

Report of the Committee of the Whole

Greenville Government Study Commission

Proposed Home Rule Charter

11 July 2019

There is a tide in the affairs of men
Which, taken at the flood, leads on to fortune.
Omitted, all the rest is bounded
In shallows and miseries.

-William Shakespeare

Guiding Principles

The main goal of a home rule charter and certainly the goal of the Commission is to maximize our ability to govern ourselves as we see fit. Without a home rule charter we are bound by the rules and regulations of the state of Pennsylvania. With a home rule charter we set our own rules and regulations. In essence, we govern ourselves by the rules and regulations we prefer. We control our governance, that is, the process by which we determine as a community what is valuable to us.

The commission sees Greenville as an authentic and connected community. This is best recognized by branding the name as the Town of Greenville. Borough is a legal classification of municipalities and remains the legal classification. However, the notion of a town emphasizes the personal nature of how we relate as citizens and how we want to move forward as a richly connected community.

The commission saw home rule best served by empowering both the town council, representing all citizens, and a town manager, who professionally assists the council in governance. As a charter generating commission, we can only supply the tools of governance. The actions of the community, such as the willingness of ethical and caring citizens to serve on council, will ultimately determine how well we handle our problems and exploit our opportunities.

Added to the council and manager were a variety of agencies, policies and citizen participation opportunities to empower and democratize town governance. We provide for a planning and economic development capacity to bring additional economic vitality. The budget and capital development programs are tied to planning with all aspects open to, and inviting, public participation. Finally, the charter permits citizens to create ordinances and submit them to the council as well as allow many acts of council to be voted on by the public. These policies have common sense limits but allow and promote meaningful citizen efforts. All the provisions of our proposed charter are summarized in the following pages.

We are optimistic about the future and the willingness as well as the abilities of citizens to seize the reins of self-government. Success is not guaranteed, but as the history of our beloved town has demonstrated we can rise to the occasion and use home rule to carve a better future. We dedicate this charter to renewing our community, attacking our problems and moving boldly into the future.

Our Work and History

In order to write and adopt a home rule charter, a community must establish a Government Study Commission with seven members elected at-large. The issue of whether to have a Government Study Commission must be put on the ballot. At the same election candidates who want to serve on the commission are on the ballot. Voters vote yes or no to have a commission. If the voters approve having a commission, then the votes are counted for who serves. In May, 2018, Greenville voters approved the ballot issue of forming a Government Study Commission and elected the seven members who currently serve in a non-partisan process. The members are listed in the Appendix. Information and documents on the commission can be found on the city website, <https://greenvilleborough.com/government-study-commission>.

From its beginning on June 13, 2018, the Home Rule Study Commission has examined every possible aspect of borough government in Greenville. A thorough study of the current year's budget, including explanations of each section, consumed our early meetings. As well we heard a detailed explanation of the state's borough code and its impact on Greenville. Act 47, the distressed communities act, was also discussed at length. We also heard speakers from Hermitage, Sharon, and Farrell as they related their experiences with Home Rule Charter formation. Speakers from previous Greenville governments shed some light on how the community got into the position of distress in the first place. Detailed information on Earned Income Tax receipts and real estate millage underscored the precarious state of the borough economy.

By November we were able to conduct three days of public hearings. Spread over five weeks, these hearings allowed us to get public input as well as answer questions on the state of the project to that date. January and February saw more input on Act 47, specifically a three-year plan to exit distressed status, and a commitment required by law to proceed with the development of the charter. Meetings were held twice a month from February to April and weekly in May and June. 13 meetings in all were devoted to drafting the charter.

We believe we have a sound knowledge of Greenville government, its economic status, and what will be required to move forward without the burden of state oversight. The charter addresses mistakes in the past that contributed to the town's fall into Act 47. For example, an independent auditor will present a public review of the audit of the preceding year. (Section 6.15 (b). Also, a supermajority, that is, a two-thirds vote of council, is required to borrow more than \$1 million. (Section 6.10(b). With this knowledge of the borough's past and present conditions, and with public comments at every meeting, we designed a government and governing process to facilitate our moving forward.

The Decision to Write a Home Rule Charter

Why create a Home Rule Charter? First, it gives the citizens more input into their local government. It frees the borough council from state restrictions in many cases and allows more and broader paths to financial wellness. It is our one chance to craft our own way out of distressed status, to create a constitution for the community that will allow it to move forward. Countless hours over a total of 30 meetings have been spent in this process. We hope the voters of Greenville will feel those hours have been well spent in designing and empowering our own community government. Together, we can move forward towards our goals, exiting distressed status and choosing our path to the future.

The Home Rule Charter

Process

The Commission followed the procedure used by the founding fathers in writing the U. S. Constitution. The Commission created a committee of the whole and charged the committee to create a full draft of a charter. A committee of the whole is a committee with all members of the commission as members. When the draft is complete, the committee is charged with holding at least one public hearing on the draft and having it reviewed by legal counsel. The committee is then to review all the feedback and make any final changes that it deems necessary and desirable. After doing the changes the committee was to report the draft to the Commission and dissolve the committee.

The Commission then would make a final decision on the proposed charter and with a favorable decision, place the proposed charter on the November ballot. Citizens would then determine whether to accept the charter and create their own community governance as proposed by the Commission.

Critical Decisions

A critical initial decision is on the form of government. The charter is designed around the selected form of government. After a thorough discussion the committee of the whole found the council-manager form of government preferable. This form empowers a local council to create all policies and to hire a professional manager to assist the council. A candidate for the office of city manager must have managerial experience. (Article Four) The manager serves at the pleasure of council; that is, the manager can be fired at any time by a majority of Council.

An elected office of mayor is also created in the charter. (Section 3.3) The mayor is elected by the citizens and is a voting member of council. The mayor presides at council meetings, appoints members and sends assignments to committees of

council and presents an annual state of the city message. The mayor is the ceremonial head of government but has no administrative responsibilities. The office of mayor provides for local leadership and the office of city manager brings professional assistance to make local governance both democratic and effective.

Town Council and Effective Governance

The Council has seven members, six elected at large, and the Mayor. Elections are staggered so that three members are elected in odd years with a mayor elected every four years. The first mayor under this charter will be elected in 2021. This keeps the current elections and council in place.

Council has all the policy authority of the town and hires a town manager to assist in governing the community. Article Three of the charter lays out the specifics that council must follow in governing. All proposed ordinances must be available in final form seven days prior to any vote on them. Council is required to hold a public hearing on each ordinance and any citizen can speak at the hearing. All permanent ordinances must be codified, that is, collected by topic in a publication available to the public.

Council must meet at least once a month and keep a journal of its proceedings. Four members constitute a quorum. Special meetings can be called by the mayor or three or more members of Council. Twenty-four hours' notice must be given for any special meeting. Council may pass emergency ordinances, but these must clearly indicate the nature and specifics of the emergency and expire in sixty days.

Article Four details the office of town manager. A manager must have management experience to be eligible for the office. The manager serves at the pleasure of the council; that is, the manager can be fired by a majority vote of four members at any time without cause. The duties of the manager are specified in the charter (section 4.4). The manager in essence helps the council to govern the town, providing professional expertise in governing and administration.

Departments, agencies and a personnel system are noted in Article Five. The Council can create departments, commissions, offices and authorities which will be under the supervision of the town manager. The duties of the office of town solicitor, the legal officer of the town, are spelled out in this provision. The solicitor is appointed by the council and must have practiced law in Pennsylvania for at least five years with at least three years devoted to municipal law. The charter establishes a planning and development capacity so that we can approach and even create a better future. As part of this improvement effort, the charter endorses an economic and community development capacity. This capacity promotes development of our economy and attracting new investment to the community. The Charter does not create new positions or agencies but rather empowers the

community to designate who shall perform the planning and development. Ideally, the community can pursue a variety of means for creating the capacity, such as state and federal grants.

The charter in Article Six mandates accountable budgeting so that all monies collected and spent are clearly spelled out. The budget process is open to public participation and requires transparency. Capital budgeting is comprehensively addressed, tying the appropriations to multi-year planning opened to public participation. Financial management is carefully constructed so that all monies are spent in line with the goals of the community.

Taxation is a difficult issue and was seriously discussed over several meetings. Several members of the public also discussed the issue with the commission at some of the meetings. A preliminary decision was changed on further consideration and is section 6.14 in the current proposed charter. Taxation is complicated by the ability of the school district to impose property taxes and to use .5% of the Earned Income Tax. In fact, a majority of the property tax goes to the schools and the rate of property tax has been increased by the schools annually for several years. Of the current property tax, 100.94 mills, sixty-five percent (65%) goes to the schools. The borough government cannot change or reduce that amount nor can it affect the .5% of the Earned Income Tax that goes to the schools. Currently, the borough collects 24.5 mills for general purposes, 3 mills for the fire department which voters approved several years ago and 8.58 mills for debt services.

The Council is empowered to set the rates of all methods of taxation. The empowerment permits council to reduce a tax while increasing another. The Commission discussed this important issue in detail, clearly recognizing the economic realities of the citizens. For example, the Committee discussed possibilities such as the need to raise the Earned Income Tax, which has been decreasing over time, while reducing the property tax rate. Giving the council the taxing authority means that any proposed changes in taxes will be openly discussed in the community and be a major part of any campaign to serve on council.

The final decision was to allow council to set the Earned Income Tax Rate and the property tax; however, the council is limited to an annual increase of .5% for the EIT with an overall cap of 2.5% and the general use property tax was capped at 30 mills. The setting of any tax rate requires a majority of all the council plus one, that is, five votes. Thus setting any tax requires a consensus of at least five of the seven members of council. The careful process and the required super majority vote should insure that any rate that is set reflects a consensus and helps the community get out of fiscal distress, thereby avoiding potential control by the state government.

Article Seven spells out how the community contracts for services, supplies and all other necessities. The provision requires competitive bids unless such a process does

not apply. Exceptions are listed in section 7.4 and reflect both current law and practice.

The proposed charter in Article Eight empowers citizens to both create ordinances, the initiative, and vote on any ordinances passed by council, the referendum. Both citizen processes utilize petition processes, to submit an ordinance or to put an ordinance on the ballot. Some types of actions are exempt from the processes such as taxes and salaries. However, both invite active and responsible citizenship. Both require those proposing an ordinance or putting an ordinance on the ballot to have signatures of registered voters equal in number to five percent of the registered voters as of the immediately preceding general municipal election. Based on the last general municipal election held 2017, the total of signatures required would be 153.

Article Nine creates a Board of Ethics and specifies prohibited types of activities. The provision also requires council to pass an ordinance spelling out conflicts of interest in sufficient detail and setting penalties for all violations. The Board of Ethics enforces the provisions of the article and all ordinances dealing with ethics that are passed by the town council. Members of the Board are prohibited from holding an elected or appointed government office or holding an office in a political party.

Charter amendments and charter review are in Article Ten. Under Pennsylvania law a home rule charter once adopted cannot be amended for five years. Thus, the provisions for amendment specify that “starting in January 1, 2025,” the charter may be amended. Council by a two-thirds vote may submit amendments to the charter to a referendum. Also, citizens may propose amendments and have them placed on the ballot by having signatures of registered voters equal to ten percent of the number of registered voters. At the time of the 2017 general municipal election, the last election for which data is available, petitions for amending the charter would require 306 signatures. Any amendment must be approved by the voters to take effect. Once amended, a provision cannot be further amended for five years. The five-year period is state law.

The charter also creates a charter review commission composed of five elected members. The first charter review commission will be elected in November, 2024, and begin work in January, 2025. Every ten years thereafter a charter review commission of five members shall be elected. The charter review commission has six months to complete their review. All of their recommendations must be placed on the ballot by council or by another method for putting provisions on the ballot.

The final article, Article Eleven, provides for the transition from the current government to the one created by the charter. For most purposes, if the proposed charter is accepted by the voters in the coming November election, most provisions would go into effect on January 1, 2020. A mayor would be elected in 2021 and

assume office in January, 2022. Thus, by 2022 all provisions of the charter will be in effect.

The Committee of the Whole of the Government Study Commission is proud to announce this charter and help our community govern itself in these difficult times. We look forward to any and all feedback as we present this draft. Join us in designing how we as a community create our future and grapple with our problems.

Appendix

Members of the Greenville Government Study Commission

Paul Hamill

Hal Johnson

Martha Johnson, Secretary/Treasurer

Paul Miller, Chair

Casey Shilling

Steve Thompson

Steve Williams, Vice Chair