

ALTOONA CITY COUNCIL MEETING & 2016 BUDGET REVIEW MEETING MINUTES
WEDNESDAY – OCTOBER 28, 2015 - 7:00 P.M.
COUNCIL CHAMBERS - 1320 WASHINGTON AVENUE, ALTOONA, PA

The meeting was televised live on cable Public Access Channel 14 and re-broadcast Thursday, October 29, 2015.

CALL TO ORDER – by Mayor Pacifico at 7:00 PM in Council Chambers.

SILENT MEDITATION

PLEDGE OF ALLEGIANCE

ROLL CALL – taken by City Clerk Linda Rickens Schellhammer

Present: Councilmen Butterbaugh, Cacciotti, Cagle, Haire, Kelley, Neugebauer (via phone) and Mayor Pacifico

ALL PUBLIC COMMENT – offered and none given

RESOLUTIONS

a) approving the minutes of the Altoona City Council Meeting held Wednesday, October 14, 2015. (0096-15)

b)(TABLED)

awarding a demolition contract to Earthmovers Unlimited, Inc. of P.O. Box 187, Kylertown, PA 16847, for demolition of 1814 11th Avenue, Altoona, PA, in the amount of \$9,737.00 payable from the Community Development Block Grant (CDBG) Blighted Property Program and authorizing the City Manager to execute all documents and the City Clerk to attest to same. (tabled)

c) authorizing City Solicitor Larry Clapper to file the 2016 Tax Petition with the Blair County Court of Common Pleas. (0097-15)

Prior to reading the resolutions item b was tabled at the request of Planning because of a timing issue; The resolutions were read and the consent vote was taken by City Clerk Linda Rickens Schellhammer and passed 7 to 0 with all present

ORDINANCES

Introduction

1) AN ORDINANCE OF THE CITY OF ALTOONA, IN BLAIR COUNTY, PENNSYLVANIA, AUTHORIZING AND SECURING THE ISSUANCE OF ITS GENERAL OBLIGATION NOTES, SERIES A OF 2015, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$4,855,000, PURSUANT TO THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, TO ACQUIRE VEHICLES AND EQUIPMENT, AND CONSTRUCT STREET AND OTHER CAPITAL IMPROVEMENTS, AND PAY RELATED EXPENSES; ACCEPTING A BANK LOAN PROPOSAL; SETTING FORTH THE TERMS AND SUBSTANTIAL FORM OF THE

NOTES; PLEDGING THE FULL FAITH, CREDIT, AND TAXING POWER OF THE CITY TO SECURE THE NOTES; CREATING A SINKING FUND AND APPOINTING A SINKING FUND DEPOSITORY FOR THE NOTES; AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS.

The ordinance was read by City Clerk Linda Rickens Schellhammer and introduced by Councilman Kelley.

2016 BUDGET REVIEW

City Manager Marla Marcinko led the budget discussion as follows:

Budget process – started in July with the distribution of budget worksheets to all Departments Directors which were completed and returned to the City Manager and the Finance Director Omar Strohm; individual meetings were held during the last week in August; between the end of August and the third week of October and continuing, the City Manager and Finance Director have met at least weekly or more to do a comprehensive review of each figure and the alignment of projections to actuals

Preliminary budget – City Manager Marla Marcinko stated the 2016 budget is very similar to the 2015 budget and there are not a lot of deviations; the document provided to Council during this meeting on the percentage changes lines up to the summary receipts and the summary expenditures; it is expected that the bottom line will continue to improve because of the City's conservative fiscal approach; revenues are expected to exceed expenditures by \$1,628,222 and \$824,023 for 2015 and 2016 respectively; these numbers are to significantly improve in 2016; Council previously received an email updating what was able to be negotiated on health care costs; this number is significant and in excess of \$500,000 in savings with identical plans

City Manager Marcinko suggested that Council continue to review the information and call or email any questions that may require greater research in advance of the Budget Session on November 4th; the plan for the Budget Session should be to talk about various taxing options that are available while the City is still under the Act 47 designation; the City Manager stated taxing options are policy decisions for Council and staff will assist Council and guide Council as they make decisions; the taxing options are complicated as various taxes apply under the Act 47 designation and may go away when the City is not designated; some taxes can be substituted for others and Council will have to look at the numbers to see what makes the most economic sense for the City; the City Manager stated there needs to be more in depth discussions between staff and Council

The City Manager stated that in accordance with Act 199 which amended Act 47 the budget process was different this time and the City had to submit the budget to the Act 47 Coordinator by a certain date which was October 19th;

The City Manager stated she and Omar Strohm met with the Pennsylvania Economy League on October 14th and reviewed all of the numbers department by department and line item by line item

Councilman Kelley asked with regards to the changes that the legislature has made and bringing the Act 47 Coordinator into the budget process, at what point will the Act 47 Coordinator sign off on the City's budget

The City Manager stated it will be November 17th which is the date the Act 47 Coordinator has to provide comment; if it's important to have that comment prior to introduction Marla stated she will try to make that happen; Marla stated the Coordinator has the exact document that Council has before them and any changes made will be a matter of updates

Councilman Kelley asked about the healthcare cost savings; Marla stated it is for the 2016 renewal and is based on the current contracts with the three collective bargaining units; Marla stated the new healthcare provider matched all of the City's plan designs identically for active employees and for retirees who may be under different plans; there was no need for collective bargaining units to sign off on anything;

Councilman Kelley stated the healthcare costs are impressive and thanked City Manager Marcinko and staff for all of their work and for their approach to the budget

Councilman Kelly referred to a memo from October 21st from the City Manager regarding revenue exceeding expenditures by 1.6 million dollars for 2015 and \$824,000 for 2016 and if this number is reflective of the health care cost savings; Marla stated there will be an additional \$540,000 on top of the \$824,000 number; very few budget figures will change but staff will continue to update as they change; the most obvious will be health care; the 2015 health care cost savings rates are budgeted in the 2016 figures

Councilman Kelley thanked the City Manager for her approach to the budget process of, if you do this, this is what you will realize, and for pointing these things out to Council and for letting the policy group make these decisions; Marla stated the Department Directors reviewed all fees and offered some modest increases to certain fees and permits; this is all recommended and up to Council and staff will proceed as directed

Mayor Pacifico thanked staff for their work

Councilman Kelley asked if this is the first budget under Home Rule and if the City will have to petition the Blair County Court of Common Pleas again; City Solicitor Larry Clapper stated yes the City will have to go to Court for Act 47 non-resident Earned Income Tax; the County will have to approve that

DISCUSSION ITEMS & ANNOUNCEMENTS

Councilman Kelley mentioned the 3rd train derailment that recently happened and if there needs to be discussion with Norfolk Southern (NFS); Council agreed that City Solicitor Larry Clapper will draft a letter to NFS on behalf of the Mayor and City Council; Deputy Fire Chief Mike Tofano stated the County 911/EMA Director, Mark Taylor reached out to NFS regarding protocols and their enforcement

Councilman Haire asked about the Dr. Dowlut re-zoning and if the City moved forward on that; Planning Director Lee Slusser stated the City won't move forward until he pays the fees for the next re-zoning attempt as well as the previous advertising and legal costs for the last round; Dr. Dowlut did receive this information by mail and it was discussed in a face to face meeting about three weeks ago; Dr. Dowlut has not responded to date

Councilman Kelley asked for an update on Kustaborder Field since the last Council Meeting; Public Works Director Nate Kissell stated he cut bleachers apart, sealed dugouts, softened the signs to indicate the park was closed from dusk until dawn and added signs stating no motorized vehicles on the field; Nate stated he recently met with CBRC Director, Mike Hofer who he plans to meet with again over the winter; Nate and Mike are suggesting an Eagle Scout project to re-build the bleachers and paint the dug outs

Mayor Pacifico reminded traveling motorists to use caution as Trick or Treat night is Thursday, October 29th from 6 to 8 p.m. in the City

ADJOURNMENT – by Mayor Pacifico at 8:05 pm