

**Meeting Minutes
State College Borough Council
Work Session
December 14, 2005**

The State College Borough Council met in a work session on Wednesday, December 14, 2005, in the State College Municipal Building's Council Chambers, 243 South Allen Street, State College, PA. Mr. Daubert called the meeting to order at 12:07 p.m.

Present: Thomas E. Daubert, President of Council
Catherine G. Dauler
Elizabeth A. Goreham
Craig Humphrey
Jeffrey R. Kern
Richard L. McCarl
James H. Meyer

Also present: Thomas J. Fountaine, II, Borough Manager; Thomas R. King, Chief of Police; Linda S. Welker, Tax Administrator; John P. Marchek, Risk Manager; Timothy Grattan, Director of Information Systems; Michael S. Groff, Finance Director; Michele Nicolas, Director of Human Resources; Norma J. Crater, Accounting Supervisor; Herman Slaybaugh, Zoning Officer; Mark Whitfield, Public Works Director; Sheila Lubold, Recording Secretary; members of the media; and other interested members of the public.

Public Hour. There were no comments from the public.

2006 Operating Budget. Ms. Dauler started the discussion by asking Council to consider the big picture and not discuss the budget line by line. She added she would like to discuss the questions listed in the Manager's letter in the beginning of the budget.

Mr. Fountaine spoke about the parking budget and highlighted the changes in the budget due to the building of the Beaver Avenue Garage and the full-time parking system manager. Council questioned the amount allotted for taxes and Mr. Groff explained the new parking garage has not been assessed yet and the amount is based on what they feel the charge will be.

Mr. Daubert thought the monthly parking rentals were to move from the Fraser Street Garage to the Beaver Avenue Garage and this was decided upon when the garage was being built. Mr. Fountaine explained that it was decided to wait until after the conversions were made to all three garages. When the business plan is completed a review of the entire system will be done. Mr. Holmes also added they would increase the number of monthly rentals at Beaver Avenue as they are needed. With some experience, an informed decision on rental rates and locations can be made.

Mr. Kern questioned the Parking Fund revenue and expenditure distribution table and asked how long it was expected to have a negative cash flow and how long such a cash flow could be sustained. Mr. Holmes stated the expectation was to have a deficit the first couple of years for the Beaver Avenue Garage but the trend has been to have smaller deficits than expected. Mr. Kern suggested lowering the parking rates to fill the parking garages faster.

Ms. Goreham asked why there was an increase in personnel and would the amount remain the same. Mr. Fountaine stated there were more personnel hired because of the new parking system and the need for twenty-four hour staffing. Mr. Fountaine does not expect the staffing levels to decline but the revenues should increase to make up for the increases in personnel.

Ms. Goreham also questioned why the daily collection amounts were lower than expected. Mr. Marchek stated the budget was for a half year collection from the Beaver Avenue Garage but the garage did not open until September.

The Sanitary Sewer Fund was discussed next and the continued use of the reserve funds to balance the budget was questioned. Mr. Marchek stated the reserve funds have been used for the last five years but this use cannot continue indefinitely. Mr. Fountaine added if the reserve funds are used after 2006 it may become a problem.

Council next discussed the refuse collection budget. Mr. Daubert asked why the fees for the services have increased by varying rates. Mr. Marchek stated a survey was done to determine where the majority of the refuse was coming from and it was found the majority of bulk items come from apartments and fraternities. The rates for commercial properties vary because, for example, a restaurant will produce more waste than a barber shop. The rate increase also reflects the increase in tipping fees by the Solid Waste Authority. Since the refuse from the commercial system tends to weigh more than that from the residential system, the increase in tipping fees affects the commercial side more.

Mr. Daubert questioned how to deal with people dumping their garbage into someone else's dumpster. Mr. Whitfield explained that if it is a Borough resident dumping into another dumpster it is not a problem, but when someone from outside the Borough dumps in a Borough dumpster it would be theft of services and the person could be prosecuted. Mr. Daubert stated that is not always the case.

Mr. Humphrey asked if the Borough receives any income from recycling. Mr. Whitfield stated the Centre County Solid Waste Authority receives the proceeds from recycling and the Authority gives the Borough a rebate.

Next Council reviewed the budget for the Information Systems Department and Mr. Daubert asked for an explanation of the helpdesk. Mr. Grattan stated this position is to help with the response time to Borough employees. Currently there is a gap in the first line of response to issues the employees have and this position will help fill the gap.

Ms. Goreham questioned how long it will take to have the GIS technology implemented. Mr. Grattan stated the equipment has been purchased and the data is on the network. There is still a lot of work to complete but they are now discussing what the next steps should be.

Mr. Meyer stated he knows the outsourcing revenue is listed in the budget but asked if it could be shown on the table portion of each budget as well. Mr. Marchek stated this would be difficult to show and that is why page VI has been added. Mr. McCarl also asked if the total for office supplies, telephone use, insurance, etc. could be shown.

The last budget discussed was the Administration budget. Mr. Fontaine pointed out the increase in consulting services due to a more aggressive stance that will be taken on tax appeals. Also the Borough newsletter will be produced again and will be distributed twice in 2006. It was requested that neighborhood programs be added to the budget but there is not yet a complete definition for the program. The concept is to increase the interaction with the community and not just with neighborhood associations.

Mr. Kern asked if distributing the newsletters electronically was considered to help save on the cost of having them mailed. Mr. Fontaine stated this could be considered.

Mr. Daubert questioned what the employee wellness program was. Mr. Fontaine explained it provides a variety of programs to employees to deal with personal, health, and family issues. The idea is to provide support to the employees in an effort to get better production from employees. Ms. Goreham stated the Borough employees are hard working and dedicated and she felt the wellness program helps to reduce the stress and strain of working in a governmental environment.

Mr. Fontaine stated the Borough is also looking to establish membership in the Performance Measurement Institute. The membership would help to provide information on how to collect data to evaluate whether services are delivered effectively, and identify areas for improvement.

Lastly Council discussed the questions listed in the manager's letter. Council had previously agreed the tax package was acceptable. On a prior occasion Council also discussed self-insuring employee health care costs and decided a study should be done. After the study Council would discuss the possibilities. Council also agreed 12% of total annual budget was an appropriate amount for the General Fund balance. Lastly Council discussed the long term funding for capital improvements and pension costs. Mr. Fontaine stated pension costs have increased and are expected to remain high over the next few years. Council may want to start thinking about establishing a fund for generating a sufficient amount of revenue to pay for pension costs. Mr. Kern stated his interest in learning more about the Borough's pension obligations and alternatives in funding.

There being no further business the meeting adjourned at 1:56 pm.

Respectfully Submitted by:

Cynthia S. Hanscom
Assistant Borough Secretary