

SELINGROVE BOROUGH RECESSED COUNCIL MEETING

THURSDAY, DECEMBER 20, 2012 - 4:00 P.M.

COUNCIL MEMBERS PRESENT: Pres. B. Farrell, V. Pres. P. Carroll, C/P D. Anderson, C/P T. Charles and C/P R. Mease

COUNCIL MEMBERS ABSENT: C/P S. Hendricks and C/P E. Viker

OTHERS PRESENT: Solicitor R. Cravitz; Borough Manager P. Williams; Asst. Borough Manager/Treasurer S. Badman; Acting Recording Secretary C. Weaver and Tax Collector M. Bolig

OTHERS ABSENT: Mayor S. Christine and Junior C/P M. Lemons

CALL MEETING TO ORDER:

Pres. Farrell called the meeting to order at 4:00 P.M. Borough Mgr. Williams called the roll, followed by a moment of silence and the Pledge of Allegiance.

PERSONS TO BE HEARD:

Michael Bolig, Tax Collector – He informed Council that he starts to post his books the first week of January 2013. He wants Council to know that he supports Council's decision of December 3, 2012, to drop the per capita tax. It is a bad tax.

He stated he did call the County and they were a little surprised. The County had just finished their 2013 budget. The County per capita tax will not be eliminated for 2013. The County Commissioners have 19 other Townships and Boroughs that utilize this tax. They had formalized their budget the night that Council decided to get rid of the per capita tax, so they are definitely stuck with the tax for 2013.

Mr. Bolig stated that the per capita tax is about 20% of the tax collectors total workload. The County does not drop per capita tax. It is the Borough's responsibility. With Selingsrove dropping the per capita tax and Penn Township not utilizing per capita tax this means that 22% of the County will not have fiscal per capita tax. This may drive the County to get rid of this tax.

The time that Mr. Bolig spends on real estate taxes is considerably more than the per capita tax. He stated he made over 1,000 tax copies. These copies were almost all for real estate taxes.

He stated that he collects about ½ million dollars for the Borough. Mr. Bolig said that the County pays very well and that once people get rid of the tax collector system people tend not to get them back. He stated accounting firms would like to get a piece of the pie in collecting taxes. Surcharges can start, etc.

Mr. Bolig stated he is finishing his 18th year as tax collector next year. He will soon be 50 years old. He started collecting taxes when he was 32. He stated he is intends to run again. If he is elected next term, it will be his last.

He stated that the proposals he presented at the December 3, 2012 meeting are no longer good. They included the per capita tax. He proceeded to hand out updated proposals to Council. He feels the salary system is the best way to go, it protects the Borough. . He said if he collects per capita and real estate taxes he would stick with his initial request for \$12,000.00. But if the tax collector only collects real estate taxes then the rate would be fixed at \$10,000.00.

UNFINISHED BUSINESS FROM PRIOR MEETINGS:

Specify amount of General Fund transfer to Capital Reserve Equipment Fund for 2012 - C/P

Anderson stated that in the Boroughs current 2012 budget we decided to transfer \$32,850.00 to Capital Reserve at the end of the year. Given Treas. Badman's projections of what we expect to have at the end of the year, the Finance Committee is recommending that we up this by \$10,000.00. We would then transfer \$42,850.00 from our General Fund into our Capital Reserves.

Motion by C/P Anderson to approve. Motion seconded by C/P Charles.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

Adopt Ordinance #804, abolishing the collection of Per Capita Tax, pursuant to the public notice given of this intent – Sol. Cravitz stated this is pretty straight forward. We have sent out copies. We have a section called Section 126-23 Levy of Per Capita Tax. With this review it would be effective January 1, 2013. This section of the code would be repealed.

Motion by C/P Mease to adopt Ordinance #804. Motion seconded by Pres. Farrell.

C/P Charles stated that what he would like to point out is that in another month or two we are going to sit and discuss how we are going to raise \$750,000.00 to pay the Borough's construction costs from the General Fund. Now is not the time to be eliminating a tax whether it's \$8,000.00 or \$9,000.00. In 2010 it was \$9,200.00 and in 2011 it was \$9,000.00. If Council takes that out, no matter what we do, whether we borrow from ourselves from the Water and Sewer Fund or we borrow from a bank, we will most likely for the next 20 years have to pay back \$35,000.00 - \$40,000.00 to the Water and Sewer Fund. It may seem like a significant amount and sure it is a nuisance tax, but if you look at it at \$9,000.00 a year for the next 20 years that is \$180,000.00 towards a 700 and some thousand dollar debt. We can pay ¼ of this Borough building with a nuisance tax. He stated he will vote against it. He will always vote against it.

We are going to raise taxes one (1) mill and then we are going to turn around and drop another tax which is ¼ of a mill. The only thing left to raise money is real estate taxes. Whether we need to raise it next year or not we are going to eliminate a nuisance tax. C/P Charles feels \$5.00/person is the only money the Borough will get from them and they are using the same services that everyone else does. This money is going to have to be replaced eventually and it can only be replaced by raising taxes. So we are going to take a nuisance tax at \$5.00/person and put the burden on 47% of the real estate owners in the Borough while 57% don't pay real estate taxes.

C/P Anderson stated she will also vote against it because it was so abrupt. If Council had said we want to make a commitment to eliminating it in 2014 she would accept it.

AYES: TWO (2)

NAYS: THREE (3) – C/P ANDERSON, V/P CARROLL AND C/P CHARLES

MOTION FAILED

Adopt Ordinance #803, pertaining to a proposed Tax Levy for the year 2013, pursuant to the public notice given of this intent – Sol. Cravitz said this tax sets the Mills at 16 for the coming year. Treas. Badman questioned the per capita tax situation. Sol. Cravitz stated the per capita tax stays in.

Motion by C/P Anderson to adopt Ordinance #803. Motion seconded by C/P Charles.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

Adopt the 2013 Budget, as advertised –

Motion by C/P Anderson to adopt the 2013 Budget. Motion seconded by C/P Charles.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

Request authorization to borrow funds to pay expenses in 2013, until adequate revenues are received (or may be requested at the January 7, 2013 meeting) – C/P Anderson stated we can borrow funds from the Boroughs Water and Sewer Fund to pay any bills that create a cash flow issue.

Motion by C/P Anderson to approve. Motion seconded by V/P Carroll.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

FINANCE & BUDGET COMMITTEE: C/P Anderson, Chair – She informed Council that the Committee met on the afternoon of December 20, 2012 and the Committee reviewed all the bills to be paid as Council had authorized.

Consider request from Parks & Recreation Committee for Gelnett Funds in the amount of \$900.00 for an ice skate sharpener -

Motion by C/P Anderson to approve this. Motion Seconded by C/P Charles.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

Consider request from Parks & Recreation Committee for Gelnett Funds in the amount of \$4,000.00 for additional costs associated with the NEOS project (previously committed \$10,000.00) – C/P Anderson stated Kidsgrove had done their fundraising and they have received a letter from the Degenstein Foundation confirming their part in this project with \$18,500.00. They also received some money from the Keiser Foundation in the amount of \$5,000.00, but they are still short \$4,000.00. We had already committed \$10,000.00 from the Gelnett Fund, but would like to request another \$4,000.00.

Motion by C/P Anderson to approve. Motion seconded by C/P Charles.

C/P Mease asked how much of the Gelnett Funds have been used during 2012? C/P Anderson stated if you look at all the pages in the agenda today you will see a Community Acquisition & Improvement-Gelnett page. Treas. Badman stated there is a \$65,000.00 carryover, it will probably be closer to \$50,000.00. We received \$150,000.00 in Gelnett Funds, so we have spent around \$100,000.00 in Gelnett Funds for 2012. C/P Anderson stated we approve the funds in June and December of each year. She also stated that at their February 2013 Finance Committee meeting, representatives who manage the Gelnett Funds will give their report to the Finance Committee. This is required from year to year.

C/P Anderson stated that when we get to the end of the year if Council looks at what Treas. Badman figured out Council can get an idea of where we stand on the General Fund and what will carryover. We budgeted for 2013 that we had \$80,000.00 to carryover and the reality is it will be a little better than that. We should be able to put some more money back into the Street Program by not giving up on the per capita tax. We have \$8,000.00 that will go back into the Street Program. It feels to C/P Anderson that Council manages well on its resources.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

NEW BUSINESS:

COUNCIL MEMBERS – C/P Charles informed Council that last year Treas. Badman did not get to use 17 days vacation. The first six (6) months of the year she was the Acting Borough Manager. If Council looks at the Personnel Handbook, she is going to end up losing these days. C/P Charles also informed Council that Deputy Zoning Officer Powers came back from vacation early to do payroll and would like to carryover three (3) days. C/P Charles stated that these requests are special due to the fact that the Borough was missing a Borough Manager.

Motion made by C/P Charles for Treas. Badman and Deputy Zoning Officer Powers to carryover their days and either use them or get paid for these days. It will not be combined with 2013's vacation days. Motion seconded by Pres. Farrell.

AYES: FIVE (5)

NAYS: NONE

MOTION CARRIED

Clam Bake – C/P Mease stated he has been in contact with Bobbi Steining. He stated he went down to the Isle of Que to take a look at the parking lot that Mrs. Steining would like to have closed down during the Clam Bake. There is a little driveway right before you get to what seems to be a little circle and then a stripped area. If Mrs. Steining would close the parking lot and leave the other section open, boaters could turn around without affecting her party. C/P Mease stated he hasn't figured out where the boaters are going to park their boats and trucks yet, but that may be something SPI can work on. The committee is going to try and have the Clam Bake in 2013.

Pres. Farrell stated we do have to talk with Sol. Cravitz and be sure that the Borough is protected. Pres. Farrell would also like to know where the money is going. C/P Mease stated that the money is going to SPI and then will be put towards the Environmental Center that will be on the site of the Clam Bake.

C/P Charles reminded Council that the Isle of Que yard sales are the first Saturday in June. There are hundreds and hundreds of cars coming over to the Isle of Que. C/P Mease stated the clam bake is the following weekend.

Borough Mgr. Williams said it was his understanding that the Clam Bake was going to be held in 2014. C/P Mease stated he spoke with Pat Owens and told him not to count 2013 out. Mrs. Steining is trying to get everything solidified in order to hold the clam bake in 2013.

Pres. Farrell stated he is concerned with having 500 people on the property. He suggests that maybe a private party should be held first to make sure it is doable. C/P Mease said he is also concerned with just having three (3) breweries and three (3) wineries for all those people. They will be standing in line to get their samples. C/P Mease suggested to Mrs. Steining that she talk with Carol Handlan about it. You are either going to have to sell less tickets or get more breweries and then you will be having to take up a lot more area. No one is going to come back for a second year if they are standing in line. There is a charge of \$40 - \$50 to attend for four (4) hours, if people get three (3) drinks. They will not come back.

C/P Anderson stated Mrs. Steining does need to do an experiment with 100 – 200 people on her lot to see if it would work out. If this is advertised like the brew fest, Mrs. Steining is going to get swamped. C/P Mease said they are calling it a Clam Bake, but they are riding on the shirrtails of the Brew Fest. C/P Anderson stated, exactly. C/P Mease also stated that Mrs. Steining wants to do the clam bake in June and the brew fest is in July – just four (4) weeks later.

C/P Charles said that as soon as the Borough can issue a contract to start the boat launch, we will be starting. He can picture a gradall, a couple back hoes and two (2) dump trucks taking up the whole parking lot. This is right in the heart of when all this could be happening.

C/P Mease said that as far as parking goes for individuals, they are looking into having people park else where and shuttle them in like they do for the Street Fair.

Weis Markets – V/P Carroll stated Weis Markets came in to talk about their final plan. There are an awful lot of issues with Penn DOT that haven't been addressed and questions they couldn't answer. There is a meeting tomorrow December 21, 2012 at 1:00 p.m. in the Keystone Room. V/P Carroll told Larson Design Group that the Borough is not trying to stop them from going forward. The Borough just has a lot of unanswered questions from Penn DOT. Weis Markets indicated that they are trying to get this through and are hoping to have this approved and open and running by Thanksgiving of 2013. They stated it will take about six (6) months to get it open.

EXECUTIVE SESSION - Council Meeting recessed to an Executive Session at 5:00 P.M. for discussion of Personnel Issues with no action taken. Council meeting reconvened at 5:20 P.M.

ADJOURNMENT:

Pres. Farrell made a motion to have meeting adjourned at 5:20 P.M.

Attachments: None

Respectfully submitted by

Chele' Weaver
Recording Secretary