

## CITY OF SAINT MARYS REGULAR COUNCIL MEETING

NOVEMBER 21, 2016

- CALL TO ORDER** The regular monthly Council meeting of the City of Saint Marys was called to order by Mayor Robert Howard on Monday, November 21, 2016 at 7:00 p.m. The meeting was held in the Council Room of City Hall, 11 LaFayette Street. Notice of this meeting was sent to Council on November 17, 2016, posted at City Hall and published in the Daily Press.
- PLEDGE TO THE FLAG**
- ROLL CALL** Present: Mayor Robert Howard, Gregory Gebauer, Gary Anderson, Andrew Mohny, Bob Mohr, Lou Radkowski, Manager Timothy Pearson. Nedward Jacob and Solicitor Tom Wagner were excused.
- VISITORS** Visitors included: Warren Stewart, Kurt Nesbitt, Carol Muhitch, Amy Cherry, Devin Brock, Betty Kruger, Richard Sadley and Dan Vollmer.
- APPROVAL OF MINUTES**  
November 7, 2016  
Motion Passed Lou Radkowski made a motion to approve the minutes of November 7, 2016, seconded by Gary Anderson and all were in favor.
- Gary Anderson questioned the status of the paving project and Manager Pearson responded the project will be pushed to springtime and the substitution project was approved during the budget workshops.
- APPROVAL OF MINUTES:**  
**BUDGET WORKSHOPS**  
November 8<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup>,  
2016 Lou Radkowski made a motion to approve the minutes of the Budget Workshops on November 8<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup>, 2016, seconded by Andrew Mohny and all were in favor.
- PROCLAMATION: Giving**  
**Tuesday – Elk County** Mayor Howard read a Proclamation declaring Tuesday, November 29<sup>th</sup>, 2016 as Giving Tuesday in the City of St. Marys. The Proclamation was then presented to Mathew Calaway and Betty Kruger from the Headwaters Charitable Trust.
- SPECIAL PRESENTATION:**  
Recreation Board Kurt Nesbitt, Chairman of the Recreation Board, expressed his thanks to Council for the stressful hours undergone all year long and especially during the recent budget discussions. He stated the board was working hard to find ways to best provide recreational opportunities for the community and exploring ways to operate more efficiently. He believed the Recreation Board was a good board and the Park Directors do a great job of finding new ways to keep our parks fun for all. The board was looking forward to keeping Council up-to-date with the board's plans and also looking to Council for their ideas.
- Gregory Gebauer asked if Mr. Wolfe was representing the Recreation Board when he presented the budget proposal at Council's budget workshop and Chairman Nesbitt responded, yes he was.
- Gregory Gebauer asked if the board was aware of the proposed increase of 3 tenths of a mill for the Recreation Board and Chairman Nesbitt responded it was brought up at their meeting and discussed "what it could go for". He further responded the board did not have a lot of discussion on the topic, which occurred only at the very end of their meeting.

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Gregory Gebauer questioned if the board was "okay" with Mr. Wolfe presenting the increase and Chairman Nesbitt responded yes.

Gregory Gebauer explained Mr. Wolfe's presentation highlighted three things; capital projects, setting aside funds and establishing future funds for capital projects, possibly for the pool for a catastrophic event, and exploring a Park Director position.

Chairman Nesbitt responded the Park Director position was discussed at the board's last meeting but not a settled matter and the board wanted to look into it in the very near future.

Gregory Gebauer stated at a previous workshop another Recreation Board representative had stated the millage increase would only fund the position not the capital improvement projects and Chairman Nesbitt responded he did not agree with that statement. He believed any funds would assist with capital improvement projects, which were discussed by the board.

Gregory Gebauer believed he did not have any other choice at the last workshop but to take the millage increase back from the Recreation Fund because there was conflicting information presented to Council, which made it appear the Recreation Board did not have a consensus on the budget, the position or the tax increase.

Chairman Nesbitt stated he believed the reason for the confusion was the board did not have an in-depth discussion on the position and what the position would entail.

Gregory Gebauer questioned if the board's Treasurer was aware of the request for the tax increase and Chairman Nesbitt responded he believed so.

Gary Anderson questioned the planned capital projects and Jim Wolfe responded the board had a list which he had presented at the workshop. The largest project for 2017 was the resurfacing of the tennis courts at Memorial Park.

Gary Anderson suggested they set funds aside each year for capital projects similar to how the Fire Department does.

Chairman Nesbitt responded the board used to do that but prior Council frowned on that practice and those funds were now used up.

Gary Anderson questioned how the salary for the Park Director was determined and Manager Pearson responded the number was picked for budget purposes as a benchmark figure and not fully researched due to time constraints.

Chairman Nesbitt stated he believed the position should start as part-time or even as a combination with a City position.

Gary Anderson questioned the amount of capital spending for 2017 and Chairman Nesbitt responded the grant process makes it hard to determine an amount.

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Gary Anderson stated the project expenses could be lowered if City staff and pricing were utilized.

Bob Mohr suggested when the budget is set up in the future the numbers be inline so Council understands exactly what the board needs.

Chairman Nesbitt responded the board had a new group that was taking care of the budget.

Gregory Gebauer questioned if the Park Director position could be year round and Chairman Nesbitt responded the season actually begins in February and runs eight months without taking into account the winter program.

Gregory Gebauer stated he wanted to apologize to the Chairman personally and publicly for a prior comment that he had made.

Lou Radkowski suggested the future budget process be expedited and also have a record of the board's approval through their minutes.

Chairman Nesbitt stated the new Treasurer just came on the board this year, so he believed the board could get an earlier start in 2017.

Lou Radkowski commented he appreciated the board members for their attendance at tonight's meeting.

**CITIZEN COMMENTS ON AGENDA TOPICS**

There were no comments on agenda topics.

**MAYOR'S REPORT**

Mayor reported the following:

- Attended the Elk County Mayor's Association meeting
- Attended the Strongtowns event
- Attended the City's budget workshops

**MANAGER'S REPORT**

Manager Pearson provided the following report:

- Zito Media had installed new equipment and hopefully provides a better picture. Other advancements for the television channel were also being explored.
- Strongtowns event was a huge success and thanked everyone involved.
- Light-Up night was a great event and thanked the Chamber and those involved.
- The new sewer bills were mailed out and hoped the return envelopes would be utilized. Also, the I & I charge was always included in the bill, but now the customer sees a detailed breakdown of the bill.
- The road crews are out treating roadways for snow and ice, but will continue to collect leaves as weather permits.

**SOLICITOR'S REPORT**

There was no Solicitor's report available.

**TREASURER'S REPORT**

Manager Pearson provided the following Treasurer's Report as of October 31, 2016:

The General Fund had collected 87 percent of its budgeted revenue and spent 67 percent of the budgeted amount. Last year at this time revenue collected was at 73 percent and

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expenditures were at 73 percent and in 2014 budgeted revenue collected was 90 percent and expenses were at 80 percent of budget. Benchmark figures would be at 83 percent. Market values in pension funds increased this month, but decreased from last year to date figures. Earned Income was at 80 percent of budget and for 2015 was at 80 percent of budget and in 2014 was 84 percent of budget and as of November 15, 2016 was at 90 percent of budget.

**LEGISLATIVE ACTION:**

Consider for adoption:  
Resolution No. 16-16, re:  
Establishing a fee schedule for  
the Office of City Tax Collector

Motion Passed

Manager Pearson explained the Tax Collector requested the resolution to approve and confirm the tax office fee schedule and Resolution No. 16-16 establishing a fee schedule for the Office of City Tax Collector was being presented for adoption.

Gary Anderson made a motion to adopt Resolution No. 16-16, seconded by Lou Radkowski and all were in favor.

Consider for publication: An  
Ordinance providing for the  
levy and assessment of taxes for  
the fiscal year 2017 (No. 298)  
Motion

Manager Pearson explained the ordinance (No. 298) providing for the levy and assessment of taxes for the fiscal year 2017 was being presented for publication.

Gary Anderson made a motion to publish the ordinance No. 298, seconded by Bob Mohr.

Discussion

Lou Radkowski questioned if the ordinance listed the original Recreation Fund millage before the proposed increase and Manager Pearson responded yes it was .9 mills.

Amendment Proposed

Lou Radkowski asked to amend the motion to return the Recreation fund millage up to the 3 tenths mill as requested at the November 10<sup>th</sup>, 2016 budget workshop and Gregory Gebauer seconded the amendment.

Gary Anderson stated the first motion must be discharged first, unless the person who made the motion agrees to amend it.

Lou Radkowski stated he believed an amendment could be made by a member once there was a first and a second on the motion.

Lou Radkowski then asked Councilman Anderson if he would amend his motion to consider the .3 millage increase and Councilman Anderson responded he would rather discharge his motion first.

Lou Radkowski questioned if Council discharged the motion then they would be locked in to the listed millage rates? He further commented it would have been helpful for the Solicitor to be in attendance for this meeting.

Gregory Gebauer questioned if Councilman Radkowski's understanding of the amendment of a motion was from Roberts Rules of Order and Councilman Radkowski responded he was trying to determine the proper procedure for the amendment based on other meetings and their rules.

Councilman Radkowski further commented based on the discussion with the Recreation Board and his discussions with citizens, he believed the additional millage would be put to good use for capital projects. He wanted to make sure that the Recreation Board did not miss out on the opportunity this year

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because of a miscommunication or a point of order. He understood the focus was not the Park Director position but the needed improvement projects within the parks.

Amendment Withdrawn

It was determined to withdraw the amendment.

Restated Motion

Lou Radkowski withdrew his amendment and Gregory Gebauer withdrew his second.

Roll Call Vote – Motion Died

Gary Anderson restated his motion to publish Ordinance No. 298 as presented and Bob Mohr restated his second.

On a roll call vote Bob Mohr, Gary Anderson and Mayor Howard voted in the positive and Lou Radkowski, Andrew Mohny and Gregory Gebauer voted in the negative. 3 to 3 tie. Motion Died.

Motion

Lou Radkowski made a motion to increase the Recreation Fund by 3 tenths of a mill, as stated, seconded by Gregory Gebauer.

Discussion

Gary Anderson commented a number of people in the community on a fixed income made a point to tell him they have not had a raise in their Social Security in two years and an increase in taxes made it tough for them. They also pointed out that if (the City) wanted to support the Recreation Board with additional funds, since the wage tax revenues have increased five percent in the last five years, consider redirecting funds from the increased wage tax revenue. He explained the wage tax revenue increase was budgeted for next year, but the revenue from new HOMES program position through administration fees would generate theoretically \$30,000. (6 percent of \$500,000)

Gregory Gebauer asked if the wage tax increase was already in the budget and Gary Anderson responded yes, five percent was included and Carol Muhitch, Finance Director, stated an increase of \$20,000 for 2016.

Gary Anderson explained the increase in wage tax provides approximately an additional \$75,000 in revenue.

Manager Pearson questioned the details of Councilman Anderson's suggestion of redirecting funds and Councilman Anderson responded he was suggesting to take \$30,000 from the HOMES program position since the program administration fee was not included in the budget.

Carol Muhitch explained the drawdown of funds from the HOMES program would be on the actual hours worked on a three year project and the administration fees were already included in the budget.

Lou Radkowski agreed with Councilman Anderson's viewpoint of looking at other revenue sources for the Recreation Fund instead of a tax increase but those sources were not guaranteed every year.

Gregory Gebauer asked the Finance Director what the 3 tenths of a mill increase would be per household and Carol Muhitch responded on a \$25,000 assessed value home it would be \$7.50 or \$50,000 (\$100,000 fair market value) assessed value \$15.00.

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Lou Radkowski restated his motion to publish the levy and assessment of taxes ordinance with the modification of 3 tenths of a mill increase to the Recreation Fund, seconded by Gregory Gebauer.

Roll Call Vote – Motion Died

On a roll call vote, Bob Mohr, Gary Anderson Mayor Howard voted in the negative and Lou Radkowski, Andrew Mohny and Gregory Gebauer voted in the positive. 3 to 3 tie. Motion Died.

Motion

Gary Anderson made a motion to approve Ordinance 298 and withdraw \$30,000 from the Capital Projects Fund and give it to the Recreation Board, seconded by Lou Radkowski.

Discussion

Lou Radkowski confirmed the motion was to “set aside” the funds.

Carol Muhitch questioned the frequency of the transfer and Gary Anderson responded one time, because we would be addressing this again next year. He stated Council put an extra \$100,000 in the Capital Projects Fund that was not in the budget. He further stated Council seemed to be deadlocked and he wanted to break the deadlock by “splitting the loaf”.

Gregory Gebauer questioned if the motion stipulated the funds be used for capital projects and Gary Anderson stated he would amend his motion.

Lou Radkowski stated they could only use it for capital projects if it was coming from the Capital Projects Fund, so no amended motion was needed.

Carol Muhitch questioned if the funds would be transferred out to its own line item or left in the Capital Projects Fund and Gary Anderson responded he proposed it would stay in the Capital Projects Fund.

Gregory Gebauer stated the funds would be transferred to the Recreation Funds as they submitted capital projects and Carol Muhitch responded yes then it would be paid out of the Capital Projects Fund.

Roll Call Vote- Motion Passed

On a roll call vote all were in favor to publish Ordinance 298 and set aside \$30,000 of Capital Project funds for the Recreation Board.

Resolution 16-17, re: 2017 Preliminary budget resolution for various City funds.

Manager Pearson explained Resolution No. 16-17, re: 2017 Preliminary budget resolution for various City funds was being presented for publication.

Motion

Lou Radkowski made a motion to publish Resolution No. 16-17 as presented with the Capital Fund budget reflecting the change as discussed above, seconded by Gary Anderson.

Gregory Gebauer wanted to confirm the Ordinance was approved with the transfer and Gary Anderson responded yes and the resolution was to modify the capital reserve fund and add \$30,000 to expenditures for the Recreation Fund.

Roll Call Vote – Motion Passed

On a roll call vote all were in favor to publish Resolution 16-17 (2017 Preliminary budget) with the approved modifications.

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Councilmen Radkowski and Gebauer requested to be excused and exited the meeting at 7:59 p.m.

**TOPICS FOR DISCUSSION:** 1<sup>st</sup> Council meeting in 2017

Manager Pearson explained the first Monday in January, 2017 fell on the observed New Year's Day Holiday. He asked if Council wanted to set the January meetings for January 9<sup>th</sup> and 23<sup>rd</sup> to accommodate for the holiday. If agreed, Council would need to appoint the board vacancies at their December 19<sup>th</sup>, 2016 meeting to not interfere with the Authorities, Boards and Commissions scheduled January meetings.

Council agreed to change the Council meetings to January 9<sup>th</sup> and 23<sup>rd</sup>, 2017 and to place the appointments to the City's Authorities, Boards and Commissions on the December 19<sup>th</sup>, 2016 Council meeting.

**CITIZEN COMMENTS ON NON-AGENDA TOPICS**

There were no citizen comments on non-agenda topics.

**COUNCIL COMMENTS**

Councilman Anderson commented Manager Pearson did an excellent job as the guest speaker at the recent Veteran's Day Banquet. He also commented the Strongtowns event was based on a "normal" community, but we are a manufacturing community. The wage tax revenue is increasing even with a so-called slowdown in the economy and shows how strong the City's economy is.

Mayor Howard agreed other towns would like to have the jobs St. Marys has.

Andrew Mohny thanked all those involved in Light-Up night.

**ANNOUNCEMENTS**


Mayor Howard made the following announcements:

- The next Council worksession will be held Monday, December 5, 2016 at 7:00 p.m. at City Hall.

**ADJOURNMENT**

Gary Anderson made a motion to adjourn the meeting. Meeting adjourned at 8:08 p.m.

  
Recording Secretary

  
Mayor