

Meeting Minutes of Middletown Borough Council
October 24, 2017

The October 24, 2017, budget workshop of the Middletown Borough Council was called to order at 6:05 p.m. in Council Chambers at 60 W. Emaus Street, Middletown, Pennsylvania by Council President Damon Suglia.

After the Pledge of Allegiance, the following Council members answered roll call: Damon Suglia, Dawn Knull, Robert Reid, Benjamin Kapenstein. Diana McGlone arrived at 6:25 p.m. Absent: Anne Einhorn, and Ian Reddinger. Also present were Borough Manager Kenneth Klinepeter, Director of Finance and Administration Kevin Zartman, Director of Public Works Greg Wilsbach, Chief George Mouchette, Sergeant Scott Yoder, Sergeant Dennis Morris and Borough Secretary Grace Miller.

Public Comment

Bob Hauser (37B Brown St) – Mr. Hauser recommended Council not pick an exact date for the Zoning Overlay for historic homes but specify a date range such as 100 years and consider the actual historic significance of the home.

Rachelle Reid (448 Grant St) – Ms. Reid requested individuals running for Council get a working copy of the budget and questioned why administration is getting a 3% raise. Mr. Ken Klinepeter indicated no one is getting a raise. This is a working budget which shows requests from each department head. Ms. Reid noted raises should be given after a review and on employee's anniversary hire date. Mr. Klinepeter noted the raise reflects the COLA agreement that is in the CBA for employees. Ms. Reid then asked why Ann Street is not in the budget and why doesn't the Borough take the money in the M&T Bank account and pave it. Mr. Klinepeter noted that funds at M&T Bank are restricted to water and sewer projects and it would be remiss of this Council to spend money today when meetings are occurring with PennDOT in regards to the project.

Mayor James Curry made a statement about noticing inaccurate statements being made to the public regarding the last budget meeting noting the proposed budget allows department heads to put together a "wish list" and it is then up to Council to decide what is to be done. Nothing has yet been decided by Council. Mr. Klinepeter noted this is not a personal "wish list". It is a list put together by professionals for their departments using best management practices in how to run their department efficiently and what equipment needs replaced.

Mr. Kevin Zartman indicated throughout the General Fund budget a drop in utility expense is shown due to the Borough not billing itself for electricity. Upgrades requested for Borough Hall is for HVAC, elevator maintenance and paving of the

Meeting Minutes of Middletown Borough Council
October 24, 2017

Borough lot. Councilor Kapenstein indicated these items should be shown as capital costs rather than operating. Councilor Reid indicated he would like the proposed budget to include a column showing the cost difference between the previous budget and proposed budget. Discussion ensued regarding items in the proposed budget.

Mr. Klinepeter noted that Public Works and Codes are looking into Work Order software that will increase efficiencies. Mr. Zartman indicated he had modified the proposed budget to reflect assumptions regarding proceeding with Peer to Peer and it now shows swimming pool expenses. Councilor Kapenstein asked what the pool's net was for the year. Mr. Zartman indicated the pool showed a \$4,000 loss based on 2017 numbers. Discussion ensued regarding park upgrades and repairs. Councilor McGlone recommended the Beautification Fund be reduced to \$20,000. After additional discussion, Council indicated the fund should remain at \$30,000 as reflected in the proposed budget. Mayor Curry recommended welcome signs as you enter the Borough be different than wood and replace one a year due to cost.

Councilor McGlone questioned why \$10,000 was budgeted for the Human Relations Commission. Mr. Klinepeter noted that the Human Relations Commission had requested that amount for educational purposes with Ms. Rachelle Reid, member of the Human Relations Commission, stating part of the money is needed to expend on legal fees. Council indicated the amount for the Human Relations Commission should be reduced to \$3,000. Discussion ensued regarding Consulting Services and if staff research shows nothing has been allocated to this expense in the past, to strike it from the budget.

Councilor Knull recommended National Night Out costs be reduced to \$2,000. Chief Mouchette noted that National Night Out will now be done jointly with Roylton and Lower Swatara. Council agreed to reduce the National Night Out costs to \$2,000.

Discussion ensued over software upgrades with Councilor McGlone requesting statistics as to how many customers are not set up for automatic pay.

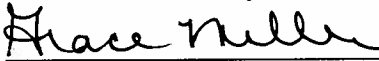
Councilor Kapenstein recommended a portion of the \$428,000 surplus expected in the Electric Fund be transferred to subsidize the Operating Fund to reduce the \$500,000 deficit. Mr. Klinepeter cautioned that the surplus may be needed to put towards electric substation upgrades. Councilor McGlone noted that even if the electric surplus were used there is still a \$100,000 deficit. Discussion ensued regarding a potential tax increase with Councilor Kapenstein suggesting taxes be raised by inflation every year as expenses are growing and revenue is flat. Mr. Klinepeter noted police regionalization had been looked at to save money and that didn't go well so now

Meeting Minutes of Middletown Borough Council
October 24, 2017

decisions will need to be made as to how the deficit can be funded. Councilor McGlone indicated she was not in favor of a tax increase and recommended taking money from the Electric Trust Fund to cover capital expenses. Councilors Knull, Reid and Mayor Curry objected indicating the Trust Fund is to help offset electric increases to residents.

Chief Mouchette indicated the budget should reflect 3 full-time officers for next year rather than 2 and 3 part-timers. Councilor Kapenstein noted that would increase the deficit by another \$120,000. Councilor McGlone asked the number of staff the Chief would have total in 2018 with the additional staff requested. Chief Mouchette indicated that with what the budget shows (2 full-time) there would be 1 Chief of Police, 13 full-time officers and 10 part-time officers. Mayor Curry noted that if 12-hour shifts could be implemented, 2 officers could be promoted to Corporals rather than another Sergeant promotion. Mr. Klinepeter cautioned Council about the Collective Bargaining Unit.

MOTION by Robert Reid, second by Dawn Knull to adjourn the meeting. Motion carried unanimously and the meeting was adjourned at 8:30 p.m.



Grace Miller
Borough Secretary