

**HOME RULE BOROUGH OF EDINBORO  
COUNCIL BUDGET WORKSHOP MINUTES  
October 25, 2017**

**Call to Order:** Wednesday, October 25, 2017, the Budget workshop meeting, duly advertised, began at 5:30 P.M. in the Council chambers.

**Roll Call:** The following Council members were present: Brenda Cannell, Jim Kiley, Steven O'Neill, and Pat Davis. Absent were Council members Mary Ann Horne, Nathan Latimer, and Aaron Gast. Also present were Manager Kevin Opplé and Finance Director Jason Spangenberg.

**Budget Workshop:**

Jason Spangenberg began by reviewing the slides that were being projected in front of Council. Tonight's presentation was about the 2018 General Fund budget. The departments within the General Fund were listed, including finance, police, zoning, and public works.

Tasks of the finance department were discussed. Plans for the finance 2018 budget include new computers in the office, an updated wireless router, and converting the computers to use Microsoft Office 365. Also, Jason Spangenberg will be enrolling in a public finance graduate certificate online program through Penn State Harrisburg. Manager Opplé stated that public finance is not discussed in detail in traditional accounting coursework, so this will expand Mr. Spangenberg's knowledge. It is a three course program which will cost about \$3,000 per course. An agreement will be drafted with Mr. Spangenberg where he will agree to pay back a portion of the cost if he leaves the Borough within a few years. Brenda Cannell asked about the cost for replacing the computers. Mr. Spangenberg replied that the budget will have \$10,000 to be safe, but we just need basic computers, so it will be less than that. Manager Opplé added that Office 365 will allow calendars to be synced with mobile, and allow for cloud storage.

The police department was up next. Costs continue to rise while revenue has been flat or declining. The budget will include \$35,000 for the purchase of a new canine vehicle. Charts were shown illustrating the decline in parking ticket and district magistrate income. Stephen O'Neill asked if the decline in parking ticket revenue would be related to the decline in students living off campus. Manager Opplé stated that that plays a small role, but does not account for such a sharp decline. Jason Spangenberg noted that 2017 will have about half the ticket income as 2006, even though ticket fees were increased in 2015.

The planning and zoning department tasks were reviewed. Items of importance for the 2018 budget are that Jackie Rhen is now a full time clerk, and Billie Fitzsimmons will begin taking classes for inspection certifications. Manager Opplé said that the City of Erie is the only nearby municipality with a qualified inspector even though Billie's critics think she is in the outlier by not having the certifications. However, new state legislation in the works will hurt

municipalities with third party inspectors, so having her get the certifications is in the best interest of the Borough. A chart showing zoning department revenue was discussed, with revenue steady in 2017. Manager Oppe noted that the rental permit term will be changing to the calendar year instead of school year, and the extra few months at the end of 2017 will be free for the landlords.

Public works department tasks were discussed. Stephen O'Neill asked about the possibility of bringing a leaf sucker back to collect leaves. Manager Oppe said that such a machine is very expensive. Brenda Cannell asked about renting one. He replied that it may be difficult to rent one in the fall since that is when everyone needs them. He said that we are looking for a place to compost the leaves. Jim Kiley said that Fairview has a great composting facility.

Important items for the 2018 General Fund budget were discussed. 50% of our properties are exempt from real estate tax. Employee wages and benefits increase each year, and these will make up 57% of the 2018 budget. Real estate tax revenue is flat, while police revenue and cable franchise fees are declining. Manager Oppe stated that flat real estate tax revenue is actually declining in real dollars when factoring in inflation. He said that he is willing to push for the county to assess property values more often than every ten years. This would eliminate such sharp increases in tax bills when reassessed.

Revenue sources and projected amounts for the General Fund were reviewed. There will be no tax rate increases for 2018. Revenue sources include real estate tax, realty transfer tax, local service tax, earned income tax, a Payment in Lieu of Taxes (PILOT) from Edinboro Family Homes, in addition to police and zoning departmental revenues.

Tax millages from other Erie County municipalities were shown. The City of Erie has the highest taxes at 11.65 mills with Corry City next at 10.35 mills. We are sixth, with 4.50 mills. The other municipalities with higher taxes are Wesleyville, Union City, and North East. A chart comparing our tax millage to the County and General McLane School District was shown. Manager Oppe noted that our real estate taxes make up just 21% of the total millage for a property in the Borough.

Major expenses planned for the 2018 General Fund budget were reviewed. The top expense will be employee wages and benefits. Others include a donation to the EVFD, road work, a dump truck, a police vehicle, and park/playground expenses. Manager Oppe discussed the road work, stating that less work will likely be done overall in 2018 since there will be three large projects, which will limit the ability of the department to supervise contractors. These projects will be Raspberry/Davis/Cove, West Normal, and the bridge over the dam. Erie County and PENNDOT will fund the bridge work. Potential park/playground expenses would be at Stonehaven or Thompson Park, to give some other neighborhoods playground equipment.

Brenda Cannell mentioned that the Edinboro Kiwanis may be able to help get grant money for parks. She added that Mike Onda Beach could use some improvements.

Jason Spangenberg stated that a potential program for 2018 would be to have small matching grants for external building improvements in town. At the PML Summit this year, this sort of program was described from other municipalities. A \$10,000 budget is proposed for 2018, in case Council decides to move forward. Criteria and restrictions would be determined. Manager Opple stated that ECGRA has proposed offering \$15,000 in matching funds for downtown business façade improvements. We could split the required match with the property owner to get the ECGRA funds. Brenda Cannell liked the idea and said it would encourage others to follow suit and improve the appearances of their buildings.

A few charts were shown illustrating the breakdown of cost by department for the 2018 budget. The police department has the highest budgeted expenses in the General Fund and the highest wage and benefit expenses of any department in the Borough, including the water and sewer departments. Stephen O'Neill asked if Washington Township had asked recently about a joint police department, since the state plans to tax municipalities which rely on state police. Manager Opple replied that they have not reached out to him.

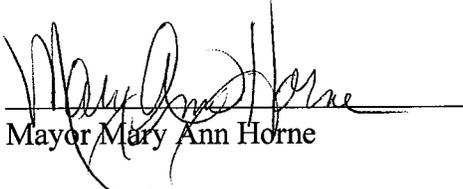
Manager Opple discussed the Angling Road intersection and the Rt. 99/6N intersection, stating that PENNDOT is looking into improvements for both.

**ADJOURNMENT:**

With no questions, the budget workshop was adjourned at 6:25 P.M. Daryl Parker, EVFD President, gave a brief presentation about the EVFD financials to those still in attendance.

ATTEST:

  
Borough Manager Kevin Opple

  
Mayor Mary Ann Horne