

Oakland Borough Council
380 State Street
Susquehanna, PA 18847
Special meeting minutes
August 13, 2020

The special meeting of the Oakland Borough Council was called to order at 6:29pm at the Borough building. Present were council members Valerie Senese, Robert Muiteer, Pat Gall, Brad Krayeski, and Debra White; Secretary Rhonda Parfitt. Council member Ron Beavan was present via ZOOM video communications as was the Borough's solicitor John Martin. Council President Gary Boughton was absent.

Also physically present as a member of the public was Larena Nickerson. Present on ZOOM were Pennsylvania Economy League representatives Lynne Shedlock, Gerald Cross, LeeAnne Clayberger, Patty Moorhead; PEL solicitor Matt Domines; DCED regional advisor James Rose.

Highlights of the presentation were as follows:

- The majority of residents in Oakland Borough are in the working-age population
- The vacancy rate is 10.5%
- The median value of an owner-occupied home according to the 2010 census is \$42,300
- The percentage of families below the poverty rate is 10.6%
- With the last County assessment being done in 1993, the Borough's assessed value is only 42.6% of market value
- The value of one mill in Oakland is \$5,102, which is only 34% of neighboring municipality Susquehanna Depot and 95% of Lanesboro Borough. This means that the three municipalities could assess the same millage, yet Susquehanna Depot and Lanesboro would both receive more tax dollars than Oakland
- Oakland is projected to be in a deficit in 2024, due to the increased interest rate on the mortgage loan in fall of 2021 and inflation in all other categories
- The Borough needs to prepare for loss of revenue due to the COVID-19 pandemic. Projected loss of revenue was provided, although there was much disparity in the numbers
- Most of Susquehanna County relies on State Police for coverage and this was the proposed option for Oakland as well in order to make room in the budget
- Recommendations for the Borough going forward were:
 - Plan for revenue losses with the COVID-19 pandemic
 - Refinance debt on the municipal building
 - Develop a comprehensive plan
 - Use due diligence if monetizing water assets

- Consider seeking assistance for stormwater issues from the US Army Corp of Engineers
- Consider using Marcellus Shale fee revenue for police services
- Continue to pursue shared services, regionalization and/or merger or consolidation with one or more neighboring communities
- Undergo ordinance codification by engaging an expert provider
- Upgrade information technology
- Update policies and procedures and create employee handbook
- Take advantage of PML training, peer-to-peer and other assistance for STMP communities
- Enact a fund balance policy (two months of expenditures)
- Seek proposals for insurance prior to expiration

After the presentation, there was opportunity to ask questions. Mr. Beavan wondered about the possibility of getting more updated demographic information, as the information provided in the presentation was from the 2010 census. Ms. Shedlock stated that information from the ACS was possible to use but wanted Council to be aware that it was not as official as the census. Mr. Muiter asked if the new information would affect any of the projections, and it was answered that it would not. Ms. Parfitt questioned if the vacancy rate (10.5%) was normal and how to find out what percentage of homeowners and renters made up the families below the poverty line. Ms. Shedlock answered that the vacancy rate was low to normal, and she would inquire about the second half of that question.

Ms. Senese noted that the County had recently done a reassessment. It was unanimously hoped that the value of the borough's homes and mills would be affected.

When all questions were answered, the meeting closed, and the members present in the building began a discussion about presentation.

Mr. Krayeski stated that items such as the demographics and information about mills were helpful and thought-provoking.

Mr. Muiter was adamant that the Borough loan needed to be refinanced. There was discussion of how to go about this. Ms. Senese was concerned that if they Council proceeded without a financial advisor, they would end up in over their heads because there was so much paperwork involved with a municipal loan. Mr. Muiter stated that there would be no harm in calling around to check on rates and other pertinent information and Council agreed. Ms. Senese stated her concern that PEL's 5-year projections had the Borough in the negative. Mr. Muiter stated that it was only because of the Borough loan and that if the loan could be refinanced, the Borough would be in better shape. Ms. Senese stated her disappointment that there wasn't more guidance from the DCED for the process. She also stated that she believed a financial advisor should be included in Phase 2 of the grant since refinancing was a recommendation and stated her frustration that the Council was being left to fend for themselves. Ms. Parfitt stated

that she did not want to insult past Council members who had obtained the building loan, but that perhaps if a financial advisor had been involved in the process, a better solution could have been met than what the Borough was currently dealing with.

Mr. Muiter made his exit from the meeting at 8:09pm.

Ms. Senese repeatedly stated her disappointment in the content of the presentation, the length of time that the figures took to complete, the lack of recommendations, and the errors contained in the information presented. There was agreement among all who had been present in April 2019 when the decision was made to hire PEL for the work that PEL had promised much more than they had provided.

Ms. Senese asked Council if they were okay with her doing a little more pushing to get more out of the program than what had been provided. Ms. Parfitt asked if that meant pushing PEL or pushing the DCED and Ms. Senese shared with all present that she was unable to get returned phone calls or emails from Mr. Rose and that she thought the drama of Oakland had pushed him away. The only option was to push PEL for a little more help, but Phase 2 was in the hands of Mr. Rose, which put the Borough in a very precarious position.

Ms. Nickerson suggested getting a college student who needed professional hours to do some of the financial and paperwork involved. Ms. Senese stated that she liked the idea but that she didn't think Oakland was stable enough to entertain an outsider at this time.

There was a consensus to continue thinking about the facts of the presentation and what else the Council would like to get out of the program.

The meeting was adjourned at 8:30pm.