

Call to Order:

Mr. Erbeldinger

Pledge of Allegiance:

Mr. Porco

Roll Call:

Mr. Burleigh	Present	Mr. Erbeldinger	Present
Mr. Karas	Present	Mayor Porco	Present
Mr. Kiley	Present		
Ms. Sowiski	Present	Jack Cambest, Special Bond Counsel	
			Present
Mr. Tomasic	Present	Stephen Korbel, Solicitor	Present
Ms. Wood	Present	Steven Morus, Manager	Present

Public Comment – Agenda Items

*At this time, citizens may address council on any issue appearing on today's agenda. Only residents and taxpayers of the Borough of Forest Hills will be permitted to address council. Comments on non-agenda items will be taken at the end of tonight's meeting. Speakers will be permitted to speak for a maximum of 5 minutes. Groups of people will be required to designate a spokesperson to represent them before council who may speak for a maximum of 10 minutes. Citizens are asked to use the microphone at the speaker's stand, clearly state their name and address for the record and keep comments brief and to the point. Please spell the name for the record.*

Harry White, 438 Decatur Ave. – Questioned how long the requirement was to advertise a meeting and noted that the office was closed on Friday so that he could not view the ordinance. Mr. Korbel indicated 24 hours. Mr. Cambest agreed.

Committee Reports:

**FINANCE COMMITTEE**

Mr. Karas

**Motion:** Move to approve ordinance no. 1049 authorizing the borough to incur debt through the issuance of general obligation bonds and as summarized in the ordinance title reprinted below.

Moved: Mr. Karas  
Second: Mr. Burleigh

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Ordinance title reads as follows:

TO AUTHORIZE AND DIRECT THE INCURRING OF NON-ELECTORAL DEBT THROUGH THE ISSUANCE OF A SERIES OF GENERAL OBLIGATION BONDS OF THE BOROUGH OF FOREST HILLS, PENNSYLVANIA, (THE "BOROUGH") IN THE AGGREGATE PRINCIPAL AMOUNT OF THREE MILLION FIVE HUNDRED EIGHTY THOUSAND AND 00/100 DOLLARS (\$3,580,000) GENERAL OBLIGATION BONDS, SERIES OF 2015 (THE "BONDS") FOR THE PURPOSE OF PROVIDING FUNDS FOR (1) CAPITAL IMPROVEMENTS WITHIN THE BOROUGH, AND (2) TO PAY THE COSTS OF ISSUING AND INSURING THE BONDS (COLLECTIVELY, THE "PROJECT"); STATING THAT REALISTIC COST ESTIMATES HAVE BEEN MADE FOR THE PROJECT, AUTHORIZING THE PAYMENT OF OTHER CAPITAL PROJECTS UPON APPROPRIATE AMENDMENT HERETO AND STATING THE ESTIMATED PROJECT COMPLETION DATE; STATING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT FOR WHICH SAID BONDS ARE ISSUED; DIRECTING THE PROPER OFFICERS OF THE GOVERNING BODY TO PREPARE, CERTIFY AND FILE THE REQUIRED DEBT STATEMENT AND BORROWING BASE CERTIFICATE; COVENANTING THAT THE BOROUGH SHALL INCLUDE THE AMOUNT OF ANNUAL DEBT SERVICE IN ITS BUDGET FOR EACH FISCAL YEAR; PROVIDING FOR FULLY REGISTERED BONDS, DATE OF THE BONDS, INTEREST PAYMENT DATES, PROVISIONS FOR REDEMPTION AND STATED PRINCIPAL MATURITY AMOUNTS AND FIXING THE RATES OF INTEREST ON SUCH BONDS AND PROVIDING FOR BOOK-ENTRY ONLY BONDS; AUTHORIZING THE PROPER OFFICERS OF THE BOROUGH TO CONTRACT WITH A BANK OR BANK AND TRUST COMPANY FOR ITS SERVICES AS SINKING FUND DEPOSITORY, PAYING AGENT AND REGISTRAR AND STATING A COVENANT AS TO PAYMENT OF PRINCIPAL AND INTEREST WITHOUT DEDUCTION FOR CERTAIN TAXES; PROVIDING FOR THE REGISTRATION, TRANSFER AND EXCHANGE OF BONDS; PROVIDING FOR FACSIMILE SIGNATURES AND AUTHENTICATION; APPROVING THE FORM OF THE BONDS, PAYING AGENT'S AUTHENTICATION CERTIFICATE AND ASSIGNMENT AND PROVIDING FOR CUSIP NUMBERS TO BE PRINTED ON THE BONDS; PROVIDING FOR TEMPORARY BONDS; AWARDING SUCH BONDS AT PRIVATE SALE AND STATING THAT SUCH PRIVATE SALE IS IN THE BEST FINANCIAL INTEREST OF THE BOROUGH; CREATING A SINKING FUND; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE BOROUGH TO CERTIFY AND TO FILE WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT CERTIFIED COPIES OF THE NECESSARY PROCEEDINGS; COVENANTING THAT THE

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PROCEEDS OF THE BONDS SHALL NOT BE USED IN SUCH A MANNER AS TO CAUSE THE BONDS TO BE ARBITRAGE BONDS UNDER FEDERAL TAX LAW PROVISIONS AND DESIGNATED THE BONDS AS "QUALIFIED TAX EXEMPT OBLIGATIONS" UNDER FEDERAL TAX LAW PROVISIONS, APPROVING THE CONTENT AND FORM OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE DISTRIBUTION THEREOF AND AUTHORIZING THE PREPARATION, EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT AND THE UNDERTAKING OF CERTAIN CONTINUING DISCLOSURE; APPOINTMENT OF BOND COUNSEL, AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE BOROUGH TO DO ALL THINGS NECESSARY TO CARRY OUT THE ORDINANCES; AUTHORIZING AND DIRECTING THE PROPER OFFICERS OF THE BOROUGH TO PAY ISSUANCE COSTS; RESCINDING ALL INCONSISTENT ORDINANCES; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND STATING THE EFFECTIVE DATE.

Mr. Kiley comments, just to clarify, the intention of council to undertake this debt, \$3,580,000, to add to our existing debt obligation is intended for us to build a new building. We have been discussing this for months at this time in numerous open meetings. We have already begun to engage an architect, Pfaffmann Associates to begin the first phase of schematic design. We will have at least two public comment sessions to solicit the opinions of the community about what the building should include, what amenities should be included. He noted we would adhere to a number of green building concepts and noted that Mr. Burleigh will work toward that with the Green Building Alliance.

Mr. Tomasic comments that this subject has been discussed at public meetings and has been discussed for about a year and a half. We've been talking about a bond issue for several months; have discussed different rates; have a good assessment of our finances and have a good bond rating. You are going to get a good interest rate when you have a good FICA score. All of the factors came together to move in this direction and make this decision to go forward. In addition to that we believe there will be great savings in utilities which are exorbitant for what we have now; moving the senior center eventually and library up there will also help with utility expenses. The gas bills over at the senior center/library run us about \$4,000. We will sell this building and the magistrate property and hope to get a nice payment. The magistrate is supposed to be out this month or next. We discussed methods for financing this by making a few changes in our structure and tax rate and noted that we could also sell the park and ride lot if necessary. The lot is paid for by PAT and maintained with the exception of the lighting which we were paying for anyway. All in all we are moving forward in financial ways that are extremely beneficial to the borough.

Mr. Erbedinger clarified the bond debt numbers and explained how it would merge with the existing debt service schedule to increase by about \$110,000/year and add about 9 years more to debt payments.

Mr. Burleigh noted he was excited about the changes in Forest Hills and that we are operating within the budget. This is a part of history for Forest Hills and he is excited to be a part of it.

Mr. Kiley noted that the other main intention of this change is that other properties here on Ardmore would be better used to generate revenue and new jobs for Forest Hills and that is a primary motivator.

Mr. Karas noted this will not increase taxes and that we have other methods to pay the debt if necessary.

Mr. McCaig noted the actual borrowing rate is 3.39%; the difference between the total principle and interest payment from last week's projection is about \$105,000 less. The actual numbers are better than what you saw last week. The closing date is August 11.

Roll Call Vote:	Mr. Burleigh	yes
	Mr. Karas	yes
	Mr. Kiley	yes
	Ms. Sowiski	yes
	Mr. Tomasic	yes
	Ms. Wood	yes
	Mr. Erbedinger	yes

Old Business:

None

New Business:

None

Public Comment – Other Items

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No comments

Adjourn: Motion to adjourn or adjourn by acclamation

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Moved: Mr. Tomasic  
Second: Mr. Kiley

***Voice Vote – all in favor***

- Next Scheduled Council Meeting: July 15, 2015 beginning at 7 PM