Act 47 Coordinator's Recommendation to the Secretary of the Pennsylvania Department of Community and Economic Development for the City of Aliquippa

RECOMMENDATION TO RESCIND DISTRESS DETERMINATION ORDER

Filed with the City of Aliquippa
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BACKGROUND

Located along the Ohio River, approximately 25 miles northwest of the City of Pittsburgh, Aliquippa was founded through the merger of three towns: Aliquippa, Woodlawn, and New Sheffield. In 1878, Aliquippa was formed as a borough and named for the Seneca Indian Queen Aliquippa. It was one of several stations along the Pittsburgh and Lake Erie Railroad route. Aliquippa was best known in the first part of the 20th century as the location of a productive steel mill constructed by the Jones and Laughlin Steel Company along the Ohio River beginning in 1905. Employment at the facility sustained a population high of over 27,000 by 1930. The mill eventually closed due to the collapse of the steel industry during the mid-1980s. This major economic loss added to the overall trend of transition to the suburbs which caused major population loss through the end of the 20th century. The loss of economic activity left the City chronically depressed with a population estimated to be about 8,958 by 2023.

TABLE 1: POPULATION HISTORY

Historical Population		
Census	Pop.	%±
1900	620	—
1910	1,743	181.13%
1920	2,931	68.16%
1930	27,116	825.15%
1940	27,023	-0.34%
1950	26,132	-3.30%
1960	26,369	0.91%
1970	22,277	-15.52%
1980	17,094	-23.27%
1990	13,374	-21.76%
2000	11,734	-12.26%
2010	9,438	-19.57%
2020	9,238	-2.12%
2023	8,958	-3.03%

ACT 47 CONSULTING FIELD WORK

In a petition notarized on October 21, 1987, the Borough of Aliquippa (the Borough had not yet been incorporated as a City of the 3rd Class) filed a petition requesting that the Department of Community Affairs (Department) determine its eligibility as a distressed municipality under Act 47 of 1987. Section 201 of Act 47 sets forth 11 criteria, at least one of which must be present for a municipality to be considered for a distress determination by the Department.[1] In its petition to the Department, the Borough indicated its belief that specific Section 201 criteria, namely (1), (2), (6), (7), and (8) were present. After the Department conducted the field consulting work, it was determined that the Borough could be considered for a distress determination, because it met criterion (6) and criterion (8). The Department did not find the presence of criteria (1), (2), or (7).

[1] It should be noted that on July 1, 1996, the Department of Community Affairs merged with the Department of Commerce to form the Department of Community and Economic Development (DCED). Under the legislation, Act 58, of 1996, The Department of Community and Economic Development was given the authority to administer Act 47, the Municipalities Financial Recovery Act.

TABLE 2: MUNICIPALITIES FINANCIAL RECOVERY ACT – CRITERIA PRESENT FOR DISTRESS DETERMINATION

Criterion 6	The municipality , for a period of at least 30 days beyond the due date, has failed to forward taxes withheld on the income of employees or has failed to transfer employer or employee contributions for Social Security.
Criterion 8	The municipality has failed to make the budgeted payment of its minimum municipal obligation as required by section 302, 303, or 602 of Act 205 of 1984 known as the Municipal Pension Plan Funding Standard and Recovery Act, with respect to a pension fund during the fiscal year for which the payment was budgeted and has failed to take action within that time period to make required payments..

Following a public hearing, Aliquippa was declared a distressed municipality by the Department on **December 22, 1987**. Aliquippa requested an emergency loan under the provisions of Act 47 in the amount of $460,000 in order to address unpaid bills and to meet operating expenses for the balance of 1987. The loan was received in early 1988. Aliquippa Borough became a City of the Third Class in January 1988 as a result of a favorable referendum vote.

PROGRESS UNDER ACT 47

First Recovery Plan - 1987. The Recovery Plan for the City was prepared under the provisions of Section 241 of the Act. Local Government Research Corporation (LGR) was appointed, as Plan Coordinator by the Secretary of Community Affairs in January 1988. The Recovery Plan, prepared by LGR, was filed with the City on June 11, 1988. Under the requirements of Act 47 the Recovery Plan provided numerous recommendations to improve City operations as well as financial projections for a three-year period. The Recovery Plan was subsequently approved by the City Council on July 14, 1988.

First Updated Recovery Plan - 1990. The Act 47 Team conducted a review and determined that there had been substantial progress toward alleviating the conditions that led to the original determination of distress. However, the re-evaluation report recommended that the distress status for the City be continued for another two years. The basis for this recommendation was that it would allow sufficient time for the planned administrative improvements to be implemented. The extension of the distress status would provide additional time to see if there were any challenges to the two tier real estate tax system. In addition, J & L Structural Steel Company had its assessment decreased from $957,400 to $700,000. The decline in population also continued with an approximate 30% reduction from the 1980 census. The extension would provide the opportunity to fairly evaluate the effectiveness of the City Administrator under the current ordinance and Third Class City code structure. Finally, and of critical importance, the extension would give the City the additional time necessary to measure financial performance with the introduction of a garbage/recycling collection fee.

Second Updated Recovery Plan – 1993. Prior to December 31, 1992, a second re-evaluation of the distressed status, provided for under Act 47, was conducted by the Department. The re-evaluation report and subsequent Recovery Plan revisions, dated February 1993, were prepared by the new Plan Coordinator who was a Local Government Policy Specialist with the Department. The Plan recommended the continuation of the distress status for the City. Section III, of the report stated that some, but not all, of the conditions that caused the original distress determination had been eliminated. Further, after reviewing the recommendations not completely implemented, the concerns expressed by City officials, and other factors such as the untimely death of the Finance Administrator, it was concluded that the distress status for the City should be continued for at least another year.

Third Updated Recovery Plan – 1995. A third evaluation of the distressed status was conducted by the Recovery Plan Coordinator with a financial consultant, who prepared subsequent Recovery Plan provisions dated November 1995. While the report concluded that great strides were made, it identified the issue of a declining tax base. The sale of the former LTV property in 1993, while offering hope for the future, resulted in short-term financial difficulties. The Plan Update noted that the City's assessed valuation on land decreased from 1991 to 1993 by $1,350,660, which translated into a revenue loss of $109,404, given the same tax rate. This continued erosion of the tax base created an unstable climate and was jeopardizing the City's ability to provide for the health, safety, and welfare of its residents. The report therefore stated that the distress status for the City should be maintained, at least for an additional two years, to allow the current financial situation to stabilize.

Interim Recovery Plan Review – 1998. In 1998, the DCED Governor's Center for Local Government Services (GCLGS) initiated a review of the distressed status of the City. While no formal report was issued, the major issues outlined above, continued to plague the City. However, after that review and due to the stabilization of the City through strong management initiatives and oversight, the demonstration of fiscal responsibility, the support of City Council, and the upturn in the economy, the City started to anticipate an exit from their distressed status under Act 47. The year 2003 was projected as the year the City's recovery plan should be reviewed to determine whether the City should or should not exit from Act 47.

Fourth Updated Recovery Plan – 2003. The financial review outlined in the 2003 report demonstrated improvement in fiscal condition, prior to **September 11, 2001**. However, the economic impact of that tragic event, and the residual fiscal impact that plagued so many communities in Pennsylvania and around the nation, created a devastating effect on the City's progress achieved over the years prior to 9-11. As a result, some of the concerns facing the City at the end of 2002 and in the budget projections for 2003 included the following:

- J & L Structural officially closed its doors and filed for bankruptcy.
- EIT collection decreased by approximately $100,000.
- The cumulative effect of the bankruptcies of J & L and LTV and the loss of Shiflet Studios, a major business concern on Franklin Avenue, created a significant gap in projected revenues.
- The 2003 City budget included an increase in real estate taxes of 2 mills, bringing it within 1/10 of a percent of the state cap (at that time) of 25 mills.
- In a move calculated to pre-emptively increase the viability of the Aliquippa Community Hospital (ACH), the CEO recommended filing bankruptcy which was approved by the ACH Board of Directors. The future of the hospital, which once employed over 500 employees was of concern.
- In 2004, the City explored the use of a pension bond and the ability to adopt a special EIT pension levy under Act 205 to aid in the payment of the pension Minimum Municipal Obligations (MMOs) that had dramatically increased due to a combination of the following three (3) factors:
    - An arbitration award that increased retired police officers' salaries to one-half (1/2) of the base patrol officer salary, effective to employment start dates of January 1, 1997.
    - The retirement of many police and fire employees; a measure calculated to defer employment-related expenses to future years that were projected to be more fiscally stable.
    - The overall decline in market valuations precipitated by the technology stock downturn and further aggravated by the events and the aftermath of 9-11 including the Iraq War which began in 2003.

The 2003 Recovery Plan recommended that the City remain in Act 47 for another three (3) year period.

Fifth Amended Recovery Plan – 2007. In 2007, the GCLGS again initiated a review of the distressed status of the City. The revenue collection was projected to make some slight but consistent positive trending and the pension liability was expected to continue to be adequately addressed. The City officials continued to make tough decisions about staffing levels and cost containment in all departments. After reviewing the status of the plan recommendations, past fiscal trends, the historic decline in assessed valuation, the increase in pension liabilities coupled with the delinquent status of the MMOs, and future budget projections, it was clear that the distress factors were not alleviated for a sufficient period of time to provide any level of confidence that the City could operate without the assistance that Act 47 provided. It was, therefore, concluded that the distress status for the City should be continued, at least for an additional three years, to allow the City time to continue to address depleted reserves, fund balance deficits, pension liabilities, and to initiate progressive opportunities to foster future tax base growth.

Sixth Amended Recovery Plan – 2014. In June of 2014, the Council approved the adoption and implementation of the Sixth Amended Recovery Plan which was prepared by Grass Root Solutions appointed as the Recovery Coordinator for the City of Aliquippa. The new Recovery Team conducted an extensive review of the City's financial condition and concluded that the City had taken positive steps to increase its revenue collection, reduce staff where possible, to limit its costs for healthcare, and to adjust the benefit structure for pension liability in the future. It was recommended that the distress status should be continued but with the implementation of the plan initiatives, the City would be positioned for an exit from the Act 47 designation no later than summer of 2016.

THE EXIT PLAN

Initial Exit Plan. Act 199, which amended Act 47 was enacted in 2014, providing that municipalities operating under an Act 47 Recovery Plan are subject to a termination of financial distress designation on the date that is five years from the effective date of the most recent Recovery Plan. For the City of Aliquippa, the relevant Recovery Plan for this timeline was the Sixth Amended Plan that was adopted on June 30, 2014. Further, Act 199 required that the Recovery Coordinator complete a report, prior to the end of the five-year period, evaluating the financial condition of the municipality, and asserting one of the following findings:

1) Conditions within the municipality warrant a termination of distressed status
2) Conditions are such that the municipality should be disincorporated
3) Conditions are such that the DCED Secretary should request a determination of a fiscal emergency, or
4) A three-year extension plan is warranted

On December 18, 2018, the Coordinator held a public meeting to review the *Financial Condition Evaluation* and to take public comment. Written comments were received by the Coordinator through December 31, 2018 and a final *Financial Condition Evaluation* report was filed with the City and DCED on January 15, 2019.

Under Act 199, the Coordinator is required to file an *Exit Plan* no later than ninety (90) days from the close of the *Financial Condition Evaluation*. Pursuant to that provision, the Coordinator filed an Exit Plan with the City and DCED on February 26, 2019 and scheduled a public meeting to take public comment on Wednesday, March 6, 2019 at 6pm at the Aliquippa City Building, 581 Franklin Avenue.

The *Exit Plan* included strategies for ensuring a satisfactory exit from the Act 47 program no later than June 30, 2022. The report provided a path forward for the City's successful exit from the Act 47 program.

Amended Exit Plan On May 29, 2020, due to the COVID-19 pandemic, Governor Wolf signed Act 23 of 2020 into law, providing an 18-month extension for municipalities designated as financially distressed under the Municipalities Financial Recovery Act (Act 47 of 1987). For communities like the City of Aliquippa the relevant provision is the following:

> "A municipality operating pursuant to a recovery plan under the act of July 10, 1987 (P.L.246, No.47), known as the Municipalities Financial Recovery Act, shall be eligible for an 18-month extension beyond the time limit imposed under section 254 of the Municipalities Financial Recovery Act."

The Act 47 Coordinator, in discussions with representatives from the PA Department of Community and Economic Development, confirmed the negative financial impact of COVID-19 on City revenue and the City elected to amend the *Exit Plan* to include an 18-month extension. **Pursuant to Act 23 of 2020, the City's new deadline to exit Act 47 designation was extended to December 30, 2023.** In light of this 18-month extension, the Coordinator prepared an *Amended Exit Plan* setting forth and restating the initiatives and strategies required for Exit which incorporated supporting information and documentation.

FACTORS TO CONSIDER PURSUANT TO SECTION 255.1(C)

Under Act 47, Section 255.1(c), there are four factors to consider for the distressed status of a municipality to be rescinded. The full language of the Act is set forth below:

(c) Factors to consider.--If the secretary concludes that substantial evidence supports an affirmative determination for each of the following factors, the determination shall be that distressed status will be rescinded. The secretary shall consider whether:

(1) Operational deficits of the municipality have been eliminated and the financial condition of the municipality, as evidenced by audited financial statements prepared in accordance with generally accepted accounting principles and projections of future revenues and expenditures, demonstrates a reasonable probability of future balanced budgets absent participation in this act.

(2) Obligations issued to finance the municipality's debt have been retired, reduced or reissued in a manner that has adequately refinanced outstanding principle and interest and has permitted timely debt service and reasonable probability of continued timely debt service absent participation in this act.

(3) The municipality has negotiated and resolved all claims or judgments that would have placed the municipality in imminent jeopardy of financial default.

(4) The reasonably projected revenues of the municipality are sufficient to fund ongoing necessary expenditures, including pension and debt obligations and the continuation or negotiation of collective bargaining agreements and the provision of municipal services. Projections of revenues shall include any anticipated tax or fee increases to fund ongoing expenditures for the first five years after a termination of distressed status.

In this report, the Coordinator will assess each of the factors and analyze the relevant supporting documentation to determine whether there should be a rescission of the Act 47 distressed status for the City of Aliquippa.

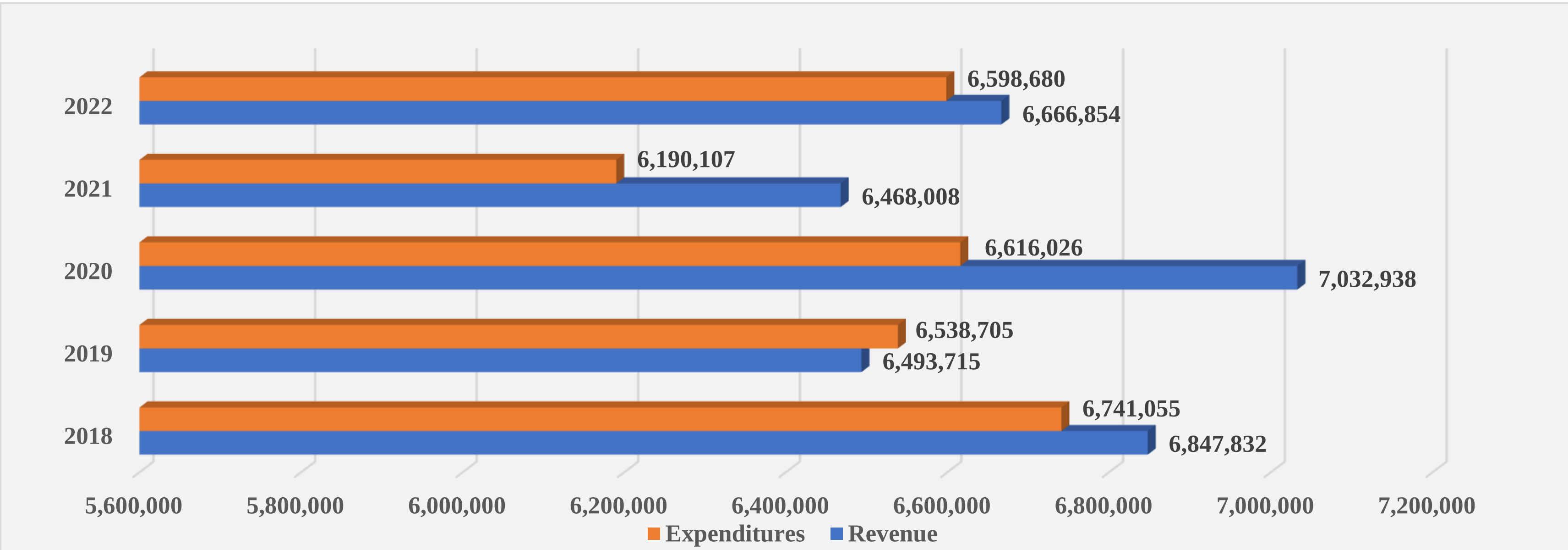
FACTOR NO. 1 – OPERATIONAL DEFICITS ELIMINATED

Operational deficits of the municipality have been eliminated and the financial condition of the municipality, as evidenced by audited financial statements prepared in accordance with generally accepted accounting principles and projections of future revenues and expenditures, demonstrates a reasonable probability of future balanced budgets absent participation in this act.

The City of Aliquippa meets Factor No. 1 - annual operational deficits have been eliminated.

GENERAL FUND

All operational revenue and expenditures for the City are captured in the General Fund. As part of this review, the Coordinator obtained and reviewed the DCED audited Annual Financial Reports and the Audited Financial Statements as prepared by independent auditor Wessel & Co. from 2018 through 2022. **Figure 1** provides the historical trend of revenues over expenditures.



- Prior to 2018, the City expenditures exceeded its revenue in five (5) of seven years from 2011 through 2017.
- The City adopted its Act 47 Recovery Plan in 2014, its Exit Plan in 2019, and its Amended Exit Plan in 2021– several important initiatives from the Exit Plan were implemented after the adoption of the Plans.
- Since 2017, the City has been able to add to the unrestricted fund balance in each year with the exception of 2019.

For the years reviewed for this Rescission report, the General Fund sustained an excess of revenue over expenditures in 4 out of 5 years and a positive fund balance every year as shown in **Table 2** below.

TABLE 2: HISTORY OF GENERAL FUND AUDITED REVENUE AND EXPENDITURES 2018 – 2022

CATEGORY	AUDITED 2018	AUDITED 2019	AUDITED 2020	AUDITED 2021	AUDITED 2022
REVENUES:					
RE Taxes	2,441,684	2,420,304	2,541,463	2,585,787	2,454,465
Act 511 Taxes	2,333,726	2,133,995	2,250,859	2,015,025	2,012,968
Licenses and Permits	136,476	132,698	133,803	127,958	125,739
Fines and Forfeitures	32,896	36,122	29,688	25,757	17,131
Interest and Rents	912	837	770	183	902
Intergovernmental	545,050	422,224	810,751	504,393	511,915
Charges for Services	1,032,851	890,451	771,037	850,262	1,029,709
Miscellaneous	2,466	111,273	76582	55,863	52,692
Total Revenue	**6,526,061**	**6,147,904**	**6,702,652**	**6,165,228**	**6,205,521**
CATEGORY	**AUDITED 2018**	**AUDITED 2019**	**AUDITED 2020**	**AUDITED 2021**	**AUDITED 2022**
EXPENDITURES:					
General Government	835,822	580,156	942,966	706,546	583,447
Police Department	2,503,465	1,760,280	2,642,353	2,364,475	1,467,699
Fire Department	1,222,357	960,237	1,145,670	1,044,775	1,019,567
Planning & Zoning	25,894	72,745	71,095	89,096	114,543
Public Works	1,826,438	1,501,712	1,427,617	1,504,191	1,612,872
Culture and Recreation	13,000	10,000	13,000	-	10,000
Debt Service	50,681	50,681	57,997	62,436	355,803
Employee Benefits	182,682	1,469,044	196,024	204,024	1,232,273
Insurance	80,716	133,850	119,304	214,564	202,476
Total Expenditures	**6,741,055**	**6,538,705**	**6,616,026**	**6,190,107**	**6,598,680**
EXCESS OF REVENUE OVER EXPENDITURES	**(214,994)**	**(390,801)**	**86,626**	**(24,879)**	**(393,159)**

OTHER FINANCING SOURCES/USES					
Operating Transfers In - LFF	320,330	332,118	318,944	300,071	404,438
Operating Transfers Out	-	-	-	-	-
Refund of Prior Year Expense	1,441	-	-	2,709	39,195
Refund of Prior Year Revenue	-	955	-	-	-
Sale of Assets	-	12,738	-	-	17,700
Total Other Financing Sources/Uses	**321,771**	**345,811**	**318,944**	**302,780**	**461,333**
Net Change in Fund Balances	106,777	(44,990)	416,912	277,901	68,174
Fund Balance - January 1	110,807	217,584	172,599	589,516	867,422
FUND BALANCE-DECEMBER 31	**217,584**	**172,594**	**589,511**	**867,417**	**935,596**

By generating excess revenues over expenditures for four (4) years, the City has accumulated unrestricted reserve funds in the amount of $935,596. (*NOTE: ARPA revenue of $113,603 was used to reimburse the City in 2022 to make up for lost revenue.)*

FACTOR NO. 2 – DEBT OBLIGATIONS MANAGED

Obligations issued to finance the municipality's debt have been retired, reduced or reissued in a manner that has adequately refinanced outstanding principle and interest and has permitted timely debt service and reasonable probability of continued timely debt service absent participation in this act.

The City of Aliquippa meets Factor No. 2 because debt that has been issued is reasonable, manageable, and able to be included comfortably in the City's annual budget.

The City retired all debt with the Department by 2000. The City does not currently have long-term Notes or Bonds. The only debt currently incurred by the City is in the form of short-term leases for trucks, police cars, and a backhoe. The City eliminated the need for a Tax and Revenue Anticipation Note in 2021. **Table 3** provides a history of the City's debt service payment.

TABLE 3: CITY OF ALIQUIPPA DEBT SERVICE HISTORY

Year	**2018**	**2019**	**2020**	**2021**	**2022**
Debt Service	50,681	50,681	57,997	62,436	99,273

SOURCE: CITY OF ALIQUIPPA FINANCIAL RECORDS, GRS ANALYSIS

FACTOR NO. 3 – CLAIMS AND/OR JUDGMENTS RESOLVED.

The municipality has negotiated and resolved all claims or judgments that would have placed the municipality in imminent jeopardy of financial default.

The City of Aliquippa confirms that there are no claims and/or judgments that would materially impact the City's financial condition currently or in future years.

FACTOR NO. 4 - FUTURE PROJECTIONS INDICATE SUSTAINABILITY

The reasonably projected revenues of the municipality are sufficient to fund ongoing necessary expenditures, including pension and debt obligations and the continuation or negotiation of collective bargaining agreements and the provision of municipal services. Projections of revenues shall include any anticipated tax or fee increases to fund ongoing expenditures for the first five years after a termination of distressed status.

The City of Aliquippa meets Factor No. 4 based on our review of the City's financial condition and projections as set forth in this report.

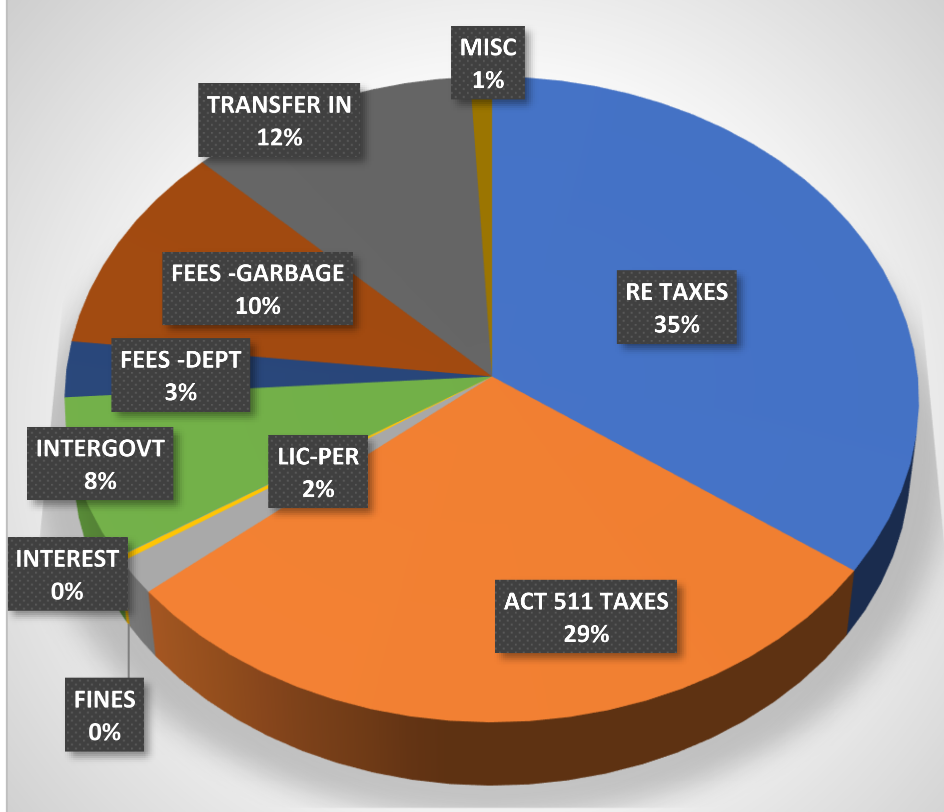
MAJOR REVENUE SOURCES

The City of Aliquippa generates approximately $6.6 million in revenue to support its General Fund expenditures. The total revenue increases at a rate less than 1% per year. Revenue declined in 2020-2021 because of the COVID 19 impact on several revenue categories including earned income tax, local services tax, fines and fees. Revenue increased from $6.4 million to $6.6 million in 2022 partly due to ARPA funds that were used to address revenue losses from 2020 and 2021. The real estate millage rate for 2023 was 30 mills and the EIT was .5% for City residents. There is also an EIT pension levy under Act 205 that was .5% until 2021 when it was reduced to .3% due to the improved condition of the pension funds. In 2016, the City levied a higher LST tax under the authority of Act 47, raising it from $52 to $104 per year. Five dollars ($5) from the LST goes to the Aliquippa School District. The City will lose approximately $108,000 of LST at the exit from Act 47. **Table 4** provides the most recent history for the City's general fund revenue and projections through 2026.

TABLE 4: HISTORY OF GL FUND REVENUE

YEAR	REVENUE	% + OR -
2020	7,032,938	3.1%
2021	6,468,008	-8.0%
2022	6,666,854	3.1%
2023	7,117,188	6.8%
2024	6,915,964	-2.8%
2025	6,759,771	-2.3%
2026	6,938,533	2.6%

FIGURE 2 - 2023 SOURCES OF REVENUE



SOURCE: AUDITED FINANCIAL STATEMENTS, TURNLEY ASSOCIATES AND GRS ANALYSIS

Real Estate Taxes

Real estate taxes make up about 35% of the total revenue base. The City's real estate tax millage rate at 30 is at the maximum taxing levy available under the Third Class City Code. The assessed value of taxable property in the City has steadily declined over the past ten years even though the market values have actually increased. The gap between market value and assessed value widened between 2013 and 2022 according to the State Equalization Board (STEB). Because of outdated Beaver County assessments, the assessed value for the City decreased over the past 10 years to $84,841,997 by 2022. Real estate tax collection has been strong since 2018 but the rate of collection is only about 80% and the City only collects about $67,000 per mill. During 2020, there was a slight COVID impact on current year real estate tax collection, but delinquent collections were significantly higher and stronger than in previous years. **Table 5** provides the history of market values and assessed values for the past decade and **Table 6** provides the history of tax collection and millage rates.

TABLE 5: HISTORY OF MARKET AND ASSESSED VALUE

YEAR	MARKET	ASSESSED	DIFFERENCE
2013	223,804,870	87,649,790	39%
2014	241,062,073	87,445,427	36%
2015	235,996,010	85,891,877	37%
2016	244,276,933	85,916,477	35%
2017	246,040,337	86,480,277	35%
2018	260,381,114	86,525,452	33%
2019	260,507,950	86,581,302	33%
2020	280,691,641	89,704,018	32%
2021	268,583,309	86,238,547	32%
2022	283,971,285	84,841,997	30%

FIGURE 3 - MARKET V ASSESSED VALUE 2013-2022

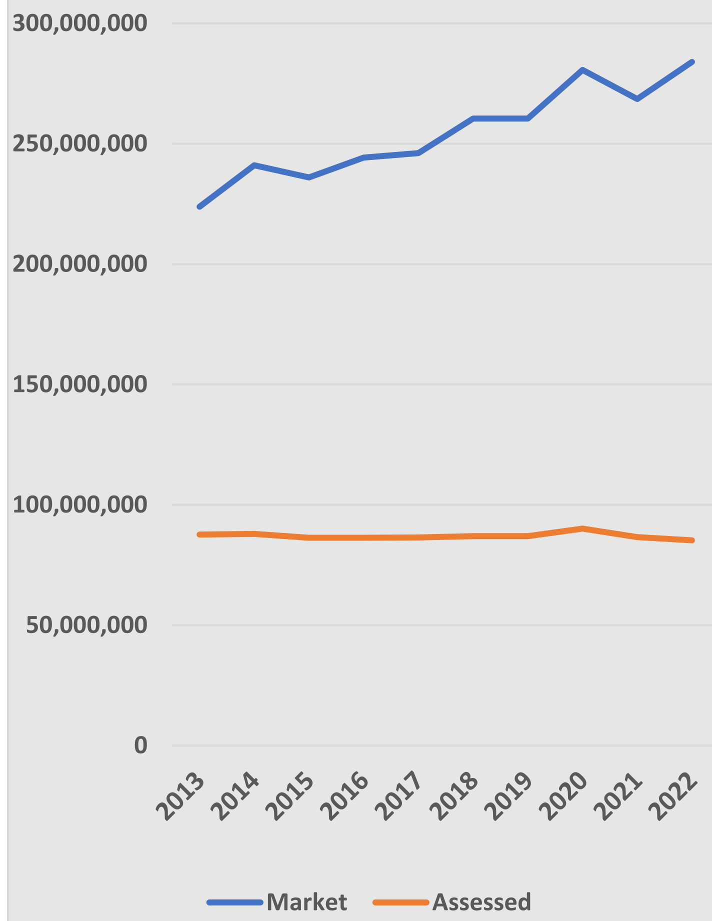


TABLE 6 – REAL ESTATE TAX COLLECTION AND DOLLARS ($) PER MILL

YEAR	TAXABLE ASSESSED VALUE	% INCREASE OR DECREASE	TOTAL MILLS	TAXES BILLED	LESS 2% DISCOUNT	ACTUAL COLLECTION	$/MILL	COLLECTION RATE
2013	87,649,790	0%	27.90	2,445,429	2,396,521	1,864,547	66,830	77.80%
2014	87,445,427	-0.2%	27.90	2,439,727	2,390,933	1,912,412	68,545	79.99%
2015	85,891,877	-1.8%	27.90	2,396,383	2,348,456	1,927,516	69,087	82.08%
2016	85,916,477	0.0%	27.90	2,397,070	2,349,128	1,759,828	63,076	74.91%
2017	86,097,827	0.2%	28.10	2,419,349	2,370,962	1,882,370	66,988	79.39%
2018	86,525,452	0.5%	30.00	2,595,764	2,543,848	2,015,000	67,167	79.21%
2019	86,581,302	0.1%	30.00	2,597,439	2,545,490	1,996,138	66,538	78.42%
2020	89,704,018	3.6%	30.00	2,691,121	2,637,298	1,967,466	65,582	74.60%
2021	86,238,547	-3.9%	30.00	2,587,156	2,535,413	1,998,532	66,618	78.82%
2022	84,841,997	-1.6%	30.00	2,545,260	2,494,355	1,996,333	66,544	80.03%
2023	84,544,227	-0.4%	30.00	2,536,327	2,485,600	2,000,000	66,667	80.46%

SOURCE: COUNTY ASSESSED VALUES; STEB BOARD; ALIQUIPPA FINANCIAL RECORDS; GRS ANALYSIS

The City has had to contend with an assessed value tax base that decreased over time even while the actual market values of property increased steadily as shown in **Table 5**. The dollars collected per mill of tax increased slightly from $63,076 in 2016 to an estimated $66,667 by 2023 as shown in **Table 6**. This was a result of the assessed values certified by Beaver County that were based on outdated assessment values.

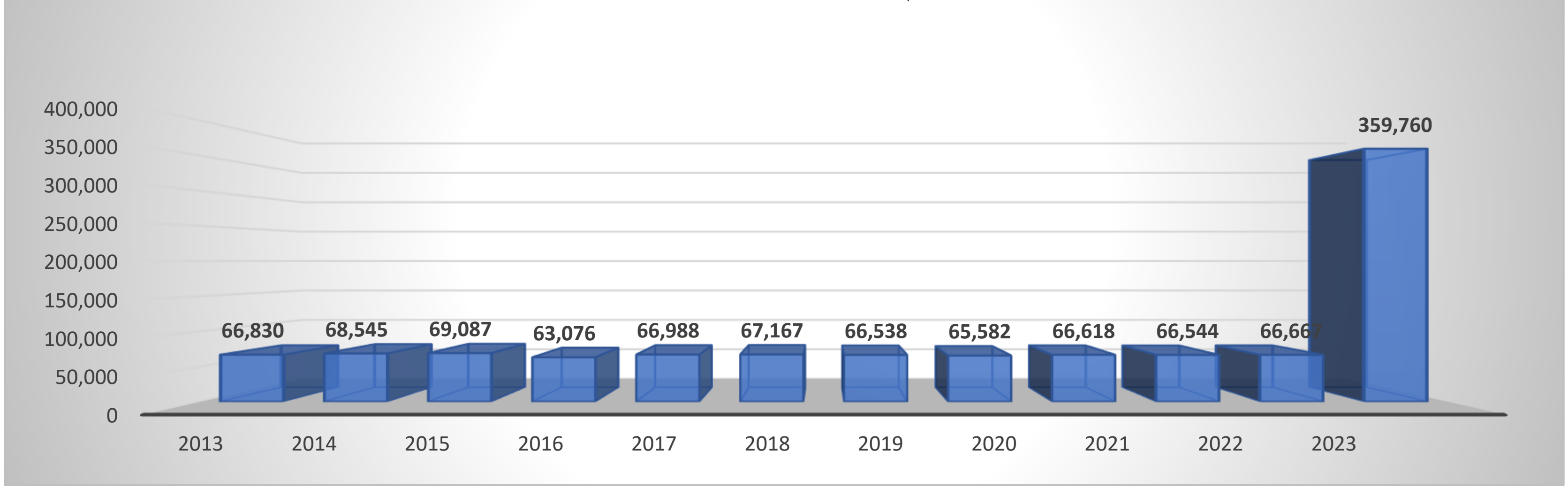
The last countywide reassessment performed by Beaver County was in 1982. In *Betters, et. al. v. Beaver County*, the Commonwealth Court affirmed the trial court's determination that Beaver County's base-year method of property valuation violated the Uniformity Clause of Article VIII, Section 1 of the PA Constitution and the Court mandated a countywide reassessment of all property. The Beaver County Commissioners filed a Petition of Allowance for Appeal to the Pennsylvania Supreme Court on January 16, 2019. Beaver County lost its appeal and was ordered by the court to undertake and implement a countywide reassessment. The reassessment of all property in Beaver County was completed in 2022-2023 and will take effect in 2024. Based on the County website, the new stated assessed value for the City for 2024 will be $489,466,950 which is a substantial increase from the 2023 assessed value. As a result, the initial calculation is that the City could reduce its millage rate from 30 mills to about 6.25 mills assuming that one mill of tax will generate approximately $360,000. In the year after a reassessment a municipality may not collect more than 10% more real estate revenue than in the previous year. But, the City must also take into consideration that there will be hundreds of assessment appeals that will require the City to make refunds for excess taxes collected.

These refunds will continue over the next several years as appeals are adjudicated. **Table 7** provides three (3) year history and three (3) year projections for Real Estate Tax collection for the City.

TABLE 7 – REAL ESTATE TAX COLLECTION HISTORY AND PROJECTIONS

ACCT.#	DESCRIPTION	AUDITED 2020	AUDITED 2021	AUDITED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026
						Reassessment 10% Increase Included		
Real Estate Taxes		**30 Mills**	**30 Mills**	**30 Mills**	**30 Mills**	**6.25 Mills**	**6.25 Mills**	**6.25 Mills**
301.100	Current Year	1,967,466	1,998,532	1,996,333	2,000,000	2,248,500	2,293,470	2,339,339
301.200	Prior Year	159,876	190,174	140,416	113,891	116,738	119,657	122,648
301.300	Delinquent -Tax Claim	414,121	397,081	317,716	365,000	374,125	383,478	393,065
Total:		**2,541,463**	**2,585,787**	**2,454,465**	**2,478,891**	**2,739,363**	**2,796,605**	**2,855,053**

FIGURE 4 - ASSESSED VALUE - $ PER MILL



SOURCE: AUDITED FINANCIAL STATEMENTS, TURNLEY ASSOCIATES AND GRS ANALYSIS

Act 511 Taxes

Taxes collected under Act 511, the Local Tax Enabling Act, include deed transfer, earned income, mercantile, local services, and mechanical device taxes. These taxes are the City's second largest source of revenue and have historically increased at about 2.5% per year. However, for the first time, there was a decrease in collection during the pandemic years of 2020-2021. Part of the shortfall in collection in 2021 was a result of the reduction in the Act 205 EIT pension levy which was reduced by the City from .5% to .3% based on the improved status of the City's pension funds. Act 511 taxes began to show a recovery in the 4th quarter of 2021 and in 2022. The collection for pension purposes went from $1.1 million to $780,000 because of the reduction in the special levy.

In 2016, the City implemented a higher Local Services Tax (LST) authorized under Act 47, increasing it from $52 to $104 per year. The City will lose the ability to levy the higher LST tax upon its exit from Act 47 and will be required to reduce the LST beginning in January of 2024 from $104 to $52 which will result in a loss of approximately $108,000. The Aliquippa School District will continue to receive $5 from this levy. Although deed transfer, earned income, and business taxes are expected to steadily increase, the loss of the LST will cause the total revenue to decline in the short-term. The City will have to begin to discuss increasing the real estate tax levy in future years to make up for the loss of LST. **Table 8** provides the recent history for the collection of Act 511 taxes.

TABLE 8 - ACT 511 COLLECTION HISTORY AND PROJECTIONS

ACCT.#	DESCRIPTION	AUDITED 2020	AUDITED 2021	AUDITED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026
Act 511 – Local Tax Enabling Act								
310.100	Deed Transfer Tax	88,382	172,143	136,993	115,666	119,136	122,710	126,391
310.200	Earned Income Tax	763,177	768,565	855,780	881,453	907,897	935,134	963,188
310.201	Earned Income Tax - Pension	1,147,116	779,415	743,876	756,048	750,000	772,500	795,675
310.300	Mercantile Tax	43,387	53,956	50,800	50,606	52,124	53,688	55,299
310.400	Local Service Tax	206,632	204,711	224,614	234,868	108,000	109,000	110,000
310.700	Mechanical Device	2,165	36,235	905	35,000	35,000	35,000	35,000
Total:		**2,250,859**	**2,015,025**	**2,012,968**	**2,073,641**	**1,972,157**	**2,028,032**	**2,085,553**

SOURCE: AUDITED FINANCIAL STATEMENTS, TURNLEY ASSOCIATES AND GRS ANALYSIS

Fees for Services

The third largest category of revenues are the department fees for services, of which the largest, by far, are garbage fees. This is an important revenue for the City and provides a source that can be easily adjusted to cover the costs of providing the services.

Table 9 – Fees for Services Collection History and Projections

Acct#	Description	Audited 2020	Audited 2021	Audited 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
Fees for Services - General								
361.300	Zoning Permits & Fees	7,545	10,944	11,428	11,528	11,500	11,500	11,500
361.301	Rental Registration Program	27,810	32,025	33,680	35,000	35,000	35,000	35,000
361.630	School District Tres/Assist.	50,580	52,190	58,802	59,978	61,178	62,401	63,649
Total:		**85,935**	**95,158**	**103,910**	**106,506**	**107,678**	**108,901**	**110,149**
Fees for Services - Public Safety								
362.101	Crossing Guards Reimb.	11,282	3,982	10,399	8,100	8,262	8,427	8,596
362.102	Sporting Events	847	8,234	-	-	-	-	-
362.103	Housing Auth. Patrols	13,357	13,799	-	-	-	-	-
362.110	Sale copies-police Reports	15,786	21,781	19,235	17,840	18,197	18,561	18,932
362.410	Building/Demo Permits	37,054	61,540	168,138	55,000	50,000	50,000	50,000
Total:		**78,346**	**109,335**	**197,772**	**80,940**	**76,459**	**76,988**	**77,528**
Fees for Services - Highway-Streets								
363.510	PennDot Snow Removal	-	20,626	10,689	11,000	11,000	11,000	11,000
Total:		**-**	**20,626**	**10,689**	**11,000**	**11,000**	**11,000**	**11,000**
Fees for Services - Garbage								
364.300	Garbage fees	690,507	624,463	716,689	752,523	771,337	790,620	810,385
364.320	Prior Years Refuse	3,948	680	648	600	600	600	600
Total:		**694,455**	**625,143**	**717,337**	**753,123**	**771,937**	**791,220**	**810,985**

Source: Audited Financial Statements, Turnley Associates and GRS Analysis

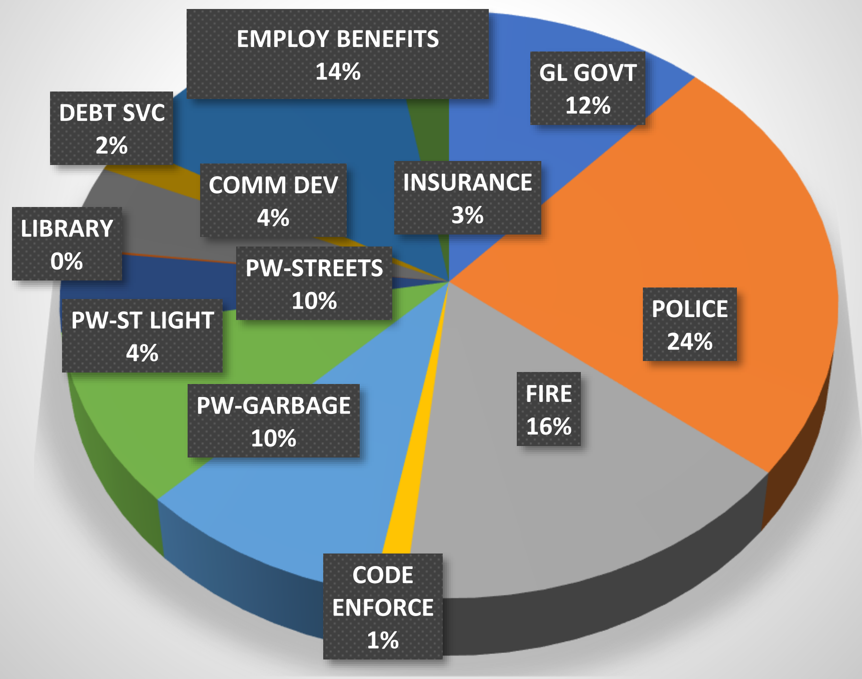
MAJOR EXPENDITURE USES

The major expenditure categories for the City's General Fund are Police, Fire, Public Works, and Employee Benefits. Police and Fire make up 40% of the overall City budget and Public Work activities make up 24%. Employee benefits make up another 14% leaving only 22% of the budget for all other purposes.

As the largest expenditure category in the City's budget, the police department is currently staffed with 16 officers (including the Police Chief) and 1 clerical position. The fire department, as the second largest category, is staffed with 9 positions (including the fire chief). The public works department, as the third largest category, includes 7 full-time employees.

Historically, expenditures increase at a rate of 1.3% each year which is excellent cost containment. During the pandemic, the expenditures actually decreased as the calls for services fell and recruitment of staff became a problem. This allowed the City to increase cash reserves and avoid structural deficits. In 2022, however, expenditures **increased** by 6.6% due to overtime, equipment purchases, and higher engineering fees for projects. In 2023, expenditures, driven by staff hires, overtime, and project costs, are expected to increase again by about 7.8%

FIGURE 5 - 2023 GL FUND USES



- The Police department expenditures are trending upward by 6.2%.
- The Fire department expenditures are trending upward by 2.1%.
- The Public Works department expenditures are trending upward by 16%.

TABLE 10 – HISTORY AND PROJECTIONS FOR GENERAL FUND EXPENDITURES

YEAR	EXPENDITURES	% + OR -
2020	6,616,026	-3.0%
2021	6,190,107	-6.4%
2022	6,598,680	6.6%
2023	7,112,326	7.8%
2024	6,868,257	-3.4%
2025	7,129,678	3.8%
2026	7,387,654	3.6%

SOURCE: AUDITED FINANCIAL STATEMENTS, TURNLEY ASSOCIATES, AND GRS ANALYSIS

The projections for 2023 and future years indicate that the annual expenditures will continue to outpace revenue unless the City implements additional cost containment and financial discipline. The City has used the federal CARES and ARPA funds to address gaps in revenue in 2022 and will need to use the remaining funds in 2023 and 2024 in order to avoid structural deficits. But these funds will run out in 2024 and the City will have to develop new strategies to secure additional revenue or contain personnel costs.

Local government is a service industry and, therefore, the vast majority of expenditures are related to compensation and benefits. The City's personnel costs make up about 81% of the overall budget. For this reason, it is critical to evaluate every position prior to Council approval of a new hire. The analysis should include not only starting costs but projected benefit and pension costs over the entire employment period, with adjustments for estimated inflation rates. The costs should be weighed against the value that will be provided to the City if the hire occurs (for example a police hire that results in a reduction in crime and overtime, a more aggressive code enforcement program that stabilizes housing stock, or an administrative position that will assist with grants and investments.) The Aliquippa residents deserve quality services at the lowest price. Preserving assets and resources for these services is part of the leadership responsibility.

Long-Term Debt

The City has no long-term Notes or Bonds. There are a number of equipment leases for fire, police, and public works vehicles. The City has not needed to secure a Tax Anticipation Loan since 2021.

Pension Expenditure History

For decades, the City's pension funds were "severely distressed" – in fact, in 2009, the funds were only 56% funded. The adoption of the Act 205 EIT special pension levy enabled the City to pay more than the annual MMO requirement and to make payments earlier in the year to the pension funds. As a result, the City's pension funding status steadily improved until, by 2016, the funds moved to "moderately distressed."

Based on the 2021 actuarial valuation report, the funds were identified by the Auditor General as "not distressed." In 2021, the City reduced its Act 205 EIT levy from .5% to .3%. The EIT pension levy currently produces about $750,000 per year and may be continued as long as there is an MMO requirement.

TABLE 11 – PENSION SOURCES OF FUNDING WITH PROJECTIONS THROUGH 2026

	2020	2021	2022		2023	2024	2025	2026
	ACTUAL	ACTUAL	ACTUAL		PROJECTED	PROJECTED	PROJECTED	PROJECTED
EIT PENSION LEVY	1,147,116	779,415	743,876		756,048	750,000	772,500	795,675
STATE AID	300,354	254,256	212,555		212,500	212,500	218,875	225,441
TOTAL	**1,447,470**	**1,033,671**	**956,431**		**968,548**	**962,500**	**991,375**	**1,021,116**
POLICE	1,042,793	837,935	825,154		424,428	415,000	427,450	440,274
FIRE	303,926	185,886	112,405		410,320	415,293	427,752	440,584
NON-UNIFORM	92,866	9,952	19,550		133,800	132,207	136,173	140,258
TOTAL	**1,439,585**	**1,033,773**	**957,109**		**968,548**	**962,500**	**991,375**	**1,021,116**

SOURCE: AUDITED FINANCIAL STATEMENTS AND CITY FINANCIAL RECORDS

Table 12 provides the funding status for the pension plans for the past two (2) actuarial valuations and shows the steady improvement. The plans improved from 89.9% funded in 2019 to 110% funded in 2021. There are approximately $20 million in combined assets.

TABLE 12 – PENSION PLANS FUNDING STATUS 2019 AND 2021

	2019 Assets/Liabilities				2021 Assets/Liabilities			
	Assets	Liabilities	Funding Status %		Assets	Liabilities	Funding Status %	Improvement
City Employees	1,760,992	1,484,289	118.6%		2,099,606	1,607,841	130.6%	12.0%
Fire	5,507,271	5,380,783	102.4%		6,843,304	6,058,376	113.0%	10.6%
Police	9,155,435	11,402,259	80.3%		11,510,018	10,829,008	106.3%	26.0%
Total	**16,423,698**	**18,267,331**	**89.9%**		**20,452,928**	**18,495,225**	**110.6%**	**20.7%**

PROJECTIONS FOR GENERAL FUND REVENUE AND EXPENDITURES

Table 13 provides a complete summary of the recent financial history of the General Fund from 2020 through 2026.

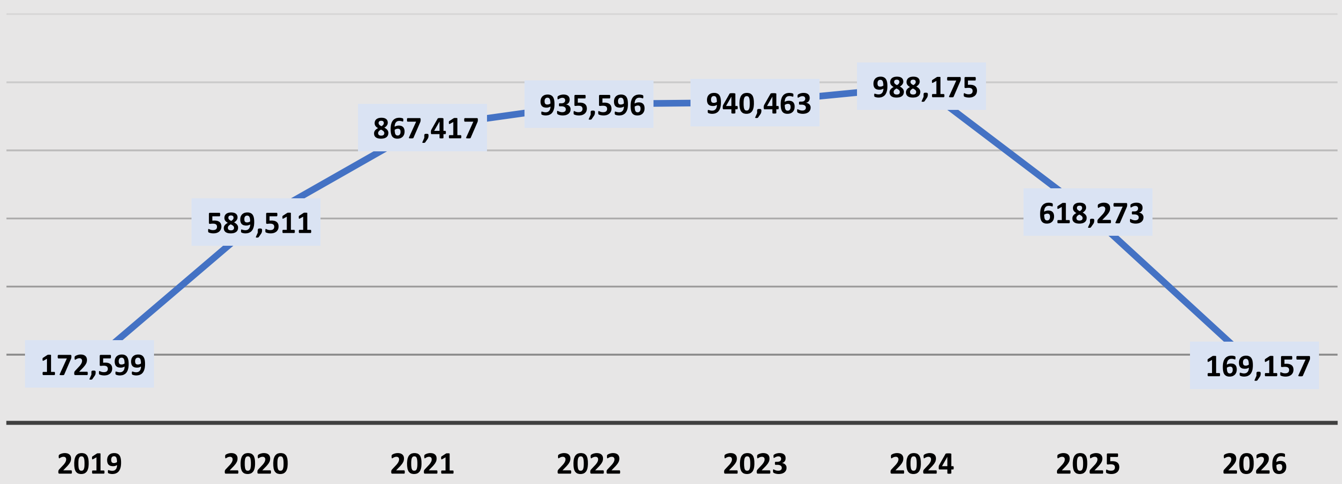
TABLE 13 – SUMMARY OF FINANCIAL HISTORY AND PROJECTIONS THROUGH 2026

Category	Audited 2020	Audited 2021	Audited 2022	Projected 2023	Projected 2024	Projected 2025	Projected 2026
REVENUES:							
RE Taxes	2,541,463	2,585,787	2,454,465	2,478,891	2,739,363	2,796,605	2,855,053
Act 511 Taxes	2,250,859	2,015,025	2,012,968	2,073,641	1,972,157	2,028,032	2,085,553
Licenses and Permits	133,803	127,958	125,739	121,770	116,000	113,000	111,000
Fines and Forfeitures	29,688	25,757	17,131	17,558	18,000	18,000	18,000
Interest and Rents	770	183	902	1,552	1,500	1,500	1,500
Intergovernmental	810,751	504,393	511,915	571,321	518,972	475,347	481,913
Fees - Services	164,281	225,799	313,020	198,446	195,137	196,889	198,677
Fees - Sanitation	694,455	624,463	716,689	753,123	771,937	791,220	810,985
Miscellaneous	76,582	55,863	52,692	62,886	65,790	67,725	69,756
Total Revenue	**6,702,652**	**6,165,228**	**6,205,521**	**6,279,188**	**6,398,856**	**6,488,318**	**6,632,437**

TABLE 13 – SUMMARY OF FINANCIAL HISTORY AND PROJECTIONS THROUGH 2026 (CONT.)

CATEGORY	AUDITED 2020	AUDITED 2021	AUDITED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	PROJECTED 2026
EXPENDITURES:							
General Government	1,113,146	876,797	759,338	833,061	858,361	884,524	911,583
Police Department	1,599,560	1,364,475	1,467,699	1,705,984	1,760,534	1,813,349	1,867,750
Fire Department	841,744	1,044,775	1,019,567	1,138,396	1,137,356	1,174,794	1,213,520
Planning & Zoning	71,095	89,096	114,543	86,024	88,605	91,263	94,001
Public Works-Sanitation	623,420	639,402	648,848	685,200	719,460	755,433	793,205
Public Works-Streets	466,443	614,970	704,682	690,628	648,247	667,388	687,096
Public Works - Street Lighting	244,888	249,819	259,342	319,640	329,229	339,106	349,279
Culture and Recreation	13,000	-	10,000	10,000	10,000	10,000	10,000
Community Development	-	-	355,803	328,416	-	-	-
Debt Service	57,997	62,436	99,273	122,306	124,156	166,806	198,484
Employee Benefits	1,465,429	1,055,132	976,351	994,048	988,720	1,018,337	1,048,841
Insurance	119,304	193,205	183,234	198,623	203,589	208,678	213,895
Total Expenditures	**6,616,026**	**6,190,107**	**6,598,680**	**7,112,326**	**6,868,257**	**7,129,678**	**7,387,654**
EXCESS OF REVENUE OVER EXPENDITURES	**86,626**	**(24,879)**	**(393,159)**	**(833,138)**	**(469,401)**	**(641,360)**	**(755,217)**
OTHER FINANCING SOURCES/USES							
Operating Transfers In - Liquid Fuels	318,944	300,071	290,835	303,000	312,090	321,453	331,096
Operating Transfer In - ARPA			113,603	535,000	280,018	-	-
Operating Transfers Out – Tax Refunds	-	-	-	-	(75,000)	(50,000)	(25,000)
Refund of Prior Year Expense	1,487	2,709	39,195	-	-	-	-
Sale of Assets	9,855	-	17,700	-	-	-	-
Total Other Financing Sources/Uses	**330,286**	**302,780**	**461,333**	**838,000**	**517,108**	**271,453**	**306,096**
Net Change in Fund Balances	416,912	277,901	68,174	4,862	47,707	(369,907)	(449,121)
Fund Balance - January 1	172,599	589,516	867,422	935,601	940,468	988,180	618,278
FUND BALANCE-DECEMBER 31	**589,511**	**867,417**	**935,596**	**940,463**	**988,175**	**618,273**	**169,157**

FIGURE 6 - AUDITED FUND BALANCE - HISTORY AND PROJECTIONS



Without intervention or action by City officials, projections indicate that expenditures will outpace revenue in future years leading to structural deficits and eventually depletion of unrestricted cash reserves. Some assumptions, observations, and recommendations to address this are:

1. The City real estate taxes will remain relatively flat – but delinquent taxes will increase steadily as additional delinquent accounts are collected by the Tax Claim Bureau.

2. Act 511 taxes will decrease in 2024 by $108,000 due to lowering the LST rate from $104 to $52 as the City exits Act 47.

3. The City will continue to levy the Act 205 pension levy at the rate of .3% to support the annual MMO requirement.

4. The City will adjust the garbage fees to cover the cost of the service as the rates increase over the next three (3) years.

5. Staffing levels will remain substantially the same as 2023 at about 45 positions.

6. All compensation for all employees will continue to be contained at about 2% per year per collective bargaining agreements.

7. Health insurance will increase at a rate of at least 5% per year.

8. The City will transfer all ARPA funds to cover the revenue gaps by December 31, 2024.

9. Debt service will remain at the same level over the next several years and no new debt will be incurred.

10. The City will undertake capital projects primarily through grant funds (CDBG, DCED, PCCD, DCNR) and through resources provided by the Aliquippa Economic Development Corporation.

Based on these assumptions, the City should be able to generate sufficient revenues to support expenditures through 2024. After 2024, it will be necessary for the City to increase real estate taxes each year to cover projected expenditures as shown in Table 14.

TABLE 14 – MILLAGE INCREASE REQUIRED TO ADDRESS PROJECTED SHORTFALLS

DESCRIPTION	2023	2024	2025	2026
Projected Revenue Over Expenditures (+ or -)	**4,864**	**47,707**	**(369,907)**	**(449,121)**
Millage Increase Required to Address Shortfall			(1.03)	(1.25)

Any unexpected impact to revenue generation or escalating expenditures could throw the City into a deficit position that would eventually deplete the unrestricted revenue that has been accumulated.

REVIEW OF THE PROGRESS OF PLAN INITIATIVES

Section 256 of Act 47 sets forth the requirements for an *Exit Plan* should the Coordinator recommend such a Plan after the *Financial Condition Evaluation*. Contents of the *Exit Plan* must include those elements that may be necessary to "ensure termination of distressed status after three years, including, but not limited to:

1) The sale, lease, conveyance, assignment or other use or disposition of the assets of the distressed municipality
2) Functional consolidation of or privatization of existing municipal services
3) The execution, approval, modification, rejection, renegotiation or termination of contracts or agreements of the distressed municipality, provided, however, that the provisions of Section 252 shall apply to any Exit Plan adopted in accordance with this subchapter[2]
4) Changes in the form of municipal government or the configuration of elected or appointed municipal officials and employees as permitted by law"

As part of the amended and extended *2020 Exit Plan*, *the* strategies identified in the original Plan were updated with the current status of each initiative. The specific strategies included were:

- Stabilizing the management team
- Pursuing the sale, lease, and disposition of assets
- Identifying and modernizing the form of government
- Developing a Capital Improvement Plan
- Enhancing revenue
- Containing costs
- Continuing economic development
- Advancing legislative strategies

[2] Section 252 provides limitations on the ability of the Plan to affect certain collective bargaining agreements or settlements.

STABILIZING THE MANAGEMENT TEAM

One of the most important factors identified in the *Exit Plan* for achieving success in local government is the professional ability of the management team. The management team must be trained, experienced, and knowledgeable in City management. For purposes of this initiative, the City's management team includes the City Council, City Manager, and Chief Finance Officer. A stable, experienced, professional management team allows the City to:

- Implement necessary updates and upgrades for organizational stability
- Provide oversight and continuous monitoring of the budget process and budget execution
- Develop accountability for departments to meet expected standards of operation
- Provide Council with accurate and timely information for making policy decisions.

Retaining a professional management team for the long term has been a top priority for the City Council. Keeping key employees is essential to a successful organization and identifying those benefits that can help ensure loyalty and long-term service is critical. Initiatives that were implemented and maintained are:

1.0 Strengthen General Management

- The City Council should adopt a strong City Administrator ordinance establishing threshold qualifications, duties, and responsibilities.
- The City routinely budgets and encourages management training for the City Administrator, Finance Director, and Department Directors.
- An Employee Handbook was drafted by the Act 47 team and should be edited and adopted by the City.
- The management team has carried out agreed upon initiatives that strengthen the City's ability to meet challenges, shocks, and stress.
- The City expects the highest level of integrity and professionalism from the elected officials, management team and department directors.

1.1 Strengthen the Police Operation

1.11 The City is in the process of updating its police department policies and procedures to be consistent with the PA Chiefs model policies and procedures for state accreditation and must field test the policies for accuracy and routine compliance.

1.12 Every police officer is scheduled for 10 hours of annual law enforcement training beyond the mandatory MPOETC requirement and document the training in each individual employee file. The City must implement updated training for all police officers to include but not be limited to:

- Use of Force
- Diversity
- Understanding Bias
- Legal Control Tactics
- De-Escalation of Critical Incidents

1.12 The City has trained all officers to be proficient with the Department's record management system and the Chief should implement a written record management policy that provides direction for all officers for all incidents.

1.13 In recognition that recruitment of new police officers is difficult and the pool of qualified applicants is limited, the City entered into negotiations with the police union relative to increasing the starting salary to be more competitive with surrounding municipalities with the following conditions:

- The starting salary may not be higher than full-time police officers who are currently employed by the City.
- Police officers who are currently employed but are not at full patrol officer salary may be considered for an increase consistent with the salary established for new officers.
- The total compensation package for police employees may not exceed the limits in the Exit Plan.

CONSIDER THE SALE, LEASE, OR CONVEYANCE OF CITY ASSETS

A requirement of the Act 199 of 2014 amendment to Act 47 was to consider "the sale, lease, conveyance, assignment or other use or disposition of the assets of the distressed municipality." To address this section of the Plan, a team of subject matter experts led by HJA Strategies was retained by the City to conduct a review of various municipally-owned assets. A grant awarded to the City by DCED was used to fund the asset review. The need for the review was outlined in the Seventh Amended Act 47 Recovery Plan and a *Request for Proposals* was issued by the City in March of 2018.

FACILITIES

The review of City's physical assets for the purpose of selling, leasing or disposing of them is required under Section 256 of Act 47 as part of the contents of the *Exit Plan*. A review was made of the City's capital assets and the Coordinator has come to the conclusion that the City does not own any revenue producing assets that could be considered to be available for sale, lease or disposition. The City assets include the following:

- The City Building
- The Police Department Building
- The Fire Department/Public Works Building
- Various Parcels of Vacant/Blighted Property
- Community Park Properties
- Storm Sewer System

It was concluded that there are no significant buildings or facilities that could be made available for sale to raise capital funds to address liabilities. Furthermore, the City has no significant long-term liabilities – there is no long-term debt and the pension liabilities are manageable and supported through a special Earned Income Tax levy under Act 205.

STORM SEWER SYSTEM

However, the City owns the city-wide storm sewer system which does not currently produce revenue but has potential revenue producing value. The City should consider the sale of this system so that it can be upgraded and leveraged to meet the DEP MS4 requirements.

2.0 Investigate the Sale of the Storm Sewer System (NEW Initiative)

2.1 The City has applied for a DCED grant to provide funds for GIS mapping and parcel analysis of the stormwater system.

2.2 Prepare and distribute a Request for Proposals for asset valuation of the storm sewer system.

2.2 Engage the City Engineer to create a capital plan for stormwater projects and MS4 compliance.

2.3 Conduct a stormwater fee study to determine rates for residential, institutional, and commercial properties.

2.4 Enlist special counsel to develop an Asset Purchase and Sale strategy for negotiations.

2.5 Negotiate with the Water Authority (or a similar agency) for a sale of the system with assignment of revenue.

2.6 Update stormwater ordinances to meet MS4 requirements including prohibition of illicit discharges.

2.7 Undertake an extensive public education program on a regular basis.

The City does not have the manpower or funds to properly manage its storm water infrastructure – there are dozens of flooding and stormwater overflows during wet weather events. The entire system is in need of a more pro-active approach including a thorough inspection program. Storm sewers should be inspected several times per year using vac and jet services. The current system of pipes and basins show signs that they are in need of repair, upgrades, and replacement. The City has limited funding sources to address storm water infrastructure needs and the future requirements of the mandated MS4 program.

The City should consider discussing the sale or the leaseback of the system to the Aliquippa Water Authority (or a similar public agency) along with implementing a stormwater utility fee. In 2013, the PA General Assembly passed legislation giving municipalities the ability to form stormwater utility authorities or to assign the maintenance and oversight of the systems for the purpose of managing and maintaining storm water systems to an existing authority. As part of this legislation, municipalities are permitted to assess fees to cover the costs of stormwater projects, maintenance, and public education. Since then, communities in Pennsylvania have begun to create authorities to study, implement and manage stormwater utilities. Although Townships are permitted to manage the stormwater program directly, Third Class cities and boroughs must levy these fees through a municipal authority.

IDENTIFY CHANGES TO FORM OF GOVERNMENT

Act 199 required the *Exit Plan* to address changes to the form of government that will contribute to and support objectives that lead to a more stable and resilient City organization. A resilient City is defined as a city that can survive a traumatic blow to its physical infrastructure, its economy, or its social fabric and still retain its basic functions and structure. Moving towards resiliency means having a modern, streamlined, efficient government that meets the basic needs of the residents.

HOME RULE CHARTER

Because the commission form of government is cumbersome and outdated, 19 of the Third Class Cities have become Home Rule municipalities through the Home Rule Charter process. The concept of home rule is relatively simple. The basic authority to act in municipal affairs is transferred from state law, as established by the General Assembly, to a local charter, adopted and amended by the voters. A home rule charter has been likened to a local constitution for the municipality. The home rule municipality can exercise any power or perform any function not denied by the United States or Pennsylvania constitutions, the General Assembly or its own home rule charter.[3] In other words, local governments without home rule can only act where specifically authorized by state law; home rule municipalities can act anywhere except where they are specifically limited by state law. By adopting a home rule charter, the local government can have much more control over the structure of government, the participation of citizens, and the flexibility to levy and adjust taxes to reflect local preferences. These powers are particularly important to Aliquippa because the City is at its taxing limits and has no ability to increase its revenues to support services.

[3] *City Government in PA*, an on-line publication from the PA DCED, 2017, pages 9-11
https://dced.pa.gov/download/City%20Government%20in%20Pennsylvania/?wpdmdl=70282

PLACING THE GOVERNMENT STUDY COMMISSION QUESTION ON THE BALLOT

The Home Rule Law provides two alternate methods for placing the question of having a government study commission on the ballot. The question may be initiated either by (1) an ordinance of the municipal governing body; or (2) a petition of the registered voters of the municipality. The ordinance or petition must designate the question that will be placed on the ballot in drawing up the ordinance or petition. For the City's purposes, the following question is recommended:

> *"Shall a government study commission of (seven, nine, or eleven) members be elected to study the advisability of adopting a home rule charter; and if advisable, to draft and to recommend a home rule charter?"*

3.0 CONSIDER HOME RULE CHARTER

3.1 On August 3, 2022 the City Council adopted an ordinance placing the Home Rule Charter on the ballot for the November 8, 2022 general election. Within five (5) days of the adoption of the ordinance, a copy of the signed and certified ordinance with the appropriate question was delivered to the Beaver County Board of Elections to be included for the election. The question was placed on the ballot and was approved by the voters on November 8, 2022. Unfortunately, only one (1) person submitted a petition to be elected to the Home Rule Charter Study Commission. For this reason, the question was deemed to have been rejected by the voters and cannot be resubmitted for five years from the election (November of 2027).

DEVELOP CAPITAL IMPROVEMENT PLAN PROCESS

In most local governments, it is not possible to pay for large-scale capital projects such as roads, sewers, facilities, and large equipment purchases without the development of a long-term plan. Long term capital planning is an integral part of the overall budget process but it is distinctly separate and unique from the annual operating budget and merits special emphasis and attention.

A capital improvement plan (CIP) is a special budget document that is developed and utilized by the governing body to identify specific capital projects with corresponding funding sources that are scheduled over a multiyear period. The CIP should outline the estimated cost for each project together with supporting documentation. The formal CIP document should identify supporting funds for each project through identified revenue sources such as dedicated fees, debt financing proceeds, and committed and pending grant funds. The CIP should also provide a recommended time frame for carrying out the implementation of specific projects.

The CIP process should include the Council and all relevant staff and should identify specific goals for the City. The identified projects should be funded through sources that match the useful life of the projects. This approach is in contrast to general operating budgets that are funded through annual tax levies, fees, and miscellaneous revenue. By utilizing these funding sources, the burden for residents is spread over the useful life of the project rather than assessing a large fee or tax in a single fiscal year.

Ultimately, the Council, through the CIP process, will make important decisions about what projects will be undertaken and what priorities are set in order to meet the goals identified in the CIP. There are several areas where the City should begin to develop long-term CIP processes.

4.0 DEVELOP CAPITAL IMPROVEMENT PLAN

4.1 Identify all capital projects from every department: buildings, roads, sewers, parks, vehicles, equipment, technology.

4.2 Identify funding sources.
- Capital reserve fund (transferred from GL fund excess revenue)
- Dedicated fees (e.g., sewer fees, water fees, transportation impact fees)
- Long-term general obligation bonds and notes
- Short-term notes, loans, credit lines, and lease purchase agreements
- Grants from federal, state, local, and private sources

4.3 Provide proposed CIP annually for adoption by City Council.

4.4 Incorporate Capital Projects in the annual operating budget.

ENHANCE REVENUE GENERATION

There are several revenue generating strategies that are available to the City and should be pursued in order to stabilize and sustain the revenue base of the City for the long-term.

5.1 LOCAL SERVICES TAX

In 2016, the City increased the Local Services Tax from $52 to $104 pursuant to the taxing authority provided under Act 47 which resulted in an additional $100,000. The City uses the Local Services Tax (LST) to support General Fund activities. However, upon the exit from Act 47, the City will be required to revert to the $52 that is permitted under Act 511 for all municipalities in the Commonwealth. The City stands to lose about $108,000 due to that reduction. The City Council should continue to work with local legislators to request the continuance of the use of the higher LST for public safety purposes beyond the exit from Act 47 status. (The City of Scranton has already been granted the ability to retain the higher LST for pension purposes.) This is discussed in greater detail under *Legislative Strategies.*

There are several revenue generating strategies that are available to the City and should be pursued in order to stabilize and sustain the revenue base of the City for the long-term.

5.2 STORMWATER MANAGEMENT FEES

The City system of pipes and basins show signs of the need for repair and replacement. The City has limited funding sources other than the general fund to address storm water infrastructure needs and the requirements of the mandated MS4 program. For this reason, the City should consider implementing a stormwater utility fee. Communities in Pennsylvania have begun to create authorities to study, implement and manage stormwater utilities. There are various methods used to develop fees for residential and commercial properties as well as credit systems for retaining and implementing sound stormwater management practices. *[NOTE: The City has applied to DCED for funds to undertake a storm sewer study to determine the level of fees required for the system.]*

5.3 MARKETING FIRE SERVICES

The City Administrator, Finance Director, and Fire Chief should investigate the potential form revenue generation from marketing services to nearby municipalities. There are at least three opportunities that can be implemented quickly in the Fire Department.

- *Quick Response Services* (QRS) are currently provided by the fire department. One revenue enhancement would be to work with the local EMS provider to add a QRS fee for responses to the ambulance billing. This is standard practice in many communities.

- *Commercial Fire Code Inspections*: The City could use on-duty firefighters to supplement code enforcement activities by having firefighters trained to conduct commercial fire inspections under the International Property Maintenance Code. Fees should cover basic fire department expenses for providing this service. These services could also be marketed to surrounding municipalities for a fee that covers the cost of providing the services.

- *Rental Inspections:* The City could require regular rental inspections and have PCI (the City's third party inspection company) complete the inspections and charge for the cost of inspection and an administrative fee. Fees for code enforcement and rental inspections can be benchmarked against the fees charged by the comparable communities.

COST CONTAINMENT

It is important for the City to continue to explore various cost containment strategies including limiting the number of personnel in all departments to current staffing levels. No position should be filled without a complete analysis of the value that the position brings to the organization for the long-term. The loss of a portion of the LST and the steady increase in the cost of providing quality services will ultimately deplete the City's reserves and lead to structural deficits without continual cost containment.

6.1 DEVELOP AND MONITOR THE BUDGET

Budgetary solvency is a government's ability to generate sufficient revenue over its normal fiscal year to meet its expenditures and avoid deficits. Although, the City adopts a balanced budget annually, some revenue categories have been overestimated and expense categories underestimated in the past. As a result, the City has experienced structural deficits for four (4) of the past ten (10) years because it did not meet its revenue projections or expenditure limits. Although the budget process has improved over the past years, the City must continue to budget revenues and expenditures more accurately to avoid deficits in the future.

6.2 COLLECTIVE BARGAINING

The City should continue to use competent labor counsel to negotiate collective bargaining agreements and address personnel grievances and other matters in order to continue to contain costs related to compensation, leave, and benefits. Once the City exits Act 47, there are no longer limits on collective bargaining costs so it will be important for the City to continue to contain increases.

6.3 USE OF PART-TIME POLICE OFFICERS

In 2020, an Act 111 arbitration award provided the ability for the City to utilize part-time police officers to address huge overtime expenditures. As a result, the City has the ability to schedule part-time officers to fill shifts that are vacant due to vacation, illness, or other paid or unpaid leave. The City should continue to attempt to recruit part-time officers for this purpose.

6.4 REGIONAL FIRE SERVICE

The Fire Chief continues efforts to work cooperatively with Hopewell Township and Independence Township for a regional approach to the provision of fire service. This approach may include the delivery of services to adjacent municipalities on a contract basis. The Fire Chief should also continue to recruit volunteer firefighters to supplement the Aliquippa paid fire department.

6.5 ENERGY REDUCTION

Demand for energy is predicted to soar in the coming years. The energy performance of the City's infrastructure and building fabric is a key determinant of its capacity for resilience and sustainability. Reducing the City's per capita energy consumption is critical to reducing the impact of stress on the economic base. Some cities have appointed an energy and sustainability professional to oversee these activities for the City organization and for City residents. Energy reduction is a key component of a resiliency framework. The City should take the following steps to improve its management of utility costs:

- Monitor utility usage and billing for all facilities to track trends and exceptions, including electricity, gas and water.
- Review billing to ensure that the City pays only for those charges that are properly allocable to the City. The City shall also ensure that any utility services to be paid by other parties using City facilities are billed promptly.
- Manage turn-on and turn-offs of facility meters, and ensuring that changes are enacted as requested; final meter readings are taken, where appropriate; and generally, that the City has no more services than it needs.
- Pursue lower rates through direct negotiation, aggregation of usage with other entities or a reverse energy auction. For example, the City of Pittsburgh and three municipal authorities have conducted reverse energy auctions and have successfully lowered electricity rates.
- Continue current efforts to reduce utility usage by investing in energy efficiency improvements.

[NOTE: The City has applied for DCED grant funds to undertake the design and develop a comprehensive strategy for the construction of a zero- energy municipal complex to replace the current facilities.]

6.6 PARTICIPATION IN BEAVER COUNTY COG

One method to reduce costs and generate revenue is to engage with other communities to provide multi-community services. The City Administrator and Council should open discussions and negotiations with the surrounding officials working through the Beaver County Council of Governments relative to a potential sharing or contracting for public services.

FOCUS ON ECONOMIC DEVELOPMENT OPPORTUNITIES FOR GROWING THE TAX BASE

Communities that are financially distressed must first work to address budget solvency and cash flow solvency issues. Once financial stability is addressed, it is important to begin to focus on economic development opportunities to provide long-term solvency by strengthening the tax base. During the first two years under the Sixth Amended Plan, the City worked on achieving financial stability and has been relatively successful in establishing a conservative budget that supports the City operation. During the third and fourth year under the Sixth Amended Recovery Plan, the City began to focus on creating a more stable, strong, and resilient tax base through creating and advancing economic development opportunities.

THE ALIQUIPPA ECONOMIC DEVELOPMENT CORPORATION AND THE NPP

In 2016, the City Council created and supported a new economic development agency for the City, the Aliquippa Economic Development Corporation (AEDC). The newly created AEDC required professional contracted services to carry out community and economic development initiatives that were set forth in the Recovery Plan. In early 2017, the City applied for Act 47 funds to engage the Beaver County Corporation for Economic Development (BCCED) to act as the AEDC's executive director and staff. The AEDC continued to provide these services as part of the administration of the NPP funds through 2022. The AEDC hired an Executive Director in mid-2022 to replace the AEDC.

The AEDC, through collaboration with the City Council, the Beaver County Corporation for Economic Development (CED), County of Beaver (County), Housing Authority of Beaver County and community organizations and with funding support from BNY Mellon developed an NPP plan. By deriving benefits from the Neighborhood Partnership Program (NPP), the AEDC addresses the community, economic, and social challenges that have contributed to the City's distressed status for thirty years. The City also received Keystone Community funds in the amount of $365,000 to provide for the demolition of commercial buildings at the Franklin Avenue East End redevelopment site. The NPP was a six-year program supported by funds from BNY-Mellon in the amount of $500,000 per year for six (6) years. In return, BNY Mellon received $400,000 in annual tax credits through 2023. The AEDC will need to identify a new funding source beginning 2024 and develop a new 6-year program.

REDEVELOPMENT SITES

Community development and the redevelopment of properties in the City must be a high priority strategy because these activities will reduce blight, increase property values, leverage private investment, increase tax revenues, and spur future development. A focused strategy will ensure the long-term sustainability of the City. This is especially important timing for the City given the nearby construction of the Shell Industries ethane cracker plant in Beaver County and the ability of the City to enjoy whatever benefits can be derived from this economic development. In April of 2020, the City received $160,000 in Act 47 funds to contract with a development specialist.

7.1 FOCUS ON "THE BRICKS" SITE

The City's primary residential development site is the "bricks" site. This 4.8 acre, 36 parcel residential site (near the intersection of Temple Street and Carroll Street) was a previously constructed 80+ multi-family unit neighborhood. The blighted structures were demolished over the years but the land remained vacant. The site is located within a short drive (15 miles) to one of the largest economic development projects in the Commonwealth: the Shell Industries ethane cracker.

In 2020, a Phase I environmental assessment was completed for the site. A dedicated website and comprehensive story map were developed and the City issued an invitation for developer proposals during the month of September 2021. In July of 2021, the City was awarded $150,000 in funds through the Keystone Communities Program to clear the site of overgrowth and debris in preparation for site development.

In 2022, October Development responded to an RFP with a proposal to develop market priced homes at the "bricks" site. The City worked with Beaver County to transfer some of the parcels to the AEDC so that they could enter into an option agreement with October Development for the construction of six (6) homes with options to continue the development after the sale of these homes. In 2023, the City was awarded a Redevelopment Assistance Capital Program grant in the amount of $1.5 million for the project. The properties have been transferred to the AEDC and the sales agreement should be signed as soon as possible.

7.2 FOCUS ON EAST END REDEVELOPMENT SITE

This commercial site (near the intersection of Franklin Avenue and the Route 51 interchange ramps) is a group of 62 assembled contiguous parcels that total 3.8 acres owned and controlled by the City of Aliquippa and the Beaver County Redevelopment Authority. Two remaining commercial structures were recently demolished through the use of DCED Keystone Communities grant funds. This site is located immediately adjacent to vehicular ramps that provide access and egress to Route 51, a major highway corridor along the Ohio River. The site is also within 200 yards of the Aliquippa Industrial Park containing 22 active warehousing, light manufacturing, and wholesale operations. Given the site location, the end use is likely to be commercial and/or light industrial.

In 2021-2022, the City was awarded a DCED Industrial Site Reuse Program grant and an EPA Brownfields grant to conduct Phase 1 and Phase 2 environmental assessment and remediation of the site. In 2023, the City issued an RFP to developers for redevelopment of the site for commercial/light industrial purposes. To date, there has been no interest from developers for this site.

7.4 IMPLEMENT BLIGHT STRATEGY PLAN

In 2020, the City was awarded a grant through the PA Housing Alliance to develop a Blight Strategy Plan that was funded by DCED. The Blight Strategy was based on the publication from *Blight to Bright* and the process that is outlined in the publication, *We Can Do This: A Five-Step, Fast Track Blight Plan* published by the Housing Alliance of Pennsylvania. The City officials, AEDC staff, Blight Committee, and City staff should continue to work with the PA Housing Alliance to implement the Blight Strategy Plan.

7.5 457-465-475 FRANKLIN AVENUE DEVELOPMENT SITE

In 2020, the City used DCED Keystone Communities Funds to demolish 3 additional commercial buildings that had been condemned by the City code enforcement department at 457, 465, and 475 Franklin Avenue – collectively referred to as the "Shiflet" buildings. The demolition of these structures effectively cleared prime commercial property making up an entire City block that can be marketed for desired commercial redevelopment in the pedestrian oriented central business district.

The City and the AEDC, who share ownership and site control of the parcels, continue to market this prime commercial site for high quality redevelopment in the central business district. In the meantime, the City has signed a lease with the US Post Office to lease the lots for parking purposes.

7.6 PENNDOT TRANSPORTATION PROJECT – ROUTE 51 INTERCHANGE RAMPS

The District 10 PENNDOT and the Beaver County Corporation for Economic Development continue to work with the City to undertake an alternative analysis project to begin the reconfiguration of the ramps that lead from Route 51 to the Franklin Avenue East End Development site. This is one of the most important economic development projects in the City. It will provide the necessary access and traffic control for commercial development at the East End site. The state has committed $7 million to this project.

7.7 AMERICAN RESCUE PROGRAM ACT FUNDS

In 2021, as a result of the COVID-19 pandemic, the City was awarded $925,000 in grant funds (to be awarded in 2 tranches in 2021 and 2022) and Beaver County awarded the City another $2.5 million in ARPA funds for facility and infrastructure projects. The City will most likely exhaust the City ARPA funds to reimburse the lost revenue from the pandemic years.

7.8 MULTI-MODAL INFRASTRUCTURE FUNDING

In 2021, the City was awarded approximately $500,000 through the DCED Commonwealth Financing Authority for the reconstruction of 5th Avenue. This will be matched with additional ARPA funds from Beaver County to complete the entire project.

LEGISLATIVE STRATEGY

There are two legislative initiatives that should be pursued by the City to address the ability to derive sufficient revenue to support the provision of basic City services after an Exit from Act 47.

LOCAL SERVICES TAX (LST)– RETAIN HIGHER RATE

Act 199 of 2014 which amended Act 47 provided relief for financially distressed municipalities in the form of special taxing authority relative to the LST. In 2016, the City used this authority to raise the LST from $52 to $104 per year. With the increase, the tax generates approximately $200,000 annually. The higher LST does not survive an exit from Act 47 and the City stands to suffer a loss of $108,000 at the exit date. There is no way for the City to make up this shortfall because the City is at its taxing limits in all categories.

8.1 CONTINUE TO WORK WITH LOCAL LEGISLATORS TO INTRODUCE AN AMENDMENT TO ACT 47

Legislative action is needed to amend Act 47 §123(d)(1) by including new language that states:

> *"After approval by the court of the local services tax, the municipality may levy the tax in any subsequent year without additional court approval,* ***including any year after the termination of the municipality's distressed status,*** *at a rate not to exceed that initially approved by the court. The proceeds from the special local services tax rate shall be used solely to defray the costs that are directly related to the public safety of the municipality."*

COUNTYWIDE REASSESSMENT

The City has long suffered from outdated, inaccurate, and inconsistent Beaver County property assessments. In fact, the City's total established assessed value is less in 2023 than it was in 2013 more than a decade ago. This forced the City to constantly raise its real estate millage rate so that the City is now at its taxing maximum which is 30 mills for a Third Class City.

8.2 MONITOR THE COUNTY-WIDE REASSESSMENT

The last countywide reassessment performed by Beaver County was in 1982. In *Betters, et. al. v. Beaver County*, the Commonwealth Court affirmed the trial court's determination that Beaver County's base-year method of property valuation violated the Uniformity Clause of Article VIII, Section 1 of the PA Constitution and the Court mandated a countywide reassessment of all property. The Beaver County Commissioners filed a Petition of Allowance for Appeal to the Pennsylvania Supreme Court on January 16, 2019.

Beaver County lost its appeal and was ordered by the Court to undertake and implement a countywide reassessment which will be completed in 2023 and take effect in 2024. Based on preliminary estimates, the City may be able to lower its millage rate from 30 mills to 6.25 mills in 2024. In the year after a reassessment a municipality may not collect more than 10% more real estate tax revenue than in the previous year.

RECOMMENDATION FOR RESCISSION OF DISTRESS DETERMINATION

The Coordinator has reviewed the statutory factors and considered all available information to make a determination of whether to request a rescission of the original order that declared the City a distressed municipality under Act 47. Upon reviewing the initial criterion that were present at the time that the City was declared distressed under the Municipalities Financial Recovery Act, all criterion have been addressed and are no longer present.

Criterion 6	The municipality, for a period of at least 30 days beyond the due date, has failed to forward taxes withheld on the income of employees or has failed to transfer employer or employee contributions for Social Security.
Criterion 8	The municipality has failed to make the budgeted payment of its minimum municipal obligation as required by section 302, 303, or 602 of Act 205 of 1984 known as the Municipal Pension Plan Funding Standard and Recovery Act, with respect to a pension fund during the fiscal year for which the payment was budgeted and has failed to take action within that time period to make required payments.

CRITERION NO. 6 – PAYMENT OF PAYROLL WITHHOLDING TAXES

The City has met all payroll requirements and remitted all of the employee and employer state and federal withholding payroll tax payments for the past five (5) years.

CRITERION NO. 8 – MINIMUM MUNICIPAL OBLIGATION TO PENSION FUNDS

The City of Aliquippa has made and exceeded the payment of the Minimum Municipal Obligation to all pension funds for the past decade and will continue to be able to make these payments due to the Act 205 EIT special pension levy which provides enough funds for all payments to be made in a timely manner.

CONCLUSION

The City meets the four (4) factors set forth in Section 255.1(c) as discussed previously in this report and meets the viability criteria established for municipalities for generally accepted financial management:

- Cash Solvency – The City consistently on a 30-60 day basis generates sufficient cash to pay its bills and obligations.
- Budgetary Solvency – The City generates sufficient revenue over a twelve-month fiscal year to meet its current expenditure responsibilities and to avoid future deficits.
- Long-Term Solvency – The City over the long-term can pay all of its current expenses as well as provide funding for future expenses incurred today but payable in the future including debt service.
- Service Delivery Solvency – The City is able to provide basic services at levels adequate to meet the health, safety and welfare needs of its residents.

At this time, it is the Coordinator's reasoned opinion that the City of Aliquippa, Beaver County, is able to meet all of its financial obligations currently and also as they come due over the next three years. It is the Coordinator's further opinion that the City presently has the resources and capacity to provide full services for its residents at a level that meets the health, safety, and welfare needs of its residents.

Therefore, based on our review and for the reasons cited above, it is the recommendation of the Coordinator that the Secretary of the Department of Community and Economic Development should issue a determination to rescind the order declaring the City of Aliquippa a distressed municipality as defined by Act 47, the Municipalities Financial Recovery Act as amended, no later than December 30, 2023 as set forth in the 2021 Amended Exit Plan.

CITY OF ALIQUIPPA
NOTICE OF FILING AND PUBLIC MEETING

TO ALL RESIDENTS AND TAXPAYERS OF THE CITY OF ALIQUIPPA, BEAVER COUNTY, COMMONWEALTH OF PA and all interested parties:

A report to the Secretary of the Department of Community and Economic Development for the **Recommendation to Rescind the Financial Distress Determination Order** for the City of Aliquippa has been prepared by the City's Act 47 Recovery Coordinator and will be filed with the City of Aliquippa pursuant to the Municipalities Financial Recovery Act, Act 47, as amended, Section 255, and is available for public inspection beginning on **Thursday, August 31, 2023** at the Aliquippa City Hall at 581 Franklin Avenue, Aliquippa PA 15001 Written comments can be filed with the Recovery Coordinator until **September 13, 2023** at:

Grass Root Solutions
Attn: Deborah J. Grass
1506 Greenmount Avenue
Pittsburgh, PA 15216
dgrass1506@hotmail.com

The report includes:
Factor's That Support the Rescission
Future Financial Projections
Progress Under the Exit Plan
Recommendation for Rescission of the Distress Determination

The Recovery Coordinator will conduct a public meeting on **Wednesday, August 30, 2023 at 6:30pm at the Aliquippa City Building, 581 Franklin Avenue, Aliquippa PA 15001** to receive public comments.

DEBORAH GRASS
GRASS ROOT SOLUTIONS
ACT 47 RECOVERY COORDINATOR
CITY OF ALIQUIPPA, PA