

Meeting Minutes
State College Borough Council
December 15, 2008

The State College Borough Council met on Monday, December 15, 2008, in the State College Municipal Building, 243 South Allen Street, Room 304, State College, PA. Mayor Welch called the meeting to order at 7:30 p.m.

Present: Bill Welch, Mayor
Elizabeth A. Goreham, President of Council
Ronald L. Filippelli
Donald M. Hahn
Theresa D. Lafer
Peter Morris
James L. Rosenberger
Absent: Silvi Lawrence

Also present: Terry J. Williams, Borough Solicitor; Thomas J. Fountaine, II, Borough Manager; Roger A. Dunlap, Assistant Manager for Budget and Administration; Thomas S. Kurtz, Assistant Manager for Community Services; Carl R. Hess, Planning Director; Thomas R. King, Chief of Police; Mark A. Whitfield, Director of Public Works; Michael S. Groff, Finance Director; Norma J. Crater, Finance Supervisor; Cynthia S. Hanscom, Assistant Borough Secretary; members of the media; and other interested observers.

Mr. Welch began with a moment of silence and the Pledge of Allegiance.

PUBLIC HOUR

Pat Vernon, a resident of College Township, spoke on alternate ways to increase revenue. He suggested zoning changes to allow development on larger lots so that a second structure could be built. This would allow the property owners additional income in these tough economic times and raise property values to increase the real estate tax income for the Borough.

CONSENT ITEMS

Ms. Goreham moved to approve the following consent items. Mr. Hahn seconded the motion, which passed unanimously.

- o Vouchers for the month of November 2008 in the amount of \$1,895,271.24.
- o The 2009 meeting schedule for Borough Council.
- o The Open Records Policy as required by the Right-To-Know-Law and appoint Thomas J. Fountaine as the Open Records Officer
- o Approve the following minutes for November:

November 3, 2008	Regular Meeting
November 7, 2008	Work Session
November 10, 2008	Work Session
November 17, 2008	Regular Meeting
November 21, 2008	Work Session
- o Resolution 977 reappointing Paul W. Brown to the Zoning Hearing Board, with a term ending December 31, 2011.
- o Appoint or reappoint the following individuals to various Authorities, Boards and Commissions:

Board of Health	William D. Taylor	Reappointment	December 31, 2013
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CDBG Citizens Advisory Committee	Shelton S. Alexander	Reappointment	December 31, 2012
	Kenneth Blythe	Reappointment	December 31, 2012
	Ernest Hawk	Reappointment	December 31, 2012
	Selden Smith	Appointment	December 31, 2012
	Robert Ott	Appointment	December 31, 2011
Historic Resources Commission	Richard W. Bryant	Reappointment	December 31, 2012
	Katsuhiko Muramoto	Reappointment	December 31, 2012
	Mary Rose	Appointment	December 31, 2012
Human Relations Commission	Lauren Dornell-Neal	Reappointment	December 31, 2011
State College Planning Commission	Ron Madrid	Reappointment	December 31, 2012
Rental Housing Revocation Appeals Board	Patrick Gordon	Reappointment	December 31, 2011
Tree Commission	Cassandra Burke	Reappointment	December 31, 2011
Schlow Centre Region Library Board	Richard Kalin	Appointment	December 31, 2011
C-NET (regular member)	Elaine Prestia	Appointment	December 31, 2011
C-NET (alternate)	Peter Morris	Appointment	December 31, 2011
State College Community Land Trust	Thomas Daubert	Appointment	December 31, 2011
University Area Joint Authority	Mary W. Barnes	Reappointment	January 6, 2014

GENERAL POLICY & ADMINISTRATION

2009 Operating Budget. Mr. Fontaine said the proposed 2009 budget was presented to Council on November 7, 2008. A public hearing was held on December 1 where two people spoke.

Expenditures for all funds after adjustments for Interfund Transfers are \$31,162,872.00 as follows:

General Fund	\$ 17,177,953.00
Capital Project Fund	2,619,913.00
Refuse Fund	3,724,244.00
Compost Operations	331,288.00
Sanitary Sewer Fund	5,026,733.00
Parking Fund	2,866,495.00
Highway Aid Fund	891,447.00
Bellaire Court Fund	71,025.00
Bus Terminal Fund	20,035.00
Inter-Fund Transfers	(1,566,261.00)
Total Expenditures	\$31,162,872.00

The General Fund Budget as presented for adoption tonight reflects a reduction of \$220,646 in expenditures and a decrease in revenue of \$466,492 over the originally published budget.

Mr. Filippelli moved to recommend approval of Resolution 978 appropriating those sums listed and required for the purposes specified during 2009. Ms. Lafer seconded the motion.

Ms. Goreham moved to amend the motion adopting the budget resolution to reinstate \$5,000 for the University Community Partnership, \$2,500 for the Central PA Fourth Fest Fireworks, \$859 for the Spring Creek Watershed Commission, and \$7,500 for plant materials for the flower beds. Mr. Morris seconded the amendment. The amendment passed with a 6-0-0 vote.

Council discussed the main motion to approve the budget resolution. Staff noted that, as discussed by Council, several items were removed from the budget and undesignated reserve funds were used to balance the budget. This allowed for a budget that would not require layoffs immediately in 2009. However, it would allow time for staff to develop strategies to change the structure in preparation for a reduction in expenditures for the 2010 budget. Council members expressed concern that this budget would not require layoffs. Staff explained that the use of unfunded reserves allowed for this to occur. Council members asked that discussions begin early in 2009 for the structural changes to occur throughout the year so that Council was not again faced with such dire circumstances in coming up with a budget for 2010. Council asked that adjustments be made to the 5-year forecast and be presented in January.

Council voted on the original motion to approve Resolution 978, as amended. The vote was 6-0-0 in favor of the motion.

Mr. Hahn moved to approve Resolution 979 approving the 2009 pay plan for non-union employees. Mr. Rosenberger seconded the motion, which passed with a 6-0-0 vote.

Mr. Rosenberger moved to approved Resolution 980 to establish General Government member contributions to the General Government Employees Pension Fund at 4 percent. Ms. Lafer seconded the motion, which passed with a 6-0-0 vote.

Ms. Lafer moved to approve Resolution 981 to establish member contributions to the Police Pension Fund at 5 percent for the year 2009. Mr. Rosenberger seconded the motion. The motion passed with a 6-0-0 vote.

Ms. Lafer moved to approve Resolution 982 adopting a fee schedule for 2009 and Ordinance 1914 making changes to sewer tapping and rental fees, refuse collection rates and penalties. Mr. Hahn seconded the motion, which passed with a 6-0-0 vote.

Ms. Lafer moved to enact Ordinance 1915 to set the real estate tax levy at 11.04 mills for 2009. Mr. Hahn seconded the motion. The motion passed with a 6-0-0 vote.

Next, Council considered an ordinance to increase the Realty Transfer Tax rate by .25 percent to. Ms. Lafer moved to approve Ordinance 1916 to set the realty transfer tax at 1.25 percent of the property transferred. Mr. Hahn seconded the motion. The vote on the motion was 4-2-0 with Mr. Rosenberger and Mr. Filippelli opposed.

Mr. Rosenberger moved to enact Ordinance 1917 to establish penalty and discount rates for payment of real estate taxes in 2009. Ms. Goreham seconded the motion. The motion passed with a 6-0-0 vote.

Mr. Hahn moved to approve the 2009 Centre Region Council of Governments budget in the amount \$16,604,092 and appropriate \$1,342,198 as the Borough's share to support it. Mr. Rosenberger seconded the motion, which passed with a 6-0-0 vote.

Ms. Lafer moved to set the Mayor's salary at \$12,600 per year starting January 1, 2010. Ms. Goreham seconded the motion.

Mr. Hahn moved to amend the motion to increase the annual salary to \$13,000. Mr. Filippelli seconded the amendment. The vote on the amendment passed with a 6-0-0 vote.

Council then voted on the amended motion, which passed with a 6-0-0 vote.

Property Assessments for the Downtown State College Improvement District. Mr. Rosenberger moved to enact Ordinance 1919 to authorize millage rates for the assessment of properties within the Neighborhood Improvement District for 2009. Mr. Hahn seconded the motion, which passed with a 6-0-0 vote.

REGIONAL ISSUES

Centre Region COG Articles of Agreement. Ms. Goreham moved to enact Ordinance 1920 to adopt the amended Articles of Agreement with the Centre Region Council of Governments in order to modify the committee structure. Mr. Morris seconded the motion, which passed with a 6-0-0 vote.

OFFICIAL REPORTS AND CORRESPONDENCE

Mayor's Report. Mr. Welch announced his reappointment of Vicki Fong to the Redevelopment Authority for a 5-year term, ending on December 31, 2013. He announced that he had attended the 60th anniversary performance of the State College Choral Society on December 13.

President's Report. Ms. Goreham announced the first meeting of Council for 2009 would be January 5 at 3:00 p.m.

Regional Liaison Reports. Mr. Filippelli reported the Airport Authority was searching for a new director and encouraged anyone with experience and interest to apply through the Centre County Airport Authority website.

Staff/Committee Reports. Mr. Fontaine noted the Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs was distributed to Council. He asked Council to review the policy so that conflicts of interest do not occur in the coming year.

Mr. Fontaine also announced the Borough had applied for a PADOT Smart Transportation grant for approximately \$3.3 million for streetlights using \$345,000 as a match from the current 2008 CDBG fund.

Mr. Fontaine also announced the Borough's application for Centre County liquid fuels money to fund for the Allen/Atherton streetlight project had been denied.

ITEMS OF INFORMATION

Mr. Morris asked that Council consider possible severance packages for employees that may be laid off over the next two years to help them transition. He asked this be put on an agenda early in 2009.

There being no further business, Council adjourned the meeting at 8:15 p.m.

Respectfully submitted,

Cynthia S. Hanscom
Assistant Borough Secretary