classification. **All part-time employees shall not be eligible for any form of employee benefits or paid leave.**

- Elimination of Minimum Manning. Any provision of any collective bargaining agreement between the City and any of its Unions concerning minimum manning requirements for any particular bargaining unit, shift, platoon, job classification, apparatus, equipment, specialization, or position shall be eliminated.
- Prohibition of “No Lay-off Clause.” There shall be no clause or provision in any collective bargaining agreement which prohibits or limits the City’s right to layoff any employee. The City shall have the sole right to determine the number of personnel employed and utilized by the City. Further, the City shall have the right to layoff any employees for economic or any other reasons, without limitation.
- Subcontracting Clauses. There shall be no provision in any collective bargaining agreement which prohibits or limits the right of the City to subcontract any service, function, or activity.
- Sick Leave/Doctors Evaluation. Any employee who is off work as a result of any illness or injury for more than three consecutive work days or who exhibits a pattern of possible sick leave abuse shall be required to furnish, at the employee’s expense, a doctor’s certification concerning the nature of the illness or injury. In addition, the City may, at its discretion, order an evaluation of the employee’s condition by medical personnel of the City’s choosing at the City’s expense.
- Elimination of Past Practices. Effective with each new collective bargaining agreement, any provision or clause in any collective bargaining agreement which protects past practices, or any rights which are not specifically set forth in the collective bargaining agreements, shall be eliminated. The representatives of the Collective Bargaining Units shall be given the opportunity to identify and negotiate any specific practices or rights which they would like to preserve and have included in future collective bargaining agreements.
- Grievance Procedures. All grievance procedures in any future collective bargaining agreement shall be amended to include a provision that requires the following as part of the initial filing of any grievance:
 - a. Specific identification of nature and all details concerning the grievance in question.

- b. Specific identification of the section of the collective bargaining agreement which has been violated.
 - c. Specific remedy requested including the section of the collective bargaining agreement which authorizes the remedy requested.
 - d. The grievance must be filed within a seven (7) day period following the first occurrence giving rise to the grievance.
 - e. All grievance procedures which cannot be settled by the City and the Bargaining Unit shall be appealed to Pennsylvania Bureau of Mediation.
 - f. In any grievance procedure each party shall be responsible for the payment of their own legal costs.
 - g. The City shall have no duty to process or arbitrate any grievance which does not comply with these requirements.
- Progressive Discipline. The City shall follow a policy of progressive discipline for all employees. However, no collective bargaining agreement shall preclude the use of non-progressive substantive discipline including time off without pay and discharge for egregious behavior. Such behavior shall include, but not be limited to, criminal activities, theft and acts of violence.
 - Drug and Alcohol Testing. The City shall have the right to establish and implement a policy requiring a drug and alcohol test prior to employment with the City and providing for random drug and alcohol testing for current employees.
 - Modified Duty. Employees who are partially disabled because of a work- or nonwork-related injury or illness and who are unable to perform their regular assigned duties shall be required to report for “modified duty” based on medical documentation provided by a physician designated by the City. Modified duty hours shall be consistent with the regular City Hall hours. Modified duty shall be limited to a maximum of twelve months from the date the injury occurred or illness began.
 - Workers’ Compensation. An employee who suffers a work related accident, injury, or illness shall follow the procedures developed by the City Administrator unless governed by the State Workers’ Compensation Act. Such procedures shall be developed by the City Administrator, in consultation with the City’s Insurance Provider and other advisors including legal counsel not later than June 1, 2011, and shall include, but not be limited to, a mandatory drug and

alcohol test upon having a work-related accident or incurring a work-related injury. The City shall use its insurance provider to administer and coordinate the Workers' Compensation program. The City shall make the initial determination concerning whether the injury or condition in question is work-related before paying any benefits. Should any claim be determined to be compensable then the City shall review each claim at least every 90 days.

- Absence Report. Employees must record any vacation, sick, personal, jury, or bereavement leaves on an Absence Report form and submit a copy to the head of the Department.
- Job Descriptions. The City shall have the right to re-evaluate and modify job descriptions for all employees. Job descriptions shall include an enumeration of appropriate knowledge, experience, and qualifications in order for an employee to be eligible for hire or promotion. The City shall have the ability to conduct desk audits to establish the duties being performed by various positions and how such duties may be more efficiently distributed.
- Training. Any and all training for any employee shall be subject to City approval.

Cost Containment Provisions Specifically Applicable to Clerical Bargaining Unit

- Clerical Job Duties. The City employs a number of administrative clerical/support staff who provide financial, accounting, word processing, filing, and related clerical duties for various municipal functions. A number of functions appear to need additional support and other tasks may be either redundant or performed more efficiently with automated approaches. Therefore, by the end of 2010 the City shall re-evaluate these clerical job tasks to determine the most efficient and effective method to perform these duties, tasks, and work functions.
- Manpower. The present workforce complement may have their duties reassigned as needed regardless of the office or duties currently assigned.
- Length of Workday. The normal paid workday shall be equal to eight (8) hours which shall include one hour of paid lunchtime.
- Job Description. New job descriptions shall be developed in conformance with realigned duties and applicable collective bargaining agreements.
- Straight time/Overtime. Overtime shall be paid only for work in excess of 40 hours in a week for hourly employees. No overtime shall be worked unless there is prior approval by the immediate supervisor. No overtime shall be paid for exempt salaried employees.

- Restructuring and Cross-Training. In an effort to improve the workflow within the City, the City shall have the right to restructure duties and require cross training of employees.

Cost Containment Provisions Specifically Applicable to Police Bargaining Unit

- Staffing and Organizational Structure. The City shall have the sole right to organize its Police Department in order to effectively and efficiently provide police protection for its citizens. All issues and matters are reserved to the City's management right to decide the organization, structure, and operations for the Police Department including but not limited to manpower levels, shift scheduling, authorization of overtime for patrol and detective divisions, and manning of vehicles or equipment.
- Subcontracting. The City shall have the ability to introduce a change in the method or methods of providing police services, including but not limited to regionalizing its police services or subcontracting or outsourcing with other municipalities or entities for the supply of police services within the City. In such cases, the City shall provide the Department with sixty days advanced notice of its intent to invoke this provision. In such an event, the City shall have the right to utilize non-bargaining unit members to perform ancillary services previously performed by bargaining unit members, including but not limited to code enforcement. The City shall be required to engage in impact bargaining over this decision, which may commence or extend beyond the implementation of any such regionalization, subcontracting or outsourcing. In no event shall the City be required to pay severance benefits beyond the rate of one (1) week pay for every year of fulltime City employment not to exceed the total of twelve (12) weeks pay and to pay health insurance benefits beyond the rate of one (1) month of health care insurance for every two (2) years of fulltime City employment not to exceed six (6) months of health benefit insurance beyond the implementation of the regionalization, outsourcing or subcontracting.
- Shift Schedules. The City shall have the sole right to determine both shift schedules and manpower per shift. Periodically, the Chief of Police shall review the schedules and manpower requirements to be utilized. Such schedules may be altered at any time with fourteen (14) days notice or in case of emergency. The Chief shall consider as information for such changes the demand for police response as obtained from the crime tracking database.

- Court Time. The City shall have the right to adjust or change the scheduled work hours of an officer to ensure attendance at any required judicial or administrative proceedings relating to, or arising from, the performance of his/her duties. Such action shall minimize the use of required court appearance overtime, which takes place outside the officer's regularly scheduled work shift. In no case shall officers be permitted to pyramid court-related appearances in order to receive additional pay or compensation.
- Management Positions. Because the Chief of Police position includes supervisory and decision-making authority, including, but not limited to, involvement in collective bargaining proposals and other management and labor relations, the Chief of Police shall not be part of the police bargaining unit and is considered an exempt employee for purposes of this Recovery Plan. Further, the Chief of Police shall have a separate contract with the City dealing with the terms of employment and definition of duties.
- Leave Policy. An appropriate policy relative to the maximum number of personnel per shift who can be on leave simultaneously shall be developed by the Chief of Police in keeping with the applicable shift schedule.

Cost Containment Provisions Specifically Applicable to Fire Bargaining Unit

- Fire Department Personnel. Because the Chief of Fire has administrative responsibilities including but not limited to involvement in collective bargaining and other management and labor relations, the Chief of Fire shall not be a member of the Fire Department bargaining unit. Further, beginning in 2011, upon the retirement of the current Chief, the position of Chief of Fire shall become a part-time position. The vacant full-time position shall be filled by a firefighter who is a member of the bargaining unit.
- Organization and Scheduling. The City shall have the sole right to organize its Fire Department in order to effectively and efficiently provide fire protection for its citizens. All issues and matters are reserved to the City's management right to decide the organization, structure and operations of the Fire Department including, but not limited to, the number and location of fire stations, the temporary and permanent closing of fire stations and companies, the authorization and scheduling of overtime, the assignment to vehicles and/or equipment and the assignment of volunteer firefighter in fire suppression.

- Fire Subcontracting Clause. The City shall have the ability to introduce a change in the method or methods of providing fire fighting services, including but not limited to regionalizing its fire fighting services or subcontracting or outsourcing with other municipalities or entities for the supply of fire fighting services within the City. In such cases, the City shall provide the Department with sixty days advanced notice of its intent to invoke this provision. In such an event, the City shall have the right to utilize non-bargaining unit members to perform ancillary services previously performed by bargaining unit members, including but not limited to code enforcement. The City shall be required to engage in impact bargaining over this decision, which may commence or extend beyond the implementation of any such regionalization, subcontracting or outsourcing. In no event shall the City be required to pay severance benefits beyond the rate of one (1) week pay for every year of fulltime City employment not to exceed the total of twelve (12) weeks pay and to pay health insurance benefits beyond the rate of one (1) month of health care insurance for every two (2) years of fulltime City employment not to exceed six (6) months of health benefit insurance beyond the implementation of the regionalization, outsourcing or subcontracting.
- Fire Chief Work Schedule. Until the appointment of a part-time Chief of Fire, the Fire Chief's work schedule shall be a 40-hour per week administrative position unless emergency conditions require otherwise.
- Code Enforcement Duties. Improved utilization of firefighters shall be developed for firefighting prevention, suppression and educational activities. In particular, a firefighter's expertise shall be utilized for code inspection type activities as they relate to fire prevention activities, including a more effective rental property inspection program. To this end, the City Administrator, along with the Chief and relevant council members and firefighters, shall develop a revised and effective program for firefighter utilization.
- Shift Schedule. The City reserves the sole right to determine the shift schedule for this department. The City shall explore alternative shift schedules including the number of hours worked per shift. The City may consult with the bargaining unit prior to enacting any slight schedule changes.
- Restrictions on Volunteer Response. The City as part of its management rights shall be the sole determinant of volunteer firefighter utilization as it relates to fire suppression.

Cost Containment Provisions Specifically Applicable to the Public Works Bargaining Unit

- Re-evaluation of Public Works Department. The City shall continue to evaluate the operation of the Department of Public Works during the Amended Recovery Plan's implementation.
- Shift Schedule. The City reserves the sole right to determine the shift schedule for this department. The City may consult with the bargaining unit prior to enacting any shift schedule changes.
- Subcontracting The City shall have the ability to introduce a change in the method or methods of providing public works services, including but not limited to regionalizing or subcontracting or outsourcing with other municipalities or entities for the supply of public works services within the City, whether performed by blue or white collar employees. In such cases, the City shall provide the Union with sixty days advanced notice of its intent to invoke this provision. In such an event, the City shall have the right to utilize non-bargaining unit members to perform ancillary services previously performed by bargaining unit members. The City shall be required to engage in impact bargaining over this decision, which may commence or extend beyond the implementation of any such regionalization, subcontracting or outsourcing. In no event shall the City be required to pay severance benefits beyond the rate of one (1) week pay for every year of fulltime City employment not to exceed the total of twelve (12) weeks pay and to pay health insurance benefits beyond the rate of one (1) month of health care insurance for every two (2) years of fulltime City employment not to exceed six (6) months of health benefit insurance beyond the implementation of the regionalization, outsourcing or subcontracting.
- Seasonal Work. To the greatest extent possible, all grass, weed, and related type work shall be done by seasonal employees and **not** full-time public works employees.
- Part-Time Work. To the greatest extent possible, the City shall use part-time personnel rather than overtime to meet any additional workload. In particular, any needs caused by extended medical or workers compensation leave shall be met by part-time employees rather than overtime. Such part-time employment shall be in conformance with the general part-time employment recommendations of this plan.

- Building Maintenance. Periodically, the City shall evaluate the most cost-effective measures to clean and maintain City buildings.
- Organizational Structure. The City reserves the sole right to determine its organizational structure for the Public Works Department.

Actions Regarding Police Operation

- Police Station. The City has made significant improvements to the electrical system relating to the City Hall/ Police Station. Similar improvements have been made to the areas dealing with prisoner ingress and egress. However, the backup electrical power for the station remains to be addressed. The City shall develop a definite plan to provide backup electrical power or an emergency back-up police operational site by January 1, 2011.
- Police Tracking Software. As soon as financially possible, the City shall acquire software which provides for automated incidence tracking by time, location, and type of crime.
- Police Log. In coordination with, or as part of the crime tracking automated database, the department shall create a daily patrol officer police log system. The system shall be, to the most reasonable extent possible, an automated system.
- Regional Police. The City has explored alternative policing arrangements with special emphasis on the creation of a possible regional police commission. However, major legal impediments under the Third Class City Code dealing with pension benefits have precluded implementation. The City shall continue to pursue all alternatives for regional police service, including contracting out of its police service to provide service to neighboring municipalities at a cost that covers the City's provision of that contractual service.
- Budget Participation by Police Chief. With the advent of the 2007 budget cycle, the Chief of Police provided substantial budgetary input. This process shall continue and the Chief shall be provided monthly budget/expenditure data. Further subsidiary reports as needed shall be made available to the Police Chief. The Police Chief with the guidance of the City Administrator and the Finance Officer shall have full knowledge of all expenditures incurred by the Police Department.
- Annual Report. Beginning in January 2011, the Chief shall appoint a committee of supervisors and officers to develop data for an annual police report to Council. Not later than

April 1 of each year, the Police Department shall issue an annual report for the preceding year to the Council and public.

Actions Regarding Fire Operation

- Apparatus Plan. The City has recently acquired a new fire pumper and has a relatively modern pumper fleet. There is concern that the City's aerial truck may need to be replaced in the next few years. Given the high cost for this apparatus (\$750,000 and up), a committee shall be formed to examine methods to replace the function of this apparatus. The Committee shall include the City Administrator, City Finance Officer, two Council persons the Fire Chief and a Fire Department Bargaining Unit member.
- Equipment. The Fire Chief in conjunction with firefighters and under the direction of City's Finance Officer shall develop an inventory list of City owned equipment with an individual item value of greater than \$500. This inventory shall be completed by November 1, 2010, and updated annually.
- Fire Equipment. Unless due to a public emergency, all apparatus shall be acquired using the City Capital Improvement Fund resource, if available, and/or state or federal grant assistance and utilize standard noncustomized apparatus specifications. Unless precluded from doing so because of financial considerations, purchasing shall be favored over leasing.
- Fleet Maintenance. As an alternative to the contacting for maintenance on individual pieces of fire apparatus the City shall investigate the possibility of contracting for the maintenance of the entire fleet. Such contracting shall be in conformance with applicable requests for proposals and/or bidding. Specification for such requests shall be developed by the City in consultation with knowledgeable fire equipment professionals.
- Volunteer Effort. In recognition of declining volunteer participation in fire efforts the City shall engage in a formal volunteer fire fighter recruiting and retention program and form a recruitment/retention committee within the fire service. Given that this is a problem which is not unique to Nanticoke City, and likely shared by many of its neighbors, the City should also approach the neighboring communities by March 1, 2011, with a view to addressing this issue on an area wide basis.
- Fire Station. The Fire Chief, in conjunction with appropriate staff, City Council, City Engineer, and the Code Enforcement Officer, shall review each fire station in order to

determine what repairs and/or improvements are needed. Recommendations for immediate repairs shall be made to the City Administrator no later than November 1, 2010, for inclusion in the City's 2011 Capital Budget. Long-term recommendations dealing with overall structural improvements for each station shall be made to Council no later than February 1, 2011 for inclusion in future Capital Plan/Budget and shall be addressed in the Fire Department's master plan.

- Service Analysis. The Fire Department shall begin measuring its effectiveness through the practice of benchmarking including the following:
 - Cost of service per capita
 - Area served per capita
 - Percentage of fires contained to the room and floor of origin
 - Percentage of fires contained to the building of origin
 - Average response times for fire responses
- Annual Report. The Nanticoke Fire Department already produces various statistical data relevant for the management of fire operations within the City. Analyses of this data along with the Service Analysis mandated above would be extremely informative to City Council and the public. The Fire Chief shall set up a committee of paid and volunteer firefighters to provide a 2010 annual report by April 1, 2011.
- Command Structure. The command structure of the fire department shall be reevaluated in conjunction with the retaining of a part-time Fire Chief in 2011.
- Training. The Nanticoke Fire Department already engages in a regular training program for firefighters. The Amended Recovery Plan recommends that additional training regimens be implemented within the limits of time and financial resources.
- Emergency Management. The City Administrator in conjunction with the Mayor, the Council Person for Fire, the Police Chief, the Fire Chief, and the Emergency Management Coordinator shall initiate a review of the City's Emergency Management System. Special emphasis shall be on lead coordinators, Emergency Management headquarters, training and control. A final report shall be made by the Fire Chief to City Council by the end of 2011.
- Record Keeping. The City shall implement policies to insure the accountability of all fire personnel including hours worked, annual leave, and sick time. A broader use of software programs recently obtained by the department will greatly improve the management and

tracking of department and personnel records. Shift supervisors shall have the responsibility of proper recordkeeping on their respective shifts.

Actions Regarding Public Works Operation

- Training. As soon as possible after the adoption of the plan, a training program shall be developed and instituted as may be deemed appropriate by the City regarding workplace practices, safety, and related practices.
- Municipal Garage. The City has made substantial improvements in providing a functioning municipal Public Works garage. Further upgrades to the facility shall continue to be evaluated in accordance with available fiscal resources.
- Vehicles and Equipment. The City has implemented a policy of eliminating old vehicles and equipment. The City shall institute an inventory of all vehicles and equipment with an individual item value of over \$500 by the end of 2010.
- Snow Plowing. The City has developed a snow plowing policy including the use of third party contractors. The policy shall be periodically evaluated.
- Refuse Collection. The City shall continue to contract out its collection of refuse to a third party contractor. The total cost of the contracted collection effort as well as relevant administrative costs shall be covered as much as possible by the City's garbage fee.
- Salt Storage. The City has constructed a salt shed storage structure. Further upgrades to the facility shall be made as needed and in accordance with available financial resources.
- Pave Cuts. Periodically the Code Enforcement Officer in conjunction with the Public Works foreman shall evaluate the pave cut inspection procedures as well as monitoring pave cut conditions and notification of necessary repairs under pave cut guarantees.
- Third Party Contractors. All third party contractors shall provide periodic reports to the DPW Foreman who in turn shall provide such periodic reports to the City Administrator. Such reporting shall be a condition for any contract award.
- Record Keeping. In an effort to institute a basic record keeping system, each public works employee shall complete and sign a daily time sheet that lists by workday hour the project task, and location and vehicle/equipment utilized. Such daily sheets shall be reviewed by and signed by the supervisor. The data from these sheets shall be recorded in electronic spreadsheets for future analysis. Existing clerical staff shall be appointed to assist in this

recordkeeping task. During 2010 and 2011 the City shall consider the possibility of using more sophisticated data gathering techniques including specialized software.

- Signage. The City shall continue to take steps to replace street signage as needed.
- Catch Basin Inventory. The Foreman of Public Works in conjunction with the Public Works Department personnel shall maintain a current list of the conditions and scheduled maintenance status of the City's catch basins.

Code Enforcement

After some initial setbacks, the City is moving forward on an aggressive code enforcement program. The City has retained a certified Code Enforcement Officer supplemented by a part-time contractor who is also certified. Further, third party inspectors are used in those areas where the City does not have certification.

The City has also put into place updated renter and related code ordinances. There is some concern, however, that additional personnel including clerical support may be needed as it relates to renter related items and non-UCC enforcement. To this end, the City shall review the procedures and personnel complement for providing necessary clerical support and related system approaches not later than January 2011.

Code Enforcement shall continue to have one of the highest priorities in the City's recovery effort and ongoing operation.

Action Recommendations for Management

- Administration. By ordinance, the City has created the position of City Administrator which has been staffed for the last three years. In addition, the City has continued to retain a Finance Officer for three years. Both positions have provided professional management to the City and shall be maintained at a minimum for the period that the City remains under Act 47, unless comparable positions of professional management are incorporated pursuant to a government established by a Home Rule Charter.
- Staff Training. The City shall utilize training opportunities sponsored by the Governor's Center for Local Government Services and other organizations with special emphasis on cross training for accounting and related bookkeeping functions. Such organization may

include but are not limited to Government Finance Officers Association, the Pennsylvania Institute of Certified Public Accountants, and the Pennsylvania League of Cities.

Action Recommendations for Governance

- Home Rule. The statutory provisions of the Act 47 Recovery Plan permit the City to currently levy an additional 1.0 percent earned income tax in 2010 for a combined EIT rate of 1.5 percent. Under the provisions of this Amended Recovery Plan, beginning January 1, 2013, the City shall not have the ability to levy an Earned Income Tax rate greater than 0.5 percent. In the opinion of the City's elected leadership, an EIT rate of 1.5 percent is preferable to a significant real estate tax increase and/or very large personnel reductions in public safety that would be necessary to replace the loss of the 1.0 percent Act 47 EIT revenue. In an effort to maintain a 1.5 percent EIT rate without Act 47 authority, the City shall cooperate fully with the government study commission elected in May 2010.

Communications with the Recovery Plan Coordinator

- Reporting. It is important that that the City continue to regularly report its progress in implementing the Amended Recovery Plan recommendations to the Recovery Plan Coordinator. This, in turn, allows the Recovery Plan Coordinator, as the agent of the Pennsylvania Department of Community and Economic Development, to ensure that the Commonwealth is up-to-date on the status of implementation efforts and subsequent lifting of distressed status by the Commonwealth. Therefore, the City shall provide status reports to the Recovery Plan Coordinator no less frequently than monthly during the period it remains in a distressed condition. These reports may be in written form or may take the form of weekly or monthly meetings. Additional on-site meetings involving the Recovery Plan Coordinator and appropriate officials and employees shall also be held on a regular basis to review implementation efforts and to aid in the overall implementation process.
- Submission of Data. The City shall continue to routinely provide the Recovery Plan Coordinator with all data pertinent to the recovery effort. For example, the annual budget shall be sent to the Recovery Plan Coordinator as soon as it is introduced by City Council and again upon its adoption. In addition, key management, administrative, and financial decisions made by the City—which may or may not relate directly to the Amended Recovery

Plan—shall also be promptly communicated to the Recovery Plan Coordinator. This is particularly important if these actions entail an abrupt change or alteration in the policies or practices of the City.

- Types of Items/Data. Among the specific items which shall be regularly transmitted to the Recovery Plan Coordinator are:
 - Council Meeting Agendas (prior to the meetings)—all regular and special meetings
 - Council Meeting Minutes—all regular and special meetings
 - Notice of any meetings involving the City and third parties on any matter relating to City finances and operations (e.g., meetings with creditors, vendors, etc.)
 - Relevant communications with creditors, vendors, etc.
 - All non-privileged correspondence (in and out, internal and external) on matters relating to employee unions, collective bargaining, arbitration, grievances, etc. Privilege shall be defined as the attorney-work product doctrine, the attorney-client privilege, the doctor-patient privilege or other privilege recognized by a court interpreting the laws of this Commonwealth. The City Solicitor shall have the right to determine whether a document is protected by attorney client or attorney work product privilege. For all other forms of privilege if, after being informed of the general contents of the document, the Coordinator determines that a document contains information which should be transmitted to the Recovery Plan Coordinator as well as information which is privileged, the City shall transmit the information which is subject to access and withhold the information which is not subject to transmission. If the information which is not subject to transmittal is an integral part of the document and cannot be separated, the City shall redact from the document the information which is not subject to transmittal. The City shall explain why any information has been redacted.
 - All proposed ordinances
 - All litigation initiated/settled.
 - All personnel actions (including WC claims)
 - All meetings with the General Municipal Authority
 - Monthly financial reports (as of the last day of each month) and related documents
 - Major contracts awarded and grant applications made
 - All other relevant correspondence (internal and external, in and out)

- Anything the item that the Recovery Plan Coordinator should be made aware of in regards to the operation of the City
- Failure to Comply. If the City and its elected or appointed officials fail to communicate and consult with the Recovery Plan Coordinator on a regular basis as provided for in this Amended Recovery Plan and/or fail to provide the information, reports, or documentation requested by the Recovery Plan Coordinator, the City may be found to have violated the Amended Recovery Plan which may result in sanctions by the state including the withholding of Commonwealth funding.



Home Rule Schedules A through D

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Revenue and Other Sources				
Plan 2011 -2013				
		2011	2012	2013
		Plan	Plan	Plan
Account ID	Account Description			
	Assessment	\$ 378,953,498	\$ 384,637,800	\$ 390,407,367
	Millage	2.4304	2.6487	2.6705
	Levied Taxes Gen Fund Only	921,009	1,018,790	1,042,583
	Collection at 91.5 % percent	842,733	932,201	953,952
Municipal Code Tax Revenue				
01.301.100	Real Estate--Current	842,733	932,201	953,952
01.301.200	Real Estate--Delinquent	15,000	15,000	15,000
01.308.100	Resident Tax--Current	20,461	20,461	20,461
01.308.200	Resident Tax--Prior Year	3,000	3,000	3,000
Municipal Code Tax Revenue, Total		881,194	970,662	992,413
Local Enabling Tax Revenue				
01.310.010	Per Capita--Current	26,000	26,000	26,000
01.310.030	Per Capita--Delinquent	3,000	3,000	3,000
01.310.070	Amusement Tax	6,500	6,500	6,500
01.310.100	Real Estate Transfer Tax	50,000	50,000	50,000
01.310.210	Current EIT Act 511	653,250	656,516	659,799
01.310.220	PRIOR YEAR EIT (New EIT Levied in 2007)	-	-	-
01.310.230	2008 EIT- ACT 47 / Home Rule EIT	1,306,500	1,313,033	1,319,598
01.310.310	Merchantile/Business Privilege	175,000	175,000	175,000
01.310.510	Local Services Tax	115,000	115,000	115,000
Local Enabling Tax Revenue, Total		2,335,250	2,345,049	2,354,897
Business Licenses & Permits				
01.321.465	Street Vendor Permits	250	250	250
01.321.600	Contractor License Income	10,000	10,000	10,000
01.321.800	Cable TV Fee	87,000	87,000	87,000
01.322.400	Dumpser Permit Income	500	500	500
Business Licenses & Permits, Total		97,750	97,750	97,750
Fines & Forfeits				
01.331.100	Magistrate Fines	25,000	25,000	25,000
01.331.110	State Police Fines	7,500	7,500	7,500
01.331.120	Parking Tickets/Ordinance Violations	3,500	3,500	3,500
01.331.130	Clerk of Court Fines	2,000	2,000	2,000
01.332.100	Restitution	500	500	500
Fines & Forfeits, Total		38,500	38,500	38,500

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Revenue and Other Sources				
Plan 2011 -2013				
		2011	2012	2013
		Plan	Plan	Plan
Account ID	Account Description			
Interest, Rents & Royalties				
01.341.000	Interest Income	2,500	2,500	2,500
01.342.200	Rental Income Sewer Authority	-	-	-
01.342.210	Rental Income District Judge	10,500	10,500	10,500
01.342.230	Rental Income Ambulance	-	-	-
01.342.240	Site Income	-	-	-
01.342.242	UDAG Income	-	-	-
01.342.460	EMJAZE MKTG	-	-	-
Interest, Rents & Royalties, Total		13,000	13,000	13,000
Intergovernmental Revenues				
01.351.061	DHS Fire Grant	-	-	-
01.351.120	Emergency Disaster Relief/FEMA	-	-	-
01.355.010	Act 66 Public Utility Reality Tax	2,700	2,700	2,700
01.355.020	Fuel tax refund	100	100	100
01.355.040	Liquor Control Board	6,500	6,500	6,500
01.355.050	Pension--State Aid	126,948	126,948	126,948
01.355.060	AD HOC Post Retirement Reimbursement	-	-	-
01.355.070	Volunteer Fire Company Relief Association	39,000	39,000	39,000
01.358.010	Tax Office Reimbursement (County)	-	-	-
01.358.011	Tax Office Reimbursement (School District)	34,321	34,321	34,321
01.358.038	Police Equipment Grant	-	-	-
01.358.403	School District Shared Payment	-	-	-
01.359.001	Repayment from MA	-	-	-
01.359.100	Housing Authority PILOT	10,000	10,000	10,000
Intergovernmental Revenues, Total		219,569	219,569	219,569
Planning and Zoning Income				
01.361.300	Zoning/Subdivision/Land Fees	2,500	2,500	2,500
01.361.310	Planning Commission	1,000	1,000	1,000
01.361.340	Zoning Hearing Fees	3,200	3,200	3,200
01.361.500	Sale of Maps & Publications	100	100	100
Planning and Zoning Income, Total		6,800	6,800	6,800
Public Safety Fees				
Police Services				
01.362.110	Police Reports- Copies	2,500	2,500	2,500
01.362.130	Police Alarm Fees	1,500	1,500	1,500
01.362.150	Police- Handicap Sign Fees	1,200	1,200	1,200
01.362.200	Fire Reports/Inspections	100	100	100
01.362.300	Emergency Response Fee	-	-	-
Public Safety Fees, Total		5,300	5,300	5,300
Code Enforcement, Building Fees				

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Revenue and Other Sources				
Plan 2011 -2013				
		2011	2012	2013
		Plan	Plan	Plan
Account ID	Account Description			
01.362.410	Building Permits	27,000	27,000	27,000
01.362.420	Electrical Permits	5,000	5,000	5,000
01.362.430	Plumbing Permits	2,500	2,500	2,500
01.362.450	Occupancy Permits	8,000	8,000	8,000
01.362.451	Commercial Occupancy Permits	2,500	2,500	2,500
01.362.460	Rental Inspection	22,000	22,000	22,000
01.362.461	Landlord Fees	18,000	18,000	18,000
01.363.100	Pave Cuts	1,500	1,500	1,500
01.364.110	Sewer Hookup	500	500	500
01.365.200	Health Inspections	2,500	2,500	2,500
Code Enforcement, Building Fees, Total		89,500	89,500	89,500
Miscellaneous Revenue				
01.380.000	Duplicate Tax Bills	15,000	15,000	15,000
01.380.010	Miscellaneous Revenue/Grant Proceeds	-	-	-
01.380.011	Donations for Police Dog	-	-	-
01.380.012	Reimburse for Mini Pumper	-	-	-
01.380.999	K Route Grant income	-	-	-
01.389.001	Dividends & Fees	-	-	-
01.385.001	Sale of Surplus Vehicles	-	-	-
01.391.200	Insurance Proceeds	-	-	-
01.361.750	Cobra Income	-	-	-
01.393.110	Emergency State Loan/Bond Proceeds	-	-	-
Miscellaneous Revenue, Total		15,000	15,000	15,000
Other Revenue Sources				
01.130.008	Transfer from Sewer Fund - Salary & Benefit Reimb	116,237	120,042	124,206
01.130.035	Transfer from Highway Aid	-	-	-
01.130.009	Transfer from Refuse- Salary & Benefit Reimburse	32,971	34,757	35,912
01.130.023	Transfer from CDBG - Salary Reimbursement	37,000	37,000	37,000
01.392.001	Transfer from Special Revenue	-	-	-
01.394.100	Tax/Revenue Anticipation Note	300,000	300,000	300,000
Other Revenue Sources, Total		486,208	491,799	497,118
Total Revenue and Other Sources		4,188,071	4,292,929	4,329,847

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Mayor/Council				
01.400.111	Salary-Council	9,600	9,600	9,600
01.400.112	Salary--Mayor	2,500	2,500	2,500
01.400.161	FICA- Mayor Council	926	926	926
01.400.210	Office Supplies- Executive	200	200	200
01.400.300	Professional Fees- Mayor Council	700	700	700
01.400.320	Communication/Phone - Executive	275	275	275
01.400.330	Transportation & Travel	250	250	250
01.400.353	Surety and Fidelity- Mayor Council	0	0	0
01.400.355	E+O/Liability Insurance	8,200	8,200	8,200
01.400.420	Dues, Subscriptions, & Members	4,657	4,657	4,657
01.400.460	Meetings & Conferences	500	500	500
01.400.XXX	Miscellaneous	0	0	0
	Total Mayor/Council	27,808	27,808	27,808
Administrator				
01.401.121	Salary-City Administrator	66,600	67,400	67,400
01.401.152	Dental Insurance-Admin	852	890	930
01.401.155	Vision Insurance-Admin	143	149	156
01.401.156	Administrator Health Insurance	20,631	22,694	24,964
01.401.15X	Contributions for Medical Ins	(3,244)	(4,747)	(5,210)
01.401.158	Life Insurance- Admin	470	470	470
01.401.161	FICA- Admin	5,095	5,156	5,156
01.401.162	Unemployment Insurance	420	420	420
01.401.210	Office Supplies- Admin	500	500	500
01.401.x	Management Consulting	0	0	0
01.401.320	Admin- Phone, Communication	0	0	0
01.401.330	Admin- Transportation & Travel	500	500	500
01.401.340	Admin- Advertising & Printing	0	0	0
01.401.353	Admin- Surety & Fidelity	0	0	0
01.401.354	Workers Compensation-Admin	553	553	553
01.401.420	Admin- Dues, Subscriptions, & Memberships	0	0	0
01.401.460	Meetings & Conferences, Admin	1,000	1,000	1,000
01.401.x	Administrator College Intern	0	0	0
01.401.XXX	Miscellaneous	0	0	0
	Total Administrator	93,520	94,986	96,839

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
		2011	2012	2013
Account ID	Account Description	Plan	Plan	Plan
Finance Office				
01.402.115	Salary--City Controller	2,400	2,400	2,400
01.402.121	Salary- Fiscal Manager	43,200	44,000	44,800
01.402.122	Salaries Fin.Coor&Admin.Asst.	59,590	61,190	62,790
01.402.152	Dental Insurance- Finance	277	289	302
01.402.155	Vision Insurance- Finance	341	356	372
01.402.156	Health/Hospital Ins- Finance	6,493	7,142	7,857
01.402.15X	Contributions for Medical Ins	(1,045)	(1,528)	(1,675)
01.402.158	Life Insurance- Finance	1,257	1,257	1,257
01.402.161	FICA- Finance	8,047	8,231	8,414
01.402.162	Unemployment Insurance	1,680	1,680	1,680
01.402.163	Med Insurance Buy-Out- Finance	8,000	8,000	8,000
01.402.210	Office Supplies- Finance	1,500	1,500	1,500
01.402.310	Finance- Payroll Service	3,360	3,360	3,360
01.402.311	City Audit	19,065	19,065	19,565
01.402.312	Bank Charges	350	350	350
01.402.316	Arbitration Fee - Contract Neg			
01.402.330	Transport & Travel- Finance	350	350	350
01.402.354	Workers Compensation- Finance	906	906	906
01.402.420	Dues,Subscrips,&Member-Finance	500	500	500
01.402.460	Meetings & Conferences-Finance	750	750	750
01.402.300	Finance- Non-uniform MMO	33,685	33,685	33,685
01.402.750	Minor Equipment-Finance	500	500	500
01.402.340	Advertising, Printing- Finance	0	0	0
01.402.320	Communication/Phone- Finance	0	0	0
	Total Finance Office	191,206	193,984	197,663
Treasurer				
01.403.114	Salary City Treasurer	6,500	6,500	6,500
01.403.140	Salary- Treasurer Clerical	47,360	48,960	50,560
01.403.152	Dental Insurance- Treasurer	852	890	930
01.403.155	Vision Insurance-Treasurer	143	149	156
01.403.156	Medical Insurance-Treasurer	20,631	22,694	24,964
01.403.15X	Contributions for Medical Ins	(3,244)	(4,747)	(5,210)
01.403.158	Life Insurance-Treasurer	690	690	690
01.403.161	FICA-Treasurer	4,120	4,243	4,365
01.403.162	Treasurer- Unemployment Insurance	840	840	840
01.403.163	Med Insurance Buyout-Treasurer	4,000	4,000	4,000
01.403.210	Office Supplies-Treasurer	1,000	1,000	1,000
01.403.260	Minor Equipment, Treasurer	750	750	750
01.403.114	RTT Commission, Treasurer	0	0	0
01.403.310	Berkheimer EIT Commission	22,929	16,544	9,898
01.403.315	Berkheimer Other Commission	4,785	4,785	4,785
01.403.316	Tax Bill Expense	2,500	2,500	2,500
01.403.x	Treasurer's Shortage	0	0	0
01.403.340	Printing & Advertising-Treasurer	250	250	250
01.403.341	Berkheimer Printing	1,750	1,750	1,750
01.403.353	Surety and Fidelity Bonds	290	290	290
01.403.354	Worker's Comp- Treasurer	399	399	399
01.403.XXX	Misc Expense- Treasurer	0	0	0
01.403.460	Meetings	100	100	100
01.403.420	Dues, Memberships, Meetings-Treasurer	100	100	100
	Total Treasurer	116,746	112,688	109,617

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Solicitor				
01.404.122	Retainer--City Solicitor	10,200	10,200	10,200
01.404.161	Face Solicitor	0	0	0
01.404.314	Hourly Legal Services	50,000	50,000	50,000
01.404.315	Labor/ Special Legal Services	45,000	45,000	45,000
01.404.353	Solicitor-- Surety and Fidelity	0	0	0
	Total Solicitor	105,200	105,200	105,200
City Clerk				
01.405.122	Salary--City Clerk	4,123	4,123	4,123
01.405.161	FICA- Clerk	315	315	315
01.405.210	Office Supplies- Clerk	150	150	150
01.405.340	Advertising, Printing- Clerk	4,500	4,500	4,500
01.405.354	Workers Compensation-Clerk	500	500	500
01.405.420	Dues, Subscrips,&Members-Clerk	0	0	0
01.405.460	Meetings & Conferences- Clerk	100	100	100
	Total City Clerk	9,688	9,688	9,688
Buildings				
01.408.313	Architect & Engineering Service	2,000	2,000	2,000
01.408.162	Unemployment Comp - Pub Prop	420	420	420
01.409.354	Workers Comp	77	77	77
01.409.100	Custodian	8,840	8,840	8,840
01.409.161	FICA Public Property	689	689	689
01.409.241	Materials & Supplies-Public Property	5,500	5,500	5,500
01.409.242	Common Exp Water & Shredding	1,350	1,350	1,350
01.409.260	Computer Upgrades & Expense	3,600	3,600	3,600
01.409.320	Communication/Phone-Public Property	6,750	6,750	6,750
01.409.325	Postage	2,750	2,750	2,750
01.409.355	Property Insurance	35,000	35,000	35,000
01.409.360	Fuel, Lights & Water (City Hall)	58,000	58,000	58,000
01.409.361	Public Property- Utilities	350	350	350
01.409.373	Maintenance & Repairs- Public Property	10,000	10,000	10,000
01.403.384	Postage Meter Lease	750	750	750
01.409.470	General Expenses- Public Property	200	200	200
01.409.471	Cleaning Expenses	1,160	1,160	1,160
01.409.750	Minor Equipment	750	750	750
	Total Buildings	138,186	138,186	138,186

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Police				
01.410.122	Salary Chief	58,413	60,219	60,219
01.410.133	Salary Patrol Officers/Detectives/SGTS	577,358	602,001	602,870
01.410.134	Longevity Pay			
01.410.135	Dog Trainer			
01.410.140	Administrative Asst.	22,818	23,618	24,418
01.410.152	Dental Insurance-Police	9,926	10,373	10,839
01.410.155	Vision Insurance-Police	1,683	1,759	1,838
01.410.156	Medical Insurance-Police	219,101	241,011	265,112
01.410.15X	Contributions by Police	-8,950	-20,155	-41,668
01.410.15X	Contributions by Police Clerical	-2,331	-3,408	-3,737
01.410.158	Life Insurance-Police	3,821	3,821	3,821
01.410.160	Police Pension MMO	150,733	150,733	150,733
01.410.161	FICA-Police Medicare	16,275	16,275	16,275
01.410.162	Unemployment Insurance	5,494	5,494	5,494
01.410.163	FICA-Police Clerical	2,128	2,128	2,128
01.410.179	Holiday Pay Police	28,073	29,176	29,207
01.410.153	Police Overtime	20,194	21,056	21,086
01.410.130	Part time	0	0	0
01.410.184	Overtime Clerical-Police	6,000	6,000	6,000
01.410.187	Police Court Pay	13,150	13,150	13,150
01.410.189	Other (Retirement) Pay	0	0	0
01.410.176	Cash Personnel Days	7,336	7,641	7,651
01.410.xx	Cash Vacation Days	9,781	10,188	10,201
01.410.xx	Cash Sick Days	3,250	3,250	3,250
01.410.189	Heart and Lung Pay	0	0	0
01.410.190	Police AG Pay	0	0	0
01.410.210	Office Supplies-Police	3,100	3,100	3,100
01.410.231	Gas, Oil &Operating Exp-Police	14,500	14,500	14,500
01.410.238	Clothing Allowance-Police	9,100	9,100	9,100
01.410.252	Vehicle Maintenance-Police	11,000	11,000	11,000
01.410.253	Materials & Supplies-Police	3,500	3,500	3,500
01.410.254	Supplies - Ammunition	10,000	10,000	10,000
01.410.260	Computer Expense	1,000	1,000	1,000
01.410.321	Communication Expense	3,700	3,700	3,700
01.410.340	Membership/Advertise	250	250	250
01.410.352	Law Enforcement Liability	3,500	3,500	3,500
01.410.354	Worker's Comp-Police	86,014	86,014	86,014
01.410.355	Police Vehicle Insurance	3,650	3,650	3,650
01.410.360	Police Electric Expense (Tower)	250	250	250
01.410.367	Police Medical Testing	0	0	0
01.410.370	equipment maintenance	250	250	250
01.410.460	Training-Police	1,500	1,500	1,500
01.410.461	Maintenance Police Dog	5,000	5,000	5,000
01.410.462	Training - Police Dog	3,500	3,500	3,500
01.410.470	Drug& Alcohol Test Fees-Police	3,000	3,000	3,000
01.410.XXX	Misc.	0	0	0
01.410.482	Post Retirement Health Care Benefits	103,997	113,579	124,086
01.410.xx	Post Retirement Dental and Vision	6,319	6,594	6,881
01.410.xx	Contributions by Retirees	0	0	0
01.410.750	Police Equipment (Minor equipment)	0	0	0
	Total Police	1,417,383	1,467,316	1,482,668

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Fire				
01.411.122	Salary Fire Chief-with Longevity	0	0	0
01.411.123	Salary Firefighters with rank, longevity	465,851	491,804	495,581
01.411.124	Salary Deputy Chief	1,000	1,000	1,000
01.411.xx	Salary New Part-time Chief	7,500	7,500	7,500
01.411.130	Salary - Part Time Firefighters	3,500	3,500	3,500
01.411.123	Shift Differential	2,378	2,378	2,378
01.411.152	Dental Insurance-Fire	7,668	8,013	8,374
01.411.155	Vision Insurance-Fire	1,111	1,161	1,213
01.411.156	Medical Insurance-Fire	137,340	151,073	166,181
01.411.15x	Contributions by Fire Fighters	(7,306)	(12,019)	(26,365)
01.411.158	Life Insurance-Fire	1,980	1,980	1,980
01.411.160	Fire Pension MMO	154,722	154,722	154,722
01.411.161	FICA- Fire	42,214	44,325	44,632
01.411.162	Unemployment Insurance	2,586	2,586	2,586
01.411.163	Health Care Buy Out-Fire	8,000	8,000	8,000
01.411.176	Personal Days - Fire	0	0	0
01.411.179	Holiday Pay- Fire	29,478	31,121	31,360
01.411.182	Longevity Pay			
01.411.183	Overtime- Fire	37,000	37,000	37,000
01.411.187	Heart and Lung Pay	0	0	0
01.411.188	Call Back Time	4,000	4,000	4,000
01.411.189	Other (Retirement) Pay	3,485	3,485	3,485
01.411.210	Office Supplies- Fire	1,000	1,000	1,000
01.411.231	Fire- Vehicle Gas & Oil	7,000	7,000	7,000
01.411.238	Clothing Allowance-Fire	7,000	7,000	7,000
01.411.250	Vehicle Maintenance-Fire	16,000	16,000	16,000
01.411.252	Maintenance & Repairs-Fire	4,000	4,000	4,000
01.411.258	Lease Interest - Fire Truck	0	0	0
01.411.259	Major Equipment Purchase-Fire	7,135	7,135	7,135
01.411.260	Minor Equipment-Fire	1,000	1,000	1,000
01.411.261	Fire Hose and Couplings	0	0	0
01.411.253	Materials and Supplies (Gear)	2,000	2,000	2,000
01.411.321	Communication Expense-Fire	1,200	1,200	1,200
01.411.351	Property Insurance Fire	3,000	3,000	3,000
01.411.353	Worker's Comp Paid Drivers	32,490	32,490	32,490
01.411.354	Worker's Comp Volunteers	32,490	32,490	32,490
01.411.210	Liability Insurance	0	0	0
01.411.356	Vehicle Insurance	4,000	4,000	4,000
	Fuel, Light & Heat Main Fire	22,000	22,000	22,000
01.411.361	Fire Dept Electric (Tower)	600	600	600
01.411.363	Hydrant Rental	41,000	41,000	41,000
01.411.367	Utilities-Volunteer Stations	4,200	4,200	4,200
01.411.xx	Fire Medical Testing	0	0	0
01.411.369	Computer Expense-Maintenance for Program	2,500	2,500	2,500
01.411.373	Repairs/Building- Fire	5,000	5,000	5,000
01.411.460	Fire Training	1,000	1,000	1,000
01.411.461	Fire Training Bonus	5,000	5,000	5,000
01.411.xxx	Fire Dept Misc Expense	0	0	0
01.411.482	Post Retirement Health Care Benefits	54,261	57,777	61,569
01.411.xx	Post Retirement Dental and Vision	4,524	4,709	4,902
01.411.520	Volunteer FF State Aid	35,000	35,000	35,000
01.411.610	Repairs to Volunteer Fire Station	1,000	1,000	1,000
01.411.700	Major Equipment Purchase-Fire	0	0	0
	Total Fire	1,196,906	1,239,732	1,249,213

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Code				
01.413.122	Salary Code Official	37,400	38,200	39,000
01.413.123	Health Inspector	2,500	2,500	2,500
01.413.124	Planning/Zoning/Codes Official	7,500	7,500	7,500
01.413.125	Code Secretary	9,800	9,800	9,800
01.413.xx	Salary Plumbing Inspector	0	0	0
01.413.xx	Salary Electrical Inspector	0	0	0
01.413.152	Dental Insurance-Code Official	0	0	0
01.413.155	Vision Insurance-Code Official	0	0	0
01.413.156	Med Insurance-Code Official	0	0	0
01.413.15X	Medical Contribution	0	0	0
01.413.xx	Code Official- Medical Testing	0	0	0
01.413.158	Life Insurance, Code Official	445	445	445
01.413.161	FICA- Code Official	3,565	3,565	3,565
01.413.162	Unemployment Insurance, Code	1,260	1,260	1,260
01.413.163	Health Insurance Buyout, Code	4,000	4,000	4,000
01.413.210	Office Supplies-Code Official	750	750	750
01.413.212	Building Codes-Code Official	2,500	2,500	2,500
01.413.250	Vehicle Maintenance	750	750	750
01.413.252	Code Official Gasoline	1,000	1,000	1,000
01.413.253	Materials and Supplies Code	500	500	500
01.413.260	Code Enforcement- Computer Expense	600	600	600
01.413.320	Communication Code Official	900	900	900
01.413.340	Advert &Printing-Code Official	500	500	500
01.413.353	Code Official- Surety and Fidelity	0	0	0
01.413.354	Worker's Comp.-Code Official	480	480	480
01.413.460	Training, Memberships-Code Off	2,600	2,600	2,600
	Total Code	77,050	77,850	78,650
	Planning, Zoning			
01.414.313	Planning & Zoning Engineering	6,000	6,000	6,000
01.414.314	Planning & Zoning Legal Fees	7,500	7,500	7,500
01.414.340	Planning & Zoning Advertising	2,200	2,200	2,200
	Total Planning Zoning	15,700	15,700	15,700

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Public Works				
01.430.xx	Salary of Street Commissioner	0	0	0
01.430.140	Salary & Wages-Public Works	164,514	168,514	172,514
01.430.141	Salary & Wages-Public Works TEMP	15,760	15,760	15,760
01.430.152	Dental Insurance-Pub Works	2,833	2,960	3,094
01.430.155	Vision Insurance-Pub Works	484	506	528
01.430.156	Medical Insurance-Pub Works	42,073	46,281	46,281
01.430.15X	Contributions by PW	(6,809)	(9,949)	(10,906)
01.430.158	Life Insurance-Pub Works	2,106	2,106	2,106
01.430.161	FICA-Public Works	12,585	12,891	13,197
01.430.162	Unemployment Comp	1,616	1,616	1,616
01.430.183	Overtime- Public Works	10,500	10,500	10,500
01.430.231	Vehicle Gas & Oil-Public Works	10,500	10,500	10,500
01.430.238	Clothing Allowance-Public Work	2,300	2,300	2,300
01.430.245	Road Maintenance Materials	10,000	10,000	10,000
01.430.246	Materials & Supplies-Pub Works	1,100	1,100	1,100
01.430.252	Vehicle Maintenance & Repair-Public Works	3,000	3,000	3,000
01.430.313	Engineering Services	3,000	3,000	3,000
01.430.314	K Route			
01.430.320	Communication/Phone Pub Works	1,008	1,008	1,008
01.430.354	Worker's Comp.-Public Works	38,100	38,100	38,100
01.430.355	Public Works- Vehicle & Equipment Insurance	1,100	1,100	1,100
01.430.360	Fuel, Light, Water-Public Works	5,500	5,500	5,500
01.430.368	Public Works- Prehire testing	100	100	100
01.430.370	Maintenance& Repairs-Pub Works	3,000	3,000	3,000
01.430.372	Emergency Service (PA One Call)	500	500	500
01.430.374	Mechanical Service-Pub Works	500	500	500
01.430.384	Equipment Rentals (Airgas)	900	900	900
01.430.470	General Expenses	1,000	1,000	1,000
01.430.471	Demolition-Public Works	2,000	2,000	2,000
01.430.750	Minor Equipment-Pub Works	2,000	2,000	2,000
01.430.xx	Capital Expenditure, Major Equip	0	0	0
	Total Public Works	331,270	336,792	340,297
Parks				
01.450.231	Vehicle Gas, Oil- Parks			
01.450.241	Parks, Recreation Board Expense	5,000	5,000	5,000
01.450.247	Parks & Recreation Maintenance	1,000	1,000	1,000
01.450.252	Vehicle. Maintenance-Parks	0	0	0
01.450.360	Fuel, Light, Water (parks)	1,200	1,200	1,200
01.450.x	Park, Misc Expense	0	0	0
01.450.750	Parks- Minor Equipment	500	500	500
	Total Parks	7,700	7,700	7,700
City/Employer Expenses				
	TRAN Principal Repayment	300,000	300,000	300,000
	TRAN Interest Repayment	10,000	10,000	10,000
	Medical Reimbursements	500	500	500
	Total City/ Employer Expenses	310,500	310,500	310,500
	Contingency	0	0	0

CITY OF NANTICOKE				
Option A Plan Detail				
General Fund				
Expenditures & Other Uses				
Plan 2011 -2013				
Account ID	Account Description	2011 Plan	2012 Plan	2013 Plan
Sewer				
01.130.008	Salary & Wages-Sewer Employees	63,210	64,810	66,410
01.130.008	Dental Insurance-Sewer Employees	1,704	1,781	1,861
01.130.008	Vision Insurance-Sewer Employees	286	299	312
01.130.008	Medical Insurance-Sewer Employees	35,175	38,692	42,561
01.130.008	Contributions by PW Sewer	(5,575)	(8,154)	(8,947)
01.130.008	Life Insurance-Sewer Employees	360	360	360
01.130.008	FICA-Sewer Employees	5,295	5,429	5,563
01.130.008	Unemployment Comp-Sewer Employees	646	646	646
01.130.008	Overtime-Sewer Employees	6,000	6,152	6,304
01.130.008	Clothing Allowance	1,100	1,100	1,100
01.130.008	Communication/Phone	0	892	0
01.130.008	Worker's Comp- Sewer Employees	8,036	8,036	8,036
01.130.008	Total Sewer	116,237	120,042	124,206
Refuse				
01.130.009	Salary & Wages-Refuse	21,538	22,338	23,138
01.130.009	Dental Insurance-Refuse	852	890	930
01.130.009	Vision Insurance-Refuse	143	149	156
01.130.009	Medical Insurance-Refuse	10,128	11,141	12,255
01.130.009	Contributions by PW Refuse	(1,668)	(2,436)	(2,668)
01.130.009	Life Insurance-Refuse	331	331	331
01.130.009	FICA-Refuse	1,648	1,741	1,770
01.130.009	Worker's Comp- Refuse	0	183	0
01.130.009	Unemployment Comp-Refuse	0	420	0
	Total Refuse	32,971	34,757	35,912
	Total Expenditures & Other Uses	4,188,071	4,292,929	4,329,847

CITY OF NANTICOKE			
Option A Plan Summary			
Revenue & Other Sources			
Expenditures & Other Uses			
	2011 Plan	2012 Plan	2013 Plan
Revenue & Other Sources			
Municipal Code Tax Revenue	\$881,194	\$970,662	\$992,413
Local Enabling Tax Revenue	2,335,250	2,345,049	2,354,897
Business Licenses & Permits	97,750	97,750	97,750
Fines & Forfeits	38,500	38,500	38,500
Interest, Rents & Royalties, Total	13,000	13,000	13,000
Intergovernmental Revenues	219,569	219,569	219,569
Planning and Zoning Income	6,800	6,800	6,800
Public Safety Fees	5,300	5,300	5,300
Code Enforcement, Building Fees	89,500	89,500	89,500
Miscellaneous Revenue	15,000	15,000	15,000
Other Revenue Sources			
Transfer from Sewer Fund - Salary & Benefit Reim	116,237	120,042	124,206
Transfer from Highway Aid	0	0	0
Transfer from Refuse- Salary & Benefit Reimbursement	32,971	34,757	35,912
Transfer from CDBG - Salary Reimbursement	37,000	37,000	37,000
Tax/Revenue Anticipation Note	300,000	300,000	300,000
Total Revenue and Other Sources	\$4,188,071	\$4,292,929	\$4,329,847
Expenditures & Other Uses			
Mayor/ Council	\$27,808	\$27,808	\$27,808
Administrator	93,520	94,986	96,839
Finance Office	191,206	193,984	197,663
Treasurer	116,746	112,688	109,617
Solicitor	105,200	105,200	105,200
City Clerk	9,688	9,688	9,688
Buildings	138,186	138,186	138,186
Police	1,417,383	1,467,316	1,482,668
Fire	1,196,906	1,239,732	1,249,213
Code	77,050	77,850	78,650
Planning Zoning	15,700	15,700	15,700
Public Works	331,270	336,792	340,297
Parks	7,700	7,700	7,700
Accrued Expenses	0	0	0
Miscellaneous/Operating Transfer	0	0	0
Transfer to Capital Expenditures	0	0	0
Repayment of State Loan	0	0	0
TRAN Principal Repayment	300,000	300,000	300,000
TRAN Interest Repayment	10,000	10,000	10,000
Transfer to GMA (Loan/Subsidy as per Plan)	0	0	0
Repayment of Sewer Fund	0	0	0
Medical Reimbursements	500	500	500
Contingency	0	0	0
Sewer	116,237	120,042	124,206
Refuse	32,971	34,757	35,912
Total Expenditures	\$4,188,071	\$4,292,929	\$4,329,848
Total Surplus/(Deficit)	0	0	0