BUDGET PUBLIC MEETING

December 13, 2017

A Public Meeting was held on December 13, 2017 in the Rose Valley Borough Office, 9 Old Mill Lane, Rose Valley, Pa. to solicit public comment regarding the proposed 2018 Budget. President of Council Bill Hale called the meeting to order at 8:00 p.m. Other Council members present were: Councilpersons Dave Firm, Bob Giorgianni, John Neilson, Penny Sass, and Bob Siwicki; Mayor Tim Plummer; Controller Beth Noto; Treasurer Joe Hare, Solicitor G. Guy Smith and Secretary Paula Healy. Councilperson Stephanie Middleton was absent. Members of the public attending the meeting were: Debra DeMasi, Donna Friedman, Joe Friedman, Karen Goodman, Lynn Kelley, Roger Luo, Ann Elise McLaughlin, Ron Ploeg, Susan Ploeg, Hope Thurlow, Judy Voet, Lindsay Volkening and Vippy Yee.

The Proposed 2018 Budget for the Borough of Rose Valley has been on display in the Borough Office for the public to view since November 10, 2017. This was advertised in The Delaware County Daily Times on November 17 and 20, 2017. The Budget was also been on display on the Borough website.

After the Pledge of Allegiance, Mr. Hale asked if there were any comments on the proposed 2018 Budget. There were numerous questions about the proposed line item for a $20,000 contribution to the Rose Valley Centennial Foundation. Mr. Hale noted that this was a proposed contribution to the RVCF’s Capital Campaign to raise funds to renovate Thunderbird Lodge, and briefly reviewed the history of Thunderbird Lodge and the Olmsted Trust gift of the property to the RVCF. He explained that architect Will Price founded Rose Valley in 1901 as one of three utopian communities started as part of the arts and crafts movement, and in 1904 converted an old barn into Thunderbird Lodge for world-renowned illustrator Alice Barber Stephens and her husband, Charles. The property was later owned by Mildred Scott Olmsted and her husband, Allen. After Allen and then Mildred died, the property was put into a trust per the Will of Mildred Olmsted which allowed her descendants to live in the house for as long as they wished but required that if no descendants wished to continue living there, the property was to be given to a 501.c.3 charitable organization or municipality to maintain it as an historic landmark in perpetuity. This arrangement gave little incentive for the descendants to invest in the maintenance of the property even though Thunderbird Lodge is considered to be one of the ten most important houses in early 20th century America. It was individually placed on the National Register of Historic Places in 1989 and incorporated in the Rose Valley Historical District which was placed on the National Register in 2010.

In 2015, the descendants living in the house decided to move out and when no other descendants wished to move in, the Rose Valley Centennial Foundation offered to accept ownership of the property. The trustees under the Will, however, were not willing to gift the property to the RVCF unless the Borough agreed to take over ownership of the property should the RVCF cease to exist or become unable to fulfill its obligation because the RVCF had only been in existence for a few years at the time and only done one project. Borough Solicitor G. Guy Smith advised Council that this was a reasonable and prudent request on the part of the Trustees and that maintaining the property as a historic landmark would essentially require ensuring that the
building not be torn down. After much discussion, Council passed a resolution to this effect in June of 2015 and Thunderbird Lodge was subsequently gifted to the RVCF.

Mr. Smith was then asked if the Borough could sell the property if it ever came into its possession. He explained that as a municipality, the Borough had the ability to take actions to ensure that the property would not be an onerous obligation on Borough residents, such as selling or giving away the property with the stipulation that the building not be torn down. He also noted that municipalities are often designated as the recipient of an organization's property should it go out of business. For example, the Borough has been designated to take over the property of the Rose Valley Folk, Hedgerow Theatre and the Rose Valley Swimming Pool should they cease to exist.

Over the last two and a half years, the RVCF has raised funds and performed needed repairs to the roof, made the building shell water tight, cleaned up the grounds, obtained caretakers to live in the residence and prepared the studios for the opening of the Rose Valley Museum at Thunderbird Lodge on October 28th. At this event, the RVCF kicked off a Capital Campaign, in collaboration with the Rose Valley Museum and Historical Society, to raise $1 million over the next three to five years to repair and renovate Thunderbird Lodge so it can be a proper home for the Museum. The Campaign is currently in its "quiet" phase, in which the RVCF attempts to raise funds from individuals or organizations in the community who might be willing to contribute substantial sums. To date the RVCF has raised approximately $250,000 in contributions and/or pledges over several years. In the second phase, the RVCF will solicitation funds from Rose Valley residents and the public in general with hopes to raise a similar amount. In the final phase, the RVCF will apply for large grants from various foundations and other sources. To receive such grants however, it is important to have raised matching funds and demonstrated the support of the community. A substantial contribution from the Borough would greatly help demonstrate community support.

Including the RVCF contribution line item in the budget is necessary in order to give Council the option of making such a contribution in 2018. The decision of whether to make the contribution will be made next year. The contribution would only be made after doing a due diligence review of the RVCF's finances and coming to an agreement as to what specific repairs the money would be used for and what repair methods would be utilized.

A question was asked if this was a one-time contribution. Solicitor Smith cautioned that, strictly speaking, one Council cannot bind the hands of future Councils from making decisions as they see fit.

A question was asked about making contributions to other community non-profits. Mr. Siwicki noted that the Borough contributes money to the Helen Kate Furness Free Library, which like the RVCF has no business income stream and is essentially dependent on contributions for its existence. Mr. Hale noted that in general, the Borough does not contribute to non-profits, such as Hedgerow Theatre and the School in Rose Valley, which have a business income stream that sustains them. Lynn Kelley pointed out that the Borough did relieve Hedgerow Theatre from the obligation to pay the amusement tax during the great recession after it became a 501.c.3 entity.
Mr. Hale had previously asked Mr. Siwicki to prepare a revision to the Proposed 2018 Budget for tonight's meeting in light of the December Budget vs. Actual numbers which show a surplus for the year of approximately $33,000. Mr. Hale suggested that taxes be reduced by 8.7% instead of 4.4% and that a line item to appropriate $10,000 from Capital Reserve be added to bring the budget into balance. The Borough's objective is to have a balanced budget on average over the years but it has run a surplus for the last several years primarily due to higher than expected real estate transfer tax receipts and lower than expected snow removal expenses. Lowering taxes will mitigate against running a future surplus and appropriating funds from Capital Reserve will lower the amount of money in this fund, which Solicitor Smith has advised is approaching the upper range of what is reasonable.

After everyone had a chance to ask questions or make comments regarding the proposed 2018 Budget, the meeting was adjourned at 8:55 pm on a motion made, seconded and unanimously passed.

COUNCIL MEETING

December 13, 2017

The monthly meeting of the Rose Valley Borough Council was held in the Borough Office, 9 Old Mill Lane, Rose Valley, Pa. on December 13, 2017. President of Council Bill Hale called the meeting to order at 9:02 pm. The Council members present are listed above. Members of the public attending the meeting were: Debra DeMasi, Ann Elise McLaughlin, Judy Voet and Vippy Yee.

The Minutes of the November 8, 2017 Council Meeting were approved on a motion made, seconded and unanimously passed.

EAC & ENVIRONMENT

Mr. Firn informed Council that in the first phase of the deer hunt 4 does and 2 bucks were taken by the hunters and one doe was also killed in a car accident. The hunt is now on break and will resume on December 26 and continue until January 27. Mr. Firn has asked for a $2,600 reimbursement from PHS for the Tree Vitalization Grant used to purchase trees for the Saul and Long Point preserves that were planted in the spring and perennials that were planted during the Fall Invasives Workshop held on October 14. The next project will involve streambank stabilization funded by the Growing Greener Grant. Willow brush mattresses and dogwood stick bundles will be installed along the Ridley Creek streambank in the Saul Wildlife Preserve early in 2018, and extensive planting will be done in the Long Point Preserve in the Spring or Fall. This project will allow the Borough to meet its Municipal Separate Storm Sewer System (MS4) obligation to reduce stream sediment loading by 10% over a 5 year period.
HIGHWAYS, CABLEVISION & INSURANCE

Mr. Neilson reported that he accompanied Mrs. Healy and Borough Engineer Matt Houtmann on a road inspection to determine which roads should be repaved or repaired in 2018. Mr. Houtmann concluded that Longpoint Lane is in the worst condition and recommended that all of it be resurfaced in 2018 after the sewer plant conversion and force main project is completed. Mr. Houtmann will work up the measurements and estimate the cost of this project. Bids for this work will hopefully go out in January or February.

LIBRARY

Mrs. Sass reported that the Library received a $5,000 donation which will help with finances. Nether Providence also increased their annual contribution to the Library by $5,000 to $115,000. The next big project will be fixing the HVAC system. The Children’s’ program has been a great success. Another "Book-It" 5K Walk/Run from the Helen Kate Furness Library to the Swarthmore Library will be held in the Spring since last year’s event brought in about $6,000 for each Library. Mike Rinaldi, the Borough’s resident representative on the Library Board, will be retiring from this position the first of the year due to his increased work schedule.

PUBLIC SAFETY

Mr. Giorgianni noted the Delcora sewer plant conversion project on Longpoint Lane is progressing and that directional drilling has started for installation of the new force main. He also mentioned that PECO broke 3 water pipes along Longpoint Lane while installing new telephone poles for the sewer plant project due to inaccurate water pipe location markings. Delcora has also started the sewer pipe relining project in the Vernon Run valley below the Rose Valley Swimming Pool. This project will be going on until March, 2018.

The Police Report revealed the following incidents: 6 false alarms and two incidents of a lost animal on November 24 and 25. The Fire Report showed a response to an incident at the Old Mill set off by heavy cleaning on November 14.

The Town Watch Program is progressing as usual.

FINANCES

Mr. Hare reviewed the November Status of Funds report. He also explained that at the beginning of each year, all monies remaining in the General Fund Checking and Savings accounts must be transferred into the Capital Reserve Fund and then $70,000 is transferred from Capital Reserve back into the General Fund accounts as a loan to cover Borough expenses until real estate taxes come in. Only the net amounts are actually transferred. To correct an error from the beginning of the year, $23,224.94 needs to be transferred from the General Fund Checking Account to Capital Reserve. This transfer was approved on a motion made, seconded and unanimously approved.
Mr. Siwicki went over the Income Report for the month of November and Mrs. Noto went over the Bills for Approval for December and answered questions. The Bills include a transfer via check of $1,000 to the 100th Anniversary Fund and a transfer via check of $15,523 to the Borough Funded Road Improvement Fund. The Bills in the amount of $60,071.19 were approved on a motion made, seconded and unanimously passed.

Mr. Hale reviewed the Budget vs. Actual Report as of December 13. In general, actual income and expenditures closely matched budgeted income and expenses, with the exception of Snow Removal expenses which came to $27,365, far below the budgeted amount of $65,000. This led to an overall net income surplus to date of about $33,000. In light of these latest numbers, Mr. Hale suggested that taxes be reduced by 8.7% instead of 4.4% and that a line item to appropriate $10,000 from Capital Reserve be added to bring the budget into balance, as discussed in the Budget Public Meeting. The Borough's objective is to have a balanced budget on average over the years but it has run a surplus for the last several years primarily due to higher than expected real estate transfer tax receipts and lower than expected snow removal expenses. Lowering taxes will reduce the chances of running a future surplus and appropriating funds from Capital Reserve will lower the amount of money in this fund, which Solicitor Smith has advised is approaching the upper range of what is reasonable.

Mr. Siwicki asked that the Proposed 2018 Budget with the suggested 8.7% tax reduction to 2.04 mills and the $10,000 appropriation from Capital Reserve be approved as the Final 2018 Budget. This request was approved on a motion made, seconded and unanimously passed. This is the third year in a row that Borough Council has lowered taxes.

PLANNING

Mr. Hale reported that the Rowan/Ewing land donation is almost complete. He then reviewed the next step which will involve swapping land owned by the Rowan's along the creek for land soon to be owned by the Borough at the top of the hill which is a driveway easement area, and also swapping land owned by the Ewing's along the creek for land soon to be owned by the Borough at the top of the hill which is a utility easement and lawn area.

Mr. Hale asked Council to approve the release of the last $5,000 in escrow related to the Traymore project to NVWS Associates subject to the approval of the Borough Engineer. This was approved on a motion made, seconded and unanimously passed.

GENERAL

The following Resolutions and Ordinance were approved on motions made, seconded and unanimously passed:

Resolution 5 – Appointing R. C. Marland as Snowplower for 2018
Resolution 6 – Appointing J. P. Mascaro as Recycler for 2018
Resolution 7 – Appointing Fischer Cunnane as Auditors
Resolution 8 – Setting Fees for Borough Permits
Resolution 9 – Setting Salaries for 2018
Ordinance 347 – Setting the Millage Rate at 2.04 for 2018

MAYOR’S REPORT

Mayor Plummer reported that the Veterans’ Day Ceremony held on November 11 was well attended and thanked Rose Valley Boy Scout Troop 272 for their participation.

Mr. Plummer also noted that the Rose Valley Centennial Foundation made it possible for the bus stop at the corner of Brookhaven Road and Rose Valley Road to be rebuilt as part of a Boy Scout Eagle Project. It now has new cedar posts and framing supporting a beautiful new red tile roof, which probably makes it the most attractive bus stop in the State of Pennsylvania.

SOLICITOR’S REPORT

Mr. Smith brought Council up to date on the slip and fall case involving the Borough and Mr. McNaught, in which Mrs. Healy recently had to give a deposition. The lawyer for the Borough's insurance company has requested that the Borough be released from the case. Mr. Smith will let Council know if this request is granted.

Mr. Hale, on behalf of Borough Council and all the residents of Rose Valley, thanked Penny Sass and Bob Giorgianni for their many years of service to the Borough as Council members. Both Mrs. Sass and Mr. Giorgianni have been on Council since the early 1990’s. Their selfless service was recognized and is greatly appreciated.

There being no further business, on a motion made, seconded and unanimously passed, the meeting adjourned at 10:15 p.m.

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Paula W. Healy, Secretary