

**MINUTES  
CITY COUNCIL SPECIAL MEETING  
Thursday June 3, 2010**

**Special Session**

Council President Edward Simpson called the meeting to order at 6:45 p.m. and welcomed everyone to the meeting. Council members present were Council President Edward Simpson, Council Vice President Karl Marking, Messrs., Jarrell Brazzle, Joseph Hamrick, Ingrid W. Jones and Karen Jorgenson. Staff members present included City Solicitor John Carnes, Interim City Manager, Ted Reed, Director of Finance Stacy Bjorhus, and Director of Public Works Donald Wilkinson

**Additions, Deletions or Modifications to the Agenda**

Mrs. Jorgenson made a motion to add Regular Action Item #1 to consider the submission of a Community Development Block Grant application to the Chester County Department of Community Development; Mr. Hamrick seconded the motion. Motion passed 5-0.

Mr. Brazzle arrived at the meeting at 6:50 pm.

***Citizens' Hearings – Regular Action Items Only***

There were no citizens' hearings on regular actions only at this time.

Mr. Marking made a motion to close citizens' hearing on Regular action items only; Mrs. Jones seconded the motion. Motion passed 5-0.

**Regular Action Items**

1. Consider the submission of a Community Development Block Grant application to the Chester County Department of Community Development

Mr. Reed announced the Chester County Department of Community Development is accepting applications until June 30, 2010 for Community Development Block Grant request to fund community projects, The staff is in the process of completing grant applications in the amount of \$250,000 to \$300,000 for street paving and storm sewer work on Walnut Street between Third and Fifth Avenues; Thompson Street from Oak Street to Walnut Street; and a Woodland Avenue from Walnut Street to City Line.

The completion of the application requires engineering assistance for the conceptual layouts and estimates for the work planned including estimates of material required and costs anticipated. T&M Associate's gas submitted a proposal for this application assistance in the amount not to exceed \$2,412.

Mr. Barry announced a Public Hearing will be held on Monday June 14, 2010 at 7:15 pm for the purpose of receiving public comment on the City submission of a Community Block grant application to the Chester County Department of Community Development for street paving and storm sewer work in the amount of \$250,000 to 300,000 if Council approve the application to be submitted.

Mr. Simpson asked if a Public Hearing is required. Mr. Reed stated all applications for grants from DCD must have public hearings.

Mrs. Jorgenson made a motion to approve the submission of a Community Development Block Grant application to the Chester County Department of Community Development.

#### **Discussion Item**

1. Discuss the submission of a proposed revised 2010 municipal budget by the Interim City Manager

Mr. Reed explained he has provided a spreadsheet to show the differences in the 2010 approved Operating Budget expenditures and the 2010 Revised Budget expenditures.

Mr. Marking asked how we could have missed the Saha payment in the budget. Ms. Bjorhus explained Mr. Walker had told her the last payment was paid last year. Mr. Carnes explained the agreement regarding the Saha payments.

Mr. Marking questioned the fire alarm system for City Hall. Mr. Reed explained that during the recent security upgrade for City Hall, the current fire alarm system for City Hall no longer meets Fire Code. Mr. Brazzle asked for the Fire Alarm system to be checked into at the Community Center.

Mrs. Jorgenson asked if the original salaries that were not in the 2010 budget have been added to the amended budget. Mr. Reed replied yes. Mr. Reed stated the information had not been added to the previous budget amendment as he had believed. The additions are on the 2010 budget presented to Council for the meeting this evening.

Mr. Hamrick asked when the 2008 budget will be completed. Ms. Bjorhus stated there have been several tasks to starting the 2008 audit. It has been very difficult due to the systems changes. The general fund bank account had 3 different areas; payroll, the operating fund and the checks going out and the revenues coming in. All three of the functions were in one separate bank account which made it very difficult to break out. It has been difficult to find the actual opening balances for the 3 accounts separately.

The payroll has been reconciled to the general ledger. The reconciling of the operating account has taken several months. Barbacane has requested all the bank accounts to be done before they come back. Mr. Kalaria has reconciled the accounts payable from the old system to the new system.

Mr. Simpson inquired about the time frame. Ms. Bjorhus stated she is hoping in 10 days. Mr. Marking asked if this was through 08 to 09 to start the audit. Ms. Bjorhus stated the 09 audit has been started. Mr. Hamrick asked if this is 10 work days. Will we have everything on our end ready within 10 days? Ms. Bjorhus stated that she thought so. Once we get that general fund in shape the other tests we need to do the payroll reconciliation to the 941 forms that will probably bring us up to date. The other tasks are checking the contracts; the fixed asset list. Mr. Marking asked if we are looking at any surprises. Ms. Bjorhus stated the \$904,000 ending balance for 2008-2009, is unaudited.

Mr. Reed explained there were no funds for the pools or programs for the Recreation Department. The total budgeted for the Community Center is \$125,242. The Ash Park Pool will have \$35,000 or more in donations for the pool operation.

Mr. Simpson asked if the employee that was missing in the budget has been added to the current budget. Mr. Reed replied the employee has been added to the Code Department budget.

Mr. Simpson asked for the 4 new positions to be added to the June 14, 2010 agenda for approval.

### **Council Comments**

Mrs. Jorgenson asked for the City to remove her Gmail account. She has not been receiving the emails from the City. She asked for her previous email address to be added.

Mr. Hamrick asked for a list of the salaries, benefits, sick time, vacation time and a list of the union contracts.

Mrs. Jones stated that she was beginning to feel like “there’s something rotten in Denmark. It ain’t the pickled herring and it ain’t the cheese.”

Mr. Marking stated he is incredibly sickened by all this million dollars in surprises and new fees. “I don’t hold anyone accountable here because it’s legacy stuff. On the other hand it’s nice to feel that we are actually getting a more detailed picture of where we stand. There are a lot of issues still, to put dots on the i’s and crossing the t’s. But we’re getting there. It’s painful but we are continuing in a better direction.”

Mr. Simpson stated, “all of this, the majority of it, is from a previous administration that we’re not going to discuss, and we’re not going to bash, that everybody here has inherited. But I feel much better the numbers are more realistic and actual than they have ever been within the past 5 months. Ms. Bjorhus is largely responsible for that; because in the past we were never given any details. We have never received reports like we have now. I feel better knowing that we’re getting realistic numbers. There are a lot of departments that right now are over budgeted in areas. Particularly the overtime in certain departments that needs to be straightened out. But we know about it and we need to focus on it. If we do approve the budget we will have to dot our i’s and cross our t’s. Every month we will have to check the status. If we head back into the wrong direction we will have to make some big decisions.”

Mr. Marking stated that it is not personal, it is just business.

### **Adjournment**

Mr. Marking made a motion to adjourn the meeting; Mrs. Jones seconded the motion. Motion passed 5-0.