

CITY COUNCIL
Sunbury PA 17801
March 23, 2009
6:15 pm

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

Jesse C. Woodring, Mayor
John K. Shipman, Director of Accounts and Finance
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
Stephen Mazzeo, Chief of Police
Michael Rhoads, Property Maintenance Officer
Terry Specht, City Clerk

There were twenty-one (21) visitors present.

LIQUID FUEL MAJOR EQUIPMENT PURCHASE

Councilman Troup announced that he and Mike Bordner ordered an F-350 with a plow and spreader to be paid with liquid fuel funds. It will take approximately 8 weeks for the truck to be delivered.

HARB

Mr. Mike Rhoads explained the following were approved by HARB and now will need council's approval:

352 Arch St./ Pinter new windows and siding Motion Woodring 2nd Eister Unanimous vote
716 Market St/old Shaffer's ice cream building new windows Motion Eister 2nd Troup Unanimous vote

MUNICIPAL UTILITY ALLIANCE/INTERGOVERNMENTAL COOPERATION AGREEMENT

Councilman Shipman explained that the MUA is a program through PLCM which allows governmental entities to purchase electricity and gas through a cooperation agreement. With PPL rates going up approximately 40% the City can join the MUA and bid the electric use with other municipalities and get the best possible rate. Councilman Shipman moved to pass the Intergovernmental Cooperation Agreement and authorize the mayor to sign the documents. Second Eister. Unanimous vote.

UPDATE JOINT MEETING WITH MUNICIPAL AUTHORITY BOARD

Councilman Eister mentioned that city council members and the municipal authority board advertised a meeting which was held to discuss the levee certification project. Mr. John Michaels ran the meeting. It was agreed that neither entity has the funding for the inspection which is \$621,000 plus an \$85,000 engineering report. If the levee does not pass the certification process more money must be spent to bring it into FEMA compliance. There are agreements with the Commonwealth for other levees but Sunbury's is not one of them. There is no agreement which states either the City or the Municipal Authority is responsible for capital improvements, just the maintenance of the levee. The Corps said they would pay 75% of the project but then told both entities that there is no funding so they can't pay the 75%. A meeting must be scheduled to discuss this issue in the very near future.

APPROVE MARCH EXPENDITURES

Councilman Shipman moved to expend the funds in the amount of \$32,822.81 for the 2nd expense run of March. Second – Eister. Unanimous vote.

EARLY INTERVENTION REPORT

Mr. Robert Sabatini was in attendance to entertain questions regarding his report on the City's financials. Home Rule is the #1 issue that the City should be considering. A Home Rule Committee

must be selected to decide what type of government would best suit the City of Sunbury. Home Rule is a two year process. Recommendations are made to city council members. Within 5 years, the City will be in a deficit situation of over \$1 million. Mr. Sabatini explained that Act 47 is the equivalent to bankruptcy for municipalities and it allows the municipality to regroup under the assistance of the state. At that time the state would come in with a vendor of their choosing to stabilize the City. A coordinator would work in conjunction with the City to establish revenue and expenditure goals to balance a budget for several years. Some forms of revenue can be restructured, such as a higher earned income tax, a higher realty transfer tax and a non-resident earned income tax. It will also allow the municipality to establish certain controls over the collective bargaining process. Arbitrators cannot overturn a recovery plan of a municipality. It can change things like post retirement benefits (for currently employed union workers), vacation leave and health care co-payments. About 2/3 of Pennsylvania's 3rd Class Cities are in Early Intervention or Act 47. Councilman Shipman stated that the occupational assessment tax brought the City \$119,000 in 2003, \$112,000 in 2004, \$102,000 in 2005 and \$98,000 in 2006, \$92,000 in 2007 and in 2008 it brought in \$90,000. The earned income tax brought in \$601,000 in 2003, \$626,000 in 2004, \$631,000 in 2005, \$625,000 in 2006, \$631,000 in 2007 and in 2008 it was \$660,000. The occupational assessment tax trend has been declining and the earned income tax has been increasing. A voter referendum to swap out 1 tax for another is required. The City is almost capped-out on real estate taxes. To add additional millage, the subject must go before a judge, who can only increase the millage rate to 30 mills. 1/3 of the property in the City is tax exempt. Mayor Woodring opened questions to the audience. Mr. Terry Marshall asked if the City knows who lives in rental units. A form is sent with every rental permit each year but some of the landlords do not comply by sending them in. By the time the forms are returned, many of them have moved to another rental unit, either in the City or outside. Landlords are not required to report who is moving in and out of a rental unit. Mr. Sabatini said there are no privacy rights as it pertains to adding someone to tax roles.

AUDIENCE COMMENT

Mr. Todd Snyder, representing the Neighbors of Ft. Augusta, asked council to stay on top of the levee certification due to the ramifications of de-certification. Mr. Snyder has been in touch with Senator Specter's office and his FEMA liaison to try to extend the October deadline. Also, the group is concerned that there aren't enough police officers in Sunbury. Mr. Snyder stated that a big concern of other police departments is that there are not enough officers on the street. The communities in the area assist other communities as needed – as Sunbury police department does in return. Mr. Snyder stated that when other communities send officers to Sunbury their own streets are unprotected and the police chiefs are struggling with sending their officers to Sunbury. He asked council to do what they needed to do to make sure there are enough officers to deal with our own issues without imposing on other communities. Mayor Woodring thanked Mr. Snyder and also told him the council's #1 concern is public safety. Most of the problem is financial. 50% of the City's revenue goes to maintaining the police department and the financial problems will get worse before they get better, as stated by Mr. Sabatini in his presentation 2 weeks ago. Balancing the budget for 2010 will be a burden and will surely reach the millage cap. Council does want to have more officers on the street, however, financially it is not feasible. Mayor Woodring said adding more officers is not always the answer, he feels changing the City to attract people to live in the City that work here to generate more revenue would also help. Mayor Woodring said he would talk to mayors in the surrounding communities because he is amazed that police chiefs are saying that about mutual aid provided by local communities to one another. This council has applied for funds from the federal stimulus plan to hire additional police officers but the grant is for 3 years and the officers must be kept on payroll for at least 1 more year without help from the stimulus package. No one will want to uproot and take a job that is only guaranteed for 4 years. Councilman Eister said the landlords are a lot of the problem because some landlords will rent to anyone. The code office has been stepping up their inspections to aid the police in this matter. Councilman Shipman told Mr. Snyder that if 3 police officers are added, after the money runs out in 3 years, how he would suggest raising the money to keep the officers, other than taxing the already overburdened tax payers. Mr. Snyder said it would be 3 years to find new revenue sources. Councilman Shipman stated that it is not that easy, he has been on council for 5 years and coming up with even a small sum extra is a real chore. Mayor Woodring concluded by stating that the City knows these are issues the citizens are concerned about and this council is proactive in trying to find solutions. Councilman Troup mentioned that the Sunbury police officers go to other municipalities when needed as well. That's why we are a "community" - we help each other.

Mr. Fred Campbell told Mr. Snyder that if he would attend more meetings of council, not just when he is running for office, he might know what's going on. Mr. Campbell started to attend meetings because there weren't enough accurate articles in the newspaper concerning what council discusses.

Ms. Mary Beaver asked if council couldn't put more topics in the newspaper so the citizens know what is going on. Mayor Woodring answered that council has 2 public meetings a month and the newspaper and radio reporters are tasked with putting the news out in the media.

Ms. Carol Mazzeo asked council if the neighborhood groups could help the City put a newsletter together. Although it is a good idea, at this time there are no funds to mail one but perhaps one could be put together and placed on the City's website.

There being no further business, the meeting was adjourned at 8:25 pm.

Respectfully submitted,

Terry Specht
City Clerk