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1 THROOP BOROUGH COUNCIL
 2 THROOP, PENNSYLVANIA
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 4
 5 IN RE: REGULAR MONTHLY MEETING
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 10 SEPTEMBER 26, 2005
 11 7:00 P.M.
 12 THROOP MUNICIPAL BUILDING
 13 436 SANDERSON AVENUE
 14 THROOP, PENNSYLVANIA
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 18 C O U N C I L M E M B E R S :
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 20 DARYL MENICHETTI, PRESIDENT
 21 CINDY JOHNSON, VICE-PRESIDENT
 22 JOSEPH BARONE
 23 JAMES BARNICK
 24 THOMAS LUKASEWICZ
 25 GEORGE MARUSHOCK
 26 STANLEY LUKOWSKI, MAYOR
 27 JOHN BRAZIL, ESQUIRE, SOLICITOR
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1 MR. HEGEDUS: Mr. Hegedus is
 2 present.
 3 MS. MENICHETTI: I notice Mr.
 4 Yanoski is here to give our report. Do you
 5 want to be as brief as you can?
 6 MR. YANOSKI: I shall be.
 7 MS. MENICHETTI: For those of you
 8 who don't know, Mr. Yanoski is in charge of
 9 our police pension fund and the non-uniform
 10 pension fund. He does our investing for us.
 11 MR. YANOSKI: I'm sorry. It's been
 12 a few months since I've been here. I got
 13 bumped twice because there were two other
 14 meetings. I know you need me to be brief
 15 tonight.
 16 For those of you who do not see me
 17 here, I'm usually here every quarter, so we
 18 know that, and we keep everybody up to date
 19 with the police and non-uniform pension.
 20 You'll notice there's a new format
 21 to the quarterly review. Merrill Lynch has
 22 put in some significant dollars into their
 23 review process. I will reference some page
 24 numbers and it will be real easy to go
 25 through.

Page 2

1 MS. MENICHETTI: This meeting will
 2 now come to order. Would you like to stand
 3 for the Pledge of Allegiance.
 4 (Whereupon the Pledge of Allegiance
 5 was recited.)
 6 MS. MENICHETTI: There are no
 7 announcements for this evening. May I have
 8 roll call, please, Mr. Hegedus?
 9 MR. HEGEDUS: Ms. Menichetti?
 10 MS. MENICHETTI: Present.
 11 MR. HEGEDUS: Ms. Johnson?
 12 MS. JOHNSON: Here.
 13 MR. HEGEDUS: Mr. Barone?
 14 MR. BARONE: Here.
 15 MR. HEGEDUS: Mr. Barnick?
 16 MR. BARNICK: Here.
 17 MR. HEGEDUS: Mr. Lukasewicz?
 18 MR. LUKASEWICZ: Present.
 19 MR. HEGEDUS: Mr. Marushock?
 20 MR. MARUSHOCK: Present.
 21 MR. HEGEDUS: Mrs. Shortz? Mayor
 22 Lukowski?
 23 MAYOR LUKOWSKI: Here.
 24 MR. HEGEDUS: Solicitor Brazil?
 25 MR. BRAZIL: Here.

Page 4

1 First, we'll talk about the police.
 2 If you go right to page four, the easiest.
 3 Current valuation of the account as of the
 4 close of business September 19 -- I prepared
 5 this last week -- was \$1,242,958.87. If you
 6 turn the page to five it will show your
 7 allocation, on the left of the chart. You're
 8 about -- and I know the type may be a bit
 9 small. The allocation right now is about 57
 10 percent in stock, 40 percent fixed income, and
 11 about three percent in cash. Actually if you
 12 turn the page it's a little bigger to see.
 13 They duplicate it and make it a little bit
 14 bigger on page six.
 15 They show a growth model. We have
 16 models of other pension funds that are in very
 17 similar situations. Their models shows 65
 18 percent fixed income, about 25 fixed. So
 19 you're a little bit more conservative than
 20 most, which you can be because the pension
 21 fund continues to be significantly
 22 overfunded. So you have no pensioners drawing
 23 yet. So until that time comes your pension
 24 fund is significantly overfunded with regards
 25 to its assets.

1 If we move to page eight, often I'm
2 asked where are our monies with regards to
3 different sectors. Do we own technology, do
4 we own energy stocks, bank stocks, whatever.
5 This will be -- in blue is your allocation by
6 sector. Health care companies make up about
7 six percent of what you have. Consumer staple
8 stocks about five percent, technology about
9 five. People right now are very concerned
10 about energy and utility stocks. They're
11 about halfway down. They make up about 1.4
12 and 4.8 percent of your portfolio. You are
13 very well rounded.

14 The largest sector that you are in
15 is financial stocks, which are banks and
16 insurance companies, make up about nine
17 percent.

18 Prudent investing, especially when
19 it comes to pension funds, you try not to add
20 more than 15 percent to any one sector, which
21 you do not have.

22 Your bond allocation is near the
23 bottom. Long-term bonds, which are usually
24 longer than ten years, is only two percent of
25 what you have. Most of what of you have is

1 short and intermediate terms, 19 and 18
2 percent respectively. There is about 2.86
3 percent cash in the portfolio, which is about
4 \$35,000 of the \$1,242,000.

5 Any questions on allocation of
6 sector?

7 A little bit further, page ten.

8 Also, there's another size and style analysis,
9 meaning what size companies do we own, large,
10 medium, small or international. Right now
11 about 14.7 percent of your stocks are
12 large-growth companies. Companies like Dell,
13 Home Depot, Microsoft. Seventeen percent in
14 large-value companies. Big companies with
15 dividends: Heinz Ketchup, Hershey Foods,
16 General Electric. Big names that we've
17 known.

18 Small and mid caps, which probably
19 tend to be more aggressive but do have their
20 place in a portfolio, are right now about six
21 percent small growth and three percent at
22 small value. So about ten percent of your
23 portfolio is small. International is only
24 about five percent. Although international
25 has been the best place to be for the last 18

1 months due to our weak currency as well as the
2 very significant exports to India and China.
3 Right now we're sending every scrap metal
4 piece you can possibly send there, and it
5 comes back -- probably those in the
6 contracting industry, Tom, yourself, I have a
7 couple clients that are wholesalers. The
8 price of a simple piece of conduit, a piece of
9 plastic pipe, has gone from \$10 for a
10 four-inch piece to now \$21 in a week and a
11 half. That's just plastic. So anything
12 petroleum based or metal based right has done
13 unbelievably well, especially international.
14 So you've actually ridden that wave a little
15 bit in the portfolio with five percent there
16 as well.

17 Performance -- actually, first we'll
18 do income, page 12. What is the income in the
19 portfolio? Want to know what our dividends
20 and interest are. It is now broken out on a
21 monthly basis. This is your income cash flow
22 summary. Taxable interest on the bottom,
23 there, is about \$18,195 a year. Taxable
24 dividends about \$12,802. So total dividends
25 to portfolio estimated right now is almost

1 \$31,000 a year in dividends. Just so you know
2 where you're getting some of your return
3 from.

4 And your performance history with
5 Merrill Lynch, page 13. This goes back to
6 January of 1997. It started in September of
7 1996, so it's been nine years since I've been
8 your advisor with the pension fund. As
9 always, thank for that as well. But January
10 of 1997 we were at \$951,326.

11 Net withdrawals for the past eight
12 and a half years have been basically to cover
13 expenses to your pension administrator have
14 been about \$29,943. Dividends and interest
15 were \$450,000. Appreciation and depreciation
16 of a minus 141, for a total value of
17 \$1,236,000. Total returns were about 33.42
18 percent since your time at Merrill Lynch.

19 The three worst markets were 2000,
20 2001 and 2002. During September 11 and the
21 year that followed you can see those returns
22 year over year. They are listed to the
23 right.

24 If any of you have any questions
25 following the meeting on any of the format, I

1 know it's new, please call me afterwards. You
 2 can get a hold of me. Robert has my number,
 3 as well as anybody else you need. But it is a
 4 pretty good system that we do. I am not going
 5 to go through each individual position in your
 6 portfolio. You can do that at your leisure.
 7 Ask at any time. My door is open. I live in
 8 the valley. You know where I'm at. But if
 9 you need me just to let you know where your
 10 performance and allocation is.

11 The tablet that you have there,
 12 we'll go over the non-uniform. Before we do
 13 that, any questions on police pension? Okay.
 14 Non-uniform was started a little bit later to
 15 do all the DPW workers, office staff for the
 16 borough. Page four shows your evaluation,
 17 \$391,560.83 as of the 19th of September. Page
 18 six shows your allocation. Right now about a
 19 61 and a half percent stocks, 35 and a half
 20 percent fixed income or bonds, and about three
 21 percent in cash. There is about a five
 22 percent higher allocation for stocks here
 23 because there are pensioners, right now three
 24 of them, withdrawing monthly checks from the
 25 plan. So we've allocated a little higher for

1 right now. But average return just about 14
 2 and a half percent net return for that time
 3 frame. Your three most difficult years were
 4 2000, 2001 and 2002, down three, five and
 5 ten. But it made it back significantly in
 6 2003, 2004, and 2005 you're up as well.

7 So I don't have any recommendations
 8 for any significant changes. I really don't,
 9 because right now you do not want to be too
 10 overallocated to stocks. We are in a very,
 11 very sensitive marketplace right now. The
 12 federal reserve raised interest rates again
 13 last Tuesday another quarter point. That
 14 helps -- it doesn't help, it basically raises
 15 prime rate and what people are paying to
 16 borrow on a short term, but long-term treasury
 17 rates, long-term mortgage rates are still
 18 quite low. We call that a flat yield curve.
 19 Meaning one-year CDs, for those of us who buy
 20 CDs, right now are almost four percent and a
 21 ten-year CD 4.2. So who's going to invest an
 22 extra nine years for a quarter of a point.

23 China and India are. They're buying
 24 so much of our ten-year debt. And for those
 25 of you who heard of hurricane Katrina and

1 growth, and it has worked pretty well with
 2 regard to that.

3 Your sector allocation is also
 4 listed on page eight. Very similar to the
 5 allocation of the police pension fund. They
 6 are managed quite similarly. If there are any
 7 questions on that please ask it at whatever
 8 time you'd like.

9 The long term or growth versus value
 10 allocation on page ten, very similar to what
 11 we do for the police pension fund as well.

12 Last, but not least, would be
 13 performance -- income, I'm sorry. Income and
 14 then performance. Income, page 12, this
 15 portfolio earns about \$9,308 a year in
 16 dividends against a smaller portfolio, about
 17 \$391,000.

18 And last, but not least, is
 19 performance on page 13. This fund was started
 20 in July of 1998. You can see the value,
 21 January 1 of 1998 was zero. Opening balance.
 22 Your net contributions net of withdrawal has
 23 been \$326,000 in net contributions in to
 24 Merrill Lynch for the plan. The plan value at
 25 the end of August was 388. It's up to 391

1 relief, the \$100 billion and \$300 billion,
 2 they're floating more debt to pay for this.
 3 So basically the U.S. government is issuing
 4 more and more loans to get cash to pay for the
 5 cleanup. Who's buying all that debt? Foreign
 6 governments, in spades, and they keep buying.
 7 That keeps interest rates low on the long
 8 end. For those of us who have a business or
 9 invest on the short end it's great. Rates
 10 have gone up -- a year and a half ago CDs on
 11 one year were paying one and a half percent.
 12 Now they're paying almost four. So your
 13 income on your CD portfolio is coming up and
 14 your government bonds, but the stock market is
 15 right now really stuck in a very hard place
 16 because it doesn't know which way to go.
 17 Every little thing affects it.

18 Weather, as silly as it sounds,
 19 category five hurricane, which was hurricane
 20 Rita the other day, when it got knocked down
 21 to a four and a three the stock market
 22 immediately turned up positive. That's how
 23 sensitive it's gotten.

24 So keeping your allegation 55-45 in
 25 the police and 60-40 you need to stay at a

1 conservative stance. I really don't think you
 2 should get too aggressive. It's not a place
 3 to extend yourself, especially in the police
 4 fund because you're overfunded.
 5 MS. MENICHETTI: Ron, Merrill Lynch,
 6 do they invest in foreign currency.
 7 MR. YANOSKY: No, that's a great
 8 question. Most pension funds -- and actually
 9 the rules that ERISA, Employee Retirement
 10 Income Security Act of 1974 -- and you guys
 11 don't follow that. You guys follow government
 12 pension rules. But ERISA is a big thing when
 13 we talk about corporate pension funds or what
 14 you can and cannot invest in. We avoid all
 15 high yield and junk bonds. So there are no
 16 low rated junk debt. All of your bond paper
 17 is high quality, double A, triple A rated.
 18 Currency futures, that's like hedge
 19 funds. Most larger corporate funds allow it.
 20 Some of the larger municipal funds that we
 21 have have gone into that area where it's
 22 currency hedging. It is quite volatile,
 23 though. You need to be on it quite a bit. We
 24 do have one of our county pension funds that
 25 does have a small piece of it. On \$140

1 third week of January. So I will be open to
 2 come in October as well as January. Any
 3 recommendations I usually will try to put in
 4 writing and give to you guys for a meeting in
 5 advance if there's anything to do.
 6 But right now, I haven't been here
 7 in a little while. I just wanted to give you
 8 an update of where you were. The portfolio is
 9 actually fixed pretty well. The markets have
 10 been really shaky. You're on positive
 11 ground. So that's a good thing. Any
 12 questions?
 13 MS. MENICHETTI: Does anyone have
 14 any questions of Mr. Yanosky on council? I
 15 guess not. We're fine.
 16 MR. YANOSKY: Thank you very much.
 17 MS. MENICHETTI: Right now I'm going
 18 to entertain questions or comments from the
 19 floor.
 20 MR. LUKASEWICZ: Madam Chairman,
 21 before you do that can I ask a question on
 22 some of the items.
 23 Motion number one and number two, is
 24 there a need for that or can they just be
 25 deleted? I believe there was a resolution and

1 million plan they have \$2 million in it. So
 2 think of it as a percentage. You really need
 3 to take the extra risk with the currency
 4 hedging. It is a very sensitive area to do
 5 so. And I don't know if you should do it on a
 6 smaller value. Not that \$1,300,000 in the
 7 police fund is small, but in the world of
 8 currency hedging it is for a portfolio.
 9 They would look at me and say well,
 10 does your client have \$10 million in
 11 investible assets, and I would say no, they
 12 have \$1,300,000. Then we're not going to take
 13 the account. They just won't do it on a
 14 smaller piece of that size.
 15 MR. MARUSHOCK: Your recommendation,
 16 Mr. Yanosky? You're recommending we stay
 17 where we are?
 18 MR. YANOSKY: I do. And I'm
 19 actually scheduled to be here the end of
 20 October again, unless you want to defer me and
 21 wait until January. That's entirely up to the
 22 council. But I usually come within three or
 23 four weeks after a quarter ends, which would
 24 be September 30. That's up to you guys. A
 25 full year review will be in January as well,

1 a withdrawal letter basically stating that,
 2 you know, he wants to come back. I don't
 3 believe there's need for official action on
 4 it.
 5 MS. MENICHETTI: Well, we've already
 6 accepted letters of resignation. I've never
 7 known us not to do that.
 8 MR. LUKASEWICZ: Only if he extracts
 9 it and goes through with it. He gave a letter
 10 of resignation then he withdrew it --
 11 MS. MENICHETTI: But he
 12 requested -- according to the letter that I
 13 received from Mr. Hegedus, he requested our
 14 consideration in having him come back. It
 15 wasn't cut and dry. Read the letter.
 16 MR. MARUSHOCK: Both of these still
 17 stay in public view.
 18 MS. MENICHETTI: I will read the
 19 letter.
 20 MR. LUKASEWICZ: Even though he
 21 withdrew his own letter and just requested
 22 your consideration you think there's a need
 23 for official action?
 24 MS. MENICHETTI: I would think so.
 25 MR. LUKASEWICZ: Attorney Brazil, do

1 you believe so?
 2 MR. BRAZIL: That is certainly up to
 3 council to decide what they want to do.
 4 MS. MENICHETTI: "I would appreciate
 5 your consideration and acceptance of the
 6 withdrawal of my resignation." So that's
 7 asking us. That's why I put it on.
 8 MR. MARUSHOCK: This has happened in
 9 between meetings. I think --
 10 MR. LUKASEWICZ: Basically if a
 11 person resigns and then puts in a withdrawal
 12 of his resignation letter it's just one
 13 balances the other and you just go on
 14 forward. There's no need to have that --
 15 MR. BARNICK: The only way a
 16 resignation is legal is if it's voted on. Is
 17 that right, Mr. Brazil?
 18 MS. MENICHETTI: I don't believe
 19 that's true because you cannot force a person
 20 to work if they resign.
 21 MR. BARNICK: There's case law on
 22 it, isn't there, Mr. Brazil?
 23 MR. BRAZIL: Well, I think the point
 24 is if somebody resigns and council doesn't act
 25 positively on it you obviously can't force

1 somebody to work.
 2 MR. BARNICK: But you have to accept
 3 it --
 4 MR. BRAZIL: Generally at council
 5 meetings there will be a council meeting to
 6 accept it or reject the resignation. That
 7 generally happens in all resignations you see
 8 here on boards.
 9 MR. BARNICK: So if there's no
 10 acceptance or no nothing there's no need for
 11 any action. Right?
 12 MR. BRAZIL: Correct.
 13 MR. BARNICK: If he already recanted
 14 there's no need for any action. Right?
 15 MR. BRAZIL: Well, again, that's up
 16 to council to make the decision on that,
 17 whether they want to vote on it or not. It's
 18 up to council.
 19 MS. MENICHETTI: Well, let's leave
 20 it where it is and just take it to a vote.
 21 MR. LUKASEWICZ: Another question --
 22 MR. BRAZIL: I mean, I have seen
 23 instances where there have been resignations
 24 and council voted subsequent to that to either
 25 accept it or reject it. I mean, it's really

1 up to council to decide what they want to do
 2 on this.
 3 MR. LUKASEWICZ: Even though
 4 somebody withdraws their resignation?
 5 MR. BRAZIL: Right.
 6 MR. LUKASEWICZ: One other question,
 7 Madam Chairman. Motion number 21, going
 8 through 25, 26, 27, 28, there's a lot of
 9 motions on to pay bills with overdue balances
 10 and bills that's weren't paid.
 11 MS. MENICHETTI: Correct.
 12 MR. LUKASEWICZ: What are these on
 13 there for if we already voted to pay them
 14 originally?
 15 MS. MENICHETTI: They haven't been
 16 voted to pay. They are not paid. I called
 17 each and every one of these today. These
 18 bills are overdue. Some of them since June.
 19 They need to be paid. The vendors would
 20 appreciate our prompt attention to this.
 21 MR. LUKASEWICZ: These weren't on
 22 for items for payment?
 23 MS. MENICHETTI: No.
 24 MR. LUKASEWICZ: They were just
 25 inadvertently missed somehow?

1 MS. MENICHETTI: They were in the
 2 treasurer's office.
 3 MR. BARNICK: Well, was all this
 4 stuff just dumped on him?
 5 MR. LUKASEWICZ: Can I ask a
 6 question of Mr. Hegedus, then?
 7 MS. MENICHETTI: From June. They
 8 were from June. So they weren't dumped on
 9 anybody. June and July, one of them August.
 10 MR. LUKASEWICZ: Mr. Hegedus, I just
 11 assumed that you were paying everything that
 12 came before us. I know I asked questions on
 13 prior meetings, and now it just seems like
 14 there's a lot of these here. Were you aware
 15 of these or is this just something that --
 16 MR. HEGEDUS: Several of them I was
 17 not aware of. Motion number 23, to authorize
 18 payment to Morgan Highway Auto Parts for the
 19 outstanding balance of \$100, I did discuss
 20 that with police Chief Furiosi and he was not
 21 aware of it. And I also spoke with then
 22 borough manager Mr. Novack, who also was not
 23 aware of it. And you'll notice that it's
 24 dated 12/22/04. I don't think anything is
 25 unique of some bills being missed. It's just

1 that certain ones for some reason aren't
 2 brought to the attention --
 3 MS. MENICHETTI: This is only a
 4 small portion of what I found when I went back
 5 into the treasurer's office. I spent five
 6 hours on Saturday in the treasurer's office.
 7 MR. BARNICK: What were you doing in
 8 the treasurer's office?
 9 MS. MENICHETTI: Because I have an
 10 obligation to see that the bills in this
 11 community are paid. I spent five hours here
 12 matching POS to bills and trying to find out
 13 what was paid, what was past due, what
 14 wasn't --
 15 MR. BARNICK: Well, where were you
 16 from 12/22?
 17 MS. MENICHETTI: Excuse me? Where
 18 were you, Mr. Barnick?
 19 MS. JOHNSON: All seven members of
 20 council voted to pay the bills.
 21 MS. MENICHETTI: Where were all of
 22 you? Because I took the initiative to come up
 23 here and to find out why bills aren't getting
 24 paid, and this is what I found. I found
 25 mountains of bills.

1 early part of -- I'm sorry, the early part of
 2 September and --
 3 MR. LUKASEWICZ: This year?
 4 MR. MARUSHOCK: Yes. Bank
 5 reconciliation statements, I think there were
 6 eight of those. I didn't even open them. I
 7 don't think any of us opened them. We just
 8 let them sit there --
 9 MS. MENICHETTI: Now, another stack
 10 there were opened but not reconciled.
 11 MR. MARUSHOCK: It's a serious
 12 problem here that the borough of Throop is
 13 getting a black eye because we have not paid
 14 our bills.
 15 MR. BARNICK: I understand Lowe's
 16 cut us off, too.
 17 MS. MENICHETTI: They did. They
 18 brought a check to my office to be signed.
 19 MR. LUKASEWICZ: Lowe's did?
 20 MS. MENICHETTI: No, the borough,
 21 here, brought a check to my office to sign it
 22 to hand deliver to Lowe's because our
 23 employees went up there to purchase stuff and
 24 guess what? They were turned down because the
 25 bill had not been paid.

1 MR. BARNICK: Why aren't they being
 2 paid?
 3 MS. MENICHETTI: One at a time. Mr.
 4 Marushock opened the bills himself. How long
 5 did it take us? Two hours to open the unpaid
 6 bills.
 7 MR. MARUSHOCK: Not this past
 8 Friday --
 9 MR. LUKASEWICZ: Envelopes that were
 10 never opened?
 11 MS. MENICHETTI: Yes.
 12 MR. LUKASEWICZ: Where were they?
 13 MR. MARUSHOCK: In the treasurer's
 14 office. There were also bank reconciliation
 15 statements.
 16 MR. LUKASEWICZ: Envelopes that were
 17 never opened for months?
 18 MR. MARUSHOCK: Yes.
 19 MR. LUKASEWICZ: Evidently they were
 20 never given to the treasurer.
 21 MR. HEGEDUS: There is no formal
 22 receipt of correspondence.
 23 MR. MARUSHOCK: If I could add to
 24 this, I believe the posted dated on the
 25 envelopes were the beginning of September, the

1 MR. LUKASEWICZ: Where do you think
 2 the problem stems from?
 3 MS. MENICHETTI: I honestly have to
 4 say if you're going to take this job you have
 5 to seriously put yourself in the position of
 6 saying that I'm going to do the job.
 7 MR. LUKASEWICZ: Well, who are you
 8 blaming? That's the question I'm trying to
 9 ask.
 10 MS. MENICHETTI: Are you asking me
 11 who I'm blaming?
 12 MR. LUKASEWICZ: Yes. Is there
 13 someone at fault for this or is this just
 14 something that's happened?
 15 MS. MENICHETTI: Well, do you think
 16 that bills sitting there from June just
 17 happened?
 18 MR. LUKASEWICZ: All I know is --
 19 MS. MENICHETTI: This is only a
 20 handful of bills on here tonight because this
 21 is all --
 22 MR. LUKASEWICZ: There's more?
 23 MS. MENICHETTI: Oh, yes. This is
 24 all I was able to call today. I wasn't able
 25 to call --

1 MR. BARNICK: I was made aware of
2 bills from Scranton Craftsman over 90 days,
3 \$7,000-some hundred dollars, never were paid
4 either.

5 MR. MARUSHOCK: In the list there's
6 also cancellation notices that we received. I
7 have --

8 MS. MENICHETTI: We have shut off
9 notices from Pennsylvania American Water
10 Company.

11 MR. LUKASEWICZ: Come on. How did
12 it get to this point?

13 MS. MENICHETTI: And I called up and
14 they told me it takes 45 days before they send
15 that notice.

16 MR. LUKASEWICZ: I can't understand
17 it because we've never had a problem with the
18 borough of Throop --

19 MS. MENICHETTI: Workman's comp is
20 cancelling our policy as of October 1.

21 MR. LUKASEWICZ: Evidently the
22 employees that we had years ago were doing
23 wonderful jobs. I don't remember anything
24 like this --

25 MS. MENICHETTI: What happened in

1 the past is irrelevant. What's happening
2 right here and right now under your direction
3 and my direction and all of us here.

4 MS. JOHNSON: We need an audit as
5 soon as possible.

6 MS. MENICHETTI: There have been no
7 bank reconciliations.

8 MR. HEGEDUS: I would agree with
9 that audit. Based on the conversation that
10 First Community Bank had with me I would be in
11 full support of that audit. When the First
12 Community Bank had contacted me -- actually I
13 had contacted them in regards to our payroll,
14 and I was advised by First Community Bank -- I
15 have the gentleman's name. He's prepared to
16 give a full statement to council that --
17 what's the best way to put this -- that the
18 borough's financial records were accessed from
19 a computer outside of the borough building.

20 MR. BARNICK: What?

21 MS. MENICHETTI: And I also have a
22 statement from First National Community Bank
23 that we had overdrafts in the amount of
24 \$26,000.

25 MR. LUKASEWICZ: What?

1 MS. MENICHETTI: We were charged \$30
2 for each bounced check. And that was in
3 July.

4 MR. LUKASEWICZ: How did it get to
5 this point?

6 MS. MENICHETTI: We had --

7 MR. BARNICK: The majority is
8 destroying the town.

9 MS. MENICHETTI: Every week I would
10 go into the borough manager's office and I
11 would say are the bills paid? Are we up to
12 date? He would say everything's fine. He
13 would say to me everything is fine. So how
14 was I to know that this was occurring?

15 MR. BARNICK: Right there, them
16 four.

17 MS. MENICHETTI: We hired him. He
18 had 16 years' experience as a borough
19 manager.

20 MR. MARUSHOCK: There's an
21 overpayment for a Sunoco credit card that was
22 overpaid. The total bill amount was
23 \$2,879.72. We sent them a check or \$4,663.94,
24 generating an overpayment.

25 MR. BARNICK: I think we need an

1 investigation.

2 MS. MENICHETTI: Not only that --

3 MR. BARNICK: We need an
4 investigation.

5 MS. JOHNSON: I agree with you. I
6 agree.

7 MS. MENICHETTI: Excuse me. Not
8 only that -- not only that, I have a check --

9 MR. LUKASEWICZ: We're responsible.

10 MS. JOHNSON: I know we are.

11 MS. MENICHETTI: One person at a
12 time, please. I discovered this when the
13 Lowe's bill was -- when Chief Furiosi called
14 me at my office and said to me I'm at Lowe's.
15 They will not let us use the credit card.
16 This was two weeks ago. Two weeks ago. And I
17 did not know anything about this. This is
18 when I started to look into this.

19 MR. HEGEDUS: Ms. Menichetti, were
20 you furnished with the purchase orders for
21 that, for that Lowe's --

22 MS. MENICHETTI: Yes, I have.

23 MR. HEGEDUS: Can I ask you how you
24 received those if you didn't receive those
25 from the treasurer's office?

1 MS. MENICHETTI: They were faxed to
2 my office from this building.

3 MR. HEGEDUS: By whom?

4 MS. MENICHETTI: By the secretary.

5 MR. BARNICK: Is that what this
6 Northeast Office I see on this all the time on
7 all the documents? I see Northeast Office I
8 see on there. I'm just asking because I see
9 this and I'm wondering is the office being run
10 out of this office or what's going on?

11 MS. MENICHETTI: The other thing I
12 wanted to mention --

13 MR. BARNICK: It's on everybody's
14 agenda. Take a look. Every bit of paper
15 we're getting in this borough is from
16 Northeast Office. I think we need to send
17 them a thank you letter because, I mean, we're
18 using their fax machine and everything else.
19 We have no idea what's going on here going
20 through this office. We are not getting
21 informed of what's going on --

22 MS. MENICHETTI: Excuse me.

23 MS. JOHNSON: If you would pick up
24 your mail.

25 MR. BARNICK: I come up here every

1 MR. HEGEDUS: The bank
2 reconciliation --

3 MS. MENICHETTI: An what has stopped
4 you from paying these bills all this time?

5 MR. HEGEDUS: Which ones do you want
6 to address first?

7 MS. MENICHETTI: What has stopped
8 you from paying -- what about the overdraft of
9 \$26,000 that I discovered?

10 MR. HEGEDUS: You didn't discover
11 it.

12 MS. MENICHETTI: Yes, I did.

13 MR. HEGEDUS: Mr. Novack brought it
14 to my attention after he --

15 MS. MENICHETTI: Then why were we
16 under \$26,000? Why were we overdrafted?
17 Because you did not deposit the money.

18 MS. JOHNSON: Tommy, we called you
19 from the borough building to notify you of the
20 situation on your cell phone.

21 MS. MENICHETTI: That Friday
22 night -- or Thursday night when I was in the
23 borough building and I was told he was busy.

24 MR. HEGEDUS: May I address the
25 first --

1 day to look at the mail. Every day I look at
2 it.

3 MR. LUKASEWICZ: There's one way to
4 fix it. You should resign. The four of the
5 majority should resign.

6 MS. MENICHETTI: You're sitting here
7 the same as I am. You're not going to blame
8 me for this.

9 MR. BARNICK: She doesn't even live
10 in Throop anymore. She does not live in
11 Throop.

12 MR. LUKASEWICZ: You say he's not
13 doing the job?

14 MS. MENICHETTI: No. He got paid
15 since June. Did you do these treasurer
16 bills?

17 MR. HEGEDUS: I did with some
18 assistance from the assistant secretary until
19 I was asked to forfeit some of my pay under
20 the table by Mr. Novack on your request.

21 MS. MENICHETTI: Mr. Hegedus, you're
22 a rotten liar. First of all, Mr. Hegedus,
23 don't try and blame anybody else for this.
24 This is your fault. You did not do these
25 books. Have the bank recs been done?

1 MS. MENICHETTI: You're not going to
2 push the blame on somebody else.

3 MR. BARONE: Let the man talk.

4 MS. MENICHETTI: It's your job to
5 do --

6 MR. BARONE: Let him speak.

7 MR. BARNICK: He was the eighth
8 treasurer. In 19 months he was the eighth
9 treasurer.

10 MS. MENICHETTI: And now I'm going
11 to take comments from the floor.

12 MR. BARNICK: Put a motion on to
13 notify the DA's office that there's a
14 possibility of a councilwoman that is not
15 residing in the borough of Throop, and I want
16 that put on now.

17 MR. HEGEDUS: Mr. Barnick, can I
18 assist you on that?

19 MR. BARNICK: Yes.

20 MR. HEGEDUS: On last Thursday I had
21 gone to 801 George Street, which is the listed
22 residence for Mrs. Johnson --

23 MS. JOHNSON: I don't live there.

24 MR. HEGEDUS: That was verified by
25 the occupant.

1 MS. JOHNSON: Right, I don't live
2 there.
3 MR. HEGEDUS: I asked him how to get
4 in touch with you and he asked me to contact
5 your sister in Harding. He said you were
6 living there.
7 MS. JOHNSON: I don't live in
8 Harding.
9 MR. BARNICK: Where do you live?
10 MS. JOHNSON: I live on Sanderson
11 Street.
12 MR. BARNICK: Where?
13 MS. JOHNSON: I won't say on public
14 TV for the safety of my children. Is that
15 right, Mr. Barnick?
16 MR. BARNICK: I live right at 203
17 Adams Court. Everybody knows.
18 MS. JOHNSON: You know what, Mr.
19 Barnick, you stalking in your vehicle my
20 children and myself I don't appreciate. You
21 know what I'm talking about.
22 MR. BARNICK: Oh, come on.
23 MS. JOHNSON: Think about it. Think
24 about it.
25 MS. MENICHETTI: Do you drive by her

1 MR. HEGEDUS: Ms. Menichetti, as a
2 matter of fact I had contacted you and advised
3 you -- and Ms. Johnson can attest to it, that
4 you were contacted to pay Mr. Wozniak and you
5 refused to sign it, saying --
6 MS. MENICHETTI: I don't sign checks
7 that are not approved for payment.
8 MS. HEGEDUS: Motion 27 --
9 MS. MENICHETTI: No, any bills that
10 were approved last meeting I signed.
11 MR. LUKASEWICZ: We approved this --
12 MR. BARNICK: There's checks in
13 there for the police that worked down the DUI
14 processing center. They have not been paid
15 for weeks but the money came in to the borough
16 for them. They have not been signed.
17 MS. MENICHETTI: It should come out
18 of the payroll and it's not in the payroll.
19 MR. MARUSHOCK: That money just came
20 in to the borough I believe last week.
21 MR. BARNICK: Three weeks ago it
22 came in to the borough.
23 MR. MARUSHOCK: Mr. Furiosi
24 explained it.
25 MS. MENICHETTI: Well, why were they

1 place of employment so many times a week?
2 MS. JOHNSON: Think about it.
3 MR. BARNICK: Where does she work?
4 MS. MENICHETTI: Mr. Barnick, stop.
5 MR. BARNICK: Create some more
6 stuff, fabricating all these claims.
7 MS. MENICHETTI: All right, I'm
8 going to take audience comments. Who would
9 like to speak, please raise your hand. Step
10 up to the podium, please.
11 Before we do, I have a few motions
12 I'm going to add at this time. One is to
13 place a motion on the floor to hire Sean
14 Soltis as a civic center monitor and day care
15 worker, and the other is to pay Mark Wozniak
16 all of the fees for his services totaling
17 \$1,024. Does this include what's on the list
18 of so-called bills here?
19 MR. LUKASEWICZ: Why wasn't he
20 paid?
21 MS. MENICHETTI: Because the
22 treasurer didn't pay him. He didn't put it in
23 for payment. The man has been not paid since
24 June. This is what I've been trying to tell
25 you.

1 not paid?
2 MR. HEGEDUS: Why were they not
3 paid? You'll have to answer that because I
4 informed you and Ms. Johnson that there were
5 two -- or I'm sorry, that there were checks to
6 be signed after the special meeting on
7 Thursday.
8 MS. MENICHETTI: Mr. Barnick just
9 said they were there for three weeks.
10 MR. HEGEDUS: No, the money was
11 there. The checks were not --
12 MS. MENICHETTI: It's supposed to
13 come out of the payroll. It's not in
14 payroll.
15 MS. JOHNSON: It's not supposed to
16 be in accounts payable.
17 MR. HEGEDUS: Well, we had a
18 free-lance on payroll last week, as you know.
19 MR. LUKASEWICZ: We've been doing
20 that right along.
21 MS. MENICHETTI: So you're doing the
22 wrong thing and you want me to sign the
23 checks. Is that what you're saying?
24 MR. BARNICK: She's trying to twist
25 this right off.

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1 MR. HEGEDUS: How am I doing the
 2 wrong thing?
 3 MS. MENICHETTI: Because you put
 4 them in accounts payable. They were supposed
 5 to come out of the payroll account. They've
 6 always been done that way, Mr. Hegedus.
 7 MR. HEGEDUS: They have been.
 8 MS. MENICHETTI: Right, but they're
 9 now in the accounts payable --
 10 MR. HEGEDUS: And they're voided
 11 out.
 12 MS. MENICHETTI: Well, they're not
 13 voided out on mine. Furthermore, you have on
 14 here Building Inspector Underwriters, you have
 15 a bill here for \$1,944.46. That was approved
 16 by motion number 11 on July 25 and was never
 17 paid.
 18 This Lowe's bill, is this a new bill
 19 for \$1,153.93 or is that the bill that I
 20 signed last week?
 21 MR. HEGEDUS: That's the bill you
 22 signed for.
 23 MS. MENICHETTI: So that's on here,
 24 too. So that shouldn't be on the list for
 25 payment.

1 present us with a list of bills for payment
 2 and we approve them.
 3 MR. HEGEDUS: I would have presented
 4 the documents --
 5 MS. MENICHETTI: We don't know
 6 what's paid and what's not paid on this.
 7 MR. HEGEDUS: Had I had the proper
 8 training I would have presented --
 9 MS. MENICHETTI: You're making an
 10 awful lot of excuses. An awful lot of
 11 excuses. I called venders and I have been
 12 talking to --
 13 MR. HEGEDUS: Did you call Tomark?
 14 MS. MENICHETTI: No, I didn't call
 15 Tomark. When I get an inventory as to what's
 16 up in that park then I'll pay Tomark.
 17 MR. HEGEDUS: Well, just so you know
 18 we're 90 days past.
 19 MS. MENICHETTI: I'm very well aware
 20 of that because I asked for an inventory from
 21 Mr. Novack and I asked for one from you and I
 22 still don't have either one of them.
 23 MR. BARONE: Cindy, you might as
 24 well sign some checks.
 25 MS. JOHNSON: I'm not signing any

1 MR. HEGEDUS: It's on the list of
 2 paid.
 3 MS. MENICHETTI: This is not paid.
 4 These are not paid.
 5 MR. BARNICK: Excuse me. The
 6 borough manager should have had to sign off on
 7 these POs before he went --
 8 MS. MENICHETTI: Then he'd have a
 9 list --
 10 MR. BARNICK: Wait. The borough
 11 manager prior to this had to sign off on these
 12 bills.
 13 MS. MENICHETTI: Mr. Barnick, I'm
 14 talking.
 15 MR. BARNICK: Get with the process.
 16 MS. MENICHETTI: Statements were
 17 issued. This \$11,173, has that not been
 18 delivered already, Mr. Hegedus?
 19 MR. HEGEDUS: Right.
 20 MS. MENICHETTI: Then why is it on
 21 for payment here?
 22 MR. HEGEDUS: Because that report
 23 breaks it down to bills that have been paid
 24 and bills that need to be paid.
 25 MS. MENICHETTI: You're supposed to

1 checks unless I know that there's money in the
 2 account and an audit being done.
 3 MS. MENICHETTI: We have no idea how
 4 much money is in the account because you have
 5 not done any bank recs. Have you even
 6 attempted to do them?
 7 MR. HEGEDUS: Bank reconciliations?
 8 Yes. And when you were back in the office you
 9 should have looked, as I told you, that the
 10 January through April payments are done on a
 11 loose-leaf paper and I am not sure if they are
 12 reconciled or not. I've asked for --
 13 MS. MENICHETTI: And you let them
 14 go?
 15 MR. HEGEDUS: I asked for your
 16 assistance in June on this.
 17 MS. MENICHETTI: You asked for my
 18 assistance in June?
 19 MR. HEGEDUS: Yes, I did.
 20 MS. MENICHETTI: How was I to assist
 21 you?
 22 MR. HEGEDUS: You just assisted me
 23 in finding all the invoices that are past due.
 24 MS. MENICHETTI: Did you want me to
 25 do the bank recs for you? You got paid for

1 it. I don't. Why should I do your bank
2 reconciliations. I didn't get that check
3 every week, you did.

4 MR. MARUSHOCK: Attorney Brazil, can
5 I ask a question, please?

6 MR. BARNICK: I have a question.
7 Where is the borough manager on signing these
8 POS? Every PO that goes through here,
9 purchase order, if you don't know what I'm
10 saying, where is the borough manager signing
11 off on these POS and logging them in?

12 MR. HEGEDUS: Daryl, there's been no
13 accountability and I explained that to you.
14 There's been no accountability on purchase
15 orders. Unauthorized people have been signing
16 purchase orders. I was told that Mrs.
17 Hartshorn is not authorized to sign purchase
18 orders and has signed several, and when I
19 questioned them everybody told me just pay
20 them.

21 MS. MENICHETTI: Who is everybody?

22 MR. HEGEDUS: Yourself.

23 MS. MENICHETTI: Oh, no. You never
24 said that to me ever. No, you did not.
25 That's an outright lie, Mr. Hegedus. That's

1 an outright lie because I sent a memo to Mr.
2 Novack telling him that only supervisors or
3 department heads are to sign POS and I also
4 wanted the amount on them.

5 MR. HEGEDUS: Ms. Menichetti, all
6 due respect, that had not been the format
7 until I had taken office.

8 MS. MENICHETTI: Well, that was a
9 memo I sent to Mr. Novack.

10 MR. HEGEDUS: There's been a lot
11 done prior to my arrival. I'm trying to clean
12 up this stuff. You sent me a two-page -- I'm
13 sorry, a ten-page questionnaire.

14 MS. MENICHETTI: Well, I did send
15 one. I'm sorry --

16 MR. LUKASEWICZ: You didn't give it
17 to council to see.

18 MS. MENICHETTI: Well, he got a
19 memo.

20 MR. HEGEDUS: Ms. Menichetti, would
21 you like answers to your questions or would
22 you like me to move on?

23 MS. MENICHETTI: Well, you know
24 what, I'd like to move on because --

25 MR. BARNICK: Let him defend

1 himself. What's wrong with you?

2 MR. BARONE: You're accusing him all
3 night.

4 MR. BARNICK: You should be out of
5 here, Daryl. You're a lame duck. You should
6 be out of here.

7 MS. MENICHETTI: Do you know why you
8 want me out? Because I'm a thorn in your side
9 because I watch everything everybody does.

10 MR. BARNICK: You're a thorn in the
11 whole town. You're an embarrassment.

12 MS. MENICHETTI: You're sitting on
13 this council. Why don't you know what's going
14 on?

15 MR. BARNICK: She does not live in
16 the borough, Ms. Johnson.

17 MS. MENICHETTI: I'm going to take
18 audience comment. Somebody stand at the
19 podium.

20 MRS. MORRELL: Elaine Morrell, 315
21 George Street. First of all, I'd like you to
22 read the resignation that Mr. Hegedus
23 submitted to you.

24 MS. MENICHETTI: We will when the
25 time comes.

1 MRS. MORRELL: Okay. I'd like to
2 know what the bill for United TV is every
3 month. What is United TV?

4 MS. MENICHETTI: Well, there's the
5 treasurer. Ask him. He pays the bill.

6 MRS. MORRELL: You're the president.

7 MS. MENICHETTI: I don't see any
8 bill on here for United TV.

9 MR. HEGEDUS: United Television was
10 repairs to the big screen TV over in the civic
11 center. I believe there were two instances
12 where the television broke. We incurred no
13 finance fees for that.

14 MS. MENICHETTI: There are tons of
15 finance fees for other things, including the
16 bank.

17 MRS. MORRELL: In regard to motion
18 number ten, I'd like to know what the
19 effective date is for the borough's insurance
20 and I'd like to know if we have borough
21 insurance as of today.

22 MS. MENICHETTI: Ask the borough
23 manager.

24 MR. BARNICK: He's been here a
25 week.

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1 MR. LUKASEWICZ: He just started the
2 position.
3 MR. BARNICK: You mean we don't have
4 insurance either?
5 MS. MENICHETTI: We have a bill here
6 for \$95,000.
7 MR. BARNICK: Do we have insurance
8 coverage right now?
9 MS. MENICHETTI: As far as I know,
10 unless Mr. Hegedus knows otherwise.
11 MR. BARNICK: Why are you putting it
12 on Mr. Hegedus?
13 MS. MENICHETTI: Well, he's the
14 treasurer. He's supposed to pay the bills
15 when they come.
16 MR. BARNICK: You're the president.
17 MS. MENICHETTI: That doesn't
18 matter, I'm the president. I'm supposed to
19 run this meeting. I'm not supposed to run the
20 town.
21 MR. BARNICK: You signing those
22 checks --
23 MR. MARUSHOCK: Do we have liability
24 insurance in place right now?
25 MR. HEGEDUS: I cannot answer that.

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1 I have not seen the bill from Joyce, Jackman
2 and Bell.
3 MR. MARUSHOCK: Did we receive any
4 cancellation notices?
5 MS. MENICHETTI: It was on your
6 desk. The bill was on your desk.
7 MR. HEGEDUS: It may have been.
8 MR. MARUSHOCK: I believe we
9 addressed this the other night at the work
10 session.
11 MR. BARNICK: Do we have insurance?
12 Do we have insurance right now?
13 MR. MARUSHOCK: I'm trying to find
14 out. I believe we addressed this the other
15 night regarding the price and the coverage
16 date.
17 MS. MENICHETTI: Oh, don't play
18 dumb. You know what's going on.
19 MR. LUKASEWICZ: I don't know if we
20 have insurance. I'm telling you the truth.
21 MS. JOHNSON: That's what we called
22 a special meeting for the other night when no
23 one showed up.
24 MS. MENICHETTI: That's why we did
25 call a special meeting. You three chose not

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1 to show.
2 MR. BARONE: Sue Shortz didn't show
3 either.
4 MR. LUKASEWICZ: Offer a phone call
5 to the person prior to you scheduling a
6 meeting to see if they can make it.
7 MS. MENICHETTI: Excuse me. Joyce,
8 Jackman and Bell, I got this from the
9 treasurer's office, on his desk, dated August
10 23. Okay? And it says insurance program.
11 MR. LUKASEWICZ: What's the date?
12 MS. MENICHETTI: Effective date 9/4,
13 2005.
14 MR. BARNICK: We don't have
15 insurance.
16 MS. MENICHETTI: This was on his
17 desk. This is where I got this. Why are you
18 looking at me like this? Why didn't you pay
19 the bill?
20 MR. HEGEDUS: I can't deny it.
21 MS. MENICHETTI: Why didn't you pay
22 it? Don't look at me if you didn't do your
23 job.
24 MR. LUKASEWICZ: Was it approved to
25 pay?

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1 MS. MENICHETTI: No. It was not put
2 on.
3 MR. LUKASEWICZ: That's the borough
4 manager's responsibility if it wasn't --
5 MS. MENICHETTI: It's the
6 treasurer's responsibility.
7 MR. BARNICK: It's the borough
8 manager's responsibility.
9 MR. LUKASEWICZ: To put it on the
10 agenda.
11 MS. MENICHETTI: Now you're trying
12 to divert the blame here.
13 MR. BARNICK: No, you're trying to
14 divert the blame.
15 MS. MENICHETTI: No, no, no, no, no,
16 you're trying to divert the blame.
17 MR. BARNICK: You've been diverting
18 the blame for 21 months.
19 MS. MENICHETTI: I was the treasurer
20 for four and a half years.
21 MR. BARNICK: Yeah, and you sucked
22 at it.
23 MS. MENICHETTI: Let me tell you
24 something --
25 MR. BARNICK: You sucked at it.

1 MS. MENICHETTI: There was never a
2 past due or unpaid bill.

3 MR. BARNICK: No, all the rest of
4 them had to help you. Elaine and them had to
5 do it for you.

6 MS. MENICHETTI: Elaine never did my
7 job. Did you ever do my job for me, Elaine?

8 MRS. MORRELL: Did I do your job?
9 No. Did I match POs? Did I make the correct
10 general ledger? Did I check every statement
11 that came in to the borough and matched it
12 with every invoice? Yes, I did. There were
13 no late payments.

14 MS. MENICHETTI: And never a late
15 payment.

16 MRS. MORRELL: Not for all the time
17 until this past year, evidently. I'd like to
18 know what the borough manager did and what the
19 assistant secretary did because we worked
20 together in the past.

21 MR. MARUSHOCK: What about the
22 situation when our insurance cancelled our
23 coverage and an employee got hurt? And we
24 fought back and forth on this --

25 MS. MENICHETTI: That was workman's

1 comp.

2 MR. MARUSHOCK: If there's a gap in
3 the insurance and one employee could get hurt
4 during that so-called gap in our coverage --

5 MS. MENICHETTI: The agent did not
6 make the --

7 MR. BARNICK: That was blamed on an
8 agent.

9 MS. MENICHETTI: That was probably
10 my fault, too.

11 MR. BARNICK: That was the agent.

12 MS. MENICHETTI: No, it was probably
13 my fault because you blame everything else on
14 me.

15 MR. BARNICK: Well, you screwed up
16 the town pretty bad.

17 MRS. MORRELL: Wasn't the agent
18 Dominick Verrastro who did not follow through
19 on making that payment in time?

20 MR. LUKASEWICZ: Exactly.

21 MRS. MORRELL: The payment was
22 made. The agent --

23 MS. MENICHETTI: For your
24 information, I went in there and I found the
25 workman's comp bills that were going to be

1 cancelled as of October 1 because they had not
2 been paid. Had I not gone into the borough
3 treasurer's office, found that invoice --
4 several invoices and checked them against what
5 had been paid they may have cancelled our
6 insurance by October 1 and we would be in the
7 same spot that we were in when that happened
8 but it would have been just for non-payment.

9 You know, instead of thanking me for
10 going there and finding all of this and trying
11 to rectify it -- that would be the responsible
12 thing to do. Of course, I can't expect you to
13 do the responsible thing.

14 MR. BARNICK: No way.

15 MS. MENICHETTI: Oh, no.

16 MR. BARNICK: Not with you.

17 MS. MENICHETTI: No. You like to
18 point fingers at other people.

19 MR. BARNICK: Twenty-one months you
20 did nothing to try to help this borough.
21 Twenty-one months. And this one hasn't been
22 living in the borough for months. Has not
23 been living in the borough for months.

24 MS. MENICHETTI: Maybe she's living
25 with you.

1 MR. MARUSHOCK: How come nobody else
2 picked this up either?

3 MR. BARNICK: Now you even have Mr.
4 Federovitch editing the tapes for the
5 majority. People are telling me about parts
6 are missing. How about that?

7 MS. JOHNSON: Get out of here.

8 MS. MENICHETTI: Mr. Federovitch,
9 have I ever asked you to do that?

10 MR. FEDEROVITCH: No.

11 MR. BARNICK: He's not going to tell
12 the truth.

13 MS. MENICHETTI: Well, you know
14 what, it's very easy to point fingers, it's
15 very easy to make accusations, but it's not
16 easy to come up here and take responsibility
17 and to try and do the right thing. And I
18 called a meeting last Thursday and you three
19 chose -- plus the mayor chose not to come
20 here.

21 MR. BARNICK: Susan Shortz chose not
22 to come.

23 MS. MENICHETTI: Her father is very
24 ill.

25 MR. BARNICK: Just because you try

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1 to schedule a meeting after you already put it
2 in the paper, and then you ask can you come to
3 the meeting. Oh, sure. Because you said so,
4 Daryl.

5 MS. MENICHETTI: I schedule meetings
6 when I'm not working. You don't work, I do.
7 I schedule meetings when I don't work.

8 MR. BARNICK: One thing has got to
9 be said. Now, for six years myself and Mr.
10 Lukasewicz and Joe Barone were presidents.
11 For six years. Not one bill went unpaid.
12 Never was there a mess like this.

13 MS. MENICHETTI: Well, it certainly
14 wasn't because of you.

15 MR. BARNICK: For six years.

16 MR. LUKASEWICZ: That's right, it
17 wasn't because of us, this mess.

18 MR. BARNICK: It sure wasn't because
19 of me this mess was created. You're right
20 there. Your bitterness because of the
21 election.

22 MS. MENICHETTI: No, I didn't create
23 this mess. I just happened to hire the wrong
24 person for the job. That's all I did.

25 We will have order here or you will

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1 be asked to leave. This is a public meeting.

2 MR. BARNICK: Go ahead.

3 MS. MENICHETTI: Now, I'm taking
4 audience comments. One at a time raise your
5 hand.

6 MR. BARNICK: She's still up there.

7 MS. MENICHETTI: What else do you
8 want to know, Elaine?

9 MRS. MORRELL: Did all members of
10 council receive copies of the insurance and
11 copies of the bills when they came in, when
12 they come in advance, in order for council to
13 approve? Ordinarily council would approve the
14 insurance package or you would get it
15 beforehand. Didn't the assistant secretary or
16 borough manager -- and I'm not talking about
17 Robert because he's only been here a week.
18 Was all this information photocopied for all
19 seven members of council, the mayor, the
20 solicitor, as it always was done for years and
21 years?

22 MS. MENICHETTI: All I know is these
23 bills were located on the treasurer's desk.
24 That's all I know. That's where I found
25 them.

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1 MRS. MORRELL: Daryl, bottom line --
2 and I'm not for or against anybody. All I
3 know is you're putting the hit on Robert
4 Hegedus. He's only been here a short time.
5 And the job is not one person, the job is
6 everybody.

7 MS. MENICHETTI: You're right,
8 Elaine.

9 MRS. MORRELL: It seems as though
10 that your borough manager or your assistant
11 secretary and possibly your treasurers
12 throughout the years haven't been doing their
13 job. And I do put that on the responsibility
14 of the majority because those people were
15 hired by you four. Susan is not here. By
16 your four. And maybe things should have been
17 looked at before last week. So Robert submits
18 a resignation. In between I don't know why or
19 what.

20 MS. MENICHETTI: He submitted it
21 because I was looking at the bills in the
22 treasurer's office.

23 MRS. MORRELL: Well, did you look at
24 the bills after he submitted his resignation?

25 MS. MENICHETTI: Yes, I did. I

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1 spent five hours up here on Saturday going
2 through all those bills, matching POs, and
3 trying to find out which bills were paid,
4 which bills were not paid, and if there were
5 questions on them. I found checks in the
6 drawer that were returned, never placed --
7 credited to the general account. Just placed
8 in the drawer.

9 MRS. MORRELL: Where's the staff?
10 Where was the borough manager? Where was the
11 borough manager?

12 MS. MENICHETTI: Excuse me, you're
13 shifting the blame here.

14 MRS. MORRELL: No, Daryl. You
15 know --

16 MR. BARNICK: Who are you hoping to
17 blame?

18 MRS. MORRELL: You know what I did
19 when I was here.

20 MS. MENICHETTI: Yes, I do.

21 MRS. MORRELL: And I checked every
22 bill, I checked the general ledger, I checked
23 all the statements. I checked absolutely
24 everything. I don't care what kind of title
25 you give somebody.

1 MS. MENICHETTI: We have a person
 2 speaking. Would you please be quiet so we can
 3 hear her, at least.
 4 MRS. MORRELL: And whether it's your
 5 assistant secretary, it doesn't matter what
 6 title it is. People have a responsibility
 7 that work here. You can't dump everything on
 8 one employee, on one part-time employee.
 9 MS. MENICHETTI: But, Elaine, when
 10 we had a previous treasurer the bills were
 11 paid. We didn't have this problem.
 12 MRS. MORRELL: Elaine Morrell looked
 13 at everything. Everything.
 14 MR. HEGEDUS: Was that treasurer
 15 publicly ridiculed for letting that lapse --
 16 MS. MENICHETTI: That wasn't the
 17 treasurer.
 18 MR. BARNICK: That wasn't the
 19 treasurer's fault, it was the agent's.
 20 MR. HEGEDUS: You can push the blame
 21 any way you want.
 22 MRS. MORRELL: -- trying to blame
 23 Elaine Morrell.
 24 MR. MARUSHOCK: I asked a question.
 25 MRS. MORRELL: That's why that

1 was pride.
 2 MS. MENICHETTI: Yes, you did.
 3 MR. HEGEDUS: Okay. Did I also not
 4 ask you where the books were for that software
 5 because I was not trained properly on that?
 6 What was your response to that?
 7 MS. MENICHETTI: I don't know where
 8 they were.
 9 MR. HEGEDUS: You told me there were
 10 none.
 11 MS. MENICHETTI: Well, I didn't know
 12 where they were. I had never seen books so
 13 how could I adequately tell you where they
 14 are?
 15 MR. HEGEDUS: Right here and now
 16 you're --
 17 MS. MENICHETTI: What difference
 18 does it make? I didn't know where they were.
 19 MR. HEGEDUS: It makes a tremendous
 20 amount of difference because my --
 21 MS. MENICHETTI: You asked me a
 22 question, Mr. Hegedus. You asked me where the
 23 books were. I told you I did not know if we
 24 even had books. I was not aware of it. I
 25 never used -- I used that software when I was

1 statement came out. Anytime I try and say
 2 anything you try and hit me with something
 3 else.
 4 MR. MARUSHOCK: Don't put words in
 5 my mouth, Elaine.
 6 MRS. MORRELL: Every time I say
 7 something you try and zip one in on a voided
 8 check that you said that you went to the bank
 9 for. The agent didn't submit the payment.
 10 MR. BARNICK: She answered it.
 11 MR. MARUSHOCK: It's not an
 12 accusation.
 13 MR. BARNICK: Yeah, it was.
 14 MR. MARUSHOCK: No, it wasn't.
 15 MS. MENICHETTI: Shifting the blame
 16 again. Keep shifting the blame.
 17 MR. BARONE: Four borough managers,
 18 eight treasurers, and all this came about
 19 because they got rid of you, they got rid of
 20 Christine, and they got rid of Lenore. Those
 21 three did the work of the other 13 people.
 22 MR. HEGEDUS: May I ask a question,
 23 Madam Chairman? When I told you the
 24 difficulties I was having with the accounts
 25 payable and such I did admit that some of it

1 a controller but I never did accounts payable.
 2 MR. HEGEDUS: Are you aware that I
 3 found the five manuals --
 4 MS. MENICHETTI: You told me you
 5 did.
 6 MR. HEGEDUS: -- underneath the
 7 computer. Well, I mean, you're chastising
 8 me --
 9 MS. MENICHETTI: Maybe if you asked
 10 Mr. Novack before he left --
 11 MR. HEGEDUS: I did ask Mr. Novack,
 12 I asked Mr. Kalinoski, I asked Mrs.
 13 Hartshorn. We all agreed there were purchase
 14 orders no one knew anything about. We went
 15 round and round with this Lowe's bill, and low
 16 and behold after you give me a questionnaire
 17 the day I take office --
 18 MS. MENICHETTI: Did you look for
 19 the invoices? Did you look for the POs?
 20 MR. HEGEDUS: I looked to where my
 21 purchase orders are stored. I was not aware
 22 of any storage of the yellow purchase orders
 23 that surprisingly got faxed to you at work
 24 without my knowledge.
 25 MR. BARNICK: Oh, man.

1 MS. MENICHETTI: Excuse me. The
2 yellow purchase orders are always on the file
3 cabinet. They've been there for years.

4 MR. HEGEDUS: They were brought to
5 my attention.

6 MS. MENICHETTI: Did you ever ask?

7 MR. HEGEDUS: Daryl, I can't ask
8 every question -- every possible question --

9 MS. MENICHETTI: But if you don't
10 know how to do something you have to ask.

11 MR. HEGEDUS: There's three copies
12 of purchase orders. I get the pink copy. I
13 match it to the bill much like Elaine did for
14 you. That's what I did. When those purchase
15 orders don't come through or I question them
16 to the individual that signed them and they
17 can't give me an accountable answer I cannot
18 in good faith pay that bill.

19 MS. MENICHETTI: So you just left it
20 on the desk for months at a time?

21 MR. HEGEDUS: No, I addressed it
22 with people and I didn't get the right
23 answer.

24 MS. MENICHETTI: So that's your
25 excuse for not paying all these bills --

1 MR. HEGEDUS: It's not an excuse,
2 it's a fact. There was no cooperation and
3 there is no protocol to receive mail in this
4 building. Health insurance bills were not
5 opened but Nextel bills were.

6 MS. MENICHETTI: That's why I hired
7 you, because I knew you would manage --

8 MR. HEGEDUS: And you're chastising
9 me now for doing work.

10 MS. MENICHETTI: No, I'm not
11 chastising you for the borough manager's job.
12 This has only to do with the treasurer. It
13 has nothing to do with borough manager.

14 MR. BARNICK: I can remember almost
15 a year and a half ago when you authorized
16 extra money to train a treasurer when they
17 fired the last one, over \$4,000. Over \$4,000
18 was granted on the borough treasurer. I
19 remember that specifically. Forgot about
20 that, I guess.

21 MR. MARUSHOCK: Programming the
22 computer and everything else has changed and
23 there needed to be upgraded training.

24 MR. BARNICK: Why were they
25 changed?

1 MS. MENICHETTI: We have new
2 software because it was upgraded.

3 MR. BARNICK: I mean, eight
4 treasurers recommended this over the years?
5 Eight treasurers now.

6 MR. HEGEDUS: Mr. Marushock, there's
7 no one person responsible for --

8 MS. MENICHETTI: Give me a break.
9 Mrs. Morrell, do you have anything else?

10 MRS. MORRELL: Yes, I do.

11 MS. MENICHETTI: We have to get on
12 with this meeting.

13 MRS. MORRELL: Council mentioned the
14 police officers not getting paid for the DUI,
15 it should have been on the payroll. Well,
16 whoever was doing the payroll should have
17 submitted that information to the payroll
18 service. And I have a question on motion
19 number --

20 MS. MENICHETTI: Well, the checks
21 were not cashed. That's why. The ones for
22 the DUI that came from the county.

23 MR. HEGEDUS: Daryl, there was
24 \$280,000 in the general fund.

25 MS. MENICHETTI: I don't care how

1 much money was in there.

2 MR. HEGEDUS: We can cover \$1,400
3 worth of checks.

4 MS. MENICHETTI: How did we get
5 \$26,000 worth of bounced checks?

6 MR. HEGEDUS: Again, you'll --

7 MS. MENICHETTI: No, Robert, because
8 you held the Keystone Landfill check for two
9 weeks. That's why.

10 MR. HEGEDUS: And how do I know what
11 the account balances are on line when that
12 information isn't shared to me but somebody
13 tried to access it from their home?

14 MR. BARNICK: I want to know about
15 this. John, what's got to be done on this?
16 Somebody accesses from the home. I want to
17 know what's going to be done here. I'm not
18 kidding.

19 MS. MENICHETTI: I can't hear you.
20 I'm sorry.

21 MR. LUKASEWICZ: Do you know what
22 he's talking about?

23 MS. MENICHETTI: If one person would
24 speak at a time.

25 MR. BARNICK: Somebody accessed the

1 accounts from their home.
 2 MR. BRAZIL: You can request an
 3 investigation of it.
 4 MR. BARNICK: Attorney general?
 5 MS. MENICHETTI: Oh, yeah, you might
 6 get a request from him.
 7 MR. BARNICK: For something like
 8 this when you're multi-thousands of dollars?
 9 MS. MENICHETTI: What are you
 10 saying, that there's money missing from the
 11 account?
 12 MR. BARNICK: I don't know anymore.
 13 MS. MENICHETTI: What accusation are
 14 you making right in this public meeting?
 15 MR. BARNICK: Accusation that you
 16 should be out of here.
 17 MS. MENICHETTI: I access my --
 18 MR. BARNICK: You screwed the
 19 borough up.
 20 MR. MORRELL: Do you access your
 21 work bank accounts from home?
 22 MS. MENICHETTI: I don't do it, I
 23 use my work bank accounts.
 24 MS. MORRELL: I mean, really, common
 25 sense, does anybody -- any employee access

1 ask one question, Ms. President. Can he
 2 please answer the question that you gave him
 3 about where the money went or where the money
 4 is or the bills? Could he answer what you
 5 asked him? Like, would you let him answer the
 6 questions that you asked him?
 7 MS. MENICHETTI: Well, all I've
 8 heard so far is excuses. I haven't heard any
 9 responsible answers.
 10 UNIDENTIFIED SPEAKER: Well, give
 11 him a shot.
 12 MR. BARONE: You didn't give him a
 13 chance to answer.
 14 MS. MENICHETTI: And, Robert, you
 15 know I like you. I gave you this job. I gave
 16 you two jobs.
 17 MR. BARNICK: Who the hell are you?
 18 You gave him a job?
 19 MS. MENICHETTI: I did. I voted for
 20 him.
 21 MR. BARNICK: So you're a puppet.
 22 Do what I say.
 23 MS. MENICHETTI: That's enough,
 24 Barnick. Shut up, now. If you don't keep
 25 quiet I'm going to adjourn this meeting right

1 their employer's financial records at the bank
 2 from their home?
 3 MS. MENICHETTI: I don't know,
 4 Elaine. I cannot answer. I cannot answer
 5 that question. Maybe they do and maybe they
 6 don't. I don't know. It's just not something
 7 that I have any knowledge of.
 8 MRS. MORRELL: I think that's
 9 illegal unless it's authorized.
 10 MS. MENICHETTI: Well, maybe it was
 11 authorized. I'm not sure. Maybe the borough
 12 manager authorized it. I don't know.
 13 MRS. MORRELL: Did you? Motion
 14 number 15, to accept the generous offer of a
 15 DPW building from Bob Bolus to be placed on
 16 the 48 acres. This is donated free of charge
 17 as long as it's placed on the 48 acres. I'd
 18 like, really, a lengthy explanation.
 19 MS. MENICHETTI: Well, he's prepared
 20 to do that if you'll give him an opportunity.
 21 MRS. MORRELL: That's it. Thank
 22 you.
 23 MS. MENICHETTI: Next?
 24 UNIDENTIFIED SPEAKER: My name is
 25 Trudy. Throop resident. I would just like to

1 here and right now and I will end this
 2 fiasco.
 3 MR. BARNICK: That's the best thing
 4 that could happen.
 5 MS. MENICHETTI: I will end this
 6 fiasco. All right. Next, please? Mr.
 7 Bolus.
 8 MR. BOLUS: Good evening, council.
 9 Bob Bolus, Sanderson Street, Throop. I guess
 10 on the agenda here we have a few major --
 11 MS. MENICHETTI: Quiet, please.
 12 MR. BOLUS: First of all, I'm going
 13 to go backwards. You've already explained the
 14 bills from 18 to 29, roughly, on the agenda,
 15 the motions, how you're going to pay and why
 16 the reasons are there.
 17 I just find it hard to believe that
 18 a treasurer who's responsible for paying bills
 19 hasn't paid the bills. It's a very simple
 20 process. You open it up, you pay your bill.
 21 As far as people accessing accounts,
 22 I have accountants that work for me. If
 23 they're off, they're ill and they handle
 24 banking in the company they can review and
 25 reconcile. They can't draw money out, they

1 can't transfer money. They can review the
 2 account. If they want to do it, that's fine.
 3 They're not stealing money. Excuse me, they
 4 can't take the money. They can't do a wire
 5 transfer, they can't take your money. I mean,
 6 they can look on line to see there. For God
 7 sakes, with all the hacking going on out here
 8 pretty much everybody can do what they want.
 9 MR. BARNICK: Why would somebody do
 10 that? Why would somebody access it from their
 11 home?
 12 MR. BOLUS: Well, maybe an employee
 13 was off ill and was in charge or responsible
 14 for it. It's so simple to just --
 15 MR. BARNICK: Who authorized it?
 16 MR. BOLUS: Well, Mr. Barnick, I
 17 would suggest that you ask that employee.
 18 It's a simple thing. You are sitting here
 19 saying a statement and I'm not criticizing one
 20 way or the other. You have seven council
 21 members here.
 22 MR. BARNICK: We have six right now.
 23 MR. BOLUS: Well, you have seven.
 24 Seven elected officials, including you as a
 25 past president, et cetera.

1 MR. BARNICK: That worked pretty
 2 good.
 3 MR. BOLUS: I wouldn't say that, Mr.
 4 Barnick.
 5 MR. BARNICK: Never had these
 6 problems.
 7 MR. BOLUS: Council had a lot of
 8 money problems because you sold out to the
 9 landfill. The issue here, Mr. Barnick, is
 10 that you're criticizing Daryl --
 11 MR. BARNICK: We all know you're an
 12 item with Daryl.
 13 MR. BOLUS: Believe it or not --
 14 Mr. Barnick --
 15 MR. BARNICK: We know you stand by
 16 Daryl.
 17 MR. BOLUS: Would you like to get
 18 into your personal life with me, Mr. Barnick?
 19 Because believe me, I can take you apart. You
 20 want your personal life out here tonight, Mr.
 21 Barnick? Believe me, I can take you apart
 22 with it.
 23 MR. BARNICK: Oh, really?
 24 MR. BOLUS: Oh, absolutely, pal. I
 25 can take you apart.

1 MR. BARNICK: Say your peace and get
 2 on.
 3 MR. BOLUS: Don't give me your smart
 4 lip. I came here to speak.
 5 MS. MENICHETTI: Be quiet. He has
 6 the floor.
 7 MR. BOLUS: If Mr. Barnick wants to
 8 open his mouth I'm here to respond to him.
 9 You're blaming everybody on here. And I
 10 didn't just say Daryl. You're blaming
 11 Jeddy --
 12 MR. BARNICK: You have the four,
 13 Bob. Four, Bob. Four. The same four you
 14 supported in the election.
 15 MR. BOLUS: Let me tell you
 16 something --
 17 (Outburst.)
 18 MS. MENICHETTI: Enough. Enough of
 19 your grandstanding.
 20 MR. BOLUS: Mr. Barnick, I remember
 21 when I supported you years ago.
 22 MR. BARNICK: I didn't want your
 23 support.
 24 MR. BOLUS: Oh, you did a long time
 25 ago, Mr. Barnick.

1 MR. BARNICK: Never wanted your
 2 support.
 3 MR. BOLUS: What a liar you are.
 4 What a liar you are. Spare me the act here
 5 tonight.
 6 MR. LUKASEWICZ: Daryl, can you
 7 please --
 8 MS. MENICHETTI: He has the floor.
 9 Shut up and maybe he'll be able to talk.
 10 MR. BOLUS: I'm speaking on the
 11 agenda. You don't have a problem being
 12 ignorant. Each and every one of you have a
 13 responsibility to this borough and the people
 14 in it. Not just one person or four people,
 15 each and every one of you. You're sitting
 16 here criticizing --
 17 MS. MENICHETTI: This is on the
 18 agenda. This is on the bills.
 19 MR. BOLUS: It's on the bills that
 20 were paid, and you have the responsible to
 21 know why the bills weren't paid. Not in a
 22 circus atmosphere. You should have checked it
 23 out. You pick up your mail. You go in
 24 there.
 25 I mean, I remember when the civic

1 center had problems and money was missing.
 2 You guys were the majority back then and
 3 nothing was done about it.

4 So, you know, we can go on and on
 5 and on and point fingers here. The thing is
 6 what you need to do is work to a solution.
 7 And if you're going to do that blaming
 8 politics or blaming one or the other isn't
 9 accomplishing anything. What you're trying to
 10 accomplish here is to set this on an even
 11 course.

12 You have two motions on here tonight
 13 regarding Mr. Hegedus. Motion number one is
 14 to accept his resignation and motion number
 15 two is to reinstate him. You have that option
 16 to decide tonight, Mr. Barnick, if you want to
 17 keep --

18 MR. BARNICK: I'm not running the
 19 meeting. Speak to her. Speak to her.

20 MR. BOLUS: Mr. Barnick, I'm asking
 21 you a question.

22 MR. BARNICK: You don't address me.

23 MR. BOLUS: I'm addressing a public
 24 official, pal. There's a question that you
 25 raised earlier, Mr. Barnick. You have the

1 building. He mentioned what was I going to do
 2 with it. At one point I had intentions of
 3 putting it up here in Throop.

4 I've changed those plans. It's
 5 sitting on tractor-trailers in my yard right
 6 now. I told him I had no idea what I wanted
 7 to do with it. We got discussing various
 8 issues, and I've been at these meetings time
 9 and time again where the mayor, people who
 10 turned down this property, that property and
 11 the other property.

12 I'm here tonight to offer this
 13 borough a building that has a value roughly in
 14 the area of about \$95,000 to this borough if
 15 this borough finally makes a decision to build
 16 on a piece of land, put the DPW in a proper
 17 place once and for all, that we can put this
 18 issue behind. You have the land on the 48
 19 acres that's paid for. You don't need to
 20 spend a dime anywhere else. The money you
 21 have in the bank you can put to other use.

22 And I'm willing to donate that
 23 building to this borough on behalf of all the
 24 people in the borough. Not just me, not just
 25 Elaine or Jim Barnick or anyone else, for all

1 opportunity tonight to make a change.

2 MR. BARNICK: Hey, President, are
 3 you going to control this or what? About a
 4 hundred gavel bangings should do it.

5 MS. MENICHETTI: I want the people
 6 in Throop to see what you're like.

7 MR. BARNICK: If they didn't know in
 8 eight years they'll never know. At least I
 9 got things done.

10 MR. BOLUS: President, maybe you
 11 should pan back here. There are people here
 12 that want -- you know, they come up, they want
 13 respect. They get this time to speak. Maybe
 14 we should let everybody speak. I don't really
 15 care what happens and I don't care about what
 16 your issue is.

17 MR. LUKASEWICZ: Address the chair.
 18 (Outburst.)

19 MR. BOLUS: So those are your issues
 20 on there. Now, on 15 Elaine brought up an
 21 issue about a building, and this was brought
 22 to my attention by John Snell. I have a truck
 23 stop that we took a building down in
 24 Bartonsville. It's 25 by 70, 15 foot high.
 25 You can go up as high as 20. It's a metal

1 the people who will receive a benefit out of
 2 it, who will not only preserve the 48 acres
 3 for future development. And it's time to get
 4 something going and do it once and for all.

5 If somebody in the back doesn't like
 6 it, I'd like to see them put their money where
 7 their mouth is up to \$95,000. Other than
 8 that, if you'd please just shut up.

9 MAYOR LUKOWSKI: Mr. Bolus, is this
 10 the only location? What about up here?

11 MR. BOLUS: No, Mayor, the only
 12 location --

13 MR. BARNICK: Why is that, Bob?

14 MR. BOLUS: I'll give you a very
 15 sound reason for that. I disagree with the
 16 land up here. It should be turned over to
 17 commercial use. It's in residential. Around
 18 here you have enough commercial. Put it on
 19 the tax roll, number one. I don't agree with
 20 the Rinaldi property. I don't agree with the
 21 borough spending \$150,000 or \$170,000 or
 22 \$200,000 when you can have the building up and
 23 open and still utilize the 48 acres, Mayor.
 24 That's it.

25 MR. BARNICK: Aren't you the same

1 person that sent an offer in to the borough
 2 that you wanted \$950,000 for your piece of
 3 property up there?
 4 MR. BOLUS: I said if the borough
 5 wanted -- that's right, Mr. Barnick.
 6 MR. BARNICK: To purchase your
 7 property up there?
 8 MR. BOLUS: Mr. Barnick, my property
 9 is a commercial property. It consists of
 10 three buildings, and it would be ideal for the
 11 borough that it would be in there
 12 immediately. Okay? And it was an offer I
 13 made that I was financing the borough. It's a
 14 hell of a lot more I've done than you have
 15 done to come in here and shoot off your mouth
 16 and badger women around here.
 17 MR. BARNICK: Really?
 18 MR. BOLUS: Constantly. That's what
 19 you do, Mr. Barnick.
 20 MR. BARNICK: That's what you
 21 assume.
 22 MR. BOLUS: No, I don't assume. I
 23 see it right here, Mr. Barnick. You should be
 24 ashamed of yourself. So, Mr. Barnick, what
 25 are we --

1 MR. BARNICK: Go sell hot dogs,
 2 Bob. That's where you belong, up there. You
 3 only create a mess for this borough every time
 4 you come. You keep talking and talking and
 5 talking. You're the greatest savior.
 6 MR. BOLUS: I've been here 35
 7 years. The difference, Mr. Barnick --
 8 (Outburst.)
 9 MR. BOLUS: This is for your
 10 benefit. This is your money I'm trying to
 11 help you save, and if you're that stupid --
 12 MR. BARNICK: And who gave you the
 13 appraisal on this building of \$95,000?
 14 MR. BOLUS: You should pay more
 15 attention --
 16 MR. BARNICK: Who gave you the
 17 appraisal on this building of \$95,000?
 18 MR. BOLUS: Anytime you want, Mr.
 19 Barnick. It's you people's choice here to
 20 take it. But like everything else --
 21 MR. BARNICK: Who gave you the
 22 appraisal on it? Who gave that number that
 23 it's worth \$95,000?
 24 MR. BOLUS: Mr. Barnick, I paid for
 25 this building. I built it and I'll give you

1 what I paid for the building a long time ago.
 2 MR. BARNICK: You said it was used a
 3 long time ago.
 4 MR. BOLUS: That's right, and the
 5 building is in perfect condition.
 6 MR. BARNICK: I don't want any junk.
 7 MR. BOLUS: Well, Mr. Barnick, then
 8 I suggest that you donate one yourself. You
 9 got a big mouth, you got money in your
 10 pocket. You've taken advantage of the borough
 11 for years. The bottom line is it's a donation
 12 to the borough.
 13 MR. BARONE: Daryl, how come you let
 14 him talk and you wouldn't let Mr. Hegedus
 15 talk?
 16 MR. BARNICK: They're an issue.
 17 MR. BARONE: You let him talk and
 18 you won't let Mr. Hegedus talk.
 19 MR. BOLUS: That's right. Well,
 20 excuse me. We all have a right to speak.
 21 MR. BARONE: I have nothing against
 22 you talking, but she let you go, carrying on,
 23 and won't let him speak. Come on, Daryl, quit
 24 already.
 25 MS. MENICHETTI: Freedom of speech,

1 Joe.
 2 MR. BOLUS: Are you trying to tell
 3 me I --
 4 MR. BARONE: Are you trying to tell
 5 Mr. Hegedus who he can talk to and who he
 6 can't talk to?
 7 MS. MENICHETTI: No, I'm not telling
 8 him he couldn't talk.
 9 MR. BARONE: He talks to Barnick --
 10 MR. BOLUS: Mr. Barone, are you
 11 telling me I have to stop talking? Are you
 12 telling me you want a violation of the
 13 Sunshine Act?
 14 MR. BARONE: I'm not telling you you
 15 have to stop talking.
 16 (Outburst.)
 17 MR. BARNICK: I'm getting out of
 18 here.
 19 MR. BOLUS: The bottom line -- Mr.
 20 Barnick, get me out of here?
 21 MR. BARNICK: I'm going to be
 22 leaving, too, because --
 23 MR. BOLUS: I would like to see you
 24 leave. In fact, I'd like to see you resign.
 25 MR. BARNICK: You should go.

1 MR. BOLUS: I would like to see you
 2 resign.
 3 MR. BARNICK: Why don't you leave?
 4 MR. BOLUS: Why don't you leave?
 5 MR. BARNICK: Go back to Scranton,
 6 Bob. Go to Scranton, Bob. They don't like
 7 you down there.
 8 MR. BOLUS: Mr. Barnick, that's a
 9 matter of your opinion and my opinion.
 10 Personally I think you should resign. A guy
 11 who hates women as much as you do and abuses
 12 these women sitting here shouldn't sit on
 13 council. Thank you.
 14 MS. MENICHETTI: All right, we're
 15 going to continue now with our motions.
 16 MR. LUKASEWICZ: You have audience
 17 comments.
 18 MR. MORRELL: Dave Morrell, 315
 19 George Street. I have one question on the
 20 bills. Who pays the man for the video of the
 21 meetings?
 22 MS. MENICHETTI: We do. The borough
 23 does. It's called A and A Video. And that's
 24 another thing. This one bill for \$125 that's
 25 on here has already been paid.

1 MS. MENICHETTI: There's your
 2 answer.
 3 MS. BROWN: Denise Brown.
 4 MS. MENICHETTI: I'm sorry, would
 5 you please stand at the podium?
 6 MS. BROWN: I'm not comfortable
 7 standing at the podium.
 8 MS. MENICHETTI: Well, would you
 9 please stand so we can hear you.
 10 MS. BROWN: With all due respect,
 11 I'd like to know what happened between last
 12 meeting and this meeting when you, the
 13 majority, were all for Mr. Hegedus --
 14 MS. MENICHETTI: Do you want an
 15 answer? I'll tell you. I'll honestly tell
 16 you. I looked into the treasurer's office.
 17 Usually there's not a thing on his desk. I
 18 went in there one day I came in, I usually
 19 come in in the morning, and I looked on his
 20 desk and it was just covered with bills. And
 21 when I looked at them they were past-due
 22 notices, shut off notices, and I couldn't help
 23 but take notice.
 24 I called Mr. Marushock and the next
 25 day we went up there to look through the

1 MR. MORRELL: The borough is paying
 2 him now?
 3 MS. MENICHETTI: Yes.
 4 MR. MORRELL: There have been a few
 5 times the borough didn't pay it. But he was
 6 paid. Who edits the tapes?
 7 MS. MENICHETTI: No one, as far as I
 8 know.
 9 MR. MORRELL: No one?
 10 MS. MENICHETTI: I have never had in
 11 my possession one of those tapes ever.
 12 MR. MORRELL: I understand that.
 13 MS. MENICHETTI: Ask
 14 Mr. Federovitch. Mr. Federovitch, he asked a
 15 question. I do not have an answer.
 16 MR. FEDEROVITCH: They go right to
 17 the station.
 18 MR. MORRELL: You're not editing
 19 them whatsoever?
 20 MR. FEDEROVITCH: Well, if they're
 21 too long the might edit them. I don't know.
 22 MR. MORRELL: You don't edit them?
 23 MR. FEDEROVITCH: I don't touch
 24 them, I don't edit them.
 25 MR. MORRELL: That's all I got.

1 bills, and he opened for two hours envelopes
 2 that were bills that had come in to the
 3 borough that were in either the treasurer's
 4 mail slot or on his desk. We opened them.
 5 All of them.
 6 The next day, which was Saturday, I
 7 came up here and spent five hours here trying
 8 to sort through those bills, going through the
 9 cabinet. I didn't know how to get into the
 10 computer to look them up so I just looked them
 11 up in the filing cabinet to see what was paid
 12 and what was not paid. And that's how all
 13 this started.
 14 MS. BROWN: I'm curious why you
 15 wouldn't check the credentials of somebody
 16 that you adamantly wanted to take that
 17 position.
 18 MS. MENICHETTI: Because of the
 19 Lowe's bill. When I found out that the Lowe's
 20 bill had not been paid and the employees were
 21 there, embarrassed as they were because they
 22 were trying to purchase paint. It was the
 23 police department. They called me at my place
 24 of employment and said we're at Lowe's and
 25 we're not allowed to charge because they say

1 that our account is overdue.
 2 Well, then I asked -- I called the
 3 building and I asked and I was informed -- and
 4 I don't remember who I spoke to but I spoke
 5 with Mr. Novack. I can't even remember. And
 6 they cut a check immediately and it was hand
 7 delivered to Lowe's.

8 MS. BROWN: My question was I'm
 9 curious why the majority did not seek
 10 Mr. Hegedus' credentials before you voted --

11 MS. MENICHETTI: Mr. Hegedus has
 12 excellent credentials. We would not have
 13 hired him if we thought anything other than
 14 that. I don't know if he just didn't have the
 15 time to do the work -- and I'll give him the
 16 benefit of the doubt. He said that he wasn't
 17 properly trained, but he never came to me and
 18 said Daryl, I need more training. He never
 19 did that. I had no reason to believe that he
 20 didn't know exactly what he was doing.

21 MR. HEGEDUS: Daryl, with all due
 22 respect, do you think this was the proper
 23 forum to address --

24 MS. MENICHETTI: I called a special
 25 meeting on Thursday just to address this and

1 know.

2 MS. MENICHETTI: Yeah, well, I say
 3 that every week.

4 MS. JOHNSON: Well, you resigned,
 5 too. Right, Robert?

6 MS. MENICHETTI: Believe me I do.
 7 Every week I say that.

8 MR. HEGEDUS: May I answer the
 9 question to the audience?

10 MR. BARONE: Yes.

11 MR. HEGEDUS: Would you like me to
 12 answer that?

13 MS. MENICHETTI: What question?

14 MR. HEGEDUS: Why the turn of
 15 events. Why I don't want --

16 MS. MENICHETTI: Well, she asked me
 17 why we --

18 MR. HEGEDUS: I think Ms. Menichetti
 19 answered it in the newspaper best when she
 20 thought that I could spend my time better than
 21 talking to Mr. Lukasewicz, Mr. Barnick and Mr.
 22 Barone.

23 MR. BARNICK: I have to say this,
 24 all -- can I speak? The day prior there was a
 25 hole that opened up on George Street. As a

1 no one showed. No one was here. So
 2 unfortunately, Robert, it had to be done
 3 today. I did not plan it this way. You were
 4 here. You know what I tried to do.

5 MR. HEGEDUS: Daryl, you failed to
 6 mention about the evening that you and Ms.
 7 Johnson were going through the files back
 8 there.

9 MS. MENICHETTI: Well, yeah, that
 10 was on Thursday night.

11 MS. JOHNSON: That was the first
 12 encounter we had with you and we asked you
 13 about the unpaid bills and you told us
 14 everything was fine and you resigned as
 15 borough manager and treasurer.

16 MS. MENICHETTI: Yeah.

17 MR. HEGEDUS: Immediately
 18 following --

19 MS. MENICHETTI: Because we were
 20 looking at the bills.

21 MR. HEGEDUS: Immediately following
 22 your comment was you were resigning and,
 23 Ms. Johnson, you were also resigning right in
 24 front of your son.

25 MS. JOHNSON: I guess. I don't

1 matter of fact, in front of -- well, I always
 2 call you Morrell. In front of her house. And
 3 the water company -- it was deep. We asked
 4 them to take care of it. They came back and
 5 asked who do I contact. I said get a hold of
 6 Robbie or Mr. Gangemi. They'll take care of
 7 it right away. He came back the next day and
 8 he said okay, he took care of it. Thanks for
 9 the help. Here comes Ms. Menichetti, rides
 10 by, blowing the horn like a nut, head going
 11 like one of those bobble dolls in the back of
 12 the car, and she's going by beeping the
 13 horn --

14 MS. MENICHETTI: That's your
 15 opinion, Mr. Barnick. That you're
 16 exaggerated -- overexaggerated opinion. I
 17 went by and tapped on the horn.

18 MR. BARNICK: Let me finish.

19 MS. MENICHETTI: Well, you're a
 20 liar.

21 MR. BARNICK: Before --

22 MS. MENICHETTI: You're a known
 23 liar.

24 MR. BARNICK: I'm talking about this
 25 to Bill. The way it used to work -- and

1 Elaine's here -- all the mail came in to her.
 2 She opened all the mail. It was sorted
 3 through. Whatever was supposed to go to the
 4 treasurer went to the treasurer, and things
 5 were stamped received, date and time.
 6 Everything that was supposed to be separated
 7 out was separated out, copies were made for
 8 borough council. We don't get any of that
 9 stuff anymore. We haven't for a year and a
 10 half, over, now. And this is the way it's
 11 been going and this is what we've been
 12 complaining about.

13 MS. MENICHETTI: That's a false
 14 accusation because you have the same things I
 15 have, Mr. Barnick. You have the same things I
 16 have.

17 MR. BARNICK: But I wasn't aware of
 18 all this stuff you got.

19 MS. MENICHETTI: No, because I went
 20 to the treasurer's office and I found it
 21 myself. These are my own copies that I
 22 copied, that I copied myself.

23 MR. HEGEDUS: Daryl, again I have to
 24 ask you how you got the purchase orders. They
 25 were not done yourself.

1 MS. MENICHETTI: Oh, no. What,
 2 Lowe's?

3 MR. HEGEDUS: Yes.

4 MS. MENICHETTI: No, I called on the
 5 phone and they were faxed to me.

6 MR. HEGEDUS: Okay. And I have
 7 to --

8 MS. MENICHETTI: And by the way,
 9 this Northeastern is my place of employment.

10 MR. HEGEDUS: And I have to question
 11 that --

12 MS. MENICHETTI: That's where I
 13 work.

14 MR. BARNICK: Send them a thank you
 15 letter.

16 MR. LUKASEWICZ: For a year and a
 17 half there's been items coming from Northeast
 18 Office to the borough of Throop, where you
 19 work.

20 MS. MENICHETTI: Only if it was
 21 something that I had to give to the borough
 22 manager.

23 MR. LUKASEWICZ: You do borough
 24 business from Northeast --

25 MS. MENICHETTI: I have permission

1 to do it. Well, do you have a problem with
 2 that?

3 MR. LUKASEWICZ: Well, send in a
 4 letter thanking --

5 MS. MENICHETTI: Well, you don't
 6 have to do that because I'll do it
 7 personally. You don't have to take care of my
 8 place of business. I can handle that on my
 9 own, Mr. Lukasewicz.

10 All right, anybody else? I want to
 11 get on with the agenda.

12 MR. HEGEDUS: Ms. Menichetti, I have
 13 to ask you again, where was the cooperation in
 14 the office between Mr. Novack, Mr. Kalinoski,
 15 Mrs. Hartshorn? Everybody knew where --
 16 apparently one person knew where those POS
 17 were, including people who were issuing the
 18 POS did not know where they were.

19 MS. MENICHETTI: Robert, how long
 20 have you been the treasurer?

21 MR. HEGEDUS: Since May.

22 MS. MENICHETTI: And how many months
 23 is that?

24 MR. HEGEDUS: Right now it's four
 25 months.

1 MS. MENICHETTI: And in four months
 2 you never asked anyone where the POS are,
 3 where the books for the computer are or where
 4 anything was. You never, ever asked anybody.

5 MR. HEGEDUS: I did ask. I asked
 6 that of you and you told me there were no
 7 books for the system.

8 MS. MENICHETTI: You asked me. I
 9 don't work up here. I don't work up here on a
 10 daily basis. I don't know where they keep the
 11 books.

12 MR. BARNICK: How did this one come
 13 up 12/22? That's last year? How do you get
 14 through that --

15 MS. MENICHETTI: It was in the
 16 treasurer's office. It was on the desk in the
 17 treasurer's office.

18 MR. HEGEDUS: And it was
 19 investigated with Chief Furiosi, who said
 20 don't pay it. We have no knowledge of it. So
 21 what am I to do? Should I call and clear
 22 everything through you?

23 MS. MENICHETTI: Did you call the
 24 company, like I did?

25 MR. HEGEDUS: Daryl --

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1 MS. MENICHETTI: Because I called
2 the company today, Robert, and she very
3 explicitly said to me that this borough had
4 been informed -- the treasurers had been
5 informed that that bill was outstanding.

6 MR. BARNICK: The treasurers.

7 MS. MENICHETTI: I'm sorry, if you
8 have outstanding bills and you don't pay them,
9 you should at least investigate why they are
10 not being paid.

11 MR. HEGEDUS: I have made several
12 phone calls, and one I'll be making tomorrow
13 is that Tomark is okay with us being 90 days
14 because you want it investigated because Mr.
15 Shevchick made the order.

16 MS. MENICHETTI: I have no knowledge
17 of \$500 worth of baseballs. I did not approve
18 that. That did not come through the
19 purchasing committee and I did not approve
20 it. I have a problem with \$2,000 bills that
21 are not approved. Yes, I do. I do have a
22 responsibility here, Mr. Hegedus.

23 MR. MARUSHOCK: I was not notified.
24 I am a member of the purchasing committee. I
25 was not notified of that expenditure.

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1 MS. MENICHETTI: Five hundred
2 dollars worth of baseballs. I had Mr. Novack
3 go out there and do an inventory. He said
4 there's a little bucket there. Well, where's
5 the five buckets?

6 MR. HEGEDUS: Perhaps you should
7 have discussed this with Mr. Novack for the
8 purchase order dated 6/20/05.

9 MS. MENICHETTI: And I did, and he
10 has park supplies. He said I was under the
11 impression that he was just buying things for
12 the field because I did question him on it.

13 MR. HEGEDUS: Well, I'll be the fall
14 guy for cleaning up the mess that --

15 MR. MENICHETTI: He said he was
16 never informed that they were buying sports
17 equipment up there.

18 MR. HEGEDUS: I'm the fall guy
19 for --

20 MS. MENICHETTI: They were buying
21 sports equipment and not park supplies, and he
22 said he was not aware of it. I had him go up
23 there and do an inventory. I have never --

24 MR. HEGEDUS: With all due respect,
25 ma'am, he signed the purchase order.

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1 MS. MENICHETTI: Well, yes, he did
2 sign it. He signed it for park supplies.

3 Does it say sports equipment? Field
4 supplies. It doesn't say sports equipment.

5 MR. HEGEDUS: So, Ms. Menichetti, do
6 you realize the time involved? You, yourself,
7 said it takes five hours to do the sorting
8 that you did. If I were to call on every
9 purchase order given out of this building --

10 MS. MENICHETTI: If the bill is
11 overdue, if you cannot find the necessary
12 information, yes, you have an obligation to
13 call. You have an obligation to call.

14 MR. HEGEDUS: All due respect, may I
15 finish a sentence?

16 MS. MENICHETTI: That bill is not
17 overdue because he didn't pay it. I'm waiting
18 for the inventory on the bill.

19 MR. BARONE: Let the man talk.

20 MS. MENICHETTI: First motion, to
21 accept the resignation of Robert Hegedus,
22 borough manager/treasurer, as per his letter
23 dated 9/16/05, effective immediately.

24 MR. BARONE: Excuse me, Daryl, Mr.
25 Shevchick is here --

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1 MR. MARUSHOCK: I'll make the
2 motion.

3 MS. MENICHETTI: Motion by Mr.
4 Marushock. Second?

5 MS. JOHNSON: I'll second it.

6 MS. MENICHETTI: Second by Ms.
7 Johnson.

8 MR. SHEVCHICK: I want to give you
9 an answer on those balls. Are you going to
10 let me talk?

11 MR. BARNICK: No, she's not.

12 MS. MENICHETTI: No.

13 MR. SHEVCHICK: Why?

14 MS. MENICHETTI: Because I don't
15 have an inventory and I don't want -- until I
16 get an inventory I don't want to know.

17 MR. SHEVCHICK: Those balls have
18 been a year up there like that.

19 MS. MENICHETTI: No, they haven't,
20 because I checked --

21 MR. SHEVCHICK: Daryl, the only --

22 MS. MENICHETTI: Last year and the
23 year before they didn't purchase balls.

24 MR. SHEVCHICK: That goes to
25 everybody up there.

1 Pennsylvania American Water Company that they
2 were going to shut our water off the following
3 Wednesday.

4 Now, I understand when I called them
5 that they give you 45 days' notice. So in
6 order to get a shut-off notice we had to have
7 been in arrears for at least 45 days.

8 But anyway, he resigned right then
9 on the spot and walked out of the building.
10 So we had nothing to do with talking to other
11 people, regardless of what was in the paper
12 and what you read. It had simply to do with
13 the fact that we were checking on what he was
14 doing as the treasurer. That's when he
15 resigned. The next morning, evidently, at
16 whatever time -- Jeddy said this letter came
17 in 8:31 -- he brought this letter in and
18 resigned. Prior to my opening the rest of his
19 mail, prior to any of that.

20 And that is exactly as it happened.
21 Cindy was there, yes, and her son was there
22 also because she brought him with her.

23 Anyone else on the question?

24 MR. LUKASEWICZ: Yeah, on the
25 question, if he verbally said to you that he

1 MR. LUKASEWICZ: You have a right to
2 go in and --

3 MS. MENICHETTI: What if I hadn't
4 gone in there and our workman's comp was
5 cancelled?

6 MR. BARNICK: How do we know you
7 didn't grab or take something?

8 MS. MENICHETTI: What would have
9 happened? Just think about the consequences.

10 MR. LUKASEWICZ: A mess like this
11 doesn't happen in one day.

12 MS. JOHNSON: That's right.

13 MR. LUKASEWICZ: A mess like this
14 happens --

15 MS. MENICHETTI: But I wasn't aware
16 of it. Were you aware of it?

17 MR. LUKASEWICZ: I am totally
18 unaware of anything that's going on here this
19 evening.

20 MS. MENICHETTI: Were you aware of
21 it?

22 MR. LUKASEWICZ: I am sick to my
23 stomach over what's going on here.

24 MS. MENICHETTI: I asked you a
25 question.

1 was resigning and his resignation was not
2 officially approved by a vote of counsel, at
3 that time you should have not taken it on your
4 well-being to think that he actually
5 resigned. It has to be acted on by council.
6 So you had no right to go in there --

7 MS. JOHNSON: We didn't.

8 MR. LUKASEWICZ: You had no right to
9 look at any of his stuff. These treasurer's
10 papers are his papers.

11 MS. MENICHETTI: I didn't. Wait,
12 Mr. Lukasewicz, 8:31 in the morning he brought
13 in his letter of resignation.

14 MR. LUKASEWICZ: You went into his
15 office.

16 MS. MENICHETTI: I called you at
17 your girlfriend's house. She said you were
18 busy, you couldn't talk on the phone.

19 MR. LUKASEWICZ: Why did you go into
20 his office?

21 MS. MENICHETTI: I wanted to look at
22 the bills. I have every right to.

23 MS. JOHNSON: We were concerned
24 about the bills and the rumors that we were
25 hearing.

1 MR. LUKASEWICZ: I'm aware of it
2 right now.

3 MS. MENICHETTI: Were you aware of
4 it?

5 MR. LUKASEWICZ: Right now --

6 MS. MENICHETTI: Were you aware of
7 it?

8 MR. LUKASEWICZ: Aware of what?

9 MS. MENICHETTI: Of what was going
10 on with the bills.

11 MR. LUKASEWICZ: No.

12 MS. MENICHETTI: Why?

13 MR. LUKASEWICZ: Not at all.

14 MS. MENICHETTI: Why?

15 MR. LUKASEWICZ: Why? Because I was
16 never told by a borough manager or a secretary
17 or treasurer.

18 MS. MENICHETTI: Neither was I.
19 Neither was I.

20 MR. LUKASEWICZ: You can't just
21 blame one individual.

22 MS. MENICHETTI: Neither was I. I
23 was never told either. Whenever I'm here I
24 was told everything is fine.

25 MR. BARNICK: Well, where was the

1 borough manager?
2 MR. LUKASEWICZ: He showed me 45
3 days termination notice. Why were we never
4 informed of this?

5 MS. MENICHETTI: I do not -- ask the
6 treasurer. He had the bill. He had the
7 bill. I didn't have the bill.

8 MR. LUKASEWICZ: Not the treasurer.
9 Where are the responsible people?

10 MS. MENICHETTI: When I found them,
11 that's when I brought them forward. When I
12 found it, that's when I brought it forward.

13 I'm going to tell you people
14 something. When I was the controller and I
15 found money missing you guys pulled the same
16 scenario on me then. I remember it vividly.
17 You almost acted as if it was my fault that
18 the money was missing.

19 MR. LUKASEWICZ: Daryl, I backed you
20 from day one. So don't say --

21 MS. MENICHETTI: Every meeting I
22 came to I had -- you walked out. You wouldn't
23 even listen to what I had to say.

24 MR. LUKASEWICZ: At one time we were
25 friends. Remember that. And I backed you

1 when everyone was against you.

2 MS. MENICHETTI: Tony Chrzan was
3 there. They did the same thing to me then.
4 Every time I found a fault in something that
5 was going on with the finances, instead of
6 taking the responsibility, taking the bull by
7 the horns and doing the right thing, you
8 pointed fingers at other people. That is a
9 coward's way out. That is a coward's way out.

10 MR. LUKASEWICZ: While I was
11 president --

12 MS. MENICHETTI: You are a coward.
13 You are a coward.

14 MR. LUKASEWICZ: I've been on for 11
15 years. I've acted in the capacity as
16 president of council and I've always dealt
17 with someone there in the borough office that
18 was very responsible, and if I asked questions
19 I knew what was going on. No one's been
20 watching the ship, Daryl.

21 MS. JOHNSON: Why haven't you been
22 watching it either?

23 MS. MENICHETTI: Why aren't you
24 watching it? You're on this council also.

25 MR. LUKASEWICZ: When I go into that

1 office and ask a question do you know what
2 answer I get? None. The borough manager, if
3 I ask a question I don't get any answers. If
4 I ask the secretary, I better take a policeman
5 with me to ask a question because I'm afraid
6 I'll get the blame for harassment. This is a
7 very bad environment to conduct a borough
8 business.

9 MR. BARNICK: They fabricated a
10 harassment claim against you so you couldn't
11 go in there and ask questions.

12 MR. LUKASEWICZ: This place is
13 falling apart to the point where I don't know
14 what's going on. I've never been so sick --

15 MS. MENICHETTI: And I'm here trying
16 to fix it.

17 MR. LUKASEWICZ: I've never been so
18 sick to my stomach.

19 MS. MENICHETTI: I'm here trying to
20 fix it. I have three months left and I'm here
21 trying to fix it instead of staying home.

22 MR. LUKASEWICZ: You're trying to
23 blame Robert.

24 MS. MENICHETTI: I'm not trying to
25 blame Robert. Robert was responsible for not

1 paying the bills.

2 MR. LUKASEWICZ: You're the council
3 president. You're responsible, Daryl.

4 MS. MENICHETTI: No, no, no, no, no,
5 wait a minute. Wait a minute.
6 (Outburst.)

7 MR. LUKASEWICZ: The shoe is on the
8 other foot. If I was council president and
9 this happened I would be --

10 MS. MENICHETTI: Excuse me, council
11 president is to run the meeting and set the
12 agenda, not run the town.

13 MR. BARNICK: You would be
14 crucified.

15 MR. LUKASEWICZ: You didn't do those
16 properly so you didn't do the other thing
17 either.

18 MS. MENICHETTI: Well, I don't think
19 you did yours properly either.

20 MR. BARNICK: Well, we never had
21 these problems for six years. Come January.

22 MR. HEGEDUS: Mr. Marushock?

23 MR. MARUSHOCK: For.

24 MR. LUKASEWICZ: Accepting the
25 resignation?

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1 MR. HEGEDUS: Ms. Johnson?
 2 MS. JOHNSON: For.
 3 MR. HEGEDUS: Mr. Barnick?
 4 MR. BARNICK: Abstain. I'm
 5 abstaining for the simple fact that I don't
 6 know what kind of deals were cut here.
 7 MR. HEGEDUS: Mr. Lukasewicz?
 8 MR. LUKASEWICZ: Abstain.
 9 MR. HEGEDUS: Mr. Barone?
 10 MR. BARONE: Abstain, same reason.
 11 MR. LUKASEWICZ: Madam Chairman,
 12 before we move forward -- the vote passes.
 13 Correct?
 14 MR. HEGEDUS: No, we're not
 15 finished.
 16 MS. MENICHETTI: Are you going to
 17 give me a chance to vote?
 18 MS. MENICHETTI: I'm sorry.
 19 MR. HEGEDUS: Ms. Menichetti?
 20 MS. MENICHETTI: I'll be voting for
 21 accepting the resignation. So we have three
 22 for and three no, so it's a wash.
 23 MR. BARNICK: No, our vote doesn't
 24 count.
 25 MR. MARUSHOCK: Three for and three

1 such a mess that you've created.
 2 MR. JOHNSON: Oh, Mr. Lukasewicz --
 3 MR. BARNICK: I will be going to the
 4 DA's office and ask for an investigation.
 5 MS. MENICHETTI: Good.
 6 MR. BARNICK: I will not vote for
 7 any bills, anything of that sort, especially
 8 when you have a council person sitting there
 9 claiming she resides in the borough of Throop
 10 and she does not.
 11 MS. JOHNSON: Get over it. Get over
 12 it.
 13 MR. BARNICK: Months now been out of
 14 the borough.
 15 MS. MENICHETTI: John, what were you
 16 going to say?
 17 MR. BARNICK: The bills are a mess.
 18 MS. MENICHETTI: He never lets you
 19 get a word in edgewise. It's almost
 20 impossible to deal with --
 21 MR. BARNICK: Get it straightened
 22 out. You made this borough a mess.
 23
 24
 25

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1 abstentions. What happens?
 2 MR. BRAZIL: Well, they are
 3 essentially negative votes but they -- they're
 4 not positive votes, I'm saying.
 5 MR. BARNICK: Don't count.
 6 MS. MENICHETTI: Second motion.
 7 MR. BARNICK: Well, stop right
 8 there.
 9 MR. LUKASEWICZ: Madam Chairman,
 10 before we proceed with the agenda, I've become
 11 very sick and I don't understand what's going
 12 on here this evening. And I think it's pretty
 13 bad that I'm finding out what's going on at
 14 this point in time. I think our attorney
 15 should get a grasp on this before we go any
 16 further. I am not comfortable with sitting
 17 here and voting on anything else this evening
 18 and I'm going to leave right now.
 19 MR. BARNICK: Myself included.
 20 MR. LUKASEWICZ: Just for the
 21 record, I've never left a meeting like this,
 22 but I've never seen such a mess.
 23 MS. MENICHETTI: So you're going to
 24 leave. All these bills are unpaid.
 25 MR. LUKASEWICZ: I've never seen

1
 2 CERTIFICATE
 3
 4 I hereby certify that I attended the foregoing
 5 proceeding, took stenographic notes of the same, that
 6 the foregoing, consisting of 111 pages, is a true and
 7 correct copy, done to the best of my ability, of same
 8 and the whole thereof.
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 23 Mark Womick
 24 Official Court Reporter
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