

**NEWVILLE BOROUGH COUNCIL  
SPECIAL MEETING  
OCTOBER 17, 2022 AT 7:00 PM**

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A special Meeting of the Newville Borough Council was held on Monday, October 17, 2022 at 7:00 PM in the Newville Borough Office, 4 West Street Newville Pennsylvania. The meeting was called to order by Council President Scott Penner. The invocation was offered by Mr. Edward Sinkovitz, followed by the Pledge of Allegiance.

On roll call, the following members were present: Robert Darius, Jack Ericksen, Edward Sinkovitz, Joseph Kindon and Scott Penner. Joey Diehl was absent.

Also present: Borough Manager Fred Potzer, Mayor Michael Croutch via Zoom, Andrea Greene and Bob Kanc.

Mr. Potzer started the meeting off by discussing the 2023 budget. He stated that the budget does not include the tax increase for next year.

**General Fund:** The 2023 General Fund Budget contains revenues of \$1,074,400 and expenditures totaling \$1,061,750, with \$12,650 un-allocated. The general tax levy will remain at 4.45 mills. Mr. Potzer explained that the mileage is deceptively high looking as the assessed valuation is much lower than neighboring areas. The primary revenue sources for the general fund include the real estate tax, estimated to generate \$305,500 and the earned income tax at \$170,000. EIT has been \$2,000 ahead of 2021 and realty transfer taxes associated with home sales and property transfers have been estimated at \$19,000. The Comcast cable television franchise fee will generate \$15,000.

The ARPA funds have come to an end and there will be no program in 2023. The Borough is scheduled to receive a community development block grant in 2023 for a new splash pad at the Newville Community Park. The total amount of the grant will be \$89,100. A contract will be presented to Council at the Regular meeting on October 25<sup>th</sup>.

**Expense:** The primary goal of local government is to preserve and protect the public health, safety and welfare. This mandate accounts for much of the general fund spending in 2023.

The operation of the Borough's four officer police department will cost \$444,100 or 42% of the total annual budget. This includes the salaries of the Chief of Police and three full-time officers, along with a part time police clerk. The station rent will total \$18,000, and the lease rental debt for a new patrol car will cost \$7,200. Capital improvements include \$700 for mobile cellular cameras, \$6,000 to replace five office computers, and \$2,000 for upgraded body cameras. The Chief has also requested \$1,100 for ammunition. The department is responsible for a low crime rate and high clearance rate.

The cost for the administration department of the Borough which is the Borough office staff totals \$116,400 or 11% of the total budget. This is shared between the general fund and the Water and Sewer Authority. The salary breakdown and health benefit package are supplied in the meeting packet.

The cost of the Public Works Department consists of three full time and one part time employee is \$111,200 or 11.5% of the total budget.

The Parks and Recreation department totals \$21,500 or 2% of the total budget. This includes \$4,000 for trailhead maintenance, \$12,500 for the summer recreation program which includes two staff members and \$5,000 for the maintenance and upkeep of the Newville Community Park. Mr. Potzer stated that he has received numerous positive comments about the summer recreation program. Some donations have been received and the program ended with a surplus this year which will be carried over for next year.

Donations to local non-profit organizations total \$17,500 or less than 1% of the total budget. Sponsorships include \$500 to the John Graham Library, \$500 for the Big Spring Senior Center, \$2,500 each to the Newville EMS and the Shippensburg EMS, \$1,000 for the town website and newsletter.

The cost of insurances total \$99,800 or 9.4% of the total budget. This includes \$35,000 for the Borough's share of liability insurance and workers compensation coverage.

Employee state and federal taxes, pension aid and unemployment compensation will cost \$86,000 or less than one percent of the total budget.

There is an allocation for the Newville EDA in the amount of \$10,000. That consists of four façade grants of \$2,500 each to help fund new businesses. Mr. Potzer reported that as of today, there are three and possibly four requests for these grants. Previously, \$12,000 had been allocated for the EDA. Mr. Potzer suggested \$12,500 to cover five façade grants. The organizations that have requested façade money include: the new diner, the tattoo studio, the Historical Society and the Bookery. Mr. Potzer feels the grants go a long way in promoting local economic development in the community.

Andrea Greene with the Newville Economic Development Authority requested in addition to the façade money she would like to see monies used for development projects. She stated that there are three properties on Big Spring Avenue that the EDA would be interested in purchasing for purposes of parking. Mr. Potzer advised Mrs. Greene that there will be a round of block grant money available in November and there will be meeting in the Borough Meeting Room of the local non-profits for the CBGD funds. The meeting would include Mount Holly Springs, Newville, Shippensburg Borough and Shippensburg Township. Mrs. Greene stated that in the future she would like to see the EDA as self-sustaining and not have a need to ask the Borough for funding.

Mr. Penner asked what is the EDA's current bottom line. Mrs. Greene explained that they had received \$18,000 in contributions plus the \$12,000 from the Borough, putting their current balance at \$30,000. There had been engineering costs and three sponsored events deducted from the balance. She feels a five-year strategic plan will make the Borough ready for the growth that is needed.

Mr. Potzer reported that there is a meeting Wednesday night with the fire company in which he and Mr. Darius will be attending. The focus will be a paid fire truck driver program. There are no numbers to share at this time but the question is as to how it will be funded. Mr. Penner and he has had a discussion concerning this, and the conclusion reached would be the fire tax. The tax generates approximately \$10,500 each year. Mr. Potzer pointed out that a paid driver program would be shared by six municipalities, not just Newville Borough.

**General Thoughts:** (Borough Manager) In regards to snow removal, the equipment that the Borough Council has spent on equipment years ago, has been paid off today (October 17, 2022). All the equipment the Borough has, is owned by the Borough.

Newville is the only municipality to have an organized recreation program in the Big Spring School District.. There are events for the children, faith and fun days on Fridays, and free snacks and food with the programs. Mr. Potzer stated that the events are well attended and that the adults stay with the children. It is not a drop off and pick up arrangement. The program was expanded this year and has received numerous favorable comments.

Yard waste is collected weekly by the Public Works employees in the summer. This includes grass clippings, brush and garden plants in addition to the fall leaf collection. There is a summer concert series that provides entertainment free of charge to the residents.

Mr. Potzer stated that all these events make the Borough very unique. It provides enrichment of the quality of life in Newville and makes it a desirable place to live. In the last few years, realty transfer taxes have exceeded the budget. The assessed valuations of properties have increased. All proof that the Borough is a desirable place to live.

There are challenges ahead. The move to the new building will require the sale of the curreant building. Mr. Potzer suggests to look at the memorandum of understanding received from the Redevelopment Authority who will help screen prospective buyers. He feels the best time to start this would be January. He reminded Council the appraised value of the current building is \$150,000.

The new police contract will be up for negotiation for the three full time officers. The Auditor General's Office will start looking at the pension losses and will require the Borough to make up those losses. The recovery period would take five to seven years. The employees subject for pension are also shared with the Water and Sewer Authority who will help shoulder the burden.

Mr. Potzer advised that there needs to be a way to generate positive cash flow all year round, not just eight months of the year. Mr. Potzer would like to see Council look at home rule. "Home rule" transfers authority over municipal matters from state laws to a local charter that's drafted, adopted, and amended by voters in the municipality. Mr. Potzer explained with the home rule, there could be an occupational privilege tax which would increase the money collected based on level of employment. He recommended consulting with Gerald Cross with Pennsylvania Economy League to do a home rule charter study.

Mr. Potzer suggested using the EDA request for donation as a façade grant other than a flat donation for matching funds. It was decided to allocate the EDA \$12,500 for five (5) façade grants with the option for reallocation to matching funds if needed.

**Discussion:** A motion was made by made by Mr. Sinkovitz, seconded by Pastor Kindon to advertise the budget to the public and to vote by Council at the November meeting. All were in favor. Motion passed with five (5) affirmative and zero (0) negative votes.

The tax ordinance will be discussed at the December meeting. There will be no changes. An email was received requesting a meeting with Dr. Kevin Roberts, BSSD Superintendent of Schools to meet with the Newville Borough Council for a Community Connection opportunity to answer questions and concerns that the members may have about the school district and working together as a community. In the past, projects consisted of fiber optics and safe routes to school, all with positive results. It was decided that three members of Council will meet with Dr. Roberts in the district office at a future date and time.

**Executive Session:** A motion was made by Mr. Sinkovitz, seconded by Mr. Darius to adjourn to Executive Session with regards to a personnel discussion at 7:55 PM. On a motion by Mr. Sinkovitz, seconded by Mr. Penner to return from Executive Session at 8:23 PM. No action was taken during the Executive Session.

**Adjournment:** With no further business to come before the Newville Borough Council, the meeting was adjourned at 8:24 PM on a motion of Mr. Darius, seconded by Mr. Sinkovitz. All were in favor. Motion passed with five (5) affirmative and zero (0) negative votes.

**Upcoming Meetings:**

- Newville Borough Recreation Commission, October 17, 2022 at 7:00 PM
- Newville EDA, October 19, 2022 at 7:00 PM
- Newville Borough Council, October 25, 2022 at 6:00 PM
- Newville Borough Planning Commission, November 9, 2022 at 7:00 PM

Minutes recorded by:

  
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Jody Hoffman, Borough Secretary/Treasurer