A regular meeting of the Northampton County Council was held on the above date with the following present: Kenneth M. Kraft, President; Ronald R. Heckman, Vice President; John Cusick; Matthew H. Dietz; William B. McGee; Lori Vargo Heffner; Robert F. Werner; Tara M. Zrinski; Linda M. Zembo, Clerk to Council and Christopher T. Spadoni, Solicitor to Council. Absent was Margaret L. Ferraro.

Pledge of Allegiance

Mr. Dietz led County Council in the pledge of allegiance.

Approval of the Minutes

Mr. Cusick made the following motion:

Be It Moved By the Northampton County Council that the minutes of the February 15, 2018 meeting shall be approved.

Mr. Dietz seconded the motion.

The minutes were approved by voice acclamation.

Courtesy of the Floor

As no one signed in for Courtesy of the Floor, Mr. Kraft asked if there was anyone from the public who wished to address County Council.

There were no respondents.

County Executive Report

Mr. Lamont McClure, County Executive, stated he was going to begin a pilot program of stationing Deputy Sheriffs at Gracedale.

In answer to Mr. Dietz's question as to whether it was determined if the individual at the prison who recently passed away had a communicable disease, Mr. McClure replied he did not.
In response to Mr. Heckman’s question as to whether they were looking at the overall security at Gracedale, Mr. Charles Dertinger, Director of Administration, advised there were 40 cameras in place and all 47 doors have been secured. He further advised they have increased the number of swipe locations, including entrance to the Administration Offices.

Public Hearing on the Ordinance Entitled, “AN ORDINANCE AMENDING NORTHAMPTON COUNTY ORDINANCE NO. 526-2010 ALSO KNOWN AS THE NORTHAMPTON COUNTY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 FUND BALANCE POLICY ORDINANCE”

Mr. Kraft stated the following ordinance was introduced by Mr. Werner and Ms. Vargo Heffner at the meeting held on February 15, 2018:

AN ORDINANCE AMENDING NORTHAMPTON COUNTY ORDINANCE NO. 526-2010 ALSO KNOWN AS THE NORTHAMPTON COUNTY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 FUND BALANCE POLICY ORDINANCE

WHEREAS, Ordinance No. 526-2010, the ordinance titled, “AN ORDINANCE ESTABLISHING THE COUNTY OF NORTHAMPTON GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 (GASB No. 54) FUND BALANCE POLICY; PROVIDING SEVERABILITY; REPEALER AND EFFECTIVE DATE,” was enacted by the Northampton County Council on November 19, 2010.

NOW, THEREFORE, BE IT HEREBY ORDAINED AND ENACTED by the Northampton County Council that, Ordinance No. 526-2010, the ordinance titled, “AN ORDINANCE ESTABLISHING THE COUNTY OF NORTHAMPTON GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 (GASB No. 54) FUND BALANCE POLICY; PROVIDING SEVERABILITY; REPEALER AND EFFECTIVE DATE,” shall be amended as indicated hereafter (sections marked with bold underline have been added and sections marked with strikeout have been deleted):

WHEREAS, the County of Northampton, Easton, Pennsylvania desires to establish a Fund Balance Policy consistent with the Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions; and

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED BY THE COUNTY COUNCIL OF THE COUNTY OF NORTHAMPTON, PENNSYLVANIA, THAT:
Section I. TITLE

This ordinance shall be known as the Northampton County Governmental Accounting Standards Board Statement No. 54 Fund Balance Policy Ordinance.

Section II. DEFINITIONS

The following words and phrases when used in this Ordinance shall have the meanings given to them in this section unless the context clearly indicates otherwise:

A. Fund Balance - As defined by the Governmental Accounting, Auditing and Financial Reporting of the Government Finance Officers Association (GFOA), fund balance is "The difference between assets and liabilities and deferred inflows and deferred outflows reported in a governmental fund."

B. Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

C. Restricted Fund Balance - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

D. Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action (ordinance) of the Northampton County Council, the County's highest level of decision making authority. Commitments may be changed or lifted only by the Northampton County Council taking the same formal action (ordinance) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in
this category.

E. Assigned Fund Balance - Includes spendable fund balance amounts established by the County Executive or Director of Fiscal Affairs that are intended to be used for specific purposes that are neither considered restricted or committed.

F. Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

SECTION III. PURPOSE

A. The County hereby establishes and will maintain Fund Balance, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

B. A Fund Balance Policy is adopted in order to secure and maintain investment-grade credit ratings, meet seasonal shortfalls in cash flow, and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls. Fund balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing ones, or enhance the financial position of the County, in accordance with policies established by the Northampton County Council.

C. This Fund Balance Policy establishes:

1. Fund balance policy for the General Fund;
2. Classifications of fund balance for the General Fund;

3. The method of budgeting the amount of estimated unrestricted fund balance available for appropriation during the annual budget adoption process (prior to the actual, audited fund balance being known) and what actions may need to be taken if the actual fund balance is significantly different than the budgetary fund balance; and

4. Establish the spending order of operating revenues and fund balances.

SECTION IV. FUND BALANCE POLICY (GENERAL FUND)

A. NON-SPENDABLE FUND BALANCE

Non-spendable fund balance is established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable as well as property acquired for resale; and, items legally or contractually required to be maintained intact such as the corpus (or principal) of a permanent fund.

B. RESTRICTED FUND BALANCE

Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enable legislation.

C. COMMITTED FUND BALANCE

1. Commitment of fund balance may be made for such purposes including, but not limited to:

   (a) accumulating resources pursuant to a financial stabilization arrangement.
2. Commitment of fund balance may be made from time to time by ordinance of the Northampton County Council. Commitments may be changed or lifted only by the Northampton County Council taking the same formal action that imposed the constraint originally (ordinance).

D. ASSIGNED FUND BALANCE

1. Assignment of fund balance may be:

(a) made for a specific purpose that is narrower than the general purposes of the government itself, and/or

(b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

2. Assigned fund balance shall reflect the County Executive's intended use of resources as set forth in the annual budget (and any amendments thereto). Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

E. UNASSIGNED FUND BALANCE

1. Unassigned fund balance is the residual classification for the General Fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the General Fund.

SECTION V. CLASSIFICATIONS OF FUND BALANCE (GENERAL FUND)

A. COMMITTED FUND BALANCE

The Northampton County Council hereby establishes the following committed fund balance classes in the General Fund:
1. Financial Stabilization - The Financial Stabilization Fund Balance is committed by the Northampton County Council as recommended by the GFOA.

2. The suggested balance of the Financial Stabilization Fund will be recommended to be maintained at a minimum of 5% of current year budgeted general fund expenditures, including transfers out. The Financial Stabilization Fund is not to exceed 15% of current year, budgeted general fund expenditures, including transfers out.

3. Additions to the financial stabilization fund can occur by:

   (a) An increase in additional real estate tax levied annually, or

   (b) Commitment by ordinance or budget amendment of excess unassigned fund balance upon completion of the annual audit as described in Section VI, C.

4. The Financial Stabilization Fund will be available to fund a catastrophic event such as a natural disaster, disaster related event or unanticipated expenditure requirements such as, an unforeseen major building or bridge structural failure. Such an event must be of an unusual or infrequent nature.

5. The Financial Stabilization Fund will only be accessed when the result of the emergency expenditures would likely exceed 2% of current year, budgeted general fund expenditures, including transfers out.

6-4. The Financial Stabilization Fund cannot be considered in whole or in part, as available funds approval of the annual budget.

7-5. Appropriations from the Financial Stabilization Fund may only be made by ordinance or budget amendment with a majority vote of the Northampton County Council.
8-6. The ordinance **or budget** amendment requesting appropriations from the Financial Stabilization Funds must, at a minimum, should include the following:

(a) Dollar amount requested.

(b) A description of the emergency situation requiring the appropriations.

(c) A description of the consequences of not releasing the funds.

(c) The dollar amount remaining in the Financial Stabilization Fund after the proposed appropriations of funds.

9-7. The County must **should** begin to restore the Financial Stabilization Fund in the year following its use. The County Executive will **should** prepare and submit a plan for a reduction of assigned fund balance, expenditure reductions and/or revenue increases to the Northampton County Council. County Council shall take action necessary to restore financial stabilization fund to the minimum balance within two (2) years. Additionally, the Northampton County Council shall take action necessary to replace all the appropriated funds within three five (3-5) years.

10-8. It will be the responsibility of Northampton County's Director of Fiscal Affairs to report the current Financial Stabilization Fund Balance in the County's Quarterly Financial Statements.

B. ASSIGNED FUND BALANCE

The Northampton County Council hereby establishes the following assigned fund balance reserves in the General Fund:

1. Assignment to Subsequent Year's Budget - The subsequent year's budgetary fund balance reserve is assigned by the County Executive as set forth in the annual budget (and any amendments thereto) to appropriate a portion of existing unassigned
fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

2. Assignment to Encumbrances - The Northampton County Home Rule Charter provides for capital expenditure appropriations to continue in force until the purpose for which it was made has been accomplished or abandoned, within a three year period from inception.

3. It will be the responsibility of Northampton County's Director of Fiscal Affairs to report the current Assigned Fund Balances in the County's Quarterly Financial Statements.

SECTION VI. BUDGETING

A. APPROPRIATION OF UNRESTRICTED FUND BALANCE

The actual amount of unrestricted fund balance is not known until the completion of the annual audit which takes place four months after the end of the fiscal year being audited. However, an estimate of unrestricted fund balance must be made during the annual budget adoption process (October through December 17) which is prior to the end of the fiscal year, December 31.

B. ESTIMATED BEGINNING FUND BALANCE.

In order to achieve the most accurate estimate possible, the County Executive or designee shall project both Sources of Funds (revenues, prior years unrestricted fund balances carried forward and other financing sources) and Uses of Funds (operating and non-operating expenditures), including accruals, for each department in each governmental fund through December 31st of the then current fiscal year. These projections will be shown in a separate column for each fund in the proposed and final budget documents. The difference between the estimated actual sources of funds and estimated actual uses of funds is the calculated estimated beginning fund balance for the subsequent fiscal year. If planned for use in the
subsequent fiscal year, unassigned and assigned fund balance may be included in the estimated beginning fund balance.

C. ESTIMATED ENDING FUND BALANCE

1. For the year being budgeted, a calculation of estimated ending fund balance shall also be made. This calculation shall be the difference between the budgeted sources of funds and the budgeted uses of funds as described above.

2. Since the uses of funds are restricted, committed or assigned in all other governmental fund types there is no policy to the amount of ending fund balance unless the project is completed and the fund should be closed. In this situation, a residual equity transfer will be made to zero-out any remaining fund balance.

3. If, after the annual audit, the actual General Fund unassigned fund balance is greater than 10% of budgeted operating expenditures, including transfers out, in the General Fund, the excess may be used in one or a combination of the following ways:

   (a) Committed, in accordance with the funding policy in Section V, to increase the Financial Stabilization Fund; or

   (b) Left in the General Fund to earn interest and roll forward into the subsequent year's beginning fund balance; or

   (c) Appropriated by ordinance of the Northampton County Council for a one-time expenditure or opportunity that does not increase recurring operating costs; or

   (d) Appropriated for start-up expenditures of new programs undertaken at mid-year, provided that such action is considered in the context of council-approved multi-year projections of revenues and expenditures.
SECTION VII. SPENDING ORDER OF OPERATING REVENUES AND FUND BALANCES

The County will first use Federal, then State, and lastly County revenues to meet its financial obligations. The County requires restricted amounts to be spent first when both restricted and unrestricted revenue or fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use assigned fund balance, followed by unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

SECTION VIII. ANNUAL REVIEW AND DETERMINATION OF FUND BALANCE POLICY

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process, and the amounts of restricted, committed, assigned, non-spendable and the minimum level of unassigned fund balance shall be determined during this process.

SECTION IX. ADDITIONAL INFORMATION, REQUIREMENTS AND RESPONSIBILITIES

It will be the responsibility of the Northampton County Director of Fiscal Affairs to keep this policy current.

SECTION X. EFFECTIVE DATE

This Policy shall take effect thirty (30) days after the date of enactment of this ordinance.

SECTION XI. REPEALER

That any Ordinances, or part of Ordinance, conflicting with this Ordinance be and the same is hereby repealed insofar as the same affects this Ordinance.
SECTION XII. SEVERABILITY

If any sentence, clause, section or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Northampton County Council that this Ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

Public Hearing

Mr. Kraft asked if there were any questions or comments from the public.

There were no respondents.

Mr. Kraft asked if there were any questions or comments from the members of County Council.

Mr. Cusick stated he agreed with eliminating the definition of what constituted an emergency because he felt there should be some flexibility. He also agreed to allowing the use of the budget amendment process to facilitate the use of the funds from the Stabilization Fund.

Mr. Cusick advised Section V - Number 2, indicated the "suggested balance of the Stabilization Fund is recommended...". He further advised he knew they were accounting standards, but he did not think it was a bad thing for them to codify them as part of the Stabilization Fund.

Mr. Cusick stated Section V - new Number 4, indicated the "Financial Stabilization Fund should not be considered in whole or in part, as available funds approval of the annual budget". He further stated the wording was previously "cannot" and he was worried that it would open the door for them to be available.

Mr. Cusick made a motion to amend Section V - Number 2 to completely remove the words "suggested" and to remove "is recommended to" and restore the word "will". He would also amend Section V - new Number 4 to remove the words "should not" with the words "shall not".
Mr. Dietz seconded the motion.

Mr. McGee advised the changes originally presented to be made were done because this ordinance was not in compliance with the Home Rule Charter so he wanted to know if these amendments would alter the compliance.

Mr. Spadoni stated any member of County Council had the right and obligation to amend any ordinance in front of the body and he did not think the amendments defeated the nature of the ordinance.

Mr. Cusick advised the reason for these changes was to give the County a minimum level of emergency funds and he did not think it was too much to ask to require that 5%, at a minimum, be set aside as part of this Unassigned Fund Balance.

Mr. Kraft stated he strongly disagreed and a lot of time was spent on this to make sure it was in compliance with the Home Rule Charter and noted County Council had to approve the budget every year.

Mr. Heckman advised in 1991, he co-sponsored an ordinance entitled, "An Ordinance Providing for the Prudent Administration of Public Funds in the County of Northampton". He further advised one of the big campaign issues of 1989 was the fact that the Department of Human Services ran a deficit and it was not until October that the then County Council was told there was not enough money to pay bills.

Mr. Heckman stated this ordinance required that every month the Director of Fiscal Affairs would provide a report as to the County finances and if there were any issues, the County Executive shall immediately notify the President of County Council, but at some point in time the reports stopped coming.

Mr. Heckman advised his point was any ordinance that was adopted was only good as County Council’s willingness and ability to follow up and enforce it.

In answer to Ms. Vargo Heffner’s question as to whether this ordinance changed the spirit of what was originally intended, Mr. Kraft stated he felt it changed the meaning and ran contrary to the Home Rule Charter.
In response to Ms. Zrinski’s question as to whether changing "shall" to "should" undermined the Home Rule Charter or made this ordinance illegal, Mr. Spadoni advised his job was to direct County Council under the law and stay out of the political discussions. He further advised the word "shall" could be mandatory and the word "should" was not.

As there were no further questions or comments, Mr. Kraft called for the vote on the motion.

The vote: Cusick, "yes"; Dietz, "yes"; Vargo Heffner, "no"; Werner, "no"; Zrinski, "no"; Heckman, "no"; Kraft, "no" and McGee, "no".

The motion failed by a vote of 2-6.

Mr. Kraft called for the vote on the ordinance as introduced.

The vote: Werner, "yes"; Vargo Heffner, "yes"; Heckman, "yes"; Kraft, "yes"; McGee, "yes"; Zrinski, "yes"; Cusick, "no" and Dietz, "no".

The ordinance was adopted by a vote of 6-2.


Mr. McGee and Ms. Zrinski introduced the following ordinance:

AN ORDINANCE BY NORTHAMPTON COUNTY COUNCIL CONCURRENcing WITH THE UPPER MOUNT BETHEL TOWNSHIP AND THE BANGOR AREA SCHOOL DISTRICT, AND PROVIDING FOR PROPERTY TAX EXEMPTION FOR CERTAIN DETERIORATED PROPERTY AS DEFINED IN ORDINANCE 2017-04 OF THE UPPER MOUNT BETHEL TOWNSHIP - PURSUANT TO ACT 76 OF 1977, OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, AS AMENDED (72 P.S. 4722 ET SEQ.)
WHEREAS, the General Assembly of Pennsylvania passed Act 76 of 1977, known as the Local Economic Revitalization Tax Assistance Law (LERTA), which authorizes local taxing authorities to provide for tax exemption for certain deteriorated industrial, commercial and other business property; and

WHEREAS, the Board of Supervisors of Upper Mount Bethel Township (Township) recognize the need to encourage development in certain deteriorated areas of the Township and believe that adopting this Ordinance is in the best interests of the Township and its residents; and

WHEREAS, the Township is a “municipal governing body” within the meaning of LERTA and the Board of Supervisors of the Township proposes to establish an area within the boundaries of the Township as an area in which such tax exemption (Tax Exemption) may be granted by the Local Taxing Authorities (as hereinafter defined); and

WHEREAS, the Board of Supervisors of the Township held a public hearing on October 30, 2017, for the purpose of determining the boundaries of the area in which the Tax Exemption may be granted by the Local Taxing Authorities; and

WHEREAS, the Board of Supervisors of the Township, with due consideration having been given to the recommendations and comments made at such public hearing and as subsequently approved and adopted on December 11, 2017 by Township Ordinance 2017-04, determined that the area hereinafter designated meets the criteria under LERTA for the Tax Exemption.

WHEREAS, the County Council of Northampton County, in accordance with said Act, have held a public hearing.

NOW, THEREFORE, BE IT ORDAINED, by the County Council of Northampton County:

I. DEFINITIONS

(a) As used in this Ordinance, the following words and phrases shall have the meaning set forth below:

(1) "Becomes assessable" means immediately following issuance of the state and local occupancy permits.
(2) "Deteriorated area" means that portion of the Township which Upper Mount Bethel Township has determined to be physically blighted pursuant to Act 76 of 1977 of the General Assembly of the Commonwealth of Pennsylvania, as amended (72 P.S. 4722 et seq.).

(3) "Deteriorated property" means any industrial, commercial or other business property owned by an individual, association or corporation, and located in a deteriorating area, as provided by Resolution of Council, or any such property which has been the subject of an order by the City requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations. Buildings wherein at least 30% of the usable gross floor area is utilized for industrial, residential, commercial, or business use shall, if otherwise qualified, be considered a "deteriorated property" within this Article.

(4) "Improvement" means the construction of new building structures, new additions to existing structures or substantial renovations to existing structures which result in an increase in assessed valuation of the deteriorated property. Such improvements shall have the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity or is brought into compliance with laws, ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

(5) "Local taxing authority" means the Upper Mount Bethel Township, the Bangor Area School District, the County of Northampton, or any other governmental entity having the authority to levy real property taxes within the City of Bethlehem.

(6) "Municipal governing body" means Northampton County.
II. ELIGIBLE AREAS

The Northampton County Council hereby determines that the following areas of the Upper Mount Bethel Township, Northampton County Pennsylvania, shown on Exhibit "A" attached hereto and identified by the tax parcel numbers listed in "Exhibit B" attached hereto as those areas in which Improvements are eligible for the Tax Exemption by the Local Taxing Authorities in accordance with this Ordinance:

III. EXEMPTION AMOUNT

A. The amount to be exempted shall be limited to that portion of the additional assessment attributable to the actual cost of improvements.

B. The exemption shall be limited to that improvement for which an exemption has been requested in the manner set forth below, and for which a separate assessment has been made by the Assessment Division of the Department of Fiscal Affairs of Northampton County (hereafter referred to as Assessment Division).

IV. EXEMPTION SCHEDULE

Subject to the conditions, requirements and limitations set forth in this Ordinance, taxpayers making assessable improvements to deteriorated property located in the deteriorating area may apply for and may be granted a real estate tax exemption limited to the amounts in Sections III (A) and (B) as set forth above, subject to the following schedule:

A. New Construction Improvements

(1) For the first year immediately following the date upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted.

(2) For the second year immediately following the date upon which the improvement becomes assessable, 90% of the eligible assessment
shall be exempted.

(3) For the third year immediately following the date upon which the improvement becomes assessable, 80% of the eligible assessment shall be exempted.

(4) For the fourth year immediately following the date upon which the improvement becomes assessable, 70% of the eligible assessment shall be exempted.

(5) For the fifth year immediately following the date upon which the improvement becomes assessable, 60% of the eligible assessment shall be exempted.

(6) For the sixth year immediately following the date upon which the improvement becomes assessable, 50% of the eligible assessment shall be exempted.

(7) For the seventh year immediately following the date upon which the improvement becomes assessable, 40% of the eligible assessment shall be exempted.

(8) For the eighth year immediately following the date upon which the improvement becomes assessable, 30% of the eligible assessment shall be exempted.

(9) For the ninth year immediately following the date upon which the improvement becomes assessable, 20% of the eligible assessment shall be exempted.

(10) For the tenth year immediately following the date upon which the improvement becomes assessable, 10% of the eligible assessment shall be exempted.

(11) After the tenth year the exemption shall terminate.

(12) The exemption from taxes granted under this Ordinance shall be upon the property and shall
not terminate upon the sale or exchange of the property.

B. Substantial Rehabilitation Improvements

(1) For the first year immediately following the date upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted.

(2) For the second year immediately following the date upon which the improvement becomes assessable, 90% of the eligible assessment shall be exempted.

(3) For the third year immediately following the date upon which the improvement becomes assessable, 80% of the eligible assessment shall be exempted.

(4) For the fourth year immediately following the date upon which the improvement becomes assessable, 70% of the eligible assessment shall be exempted.

(5) For the fifth year immediately following the date upon which the improvement becomes assessable, 60% of the eligible assessment shall be exempted.

(6) For the sixth year immediately following the date upon which the improvement becomes assessable, 50% of the eligible assessment shall be exempted.

(7) For the seventh year immediately following the date upon which the improvement becomes assessable, 40% of the eligible assessment shall be exempted.

(8) For the eighth year immediately following the date upon which the improvement becomes assessable, 30% of the eligible assessment shall be exempted.

(9) For the ninth year immediately following the date upon which the improvement becomes assessable, 20% of the eligible assessment
shall be exempted.

(10) For the tenth year immediately following the date upon which the improvement becomes assessable, 10% of the eligible assessment shall be exempted.

(11) After the tenth year the exemption shall terminate.

(12) The exemption from taxes granted under this Ordinance shall be upon the property and shall not terminate upon the sale or exchange of the property.

V. NOTICE TO TAXPAYERS

(a) There shall be placed on the form application for building, zoning and alteration permits the following:

NOTICE TO TAXPAYERS

Under the provisions of TOWNSHIP ORDINANCE NO. 2017-04, as amended, you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Upper Mount Bethel Township and must be filed with the Township at the time a building permit is secured.

(b) At the time a building permit is secured for construction upon an existing deteriorated property for which an exemption is requested, the taxpayer shall apply to the Upper Mount Bethel Township or any successor agency thereto for the exemption provided for in this Ordinance. The taxpayer shall be permitted to apply for the exemption provided in this Ordinance up to a period of sixty (60) days from the date a final executed building permit is secured. Request for the exemption must be in writing certified in full as prescribed by the Township setting forth the following information:

(1) The date a final executed building permit was issued for said improvement.

(2) The type of improvement.

(3) The summary of the plan of the improvement.
(4) The cost of the improvement.

(5) That the property has been inspected and verified by Upper Mount Bethel Township.

(6) Any or all such additional information the Township may require.

VI. PROCEDURES FOR OBTAINING EXEMPTIONS

A copy of the request for exemption, on forms prescribed by the Northampton County Director of Fiscal Affairs, shall be forwarded to the Assessment Division, the Northampton County Board of Assessment Appeals and the Bangor Area School District by the Township. Upon completion of the improvement, the taxpayer shall notify the Township and the Assessment Division so that the Assessment Division may assess the improvements separately for the purpose of calculating the amount of assessment eligible for tax exemption in accordance with the limits established in this Ordinance. The Township will then obtain from the Assessment Division the amount of the assessment eligible for exemption and will notify the taxpayer. The Director of the Department of Fiscal Affairs is authorized to make refunds, if applicable, only after the Assessment Division has notified the Director of Fiscal Affairs of its separate assessment upon the improvement for which an exemption is requested. Appeals from the reassessment and the amount eligible for the exemption may be taken by the taxpayer of the Township as provided by law.

VII. TERMINATION

Unless otherwise repealed by the Northampton County Council, this Ordinance shall terminate on December 31, 2022. No later than December 31, 2022, the Chairperson of Upper Mount Bethel Township Board of Supervisors shall submit a written report to the Northampton County Council which shall inform the Northampton County Council as to how this Ordinance has been administered, the effects of this Ordinance on the community and include any suggestions or recommendations for this Ordinance’s re-enactment, modification or repeal. Nothing contained herein shall act to prohibit the Northampton County Council from enacting a similar ordinance after
December 31, 2022. Any property tax exemptions granted under the provisions of this Ordinance shall be permitted to continue according to the exemption schedule found in Section IV unless any such property tax exemption is rescinded in accordance with the default provisions of this Ordinance, even if this Ordinance expires or is repealed.

VIII. HEARING BOARD

A Tax Abatement Hearing Board (hereafter referred to as Board) shall consist of the Township Manager of the Upper Mount Bethel Township, the Director of Fiscal Affairs of the County of Northampton and the Business Administrator of the Bangor Area School District, for resolution of differences between the approving authority and the owner-taxpayer of the improved property on matters concerning interpretation and execution of the provisions of this Ordinance and shall serve until December 31, 2022.

The Hearing Board shall have the following powers:

(1) To hear appeals from any person aggrieved by the application of this Ordinance.

(2) To make rules with regard to conducting its hearings.

(3) To make such findings of fact as may be required by the application of this Ordinance.

(4) To decide questions presented to the Board.

(5) To affirm, revoke or modify the decision of the City of Bethlehem as to the eligibility of a particular property for the Property Tax Abatement as provided for in this Ordinance.

(6) The Board shall meet upon notice of the Chairman within thirty (30) days of the filing of an appeal and shall render its decision within thirty (30) days after the appeal hearing.

(7) Every action of the Board shall be by resolution and certified copies furnished to the appellant.
(8) All hearings shall be public; and the appellant or any other person whose interests may be affected by the matter on appeal shall be given an opportunity to be heard.

(9) For the purposes of this Ordinance, every action of the Board shall require a simple majority of the members in attendance. Attendance at the hearing by three (3) members of the Board shall be required to constitute a quorum for a meeting and for action on an appeal.

IX. RULES AND REGULATIONS

In accordance with the provisions of the Northampton County Home Rule Charter, Section 302, the County Executive of Northampton County is authorized and empowered to prepare, promulgate, execute and enforce rules and regulations made pursuant to the provisions of this Ordinance.

X. SEVERABILITY

The provisions of this Ordinance are severable and if any of its sections, clauses or sentences shall be held illegal, invalid or unconstitutional, such provisions shall not affect or impair any of the remaining sections, clauses or sentences. It is hereby declared to be the intent of the Northampton County Council that this Ordinance would have been adopted if such illegal, invalid or unconstitutional sections, clauses or sentences had not been included herein.

XI. DEFAULT

Tax abatement under this ordinance shall be available only for those properties for which real estate taxes are promptly paid and discharged when due. Any property that is declared delinquent as established by the statutes of the Commonwealth of Pennsylvania shall lose the LERTA benefits and any and all currently due and future taxes shall be due and payable at the full unabated assessment and tax rate.
342.12 APPEAL OF DEFAULT

Properties that have been declared delinquent may appeal the rescission of the LERTA benefits by providing a written request to the Hearing Board providing a basis for the appeal and the justification for the waiver of the requirements of Section X.

XII. EFFECTIVE DATE

This Ordinance shall take effect on thirty (30) days after the date of enactment, retroactive to January 1st, 2018 and shall remain in effect thereafter from year to year, unless repealed, until December 31, 2022.

XIII. All ordinances, and parts of ordinances, inconsistent herewith be, and the same are hereby repealed.

Mr. Kraft stated the public hearing, debate and possible vote would be held at the March 15, 2018 meeting.

Introduction of an Ordinance Entitled, "AN ORDINANCE PROVIDING FOR AN AMENDMENT TO THE NORTHAMPTON COUNTY HOME RULE CHARTER, ARTICLE IV. FOR THE CONTROLLER OF THE COUNTY OF NORTHAMPTON, EASTON, PENNSYLVANIA"

Messrs. Cusick and Heckman introduced the following ordinance:

AN ORDINANCE PROVIDING FOR AN AMENDMENT TO THE NORTHAMPTON COUNTY HOME RULE CHARTER, ARTICLE IV. FOR THE CONTROLLER OF THE COUNTY OF NORTHAMPTON, EASTON, PENNSYLVANIA

BE IT HEREBY ORDAINED AND ENACTED by the Northampton County Council that:

SECTION I-PROPOSED AMENDMENT TO THE NORTHAMPTON COUNTY HOME RULE CHARTER

A. A proposed amendment to the Northampton County Home Rule Charter shall be prepared for presentation as a referendum question at the November 6, 2018 General Election. Said
referendum question shall be prepared and acted upon in accordance with the Northampton County Home Rule Charter, Article XI, and all applicable laws of the Commonwealth of Pennsylvania.

B. The proposed question is:

"Shall the electorate of Northampton County approve a change in the Northampton County Home Rule Charter Article IV, Controller, so as to provide for the following amendment: During his term of office, the County Controller shall devote full time to the office commencing with the Controller’s term of office which begins January, 2020."

Article IV, Controller, Section 401., Titles and Status, shall be amended to read as follows:

Section 401. Titles and Status

The Controller shall be the official of the County responsible for the internal control of the fiscal transactions of the County.

During his term of office, the County Controller shall devote full time to the office.

SECTION II - EFFECTIVE DATE

A. This ordinance shall become effective thirty days after the date of enactment.

Mr. Kraft advised the public hearing, debate and possible vote would be held at the March 15, 2018 meeting.

Introduction of an Ordinance Entitled, "AN ORDINANCE PROVIDING FOR COMPENSATION OF THE ELECTED OFFICIALS OF THE COUNTY OF NORTHAMPTON"

Messrs. Cusick and Dietz introduced the following ordinance:

AN ORDINANCE PROVIDING FOR COMPENSATION OF THE ELECTED OFFICIALS OF THE COUNTY OF NORTHAMPTON
WHEREAS, Northampton County Home Rule Charter Section 106. Compensation provides that, "The County Council shall have the power by ordinance to set the salary of each elected official. No ordinance shall increase or decrease the salary of an elected official during his term of office. No ordinance which increases or decreases the salary of an elected official shall take effect less than one (1) year after its date of enactment."

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Northampton County Council that:

I. Effective January 1, 2022, the County Executive of the County of Northampton shall be compensated on a per annum basis in the amount of ninety-five thousand dollars ($95,000.00).

II. Effective January 1, 2020, the members of the Northampton County Council shall be compensated on a per annum basis in the amount of ten thousand five hundred dollars ($10,500.00). The President of County Council shall receive an additional five hundred dollars ($500.00) per annum as compensation for his/her responsibilities as presiding officer.

III. Effective January 1, 2020, the County Controller of the County of Northampton shall be compensated on a per annum basis in the amount of seventy-five thousand dollars ($75,000.00).

IT IS FURTHER ORDAINED AND ENACTED that the Northampton County Council shall review the salaries of all Northampton County elected officials within four years of the effective date of this ordinance.

Mr. Kraft stated the public hearing, debate and possible vote would be held at the March 15, 2018 meeting.

Consideration of a Resolution Amending Resolution No. 27-2018

Mr. McGee introduced the following resolution:

R. 33-2018 IT IS HEREBY RESOLVED, By the Northampton County Council that resolution No. 27-2018 shall be amended as indicated hereafter (sections marked with strikeout have been
deleted and sections marked with bold underline have been added):

Number 27-2018

IT IS HEREBY RESOLVED by the Northampton County Council that one (1) vacant, full-time position of Farmland Preservation Resource Specialist, pay grade RU-25 20-D, salary $37,991, shall be eliminated in the Department of Administration, Farmland Preservation, effective February 15, 2018.

BE IT FURTHER RESOLVED by the Northampton County Council that one (1) full-time position of Farmland Preservation Resource Specialist, pay grade RU-25-D, salary $52,223, shall be created in the Department of Administration, Farmland Preservation, effective February 15, 2018.

As there were no questions or comments, Mr. Kraft called for the vote.

The vote: McGee, "yes"; Heckman, "yes"; Kraft, "yes"; Vargo Heffner, "yes"; Werner, "yes"; Zrinski, "yes"; Cusick, "yes" and Dietz, "yes".

The resolution was adopted by a vote of 8-0.

Consideration of a Resolution Requesting Congressional Delegation to Support Federal Funding for Voting Systems

Mr. Cusick introduced the following resolution:

R. 34-2018 WHEREAS, the Northampton County Office of Elections and Voter Registration has a mission to provide to all qualified voters a means of voting that will preserve the integrity of the electoral process; and

WHEREAS, a goal of the Northampton County Office of Elections and Voter Registration is to maintain existing equipment and review purchases that may be necessary to improve efficiency in election result reporting or to satisfy Federal and State legal requirements; and

WHEREAS, one of the County Commissioners Association of Pennsylvania’s top priorities for 2018 is to support State and Federal resources to address ongoing voting system replacement needs across the Commonwealth; and
WHEREAS, Counties are wholly responsible for selection, purchase and replacement costs of voting equipment for the State’s nearly 24,000 voting machines while most of the voting equipment currently in use in Pennsylvania Counties is approaching the end of its useful life and will need to be replaced in the next few years; and

WHEREAS, assistance from the State and Federal government will be necessary to address ongoing voting system replacement needs across all 67 Counties; and

WHEREAS, Governor Tom Wolf recently sent a letter to Pennsylvania’s congressional delegation emphasizing the importance of Pennsylvania’s election infrastructure, urging Congress to release the remaining $396 million in Help America Vote Act (HAVA) funds for election improvement and requesting new funding to replace aging voting equipment, which would aid Counties in meeting their responsibilities.

NOW, THEREFORE, BE IT RESOLVED that the Northampton County Council urges Pennsylvania’s delegation in the United States Congress and Senate to appropriate the remaining $396 million in HAVA funds to upgrade voting equipment, for election improvements and to provide new funding to replace aging voting equipment as assistance from the Federal and State government will be necessary for Counties to continue to uphold their responsibility to maintain a fair and accessible voting system for all.

Mr. Cusick advised in 2006, the County was forced to get rid of the old lever voting machines and purchase the computerized ones, but they did not provide a paper trail, which Governor Tom Wolf would like to see. He further advised replacing voting machines was very expensive and there was still Federal funds that had not been appropriated.

Mr. Kraft stated the County’s machines could have a paper trail added to them and if that was warranted, it would be nice to receive some funding.

As there were no further questions or comments, Mr. Kraft called for the vote.

The resolution was adopted by a vote of 8-0.

Mr. Dietz advised last year an ordinance that would not allow the County to take on debt for private entities was tabled until some language could be clarified that it would not encumber non-profit entities. He further advised he planned to have that ordinance placed on the next meeting’s agenda to remove it from the table.

Mr. Cusick stated at the Parks and Open Space Committee, a presentation was made by the Delaware Canal Authority so he would like to make a motion to recommend the County Executive, County Solicitor, County Council Solicitor and any other necessary individuals to begin the process that would research the feasibility of a bi-County Delaware Canal Authority, which would have a sunset clause.

Mr. Kraft seconded the motion.

As there were no questions or comments, Mr. Kraft called for the vote.

The vote: Cusick, "yes"; Kraft, "yes"; Werner, "yes"; Zrinski, "yes"; Dietz, "yes"; Heckman, "yes"; McGee, "yes" and Vargo Heffner, "yes".

The motion passed by a vote of 8-0.

EXECUTIVE SESSION

Ms. Vargo Heffner made a motion to enter into Executive Session to discuss a matter of litigation.

Ms. Zrinski seconded the motion.

The motion was passed by voice acclamation.

Mrs. Ferraro called in at this time, but was informed County Council had entered into Executive Session and the meeting and the next items were reports so she ended the call.

Mr. Spadoni stated County Council adjourned into Executive Session at 7:02 p.m. and returned at 7:19 p.m. after discussing a matter of litigation.
Finance Committee Report

Mr. Heckman advised the Finance Committee met on February 27, 2018 to discuss the GASB 54 ordinance.

Jail Advisory Board Liaison Report

Ms. Vargo Heffner stated health issues at the Jail were discussed, but it was determined that the inmates were at very low risk for the flu or other communicative diseases.

Ms. Vargo Heffner advised the type of individuals remanded to West Easton facility were lower level offenders so the residents should not be worried about violence in the community.

Adjournment

Mr. Cusick made a motion to adjourn the meeting.

Ms. Zrinski seconded the motion.

The motion to adjourn passed unanimously by acclamation.

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Linda M. Zembo
Clerk to Council