

**ALTOONA CITY COUNCIL MEETING MINUTES  
& BUDGET REVIEW  
WEDNESDAY – OCTOBER 13, 2010 - 7:00 P.M.  
COUNCIL CHAMBERS - 1320 WASHINGTON AVENUE, ALTOONA, PA**

The meeting was televised live on cable Public Access Channel 14 and rebroadcast Thursday, October 14, 2010.

**CALL TO ORDER** – by Mayor Schirf at 7:00 PM in Council Chambers.

**SILENT MEDITATION**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL** – taken by City Clerk Linda Rickens Schellhammer

Present: Councilmen Butterbaugh, Geis, Kelley, Mills, Neugebauer and Mayor Schirf

Absent: Councilman Cagle

**PRESENTATIONS** – Proclamation for Fire Prevention Month presented to Deputy Chief Tim Hileman, Fire Inspector Mike Tofano and the Assistant Chief and the on duty Firefighters

**EXECUTIVE SESSION** – Council convened to Executive Session at 7:12 p.m. for the purpose of personnel matters and litigation matters; Council reconvened to the Council meeting at 7:50 p.m.

City Solicitor Larry Clapper stated City staff could not comment on the incident involving the Altoona Police Department

**ALL PUBLIC COMMENT-** Melborn Michaels, 213 4<sup>th</sup> Avenue, Altoona- commented on 208 3<sup>rd</sup> Avenue and the motorcycles being worked on in the garage at all hours at 208 3<sup>rd</sup> Avenue, loud noise and talking, foul language, intimidation, school age students

Mary Jane Horvath, 209 4<sup>th</sup> Avenue, Altoona, cannot enjoy her back yard because of the noise and profanity coming from 208 3<sup>rd</sup> Avenue, Altoona, also littering condoms and cigarette butts in her parking area; stated there is an unleashed pitbull

**MANAGER'S REPORT** – the Manager's Report was distributed previously; Council had no questions or comments at this time on the report

**MAYOR AND COUNCIL REPORTS** - none

**2011 BUDGET REVIEW(REVENUES)** – Omar Strohm, Finance Director Increase of \$2,373,117 or 9.75% due to 2 million dollar increase in the Minimum Municipal Obligation which is mandatory; if you back out the MMO contribution the increase is only \$370,000 compared to 2010 or a 5% increase

Finance Director Omar Strohm reviewed the following revenue items for the 2011 budget:

**Real Estate Taxes:**Real Estate Tax revenues are projected to decrease based on the declining assessed value on which taxes are levied.

*2010 Budget = \$9,103,135 and 2011 Budget = \$8,882,545*

**Earned Income Tax:**Earned Income Taxes are projected to decrease by nearly two-percent based on year to date revenues received and the belief that the economic downturn will continue to affect the amount of income earned and subject to this tax. Year-to-date revenue receipts for this particular tax type are somewhat deceiving because revenue from this tax will be received and accounted for in the current year up to sixty days into the following year.

*2010 Budget = \$2,781,412 and 2011 Budget = \$2,729,086*

**Act 511 Taxes:**Business Privilege Tax – Revenue received from this tax is anticipated to increase based on both historical revenue receipts and revenue received year-to-date

*2010 Budget = \$400,000 and 2011 Budget = \$500,000*

Real Estate Transfer Tax – The budgeted amount is based on year-to-date receipts that are higher than last year. Additionally, mortgage interest rates remain at historic lows and refinanced properties, not just new home purchases, are subject to this tax.

*2010 Budget = \$350,000 and 2011 Budget = \$310,000*

**Licenses, Permits & Fees:**A number of fees related to permits, licenses, and inspections have recently been increased through resolution of City Council. The anticipated revenue received from these fee increases are reflected in the budgeted numbers for the following revised fees:

Health Department Licenses:

*2010 Budget = \$23,588 and 2011 Budget = \$32,000*

Building Permits:

*2010 Budget = \$150,000 and 2011 Budget = \$175,000*

Electrical Permits:

*2010 Budget = \$26,243 and 2011 Budget = \$48,000*

Electrical Reset Inspections:

*2010 Budget = \$2,000 and 2011 Budget = \$4,000*

Plumbing Permits:

*2010 Budget = \$26,000 and 2011 Budget = \$48,000*

Driveway Permits:

*2010 Budget = \$1,307 and 2011 Budget = \$1,815*

Handicapped Sign Fees:

*2010 Budget = \$11,550 and 2011 Budget = \$13,000*

Plumbing Licenses – The revenue projected to be received from this line item has been reduced because many area contractors will be issued PA state

licensure and no longer be subject to City regulation based on passage of relevant legislation effective in 2010.

*2010 Budget = \$11,095 and 2011 Budget = \$2,300*

Contractors License – The revenue projected to be received from this line item has been reduced because many area contractors will be issued PA state licensure and no longer be subject to City regulation based on passage of relevant legislation effective in 2010.

*2010 Budget = \$10,000 and 2011 Budget = \$4,200*

Plan Review Fees – this is a new fee associated with providing plan reviews related to a number of separate disciplines such as Electrical, Plumbing, and Mechanical plan reviews.

*2011 Budget = \$26,500*

### **Charges for Service**

Fire Inspection Fees – The revenue from this line item is budgeted to increase based on a change in focus within the fire department as well as adoption of the new fire code and related fees.

*2010 Budget = \$3,000 and 2011 Budget = \$20,000*

Highway Department Street Cut Fees – The revenue from providing this service is scheduled to increase based on an increase in the number of street cuts.

*2010 Budget = \$200,000 and 2011 Budget = \$260,000*

Subdivision and Land Development Fees - The revenue received from this line item is projected to increase due a change in the fee structure.

*2010 Budget = \$11,500 and 2011 Budget = \$13,500*

### **Intergovernmental Revenues:**

State Liquor Tax Refund – Projected revenue reduced based on current and prior year revenue receipts.

*2010 Budget = \$40,000 and 2011 Budget = \$28,000*

Police Academy Training & Reimbursement – The revenue received through this reimbursement has been reduced to zero based on the state's discontinuance of this reimbursement.

*2010 Budget = \$25,000 and 2011 Budget = \$0*

Transfer In Pension – This line-item has increased due to the increase in payments to the City's pension plans. This transfer amount is determined by taking the annual MMO for all City pension plans less projected state aid for pensions.

*2010 Budget = \$1,514,262 and 2011 Budget = \$3,452,850*

Transfer In Unreserved Funds – The projected amount of unreserved funds required to balance the budget increases from 2010. In 2010, the amount of unreserved funds required to balance the Budget was \$621,130. The amount of unreserved funds projected to balance the 2011 Budget increases to \$992,789, which is an increase of \$371,659. As a point of reference, the Pennsylvania Economy League projected a budget shortfall in excess of one million dollars in 2011.

*2010 Budget = \$621,130 and 2011 Budget = \$992,789*

### **Interest, Rents & Royalties:**

Interest on Investments – The amount of revenue projected to be received on investments is reduced substantially due to an anticipated reduction in monies invested and the continuation of extremely low rates of return.

*2010 Budget = \$100,000 and 2011 Budget = \$40,000*

### **RESOLUTIONS**

**a) approving the minutes of the Altoona City Council Meeting held Wednesday, September 22, 2010. (0157-10)**

**b) rescinding Resolution 0127-10, a Demolition Bid award for Progressive Landscapers, as the bidder mistakenly bid on the wrong property and requested that the bid be withdrawn. (0158-10)**

**c) awarding the Shed Roof Addition – Centralized Garage Bid to The Orr Group of 428 7<sup>th</sup> Avenue, Altoona, PA in the amount of \$15,036.00 payable from the Capital Budget and authorizing City Manager Joseph F. Weakland to execute all documents and the City Clerk to attest to same. (0159-10)**

**d) amending and restating Fee Resolution 0121-09 which established fees for applications, permits and licenses for the City of Altoona. (0160-10)**

the resolutions were read by the City Clerk and the consent vote was taken on all items and passed 6 to 0; Councilman Cagle was absent

### **ORDINANCES - Adoption**

#### **Councilman Kelley**

**1) An Ordinance of the City of Altoona amending the Altoona Planning Code, specifically Title Three entitled, "Zoning" Article IV, Section 403 entitled, "Zoning Map" to rezone from Commercial Central Business to Light Industrial for property located between the rights-of-way of Lexington Avenue, Chestnut Avenue, 8<sup>th</sup> Street, and 7<sup>th</sup> Street – addressed as 700-720 Chestnut Avenue, 701-715 Lexington Avenue, 1301-1305 7<sup>th</sup> Street, and 1216-1302 8<sup>th</sup> Street, Altoona, Pennsylvania, 16601 – as more particularly shown on the map attached to the Ordinance and establishing an effective date.**

#### **ORD. NO. 5610**

This ordinance was read by City Clerk Linda Rickens Schellhammer

Introduction – Councilman Kelley

Motion for Adoption – Councilman Kelley

Second – Councilman Neugebauer

The vote was taken by City Clerk Linda Rickens Schellhammer and passed 5 to 0; Councilman Butterbaugh abstained due to a conflict of interest stating the engineering firm he works for prepared the plan of survey; Councilman Cagle was absent

### **Councilman Geis**

**An Ordinance of the City of Altoona adopting the 2009 edition of the *International Fire Code*, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the City of Altoona; providing for the issuance of permits and collection of fees therefore; repealing Ordinance No. 5471 of October 11, 2000 the City of Altoona and all other ordinances and parts of the ordinances in conflict therewith; and establishing an effective date. ORD. NO. 5611**

This ordinance was read by City Clerk Linda Rickens Schellhammer

Introduction – Councilman Geis

Motion for Adoption – Councilman Geis

Second – Councilman Butterbaugh

The vote was taken by City Clerk Linda Rickens Schellhammer and passed 6 to 0; Councilman Cagle was absent

**DISCUSSION ITEMS** – none

**MEDIA** – Bill Kibler, *Altoona Mirror*; Chris Forshey, WRTA Radio and Ben Manning, WTAJ TV 10

**ADJOURNMENT** – by Mayor Schirf at 8:50 p.m.