

SCRANTON CITY COUNCIL

SPECIAL MEETING

HELD:

Monday, January 30, 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
(Not present.)

ROBERT MCGOFF

FRANK JOYCE

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

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

3 MS. EVANS: Roll call, please.

4 MS. CARRERA: Mr. McGoff.

5 MR. MCGOFF: Here.

6 MS. CARRERA: Mr. Rogan. Mr.

7 Loscombe.

8 MR. LOSCOMBE: Here.

9 MS. CARRERA: Mr. Joyce.

10 MR. JOYCE: Here.

11 MS. CARRERA: Mrs. Evans.

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

14 MS. KRAKE: THIRD ORDER. 3-A. NO
15 BUSINESS AT THIS TIME.

16 MS. EVANS: Do we have any clerk's
17 notes this evening, Mrs. Krake?

18 MS. KRAKE: No, Mrs. Evans.

19 MS. EVANS: Thank you. And do any
20 council members have announcements at this
21 time? Councilman Rogan wishes to attend
22 tonight's meeting, which was called for
23 unexpectedly. He had scheduled to be out of
24 town and regrettably is unable to
25 participate. Because this is a special

1 meeting of council convened to introduce and
2 consider the adoption of a 2012 Tax
3 Anticipation Note, speakers should confine
4 their remarks to this topic only. That's
5 it.

6 MS. KRAKE: FOURTH ORDER. CITIZENS'
7 PARTICIPATION.

8 MS. EVANS: No one as signed our
9 sheet for this evening, is there anyone who
10 wishes to address council?

11 MR. MILLER: Good evening, Council.
12 Doug Miller, Scranton.

13 MS. EVANS: Good evening.

14 MR. MILLER: I would just like to
15 obviously address some of the issues here on
16 the agenda with the TAN and a few of the
17 other financial issues we have been
18 discussing the last few weeks. Regarding
19 5-B, the \$12.5 million TAN, do we have an
20 idea at this point in time what that money
21 will be used for? What that's going to
22 cover?

23 MR. JOYCE: Well, I will explain
24 this during motions, but I will tell you
25 that \$5 million of it will be used to --

1 will be used to repay the Workers' Comp
2 Trust Fund and then, of course, we'll get
3 that \$5 million back once the proceeds from
4 the unfunded debt, but I'll explain that
5 further during motions about what this -- or
6 what the TAN is and the purpose of it and
7 what it will be used for.

8 MR. MILLER: Okay. I appreciate
9 that because also here on going to f5-D,
10 regarding the Workers' Comp Fund authorizing
11 the loan of \$5 million from the city's
12 Workers' Comp Trust Fund, so, again, we're
13 once again taking \$5 million from the trust
14 fund?

15 MR. JOYCE: No, it actually already
16 happened, we just have legislation for it
17 now.

18 MR. MILLER: Okay. So then what
19 happened was the administration went and
20 took money without your approval, is that
21 what you are saying, before legislation was
22 voted on?

23 MS. EVANS: Council was aware of
24 this. In fact, the Finance Chair and the
25 Business Administrator had worked on

1 numerous financial matters and even though
2 this legislation is coming close to after
3 the fact it's something of which we were all
4 well aware.

5 MR. JOYCE: We were aware of it,
6 yes.

7 MR. MILLER: You know, I just,
8 unfortunately, you know, when we take a look
9 at these numbers here and, you know, you
10 break it down and you take a look at a
11 \$12.54 TAN, you know, obviously recently the
12 judge granted us to take \$9.8 million in
13 unfunded debt. Obviously, we are still well
14 aware that we haven't addressed the backpay
15 to the firemen, which we have talked is an
16 estimated 25 or 30 million, so all in all
17 when you do add this up, I mean, you are
18 looking at over 50 million dollars in debt
19 here and just yet again the more debt that
20 the residents of this city, just the
21 taxpayers can't afford to take this on.

22 You know, it's my biggest fear for
23 many years to come the residents are going
24 to have to take on hefty tax increases each
25 year and, you know, I just don't think it's

1 fair and I'd ask when is this going to stop.
2 You know, we have left this mayor and his
3 fiscal mismanagement run rampant for ten
4 years and it's really caused one heck of a
5 problem and, you know, it's really scary
6 when you really sit back and think about
7 this.

8 We've had a lack of cooperation from
9 day one, and we are still waiting for
10 answers on requests we have made and I know
11 last week we are given a breakdown from Ryan
12 McGowan, a very vague breakdown that didn't
13 even summarize what money is being spent on,
14 it was vague breakdowns that only listed
15 companies and individual people and it
16 didn't tell us in detail what this money was
17 going to spent for and why it was being
18 spent and it's just a lack of cooperation
19 and a lack of transparency that we've had
20 and, you know, I don' know why if the
21 administration is trying to frame it or
22 trying to hide something or what their issue
23 is.

24 You know, we have had money sitting
25 in bank accounts we haven't known about, \$3

1 million dollars yet again showing the
2 incompetence by this administration, and
3 then we go and find out that the money has
4 already been spent and we don't even have it
5 two weeks and it's already spent. Council
6 was never made aware of what it was spent on
7 or it was never a joint decision as I know
8 council would have liked to have, yet again
9 the lack of cooperation.

10 And I'd also tonight like to ask if
11 we do plan on getting any breakdown as to
12 what that \$3 million was spent on or that we
13 already -- did we hear anything on that?
14 Are we still waiting?

15 MR. JOYCE: I did receive some sort
16 of a breakdown. It was not exactly specific
17 and I am questioning some of the
18 expenditures.

19 MR. MILLER: You know, again, it's
20 so frustrating that, you know, why can't
21 these people do their job? Why can't they
22 provide the information we request? It's
23 real simple. If you can't do the job then
24 you shouldn't be here, and I said it last
25 week and I'll say it again, I don't feel

1 Ryan McGowan is qualified, he is not
2 fulfilling requests. I mean, we are getting
3 break downs that, you know, like little
4 children. I mean, these are serious issues
5 this is financial matters and this is the
6 taxpayers that's on the line here and, you
7 know, it's just -- I'm really frustrated and
8 disgusted, I truly am.

9 But, as I said, the residents just
10 can't take on any more. It's my biggest
11 fear that they are going to be paying tax
12 increases for the next ten years and, you
13 know, there is already discussions we have
14 had out there regarding the revised Recovery
15 Plan and PEL has made recommendations of 10
16 percent tax increases each year of the
17 Recovery Plan as well as an increase in the
18 garbage fee, as I said, is a taxation
19 without representation, that's why we pay
20 our taxes for the services and we shouldn't
21 be a garbage fee.

22 But I do appreciate the opportunity
23 and I do look forward to hearing your
24 comments later on in the meeting. Thank
25 you.

1 MS. EVANS: Thank you. Is there
2 anyone else who would like to address
3 council?

4 MR. JACKOWITZ: Bill Jackowitz,
5 South Scranton resident and member of the
6 Taxpayers' Association. I don't even know
7 if I can use the word frustrated because I'm
8 well past the frustrated mode when it comes
9 to the City of Scranton and politics. Here
10 we are, probably the most important decision
11 you ever make as an elected official, and we
12 have one council member missing, no ECTV,
13 actually the meeting was publicized
14 yesterday, it was in Saturday's article and
15 yesterday's legal notice, no one knew about
16 the meeting and we are going to rush this
17 through in an emergency certificate. Will
18 this be passed tonight, all four of these
19 issues?

20 MS. EVANS: Yes.

21 MR. JOYCE: Yes.

22 MR. JACKOWITZ: Why? There is
23 nobody here. It's going to cost the city
24 taxpayers millions and millions of dollars
25 and there is no nobody here to argue for the

1 citizens.

2 MS. EVANS: Well, Mr. Jackowitz,
3 council feels that it represents the people
4 and that is why this legislation was not
5 placed on the agenda Thursday evening
6 because council was not satisfied with the
7 terms of the agreement. Since then, there
8 has been much work done and discussion and
9 changes made.

10 MR. JACKOWITZ: Can we have it in
11 writing?

12 MS. EVANS: Yes.

13 MR. JACKOWITZ: Can I see it in
14 writing as a taxpayer and as a veteran of
15 this country who defended this country? Can
16 I see it in writing?

17 MS. EVANS: Yes.

18 MR. JACKOWITZ: Before you make your
19 final vote?

20 MS. EVANS: If someone would like
21 to--

22 MR. JACKOWITZ: But not only me, I
23 want other citizens to see it in writing
24 because they are the ones that got to pay
25 the bill, Mrs. Evans.

1 MS. EVANS: Honestly, I know that.

2 MR. JACKOWITZ: It's being shoved
3 down our throat and we elected you as a
4 supermajority to defend us and to protect
5 us.

6 MS. EVANS: And that is what we are
7 doing.

8 MR. JACKOWITZ: No, you are not
9 because you are rushing this through tonight
10 with one council member missing.

11 MS. EVANS: I spoke with Mr. Rogan.

12 MR. JACKOWITZ: I don't care, he is
13 not here. He should be here. Reschedule
14 the meeting so he can be here and make sure
15 it's on ECTV so the citizens can see it, not
16 read what they are going to read in
17 tomorrow's newspaper.

18 MS. EVANS: The meeting was
19 scheduled for tonight for the reasons that I
20 mentioned, but in addition to that, the \$5
21 million that was taken from the Workers'
22 Comp Fund, not the excess fund but the trust
23 reserve, has to be repaid tomorrow.

24 MR. JACKOWITZ: Do you have the
25 audit yet, the 2010 audit? Don't give me --

1 do you? Yes or no.

2 MR. JOYCE: No.

3 MR. JACKOWITZ: Okay, you don't even
4 have the final 2010 audit. Okay, what's the
5 final line, Mr. Joyce, on how much money
6 does the City of Scranton have? What are
7 our assets? What's the final line, the
8 bottom line, can you tell me?

9 MR. JOYCE: At this point without
10 the audit, I don't know.

11 MR. JACKOWITZ: I didn't ask about
12 the audit, what's the final line?
13 Mr. McGowan said we have \$500,000 in the
14 general fund. Is that how much money we
15 have?

16 MR. JOYCE: According to Mr. McGowan
17 that's what I've been told as well.

18 MR. JACKOWITZ: So with \$500,000 we
19 are going to approve all of this borrowing?
20 Who is going to pay for it? How is it going
21 to be paid for? Tell me. I'm asking you as
22 my elected official and as the Finance
23 Chairperson I'm asking you because you are
24 going to vote for it tonight. You are going
25 to hang out every single taxpayer in this

1 city.

2 MR. JOYCE: Under the terms of the
3 agreement of the TAN it will be paid for
4 with the real estate tax revenue that comes
5 in later in the year.

6 MR. JACKOWITZ: How much of tax
7 increase is this going to cost?

8 MR. JOYCE: This specific TAN?

9 MR. JACKOWITZ: No, all of it, the
10 whole thing. How much money do we have IN
11 the account? I'm asking you a simple
12 question. You are Finance Chairmen. How
13 much does the City of Scranton have?

14 MR. JOYCE: Right now --

15 MR. JACKOWITZ: Right now.

16 MR. JOYCE: Right now in the general
17 fund \$500,000.

18 MR. JACKOWITZ: That's not very much
19 money, is it, for a city of 70,000 people,
20 is it?

21 MR. JOYCE: No.

22 MR. JACKOWITZ: You have been lied
23 to, you have been made to look like fools by
24 this administration over and over and over
25 and again and now you are falling for it

1 again. Mr. McGowan is not qualified, you
2 are putting your faith in him, you are
3 putting your faith in Mayor Doherty, who is
4 lying to you about everything, and the
5 taxpayers has to pay for it. We have to pay
6 for it. The people who own the property in
7 this city. The people who pay wage taxes.
8 We have to pay for it.

9 You know, you stated earlier that
10 you were aware of it, Mr. Joyce, council was
11 aware of it, the citizens weren't aware of
12 it. Show me something in writing. Show me
13 something in writing about your meetings
14 that you have had with Mr. McGowan in
15 private behind closed doors. Show me
16 something in writing. As a taxpayer and a
17 citizen I deserve that right, but you know
18 what, you don't have any. You don't have
19 any.

20 I'm paying your salaries and so is
21 every other citizen. We pay your salary.
22 We need to know what's going on. We have
23 been lied to, lied to and lied to and lied
24 to and now we are being lied to again and,
25 Mr. McGoff, you are nothing but a puppet.

1 MR. MCGOFF: Excuse me, I don't call
2 you names, don't call me names.

3 MR. JACKOWITZ: I'll call you
4 anything I want.

5 MR. MCGOFF: No, you won't.

6 MR. JACKOWITZ: You're a puppet.

7 MR. MCGOFF: No, you won't.

8 MR. JACKOWITZ: I just did.

9 MS. EVANS: Is there anyone else who
10 cares to address council?

11 MR. JOYCE: I will just state this
12 for the record, information that I do
13 receive from Mr. McGowan as far as whether
14 it be by e-mail, whether he calls me, I do
15 report that to the public at council
16 meetings. I'm not keeping any secrets from
17 the public by any means as far as what
18 Mr. McGowan tells me.

19 MS. EVANS: And the TANS, I'm sure
20 everyone who regularly attends council would
21 be aware that the city takes TANS each year.
22 In fact, in the past I would say probably
23 the past nine or ten years it's been two
24 TANS each year that have been taken, and
25 because the city is experiencing such

1 significant financial problems those TANS
2 were held up and they have not been agreed
3 to by the banks until very recently.
4 Normally they would have been passed long
5 before this and rather than having two TANS
6 this year the city is being granted only one
7 in a lesser amount than it has been granted
8 over the last ten years, and in this
9 particular TAN for the first time there are
10 unusual -- well, let us say unique
11 provisions that will provide accountability
12 on the part of the administration.

13 MS. FRANUS: Fay Franus. I disagree
14 with Mr. Jackowitz 1 million percent. I
15 trust all of you up there, Mr. McGoff,
16 Mrs. Evans, Pat, Frank, Jack to do what's
17 best for the people like you always have.
18 And we maybe we not see this right now in
19 front of us, but I trust you and I'm sure
20 many other people trust you as much as I do
21 to do what's right for them, and I would
22 like to thank you for all of the hard work
23 you have put into this probably since --
24 well, for a long time, but just since last
25 Thursday's meeting when you didn't know

1 enough about it, so that's understandably
2 why you held it up, but in the mean time,
3 like you said, and I believe you, that you
4 certainly had to have significant
5 information to go forward with this tonight
6 and do what's best for the people, and I'm
7 sure Mr. Hughes has done an astronomical
8 amount of work and he is to be applauded.

9 MS. EVANS: Yes, he has.

10 MS. FRANUS: He has --

11 MR. HUGHES: Thank you.

12 MS. FRANUS: -- done exceptionally,
13 I mean, way far above what any solicitor has
14 ever done and ever will do, so I'm going to
15 put my faith in everything you do. I don't
16 doubt you for one minute and I can certainly
17 wait to see what the papers Mr. Jackowitz
18 wants to see. And, Mr. McGoff, you are
19 doing well here.

20 MR. MCGOFF: Thank you.

21 MS. FRANUS: I really do, I want to
22 thank you for all of the work you have done.
23 People don't seem to understand what you go
24 through. I mean, I'm sure they couldn't
25 deal with it. I know they couldn't. I know

1 I couldn't. It's a lot of stress you go
2 home with every night and lot of
3 responsibility on your shoulders, so I thank
4 you and I trust you as I'm sure many, many
5 others do because you have always been for
6 them and you have taken a lot of heat. A
7 lot of crap for standing by the people, but
8 you did it and you went through everything.
9 So congratulations and I appreciate the work
10 you have done for tonight's vote.

11 MS. EVANS: Thank you.

12 MR. LOSCOMBE: Thank you.

13 MS. EVANS: Is there anyone else who
14 would like to address council?

15 MRS. UNGVARSKY: Cathy Ungvarsky,
16 resident of Scranton, member of the
17 Taxpayers' Association. Marie Schumacher
18 was not able to be here tonight, but she did
19 have some comments and some questions that
20 she wanted to ask.

21 MR. JOYCE: Sure.

22 MRS. UNGVARSKY: If you would to
23 like answer any of these during motions that
24 would be fine. The first question is since
25 a lender has been identified, Fidelity, and

1 accepted the rate of interest must be known.
2 What is that rate of interest and what will
3 be the monthly payment?

4 MR. JOYCE: And you can pause her
5 time, the interest rate on the TAN is 5.5
6 percent. The TAN is going to be drawn from
7 the real estate tax revenue that comes in
8 and it's to be paid by 6-30-2012, so it's
9 basically a loan that's going to be paid off
10 halfway through the year.

11 MRS. UNGVARSKY: Thank you. An
12 account already exists for real property
13 taxes, will this account be closed and
14 replaced by the account being created
15 tonight or is the Fidelity Bank City of
16 Scranton 2012 tax account to accumulate only
17 sufficient funds to meet the monthly payment
18 due Fidelity? Who in the administration
19 will manage this new account? Is it the
20 intent that Fidelity will be able to draw on
21 this account at will without authorization
22 from a member of the administration for each
23 withdrawal. If so, she objects.

24 Will the revised Recovery Plan be
25 addressed during regular city council

1 meetings or through special meetings,
2 caucuses and hearings? Does the resolution
3 alter the April 30 goal for passage of the
4 revised Recovery Plan?

5 Will the 2011 TAN-B be paid by
6 tomorrow?

7 When will the solicitation for the
8 debit reconstruction be advertised?

9 The assumption is the new \$12.5
10 million TAN to be authorized tonight
11 replaces the two TANS A and B in the
12 approved 2012 city budget. When will the
13 city budget be amended to officially remove
14 the existing TANS and add the 2012 TAN as
15 she feels uncomfortable with the \$27 million
16 TAN authorization.

17 What will be the funding level as a
18 percent in the Workmen's Compensation Trust
19 Fund after the \$5 million withdrawal to
20 repay the 2011 TAN-B and when will be
21 borrowing be repaid?

22 Again, that's Marie Schumacher's
23 questions.

24 MS. EVANS: I can tell you that the
25 date of the revised Recovery Plan has not

1 changed. The 2011 TAN-B was already paid,
2 that's why the \$5 million was withdrawn with
3 permission of the DCED and PEL from the
4 Workers' Comp Reserve Trust Fund, and when
5 the \$5 million from the TAN is returned into
6 that fund, and I believe that should occur
7 tomorrow --

8 MR. JOYCE: Correct.

9 MS. EVANS: -- according to the
10 agreement, it will bring the funding back up
11 to the required 75 percent level, and that
12 is required by the State of Pennsylvania.

13 MR. UNGVARSKY: Good evening,
14 Council.

15 MS. EVANS: Good evening.

16 MR. UNGVARSKY: I'm Tom Ungvarsky.
17 How many member banks are there in on this
18 loan? Does anyone know how many banks are
19 in this consortium?

20 MR. JOYCE: I believe it is six.

21 MS. EVANS: Yes, it's five or six
22 and Fidelity is the lead bank.

23 MR. JOYCE: Yes, they are the lead
24 bank.

25 MR. HUGHES: PNC is not one of the

1 banks. They refused to participate.

2 MR. UNGVARSKY: They are going to
3 administer the loan; is that correct?

4 MR. HUGHES: As the lead bank
5 Fidelity will.

6 MR. UNGVARSKY: If the money doesn't
7 come in fast enough, I understand we only
8 have six months on this; is that correct?

9 MS. EVANS: Yes.

10 MR. JOYCE: That's correct.

11 MR. UNGVARSKY: If the money doesn't
12 come in fast enough will they be able to
13 withdraw other funds that the city has?

14 MR. JOYCE: They will probably --

15 MR. UNGVARSKY: Besides the property
16 tax?

17 MR. JOYCE: At that point it would
18 be projected that enough money would be --
19 that enough money would come in to pay
20 what's due by June 30. However, from what I
21 have been told they would look at other
22 revenues such as wage tax revenue to pay off
23 the balance.

24 MS. EVANS: But in addition to this
25 they will be using or rather they are going

1 to be paid not only this year's current real
2 estate tax revenues but delinquent real
3 estate tax revenue as well will go into that
4 account.

5 MR. UNGVARSKY: So what will the
6 city have for operating expenses if they are
7 withdrawing all this money?

8 MS. EVANS: The city has the money
9 from the TAN, the city will be receiving \$2
10 million perhaps as soon as tomorrow from the
11 County Recorder of Deeds, Mrs. McNulty, for
12 the real estate transfer tax of the Moses
13 Taylor Hospital and there will be unfunded
14 debt borrowing in the amount of \$9.85 that
15 should be completed hopefully by the end of
16 February.

17 MR. UNGVARSKY: And will that be
18 enough to carry us through the next six
19 months?

20 MR. JOYCE: It should be. Now, in
21 addition to that there is also other revenue
22 sources such as the real estate transfer tax
23 revenue that will be coming in, as
24 Councilwoman Evans said, it will be 2
25 million, plus what comes in from now until

1 then. You will have wage tax revenue, by
2 the middle of the year that should be about
3 \$11 million. You will have the LST revenue,
4 that should be about \$875,000, so there are
5 and --

6 MS. EVANS: The mercantile.

7 MR. JOYCE: The mercantile and also
8 license and permit fees that will come in.
9 So, yes, and it should be enough to run the
10 city adequately based on what our
11 expenditures are and what our revenues are.

12 MR. UNGVARSKY: Okay, the license
13 and permit fees are put into an account and
14 the reality collection tax is put into the
15 -- the transfer tax is put into an account,
16 are we sure the money is being put into
17 those accounts or has that been withdrawn on
18 or laid in there, just left laid in there?
19 Has anybody kept check on those accounts?

20 MS. EVANS: I'm not sure -- I'm not
21 sure what you are asking, which account?

22 MR. JOYCE: You are asking if the --

23 MR. UNGVARSKY: I'm asking that the
24 3 million was concealed from city council,
25 do we know that the others aren't being

1 concealed? Would there be any funds left in
2 those accounts that we didn't know about?

3 MR. JOYCE: As far as under my
4 understanding, no, however, there is always
5 the element of surprise in the city and at a
6 later meeting actually what I'm going to do
7 is ask for the pass codes to some of these
8 accounts so I could have the ability to
9 check to make sure that, you know, money is
10 being transferred in through these side
11 accounts and that it's being handled
12 adequately.

13 MR. UNGVARSKY: Okay. PEL wants a
14 meeting between city council, the mayor and
15 them. Is anything being set up and will it
16 be public and will the public have a chance
17 to ask any questions of them?

18 MS. EVANS: Are you referring to the
19 meetings that are required as a condition of
20 the TAN?

21 MR. UNGVARSKY: Yes.

22 MS. EVANS: Those meetings will be
23 attended by, according to the legislation
24 and the agreements, the mayor, the Finance
25 Chair of Council or his designee, the

1 banking -- representative of the banking
2 community, Pennsylvania Economy League and
3 DCED. Those meetings have not yet been
4 scheduled so I cannot tell you at this time
5 if they are going to be held publically or
6 privately. That was not indicated in the
7 terms.

8 MR. UNGVARSKY: Well, seeing as the
9 taxpayers have to pay this bill I think they
10 should be invited. Also, I understand that
11 we already have to pay one mill for each
12 assessed value with the home over the next
13 10 years, will there be any other tax
14 increases?

15 MR. JOYCE: Any tax increases from
16 the TANS specifically or tax increases in
17 general?

18 MR. UNGVARSKY: Taxes to meet the
19 general budget?

20 MR. JOYCE: For this year?

21 MR. UNGVARSKY: Or next year
22 probably, but we may have to borrow again
23 this year to pay off the police and firemen.

24 MR. JOYCE: Right, and the borrowing
25 for the police and firemen, we are going to

1 do our best to lobby to the state and to
2 also the Pennsylvania Economy League to put
3 in measures such as a payroll expense tax
4 and possibly a commuter tax so we could
5 bring in other sources of the revenue rather
6 than, you know, just --

7 MS. EVANS: Assigning it.

8 MR. JOYCE: Assigning it, yeah.

9 MS. EVANS: To the taxpayers of
10 Scranton. We have been working very hard on
11 all of these issues because we do realize
12 the condition of the taxpayers and residents
13 of the City of Scranton and so we are
14 looking outside the box. We don't find it
15 acceptable that taxpayers are going to
16 assume this amount of debt by themselves and
17 so council is working on your behalf to
18 protect you from that.

19 MR. UNGVARSKY: We understand that.

20 MR. JOYCE: Right, and some of these
21 measures are done in other cities and I
22 believe Mayor Doherty actually proposed a
23 countywide sales tax as well with a
24 percentage being divvied up among the local
25 host communities.

1 Now, you know, at this point I think
2 a payroll expense tax on businesses and the
3 eventually phaseout of the business
4 privilege and mercantile will be a great
5 idea. I think the commuter tax is also
6 something that's needed given the city's
7 financial state, and I think at this point
8 the taxpayers of the city are already tapped
9 out.

10 MR. UNGVARSKY: That is correct.

11 MR. JOYCE: They are already paying
12 high taxes.

13 MR. UNGVARSKY: We understand what
14 you are doing and I feel sorry for city
15 council because you have had to take all of
16 the flak. However, I believe that the mayor
17 should be subpoenaed and come here and talk
18 to the people and if he doesn't I think he
19 should be held in contempt of Court. I
20 don't know why city council is so reluctant
21 to use their subpoena power, and I thank you
22 and you have my sympathies really.

23 MS. EVANS: Thank you.

24 MR. JOYCE: Thank you very much.

25 MS. EVANS: Is there anyone else who

1 cares to address council?

2 MR. JUDGE: My name is John Judge,
3 I'm the president for IAFF Local 60, the
4 Scranton Firefighters, and I understand why
5 you are putting the TAN through, and I
6 appreciate all of the work that you have
7 done over the past couple of days to put
8 some conditions in there that's going to
9 hold the mayor's feet to the fire hopefully.

10 I just have maybe one question maybe
11 that the solicitor may be able to answer, is
12 there anything that prevents the mayor or
13 his designee from taking out less than the
14 \$12.5 million?

15 MR. HUGHES: No.

16 MR. JUDGE: So there is nothing that
17 prevents him, so if he only wants to take
18 out 12 million they could do that?

19 MR. HUGHES: I believe that the
20 banks knowing the financial situation of the
21 city would require that the full 12.5
22 million be drawn down because the city needs
23 the money and it's from its tax anticipation
24 note. The reason that we have I'll use the
25 term a Draconian payback schedule is because

1 the banks are fully aware what happened two
2 years ago when the TAN was not paid off in
3 2010. It was to be paid off by December 31.
4 I use the term before. What happened was,
5 and it's contrary, I use the term kiting in
6 previous meetings which is a real legal
7 term, but what happened in 2010 they
8 couldn't pay the TAN off, the legislation
9 that was passed by council stated that none
10 of those funds could be used to pay off the
11 previous year's TAN nor any previous year's
12 bills. It was only solely for the 2011
13 operating budget.

14 They took \$5 million of this year's
15 TAN to pay off last year's TAN, so there was
16 really a \$5 million hole in the 2010 budget,
17 so when they took the \$5 million from the 12
18 1/2 million of this year's TAN the city
19 didn't have \$5 million to operate on. Then
20 what happened is this year -- or last year
21 the city could not pay off the TAN for 2011,
22 that's why the consortium of banks when they
23 got together they said the city has to have
24 a different financial structure and they put
25 all of these conditions on there saying,

1 here, we don't want to be in the condition
2 we have been for the last two years at the
3 end of 2012. That's why you are going to
4 open up an account, they looked at the cash
5 flow projections, they looked at everything
6 and said, here we want the tax -- the real
7 estate tax revenue coming into a special
8 account, that money to be paid to pay off
9 the TAN so the TAN is going to be paid off
10 by June 30.

11 I talked to with the lead banker, I
12 said the city will be in default on June 30
13 because there is lot of money that comes in
14 right in the last day of June. June 30 of
15 this year I believe is a Saturday, so the
16 29th Mr. Courtright is going to have a lot
17 of money but by the time it gets deposited
18 into the bank on the Monday or Tuesday then
19 you the Fourth of July on a Wednesday, I
20 said, there has to be a grace period in
21 there. They put a grace period in of up to
22 ten at to fifteen days, so the city will
23 have until July 15 in order to make the
24 payment without being in default.

25 So that these are some of the things

1 that all of the banks -- and some banks
2 didn't participate. PNC didn't participate.
3 Penn Security Bank bid and was the only
4 bidder on the city's \$5 million TAN. What
5 they have done with this now instead of
6 giving Penn Security Bank the \$5 million,
7 Penn Security has put that \$5 million that
8 they are going to lend into the 12.5 instead
9 of having two TANS, so that they had
10 cross-collateralized before -- the banks
11 would have been fighting against each other,
12 but the one TAN always got paid off in June
13 or July, I think it was the \$5 million.

14 MS. EVANS: Yes, TAN-A was \$5
15 million, that was always due by June 30.
16 TAN-B was for 9.5 and that was due by
17 December 31 of the year, of the current
18 year.

19 MR. HUGHES: But the banks have
20 really played their -- they have played
21 hardball, they have overlooked -- they have
22 overlooked the city's shoulders here and
23 said, "This is the way it's going to be if
24 want to get the TAN. You have to get your
25 finances in order," and that's what they are

1 doing. Of course, they also want to make
2 sure they get paid. You know, if they get
3 paid on December 31 and the money is not
4 there then where are they? That's why the
5 TAN this year was so late getting done.
6 That's why there was a special meeting
7 tonight because it took time to put in
8 together. Over Friday we didn't even though
9 if we were going to have this because of
10 some of the conditions that they put on that
11 we have deleted from -- that I have deleted
12 on the basis of, you know, for council on
13 some of these agreements.

14 MR. JUDGE: And I appreciate the
15 work that both council and you did to get
16 this through to keep this city functioning
17 for the next however many months until the
18 taxes start to roll in. My only fear is if
19 you look at it from my position trying to
20 get firefighters back on the street to get
21 our staffing numbers back up there, my fear
22 is that like this administration has done in
23 the past they always seem to find some
24 loophole somewhere. So, unfortunately, my
25 mind now works like, all right, what are

1 they going to do to pervert this now? And,
2 you know, is there a way that they -- you're
3 giving them authorization to take out that
4 12.5 million, council budgeted \$600,000 in
5 that RX prescription that's supposed to be
6 coming back to the city, what's to say that
7 the administration now because council
8 theory behind that \$600,000 is to get 13
9 firefighters back to work which is going to
10 open up some companies for us and keep us a
11 little bit safer and 13 is better than no
12 people at this point, and I'm just looking
13 at it from a perspective is there something
14 the city is able to do now where they are
15 going to maybe not take out that full 12.5
16 and say, oh, now, we came up short in June
17 so we are going to have to use that \$600,000
18 for whatever.

19 MS. EVANS: I think all of this is
20 due to be wrapped up tomorrow.

21 MR. JUDGE: So you will know
22 tomorrow?

23 MS. EVANS: So we should know
24 tomorrow --

25 MR. HUGHES: Closing is at 9:00.

1 MS. EVANS: -- what the exact dollar
2 amount is.

3 MR. HUGHES: Right.

4 MS. EVANS: And we are expecting it
5 on council to be precisely what's outlined
6 in this legislation, but I can tell you that
7 that \$600,000 from the RX grant, in my
8 opinion at least and maybe our solicitor can
9 weigh in on this, cannot be used to repay
10 this TAN. It is clearly delineated in the
11 legislation and the term agreement that it
12 is the current year real estate taxes of the
13 city and delinquent real estate taxes of the
14 city that come in throughout February,
15 March, April, May, June that are designated
16 into the account, the escrow account set
17 aside at Fidelity Bank to make full payment
18 of the TAN by the due date at the end of the
19 June.

20 So it's my belief that according to
21 the legislation we are going to pass tonight
22 neither the bank or the administration would
23 have the right to take grant money that was
24 put into the budget and pull that out and
25 put that into a Fidelity account for

1 repayment of the TAN. Attorney Hughes, what
2 are your thoughts on it?

3 MR. HUGHES: You are getting into a
4 whole area of creditor's rights and
5 judgments and if there is a default on June
6 30 or say July 15. What the bank will also
7 do is -- all the banks, there is -- every
8 time that there is borrowing there is what's
9 called Uniform Commercial Code filing,
10 secure transaction filed they, of course,
11 would also file the secure transaction on
12 all tax revenues of the city in the event
13 that it's not paid. But I think it will be
14 paid.

15 Just one thing I would like to clear
16 up, while the city is getting 12 1/2 million
17 in a TAN, in the ordinary course of business
18 in the past, up before 2010, at least in my
19 knowledge, the TANS will be paid off so when
20 you got your 12 1/2 million, that was
21 available to the city for funding until the
22 tax revenues came in and it will start being
23 paid back, however, even though this TAN is
24 12 1/2 million, \$5 million of that has to go
25 to pay the Workers' Comp Fund, so we are

1 back in the position where there is only 7
2 /12 million, which is critical. So, I mean,
3 you are constantly playing catch up and
4 catching up with your previous, you know,
5 the previous problems they've had in not
6 paying off the TAN -- or using this year's
7 money to pay off last year's TAN. We are
8 doing it again this year, but hopefully from
9 what the bankers are looking at an
10 everything else they are trying to keep a
11 good handle on the city's finances to get it
12 back into -- try to get it back to the
13 black. That's the purpose of what they are
14 doing here instead of business as usual.
15 Hopefully it will work.

16 MS. EVANS: Attorney Hughes, and I
17 don't know if you read the legislation
18 currently, but if you take a look at Section
19 9 of 5-B, 2012 note is a general obligation.
20 The 2012 note shall be general obligations
21 of the city and that the same shall not be
22 paid within the current fiscal year shall be
23 deemed to be non-electoral debt of the city
24 enforceable in the manner of a general
25 obligation which unless funded pursuant to

1 the act shall be included in the budget of
2 the city for the following fiscal year and
3 shall be payable from the taxes and revenues
4 of such ensuing fiscal year as required by
5 the act.

6 MR. HUGHES: Um-hum. There is also
7 something else in there where we pledge the
8 full faith and credit of the city and the
9 borrowing power so that theoretically it can
10 never be in default. What this is saying is
11 in the event it's not paid this year that
12 will be in next year's budget and you will
13 raise the taxes in order to pay it.

14 But I don't know what the line item
15 in the budget is for real estate tax
16 revenue, but it's my understanding and my
17 discussions with the bankers and their
18 financial analysts that they have looked the
19 projection of real estate taxes over and
20 they feel comfortable that based on the
21 previous year's payments and from a
22 historical standpoint that the 12.5 will be
23 paid off by June 30.

24 MS. EVANS: Or within the grace
25 period.

1 MR. HUGHES: Or within the grace
2 period.

3 MR. JUDGE: All right. Like I said,
4 I appreciate it and, unfortunately, I have
5 been to enough of the PEL meetings and maybe
6 Ms. Krake can correct me if I'm wrong, you
7 about it seemed like PEL's stance on that
8 \$600,000 is that if they so need to they
9 need to pay back debt before they do
10 anything with that and they consider the TAN
11 debt from the way I was getting the read
12 from Mr. Cross today at the PEL meeting.

13 MR. HUGHES: There is no doubt it's
14 debt.

15 MR. JUDGE: Right, I understand that
16 and they are saying that \$600,000 from the
17 RX that council had budgeted if needed to
18 would be -- should be used to pay that TAN
19 off if the tax revenues -- anticipated tax
20 revenues for this year and previous years
21 don't come in in a timely manner to make
22 that June 30 or subsequent grace period
23 payment or to pay that off.

24 So, like I said, unfortunately my
25 mind works in this manner now to see how

1 it's going to be perverted and I'm just
2 hoping that it's not and I'm hoping that if
3 there has been some spirit of cooperation
4 here with the city and council that now
5 maybe they are going to move ahead and do
6 right by everyone and hopefully you are able
7 to hold his feet to the fire and there is no
8 loophole so we can get some of the
9 firefighters back to work and get these
10 streets safe again, so that's what I am
11 looking at. That's my only concern that
12 they do that, so like you said, we'll no
13 tomorrow.

14 Tomorrow at the meeting and they
15 will have it will \$12.5 million if that's
16 what they are going to take out; right?
17 That's what will be in the documents that
18 are going to be signed and --

19 MS. EVANS: Yes.

20 MR. JUDGE: -- then that money is
21 transferred to the city at that time or is
22 it in an account that they are able to
23 transfer out of as needed?

24 MS. EVANS: It goes into the general
25 fund.

1 MR. HUGHES: I don't know -- in
2 accordance with one of these documents, it's
3 the loan agreement, the City of Scranton is
4 supposed to maintain all of their accounts
5 at Fidelity Bank. I would assume that that
6 means the operating agreement will be
7 transferred tomorrow from PNC to Fidelity
8 since Fidelity is not participating in the
9 tax anticipation notes.

10 MR. JUDGE: PNC is not
11 participating.

12 MR. HUGHES: The money will be made
13 immediately available, federal funds, as
14 soon as the documents are signed.

15 MR. JUDGE: Right.

16 MR. HUGHES: Could either by wire
17 transfer from another bank, but since it's
18 at Fidelity it maybe just a journal entry so
19 the city will have the money available
20 immediately.

21 MR. JUDGE: Would that be some cause
22 for concern on council's part if whoever is
23 signing the documents arrives there tomorrow
24 and it's only now 12 million?

25 MS. EVANS: Well --

1 MR. HUGHES: I'm not going to be at
2 the closing, Mrs. Krake is there, she is
3 going to have to sign documents. She and I
4 have already discussed it and I said, "If
5 there is any problem, you can just call me."

6 So I am available by phone and then
7 she can get in touch with me immediately.
8 So if that happens, I don't see how that's
9 going to happen, but if it does I'm sure
10 after this she has heard you, she will make
11 a phone call to me.

12 MR. JUDGE: I don't like to see \$3
13 million appear in places where it's not
14 supposed to either, but we all know things
15 just happen around here and that's the
16 biggest fear, but thank you for all of the
17 hard work you guys have done over the last
18 week and Solicitor Hughes and the rest of
19 council. Thank you.

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

22 MS. KRAKE: 5-A. MOTIONS.

23 MS. EVANS: Councilman McGoff, do
24 you have any comments or motions tonight?

25 MR. MCGOFF: Just very briefly, I

1 guess. I wasn't going to say anything, but
2 as was stated before the idea of TANS are a
3 necessary part of every budget at least as
4 far as -- as long as I have been here. The
5 TANS are part of the 2012 budget that
6 council passed and the repayment of these is
7 included in the 2012 budget, so there is no
8 additional tax increases necessitated by any
9 of the actions that we will be taking
10 tonight.

11 This is something that we have been
12 prepared for, you know, many weeks. There
13 is no secret about this legislation. We
14 have talked about the TANS and the necessity
15 of the TAN and, you know, all of that for
16 probably months now and I guess perhaps
17 Mr. Jackowitz should have, you know, paid
18 attention in Civics lass when they taught
19 about representative government. As
20 Mrs. Evans stated, it's our duty as elected
21 officials to represent all of the people of
22 the City of Scranton and I believe that is
23 what we are doing here tonight. We are
24 taking the information provided and
25 representing the interest of the City of

1 Scranton as best we see them, and as far as
2 I'm concerned dealing with this TAN is
3 obviously in the -- or to me obviously in
4 the best interest of all of the people in
5 the City of Scranton. This is something
6 that we need to do in order to make the 2012
7 budget function, in order to keep city
8 government operating and in order to, you
9 know, provide for an orderly operation of
10 the government through the coming months.

11 As far as the stipulations or the
12 terms, whatever word we use for them, yes,
13 they are unique and at least unique to what
14 I have been used to over the past years. I
15 don't think they are onerous in any way. I
16 think that what the terms do is maybe force
17 everyone, administration, council, you know,
18 other interested parties to do the things
19 that we have talked about doing, that we
20 have all wanted to see done, and hopefully
21 it will put everyone's foot to the fire as
22 it were and make us cooperate towards the
23 resolution of all of these issues.

24 I know the Recovery Plan and the
25 adoption of the Recovery Plan is probably

1 the most controversial, I guess you would
2 say of the stipulations that were provided
3 by the banks. The proposed plan that was
4 given to us in I believe November is now
5 totally obsolete. Many of the provisions of
6 that Recovery Plan were already included in
7 the 2012 budget. We have kind of fast
8 forwarded some of the ideas from that
9 Recovery Plan to the 2012 budget and so
10 there is a real need to put together a truly
11 revised Recovery plan, and there is going to
12 be necessary input from all parties, and I
13 think this is an opportunity maybe, again,
14 maybe forced upon us in some ways, but at
15 least it's going to -- that hopefully it
16 puts everyone on the same page working
17 toward a Recovery plan that will work and
18 that will be adhered to and be workable for
19 everyone in the city.

20 And, as I said, if these
21 stipulations these terms force us into doing
22 these things then I welcome them and
23 hopefully we can work with all of the
24 interested parties not only to provide for
25 orderly government, but providing for a

1 truly workable Recovery plan for the future,
2 and that's all. Thank you.

3 MS. EVANS: Thank you. Councilman
4 Loscombe, do you have any comments or
5 motions this evening?

6 MR. LOSCOMBE: Yes, just briefly. I
7 do concur with what Mr. McGoff has stated,
8 you know, he laid it out pretty well. I
9 understand Mr. Jackowitz's frustration.
10 Trust me, I don't think any of us want to
11 borrow any more or, you know, raise the debt
12 anymore. These are TANS that have been
13 historically done. Again, reviewing this we
14 have been working on this for some time now
15 and I do have to commend, you know, by
16 virtue of their position but also they have
17 done a tremendous job on this. I know this
18 has been going on day after day night after
19 night with Mr. Joyce, our Finance Chair,
20 Mrs. Evans, our president, and Attorney
21 Hughes have been back and forth continuously
22 over this. We all had questions on the
23 original stipulations so that was the big
24 holdup, I think, the stipulations that were
25 put into place.

1 But, as Mr. McGoff said, I agree. I
2 mean, it's sort of put us all of and a level
3 playing field here. We have to work
4 together. It puts the administration's feet
5 to the hotplate, you know? There is going
6 to be much more accountability and
7 transparency, you know, and we are going to
8 be working hard for you, also.

9 But again, we were elected to do
10 what's in the best interest of the
11 taxpayers, after all, we are all taxpayers
12 here and, you know, it's something we have
13 seriously reviewed and looked at, again,
14 more so on my counterpart's measure because
15 that's their expertise, and I do infer a lot
16 from their opinions that they, you know,
17 they explain the situation to us and we have
18 our questions. They went in with the
19 questions, our questions were answered, it
20 was revised to a more palatable agreement
21 for everyone and, you know, the stipulations
22 and the agreements that have been done on
23 this new plan, this new agreement, have been
24 in your interest. You know, when it comes
25 to the Recovery plan and some other

1 stipulations there were things in there that
2 were very restraining.

3 But I commend my colleagues here for
4 working diligently on it since last
5 Thursday. I mean, you know, we were as of
6 last Thursday evening there was no consensus
7 here. And again, like Mr. Hughes said, even
8 as late as Friday afternoon they were still
9 working out the details, so I commend them
10 because we are meeting a deadline, we are
11 getting this wrapped up by tomorrow.

12 And, Mr. Jackowitz, I apologize, we
13 did notify the TV station, but apparently
14 they were unable to get here, we didn't know
15 until the meeting started, but I understand
16 your frustration, but we have a decision to
17 make here and based on the best interest of
18 all of the taxpayers we are here to make
19 that decision this evening, and I do have an
20 extra blood pressure pill, Bill, if you need
21 one. Thanks. That's all I have.

22 MS. EVANS: Thank you, Councilman
23 Loscombe. Councilman Joyce, do you have any
24 comments or motions?

25 MR. JOYCE: Yes. Obviously, as

1 everyone knows, the reason we are having
2 this special meeting tonight is to pass
3 legislation for the city to obtain a \$12.5
4 million tax anticipation note. I, too, like
5 Mr. Jackowitz, Mr. Loscombe, Mr. McGoff and
6 everybody wish that ECTV could be here to
7 televise this because I think it would be a
8 great chance to educate the public on what's
9 going on.

10 But to briefly educate the public
11 and the folks sitting here, a tax
12 anticipation note, currently referred to as
13 a TAN, is a short-term loan that's paid back
14 to the institution lending the funds for the
15 note before the year's end. This year as
16 part of the terms and conditions of the TAN
17 the city will be required to pay back the
18 short term loan by the end of June and the
19 funding to pay back the loan will be drawn
20 from real estate tax revenue both current
21 and delinquent. Hence, this is the reason
22 why a special account is also being created.

23 To elaborate a little bit more on
24 TANS, TANS help government smooth out the
25 ups and downs in their revenue cycles. For

1 instance, the city has ongoing expenses
2 throughout the year, however, we do not
3 receive the bulk of the collection of real
4 estate taxes until the end of May.

5 Therefore, with this being said the timing
6 of the city's receipts doesn't match the
7 timing of the city's expenditures and that's
8 why these TANS are part of the budget.

9 For instance, last year in the month
10 of January the city had over \$6 million in
11 expenditures, but received \$2.7 million in
12 revenue. However, in May of last year the
13 city received \$7.9 million of revenue and
14 had \$4.6 million worth of expenditures, so
15 TANS -- they are used by just about every
16 municipal government and since every
17 municipal government has a similar revenue
18 cycle you get a big influx of the real
19 estate taxes in the month of March and then
20 into April and then into May and then it
21 dwindles off to the end of the year and
22 picks up a little bit in December.

23 Anyhow, emergency legislation was
24 passed down for the TAN, however, it was not
25 placed on Thursday's agenda due to the fact

1 that Scranton City Council had various
2 questions and some disagreements regarding
3 the terms and the conditions set forth by
4 the bank that we received from the
5 administration.

6 One of the terms and conditions that
7 Scranton City Council disagreed with, was
8 the acceptance of a Recovery Plan by PEL as
9 is with no room to negotiate or amend. The
10 reason why this was a grave concern to
11 Scranton City Council members is due to the
12 fact that the revised Recovery Plan draft
13 that was sent to Scranton City Council in
14 November called for a 40 percent tax
15 increase, which Scranton City Council did
16 not agree with.

17 Scranton City Council has worked
18 diligently, especially our solicitor Boyd
19 Hughes, to take our concerns to the bank and
20 amend some of the terms and conditions of
21 the TAN in the agreement. Because of
22 Scranton City Council's efforts, we will not
23 be forced to adopt a Recovery Plan as is
24 with possible exorbitant tax increases as a
25 term of the TAN and we will be given the

1 is 5.5 percent. The monthly payment will
2 vary depending on how much revenue comes in
3 in a given month. For instance, in March
4 and April you are going to get a bulk of
5 your real estate taxes. We are probably
6 going to receive I'd say about 3 million
7 plus in March and maybe about 5 million in
8 April or vice versa, so that's when the
9 majority of the loan will be paid.

10 Okay, let's see, the second question
11 that Mrs. Schumacher asked was: An account
12 already exists for real property taxes.
13 Will this account be closed and be replaced
14 by the account being created tonight or is
15 the Fidelity Bank City of Scranton 2012 tax
16 account an account that will accumulate
17 sufficient funds for the monthly payments
18 due to Fidelity?

19 The account number in the budget for
20 the real estate tax revenue isn't going to
21 be closed because after June the loan will
22 be paid off and, therefore, it will still be
23 receiving real estate tax revenue, albeit it
24 probably small, but it will still be
25 accumulating.

1 And she also asks: Who in the
2 administration will manage this new account?

3 That would be our business
4 administrator.

5 Is the intent that Fidelity will be
6 able to draw on the account at will without
7 authorization from a member of the
8 administration for each withdrawal?

9 And I don't think this is Fidelity's
10 intent. I think the intent is that they are
11 going to work with the administration and
12 make sure that they get their money. They
13 don't want a situation of where we are going
14 towards the end of the year and they are
15 wondering how they are going to get paid.

16 The third bullet point that Mrs.
17 Schumacher had asked is: Will the revised
18 Recovery Plan be addressed during regular
19 city council meetings or through special
20 meetings, caucuses and hearings? Does the
21 resolution alter the April 30 goal for the
22 revised Recovery Plan?

23 Right now April 30 is the goal.
24 That's going to depend on factors, obviously
25 PEL has a lot of work to do because they are

1 going to base their suggestions off of the
2 2012 operating budget as amended and I plan
3 on addressing the revised Recovery Plan
4 during regular city council meetings.
5 Absolutely.

6 The fourth bullet point was: Will
7 the 2001 TAN-B be paid by tomorrow?

8 That's already paid.

9 Will the solicitation of the debt
10 restructuring be advertised?

11 That was the fifth question that
12 Mrs. Schumacher had. The date is not set at
13 this time, but it will be addressed for the
14 PEL and I will address that with them. And,
15 Mrs. Krake, if you could send a request to
16 PEL asking when legislation for this will
17 come up because I understand that in order
18 to receive the full benefit from debt
19 refinancing the legislation would need to
20 come up sooner than later.

21 The next bullet point was: The
22 assumption is that the new \$12.5 million TAN
23 to be authorized tonight replaces the two
24 TANS A and B approved in the city budget.
25 When will the city budget be amended to

1 officially remove the existing TANS and add
2 the 2012 TANS because as I feel
3 uncomfortable with \$27 million of TAN
4 authorizations.

5 First of all, there is no bank out
6 there that are going to give us \$27 million
7 worth of the TANS. However, since city
8 council can open the 2012 budget currently,
9 Mrs. Krake, could you please also add to
10 that request that the administration sends
11 out legislation to amend the budget to
12 strike out TAN-A and B and appropriate
13 repayment line and replace it with the \$12.5
14 million amount and the amount that will be
15 repaid.

16 And the final question was: What
17 will be the funding level as a percent of
18 the Workers' Compensation Trust Fund after
19 the \$5 million withdrawal to repay the 2011
20 TAN and when will this borrowing be repaid?

21 The borrowing to pay the 2011 TAN,
22 current and the past, this will be repaid
23 tomorrow according to Mr. McGowan and the
24 funding level will be set back at 75 percent
25 liability which is currently the requirement

1 of the Workers' Compensation Trust
2 agreement, and that's all I have for
3 tonight.

4 MS. EVANS: Thank you. Good
5 evening. In December of 2011 the city
6 business administrator and the Finance Chair
7 of City Council agreed to take \$5 million
8 from the Workers' Comp reserve account to
9 repay the 2011 TAN Series B to Fidelity Bank
10 by the deadline of December 31, 2011. In
11 order to use the Workers' Comp Fund, the
12 State Department of Community and Economic
13 Development required that the \$5 million
14 must be returned by January 31, 2012.

15 As each new fiscal year begins, a
16 municipality has very little revenue until
17 taxes are paid. Thus, it becomes necessary
18 for all cities to obtain a tax anticipation
19 note so that it has funds to operate until
20 such time as it receives tax revenues.

21 Since the 2012 tax anticipation note
22 or TAN is particularly urgent since \$5
23 million of the \$12.5 million TAN is needed
24 to repay the city's Workers' Comp Fund
25 tomorrow, the TAN shall mature on June 30,

1 Hughes drafted a side agreement between the
2 mayor and city council which both agreed to
3 work jointly with PEL to produce a
4 satisfactory revised Recovery Plan and this
5 side agreement will be adopted by resolution
6 this evening.

7 City Council enters the agreement
8 with goals to provide financial stability
9 for our city and to protect the people of
10 Scranton from undue financial hardship. To
11 this end, both Attorney Hughes and I spoke
12 to Mayor Doherty on Friday and together we
13 look forward to working towards solving the
14 city's financial and public safety issues.

15 Mayor Doherty has agreed to send
16 legislation to council to institute the
17 parking tax which PEL estimates will
18 generate \$600,000 in new revenue and which
19 council included in its 2012 budget amended.

20 Furthermore, the mayor stated that
21 the city is applying for the federal SAFER
22 grant in order to be able to reinstate
23 firefighters as city council requested.

24 Much work lies ahead and City
25 Council stands ready to address the issues

1 and keep the people as our first priority.

2 Finally, with the agreement of my
3 honorable colleagues, I ask Mrs. Krake to
4 send a letter to BA Ryan McGowan regarding
5 MEM, Municipal Energy Management, a company
6 that has been awaiting payment throughout
7 2011. And that's it.

8 MR. JOYCE: And before we move into
9 voting, I know that timing of the meeting, I
10 know it's very short notice and I know that
11 there is some people frustrated, however,
12 one of the conditions that was set when
13 borrowing the \$5 million from the Workers'
14 Comp Trust Fund to pay off TAN-B of 2011 was
15 that the it had to be paid by back by the
16 end of the month.

17 Now, if we were to postpone that
18 meeting or send it into Tuesday or Wednesday
19 or wait until our regularly scheduled
20 meeting, which would be Thursday, we would
21 go past that deadline and, therefore, we
22 would be subject or we could be subject to
23 state sanctions such as the loss of the
24 liquid fuel funds, which currently is about
25 \$1.4 million per year and that would create

1 a large budget hole by doing so.

2 MS. EVANS: In addition, we might
3 also have jeopardized the agreements that
4 were so carefully crafted with banks and it
5 was indicated earlier by our solicitor that
6 the closing on the TAN is scheduled for
7 tomorrow morning. If council had bypassed
8 the closing on this financial agreement, we
9 do not know that the banks would be offering
10 the TANS to us at a later date and so
11 actually we were working against the clock
12 to make these improvements that safeguard
13 the taxpayers of Scranton because council
14 would not agree to what was handed to us
15 last week and that's why it was not even
16 placed on Thursday's evening agenda.

17 MR. LOSCOMBE: If I may just add one
18 thing quickly, I forget to address to
19 Mr. Judge, but I know we will be diligent in
20 watching that \$600,000 that we placed in the
21 budget and I know Mrs. Krake if she sees any
22 indication tomorrow she is going to notify
23 Attorney Hughes on the amount that's
24 borrowed, but I think with our legislation
25 and I think we are all in agreement here

1 that is a priority and we would be able to
2 maybe force their hand or whatever, but we
3 are all skeptical just like you, so I think
4 we are thinking one step ahead, also. Thank
5 you.

6 MS. EVANS: And as we did with the
7 \$3 million I know that we requested of
8 Mrs. Novembrino copies of checks that were
9 sent for the bills that were paid from the
10 newly discovered \$3 million. We are going
11 to be looking for checks from the city
12 controller's office as well for the unfunded
13 debt to make sure that that is spent
14 appropriately according to the judge's
15 decision or ruling in this case.

16 In other words, the administration
17 is not able to use the \$9.85 million for
18 anything other than the payment of 2011
19 bills and if they wish to use those funds
20 for any other purpose legislation must come
21 to city council for it's approval. And I
22 believe, and maybe our solicitor can correct
23 me if I am wrong, that should the
24 administration attempt to use that money for
25 any other purpose without the consent of the

1 city council they will held in contempt of
2 the Court.

3 MR. HUGHES: Yes. That is correct.
4 That's specifically what the judge's order
5 states. It doesn't say contempt, but that
6 in accordance with the ordinance that was
7 adopted it can only be used to pay 2011
8 bills that were budgeted items.

9 MS. EVANS: Correct.

10 MR. HUGHES: That's right in the
11 order.

12 MS. EVANS: So, our solicitor has
13 worked tirelessly to ensure that each step
14 of the process to lift Scranton out of the
15 dire financial straights it is currently in
16 have been safeguarded and council is going
17 to continue to keep a very watchful eye and
18 work with the city controller's office so
19 that we can verify against the bills that we
20 have received, for example, what payments
21 have gone out by looking at not just
22 vouchers but the checks that have been sent.

23 There is going to be accountability
24 for the TAN, accountability for the unfunded
25 debt and, as Mr. Joyce mentioned earlier, it

1 will be a great benefit and of great
2 assistance to City Council if our Finance
3 Chair is able to obtain passwords to the
4 accounts through the computer system so that
5 he can keep a sharp eye on all of the
6 accounts as possible. It's always
7 beneficial to have more than one set of eyes
8 looking at accounts. The more eyes the
9 better. The greater the system of checks
10 and balances. And this is the concern and
11 the goal of city council. Mrs. Krake?

12 MS. KRAKE: 5-B. EMERGENCY
13 CERTIFICATE AUTHORIZING THE ISSUANCE AND
14 SALE A TAX AND REVENUE ANTICIPATION NOTE OF
15 THE CITY OF SCRANTON KNOWN AS TAN SERIES
16 2012 IN AN AMOUNT NOT TO EXCEED TWELVE
17 AND ONE HALF MILLION (\$12,500,000.00)
18 DOLLARS AWARDED TO THE FIDELITY DEPOSIT AND
19 DISCOUNT BANK; DETERMINING THE FORM AND TERM
20 OF SAID NOTE; AWARDING SAID NOTE;
21 AUTHORIZING AND DIRECTING THE FILING OF
22 CERTAIN DOCUMENTS; AND DIRECTING THE
23 PROPER OFFICIALS OF THE CITY OF SCRANTON TO
24 TAKE ANY AND ALL OTHER ACTIONS AS MAY BE
25 REQUIRED IN CONNECTION WITH THE ISSUANCE OF

1 SAID NOTE.

2 MS. EVANS: At this time I'll
3 entertain a motion that Item 5-B be
4 introduced into it's proper committee.

5 MR. JOYCE: So moved.

6 MR. MCGOFF: Second.

7 MS. EVANS: On the question? All
8 those in favor of introduction signify by
9 saying aye.

10 MR. MCGOFF: Aye.

11 MR. LOSCOMBE: Aye.

12 MR. JOYCE: Aye.

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

15 MS. KRAKE: 5-C. EMERGENCY
16 CERTIFICATE CREATING AND ESTABLISHING A
17 GENERAL FUND ACCOUNT #01.110152 TITLED
18 "FIDELITY BANK CITY OF SCRANTON 2012 TAN"
19 FOR THE RECEIPT AND DISBURSEMENT OF 2012
20 REAL ESTATE REVENUE TO BE DRAWN DOWN BY
21 FIDELITY BANK ON A MONTHLY BASIS FOR PAYMENT
22 OF THE 2012 TAN.

23 MS. EVANS: At this time I'll
24 entertain a motion that Item 5-C be
25 introduced into it's proper committee.

1 MR. JOYCE: So moved.

2 MR. MCGOFF: Second.

3 MS. EVANS: On the question? All
4 those in favor of introduction signify by
5 saying aye.

6 MR. MCGOFF: Aye.

7 MR. LOSCOMBE: Aye.

8 MR. JOYCE: Aye.

9 MS. EVANS: Aye. Opposed? The ayes
10 have it and so moved.

11 MS. KRAKE: 5-D. EMERGENCY
12 CERTIFICATE AN ORDINANCE AUTHORIZING THE
13 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
14 TO APPROVE THE STIPULATIONS MANDATED BY THE
15 PENNSYLVANIA DEPARTMENT OF COMMUNITY AND
16 ECONOMIC DEVELOPMENT (DCED) AND THE
17 PENNSYLVANIA ECONOMY LEAGUE (PEL)
18 AUTHORIZING THE LOAN OF FIVE MILLION
19 (\$5,000,000.00) DOLLARS FROM THE CITY'S
20 WORKER'S COMPENSATION RESERVE TRUST FUND TO
21 PAY THE CITY'S 2011 TAX AND REVENUE
22 ANTICIPATION NOTE B.

23 MR. JOYCE: I make a motion to amend
24 Item 5-D as per the following: Number one,
25 in the second whereas clause in No. 5, in

1 the second line, deleting in quotes, "The
2 submitted 2011 revised Recovery Plan and to
3 adopt."

4 And number two, in the same whereas
5 clause on the third line inserting a period
6 after the word "plan" and deleting "before
7 April 30, 2012."

8 MS. EVANS: At this time I'll
9 entertain a motion that Item 5-D -- or we
10 have to amend it first, I'm sorry. We have
11 a motion on the floor, do we have a second?

12 MR. LOSCOMBE: Second.

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

15 MR. MCGOFF: Aye.

16 MR. LOSCOMBE: Aye.

17 MR. JOYCE: Aye.

18 MS. EVANS: Aye. Opposed? The ayes
19 have it and so moved. At this time I'll
20 entertain a motion that Item 5-D, as
21 amended, be introduced into its proper
22 committee.

23 MR. JOYCE: So moved.

24 MR. MCGOFF: Second.

25 MS. EVANS: On the question? All

1 those in favor of introduction signify by
2 saying aye.

3 MR. MCGOFF: Aye.

4 MR. LOSCOMBE: Aye.

5 MR. JOYCE: Aye.

6 MS. EVANS: Aye. Opposed? The ayes
7 have it and so moved.

8 MR. HUGHES: Madam President, it's
9 not -- I'm sorry, I believe -- no, that's
10 correct. Whereas clause was No. 5 I'm -- I
11 was looking at the No. 5, I didn't think it
12 was in the whereas clause but it is so the
13 motion to amend is correct.

14 MS. EVANS: Thank you.

15 MS. KRAKE: 5-E. AUTHORIZING JOINT
16 MEETINGS BETWEEN THE MAYOR AND THE COUNCIL
17 OF THE CITY OF SCRANTON REGARDING THE
18 IMPLEMENTATION OF THE FIRST BULLET POINT ON
19 PAGE 2 OF THE PROPOSED TERM SHEET ATTACHED
20 AS EXHIBIT B TO CITY SCRANTON 2012 TAX AND
21 REVENUE ANTICIPATION NOTE ORDINANCE FILE OF
22 COUNCIL NO. 13, 2012 REGARDING A REVISED ACT
23 47 RECOVERY PLAN AND REQUIRING MEETINGS
24 BETWEEN THE MAYOR AND THE COUNCIL REGARDING
25 A REVISED ACT 47 RECOVERY PLAN.

1 MS. EVANS: At this time I'll
2 entertain a motion that Item 5-E be
3 introduced into it's proper committee.

4 MR. JOYCE: So moved.

5 MR. MCGOFF: Second.

6 MS. EVANS: On the question? This
7 is the side agreement to which I was
8 referring during my motions. The side
9 agreement was drafted by our council
10 solicitor and agreed upon by both the mayor
11 and the banking community. Is there anyone
12 else on the question? All those in favor of
13 introduction signify by saying aye.

14 MR. MCGOFF: Aye.

15 MR. LOSCOMBE: Aye.

16 MR. JOYCE: Aye.

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

19 MR. JOYCE: I make a motion to
20 suspend the rules to move Items 5-B, 5-C and
21 5-D to Sixth and Seventh Order to be
22 considered for final passage based on the
23 attached emergency certificate.

24 MR. LOSCOMBE: Second.

25 MS. EVANS: On the question? All

1 those in favor of introduction signify by
2 saying aye.

3 MR. MCGOFF: Aye.

4 MR. LOSCOMBE: Aye.

5 MR. JOYCE: Aye.

6 MS. EVANS: Aye. Opposed? The ayes
7 have it and so moved.

8 MR. JOYCE: At this time I would
9 like to make a motion to suspend the rules
10 and place Item 5-E into Seventh Order for
11 final consideration.

12 MR. MCGOFF: Second.

13 MS. EVANS: On the question? All
14 those in favor of introduction signify by
15 saying aye.

16 MR. MCGOFF: Aye.

17 MR. LOSCOMBE: Aye.

18 MR. JOYCE: Aye.

19 MS. EVANS: Aye. Opposed? The ayes
20 have it and so moved.

21 MS. KRAKE: SIXTH ORDER. 6-A,
22 FORMERLY 5-B - EMERGENCY CERTIFICATE -
23 READING BY TITLE - FILE OF COUNCIL NO. 13 -
24 2012 - AN ORDINANCE - AUTHORIZING THE
25 ISSUANCE AND SALE A TAX AND REVENUE

1 ANTICIPATION NOTE OF THE CITY OF SCRANTON
2 KNOWN AS TAN SERIES 2012 IN AN AMOUNT NOT TO
3 EXCEED TWELVE AND ONE HALF MILLION
4 (\$12,500,000.00) DOLLARS AWARDED TO THE
5 FIDELITY DEPOSIT AND DISCOUNT BANK;
6 DETERMINING THE FORM AND TERM OF SAID NOTE;
7 AWARDED SAID NOTE; AUTHORIZING AND
8 DIRECTING THE FILING OF CERTAIN DOCUMENTS;
9 AND DIRECTING THE PROPER OFFICIALS OF THE
10 CITY OF SCRANTON TO TAKE ANY AND ALL OTHER
11 ACTIONS AS MAY BE REQUIRED IN CONNECTION
12 WITH THE ISSUANCE OF SAID NOTE.

13 MS. EVANS: You've heard reading by
14 title of Item 6-A, what is your pleasure?

15 MR. JOYCE: I move that Item 6-A
16 pass reading by title.

17 MR. MCGOFF: Second.

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

20 MR. MCGOFF: Aye.

21 MR. LOSCOMBE: Aye.

22 MR. JOYCE: Aye.

23 MS. EVANS: Aye. Opposed? The ayes
24 have it and so moved.

25 MS. KRAKE: 6-B, FORMERLY 5-C,

1 EMERGENCY CERTIFICATE - READING BY TITLE -
2 FILE OF COUNCIL NO. 13, 2012 - AN ORDINANCE
3 - CREATING AND ESTABLISHING A GENERAL FUND
4 ACCOUNT #01.110152 TITLED "FIDELITY BANK
5 CITY OF SCRANTON 2012 TAN" FOR THE RECEIPT
6 AND DISBURSEMENT OF 2012 REAL ESTATE REVENUE
7 TO BE DRAWN DOWN BY FIDELITY BANK ON A
8 MONTHLY BASIS FOR PAYMENT OF THE 2012 TAN.

9 MS. EVANS: You've heard reading by
10 title of Item 6-A, what is your pleasure?

11 MR. JOYCE: I move that Item 6-B
12 pass reading by title.

13 MR. MCGOFF: Second.

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

16 MR. MCGOFF: Aye.

17 MR. LOSCOMBE: Aye.

18 MR. JOYCE: Aye.

19 MS. EVANS: Aye. Opposed? The ayes
20 have it and so moved.

21 MS. KRAKE: 6-C, AS AMENDED,
22 FORMERLY 5-D, AS AMENDED - EMERGENCY
23 CERTIFICATE - READING BY TITLE - FILE OF
24 COUNCIL NO. 14, 2012 - AN ORDINANCE -
25 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE

1 CITY OFFICIALS TO APPROVE THE STIPULATIONS
2 MANDATED BY THE PENNSYLVANIA DEPARTMENT OF
3 COMMUNITY AND ECONOMIC DEVELOPMENT (DCED)
4 AND THE PENNSYLVANIA ECONOMY LEAGUE (PEL)
5 AUTHORIZING THE LOAN OF FIVE MILLION
6 (\$5,000,000.00) DOLLARS FROM THE CITY'S
7 WORKER'S COMPENSATION RESERVE TRUST FUND TO
8 PAY THE CITY'S 2011 TAX AND REVENUE
9 ANTICIPATION NOTE B.

10 MS. EVANS: You've heard reading by
11 title of Item 6-C, as amended, what is your
12 pleasure?

13 MR. JOYCE: I move that Item 6-C, as
14 amended, pass reading by title.

15 MR. MCGOFF: Second.

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

18 MR. MCGOFF: Aye.

19 MR. LOSCOMBE: Aye.

20 MR. JOYCE: Aye.

21 MS. EVANS: Aye. Opposed? The ayes
22 have it and so moved. Is there anyone who
23 wishes to address council on Items 7-A, 7-B
24 7-C, as amended, and 7-D legislation that
25 have been moved to Seventh Order tonight?

1 Mrs. Krake?

2 MS. KRAKE: SEVENTH ORDER. 7-A,
3 FORMERLY 6-A, EMERGENCY CERTIFICATE - FOR
4 CONSIDERATION BY THE COMMITTEE ON FINANCE -
5 FOR ADOPTION - FILE OF COUNCIL NO. 13 - 2012
6 - AUTHORIZING THE ISSUANCE AND SALE A TAX
7 AND REVENUE ANTICIPATION NOTE OF THE CITY OF
8 SCRANTON KNOWN AS TAN SERIES 2012 IN AN
9 AMOUNT NOT TO EXCEED TWELVE AND ONE HALF
10 MILLION (\$12,500,000.00) DOLLARS AWARDED TO
11 THE FIDELITY DEPOSIT AND DISCOUNT BANK;
12 DETERMINING THE FORM AND TERM OF SAID NOTE;
13 AWARDED SAID NOTE; AUTHORIZING AND
14 DIRECTING THE FILING OF CERTAIN DOCUMENTS;
15 AND DIRECTING THE PROPER OFFICIALS OF THE
16 CITY OF SCRANTON TO TAKE ANY AND ALL OTHER
17 ACTIONS AS MAY BE REQUIRED IN CONNECTION
18 WITH THE ISSUANCE OF SAID NOTE.

19 MS. EVANS: What is the
20 recommendation of the Chair for the
21 Committee on Finance?

22 MR. JOYCE: As Chairperson for the
23 Committee on Finance, I recommend final
24 passage of Item 7-A.

25 MR. MCGOFF: Second.

1 MS. EVANS: On the question? Roll
2 call, please?

3 MS. CARRERA: Mr. McGoff.

4 MR. MCGOFF: Yes.

5 MS. CARRERA: Mr. Loscombe.

6 MR. LOSCOMBE: Yes.

7 MS. CARRERA: Mr. Joyce.

8 MR. JOYCE: Yes.

9 MS. CARRERA: Mrs. Evans.

10 MS. EVANS: Yes. I hereby declare
11 Item 7-A legally and lawfully adopted.

12 MS. KRAKE: 7-B, FORMERLY 6-B -
13 EMERGENCY CERTIFICATE - FOR CONSIDERATION BY
14 THE COMMITTEE ON FINANCE - FOR ADOPTION -
15 FILE OF COUNCIL NO. 13, 2012 - CREATING AND
16 ESTABLISHING A GENERAL FUND ACCOUNT
17 #01.110152 TITLED "FIDELITY BANK CITY OF
18 SCRANTON 2012 TAN" FOR THE RECEIPT AND
19 DISBURSEMENT OF 2012 REAL ESTATE REVENUE TO
20 BE DRAWN DOWN BY FIDELITY BANK ON A MONTHLY
21 BASIS FOR PAYMENT OF THE 2012 TAN.

22 MS. EVANS: What is the
23 recommendation of the Chair for the
24 Committee on Finance?

25 MR. JOYCE: As Chairperson for the

1 Committee on Finance, I recommend final
2 passage of Item 7-B.

3 MR. MCGOFF: Second.

4 MS. EVANS: On the question? Roll
5 call, please?

6 MS. CARRERA: Mr. McGoff.

7 MR. MCGOFF: Yes.

8 MS. CARRERA: Mr. Loscombe.

9 MR. LOSCOMBE: Yes.

10 MS. CARRERA: Mr. Joyce.

11 MR. JOYCE: Yes.

12 MS. CARRERA: Mrs. Evans.

13 MS. EVANS: Yes. I hereby declare
14 Item 7-B legally and lawfully adopted.

15 MS. KRAKE: 7-C, AS AMENDED -
16 FORMERLY 6-C, AS AMENDED - EMERGENCY
17 CERTIFICATE - FOR CONSIDERATION BY THE
18 COMMITTEE ON FINANCE - FOR ADOPTION - FILE
19 OF COUNCIL NO. 14, 2012 - AN ORDINANCE
20 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
21 CITY OFFICIALS TO APPROVE THE STIPULATIONS
22 MANDATED BY THE PENNSYLVANIA DEPARTMENT OF
23 COMMUNITY AND ECONOMIC DEVELOPMENT (DCED)
24 AND THE PENNSYLVANIA ECONOMY LEAGUE (PEL)
25 AUTHORIZING THE LOAN OF FIVE MILLION

1 (\$5,000,000.00) DOLLARS FROM THE CITY'S
2 WORKER'S COMPENSATION RESERVE TRUST FUND TO
3 PAY THE CITY'S 2011 TAX AND REVENUE
4 ANTICIPATION NOTE B.

5 MS. EVANS: What is the
6 recommendation of the Chair for the
7 Committee on Finance?

8 MR. JOYCE: As Chairperson for the
9 Committee on Finance, I recommend final
10 passage of Item 7-C.

11 MR. MCGOFF: Second.

12 MS. EVANS: As amended.

13 MR. JOYCE: As amended.

14 MR. MCGOFF: Second.

15 MS. EVANS: On the question? Roll
16 call, please.

17 MS. CARRERA: Mr. McGoff.

18 MR. MCGOFF: Yes.

19 MS. CARRERA: Mr. Loscombe.

20 MR. LOSCOMBE: Yes.

21 MS. CARRERA: Mr. Joyce.

22 MR. JOYCE: Yes.

23 MS. CARRERA: Mrs. Evans.

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

1 adopted.

2 MS. KRAKE: 7-D, FORMERLY 5-E, FOR
3 CONSIDERATION BY THE COMMITTEE ON FINANCE -
4 FOR ADOPTION - RESOLUTION NO. 7 - 2012 -
5 AUTHORIZING JOINT MEETINGS BETWEEN THE MAYOR
6 AND THE COUNCIL OF THE CITY OF SCRANTON
7 REGARDING THE IMPLEMENTATION OF THE FIRST
8 BULLET POINT ON PAGE 2 OF THE PROPOSED TERM
9 SHEET ATTACHED AS EXHIBIT B TO CITY SCRANTON
10 2012 TAX AND REVENUE ANTICIPATION NOTE
11 ORDINANCE FILE OF COUNCIL NO. 13, 2012
12 REGARDING A REVISED ACT 47 RECOVERY PLAN AND
13 REQUIRING MEETINGS BETWEEN THE MAYOR AND THE
14 COUNCIL REGARDING A REVISED ACT 47 RECOVERY
15 PLAN.

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

19 MR. JOYCE: As Chairperson for the
20 Committee on Finance, I recommend final
21 passage of Item 7-D.

22 MR. MCGOFF: Second.

23 MS. EVANS: On the question? Roll
24 call, please?

25 MS. CARRERA: Mr. McGoff.

1 MR. MCGOFF: Yes.

2 MS. CARRERA: Mr. Loscombe.

3 MR. LOSCOMBE: Yes.

4 MS. CARRERA: Mr. Joyce.

5 MR. JOYCE: Yes.

6 MS. CARRERA: Mrs. Evans.

7 MS. EVANS: Yes. I hereby declare
8 Item 7-D legally and lawfully adopted. If
9 there is no further business, I'll entertain
10 a motion to adjourn.

11 MR. JOYCE: Motion to adjourn.

12 MS. EVANS: This meeting is
13 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