

**SHAMOKIN DAM BOROUGH COUNCIL  
COUNCIL MEETING  
DECEMBER 6, 2021**

The regular monthly meeting of the Shamokin Dam Borough Council was held on Monday, December 6, 2021, in the municipal building located at 42 West 8<sup>th</sup> Avenue, Shamokin Dam beginning at 7:00 P.M. President Musser presided.

**MEMBERS PRESENT:**

David Sauers, Mark Benner, Domenico Barillaro, Rue Rothermel, Maria Brandt, and Donald Musser were present.

**MEMBERS ABSENT:**

Kyle Jessick was absent.

**OTHERS PRESENT:**

Manager Edward Hovenstine, Secretary LaDawn Leitzel, Mayor Joseph McGranaghan, Police Chief Bremigen, Solicitor Robert Slivinski, Courtney Solomon, and Shawn Bingaman were present.

The meeting was opened with the “Pledge of Allegiance.”

**PREVIOUS MEETING MINUTES:**

A motion was made by Councilman Barillaro to approve the Council minutes of November 1, 2021, and Workshop minutes of November 18, 2021, as presented, seconded by Vice President Rothermel, and approved by all.

**VISITORS:**

Audit – Courtney Solomon with Herring Roll & Solomon presented the 2020 Financial Audit to Council. Inadequate segregation of duties over the bookkeeping function is an internal control deficiency. As the Borough is a small local government entity, a staff large enough to provide adequate segregation of duties over the financial reporting system is not practical or affordable. They have evaluated this issue as a significant deficiency that is not considered to be a material weakness. The auditor issued an unmodified and/or clean opinion for the Shamokin Dam Borough’s financial statement of 2020. The auditor submitted for Council’s consideration recommendations designed to help improve internal accounting controls and achieve operational efficiencies. 1. Risk Assessment Policy – Currently, the Borough does not have a policy in place, which requires the performance of risk assessment procedures. Recommendation – The Borough implement a risk assessment policy. Some factors to consider would include identifying operating risks relevant to financial reporting, identifying a method for estimating the significance of risks, a method of assessing the likelihood that identified risks could occur and deciding what action the borough will take to manage the risks. 2. Form I-9, Employment Eligibility Verification – All employers must fill out and keep Form I-9 for every person hired for employment in the United States if the person works for pay or other benefits. Recommendation – Prepare and keep a Form I-9 for all employees. This procedure should be part of the hiring process. Secretary Leitzel stated that a Form I-9 was included in the hiring process for Aron Hummel. 3. Accounting Policy and Procedures Manual – The Borough does not have a formal accounting manual documenting the

procedures for fiscal operations. Recommendation – A written accounting manual is necessary to ensure that transactions are treated in a standardized manner and that proper internal controls exist in the accounting system. Should employees have a question as to the proper handling of a transaction in accordance with management’s authorization, such information is not available in writing. Operating guidelines for fiscal activities be prepared including a description of each fiscal procedure, such as invoice payment, water and sewer billings procedures, and payroll procedures. In addition, and expense allocation methodology should also be incorporated into the accounting manual.

Secretary Leitzel will have all current employees and future employees complete a Form I-9; and begin the process of accounting policy and procedures manual with a plan in place by the second quarter of 2022.

Solicitor Slivinski arrived at this time.

**COMMUNICATION:**

The Borough received correspondence from DEP regarding the Consent Order & Agreement between DEP and Shamokin Dam Borough, dated April 8, 2020. Per the COA termination clause, termination of this COA may occur when all specified corrective actions have been satisfied. All corrective actions agreed upon in the COA has been completed; therefore, the April 8, 2020, COA between DEP and Shamokin Dam Borough is hereby terminated.

Manager Hovenstine reported that a major water leak was fixed near Helen Street and Sixth Avenue.

**OTHER BUSINESS:**

2022 Budget Adoption – 2022 Budget –The 2022 General Fund Budget and the Water/Sewer Fund Budget were presented. The 2022 General Fund budget is proposed at \$935,087.00 without a tax increase. The 2022 Water/Sewer Fund Budget is proposed at \$1,025,045.00 with no increase to the water/sewer rates in 2022. A motion was made by Vice President Rothermel to adopt the proposed 2022 Budgets as presented, seconded by Councilman Sauers, and approved by all.

**MAYORS REPORT:**

Queen Avenue Update – Mayor McGranaghan updated Council on the condition of the property.

The Mayor reported that last week there was a serious house fire at 3517 N Old Trail and the owner does not have fire insurance.

Phillips Motel Update – Mayor McGranaghan reported that the property has not been sold to date. The Mayor would like the Central Keystone COG to move forward by refiling the charges. Solicitor Slivinski recommended contacting the Central Keystone COG, request information since the last filing of charges, and question what the status would be. Manager Hovenstine will contact Jim Emery of Central Keystone COG with questions regarding the property.

Police Report – Police Chief Bremigen reviewed the November police report. The Police Chief reported that new mobile and portable radios have been placed in service. The radios were part of a donation to Snyder County EMA from the Hummel Station. The savings was approximately \$24,000.00. The digital radios will allow communication with Northumberland County. Derick Shambach from the Snyder County EMA was helpful with obtaining the funds and collaborating with the police department.

**MANAGERS REPORT:**

W&L Nissan Site – Manager Hovenstine met with W&L Nissan to discuss a land development plan to accommodate a water proofing business, collision repair department, and car dealership.

Causeway Removal – The Manager reported that the Bag 6 of the dam was scheduled for replacement, however the river conditions did not allow for the replacement to be completed. The causeway was removed and stored near the work area until needed in year 2022.

**SOLICITOR REPORT:**

Resolution 2021-7, Fixing the Tax Rate for the Fiscal Year 2022 – A motion was made by Councilman Sauers to adopt the Resolution 2021-7, Fixing the Tax Rate for the Fiscal Year 2022, seconded by Councilman Barillaro, and approved by all.

Solicitor Slivinski received information on a proposed bill for annexation and reviewed the process for annexation if the proposed bill would not be passed.

Mayor McGranaghan questioned whether there was an update on the Lewis property. The Solicitor reported that the attorney representing the Lewis property has not responded at this time. The court date is scheduled for the third quarter in year 2022.

Councilman Benner questioned whether the motion for the ambulance service could be amended to add Station 54-1 versus Americus Ambulance Service. President Musser suggested sending correspondence requesting that while sending out Americus ambulance service that it would be the station out of Sunbury.

**PLANNING COMMISSION:**

A Planning Commission meeting will not be held in December.

**WORKSHOP MEETING:**

A workshop meeting was held on November 18, 2021, at 7:00 PM to discuss the proposed fishway and easement agreement for the fishway. The Borough has not received a response from DCNR representatives regarding questions such as: liability, would enforcement be from fish commission, what benefit does the Borough gain from this easement, provide access for fisherman, and reimbursement of Solicitor fees.

Maria Brandt arrived at this time.

Vice President Rothermel thanked Council for the opportunity to serve on Council the past year.

**PAYMENT OF BILLS:**

General Fund bills in the amount of \$11,663.28, Water and Sewer Fund bills in the amount of \$65,020.58, 111 W 11<sup>th</sup> Avenue Fund bills in the amount of \$40.00, Fire Protection Fund in the amount of \$10,535.00, PLGIT Recreation Fund in the amount of \$2,576.71, and FNB Water/Sewer Fund in the amount of \$20,913.93 were presented for payment. A motion was made by Vice President Rothermel to approve payment of the bills as presented, seconded by Councilman Barillaro, and approved by all.

**ADJOURNMENT:**

The meeting was adjourned at 8:02 PM.

Respectfully submitted,

LaDawn D. Leitzel  
Borough Secretary