

FERNDALE BOROUGH

JANUARY 06, 2014

The Ferndale Borough Council met on Monday, January 06, 2014, in the Fire Company’s Recreation Hall at 618 Westinghouse Avenue, Johnstown, Pennsylvania.

Mayor, Ed Dallape, called the Meeting to order at 7:00 pm. and those present recited the Pledge of Allegiance to the U. S. Flag. Borough Councilmen, Scott Miles, and Mark Wissinger, Jr. were sworn in.

CALL TO ORDER

ROLL CALL:

Roll Call showed the following present: Councilmembers—Jim Rigby, Cindy Dom, Mary Rose Shaffer, Al Lushko, Scott Miles, Steve Mitchell; Secretary/Treasurer-Carol Schalles; AP/Payroll—Anita M. Smith; Mayor—Ed Dallape; Mark Wissinger, Jr and Solicitor-Wayne Langerholc.

ROLL CALL, ABSENT & OTHERS

VISITORS:

Mr. Terry Shook from the firm Barnes, Saly & Company was the visitor. He is the appointed Auditor with the Firm made up of 18 people. Mr. Shook is in charge of the audit to begin at the end of the month of January. He and two other individuals will be working on this audit. He is to learn systems on how Ferndale processes accounts, records, documents, and transactions. Really no different as what was done in the past. The report is normally due at the end of March. The report should be done by the end of February. Barnes, Saly & Company will cumulate a list of what is needed and questions. Mr. Shook can work in old chambers upstairs and we could leave records out and lock it up. Carol Schalles will work with Mr. Shook on what documents are required. They try not to be disruptive and will sit down and go over things. The engagement letter is to be sent to Barnes, Saly & Company. Jim Rigby already signed the paperwork required to get the audit started. Mary Rose Shaffer spoke to Mr. Shook in reference to assist Ferndale with billing, there are 800 accounts. Mr. Shook assists various companies, but that’s not something he does but is willing to sit down and talk about it.

NOMINATIONS FOR SECRETARY/TREASURER:

Carol Schalles was presented for a two (2) year term as Secretary/Treasurer at a salary of \$18,000.00 per year. Jim Rigby made a motion and Cindy Dom seconded the motion. A call was made for a Roll Call vote. All Councilmembers voted “Yes”; therefore, the motion passed unanimously.

NOMINATIONS FOR PRESIDENT:

Steve Mitchell nominated Jim Rigby for President and no second is needed per Mayor - Ed Dallape. Cindy Dom made the motion and Mary Rose Shaffer closed the nomination and Scott Miles seconded the motion to close. A call was made for a Roll Call vote. All Councilmembers voted “Yes”; therefore, the motion passed unanimously.

NOMINATIONS FOR VICE PRESIDENT:

Motion to nominate a Vice President for council a nomination was for Steve Mitchell made by Scott Miles for Vice Present and a second was made by Mary Rose Shaffer and she closed the nominations and a second motion was made by Cindy Dom. A call was made for a Roll Call vote. All Councilmembers voted “Yes”; therefore, the motion passed unanimously.

FINANCE COMMITTEE REPORT:

Motion to appoint Wayne Langerholc as Ferndale's Solicitor to a two year term. A motion was made by Cindy Dom and a second was made by Steve Mitchell. A call was made for a Roll Call vote. All Councilmembers voted "Yes"; therefore, the motion passed unanimously.

Motion to retain three bank accounts, FNB, Somerset Trust, and the Pligt Plus account (FNB). Tax millage was mentioned by Mary Rose Shaffer is \$17,500.00 – 1 mil of taxes generates for the borough a total of \$5,417.17. Motion to retain the three accounts was made by Mary Rose Shaffer and seconded by Scott Miles. A call was made for a Roll Call vote. All Councilmembers voted "Yes"; therefore, the motion passed unanimously.

BOROUGH PROPERTY REPORT:

Motion to destroy documents. Jim Rigby stated to check in the manual to see how far back documents are to be kept and what antiquated documents are no longer to be held. What needs to be kept and what can be destroyed. Motion to dispose all documents that are not required was made by Cindy Dom and seconded by Steve Mitchell. A call was made for a Roll Call vote. All Councilmembers voted "Yes"; therefore, the motion passed unanimously.

OLD/NEW BUSINESS

Al Lushko questioned how we find out how we can move money and the excess we are charging for garbage. He also wants to make sure it is legal and also stated that years ago you could not charge and go over what was required for garbage. Jim Rigby specified that we did not increase our fees and asked is there a variance. The Solicitor is going to check into this, Steve Mitchell said it is \$40,000.00 for the complete contract not per year. Jim Rigby stated the amount we are charging the residence is \$15.00. The new contract is \$102.00 per resident and we are charging \$155.00. Mary Rose Shaffer also stated that we were under the knowledge we could put the salaries in there and the street department when they went out with the contractors to pick up garbage. Jim Rigby asked how much we need to show for salaries and such. A reply was made by Al Lushko that there are 805 residents that have garbage collected. Jim Rigby mentioned the cost is \$102.00 and we are charging \$155.00 to include the mailings, letters, postage, salaries and streets that need to go out and where the delinquencies are to try to keep us in balance. Jim Rigby stated that we have a 91% collection rate on garbage we based this year on reducing the fee. The overage does cover administrative fees.

Last meeting was mentioned by Jim Rigby in reference to Upper Yoder and Westmont converted into the new system, and Southmont will be in there soon. We are going to have to move in the direction of Upper Yoder. Ed Dallape asked how we find out if they are tying into our lines and to make adjustments for the tab on the new meter. Steve Mitchell replied stating that we have the blueprints in the 2nd floor council room and they do show tying into ours. The Armory is still under the sewer separation. Jim Rigby asked what the consumption is for the average residence. This is what the high school was using. Anita Smith added Penn Machine has four and that she would have to go back and check the LSU tax. This goes by how many employees they have. Mary Rose Shaffer said we don't have the right count for the EDU's. Jim Rigby mentioned that X number of residents is using this amount of water. Jim Rigby stated the billing process was set up by how many residents. Based on the residents and the loan amount. Ed Dallape asked if Penn Vest set the amount for the loan and are we going back to the residents to pay. Mary Rose Shaffer answered right now we are at 867 EDU's that's was calculated by the engineers and that is what we have to bill unless we find some errors then that will change the count. That is including \$93 a quarter at \$372.00 a year. Jim Rigby said that there is a pump station. We are going after them for a trafficking to come through the borough. We are going to have to have an agreement for all the years we had that coming through Ferndale. We need to find an applicable fee. We will meet with redevelopment to review the details and once we know more we will move in the direction of Upper Yoder and the Armory we don't know if they have to pay. Ed Dallape asked how we missed them. Jim I think that what has happened is coming up Berkley they have always paid that fee. The Armory is charging, we don't know if

Upper Yoder is charging, and that is what we need to find out. Ed Dallape mentioned that there is no evidence that they are tying in with Ferndale. Based off their water bill this is what the high school is using. CJ & L is using this in their calculations with EDU's. Jim Rigby said we are being billed by consumption. He will look into it a little more. Anita Smith stated that it all depends on classification. The billing process was based off how many residents.

Mary Rose Shaffer asked Mr. Terry Shook when we are doing the budget for capital purchases and the Recreational funds, could we take \$1,000.00 and put that into a special savings account under recreation and capital purchases for recreational purposes. Jim Rigby said he was told that we set back for capital purchases at the end of the year. He also mentioned this is what we did for our Fire Company we put money into the General Fund. Mr. Shook replied from all stand point you can keep that money and not set up a certain fund. You can allocate that money in the budget. Jim Rigby said we can do a line item so it shows in the budget. Is there a way to show that? Mr. Terry Shook stated there has to be a way. Jim Rigby said if you're looking at the playground how we put that into the Recreation fund if we are saving that money. Anita Smith added you have the pligt account and earmark it like the Police and Streets do. Put it into the Plgit Plus account. Mr. Terry Shook stated it would show and keep track of that account. Allocated funds charged to allocate money for that purpose, you can certainly do that. Anita Smith added it could be earmarked like the cruiser for the Police Department. Mary Rose Shaffer questioned if we earmark these Capital Purchases can that be done. Mr. Shook replied you can certainly do that.

DEPARTMENT HEADS

Jim Rigby asked department heads that were in their positions for the past two years, if you prefer to be on another department to let him know.

ADJOURN

The Meeting adjourned at 8:27 pm.

Respectfully submitted

Carol A. Schalles
Borough Secretary/Treasurer
(01/17/14)