

Budget Review Meeting
Monday, November 3, 2014
Penn Room

Attending: J. Waltman, F. Acosta, D. Sterner, S. Marmarou, D. Reed, M. Goodman-Hinnershitz, C. Daubert, C. Snyder, L. Kelleher, C. Younger, D. Pottiger, C. Zale, D. Cituk, M. Bembenick, C. Younger, C. Edwards

Mr. Waltman and Mr. Acosta called the meeting to order at approximately 5:45 pm. Mr. Waltman stated that the purpose of the meeting is to discuss the new draft of the Recovery Plan and its impacts on the 2015 budget and to define budget modifications.

2015 CDBG Action Plan

Ms. Edwards explained that Mr. Agudo was called away due to an emergency and that she would be making the presentation on his behalf. She explained the annual application and review process along with the three components of the HUD funded plan that covers ESG (homeless providers), HOME (low income housing) and CDBG.

Ms. Edwards explained that changes in HUD regulations required HOME funds for rehabilitation projects must include a defined property address before the funding is committed. She noted that housing partners define the exact addresses after funding is approved and before funding is actually dispersed.

Mr. Acosta noted the need for HOME funds to produce results. He questioned the results gained to date. He noted the need to spend HUD tax dollars wisely and responsibly.

Councilor Goodman-Hinnershitz questioned the criteria and process used to evaluate and approve the applications. She also agreed with the need to improve the use of HOME funding and noted the difficulties she has had with obtaining resolution to various blighted properties in District 2. She also suggested that the City have seats on the housing partner's boards.

Councilor Waltman questioned spending money without vision and without a defined plan.

Mr. Marmarou agreed with the need for Council to have representation on the housing partner's boards, as that would help the City understand the activities of each partner.

Ms. Edwards reminded Council that the City also applied for and received Stimulus funding to help address property rehabilitation in 2010.

Mr. Marmarou questioned the number of properties rehabbed for owner occupancy that remain owner occupied. Mr. Spencer expressed the belief that the majority of those properties remain owner occupied.

Ms. Edwards explained that the three HUD funding areas have caps as follows:

- Administration 20%
- Blight 30%
- Public Service 15%

Ms. Edwards explained that the Commercial Façade funding is focused on specific downtown properties. She stated that the the CD Department is currently considering reducing the 50% required match to provide an incentive.

Ms. Edwards stated that the funding recommended for Historic Preservation is also focused on specific properties in the downtown. Program funds can be used for both interior and exterior improvements.

Ms. Goodman-Hinnershitz noted that Skyline View apartments are listed on both the CDBG and HOME pages. Ms. Edwards stated that they applied twice but they did not qualify for HOME funds.

Ms. Edwards stated that BCTV does not qualify for HUD funding. She stated that funding for BCTV was one of HUDs findings during the last audit. The group discussed funding for BCTV in the CDBG Action Plan and in the General Fund Budget.

Ms. Goodman-Hinnershitz stated that it is difficult to prioritize the various funding sources within the Action Plan and she noted the need to understand and make non-political decisions that relate to the merit of the plan.

Mr. Acosta noted the need to refine the use of HUD tax dollars as directed by the Act 47 Recovery Plan.

Ms. Snyder stated that the CDBG process begins with the application process in the spring of each year followed by a review of the applications against the City's goals such as the Main Street initiative, demolition, etc.

Budget Modifications

Mr. Waltman suggested working through the Additional Spend list prepared by Mr. Bembenick and the list prepared by PFM regarding the budget modifications related to the

amended Recovery Plan. Mr. Waltman stated that a merger meeting with PFM will allow the amended Recovery Plan to match the budget.

Mr. Bembenick distributed the Additional Spend list along with the Recovery Plan list. He stated that PFM suggests cuts valued at \$2.63M.

Mr. Cituk stated that he will have his recommendations ready for review at the Wednesday, November 5th budget meeting.

- City Clerk Increase

Mr. Acosta explained that he included this amendment because Council has been increasing the salaries of department directors when they are newly hired by approximately \$10,000. He stated that the City Clerk has been with the City for 18 years and the majority of those years salary freezes have been in effect. He noted the need to be fair when raising other salaries. He stated that he wants to provide an increase even if that involves a negotiation.

Several Councilors agreed with the need for the salary adjustment, noting that the position is currently underpaid but they questioned spending additional funds at this time.

Mr. Acosta proposed reducing the amount by half.

- Public Works Project Manager

Mr. Acosta stated that this new position would assist the Public Works Director in handling the many tasks and projects that are currently handled by Mr. Ruyak and Mr. Johnson alone. He noted that before staff reductions Public Works had three (3) division managers.

Council stated that they supported the addition of a Project Manager for Public Works.

- 2nd Shift Highway Employee

Mr. Bembenick stated that he would prefer to provide additional overtime and avoid creating this position at this time.

Mr. Daubert recalled that this employee would be assigned specific 2nd shift tasks. Ms. Kelleher agreed noting that Mr. Johnson stated that this employee would also work jointly with the Sanitary Sewer 2nd shift.

- Police Patrol and K9 Vehicles

Mr. Bembenick suggested holding off on the vehicle replacements for police until 2016. He expressed the belief that these vehicles are relatively new when compared to the fire vehicles. He recalled that the vehicles were purchased between 2007 and 2009.

Ms. Reed suggested seeking donations to purchase new vehicles or to sell the naming rights to reduce the costs. She noted that many municipalities are currently selling naming rights to buildings, benches, vehicles, etc. She suggested adding this to the Finance agenda after budget review is completed.

- Police OT and Fuel Increases

Council decided to speak with the Chief of Police further about these requests.

- Fire Ladder Truck

Mr. Waltman recalled that a new truck will replace the 1997 model. He stated that the Fire Chief is applying for a grant.

There was discussion about the need to retain the \$500K slated for the CPAAM museum as it has been allocated and unused since 2007.

Mr. Acosta asked Mr. Younger to research this issue to identify if these are matching funds and the purpose of the funding.

Chief Stoudt stated that the grant could fund a portion of the new truck or the entire cost of the new truck. He stated that the grant period just opened and funding would be provided at some point next year. He stated that the truck will not be delivered until 2016.

Mr. Waltman suggested using \$250K of capital money in 2015 and 2016 to cover this cost.

- Fire Vehicles for Fire Suppression and Prevention

Mr. Bembenick stated that these vehicles were purchased in 1997. Chief Stoudt stated that the vehicles didn't pass inspection and they should be replaced.

- Fire Overtime Increase

After discussion the group decided to increase this line item to the amount requested.

- CD Additional Demolition

After discussion the group decided to add \$100K to this line item.

- CD CRIZ

After discussion the group decided not to fund this initiative.

- Court Street Bridge

The group decided to speak with the Public Works Director further about this request.

- Law Increase in Contracted Services

After discussion the group decided not to provide additional funding.

- BCTV

The group again discussed funding for BCTV in the General Fund as it was eliminated from the CDBG Action Plan. The additional amount would bring their funding up to \$70K.

Ms. Reed expressed the belief that as BCTV operates as a news organization and that they should not be funded by the City.

- .2 mils dedicated to the Library

After discussion the group decided to dedicate an .2 mils of the property tax revenue to the Library, which is equal to approximately \$250K. The amount will be added to the \$100K allocation to the Library listed in the draft 2015 budget.

Mr. Bembenick stated that he recently agreed to out-source BPT collection.

Mr. Waltman stated that at Wednesday's meeting the group will complete the review of the expenditure additions and review revenues. There are approximately \$1.1M considered this evening; however, \$250-500K is capital not general fund money.

Mr. Bembenick noted the need to also adjust the budget to match the list of items covered in the amended Recovery Plan. Mr. Waltman stated that these items will be reviewed and discussed further with PFM if Council does not agree with the recommendations.

The meeting was adjourned at approximately 7:40 pm.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk