



# *2012 Budget Review*

## *CITY COUNCIL*

### **MINUTES**

#### **Monday, October 31, 2011**

#### **COUNCIL MEMBERS PRESENT:**

S. Marmarou, M. Goodman-Hinnershitz (by conference call), F. Acosta, D. Sterner, V. Spencer, D. Reed, J. Waltman

#### **OTHERS PRESENT:**

L. Kelleher, C. Younger, C. Geffken, C. Zale, D. Cituk, C. Jones, F. Denbowski

Mr. Acosta called the Budget Review Meeting to order at 6:58 pm. He stated that the purpose of this meeting is to review and approve or reject the expenditure revisions suggested by the Managing Director and Auditor, as per the request of PFM at the Saturday, October 29<sup>th</sup> meeting.

#### **I. Budget Revisions**

Council reviewed the suggested revisions submitted by Mr. Geffken. Mr. Geffken stated that this lists combines the Auditor's suggested revisions accepted by the Administration and some additions suggested by the Administration:

- | <b>• Auditor's revision suggestions</b>                                                                                      | <b>Total \$179,770</b> |
|------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 1. Mayor's office: Printing from \$1,200 to \$750                                                                            |                        |
| 2. Council: Community Promotion from \$2,500 to \$2,000                                                                      |                        |
| 3. Council: Miscellaneous from \$2,500 to \$500                                                                              |                        |
| 4. Admin Services: Dues from \$0 to \$650                                                                                    |                        |
| 5. Public Works – Garage: Vehicle Supplies from \$20,000 to \$17,500                                                         |                        |
| 6. Public Works – Garage: Gasoline from \$600,000 to \$575,000                                                               |                        |
| 7. Public Works – Garage: Tires and Tubes from \$40,500 to \$35,500                                                          |                        |
| 8. Public Works – Garage: Uniforms from \$4,000 to \$3,000                                                                   |                        |
| 9. Public Works – Garage: General Plant Supplies from \$3,000 to \$2,000                                                     |                        |
| 10. Public Works – Garage: Repair Damaged Property from \$24,000 to \$20,000 (half of the proposed cut)                      |                        |
| 11. Public Works – Traffic Engineering: Maintenance and Repair of Traffic Signals:<br>From \$42,000 to \$35,000 (70% of cut) |                        |
| 12. Public Works – Streets: General Plant Supplies from \$30,000 to \$25,000                                                 |                        |

13. Police Criminal Investigation: General Plant Supplies from \$56,500 to 43,000 (50% of cut)
14. Police Special Services: Civilian Overtime from \$155,000
15. to \$240,000
16. Police Special Services: General Plant Supplies from \$179,057 to \$150,000
17. Police Special Services: Conferences and Training from \$36,750 to \$30,000
18. Police Patrol: General Plant Supplies from \$41,900 to \$35,000
19. Police Patrol: Maintenance and Repair of Equipment from \$11,500 to \$7,500 (40% of cut)
20. Police Patrol: Vehicles from \$326,950 to \$300,000
21. Police Administration: Conferences and Training from \$4,700 to \$3,200
22. Fire Administration: General Plant Supplies from \$13,750 to \$8,750 (45% of cut)
23. Fire Prevention and Education: Subscriptions from \$1,650 to \$1,000
24. Fire Suppression: Maintenance and Repair of Equipment from \$65,000 to \$50,000
25. Fire Suppression: Overtime from \$375,000 to \$460,000
26. Fire Suppression: Vehicles from \$82,000 to \$0 (not on Dave's sheet but added by Administration)
27. Fire EMS: Minor Capital Equipment from \$65,700 to \$60,000
28. Community Development – Property Maintenance Division: General Plant Supplies from \$25,000 to \$15,000 (33% of cut)
29. Community Development – Property Maintenance Division: Vehicles from \$50,000 to \$0 (not on Dave's sheet but added by Admin)
30. Community Development – Buildings and Trades: General Plant Supplies from \$18,020 to \$12,000 (36% of cut)
31. Community Development – Buildings and Trades: Vehicles from \$18,000 to \$0 (not on Dave's sheet but added in by Admin)
32. Human Resources: Contingency from \$500 to \$0
33. Mailroom: Maintenance and Repair of Equipment from \$6,000 to \$5,000 (40% of the cut)
34. Citizen Services Center: Telephone from \$12,000 to \$21,000
35. Non-Departmental: Unemployment Compensation from \$300,000 to \$275,000
36. Non-Departmental: PA League of Cities from \$0 to \$32,000
37. Charter Board from \$60,000 to \$50,000

• **Managing Directors suggested revisions:**

<del>1. Mayor's Office</del>	
Chief of Staff	\$ 63,000
Fringe Benefits	\$ 15,107
SSI	\$ 4,820

Ms. Kelleher explained that the position change in the Mayor's Office is depicted as a cross out because the Managing Director suggested eliminating the position but the Mayor denied the request.

Ms. Reed suggested reevaluating the two (2) support positions in the Mayor's Office. She suggested relocating the Mayor's secretary to another department and having the Chief of

Staff pick up those duties. She questioned the need for one (1) elected official to have two (2) full-time staff members.

Mr. Denbowski explained that both positions are needed to assist the Mayor on various City issues. He stated that he regularly attend a city-wide neighborhood meetings and addresses constituent issues. Mr. Denbowski stated that the salary listed in the budget is an incorrect figure. He stated that the Chief of Staff salary is set to be comparable to the City Clerk.

Mr. Geffken stated that the Chief of Staff provides the Managing Director with assistance from time to time.

Mr. Marmarou agreed with the need to retain this position.

Ms. Goodman-Hinnershitz suggested that Council and the Administration take this opportunity to evaluate various positions and how they fit into the governmental structure. She stated that the structure today is very different from that of 15 years ago.

Mr. Acosta suggested leaving this position in the budget and discussing the position with the newly elected Mayor before he takes office.

2. Public Works  
Parks

Temp Wages (Mowing)	\$ 45,000
SSI	\$ 3,443

There was discussion on the elimination of the temporary wages, as these temporary employees assist with the mowing and trimming in the City's parks, playgrounds and fields. Restoring this manpower to a mid point was discussed.

Ms. Goodman-Hinnershitz reminded everyone of the Rec Commission agreement that requires the City to maintain and care for parks, playgrounds and fields.

After receiving permission to comment from Mr. Acosta, Mr. Schorn noted the need to retain these temporary positions, as the Public Works Department employs only six (6) people to mow 600 acres of parks, playgrounds and fields. He also noted that using the Summer Youth workers creates a delay in the care of these public spaces, as the Youth program does not begin until late June annually.

Mr. Spencer and Mr. Sterner noted the need for the City to improve its care of these public spaces, as the City issues QoL tickets who residents to violate the high grass and weeds regulation.

Council requested that this line item be restored.

3. Public Property

Remove Foreman	\$ 50,000
Fringe Benefits	\$ 15,107
SSI	\$ 3,825

Mr. Geffken stated that the person in this position retired a year ago and the position was not filled. Council agreed to eliminate this position.

4. Fire Department  
Suppression

Scuba	\$ 6,745
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Ms. Kelleher and Mr. Geffken recalled that Chief Kulp explained that the City provides this service to the City and surrounding municipalities and in exchange additional services are provided to the City in a quid pro quo manner.

Council requested the restoration of this line item.

Training

Lt Position	\$ 59,781
Fringe Benefits	\$ 15,107
Holiday, Uniform, etc	\$ 11,727
Training	\$ 30,000
Vehicle	\$ 11,250

Mr. Geffken stated that this position will assist with the Pre-Settlement Inspections and perform additional commercial property inspections for the Fire Marshal. Ms. Kelleher noted that the Pre-settlement inspection is a component in the Certificate of Transfer Ordinance. This position is believed to be cost neutral.

Mr. Waltman and Ms. Reed expressed the belief that eliminating this position is self-defeating.

The majority of Council requested that this position remain in the budget.

5. Community Development  
Property Maintenance

Pre-settlement & Insp	\$362,824
Fringe Benefits	\$135,963
SSI	\$ 27,756
Vehicles	\$ 35,000

Mr. Geffken stated that this line item provides nine (9) new employees to perform the Pre-settlement Inspections associated with the Certificate of Transfer Ordinance and provide capacity to successfully implement the more rigorous inspection of rental properties as per the Act 47 Recovery Plan and the Housing Strategy.

Mr. Acosta reminded everyone that on Saturday PFM demanded \$500K to \$1M in additional expenditure reductions.

Mr. Waltman and Ms. Reed noted the need to focus on the City's housing and noted the priority rating housing received in the Core Service rankings. They stressed the need for the improvement in the City's housing stock.

The group discussed retaining these positions along with the Lieutenant under the Fire Marshal to achieve the initiatives listed in the Recovery Plan.

A slim majority of Council recommended eliminating these positions.

6. Zoning

Additional Zoning Ofcr	\$ 51,396
Fringe Benefits	\$ 15,107
SSI	\$ 3,932

7. Trades

Additional Clerk	\$ 30,000
Fringe Benefits	\$ 15,107
SSI	\$ 2,295

Mr. Waltman noted that the Recovery Plan is driving many of these needs and their associated expenditures. Mr. Geffken stated that the retention of the Commuter EIT rate will yield approximately \$3M; however, a reduction to 1.1% would only yield \$1.1M.

The group discussed the meeting with PFM on Saturday, October 29<sup>th</sup>.

Mr. Waltman made the point that it is better to place these costs in the budget, as they are Act 47 Recovery Plan driven and use these Plan driven expenses to point to the need to retain the current commuter rate for one (1) additional year. He also noted that this additional money will support 5-10 new police officers and a contribution to the Library.

Mr. Acosta and Mr. Geffken suggested eliminating all recommended positions prior to requesting the retention of the current commuter EIT rate with the Berks County Court of Common Pleas and then reinstating the positions after the request is approved by the Court of Common Pleas. Mr. Geffken stated that approving all suggested cuts would yield a savings of \$939,638.

Mr. Geffken stated that he will send PFM the recommendations tomorrow. A Wednesday Budget meeting is planned to review PFM's remarks.

The meeting adjourned at approximately 9 pm.

Respectfully Submitted  
*Linda A. Kelleher, CMC, City Clerk*

## Budget Follow-up

1. Expenditures broken out by category (10-12) **Done – distributed at prior budget meeting**
2. Schedule Revenue Review Session (10-12)
3. Provide property owners with impact information (10-12) **Can be done via water bills in December or via an ad in the Eagle. Rate needs to be finalized first.**
4. Seek retention of the current EIT rates for residents and commuters, assigned to Mr. McMahon (10-15) **Contacted PFM to arrange meeting. PFM is busy in Harrisburg. They will contact next week.**
5. Use of Community Promotions and Travel Expense line items – Mayor and Council Budget (10-17)
6. Number of City issued cell phones and the list of employees who carry them (10-17) **In process, will provide at a future meeting.**
7. CSC Budget – reduce telephone expense by \$4,000 (10-17) **Agreed as put forth by Cindy Weidel.**
8. Review personnel additions to Fire Dept (10-19) **Complete**
9. CDBG Action Plan – increase Codes funding by \$575K and move Emergency Demo to Gen Fund (10-19)
10. Inquire about how the Library will handle the impact re the loss of the City's \$175K contribution. (10-19) **Complete**
11. Names and positions of all non-uniformed new hires and positions in 2010 and 2011. (10-19)
12. Amount of funding for Ricktown shade trees (10-19)
13. Review Police Longevity re the number of new officers (10-22)
14. Review Police Special Services Temporary Wages, Maintenance Repair Equipment and Contracted Services (10-22)
15. Review Police OT re reduction due to beginning of Affiant program beginning in 10 days (10-22) **Complete**
16. Library Tax of .02% (10-26)

## OTHER FOLLOW-UP

1. Ask Berks Catholic to maintain Yarnell park (10-12) **To be assigned to Charlie Jones.**
2. Identify Youth groups and other organizations to adopt parks and playgrounds (10-12) **Chuck has contract for community groups to maintain parks. I will ask him to distribute to Council.**
3. End to end discussion on housing area (10-15) **Agreed but let's get some successes under our belt to prove that we can plan and that we can succeed. None of us want to repeat 2007**
4. Educational flyer on Building and Trades Permits (10-15) **Ad for One Stop was placed in the paper to educate the public.**
5. Increase the penalties for illegal conversions and unpermitted projects. (10-15)

6. Schedule meeting with PFM to correct the breaks in the Recovery Plan, assigned to Mr. Geffken (10-15) **See 4. Above.**
7. Compare Job description and Responsibilities of the Diversity Officer (10-17) **In process.**
8. Consolidation of offices into the Customer Service Center (10-17) **Review of consolidation plan from last year's budget. Cindy and I will explain when requested.**
9. Renegotiate Maintenance Contracts, compare to maintenance agreements for last 3 years, compare original cost to current cost (10-17) **All maintenance contracts are negotiated with the vendor if it is sole source, i.e. Visionaire, or are the result of a competitive procurement, i.e. copiers. We will compile the list of vendors paid under the Maintenance Agreement budget line.**
10. Schedule meeting with Attorney David MacMain re need to continue the Police Diversity Board and the Diversity Officer. **First round of Alta bilingual test enabled 4 Latino applicants to move higher on the eligibility list and get hired. Second round of Alta bilingual test scheduled for Feb. Atty MacMain believes we need two successful rounds of testing before we can request the change from the Judge.**
11. Review financial benefits to tree harvesting program, assigned to the PW Committee (10-19)
12. Review issuance and use of City Cell Phones - consider amending policy (10-29)
13. Consider reinstatement of residency requirement for new hires and management employees. (10-29)
14. Discussion with the newly elected Mayor re staffing levels in the Mayor's Office (10-31)