

**CAMP HILL BOROUGH COUNCIL
SPECIAL WORKSHOP – 2014 PROPOSED BUDGET
ADMINISTRATION BUILDING
WEDNESDAY, OCTOBER 16, 2013**

The workshop began at 6:00 p.m. Present were:

Terri Edwards
Richard Guerin
Peter Robelen
Carl Schultz
Leigh Twiford
Richard Woodard

Also present were Police Chief Hockenberry, Borough Manager Gary M. Kline, Finance Director Raymond Madden, Sewer Billing Clerk Nate Sterling and Borough Secretary Anne Shambaugh.

Mr. Robelen stated there are concerns with the current healthcare plans. Mr. Kline stated Fred Bean of Benecon provided the Borough with its renewal rates. Ms. Twiford stated she emailed Rich Carson of Webb Insurance to get the proposed rates for a January 2014 effective date and she should receive those by October 18, 2013.

Mr. Kline reminded Council there will be a surcharge to leave Benecon as well as the payment of run-out claims by the Borough.

Mr. Kline stated Ms. Logar told him there was an update on the Theatre Camp contract with Phil Palase.

Mr. Kline also asked if Council would like to include a line item for Post Healthcare Retirement Benefits. The Borough's actuary recommends putting \$85,000 aside each year to fully fund these benefits. Mr. Kline suggested the Borough begin with \$10,000 and assess the number of retirees, their level of benefits, etc. on an annual basis. Mr. Robelen asked how many employees are eligible to retire and Mr. Schultz asked if it was \$85,000 per person. Mr. Kline stated it was \$85,000 in total.

Chief Hockenberry explained the police contract and the 8-year term included in the contract for post retirement healthcare benefits. Mr. Schultz recommended \$10,000 as suggested by Mr. Kline.

Mr. Schultz asked Mr. Kline about the total revenue and expenditures across all funds. Mr. Kline explained there are one-time expenses as well as inter-fund transfers that show a "deficit" of \$1.7 million. This amount totals the following: \$1.25 million of the waste water surplus will be transferred to the Capital Improvement Fund for the proposed loan to finance the Siebert Park upgrades and \$500,000 in the Capital Improvement Fund to include additional upgrades to the storm water system.

Ms. Twiford asked what the Liquid Fuels Fund represents and Mr. Kline explained it included repairs to the street lights and traffic signals. He stated it is money received from the Commonwealth which can only be used for certain expenses.

Mr. Schultz asked if there is a general guideline for the amount to keep in “reserve” for each of the separate funds. Mr. Kline stated the general rule is 5-10% of the total budget. Mr. Kline noted the General Fund budget is presented with a \$127,947 surplus.

Ms. Twiford asked if the revenue item on page 8 included camp fees from the theatre camp and Mr. Kline stated it does not. He stated as approved at the October 2 meeting the theatre camp fees were removed and the rental fee line item was increased by \$15,000.

Mr. Guerin asked why the revenue from the forfeiture fund increased from \$16,000 to \$82,000 and Chief Hockenberry stated it includes the purchase of two (2) new vehicles and two (2) additional police officers as well as overtime.

Mr. Schultz asked about the sewer fees for 2014 and Mr. Kline stated the fees are the same as 2013.

Ms. Twiford asked Chief Hockenberry about Mr. Geisler’s comments at the October 9th meeting regarding inoperable computers in the Police Department. Chief stated the computers are the ones in the vehicles and the department will face an upgrade in 2015.

Mr. Schultz left the meeting at 6:31 p.m.

Ms. Edwards asked how the Borough will recoup the \$15,000 of lost revenue from the Theatre Camps. Mr. Guerin stated he is concerned with the proposals regarding the camp as the pricing will be too expensive for some of the Camp Hill residents.

Mr. Woodard stated Mr. Palase sent the following proposal:

33% of the profit to the Pollack Center
29% to the Recreation Commission
38% to Phil Palase

With the addition of two (2) scholarships to be given at Phil’s discretion as well as a credit card paid by the Borough and all members of the camps get a free pool pass for the 2014 season.

Mr. Woodard stated the Recreation Commission does not endorse or recommend the Borough accept his proposal.

Ms. Twiford left the meeting at 6:45 p.m.

After a lengthy discussion regarding the proposals, Council will present Phil with a counter-offer of \$12,000 to the Borough, regardless of the percentage, a 20% discount in fee differential

between Camp Hill residents and non-residents and a 3-year contract. There will be no pool passes, no credit card and no scholarships. All were in agreement.

Mr. Woodard stated the performance evaluations of all non-union personnel have been completed except for Mr. Kline, Ms. Hope and Chief Hockenberry. Mr. Woodard stated the salary increase should be the same as the unions which is consistent with previous years.

After a brief discussion, it was decided the PPP committee will meet to discuss and present their recommendation to Council as the increases may affect the upcoming arbitration with the Police Department.

Mr. Guerin stated the healthcare changes also need to be discussed.

Mr. Kline asked if there were any questions within the Capital Improvement Fund budget. Mr. Robelen asked if there are any "fixed" costs and Mr. Kline stated no. Each line item is a specific project or one-time purchase of equipment for the Borough.

Mr. Guerin asked if \$50,000 for the televising of sewer lines is enough to meet the requirement within the agreement with Hampden Township to televise 10% of all lines each year. Mr. Kline stated he will work with Mr. Malarich to ensure that cost is enough.

Mr. Robelen stated Mr. Reager has requested a \$100,000 donation for the Scheaffer Arts project. Ms. Edwards asked if the entire \$100,000 was budgeted for 2014 and Mr. Guerin explained \$50,000 was included in the 2014 budget and the remaining \$50,000 would be in the 2015 budget.

Mr. Kline asked if the Scheaffer project is funded will a donation still be made for Plein Air. Mr. Guerin stated it is either one or the other. It was decided to discuss this request at the next budget meeting.

Mr. Kline asked Chief Hockenberry to discuss the Police expenditures for 2014.

Chief stated the salary for the Deputy Chief has been removed. He stated he is requesting two (2) additional police officers to bring the total up to 10 from 8. He has requested 1 officer for 8 months of the year and a second officer for 4 months of the year. He stated this will affect the cost in uniforms as well as overtime expenses.

He also explained the need for two new police vehicles as well as the need to switch from METOR reporting to INSYNC reporting in 2015. This will be an additional cost of \$32,000 over the next 4 years. Chief Hockenberry also mentioned the existing radio system will expire in 2015 and will need to be budgeted for 2015.

Ms. Edwards asked if the new radio system is included in the budget and Mr. Kline stated only the new officers, uniforms, and cars are currently included in the budget.

Chief Hockenberry stated he is requesting an additional \$16,000 for a new computer server for the police department in order to maintain/host the new programs needed in 2015. Mr. Guerin stated the Borough can split the cost with the police so it is just a question of where to place the additional expenses.

Ms. Edwards stated she keeps hearing the term “one-time” expense and asked if this was normal. Mr. Kline stated it is very normal as the needs of each department changes annually.

Mr. Guerin asked what Council wanted to do regarding the proposed upgrades to Siebert Park. Mr. Kline stated monies have been included within the Capital Improvement Fund to address \$1 million paid by the Borough and then a loan for another \$2.5 million as well as the debt service payment of \$250,000. Council decided to discuss this item at the next budget meeting.

Mark Simpson stated the Fire Company would like to build a garage behind the existing building for the antique fire engine. He also requested Council consider increasing the annual contribution to the Fire Company from \$85,000 to \$90,000.

The next meeting will be held Wednesday, October 23 at 6:00 p.m.

There will be no further business to discuss the meeting was adjourned at 8:17 p.m.

Respectfully submitted,

Anne Shambaugh