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1	SCRANTON CITY COUNCIL MEETING	
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5	HELD:	
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7	Thursday, February 2, 2012	
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9	LOCATION:	
10	Council Chambers	
11	Scranton City Hall	
12	340 North Washington Avenue	
13	Scranton, Pennsylvania	
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24	CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER	
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CITY OF SCRANTON COUNCIL:

JANET EVANS, PRESIDENT

PAT ROGAN, VICE-PRESIDENT

ROBERT MCGOFF

FRANK JOYCE

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

JAMIE MARCIANO, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

1	(Pledge of Allegiance recited and
2	moment of reflection observed.)
3	MS. EVANS: Roll call, please.
4	MS. MARCIANO: Mr. McGoff.
5	MR. MCGOFF: Here.
6	MS. MARCIANO: Mr. Rogan.
7	MR. ROGAN: Here.
8	MS. MARCIANO: Mr. Loscombe.
9	MR. LOSCOMBE: Here.
10	MS. MARCIANO: Mr. Joyce.
11	MR. JOYCE: Here.
12	MS. MARCIANO: Mrs. Evans.
13	MS. EVANS: Here.
14	MS. KRAKE: THIRD ORDER. 3-A.
15	MINUTES OF THE COMPOSITE PENSION BOARD
16	MEETINGS HELD NOVEMBER 16, 2011 AND DECEMBER
17	14, 2011.
18	Are there any comments? If not,
19	received and filed.
20	MS. KRAKE: 3-B. MINUTES OF THE
21	NON-UNIFORM MUNICIPAL PENSION MEETING HELD
22	DECEMBER 14, 2011.
23	MS. EVANS: Are there any comments?
24	If not, received and filed.
25	MS. KRAKE: 3-C. MINUTES OF THE

1	FIREMEN'S PENSION COMMISSION MEETING HELD
2	DECEMBER 14, 2011.
3	MS. EVANS: Are there any comments?
4	If not, received and filed.
5	MS. KRAKE: 3-D. MINUTES OF THE
6	SCRANTON POLICE PENSION MEETING HELD
7	DECEMBER 14, 2011.
8	MS. EVANS: Are there any comments?
9	If not, received and filed.
10	MS. KRAKE: 3-E. MINUTES OF THE
11	SCRANTON-LACKAWANNA HEALTH & WELFARE
12	AUTHORITY'S REGULAR MEETING HELD DECEMBER
13	15, 2011.
14	MS. EVANS: Are there any comments?
15	If not, received and filed.
16	MS. KRAKE: 3-F. AGENDA FOR THE
17	NON-UNIFORM MUNICIPAL PENSION FUND MEETING
18	TO BE HELD JANUARY 25, 2012.
19	MS. EVANS: Are there any comments?
20	If not, received and filed.
21	MS. KRAKE: 3-G. AGENDA FOR THE
22	ZONING HEARING BOARD MEETING TO BE HELD
23	FEBRUARY 8, 2012.
24	MS. EVANS: Are there any comments?
25	If not, received and filed. Do any council

members have announcements at this time? 1 Mr. Krake? 2 3 MS. KRAKE: Yes, we have a brief 4 clerk's notes. We had a miscommunication 5 this past Monday about a special meeting between our office and ECTV in so as far as 6 7 requesting them to be here for the special 8 meeting, so we have since spoken with them 9 and ironed out that, so any time in the 10 future when we have a special meeting we 11 have a way of verifying that each party is 12 aware. 13 MS. EVANS: Thank you very much. Ιs 14 there anything else? MS. KRAKE: That's it. No. 15 MS. EVANS: 16 Then I think we can move 17 on. 18 MS. KRAKE: CITIZENS' PARTICIPATION. 19 MS. EVANS: Our first speaker this 20 evening is Ozzie Quinn. 21 MR. QUINN: Good evening. Ozzie 22 Quinn, Scranton Taxpayers' Association --23 Scranton and Lackawanna County Taxpayers' 24 Association. 25 MS. EVANS: Good evening.

MR. JOYCE: Good evening.

MR. QUINN: First of all, I'd like to address the fact that the last week the half a million dollars was not approved -- it was approved, but to be transferred into another project which included the HNAs which was hanging around for ten years and met the criteria. I understand, I didn't know about this, but they told me at the Homeowners' Association that after the meeting Mr. -- I left and Mr. Rogan made a comment that he drove by.

I want to give this to Mr. Rogan because of the fact they have two people working there, okay, one is the National Council on Aging, and it is funded by the United States Department of Labor, and the other is a volunteer and they work Monday through Thursday every day, they are a 501 (c) (3) and I if I can, approach? Okay?

and I ii I can, approuent. Okay

MS. EVANS: Yes.

MR. QUINN: And I want to give this to Mr. Rogan and I want to ask, I want to give you a list, I don't know if you saw this, all of the things that they do, okay?

1 2 3 4 5 MR. ROGAN: 6 Sure. MR. QUINN: 7 8 9 MR. JOYCE: Yes. 10 audit? 11 12 13 14 15 16 17 MR. QUINN: 18 31 or June 1? 19 MR. JOYCE: 20 MR. QUINN: 21 22 23 24 25

As a matter of fact they are going to distribute food. They have recently distributed 900 cases of food, okay? I would appreciate if you could consider that, looking at that and visit the site?

Thank you. The second thing is, Mr. Joyce, the audit?

MR. QUINN: The situation on the

MR. JOYCE: Yes, I'll address that during motions. Right now as it stands final audit and an exit conference is scheduled for -- well, is tentatively scheduled for the week of February 13.

Okay. This was due May

That is correct.

I'm asking Mr. -- I'm asking Madam President of city council to ask Mr. Hughes for a Writ of Mandamus to get the audit, to petition the Courts to receive that audit from Rossi & Rossi. There is quite a delay and I want to know if that \$3

million was in there and it has been -- has it been in there for the past four years.

That's very vital, okay, and there seems to be a hell of a delay there and for some reason or another it just don't jibe, okay?

I really believe that Mr. Doherty was playing games with it, okay?

The next thing is the fact that I asked and I asked some of the members of the Taxpayers' Association to write to Rossi & Rossi and for them to consider a surcharge because what's going on in this city in regards to the accountability of the officials for misuse of public funds, you know, misuse of public funds can be mismanagement or misappropriation or otherwise wrongful or unlawful use or expenditure of public monies. It doesn't mean fraud, it doesn't mean double payments to somebody else or anything like that.

But I do know that about year ago and Mrs. Evans had a -- council passed legislation in regard to the UDAG, okay?

Mr. Doherty, and this is taxpayers' money and this is the fact why he should be

surcharged. Doherty spent taxpayers' money with a proclivity of \$17,550 for a \$300 program, a table of ten for guests of 1,250. \$5,000 donation to Scranton Tomorrow, paid Tomorrow payroll, sponsorships, luncheons, dinners, and other things. Budgets and Court awards were outstanding and he didn't use that money and he used it for the greater Scranton Jaycee's Santa parade, St. Pat's parade, First Night, book festivals and, you know, that money should have been used to offset what were -- the debt we have, okay?

Obviously, this guy was just spending and spending and spending, he is paying -- you know, he is paying this debt off with what we already paid, you know, and it's not right. And he has got to be stopped somehow and I can only see a surcharge against this guy and if he doesn't do it we have to do something about it.

One other thing before I leave, the SSA, you know, arbitrarily he took it out of your hands and he gave them the right to do whatever they want to do. This man is just,

you know, wants to do what he wants to do, and one more thing, that was fast, on "K", okay? In regards to that money for \$220,000 that money has been hanging around, that mortgage since 2000, that was Brian Murray's Insurance and he was a big supporter and financial donator to Mr. Doherty and that's why I think it's been hanging around for that long. Thank you.

MS. EVANS: Thank you. Our next speaker is Bill Jackowitz.

MR. JACKOWITZ: Bill Jackowitz, discouraged South Scranton resident and member of the Scranton Taxpayers'
Association.

MR. LOSCOMBE: Good evening.

MR. JACKOWITZ: "City Life Raft Ready to Sail" in today's newspaper. The life preservers provided for that raft by the Scranton taxpayers. The mayor was relieved to see that 12.5, which actually was reduced to 11.5 million was approved. I can understand why he was relieved because it sure took a lot of pressure and burden off the mayor. Again, the taxpayers are going

to be picking up that burden and we are just going to have to wait and see if everything will be paid off by the 30th June. I hope for the sake of the Scranton taxpayers that he is and that everything goes according to plan.

The information that city council provided to me on Monday -- oh, by the way, Mr. Rogan, I was pretty tough on you Monday for not being here, I just wanted to let you know that. I was very disappointed that probably the most important meeting in my opinion the City of Scranton ever held we only had four council members here and we only had five residents here and --

MR. ROGAN: Mr. Jackowitz, I'll respond to that. I was planning on -- I had a trip planned two months in advance and I just received word of the meeting to be held Monday that Friday, and it was too late to cancel and I apologize for not being here. You know, I hate to miss a meeting.

MR. JACKOWITZ: Yeah, I understand that. I mean, like I said, I'm a very discouraged South Scranton resident right

now.

MR. ROGAN: No, I understand your frustration.

MR. JACKOWITZ: You know, for many things, but I just felt that that meeting was the most important meeting and no one was here and everything was rushed through in one night and I still believe that people knew about this, that this was going to happen, and I don't know, I just think it happened too quickly with a lot of money involved and a lot of people's lives involved.

And also, you know, if this meeting was so important I don't know why the mayor wasn't here and why the business administrator wasn't here. Again, this was an emergency meeting and so important I feel that they all should have been here and given the opportunity to speak and the fact that the meeting was not televised here, like I said, I'm not very happy, let's put it that way. I'm not a happy camper for a lot of reasons.

The information that city council

provided me on Monday I have read it, I have reread it, I have read it again, I have had some other people look at it and read it.

The payments for the proposed turn sheet, it says, "Monthly principle and interest payments equal to all real estate taxes collected monthly. Real estate taxes collected to be sent directly to the designated debt service escrow account established at Fidelity Bank."

My question is, and I hope it's answered during motions, is that normal? Is that the way it's always been done before or is this something new for this year and this year only? I hope I can get an answer on that.

The collateral, full faith credit and taxing power of the City of Scranton secured as follows: UCC filing, all taxes and revenues of the city including, without limitations, subsidies and reimbursements from the date of the proposed note. Again, I would like to know, I understand that collateral is taxpayers' money, but we are taking a lot for granted and what happens if

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that money doesn't come in as scheduled do we have a backup plan, plan B, plan C to cover expenses because it seems to me that if all of the money is going in to pay the debt off what are we going to use to pay the day-to-day expenses of the city? Again, I hope someone can answer that during motions tonight for me.

And there's is just a lot of things here that I don't -- I don't agree with. personally believe that the City of Scranton now is under the control of the banks, the PEL, the Pennsylvania Economy League, and I think the politicians, the elected officials, have been taken out of the scope because of the fact that we owe them money, and just reading this it seems like they are very bossy and very pushy, and I do not ever remember voting for a bank president to be an elected official nor I have voted for anybody on PEL or DCED, and I don't like the idea of them controlling this city and the residents because we owe them a lot of money, and I understand this is going on throughout the entire country, Wall Street,

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banks, so on so forth, but, like I said, I'm a very discouraged individual right now and I will apologize for Monday, maybe I was a little rude, well, let me rephrase that, I was a little rude, but you know what, I'm a very angry person. Thank you.

MS. EVANS: Thank you.

MR. JOYCE: Before the next speaker comes up, and I know Mr. Jackowitz wanted me to answer these questions during motions, the escrow account, this is something that is new this year, essentially because of situations in the past and the banks not getting their money on time they want to ensure that the TAN will be paid, therefore, they are drawing off of our real estate taxes. If the money doesn't come in from real estate taxes, which it should, it's projected to, the money would then be drawn -- the excess money would then be drawn from the earned income tax that would come into the city throughout the year.

MS. EVANS: Thank you. And our next speaker --

MR. HUGHES: Madam President, if you

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want to me to comment on that?

MS. EVANS: Yes.

MR. HUGHES: From the standpoint, as Councilman Joyce said that this was a new condition to have the escrow account for the paying of the taxes, the banks looking at it did not want to repeat of the situation for the last couple of years where the TANS were not paid and that they had to be paid by the end of the year. I think the \$5 million TAN was paid on June 30 and the nine -- the other TAN for 7 1/2 million was to be paid by the end of the year but the last two years it wasn't paid on time. What they wanted was to have the tax anticipation note paid timely and to be paid so they required the escrow account.

As to the UCC filings, that's normal with every TAN that the city has probably ever floated. I can only go back a few years, but that's a normal condition for them to have the UCC secure transaction on the city tax accounts when all the tax revenue comes in. The fact they have it, that the TAN isn't paid, they can then

secure it, not that they ever have, but this secures their repayment. This year this TAN will be paid by the end of the June.

MS. EVANS: Thank you.

MR. HUGHES: Or at least what I did, I have a commitment from Fidelity Bank, and I believe I explained it last Monday night, that there is a grace period of 10 to 15 days that they agree to because of the vast amount of real estate taxes that come in on June 30, that's a Saturday, by the time the deposits are made Fourth of July I believe is a Wednesday so they gave the city more time so we wouldn't be in default, but that our TAN should be paid by the end of June so that then all of the tax monies that come in after that will be the city's money.

What we are doing is that the float of the \$11.5 million Minor's Bank withdraw, they only had a tentative commitment, because of the financial condition of the city they did not participate at the end.

As I stated, PNC Bank did not participate either, the consortium of banks came up with the \$11 1/2 million and that's future tax

revenues that are coming and this is the way that every municipal government probably in the United States is financed, so there is nothing unusual about it.

And the only thing that's different this year is the bank wants to make sure they are paid. They are going to be paid because the real estate tax is going to be escrowed. The city won't have to worry about coming up and paying the TAN by the end the year, it will be paid.

MS. EVANS: Thank you. And probably I'll just add to that the only other difference is the fact that rather than two TANS the city was issued only one TAN this year and for the first time during my tenure as a councilwoman the TAN has been reduced from 14.5 million and that, of course, was the combination of the two TANS, TAN A and TAN B, to now 11.5 million. So that's a reduction of \$3 million. And our next speaker is Doug Miller.

MR. MILLER: Good evening, Council.

Doug Miller, Scranton. I'd just like to

begin tonight by once again addressing the

city's finances briefly here and once again reiterate my feelings on the \$3 million found in the Fidelity bank account.

As I have stated before, I believe that this negligence on the administration's end on not knowing this money was available must still be addressed and, as I have said, I believe it also should be investigated.

What I'm truly concerned about is the fact that this money was spent without council having any influence, and we have discussed cooperation and we have discussed joint decisions on many occasions, and yet the administration continues to play by its own rules and place its own game.

As I requested last week, I would like to see a breakdown of what this money was spent on. I believe we as the taxpayers have a right to that information, but I certainly hope that the breakdown we do receive isn't similar to the typical high school class treasurer breakdowns that we get on a daily basis.

We need to be professional around here. These are serious issues. This is

real business. This isn't high school games.

Regarding the 11.5 million TAN, as we all know \$5 million of that was put back into the Workers' Comp Trust Fund to bring that back to the required 75 percent level, but I would also certainly like to see a breakdown of what the remaining funding from that TAN was used, not vague references such as gas, vehicles and bills. We need to start being more specific, and I'm hopeful we will get that.

And also, I do have some concern relating to MEM, the Municipal Energy Management firm that in the past provided streetlight maintenance throughout the city. The contract with this firm did end in November of 2010, however, the concern tonight dealing with the article in the paper today is the overdue payment that is in the area of \$500,000 to \$600,000 and I think there is certainly some issues with this, with MEM, and we know that at this time I believe during some litigation and due to that I believe that did require us to

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enter into a contract with another firm,

Joyce Electrical, last March, but my

question tonight would be what the status is

on this issue and if, in fact, we do have to

make payment when and how do we plan on

doing this and where is this money going to

come from?

And to conclude tonight, you know, looking at the paper today the headline regarding the finances was that pretty much the city is ready to set sail, but I just have to say I think we need to start being realistic and it starts with -- it does start with the media. By no means are we ready to set sail. All we did is get ourselves by for the next few months and that seems to be the case throughout each year. We do enough just to get by. I still think we are a city where we are all floating in the ocean with life jackets on and we've got a long way to go yet. didn't accomplish anything. We have got many tough decisions to make and we need to find long-term solutions.

I'm quite confident in this council,

and I know you will get the job done, you have proven it with your track record, but we can't be happy and accept just getting by. You know, we mode to find a long-term solution and provide a bright future and get ourselves out of distressed status and, as I said, I'm confident you will do that and I do look forward from hearing your comments later on MEM, the \$3 million, as well as the TAN, and I appreciate your time tonight. Thank you.

MS. EVANS: Thank you.

MR. JOYCE: Before the next speaker comes up I'll just comment quickly on MEM, I did ask about this last week and it's in litigation right now as far as the entire bill, so I'm not exactly sure how much the city is going to end up paying being that's in litigation. I'm not sure if the administration is trying to settle on a figure with MEM or if they are trying to fight it altogether.

MS. EVANS: Les Spindler.

MR. SPINDLER: Good evening,
Council. Les Spindler, Scranton resident

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and homeowner.

MR. JOYCE: Good evening.

MR. SPINDLER: I wasn't here last week so I would like to talk about this \$3 million. The article in the Doherty newsletter last week Mr. Doherty said he is not replacing Mr. McGowan who, "Has done a good job."

He has done a good job? \$3 million was found, which in Mayor Doherty's own words fell through the cracks. As Attorney Hughes just said, two TANS were paid late last year and Mr. McGowan is doing a good job? They knew there was \$3 million in that account they just waited until all of the layoffs came and then said, "Oh, look, we found \$3 million."

You can't fool the people in this city all the time and something has got to be done with this mayor, and I agree

Mr. McGowan should resign.

And, Mr. McGoff, you said it's silly and people make mistakes. Well, Mr. McGoff, there are people that shouldn't make mistakes. Doctors shouldn't make mistakes.

The business administrator of a city that's in distressed status for 20 years shouldn't make mistakes. \$3 million isn't \$3, Mr. McGoff, and if you think that's acceptable you should follow Mr. McGowan out the door because you are pathetic. That's why this city is in the shape it's in because of people like you, McGowan and Chris Doherty. We have to get rid of these people, including you. You and the past rubber stamp councils, that's why we are in this mess.

Moving on, watching the meeting last week, I got disturbed hearing that Chris Doherty is hiring back DPW workers, wasted no time laying off firefighters and police officers, but he is disregarding a budget that was legally and lawfully adopted and he is hiring back DPW workers.

Attorney Hughes, can Chris Doherty
legally do this? Can he disregard a budget
that was passed?

MR. HUGHES: Can he disregard the budget? No. I believe that what he is doing, and I haven't -- I don't have the

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information on this, but probably what he is doing is that making changes within budget items, within the line item of the DPW budget in order to pay the salary and then hiring those people.

MR. SPINDLER: Can he do that?

MR. HUGHES: The transfers are legal under the Home Rule Charter and under the code that he can make interoffice transfers in order to supplement and that's -- the budget that he submitted that council passed I haven't really looked into it, but I believe that's what he is doing. I don't have the information as to how he is doing I have heard what he is doing, but I haven't had -- nobody -- council hasn't presented me with that question so I don't have anything to look into, but I believe that's the way he is doing it, is making interline item transfers within the province of the Home Rule Charter and then using that to hire people which he has the right to do.

MR. SPINDLER: Okay. Thank you.

MS. EVANS: Mr. Spindler, just real quickly, I had asked for a report on this

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from the city controller and she did provide a prompt response, which I'm going to address under motions this evening, but I also intend to send a second request so that we can receive monthly updates in terms of how many individuals are reinstated. In other words, the same information that we have received thus far council is going to request a monthly report so that we will be aware of all positions that are reinstated.

MR. SPINDLER: Okay. Thank you. It's just so frustrating. Like I said, he wasted no time laying off our public safety people. You know, I would much rather have my garbage being picked up a week late but knowing a fire truck would come to my house or a police officer in a timely manner, and this man does not care about public safety, I think it's ridiculous and I don't want what we can do to stop them. I hope there is something legally that can be done. Thank you for your time, and I have one last thing, go Giants.

MS. EVANS: I hear you. Thank you.

Mr. Tobin.

1 MR. TOBIN: The old gripper is back 2 only I'm not here to gripe too much, a 3 little bit. I'm here to answer some quotes that's made in the newspaper article about 4 5 our door down here. Mr. Seitzinger did know about that door down there before he spoke 6 to me because the day he spoke to me his 7 8 answer to me about the letter that he got 9 from city council was, "That came from the 10 council," and he walked away. So you take 11 your conclusions from that. 12 I have one other question I would 13 like to ask, I don't know who I would have 14 to ask to find out, has any of the DPW gentlemen been laid off? 15 16 MR. ROGAN: Yes. 17 MR. TOBIN: They have. 18 MS. EVANS: It appears so. 19 MR. TOBIN: Many? 20 MR. ROGAN: Not as many --21 MS. EVANS: As has been budgeted. 22 MR. TOBIN: Has any of them been 23 brought back that were laid off? 24 MS. EVANS: No. 25 MR. ROGAN: Yes.

MR. TOBIN: Because a comment was made in the paper by Mr. Dougher that we won't be able -- with these cutbacks we won't be able to clean the handicapped ramps of the snow and stuff. Well, what were they doing before these people got laid off? These handicaps were never cleaned. Because I had one of your DPW men when I called and complained, oh, I would say eight years ago, tell me, "I have worked for the city hall or the city for 35 years, we never clean the ramps off."

That's back I would say eight years ago, which would be true. But Mr. Dougher made it sound like they always cleaned the handicap ramps off and now the poor handicapped people are going to be suffering because you laid us off, we won't be able to handle it.

There is another thing I would like to bring to the council, hope that if anything happens it don't take three or more years like our great door has taken, is these cutouts. I understand a man from the United House, who has got cerebral palsy,

took his chair, I don't know where he was going or where it happened, and he hit one of your cutouts that sent him flying and broke a piece on his scooter. It's going to cost him \$300 to get fixed. There is no insurance, he has to pay it out of his own pocket. Well, I'll tell you this much, if that ever happens to me this boy won't pay it out of his pocket, you people will be paying it.

And if anybody wants an address to write to complain about these disability handicapped ramps and Disability Act I have it and I am giving -- have been giving the city a couple of weeks to straighten that door out, otherwise, I'm sending a complaint into the Federal Court for disabilities.

And I don't think the mayor wants to tackle that one because the way I understand, and maybe I'm wrong, you will lose your federal aid. Can you function without that federal aid? I don't believe you can.

And I think it's ashame that citizens have to go that route, that the mayor can't do what he is supposed to do,

and I don't go to them anymore, I'm not going to them anymore, because I found out they are nothing but a bunch of liars and they are all listening to dictator, the mayor. I thought we got rid of dictators, but we got one in Scranton.

MS. EVANS: Thank you, Mr. Tobin.

MR. LOSCOMBE: Thank you.

MS. EVANS: Marie Schumacher.

MR. JOYCE: Before Marie comes up to speak, Mrs. Krake, I know that in the budget under LIPS and the building repairs there is over \$300,000 and I was told that this amount was going to be used to make for repairs to the building in order to get it up to ADA compliance code. With that in mind, can you please send a request to Mr. Seitzinger and McGowan and ask them what repairs will be made as well as when they will be made?

MS. EVANS: Ms. Schumacher.

MS. SCHUMACHER: Good evening.

Marie Schumacher, resident and taxpayer.

MS. EVANS: Good evening.

MS. SCHUMACHER: First I would like

to start by thanking Cathy Ungvarsky for reading what I prepared Monday evening as I was unable to attend and for council's indulgence in allowing that to happen.

First and foremost, I would like to know the outcome of the negotiations between council, the bankers and the administration regarding when the revised Recovery Plan will become a reality? Do we have a date certain for --

MS. EVANS: We have a target date.

I don't know that it's going to be a date
certain because so much has to be done
between now, February 2, and April 30.

MS. SCHUMACHER: Okay. So April 30 is still the target?

MS. EVANS: It's the target.

MR. JOYCE: That's the target, yes.

MS. SCHUMACHER: Thank you. Now, regarding the escrow account and for that matter all accounts that are collected by the Single Tax Office, could you please request council to be supplied a deposit slip or transmittal letter and report in this chamber the following -- the week

following the receipt of what the revenue stream is?

MR. JOYCE: Absolutely.

MS. SCHUMACHER: Thank you. I understand there was also discussion Monday night of a bond to pay for the firefighters and police payments that were coming due or are already due. I would like to know what the -- when that's going to happen and the amount and the term and what kind of an interest rate we might be looking at with our stellar bond rating.

MS. EVANS: You are right saying stellar bond rating, however, I don't believe that any of that has yet occurred. I think the task before the administration right now is to receive -- or to rather seek banking institutions to provide the 9.85 million that was recently approved by the Court.

MS. SCHUMACHER: Okay.

MS. EVANS: As far as I am aware,

Ms. Schumacher, there hasn't been any firm

movement on the payments by the city for the

Supreme Court award.

MS. EVANS: At this time. 2 3 MS. SCHUMACHER: Has the amount been 4 quantified yet? I don't believe so. 5 MS. EVANS: For every piece of information I believe that 6 7 council would have received it appears that 8 that total has still not been determined. 9 MS. SCHUMACHER: Do we know what 10 the-- why we don't know that yet? I mean, 11 wasn't that last November or December or --12 MS. EVANS: I think the decision was 13 announced in October actually, and since 14 that time I believe that both the police and the fire unions have been working adamantly 15 16 to determine a correct amount for each union 17 and I would assume that the administration 18 is calculating its own figures as well. 19 MS. SCHUMACHER: Okay. Again, was 20 there a -- is there a date at which time 21 they have to be paid or is that also a 22 matter of negotiation or --23 MR. LOSCOMBE: Basically from what I 24 understand once the ruling was issued, I 25 don't know what the time factor was then,

MS. SCHUMACHER:

Okay.

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but it's basically like 30 days, so there is an interest clock running.

MS. SCHUMACHER: Oh, okay. And how is that interest rate determined.

MR. LOSCOMBE: That's determined by the Court. I don't know what the rate is at this point.

MS. SCHUMACHER: Okay. Thank you.

MR. LOSCOMBE: And what makes it complicated as far as the calculating is it's just not a straight cut situation. Every individual that was involved in those departments some have retired, some have come on later on, so it's not just like a process where you take 150 and divide it, you know, they have to do each individual with their longevity and all that stuff, too.

MS. SCHUMACHER: Thank you. I think
I have a better feeling for that now. And
then has a response been received, Mrs.
Evans, awhile back. I think probably the
end of last fall you said a letter had been
sent to was it DCED regarding the
classification of the city?

MS. EVANS: Actually, the letter was sent to Governor Corbett asking him to certify the results of the 2010 census because that is, I believe, one of the first steps, if not the first step, that has to occur in the process and we have never heard back from the government.

MS. SCHUMACHER: Okay. Thank you.

MR. JOYCE: I have also spoken to some representatives of PEL about this in the past and this is something in order to change the classification of the city it would be a lengthy process, it's not something that could just be done overnight from what they had to say this is something that would maybe take a few years to do.

MS. SCHUMACHER: Well, since you have brought up PEL, what was their feeling on pursuing that change?

MR. JOYCE: I can't speak for PEL, but I think that we are -- I think that we all have realized that Scranton is a Class 3 city just by population. If you look at the populations of Allentown and Erie, which are Class 3 cities, they are larger cities than

Scranton is.

MS. EVANS: I think -- and,

Mrs. Krake, if I'm not wrong please correct

me, but I believe that the Pennsylvania

Economy League also felt that the city

should be reclassified to third --

MS. KRAKE: Yes.

MS. EVANS: As a third class city.

MS. SCHUMACHER: Thank you. And then do we know yet how many rental registration bills have been mailed? No? Do we have -- again, you know, I have said this over and over, but I really think this entire program needs to be outsourced to a dedicated vendor, but I would like to know which councilmen is assigned to ride herd on this program.

MS. EVANS: I don't think that we particularly have any assignments-

MR. MCGOFF: I don't know about riding herd --

MS. EVANS: -- or that riding herd, but I know that -- I think it would have been Mr. McGoff who originally had the idea.

MR. MCGOFF: As of now, I think that

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they were waiting until the -- and I'm not sure, I think they were waiting until the new legislation was introduced before sending out bills for the rental registration and that should be coming to us I thought it was going to be here this week, hopefully next week it will on the agenda, and once it's passed I think that then we'll send out the information or send out the bills to the parties.

Thank you. MS. SCHUMACHER: Okay. Next, I'd like to know what, if anything, makes the Geisinger deal on the land, paying taxes on the land on which they are apparently nonprofit structure is located. I mean, this seems like it would be a wonderful thing if we could tax all land upon which tax exempt entities have parking lots placed, and I would also further go to say I would like to see that revenue, if it should be obtainable, to be earmarked for the bringing back, restoring our firefighting positions. So I don't know, does anybody know if this is unique and why it's unique or if it's something that we can

go forward with on all -- no? 1 MS. EVANS: I really just learned 2 3 about it today in the newspaper. MS. SCHUMACHER: Okav. And when 4 5 will there be more information on the April tax sale? Who is doing that and when will 6 details be forthcoming? 7 8 MS. EVANS: The Treasurer's sale? 9 I'm not quite certain which -- by the 10 county? 11 MS. SCHUMACHER: No, no, the city. 12 That was part of --13 MS. KRAKE: If I may? 14 MS. EVANS: Yes. please. MR. JOYCE: Yes. 15 16 MS. KRAKE: NRS did stop in our 17 office, representatives, about a week ago 18 and I just casually asked them if they were 19 on track with it and they said, yes, they 20 were. And how it used to happen when I was 21 in that office was the properties would be 22 liened and then at a certain day per state 23 law in the month of the June a Treasurer's 24 sale takes place and it's strictly -- you 25 know, it's just on the properties, and it

was as we normal had a Treasurer's sale, not the same as the county judicial sale.

MS. SCHUMACHER: Okay. Thank you.

So that will happen -- the thing we do know is it will happen in June?

MS. KRAKE: I didn't specifically ask that, but I am assuming it would be the same process.

MS. SCHUMACHER: Okay, and it's called a Treasurer's sale. Do you know when the last time we had one?

MS. KRAKE: Excuse me, it was in 1998 which would have been from 1995 taxes. So this should be very good for the city in a lot of respects.

MS. SCHUMACHER: Thank you. And then finally for this evening, I know our police are strained, but I think we need to nip the jaywalking that's occurring on Mulberry Street in the bud and hand out -- do we have even an amount that you have to pay for jaywalking? Is there an ordinance? I mean, I know when I lived in LA and that was, you know, an eternity go it was like 45 bucks and it got your attention and it

1	stopped it because even though at the
2	corners, both corners there are double
3	walking lanes, pedestrians lanes, and I can
4	understand certainly, you know, you are
5	coming out of the one hall and your dorm is
6	across the street to just cross in the
7	middle of the street, but, you know,
8	everybody can use a little exercise, even
9	students, and I think they should be
10	encouraged
11	MS. EVANS: We'll look up the
12	ordinance.
13	MR. JOYCE: We will look that up.
14	Thank you.
15	MS. SCHUMACHER: Thank you.
16	MS. EVANS: Is there anyone else who
17	cares to address council?
18	MR. DOBRZYN: Good even, Council.
19	Dave Dobrzyn.
20	MS. EVANS: Good evening.
21	MR. DOBRZYN: Resident of Scranton
22	and taxpayer.
23	MR. JOYCE: Good evening.
24	MR. DOBRZYN: With as little as
25	possible, but nonetheless a taxpayer. You

didn't have a good year this year, you got about \$150 bucks out of me for wage tax due to the economy. All I'd like to say is do your best, please address last Monday's development and listen carefully and currently I think PEL facilitates this so they can take over, that's all there is to it. It's the very people that they facilitated and recklessness they are putting in charge or attempting to put in charge.

And with your permission, I have a thing that's been on my mind. I hoped that this other stuff was out of the way, but who knows you knows. My hair was about an inch long when some of these bills were being made and it keeps getting longer. Maybe if they figure out down there how to pay all the bills I'll decide to get a haircut. Although, they are the people that could use the haircut anyway.

I'd like to talk about, and hopefully the people in there filming we could get the gerrymandering elimination amendment for the PA constitution. Now,

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currently, let's say, if the current situation holds true, and I don't mean to pick on Mr. Barletta, but he is out of our district now and what if he has the people he represents once say like an industrial park and he could bring in and we wanted it industrial park, too.

Now, I mean, there is conflict there and we are left -- we are nearly left without any representative that we ever voted for in the first place in our South Side district. I have been informed that I'm with Merkin, so a basic idea is say that the population goes up the border moves out in a reasonable straight line, only small towns kept in the district, so I'll try and show that to the audience. The population in this county went up, and this one moves out because this county went down. population loss, it always has to move in a reasonably straight line, up or down, west or east, but not orange hearts and pink clovers and lucky charms and bacon strips and watermelon strips and half moons and if the district looses population more square

mileage in the district. If the district gains in population, the area becomes less, the geographic area, so this would eliminate a lot of the politics and the baloney and take a lot of uncertainty.

Now in the paper today we have where they don't even know how they going to hold the next election for these representatives, so it's really ashame and, like I said, currently we are being represented by people that we may not have voted for and --

MR. ROGAN: Mr. Dobrzyn, your representative staying, for instance -- say you live in Scranton, you are still represented by Representative Barletta until the next election.

MR. DOBRZYN: Yes. Yes, I know that, but it creates a conflict of interest where he has to -- he knows in his own mind, and I'm not accusing him of anything, but in his own mind some day he is going to have to represent somebody else and the borders are going to switch and the people that he -- he might even wish that he was here instead of there, you know, you never know. You know,

there is uncertainty there, whereas in this case we couldn't municipal it political means. And, you know, we wouldn't have no pink hearts and green clovers and lucky charms and bacon strips and watermelon slices and half moons and whatever, you know, spread across the state and I think -- I feel that it's a way better idea than what the so-called situation that's occurred now and it's tied up in the Courts, so there is more uncertainty and we are talking 2014 or whatever.

With your permission, I'll leave this here and maybe some time in the future, I'll roll it up for you outside, but in the future we could get a -- once we get off from under all of this baloney, unpaid bills and nonsense, we could get it. And the golden parrot goes to Citizens United States once again, it's nice to see the super pacts cannibalizing each other instead of us for a change. Have a good night. Bawk, bawk.

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

MR. SLEDENZSKI: Janet.

MR. LOSCOMBE: Jackie. 1 MR. JOYCE: I like that hat. 2 3 MR. SLEDENZSKI: I got a question for you, Jack, Luzerne street that's down 4 5 that way, Jack, the potholes are murder down They are murder. 6 there. 7 MR. LOSCOMBE: The what? 8 MR. JOYCE: The potholes. 9 MR. SLEDENZSKI: The potholes. 10 You'll take care of them for me, you 11 handsome devil you. 12 MR. LOSCOMBE: Thanks, Chrissy. 13 MR. SLEDENZSKI: Okay, Jackie. 14 MR. JONES: Hi. Bob Jones, city resident. I haven't been up here in a while 15 16 so long time no see, hello. 17 MS. EVANS: Hello. 18 MR. JONES: I just have one quick 19 question, it's regarding oversight if you 20 can explain if there is any oversight for 21 collection of say permits, licenses, parking 22 fees, and if there is any oversight with 23 regards to transferring the money. 24 words, who signs for it, who keeps track of

who signs for it and all of that, and that's

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the question I received. Is there enough information? I guess if you want to go over that in motions or something to explain?

MS. EVANS: Well, in both cases I can say that city council doesn't have any authority over the day-to-day operations of the city or any particular department. We don't physically transfer the money, we don't sign for the transfers of the money.

When money is transferred within a department it's handled by the business administrator. If money is going to be transferred between departments, let's say, for example, you'd like to -- the Police Department needs funding and the administration decides that it will use some of the allocations from the License and Inspections Department, that's a transfer of funding between departments and the business administrator must bring that to city council for it's approval.

So in that event we see from what account the money is being taken and then into what account the money is being transferred and for what purpose.

MR. JONES: Oh, okay. So basically, yeah, you guys have most of the oversight, but pretty much it's up to them to be honest.

MS. EVANS: Well, the business administrator, the treasurer and certainly the city controller plays her role in the system of the checks and balances.

MR. JONES: Okay. Well, thank you.

That's very clear. Thank you.

MS. FRANUS: Fay Franus, Scranton.

MS. EVANS: Good evening.

MR. LOSCOMBE: Good evening.

MS. FRANUS: I was here on Monday evening and I was sorry to see it wasn't filmed, but I'd like to ask council if they would -- I know time is of the essence, but if you would try to repeat many of the things that you mentioned on Monday because the newspaper certainly didn't have it in and I felt that meeting was super important and when you explained it was very clear all of the transpired.

Unlike Mr. Jackowitz, I don't feel you rushed anything through because last

Thursday, if people remember, you would not vote on this legislation that the mayor presented because you didn't know everything, but between last Thursday and this past Monday you must have been working non-stop day and night. Mr. Hughes, Attorney Hughes, did a magnificent job preparing all of this for you to have ready for the banks yesterday morning and I commend him. He is worth ten times more than what he is getting paid. I mean, he just works non-stop as you, all of you did such a tremendous job getting this through.

And I think the people need to know it and if, Mrs. Evans, if you could possibly and, Mr. Joyce, could explain some of the things that you explained, like I said, so people will know where you were coming from last Thursday and what changed between last Thursday and Monday because nobody knows because nobody heard it and I think it's well worth repeating because you did such an extraordinary job and when the people here what you have done and you have changed things.

Last Thursday things weren't in the best interest of the people, that's why you are here, so in the mean time between Thursday and Monday you did a whole about face and change things to happen the people, let them know what you did because I heard it Monday but nobody else did, and like I said, the paper never puts it in. So, please, if you would, tell the people so they will know what happened and they know how hard you worked and, believe me, you did. And thank you very much for your doing that.

MS. EVANS: Thank you. Is there anyone else?

MS. KRAKE: FIFTH ORDER. 5-A. MOTIONS.

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

MR. MCGOFF: Very briefly, I hope.

I just want to comment on the -- a couple of people have talked about the role that the banks seem to be playing in the city at this point in time. I'd just like to point out that the banks do not have to deal with TANS

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or the unfunded debt or any of the unfunded borrowing. The banks very easily could have walked away from all of that and left the city in very desperate straights, and I think what the banks are doing is -- the banks have a stake in the city as well in the economic welfare of the city, and I think what they are doing is they are trying to look out for the welfare of the city, but also protecting their own interests at the same time, and all they have really done is maybe provide some stipulations that force -- that may force the city -- the difference components in the city to work together toward a common goal.

I have mentioned it before, one of my favorites sayings about government came from James Madison who said that government works when you have self-interests properly motivated. And I think that's what we are looking at here, that we all have the best interests of the city in mind, it's a matter of motivating all of the different components to work together towards that, and I think the banking community has done

that. Yes, maybe they have intruded a little bit into government more than they have in the past, but it was a different situation and they are responding differently, and I hope that we can continue to work with the banking community to bring about the economic welfare of the city, and that's all I have to say. Thank you.

MS. EVANS: Thank you. And,
Councilman Rogan, do you have any comments
or motion?

MR. ROGAN: Yes, I would be brief as well. I would like to again apologize for missing last Monday's meeting. It was called on very short notice and I was unable to cancel my trip out of town. I am very disappointed in ECTV once again that the meeting wasn't televised. I was hoping to come home and watch the meeting and see what transpired before coming here tonight. Unfortunately, I wasn't able to do that. Again, it's just excuse after excuse with ECTV.

Just addressing a few of the points that were brought up by speakers, somebody

brought up MEM, about the litigation going on, and MEM they were our provider, they were terrible. I'm sure we all remember getting requests after request after request for we need a light here and need a light there and then Joyce Electrical took over it was like instantaneous you saw the trucks. Just drive anywhere in the city you see the trucks fixing lights. Hopefully, everything gets settled. If we get more information we'll be sure and pass that along.

The total for the union awards.

This is over three months and from what

Mr. Loscombe said it sound like the unions

are doing the calculations when that's why

we have a business administrator. It should

be the administration's job to calculate

what's owed out, not the union's job. They

were the ones that were wrong and went into

Court.

And again, it just seems to me like that they are pushing everything back just like they do with the audit, just like they do with the money in the accounts, everything just keeps getting pushed back

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and we really can't get a true picture of what we owe. I hear from the administration that it's around the \$10 million. I hear from the unions around \$20 million. If the solution is to issue a bond that interest rate is probably going to be 15, 20 percent. Who is going to want to invest in the city? Municipal bonds are already a risky investment. Look across the country, it's not just here it's happening, it's worse in Scranton than it is many places because the years of overspending and mismanagement, but people aren't going to want to invest in the city that can't even keep their finances They don't even know there is straight. money in an account or what they owe out on a quarter when this was fought for almost a decade.

The DPW jobs, and I know Mrs. Evans is going to comment on this as well, we received a response from Mr. Novembrino and I thank her for being one of the few people that gets back to us, and it lists three employees that were laid off, I'm going to list the names, that were laid off on

12-31-11 to report back on 1-17-12, so there were three employees that were eliminated from council's budget and had a two-week vacation and came back to work. Four employees were going to retire. One on 12-3-2011, and one on 1-27-2012, and two that will be retiring this month, both in November, one on the 14th and one on the 16th.

Now, if employees retire and the administration wants to replace them with employees that were laid off, that's fine. It doesn't affect the budget anyway when you have positions that were cut you are just staking people back in. So you have four positions, people that retired, three that were laid off and had a two-week vacation and came back, and then the last line here the following have been appointed by the mayor, and it lists three more employees. So we have ae total of six employees it seems that were put back in the budget while only four retired.

Now, where the money is coming for those other two employees, I don't know. I

would gander to say, as in the past, it's coming from the lifeguards. I know Mr. Joyce talked about that I think last week or two weeks ago that he would rather take care of his buddies in the DPW than have pools open in the summer.

And again, this is still not a year away, but maybe next year when we do the budget we could establish a completely separate department for lifeguards so he can't move this money around within the department. Everything we do he finds a way around it.

The mayor is the executor of the city, he is the executive branch. He doesn't have the authority to appropriate funds, that's council's authority, and time and time again the mayor continues to move money around and it seems on a day-to-day basis when we don't even know what's there.

And finally, I rarely comment about the editorial page in the Scranton Times, but I think for once Chris Kelly got one right. You know it's bad when you have one of your biggest supporters doing a full page

cartoon and editorial saying how incompetent your administration is. Council -- I have called for Ryan McGowan's resignation or for the mayor to fire him, four of us on council still have. Still nothing. Still nothing from the mayor. He thinks he is doing a good job.

So, Attorney Hughes, I wanted to ask, what would be the process to subpoena Ryan McGowan and Mayor Doherty to try to get to the bottom of this situation?

MR. HUGHES: Under Article 503 of the Home Rule Charter council has the power to subpoena, I believe in my opinion the mayor, Ryan McGowan and native legislation. There has to be a purpose, a legislative purpose for the council to issue the subpoena. I have been looking into this. I don't have everything concluded as of tonight as to the actions that council can take, but there must be a legislative purpose with a view to adopt legislation that would be the basis that we can do it.

There is a case of Philadelphia vs.

The Philadelphia Housing authority that was

decided by the Commonwealth Court where the Housing Authority executive director refused to comply with the subpoena of Philadelphia City council twice. They filed a petition with the Court of Common Pleas of Philadelphia to compel attendance and productions of the documents which the Philadelphia Court of Common Pleas granted. The Housing Authority took an appeal to the Commonwealth Court and the Commonwealth Court affirmed the City of Philadelphia's subpoena power in native legislation and bring in the Housing Authority director in order to draft legislation.

I have just started to look into this, not only applicable to the mayor, I mean, and to other department heads. As you know, council has been stonewalled over the last two years in requesting documentation not only from members -- from department heads, but also from the authorities and as a result of this I have started to look into the issue as to Council's ability not only to subpoena, but that in the event the subpoena is ignored is to what our

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procedures are to enforce the subpoena.

Of course, once the Court of Common Pleas of Lackawanna County would affirm a subpoena any refusal to abide by that subpoena would be contempt of Court. looking into that, I'm not going to have an answer by next week, I hopefully will have everything done by the end of the month so that we can have solid footing as to how to proceed and let everybody know that council means business. And especially Mr. Jackowitz what he said tonight about the -- no, Mr. Quinn, you know, about the audit, under the Home Rule Charter the audit is due by May 31, the administration did everything they could to preclude Mr. Rossi from concluding the audit. In my opinion I could not file an action against Mr. Rossi, a mandamus action to compel him to complete the audit, there are different standards under auditing procedures for municipalities and government and government units than there are for private corporation which are governed by a gap.

Mr. Rossi did disclose in accordance

with governmental auditing standards the amounts that were in the city -- the amount that was in Fidelity account for revenue.

That amount was disclosed as of December 31, 2009, 2010, however, it is not disclosed as a separate line item. It is disclosed as commingled, put together with cash on hand.

I believe the audit that he has prepared for the end of the year in 2010 that the city had \$4 million cash on hand, in all of its bank accounts of which as of 2010 I believe there would have been approximately \$2 million of that amount was in the revenue account at Fidelity Bank.

I am still awaiting the complete financial records from Fidelity, including the other ten checks that were written in this account since it opened, I believe it was in October -- in October of 2007 or I forget the exact date, but I am awaiting for the complete account to have that analyzed and hopefully when we have that we can then have legislation, and we are also looking at some other legislation that should be adopted by council to have better control

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over the finances on a day-to-day basis so that the Finance Chair could have -- will have the information, he won't have to rely on verbal statements from various administration personnel as to what's available and what bills have to be paid. I am looking into it, but it's not an easy process.

MR. ROGAN: Thank you.

MR. HUGHES: We are researching it.

MS. EVANS: Actually, I know the solicitor and I have been in discussion about this for probably the last two weeks, and because he has had so many assignments from us starting with the TAN mostly lately and he is currently reworking the parking tax legislation, and hopefully that will be prepared properly for next Thursday, I know that Attorney Kelly submitted some legislation to our attorney and once Mr. Hughes reviewed it he found several problems and issues with it and he is currently working on that, and as he noted already, this is an area of interest for him, for myself as council president, and I

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think for a number of the council members, but because we have kept him so busy week after week over the last probably two months or so I agreed that, you know, when he should take his time and review and analyze all of the information carefully and then at the appropriate time, which will be as soon as possible, council and our attorney will be making some very unprecedented moves.

MR. ROGAN: I certainly trust Attorney Hughes' opinion, he has been a great asset to this board. From talking to everyone in the city still the big talk has been this missing \$3 million and I think it ties into every other aspect -- every other budgetary aspect, you know, throughout the city whether it be the TAN, whether it be the unfunded debt, which I think should have been reduced by \$3 million, or it ties into everything and, you know, I know there were some speakers at council that have been saying since day one we got to subpoena the mayor, subpoena the business administrator. I think now we have a valid reason to go through with bringing them in here, you

know, not going to be -- doesn't have to be something, you know, to bring them in just to bash them, it's to get to the bottom of this. You know, it's -- even though some people try to say it's a political issue, it's not a political issue at all, it's about getting to the bottom of the city finances, and that's all I have to say.

So I will look forward to hearing what you learn, Attorney Hughes. Thank you.

MS. EVANS: Thank you, Councilman

Rogan. Councilman Loscombe, do you have any
comments or motions?

MR. LOSCOMBE: Yes, thank you, just briefly. I wasn't really going to say anything tonight, but as Mrs. Franus mentioned earlier, a lot of people didn't have the opportunity to see or hear what transpired last Monday, which was a very important meeting and, you know, you can't blame -- I don't think we can blame ECTV because it was a last minute meeting.

Also, you know, it was an emergency meeting and we had to do it that evening and I think Mr. Joyce will explain some of what

transpired last Monday because that's pretty much his bag, financial anyway, but thank God we have him, but I do want to -- again, Mrs. Franus said, I do commend our solicitor and our president, Mrs. Evans, and, of course, Mr. Joyce for all of the hard work they did with this stuff. All of us were involved in the conversations back and forth on the issues, and again, there was a lot of changes made before we were able to approve that and I was glad we are all able to come together and do something like that.

And for those that didn't have the opportunity to be here last Monday I think it will be able to explain Mrs. Evans or Mr. Joyce in that aspect.

My buddy Chrissy mentioned Luzerne
Street here, I had issues too, Chris, trust
me.

 $\label{eq:mr.sledenzski:} \mbox{MR. SLEDENZSKI:} \quad \mbox{It got worse, Jack.}$ 

MR. LOSCOMBE: But I got to tell you, I don't know if you've been there the last few days, but I did call them at the end of the week I spoke to Ms. Marciano here from our office and she called TSC and I do

have to thank them, they were out there and they patched those holes, you know, at this point the best they can. Right now they are good. They are still working on the project, so hopefully, you know, once it's all done we'll have a new paved streets there, but it was rough and I knew we are going to have nice weather this week and I do want to commend them for coming out as they did and I believe they spent two days there just repairing the patches.

Streetlights were mentioned, and I also would like to thank Joyce. I had the same issue when I called Ms. Marciano, I had some lighting issues, and they were taken care of, and I'll have a few more I have to give her, but this evening on my way in I noticed the street lights on the South Side of Mulberry Street from Penn Avenue to Wyoming Avenue were out. There is approximately three so, Mrs. Krake, if we could notify Joyce Electric on those three on Mulberry Street between Penn and Wyoming on the South Side.

MS. KRAKE: If we have the pole

numbers that's much better, if not we need a more accurate address if you have them.

MR. LOSCOMBE: Right. Yeah, I just caught them as I was --

MS. KRAKE: Actually if anyone would like to go on-line when I called Joyce Electric today they asked me if we would kindly use that because then when they have the people, as Mr. Rogan mentioned, they check that throughout the day, the people that are on the road so --

MR. LOSCOMBE: Could you announce that website again or do you have it?

MS. KRAKE: It's actually on the city's website.

MR. LOSCOMBE: Oh, it's on our city's website, you can just go to that, okay; I didn't if they had their own that they were requesting at that point.

And lastly, we have had lot of questions and complaints about the condition of the police vehicles, and I believe

Mrs. Evans will probably go into a little more detail on that, but Mrs. Evans and myself had made a visit to the DPW the other

morning, specifically to see what the status is, I believe there is 14 police vehicles out of service. We met with Mr. Dougher and he showed us some paperwork and explained some things and, you know, we had a good conversation back and forth that, you know, the importance of these vehicles and the importance of keeping the police out on the street we have to keep them up and running.

So I think it's an understanding we all have there and we will follow-up on it and, in fact, I had requested to meet with Mr. Dougher perhaps next week to go over that plus some issues that we have had in the past that have still not been taken care of, issues that I personally brought to Mr. Brazil and are still languishing and hopefully under Mr. Dougher we will be able to get some of these things out of the way, and that's about it at this point.

MS. EVANS: Thank you, Councilman Loscombe. And, Mr. Joyce, do you have any comments or motions?

MR. JOYCE: I do. First thing I wanted to provide everyone with a quick

update on the status of the 2010 audit.

Apparently on Tuesday business administrator Ryan McGowan had indicated that it was his intention to have the city's management discussion analysis section of the audit completed by the end of this week. This is the final task that the administration must complete in order for the audit to be

After Rossi & Rossi reviews the city's management discussion analysis, provided there are no changes required, an exit conference will be scheduled and held on the week of February 13 in which a final audit copy will be made available and the audit will then become available to the public at this time.

completed and finalized.

In the mean time, I do want to say that Rossi & Rossi has already had contact with the business administrator's office regarding the 2011 audit and we have received a copy of a number of the items that are due on or before March 31, so hopefully the 2011 audit could be handled in a more timely fashion than the 2010 audit

was because February 13 is way, way, way too late to have an exit conference for an audit that should have been completed in the middle of the last year.

Secondly, as one may know refinancing of current debt is part of the 2012 budget that was passed by the administration -- or passed down by the administration and the 2012 budget that was amended by Scranton City Council. With this in mind, in order to maximize savings that can be seen by refinancing, legislation must be passed down to council for approval. If we are able to refinance early enough, we will realize an additional savings of \$1.4 million than the original \$5 million savings that was reflected in the 2012 operating budget that was passed down by the administration originally.

With in this mind, it's mandatory that legislation be drafted and that the refinancing process begin sooner than later as the city can't afford to drop the ball. With this in mind, Mrs. Krake, can you please send a letter to the law department

asking them to draft legislation for the refinancing of debt.

And I wanted to just recap a little bit about the TAN meeting. On Monday, as everyone knows, we had a special meeting of council that passed the tax anticipation note for 2012, and since it wasn't televised I wanted to just go over a few things again just so the public could know as well as some speakers who may have not had the opportunity to be here.

To briefly educate the public, a tax anticipation note, commonly referred to as a TAN, is a short-term loan that's paid back to the lending institution before the year's end. This year the repayment of the TAN will be due on the last day of June due to the fact that over the past few years the city has had some issues with paying the TAN on time. For instance, two years ago it was apparent that we actually paid a TAN -- or a the prior year TAN with a TAN from the future.

To elaborate more on TANS, TANS help governments smooth out the ups and downs in

their revenue cycles. For instance, the city has ongoing expenses throughout the year, however, we don't receive the bulk of our revenue from the collection of real estate taxes until May, therefore, with this being said, the timing of the city's receipts does not match the timing of the city's expenditures.

For instance, last year the month of the January the city had over \$6 million in expenditures and received only \$2.7 million in revenue. However, in May of last year the city had received \$7.9 million in revenue and had \$4.6 million in expenditures, so throughout the year there is not an even flow of revenue and expenditures at the same time so, therefore, this is the reason why we need these -- why need the tax anticipation note.

TANS are used by just about every municipal governments since every municipal government has a similar revenue cycle as Scranton unless, of course, the municipal government is lucky enough to have a great cash reserve on hand where they don't need a

tax anticipation note.

The reason that the special meeting was held was due to the fact that Scranton City Council did not agree with all of the terms and conditions of the TAN in the emergency certificate that was passed down last Thursday and, therefore, council with the great assistance of Boyd Hughes further negotiated with Fidelity Bank for more agreeable terms and conditions.

In short, council needed to pass the TAN before the end of January or else grave consequences could have occurred. This is why the meeting was held so quickly. We owed the Workers' Compensation Trust Fund \$5 million that needed to be paid back by the end the January. Also, if council waited until our regular meeting tonight, it could have opened up us up to state sanctions and this could have included the elimination of our liquid fuels funding for the year, which could have cost us \$1.4 million, among other consequences that could have occurred.

So we didn't -- so we felt it was proper to have the special meeting to get

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this done to satisfy the state and to save the city from being sanctioned, which could have created some dire circumstances. And that's all I have for tonight.

Thank you, Councilman MS. EVANS: Joyce. Good evening. On Tuesday, January 31, the City of Scranton received a \$11.5 million tax anticipation note or TAN. Ιt seems that one bank within the consortium did not commit formally and withdrew from participation in the 2012 TAN prior to Tuesday morning. However, council doesn't believe that the \$1 million decrease in the tax anticipation note will have a significant effect in light of the recently discovered \$3 million which apparently was used to fund the January 20 payroll and to pay outstanding bills with the remainder of the approximately \$500,000 placed into the general fund.

Further, 5 million of the \$11.5
million TAN had to be dedicated to the
reimbursement of the Workers' Comp reserve
account thereby leaving the city with \$6.5
million to cover operating expenses. Since

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the unfunded debt borrowing was approved by the Court in an amount not to exceed \$9.85 million the administration is in the process of seeking financial institutions willing to provide a loan to the city.

Additional taxes will not be levied in the current fiscal year to repay this loan, however, Judge Jerome Cheslock ordered that the unfunded debt shall be repaid through an increase in the millage dedication of the real estate taxes over a ten-year period. He further ordered that the funds shall only be used to pay for 2011 operating expenses and payments required to be made on the city's outstanding indebtedness as set forth in the city's 2011 budget. The funds cannot be used for any other purpose without additional legislation approved by council as set forth in Ordinance No. 58 of 2011 which authorized the petition to borrow.

Therefore, Judge Cheslock provided a safeguard for this borrowing by means of Scranton City Council when included this statement in his order.

Next, as he already mentioned,

Councilman Loscombe and I visited the DPW this week to observe firsthand the number and condition of the police vehicles that are currently out of service. On that particular day, it was reported that 14 vehicles were off the streets but, of course, that number does not include those vehicles parked at the DPW that are permanently out of service, you know, those cars have remained in that location now for quite awhile and two vehicles were in the active process of repairs that day.

DPW Director Dougher stated that a total of 17 police vehicles had been repaired since January 1. I asked Mr. Dougher if police cars were the top priority in the DPW garage and he responded, yes. I do believe what Mr. Dougher is telling me. On the other hand, I have reports from the police department this week that show that all police cars were out of operations and that many officers are using their own vehicles which is not -- well, it's not appropriate according to the law.

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Now, I also inquired if additional funds were needed for repairs to police vehicles, but Mr. Dougher responded that it wasn't necessary at this time.

With my colleagues' agreement,

Mrs. Krake, please send a letter to

Mr. Dougher thanking him for taking the time
to tour the DPW and discuss DPW procedures.

Also, remind the director that city council
excepts a biweekly report of police vehicles
as per our discussion of 1-31-12, including
the number of vehicles currently located at
the DPW, their license plate numbers, the
numbers serviced throughout the two-week
period, a complete list of service repairs
and a list of vehicles and plate numbers
that currently await repairs.

MR. MCGOFF: Mrs. Evans?

MS. EVANS: Yes.

MR. MCGOFF: I'm sorry to interrupt you, how many mechanics do they have devoted to working on the police vehicles? I know that there is one for supposedly the fire equipment, is it the same with the police vehicles?

MS. EVANS: That I don't know if each is assigned a category, as you are saying, for fire equipment, I know there was a fire engine in the garage that day as well, and then there was a police pickup truck that was up on a lift and another police car parked in the garage next to that. I saw a few people working in the garage at that time, but I have also been notified by some members the police department that there may be a problem associated with one of the mechanics, and that's something I think that we have to address as soon as possible.

MR. LOSCOMBE: If I could just throw something in there quickly, too, at one time the fire department did have a master mechanic that was from the fire department, but that is no longer.

MR. MCGOFF: Right.

MR. LOSCOMBE: You know, it's my understanding that maybe, you know, one of the mechanics keys on the fire engines and one keys on the police, but all of the mechanics there together work on the

equipment together as the day we were there there were two working on one vehicle and there was a tire man working on another vehicle at that time. So, I mean, I'm not sure, but I believe that now, you know, they all work together.

MS. EVANS: It looks like they are working together, but the tire man evidently doesn't have constant job duties and responsibilities, but I had also -- I had also learned that two of the mechanics are often out and about by car daily sometimes more often than they are present to repair the police cars and something has to be done about that immediately.

MR. LOSCOMBE: Yes.

MS. EVANS: Also, city council is very interested in provided CDBG funding for the Condemnation Assistance Program. Thus, with my colleagues' agreement, council wishes to send a letter to Linda Aebli requesting the transfer from the available project account to the Condemnation Assistance Program. If Ms. Aebli determines that a transfer can occur, request that she

send the legislation to the legal department to draft legislation as soon as possible.

Next, city council received a request for a proclamation recognizing the 125 anniversary of St. Paul Parish in Scranton on or before March 1, 2012.

Council asks Mrs. Carrera to prepare this proclamation, please.

Also, city council received a copy of a notice dated January 26, 2012, from Robert Rossi & Company to Ryan McGowan which presented a timetable for the completion of the 2011 audit by May 2012. Just to probably repeat, but perhaps add to what has been said by our Finance Chair, the business administrator intends to complete the city's final section of the 2010 audit the management discussion and analysis portion on February 3, tomorrow. Thereafter, Rossi & Company intends to issue the 2010 audit during the week of February 13.

Because Home Rule Charter includes no consequences for failure to complete the annual audit by the required deadline, the administration has been able to postpone

it's completion up to 9 months past the deadline for the last few years. Some consequences should be developed to encourage the administration and municipal authorities to abide by the charter.

Next, city controller,

Mrs. Novembrino, provided a response to council's inquiry regarding reinstating DPW employees as of January 27. Three employees reported back to work on January 17, and three were appointed by the mayor between January 3 and January 17, 2012.

Mrs. Krake, on behalf of City

Council please forward another letter to

Mrs. Novembrino thanking her for her prompt

and complete response and requesting the

same information for February through

December 2012.

Finally, I have a few citizens'
requests: Please forward the letter from
residents of Mulberry Towers to Chief Duffy
and to Mr. Volve, president of Lackawanna
County College. Please add the 300 block of
Hamm Court to the 2012 paving list. Attach
photos provided by residents. Council has

requested paving in this court since 2010.

City residents report that extremely long light poles have been lying on the ground in front of the parking lot of the Ice Box Complex for months posing a safety hazard and liability issue. Also, vehicles park regularly in a "No Parking" zone by Preno's Pizza thereby adding to the congestion when pulling in and out of the parking lot. Forward these complaints to Mr. Seitzinger and Chief Duffy.

A letter to Mr. Courtright on behalf of City Council requesting copies of all checks and deposit receipts for 2012 real estate taxes deposited into the account at Fidelity Bank created for the repayment of the 2012 TAN. I think we might also want to add to that any of the delinquent taxes that Mr. Courtright's office is collecting if those are forwarded into that account as well, and I think we might also want to send a letter to Fidelity Bank and PNC Bank on behalf of Scranton City Council asking that it receive or at least Finance Chair of City Council would receive monthly statements

1 from both banks. I will, and your first 2 MS. KRAKE: 3 request concerning Mr. Courtright, he actually addressed that the day of the 4 5 signing and had volunteered to do that. MS. EVANS: Very good. 6 7 MS. KRAKE: But we should follow-up 8 on that. 9 MS. EVANS: Thank you very much. 10 Yes. 11 MR. MCGOFF: You mentioned the 300 12 block of Hamm Court, we have addressed that 13 one before and there was -- I did --14 MS. EVANS: Linde was supposed to make repairs and they did come out and fill 15 16 potholes, but, as you can see, these are 17 recent photos taken by the residents and so 18 it really does need to be paved. Obviously, 19 I guess Linde is not going to pave. 20 MR. MCGOFF: They just threw some loose stuff in there and called it a day. 21 22 Right, so I think the MS. EVANS: 23 city has to -- maybe the pave cut inspector 24 has to force Linde to do the paving itself 25 since it's caused most of this destruction,

and if not then I think it really has to go on the city's paving list because it's -- you know, it's been ongoing for a very long time and the citizens have been more than patient and they deserve better than this, so that's it.

MR. ROGAN: Just two things I wanted to add that were brought up. If okay with everyone, could we also add with the request to Mrs. Novembrino the salaries for the positions they were paid, and also with everyone's agreement can we also request to send a letter to Mark Dougher that public safety vehicles are given priority over other vehicles?

MS. EVANS: Well, like I said, that was discussed. That was the first point I made during our visit and he insisted, yes, they are given first priority, but that they are also repairing DPW vehicles, vehicles for the fire department, for city inspectors and, of course, we recognize that, but the police officers have to be the first priority because they need the vehicles to be on the street in order to take care of

all of the residents of this city, so the cars cannot continue to back up and sit for a period of time as has been the case here.

So I think we -- you know, I did discuss the report biweekly report with Mr. Dougher and he had agreed to that and we are reminding him of that conversation and I am -- I have absolutely no doubt that there is going to be a good deal of follow-up in this entire situation.

MR. ROGAN: I'm sure you have heard the same things I heard, you know, from the officers and different people in the community and my worry is that the DPW is going to take care of the DPW first instead of the public safety.

MR. LOSCOMBE: And just to add to that, too, we have a liability exposure with the police officers using their own vehicles and they are exposing themselves under their own insurance, too, to some problems.

MS. EVANS: And I think perhaps if I could just add one more thing, Mrs. Krake, maybe we should send a letter to the BA, Chief Duffy, regarding the following

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It appears that the printers in matters: the police headquarters don't have ink, the heater on the roof of the new building isn't working, and either the administration can't or won't fix these concerns and certainly might have been because of the financial situation, but again, the TAN has come in. We have the money, I'm sure, received from Mrs. McNulty for the realty transfer tax of the Moses Taylor Hospital. We received additional tax revenue from the delinguencies owed to the city from the Community Medical Center parking garage, so I think the administration needs to take a look at police headquarters, what are the needs in that building, and equally important, if not more so, the needs involved with all police vehicles have to be addressed immediately.

MR. JOYCE: If you don't mind me adding, we also received a check for a little bit or \$200,000 from Comcast as well for the fourth quarter of the franchise fee.

MS. EVANS: Yeah, that comes in during the first financial quarter of each

year.

MR. JOYCE: Yes, there was a note of a check in our mail, so we could add that to the list, too, of money we received.

MS. EVANS: And that's it.

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

SIXTH ORDER. NO BUSINESS AT THIS TIME.

SEVENTH ORDER. 7-A. FOR

CONSIDERATION BY THE COMMITTEE ON FINANCE FOR ADOPTION-RESOLUTION NO. 6, 2012 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
CITY OFFICIALS FOR THE CITY OF SCRANTON TO
ENTER INTO A MORTGAGE ASSUMPTION AGREEMENT
TO FACILITATE THE SALE FROM SCRANTON
DOWNTOWN, LLC TO BARRISTER INVESTMENT
GROUP, LLC. OF THE PROPERTY LOCATED AT
410-412 SPRUCE STREET, SCRANTON, PA, ON
WHICH THE CITY OF SCRANTON HAS A RECORDED
MORTGAGE DATED NOVEMBER 5, 2002 IN THE
PRINCIPAL AMOUNT OF \$220,000.00.

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

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1	MR. JOYCE: As Chairperson for the
2	Committee on Finance, I recommend final
3	passage of Item 7-A.
4	MR. ROGAN: Second.
5	MS. EVANS: On the question? Roll
6	call, please?
7	MS. MARCIANO: Mr. McGoff.
8	MR. MCGOFF: Yes.
9	MS. MARCIANO: Mr. Rogan.
10	MR. ROGAN: Yes.
11	MS. MARCIANO: Mr. Loscombe.
12	MR. LOSCOMBE: Yes.
13	MS. MARCIANO: Mr. Joyce.
14	MR. JOYCE: Yes.
15	MS. MARCIANO: Mrs. Evans.
16	MS. EVANS: Yes. I hereby declare
17	Item 7-A legally and lawfully adopted.
18	If there is no further business,
19	I'll entertain a motion to adjourn.
20	MR. JOYCE: Motion to adjourn.
21	MS. EVANS: This meeting is
22	adjourned.
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CERTIFICATE

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