



DAUPHIN COUNTY BOARD OF COMMISSIONERS

WORKSHOP MEETING

August 31, 2005
10:00 A.M.

MEMBERS PRESENT

Jeff Haste, Chairman
Dominic D. DiFrancesco, II, Vice Chairman
George P. Hartwick, III, Secretary

STAFF PRESENT

Chad Saylor, Chief Clerk; Robert F. Dick, Treasurer; William Tully, Esq., Solicitor; Julia E. Nace, Assistant Chief Clerk; Randy Baratucci, Director of Purchasing; Edgar Cohen, Director of Facilities Maintenance; Guy Beneventano, Esq., Solicitor's Office; C. Doran Vance, Esq., Solicitor's Office; Diane McNaughton, Commissioners' Office; Melanie McCaffrey, Solicitor's Office; Garry Esworthy, Risk Manager; Dave Schreiber, Personnel; Kay Sinner, Personnel; Dan Robinson, Community & Economic Development; George Connor, Community & Economic Development; Tom Guenther, Director of IT; Steve Suknaic, Director of Juvenile Probation; Robert Burns, Director of A.A.A.; Sharon Way, Personnel; J. Scott Burford, Deputy Administrator of Spring Creek; John Doebing, IT; Stephen Libhart, District Attorney's Office; Lena Martinez, Commissioners' Office; Jena Wolgemuth, Commissioners' Office; and Richie Martz, Commissioners' Office

GUESTS PRESENT

Bruce Walter, George Wolfe, Gary Crissman, Bill Hawk, Dave Blain, Clark Frese, Stephen Hetrick

MINUTES

CALL TO ORDER

Mr. Haste, Chairman of the Board, called the meeting to order at 10:00 a.m.

MOMENT OF SILENCE

We have all heard and seen the disaster caused by Hurricane Katrina and I know there is a lot more loss of life than anticipated. Someone had told me that the Governor of Louisiana and the President suggested that we have a day of prayer.

Everyone observed a Moment of Silence.

PLEDGE OF ALLEGIANCE

Everyone stood for the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Haste: We have two sets of Meeting Minutes that we will take up at next week's Legislative Meeting.

PUBLIC PARTICIPATION

Mr. Haste: We are at the point in time for public participation. Is there anyone in the audience that would like to address the Board at this time? (There were none.)

TEFRA HEARING

(Minutes from TEFRA Hearing are on file in the Commissioners' Office.)

DEPARTMENT DIRECTORS/GUESTS

Steve Libhart, Esq., from District Attorney's Office

1. **Approval for continuation of two (2) Pennsylvania Commission on Crime and Delinquency (PCCD) grants**

Mr. Libhart: As the meeting Agenda shows I am coming here on behalf of both the District Attorney and the Executive Director of Victim Witness Services for Dauphin County. The grants that we intend to apply for today are just a continuation of existing grants that have been used to fund various positions of victim service advocates, in both of the previously mentioned offices. There is no County match. It lasts for one calendar year and you are eligible to reapply each successive year until the funds are no longer offered by the Federal government.

Mr. Haste: Actually these were planned for in the budget so we need to move forward with these. Is there a motion to approve?

It was moved by Mr. Hartwick and seconded by Mr. Haste that the Board approve the following grants; motion carried.

- a. **Rights Services Act Grant in the amount of \$161,047 to fund Victim Witness Services through the Victim Witness Office and District Attorney's Office, runs January 2006 thru December 31, 2006, with no County matching funds**
- b. **Victims of Juvenile Offenders in the amount of \$99,106 to fund the Victim Assistance Program, runs January 2006 thru December 31, 2006, with no County matching funds**

Steve Hetrick, Certified Investment Management Consultant for Charles River Collaborative
Presentation of County Deferred Compensation Plan

Mr. Hetrick: Thank you for the opportunity to meet with you today to review the Deferred Compensation Plan. We are going to look at where we were and where we are. What you are going to find in the meeting here today is the transition went smoothly. The expenses are lower. Performances are up. With the aid of Sharon Way, Garry Esworthy, Terry Davis and the rest of the volunteer Employee Benefits Committee, we are creating some new initiatives for the Deferred Compensation Plan.

About a year ago we were sitting here and we were analyzing whether it was a smart decision to make a change from the Principle Financial Group to another plan provider. The impetus for that change is that Principle was making some changes nationally, which were affecting us locally. Specifically they changed the way that they were calculating their administrative expenses and also they were closing the architecture. What that resulted in were increased administrative expenses for the plan and the elimination of some of the more popular mutual fund investment options. I went back to review the contract and what I found is that they could increase those expenses, but they made an error on what they call the SCACOR rider. That is a surrender charge account credit option rider, where they assume some back end expenses from Nationwide or Hartford in the previous transfer. If you terminated the contract you saved money and we are going to talk specifically about how much we anticipate we will save, but it will be well above \$150,000 over a four-year period. We brought this information to the voluntary Employee Benefits Committee which in turn brought the information to you. A recommendation was made to switch from the Principle Financial Group to an open architecture plan, which we have called the "Best Practices" plan. The Best Practices plan is very similar to what you are doing with the traditional pension plan here at the County, where you are following the fiduciary's standards of care. It is put together and tailored specifically for the County. We expect with this plan that the expenses will be lower, investment performance will be up and that you will have control locally. So, you won't experience in the future a national provider saying we are making these changes nationally, which are going to affect you here locally.

We are going to review the transition process and look at the ongoing initiatives that we have, future initiatives, review the investment performance reports and at future meetings we are just going to focus on the investment monitoring reports. They will be much briefer.

The transitions' goals were to lower the expenses. Clark Frese is going to talk about that.

Mr. Frese: (A slide presentation was shown.) It has been updated since last year with assets that are through June 30, 2005. If you will notice under the current plan, we are anticipating 188 basis points of expenses. We are going to do a complete audit at years-end, but we did a mid-year audit through June 30th. Expenses are slightly lower on an annualized basis from the 188 basis points we are anticipating. Principle's fees were 228 basis points. The savings will be 40 basis points this year, which will be about \$43,000 and that money stays in the participants' accounts. The lower expenses mean that the participants end up with higher account balances. When Steve mentioned the SCACOR savings that is actually taken into account in our calculations, however, when they did the final transition and transferred the money over in January there was supposed to be a 40 basis point penalty paid, which we had anticipated and taken into account in these calculations. That was never assessed. What we have done is we have set up a sinking fund inside the plan. It is Principle's responsibility to come back and bill us for that. Traditionally, they always do that at the transition point. We don't know if they will ever get back to us or not.

Mr. Hartwick: Don't keep bringing it up at a public meeting.

Mr. Frese: We felt an obligation to mention it at least once. We are putting a sinking fund aside in an interest bearing account that is paying about 4%. We will apply that to expenses in 2006 and lower expenses in that year. In 2006, the expenses for the plan will drop to 148 basis points and that will increase the savings to about \$86,000. Over the four year period, the total savings would be \$187,000. Savings beyond 2008 continues at that same 19 basis point level. Those are total expenses. They would include the custodial and administrative expenses. As you can see the average equity mutual fund has a total expense ratio on average of 1.51%. We have achieved the goal of lowering expenses. The next goal to see are the investment options – are they out performing the Principle investment options. What we have done is we have side by side comparisons of all the different funds. As you can see there is a marked out performance by the new investment options, with the exception of the mid cap area. The mid cap value and growth is going to be something that we are talking about in the monitoring report. The mid cap value and growth, when we selected those funds, were out performing. Principle also made a change with changing the investment for their mid cap value.

Mr. Hetrick: Some model portfolios for planned participants were based upon a risk return premium, moving from a conservative allocation to an aggressive allocation, using those investments that we selected for the plan you can see the composite

returns and how well they have out performed. That really shows two things. The investment options within the plan are doing extremely well, and the model portfolios that we put together are doing well. This is important because there is an industry shift to the lifestyle type of funds in any type of retirement plan and also the 529 plans. This is put together with the best investment options which are available in the plan with no additional fees. A lot of times there are these internal fees and typically they don't have the best investment options. A large percentage of the employees have selected the models. The new enrollees are also doing that as well. It is an important aspect of the plan.

Mr. Haste: When you say someone selects a model, you are giving them that blend or are they picking one of those?

Mr. Hetrick: They would pick one of those models. What it is, it is more of a template.

Mr. Haste: So, if I'm going to the moderate allocation are you saying they would pick one of those?

Mr. Hetrick: In the moderate growth portfolio. But that would be a pre-designed portfolio so that would be option F that they would check on the enrollment form. It would automatically go into that portfolio.

Mr. Hartwick: Is it made up of all those funds if you select the moderate growth option?

Mr. Hetrick: It is made up of about nine of the funds, looking at going from the large cap value growth blend, the mid cap value and growth, the small cap value and growth, international, real estate and then bond funds. What I will do is I will make sure you have an enrollment form so that you can see the actual allocations and the performance reports. I just wanted to provide you with a side-by-side comparison.

Mr. Haste: It is a comparison to the other funds that are out there.

Mr. Hetrick: The funds are really out performing. It is a nice investment mix that we put together also.

Mr. Hartwick: The key would be if in fact they are not performing you go back to the Benefits Committee and they put them on notice, just like they are with our retirement plan, you begin to search for other folks who are providing that same level of options and you talk about selecting someone else who has a better performance track record.

Mr. Hetrick: Exactly. The key to this plan is that the voluntary Employee Benefits Committee is integral in this process, but ultimately it would be the three of you or the Commissioners at the time that would accept or deny any recommendations. You will have the final say as the fiduciaries, but we are coming to you with recommendations from the voluntary Employee Benefits Committee. So, again we wanted to take a look at this whole putting together in the transition process we wanted to follow a fiduciary

process and we also wanted to make sure that we were working with an investment advisor who was acting as co-fiduciary on the plan to lower the liabilities that you would have. Clark and I are the registered investment advisors on the plan and we also act as pension consultants to the plan and provide educational services to groups and individuals. We are in the process of implementing an investment policy statement that has been reviewed by the attorneys and it is waiting for your approval. I believe Chad may have emailed you copies of the statement. We will hold quarterly meetings with the voluntary Employee Benefits Committee and at least bi-annual meetings with you. Future meetings will be much briefer than this one. Ongoing due diligence is talking about what Commissioner Hartwick mentioned, which is the replacing of under performing investment options. It can also mean in this type of plan, lets say Fidelity, which is the plan custodian, if they would change their pricing structure and they were pricing themselves out of the market we could do an RFP and if Charles Schwab had a better price we could change custodians without disrupting the plan as a whole. You have a lot of flexibility that you didn't have in the past where things were bundled together. We continue to offer the excellent service and education. Just to touch base on that we have two levels of service, the plan service and participant service. On the plan side, we have all been in those situations where we called an 800 number and have gone through the menu for about 15 minutes we had a question and never got the right answer. What we have done is set up a back-up office where people can call our local office in Susquehanna Township and we will return their call, if we don't answer it, within 24 hours. We want to make sure that their questions are answered. This would be along the lines of the participants and also for the HR Department. We are the point men for any servicing requests. We also provide assistance with ongoing initiatives, which we will touch base on. On the participant level, we provide group meetings on a monthly basis in the Administrative Building and also at Spring Creek for their orientation. Also, we like to get to the satellite offices on a bi-annual basis and at those meetings, after the group meetings, we meet with individuals. We also meet with the individuals upon request at our office or at satellite offices.

Mr. Hartwick: How many people are attending group meetings and have you had some increased participation since the change of plan?

Mr. Hetrick: Participation has increased. The amount of monies has increased that is being contributed into the plan. The group enrollment meetings are fairly small unless they are more organized like the orientation or if it is at a satellite office where they have some new enrollees at the time. The monthly meetings here I'm generally averaging two or three new people. We just started them at Spring Creek and there were six new employees. Because it is an organized meeting at Spring Creek where they are going over a lot of things for new employees, I expect participation to be a lot greater than some of the other areas.

Mr. Haste: Are you doing the same thing out at the Prison?

Mr. Hetrick: We are working with Mark Templeton. It works a lot better on the individual type of basis with people who are interested. I find that I have more people coming to

my office or I'm meeting with people upon request. It seems to fit in better especially at a place like the Prison or Spring Creek where the hours are a little bit different to have those individual meetings.

Mr. Haste: The only thing that I was thinking about is that you may want to talk to Mark when we have new hires, we usually have them in groups. We are getting ready to do another testing and when we hire guards we hire a number of guards at a time. There is a two-week period where the new employees come for different presentations. That may be a good time to come in.

Mr. Hetrick: We would welcome that opportunity.

Mr. Haste: Just make that part of the new employee presentation.

Mr. Hetrick: If there are any suggestions that you may have like that just give us a call and we will make ourselves available for any meeting. We do that for individuals. I have even met with individuals for evening appointments, because they are working and they want to bring their spouse in.

Mr. Hartwick: How much money is currently in our Act 147 plan?

Mr. Hetrick: It is a little over \$11 million. We started out with \$10,190,000 at the beginning of this year.

Mr. Hartwick: So, we have increased \$1 million since the changes.

Mr. Hetrick: Exactly. Contributions have gone up. Contributions per pay had not exceeded \$50,000 before and they are now over \$50,000. We increased about \$10,000 per pay. The last goal was to retain control locally of the plan design and we have done that. So, we have achieved the transition goals, planned contributions have increased, plan size has increased and participants have viewed the change positively. I was concerned that the Prison would be an area of concern that I had with the transition. They have been one of the satellite offices that have really embraced the change. There are a lot of people out there that really pay attention to the deferred compensation plan investment options and they have really enjoyed the new options. We received a lot of positive comments there. Our ongoing initiative is to continue planned servicing, and the investment club meets bi-annually. That is an educational forum so people can gain more investment knowledge so people can be better prepared for retirement. Sandy Parrish has spoken there. We are going to have other people come in to talk about their individual investments and then have some other topics. I am looking to Sharon Way to develop an intranet site that is similar to the Wellness Program so there would be one area that they can go within the intranet site to view access forms, additional information, see the upcoming calendar and those types of things. Online enrollments will be available in the future. I think Commissioner Hartwick you may have seen a flyer that we prepared for that. That will allow participants to enroll online or make some changes such as beneficiary contribution amount online. A

future initiative we are going to be reviewing with the voluntary Employee Benefits Committee would be discounted investment financial profiles. Those would be in-depth retirement educational goal planning profiles that could be provided to County employees or participants at a steeply discounted price. It would be a benefit of being an employee here that they could get a discount on that service. As far as the investment review process, Clark is going to talk a little bit about our due diligence process that we have enacted.

Mr. Frese: This next section is going to get into the investment policy, which has been emailed to you. I just want to go over briefly the criteria. In the screening process, we try to eliminate managers that don't meet specific criteria. The idea is that you can get above average managers by picking characteristics that are commonly seen in the better managers. For instance, you want a minimum history so you are looking at someone's track record to see how they actually performed. You don't want a new manager where you are going blind anticipating that they are going to do above average performance. You want someone with a limited amount of assets that you have a fund where the expense ratios aren't going to be large. You want enough assets so the expenses are allocated among the larger amount of money. The stability of an organization is where the portfolio manager and the management team have been around for at least a minimum of 10 years.

Mr. Hartwick: The assets in the fund, some of the funds with the larger balances actually charge higher fees based upon their performance and history, how would that be – sometimes the funds with the smaller fund balances may be cheaper to get into and they are hungry with the ability to perform to establish that track record. The fees upfront are a whole lot lower than the fees on some of the larger balance plans.

Mr. Frese: We have criteria set-up, we don't want a fund that has more than 125% of the average expense ratio of funds in that category. We do try to look at all the funds. If they have met the minimum criteria, which isn't too hard, \$50 million isn't a lot for a fund and three years isn't an outrageous amount of time, then they are going to be in the screening process compared to all the other funds and we are going to compare a couple things. If there are two equivalent funds and one has a lower expense ratio, we are probably going to go with the smaller expense ratio. If there are two equivalent funds and one pays better revenue sharing to help offset plan expenses, we are going to take that into account. We are trying to balance them. I agree there are some hungry funds out there and we want to get them as well as the old established funds. We wanted to look at how funds performed in relationship to their peer group. You can compare a fund against an index and a lot of funds, at certain times, beat the index, but maybe the whole peer group is beating the index (that is unlikely), but you want to find out who in the pack is performing better. To get back to what you were talking about, we are sensitive to the expense ratios and we have put that in as part of the criteria and compared that to the rest of the peer group. Performance relative to the assumed risk there are measurement tools, you can have funds that are actually extremely conservative that are performing at or better than the market. That might be a better deal than a fund that is really aggressive way above the market. We want to balance

risk with the actual performance or return that we have gotten from the fund. We do look at the one, three and five year track records and Morningstar has a ranking where you are in the upper 1 percentile or the lowest 100 percentile. What we are trying to do is to get on average funds that are performing above the 50 percentile consistently so you are performing above average. When we are looking for funds we are looking for funds that are even doing better than that. We don't want to eliminate a fund just because it had a bad quarter or two. However, in the point system, we look at the past funds that have a perfect score, which is a little unusual to have a completely perfect score, we are looking at appropriate funds that may not have a perfect score. A perfect score may mean that they have strayed from their category, like if they are a large cap growth or small cap value. It can mean a lot of different things. That doesn't mean that the fund isn't a great fund to have. I have seen funds that have had a bad quarter and they fall out of that perfect score category, but that could have happened two or three years ago for reasons that may have been controlled by the market. If you remember back when those phony financial statements were being published, there were managers that bought them and it hurt their performance, maybe for a quarter, but that really wasn't due to poor stock picking, although it turned out that way, it was due to inadequate information that was being fed to the entire market place. We do establish a watch list and there are levels of a watch list that we won't eliminate a fund in one quarter due to a change in managers. We look at a fund for two or three quarters and if they stay on the watch list for that period of time that is when we are going to make a recommendation to replace the fund. This is just a little bit on how the funds have stacked up. Over a three year period of time, which is pretty much the standard that you look at, we have two funds in the past category which would be considered under the perfect scenario and then the rest of the funds are under the appropriate category which are, if you look at some of these funds, some great funds in that category. We have a great line-up. If you look at it just for the quarter there are some funds that have had disappointing performances. For instance, Calamus although it has been a great fund up until recently has had a bad two quarters so we are going to keep an eye on them. Pimco Real Return has had a completely bad quarter, but in the bond arena you can be off by a quarter of a point and it is considered that the fund didn't do very well. It may not be a significant thing, but we will continue to watch that. Pimco Real Return is a nice fund, because it is one of those tips where it is inflation adjusted. You get a return from the Federal government and then the performance actually goes up and down with the inflation rate. T. Rowe Price mid cap value is a closed fund right now, but its performance has been disappointing the last couple quarters.

Mr. Hartwick: When does it come to the point where you take it to the Benefits Committee and recommend changes?

Mr. Frese: We bring up these issues with the Benefits Committee every time we meet with them. If somebody in the Benefits Committee says we should really move on this quickly we would certainly make a recommendation. It is generally considered to be three quarters and that seems to be the acceptable range. One bad quarter isn't enough to eliminate a fund because they may have made just one bad stock pick.

Mr. Hetrick: We would also look into, in more detail, if they were on for more than just one quarter. It is not very uncommon to be on a watch list for a one quarter period. Just like we saw that there were much more perfect scores in that one quarter, funds tend to average out in the appropriate level. If there was an extreme change then we would look into it and we would act on it more quickly. If someone dropped down to that watch list 4, we would also contact the fund and find out exactly what is going on and have quantitative as well as qualitative review of the fund.

Mr. Hartwick: I just wanted to know the process.

Mr. Haste: You meet with the Benefits Committee quarterly?

Mr. Hetrick: Exactly.

Mr. Haste: You are going to give them this report every quarter?

Mr. Hetrick: Yes. We could meet with you quarterly just to review this report, which would take approximately 10 minutes or meet bi-annually.

Mr. Haste: When you meet with the Benefits Committee just give us a copy of it. That would work.

Mr. Hetrick: The outstanding items that we have would be the assigning of the investment policy statement so we could formalize that and then the review of the plan documents, which we are forwarding to the attorneys to review. At our next meeting we could have that approved pending any questions. Did you have any questions?

Mr. Hartwick: As an advocate of the plan it seems like it is working out very well.

Mr. Hetrick: Thank you very much for the time and next time it will be briefer.

Bill Hawk, Chairman of the Lower Paxton Township Supervisors

A request from the Lower Paxton Township Senior Center for a cost overrun from Community Development Block Grant for construction of the Friendship Community Senior Center Annex

Mr. Hawk: Thank you for your time this morning. We are here on a specific request. As you know a few years ago the Harrisburg East Shore Senior Citizen Action Group began with a concept of putting together a community center that mushroomed into a multiple use facility, embodied fitness primarily aimed at families, but with regard to the sufficient activity for the seniors within the community. Very quickly it has developed into a multi municipality facility and we have garnered participants from many municipalities across Dauphin County. The manager of the facility is actually from Susquehanna Township, so you can see the breath of influence that the center has had on the community as a whole. The senior center phase is what really brings us to you this morning. First of all just let me thank you for your support over the past several years in all that you have done with the CDBG monies that you have allocated for that

center so far, specifically with regard to the senior phase of it. It became very quickly apparent that the seniors needed much more space than they had. They were trying to work out of approximately 1650 square feet and with a membership growing and it grows each day, it is somewhere between 700 and 800 seniors. Obviously they are not there every day in that force, but with that number of seniors they just need more space. About three years ago, they came to the Board with a concept of enlarging the facility. So, over that three year period, we have been working with them and working with funding to try to bring an addition into actuality. We have on the drawing board right now an expansion of the facility of 3,100 square feet which will reasonably accommodate their needs. There is a diagram in the packet that I just handed out to you. You can see what is being provided. I think it was impossible to envision the demand that the seniors would have on that facility, but it is rather clear that they obviously do need the space. We have asked several firms and two firms have stepped forward and have given us a lot of pro bona work with regard to the architectural design and land development and that is greatly appreciated. The estimate for the facility was \$300,000. We put it out for bid and it is fair to say that the plumbing, HVAC bids came in at reasonable rates. The general contractor came in at a figure, to say the least, floored us. We put out the request for a second bidding. While it is lower, it is still sufficiently high that puts the expansion of that facility, as you can see on the second page of the handout, at \$253,000 over what we anticipated the facility would cost. For the Township to make that up and you can see the breakdown of revenues that have been committed to the facility so far, it totals \$300,000. For us to make up the \$253,000 it would incorporate \$402,000 coming out of the Township, which makes it impractical and we would have to reconsider where we want to go with regard to the facility. Do we try to scale it back, which isn't really practical? Do we scrap the whole idea or is there some way that we might be able to garner additional funds to move the project forward? That is really what brings us to you this morning. We hope that under the CDBG Program that you might find it possible to additionally support the funding of the cost of construction. I don't mean to necessarily suggest a figure, but \$75,000 would be a welcomed start. I think it is safe to say that if that were possible the Township would be more than willing to kick in an additional \$75,000 and then the remaining difference hopefully we would be able to get through additional grants by going back to the Dauphin County Area Agency on Aging or for additional funding from the Dauphin County Community and Economic Development and some other fund-raising opportunities to make up that remaining \$100,000 shortfall. As briefly as I can state it you can probably see the dilemma that we face and I know that the citizens are anxiously hopeful that we would be able to move ahead. If we were to award the bids within a reasonable period of time, we could have the facility built within nine months. Right now we have tabled action for 60 days, which will allow us the opportunity to come before you folks to do some other looking for additional funds that would fund the addition. This gives you a pretty good synopsis of where we are plus the information that is in your packet gives you a good concept of where we are.

Mr. Haste: I'm trying to match up some numbers. On your projection here you have revenues totaling \$300,000. In the letters to Piccola and Marsico it says you have revenue of \$350,000. Am I missing something there?

Mr. Hawk: That was done by the manager, if you are referring to the letter that I think you are, Dolores Alloway.

Mr. Haste: Both are dated August 3rd.

Mr. Hawk: That is a miss quote on her part.

Mr. Haste: The true number is \$300,000. Sort of an operational question for the senior center, I believe the way the Friendship Center works is if you are a resident of Lower Paxton Township you get a reduced rate. Other municipalities pay a higher fee. How are you handling the seniors? Is there a fee?

Mr. Hawk: There is no fee at all for the seniors. Mr. Crissman is here because he is the Chairman of the Friendship Community Center Operating Board and is there almost on a daily basis. He may be able to address any specific questions.

Mr. Crissman: Seniors use the Friendship Center at no cost, other than their own programs where they charge a fee. The Center also allows them to use the facility for more than what is in their contract. There are also some senior members who have joined the Friendship Center, but that is not mandatory, that is optional.

Mr. Hawk: If they have a bus trip or something like that obviously they are going to charge for that otherwise the facility is free for their use.

Mr. Hartwick: I just have a few questions and just a little bit of an update. The first one is that all three of us are aware that earlier this year we received an alarming notice that they were going to eliminate our ability to have the use of Community Development Block Grant funds at all. The initial proposal that was given by the President called for the elimination of all CDBG funds, specifically here in Dauphin County. We went down to try to advocate for the restoration of these funds. We received a letter recently that gave us a suggestion, not an exact figure, of what we are actually going to receive in our allocation. We are now an urban county, because of our population, which raised our allocation in previous years to \$1.8 million. This year, from our initial letters, we are going to receive a \$200,000 reduction at the least in our CDBG allocations. The amount of money that we have in our unprogrammed fund currently, which was a suggestion that we go to the unprogrammed fund to bring money out is about \$124,000. Case in point, we are dealing in an environment where we have fewer and fewer resources and more and more need within the community. One of the things that I feel is extremely important is to try to care for our senior citizens and as oversight of the Area Agency on Aging I know the benefit as well as the former Mayor of Steelton, of what a senior center can do in a facility and the ability of seniors to find new talents. We just attended a display of art that the Steelton seniors did and they didn't even know that they were artists and are finding new reasons to live and the quality of life and everything that is associated with those centers is something that I am an advocate for and a supporter of. I just wanted to note that there is a significant reduction in funding

in the unprogrammed funds. I am not comfortable at this point recommending that we use unprogrammed funds with the amount that we have to go towards this year's allocation. However, I would be willing to advocate for Lower Paxton Township's position with the upcoming year's CDBG allocation as long as we are going to receive dollars that we are supposed to be receiving according to the Federal government. I have a list right now of all the projects submitted by municipalities and of course it exceeds the amount of money that we are going to have available; as is always the case. I will go on record in giving my support to the County's allocation of these funds. The real concern I have is I see letters to both your Legislator and Senator and has there been any state funding forthright from either one of those offices?

Mr. Hawk: Not so far, Commissioner.

Mr. Crissman: We specifically asked the senior center to initiate those letters as we have been lobbying, if you will, for funding to make this possible. We have asked them to also join the effort. That's why you see those copies of their letters that they forwarded.

Mr. Hartwick: And CDBG monies are supposed to be going to the socially and economically disadvantaged areas and communities. Obviously the seniors in this area qualify for the disbursement of those funds. It's often been difficult for Lower Paxton Township to be able to qualify for CDBG funds, but this is one of those areas they do qualify. You said that it is impractical to go back to the Township for a significant amount of extra dollars, well the County, in this case, will be also committing a significant amount of CDBG dollars to the project. I would feel a little more comfortable if the Township and the County weren't the only partners involved in the project. It would be nice to see other participation from our State Legislator.

Mr. Hawk: When we look at the \$253,000 and to add that to the \$150,000 that we already committed and we are willing to put the addition on and I say \$75,000, give or take, I am just wondering as you talk and I realize the dilemma that you are in with the \$124,000 in unprogrammed funding available, since it might take a nine month period in order to build the facility, assuming the bids are awarded within a reasonable period of time, is there any opportunity that you might be able to do it on a time payment kind of thing?

Mr. Hartwick: Actually, September 19 is the deadline for us to be able to submit the request for next year. So, we are coming up on that deadline and we need to actually start to circulate what the projects are and getting Commissioners' approval for the next year's CDBG allocation. I certainly would advocate, as I believe my colleagues will, for this to come out of the next year's 2006 CDBG allocation.

Mr. Hawk: With the deadline of September 19th, how long does that take to get some kind of approval or an indication that it might be approved?

Mr. Hartwick: We need to make the approval before September 19th.

Mr. Hawk: Within the next three weeks.

Mr. Hartwick: I talked to the individual who is in charge of the funds today and he made me aware of the deadline and I told him that he needed to get these projects circulated as soon as possible.

Mr. Crissman: That is important for us because we have held off awarding the bids until September, because either we have a go or a no project. Our major concern is you have made a commitment of \$125,000 to us and we don't want to lose that either.

Mr. Haste: The \$124,000 is that in 2004 or 2005 program?

Mr. Connor: It is in 2004.

Mr. Robinson: I believe, and Bill can correct me if I am wrong, it is 2003 and 2004 money was committed that you haven't acted on. There was no money allocated in 2005 and they potentially could apply, as we are discussing today, for new money which wouldn't come out of the unprogrammed funds.

Mr. Haste: This \$124,000 in the 2004 unprogrammed, what is in the 2005?

Mr. Connor: We had a decrease in our allocation. We have about \$150,000, but we had to decrease that and we didn't take it from the projects. There is about \$11,000 in 2005 and that is why we are trying to save what we can from the 2004. We try to take 5% out of unprogrammed and allocate that. We received a decrease from the allocation so we had to take it from the unprogrammed funds rather than take it from the projects.

Mr. Hawk: My original comment is there some way that you can do a time payment kind of thing?

Mr. Haste: I don't have a problem with that. What we should do between now and next week is to figure out how we want to come up with the funds, whether it is so much out of one pot of money and so much out of the next pot, let's have it on the board for approval. That way next Wednesday you will know exactly where we stand.

Mr. Hawk: Do you need us to come back with a presentation?

Mr. Haste: No.

Mr. Crissman: Do we also need to approach the Dauphin County Area Agency on Aging or will that be part of what you are going to review in coming back to us in terms of the sources.

Mr. Haste: Bob Burns is sitting back there. Bob, do you understand their need? Do you need to have them do anything further?

Mr. Burns: I don't think so. On our part we will need to have it approved by the State Department of Aging.

Mr. Hartwick: Bob, can we schedule a follow-up meeting with Gary and sort of get the details. I would like to find out exactly where we can request the money from the Department just to make sure we are all on the same page.

Mr. DiFrancesco: The Center operational dollars, the dollars that come in through membership and the general operation, is there money that goes back in? Looking at this again, the Township dollars I am assuming are general fund Township dollars, not revenue being put back in from the Center.

Mr. Hawk: Correct.

Mr. DiFrancesco: Is there capital money or money that is set aside within the budget of the center itself or does it not generate profit, how does that work?

Mr. Hawk: We committed, back when we approved the Center, that the Township would fund the operation of the facility for a certain amount of dollars on a yearly basis. That was part of the seed money that was initially put in plus operational money. What we tried to do is to adjust that based on need on a yearly basis, based on their budget. Does that answer your question?

Mr. DiFrancesco: No, not quite.

Mr. Crissman: In terms that they use the facility at no cost. We bear approximately \$50,000 for ancillary services, like electric, custodial service and those sort of things, which we do not charge them. The money that comes into the Center comes in through membership usage, but part of that revenue is revenue that is used to offset some of the senior expenses. Seniors don't pay money to the Center. They have, I think and George you can correct me if I'm wrong, they have a membership fee of their own, which is \$2.00 or something that they themselves pay to the senior center.

Mr. DiFrancesco: Again, the operation of the Friendship Center does that generate revenue, does it make a profit or is it basically on a cost neutral basis or does it lose money?

Mr. Crissman: We must operate with the membership money. At the end of this fiscal year, we had money left over. There have been a few thousand dollars, but nothing much.

Mr. DiFrancesco: Actually any money that is generated is not put back into the building?

Mr. Crissman: Anything that is left over we put aside because we know that is a new facility and we know that by year 5 or 6 we are going to have some major replacements, which we have not had and when you have a new facility you don't have. We are preparing for replacing equipment, etc.

Mr. DiFrancesco: So, actually what you are saying is that the operational money that you have committed as a Township is necessary. It is not optional. It is necessary for the building to operate. Thank you.

Mr. Hartwick: You had mentioned to us if the County and you both kicked in an additional \$75,000 that puts us up to \$150,000, which still leaves us \$100,000 short. The plans that you talked about were some fund-raising. We still don't know what is available through Aging yet and when we talk about on-going funding for programs and other things at the Center are we taking a look at that as we bring forth the budget or is this just the capital cost and you are assuming that you are going to take care of (Lower Paxton Township) a lot of the program expenses?

Mr. Hawk: I think that is a fair statement. It is obviously going to be additional heating, lighting and those kinds of fixed costs that you associate with an expansion of the facility. I think that we will take that into consideration when we prepare the FSC operating budget for the coming year. That will fall within our responsibilities.

Mr. Hartwick: So, Lower Paxton Township would be assuming those challenges.

Mr. Crissman: Which is what we have done in the past and we will continue to do. Even though we know that is an increased expense by virtue of the increased size in the building.

Mr. Hartwick: If we don't come up with the \$100,000?

Mr. Haste: What do you do with the bids if you don't get the other \$100,000?

Mr. Crissman: Well, then we are in a decision-making process of do we scrap the program and if we do we have obviously lost your commitment of monies. Do we stop and say we don't have sufficient funds and try to move forward and hope we get more funds in another year or so. We also know that building construction costs will go up. We have a third option and that is that Lower Paxton Township would have to make a commitment for the entire amount. Since we have already made a commitment of \$150,000, our total commitment at that point would be \$403,000. I don't know that we have five supervisors that would vote for a \$400,000 commitment.

Mr. Hartwick: You only need three votes.

Mr. Crissman: We only need three considering that we have already made a commitment of \$150,000 and you already made a commitment of \$125,000, but if we have to go it alone, including the \$150,000 then it is \$403,000 for us.

Mr. Hawk: Plus it also puts some of the other projects that we have on the table in jeopardy. We have already been committed that we are going to have to kick in additional funds for the Linglestown Square project.

Mr. Hartwick: When you talk about only needing \$100,000 and lining up all these additional funds I hate to say it but your State Legislature and other folks need to realize that you guys have worked hard to get to this position and they also need to step up to the plate.

Mr. DiFrancesco: Have you gotten any kind of a sense from the legislators in terms of they think that it is something doable?

Mr. Hawk: Not yet.

Mr. Crissman: Not unless there has been a response to the letters that are attached to your packet and those responses would not have come back to us, the Board of Supervisors, they would have gone directly to the senior center to Delores Holloway, who initiated the letter.

Mr. Haste: Realistically the timing is not real good for them to be able to commit. You are not at the key budget time for them to commit. What dollars are there probably have been committed. They may be looking at next year's dollars too.

Mr. Hartwick: They could donate their pay raise.

Mr. Hawk: I didn't want to go there.

Mr. DiFrancesco: From a time sensitive standpoint, they need to give you some sense of are they in or are they not in, because they do have the discretion to do that.

Mr. Hawk: As you can see the letters were sent to Senator Piccola and Representative Marsico.

Mr. DiFrancesco: The only reason it is an issue to us is again we are trying to put a package together and we are trying to do our piece and we want to make sure that the other pieces fall into place.

Mr. Hawk: When this whole thing came to fruition that they needed additional space, one of the people that was involved right at the beginning was Representative Marsico. He is aware of the need and the demand for expansion.

Mr. DiFrancesco: I would fully expect that both your Senator and Representative would understand where we are at. This is a very challenging economy and it just became more challenging in the last 48 hours. I would suspect that many, many projects are

going to see exactly what you saw in these bid openings. It is unfortunate. It is going to put pressure on every aspect of the economy.

Mr. Hawk: I think you are exactly right.

Mr. Crissman: Obviously we would not like to put it off. We are in a time crunch because we know building costs will continue to go up.

**Thomas Guenther, Information Technology Director and John Doebling of IT
Information Technology Update**

Mr. Guenther: We have a number of exciting projects going on in IT and just wanted to come before you today to give you a brief update on one of them that is a great example of Dauphin County government, our resources and operations, being used at our most efficient and our best and some real exciting things that are happening. John Doebling is our Communications Manager and is the principal architect for voice and data networks. We are undergoing a complete redesign and restructuring of our wide area network, which affects all of our communications out at our remote satellite offices. He is just going to share with you a brief update on how that is happening and where we are going.

Mr. Doebling: Tom told me to keep it under 2 hours and I squeezed it all in.

Mr. DiFrancesco: And not very technical.

Mr. Doebling: When I was preparing my remarks, I realized one thing that sets Dauphin County's network apart from many of the other counties. Since 1993, when we first started with a network, we started with an impetus to build one common infrastructure to support all the agencies within County government. Most of the other counties, whoever had funds, they had a network. So, you had the Area Agency on Aging might have their own network, MH/MR and Social Services have a different network and the Courts would have their own network, we have done it all and it has not been easy. Tom has gotten us through where we have built a common infrastructure where we can all share the benefits. We are pretty far ahead, because when we go to meetings and talk to other counties a lot of the problems that we hear they are having with their networks we have never had, because we planned ahead. Our chickens have come home to roost and it is a good deal.

Our network is more than just computers now. I know when you see the computer guys you think it is just computer stuff, but it is not any more. The network has become a transport mechanism for HVAC controls, all the heating and ventilation and air conditioning, the security cameras, the card access systems that open the doors use the network. All the cameras at the Prison are digitally recording across the network. We are expanding that same technology over to the Schaffner Youth Center. It is all running on one common framework. It is more than just internet, email and applications.

There is a local network, which is inside a building and a wide area network, which connects different buildings. Our contract is coming up on the wide area network. It is an older design. It is too slow and there has been a paradigm shift from mainframe center's applications to client server based architecture. These are things that we couldn't say no to. Essentially, we used to have a mainframe. It worked and everybody accessed it and you didn't need a whole lot of other processing power. That world has changed. We don't have a choice. We are forced to move in these applications either by State or Federal mandates or that is all there is to go with when you do an RFP you get back what you get back and that is what you can choose. Our network has to be able to respond and deliver performance to all our users at an adequate pace. We started looking about a year ago at how things were laid out and the applications that were coming up over this next year and a half. We decided and took all the buildings, Prison, Spring Creek, Bulk Storage, Schaffner Youth Center, 911 Center, Probation, Work Release Center, we realized that they are all on one clump, so we call that the Swatara Campus and we designed a remote data center to service that campus. We can't put all the data upstairs anymore, because the users for that data aren't down here, they are out there. So, we worked it out with the Prison and they gave us some space. We took a lot of equipment that we had from the old computer in the Veterans Building and we are installing it at the Prison. We are making a remote data center. That data center will service all of the buildings at the Swatara Campus. We have centralized as much as we could. We are going to have a data center down here, which we already have and we are going to have a data center out there servicing those people.

Mr. DiFrancesco: What is the advantage of having the two? Is it the fact that there is just no more room here to have one or does it make a difference geographically?

Mr. Doebling: Both. There is plenty of room upstairs and we are going to continue to move things around. The users need to access their data and if it is too slow they are not going to use it. We have to put the data where the people are essentially.

Mr. DiFrancesco: From a demand on the system, because there are two separate systems, you are actually taking demand off of both of them, splitting them apart so that the proper users are using the appropriate system which would actually speed up the process. I'm assuming that there isn't a whole lot of time difference between data being transferred from here to there. It is more of a level of use on one centralized system. Is that correct?

Mr. Doebling: No, actually it is significantly slower from here to there, especially in the current configuration. The other thing that it affords us is some disaster recovery. If you got all your eggs in one basket and you drop the basket, you are in trouble. Well, we are going to have two data centers and we will be able to spread out our backups and it gives us a little more redundancy.

Mr. DiFrancesco: Wouldn't they be backing up each other?

Mr. Doebling: Of course.

Mr. Haste: Plus we were able to use some creative financing to help both systems.

Mr. Doebling: Yes, we have been working very closely with Warden DeRose and Dave Coldren, the Maintenance Supervisor. They have just been really good at building whatever we need out of literally nothing or very minimal cost. We redesigned our network to handle that new structure. Verizon has come out with some new offerings that allow higher speed kind of activity at the same price that we are paying now for a very low speed connection. We have been installing fiber optic cable between the buildings out at the Swatara Campus. We just finished putting the conduits in between Bulk Storage and Spring Creek and Spring Creek and the Prison. This was done with no contractors, no outside help, no engineers, no architects. Edgar's men from Maintenance were a big help. We actually went out last week and dug a ditch, put a pipe in and filled it in and we are going to pull our fiber optic cable through there. We are building our own network. It is going to reduce our costs and it will produce more redundancy. Our network services have also expanded over the past several years. We don't just service County people any more. As a JNET hub we have to service all the local police departments. I think we have 12 police departments that are on our network right now; for their access to JNET. Working that in with future projects with EMA they can use the same link and network. It is already built. We have a high speed connection that we put in this summer to the City where we pulled fiber under the street and connected to City Hall so we can access Metro and the City's cars go through our network to get back to their network. We are working together. The Juvenile Probation Officers are connected at every high school and we have been working with Steve Suknaic and his people on that. We have done it. This has already been done and it is working at very low cost.

Mr. Hartwick: The Children and Youth caseworkers that are stationed in the schools can they use the same operations?

Mr. Doebling: Yes, we are going to hook them up also.

Mr. Hartwick: This is going to be a different connection.

Mr. Doebling: Some is the same and some is different. It depends on the situation.

Mr. Haste: Are you doing that by phone line or wireless?

Mr. Doebling: Neither, if they already have an internet connection at the school, which all the schools already do, we put a box in there that takes our information and encrypts it and sends it across their internet connection to a box that we have on our internet connection. So, we are using their network to transport our data for free. That is the model that we have been rolling out. We applied that same model and we are in the midst of a rollout to...

Mr. Haste: Could you end up doing that with each municipality eventually?

Mr. Doebling: We are pretty much there. We are also doing it with all the district justices' offices for the video arraignment to keep our telephone costs down and use the power of the internet to deliver our network services to all 16 district justices.

Mr. Guenther: To complete that on the district justices, because that has been one that has been a long time coming. If you look out on your County email today, DJ Pelino is our first test case. He actually has County email now and it is an extension of our County network. You will see DJ Pelino on that and we will start to go out to all the other DJ offices.

Mr. Haste: That will make DJ Wenner happy.

Mr. DiFrancesco: What is the time frame, now that it is actually starting to go up? How long do you think it will take to get all the district justices on?

Mr. Guenther: Probably a month.

Mr. DiFrancesco: Very short term.

Mr. Guenther: We have, in addition to getting out to every DJ office, we also have 150 leased computers that have to get rolled out this next month and back on the lease program. The guys are busy with that.

That is a quick update on some of the things that are happening. John pretty much worked this out.

Mr. Haste: One month meaning September or October?

Mr. Guenther: September, we have to have the 150 computers back. We also have one of our people designated to be at the DJ offices during the month of September. We see that getting done. Each DJ office, just for your benefit, we are also at that point, not only have County email, they will have two stations in there. The DJ would have their own, which would have the video component on and connected to the network. We also are taking an older piece of technology and we can figure in that for general office use that everybody within the DJ office can get to that machine and we will establish individual email accounts so every DJ employee would have computer access as well.

Mr. Doebling: And access to the intranet.

Mr. Guenther: There are a lot of things happening. Our services have really extended out, where beyond the normal reaches of just County government. As we are looking at criminal justices, I have another meeting on GIS today. For your benefit, we had a

meeting two weeks ago and it looks as though we have about \$250,000 coming in funding from the Counter Terrorism Task Force people to help with our GIS efforts.

Mr. DiFrancesco: I just want to share one comment. I have been working with the City people closely and that whole cooperation between the City and our IT department was terrific to get that fiber running and so forth. They are very pleased with the line of communications that have been established recently and how you two are working together.

Mr. Guenther: We are excited about the wide area. With the combination of Verizon offering new services and us being able to reallocate funds, this really isn't an extension of any new dollars. We are not looking for any new dollars. It is just really redoing it and getting a whole lot better service out there.

Mr. Hartwick: Where are we at with the Public Defender's project?

Mr. Guenther: Yes. We had a meeting last week and have another one today. We are looking at some additional resources coming in to help. We are moving forward.

Mr. Haste: I know you guys are ready, but are they?

Mr. Guenther: I will continue to report on that activity.

PERSONNEL

Ms. Sinner: The first item I have is the Salary Board request. It is reclassifying a Department Clerk in Juvenile Probation from a 2 to a 3. This has to do with the data system that is being implemented in their office.

In the Personnel transactions, I have a list of vacancies that we are requesting approval for. There are several new hires. I am requesting a vote on New Hires #8 and #9 today. They are part-time deputy sheriffs.

Mr. Hartwick: With the cutbacks that we made in that Office have they achieved what we set forth based upon the budget for them to achieve at this point?

Mr. Haste: Revenue?

Mr. Hartwick: Yes.

Mr. Haste: No.

Mr. Hartwick: How about expenditures and personnel costs?

Mr. Haste: Personnel costs have gone down because staffing has gone down. Revenue is not where it should be.

Mr. Hartwick: Have they then cut back their staff as suggested?

Mr. Haste: I don't believe so.

Mr. Hartwick: Now, they want to hire two more part-timers.

Mr. Haste: No, these are bringing people back from furlough. I see what you are saying. Let's ask Mike, because the last time I asked Mike the revenues were not where they needed to be.

Mr. Saylor: Is this about the Sheriff's deputies? I'm not sure what the exact question is but my understanding from talking with the Sheriff about this on a couple of different occasions is that they are relatively caught up with their service in the civil side of things. The problem is that they are down compared to last year because last year there was apparently a big lawsuit over PhenPhen, which generated a lot of extra work for them. There has not been that kind of civil activity this year. I asked him why then did they not change the amount of revenue they anticipated for this year and he said that was a good question. I believe I passed that word onto Mr. Yohe. At minimum I said that we need to make sure that we get more realistic figures for 2006, but that still leaves us with this problem. He said that there are some domestic relations things that he could serve and he now has at least two full-time deputy positions that are vacant. It is his intention to keep those positions vacant, bringing back a couple of part-timers. They will do the staffing in the Courthouse as needed, which will free up the full-timers to go out and do the service.

Mr. Haste: As long as he keeps them under a certain number. Once they hit a certain number of hours worked they kick in as full-timers. So, all the savings that we get, if he is not careful on managing those hours it goes out the window when they hit that magical number.

Mr. Hartwick: Can someone just refresh my memory? We were supposed to reduce that staff by how many?

Mr. Haste: I believe it was 10.

Mr. Hartwick: How many have we reduced the staff by?

Mr. Saylor: I would have to go back and check. Do you remember how many layoffs we had?

Ms. Sinner: No, not exactly. I do recall he does have those two full-time vacancies.

Mr. Saylor: He was going to avoid doing further layoffs by not using part-timers at all this year. For the most part he has stuck to that. That has received some savings. We

did lay off some folks, both part-timers and full-timers. I'm not sure of the number. For some reason six sticks in my head.

Mr. Haste: I believe that is what it finally was. I think when we first started talking about it, it was ten. Didn't he put off purchasing something as well?

Mr. Hartwick: I see there are two more vehicles coming through today.

Mr. Saylor: It wasn't a negotiated thing. The union stepped forward and offered to be cooperative.

Mr. Hartwick: I just remain hesitant on supporting this without knowing where the Sheriff's budget stands.

Mr. Haste: I will ask Mike to give us all an update.

Mr. Hartwick: A vote is requested on these two today. Why is that?

Ms. Sinner: He wanted to start them tomorrow. They have to go through some training and he was trying to get them through that.

Mr. Hartwick: If he is bringing them back they probably do have the appropriate training.

Ms. Sinner: There is some kind of processing that they had to go through and this would get them through that and then working sooner.

Mr. DiFrancesco: You are saying that they are caught up on their service of civil papers?

Mr. Saylor: Yes, that is what the Sheriff indicated to me.

Mr. DiFrancesco: So, tell me again why we need two people to come in if they are keeping caught up with their paperwork?

Mr. Saylor: That is the civil work. Apparently there are some domestic relations.

Mr. DiFrancesco: They were working on that at length last year. That was part of their problem. There are a lot of questions surfacing that I don't understand. It seems that based on the budget discussions and the decisions that were made last year that someone from the department should be here to give a presentation to the Board to answer the questions, because, right now it is very unclear and it makes no sense.

Mr. Saylor: I can arrange that for next week.

Mr. DiFrancesco: I will not be voting on this today.

Mr. Hartwick: I won't support it either.

Mr. Saylor: Kay, can you ask the Sheriff to be here next week to discuss this matter.

Ms. Sinner: Yes.

Continuing on with the packet in the Personnel Changes, there are several items for Children and Youth. EMA is promoting an employee to full-time Assistant Manager of Quality Assurance. There is a promotion, it is really a transfer of a part-time Youth Program Specialist I to a full-time Youth Program Specialist I, effective August 8. I do request that we have a vote on this today.

Mr. Hartwick: When we talk about internal promotions...

Ms. Sinner: This is one that I would call a transfer. It was marked a promotion because their full-time youth program specialists are paid more than their part-time.

Mr. DiFrancesco: They also require a Bachelor's Degree as opposed to an Associate's Degree. That is why they are making a change in classification.

Ms. Sinner: Their part-timers only need an...

Mr. DiFrancesco: I'm sorry. I thought there was one on here where they were changing from an Aide to a Specialist.

Ms. Sinner: I don't know why the difference in pay, but that is something that has been worked out with the union. That has been set by the union. They marked it as a promotion, but it's really not an increase in duties or responsibilities. So, in the future we are going to consider this a transfer.

Mr. Hartwick: Again, EMA, the promotion from a Telecommunicator 3 to the Assistant Manager of Public Safety, was there an opening?

Ms. Sinner: The Assistant Manager of Quality Assurance, yes, that position was open.

Mr. DiFrancesco: He moved over to the TMI position, I believe.

Ms. Sinner: That is correct.

Mr. DiFrancesco: That was created and paid for by the folks at TMI.

Mr. Hartwick: So, we will expect to see a full-time telecommunicator 3 position in front of us to be filled.

Mr. DiFrancesco: I would probably think so.

Ms. Sinner: Yes, it would be a trainee.

Mr. DiFrancesco: There are actually four part-timers right now.

Ms. Sinner: We actually have Item #4 under Vacancies includes the Telecommunicator Trainee that is what their new people start out as. They don't progress to higher levels until each individual person passes certain training as a telecommunicator. It is not like they actually have a 3 vacancy that someone fills. That is an individual accomplishment.

Mr. DiFrancesco: I think they have four part-time employees right now and four full-time vacancies right now. Not to say that all those part-timers wouldn't want to fill it. As far as the Commissioner's question you may be seeing some people moving from part-time status into full-time jobs or you may see them going out with a request to fill those vacancies.

Ms. Sinner: I have an Addendum it shows Bart Shellenhamer as being promoted to the full-time Assistant Manager of Public Safety Communication and then there is still the EMA Assistant Manager of Training that needs filled. That is still posted. They are still looking for someone to fill that position. I need to request a vote for Bart's promotion today.

Mr. DiFrancesco: That position was a new position created out of the old...

Ms. Sinner: Law enforcement specialist.

Mr. DiFrancesco: They reorganized and got rid of the law enforcement specialist and created this position so that he would be the first one to hold that newly realigned position.

Mr. Hartwick: We need to start to become a little more organized with the Personnel Packet and try to get these requests in on the Monday packet as much as we can so we don't have these confusing addendums and vote requested.

Mr. DiFrancesco: Were these not in on time?

Ms. Sinner: This wasn't. The transfer was effective Monday, the 29th. I'm going to be talking to Robb about this, because it really shouldn't have been effective before the Board had a chance to vote on it.

Mr. Hartwick: If it is not on and it is not an essential position to us by Friday, the week before, then they better have a good reason to get it on the packet. We started to actually have packets that we could follow for a couple of months. Now we are veering back to exactly where we were before.

Mr. DiFrancesco: I'm assuming the only good reason for that to ever happen is that someone died very suddenly or left very suddenly and we can't go more than a day or two without that position. You are right that should never really happen. I didn't realize that was in late. That would be my mistake. I didn't realize that was not submitted properly. I'll follow-up and find out why.

Ms. Sinner: I didn't get the personnel action form. In fact, I did receive the paperwork. I knew he was leaving, but I didn't know where he was going until recently. Some of the other transactions in this Addendum were unavoidable to get in much sooner like the hiring of two temps for the Clerk of Courts.

Mr. Hartwick: I was aware of that last week.

Ms. Sinner: He had the interviews and I guess they had to get back to him too.

Mr. Hartwick: We knew that was a rush job. Let's try to get to that practice.

Mr. Haste: In IT they had a resignation.

Ms. Sinner: They are going to be filling that and again they just got that guy confirmed.

Mr. Haste: Which ones do you need voted on now?

Mr. Hartwick: Items #8 and #9, which we pulled.

Ms. Sinner: I also have #27 and #5 on the Addendum.

Mr. DiFrancesco: I would gladly support your decision on #5 doing the same thing that you have done in the past with your oversight department. If it was not handled properly and the Board does not feel comfortable supporting it, he will not have it voted on.

Mr. Hartwick: I don't think it is necessarily a bad thing if the guy has moved into the position.

Mr. DiFrancesco: It is definitely a good thing to happen, but there are administrative rolls that department heads are supposed to follow and the whole process gets messed up when they don't follow it.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Item #27 of the Personnel Transactions; motion carried.

Mr. Haste: We didn't get more information on the Sheriff's Office, but Mike Yohe did give us a quick update. To date, the Sheriff is \$32,451 over budget and \$185,100 under budget for revenue. So, that is a swing of a little over \$200,000 that we are off. That

needs to be brought to the Sheriff's attention and find out what plan he has to rectify that.

Mr. Saylor: Outside of the normal budget process for next year.

Mr. Haste: Unless he shows us a plan where it is going to improve this, if he is taking actions to further send us on the wrong direction then we need to know how he is going to correct it.

Mr. Saylor: Can I ask Mike if he met with him for 2006? Have you had that meeting?

Mr. Yohe: No.

Ms. Sinner: The rest of the packet consists of the overtime reports and requests for overtime from the Prison.

Mr. DiFrancesco: I would like to see copies of the exit interviews for all my oversights.

Ms. Sinner: Okay.

TRAINING PACKET

Mr. Haste: Is there anything that we need to deal with under the Training Packet?

Mr. Saylor: No.

PURCHASE ORDERS

Mr. Baratucci: You should have all received the packet yesterday. There is only one budgetary item on Page #12 and that would be corrected by a purchase order that is out there now that they are not using. The money will be put back in and that will take care of that. I do have an addition that involves the Sheriff's Office. This came to me yesterday to late to be added to the packet. The funding for this is divided. The first line item is for three tasers they would like to purchase and then there are some supplies and software that go along with it. The tasers themselves are out of Forfeiture Funds. The other two items, the ongoing expense items, are ticketed for his regular budget. Obviously from the previous discussion I'm not sure that we want to go there. He asked that this be added to the Workshop today so that it could be approved next week. Whatever you want to do in that regard I can get back to him on it. Obviously it is not in the packet, but if you want me to add it to the packet I can or if you want me to convey some other message I can do that also. May be it is possible that if he has the funds in the Forfeiture Funds to just take the entire expense out of there.

Mr. Hartwick: Does he have tasers for everyone or is this a new thing?

Mr. Baratucci: These are the first three that I am aware of that he wants to purchase. It is a training thing too. These air cartridges are used for training. I believe it is a new thing, but I can't swear to that you would have to ask the Sheriff.

Mr. Hartwick: They use it for training and each person who actually uses one has to get shot with one. I actually was shot with one when I was Mayor. If we see three of them here, we could expect to see many more in the near future, is that budgeted for or is this something that we are coming up in mid-year. Those are things that he could answer for us.

Mr. Baratucci: I don't know if he is planning to get them for every officer, but I do know that the purchase of the units themselves is coming out of Forfeiture Funds. I can tell him that there was a discussion about his budget and that if he wants this to be approved he would have to purchase everything out of the Forfeiture Funds rather than his budget. I can convey that message if you want me to.

Mr. Hartwick: On the revenue side of the budget is that largely from the Forfeiture Funds?

Mr. Haste: No.

Mr. Baratucci: My understanding is that this is one of those things, similar to but not exactly the same as the District Attorney and CID who get Forfeiture Funds, that by law are sort of semi-controlled by the elected official. They are restricted to certain things. I don't know why he wouldn't be able to get the supplies out of that Fund also. In lieu of the budget information that I just heard, I would suggest that the instructions be sent back to him if you agree.

Mr. Hartwick: I'm fine with that.

Mr. Baratucci: If he can do that I will include it in the packet for next week.

Mr. Haste: What else we need to find out, there is a bigger issue, is this the start of an avalanche? We need to know that.

Mr. Baratucci: I'll find that out as well.

I have one other item and if Tom Guenther could come back up here for a second. Tom and I met with Commissioner Haste, as he is the oversight for both our departments, to discuss what has been happening lately with the explosion of the Blackberry devices. Up to now, the cell phone policy has been that if a department wants to add a cell phone to their complement basically they went to their oversight and if the oversight approved it, we added it to the complement. Those bills are shared and paid monthly, actually charged out monthly by the Controller's Office. I look at those bills every month to make sure that they comply with the costs that we have and then forward them over to the Controller and they are divided out among the departments. With the cost of the

Blackberrys and more and more people requesting them there has been different scenarios--some people are requesting the County to pick up the entire cost, other people have them on their own, but would like the County to just hook them up to the network, some are hybrids of that. Basically, Tom devised what you see before you an Agreement for Usage similar to the Agreement that the people have to sign to get hooked up to the Internet telling them what they can use it for and what they can't. The second page is where they would determine the funding that they are requesting. Is this their own unit, are they asking to just hook it up, which is a \$50 charge for license fees. The \$45 per month charge is the access charge and that is ongoing and presently the units that we have been purchasing through Cingular run about \$250. There are specials that come up from time-to-time that reduce that, but basically the costs are on the second page of what the County could provide. We thought it would be a good idea, again, because the costs are much more than the cell phone costs that they submit these in some type of formal fashion for the Board's approval. Tom came up with these sheets and we are going to give them to the Solicitor's Office to review to make sure that legally we are covered. The idea would be as part of my purchase order packet each week, first of all they would be submitted to Tom for his review, just like the computer requisitions are, and then I would have these as a separate item for my purchase order packet to give to you each week. When you get the PO packet, you would also get any of these requests with all the information filled out and then you could vote on the approval of these also.

Mr. Haste: Are you giving this to us so we can review it until next week?

Mr. Baratucci: Yes, we want you to look at it and tell us whether you agree, add or subtract. We want to establish a policy and this is the direction that Commissioner Haste gave us.

Mr. Hartwick: I completely agree. The \$50 cost, are you saying that this is going to be charged to each individual every month, even if they purchase their own Blackberry to be able to access their emails?

Mr. Baratucci: We felt that in the beginning we did get some freebies as part of the cost of the unit, but those freebies are going away quickly. We felt that if an individual, even if they purchase their own Blackberry and paid for their own cost, we didn't think that it was unreasonable to ask them to pay \$50 back to the County to be hooked up to the County's system.

Mr. Guenther: That is not a monthly charge. That is a one-time license charge.

Mr. Hartwick: We would have to cover that if they didn't pay those charges.

Mr. Guenther: I have to have a \$50 client license per user basically to hook them up to the County's email server.

Mr. Hartwick: If other individuals want to do that I guess we suggest that if they want to move in that direction that they budget for that expense.

Mr. Guenther: If someone is buying it personally they come up with the \$50, if it is a County funded expense then they would also get charged that one time \$50 charge.

Mr. Hartwick: I think that is fair.

Mr. Guenther: The cost of the server and the enterprise software to hook up the email was taken from my operating funds. That kind of helps offset that a little bit.

Mr. Baratucci: If a department would want to know what it would cost if they asked the County to pick it up, if you look on that second page, basically the \$250 for the unit and the \$50 for the license would be a one-time charge and the \$45 per month is \$540 for the year and they would have to budget that in with their cell phone usage.

Mr. Hartwick: If they were to purchase it themselves, they would be responsible for all three?

Mr. Baratucci: Correct, the two of them they would handle on their own personal bill. The \$50 we would ask them to pay to the County for the one-time fee to hook-up.

Mr. Haste: The monthly charge will be on their bill.

Mr. Baratucci: We would just ask them to pay \$50 as a one-time fee to allow them to be hooked up to our system.

Mr. Hartwick: The only thing is this discourages people from trying to go out on their own and they are going to try to hammer it through with these expenses to try to put it through the County. We need to be very careful.

Mr. Baratucci: That is exactly why we are setting this up so all three of you have an opportunity to review them and make a decision as a Board who you want to have these things and who you don't. There is a form in here for them to tell you why they feel they need them and who needs them. It just seems like lately we are getting more and more of these requests. We think we are going to get more and more also. There is all the funding issues. Some of the departments have more funding than others. There is always the grant thing and that's not County money. Quite frankly, I look at it that it is taxpayers' money whether it is coming from the State, a grant or where ever, it is still taxpayers' dollars. I think they should be scrutinized. I think there is a certain application for these things, but not everybody needs them. I think Commissioner DiFrancesco mentioned it last week if you are at your desk most of the time you don't really need this. It's really for people who are away from their desks that is when you need access to it. If your job is to be at your desk you have the access you don't need the Blackberry access. Just give us a heads-up next week whether it is acceptable or

not. If it is acceptable we will get an email out to let them know that this is the policy from here forward.

Mr. Haste: Give a copy of this to Dave of Personnel in case there is anything that he needs to be aware of.

Mr. Baratucci: We ask that the Solicitor's Office get back to us if something needs to be changed.

ITEMS FOR DISCUSSION

- A. Lease Renewal between Dauphin County and Penn Central Realty Company for the Weatherization Office. **(***A VOTE IS REQUESTED 8/31/05)**
- B. Approval of a State Transition Grant (STG) Application for FY05/06 to the PA Dept. of Public Welfare to enable Children & Youth to access additional State funds. **(***A VOTE IS REQUESTED 8/31/05)**
- C. Accept a recommendation from Steve Howe, Director of Tax Assessment to exonerate taxes in the amt. of \$811.81 for Lu Hocker, Manager, Manufactured Housing Division of Property Management, Inc., in reference to the following properties:
 - 1. Lot 110, Oak Knoll Estates, parcel #22-013-026-110-0110
 - 2. Lot 71, Oak Knoll Estates, parcel #22-013-026-071-0235
 - 3. Lot 55, Oak Knoll Estates, parcel #22-013-026-055-0167
 - 4. Lot 21, Oak Knoll Estates, parcel #22-013-026-021-0367
- D. Adopt a Resolution authorizing the allocation of \$18,000 of the FY2004 Unprogrammed Fund Community Development Block Grant Program Account for the Millersburg Borough North Street Utility and Road Construction Overrun Project.

Mr. Haste: Items for Discussion, we need to take a vote on Item A and B. Do we need to discuss any of these items?

Mr. Hartwick: I do need to talk about Item B. If you read the paper today, we talked about cuts in certain preventive services in Dauphin County and how that hits home in some of the essential areas. In doing an interview with Reggie Sheffield, the State is playing more games and I just wanted to make the Commissioners aware. In this process, Estelle Richman, the Secretary of the Department of Public Welfare, has consistently been going out with the message that she will fund at least one program that she would find money for and that was the Nurse Family Partnership. She consistently said it. I have heard her say it on several occasions publicly so we zeroed out Nurse Family Partnership in our budget thinking that the Department of Public Welfare would fund that outside the County's Needs Based Budget Plan. It now seems that Estelle Richman is renegeing on her promise to fund Nurse Family Partnership, which is an extremely important program for at risk mothers. Instead of talking about

the Nurse Family Partnership and her commitment to fund it, the State has taken the position that we have the State Transition Grant, which we all knew all along was the TANF transition money. Dauphin County, through the Children and Youth Department, has planned that we would receive \$1 million in TANF transition money. About eight months ago, we included that in our Needs Based Budget. So, we have been anticipating this money the entire time. It wasn't until right after the budget cycle that this is now called State Transition Grant. They started to change the rules. We contacted Senator Piccola's Office and Representative Buxton's Office and they worked diligently to allow this not to be a competitive process. The TANF Transition now was going to be allocated as originally planned to the counties. The reason why I bring this up, in the article the Department of Public Welfare's stance on why they didn't fund Nurse Family Partnership, was well we just gave you an extra \$1 million in State Transition Grants. The County can determine how that money is being spent. Well, that is a complete misrepresentation of the budget process. That money was planned and promised to the counties eight months ago. That is not new money that was found in this current budget cycle and therefore shouldn't be represented like we had the option of now new money to spend towards additional prevention and intervention programs. We were short-changed \$6.5 million in the budget and we reduced our allocation by \$1.7 million for prevention and intervention. That reduction also included Nurse Family Partnership of which now the State Department of Public Welfare is reneging on their commitment to fund Nurse Family Partnership. So, we may be coming back to the Board, not asking for additional money, but shuffling the priorities of our programmatic expenses to include the Nurse Family Partnership because it is a priority in Dauphin County, even though it is not a priority for the State Department of Public Welfare to fund it. It is nothing unusual, they are playing a shell game and I just wanted to make the Board aware of their shenanigans.

It was moved by Mr. Hartwick and seconded by Mr. DiFrancesco that the Board approve Items A and B, as noted above, under Items for Discussion; motion carried.

Mr. Haste: I see Dan and George are here on Item D. I expressed this to you just as Lower Paxton was in here and they were willing to split the cost of overage, I think other municipalities should be encouraged to do that. Again as the dollars get tighter and tighter there appears to be this trend where when there is an overage they ask the CDBG funds to kick it all in. I don't think that is fair and I think those days have to come to an end. It just makes the municipality a little sharper with their pencil and their ownership of this. If it goes over budget I believe everybody needs to understand at that point in time that we all have commitments in this and we all need to share in the finding of the solution to the overage. That is just my thought.

Mr. Hartwick: I agree.

SOLICITOR'S REPORT – C. DORAN VANCE, ESQ.

Mr. Vance: Unless you have some specific questions.

Mr. DiFrancesco: One of the things that will be coming up on a future Agenda is the new Admissions Agreement out at Spring Creek. At this point there is a proposal to change some of the fees being charged out there and therefore I want to make sure that the Board gets copies of that as well, in addition to what the Solicitor has, so they can start to see that and if they have any questions they can raise them with management at Spring Creek.

Mr. Haste: Is that Item #11?

Mr. DiFrancesco: Yes. In that Agreement there are fee structures that are going to change.

Mr. Haste: Private pays?

Mr. DiFrancesco: Only private pays?

Mr. Burford: It is across the Board, private pay and also the Medicaid. It is a comprehensive rate increase stemming not only from the private pay, daily room rates, but also the beauty and barber charges and some other fees that are associated with the care of delivery of services.

Mr. Haste: Once we approve it do we need to get further approval from some other entity?

Mr. Burford: No.

Mr. Haste: So, they will pay whatever our fee is?

Mr. Burford: Right. We will give the families and the residents a 30-day notice, which is required.

Mr. Haste: I guess Medicare/Medicaid, do they need to approve the rates, since they are paying it?

Mr. Burford: No, we are good.

REPORT FROM CHIEF CLERK/CHIEF OF STAFF – CHAD SAYLOR

Mr. Saylor: I have nothing else to report.

COMMISSIONERS' COMMENTS

There were none.

PUBLIC PARTICIPATION

There were none.

ADJOURNMENT

There being no further business, it was moved by Mr. DiFrancesco and seconded by Mr. Hartwick that the Board be adjourned.

Respectfully submitted,

Chad Saylor, Chief Clerk/Chief of Staff

Transcribed by: Richie Martz

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