

OCTOBER 28, 2015
WAYNESBORO, PA 17268
BUDGET MEETING

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

Present were:

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

Prospective Council Members – Niccole Rolls and Chad Rooney

Mayor Richard Starliper

Borough Staff – Jason Stains, Borough Manager
S. Leiter Pryor, Director of Utilities (along with WBA Chairman Jon
Fleagle)
Denny Benshoff, Maintenance Superintendent

Representatives from Enterprise gave a presentation on their Fleet Management Program. They explained the program and the ways in which they feel they could save the Borough money on fuel and/or vehicle maintenance costs, while also introducing newer vehicles into the fleet. Handouts, including a Fleet Proposal Synopsis, were provided for Council's information.

Mr. Stains presented an updated General Fund worksheet. He noted that Employee Contributions for Health Insurance were miscalculated in the previous version – the correct figure should be \$48,106. In addition, after talking with Leiter Pryor regarding the WBA's budgets, revenues are expected to be \$689,067 to the Water Fund and \$461,500 to the Sewer Fund. The bottom line is that the budget worksheet before Council this evening has an excess of \$51,000.

Discussion followed:

- Councilman Oldham noted that, in discussion with the School Board President, he learned that they are considering doing away with the per capita tax.
- Niccole Rolls asked if the proposed \$21,000 for Verizon's mini cell antennas on the traffic signals is included in this worksheet. Mr. Stains noted it is, but that figure is very conservative – it is the figure Verizon suggested, but negotiations can be held for a higher amount. Since there is now a light at Main/Sunnyside, Verizon will be asked if they would like to include that location also.

- As the Verizon amount is based on an assumption, Councilman Cermak asked if there is anything else included in the proposed budget that is an assumption. Mr. Stains stated that, according to Mr. Oldham's comment, the \$22,000 per capita tax (actually \$11,000, because it wouldn't take effect until July) would be an assumption. He added that some of the receipts and fees, etc. would also be an assumption, but that is not a major amount of money. Vehicle costs, as well, are always unknown.
- Mr. Stains noted there is still money in this budget for a new furnace at Borough Hall. Three (3) estimates will be obtained for the work – the first quote received was for \$30,000 (for a mid-level efficiency furnace to be installed) and \$50,000 (for a maximum efficiency furnace to be installed).
- TV Cable Franchise Fees are estimated at \$88,000, but Comcast has mentioned they may want to begin negotiations this year for the future.
- When the pool was remodeled and the original cover was purchased, it cost \$80,000. It is now more common to have various shapes/sizes for public pools, and the cover will only cost \$26,000. This item will be included in the Pool Budget, and the \$20,000 profit from 2015 can be used to purchase the cover (as there is also \$5,000 in the Pool's capital reserve budget from 2014).
- Upon questioning, Mr. Stains noted he has no update yet on the garage to the rear of Borough Hall.
- It was noted that a new three-year contract for Refuse/Recycling Collection will begin in 2016. Bids will be opened on 11/16, and there appears to be a lot of interest among bidders. He added that none of the prospective bidders are in favor of the "pay as you go" option.

Mr. Stains commented that they are on-schedule to adopt a proposed budget on 11/18. It will be advertised and placed on public display in accordance with the law. Council will then need to vote on a final budget in December. Council members were instructed to continue to review the worksheets provided and contact Mr. Stains with any concerns. The "small" budgets (i.e. CDBG, Liquid Fuels Fund, Pool, Street Light Fund, etc.) will be discussed at the next budget meeting.

Mr. Stains explained that he is looking at several smaller funds (which came from past grants) to see if there are any restrictions precluding him from transferring the remaining balance into the Clearing Account. There is also an escrow account that has approximately \$32,000 in it ... and research is being done to see where it came from. Lloyd Hamberger (former Borough Manager) had transferred \$30,000 from that account to the Water & Sewer Capital Reserve Accounts several years ago; so that is where the money would go.

Councilman Greenawalt asked if there are any other projects that have been neglected over the years and should be taken care of. Mr. Stains responded with parking lots, Maintenance Shed ... he added that money for the salt shed can be taken out of Liquid Fuels. He continued that the parking lots at the Maintenance Shed could be repaved, they are utilizing 40 watt light bulbs which could be switched to LED for cost savings, the parking lot at the pool is in bad shape, tennis courts at the park, basketball and volleyballs courts need repaved, pool deck, pool bottom, etc. There are many projects ... and they can't all be done at once.

Niccole Rolls stated that, if there is \$50,000 left and \$30,000 in an escrow fund, and it takes \$80,000 for a police officer ... since the Chief asked for four (4) and there is one (1) budgeted, could another be added? It was noted that would not be feasible, as it typically takes several months until receipts are adequate to cover payroll and expenses.

Later this week, Mr. Stains will be attending a workshop sponsored by West Penn Power regarding the use of LED lights in the downtown.

Mayor Starliper announced that green porch lights are to be displayed in support of veterans on Veterans' Day (11/11). Applebee's will offer free meals for veterans that day, and will hold a fundraiser for the American Legion for veterans' dogs on 11/21. Mr. Cermak also noted that free car washes are given to veterans at Waynesboro Water Works on Veterans' Day each year. Niccole Rolls reminded Council that a flag retirement ceremony will be held at Memorial Park on 11/14 at 10:00 a.m. – this was presented to Council several months ago by Eagle Scout Cy McCleaf.

Mr. Stains also distributed information from the actuaries of the insurance company. Breakdowns for the various plans were outlined, as well as cost savings if all employees are moved to the \$1,000/\$2,000 deductible plan (as was discussed previously by Council). He noted that the budget was based on that scenario and would save the Borough a total of \$8,000. Also included was an estimate on the impact to the Borough of the "Cadillac Tax", which will be coming in 2018 as part of ObamaCare; and an estimate of the taxes/fees from ObamaCare if every employee is on the \$1,000/\$2,000 deductible. Mr. Stains recommended that, when budgeting for 2017, a separate budget be prepared to "bank" the rebates from health insurance each year. \$210,000 was received in rebates this year and \$50,000 is projected for next year, which will be a nice nest-egg to start this program. Based on the current ObamaCare regulations, some major fees will be forthcoming; however this program could be repealed by Congress and/or the next President.

Mayor Starliper asked if there has been any feedback from employees regarding proposed costs they may be paying next year for their health insurance. Mr. Stains stated that he told the department heads to prepare their employees for the possibility of these additional costs next year. He has heard some "rumblings" and the term "union" thrown out, and he has heard from another municipality that employees are reaching

out to them for jobs. He thought it was only fair, though, to let them know to plan for this possibility.

The next budget meeting will be held on 11/04 at 7:00 p.m.

Respectfully Submitted,

Melinda S. Knott
Borough Secretary