

**KULPMONT BOROUGH
RE-ORGANIZATION MEETING
JANUARY 6, 2014**

The Pledge of Allegiance to the Flag by the body present.
Kulpmont Borough Council held its Re-Organization meeting
Monday, January 6, 2013 at 7:00 PM in Council Chambers

Roll call was taken and the following members were present: Nicholas Bozza, Clarence Deitrick, Stephanie Niglio, Philip Scicchitano, Bruno R. Varano, Joseph A. Winhofer, and Stephen Motyka.

OTHERS PRESENT: Bernard J. Novakoski, Patricia Novakoski, Dianne Padula, Mark J. Padula Sr., Linda Nolter, Maryann Nolter, Jennifer Spears and Russ Moroz

Bernard P. Novakoski is sworn in by the Honorable Judge Hugh A. Jones.

Councilmember's Clarence H. Deitrick, Steven Motyka, Bruno R. Varano, Joseph A. Winhofer, Tax Collector Linda M. Nolter and Auditor Dianne Padula are sworn into office by the Honorable Hugh A. Jones.

Council President, Bruno R. Varano states that at this time the meeting is being turned over to the Mayor Bernard P. Novakoski.

Mayor Bernard P. Novakoski calls the meeting to order and calls for a roll call to be taken with the new council.

Roll call was taken and the following members were present: Mayor Bernard P. Novakoski, Nicholas Bozza, Clarence Deitrick, Stephanie Niglio, Philip Scicchitano, Bruno R. Varano, Joseph A. Winhofer and Stephen Motyka.

Mayor Novakoski declares all appointed Borough Positions Vacant.

Mr. Bozza nominates Mr. Varano as Council President.

Mayor Novakoski asks if there are any other nominations for President of Council.

MOTION- Mr. Winhofer makes the motion and was seconded by Mr. Deitrick to close.

ROLL CALL VOTE- BOZZA (Varano), DEITRICK (Varano), MOTYKA (Varano), NIGLIO (Varano), SCICCHITANO (Varano), VARANO (Varano), WINHOFER (Varano)

Mayor Novakoski states that at this time he will turn the meeting over to the Council President, Bruno R. Varano.

Mr. Varano opens the floor for nominations of Vice President of Council.

Mr. Winhofer nominates Clarence Deitrick for Vice President.

Mr. Varano asks if there are any other nominations for Vice President.

MOTION- Mr. Bozza makes a motion to close nominations and is seconded by Mr. Winhofer.

ROLL CALL VOTE - BOZZA (Deitrick), DEITRICK (Deitrick), MOTYKA (Deitrick), I NIGLIO (Deitrick), SCICCHITANO (Deitrick), VARANO (Deitrick), WINHOFER (Deitrick)

Mr. Varano asks if there are any nominations for Borough Solicitor.

Mr. Deitrick nominates William C. Cole with an approved salary of a retainer of \$2500.00 and \$35.00 per hour rate.

MOTION- Mr. Winhofer makes the motion to close nominations and was seconded by Mr. Bozza.

VOICE VOTE-

Unanimous

Mr. Varano asks if there are any nominations for Treasurer.

Mr. Deitrick nominates Paul Niglio at an annual salary of \$2500.00 and \$800.00 expenses allotment.

MOTION- Mr. Bozza makes the motion to close nominations and was seconded by Mr. Motyka for Paul Niglio as Treasurer.

VOICE VOTE-

Unanimous

Mr. Varano asks if there are any nominations for Open Records officer.

Mr. Deitrick nominates Rhonda Wilk as the Open Records officer.

Mr. Varano questions Mr. Cole if we have to nominate an open records officer every year. Mr. Cole states no.

Mr. Varano states that we will do it this year and then will not have to do it again.

Mr. Deitrick states that he nominates Rhonda Wilk as Open Records Officer.

MOTION- Mr. Deitrick makes the motion and was seconded by Mr. Scicchitano to close nominations for Open Records officer to be Rhonda Wilk

VOICE VOTE-

Unanimous

Mr. Varano opens the floor to nominations for the Boroughs Delinquent Tax Collector.

Mr. Deitrick questions Mr. Niglio if we have to nominate a Delinquent Tax Collector.

Mr. Winhofer questions as well.

Mr. Deitrick questions if that had already been decided.

Mr. Winhofer states that they cannot decide for the Borough.

Mr. Niglio states that our current delinquent tax collector for Per Capita and Occupational taxes is currently Berkheimer.

Mr. Winhofer states that it can't be.

Mr. Niglio states that we never appointed anyone else to replace them and somebody had to collect them, so we never told them they were not so they are still collecting.

Mr. Niglio states that they are our current collector of those two taxes and the County collects the real estate and we do not do any appointment on that.

Mr. Niglio states that our new earned income tax collector is Keystone Collection and states that if you want them to do the delinquent fine and states that he would recommend that we stay with Berkheimer at this point because they have the accounts of the old ones until next year when we have the 2014 delinquents then we can turn them over to Keystone because then we will have those records.

Mr. Niglio states that to get the records for the past 20 years that Berkheimer has he states that he feels that will be very difficult.

Mr. Scicchitano asks Mr. Niglio how it will be any easier next year.

Mr. Niglio replied that because there will be new ones at 2014 the new delinquent's would go to Keystone.

Mr. Varano questions if what he is saying is that they already went to Berkheimer.

Mr. Niglio states that is correct and states that they already have the prior years and states that they may be trying to hound somebody from 1996.

Mr. Niglio states that they have those files and as long as they have them they are going to try and collect them because that's how they get paid.

Mr. Niglio states that for us to get those back, the ones that are open may be a problem and states that he is not recommending we do that.

Mr. Niglio states that as we move forward with Keystone, he states that he really does not know how this is going to work out with Keystone taking over and states that no employer really knows who Keystone is and they are going to be sending checks to Berkheimer and states that this is really going to be a hassle.

Mr. Niglio states that is was really Shikellamy and Milton the upper tear that went with Keystone and states that nobody down here wanted to go with them but we did not have enough votes so they decided the deal and we are between a rock and a hard place.

MOTION- Mr. Deitrick makes the motion and was seconded by Mr. Bozza to have Berkheimer collect local per-capita delinquent taxes.

ROLL CALL VOTE - BOZZA (yes), DEITRICK (yes), MOTYKA (yes),NIGLIO (yes), SCICCHITANO (yes), VARANO (yes), WINHOFER (no)
6 YEAS, 1 NAY

Mr. Varano states that the Vacancy Board is currently Paul Niglio.

Mr. Deitrick nominates Paul Niglio as a Vacancy Board member.

MOTION- Mr. Motyka makes the motion to close nominations, Paul Niglio to the vacancy Board and seconded by Mr. Bozza.

VOICE VOTE-

Unanimous

Mr. Varano states that the Borough Physician is currently Dr. Kraynak.

Mr. Deitrick nominates Dr. Kraynak as the Borough's Physician.

MOTION- Mr. Bozza makes the motion to close nominations and was seconded by Mr. Scicchitano to close nominations for the Borough Physician, Dr. Raymond Kraynak.

VOICE VOTE-

Unanimous

Mr. Varano states Emergency Management Coordinator currently held by Kevin O'Hearn and states we are going to have an opening there because he is going to be a Chief.

Mr. Deitrick questions if he could hold both.

Mr. O'Hearn states that he could.

Mr. Varano questions if he would want to if we had somebody else if they wanted it.

Mr. Varano states you could only collect one pay.

Mr. O'Hearn states that he has only collected for the Chief when he was EMA.

Mr. Deitrick nominates Kevin O'Hearn.

MOTION- Mr. Bozza makes the motion and was seconded by Mr. Scicchitano to close nominations For Emergency Management Coordinator.

VOICE VOTE-

Unanimous

Mr. Varano announces nominations are needed for Chief of Police.

Mr. Deitrick nominates Michael Pitcavage as the Chief of Police with benefits.

Mr. Varano states to be worked out by our next meeting.

Mr. Varano questions if we need a regular motion, we are actually hiring him.

Mr. Deitrick states that we had already hired him full time at another meeting and he is just getting benefits now which we discussed.

MOTION- Mr. Motyka makes a motion and was seconded by Mr. Scicchitano to close nominations for Chief of Police with benefits for Michael Pitcavage.

VOICE VOTE-

Unanimous

Mr. Varano states that Chiefs of the Fire Department and the Borough had received a letter from the Fire Company.

MOTION- Mr. Winhofer makes the motion and was seconded by Mr. Bozza to appoint Jeff Gilotti Fire Chief, Kevin O’Hearn Deputy Fire Chief and Ray Siko Assistant Fire Chief.

VOICE VOTE-

Unanimous

Mr. Winhofer states that last year we appointed KPI at no retainer, there is no retainer but if they do work then the Borough would pay them.

Mr. Winhofer states that if any paperwork would ever need to be filled out then we would list KPI as the Borough Engineer.

MOTION- Mr. Winhofer makes the motion and was seconded by Mr. Bozza to name KPI as the Borough Engineer.

VOICE VOTE-

Unanimous

Mr. Varano states that a motion is needed to re-adopt Borough Procedures and Policies governing the Borough.

MOTION- Mr. Deitrick made the motion and was seconded by Mr. Winhofer to re-adopt all Borough Policies and Procedures.

VOICE VOTE-

Unanimous

Mr. Varano states that we have to name our Boroughs depository, currently it is Susquehanna Bank.

MOTION- Mr. Winhofer makes the motion to name Susquehanna Bank to be the Boroughs depository and was seconded by Mr. Deitrick.

VOICE VOTE-

Unanimous

MOTION- Mr. Deitrick makes a motion and was seconded by Mr. Scicchitano to adopt the 2nd Tuesday of every month as the Boroughs regular meeting day with all other Tuesdays reserved for general purpose meetings if needed and to Advertise as so.

VOICE VOTE-

Unanimous

OTHER BUSINESS-

Mr. Varano states that we want to take another look at this 2014 Budget to see if we can't get it down from our current predictions of 4.5 mills and try to get it down to much lower than that.

Mr. Varano questions Bill Cole on when we have to do that and Mr. Cole replied until mid February.

Mr. Niglio states as far as the rules go its February 15th but the county is not going to wait, we have to figure out now because if you want another set of bills printed you are going to pay extra, they have to be printed.

Mr. Niglio states they want it now, they wanted it December 27th actually.

Mr. Winhofer state that by law you have until February.

Mr. Niglio states that they are in County and do not care about the Borough Code.

Mr. Deitrick states that we already voted for it so we should leave it go at that until we see what our actual expenses are going to be.

Mr. Varano stated that you will then come out with a 4.5 mill raise.

Mr. Deitrick states that we already voted that.

Mr. Varano states that we voted to advertise it we did not adopt the final budget that was going to be right now.

Mr. Varano states that we did not adopt the final budget, which could change.

Mr. Winhofer states that you have to have the final budget adopted; it's until the 14th to have it amended.

Mr. Niglio states that is correct and that the old council was supposed to have the new budget adopted by December 31st, when the new council came in we have until February 15th to re-open the budget.

Mr. Varano states that is what we are going to do now.

Mr. Winhofer replied that then we have no budget though.

Mr. Niglio states that we have to pass this one now.

Mr. Varano directs a statement to Mr. Niglio stating that he said we already passed a budget in December.

Mr. Niglio states that he stated we had until December and that we passed a tentative budget at the December regular meeting.

Mr. Winhofer states that we need to pass a budget and have until the 14th of January to amend it.

Mr. Varano states that we just got done saying we do not want to pass this budget.

Mr. Winhofer states that technically if we don't pass anything tonight we can't pay any bills.

Mr. Varano states that we could sit here for an hour or two and then pass a budget.

Mr. Winhofer states that whatever has to be done.

Mr. Varano states that it is either that or we pass this budget with a 4.5 mill increase which I do not think we should do.

Mr. Winhofer states that nobody had said that before.

Mr. Varano states that we got this budget a half hour before the meeting and questions how we are going to absorb it in a half of an hour.

Mr. Niglio states that nothing changed from December 10th in this budget and states that he was directed to make some additions.

Mr. Varano asked what we closed out of at the end of last year and asks if we were at a deficit of a mill and one half?

Mr. Varano directs a statement to Mr. Niglio stating are we in a deficit of a mill and a half, you said that is why we have to raise it a mill and a half because we were going to be in a deficit a mill and one half.

Mr. Varano states if we are not in a deficit a mill and one half then asks why are we raising it 4.5 mills it should only be raised 3 mills.

Mr. Varano asks Mr. Niglio if he did or did not tell us that.

Mr. Niglio states that what he told him was that our cash carry over was going over \$70,000.00.

Mr. Varano states that he said \$50,000.00.

Mr. Niglio states no, in the budget the numbers were over \$70,000.00 and states that is why he recommended a mill and a half still at \$20,000.00.

Mr. Niglio states that we never had a zero based budget and never had.

Mr. Varano states that we went to a zero based budget last year.

Mr. Niglio states that we went from \$70,000.00 to \$20,000.00 and states that technically you should be raising it two mills for operating expense and states that he is not going to get in an argument with him, but he states that he is an accountant and that is what he does.

Mr. Winhofer states that we were three quarters of a mill under on Fire.

Mr. Varano states that we cannot be under on Fire.

Mr. Winhofer states that we take in 3 mills on fire which is \$33,000.00 and the projected cost on fire is \$46,000.00 or \$47,000.00.

Mr. Winhofer states that we are stealing from the General Fund to pay for Fire and the same thing for Lighting. Mr. Varano states that is exactly right.

Mr. Winhofer states what killed the Fire is the workman's comp.

Mr. Varano states that he just wants the public to know this, they think that the 4.5 mills is coming in because of this new building and it is not, 1.5 mill is coming in because there is a shortfall in Fire and Lighting.

Mr. Varano directs a statement to The News Item to make sure they write that because he wants the public to know.

Mr. Motyka states that he has a problem basing our building on the 1.5 million dollar building cost when it is going to come in at under two thirds of that cost.

Mr. Motyka states that he does not know how to go about that differently, but we are basing this on \$60,000.00 a year in the mortgage when we should only be paying two thirds of that because we cut the building to bring it down to where we have to have it.

Mr. Deitrick asks Mr. Motyka if we have a final cost. Mr. Motyka states that we will know in February when we bid it.

Mr. Deitrick states that we cannot wait for that, because we have to pass the budget so that the tax bills can be printed and if we are under then we are in trouble.

Mr. Varano states that we are not in trouble because we are not going to pay that the whole year.

Mr. Motyka states that we are only going to have to pay that for three months this year and then we can tackle it again in December.

Mr. Varano states that he does not think we should raise it 3 mills for the building either because you are not going to have to make the payments for the whole year.

Mr. Winhofer states he does not want to go back next year and have to raise it again.

Mr. Varano states that the public is misinformed and we are being crucified for it.

Mr. Bozza questions if it would be safe to say 3 mills would be good. Mr. Winhofer states that he feels it would.

Mr. Niglio states that would be very conservative.

Mr. Deitrick states that you have to look at that one line item 362.45, we are not going to realize that.

Mr. Motyka states that there is no reason that figure should change.

Mr. Deitrick states he thinks it should.

Mr. Motyka states you want the public of 3,000 to pay for a minority of 1% who is complaining.

Mr. Deitrick states that it is out of line with all of the consistent fees in the area.

Mr. Motyka states that we pay \$100,000.00 to keep our borough code compliant; we wouldn't need 80% of that if we didn't.

Mr. Deitrick asks what happens if they do not pay, how you are going to collect it.

Mr. Bozza states as a matter of fact that is tabled right now and we have to make a decision on that.

Mr. Motyka states until March 1st it is tabled.

Mr. Deitrick asks what happens if we do not realize that money, then we are out of whack at least a mill.

Mrs. Niglio states that they have to pay it; the solicitor said at the last meeting that they have to pay it. Mr. Deitrick asks how you make them pay it.

The Solicitor states the same way you make anyone pay it, it's like any other ordinance. Mr. Cole states that you go before the Judge.

Mr. Deitrick asks how much that is going to cost us.

Mr. Varano states they will have to pay the costs.

Mr. Motyka states that one landlord stated that is the price of doing business and had no problem with it.

Mr. Deitrick states that it is only one landlord.

Mrs. Niglio states that we already collected over \$5,000.00.

Mr. Deitrick states that he voted against it in the beginning and will vote against it again.

Mr. Motyka states that when we put the numbers down he does not know how we could push the expense of a full and part time code officer onto the public.

Mr. Deitrick states that it is all not because of landlords and the uniform code states we have to have one anyway.

Mr. Motyka states that 80% of it is.

Mr. Bozza states that you're going to charge \$120.00 and raise the taxes and states that we are not here to hammer the residents and that is not why we are here.

Mr. Bozza states that he will be all for lowering that landlord fee.

Mr. Bozza states that you cannot compare apples to oranges but every municipality around us is lower and I think a fee of \$50.00 is a good fee.

Mr. Motyka states that every municipality around us is lower because they cannot make a profit on the fee.

Mr. Motyka states that we are losing money on the landlord inspections we are not making a profit and states that is why he went to Mount Carmel Borough because there was more landlords and more money in the pot and they could not justify paying that out.

Mr. Motyka states that we are far in the ratio of where we should be to re-coup our expense.

Mr. Bozza states that he does not think we should include the landlord fee in this.

Mr. Motyka replied then you want to raise it on the resident 2 mills just to offset the landlords.

Mr. Bozza states that he does not feel by cutting that in half, we will still be alright at 3 mills.

Mr. Winhofer disagrees and states not for everything and states at 3 mills no.

Mr. Niglio states that is over a mill in income.

Mr. Deitrick states that you will be cutting it 60% just about so you are going to loose almost \$14,000.00 so that is over a mill.

Mr. Winhofer questions on what.

Mr. Deitrick states on the occupancy fees.

Mr. Winhofer states yes right and if you only raise 3 mills instead of 4.5 that is another \$17,000.00. Mr. Deitrick agrees.

Mr. Motyka states that these are the numbers we put together what they are bringing in. Mr. Scicchitano states that it does not matter what they are bringing in.

Mr. Motyka states this is a big business in town 1.2 million dollar profit.

Mr. Scicchitano states that does not matter what does matter is what are we bringing into the borough and what is it costing us to do that, the percentage that is what you need to know.

Mr. Winhofer states that he feels this is going to be drawn out if we try to talk about this now.

Mr. Varano states that it's whether we are going to adopt the budget or not, we already voted to adopt it in December and asks are we going to put it in.

Mr. Deitrick makes the motion for final adoption and to approve the tax ordinance of 4.5

Mr. Varano questions that he does not understand why we have to adopt the tax ordinance today. Council discusses and Mr. Deitrick withdraws the motion while council decides to meet in executive session.

Mayor Novakoski swears in the Fire Chief, Deputy Fire Chief and Assistant Fire Chief for the Borough of Kulpmont, Jeff Gilotti, Kevin O'Hearn and Ray Siko.

The Borough Solicitor William C. Cole states that the borough met in executive session for approximately forty minutes to discuss possible litigation, contractual and personnel matters.

MOTION- Mr. Deitrick made the motion and was seconded by Mr. Winhofer to adopt the 2014 budget and the 4.5 mill increase as advertised and recommended by Treasurer Niglio.

ROLL CALL VOTE - BOZZA (yes), DEITRICK (yes), MOTYKA (yes),NIGLIO (yes), SCICCHITANO (yes), VARANO (yes), WINHOFER (yes)
7 YEAS, 0 NAYS

THE MEETING WAS ADJOURNED AT THE CALL OF THE CHAIR

**RHONDA WILK
BOROUGH SECRETARY**

DATE OF APPROVAL