

CITY COUNCIL MEETING  
Sunbury, PA  
December 26, 2012  
8:00 am

A regularly scheduled meeting of the Council of the City of Sunbury was called to order with the Honorable David L. Persing, Mayor presiding. There was a quorum with the following in attendance:

David L. Persing, Mayor  
Todd E. Snyder, Director of Accounts and Finance  
Joseph J. Bartello, III, Director of Public Safety  
Kevin E. Troup, Director of Public Works  
James R. Eister, Director of Parks, Recreation and Public Buildings

Other City officials in attendance:

Elizabeth Kremer, City Treasurer  
Terry Specht, City Clerk

There were four (4) members of the public present.

**2<sup>nd</sup> READING 2013 BUDGET ORD. 1270**

Councilman Snyder said that after the last group meeting to discuss the budget, everyone left with the hope that wages could be raised without a tax increase. There was still \$30,000 difference in the budget to close. He sent a draft of another budget to include revisions to accommodate a wage increase for employees of 2% without the need for a tax increase and to do that there were additional reductions in expenses. He passed out a Draft A and Draft B budget report which shows the draft that was sent to council members as well as a draft budget created by Councilmen Troup and Eister, Ms. Kremer and Ms. Specht. He asked Ms. Fogelman to look at both drafts of the budget and based on the adjustments to wages and expenses there was a \$5,200 overage on Draft B and Draft A had a few adjustments which were a result of the Draft B budget proposal. All changes are highlighted in red. Councilman Snyder said one of those adjustments was taking the city engineer off the health insurance expense line and Councilman Bartello asked if that wouldn't be a wash because he reimburses the City for the cost of the health insurance. The reimbursement was still showing in Draft A so an additional adjustment would have to be made to reflect that change. Councilman Bartello said pay raises are being given on revenue that is not a guarantee of receiving – if it was a capital expenditure like a new roof for the ice rink and the money was not available the project could wait another year. Wage increases have to be paid whether the money is there or not. The \$5,000 difference in Draft A and Draft B are wage adjustments that did not accommodate payroll taxes. Draft A had a \$1,600 variance. Councilman Troup explained some of the difference in Draft B from Draft A:

- Snack bar income and expense was added back into the budget. There is no guarantee a 3<sup>rd</sup> party would take over the snack bar – if they do great, but the income and expense should be budgeted in case that does not happen. Councilman Snyder said it was to be phased out in June per the original discussion regarding the snack bar. He also said there is still a \$10,000 loss on wages and supplies for the snack bar. Councilman Troup said there is a mark-up on snack bar items. That figure is correct because they are predicting a loss on the snack bar.
- A 2% raise was included for city employees
- \$17,000 was added to the code office budget to purchase a new truck because the vehicles the code officers have are costing a lot of money in maintenance. Councilman Bartello asked why they needed a truck because they only run around town. Councilman Troup explained if they are on a complaint call they can pick up trash bags, etc and throw them in the back of the truck instead of wasting time contacting the public works supervisor and interrupting what they are doing to pick up trash. Councilman Bartello said he would have put a truck in the budget if he thought they needed it. He said there are 2 new police cars in the budget so the code office could have whichever vehicles they are getting rid of. Councilman Snyder said he thought it would be better to lease a vehicle if it is needed instead of paying for one outright. Councilman Eister said in that case, if the lease were \$5,000 where would the additional funds be put in the budget. Councilman Snyder said for example the cost of transporting prisoners is underfunded so any savings could go in that line item. Mayor Persing said he feels the maximum he can spend in that line item is

\$25,000. Councilman Eister said he asked the county what the cost was to transport Sunbury's prisoners and they never tracked it so no one knows the final amount. They told him they initially thought it was \$300,000 but after checking further, they thought prisoner transport was approximately \$115,000 for the entire county. A discussion was held regarding Act 30 insurance for the police department. Ms. Specht explained that AIG dropped that particular insurance and the broker cannot find anything else to replace it. It is the same as Worker's Compensation. Councilman Snyder said saying they can't find an alternative is different than not being needed. Mayor Persing said for \$3,500 it doesn't make much difference so it can be left in the budget.

- Councilman Snyder said he did not know what the \$11,469 adjustment to legal fees was. Councilman Troup explained it is a reimbursement for wages paid to Jeff and Mike Apfelbaum to put them on the UCR report so they can be on the City's insurance. It wasn't thought of in other years that they never reimbursed the City for this amount. They do reimburse for the total amount of their insurance premium. It is an odd number because it is the total amount of their payroll, including payroll taxes. For that \$11,469 they will do work for the City and not charge. Councilman Snyder said the retainer could be eliminated but the \$11,469 is in addition to the retainer.

Councilman Bartello asked why the emergency management budget was cut. He said every year it gets cut more. Councilman Eister asked how much he spent from that budget in 2011 during the flood. Councilman Bartello answered he didn't have any money so there wasn't anything to spend. Councilman Snyder explained it was originally funded at \$2,000 and was changed in the Draft B budget to \$500. He explained that historically there is not a lot of money budgeted for that line item but Councilman Bartello has been trying to put money in the line item. Mayor Persing asked if the EMA coordinator ever requested any funding in the budget and Councilman Bartello answered no. Councilman Bartello said there is still \$2,000 in the budget for ASA and Quadraleague and he thinks they could be cut. Councilman Troup said that is for kids. Councilman Snyder asked about the wage increase in public works because it was more than was calculated at 2%. That was an error in multiplication and should be adjusted back to the original figure of \$172,486. Councilman Bartello said \$169,000 was in the 2012 budget and only spent \$117,000. Councilman Troup explained that when his department does park and recreation work (i.e. cut grass) that work is charged to the park and recreation department. When you look at the 2012 figures, park and recreation is over budget and public works is under budget and it all works out. Also, the department was down a full-time employee from June through October. Councilman Snyder asked if the \$5,000 could be put back in the code budget for the new code compliance officer position and the answer is yes. Councilman Troup also said he doesn't have a problem making the emergency management budget \$2,000 again. Councilman Bartello said he does not know how \$15,000 is going to come from events at the Riverfront. Mr. Rick Reichner asked whether council wants to own the truck or lease it. He explained that at the end of the lease it would have to be given back. Councilman Eister explained that at the end of a municipal lease the City will purchase the vehicle for \$1. A summary of the budget adjustments discussed (\$21,000 saved):

- Add \$3,500 for Act 30 Insurance
- Add \$5,000 in the part-time compliance officer line item
- Add \$1,500 for emergency management
- Add \$6,000 to prisoner transport
- Remove \$21,266 from public works wages

Councilman Snyder said he thought there was a new supervisor position and to replace the accounts payable clerk. At this time there is not enough in the budget for an accounts payable clerk. Councilman Troup explained there is enough in the budget for training the new person and accounts payable until mid-March. By then the new person will go through 2 closing months. Councilman Snyder said that leaves 2 staff, no part-timer and Beth in that office. When someone wants to go on vacation there will be no one to accommodate the position that is away unless someone from another office is pulled to cover it. If Brenda is needed after that time, she will not be available. Ms. Kremer explained that there was only 2 full-time staff in the office until Councilman Snyder put the 3<sup>rd</sup> one in. Councilman Snyder said Ms. Kremer had discussions with him that she not only wanted Brenda's replacement but another full-time person. Ms. Kremer said yes if there was enough money in the budget she would have liked the part-time person the other 2 will be in the office doing city, county and school district work. Councilman Snyder said yes, 1 reporting to Ms. Kremer and 1 reporting to him. Ms. Kremer said she does not agree to 1 reporting to him if they are in her office and doing school and county work. She is the city treasurer and she is responsible for money. Councilman Snyder said her job is tax collection per the ordinance. Ms. Kremer said the city treasurer is responsible for all the money coming in to the City. Councilman Snyder said yes, collecting it but not accounting for it in the budget, etc. Ms. Kremer said that was the way it was until he became

Director of Accounts & Finance. Mayor Persing said the additional overage can be put into prisoner transport and if it does not get spent it can be used for something else in the police department. Councilman Eister said he does not have a problem putting it in there and neither does Councilman Troup. Councilman Bartello asked why the health officer's salary was raised by \$500 and Ms. Specht answered because it has been \$3,500 since before Mr. Shaffer retired and it would be nice to give the health officer a raise. Ms. Kremer said Ms. Buss discussed charging for a return visit if there is something wrong during the initial inspection. That would be up to council to decide and set a fee. Councilman Snyder said the actual gap is \$5,900 and it would be added as an expense to police transport to balance the budget. Making the above mentioned changes, the revenue would be \$4,330,475 and expense would be \$4,330,494 which is a difference of \$19 making this a balanced budget. Councilman Snyder moved to pass Draft B with the above mentioned changes. Second – Eister. No – Snyder, Bartello. Yes – Troup, Eister, Persing. Motion carried.

### **2013 TAX LEVY ORDINANCE #1271**

Councilman Snyder moved to pass the 2013 Tax Levy Ordinance with no changes for 2013. Second – Eister. No – Bartello. Yes – Troup, Eister, Persing, Snyder. Motion carried.

### **NEW HIRE**

Councilman Snyder moved to hire Cathy Geiger for the accounting supervisor position at a starting salary of \$38,000 of which the City will pay \$22,000. Second – Eister. Unanimous vote.

### **RESOLUTION 202 WASHINGTON AVE.**

Mayor Persing moved to pass the Resolution for 202 Washington Ave. (see attached) authorizing the Redevelopment Authority to sell the property to Ms. Holly Zimmerman at a price of \$157,500. Second – Eister. Yes – Eister, Persing, Snyder, Troup. No – Bartello. Motion carried. Mayor Persing thanked the Degenstein Foundation for the funding which allowed a new home to be erected on this property. The proceeds from the sale will be used for similar projects by the Redevelopment Authority. Ms. Kremer said it will also increase taxes paid to the City since the taxes on that property have not been paid in many years.

### **APPROVAL TO PAY INVOICES**

Councilman Snyder said he will make a motion to pay the invoices under a contingency. There are legal fees in the voucher report for costs incurred by the Redevelopment Authority (RDA) for legal fees. These are legitimate fees and fair. He spoke to Mr. Apfelbaum and the mayor that the money should be loaned to the RDA instead of just paying the bill with the expectation that the Redevelopment Authority pay the City back. The Solicitor agreed and thought that was a good approach. Councilman Snyder moved to pay the invoices reported on the voucher's payable report in the amount of \$181,653.86 from the general fund with the contingency that agreement is put in place to loan the money to the Redevelopment Authority. Mayor Persing said the legal bills were more than anyone anticipated and agreed that the work on the bills was actually done. The RDA never had any money to operate properly. He went back to 2009 and saw that legal fees were budgeted in the amount of \$45,000 and \$150,000 was spent. There has never been enough in the legal line items and they are always an issue. He feels it would be counter-productive to now take 1/3 of the money from them because they would then not have enough to continue their work. Now, the RDA will decide which properties they will focus on and legal fees will be discussed in advance so legal fees are not over-spent like they have been. He supports the RDA and wants them to be able to continue. He feels the City should pay the bills now and see that it does not happen again. Councilman Bartello said the solicitor did the RDA work and should not submit a bill for extra work. Councilman Snyder said in this case he is not arguing the work was legitimate. He is saying if the City pays the bill the tax payers do have funds in the project at 202 Washington Ave. Mayor Persing said the bill was for more than 202 Washington Ave. Councilman Snyder said he is not saying he is requiring them to pay the money back in one year. That would be irresponsible. The RDA viability needs to be insured. For the sake of the City's budget, since this was an expense of an Authority under the direction of city council, it should be shown as a loan and as a receivable due. It can be paid over a period of years and if another council opts to forego it, they can. It should be properly documented and any overage the City has for 2012 should not just be given away. Councilman Eister said the bill should be broken down into different properties and as a council body, they have told the solicitor to acquire properties before the RDA got involved. Councilman Snyder said he is only talking about the bills incurred by the RDA, not any other bills. Councilman Troup said he agrees and they should reimburse the City. It would be the same as

paying the Municipal Authority's legal fees. The project got the RDA off to a good start and he feels in the future, if they cannot pay their legal fees, the City should loan it to the RDA and it would have to be paid back. Councilman Eister disagreed saying council asked the solicitor to pursue blight properties. Councilman Snyder said the RDA now has \$157,500 in their budget and the City budgeted another \$10,000 so he does not think it is wrong to ask them to pay back \$45,000. Councilman Snyder said council takes action to condemn a property and then it is turned over to the RDA to manage. Councilman Snyder explained these bills are from the last few months, not the past year. Councilman Snyder's motion is to proceed with paying the bills under one condition and that is that the City enters into an agreement with the RDA to repay \$45,000 to accommodate their legal costs over a term to be determined. Second – Troup. No – Persing, Bartello, Eister. Yes – Snyder, Troup. Motion did not carry.

Mayor Persing moved to pay all bills as listed on the voucher payable report in the amount of \$181,653.86. Second – Eister. No – Snyder, Bartello. Yes – Troup, Eister, Persing. Motion carried.

### **BOARD APPOINTMENTS**

A list of board vacancies and reappointments was distributed to council members to review for the January 14<sup>th</sup> meeting.

### **AUDIENCE COMMENT**

Mr. Rick Reichner asked if a decision was made regarding telephones yet and the answer is no that issue has been tabled. He also asked if the new hire has a background in accounting. Councilman Snyder answered she has a bachelor's degree in accounting from Bloomsburg University and graduated Magna Cum Laude.

### **ANNOUNCEMENT**

The SRI New Year's Eve celebration begins at 6:00 pm with children's activities in Cameron Park. The band will begin at 10:30 and the Edison light bulb will be lit at midnight. Mr. Reichner asked if the Eagles could put their banner on the gazebo since they paid for the children's portion of the evening. The answer is yes they can.

There being no further business to discuss the meeting was adjourned at 9:25 am.

Respectfully submitted,

Terry Specht  
City Clerk