

ALDAN BOROUGH, DELAWARE COUNTY, PENNSYLVANIA

December 11, 2013

The Borough Council met in an Executive Session at 7:00 p.m. and in a regular session at 8:00 p.m. at the William Reindl Recreation Building on the above date with President Short presiding.

The Pledge of Allegiance was recited and led by President Short.

ROLL CALL

Council members present: H. Short P. Brookes Rankin; S. Coppola; J. Cosgrove
T. Owen; M. J. Corrigan; S. Oropollo;

Council members absent: None

Officers present: G. Sefflin, Solicitor; J. Hopely, Mayor
G. Kaut, Secretary T. Quinn, Treasurer

Officers absent: None

MINUTES

On a motion made by Councilwoman Brookes Rankin seconded by Councilman Coppola the minutes from the November 13, 2013, Council Meeting be accepted as presented and unanimously approved.

WRITTEN CORRESPONDENCE

No written correspondence tonight.

VERBAL CORRESPONDENCE

No verbal correspondence tonight.

MAYOR REPORT

Mayor Hopely reported to please remember that within 24 hours after a snowfall that, for the safety of our pedestrians, sidewalks must be cleared of snow. Also, trash cans, benches, chairs, etc. are not permitted on our streets to save parking spots.

Mayor Hopely also from the Mayor, Council and the Police Department would like to wish everyone a Merry Christmas and a Happy New Year.

REPORTS OF OFFICERS**TREASURER**

Terry Quinn read the Treasurer's Report:

	<u>General Fund</u>	<u>State Highway Fund</u>	<u>Sewer Fund</u>
Balance of cash on hand	\$ 321,241.14	\$ 42,175.59	\$ 132,183.04
Interest		\$	\$
Receipts for period	\$ 27,595.36	\$ 1.73	\$ 3,441.80
Expenditures Prior Month	\$	\$ 6,453.04	\$ 4,476.04
Expenditures This Month	\$	\$ 6,453.04	\$ 2,744.27
Expenditures This & Prior Month	\$ 378,554.26		
Ending Balance	\$ -29,717.76	\$ 29,271.24	\$ 128,404.53

Terry explained funds will be moved over from the reserve in order to balance out the General Fund.

Terry is asking Council's approval to release check this evening; for checks from the General Fund totaling \$218,515.68; checks from the State Highway Fund totaling \$6,453.04; and checks from the Sewer Fund totaling \$2,744.27. Councilwoman Brookes Rankin made a motion to accept the Treasurer's Report as presented and authorize her to release the checks as indicated on the bills list, seconded by Councilwoman Owen and unanimously approved.

SOLICITOR

Mr. Seflin reported on the 2012 Delinquency Program and this has been quite an active month in that area. We started with 45 delinquencies; 23 have paid; 2 are in mortgage foreclosure or Sheriff's Sale; 3 we are in negotiation with; 2 on active payment plans; and 15 totally outstanding and not had any communication with or any response from. Mr. Seflin did receive a check today from Wells Fargo Home Mortgage for the property at 210 Rively Avenue, Collingdale that is hooked up to our sewer system. The check was for \$4, 202.45 this covers 2010, 2011, 2012.

Mr. Seflin wanted to remind Council under the Pennsylvania Borough Code Council is required to organize next month. Reorganization has been advertised and will be on Monday, January 6, 2014 at 7:30 P M in the William Reindl Recreation Building.

ENGINEER

Mr. Close reported on our 2014 CDBG Project this is Meter #3 Collection System I & I Rehab Project. We held a Public Hearing before this meeting and during Councilman Oropollo's report he will present a Resolution for consideration for submission of the 2014 application. The application is due January 13, 2014 but we like to submit the application early in case there are any questions or information needed.

REPORTS OF COMMITTEES

PUBLIC HEALTH

Councilwoman Owen reported on the dates that will be effected with the holidays. On Wednesday, December 25th there will be no Recycling Pickup. They will pick up Recycling and Regular Trash Collection on Thursday, December 26th. The same will be on the following week no Recycling on Wednesday, January 1st but Recycling and Regular Trash Collection will be on Thursday, January 2nd. Regular trash collections will not be effected.

Councilwoman Owen wanted to announce that Delaware County and the Delaware County Solid Waste Authority has undertaken the revision of the Solid Waste Management Plan for the upcoming 10 years. The plan addresses the trash, recycling, sewage and other materials that must be disposed of. The essence of this plan is to provide the Department of Environmental Protection with the assurance that the county has the plan, the means, and the capacity for the disposal of all of the materials that need to be from the Boroughs. The County wants to provide assurance that the land fills hold the capacity of all waste put into them and with the recycling program they had to voice their explanation on how the recycling programs have come to fruition and are moving forward and how it will look in the future. With regard to this Borough many residents can remember when there was just recycling of newspaper, there was some curbside pickup of newspaper, then a bin being put behind the school, then the County provided igloos behind the Giant Food Store and now we have curbside recycling once a week in the Borough. In talking to Sue Cordes, the Recycling Coordinator for the County, Sue said Aldan is a prime example of how recycling is growing and has the capacity to even move forward with more recyclable materials. At the time this document, which is about 300 to 400 pages long, is available to the public through the remainder of this month and into the first week of January all residents of the county have the ability to review and make comments at which time the Solid Waste Advisory Committee will take those comments into consideration make any revisions that are necessary and they forward the revised plan to the Municipality to decide to adopt it or decline it. Once more than half of the Municipalities representing more than half of the population of the County accepts to adopt this plan it would then be forwarded to the Department of Environmental Protection for approval.

Councilwoman Owen announced that was her final report. President Short commented thank you Councilwoman Owen.

Dan Procopio commented he wanted to complement the Councilwoman and congratulate her on her last meeting. Dan thanked Terry for her 8 years of service on Borough Council and for answering his questions.

HIGHWAY

Councilman Cosgrove has an update on the improved lighting on Willows Lane and Providence Road but the only new information they gave us was a date somewhere from late December to early January to install 3 bulbs. PECO subs the work to an Electric Company but the Electric Company doesn't have the bulbs in stock but are on order.

Councilman Cosgrove wanted to mention the detour signs all over town. They are a little misleading indicating you have to make a right or left hand turn. They are actually telling you which way the detour is going from Penn Pines Blvd. to Lansdowne Avenue.

Councilman Cosgrove would like to thank at this time the people at this table; fellow Council members, the Mayor, the Borough Solicitor, the Borough Engineer. They are great people and it has been a pleasure to work with you all for the past 5 years. Councilman Cosgrove said that was his final report.

Dan Procopio wanted to thank the Councilman for his 5 years of service to the Borough.

FINANCE

Councilwoman Brookes Rankin presented the Borough of Aldan Ordinance 514 the Tax Levy Ordinance for the Fiscal Year 2014. Councilwoman Brookes Rankin had a few comments and notes about the 2014 Budget: difficult economic times continue to affect local municipal budgets, including the proposed 2014 Budget for the Borough of Aldan. While revenue from outside sources continues to decline or remains flat, non-discretionary expenses continue to increase. Non-discretionary expenses are projected to have a significant impact on Aldan's 2014 budget.

Overall, Borough Council's 2013 Budget projections have been extremely accurate. Revenue for 2013 stands statistically at 100% of the 2013 Budget projection. Year to date expenses through November's meeting were at 91% of budgeted amounts. It is expected that with the payment of remaining bills at the December meeting, the Borough will meet or slightly exceed budgeted spending for 2013.

The proposed 2014 Budget shows that in five (5) out of seven (7) departmental funds, expenses will remain the same with only minor deviations. Budgeted expenditures for Health & Sanitation (0 increase); Highways (6.1% decrease); Fire Services (2.3% decrease); Law & Ordinance (2.2% decrease) and the Recreation Board (3.1% increase) will remain relatively static.

Expenditures for the General Administration of Government are projected to increase by 8.8%; however, this increase is virtually completely attributable to the increased cost for insurance, including liability insurance and workers compensation insurance. General spending for discretionary line items have been held in check by Borough Council.

The departmental spending for the Borough's police department will increase significantly, at 9.6%, or \$93,343.00. A total projected spending of \$1,067,103, the budget for the police department accounts for 57% of all spending in the Borough's 2014 proposed Budget.

The increased spending in the police department's budget is almost wholly driven by a sharp increase in the mandatory Borough contribution was \$126,000. As this mandatory contribution is somewhat dependent on investment performance and the number of officers retired or on permanent disability, the Borough's annual contribution has remained relatively constant over the past several years. During very difficult investment times (such as after the 2001 attacks and the 2008 recession), the required contribution has spiked to approximately \$140,000. For 2014, the Borough has been notified by its actuaries that the required contribution has skyrocketed to \$216,423, a \$90,423 increase representing a 72% increase over the 2013 required contribution. Borough Council is advised that this increase is the result of non-discretionary changes that will provide more generous benefits to the survivors of retired police officers and, the adjustment of actuarial life tables which now project the retired officers and their spouses to live longer. This type of an increase is a source of frustration to Borough Council as it is not resultant from poor investment performance or from new benefits bargained and agreed upon with our officers.

Overall, the police department's increased expenses total \$93,343, which represents 92% of the increased Expenditures in the 2014 Budget. The remainder of the 2014 Budget has only \$7,784 in increases - .004% of the entire 2014 Budget.

Revenue from non-tax sources continues to remain flat or has decreased, as has been the trend since the 2008 economic downturn. Revenue from such line items as the Real Estate Transfer Tax and Licenses and Permits are still well below their historic high levels in the early 2000's; although, with the slight recovery in the housing market the Borough slightly outperformed projected Real Estate Transfer Tax budgeted revenue in 2013. Low interest rates continue to keep interest earnings for the Borough at low levels. It is estimated that the Borough has experienced decreases of \$50,000 to \$75,000 per year in these revenue sources since the beginning of the economic downturn.

During these last several years, the Borough has utilized its fund balance to offset the need for higher real estate tax increases. For 2014, Borough Council believes that such utilization of the fund balance would diminish the Borough reserves to levels below accepted and recommended practice. In 2013, the Borough budgeted \$127,134.85 from the fund balance as revenue.

As a result of these revenue items, in conjunction with the police pension required contribution, the 2014 Budget projects a 1.0807 mill increase in Real Estate Taxes to offset the loss of revenue and 5.7% increase in spending.

An increase in real estate tax revenue is never a desired outcome of a municipal budget; however, Aldan's proposed 2014 millage rate compares well and favorably to other surrounding and similarly situated municipalities: Aldan 2014 vs. Other Municipal 2013

Aldan	7.49
Clifton Heights	12.251
Collingdale	11.237
Colwyn	27.2
Darby Boro	17.741
Darby Twp.	10.91
Upper Darby	17.94
East Lansdowne	11.3
Glenolden	8.4
Lansdowne	11.621
Morton	8.161
Norwood	10.822
Prospect Park	8.36
Ridley Park	7.79
Ridley Twp.	8.016
Yeadon	9.89

Councilwoman Brookes Rankin wanted to thank Borough Council for all the hard work and support they gave the finance committee but want to especially want to thank President Short and Treasurer, Terry Quinn who worked so hard and spent so many hours preparing this budget. We started when it was hot in the summer and had our last meeting on Monday night when snow was on the ground and really appreciate all the hard work they put into this budget. Councilwoman Brookes Rankin made a motion to approve Ordinance # 514 the Tax Levy Ordinance for Fiscal Year 2014. Councilwoman Brookes Rankin withdrew the proposal to approve the Tax Levy Ordinance for Fiscal Year 2014.

Councilwoman Brookes Rankin made a motion to accept the Budget for Fiscal Year 2014 as presented, seconded by Councilman Coppola. President Short said before we vote on the motion we will open the floor for comments.

Dan Procopio asked who sets the non-discretionary changes in the Police Pension Fund. Councilwoman Brookes Rankin responded this is a State Mandated Contribution and is set by an actuarial report every 2 years. We get the information from Thomas J. Anderson and Associates, our Municipal Pension Specialist.

Dan Procopio asked the Auditor's fees increased by 7 $\frac{3}{4}$ % is that a new contract? The Councilwoman responded no it is with our present auditors but they have not asked for an increase in the last 5 to 7 years.

Dan Procopio commented there was a significant increase the liability insurance is there a particular why that happened? The Councilwoman explained we were under budgeted this year when we got our bills. We usually don't get that number until mid way through the year so we will be looking to make sure we are getting the best prices on our liability insurance.

Dan asked about the fringe benefits for the Police Department but the numbers changes a little bit and dropped back down but the number for the Pension came up. Councilwoman Brookes Rankin said the Pension was the driving factor for any increase in the Budget.

Dan said there was a slight decrease in the Firefighter's Relief Fund. Peggy explained that is a pass through fund. They dictate the amount and we get money from the State and we pass it through to the Firefighter's Relief Fund.

Dan asked the Parks Department is getting a slight increase and there has been some discussion about the Boys and Girls Clubs paying for more stuff. So if there is not going to be a reduction where is the money that was currently being spent. Peggy explained usually with the grass cutting we are above our budget halfway through the year so we did not want to decrease that line item.

Dan's other question was about the local Sewer Budget and DELCORA is a pass through but that was cut significantly was that warranted. Let's say the CDBG money is granted 45 of the 50 thousand is going to be paid for that project alone if it is done in 2014. The Councilwoman explained with the upgrades we have in the sewer we have been getting a lot better reading in our meter.

Dan asked if we know what the assessed value for the Borough properties? Councilwoman Brookes Rankin responded the 2014 Assessment is \$16,888,603.00.

Dan Procopio asked for the current amount balances in the Reserve Funds and is the General Fund balance include or not include the withdraw; Councilwoman Brookes Rankin reported, it does not include the withdraw; in the General Reserve we have \$278,363.80 in the Sewer Capital Reserve we have \$437,680.20; and in the Police Capital Reserve we have \$17,162.99.

Dan asked we mentioned the Street Lights and LED lights. Were the LED lights put in the Traffic Lights, Peggy answered yes you were correct. That is a significant drop more than half of the money you had budgeted is that because that is all you spent last year.

Peggy explained we get money from the Highway fund and we were able to apply that to our first couple of months of our utility bills and the LED lights did decrease the cost of our utility bills significantly.

Dan Procopio asked in reference to the previous tax collector; you are anticipating no revenue to come from that source in the up coming year at least in the budget, do you have a time line and been contacted by the Bonding Company so they can begin their process of accessing how much they are going to refund the Borough. Mr. Seflin explained a claim has been submitted to the Bonding Company and Mr. Seflin has spoken to the adjuster and the adjuster is aware of what is going on. They are waiting for adjudication on the criminal report. They have never spoken to their principal, our former tax collector. They feel compelled to obtain a statement. Mr. Seflin gave the adjuster the name, address and phone numbers of both of the former tax collector's attorneys, one in Philadelphia and one in Delaware County. The adjuster was going to contact his criminal defense attorneys to try and arrange some sort of statement. Whether they will allow him to give a statement or not, Mr. Seflin could not tell you. Mr. Seflin explained everything we can do on our end has been done. We obtained for our Bonding Company all the figures that they wanted, we gave records and reports, we gave them whatever documents we obtained from the District Attorney and we believe that is all that there is. Last week we sent them an entire package along with their completed claim form signed by President Short and notarized. We are waiting for our carrier to do their do diligence, which is a statement, looking at the figures. We are asking for less money than is in the indictment and the charges against our former tax collector and the reason is the District Attorney and the Criminal Law looks at misappropriation of funds. If somebody takes \$10 and put \$9 back the law says you misappropriated \$10. From our perspective we are interested in that scenario; getting that \$1 back we don't care about the \$10 we already got \$9 back. Our claim figure is significantly less than the criminal charges. We are interested in the loss not in the technical criminal charges. All of that is going on and they are well aware of the claim. Mr. Seflin has made them aware of our claim and has told them they need to expedite this. Our Insurance Broker has said the same thing. Mr. Seflin anticipates, it is sort of 50/50, in this next tax year 2014 if the claim is paid during that year. President Short commented the Bonding Company could want their own forensic audit. President Short was told if it was our amount of money they would accept CID's information and pay us. Once you add in the amount of the School District, the \$900 thousand in addition it creates more detailed audit than even the audit from CID and this would naturally delay our refund. Dan said the School District is in a similar position and they submitted a claim, gave up everything they had and are waiting for the Bonding Company to come back with a determination and hope it is in the next calendar year. Dan asked what the claim the Borough submitted was. President Short responded \$207,268.21. Dan thanked Council for their responses.

Mrs. Borders asked about the definition of the line item Borough Code under Law & Ordinance. President Short explained when Council changes an Ordinances we have to notify the Company that codifies our ordinances and they publish the changes to our Code Book. Mr. Seflin explained when Council changes a permanent ordinance, like building code, zoning ordinance or something along those lines. The Code Company reorganizes that and sends us copies to send to all who have a copy of our Code Enforcement Book.

Mr. McBlain asked the line item of Borough Code not only includes the printing changes but also cost of the legal advertising for Ordinances, for the budget, notices of public meetings, maybe one or two Zoning Hearings, expenditures for court reporters and advertising. The line item encompassed more than just printing changes to the Borough Code.

President Short said we have a motion on the floor to accept the Budget as presented; we have a second, all in favor and was unanimously approved.

Councilwoman Brookes Rankin made a motion to adopt Ordinance #514 Tax Levy Ordinance for Fiscal Year 2014, seconded by Councilman Cosgrove and unanimously approved.

PUBLIC SAFETY

Councilwoman Corrigan has a note from the Fire Marshal: the holiday season is now upon us. I would like to remind all residents and their families that all electrical lights, ornaments, etc. should be checked for broken wires and faulty defects, and while no one is home, all electrical decorations should be disconnected and not left on. Also all live Christmas Trees should be kept in water and away from any heart source or ignition points.

The Fire Marshal also commented fireplaces, wood burning stoves and other types of open flame appliances and chimneys should be kept cleaned and serviced to insure proper and safe use. Heaters should also be serviced and cleaned on a yearly basis.

The Fire Marshal attended on November 14, 2013, a Home Preparedness for Emergencies Workshop Presented by Edwin C. Kline, Management Coordinator for Delco County Emergency Services. This Workshop was held at the Reinl Recreation Building and was sponsored by Aldan Townwatch. This workshop was very informative.

The Fire Marshal commented “don’t let your dreams go up in smoke” have a safe and joyous holiday season.

Councilwoman Corrigan reported on the Fire Marshall Report for the month of November, 2013. Collingdale Fire companies #1 and #2 responded to 3 calls in the Borough of Aldan. During the month of November, 2013 Collingdale Ambulance/Paramedics responded to 44 calls in the Borough of Aldan.

LAW, ORDINANCE COMMITTEE

Councilman Coppola reported for the month of November, the Building Inspector issued 20 building permits with a construction value of \$28,557.00; the Residential Inspector completed 25 transfers and mid-terms inspections; and the Plumbing Inspector issued 1 plumbing permit with a construction value of \$1,150.00

PUBLIC WORKS

Councilman Oropollo made a motion to accept Resolution 2013-09 Resolution for the Application of Community Development Block Grant Funds for the Fiscal Year 2014, seconded by Councilwoman Owen and unanimously approved.

Councilman Oropollo commented winter is coming and some of the seniors' citizens in our community who don't have access when it snows to get out of their homes and their sidewalks need to be cleaned please call the Councilmen and he will see if he can find some help for them. Mayor Hopely also commented we also have some numbers at the Municipal Building for someone to shovel your snow.

UNFINISHED BUSINESS

No unfinished business tonight.

NEW BUSINESS

President Short reported the Reorganization Meeting will be on Monday, January 6, 2014 at 7:30 PM in the William Reinl Recreation Building; Caucus will be Wednesday, January 8, 2014 at 7:30 P.M. at the Municipal Building and Council will meet on Wednesday, January 15, 2014 at 7:30 PM for Executive Session; and General Meeting starting at 8:00 PM. at the William Reinl Recreation Building.

PRIVILEGE OF THE FLOOR

Dan Procopio asked do you have to pass a separate Sewer and Trash Fee. Mr. Sefflin explained no it is in the Tax Levy Ordinance. Dan asked, what is the trash per unit? Mr. Sefflin responded \$151.30 per unit.

Mr. McBlain commented with it being the last meeting for Mr. Cosgove and Ms. Owen and congratulates them on their tenure here on Borough Council. Both have been models of what people in Delaware County and across Pennsylvania could look for in their local elected officials, people on Borough Councils. They have both taken the helm of their Committees and have done incredible things. The Recycling Program that Mrs. Owen has put into place is something we could not have imagined and was met with some resistance when it started. Terry has done a fantastic job and you could not have designed something that has worked better than what was done with the recycling program. Also efforts that Ms. Owen has put into other Public Health areas such as National Take Back Drug Day, as one of the first advocates to promote that program here in Aldan as one of a handful of sights that originated in Delaware County. We now see the dangers as more and more is being exposed and what happens when those medications remain in the home. Ms. Owen was at the forefront of that. In addition to their Committees they have been models of transparency. Ms. Owen very graciously sits and answers each and every question in a very professional manner and provides every piece of information she has. The same with Mr. Cosgrove, he has taken the Committee he has and done wonderful things, just the LED program to tackle that was amazing. Both went out and thought not only ways to improve the Borough, and make our services more efficient and better they went out and got funding for it. They put a program together, got grants for it. Some of the things that have been the hallmark and their signature programs were done with grants. They were models for Council, and our 2 new Council members have big shoes to fill and we congratulate them. We wish Councilman Cosgrove and Councilwoman Owen good luck.

President Short commented we do intend a proper send off and they will be sadly missed. The money they have saved the Borough, the time and effort they have put in is something to be admired.

Dan commented Mother Nature is sending Mr. Cosgrove out the way he came in. When Mr. Cosgrove started we had unbelievable storms in December and Mother Nature is crying good bye.

Mr. Borders wanted to thank Ms. Owen and Mr. Cosgrove for your efforts regarding you duties to the Borough. Councilwoman Owen for the Recycling Program and also to Councilman Cosgrove with problems that were brought to your attention and you did an excellent job over and above and want to thank you very much for that.

ADJOURNMENT

On a motion made by Councilwoman Brookes Rankin and seconded Councilman Cosgrove unanimously, approved, the regular meeting of the Borough Council was adjourned at 8:50 P.M.

ATTEST

MARIE V. KAUT
Borough Secretary