

Commissioners' Board Meeting Thursday, November 16, 2006

The Berks County Board of Commissioners met in regular session on Thursday, November 16, 2006, at 10:30 A.M. in the Board meeting room on the thirteenth floor of the Berks County Services Center, pursuant to due notice to Board members and the public.

Commissioner Chair Judith L. Schwank called the meeting to order with Commissioner Thomas Gajewski and Commissioner Mark C. Scott in attendance. Also present were the Chief Clerk Terry L. Styer, County Solicitor Alan Miller, Esq. and County Administrator William E. Dennis.

Commissioner Schwank opened the meeting with a moment of silence and Pledge of Allegiance to the Flag.

County Administrator and Budget Director

Presentation of the proposed 2007 Berks County budget

County Administrator William Dennis and Budget Director Robert Patrizio presented the 2007 proposed budget for the County of Berks in which no tax increase is projected. The existing 6.935 millage rate is anticipated for this \$429 million dollar budget that represents an 8% increase over the 2006 budget. He expressed appreciation for continuing support of the Board of Commissioners and commended their involvement and active participation at the weekly budget meetings. In addition to the support of the commissioners, he pointed to the number of successes that are the result of the board's initiatives as cited that as the reason for no projected tax increase for 2007. Some of those initiatives that helped to contain future expenses, included the voluntary severance package, the change to a self insured health insurance plan, and a short term/long term disability policy adopted to replace the previous County Sick Leave policy. He said that long term cost savings are also the result of the cooperation of the county's many department heads who have helped to identify many efficiencies and facilitated the redesign and or reorganization of their departments. The 2007 budget message from the County Administrator and Budget Director is attached to these minutes.

Commissioner Scott asked Mr. Patrizio several fund balance related questions and asked him to explain for the public the difference between fund balance and restricted fund balance in 2006.

Commissioner Gajewski said that the good news is for the taxpayers of Berks County in that there is no projected tax increase but he stated that removal of the Commissioners' role in the management of various departments puts them at a distinct disadvantage and stated his opinion that the Commissioner's involvement in the budget process has been reduced by design.

Commissioner Gajewski budget comments continued:

He then called for the reestablishment of the commissioner liaison process where the Commissioners have direct involvement in the day to day operation of County departments. He then added that no decision has been reached on the Naval/Marine Reserve center in that additional meetings and a final decision by the Federal Government remains. He also said that this public review process gives the Commissioners an opportunity to amend the proposed budget. He asked for a cost avoidance analysis of the Community Corrections Facility verses the expansion of the Berks County Prison.

Commissioner Schwank thanked the staff and in particular, County Administrator Bill Dennis and Budget Director Bob Patrizio for their effort in putting together this very detailed budget. The Commissioner asked the budget director to discuss the declining wireless funding stream on the 9-1-1 revenue noting that many citizens are relying on their cell phones and many are dropping the use of land lines which is where that revenue source initiates. Following that discussion, she noted that contrary to Commissioner Gajewski's comments regarding the budget process, she felt very involved in the preparation of this proposed budget as the board has been meeting on a weekly basis discussing and tearing the budget apart. She said with a budget this large, it takes professional staff to get the job done. She then pointed to two areas that stand out in this year's budget. The Commissioner said that the County has "hit the wall" and referenced the Rossier International Study performed in 2001 that predicting the prison population and provided the board with options for the mitigation of population increases that were expected. She said their study hit the target and predicted the anticipated growth expectation that the county is now experiencing and in addition, the study provided the option of what has become known as the Community Corrections Facility as more cost effective way of detaining and attempting to rehabilitate non-violent offenders in an attempt to have them become effective members of society. She commended Commissioner Gajewski for his leadership as Chairman of the Prison Board in keeping this initiative moving forward and Warden Wagner for effectively dealing with large and growing prison population. She reminded everyone that we are all paying for the costs of criminal behavior citing the fact that 31% of expenses of County Real Estate Tax revenue is set aside for the provision of public safety related expenses for our citizens.

The commissioner then discussed the fact that the Berks Heim which is projecting a break even budget is the result of very hard work (noting the Management Partners report suggestion cost saving measures) that has resulted in a dramatic turn around from looking at \$4 million in the red to this balanced budget that also includes the Heim debt service. Commissioner Schwank noted that Jerry Fudeman the Heim administrator has attended numerous salary board meetings requesting a reduction and redesign of staff yet we have not decreased the level of service to our residents. Administrator Dennis also noted that the very deliberate decision on design size and number of beds at the new Heim is also a factor in this success.

In her final comments, Commissioner Schwank mentioned that if we continue in the analysis that we had been using and continue to be data driven in our decisions we can continue to get Berks County on the right track for our fiscal future.

Commissioner Scott agreed that the Heim success was due to the decision not to build an oversized facility which would have resulted in massive financial losses. He reflected on what he described as money very well spent when the county hired a consultant that was critical of building an oversized facility. By following that advice he said the millions saved was worth the thousands in fees paid to the consultant. He then commended the budget department staff and in particular Bob Patrizio and Bill Dennis for the improved ability to project the financial results. He said so much of the improvement in County government is not the work of the politicians, it is the work of the staff and the professionals the politicians hire. The decision to hire and delegate to their professional expertise is what he credits to 90% of the improvements to Berks County Government. He discussed those future borrowings for capital improvements for things like the Communications budget will impact the long term projections and will be dependent on board decisions. He said that budget deliberations often include difficult negotiations and compromises with department heads and sometimes involve confrontations as you have to be able to say 'no' to some of the requests and this is where the elected officials roles are very important. He indicated that this budget will include some of those denials and tough decisions and in particular for the court system. He mentioned that this was the first year the board was asking our non-profits requesting county contributions to provide information to the board for the salaries they are paying their staff and in particular the executive staff of these organizations which he pointed out are usually much better paid than the professional staff of county government who he feels have a much more difficult job. He said that the county will continue to look at opportunities to privatize county services as he explained that privatization is a real opportunity for the containment of the costs of government. He said privatization of county services reduces the "head count" of employees and the associated rising cost of health insurance the pension obligations which tend to grow at a faster rate than our tax revenue, thereby putting the county on a collision course with a tax increase.

This proposed 2007 budget which is available for inspection in the Commissioners Office, the Budget office and on the County Web site is scheduled for adoption on December 19, 2006.

Approval of Minutes

A motion to approve the minutes of the October 31, 2006 Commissioners' Workshop and November 2, 2006 Commissioners' meeting minutes was made by Commissioner Scott, seconded by Commissioner Schwank and all voted yes to approve.

Consent Agenda Items

1. A motion was made by Commissioner Scott, seconded by Commissioner Gajewski to approve the items listed below:
 - 330.06 A. Resolution authorizing 2006 Budget Transfers in the amount of \$635,754 per listing dated November 9, 2006.
 - 331.06 B. Resolution authorizing, as a result of Invitation to Bid #06-12-MB, a one year contract to M.D. Brown Co. 239 Schuyler Avenue, Kingston, PA 18704 for health care supplies at the Heim \$42,760.
 - 332.06 C. Resolution authorizing, as a result of Invitation to Bid #06-12-MB, a one year contract to ATD-American Co. 135 Greenwood Ave. Wynecote, PA for health care supplies at the Heim 19095-1396 for \$12,657.
 - 333.06 D. Resolution authorizing Judith L. Schwank, Chair of the Berks County Board of Commissioners to sign the "Grant Recipient's Release, Grant Recipient's Assignment of Refunds, Rebates, and Credits, and WIA Grant Closeout Tax Certification" for the WIA Grant for Berks County Employment and Training Office on behalf of the applicant. Grant amount totals \$284,240.00.
 - 334.06 E. Human Resource Recommendations per list dated November 14, 2006
 - 335.06 F. Resolution authorizing appointment of Lawrence Tabas, Esq. of Obermayer, Rebmann, Maxwell, Hippel, LLC as special counsel to the HealthChoices program effective October 1, 2006 through June 30, 2007 and further authorizing execution of an independent contractor agreement for such services as well as for the solicitor's office to petition the Berks County Court of Common Pleas for approval of such appointment.
 - 336.06 G. Resolution authorizing tax forgiveness including any interest and penalty for all outstanding County taxes for the year 2003 - \$827.81; 2004 - \$205.76 and 2005 - \$204.05 to the City of Reading for property situate in the City of Reading at 422 S. 6th Street, Reading (PIN 06-5307-64-42-9574).
 - 337.06 H. Resolution authorizing tax forgiveness including any interest and penalty for all outstanding County taxes for the year 2006 to the Daniel Boone Area School District for property situate at

556 Monocacy Creek Road, Amity Township (PIN 24-5354-14-44--946).

- 338.06 I. Resolution authorizing tax forgiveness including any interest and penalty for all outstanding County taxes for the 2006 to SAM for property situate 19 North 6th Street, Reading (PIN 07-5307-83-80-4485-X01).
- 339.06 J. Resolution authorizing execution of the Lease Amendment between the County of Berks and the U.S. Department of Agriculture, Farm Service Agency, for office space situate at the Berks County Agricultural Center, beginning January 1, 2007 through December 31, 2007 at a monthly rent of \$4,044.38.
- 340.06 K. Resolution reappointing Heather Burkhart, Shillington PA 19607, to a 3 year term on the Environmental Advisory Council, term to end 6/11/09.
- 341.06 L. Resolution authorizing the Berks County Solicitor's Office to advertise a special meeting to be held Wednesday, November 29, 2006 at 6:00 P.M. in the Commissioners' Boardroom, Berks County Services Center, 633 Court Street, 13th Floor, Reading, Pennsylvania, 19601 for the purposes of considering a resolution fixing the salaries of certain elected officials.
2. Motion authorizing execution of Contract Agreements/ Amendments as furnished by the Contract Coordinator, per attached listing dated November 13, 2006.

Reports

1. County Treasurer – Nelson Long, CPA presented his weekly report.
2. County Controller – Sandy Graffius presented the weekly Controller's report

There being no further business, the meeting adjourned at 11:57 A.M.

Respectfully Submitted,

Terry L. Styer, Chief Clerk