Home Rule Borough of Edinboro
COUNCIL MEETING MINUTES
December 11, 2017

CALL TO ORDER:

Monday, December 11, 2017 the regularly scheduled meeting was called to order by Mayor Mary Ann Horne at 6:30 p.m.

Pledge of Allegiance

ROLL CALL:

Council members present were Jim Kiley, Mary Ann Horne, Brenda Cannell, Aaron Gast, Pat Davis, and Stephen O'Neill. Absent was Nathan Latimer.

Also present were Manager Kevin Opple, Finance Director Jason Spangenberg, Solicitor Tim Wachter, Cal Robinson, Lindsay Bauman, Mary Ann Schenck, Mike Fiekles, and Alyssa Dobson.

MINUTES:

Jim Kiley moved to approve the November 13, 2017 budget hearing and regular meeting minutes as presented. Brenda Cannell seconded, and the motion passed 6-0.

PUBLIC PARTICIPATION:

No speakers were present.

COMMITTEE REPORTS:

Finance Committee:

Jim Kiley moved to approve bills paid November 22, 2017 totaling $1,452.23; bills paid November 27, 2017 totaling $74,546.17; and bills paid December 11, 2017 totaling $84,543.20. Brenda Cannell seconded, and the motion passed 6-0.

Jim Kiley moved to approve payroll ending November 18 and paid November 24, 2017 totaling $73,734.01; and payroll ending December 2 and paid December 8, 2017 totaling $95,824.80. Aaron Gast seconded, and the motion passed 6-0.

SOLICITOR'S REPORT:

Solicitor Wachter discussed the Erie County Redevelopment Authority (ECRDA) dock loan for which the Borough had applied. He said that the maximum loan term for an allowable "small borrowing" could not exceed 5 years, but the loan that would be needed for the docks would be 15 years, so this ECRDA loan would not be legal at 15 years. Manager Opple said that the options for moving forward would be to take out the loan with a 5 year term, or borrow the money from the General Fund reserves and pay it back from the dock income. He recommended the latter option, since there are sufficient reserves available, and the legal paperwork and costs would not be worth it for a 5 year loan.

MANAGEMENT REPORTS:

Manager Opple presented his report to Council. He discussed the water system improvements projects, which the local news had a story about on Friday night. The shingles have been placed on the roof, but the bricks will have to wait until the spring. The cement floor has been poured in the office/laboratory portion of the building.

Adams Street lift station work should start soon. The contractor is within the 45 day window to begin work. The backup generator has been installed, and Penelec will be coming soon to connect power to the boards.

Regarding the Beau Drive storm sewer situation, the work on the north side of the street has been completed. Work on the south side will have to wait until the snow subsides.

An auction will be held on January 9 for the Perkins property, if more than one qualified bidder is present. The buyer will most likely be a holding company that will then individually sell off the 30 properties.

A meeting was held in November for business owners to learn about possible façade grants from ECGRA. The meeting was well attended, and the grant has been applied for. A committee was formed by volunteers, and Manager Opple intends to meet with the committee to generate application forms.

The quarterly town and gown meeting is set for this Wednesday at the Borough. One topic of discussion will be the potential for a winter carnival.

With the Manager's report concluded, Mayor Horne presented tokens of appreciation to Stephen O'Neill and Brenda Cannell for their time on Borough Council.

Finance:

Manager Opple discussed the insurance renewal that was up for approval, to renew the current policy through Selective Insurance. He stated that the property insurance premium was set to increase slightly, in addition to the crime insurance being broken out as a separate line item. Small increases were quoted, except for worker's comp insurance, which was set to increase by nearly $6,000. This was due to the major injury to one of our employees while removing the boat docks from the lake. The increase would have been even greater, had we not made the decision to have a third party install and remove the docks beginning in 2018. Brenda Cannell moved to approve the insurance renewal, Pat Davis seconded, and the motion passed 6-0.

Mayor Horne read aloud a portion of Resolution 14-2017, which is shown below in its entirety:

Home Rule Borough of Edinboro
GASB # 54 Fund Balance Requirements Resolution
Resolution 14-2017

Background. *GASB #54 requires the governing bodies of school districts, townships, boroughs, and cities to set up procedures for the components of the fund balance in five categories, nonspendable, restricted, committed, assigned, and unassigned as needed by resolution prior to year-end.*

1. *Nonspendable fund balance: cannot be ever be spent and is legally or contractually required to be maintained intact.(ex. Long-term receivables)*
2. *Restricted: Constraints on purpose/circumstances of spending that are legally enforceable by outside parties such as creditors, grantors, contributors, law, or regulations of other governments, or constitutional provisions such as enabling legislation. Stabilization funds (15% of expense): Resources that can be spent only if certain specific circumstances occur reported in general fund as restricted.*
3. *Committed: Constraints on purpose and circumstances of spending imposed by government itself by formal action and is binding unless removed in the same manner. Action must be taken before the end of the reporting period but amount can be determined at a later date. These include prepaid items, accounts payables, and encumbrances.*
4. *Assigned: Intent to use resources for a specific purpose by governing body.*
5. *Unassigned: Residual balance reported in general fund.*

Also to designate what Funds will be classified by fund type:

1. *Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.*
2. *Capital Projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.*

3. *General Fund is to account for all financial resources except those to be reported in another fund.*

RESOLVED, *by the governing body of the Home Rule Borough of Edinboro, that the following funds have been established:*

1. *General Fund #01: General Fund assigned funds toward equipment, infrastructure, & capital projects*
2. *CDBG Fund #04: Special Revenue Fund which is restricted by the grantor as well as for grant match obligations.*
3. *Water Fund #06, Sewer Fund #08, and Refuse Fund #09: Proprietary Funds with assigned funds toward equipment and infrastructure.*
4. *Capital Projects Fund #18: Capital Projects fund assigned to fund IT equipment replacement, storm sewers, facilities (municipal building), and paving or maintaining roads and parking lots.*
5. *Highway/State Aid #35: Special Revenue Fund which is restricted by the state.*

NOW, THEREFOR, BE IT RESOLVED *by Council of Home Rule Borough of Edinboro, Erie County, Pennsylvania, assembled this 11th day of December, 2017, authorizes the Manager and the Finance Director each year to assign:*

1. *(15% of expenses) percentage of fund balances for stabilization of accounts which may be used each year in place of a tax anticipation note or in case of emergencies; and*
2. *Funds available after short term liabilities (prepaid, payables, and encumbrances) to be assigned to equipment replacement (vehicle replacement), IT equipment, infrastructure (dam, storm sewers, reclamation, roads, etc.), municipal building improvements, public safety, recreation, or to pensions; and*
3. *Restrict match funds for grants.*

Jim Kiley moved to approve the resolution, Brenda Cannell seconded, and the motion passed by 6-0 roll call vote: Stephen O'Neill, yes; Brenda Cannell, yes; Nathan Latimer, absent; Aaron Gast, yes; Pat Davis, yes; Jim Kiley, yes; and Mary Ann Horne, yes.

Emergency Management:

Manager Opple mentioned a topic that was discussed at the December 1 WECEMA meeting. On the recent night with the tornado scare, our tornado siren went off, but only because the fire department volunteers turned it on. The siren in Washington Township did not go off, which needs to be looked into by the County. Township Manager Dave Anthony wrote an email to the WECEMA questioning their procedure in an emergency which led to the discussion, and Manager Opple supported the email. Manager Opple also commended the EVFD for turning on the siren in town. The WECEMA needs to send a text to all members letting them know when the EOC is active, so the members know that they can call in if they have an emergency.

COMMUNITY LIAISONS:

EVFD:

Mayor Horne stated that the paid EMS service is going well, adding that they experienced more calls during the most recent billing period, so the cost went up slightly. Also, the new social club building is making great progress. There are around 700 members signed up for the club already. The event held in November for the charter members was very well attended.

COMMUNICATIONS:

Mayor Horne noted that a thank you card had been received from CEPA for the Borough's contribution to their ambulance.

ADJOURNMENT:

Jim Kiley moved for adjournment, and the meeting was adjourned at 6:50 p.m.

ATTEST:

Manager Kevin Opple

Mayor Aaron Gast