

Robert G. Fiscus
City Manager
rfiscus@cityofsharon.net
www.cityofsharon.net



155 W. Connelly Blvd.
Sharon, PA 16146
Phone: (724) 983-3220
Fax: (724) 983-3225

October 26, 2021

City Council
City of Sharon
155 West Connelly Blvd.
Sharon, PA 16146

Dear Members of Council:

Attached is the proposed general operating budget for 2022. Following this submission to Council, as required by the City Charter, the budget will be posted for the public on the City's website. Budget hearings have been scheduled for November 17th, 2021, at 7:00 PM, and December 1st, 2021, at 6:30 PM.

The 2022 operating budget totals \$9,543,128 in expenditures. Although the 2022 budget increases by \$548,915 from the previous year, we propose no tax increase for the 12th consecutive year. The budget contains wage increases for all employees (2%-3%). The total cost of wage increases next year for all three bargaining units and non-union employees of \$243,000 is due to the addition of personnel in Code Enforcement and Public Works, increases in part-time wages, and above-mentioned cost of living increases.

Additional revenue to support the proposed budget is generated through: increases in earned income taxes, rental inspections, Sharon Sanitary Authority demolition reimbursements, American Rescue Plan funds, and money transferred from the Sick Time Buyback account. The \$111,000 from American Rescue Plan program covers the cost of increasing the minimum wage for essential employees and funding a previously laid-off code officer position. The Sick Time Buyback account created in 2019 with the foresight to plan for future retirement obligations; \$200,000 will be drawn down as necessary in 2022 to support the eight (8) projected retirements.

For 2022, the city has budgeted and will pay a total of \$622,801 in debt service, consisting of \$510,348 and \$112,453 in principal and interest payments, respectively. The funds will be supporting the \$3,780,028 in the Capital Budget, including but not limited to: Neighborhood Revitalization Project Phase 3 and 4, and Streetscape Irvine Route 62 Project, Downtown Sharon Riverfront Urban Park Project, as well as small capital purchases in 2022.

In 2022 the city will aggressively attack blight through the addition of a full-time code officer, separating the code and public work director duties, and the continued aggressive demolition of blighted and abandoned buildings. Demolition will be augmented through a \$150,000 Blight Remediation Grant, \$100,000 contributed annually from Community Development Block Grant, and anticipated funds contributed by the Sharon Sanitary Authority.

The effects of the American Rescue Plans funds awarded to the city has minimal impact on the 2022 operating budget, \$110,000 or about 1 percent. The allocation of the rescue funds will be discussed

publicly and approved by City Council separate from the operating budget. The city remains committed to allocating these funds in manners best determined to positively impact our neighborhoods and businesses, and most importantly, in the ways which will best position the City of Sharon for economic growth and sustainability. The American Rescue Plan has the potential to have the greatest impact on our city since the adoption of the Home Rule Charter.

The city's improving financial position allows the opportunity to provide increased services, although necessary, were previously impossible to fund. The budget was prepared by carefully and conservatively reviewing historical data in projecting revenue and in analyzing the realistic cost of providing all necessary services. We are committed to serving Sharon residents and businesses in a manner that is affordable and valued, ensuring that the City of Sharon continues to be a great place to live, work, and grow. I look forward to discussing the budget and working with members of City Council through its eventual adoption.

Sincerely yours,



Robert G. Fiscus, MPA, EFO, ICMA-CM
City Manager