

PENN TOWNSHIP BOARD OF SUPERVISORS
100 Municipal Building Road
Duncannon, PA 17020-1100

Henry A. Holman, Jr., Chairman

Lucinda (CeCe) Novinger, Vice-Chairman

Randy Plummer, Supervisor

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The Penn Township Board of Supervisors (PTS) met on Thursday, October 15, 2009 in the Municipal Building. Chairman Henry Holman, Jr., Vice-Chairman CeCe Novinger, and Supervisor Randy Plummer were in attendance. A list of visitors is on file in the Township office.

Chairman Holman called the meeting to order at 7:00 p.m. and announced that the meeting was scheduled to continue discussion of 2010 fiscal year funding for the fire companies.

Chairman Holman stated that he has called for compromise at past meetings and had nothing additional to offer at this time. He turned the meeting over to comments by the other supervisors and the fire companies. Supervisor Novinger had no comment. Sup. Plummer apologized to the fire companies for not being able to attend the other fire company funding meetings.

Duncannon Fire Company (DFC) representative Kevin Bissonnette stated his understanding that the supervisors would have a funding proposal for this evening's meeting and asked what it was. Chairman Holman stated that the three supervisors had not met as a group and that he had not discussed funding with either of the other two supervisors. Mr. Bissonnette asked Sup. Novinger if she had any numbers to present; she answered in the negative. She stated that she would have to review the minutes of the last meeting as she did not recall that the supervisors were to have a proposal for tonight's meeting.

Perdix Fire Company (PFC) representative Jodi Rissinger stated her understanding that the Treasurer was going to review the township's financial records so that the supervisors could discuss the amount of money available for a funding increase. PFC Monte Supko reminded the PTS of his previous request to know the 2010 funding amount as soon as possible, to enable PFC to begin its 2010 budget preparation.

Sup. Novinger read from the last minutes that "Chairman Holman would continue to analyze the finances and look for ways to cut expenses so that funding could be given without raising taxes." She stated that there was nothing in the minutes about the PTS scheduling a meeting prior to tonight to discuss funding amongst themselves.

Mr. Supko stated that the fire companies have provided all the information requested by the PTS and have proved that a funding increase is necessary. Sup. Novinger noted that, while DFC presents a monthly financial report, PFC never does. Ms. Rissinger stated that the PTS never requested a monthly report. She asked Chairman Holman to verify that his list of requested informational items had been met. He responded that what he had requested was provided. Mr. Supko stated that the information requested by Chairman Holman did not include PFC's expenses.

Chairman Holman stated that he has been inundated with phone calls about the survey included in the fall newsletter. He stated that he did not give advice to anyone on how to fill out the survey.

Ms. Rissinger stated that she could provide yearly finances to-date on a monthly basis. Sup. Novinger stated that she would need to see current figures, not figures from prior years. Mr. Supko stated that he has provided information on PFC's income and expenses.

DFC representative Byron Worner asked if there was confusion over why the funding increase was requested. He stated that the increase was requested get DFC to a point that it can purchase apparatus, and then maintain and test it on an annual basis. He stated that DFC would like to establish funding that would allow it to replace aging apparatus. Currently, all the funding goes for operating expenses and not for capital expenses. Mr. Bissonnette stated that DFC gets tired of begging for additional money for apparatus repair. The requested increase would allow the company to put money aside for such expenses. Mr. Bissonnette stated that DFC would continue with fund

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raisers, but needs the means to enable the community to continue to be adequately protected ten years down the road.

Mr. Supko stated that, when the township starts getting involved in the operation of PFC, it will start receiving monthly reports. He stated that he does not have an issue with contacting the insurance companies providing policies on township residences, telling them that PFC is going out of business, and then watching the insurance costs double. He also stated that he does not have an issue with doing what needs to be done to survive in January with Channel 21 news.

Mr. Supko stated that the increase is needed to keep apparatus running and maintain the fire house. PFC is not asking for 100% funding, but for 50% of its budget. Money not spent would be put into a capital reserve fund for future projects. He stated that PFC was willing to have the PTS control the funding, if a fire tax was enacted. Mr. Supko stated that to-date PFC has spent \$85,000.00. The PTS has donated \$27,000.00 plus an additional \$4,000.00 for fuel expense. He stated that the \$27,000.00 has been spent. He noted that, if PFC has fuel but no money for insurance for the trucks, the trucks will sit there.

Mr. Supko reiterated that PFC has provided all information requested by the PTS. Ms. Rissinger asked that future requests be made in advance of a meeting. She stated that she does not want to be adversarial and is trying to be positive. Mr. Supko noted that he does not have an issue with going to the newspapers and really smearing the Township.

Sup. Plummer stated that relations with the fire companies were no further ahead than where they were when he took office. He stated that the PTS sits here to provide fire service for the township and should provide better fire service, but there is a price to provide it. While the fire companies might not get what they want, there must be a compromise somewhere. He noted that he has seen a lot of hard work and dedication on the part of the fire companies.

Mr. Supko stated that in 2007 the fire companies asked for the equivalent of a one-mill tax and asked for a counter-offer, which has not been received to-date. He explained that was why PFC cut services in the township. He stated that, if the PTS would have offered \$40,000.00 to each fire company in 2007, the offer would have been accepted. He added that, if the PTS gives the money now being asked for, services would be re-instituted. Mr. Supko stated that PFC is still waiting for some indication of 2010 funding so that it can plan its budget. He also stated that Penn Township is getting the best fire protection in the county. However, the PTS will get what it pays for – when PFC receives the funding, it will decide how much fire protection it can provide.

Chairman Holman offered that the community might feel that position was nothing short of blackmail. Mr. Supko responded that the PTS is holding the residents hostage by not providing the funding necessary for adequate fire protection.

Sup. Novinger asked where the funding came from to pave the fire house parking lot. Mr. Supko responded it came from a Department of Community and Economic Development grant. Sup. Novinger then questioned the availability of the fire house for public use. Mr. Supko responded that the hall does get rented out upon request.

Sup. Plummer noted that the 2009 budget included \$100,000.00 for police expenses. He suggested that perhaps \$100,000.00 could be budgeted for fire protection, to be provided if available. Mr. Worner responded that, if the money comes out of the township budget and an emergency comes up, it won't be available. He stated that the money needs to be budgeted only for fire protection, so it is guaranteed. He again stated that DFC needs the money for the purchase, maintenance, and testing of apparatus. If the fire companies' proposal would go through, in year one each fire company would receive \$60,000.00. DFC would put \$35,000.00 into a capital reserve fund. Additionally, the fire company could put part of the annual \$27,000.00 donation into the reserve fund. Mr. Worner stated that the fire companies' proposal was made six months ago and the companies have not been told if it's doable or not. Mr. Bissonnette asked if the PTS had any figures to provide to the fire companies this evening.

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Chairman Holman stated that he has heard public comment for both sides of a fire tax. Some of the public (including fire company volunteers) is in favor of the tax and some is not. He stated that, if he had his way, the current \$27,000.00 budgeted for each company would be handled like a fire tax, in that the fire companies would submit invoices to be paid until the money has been spent. He stated that the requested funds could be put into the budget, but the money has to come from somewhere and the Capital Reserve funds are limited. He offered that the \$140,000.00 requested is not realistic without raising taxes. He stated that he keeps asking for a compromise, hoping that the fire companies can live with a lesser amount. Because of this, he continues to be accused of sabotaging the negotiations.

Mr. Worner offered that he felt the survey included in the fall newsletter was biased. Sup. Novinger stated that the fire companies had an opportunity to provide comments before the survey was mailed, and that, in fact, Ms. Rissinger had provided some. Mr. Worner stated that nothing was included in the survey about the costs to run the fire companies.

Mr. Bissonnette stated that something has to give in the future and asked what happens in ten years when there is no working apparatus. He agreed that a one-mill increase is large, but noted that the fire companies provided options for implementation. He stated that the taxpayers will face a bigger burden down the road, when there is no money for new apparatus because there was no increase to put into a reserve fund. He explained that the fire companies are trying to spread that burden over a period of time and need to come up with a long-term funding source.

Mr. Worner stated that the proposal will have no increase on the PTS budget. The PTS budget would continue the \$27,000.00 donation to each fire company. The fire companies' proposal requests a half-mill fire tax. He asked the status of that proposal. Sup. Novinger responded that she has a hard time supporting a fire tax, noting that she heard on the news that there would be no increase in Social Security payments in 2010. She stated that many residents live on fixed incomes, while their expenses increase. Mr. Bissonnette noted that the fire company expenses also increase each year.

Sup. Plummer stated that he is opposed to a fire tax because the residents would then be paying both a real estate and a fire tax. However, if the fire companies go under, he has learned that his homeowner's insurance would increase more than the cost of a fire tax. He stated that the PTS should be looking at the proposal and decide if the township can afford it. He felt the PTS should be looking six-seven years into the future.

Mr. Bissonnette stated that a fire tax puts the burden on the fire companies to account for expenses. If they can't provide documentation of expenses, the PTS does not have to pay the bill. Mr. Bissonnette noted that there have never been any negotiations on the proposal and the fire companies have not heard any dollar amount or millage amount from the PTS. Sup. Plummer asked why the PTS can't get accountability without a fire tax. Mr. Bissonnette responded that, according to the 2nd-class township code, the fire companies only have to account for donations received, not total expenses.

Chairman Holman stated that the PTS can pay the requested increase this year without raising taxes, but not in future years. He stated that he remains firm on the position he has held for several years. Mr. Supko asked Sup. Plummer what he was willing to pay to provide the best possible fire protection service. Sup. Plummer responded that emergency response, rescue, and other services previously supplied would be included. Mr. Worner stated that services supplied would depend on the amount of funding received. When pressed, Sup. Plummer offered a figure of \$40,000.00 for each company for 2010, plus a percentage increase the following year. Mr. Worner asked, if the fire companies agreed to that starting figure, would the PTS use the fire companies' proposal to increase it each year until it got to the equivalent of one-mill? Sup. Plummer agreed with Sup. Novinger that now is not a good time to enact a tax. He also agreed with Chairman Holman that the PTS cannot keep pulling the funds from the Capital Reserve budget. Sup. Novinger stated that she was not prepared to offer any figures without looking at the 2010 budget. Mr. Bissonnette asked the PTS to review the budget before the next meeting and to come back with an offer that can be discussed.

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Chairman Holman asked if the \$80,000.00 would be obtained through a fire tax. Mr. Bissonnette replied that would be up to the PTS. Sup. Plummer noted that \$80,000.00 is close to what has been paid for police protection, which does not need to be provided. Chairman Holman asked if that was an indication that police protection should not be provided. Sup. Plummer responded that he was just saying that police service is not required to be provided, while fire protection is. Mr. Bissonnette noted that, unlike police protection, there is no outside provider of fire protection the Township can rely upon.

Mr. Worner stated that the Township has exceptional fire protection in place and the fire companies are looking to keep the current high level of service. If the support is not there, the fire companies will have to downsize. He ended by saying that the PTS knows what figures the fire companies are looking for and knows where the fire companies are today. He asked the PTS to be fair, because the future of the fire companies depend on it.

The next meeting will be scheduled at the PTS meeting on October 28th.

ADJOURNMENT

Upon a Holman/Novinger motion, the PTS voted unanimously to adjourn at 8:38 p.m.

Susan E. Long
Recording Secretary