DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

JUNE 25, 2014
10:00 A.M.

MEMBERS PRESENT

Mike Pries, Vice Chairman
George P. Hartwick, III, Secretary
Jeff Haste, Chairman (ABSENT)

STAFF PRESENT

Chad Saylor, Chief Clerk; Marie E. Rebuck, Controller; Janis Creason, Treasurer; Bruce Foreman, Esq., Solicitor's Office; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; J. Scott Burford, Deputy Chief Clerk; Leila Brown, Solicitor's Office; Amy Harinath, Press Secretary; Molly Zarefoess, Solicitor's Office; Fred Lighty, Esq., Solicitor's Office; Kay Lengle, Human Resources; Andrew Zwally, Commissioners' Office; Daniel Schramm, Commissioners' Office; Rudy Doub, Commissioners' Office; Melody Osborn, Commissioners' Office and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Scott Mehok, Casara Gross and Fox 43

MINUTES

CALL TO ORDER

Mr. Pries, Vice Chairman of the Board, called the meeting to order at 10:08 a.m.
MOMENT OF SILENCE

Everyone observed a moment of silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

There are several sets of Meeting Minutes that will be considered at next week’s Legislative Meeting.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

Mr. Saylor reported that there were no Executive Sessions held between meetings.

PUBLIC PARTICIPATION

There was none.

DEPARTMENT DIRECTORS/GUESTS

A. Scott Mehok, Eckert Seamans

   1. Next Generation Farm Loan – Casara I. Gross
      Resolution #21-2014 approving project financing (**A Vote is Requested 6/25/2014**)

Mr. Mehok stated that he is here today to ask the Commissioners to consider approving a project to be undertaken by the Dauphin County Industrial Development Authority on behalf of Austin Kieffer and Casara Gross. Austin and Casara are engaged to be married in August and would like to undertake the acquisition of a new farm in Halifax under the PA Department of Agriculture’s Next Generation Farm Loan Program. The goal of the program is provide the Commonwealth’s next generation of farmers with an opportunity to purchase land and other capital assets to begin their agricultural enterprise. The program utilizes tax exempt mortgage financing in order to reduce the farmer’s interest rate for capital purposes. In this case, The Gratz Bank is the mortgage lender. They will be providing the financing. They utilize the Industrial Development Authority as a conduit issuer in order to obtain the tax exemption, which the bank then in turn passes on to the farmers in terms of the lower interest rate. The rate is 3.25%. Had this been a taxable rate it would have been 4.25%. The other big disadvantage with going on a traditional taxable rate is that this financing would have been subject to a put every five years by The Gratz Bank, which means it would force the farmers to almost refinance at the end of the five year period. Going the tax exempt rate it will
reset at a tax exempt index, which is a percentage of prime every five years for the 30-year period.

The Commonwealth’s program has about $15 million per year allocated towards it. The maximum amount of each loan is $509,000. That is applied towards the acquisition of the farm land. You are not allowed to apply the proceeds of the loan towards the residence portion, but you can apply it towards farming equipment and other necessary uses with the farm. The applicants have to be PA residents and at least 18 years of age. They also have to be the principal owner and user of the project. They can’t have any prior ownership in a farm. That is defined in the Statute as a substantial amount of land, which in Dauphin County is more than 15 acres. Austin and Casara want to purchase a 103 acre farm located at 1310B Enders Road in Halifax, PA, Wayne Township. The total purchase price is about $625,000, which about $300,000 to $325,000 will come from the IDA Financing under the Next Generation Farm Loan Program. The farm will be primarily used to grow corn and soy beans, and also a little hay. This is the fourth time that the Industrial Development Authority has undertaken financing under the Next Generation Farm Program. Since 2011, those prior three loans are in an aggregate amount of $1.45 million. They have helped farmers purchase about 342 acres of land.

In order to issue tax exempt bonds through the Industrial Development Authority they need to have public approval from the elected officials under the TEFRA Act. Typically this is obtained in a three-step process. The first process is that you have to have a notice of a public hearing, which appears in the newspaper 14 days prior to the public hearing. Notice was published in the Patriot-News on May 29, 2014. The hearing was conducted at the Industrial Development Authority’s offices on June 16, 2014. Copies of the proofs of publication of that notice, as well as the minutes from that hearing, were provided to the County. The last step would be the approval by the Board of Commissioners.

Mr. Hartwick thanked Casara for her commitment. Agriculture and farming is the number one industry here in the County. The Board is always grateful to see the next generation step forward. It is a lot of hard work and commitment. The loan amount is between $300,000 and $325,000. He asked when that final determination is made.

Mr. Mehok stated within the next few weeks. They also received financing through the Farm Service Agency of the U.S. Department of Agriculture. The full amount was part of the TEFRA, the $509,000. Under the tax rules you can’t issue more than what you have publicly approved, but you can always issue less.

Mr. Hartwick stated so the approval by the Board would be up to $509,000.

Mr. Mehok stated that is correct.
Mr. Pries also congratulated Casara for this endeavor. It is great to see young folks going out and preserving our diminished resources. This is a wonderful opportunity to save these valuable resources.

It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board adopt Resolution #21-2014, which is captioned as follows:

A RESOLUTION BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF DAUPHIN, COMMONWEALTH OF PENNSYLVANIA (THE “COUNTY”), PURSUANT TO THE PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, GENERALLY APPROVING THE ISSUANCE OF TAX EXEMPT OBLIGATIONS BY DAUPHIN COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE “AUTHORITY”) TO FINANCE A PROJECT LOCATED IN THE COUNTY; AUTHORIZING THE EXECUTION OF AN APPROVAL CERTIFICATE WITH RESPECT TO THE PROJECT; PROVIDING FOR AN EFFECTIVE DATE AND A GENERAL REPEALER.

Question: Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.

Mr. Pries mentioned that Commissioner Haste gives his best as well. He is a big supporter of doing this very type of thing.

B. Mike Yohe, Director of Budget & Finance

1. Adoption of the 2014/2015 Fiscal Year Budget (**A Vote is Requested 6/25/2014**)

Mr. Yohe stated that the budget was presented back on June 4th. It met the required 20-day public inspection period. Today is the day that was advertised to approve the budget. The State budget has not been finalized yet. There were no changes made to this budget from when it was initially presented.

He is requesting to approve the 2014/2015 Fiscal Year budget for Dauphin County for the funds that fall under the State fiscal year. It is a reduction of $1.8 million overall from the current 2013/2014 year to the proposed 2014/2015 year. It is $2.4 million reduction in County funds that would be applied towards the eight funds. Two new positions were added in Drug & Alcohol.

Mr. Pries, and on behalf of Commissioner Haste, congratulated Commissioner Hartwick for his leadership in the area of human services. Looking at these numbers, two years ago he never thought something like this would be possible. Commissioner Hartwick took the bull by the horns and really looked over each and every one of these departments. It is also a credit to those individuals that are in charge of these departments. They have been able to find the best way to utilize the numbers by working together.
Mr. Hartwick stated just a couple words of caution related to State budget concerns, still not knowing what the final fiscal picture looks like. He knows the House Republicans released their budget yesterday, which reflected similar numbers to what the Governor proposed in his original budget, related to these line items in human services. This is a good sign, knowing that this is not at least initially being targeted to try to make up the $1.3 billion estimated revenue short-fall from the State side. More cuts to the area of Drug and Alcohol and Mental Health specifically could cause significant problems and future expenses that would far exceed the initial cuts that have been made. Those departments, particularly MH, have been cut to the bone with limited access to community-based services. They are attempting, through the Block Grant, to try to provide more access at a less expensive rate than going through Crisis Intervention or the ability to have them in inpatient stays as a first level of defense from a community-based mental health system. That process is ongoing for the County to try much more effective ways to open up access and to try to help provide the level of support and services that don’t require folks to need that acute level of care that is extraordinarily expensive and not the best way to serve individuals. Kudos goes to everyone involved in the Block Grant planning process, led by Scott Burford and the team. The County is on the forefront of trying to do significant evaluation and the Block Grant has allowed the County to measure the effectiveness, efficiency and the outcomes of every single contract that the County is engaged in, what drives future costs, what is the most important levels of service that needs to be provided upfront and how can the County effectively measure the ability to get what the County paid for and see that result in reduction of expenses and hopefully a healthier community in all areas of the categoricals. The County is leading the way in human services. While the struggles continue, the Board has asked folks to do more with less and be more creative and understand what best practices there are and a mechanism by which to evaluate. The other area of caution that you will hear from him is that the County needs to continue to invest in community-based programs as alternatives to more expensive placements, group homes and other areas that are proven not to be effective and much more costly to expand that local network of providers, both in the mental health area, drug and alcohol and particularly the children and youth area have to be a critical component to the future of those agencies, because absent that level of alternatives for judges and for families, the only alternative for a lot of the kids who are extremely challenging to support are expensive group homes and costly out of home placements. Children and Youth, a lot of those expenses went to Schaffner. The County is now realizing some of the savings as it relates to the plan to reduce kids in care generally and reduce the number of kids in both detention and out of home placement. The County is at an all-time low for placement in dependency and the delinquency numbers are significantly reduced, even over two years ago. The County is heading in the right direction.

It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board adopt the 2014/2015 Fiscal Year Budget.

Question: Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.
HUMAN RESOURCES

Ms. Lengle asked if there were any questions on the Salary Board and Personnel Packets.

Mr. Hartwick stated that in the fiscal budget, the Board created two Prevention Specialist positions. Today there is only the creation of one.

Ms. Lengle stated that is an error. She indicated that she will distribute a new cover sheet.

(There were no questions on the Personnel Packet.)

Ms. Lengle indicated that she is requesting a vote on Item #1.

It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board approve Item #1 on the Personnel Packet.

Question: Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.

PURCHASE ORDERS

Mr. Baratucci mentioned that after the Packet was printed, the Warden submitted a requisition and asked that it be added for consideration at next week’s Legislative Meeting. It is for some ammunition that the Prison needs for their training and certification.

There were no questions and the requisition will be added to next week’s Purchase Order Packet. The Purchase Order Packet will be considered at next week’s Legislative Meeting.

TRAINING PACKET

Mr. Saylor noted that there are no training requests that need prior approval.

ITEMS FOR DISCUSSION

A. Approval of the Human Services Block Grant for Fiscal Year 2014/2015 Plan. (***A Vote is Requested 6/25/2014***)

Mr. Hartwick stated that based upon his conversation with Scott Burford yesterday, they are prepared to provide the submission.

It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board approve the Human Services Block Grant for Fiscal Year 2014/2015 for submission to the PA Department of Public Welfare.
Question: Mr. Pries – Aye and Mr. Hartwick – Aye; motion carried.

SOLICITOR’S REPORT – BRUCE FOREMAN, ESQ.

Mr. Foreman stated that the Solicitor’s Report for the Workshop Session has been circulated and those items will be ready for consideration at next week’s Legislative Meeting.

Mr. Hartwick asked for a copy of Item #11.

CHIEF CLERK’S REPORT – CHAD SAYLOR

Mr. Saylor reported on an item that his predecessor started investigating for the County was placing GPS tracking systems in County-owned vehicles. He is very interested in and has been pursuing this matter. Keith Kepler already has a system which he uses and has much success out at the Recycling Center. This issue was discussed in Directors’ Meetings and a number of departments are interested. Meetings have been held with different vendors and are working on putting together how many vehicles and what kinds of services departments are specifically looking for. He will work with Randy to get some proposals in and see if something can be put together. Other than that he has nothing else, unless the Board has any questions. (There was none.)

COMMISSIONERS’ COMMENTS

There was none.

PUBLIC PARTICIPATION

There was none.

ADJOURNMENT

Mr. Pries noted that the Retirement Board will convene in approximately 2 minutes.

There being no further business, it was moved by Mr. Hartwick and seconded by Mr. Pries that the Board adjourn; motion carried.

Transcribed by: Richie-Ann Martz