

COUNCIL MEETING MINUTES
November 18, 2009
7:00 P.M.

Council members present were: Mr. Rapp, Mr. Blatt, Ms. Halleman, Ms. Gifford and Mr. Trotter, Jr.. Mr. Capuano and Mr. Grotenhuis were absent. Also in attendance were: Mayor Fink, Rick Prill, Administrator, Chief Stephens and Jim Levernier, Public Works Supervisor.

Council President Rapp called for the pledge to the flag.

Mr. Rapp reviewed items to be placed on the December 7, 2009 meeting Agenda as follows:

1. Minutes of the 10/21/09 Council Meeting, 11/2/09 Special Meeting and 10/5/09 Regular Meeting have been prepared for review. Mr. Rapp noted that anyone with corrections to the Draft Minutes of 10/21/09, and the two 11/2/09 meetings should provide them in writing to Mr. Prill.

Mr. Rapp noted there was three items for review and/or discussion on the agenda as follows:

1. Letter of resignation from Mr. Matthew A. Rapp from the Civil Service Commission. Council President Rapp noted that Matthew Rapp has recently moved out of the Borough and therefore is no longer eligible to service on the Commission. Council President Rapp asked for a motion to accept the resignation and to send a letter of thanks to Mr. Rapp. The motion was made by Councilwoman Gifford, seconded by Councilman Trotter, and approved unanimously.
2. Letter from Mr. Edward Stetch indicating his willingness to be appointed to the vacancy on the Zoning Hearing Board. Council President noted that this position has been vacant for over a year and that the term of the position runs through 12/31/2013. This matter will be on the 12/7/09 meeting agenda for a vote.
3. Appointment of Jim Levernier to the Shade Tree Commission, replacing Gus Entler. This matter will be on the 12/7/09 meeting agenda for approval.

Mr. Rapp moved on to the next agenda item, Council Action, noting that there were three items for approval as follows:

1. Motion to Introduce the 2010 Budget. Council President Rapp asked Councilman Trotter to provide an overview of the Budget. Councilman Trotter offered the following summary:

The initial draft budget after receiving departmental budget requests was approximately \$176,000 over budget. This draft budget was reviewed by the various Council Committees and reductions brought the overage down to approximately \$112,000. The Finance Committee further reviewed the budget and made additional reductions which brought the overage down to approximately \$76,000, which is the equivalent of a 1.0 mill increase in taxes. The Finance Committee does not feel that any further reductions can be made without adversely affecting or cutting services, and that even these actions probably would not eliminate the full 1.0 mill increase. The Finance Committee is recommending approval of the proposed budget with a 1.0 mill increase in taxes.

Councilman Blatt noted that this is the first increase in the tax rate since 2000.

Councilwoman Gifford commended Councilman Trotter on his clear explanation of the budget process.

Councilman Blatt made a motion to introduce the proposed budget. The motion was seconded by Councilman Trotter.

Council President Rapp asked if any other Council members had any comments with regards to the proposed budget.

Councilwoman Halleman read a prepared statement voicing opposition to the proposed increase in the tax rate, citing areas of the budget where she feels further cost reductions could be taken to avoid any tax rate increase:

- Health Care costs
- Pension costs
- Non-contract employee salary increases
- Contract employee increases
- Close the Pool
- Eliminate summer recreation program supervision

Councilwoman Gifford commented that the taxes are being increased to maintain the quality of service in the Borough. Without these services, we lose the quality of life in the community. Residents are well taken care of by the employees of the Borough.

Councilman Blatt reviewed the list of items Councilwoman Halleman identified, noting that some of these are contractual items and unless the unions were willing to re-open the contracts for further negotiations, there is nothing that can be done with them. Any cost savings from reducing the non-contract employee salaries would be miniscule. The other items are open to review but would not generate enough savings to avoid some increase in taxes.

Councilwoman Halleman commented that the Pool and recreation programs are used by non-residents, not Borough residents.

Council President Rapp disagreed with this statement, noting that over 100 pool passes were issued to Borough residents this year.

Councilwoman Gifford asked Councilwoman Halleman how she knows that the people using the pool are not Borough residents?

At this point, Council President Rapp opened the meeting to the public for any comments on the proposed budget.

A comment was made by a resident that her mother had owned a house on Long Island and when she sold the house her school taxes were reduced, and questioned whether this can be done here?

Councilman Blatt indicated that it cannot be done in PA. An issue such as this would have to be presented to our State legislators and the school district.

A resident from 726 Seneca stated that he is opposed to the proposed tax increase. He is a relatively new resident to the Borough, having moved here in 8/08, and one of the reasons he chose Fountain Hill was because of the lower taxes.

Councilman Blatt commented that maybe the solution to this issue is to do what the school district does and what Service Electric Cable TV does, that is to increase the taxes each year. Residents demand and expect services and these services come with a cost. He feels that the Borough has dedicated employees who provide good services to the community.

Councilwoman Gifford welcomed this resident to the community and thanked him for attending the meeting. This proposed tax increase has not been taken lightly and a lot of work has gone into preparing the budget.

Suzanne Poroszlai commented that a majority of the residents in the Borough are not rich. She is in favor of the summer recreation program continuing but feels the Pool has a problem. It is not well attended as it has been in the past and that those attending are not Borough residents.

Councilwoman Gifford took exception to the comment that the people using the Pool are not Borough residents and asked how Suzanne knows this and objects to the manner in which this statement is being made.

Joanne Reed commented that she appreciates all the effort put into the preparation of the budget but feels that other cuts could be made, such as not replacing a police vehicle, to eliminate any tax increase. She also stated that she is concerned about how much the Pool is sucking out of the Borough.

Councilman Blatt noted that this year the Pool operated at an approximate loss of \$17,000. Even if the Pool were closed, there would still be expenses for maintenance. Mayor Fink stated that the Borough has problems coming but the Finance Committee still cut the Police O/T budget by \$10,000. When these problems arrive, residents will not want to hear and will not accept an explanation that the budget was cut.

Joanne Reed indicated that she is concerned with the proposed tax increase.

Ed Stetch commented that with the economy being what it is and people's finances being tight, residents may not have the funds to travel and will probably use local facilities and services more, therefore, cutting services may not be in the Borough's best interest.

Councilwoman Halleman indicated that she is not proposing to close the Pool indefinitely and not saying that she wants to see the replacement police car removed from the budget, but that Council needs to avoid a tax increase. She stated she is speaking for residents who are on fixed incomes. Maybe the Borough will receive casino money next year and this money could be used to pay for any cuts made in the budget.

Hearing no further comments, Council President Rapp indicated that there is a motion on the floor to introduce the budget, and called for a vote. The motion was approved with Councilwoman Halleman voting no.

2. The next item on the agenda was the introduction of Ordinance #750, Establishing Real Estate Tax Rate for Borough Purposes for 2010. Councilman Blatt made a motion to introduce Ordinance #750. The motion was seconded by Councilwoman Gifford and approved with Councilwoman Halleman voting no.

3. The next agenda item was approval of Resolution #2009-45, Approving the Permanent Appointment of Jason Quarry to the Public Works Department. Councilman Trotter made a motion for the approval of Resolution #2009-45. The motion was seconded by Councilwoman Gifford and approved unanimously.

Council President Rapp asked if there were any announcements.

Councilwoman Gifford reported that the Christmas Tree Lighting ceremony will be held on Sunday, December 6th, at 4:00 pm.

Hearing no further comments, Mr. Rapp asked for a motion to adjourn. Councilwoman Gifford made a motion to adjourn, seconded by Councilman Blatt and the motion passed at 7:50 pm.

Minutes approved on January 4, 2010.

	Motion	2nd	Yes	No	Abstain
Mark Ferencin		X	X		
Carolee Gifford			X		
Norman Blatt			X		
Fred Capuano	X		X		
Larry Rapp			X		
Doug Trotter			X		
Helen Halleman			X		
Mayor Ned Fink					

Lawrence E. Rapp, President of Council

Rick Prill, Borough Secretary