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SCRANTON CITY COUNCIL MEETING

HELD:

Tuesday, December 27, 2011

LOCATION:

Council Chambers

Scranton City Hall

340 North Washington Avenue

Scranton, Pennsylvania

CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER

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CITY OF SCRANTON COUNCIL:

JANET EVANS, PRESIDENT

PAT ROGAN, VICE-PRESIDENT

ROBERT MCGOFF

FRANK JOYCE

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

JAMIE MARCIANO, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

1 (Pledge of Allegiance recited and
2 moment of reflection observed.)

3 MS. EVANS: Roll call, please.

4 MS. MARCIANO: Mr. McGoff.

5 MR. MCGOFF: Here.

6 MS. MARCIANO: Mr. Rogan. Mr.

7 Loscombe.

8 MR. LOSCOMBE: Here.

9 MS. MARCIANO: Mr. Joyce.

10 MR. JOYCE: Here.

11 MS. MARCIANO: Mrs. Evans.

12 MS. EVANS: Here. Dispense with the
13 reading of the minutes.

14 MS. KRAKE: THIRD ORDER. NO
15 BUSINESS AT THIS TIME. There is also no
16 clerk's notes this evening, Mrs. Evans.

17 MS. EVANS: Thank you, Mrs. Krake.
18 Do any council members have announcements at
19 this time? Then I believe we can proceed to
20 Fourth Order.

21 MS. KRAKE: FOURTH ORDER. CITIZENS'
22 PARTICIPATION.

23 MS. EVANS: Our first speaker this
24 evening is Andy Sbaraglia.

25 MR. SBARAGLIA: Andy Sbaraglia.

1 Citizens of Scranton. Fellow Scrantonians,
2 let me start off and wish everybody I hope a
3 good New Years even though I know it ain't
4 going to be so, but anyway that it will be
5 wished.

6 Now, you know the mayor has been
7 putting out a lot of stuff saying about the
8 budget isn't balanced. Okay. I believe
9 probably it isn't balanced. But we are
10 going to be borrowing a great deal of money
11 next year so if there is a hole in the
12 budget we are going to have borrow an extra
13 \$5 million or whatever million, but the
14 thing is you are able to keep the real
15 estate down to about 5 percent instead of 29
16 percent. That's the bottom line. I know we
17 are going to be pushing it off to our
18 grandchildren most likely. It's not
19 something I relish, but it's probably your
20 only choice, but for him to sit and cry
21 there is a hole in the budget knowing we are
22 going to be borrowing a huge amount of
23 money, so we borrow a little more and fill
24 in that hole wherever it will, wherever it
25 occurs I don't know, they are up to what \$11

1 million now? Saying we are going to -- next
2 year it will be 11 million, so we are going
3 to be borrowing what, about \$40 million
4 probably? Well, we borrowed \$72 million in
5 the very beginning and nobody made too much
6 of a stink over it, but we haven't got a
7 choice. Like anything else, you have to sit
8 up there and make your choice. I know
9 notice that somebody is absent. I guess he
10 doesn't want to make that choice and be on
11 the ballot, but I think he could have. No
12 one likes to make a decision, but when you
13 got to make it you got to make it whether
14 you like it or not. It falls on you and
15 falls on that position.

16 I'm very happy to see four of you
17 here willing to make that decision, and the
18 fifth I don't know why. I'll just hope that
19 something -- I shouldn't say that, I just
20 hope he has a very good reason for not
21 attending other than the fact that he would
22 have to cast a negative vote.

23 That's all. I just hope the best
24 for you. Like I said, I have been telling
25 you all along when you first got the

1 majority I was hoping the very best and
2 that's all I can hope for it. Thank you.

3 MS. EVANS: Thank you.

4 MR. LOSCOMBE: Mr. Sbaraglia, Happy
5 New Year to you, too.

6 MS. EVANS: Ron Ellman.

7 MR. ELLMAN: Hello, Council.

8 MR. LOSCOMBE: Good evening.

9 MR. ELLMAN: Really briefly, I went
10 to Mr. Bolus' dinner and I think this was
11 such a nice event for the people of this
12 city and I think we are so fortunate to have
13 something like this from -- and I had a lot
14 of people tell me to pass on a thank you to
15 him and his staff that I delivered some food
16 for and gave rides to.

17 I went to a school board meeting
18 last week, and I can't understand how the
19 newspaper or the city doesn't know what is
20 going on in this schools with the students
21 and the teacher abuse. It's ungodly. There
22 was, you know, they was talking about it at
23 the meeting. These students that are
24 disruptive not only should be expelled from
25 school, they ought to be put in jail in the

1 system for awhile so they are not roaming
2 around the streets causing more problems.

3 And I stood up here in this very
4 spot a couple of years ago and I said we got
5 a gang problem because I'm out of the
6 streets and I know what's going on and I
7 think we should have a curfew. They got to
8 do something to control this, and I know
9 Mrs. Evans and Mr. McGoff probably have
10 friends that tell them, but I never seen --
11 the inmates are running the asylum in that
12 school and somebody is going to get hurt
13 before it's all over with. It's physical
14 abuse and they say the police are there
15 every day. It's a bad situation.

16 And I'd like to say something to
17 these young people at this Occupy Scranton
18 bunch, they say that youth is wasted on the
19 young, I guess that's why they make so many
20 mistakes, and I like the idea of being
21 against Wall Street in a way, but not the
22 methods that these people are using all
23 along.

24 But, you know, the taxpayers of this
25 city spent a million dollars or something on

1 happy new year and I hope you can iron out
2 our problems. If anybody -- well, somebody
3 was concerned about my whereabouts New
4 Year's Eve, you don't have no problem
5 because Mr. Jones is my designated driver,
6 so the streets will be safe except maybe if
7 you avoid North Scranton it might help
8 things. You all have a good news years,
9 hear?

10 (Whereupon while Mr. Ellman was
11 speaking Mr. McGoff takes the dais and joins
12 the meeting.)

13 MS. EVANS: Thank you, Mr. Ellman.

14 MR. JOYCE: Thank you, Mr. Ellman,
15 and I'll just make one quick comment, a few
16 months ago and actually Mr. Loscombe was
17 there with me, it was at a West Side
18 Neighborhood Crime Watch meeting, I spoke
19 about how I thought it would be a good idea
20 to have a curfew in the city and I remember
21 correctly Chief Duffy saying that
22 implementing a curfew causes a sprain and
23 the police force since they have to take
24 minors into their custody and hold them
25 there if they get calls and he did state

1 that we don't have the manpower on the
2 police force to do so in the current state
3 that we are in right now.

4 MR. ELLMAN: Well, it's a deplorable
5 situation. When I was in school and you
6 messed up you got paddled. And I was
7 paddled so many times they used to just say,
8 "Bring the usual suspects in," you know,
9 but --

10 MS. EVANS: Well, thank you,
11 Mr. Ellman.

12 MR. ELLMAN: This school is out of
13 control and it's not the school's fault it's
14 the students. I don't know what the
15 solution is, but this meeting was terrible
16 what they talked about. Thank you.

17 MS. EVANS: Thank you. Doug Miller.

18 MR. MILLER: Good evening, Council,
19 Doug Miller, Scranton.

20 MR. LOSCOMBE: Good evening.

21 MS. EVANS: Good evening.

22 MR. MILLER: I'd just like to begin
23 by pretty much reiterating a lot of the
24 statements I made from the podium the last
25 few weeks regarding the budget, and

1 obviously on 7-A tonight we are dealing with
2 the override of the mayor's veto of the
3 amended 2012 budget and I just would
4 strongly encourage council tonight to
5 override the veto. Your budget amendments
6 certainly relieve the burden not only on the
7 businesses, but the taxpayers as well by
8 reducing taxes while at the same time
9 generating the revenue through your many
10 revenue enhancements that you have in your
11 amended budget.

12 And I again want to commend our
13 Finance Chair, Frank Joyce, Councilwoman
14 Evans, Councilman Rogan, Councilman Loscombe
15 for all your work in the budget process.

16 MR. JOYCE: Thank you.

17 MR. MILLER: You have certainly have
18 yet again shown how you're true champions of
19 the people and you have continued to live to
20 your word since you have taken office and I
21 want to really thank you for that.

22 Going back to the annual Doherty
23 surprise that we get every year, as I have
24 stated last week I feels his actions were
25 uncalled for. The \$5 million TAN that he

1 pledged to a bank, a board of bankers that
2 was going to be paid in cash and went around
3 and basically went back on his word as he
4 tends to do now in the last ten years, so
5 it's really -- it shouldn't surprise us that
6 much, but it's just yet again another
7 attempt to sabotage council's budget, all
8 the hard work and effort you put into it.

9 But as I said last week what really
10 infuriated me was the fact that through all
11 of the conversations you have had with Ryan
12 McGowan, officials from PEL, you know, and
13 not one time was this news ever given to you
14 and I really -- I'm really upset by that
15 because I feel it's unacceptable and there
16 is no reason for that. I mean, I don't
17 understand how you give news like that after
18 a budget is passed and now once again you
19 are expected, as I have said, to clean this
20 mess up. And I truly believe it's time to
21 let the mayor clean this one up, let PEL
22 come in and clean it up, and Ryan McGowan
23 because they have caused this and every year
24 you are expected to come in with a bomb and
25 clean this up and I just don't feel it's

1 fair and it's uncalled for, and as I said
2 last week, I think it's time for an
3 investigation to be done by the United
4 State's Attorney General, the State Attorney
5 General, the Governor, the Secret Service,
6 whoever needs to come in and hold Chris
7 Doherty accountable because we can no longer
8 continue to allow this man to get away with
9 these things, all right? The fiscal
10 mismanagement has gone on for far too long
11 and it's got to stop.

12 You know, in the past we had
13 councils who just let this go and now that
14 we have a council majority in here who is
15 now exposing this we are seeing how truly
16 what a mess the situation we are in here
17 because nobody ever did anything about it,
18 we constantly swept things under the rug and
19 now, as I said, you are expected to try to
20 come up with a plan here to try to save the
21 day, and I think it puts you in a tough spot
22 and I don't think it's a position you should
23 have to be in, but unfortunately you are in
24 the position because, you know, you are
25 leaders of the city and I'm very confident

1 that you will get the job done and you will
2 find a solution because you have done so in
3 the past and I know what your record is and
4 I know you who are able to overcome a lot of
5 the obstacles that you faced over the last
6 two and a half years, so I'm quite confident
7 you will be able to overcome this, it's
8 certainly not going to be easy, we all know
9 that. But, as I said, I know you will
10 overcome it.

11 And just if finally tonight, again,
12 I want to thank you for all your hard work,
13 I encourage you to override the veto, I
14 think an override sends a strong message to
15 the mayor that his fiscal mismanagement
16 isn't going to be tolerated. We are not
17 going to allow him to go around with a blank
18 check and just spend recklessly like he is
19 used to doing in the past. Those days are
20 long over. We are going to turn this city
21 around. It's not going to be easy and we
22 are not going to do it overnight. It took
23 ten years to cause the mess, I'd hate to
24 think it's going to take that long to clean
25 it up, but it's starting to look that way.

1 But, again, thank you for your hard work and
2 I strongly recommend an override of the veto
3 and I appreciate your time and I just like
4 to wish everyone a happy and healthy new
5 year. Thank you.

6 MR. JOYCE: Thank you.

7 MS. EVANS: Fay Franus.

8 MS. FRANUS: Fay Franus, Scranton.

9 MR. ROGAN: Good evening.

10 MR. JOYCE: Good evening.

11 MS. FRANUS: I'd like to wish all of
12 you a happy new year as well.

13 MS. EVANS: Thank you.

14 MS. FRANUS: I also would like to
15 thank Mr. Loscombe, Mr. Joyce, Mrs. Evans
16 and Mr. Rogan for doing such a wonderful job
17 on this budget. You certainly showed that
18 you are for the people. I don't know what
19 you are going to do tonight, but just from
20 the way you have spoken for the last couple
21 of weeks I hope it's for overriding the
22 mayor's veto on behalf of all of the
23 taxpayers and take a load off their minds
24 knowing their homes will be saved whereas
25 Mayor Doherty may have lost all their homes

1 and that's a big relief if that's what you
2 do tonight.

3 Mr. McGoff, I'd like to ask you a
4 question, please. Did you know about the \$5
5 million TANS that Mayor Doherty before
6 December 15, before you voted on the
7 amendments?

8 MR. MCGOFF: Did I know that there
9 was one?

10 MS. FRANUS: Did you know that --
11 you were at that meeting, did you not hear
12 him say he is paying cash for the \$5 million
13 TAN, he was not going to borrow?

14 MR. MCGOFF: I was aware of -- I was
15 at the meeting, I was aware of what he said
16 if that's what you are asking.

17 MS. FRANUS: What I'm asking is did
18 you know he was going to be asking or
19 borrowing for the \$5 million or did you
20 realize he said he was paying cash? Did you
21 know yourself that he was going to have the
22 city borrow that money before December 15?

23 MR. MCGOFF: What was December 15?

24 MS. FRANUS: That was the deadline
25 for the amendment from council for the

1 budget.

2 MR. MCGOFF: I knew of it last
3 Monday.

4 MS. FRANUS: So that's the first you
5 heard of it.

6 MR. MCGOFF: Whatever that date was.

7 MS. FRANUS: Then why is it that you
8 weren't quoted in the paper saying that you
9 didn't know anything about this before
10 December 15? The paper --

11 MR. MCGOFF: I said I knew of it at
12 the PEL meeting last Monday. I'm not sure
13 what date that was.

14 MS. FRANUS: It was after the 15.

15 MR. MCGOFF: Yes, it was.

16 MS. FRANUS: But you let on, you
17 said in the paper at one point that the
18 officials knew. I don't know who you
19 implied by the officials, but Josh Mrozinski
20 sitting over there, I could not believe it
21 when I read the paper the next day after the
22 meeting where he had the headline or
23 something, "OECD blames council for the
24 budget," when at this meeting the night
25 before he heard Attorney Hughes state

1 emphatically that Mayor Doherty lied on
2 December 7 saying he was paying cash for the
3 \$5 million in TANS yet this council knew
4 nothing about it until a letter from PEL
5 December 16 that Scott Schaffer showed on
6 the news, but this paper and this reporter
7 he would have people believing this was
8 council's fault and it's all lies. The
9 editorial in the paper on Sunday was
10 outrageous. Again lies.

11 So I hope the people get a copy of
12 GO Lackawanna because there is the truth,
13 the only truth in the City. The Scranton
14 Times I'm just telling the people what you
15 read do not believe because it's all lies.
16 When Boyd Hughes sits here and says that
17 Mayor Doherty said in front of 25 bankers
18 that is paying cash for this \$5 million TAN
19 that's the truth, and Mr. Joyce as well
20 heard it. Then the paper doesn't say
21 anything about it.

22 I just hope tonight that you do what
23 you have always been doing, looking out for
24 the people, and know how much we appreciate
25 all you have done. We have no idea. I

1 mean, we can imagine, but we have no idea
2 the hard work you put into this. None. But
3 please know it's appreciated because you are
4 the only ones that can give us hope. Thank
5 you very much.

6 MS. EVANS: Thank you. Is there
7 anyone else who cares to address council?

8 MS. SCHUMACHER: Good evening,
9 Council. Marie Schumacher, city resident --

10 MR. JOYCE: Good evening.

11 MS. SCHUMACHER: -- and taxpayer.
12 I'm probably going to bounce around a little
13 bit and hit things just as I thought about
14 them while preparing for Christmas and
15 jotted them down so I wouldn't forget them,
16 but first of all is the audit available yet
17 for the 2010?

18 MR. JOYCE: The audit is not
19 available for public review at this time and
20 I have not received a draft copy. I have
21 received bits and pieces of the audit, but
22 that's about it. It's not finalized yet.

23 MS. SCHUMACHER: Do they have the
24 date for the meeting?

25 MR. JOYCE: Not at this time.

1 MS. SCHUMACHER: Okay, thank you.
2 And I would urge, it seems to me that a lot
3 of what we are experiencing could have been
4 changed if the Home Rule Charter had been
5 put on the ballot and we had a new committee
6 and the Home Rule Charter was updated. We
7 are well past the five-year window going
8 back to Judy Gatelli's reign as president of
9 council that was I believe unanimously voted
10 on that updating the Home Rule Charter would
11 be a good thing to do, but council has yet
12 to vote on it to get it on the ballot, and I
13 would certainly urge you to do that because
14 I think we have enough experience now
15 knowing where we have holes and where we
16 need more accountability and triggers and
17 some penalties for not doing things properly
18 and timely. So I would urge you to get that
19 on the ballot for the next primary.

20 And then it occurred to me after I
21 left last week because the news from the
22 solicitor was remember astounding on what
23 the mayor had done, but, and this is what
24 troubles me, and I guess, Frank, you get the
25 cash flow reports and you get the

1 controller's reports, did it not occur to
2 you when Mr. Doherty said he was going to
3 pay it in cash to ask him where he was going
4 to find it and do a follow-up question?

5 MR. JOYCE: I will address that
6 during motions. I did speak with PEL about
7 it and their advice was that we would need
8 enough money for one last payroll if we were
9 to avert all of our bills and pay off the
10 TAN from what they had thought at the time
11 and that's what I factored into the \$6.7
12 million in unfunded debt.

13 MS. SCHUMACHER: Okay. Thank you.
14 And when will we learn more about the
15 apparently scheduled June 2012 treasurer's
16 sale? Is that --

17 MR. JOYCE: I will ask NRS about it
18 and I will find out some more information
19 for you.

20 MS. SCHUMACHER: Thank you. I'm
21 assuming, and I want to verify whether I'm
22 assuming correctly, whether or not the
23 agreement we have had, the city has had with
24 the Scranton Parking Authority is still
25 valid, that is, we are paying for the

1 citation issuers and we are splitting the
2 collections from the --

3 MR. JOYCE: Yes.

4 MS. SCHUMACHER: -- 1090.

5 MR. JOYCE: It is still valid, yes.

6 MS. SCHUMACHER: Okay. And then
7 again, there was an article in just two days
8 before Christmas about a drug arrest, and I
9 believe it doesn't matter where it was, but
10 the paragraph says, "The city inspector
11 condemned the property for code violations
12 the chief said."

13 And I would like to know whether
14 LIPS is now in compliance with the
15 modifications to the --the notification that
16 people received that requires specification
17 of which codes have been broken? That's
18 been going on a long time. If it's still
19 going on I'm wondering if we have to wait
20 until we get a bunch of people who had
21 condemned properties take the city to Court
22 and waste a lot more money on the lawyers to
23 get it right. I think it's -- it's just --
24 that's just terrible having been through it
25 I know very well that it's not a pleasant

1 point to be and it's hard to pin them down
2 and you all voted to comply with the state
3 laws and the BOCA Code and that specifically
4 does say that they have to site what codes
5 have been broken and what it takes to be in
6 compliance, so I think we need to pay
7 attention to that.

8 And then another thing that gets
9 increasingly troublesome is all of the
10 unenforced -- may I finish this one?

11 MS. EVANS: Quickly, please.

12 MS. SCHUMACHER: They talked about
13 the unenforcement that we can't do curfew
14 because we don't have enough police officers
15 and we all know there are lots and lots of
16 laws on the books and ordinances that are
17 not -- don't even -- there is no attempt
18 made to enforce them and I think we need to
19 investigate whether or not there can't be
20 some kind of -- not a fully trained Act 120
21 police officer, but some kind of super
22 traffic person. I mean, just tonight go
23 down North Washington Avenue here and get to
24 the corner of Linden Street and there are
25 cars parked everywhere not just -- I mean,

1 where there is no parking. You can't even
2 get in the left turn lane let alone pay
3 attention to what the signs said and they
4 are all over and increasingly cars and
5 trucks parking on sidewalks and totally
6 making the sidewalks unpassable, and there
7 would be a whole lot of money if we started
8 enforcing some of these traffic laws if we
9 just had a traffic citation specialist who
10 could go around and do those kind of things
11 morning -- day and night. Thank you.

12 MS. EVANS: Thank you.

13 MR. JOYCE: Thank you.

14 MR. JACKOWITZ: Good evening,
15 Council, Bill Jackowitz, South Scranton
16 resident and member of the Taxpayers'
17 Association.

18 MS. EVANS: Good evening.

19 MR. JOYCE: Good evening.

20 MR. JACKOWITZ: Mrs. Evans, I would
21 like to ask Mr. McGoff a question, if I may?

22 MS. EVANS: Certainly.

23 MR. JACKOWITZ: Mr. McGoff, did you
24 hear the question Mr. Hughes asked the mayor
25 on the December 2011 regarding the repayment

1 of TANS. If so, what was the Honorable
2 Mayor Doherty's answer?

3 MR. MCGOFF: I believe he said cash.

4 MR. JACKOWITZ: He did say cash?

5 MR. MCGOFF: I didn't disagree with
6 Mr. Hughes when he --

7 MR. JACKOWITZ: Okay, I'm just
8 trying to get some clarification, okay?
9 Thank you. On the 22nd of December the
10 Honorable Mayor Doherty was quoted in the
11 newspaper that he told the bankers that the
12 city would be able to repay the TANS and the
13 TANS will be paid. That's in the quote, so
14 that goes along with the fact that he stated
15 that was going to pay for them in cash that
16 like Mr. Hughes stated and Mr. McGoff stated
17 and Mr. Joyce stated.

18 Okay, on the 22nd of December the
19 Honorable Mayor Doherty was quoted in the
20 newspaper saying the first priority is to
21 secure the \$5 million borrowing to pay back
22 the TANS. Now, on the 7th we had the \$5
23 million, on the 22nd we are trying to secure
24 the funds. Seems to me like there is a
25 contradiction there. We either had the

1 money or we didn't have the money. He
2 stated on the 7tg we had the cash to pay the
3 TANS and now on the 22nd he wants to secure
4 the money to pay the TANS.

5 Now, in the same article -- on the
6 same article and on the 7th of December the
7 mayor said the TANS will be paid. The
8 Honorable Mayor Doherty, which quote is
9 truthful? I mean, we either had the 5
10 million on the 7th and something happened
11 with the 5 million between the 7th and the
12 22nd or we never had the money on the 22nd.
13 You guys following what I'm trying to say
14 here?

15 MS. EVANS: Um-hum.

16 MR. JACKOWITZ: So which is true?
17 Now, the Times-Tribune in the same article
18 Josh wrote both stories. I don't understand
19 this. Now, it should have been clarified
20 before the story was made because all we did
21 was confuse the citizens, myself included.
22 We either had the money on the 7th or we
23 didn't have the money on the 7th. We
24 don't have it on the 22nd, so we need to get
25 that clarified and I think the mayor needs

1 to answer that and I think the Times needs
2 to do a better job of reporting the story.

3 I'm going to hold off until the
4 sirens go. And if he did have the 5 million
5 we need to find out what happened to that
6 five million.

7 Okay, and also in that same article
8 on the 22nd of December the Honorable Mayor
9 Doherty states, "Officials job is to move
10 the city ahead.

11 Added, "It's not to play gotcha."

12 Well, I think the mayor is the one
13 that's playing gotcha and the Times-Tribune
14 is a playing gotcha because on the 7th he
15 had the money, on the 22nd he didn't have
16 the money. What happened with the money
17 between the 7th and the 22nd? Five million
18 dollars plus is lot of money. We need to
19 find that out, okay?

20 The Honorable Mayor has not solved
21 the problem in ten years. He has created
22 numerous problems, which we all know, that
23 is why Scranton remains distressed and in
24 debt to the tune of over hundreds of
25 millions of dollars. It's probably because

1 he has been playing gotcha with us, you
2 know, and along with the Times-Tribune.
3 They are playing gotcha with the citizens
4 all the time.

5 Mr. Ryan McGowan states he speaks
6 with the banks every day. Mr. McGowan, have
7 you provided the banks with current copies
8 of the 2010 audit? For that matter, has the
9 city council been provided with a current
10 copy of the 2010 audit? Sounds like you
11 haven't.

12 MR. JOYCE: No.

13 MR. JACKOWITZ: Here it is the end
14 of December. Where is the audit?

15 MR. JOYCE: The audit doesn't exist
16 yet. I actually did attend a PEL meeting
17 today and Mr. McGowan did inform me that he
18 provided the banks with a statement from
19 Rossi & Rossi regarding the general fund.

20 MR. JACKOWITZ: Yeah, but where is
21 the audit at? I don't want a statement. I
22 want an audit that was due in the end of
23 May.

24 MR. JOYCE: Believe me, I
25 understand.

1 MR. JACKOWITZ: I don't think that's
2 asking for too much, Mr. Joyce.

3 MR. JOYCE: No, I don't either. I
4 understand your frustration, belief me.

5 MR. JACKOWITZ: Right. Now, the
6 Scranton Parking Authority. Now, they are
7 hiring Mrs. Renda for \$25 an hour to train a
8 new person who is a hired to be the
9 financial director for the authority. I
10 thought that was position was eliminated
11 from the budget, the financial director of
12 the Parking Authority; am I correct on that?

13 MS. EVANS: It had -- council had
14 eliminated that position, yes, in the SPA
15 budget last year, however, Mr. Scopelliti
16 did not adhere to the budget changes made by
17 the city council.

18 MR. JACKOWITZ: Yeah, because they
19 are going to pay her up to \$9,000 a year to
20 train somebody for a position that's been
21 eliminated. But not only that, it's
22 actually going to increase the salary by
23 \$320 a year if she gets the full \$9,000
24 because the salary used to be \$43,680, with
25 the \$9,000 the salary now will be \$44,000,

1 you know, for Mrs. Renda to train and also
2 the new person. Come on, man, is this the
3 Scranton way of saving money? I mean, let's
4 be realistic, Mr. Scopelliti and Mr. Kelly.

5 And also, you know, the mayor, I
6 hate to say this but it's the truth, cannot
7 be trusted and neither can the Scranton
8 Times-Tribune. I mean, the mayor stated
9 he's going to be the sixth councilman, where
10 is he? The mayor said he created 9,000
11 jobs, where are they? The mayor said the
12 audit would be produced within a week, that
13 was five, six weeks ago. He cannot be
14 trusted, and don't believe anything you read
15 in the newspaper, expect the obituaries,
16 that's because the funeral directors write
17 those.

18 MS. EVANS: Thank you.

19 MR. DOBRZYN: Good evening, Council.
20 Dave Dobrzyn.

21 MR. JOYCE: Good evening.

22 MR. DOBRZYN: Dave Dobrzyn, resident
23 of Scranton and taxpayer. Happy New Year
24 hopefully. I have a question for John, you
25 can maybe make it during motions, there is

1 an article circulating about downed fire
2 departments, and I'd like to hear an
3 elaboration on when does it become illegal
4 for a fireman to report to work after so
5 many hours because I think that the public
6 is being lead to believe that they are just
7 calling in sick. And after a certain point,
8 for instance, in an industrial privatized
9 setup after 12 hours you are no longer
10 covered by occupational comp, so if I got
11 half burned to death on my job as a mechanic
12 and, you know, it would be the boss'
13 responsibility to pay for my treatment and
14 everything else, even possibly a loss of
15 life.

16 And Mr. Jackowitz stole my thunder
17 on the audit. And I was also wondering if
18 when you are on the phone if you notify
19 these people could you notify them that you
20 are regarding their conversation so you are
21 not being a thrown a curve ball and you
22 could play it off right through the
23 microphone if that be the case.

24 And I thought I heard something, and
25 I did encourage it last summer, that some

1 help would be provided for ECTV so they get
2 our word across as it happens and it would
3 be helpful, I guess.

4 Now, on the budget, pass the budget
5 as you see fit, the Scranton Parking
6 Authority they deserve nothing else other
7 than to be privatized, but I would plead
8 with you to reconsider on any other
9 departments or essential services. It's
10 cheaper for me to hop a bus than drive
11 downtown or ride downtown than to pay the
12 parking there for an hour. So, you know,
13 and I'm not wearing and tearing my car in
14 city traffic and having idling and
15 overheating and stuff.

16 But trash removal, I had 51 bags of
17 garbage in front of the apartment house that
18 I lived in at one time and they sent the
19 mayor and the town police came down
20 questioning my wife about it because the
21 people responsible said it was ours and she
22 whipped out the payment book and everything
23 for our trash and so, you know, like sewer
24 and trash and stuff you can't get away from
25 that, so I would encourage you to keep it as

1 a public entity and try to get as best
2 control over these authorities if you can.

3 And I seen in the Scranton Times
4 today, never goes away, KOZ is in the state
5 legislature from what I gather or renewal of
6 the KOZ program with a little better
7 accounting, but if you can get your hands on
8 an article please do so and whatever, but
9 they didn't encourage -- my wife's plant
10 moved from Scranton to Scott Township in her
11 private job and ten years almost to the day
12 they closed and left town. They left her
13 with stock that devalued by \$20,000, she has
14 \$101,000 left and lu-lu's that are running
15 the company all gave themselves a nice fat
16 raise, of course, on top of it that \$100,000
17 can turn into nothing overnight some day,
18 who knows.

19 And, okay, I have a special message
20 once again for the unions, vote for whom you
21 will, vote your conscience, but let them
22 know the person you vote for that trade
23 packs are killing our ability to pay taxes
24 and needed for your very support, so when
25 you see that job going to South Korea and

1 they are going to use slave labor to replace
2 us, think about it because these people
3 really need to be told the working class is
4 going broke, so there is going to be no more
5 money left to do anything with.

6 And I have a comment, and I'm saving
7 the golden parrot of the year for a
8 Democrat, but Newt was asked if he believed
9 in marriage between a man and a woman and
10 asked to sign it. And he said, well, yeah,
11 yeah, but it should be between a man and a
12 woman and his mistress.

13 And Romney well, when he was asked
14 and he said being a Mormon, he said, well,
15 it should be between a man and women, his
16 wives.

17 But the golden parrot goes to Eric
18 Holder who has been ignoring the voter
19 registration acts that are passed in the
20 states that could deny people that were born
21 at home and it cost costs hundreds of
22 dollars to straighten it out in Court. A
23 lot of people are being denied without photo
24 ID the right to vote and shame on him
25 because he has had three years to address

1 it. Thank you and have a good night.

2 MS. EVANS: Thank you. Hi.

3 MR. SLEDENZSKI: Hi, Janet. Jack,
4 you handsome devil, you.

5 MR. LOSCOMBE: Chrissy.

6 MR. SLEDENZSKI: Happy New year,
7 Jack. Mr. McGoff, can I ask you a question?
8 When is the garbage this week? The garbage,
9 do you know yet? Let me know?

10 MR. LOSCOMBE: It's a date late,
11 Chris. A day behind.

12 MR. SLEDENZSKI: A day behind?
13 Okay, thank you.

14 MR. LOSCOMBE: Thank you, Chrissy.

15 MS. EVANS: Is there anyone else who
16 cares to address council?

17 MS. KRAKE: FIFTH ORDER. 5-A.
18 Motions.

19 MS. EVANS: Mr. McGoff, do you have
20 any comments or motions tonight?

21 MR. MCGOFF: Please. I'll start
22 with since we are here primarily to deal
23 with the veto of the budget just a few
24 comments on that. Last week I was ridiculed
25 for saying that I didn't think that the

1 numbers added up or something to that effect
2 when I asked the question about millage, the
3 millage and the council's budget, I was told
4 twice that it was a 4.8 percent increase on
5 millage, and I went back and used the
6 numbers that were provided in the mayor's
7 budget since we are comparing his 29 percent
8 tax increase to the 4.8 percent increase and
9 if you work out the -- if you take the
10 current rate and multiply it by 1.048 and
11 times the assessed value and times the
12 collection rate, that amount does not come
13 to \$13.9 million. If you use -- if you use
14 an 87 percent collection rate you are about
15 \$800,000 short.

16 If you push it to 90 percent, which
17 has never happened, you could still come up
18 \$300,000 short, and that's what I had asked
19 and in order to get to 13.9 million you will
20 have to increase -- using a 87 percent
21 collection rate, which is what they used in
22 the business administration office and which
23 is really high end historically for
24 collections. You would have to increase the
25 millage to 11 percent in order to achieve

1 the 13.9 million that's in the budget, in
2 the council budget.

3 And I asked the evening that it was
4 presented, and I don't think that I received
5 an answer. I was given -- I'm not sure
6 whether the question was understood or what,
7 but these numbers are what were used by the
8 administration and I assume that we were
9 comparing them in the same way or using
10 those same numbers, as has been said, and it
11 doesn't add up. It's short \$800,000, and
12 for that I guess I was criticized. So
13 that's one issue that I have with the
14 budget.

15 The other issue I have with council
16 budget is that I think that the extensive
17 cuts in DPW are going to diminish the
18 services that we now receive from DPW. I
19 think they are too extensive and I would
20 rather see -- I would rather have the
21 service that we now rather than one that is
22 going to be severely diminished.

23 And also in the proposal that was
24 given to us by Mr. Joyce last week and to
25 payback the \$5 million for the deficit, he

1 MR. MCGOFF: We are putting the
2 unfunded debt back on the -- or we may put
3 the unfunded back on the table for this
4 evening. I think this was a -- I thought it
5 was a good plan when it was presented and I
6 think that it is an acceptable solution now
7 and I just wish we had done it sooner, and
8 that's all I have. Thank you.

9 MS. EVANS: And, Mr. Rogan, do you
10 have any comments or motions tonight?

11 MR. ROGAN: Yes, I guess I'll make a
12 few comments on the budget as well. I was
13 going to wait until the vote, but I guess
14 we'll get it out of the way. Mr. McGoff is
15 right, there is no perfect budget. Neither
16 council's budget nor the mayor's is perfect,
17 but I don't think there is such a thing as a
18 perfect budget ever, but we have a choice
19 between council's budget which trims a lot
20 of fat from the administration, trims some
21 salaries, some cuts that need to be made,
22 and there is people out there living on a
23 fixed income and they are seeing department
24 heads making 40, 50,000 dollars a year on
25 their dime, at the same time the mayor wants

1 to increase their taxes almost 30 percent.

2 We need to make cuts in
3 administration salary. If it was up to me I
4 would have been up to 25 percent, you know,
5 especially with some of the department heads
6 that haven't been responsive to the people.
7 You know, we have a stack of mail every week
8 from certain department heads -- or from the
9 citizens that called in and said they
10 couldn't get any results with certain
11 departments. Council puts the inquiry in,
12 nothing. That's one of the most frustrating
13 things of being on council is when we get
14 letters and phone calls from people that
15 say -- you know, it might be something as
16 simple as, "I have a pothole on my street, I
17 called the pothole hotline three times and
18 it still hasn't been fixed."

19 Council sends a letter and you drive
20 by two weeks later and it's still not fixed,
21 and it's not just the DPW it's many of the
22 departments head, but I don't think it's
23 fair to put that person who is going to be
24 pay more taxes and the top pay people in the
25 city aren't taking a pay cut as well.

1 As far as the DPW cuts go, I
2 believe, Mr. McGoff, that Mr. Joyce used
3 your cuts for the union positions.

4 MR. MCGOFF: I didn't have anything
5 in the administrative cuts.

6 MR. ROGAN: But the union positions.

7 MR. MCGOFF: Yes.

8 MR. ROGAN: And the union guys would
9 be the ones that would be doing the work,
10 not the administrators.

11 MR. MCGOFF: I think the
12 administrators work as well as foremen.

13 MR. ROGAN: Well, as far as the
14 majority of the labor is done on the union
15 workers not the supervisors. I would also
16 say that the police department runs just
17 fine with one chief. The fire department
18 has a chief and some deputies, you know.
19 The fire department has a lot more to handle
20 than the DPW, not to diminish the DPW, but
21 the fire department is in the business of
22 saving lives and you need a little more over
23 site.

24 We have had all of these DPW deputy
25 directors, foremen, some of them were cut

1 out of the budget that the mayor funded
2 anyways, and yet the Department of Public
3 Works is chaotic. It's in the newspaper
4 every week. Employees using public
5 equipment for private use. Employees
6 picking up prostitutes. Not working a full
7 day. Maybe we should have 100 foremen down
8 there supervising maybe then the guys will
9 work a full day and get some stuff done, but
10 it's up to our new director and I hope that
11 Mr. Dougher will do a good job. I'm very
12 hopeful that, you know, he will make the
13 reforms necessary to make that department
14 run efficiently and to make sure the job
15 gets done.

16 As far as the \$600,000 goes, I
17 believe Mayor Doherty stated he wasn't going
18 to reinstate the fire positions, that's why
19 Mr. Joyce had that in his proposal.

20 MR. JOYCE: That's correct.

21 MR. ROGAN: And, you know, I think
22 everyone of us on here would like that money
23 to go towards public safety, but when you
24 have a mayor who does the hiring and firing
25 in the city if he says, no, it's not going

1 to happen so we don't want to leave that
2 \$600,000 floating around where, you know, he
3 could build another tree house or something.
4 But at the end of the day when it comes time
5 to vote there is a choice between two
6 budgets, and one budget it keeps taxes
7 relatively low and one budget that jacks
8 them up by a third. One budget that cuts
9 some fat from the administration, cuts some
10 positions, eliminates some waste, and
11 another budget that leaves them in there.

12 And at the end of the day each one
13 of us has to make that decision, which
14 budget is better for the vast majority of
15 the people, and I think it's clear as day by
16 looking at the two proposals that council's
17 amendment budget is the right choice. Not
18 only will people keep a little more money in
19 their pockets, but we make government
20 smaller, which is very important to me.

21 So I would hope that my colleagues
22 would all vote to override the budget. I
23 hope that it's overridden 5-0, and that is
24 all I have. And I would like to wish
25 everyone a Happy New Year. Thank you.

1 MS. EVANS: Thank you. And,
2 Councilman Loscombe, do you have any
3 commence or motions tonight?

4 MR. LOSCOMBE: Yes, thank you. I,
5 too, will comment on the budget rather than
6 when we are voting on it. Again, I agree
7 with my colleagues that spoke prior to me
8 that neither budget is perfect. There has
9 been a lot of work put into both most
10 likely. I know the work that has been put
11 into the city council's amended budget. The
12 mayor's budget calls for a 29 percent tax
13 increase and also laying off 29
14 firefighters. I had made the comment
15 several meetings ago that I wouldn't even
16 address the budget or consider a budget that
17 didn't address public safety and our amended
18 budget puts funding in for 13. And again,
19 as Mr. Rogan said, deferring to what
20 Mr. McGoff said about the \$600,000, I
21 believe Mr. Joyce was referring to Mayor
22 Doherty's comments that he wouldn't put the
23 firefighters back with that and, you know, I
24 find that hard to believe.

25 I mean, we wouldn't even be looking

1 at cutbacks or tax increases if the mayor
2 followed our budget last year. Our budget
3 was sabotaged from day one. We had revenue
4 sources in there that were totally
5 overlooked. We have two authorities right
6 now that are on the hook for over \$5 million
7 were bailing out here. I mean, those
8 authorities were appointments by this mayor
9 to run those authorities, and each one of
10 them is well over \$2 million in the hole
11 right now, and the mayor's budget wants us
12 to give one of those authorities the parking
13 meters to play with.

14 You know, we have to look at both
15 budgets on their face. The numbers that
16 were used for our budget Mr. Joyce received
17 right from the administration, right from
18 Mr. McGowan. I have every e-mail that he
19 had sent and referred. He forwarded them to
20 me. I happened to be there the day
21 Mr. Courtright was speaking to Mr. Joyce
22 with facts and figures from that office. I
23 trust the figures that Mr. Joyce has worked
24 on here.

25 I mean, how could anybody have a

1 perfect budget when we still have no audit?
2 We don't know what budget is going to -- but
3 I do trust -- at this point I trust the city
4 council's amended budget.

5 And to go a little further, you
6 know, there has been a lot of anguish on my
7 part the last couple of weeks because no one
8 knows my heart is more into public safety, I
9 just fear what's happening in this city
10 right now. It's devastating, but our budget
11 at least puts something back in there.
12 Something is more than nothing. Is it
13 adequate? Far from it. Do I want to see
14 any of our employees losing their jobs this
15 time of the year? Not with this economy.
16 You know, it touches my heart. They have
17 families, they have homes, they had to move
18 into the city. You know, they have
19 children, young children, some of them have
20 newborns. It's a tough situation.

21 But again, I honestly feel that we,
22 the majority here, didn't create this
23 problem. This problem was created over the
24 past ten years by reckless spending and not
25 adhering to the budgets that were going to

1 benefit the public, but yet you have a
2 newspaper like the Scranton Times that will
3 not admit that in one sentence. And, you
4 know what the Times has done to us up here?
5 We have become numb to the editorials, the
6 cartoons, the constant lashing. It doesn't
7 phase us, we expect it. And I can't wait to
8 read tomorrow's paper, on-line, of course, I
9 won't buy it, but, you know, just to see
10 what spin. I had several people after the
11 last meeting tell me what the paper said was
12 nothing about the meeting.

13 And then you have the other paper
14 like the GO Lackawanna which has almost
15 everything verbatim of what happens at the
16 meetings. I just don't understand it. It
17 only shows me that the newspaper is acting
18 as the protector, but they are also
19 continuing the problems that this city is in
20 rather than helping resolve them by picking
21 on us and trying to tell us to work together
22 with the mayor, it's our fault and all of
23 that, is only dividing us.

24 But to go back to give a little
25 history of the past couple of weeks, I have

1 been very anguished over these budgets. I
2 mean, it's a process. Last year wasn't half
3 as bad. You know, I have been contacted --
4 I was actually contacted by the mayor
5 himself and we had a cordial conversation
6 last Friday, cordial but short. He asked me
7 to consider voting for his budget and, you
8 know, he said that we needed the tax
9 increase and, you know, otherwise he is
10 going to have to increase it more next year.
11 And I just listened to him and he did say --
12 he said, "I give you my word we will discuss
13 public safety."

14 But, you know, in the bottom -- at
15 the end of it all there is nothing in
16 writing. I have had several members of the
17 fire department come to me and tell me that
18 the mayor was going to give them a
19 memorandum of understanding to put the men
20 back in and I requested a copy of that
21 memorandum of understanding, a signed copy,
22 and to this day I still do not have one.
23 Even as far as this day I did speak to one
24 of the fire officials about it and it's the
25 13th hour. I mean, this is something that

1 should have been presented before.

2 And it appears that certain members,
3 and understandably so, some of them whose
4 jobs are on the line, believe that we are
5 not doing what we can, that we have the
6 ability to put them back in there and they
7 are even believing that the mayor would give
8 them a written memorandum of understanding
9 after cutting them out of the budget, after
10 ten years of saying he was going to bring
11 the fire department down, bring the police
12 department down.

13 Our public safety departments are at
14 a critical stage right now and come January
15 1 we are lucky if we have four firehouses
16 open, and that's with full manning. That's
17 the truth. We are going to have a
18 catastrophe, but what I'm asking the mayor,
19 you know, I cannot consider that budget. I
20 mean, we have gone on the word before and we
21 see what happens. Even with the memorandum
22 of understanding, he could tie that up in
23 court for years, so what have they gained?
24 What have we gained? We haven't gained that
25 manpower, we have gained another court

1 battle. We are in court right now over the
2 massive layoffs.

3 I would just hope that the members
4 of the public safety union can understand
5 where I stand and where my council
6 colleagues stand. I think everyone here has
7 fought for public safety and I believe that
8 our budget gives us the tools and we have
9 the commitment to provide the adequate
10 public safety for everyone out there, not
11 the inadequate public safety we have now,
12 but if the money wasn't squandered over the
13 past several years we wouldn't be in this
14 boat.

15 We get surprised with a \$5 million
16 dollar hole two years in a row. Again, no
17 audit, we don't know what's going to
18 surprise us yet. Revenue sources, again,
19 untapped, let go. Authorities running rough
20 shot. It's time, and I think it's been a
21 hard two-year fight, but I think it's time
22 and this year I think is the year. Given
23 the right tools that we have in our budget
24 that there is going to be a lot of changes
25 for the positive. We are out here -- we are

1 looking for 70,000 taxpayers we are looking
2 for, that's who we work for, and I know in
3 my heart and everyone's heart here that's
4 who we represent.

5 Is it a great budget? Not at all.
6 It could have been a greater budget if he
7 listened to us last year. Again, I hope he
8 doesn't sabotage this, but if he is comitted
9 to discuss public safety as he said with me
10 and if he was going to do that memorandum of
11 understanding then show your good faith by
12 putting the 13 firefighters back in that we
13 have budgeted for and let us sit down
14 together with the chiefs on the fire
15 department, the police department, and the
16 mayor and the chief of police and get these
17 public safety issues worked out because
18 that's one thing that the public deserves.
19 They deserve to be able to sleep safely at
20 night, sleep comfortably at night, feel safe
21 walking down the streets, feel safe knowing
22 that when they call for a fire truck it's
23 not going to take ten minutes to get there
24 and it's too late.

25 These are all the decisions that we

1 have had to make here. Are they life and
2 death decisions? They certainly are, but I
3 think our decisions are going to protect a
4 lot more lives in the long run. The mayor's
5 budget has eliminated 29 firefighters. The
6 mayor's budget has increased taxes 29
7 percent. The mayor's budget had to put six
8 police officers back in, but the ironic
9 thing is if he had -- if he kept two police
10 officers, if he appointed two police
11 officers last year we would have 15 on the
12 street today, 13 of them through COM-D, two
13 being paid. Now we have to pay six and we
14 only have six from that bottom number.

15 So, you know, we are leaving these
16 decisions in the hands of someone that asks
17 us to trust him, and personally, you know,
18 I'll speak to Mayor Doherty any day, we have
19 a gentleman's trust between us and, you
20 know, cordiality, but we have to get on the
21 same page but he has to listen to us, too.

22 And, you know, if you don't mind if
23 I could just address our solicitor here on
24 that issue of the memorandum of
25 understanding and our agreement from last

1 year that we are working on the appeal now,
2 for your safety maybe Solicitor Hughes can
3 explain that a little bit.

4 MR. HUGHES: It's ironic that you
5 are talking about a memorandum of
6 understanding, I'm doing the amicus brief on
7 behalf of council to be submitted to the
8 Commonwealth Court next Tuesday and, of
9 course, that's on ordinances No. 57 and 58
10 of last year where council had a minimum
11 staffing of the police department at 150 and
12 a minimum of staffing of the fire department
13 of 137, then in July the mayor laid off
14 eight firemen and 13 police officers. There
15 were two vacancies in the police department
16 which brought it down to 148 and then he
17 laid off 13 police officers.

18 We are putting this together now. I
19 believe that Judge Thomson was wrong, I
20 should say I know he was wrong. I really
21 believe that the brief that's going to be
22 submitted by the unions along with our
23 amicus brief that we have an excellent
24 chance to get the mayor -- to get the lower
25 court reversed and then council's

1 legislation for minimum staffing will be
2 valid on appeal.

3 I can't guarantee a result, I wish I
4 could, but I really believe that the way
5 that our brief is going together, it's just
6 an amicus brief, we don't have a right to
7 appeal, but an amicus brief is a friend of
8 the Court that to the appellate court for
9 them to read as to why we think that Judge
10 Thomson should be reversed.

11 Secondly, it's very difficult to
12 comment on a memorandum of understanding
13 that, you know, we have never seen. I think
14 Jack has asked for, we haven't seen it, I'm
15 totally unfamiliar with such a document
16 being used in governmental work. I have
17 never seen one in all my years of being a
18 solicitor for school districts, former City
19 of Scranton assistant city for the City of
20 Scranton, you know, for sewer authorities
21 and everything else, negotiating the union
22 contracts, I have never heard of such a
23 thing.

24 It's used in private industry often
25 times when businessmen get together. I have

1 used it many times in negotiating
2 acquisitions of companies in businesses on
3 behalf of clients or even the sale of
4 businesses on behalf of the clients where
5 you get together and you put a memorandum of
6 understanding together.

7 You have to be very careful in
8 private industry as to how it's phrased
9 because it can be considered a contract and
10 enforceable. So that I'd say most
11 memorandums of understanding are done just
12 that they are an agreement in principal only
13 and there is nothing binding in it, so I
14 think that even if the mayor did sign a
15 memorandum of understanding with the union I
16 don't see how it really would be
17 enforceable, you know, that would be my
18 opinion. I can't see how the mayor can just
19 commit -- the mayor cannot commit the city
20 where council is involved to have any
21 binding commitment. I think council in it's
22 budget right now has included 13 positions
23 back into the fire department. The mayor
24 could easily hire the 13 firemen that have
25 been laid off and putting them back into the

1 position.

2 I just believe I read last week
3 where he said even if he had the grant of
4 \$600,000 specifically for the firemen he
5 wouldn't use it for that purpose, he would
6 use it for something else, so it's like a
7 chameleon. I think he takes a position
8 depending on the color of the paper it's on.
9 If he wants to be red, he'll be red. If he
10 wants to be green, he'll be green. If he
11 wants to be blue, he will be blue. But the
12 truth is far in-between. So my opinion is
13 that any memorandum of understanding would
14 be unenforceable.

15 MR. LOSCOMBE: Thank you.

16 MR. HUGHES: And that's a pretty
17 broad statement to make when you haven't
18 even seen it, but since, you know, it's kind
19 of like a mirage, you know, it's supposed to
20 be there, but you don't see it.

21 MR. LOSCOMBE: And I would think
22 based on past history that, you know, it
23 could be held up in court, too, for several
24 years, so we are no farther ahead at that
25 point. I mean, we have to make a decision

1 tonight that's going to impact 70,000
2 taxpayers and God knows the loss of so many
3 police and firefighters is definitely an
4 impact. However, again, if you look at the
5 two budgets, and ours does call at least for
6 some manning at this point, and based on
7 this hearing in March it could mean a lot
8 more, but I would ask the public and those
9 in the public safety departments to believe
10 in us here, to have their faith in us here
11 who have been here fighting for them the
12 past few years and not someone who has been
13 fighting against them the past ten years.

14 I mean, I find it hard to believe
15 someone would change overnight especially
16 when they took it out of their budget and
17 that's what I had to gauge. I said a lot of
18 prayers, I did a lot of speaking to people,
19 mentors, and my gut reaction from my heart
20 and, you know, the way I'm going to vote
21 based on everything I have seen is that I
22 will be voting for council's amended budget.
23 And God bless everyone. Have a happy new
24 year and for those families who are facing
25 their job losses, please have faith in us.

1 We are here working for you. We haven't let
2 you down, we never will, contrary to what
3 you may have heard. We are interested in a
4 public safety of everyone in this city,
5 everyone's life is valuable and we will
6 fight until we get to that point. Thank
7 you.

8 MS. EVANS: And thank you,
9 Mr. Loscombe. Councilman Joyce, do you have
10 any comments or motions?

11 MR. JOYCE: Yes, I do. Tonight I
12 will address all of the allegations that
13 Mayor Doherty made in his veto message and
14 also touch on some of Mr. McGoff's concerns
15 as well. Mayor Doherty's first allegation
16 was that the real estate tax increase wasn't
17 high enough, and I know Mr. McGoff shared
18 the same concern.

19 Okay, let me explain one last time
20 here. From the cash flow report produced by
21 Ryan McGowan on a monthly basis at the time
22 the budget was constructed it was projected
23 that we would receive \$13.2 million in
24 revenue from current real estate tax.
25 That's a printed document and that is

1 available for public review.

2 PEL had also expressed that we
3 should expect to see \$200,000 in additional
4 revenue from real estate tax collections due
5 to the transfer of the property from the
6 Mercy Hospital to CHS, which is a for profit
7 organization, okay? So, therefore, with
8 this being said the total amount of revenue
9 that the city would realize would be \$13.4
10 million in the current -- if we kept the
11 current real estate tax. That's the amount
12 of revenue that we could have expected to
13 see but, of course, doing that wouldn't
14 balance the budget.

15 The real estate tax revenue line
16 number in the 2012 was decreased from 16183
17 to 1397, \$13,970,000, that is. Therefore,
18 with all being said the amount of revenue
19 that needs to be generated from the current
20 real estate taxes is \$570,000 from last
21 year. This is roughly a 4.2 percent
22 increase in revenue. When taking into
23 account that 87 percent of taxes are
24 generally collected, the percentage
25 increases 4.8 percent. $4.2 \div .87$

1 is equal to 4.8, and you could plug that
2 into calculator and that's the number that
3 you will get.

4 The mayors suggested that the amount
5 that council decrease the real estate tax
6 increase by in his budget, which was 29.1
7 percent, by the way, will create a \$1
8 million hole. This is false for the reasons
9 that I just described. It's pretty clear
10 now.

11 Furthermore, we would actually have
12 to collect less taxes in 2012 than in 2011
13 for a \$1 million hole to actually occur
14 which is absolutely preposterous since there
15 is a tax increase of 4.8 percent.

16 So at this juncture I know
17 Mr. McGoff stated that the numbers don't add
18 up, so besides that I'd like to pass down a
19 copy of this.

20 MR. MCGOFF: You still haven't
21 addressed the issue of millage. All you are
22 talking about is revenue. Revenue and
23 millage are two different things.

24 MR. JOYCE: I understand that
25 revenue and millage are two different things

1 and we are talking about a 4.2 percent
2 increase in revenue and a 4.8 percent
3 increase in millage because --

4 MR. MCGOFF: No, you are not.

5 MR. JOYCE: -- of the .87 -- or the
6 .87 percent. Well, the .87 collection
7 factor. The 87 percent collection rate, but
8 we can agree to disagree and that's fine.

9 Secondly, Mayor Doherty in his veto
10 message stated that council's amendments
11 failed to take into account the rising costs
12 of health care and salaries which the city
13 is required to pay by Court orders or
14 contracts. First, let me begin my stating
15 that this is just a flat out lie. Council's
16 amendments only adjusted health insurance
17 values by the amounts that Ryan McGowan, the
18 city's BA prescribed, which was a deduction
19 of \$14,500 for each employee that was cut
20 and an additional \$14,500 for each employee
21 that was added.

22 Furthermore, the salaries that were
23 deducted for each position from their
24 respective standard salary accounts, as well
25 as the longevity accounts of their unions

1 members that were cut in the budget, as
2 amended, uniform allowances were also
3 deducted for union members accordingly as
4 well as life and disability insurance.

5 In addition, \$600,000 was split
6 proportionately due to the number of
7 retirees and was deducted from each health
8 insurance line item according to the savings
9 that Ryan McGowan instructed in the -- that
10 we would receive from the retiree
11 prescription savings grant, which would save
12 the city \$600,000.

13 The third allegation that Mayor
14 Doherty made in his veto message is that
15 council fails to budget for a \$1.6 million
16 guarantee that the SPA will be short on this
17 year. According to the SPA budget, however,
18 council's amendments -- or the amended
19 budget, sorry, not the SPA budget, council's
20 amendments do make this appropriation. The
21 appropriation made by council is added to
22 the contingency fund due to the fact that
23 the SPA has bond insurance and the SPA
24 should determine if their insurance is
25 liable to pay for the deficit before trying

1 to tap into city taxpayer dollars.

2 With that being said, the mayor
3 should actually pay attention to council's
4 amendments rather than making blind
5 accusations. Overall, the statements made
6 by the mayor in his veto message that's
7 what's truly preposterous.

8 Throughout the whole process I have
9 contacted Ryan McGowan, our business
10 administrator, many times as well as PEL and
11 DCED. Gerry Cross and I have spoken for
12 hours. I still have not heard a word from
13 Mayor Doherty. This is what is truly
14 unfortunate. And, you know, we sit here and
15 we talk about cooperation week after week, I
16 have asked Ryan -- in the past I asked Ryan
17 McGowan to instruct Mayor Doherty to call me
18 because I wished to speak about budget
19 matters with him and guess what, he never
20 did. I also e-mailed Mayor Doherty three
21 different times and I still didn't her a
22 response from him.

23 One would think that the mayor would
24 be willing to speak to the Finance Chair
25 before constructing a veto message.

1 However, somehow last week it's obvious that
2 other council members are able to
3 communicate with the mayor or the mayor may
4 call them. Councilman McGoff knew that
5 Mayor Doherty was not going to veto the
6 budget on or before last Tuesday. Also, in
7 speaking with one of my colleagues, Mr. Jack
8 Loscombe, Mayor Doherty reached out to him
9 and called him five times trying to get him
10 to vote to sustain his veto. Why Mayor
11 Doherty won't speak to the Finance Chair or
12 the President of City Council is beyond my
13 comprehension. It's ludicrous.

14 In speaking with Councilman
15 Loscombe, and here's an even more disturbing
16 statement, what was truly appalling to hear
17 was that Mayor Doherty stated on the phone
18 to Mr. Loscombe, "I know a 29.1 percent tax
19 increase seems like a lot, but by next year
20 people will forget about it."

21 That statement alone angers me and
22 it should anger anyone listening tonight. A
23 29.1 percent tax increase may not seem like
24 a lot to him, but to the senior citizen
25 living off social security, the new

1 homeowner or a single parent trying to raise
2 their kid on one income, I bet it sure seems
3 like a lot.

4 It is evident that Mayor Doherty
5 does not have high regard for fire
6 protection as well since he refuses to
7 reinstate 13 firefighters that council
8 budgeted for. However, by Mayor Doherty
9 making the statement about the taxpayers
10 proves to me that he doesn't have high
11 regard for taxpayers in the City of Scranton
12 as well, at least in my opinion since he
13 simply thinks that people would just forget
14 about a 29.1 percent tax increase. That's
15 appalling, Folks.

16 But, you know what, be rest assured
17 this council is going to continue to fight
18 for you and the city's best interest. We
19 represent everyone in this city and we will
20 never turn our back on the residents of
21 Scranton that make this city great.

22 And in all due respect, Mr. McGoff,
23 I know we disagree on some different
24 positions, but the fact that Mayor Doherty
25 won't put the firefighters back in that's

1 why I included it, and as far as the DPW
2 cuts were concerned according to an e-mail
3 from Ryan McGowan it was the mayor's intent
4 to layoff 20 workers as well through --
5 well, end up buying out 20 workers, which
6 would still result in 20 cuts.

7 And I'll tell you what, as far as
8 the work that I have done on this budget,
9 you know what, anyone could sit here and say
10 that, yeah, we could have arrived at a
11 better solution, but I'll tell you what
12 working on the budget itself was almost --
13 was probably more than a full-time job over
14 the past months, so I'd like to see someone
15 else come up here and try to do a better job
16 than that. I'm confident in the work that I
17 did and I'm confident that this is the best
18 budget for the City of Scranton. And that
19 is all I have to say on that matter.

20 MS. EVANS: Thank you, Councilman
21 Joyce. Good evening. As anticipated, Mayor
22 Doherty vetoed the legislation which adopted
23 the 2012 operating budget, as amended, and
24 as explained by Finance Chair Councilman
25 Joyce, the mayor's veto letter contains

1 flawed statements and false conclusions.

2 Also, in the December 22, 2011,
3 edition of the Scranton Times the mayor
4 stated, "This is not political gamesmanship
5 this is affecting the lives of the people of
6 Scranton and the services we provide them
7 and eventually would effect the value of
8 their homes."

9 If Mayor Doherty is not using
10 gamesmanship, then why did he conceal the
11 borrowing of \$5 million from the Workers'
12 Comp Reserve Fund until after the budget was
13 adopted? And why did he not include the \$5
14 million he needs to repay the Workers' Comp
15 Reserve Fund in his 2012 proposed budget and
16 in his legislation to borrow \$6.7 million
17 for unfunded debt? The mayor created his
18 own problems when he lied to the banking
19 community and concealed his \$5 million
20 borrowing from Scranton City Council until
21 December 16.

22 In addition, if the mayor is truly
23 concerned about affecting the lives of the
24 people and the services that we provide
25 them, why did he recommend a 29 percent tax

1 increase while simultaneously eliminating 29
2 firefighters, seven police officers and
3 closing fire stations in his budget?

4 The simple truth is that despite the
5 cautionary letters sent to the
6 administration on council by the
7 Pennsylvania Economy League throughout 2011,
8 the city experienced yearend cash flow
9 problems. Please note that the same letters
10 never mentioned the use of the Workers' Comp
11 Reserve Fund in December 2011 to stem any
12 2011 financial problems.

13 Thus, how did this financial crisis
14 occur when PEL forewarned the city? Well,
15 the answer is obvious. Mayor Doherty never
16 heeded these warnings, rather, he sabotaged
17 the 2011 budget. First, he used a 2011 TAN
18 to repay a 2010 TAN thereby creating an
19 immediate \$5 million hole in January 2010
20 for 2011. He then refused to implement new
21 revenue generators, in particular, the
22 StreetSmart Parking Program, reinstated the
23 DPW positions with benefits, and equally
24 important gambled that HUD would never
25 discover that he intended to pay regular

1 duty police officers with CDBG funds, among
2 other actions. When warned by HUD against
3 this type of ineligible use of CDBG funds,
4 the mayor was then forced to pay these 13
5 officers from the operating budget.

6 Had Mayor Doherty never used the
7 2011 TAN to repay last year's TAN and
8 followed the 2011 budget as amended, cash
9 flow problems would not have occurred.

10 Nevertheless, even after the mayor
11 sabotaged our current year budget city
12 council worked continuously with the
13 administration and PEL to develop it's 2012
14 amendments, used financial numbers provided
15 by Ryan McGowan, Gerry Cross, and Tax
16 Collector Courtright, solved all financial
17 problems presented to it by the
18 administration and then and only then
19 amended and adopted the 2012 operating
20 budget.

21 Shockingly the administration and
22 PEL suddenly informed council that another
23 \$5 million would be needed after the budget
24 was adopted. Had the administration or PEL
25 notified council prior to December 13 we

1 could have worked to address it together.
2 Instead, according to Home Rule Charter,
3 council has only one remaining authoritative
4 act with regard to the budget and that is
5 it's ability to override the mayor's veto.
6 Council cannot open the budget nor can it
7 amend the budget following it's adoption.

8 I agree that the budget process is
9 not the occasion for political gamesmanship
10 which is precisely why council set aside any
11 doubts and differences and worked in earnest
12 and in good faith with the administration,
13 PEL, DCED, and the Single Tax Office.
14 Unfortunately, the administration, PEL and
15 DCED did not do the same. They had the same
16 obligation to notify city council of their
17 planned use of Workers' Comp Reserve Funds
18 as they had when presenting all other
19 financial debt and issues to us.

20 In prior years, the administration
21 and PEL used Workers' Comp excess funds
22 covertly to pay bills. However, in this
23 specific instance the use of Workers' Comp
24 funds should never have been concealed
25 because the administration is dipping into

1 the mandatory 75 percent funding level,
2 which is far more serious than raiding
3 excess funds and demands reimbursement as
4 soon as possible.

5 The people of Scranton should not be
6 forced by the mayor to pay 29 percent more
7 in city taxes for significant loss of public
8 safety services. Now, more than ever, the
9 people can't afford the Doherty debt and
10 Doherty gamesmanship. Three councilmen and
11 one councilwoman are all that stands between
12 you and huge tax increases from the Doherty
13 administration and PEL.

14 Despite the pressures, threats,
15 criticism and bullying that has been aimed
16 at us, we won't let you down. The mayor and
17 his supporters foolishly believe that you
18 can afford large tax increases and that you
19 will forget all about it by next year. I
20 know that you're struggling to survive to
21 keep your homes and to make ends meet.
22 Therefore, I will be voting to override the
23 mayor's veto this evening on behalf of the
24 elderly, poor and working class taxpayers of
25 Scranton, and that's it.

1 MS. KRAKE: 5-B. NO BUSINESS AT
2 THIS TIME.

3 SIXTH ORDER. NO BUSINESS AT THIS
4 TIME.

5 SEVENTH ORDER. 7-A. FOR
6 CONSIDERATION BY THE COMMITTEE ON FINANCE
7 FOR ADOPTION-FILE OF COUNCIL NO. 56, 2011 (AS
8 AMENDED) - APPROPRIATING FUNDS FOR THE
9 EXPENSES OF THE CITY GOVERNMENT FOR THE
10 PERIOD COMMENCING ON THE FIRST DAY OF
11 JANUARY, 2012 TO AND INCLUDING DECEMBER 31,
12 2012 BY THE ADOPTION OF THE GENERAL CITY
13 OPERATING BUDGET FOR THE YEAR 2012.
14 (OVERRIDE MAYOR'S VETO).

15 MS. EVANS: What is the
16 recommendation of the Chair for the
17 Committee on Finance?

18 MR. JOYCE: As Chairperson for the
19 Committee on Finance, I recommend City
20 Council override the mayor's veto of Item
21 7-A, as amended.

22 MR. ROGAN: Second.

23 MS. EVANS: On the question?

24 MR. ROGAN: I would just mention
25 again, I forget to bring it up, Mr. Loscombe

1 mentioned that the mayor said to him that
2 the people will forget, and I would say the
3 exact opposite. I strongly believe one of
4 the reasons I'm sitting here and Mr. Joyce
5 is sitting here is because the people didn't
6 forget about the tax increase handed down to
7 them by Mrs. Gatelli, Mrs. Fanucci, and the
8 people do remember, especially when it comes
9 to their pocketbooks. They are going to
10 remember and it's up to us to do the right
11 thing and to vote for council's budget to
12 let the people in the city keep more of
13 their money at the end of the day instead of
14 the government taking it, and that's all I
15 just wanted to mention.

16 MS. EVANS: Anyone else on the
17 question? Roll call, please.

18 MS. MARCIANO: Mr. McGoff.

19 MR. MCGOFF: No.

20 MS. MARCIANO: Mr. Rogan.

21 MR. ROGAN: Yes.

22 MS. MARCIANO: Mr. Loscombe.

23 MR. LOSCOMBE: Yes.

24 MS. MARCIANO: Mr. Joyce.

25 MR. JOYCE: Yes.

1 MS. MARCIANO: Mrs. Evans.

2 MS. EVANS: Yes. I hereby declare
3 the mayor's veto of Item 7-A, File of
4 Council No. 56, 2011, as amended, legally
5 and lawfully overridden:

6 MR. JOYCE: I'd like to make a
7 motion to take File of Council No. 58, 2011,
8 from the table and place into Seventh Order
9 for final consideration.

10 MR. ROGAN: Second.

11 MS. EVANS: On the question? All
12 those in favor signify by saying aye.

13 MR. MCGOFF: Aye.

14 MR. ROGAN: Aye.

15 MR. LOSCOMBE: Aye.

16 MR. JOYCE: Aye.

17 MS. EVANS: Aye. Opposed? The ayes
18 have it and so moved.

19 MS. KRAKE: 7-B. FOR CONSIDERATION
20 BY THE COMMITTEE ON FINANCE FOR ADOPTION -
21 FILE OF COUNCIL NO. 58, 2011, PROVIDING FOR
22 THE PROPER OFFICIALS OF THE CITY OF SCRANTON
23 TO PETITION THE COURT OF COMMON PLEAS OF
24 LACKAWANNA COUNTY, PENNSYLVANIA, FOR
25 PERMISSION TO FUND UNFUNDED DEBT IN AN

1 AMOUNT NOT TO EXCEED \$6,700,000, AUTHORIZING
2 INCIDENTAL ACTION AND REPEALING INCONSISTENT
3 ORDINANCES.

4 MR. JOYCE: I make a motion to amend
5 File of Council No. 58, 2011, 7-B, as per
6 the following changes: Deleting the phrase,
7 "Not to exceed \$6.7 million," wherever it
8 appears in the ordinance and inserting there
9 at the phrase, "Not to exceed \$9.85
10 million."

11 MR. ROGAN: Second.

12 MS. EVANS: On the question?

13 MR. JOYCE: Yes. As you know, on
14 December 7 at a meeting at Fidelity Bank
15 Mayor Doherty lied to a room full of bankers
16 and stated that he wouldn't have to borrow
17 money to pay back TAN-B from this year.
18 Mayor Doherty in his remarks to the Scranton
19 Times stated that this was not a time to
20 play gotcha, indicating that he did, in
21 fact, say that he wouldn't be borrowing to
22 pay back TAN-B.

23 Of course, as you know, on December
24 15 after council's amendments were passed,
25 Mayor Doherty said he would be reaching out

1 to the state to borrow \$5 million from the
2 Workers' Compensation Trust Fund to pay off
3 TAN-B. While Mayor Doherty does not think
4 it's time to play gotcha, I do think it's
5 time he is held accountable, especially by
6 the Scranton Times-Tribune and it's editors.
7 What I'm doing tonight is raising the amount
8 of the unfunded borrowing so we can pay
9 TAN-B and, therefore, clean up another mess
10 that Mayor Doherty created.

11 Mayor Doherty stated that he wished
12 to Borough \$11.5 million. The amount that
13 I'm amending the borrowing to is \$9.85
14 million. The reason being is that in the
15 original \$6.7 million in unfunded borrowing,
16 I already accounted for \$1.25 million to be
17 paid back to an A, B, C fund to reimburse
18 what would be the city's last payroll, and I
19 confirmed this with Gerry Cross. We both
20 came to the consensus that the mayor -- we
21 both anticipated that the mayor was lying at
22 the meeting with the banks and that we would
23 be \$1.25 million short.

24 In addition, if the mayor is
25 refusing to put back 13 firefighters,

1 council is not going to allow him to simply
2 borrow that money and use it as free will.
3 Thus, by reducing the amount to \$9.85
4 million there is not going to be an excess
5 amount of money for the mayor to simply play
6 around with, and that's all.

7 MS. EVANS: Is there anyone else on
8 the question? All those in favor of
9 amending Item 7-B signify by saying aye.

10 MR. MCGOFF: Aye.

11 MR. ROGAN: Aye.

12 MR. LOSCOMBE: Aye.

13 MR. JOYCE: Aye.

14 MS. EVANS: Aye. Opposed? The ayes
15 have it and so moved.

16 What is the recommendation of the
17 chair for the Committee on Finance?

18 MR. JOYCE: As chairperson for the
19 Committee on Finance, I recommend final
20 passage of the Item 7-B.

21 MR. ROGAN: Second.

22 MS. EVANS: As amended.

23 MR. JOYCE: As amended.

24 MR. ROGAN: Second.

25 MS. EVANS: On the question?

1 MR. ROGAN: Yes, would we allow the
2 public to address this since it wasn't on
3 the agenda?

4 MS. EVANS: I believe we can do so.
5 Is there anyone in the audience who would
6 like to address this legislation?

7 MS. SCHUMACHER: Yes. It's been
8 several weeks so could you again tell us
9 this is only for a -- this is ten-year
10 payback, it is specified as a ten-year note?

11 MR. JOYCE: Yes. That's correct.

12 MS. SCHUMACHER: And do you have any
13 idea what the interest rate will be?

14 MR. JOYCE: At this point we don't
15 have an interest rate because in the whole
16 process it has to be approved by the courts
17 and then we have to find a lender somewhere
18 in Lackawanna County so we don't have a firm
19 interest rate at this time.

20 MS. SCHUMACHER: Does it still
21 specify just the items that can be paid out
22 of this --

23 MR. JOYCE: Yes.

24 MS. SCHUMACHER: -- this borrowing.

25 MR. JOYCE: Yes, and it's a maximum

1 of the amount, so if we, in fact, do not
2 have enough bills to amount up to \$9.85
3 million after the repayment of the workers'
4 Comp, the amount will actually be lower than
5 the court is petitioned for.

6 MS. SCHUMACHER: Yeah, I understand
7 that I just didn't know if that language was
8 still in there since --

9 MR. JOYCE: Yes.

10 MS. SCHUMACHER: -- it had been
11 several weeks. Thank you.

12 MS. EVANS: Is there anyone else?
13 Do any council members have any question?
14 Roll call, please?

15 MS. MARCIANO: Mr. McGoff.

16 MR. MCGOFF: Yes.

17 MS. MARCIANO: Mr. Rogan.

18 MR. ROGAN: Yes.

19 MS. MARCIANO: Mr. Loscombe.

20 MR. LOSCOMBE: Yes.

21 MS. MARCIANO: Mr. Joyce.

22 MR. JOYCE: Yes.

23 MS. MARCIANO: Mrs. Evans.

24 MS. EVANS: Yes. I hereby declare
25 Item 7-C, as amended, legally and lawfully

1 adopted.

2 I'd like to take this opportunity to
3 wish everyone a very happy, healthy and
4 prosperous new year and you can rest assured
5 that your tax increase from the City of
6 Scranton will not be 29.1 percent, and that
7 city council is keeping it's eye on your tax
8 dollars and fighting hard for you. Is there
9 a motion to adjourn?

10 MR. JOYCE: Motion to adjourn.

11 MS. EVANS: This meeting is
12 adjourned.

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C E R T I F I C A T E

I hereby certify that the proceedings and evidence are contained fully and accurately in the notes of testimony taken by me at the hearing of the above-captioned matter and that the foregoing is a true and correct transcript of the same to the best of my ability.

CATHENE S. NARDOZZI, RPR
OFFICIAL COURT REPORTER