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SCRANTON CITY COUNCIL MEETING

PUBLIC HEARING

IN RE: FILE OF COUNCIL NO. 77 OF 2012
APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY
GOVERNMENT FOR THE PERIOD COMMENCING ON THE 1ST DAY OF
JANUARY, 2013, TO AND INCLUDING DECEMBER 31, 2013 BY
THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR
THE YEAR 2013.

HELD:

Monday, December 3, 2012

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

1 MS. EVANS: I'd like to call this
2 public hearing to order. Roll call, please.

3 MS. MARCIANO: Mr. McGoff. Mr.
4 Rogan.

5 MR. ROGAN: Here.

6 MS. MARCIANO: Mr. Loscombe.

7 MR. LOSCOMBE: Here.

8 MS. MARCIANO: Mr. Joyce.

9 MR. JOYCE: Here.

10 MS. MARCIANO: Mrs. Evans.

11 MS. EVANS: Here. Notice is hereby
12 given that Scranton City Council will hold a
13 public hearing on Monday, December 3, 2012,
14 at 5:00 p.m. in council chambers, second
15 floor, municipal building, 340 North
16 Washington Avenue, Scranton, Pennsylvania.

17 The purpose of said public hearing
18 is to hear testimony and discuss the
19 following: File of Council No. 77 of 2012
20 appropriating funds for the expenses of the
21 city government for the period commencing on
22 the 1st day of January, 2013, to and
23 including December 31, 2013 by the adoption
24 of the general city operating budget for the
25 Year 2013.

1 Councilman McGoff has a prior
2 commitment and is unavailable to attend this
3 hearing. City council will hear the
4 testimony of residents this evening prior to
5 presenting its amendments to the City 2013
6 operating budget during it's regularly
7 scheduled meeting on December 6 and 13. We
8 ask that all speakers would adhere to the
9 time limit. When the bell rings, please
10 finish your thought and be seated.

11 Although we do have several citizens
12 in attendance tonight, only one has signed
13 our speaker sign-in sheet and I will call on
14 him. Doug Miller.

15 MR. MILLER: Good evening, Council.
16 Doug Miller, Scranton. You know, it's truly
17 disappointing tonight to look at the crowd
18 tonight and not see too many people here. I
19 counted six, that's not including the media
20 that's here, and yet we have so many
21 outraged people in the community and I just
22 don't see that here. It truly speaks
23 volumes and I'm quite disappointed about
24 that, that this our city here that we are
25 trying to save and the public has an

1 opportunity to come here this evening and
2 voice their opinion, objections or any
3 support they have for the 2013 budget and
4 they are not here and yet they consistently
5 complain. It just baffles me.

6 But onto the issue of the budget,
7 obviously, I had a lot of statements at our
8 last meeting regarding my opinion on the
9 budget the raises, particularly with
10 Attorney Hughes, who I do support a raise
11 for. We made it clear that Attorney Hughes
12 has gone above and beyond on many occasions
13 with his job duties and the things he has
14 done to help the council, make the decisions
15 to move the city forward, whether it was
16 with the Parking Authority, the recovery
17 plan throughout summer, and right now the
18 budget.

19 You know, I think if we take a look
20 through the last 12 years and think of the
21 millions of dollars we have squandered on
22 attorneys in the city by the administration
23 that just spent money out of control to
24 attorneys like Carl Greco, and we sit back
25 and we ask ourselves what did we ever get

1 out of that? Nothing. So I think that when
2 we want to criticize the council for giving
3 an attorney a raise who has gone above and
4 beyond and gone the extra mile for the
5 things he has done we need to realize that
6 Attorney Hughes has been asset not only to
7 the council but more importantly for the
8 taxpayers because he stood up and he has
9 just as much of an influence on us as anyone
10 else, and he showed time and time again that
11 he truly does care and has our interests in
12 mind because his actions have proven it.

13 He doesn't take on any other of the
14 extra work, but he has done so because he
15 knows what's at stake and he should be
16 commended for it. You know, the other
17 raises, those are issues that we can go on
18 at another time, whether it's Chief Davis
19 who I don't believe deserves a raise for his
20 inability to keep fire stations open when he
21 has stated himself at the meeting at Keyser
22 Valley that he has the ability to make the
23 decision of whether or not stations are open
24 or closed. That doesn't sound like someone
25 who deserves a raise, not someone who

1 doesn't take our safety seriously.

2 Attorney Kelly, I understand he has
3 been involved in a lot of things that have
4 gone, but I think he has caused a lot of
5 problems in the past and at this time I
6 don't feel he as much as an asset to the
7 city as others are.

8 Last week I took issues with
9 statements made in the newspaper by
10 Councilman Rogan and I still take them
11 personal because I do feel that we do do a
12 good job around here of grandstanding and
13 playing to the camera and not wanting to do
14 the work that's involved. This isn't about
15 theatrics, this isn't Broadway, this is city
16 government, and we have tough decisions to
17 make and whether or not we want to come down
18 here and play to the camera that's for those
19 individuals to decide, but I take the issue
20 seriously and I understand and know who puts
21 the time and the effort in to getting the
22 work done and doing the homework and working
23 together and not playing politics and I know
24 those who do just exactly what I just said.

25 We were told we would hear

1 amendments tonight from Councilman Rogan
2 and, Councilman, I'd like to if you do have
3 those with you I would be interested in
4 hearing what you have.

5 MR. ROGAN: At the regularly
6 scheduled meeting, Mr. Miller. Thursday.

7 MR. MILLER: Well, since we last
8 discussed at the last meeting have you had
9 any dialogue with your colleagues to put
10 amendments together?

11 MR. ROGAN: No, I have been working
12 on my own amendments.

13 MR. MILLER: And just to clarify
14 once again for the public, you at no time
15 throughout this whole process had any
16 dialogue whatsoever whether it was attending
17 meetings or anything else to give input on
18 the budget?

19 MR. ROGAN: No, I did not.

20 MR. MILLER: Why was that?

21 MR. ROGAN: As I stated previously,
22 I was invited to one meeting, it was by
23 Councilman Joyce, it was on Veteran's Day, I
24 believe, and at that point in time the
25 budget -- the draft of the budget was

1 already sent out to the printer.

2 MR. MILLER: That's where we go to
3 the done deal comment. It was never a done
4 deal. This has nothing to do whether or not
5 draft were sent down, they can send all the
6 paperwork and budgets they want to the
7 printers it doesn't answer the question, the
8 bottom line is you are a councilman elected
9 official and you have an obligation to work
10 with your colleagues. Whether or not the
11 mayor or whoever sent things to the printing
12 press has no relevance to this discussion
13 whatsoever, but I don't want to get into an
14 argument with you, it's not why I'm here.

15 As I stated, I'm here because I find
16 this issue seriously, but I just don't feel
17 we should be grandstanding because that's
18 what's going on here. We don't want to do
19 the work moved. I do look forward to
20 hearing your amendments at some point as a
21 lot of other people.

22 Regarding the article today about
23 towing contracts in the city, I did read
24 that. There is obviously many businesses in
25 the community, towers that are a little

1 disappointed and have many questions as to
2 what's going to go on with that, but I just
3 want to say tonight publically that, you
4 know, I think we need to make it clear to
5 all the towers out there, nothing personal
6 with the towers, but the city isn't even
7 obligated to have any towing list and have
8 any rotation. You know, it's doing it
9 because we support businesses in the
10 community, but we are also at the same time
11 looking to generate revenue for th city and
12 to do that you need to be creative, and
13 that's exactly what this is, that any towed
14 vehicles be stored behind police
15 headquarters and generate over \$300,000, the
16 revenue we need.

17 But if it's going to become an issue
18 later on down the road then I suggest maybe
19 the city invest in it's own rollbacks and do
20 our own towing service and make an expansion
21 as part of DPW and require our DPW employees
22 to go for their CE license and let them
23 respond tows and let's continue to generate
24 revenue. It's about being creative, and
25 that's what this is. And, you know, like I

1 said, it's nothing personal to the towers in
2 the city, but we are looking for every dime
3 and penny we can get at this point.

4 And lastly, just regarding the
5 forensic audit, I wasn't sure if that was
6 going to be part of any discussions here
7 with the budget, I know we did discuss that
8 with the recovery plan as we are just trying
9 to account for every penny in the city
10 looking at the mismanagement for the last 12
11 years and maybe that will be addressed later
12 on. Thank you.

13 MS. EVANS: Thank you.

14 MR. JOYCE: Just to clarify the
15 truth, prior to the meeting on Veteran's Day
16 nothing had gone out to print. Nothing went
17 out to print until the 14th of November.
18 There were some spreadsheets sent around
19 prior to the Veteran's Day meeting, but
20 there had been nothing that was actually
21 printed prior to this meeting.

22 MS. EVANS: And it was printed by
23 the IT Department, it was not sent out to be
24 printed. That is the job of Scranton City
25 Council and that will not occur until late

1 December or earlier January.

2 MR. ROGAN: Mr. Joyce, you stated at
3 the council meeting that you received a
4 draft copy of the budget. That's what I was
5 referring to, and you can check the minutes.

6 MR. JOYCE: There were spreadsheets
7 on top, but there was nothing actually sent
8 out to be printed at that time.

9 MS. EVANS: But everyone had the
10 opportunity and I feel the responsibility to
11 participate in the development of this
12 budget. Some chose to do so, others chose
13 not to do so.

14 MR. ROGAN: I'm just going to
15 respond, and I apologize, this is time for
16 the residents to speak, but I just want to
17 respond to that. I didn't sit down with the
18 mayor and Janet Evans and Frank Joyce to
19 come up with this budget, I have stated that
20 a million times, but I am going to get
21 together amendments that I will put up
22 during motions next week, and as I stated
23 last week, we will see where the votes are.

24 MS. EVANS: And just to add to that,
25 the budget wasn't developed solely by those

1 three individuals, it also included the
2 Business Administrator and the employees of
3 his office as well as all department heads
4 who all provided input regarding the cuts in
5 their departments to the business
6 administrator, so it was actually quite a
7 large team of individuals who drafted this
8 budget through negotiations and, as I said,
9 everyone was invited to participate, some
10 chose not to.

11 MR. ROGAN: So it was the Doherty
12 administration and two members of council?

13 MS. EVANS: But you were encouraged
14 to participate, Mr. Rogan, and you chose not
15 to rather than you would like to I think
16 engage in public grandstanding and operate
17 in the Twitter sphere rather than
18 communicating with your council colleagues
19 or anyone in the administration.

20 MR. ROGAN: And, Mrs. Evans, how
21 many times did you call myself or Mr. McGoff
22 to consult them on the budget?

23 MS. EVANS: Actually, everyone on
24 the council calls me with the exception of
25 you, Mr. Rogan.

1 MR. ROGAN: Well, like I said, my
2 amendments will be made, the work will be
3 done, and we'll see if you support
4 eliminating the raises or not.

5 MS. EVANS: And the remainder of
6 council, I'm sure, will be making amendments
7 through the Finance Chair and hopefully you
8 will support those.

9 MR. ROGAN: Last I checked every
10 member's vote counts the same so I'll make
11 my amendments and vote on them.

12 MS. EVANS: And Mr. Joyce will make
13 his as well. Is there anyone else who cares
14 to address council?

15 MR. JACKOWITZ: Good evening,
16 Scranton City Council. Bill Jackowitz,
17 Scranton resident.

18 MR. JOYCE: Good evening.

19 MR. JACKOWITZ: The City of Scranton
20 has been a distressed since 10 January 1992.
21 If you do the math, that was 7,633 days ago,
22 1,090 weeks ago, 20 years 46 weeks and five
23 days ago, 252 months ago equalling 20.9
24 years ago.

25 During this period of time, the city

1 has had two elected mayors, Jimmy Connors
2 and Chris Doherty. We have had several city
3 council presidents and city council members.
4 The current supermajority promised residents
5 that if elected they would put the people
6 first.

7 The proposed Scranton city budget
8 2013 is \$109 million for a city whose
9 population is declining, not rising.
10 Furthermore, the budget does not include any
11 layoffs for current city employees but does
12 call for pay raises for six city employees,
13 two of them being attorneys. I must ask how
14 can this be?

15 Scranton City Council and the mayor
16 are asking residents who reside outside city
17 limits but work in Scranton pay an
18 additional 1 percent commuter tax to support
19 the financially distressed city while they
20 are doling out raises to two attorneys, one
21 business administrator, one fire chief who
22 has a 93 percent no confidence vote from his
23 subordinates, the Scranton firefighters, and
24 two administrative appointed employees.
25 Again, I must ask why?

1 first. In this proposed budget I do not see
2 that happening. The only people that are
3 being put first are six appointed -- city
4 appointed -- six appointed city employees
5 who currently are being paid very handsomely
6 by the Scranton taxpayers at this time.

7 The mayor, city council and the
8 business administrator are responsible for
9 the City of Scranton being distressed, not
10 the taxpayers of Scranton and certainly not
11 the taxpayers who reside in the surrounding
12 communities who happen to work in Scranton.
13 If the nonprofits are not willing to pay a
14 little extra, then you should not ask their
15 employees to pay a little extra. Smarten
16 up, Scranton, or you will be distressed for
17 another 7,633 days.

18 As far as the 12 percent tax
19 increase paying for the sins of the past
20 borrowing, I strongly recommend that the
21 city stop borrowing more money to prevent
22 the sins of the future. Stop spending money
23 you do not have and have no way of
24 generating and make the hard choices. You
25 were elected to be leaders. Asking people

1 who do not reside in the city to pay for our
2 mistakes and your mistakes your mistakes,
3 and when I say "you" I'm talking about
4 Scranton City Council, past and present,
5 raising taxes has never solved the problem
6 and it's not going to solve the problem now.

7 The mistakes were made in the past
8 and, like I said, it was 7,633 days ago.
9 Don't you think that's long enough? Don't
10 you really believe that that's long enough
11 for the citizens and the residents and the
12 taxpayers of this city to suffer and be
13 laughed at and be humiliated by still being
14 a distressed city.

15 Everybody is talking about
16 grandstanding and so on and so forth and
17 people going around patting people on the
18 back, but you know what? Nothing has been
19 solved. The City of Scranton is still a
20 distressed city and I guarantee you come
21 January 2013 Scranton will still remain a
22 distressed city and you can raise the taxes
23 all you want and you can raise attorneys'
24 salaries all you want, and you can raise the
25 business administrator salary all you want,

1 the fire chief's salary all you want and two
2 administrative assistants all you want and
3 the city will still be distressed come 1
4 January 2013.

5 MS. EVANS: Is there anyone else?

6 MS. SCHUMACHER: Good evening.

7 Marie Schumacher, resident and taxpayer.

8 MR. JOYCE: Good evening.

9 MS. SCHUMACHER: I will start with
10 just two items from on the expense side and
11 I'll complete Thursday night. I think the
12 budget for the Parks and Recreation account
13 for medical, chemical, lab supplies account
14 has 91 percent of its 2012 budget remaining
15 though 83 percent of the year is gone. Does
16 the fact that this budget has only been
17 reduced about 15 percent and indicator that
18 all pools will be open in the 2013 summer
19 and more chemicals will be required?

20 MS. EVANS: I think that's a
21 question that you would have to pose to the
22 administration, Mrs. Schumacher.

23 MS. SCHUMACHER: I thought this was
24 a joint budget, so you all knew the backup
25 for each of these, but -- the budget for the

1 DPW's maintenance Superfund site has been
2 reduced 50 percent from \$100,000 down to
3 \$50,000 for 2013, however, no money has been
4 expended in 2012, so why is 2013 being cut
5 more? Mr. Joyce, you can wait I'll mail
6 these to you, e-mail them to you tomorrow.

7 MR. JOYCE: Okay.

8 MS. SCHUMACHER: And maybe you can
9 answer them on Thursday if we don't get to
10 them.

11 Now, on the revenue side, the bottom
12 line for the revenue is that I believe that
13 it's significantly overstated. On the cable
14 TV and miscellaneous revenues, despite the
15 fact that cable TV revenue will probably
16 fall short by about \$150,000 in the current
17 year and again next year and the amount for
18 the new MBRO program seems overly
19 optimistic, that's small potatoes compared
20 to the missing second unfunded debt recently
21 approved by the Court, which I believe is
22 included in the 20.9 million bond issue; is
23 that correct?

24 MR. JOYCE: Yes, that's true.

25 MS. SCHUMACHER: Then why is that

1 not in the 2013 budget? Where are these
2 proceeds being booked?

3 MR. JOYCE: They are being -- well,
4 we are supposed to close on the second
5 unfunded debt in 2012 and that will be used
6 to pay off approximately \$9.75 million in
7 bills that year.

8 MS. SCHUMACHER: Okay. Yeah, I
9 understand what the unfunded debt was this
10 time, what is the term of that settlement of
11 that bond that you are going to have by the
12 end of this year?

13 MR. JOYCE: The exact terms?

14 MS. SCHUMACHER: No, the length, the
15 duration of the bond, is it a 20-year bond,
16 a 30-year bond, a 10-year bond?

17 MS. EVANS: We won't now that until
18 actually information has been presented to
19 us after the bonds or as the bonds are being
20 sold, so we can't answer that.

21 MS. SCHUMACHER: It just seems to me
22 it's probably going to be more than ten
23 years and we did the first one separately
24 and that was for ten years so now we are
25 going to pay probably something over ten

1 years on the same amount of money that was
2 dictated to be paid back in ten years and
3 that doesn't make a whole lot of sense to
4 me.

5 And then also on interfund
6 transfers, should the 2.4 million that you
7 voted to introduce last Thursday for the
8 horse racing and gambling local share be
9 included or don't you believe that this
10 program, that this revenue would come in and
11 the streets will not be paved? Is there
12 some reason that's not in the budget?
13 You're obviously going to pass it this year.
14 I don't think the revenue will come in this
15 year, why is that 2.4 million not in the
16 budget as revenue?

17 And then in 2011 the local taxes
18 fell \$1.7 million short of the \$28 million
19 budget, this year it looks to be on track to
20 miss the 30.7 million budget by about 3 1/2
21 million and now you include \$2.5 million for
22 a commuter tax that won't even be heard by
23 the Court until three days before the
24 announced final budget vote. Do you really
25 think the Court will rule that fast, is

1 question number one, and the second question
2 is I think you owe the taxpayers the cuts
3 that will be made to the budget should there
4 either not be a decision by 2013 or 20 - or
5 12-12 or on Thursday, or if the commuter tax
6 is turned town by the Court even without the
7 \$2.5 million commuter tax, including the
8 other local taxes being raised I would argue
9 that the budget would still be -- is overly
10 optimistic.

11 And then I'd like to switch to Page
12 93 of the budget where it gives the
13 expenditures for the debt that we have
14 incurred. There is 1.9 million shown as an
15 expense for next year for the Scranton
16 Parking Authority. I thought that had been
17 negotiated down and that was a -- this was
18 the last year, how is the 1.9 established?

19 MR. JOYCE: Well, we looked at the
20 figures that Central Parking had given us as
21 far as what they project the parking garages
22 will bring in and there was a still a gap as
23 far as what the Parking Authority owes on
24 their bonds and what they projected that
25 will bring in next year based on the first

1 two months of the year and what they
2 actually did bring in so that number of what
3 she brought in for the first two months of
4 the year or the first two months since they
5 have been operating the garages was
6 stretched out over 12 months. That number
7 was subtracted from the amount of debt
8 service payment that they have when it came
9 out to 1.9 million.

10 MS. EVANS: And I believe the actual
11 annual payments to the SPA are maybe 3.4
12 million.

13 MS. SCHUMACHER: Well, if we had an
14 audit we would know, unfortunately, we don't
15 have an audit yet.

16 Now, the unfunded 2011 unfunded debt
17 loan, that is the first unfunded borrowing
18 from last year and what is the term of that
19 borrowing, is that a ten year?

20 MR. JOYCE: Yes.

21 MS. SCHUMACHER: I'll finish these
22 couple of more here, the 2012 Series C is
23 what, is that a payment for the 20.9?

24 MR. JOYCE: 2012 Series C did you
25 say?

1 MS. SCHUMACHER: Yeah, "C"?

2 MR. JOYCE: Yes, I believe so, but I
3 want to double check with that just to be
4 sure.

5 MS. SCHUMACHER: And what is the
6 2013 borrowing, is that the 25 million you
7 are borrowing next year?

8 MR. JOYCE: Yes, that's for the
9 Supreme Court and increase pension payments.

10 MS. SCHUMACHER: And the 4 million
11 in unencumbered expenses from prior year
12 obligations is the amount of the expenses
13 revenues for 2012?

14 MR. JOYCE: Correct. Those are left
15 over bills that won't be covered by the
16 \$9.75 million.

17 MS. SCHUMACHER: Well, thank you. I
18 have lots more, but I'll be back Thursday
19 night Good Lord willing. Thank you.

20 MR. UNGVARSKY: Good evening, city
21 council.

22 THE COURT: Good evening. I'm Tom
23 Ungvarsky. I expressed my view on the
24 raises being given out, but I understand
25 that when you give a raise to a chief that

1 all the retired chiefs also get that raise;
2 is that correct?

3 MR. LOSCOMBE: They receive a
4 percentage of it, not the full raise.

5 MR. UNGVARSKY: Any idea what the
6 percent is?

7 MR. LOSCOMBE: About half.

8 MR. UNGVARSKY: About half. There
9 is no audit as yet, it is being held up by
10 several different departments, can the
11 council tell me if these departments that
12 are holding out the audit have also reduced
13 their budgets for the year?

14 MS. EVANS: Actually, the only
15 holdup on the audit currently, well, as of
16 the last report we received on November 29,
17 would have been letters from seven attorneys
18 that are required by Rossi & Company, the
19 auditor, and I spoke with the mayor
20 concerning that are very issue on Friday
21 morning and I insisted that he get in touch
22 with the attorneys in order to facilitate
23 more quickly the letters being submitted to
24 the city auditor and once that has been done
25 an exit conference will be scheduled and we

1 are looking forward to that occurring in
2 December.

3 MR. UNGVARSKY: Well, I was just
4 wondering if those that are holding up the
5 audit are also the ones that are reluctant
6 to reduce their budgets.

7 MS. EVANS: No, actually they have
8 all turned in the information. It's in its
9 final stages.

10 MR. UNGVARSKY: Okay. And I really
11 realize THAT we have a tremendous increase
12 in the proposed new budget, excluding what
13 we are going to give out to the firemen and
14 policemen how does this budget compare with
15 last year's budget?

16 MR. JOYCE: When you --

17 MR. UNGVARSKY: This proposed
18 budget?

19 MR. JOYCE: When you factor out what
20 we are going to have to pay in the Supreme
21 Court awards along with the increase in the
22 MMO payment and other stipulations required
23 by the Supreme Court award, it's very
24 similar, if not perhaps a little bit less
25 than last year's or this year's budget.

1 MR. UNGVARSKY: How about the
2 operating expenses, are they up or down and
3 by how much?

4 MR. JOYCE: I don't have the exact
5 figures on me right now as far as how much
6 the operating -- or the operating
7 expenditures are up or down, I know that
8 there were cuts made.

9 MS. EVANS: In most departments.

10 MR. JOYCE: In most departments,
11 yes, but also --

12 MS. EVANS: For example, Scranton
13 City Council took a what, what is our
14 percentage of the cut in our department?

15 MR. JOYCE: 48 percent, but also one
16 does have to realize that all of the
17 salaries of union personnel did also go up
18 through their collective bargaining
19 agreement.

20 MR. UNGVARSKY: How much of an
21 increase was that from last year to this
22 year though, the total amount in the budget,
23 in the proposed budget, any idea?

24 MR. JOYCE: As far as the overall
25 percentage of salary increases or the budget

1 as a whole?

2 MR. UNGVARSKY: The total operating
3 budget for 2013 as compared to 2012
4 excluding the \$12 million or the \$17 million
5 for the police and firemen.

6 MR. JOYCE: It would be up by, let's
7 see, I will get the exact figure if you
8 would like.

9 MR. UNGVARSKY: That would help.

10 MR. JOYCE: Okay.

11 MR. UNGVARSKY: Last year city
12 council proposed cutting four positions they
13 weren't -- they didn't happen, however, this
14 year you are proposing two new hires, will
15 those two new hirees contribute or will they
16 be a deficit to the budget?

17 MR. JOYCE: Well, the two positions
18 are required by the clerical union contract.
19 One position will be working in the Business
20 Administrator's Office to help get
21 information together in a more typical
22 fashion for the audit and the other will be
23 working on the rental registration program
24 so hopefully, especially the person working
25 on the rental registration program hopefully

1 they will be working on generating more
2 revenue from the city than what they are
3 actually being paid.

4 MR. UNGVARSKY: I realize that this
5 is just a proposed budget, but will there be
6 any positions cut this year?

7 MR. JOYCE: I cannot answer that at
8 this time. I know some might have views and
9 I'm still waiting to see other amendments
10 made by colleagues so --

11 MR. UNGVARSKY: Okay.

12 MS. EVANS: I think though, as you
13 pointed out so appropriately, it's also
14 important to remember that I believe the
15 last two budgets council made a number of
16 personnel cuts and they were never realized
17 because the mayor hires, the mayor fires,
18 and the mayor put those individuals right
19 back into their positions or different
20 positions and the budget never realized
21 those cuts.

22 MR. UNGVARSKY: Okay, I thank city
23 council for their patience.

24 MS. EVANS: Thank you. Is there
25 anyone else who would like to address

1 council?

2 MR. DOBRZYN: Good evening, Council.
3 Dave Dobrzyn resident.

4 MS. EVANS: Good evening.

5 MR. DOBRZYN: And last week I
6 noticed on trash week do you have a figure
7 on what it cost to dump trash up at the
8 Empire Landfill perhaps? It was something
9 around \$2 million or over \$2 million a year?

10 MR. JOYCE: To dump trash or
11 landfill fees?

12 MR. DOBRZYN: Yeah, landfill fees.

13 MR. JOYCE: It's roughly about \$1.5
14 million per year, 1.5 million and change.

15 MR. DOBRZYN: But that could vary
16 according to how -- this could be for
17 future, that could vary according to how
18 careful people are in this town about what
19 they are throwing out and what they are
20 recycling and so forth; right? Would that
21 be an honest assessment?

22 Okay, and as far as the borrowing is
23 concerned now, these escrow accounts cannot
24 be touched by anybody except for what they
25 are presumed maybe a payment to the firemen

1 or whomever, some back bill, right? They
2 can't be just shifted around by the
3 administration and we are going use the
4 money for this and we had our fingers
5 crossed or whatever when we signed on the
6 dotted line; is that correct?

7 MR. JOYCE: That's a correct
8 assumption, yes.

9 MR. DOBRZYN: On insurances, one of
10 my concerns was our insurances, does that
11 cover the whole family for the \$1,000 a
12 month is it roughly per employee? Is that a
13 family policy or --

14 MR. JOYCE: As far as --

15 MR. DOBRZYN: Like a spouse is
16 covered --

17 MR. JOYCE: -- an individual's
18 insurance that works for the city?

19 MR. DOBRZYN: Yeah.

20 MR. JOYCE: They do have the option
21 if they have a family or if they just have a
22 wife or a husband to choose which policy
23 they would want. The city is self-insured
24 so we basically pay the medical bills.

25 MR. DOBRZYN: And MMO means minimum

1 monthly --

2 MR. JOYCE: Minimum municipal
3 obligation, that's any amount that the city
4 is required to provide as far as pension
5 payments.

6 MR. DOBRZYN: Right. Right.

7 MR. JOYCE: And I don't know if it's
8 proper tonight, I missed the first part of
9 the meeting I had to run and pick my wife up
10 after dropping her off at work, would you
11 like the night off now that we got you here,
12 this auto tow and storage, I have some
13 concerns with that, would it be proper to
14 voice them now or I could wait until
15 Thursday if need be?

16 MS. EVANS: No, you can --

17 MR. JOYCE: That's completely up to
18 you.

19 MR. DOBRZYN: Well, one of my
20 concerns is not only for you operators, but
21 there are also warrantees on cars, extended
22 warrantees on cars, that car must be
23 delivered to the repairing dealership or
24 repair facility, authorized repair facility,
25 they might contract even in the independent

1 insurance policy with anybody that is
2 certified and properly well-healed enough to
3 handle good repairs, maybe a transmission
4 shop and tow transmission, would those cars
5 be directed to a repair facility or would
6 they be taken down to a storage lot because
7 from my experience I have 35 years of
8 automotive experience and did a lot of
9 warranty work, factory warrantee work, and
10 they -- a manufacturer will not pay for
11 those type of issues. They will pay for a
12 tow job to the dealership and they will pay
13 for rental cars and so forth, but if
14 somebody's car is snagged up and parked on
15 the lot for three or four days we used to
16 get five days to have the car back and
17 running and we'd give out a rental car or a
18 loaner depending on what we kept a certain
19 amount of loaners per one day of repairs.

20 MR. LOSCOMBE: I believe it would
21 work just like it does now, if you have a
22 warrantee and it's a warrantee situation
23 we're talking about cars towed off the
24 street, abandoned vehicles, stuff like that.

25 MR. DOBRZYN: Right. Right, either

1 maybe they were caught with drugs in them or
2 maybe cars that were in an automotive crash,
3 well, that would be a proper place for them
4 would be to ship them right to a body shop
5 to get them appraised and so forth, too,
6 that somebody would running back and forth.

7 And also I have a concern with
8 Steamtown being the location. That's a
9 national historic site and I'll address that
10 more on Thursday, but we spent \$30 million
11 on the 500 block of Lackawanna Avenue and we
12 are supposed to be renting out loft
13 apartments to well-healed people and we are
14 giving them an excellent view of a scrap
15 yard which is basically what it's going to
16 be if it's accident and disabled and
17 derelict vehicles so that's something that's
18 a big concern, and we are also -- we built a
19 big park behind the 500 block that's
20 supposed to open some day. So, I mean, the
21 police cars that are there now aren't going
22 to be in there if we going to have a bunch
23 of smash ups and derelict cars rusted full
24 of holes. I don't know if that would be so
25 nice to view. Thank you and I'll catch you

1 Thursday.

2 MR. LOSCOMBE: Thank you.

3 MR. DOBRZYN: Bawk, bawk.

4 MS. EVANS: Another consideration
5 that was proposed by I believe Corporal
6 Bachman, who oversees all of the towers who
7 work with the city, is that in this type of
8 situation were it for any reason not to be
9 feasible, the entire operation could be bid
10 out and given to just one local company to
11 handle everything. And, in fact, he felt
12 that it was probably the optimal solution to
13 this, but the city was still trying to be
14 considerate of all 15 towers and so -- and
15 considerate of the police department who, as
16 I said last week, had long wanted the
17 storage yard to be city run.

18 MR. LOSCOMBE: Another option would
19 be to come under the whole control of the
20 police department, towing, also. You know,
21 there is many options out there so --

22 MR. MORGAN: Good evening, Council.

23 MS. EVANS: Good evening.

24 MR. MORGAN: The first thing I have
25 here tonight on the budget is that, you

1 know, I appreciate everyone who worked on
2 the budget no matter what department in the
3 city, you know, whether it was the mayor or
4 the council or whoever, if it was a joint
5 project, you know, I'd just like to say that
6 I do understand that people put a lot of
7 time into it and I think that the most
8 important thing about a budget is that the
9 people are funding it have the ability to
10 pay it and I think that taxation needs to be
11 fair and I just think that when you look at
12 the residents of this city we keep coming up
13 with new ways of taxation, but the city
14 continues to slide in reverse further and
15 further into debt.

16 You know, I didn't come here tonight
17 to bash council or bash the mayor or anybody
18 in any capacity that works within the city,
19 but you know when you drive around the city
20 and you see business properties posted for
21 sale and residential properties, whether
22 they are rentals or private residences, and
23 you talk to the residents in the city I
24 think you have to realize that at least
25 residents and business people, because they

1 are -- business people's income comes
2 basically from the people who live here or
3 people who may travel here, but they only
4 have so much disposal income, I think the
5 city has reached a point where, you know,
6 when you look at the average wage of a
7 Scrantonian they don't have the ability to
8 burden, to carry this burden. They just
9 don't. The business community doesn't have
10 that ability either I don't think.

11 And I'm sure that we are going to,
12 you know, continue on and believe that we
13 are going to just reach a point where
14 magically money is going to appear. It is
15 my hope that on December 10 that the
16 commuter tax will become a nonstarter and
17 the Court will refuse to allow it to be
18 implemented because we have done too much
19 borrowing and the only real option in my
20 opinion, as humble as it is, is bankruptcy
21 and all of these fees and all of these
22 discussions, you know, I don't know really
23 where they are taking us.

24 We have come to a conclusion where
25 we keep talking about cuts and city

1 government personnel. Well, you know, I had
2 an obligation to speak to somebody here at
3 the last council meeting out in the hallway
4 who was a city employee -- or a former city
5 employee, and this person seemed to
6 understand exactly what I was talking to him
7 and when I said to him about the amount of
8 pension debt and the inability of the city
9 quite possibly to reach the threshold to pay
10 it and the inability to provide basic
11 services in the city. We have just come to
12 a point where we keep cutting and cutting
13 and cutting and cutting and the residents
14 seem to think that's the answer, but I
15 really think that the greatest gift for this
16 city would be to have a commission seated to
17 try to find out what amount of taxation this
18 city can possibly pay and still try to turn
19 itself around, so I'd have to say something
20 along the lines of a debtor in possession
21 where we try to find a way to ask for relief
22 from the Court to give us a chance to
23 reorganize this city so that this city can
24 flourish again, because over my lifetime
25 being -- I'm only 53, but that's quite

1 awhile sometimes for some people and some
2 people don't live that long.

3 I just watched everything just
4 dissipate away, all of the great things of
5 the city a lot of them are gone, some are
6 still here. Many are on life support and I
7 just think that maybe it's time to seat a
8 commission and find out, you know, we are
9 having discussions here about the towers and
10 there is a lot of other discussions that I
11 think we should have and coming up with a
12 budget and increasing the dollar amount with
13 a population without the ability to pay with
14 looking long-range at long-term borrowing
15 and borrowing to pay debt down that you have
16 already borrowed, it's a solution for
17 failure and we just need to find a way as
18 Scrantonians to come together, not rely on
19 our neighbors to pay our bills and find our
20 solutions, and I think we are a strong
21 enough community to do that.

22 And, like I said, I'm not here to
23 bash any council member because the road
24 ahead of this city is very, very difficult
25 and it's going to take everybody coming

1 together on some level and putting all
2 politics aside because I just don't see how
3 we evolve here in a vibrant city that's
4 going to grow when you see the amount of
5 bleed of residents trying to leave and
6 people in business telling you they will
7 come if you give them something, so I hope
8 you consider that. Thank you.

9 MS. EVANS: Thank you.

10 MR. LOSCOMBE: Thank you.

11 MS. EVANS: Is there anyone else who
12 cares to address council? If there is no
13 one further, then this public hearing is
14 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