

December 16, 2008

POTTSTOWN BOROUGH COUNCIL

The Special Budget Meeting of the Pottstown Borough Council was called to order on Tuesday, December 16, 2008 at 5:30 p.m. in the Council Meeting Room, Pottstown Borough Hall, 100 East High Street, Pottstown, Pennsylvania, with President Garner in the Chair.

INVOCATION

The invocation was provided by President Garner.

PLEDGE OF ALLEGIANCE

ROLL CALL

Councilors present were Mark Gibson, Maureen Allen, Michael Wenzel, Stephen Toroney, Greg Berry, Jody Rhoads and David Garner. Also present were Mayor Sharon Thomas, Solicitor Charles Garner, Borough Manager Raymond Lopez and Borough Secretary Virginia Takach.

EXECUTIVE SESSION

President Garner recessed the meeting to executive session at 5:35 p.m. one item of collective bargaining and one item of pending litigation.

RECONVENED

The regular meeting reconvened at 5:50 p.m.

Solicitor Garner advised that the two items discussed in executive session should result in no action by Council at this meeting.

BUDGET UPDATE

Ms. Kirchner advised that with the restoration of the Economic Development position, an additional \$134,518 has been added to the proposed budget, which would result in a 2% increase. She also advised that with the recommendation of the Fire Chief to remove \$26,498 from the fire budget and with the addition of \$185,000 back into the fire budget, this would result in a 2.5% increase in taxes.

Ms. Kirchner also reported that PCTV costs have been removed from the General Fund, which results in 100% savings to the General Fund. She added that there has been a larger than expected reduction in insurance for 2009, but the assessed value of the Borough has decreased. With these changes the proposed tax increase stands at 14.38%.

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Mr. Bobst explained that the 14.38% tax increase would result in an increase of \$116 to taxpayers with an assessed home value of \$100,000. He advised that the Borough's assessed value from the Montgomery County Recorder of Deeds is \$824,565,202.

President Garner advised that discussions continue with the TriCounty Chamber of Commerce and the Pottstown Area Industrial Development regarding a partnership to oversee the Economic Development of the Borough that would not directly be controlled by the Borough.

Economic Development Department - Councilor Allen moved to eliminate the Economic Development position from the 2009 proposed budget in the amount of \$134,518. Councilor Berry seconded the motion.

Councilor Toroney questioned if the budget team has pursued seeking other assets to cover the \$134,518 such as PAID, which controls Borough money.

Solicitor Garner explained that the funds PAID utilizes are Borough money. He added that he is not aware of anything in the agreement that indicates use of those funds only that PAID is for economic and industrial development in the Borough and the TriCounty area. Solicitor Garner also noted that using the funds is something that could be considered but would not know the legalities at this time.

Councilor Berry suggested that this is an opportunity to partner with PAID and the Chamber for economic development.

Councilor Toroney argued that along with the expertise of the Economic Advisory Board, economic development takes three to five years to provide a return in the investment.

Mr. Lopez commented as a member of the PAID Executive Board, that the advantages of PAID being a non-profit organization, it can buy and sell properties in which the government would not be involved. He added that this provides a return in investment in the downtown and the increase in the tax rolls.

COMMENTS FROM CITIZENS PRESENT

a. Robert Morgan, Member of the Economic Advisory Board – commented that the only thing that lowers taxes is an improved tax base and that the tax base is improved by economic development. He urged Council to not eliminate the position of the Economic Development Director.

b. Harry Price, Economic Advisory Board – noted that the Borough's largest employers, The Hill School, YMCA, the School District and the Hospital are represented on this Board and work closely with the County Commissioners and urged Council to continue with the Economic Development Department and commented that Council must be willing to take risks.

c. Andy Paravis, Chairman North Coventry Township & Regional Planning Committee – advised Council that Ms. Lampe spearheaded joint projects with the Borough and North Coventry and also Montgomery and Chester Counties. He commented that eliminating the position of Economic Development would be a mistake.

d. JoAnn Short, Executive Director YMCA – questioned the use of County money that has been allocated to projects if these projects are not completed and questioned if another entity would have close proximity to these projects.

President Garner advised that no money would have to be returned since none of the projects referred to, the Industrial Complex and the hangar project, have been done.

President Garner requested a roll-call vote.

Allen	yes	Rhoads	no
Berry	yes	Toroney	no
Garner	yes	Wenzel	yes
Gibson	yes		

Motion carried: 5 ayes, 2 nays.

Fire Department – President Garner commented that it would not make sense to cut the department by 25% at this time. He referred to the Mayor’s suggestion of having an outside evaluation of the department for the 2010 budget. No further comments or actions were taken on this matter.

Councilor Toroney commented that this would put a bullet in the town’s economic development and the tax base.

Solicitor Garner advised that Council has taken specific action and direction on the budget and Staff can move forward in advertising the budget and tax ordinance as required by law.

Councilor Toroney questioned Solicitor Garner as to the cost of the three cable channels worth to Comcast.

Solicitor Garner responded that it was worth \$0 to Comcast.

Councilor Rhoads commented that the whole budget process was infected before it started due to animosity and disrespect to the workers and towards the Economic Development Director. He added that there were self-centered agendas and interests and unprofessional and irresponsible statements made throughout.

President Garner responded to Councilor Rhoads regarding his vague comments and requested if he had specific input to provide it to Council.

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ADJOURNMENT

The meeting adjourned on motion by Councilor Allen at 6:45 p.m.

Attested,

Raymond W. Lopez
Borough Manager