DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

NOVEMBER 22, 2017
10:00 A.M.

MEMBERS PRESENT

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

STAFF PRESENT

Chad Saylor, Chief Clerk; Tim DeFoor, Controller; Janis Creason, Treasurer; Joseph A. Curcillo, III, Esq., Solicitor; Randy Baratucci, Director of Purchasing; Mike Yohe, Director of Budget & Finance; Fred Lighty, Esq., Solicitor’s Office; Kay Lengle, Human Resources; Donna Miller, Commissioners’ Office; J. Scott Burford, Deputy Chief Clerk; George Connor, Director of Community & Economic Development; Nick Chimienti, Sheriff; Gerald Feaser, Jr., Director of Voter Registration/Elections; Melissa Bradley, Human Resources; Amy Harinath, Press Secretary; Julie Mackey, Commissioners’ Office; Melody Osborn, Commissioners’ Office; Ruby Doub, Commissioners' Office and Richie-Ann Martz, Assistant Chief Clerk

GUESTS PRESENT

Media

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:07 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 four sets of Meeting Minutes that will be considered at next week’s Legislative Meeting.

EXECUTIVE SESSIONS HELD BETWEEN MEETINGS

There were no Executive Sessions held between meetings.

PUBLIC PARTICIPATION

There was none.

DEPARTMENT DIRECTORS/GUESTS

A. Mike Yohe, Director of Budget & Finance

   1. Presentation of 2018 Budget

Mr. Yohe reported that today is the day that was advertised for placing the 2018 Budget on the table for public inspection. He met with all the directors in August and September, and public hearings were held last week.

Mr. Yohe’s went through this budget report.

Page 1 - There are currently ten funds that operate on a calendar year basis. All tax monies go through the General Fund, which is what he will focus on.

Page 2 – Key Highlights of the 2018 Budget.

1 – There is no tax increase for 2018.

The Commissioners thanked Mr. Yohe and the Directors for their hard work with this year’s budget preparation.

2 – The overall budget decrease is due to the Childcare Network Grant ending 6/30/18. The total grant is approximately $27,000,000, so $13.5 million will drop off the General Fund budget in 2018. The remaining $13.5 million will drop off in 2019. Dauphin County has administered this grant since 2000.
Mr. Hartwick noted that the County received an administrative fee of $150,000 for handling the Childcare Network Grant.

3 – If the Childcare Grant reduction is factored out, the General Fund increased by approximately $4.8 million.

4 – 2.7% salary increases for 2018 are included for contracts under negotiation. The budget for non-union wages includes a 2.7% salary increase.

5 – The initial budget for the all the departments under the oversight of the Courts was approximately $42.6 million. With the cooperation of the President Judge, this amount was reduced to $41,255,000.

6 – The proposed budget assumes a 5% increase in the pension fund ADC for 2018.

7 – Twelve new full-time positions were requested for 2018. Two of these were approved for the Courts in 2017. Four new positions are included in the budget plus two part-timers at a cost to the General Fund of approximately $332,000. Two of the full-time positions are for the District Attorney and they will be 100% covered by non-county sources. This brings the total increased cost of the new positions down to $167,000 for 2018.

8 - $960,000 is included for County guarantees on the Harrisburg Incinerator debt per the terms of the Harrisburg Recovery Plan. $1,364,400 is still owed Dauphin County from the $8.5 million agreed upon settlement of the plan. That amount is not budgeted as revenue in the 2018 budget.

Mr. Pries noted that negotiations should continue.

9 – The debt service budget is showing a decrease of approximately $280,000 for 2018. This reduction is a result of the refunding that was done in 2017. The bulk of the savings generated by this refunding will be realized next year. The debt budget will stabilize in 2019 at approximately $11.9 million per year through 2024 at which time it will be complete.

The Commissioners are proud of this, considering where the Board started. The debt load was high.

10 – Expenses exceed revenue in the proposed budget by approximately $12.3 million. This budget deficit will be covered by the County’s reserved fund balance. The shortfall in the 2017 approved budget was $12.5 million. Current estimates show that of the $12.5 million drawn down on fund balance that was budgeted for 2017, only $5.2 million will be used.

Page 3 – Interfund Transfers Summary.
Page 4 – Shows the new positions that are included in the 2018 Budget.

Page 5 – The General Fund Revenue by Source. (Taxes-55.88%, Intergovernmental Revenue-15.25%, Charges for Services-11.04%, Indirect Cost Revenue-7.34%, All Other Revenue-3.98%, Draw down on Fund Balances-6.52%)

Page 6 – The General Fund Expenditure Breakdown. (Salaries & Benefits-50.48%, Materials & Supplies-1.27%, Service Expenses-20.26%, Grants to Organizations-5.78%, Indirect Cost Expenses-5.54%, Debt Service-6.57%, Equipment/Capital Expenses-1.05%, Interfund Transfers-8.93% and Miscellaneous Expenses-0.12%)

Page 7 – General Fund Revenue by Function. (Taxes-55.88%, General Government-14.43%, Human Services-9.60%, Public Safety-2.77%, Judicial-8.18%, Culture & Recreation-0.24%, Conservation & Development-2.40% and Draw down on Fund Balance-6.52%)

Page 8 – General Fund Expenditures by Function. (General Government-15.13%, Judicial-33.64%, Public Safety-22.90%, Public Works-0.34%, Human Services-16.59%, Culture & Recreation-1.36%, Conservation & Development-3.48% and Debt Service-6.57%)

Page 9 – The real estate tax rate of 6.876 mills has remained unchanged since 2005.

Page 10-13 – These pages show the summaries by departments.

The Commissioners thanked Mr. Yohe and all the department directors for their help with the 2018 Budget. Revenues continue to be a concern. That was mentioned at the CCAP meeting. There are some issues with starting salaries that need to be addressed. The County needs to be competitive. The turnaround in some departments is high.

It was moved by Mr. Pries and seconded by Mr. Hartwick that the Board approve the laying of the 2018 Budget on the table for the 20-day public review process. Adoption is scheduled for December 13, 2017.

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

Mr. Yohe noted that the 2018 Budget will be at the Receptionist’s desk for public review.

HUMAN RESOURCES

There were no questions raised on the Salary Board Packet and/or the Personnel Packet.
The Salary Board Packet and the Personnel Packet will be considered at next week’s Legislative Meeting.

**PURCHASE ORDERS**

Mr. Baratucci reported that there are a few budget adjustments that will be made prior to next week. There were no questions raised on the Purchase Order Packet.

The Purchase Order Packet will be considered at next week’s Legislative Meeting.

**TRAINING PACKET**

The Training Packet will be considered at next week’s Legislative Meeting.

**ITEMS FOR DISCUSSION**

Mr. Hartwick reported that CCAP has taken a new approach on announcing the priorities. CCAP’s priorities are: 1) Human Services System Reform and Funding, 2) Preventing Drug Overdose and Substance Abuse, 3) Maintaining the Shale Gas Impact Fee, 4) Forensic Beds for County Inmates with Mental Illness, 5) Funding for Veterans Program, 6) Funding for Voting Systems and 7) Mandate Reform.

Mr. Pries also mentioned an issue that was discussed at CCAP – the spotted lantern fly, which has invaded Lebanon and Schuylkill counties. This fly came over from Asia and is detrimental to the grape and hops crops.

**SOLICITOR’S REPORT – JOSEPH A. CURCILLO, III, ESQ.**

Mr. Curcillo reported on the refunding of a number of outstanding notes.

> It was moved by Mr. Hartwick and seconded by Mr. Pries that the Board approve the Addendum to Bond Purchase Agreement (dated November 15, 2017) County of Dauphin, Commonwealth of Pennsylvania General Obligation Bonds, Series A of 2017 (Dauphin County Infrastructure Bank); conditioned upon final approval by Chief Clerk and Solicitor, once a rate is determined.

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

**CHIEF CLERK’S REPORT – CHAD SAYLOR**

Mr. Saylor had nothing to report. He did wish everyone a Happy Thanksgiving!

**COMMISSIONERS’ COMMENTS**

The Commissioners wished everyone a Happy Thanksgiving!
PUBLIC PARTICIPATION

There was none.

ADJOURNMENT

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