

**BOROUGH OF SUGARCREEK
BUDGET REVIEW MEETING MINUTES**

May 24, 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, Robert Resinger, Larry Baughman. Mayor Jeffrey MacKenzie was absent. Also present were Borough Solicitor Brian Spaid, Barbara Manski and Chief Carlson.

V. DISTRIBUTION OF AGENDA

VI. REVIEW BUDGET

A. Mr. Sporer reported on the current budget for the Borough. He stated the Borough is currently on pace with where the budget should be; at about 39%. Mr. Sporer said revenues are at 81% due to the fact that taxes have been sent out for the year and the Borough receives a majority of its taxes within the first 4 – 5 months. The Police budget is currently running at 43.4%; but that number includes grant money the department received for equipment and a new vehicle, which has to be shown as an expense. Therefore, the Police budget is at 39.9%, not including the grant money received. The winter maintenance account is currently running at 66.5%, but that is due to the fact that the year begins during some of the worst months for snowfall. Overall, the General Fund expenditures are at 38.5%; within 1% of where it should be. The water and sewer funds' incomes are currently between 34 – 42% and the expenses are at 35 – 36%. On all 4 water/sewer accounts, 71% goes to loan payments, salary and insurance, on average.

VII. COUNCIL REPORTS/COMMENTS

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

A. Linda Turner questioned if the Rt. 417 and Rocky Grove water/sewer accounts are separate. And if they are, why are they being grouped together in the 71% of expenses going towards payments, salary and insurance. Mr. Sporer stated they are separate and that 71% is only an average used for reporting purposes tonight. Ms. Turner asked when the Borough will hire another full – time officer, especially if the officer does not/will not take the Borough's medical insurance. Mr. Sporer explained when the budget was passed, there was a one mill increase which equated to \$167,000.00. Of that money, \$84,700.00 was put back into the Police budget to maintain the 160 hours/week the Police Department is currently running. And of the \$82,300.00 remaining, \$41,300.00 was used to balance the budget and the remaining \$41,000 will be used to cover any increases in the health insurance. The Borough has not received the renewal information as of this date. Ms. Turner questioned where the money would come from if the Borough were to purchase the former Rocky Elementary School property. Mr. Sporer said it would be taken from the Capital Improvements Account, within the Reserve Account; but the Borough is not purchasing the property. A Police Officer can only be paid from the General Fund and would have to be added into the Budget each year. The Borough has to budget for benefits including pension and health insurance whether the officer takes the health insurance or not. A Police Officer is eligible to retire at age 50 and 25 consecutive years of service and the current life expectancy is 78 years old. At retirement, an officer's average pension would be \$2,000.00/month and that would be almost \$700,000.00 if they live to age 78. Maintenance and Administration have to work until age 65 before they are eligible to retire with a pension. A member of the Maintenance Department by retirement age, may have 40 or more years of service and they would draw approximately \$250,000.00 on their pension. Mr. Sporer said it is a

commitment that Borough has to put into the budget for several years. Mr. Sporer said Council will have to discuss the decision to hire or not hire another full – time officer with Chief Carlson. Ms. Turner questioned what happened to Officer Deeter’s hours. Mr. Sporer said Officer Deeter was not a full – time officer; he was 32 hours/week in Zoning and 8 hours/week in Police. Currently, there are three full – time officers at 40 hours/week, which totals 120 hours/week. The department is budgeted for 160 hours/week. The remaining 40 hours/week are divided amongst the part – time officers. If another full – time officer is hired, that would use the remaining 40 hours/week and there would be no hours for part – time officers. The Police budget does not only include 160 patrol hours/week, it also includes the full – time officers’ vacation and personal time as well. Mr. Sporer said if Chief Carlson needs another full – time officer, then he will have to petition the Council. Ms. Turner said she read that drugs are becoming ramped again and the dealers would come to Rocky Grove if they know there are no cops on duty. Mr. Resinger said when the officers disclosed their salaries at a previous Council meeting, they were false and did not include their overtime and benefits. Ms. Turner expressed concern over a Police Officer working by himself at night. Mr. Resinger asked why does there need to be a Chief and a Lieutenant on a daylight shift, at the same time. Ms. Turner said the former Mayor, Charles Minnick, was the problem and was responsible for that scheduling issue. He told the Police they could not patrol Rt. 8 and a majority of the Borough and to let the State Police patrol the Borough. Ms. Turner said Mr. Minnick is no longer the Mayor and we should go back to the scheduling as it was before him.

IX. ADJOURNMENT

- A. Motion by Robert Resinger, being duly seconded by Larry Baughman to adjourn the meeting at 7:27 PM. Motion carried unanimously.

Joseph M. Sporer, Borough Manager

Bogan Goughler, Council President