

**Meeting Minutes**  
**State College Borough Council**  
**Work Session**  
**Friday, December 9, 2011**  
**Noon**

The State College Borough Council met in a work session on Friday, December 9, 2011, in the State College Municipal Building, 243 South Allen Street, State College, PA. The meeting was called to order at 12:05 p.m. by Mr. Filippelli.

Present: Elizabeth A. Goreham, Mayor  
Ronald L. Filippelli, President of Council  
Tom Daubert  
Donald Hahn  
Theresa Lafer  
Peter Morris  
James Rosenberger

Also present: Thomas J. Fountaine, II, Borough Manager; Thomas R. King, Chief of Police; Mark A. Whitfield, Director of Public Works; Norma J. Crater, Accounting Supervisor; Roger A. Dunlap, Assistant Borough Manager; Charles DeBow, Parking Manager; Angel Hernandez, Information Systems Director; Beth Johnston, Director of Human Resources; Linda Welker, Tax Administrator; Ernest C. Dabiero, Purchasing Director & Risk Manager; Kate Doe, Neighborhood Services Coordinator; Jessica VanderKolk from the *Centre Daily Times*; Adam Smeltz from State College.com and Debbie Lang, Recording Secretary.

**Public Hour** – There was no one present to discuss items that were not on the agenda.

Mr. Filippelli noted there have been questions raised and asked staff how Council should proceed. Mr. Fountaine suggested Council work through the budget items on the agenda and then they could discuss the matrix with questions raised by Council. Depending on the length of the meeting, he suggested the questions on the matrix could be discussed at the Monday night meeting.

**2012 Operating Budget.** Council continued to discuss the proposed 2012 Operating Budget.

Administration

Mr. Fountaine noted there were no significant changes in this budget. Most of the changes revolve around some re-organization activities, i.e. adding the Neighborhood Services Coordinator and the Grants & Communications Coordinator positions. He noted Appendix A and Appendix B attached to the budget are subject to approval with the final budget.

He discussed the strategic objectives included in the budget and discussed retirements within the police department. He noted the increase reflects the reorganization in the plan with salaries moved from other budgets into the Administration budget. He also discussed the amount budgeted for collective bargaining and explained the legal services. He noted the total budget includes expected grants and the cooperative effort to off-set the \$75,000 line item. He stated staff will pursue these grants as the year goes on.

A Councilman suggested the organizational chart show that the Borough Manager is also responsible for the department heads. Mr. Fountaine noted this would be useful and he will have that change made. This Councilman also noted that on page 95, under "Conduct Semi-Annual Council Orientation.....", he was concerned with the wording of "newly elected Council" and felt this should state "full Council". Staff noted this orientation includes all 4 returning council members and the newly elected members. The Councilman also asked Mr. Fountaine if he would have a strategic plan and goals to Council before they act on it. Mr. Fountaine responded he will have this document for Council in January.

This Councilman also questioned the amount on line 401-349 going from \$17,000 to \$30,000 and asked what this would show if we do this every 2 years. Staff responded this is for the good neighbor programs that are in process and will be region-wide. He noted the grants we acquire will off-set this number. The Councilman also asked why the increase in employee development. Staff responded that costs are estimates that include travel expenses, the additional new staff and the number of activities throughout the year. Staff noted travel expenses, conferences and memberships for Council and the Mayor come out of a different budget line item.

### Finance & Tax

Ms. Crater noted she will discuss the Finance section and Ms. Welker will discuss the Tax section. Ms. Crater noted the Finance section of the budget is pretty much status quo. She noted the Finance budget is 2-1/2% of the total budget and not much has changed since the last budget. She stated the implementation of the ERP is the major role of the department this year and the major project of the department. She noted there is a decrease in the consulting firm line item and salary and benefits are the only line item that was increased.

A Councilman asked about feedback from COG and Schlow on the services provided by the Borough and whether or not they were adequately consulted on items that affect them. Ms. Crater stated staff works closely with these two groups and both groups have given steady, positive feedback on the services provided by the Borough. The Councilman also stated Codes had previously expressed concerns with a different ERP program. Mr. Fountaine noted we have been making progress on that matter. Mr. Dunlap noted COG recently hosted a demonstration of two different companies and their software; however, not all their questions have been answered.

### Tax

Ms. Welker noted this budget is "helter skelter" and has lots of changes. She discussed real estate taxes; local services and earned income tax collections. She noted Act 32 collections will not start until April and will not reflect a full-year snapshot. With regard to the local services tax, she noted the new entities will be charged 4% in the first year and actual costs in the years that follow. She noted most of the staff in the department works on all 3 taxes; however, due to the Act 32, additional staff will be needed. The budget proposes 2 part-time data entry people and these people will work 2-4 hours in the evenings. Ms. Welker noted most of the data received is already in an electronic format.

Council questioned what percentage is the Borough's percent of the earned income tax and staff responded 2.4% is the Borough's percentage. It was noted between \$30 and \$32 million is collected for the entire County; however, the percentage depends on people moving, etc. Staff noted they have tried to reduce the redundancy when this happens.

A Councilman noted this may seem "helter skelter" but he felt this is an exciting new world. He asked if the department had any plans on increasing specialties. Ms. Welker responded that more people will be assigned to delinquency and they will focus on getting the monies where they need to go.

### Information Technology

Mr. Hernandez noted this budget took a jump from 2011-2012 due to increases in enterprise pieces of software. The operating costs hold steady.

A Councilman asked about the increase in internet access and wondered if this was because we were getting something better or if it was because of price increases. Mr. Hernandez responded that it was both. Mr. Hernandez also answered questions from Council regarding services provided to COG and the townships noting these issues were addressed with the hiring of a Project Manager in the department. Mr. Dunlap noted each of these entities will be 1/3 for more services and the additional revenue is reflected in the budget.

## Regional Programs

Mr. Fontaine noted the COG budget has been approved and is reflected in this budget.

## Miscellaneous

Mr. Fontaine noted there is nothing new in this budget; however, some minor adjustments need to be made before adoption of the budget. He noted the programs listed are programs the Borough has supported.

A Councilman questioned the amount of \$50,000 for the Discovery Space Capital Grant on page 61 of the budget. He wondered why that was not included in the Regional Programs Grant budget and he also asked if Council did approve that amount. Mr. Fontaine responded he will review minutes from previous meetings to determine what Council's action was on this funding and verify the amount.

Another Councilman questioned the Landlord/Tenant Mediation funding amount. Mr. Fontaine noted this may change as no clients were served in 2011. He noted UPUA legal services did not extend that program; however PSU has student legal staff on a volunteer mediation program. The Councilman stated he felt there was a big need for this program especially with foreign students.

Another Councilman asked why the C-Net contingency was not increased with inflation. Mr. Fontaine responded that the Borough has over committed over the years and an increase request was not received from C-Net.

A Councilman asked if we negotiate the Cable Consortium/Franchise every year. Staff responded it is not negotiated every year; however, we are currently negotiating the Windstream franchise; we are working on a mid-term revision with Comcast and staff is currently working on developing a comprehensive right-of-way ordinance and there will be some on-going expenses associated with that. The Councilman also expressed concerns with funding to the First Night celebration. He stated other organizations had to go out on their own after start-up and stated he had a problem with funding this rather than their funding coming from the private sector. Staff noted this was a decision of Council and stated he could ask Mr. Bryant to come to a meeting to discuss this matter again with Council if they so wished. The funding of the ice sculptures was noted in this discussion.

Another Councilman stated he shared this sentiment and wondered why we are tying money up on this and not something more lasting. Council discussed this item at some length and during the discussions, it was noted our budget does not specify what the funding is to be used for. Staff recommended, if Council felt this was a worthwhile expenditure, they could vote to support First Night and let their staff determine what the funding will be used for.

A Councilman suggested if there is concern with using these funds in this manner, perhaps putting the funds toward some sort of program to assist students and landlords with issues they face. She suggested finding some way to set up a program with a contact person who could provide forms, etc. She felt we needed to find a way to address this need. Staff stated we could look into options and explore a way to set up a program to provide these services.

## Wrap Up

Those present discussed items #3 and #9 on the matrix that was attached to the agenda.

A Councilman discussed item #3 and stated he felt Council would not know what is happening if this amount was raised. He felt they would lose all communication on these purchases. He felt this was a policy matter and Borough Council should be deciding these matters. Staff noted Council has established a policy on this and \$25,000 has been the threshold for 4 years.

Another Councilman stated the matter of transparency and that was an important matter. He stated this matter also makes him feel uneasy.

A Councilman stated this figure does not match inflation. She also agreed with the previous comments on this matter and felt Council needs to know that.

Another Councilman stated she supports the transparency issue and felt the more transparent we are the better.

A Councilman stated he speaks highly to transparency he would support raising the threshold in an effort to keep from micromanaging. He noted expenditures are available in the monthly report which Council receives.

Following these discussions, Mr. Fontaine noted the matter in front of Council is whether they would recommend changing the threshold in the capital project from \$10,000 to \$25,000 for long range planning projects. He stated inflation probably exceeds the \$25,000 threshold. The \$10,000 figure has been in place for a very long time. The policy established would match the numbers. He stated the entire program is completely transparent. He stated raising this threshold would provide flexibility in managing the budget and allow long-range planning where it is needed. He would encourage Borough Council to approve this increase.

Item #9 on the matrix was discussed. Chief King distributed some information he gathered on other departments. He briefly explained the data distributed and noted this data does not reflect a specific group but rather all groups who provided data were included in the report. He explained all three charts and discussed the data is related to the workload of the staff. He discussed cases versus events; traffic stops; criminal arrests versus traffic citations, etc. He stated a more thorough report will be provided at a later date. He advised Council that he would like to stay at 65 officers and use reserve funds one more year and have something more definitive on this matter by 2013.

Council asked about retirements, illnesses, relocating to another job and openings these events would create. A Councilman stated she always hears how well the department works and would be concerned if she started hearing complaints. Council also discussed the population of the area and wondered why the staff of the university police department was not included in the staff number if the students on campus are counted in the population number. Chief King responded they were not counted because they do not take the calls off-campus. In response to a question from Council, Chief King stated there were 52 campus police officers. Council also asked for a comparison of other university towns. It was noted there were several other university towns listed on the data provided and staff would highlight those towns prior to the meeting on Monday evening.

It was agreed further discussion of this item, along with the other items on the matrix would be discussed at the meeting on Monday evening.

### **Items of Information**

In response to a question from a Councilman, Mr. Filippelli stated the Manager's Evaluation will be completed in an Executive Session following the meeting Monday evening along with personnel matters.

**Adjournment** - The meeting adjourned at 1:46 p.m.

Respectfully submitted,

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Sharon K. Ergler, Assistant Borough Secretary

Prepared by Debbie Lang