

**Clifton Heights Borough Council
Meeting Minutes
September 21, 2010**

Present:

Anthony Casadei, Council President
Edward Martin, Council Vice President
Betsy Berry, Councilwoman
Harris Resnick, Councilman

Leona Papale, Councilwoman
Mario Alpini, Councilman
Robert Penjuko, Councilman

Absent:

Jane Tumolo, Councilwoman

Others Present:

Joseph Kelly, Mayor
Frank Catania, Borough Solicitor
Tony Tartaglia, Code Enforcement/Borough Manager
Chief Walt Senkow, CHPD Police Chief

Pledge of Allegiance

Prayer Led By Mayor Kelly

Public Comment:

No public comment.

Meeting Minutes:

A motion was made by Councilwoman Berry to accept the meeting minutes as presented; seconded by Councilwoman Papale; and carried unanimously by a vote of 7-0.

Mayor's Report:

Mayor Kelly reminded residents that the Fire Department would be hosting their annual "Fire Prevention Night" on Friday, October 1st at 7pm. He encouraged Council members to attend and support the Fire Department for the always interesting event.

Mayor Kelly announced that the Clifton Heights Boys Club would be celebrating their 40th anniversary this year, and that they would be having a reunion down at the Polish American Club on Friday, October 15th. He said that tickets were reasonably priced (he thought \$25). He said that anyone interested in attending could see Steve Goetz or Lynn Amey for tickets. He also announced that the Boys Club had a successful Cow Pie Bingo last Saturday evening with a nice crowd.

Police Report:

President Casadei announced that in the month of August, the Police Department ticketed or towed 32 abandoned vehicles.

Mayor Kelly added that the Police Department was out there doing their job and putting the abandoned stickers on the vehicles that so require and then following up with registered letters. He said that if the registered letter is not responded to or returned and nothing is done with the vehicle, then the vehicle is towed. He reiterated that the policemen are doing their job and will continue to do so because they do not want abandoned vehicles in the Borough.

A motion was made by Councilman Martin to approve the police report; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Fire Report:

A motion was made by Councilman Martin to approve the fire report; seconded by Councilwoman Berry.

Councilwoman Papale said that when she was younger that there was a difference between the signal that was blown when there was a fire call or an ambulance call. She asked if that was still in effect.

Chief Kneass answered that the ambulance siren was shut off, so only the fire siren sounds now.

Councilwoman Papale asked if there was any way, with the weather that we have been having and the bad storms, if there is any type of warning signal that any towns blow to alert residents of impending bad weather in case they do not watch TV or listen to the radio.

Chief Kneass said that there was nothing like that at this time.

Councilwoman Papale asked if that could be something that they look into.

Chief Kneass said that they could look into that because they could just do something with changing the timer on the current siren to create a different sound.

After questions, the motion was carried unanimously by a vote of 7-0.

Code Enforcement Report:

A motion was made by Councilwoman Berry to approve the code enforcement report; seconded by Councilman Martin; and carried unanimously by a vote of 7-0.

Treasurer's Report/Bill List:

A motion was made by Councilwoman Berry to accept the treasurer's report and pay the bills; seconded by Councilman Martin.

Councilman Alpini said that he again did not receive a copy of the bills. He said that he would appreciate it if they could go back to that policy. He said that he has a list but not a copy of the actual bills.

Cindy Leitzell said that she would check into that with Peggy.

Councilman Alpini said that while the list is helpful, you cannot see the details of the billing without the copy of the bills.

After questions, the motion was carried unanimously by a roll call vote of 7-0. (Resnick – yes, Alpini – yes, Berry – yes, Martin – yes, Penjuke – yes, Papale – yes, Casadei – yes.)

Manager's Report:

Tony Tartaglia said that he had a proposed refund of \$200 trash fee that was collected in error from the Clifton and Charles J. McCarthy. He said that he would like Council's authorization to release that from the trash fund.

A motion was made by Councilman Martin to refund \$200 from the trash fund that was collected in error to Charlie J. McCarthy's Clifton Inn; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Mr. Tartaglia said that he wanted to make Council aware of Minimum Municipal Obligation for the pension as computed for both uniformed and non-uniformed pensions. He said that the non-uniformed pension plan contribution for next year is \$86,341 and the uniformed pension was suggested as \$445,456 and the minimum was \$277,000. He said that he and Cindy met earlier on that front and are making a recommendation of \$350,000 for the contribution for the uniformed pension for next year.

Councilman Resnick asked how that compared to this year's contribution.

Ms. Lietzell said that it would be comparable to this year's contribution, which was \$339,279 for 2010.

President Casadei asked to confirm that the figure wouldn't fluctuate.

Ms. Lietzell said that it would not as long as they paid over the minimum amount. She also added that they could certainly pay more than the number they're recommending if cash flow allowed for that.

Councilman Alpini asked how they came down from \$445,000 to \$350,000.

Mr. Tartaglia said that \$445,000 is the top value that they have and the \$277,000 is the minimum amount that they are required to contribute. He said that they are trying to keep it even and increase it slightly year by year. He repeated that their recommendation is \$350,000 and that if they make it through the year and have additional funds available, they can make additional contributions in December.

Councilman Alpini asked if that meant that they were increasing their total amount owed by \$95,000 by coming up short. He asked if they would have to make up that \$95,000 the next year.

Mr. Tartaglia said that you don't do it over one year because the pensions are taken out over a life span. He said that you may be increasing a payment for the next 20 years, but you might be only increasing it by \$3,000 or \$4,000. He said that the actuarial work that is completed is actually a mystery to most people. He said that after that end of the work is completed, they are told how much money they need to contribute to the funds to keep them solvent. It is a combination of what is paid out and how well the market is doing.

Councilman Alpini said that what worries him is the \$95,000 that they're short if the actuaries are telling them that they should be paying \$445,000. He asked if that would come back to haunt them.

Mayor Kelly said that it could unless the market changes. He said that the figures are based on the current market and are taking into account many years down the road and current and future police officers that are hired. He said that it is like any pension plan this year if you've read about the State's and the School's pension situations. He said that the State allows for the contributions to be spread out with the minimum obligation and that is a State approved action.

Councilman Alpini asked if it would be wise to short it \$95,000.

Mayor Kelly said that it is for the taxpayers because if you're going to raise it another \$95,000 and you're only allowed \$500,000 per the Borough code for police pension, and the rest would have to come out of the general fund with the gigantic tax increase involved.

President Casadei said that they get the figures from investments over the last 10 years. He said that after the stock market booming for 10 years, now all of a sudden it has come to a stop.

Councilman Alpini said that he understands how they come up with the figure. He said that what he doesn't understand is how you take that educated information that they receive from Tom Anderson, who has been doing this for them for years, who tells them to contribute \$445,000 and they do not follow his recommendation, are they jeopardizing next year or the year after.

Council members agreed that no, they were not jeopardizing coming years.

Mr. Catania explained that Tom doesn't make a recommendation; he makes a report. He said that this year, he is reporting that the Legislature has provided more options for municipalities. The Legislature has recognized that because of the decline in the market value of most of these portfolios, the typical actuarial calculation with the low market value, a lot of cash would be required now. He explained that if the market never goes back up, then they are taking a chance on that \$95,000. But over 50 years of stock market analysis, it eventually comes back up. So, the Legislature has said that people in Tom's position are allowed (and the Borough is allowed) to pick from a bigger range of options so that they don't try to make the shortfall up in one year. Instead, they are allowed to make it up over several years. He said that what Mayor Kelly was pointing out is that if they pay the full \$445,000 now, then the taxpayers of Clifton Heights will be paying right now because the market fell as opposed to having them pay 2/3 or 3/4 of it and waiting a little while to see if the market can make up the difference. He explained that there was no question that they would eventually owe the \$95,000. He said though by going with this route, maybe they won't have to put that money there through taxes but perhaps they would be able to take advantage of a hopeful future appreciation of the market to make that money up.

Councilman Alpini said that they then hope the market goes up and does not continue to go down.

Mr. Tartaglia said that now that Council is aware of the Minimum Municipal Obligation, he can give the 2 documents to the administrative officer and have him verify that Council has been notified at public meeting of the obligation.

The following resolution was read into the meeting minutes:

“WHEREAS, the Honorable Nicholas A. Micozzie has honorably and proudly served the residents of the Borough of Clifton Heights as our Representative in the General Assembly for the Commonwealth of Pennsylvania for over a quarter of a century and continues to give the full measure of his devotion to that office; and,

WHEREAS, Representative Micozzie's history of service to our residents began with his honorable service to our country in the United States Air Force and continues to this day, as Representative Micozzie is an outstanding leader on issues important to our military veterans; and,

WHEREAS, in his service as Chairman of the House Insurance Committee, Representative Micozzie has successfully authored and guided the passage of legislation beneficial to the health of the residents of Clifton Heights, including measures that specifically benefit women's health issues; and,

WHEREAS, Representative Micozzie successfully led the fight to reform school taxes and educational accountability in the Commonwealth of Pennsylvania, his efforts establishing the genesis for the legislation which today returns over one million dollars per year directly to Clifton Heights taxpayers and which seeks to hold administrators and professionals in our school districts accountable for the education of our children; and,

WHEREAS, Representative Micozzie is regarded as the most effective legislator in the Commonwealth of Pennsylvania in identifying and funding worthy public projects, which efforts have substantially benefitted the residents of Clifton Heights through the funding of parks, youth organizations, senior projects and infrastructure improvements in our Borough; and,

WHEREAS, Representative Micozzie had the unique vision that has led to the current planning for the redevelopment and revitalization of downtown Clifton Heights Borough and has secured funding and designed the path forward for the this project, even when naysayers attempted to obfuscate his vision; and,

WHEREAS, Representative Micozzie is renowned for the constituent service he provides; the saying, "Everyone knows somebody that Nick has helped," has become a truism for the residents of the Borough of Clifton Heights;

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Clifton Heights, that, wanting to recognize the individual that has arguably contributed more to the solid fabric and wellbeing of our residents than any other non-resident of our Borough; and, believing it is proper that such an individual is granted honorary status as on among us, IT IS HEREBY DELCARED that the Honorable Nicholas A. Micozzie is made an Honorary Resident of Clifton Heights and welcomed into our community in recognition of the vast efforts and gains he has made for our citizens.

RESOLVED this 21st day of September 2010."

A motion was made by Councilman Martin to adopt the Resolution as read; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Mayor Kelly said that it was his pleasure to sign this Resolution for all that Nick Micozzie has done for the Borough of Clifton Heights.

A motion was made by Councilman Martin to accept the Manager's Report as presented; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Engineer's Report:

Mr. Kelly announced that PENNDOT approved the Road Program contract and subsequently authorized the work to proceed. He said that PENNDOT has also declared that no paving will be allowed after October 31st. The contractor was informed of that as well and no problems are anticipated.

Councilwoman Berry asked what the reasoning was for nothing being done after October 31st.

Mr. Kelly said that he had no idea because the rule for paving is 40 degrees and rising, so he is not sure why October 31st is the cutoff date but that it is a countywide deadline.

A motion was made by Councilman Martin to accept the Engineer's Report as presented; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Solicitor's Report:

Mr. Catania announced that he was in court with Mr. Tartaglia, Councilman Resnick, Councilwoman Papale and J.P. Kelly for the 500 E. Broadway property. He said that a specific timetable was ordered by the Court for the commencement of improvements to the walls and the fixing of the roof. He said that the Judge was very concerned about the interests of the residents and Borough and having that work done quickly. He said that he has ordered a two week reporting cycle where the Borough has to report in every 2 weeks as to the work that is being done down there, or either side can ask for the matter to be relisted immediately. So, progress is being made on the code problems at 500 E. Broadway.

Mr. Catania continued that the Borough Manager and Tax Collector have been working together to improve the collection of delinquent sewer and trash fees. He requested authorization to work with both of them to enhance the efforts to improve the collection efforts.

A motion was made by Councilman Martin to authorize the Solicitor to work in conjunction with the Borough Manager and Tax Collector to improve the collection of delinquent sewer and trash fees; seconded by Councilwoman Papale.

Councilman Resnick asked if there was a problem now.

Mr. Catania said that there was no problem, just the general problem of the current economy and that delinquencies have a tendency to rise in the current climate. He said that they are going to address some different methods of collection and add some additional penalties and fees so as to not make it anyone's interest to not pay their fees.

After questions, the motion was carried unanimously by a vote of 7-0.

Mr. Catania said that he received a copy of a tax assessment notice and faxed it to the Borough Manager. He said that he believes that they will end up going or having some presence at the hearing. The Springfield Court Condominium, which is located behind Borough Hall, filed 56 tax assessment appeals as a class action. He said that the current assessments run from \$63,000 to \$66,000. He said that he is not sure what they are asking for in terms of relief, but the hearing is October 15th. He said that they will have more to report at the next meeting. He said that he doubted that they would get relief at this early stage, but it is filed. He said that they would have to work with the Borough financial team to try and gauge what impact if any it would have in planning next year's budget. He said that he is not sure what the exact dollar amount involved in this case would be because he is not sure how much the condos are selling for, but that he would anticipate having testimony from Cindy or Tony at the hearing.

Councilman Alpini asked if it would be possible to refresh Council's memory and those in the audience as to what is going on with the Allegheny case that is pending before the State Supreme Court. He asked if they were trying to stop the individual reassessment process.

Mr. Catania explained that they are trying to change how the taxes are imposed on real estate generally. He explained that the issue is that every year Delaware County receives a number from an agency in Harrisburg called the State Tax Equalization Bureau, and that number tells you for all properties in Delaware County what the relationship is supposed to be between the properties Fair Market Value and its assessment. Delaware County reassessed in 2000, so the relationship was supposed to be that whatever your assessment was should equal your fair market value. Since then, some parts of the County has seen Real Estate grow in value and some parts of the County has seen it declined in value at different rates. So because that ratio is out of whack across the County, the Court case is saying that you either have to create the ratio on a town by town basis or a School District by School District basis but not countywide because the relationship between a property's assessment and fair market value in an area closer to Philadelphia is going to be different than in an area closer to the Delaware border. The Pennsylvania Supreme Court is considering that issue – if those differences are enough of a problem to require them to throw out the whole law. He said that it is not a small decision and they are going to take their time making it.

Councilman Alpini asked if this would help them with the spot reassessments that they keep getting hit with if this is upheld.

Mr. Catania confirmed that that was correct. He also explained that this particular case wouldn't affect this year's budget, but the 2011 budget because you would file this year for the following year.

President Casadei asked in reference to the case before the Supreme Court if it would die if they did not make a ruling on it.

Mr. Catania said that would mean that the law would remain the way it is now. He also said that there was a similar Court case proceeding through Delaware County on the same issue. He explained that Delaware County is participating in a class action litigation that includes a couple of School Districts (but not Upper Darby) in the same kind of case. He said that would also go to the appeal level, but that is probably 2 or 3 years away from being heard.

A motion was made by Councilman Martin to accept the Solicitor's report; seconded by Councilwoman Berry; and carried unanimously by a vote of 7-0.

Old Business:

No old business.

New Business:

President Casadei reminded residents that the children were back in school and that the trolleys were starting to run again.

Ward Reports:

First Ward:

Councilman Resnick had nothing to report.

Councilwoman Papale said that she had met with residents of the 1st ward over the past month and had a few issues that came up. She asked Mr. Tartaglia about the placement of the trash cans at the Seven Eleven on Marple Ave. She said that they are right on the corner of Baltimore Pike and Marple Ave.

Mr. Tartaglia said that he would have them move the trash cans to behind the building.

Councilwoman Papale said that some residents had asked her about the idea of having a group yard sale. She said that she remembered such an event several years ago where one Saturday was set aside for anyone interested in having a yard sale where the whole town was involved.

Mayor Kelly explained that Pat Caputo coordinated it. He said that they declared one Saturday as the day and had maps drawn up for everyone registered for the yard sale. He said that they provided maps to people who came in to buy items so they knew who was participating.

Councilwoman Berry said that she thought that would be something that should be considered for next year because it would be quite an undertaking.

Councilman Martin said that it was difficult and time consuming on the Borough's end for the coordination and advertising.

Second Ward:

Councilman Alpini had nothing to report for the ward. He asked Mr. Tartaglia and Mr. Catania if there was any sort of law that they could enact that would help the Code Enforcement Officials correct some situations that are not up to code but that were done years ago.

Mr. Catania said that he would think that would depend on what the specific facts are on each case.

Councilman Alpini said examples off the top of his head would be fences and pools that were perhaps put in during a previous administration that are not up to code.

Mr. Catania said that he would not be able to answer that but if a list was provided to Mr. Tartaglia and himself, they would be able to go over them.

Mr. Tartaglia said that generally they do not have the right to make people comply with a new law unless a property is completely abandoned and they are going to rebuild.

Councilwoman Berry had nothing to report.

Third Ward:

Councilman Martin had nothing to report.

President Casadei had nothing to report.

Fourth Ward:

Councilman Penjuck reiterated the importance of being careful with the kids back from vacation and back to school.

Closing Public Comment:

No closing public comment.

General:

Councilwoman Berry asked Mr. Tartaglia if he had heard anything from SEPTA about the lights.

Mr. Tartaglia said that the only thing that he heard was that they are not ready to energize them.

Adjournment:

A motion was made by Councilman Martin to adjourn; seconded by Councilwoman Papale and carried unanimously by a vote of 7-0.

Respectfully Submitted,

Kimberly A. Duffy
Clifton Heights Borough Secretary