

OCTOBER 7, 2015  
WAYNESBORO, PA 17268  
BUDGET MEETING

Waynesboro Borough Council's second meeting for the 2016 budget began at 7:00 p.m.

Present were:

Council Members – Benjamin Greenawalt, Delmos Oldham, Darrel Potts and C. Harold Mumma (Hans Bader and Michael Cermak were absent)

Mayor Richard Starliper

Borough Staff – Jason Stains, Borough Manager

Mr. Stains provided Council members with the General Fund draft, as well as an updated proposal from Commonwealth Code Inspection Service (subsequent to Council's special meeting on 09/30) and information from Enterprise regarding their Fleet Management Program (which Council members agreed they could present prior to the budget meeting on 10/28).

Utilizing the figures presented in each department head's wish list for the first draft, Mr. Stains noted there is a "huge deficit" that needs to be cut. A summary of the discussion follows –

RECEIPTS

- Receipts are basically the same as last year – a tax increase was not included at this time, as comments were received from several Councilmen that they were not in favor of an increase.
- Real Estate Taxes - anticipate receiving \$1,100,000 and another \$1,100,000 in Enabling Taxes. YTD Real Estate Transfer Taxes are only at \$62,000 (last year was better because of the Shopping Center acquisition).
- Licenses & Permits (Business) - \$67,000 of the \$90,000 anticipated for TV Cable Franchise Fees has been received so far this year, and approximately \$88,000 is expected in 2016. Comcast is talking about beginning negotiations on the franchise agreement next year. They are also interested in sponsoring some community projects, which will be pursued.
- Fines, Forfeits & Costs - \$25,000 was received in Motor Vehicle Code Violations, \$11,000 for Violation of Ordinances and \$6,700 in Parking Tickets. Looking at \$53,000 for 2016.
- Interests & Rents - \$400 received for Rotary Park Pavilion Rentals (up from the \$200 budgeted)

- The new Act 90 Tavern Tax brought in \$128 this year and the Recycling Grant was \$5,100.
- Beverage Licenses - \$3,500 and hoping to get \$3,000 with PURTA (to be done in March).
- Departmental Earnings – Fire Protection was budgeted at \$97,300. Quincy Township's fees were \$9,485, but Washington Township's costs were \$100,000 this year (compared to last year's \$78,000) because of the increased workmen's compensation costs. Those costs will probably go up next year as well, and contract negotiations will begin with them shortly for the next three (3) years.
- Special Services for False Alarms - \$1,000 is being budgeted for next year, as the fees were increased last year.
- Parking Meters – hoping for around \$26,000 in 2016. YTD is \$20,900, but those fees are down because people were not paying the meters for several months while they were being tested.
- Garbage and Refuse Charges – still expecting \$1,000,000, but much of that is paid to Waste Management (approximately \$700,000/year). RFP's are out for trash/recyclables collection and will know expected costs in November when bids are opened.
- Pepsi Contract – Pepsi has not returned their updated contracts since their bid was approved two (2) years ago, and we have been operating at the same price as the previous contract. Coke will not bid the contract.
- 01-380-112 – restitution was paid, per court order, in the amount of \$6,100 in 2015.
- Budgeted in 2015 that we would probably profit from the sale of 118-120 W. North Street around \$12,000, however that did not come to fruition. Not budgeting anything for that in 2016.
- Budgeting \$3,000 for DUI Checkpoints – this money reimburses the Borough for the police officers' time. Has only cost \$1,300 this year.
- Unsure of the cost for Library Insurance next year, but budgeting \$13,000. The Library reimburses for this cost.
- Receipts are expected to be approximately \$587,000 from the Water Fund and \$445,000 from the Sewer Fund. Will verify those figures with Leiter Pryor.

### EXPENDITURES

- "Wish List" items were indicated in bold print on the handouts received by Council. Mr. Stains recommended that those items be looked at when they start to remove items.
- Council Salaries will go from \$15,000 to \$18,000, because every seat will have gone through the new election cycle. The Mayor's Salary will stay the same at \$3,700.
- Staff Salaries – traditionally they follow the police bargaining agreement, which calls this year for a 2% increase (and this will be the last year in that collective bargaining agreement).
- General Expense – running at \$25,900 for the year. Some re-coding needs to be done, as errors in the coding of several items may have happened during the

software transition. (Budgeted \$19,500 for Data Processing and paid \$17,900 this year.)

- Appraisal Fees – mentioned that the Borough's buildings have not been appraised for several years. \$18,000 is their quote for 2016.
- Legal Services – budgeted \$0. The \$16,000 shown in that line-item needs to be moved further in the budget. 60% of the Administration budget is paid by the WBA and, as they already pay for their own solicitor, they shouldn't be paying for other legal fees. That will be corrected.
- Codification – this will not be done until the Zoning/SALDO Ordinances are completed, so the \$1,500 will be carried over from 2015 to 2016.
- Communication Expenses – budgeted the same as for 2015, but should be seeing a savings since transitioning to Comcast Voice for all of the phone lines.
- Insurance and Bonding - \$3,000. Spent \$2,600 this year. The dishonesty bond will only be paid every three (3) years, so these costs should be lower in 2016.
- Equipment Rentals – same.
- Major Equipment Replacement – talked last week about laptops/tablets for Council. If Council is not interested, can continue with paper packets, etc. Also experiencing issues with telephone system (dropping calls, quality of calls, voicemails appearing when the phone hasn't rung, etc.) Telephone system could be replaced for \$6,000 for Police and Administration side. Scott Crum feels that computers are good. Trying to scan ordinances, etc. into electronic format to free up space – new server for that purpose would cost \$400.
- Tax Collection – salary up slightly; 2015 YTD is \$13,100.
- Materials and Supplies - \$3,000 for envelopes and mailing supplies (up slightly from last year).
- Engineering – Education costs were increased to \$1,000 (for Scott Crum's re-certification as Certified Playground Inspector) and Major Equipment Purchase includes CAD software updates and Playground Inspection program.
- Municipal Buildings (Salaries) – same.
- Fuel, Light & Water – anticipating spending \$37,000 in 2015 and budgeting \$40,000 in 2016 (as fuel costs are unpredictable). Talked about gas furnace – don't have price back yet, but should probably plan on doing in 2017.
- Maintenance and Repairs (Borough Hall) - \$20,000 of the \$43,000 is for repaving the parking lot, which shouldn't be done until the furnace is replaced and fuel tank is removed. Money is included for light replacements, and the WBA has agreed to pay 50% of the installation costs. Discussion followed regarding the use of LED lights, and Mr. Stains noted he is attending a program in State College sponsored by West Penn Power regarding changing street lights to LED. \$10,000 is also included to cap the wall between the Library and Borough Hall.
- Police Salaries – 2% increase. The amount shown in bold print is the Chief's request for three (3) additional police officers, bringing the Salaries to approximately \$900,000.
- The remaining items, per the Chief's presentation at the last meeting, are much the same as in years past. Mr. Stains noted that the coding of insurance costs is currently being reviewed and discussed with the auditors.

- Discussion followed regarding plans for the garage at the rear of Borough Hall. Mr. Stains noted that Kevin Grubbs has not yet received price quotes for necessary work and/or demolition, and they are in discussions with the Library Board ... he doesn't feel that anything will be accomplished in that regard in 2016.
- Fire (General Services) – \$31,200 is for the part-time firefighters. This is an increase of \$1,200 and was shown in bold print, as Council members have been talking about this position.
- Fire (Vehicle Expenses) – Automobile Allowance is for the Chief, Deputy and Assistant. They are currently paid \$9,000 and are requesting \$16,800/year. That area also caused some discussion among Council. They also requested \$30,000 for Major Vehicle Acquisition.
- Fire (Maintenance of Houses) – their Communication Expense for Telephones will be budgeted at \$1,600, but they have also switched to Comcast Voice and should see some savings as well.
- Building, Regulations, Planning and Zoning – Salaries include 2% increase (a correction was made to \$42,372)
- \$7,500 for Donation to Mainstreet Waynesboro - unsure why this comes out of Zoning.
- \$1,500 for Capital Equipment – for air conditioning in Dan Sheffler's Dodge Neon.
- \$10,000 for Donation to Community and Human Services – cut from \$15,000 last year.
- \$642,000 for Refuse Collection – not sure of the costs for 2016 until the contract proposals are received in November.
- General Highway Services – basically the same.
- \$30,000 for Legal Fees – there were legal fees this year for Fourth Street, Hamilton Avenue and the Hospital, as well as other items discussed in executive session. Mr. Stains is optimistic that legal fees will be lower in 2016.
- \$1,800 for the Trinity Lot Rental Fee – merits of this rental are discussed each year.
- \$1,500 was budgeted for the Rotary Lot, but nothing was spent there this year. This amount is typically budgeted for any necessary maintenance.
- \$2,000 to the Wayne Band – standard donation.
- Medic 2 requested a donation of \$5,000 again this year, although it was not budgeted for last year.
- Parks and Playgrounds – costs are staying about the same, with the exception of \$39,000 for Maintenance and Repair of Land (for lights to be attached to the maintenance building at Memorial Park and at the concession stand). The Recreation Board is also recommending resurfacing the tennis courts based on the \$16,000 proposal for a three-year fix (rebuilding would cost \$60,000).
- \$8,000 for Shade Trees – this is increased slightly for Contracted Services. Have found out that the Borough is responsible for pruning the trees they required in developments south of W. Main Street.

- \$1,000 for Tree Replacement – the Shade Tree Commission has asked for additional money, so the amount for tree replacement was doubled. So far, the trees replaced this year were at the cost of insurance companies (when damaged in vehicle accidents). A tree that was damaged during construction at the new Martin's Food Store will be replaced by the developer.
- \$33,000 for Gas, Oil and Lubricants (Vehicle Operations) – hoping that fuel costs will come down in 2016. This is where Enterprise says they can save the Borough money (their presentation will be held on 10/28).
- Police Vehicle Expense – did not spend what they did in the past on fuel for the vehicles, but not sure if this is because of the time they were broken down.
- Employee Taxes and Benefits – Mr. Stains noted he attended a meeting in Shippensburg earlier this week. Last year, there was over a 7% increase in health insurance costs; this year, looking at a 4.9% increase. Have had rebates of \$105,000 so far this year, and are anticipating another \$105,000 in rebates in the next two (2) weeks. These rebates (plus those anticipated for 2016) will cover the 4.9% increase in health insurance costs. The prediction for the low rebate in 2016 is because all of 2014 and the first six (6) months of 2015 were reviewed by the actuaries; and there were some significant health issues among employees during that time.
- There will not be a large Sick Leave at Retirement cost like in 2015, which was \$34,000 for Lloyd Hamberger. \$5,000 was budgeted for 2016, but there have been no retirement notices submitted yet.
- \$10,000 is being budgeted for ObamaCare costs (including fees charged by the auditors for the additional paperwork required).
- Unemployment Compensation and Workmen's Compensation costs should be lower in 2016, as most of the pending issues have been resolved.
- Contributions made in the past include \$12,250 to the Ambulance Squad and Transfers to the Capital Reserve Fund of \$26,000.

Mr. Stains noted that, when all is said and done, Council is looking at a \$500,000+ deficit in the General Fund that needs to be taken care of. Last year's budget was passed with a deficit of \$96,000; and looking at the current YTD, we should be "ok" provided there aren't any major bills coming in for the remainder of the year.

Karen Rock, a member of the Waynesboro Ambulance Squad, asked if there is any money in the budget earmarked for work to be done on Fairview Avenue. Mr. Stains explained that a \$500,000 grant was received, and the Engineering Department is in the process of preparing bid documents for the work. A meeting was held with PENNDOT officials in June, and the next phase includes identifying the exact length of roadway to be paved. Bid specifications will be forwarded to PENNDOT for approval; and once that is completed, bids can be received for the project. A Reading-based company does a cold, in-place recycling process (in which the road is milled, tar is mixed with the material milled and is laid back down at grade in one process). This saves money in specialized equipment, operators, prevailing wages, etc. Mr. Stains added they are anticipating being able to pave Fairview Avenue (from Main to Eighth Street) and Welty Road (the Borough-owned section) for \$550,000. As the grant was for \$500,000, the

Borough will need to come up with only \$50,000; and they plan to get the work done in 2016.

Council members offered no ideas for change at this time, but Mr. Stains suggested they email or call him with any comments/input and he will begin to “manipulate” the budget.

Discussion followed regarding how the hiring of additional police officers would affect the current overtime costs. It was noted that they are running a lot of shifts with minimal coverage, which sometimes require that they mandate an officer on leave to come in.

Upon questioning, Mr. Stains noted that the civil service examination for Fire Apparatus Driver will be held on 11/19 (applications are due on 11/09). He reminded Council that they authorized he, Chief Sourbier and Mayor Starliper to review the Civil Service Rules and Regulations (which was done in June); and they were just received back from legal with updates for disciplinary items, fire service and EMT certifications to be required. Accordingly, we are still operating under the existing Rules and Regulations, and it would not be wise to move forward with the Patrolman testing until new regulations are passed. The current recommendation is for applicants to have Act 120 certifications in place.

Casey Rock thanked Council for their past contributions to the Waynesboro Ambulance Squad. He reported that they are looking at refurbishing a 2003 ambulance in 2016, as their maintenance costs have increased due to the number of transfers they make from Waynesboro Hospital to Chambersburg Hospital or Meritus. He anticipates the cost to be \$10,000 - \$12,000. In addition, one of their ambulances was involved in a hit-and-run accident and they incurred a deductible cost of \$1,000. Mr. Rock introduced Zach Kline, who will be serving as EMS Chief, and Travis Nichols, who will serve as Deputy EMS Chief.

The next budget meeting will be held on 10/14 at 7:00 p.m.

Respectfully Submitted,

Melinda S. Knott  
Borough Secretary