

**BOROUGH OF SUGARCREEK
COUNCIL MEETING MINUTES**

October 18, 2017

I. WELCOME AND INTRODUCTIONS

Council President Bogan Goughler opened the meeting at 7:00 pm, welcomed everyone to the meeting and noted there will be no hurtful or harmful speech allowed.

II. PLEDGE OF ALLEGIANCE (American Flag)

Council President Goughler led the Pledge of Allegiance.

III. MOMENT OF SILENCE

A moment of silence was observed.

IV. ESTABLISHMENT OF QUORUM

Present at the meeting were Council members Bogan Goughler, Howard Barger, John McClelland, Larry Baughman, Robert Resinger and Mayor Jeffrey MacKenzie. Also present were Borough Solicitor Brian Spaid and Chief Carlson.

V. DISTRIBUTION OF AGENDA

VI. COUNCIL CHANGES TO AGENDA

VII. PUBLIC PARTICIPATION (*limited to 3 minutes each*)

A. Linda Turner stated she attended the VNA hearing held at the Courthouse. Ms. Turner said Mr. Sporer told her the Borough pays taxes and she was embarrassed when she brought that point up at the hearing. She said she felt Mr. Sporer was being mean – spirited in telling her that when she has stood up for him in the past. Ms. Turner also asked if there will be public input when the budget is presented. Mr. Goughler said there will be, if needed.

VIII. COMMISSION/COMMITTEE REPORTS

A. Planning Commission
1. No report.

IX. STAFF REPORTS

A. Maintenance Foreman:

1. No report.

B. Police Chief:

1. Chief Carlson presented Council with a written report. Lt. Ashbaugh and officers will be holding a “Fill – A – Cruiser” event with Community Services at Walmart. Chief also said the Explorer is up on the Municibid website for bid, through October 30, 2017.

C. Administrator/Special Projects:

1. Mr. Sporer presented Council and the Mayor with a proposed 2018 budget. The only changes made from the 2017 budget to the 2018 budget were adjustments for the Unions’ wage increases and health insurance premium increases. Mr. Sporer requested Council and Mayor to review the budget and offer any input.

2. Motion by John McClelland, being duly seconded by Larry Baughman to approve and advertise the 2018 Council meetings to be held at 7:00 PM for the 1st and 3rd Wednesdays for the months of February, March, April, May, September, October, November and December and the 3rd Wednesdays for the months of January, June, July and August. There will be a Reorganization Meeting held at 7:00 PM on Tuesday, January 2, 2018, with a regular Council meeting to follow. Motion carried unanimously.

D. Zoning Officer:

1. No report.

E. Solicitor:

1. Mr. Spaid updated Council on the Act 172, the tax credit for fire department volunteers. Mr. Spaid said the credit only applies to Borough residents who own and reside within their house, within the Borough. He stated Council will have to adopt an ordinance and allow sufficient time for public comment. He would

anticipate not being able to adopt the Ordinance until December 20, 2017, at the earliest. The public hearing could be held on November 15, 2017, before the regular Council meeting. Mr. Spaid said there are three options for the tax credit. The first option pertains to just the resident's property tax and can range from 1% - 20% credit of the property tax, with most municipalities using 20%. The tax credit will not appear on the tax bill, an application will have to be filled out and submitted and then the Borough would refund the amount to the applicant. The second option is a tax credit on the Earned Income Tax and is set at a flat amount. The Borough's current Earned Income Tax is set at 1% with half going to the Borough and the other half going to the school, which would not be eligible for the Act 172 tax credit. For this option, the Borough may choose to select a dollar amount to refund. The third option is offering a tax credit on both the property taxes and the Earned Income Taxes. Mr. Spaid recommends offering 20% off of the property taxes, but Council must decide and give him direction. Charlie McDaniel suggested the Council not offer a tax credit on the Earned Income Tax because of the difficulty in identifying what is considered earned income and what is not. Mr. Sporer presented Council with examples of what they can expect. For an individual making \$50,000 a year and paying 0.5% Earned Income Tax to the Borough, it would equate to a \$250 tax credit. For an individual owning and residing in a house assessed at \$75,000 and paying 6 mills in property taxes, equaling \$450.00 to the Borough, would get a \$90.00 tax credit, based on 20% credit. Mr. Sporer anticipates little effect to the Borough's tax base. Mr. Baughman questioned if there will be a clear definition on what or who would constitute being a volunteer. Mr. Sporer and Mr. Spaid said it is very clearly listed and the fire chiefs will have to confirm those individuals who make application and if they meet the annual criteria. The ordinance would also clearly state any repercussions or discipline actions taken if applicants or applications are falsified. Mr. Spaid said it is up to the fire departments and the fire chiefs to keep records. Larry Baughman and Council recommended only offering the 20% tax credit on the property taxes. Mr. Spaid said he would have a draft ordinance available for Council at the November 1, 2017 Council meeting.

X. COUNCIL REPORT

XI. APPROVAL OF MINUTES

- A. Motion by Larry Baughman, being duly seconded by Howard Barger to approve the minutes of the October 4, 2017 Council Meeting. Motion carried unanimously.

XII. FINANCIAL REPORTS

- A. Motion by John McClelland, being duly seconded by Larry Baughman to approve the payment of bills/issuance of checks as presented by the Treasurer. Motion carried unanimously.

XIII. OLD BUSINESS

XIV. NEW BUSINESS

- A. Linda Turner questioned if Council will be adding a new police officer next year. Ms. Turner said that is why the Council increased the taxes 1 mill last year. She said the money is in the budget and Council should not be concerned with the police department's pensions based on the type of job they perform. She also said Council should make Joe Highfield full – time. Ms. Turner questioned Chief Carlson if the funds are there. Chief stated they are available. Ms. Turner said then we should do it. Ms. Turner questioned Council if she needs to bring in all her people again. Mr. Goughler said Ms. Turner can do what she feels she needs to do.

XV. CORRESPONDENCE

XVI. BOARD OF APPEALS

XVII. EXECUTIVE SESSION

No Executive Session was held.

XVIII. ADJOURNMENT

A. Motion by Robert Resinger, being duly seconded by John McClelland to adjourn the meeting at 7:25 PM. Motion carried unanimously.

Joseph M. Sporer, Borough Manager

Bogan Goughler, Council President