

1 SCRANTON CITY COUNCIL MEETING
2 PUBLIC CAUCUS

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5 IN RE: SCRANTON PARKING AUTHORITY
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11 HELD:
12 THURSDAY, MAY 31, 2012
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16 LOCATION:
17 Council Chambers
18 Scranton City Hall
19 340 North Washington Avenue
20 Scranton, Pennsylvania
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24 AMELIA NICOL, RPR - OFFICIAL COURT REPORTER
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CITY OF SCRANTON COUNCIL:

JANET EVANS, PRESIDENT
(Not Present)

FRANK JOYCE, VICE-PRESIDENT

ROBERT MCGOFF

PAT ROGAN

JOHN LOSCOMBE

NANCY KRAKE, CITY CLERK

KATHY CARRERA, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

1 MR. JOYCE: Tonight we have
2 members from the Scranton Parking
3 Authority here to join us as well as
4 their solicitor and Business
5 Administrator Ryan McGowan; Executive
6 Director, Robert Scopelliti; Solicitor
7 Paul Kelly and other board members,
8 and we're here to discuss the
9 financial situation of the Parking
10 Authority and if we could -- we'll
11 start with comments or questions from
12 council members and then I'll defer to
13 our solicitor who also has questions.

14 My first question is how many
15 debt service payments does the Parking
16 Authority have to pay this year?

17 MR. SCOPELLITI: There would be
18 four debt service payments. We paid
19 one in March. The one that is due
20 tomorrow, September and December.

21 MR. JOYCE: Thank you. That
22 actually answers part of my second
23 question. What are the amounts of the
24 debt service payments that are due in
25 the following months?

1 MR. SCOPELLITI: The September
2 payment, the principal is \$220,000,
3 the interest payment is 338,006.25 for
4 a fiscal year debt service of
5 \$558,006.25. And then we have a
6 combined six -- '06 bond. I'm sorry.
7 I have -- that was the '04 bond. The
8 '06 bond is \$401,221.25. So them
9 combined would be a total of
10 886,463.75. I'm sorry. I misquoted
11 there. I'm reading down. It should
12 be across. It's 959,227.50. I
13 apologize.

14 MR. JOYCE: Is the total amount
15 needed to pay all the debt service
16 payments from City Council that you're
17 still 1.4 million dollars?

18 MR. SCOPELLITI: Can you say that
19 again. I'm sorry, Mr. Joyce, I
20 couldn't hear you.

21 MR. JOYCE: Oh, that's okay. Is
22 the total amount needed to pay all
23 debt service payments from the city
24 still 1.4 million dollars based on
25 current year trends and performance?

1 MR. SCOPELLITI: I believe we
2 sent up a letter to city council for
3 1.6 million dollars in our October 5th
4 letter. That's what we requested.

5 MR. JOYCE: Okay. Under
6 operating expenses in the SPA budget
7 why are gross salaries significantly
8 higher than what was budgeted?

9 MR. SCOPELLITI: For what year?
10 You're talking --

11 MR. JOYCE: For this year.

12 MR. SCOPELLITI: All right. Do
13 you have a page that you're referring
14 to because the way I'm looking at it,
15 it is gross salaries are \$381,800 in
16 our budget.

17 MR. JOYCE: Yes. I'm looking at
18 a fax here. And the gross salaries
19 are \$381,000 and essentially the
20 amount budgeted is the same every
21 month but the first two months it
22 appears that the salaries for January
23 were \$51,818 as opposed to budgeted
24 amount of \$31,616 and in February it
25 62,765 as opposed to 31,616.70.

1 MR. SCOPELLITI: That doesn't
2 seem to add up, Mr. Joyce. There was
3 no reason, there was no overtime. The
4 only explanation that we had was we
5 kept some part-timers on for that
6 balance because the pay stations were
7 scheduled to be installed January 1
8 and they were finally completed as of
9 April, but I don't think it would be
10 to that tune of \$20,000 a month.

11 MR. JOYCE: Okay. What is the
12 balance owed to Landmark Bank as of
13 May 25th?

14 MR. SCOPELLITI: I did forward
15 all of this information to you, didn't
16 I? I mean, we made principal
17 payments. If you refer to Landmark
18 Bank, Exhibit B, in your folders that
19 I sent up there should be an accurate
20 account that was faxed over to me and
21 I forwarded it to yourself. Do you
22 see it there? It's towards the end.

23 MR. JOYCE: Okay. I do see it.
24 Thank you. That's all I had.

25 Councilman McGoff, do you have

1 any questions?

2 MR. MCGOFF: Not at this time.

3 MR. JOYCE: Councilman Rogan?

4 MR. ROGAN: Yes. I would just
5 like to start off before I begin my
6 questioning that I understand the
7 grave situation we're in. The bill
8 has to be paid. But if the city is
9 going to bail out the Parking
10 Authority, I personally don't feel
11 comfortable voting for that unless I
12 know there's a plan in place, that
13 this isn't going to happen again.

14 I'll begin with my questioning
15 and we'll get into the long term of
16 the Parking Authority down the line.

17 Mr. Scopelliti, what are your
18 qualifications to be in charge of the
19 Parking Authority?

20 MR. SCOPELLITI: Well, I've been
21 an employee with the City of Scranton
22 for five years as the Director of
23 Parks and Recreation. From that I was
24 given the title and job of
25 Construction Project Manager. From

1 that point I went over to the Scranton
2 Sewer Authority as the Executive
3 Director -- Deputy Executive Director,
4 and I was asked by the board to come
5 and fill a position that was vacated
6 by Mr. Wintlemantle.

7 MR. ROGAN: And when you took
8 that position, did you talk much with
9 Mr. Wintlemantle about his vision,
10 what he had going on? Did you agree
11 on what was the direction of the
12 Authority or did --

13 MR. SCOPELLITI: Well, let me
14 just say this, Mr. Rogan, and I don't
15 mean to dodge your questions but the
16 way this started, and I know you're
17 saying you're not here to bailout the
18 Parking Authority, but before 2004
19 there was a parking study done --
20 conducted that needed -- that told the
21 city that they're in demand of
22 parking. From that point as advised
23 from this parking study, the city
24 approached the Scranton Parking
25 Authority to construct garages. The

1 Parking Authority basically at that
2 time had two garages, it wasn't well
3 funded. The city had guaranteed that
4 bond. It was a supply and demand
5 there. Obviously the city was calling
6 for the demand of parking to increase
7 the downtown and we've done that. And
8 that's the story. So when you say
9 you're not here to bailout the Parking
10 Authority, it was an agreement with
11 the City of Scranton and completely
12 done by a parking study back in, I
13 believe, 2002, 2003. You should have
14 that on record. So it's not like we
15 decided to build garages. There was a
16 plan set in place. There was a
17 parking study and we followed the
18 guidelines. And to answer your second
19 part was not necessarily sat down with
20 Mr. Wintlemantle, but we had a vision
21 of existing board members who we were
22 there and our financial advisors, our
23 bond counsel, we worked together with
24 this.

25 MR. ROGAN: And my next question

1 is actually for Mr. Kelly. Mr. Kelly,
2 are you here representing the City of
3 Scranton or the Scranton Parking
4 Authority?

5 MR. KELLY: The Scranton Parking
6 Authority.

7 MR. ROGAN: And you are also the
8 city solicitor, correct?

9 MR. KELLY: That I am.

10 MR. ROGAN: And you don't see a
11 conflict with that?

12 MR. KELLY: No, sir.

13 MR. ROGAN: Not at all?

14 MR. KELLY: No.

15 MR. ROGAN: Okay. I strongly
16 disagree on how you could be here
17 representing the Parking Authority
18 while you're also in a full-time
19 position as city solicitor.

20 MR. KELLY: Mr. Matthew Butler is
21 present today and is representing the
22 City of Scranton. He's an assistant
23 city solicitor.

24 MR. ROGAN: You are the city
25 solicitor, correct?

1 MR. KELLY: I am.

2 MR. ROGAN: Okay. I just wanted
3 to make that clear to the public. Mr.
4 Scopelliti -- We are back to Mr.
5 Scopelliti. I only had the one
6 questions for Mr. Kelly. What is your
7 current salary as head of the Parking
8 Authority?

9 MR. SCOPELLITI: My current
10 salary with the Parking Authority is
11 \$83,200.

12 MR. ROGAN: And has that gone up,
13 down through the years --

14 MR. SCOPELLITI: That has been
15 the same for the last two years.

16 MR. ROGAN: It's been the same
17 for the last two years. Itemized
18 budget with you tonight. Now, I did
19 receive the fax from Attorney Hughes
20 listing expenditures, what we're
21 bringing in. But when you take a look
22 at the city's budget that was prepared
23 by Mr. McGowan and Mayor Doherty, it's
24 pretty thick. You know, it's a
25 substantial document to read. It

1 takes a few days to read it. What was
2 sent to us when Attorney Hughes
3 requested a budget was three pages and
4 now we have one page. Can you explain
5 the lack of transparency there.

6 MR. SCOPELLITI: Well, I don't
7 think it's a lack of transparency, Mr.
8 Rogan. We had sent forth the 2012
9 budget to you before this. I don't
10 know why you only have one page but
11 when we sent a budget forth, our
12 bankers, our auditors, our bond
13 counsel and our board is satisfied
14 with that. We're a much smaller
15 entity. We have 15 people total
16 working at the Scranton Parking
17 Authority and there's not as much of a
18 budget for this building in the entire
19 city. You can't compare it. It's not
20 apples to apples.

21 MR. ROGAN: So you believe three
22 pages for a multimillion dollar agency
23 is adequate?

24 MR. SCOPELLITI: That is accepted
25 for our audit, that is something

1 that's presented to every other person
2 that we deal with.

3 MR. ROGAN: Again, for Mr.
4 Scopelliti, do you have a plan for a
5 reform of the Parking Authority moving
6 forward?

7 MR. SCOPELLITI: We do, we do.
8 We have been working on this as a
9 matter of fact, Mr. Rogan. Basically
10 our plan of attack is that we've --
11 back in 2011 when we sent the letter
12 for -- in October advising you of our
13 shortfall, we've been making these
14 accommodations and one of the things
15 that we are doing is that I have a
16 bullet -- a list of bullets that we've
17 been working on -- bullet points.
18 Basically we've turned over the empty
19 spots of Molly Branigans and the
20 Colosseum this April to a realtor --
21 Do you want to pass them up? Okay.
22 Just so you could follow that. As
23 recent as this April we've completed
24 the installation of pay stations in
25 our garages. So when I got here in

1 2008, 2010 we installed three pay
2 stations in our newer garages. This
3 last April we completed that to
4 capture previous loss revenues. It
5 allows our garages to be open 24 hours
6 a day, sevens days a week. With that
7 in place we were able to aggressively
8 continue to solicit what's called
9 validations to our downtown
10 businesses. We weren't able to do
11 this before this April. What that
12 allows us to do is go out and sell
13 vouchers to downtown business people
14 at a discounted rate. We're actually
15 offering discount rates to larger
16 groups. Currently right now we are
17 talking to the county. In this
18 program that we set forth we had an
19 original 110 -- it's called CYS,
20 Children and Youth Service parkers
21 with us, and they received a grant so
22 they paid the full \$112.500. With the
23 new commissioners coming in they
24 approached us and asked if we could
25 possibly do something. Talked to our

1 bond counsel, they are going to bring
2 us a minimum of 50 extra parkers on
3 top of that and in return discount
4 their rates. As of today it looks
5 like we have about 68 parkers with
6 that so we're trying to offer that as
7 well. Correspondence with bond
8 counsel to make us more price
9 competitive in the downtown parking
10 market. As you well know since 2008
11 we've seen an eruption of parking lots
12 that are competitive to us. The city
13 has actually done something to counter
14 that by imposing a 15 percent parking
15 tax on those types of entities. We're
16 basically going to be working with the
17 city to investigate the transition of
18 parking meters that could possibly
19 accept parked credit cards. We've
20 been getting a lot of, you know,
21 complaints that they don't have eight
22 quarters in their pockets and we're
23 that with Mr. McGowan and the city.
24 We're going to continue to improve the
25 enforcement program to generate more

1 revenues. When I got here in 2008,
2 they were still writing tickets by
3 hand. We talked to the city. We
4 instituted what is called an AutoCITE
5 handheld computer which allows us to
6 go out there and write tickets more
7 efficiently. It downloads it directly
8 into a computer bank which allowed us
9 to eliminate positions -- unnecessary
10 positions. Looking into
11 possibilities, obviously we've talked
12 to bond counsel about possibilities of
13 looking at refinancing these bonds and
14 we'll talk more about that with them.
15 And then continuing working with
16 downtown developers. The Connell
17 building itself has been very good to
18 the economy downtown. It allows the
19 Connell building to be full most of
20 the times and they have new tenants
21 coming in, I believe, on the second
22 floor. We communicate all the time
23 with them. Mr. Jefferson is doing the
24 renovation of the Chamber building
25 where we're going to do this. So

1 these are some of the things that we
2 constantly talked about with our
3 boards. We've raised rates in 2012,
4 2013, 2014 to try to meet these. Our
5 bond counsel and our financial people
6 set the rates in order to do this.
7 We've talked also about of possibly
8 making it price competitive. I know
9 we have to set those rates in order to
10 meet debt service but at the same time
11 we have to be careful in order not to
12 chase them to these other lots that
13 are out there.

14 And finally with the Landmark
15 Bank loan, part of that deal is that
16 we will do a parking study and it is
17 currently underway now and it will
18 give us more input on what parking --
19 what the City of Scranton will need
20 for parking.

21 MR. ROGAN: Well, I certainly
22 agree with the last point that the
23 city does need a parking study. If
24 the study shows that we have an access
25 of parking in the downtown and

1 Authority garages are not price
2 competitive, would you and the board
3 support the sale or lease of those
4 garages?

5 MR. SCOPELLITI: That is
6 something that would have to be
7 discussed with bond counsel and
8 everybody else.

9 MR. ROGAN: Because currently E
10 they are operating at a loss, correct?

11 MR. SCOPELLITI: Well, I think
12 the revenue is down by maybe \$300,000
13 but operating expenses are also down.
14 You have to take that into account.
15 We have done that and it's directly, I
16 believe, in conjunction with the
17 economy. We are a supply and demand
18 business, as I said before, they have
19 a choice whether or not to park with
20 us. We don't make them park with us.
21 We have to offer them a safe
22 environment and in convenience at a
23 fair price and we will continue doing
24 that.

25 MR. ROGAN: Well, the question

1 is, are the garages currently
2 operating at a loss?

3 MR. SCOPELLITI: Currently I
4 would say in order to meet bond
5 payments we are.

6 MR. ROGAN: And is much of that
7 because of some of the improvements
8 that were made, the brick facades,
9 things of that nature?

10 MR. SCOPELLITI: Not necessarily.
11 That was in the restructuring of the
12 bonds. It was figured into the bonds
13 to do the restructuring of that actual
14 facility. Are you referring to the
15 North Washington garage?

16 MR. ROGAN: Yes.

17 MR. SCOPELLITI: I think if you
18 seen what it looked like before and
19 you see what it looks like now, I
20 think that's a plus. That garage is
21 currently filled with tenants and it's
22 probably one of the nicer buildings in
23 the downtown allowing for restaurants
24 to flourish there.

25 MR. ROGAN: Well, there's no

1 question it's a beautiful building but
2 if we can't afford it which obviously
3 the Authority cannot afford it, that's
4 why you're here today, it seems that
5 it wasn't a wise decision.

6 MR. SCOPELLITI: That was
7 something that was set forth in money
8 to use there. Far before I was there,
9 it was to do a facade on that. I
10 think the total cost of that was
11 somewhere in the \$600,000 range. So
12 it was not multimillion dollars.

13 MR. ROGAN: \$600,000 is a
14 substantial amount of money.

15 MR. SCOPELLITI: It's a lot of
16 money.

17 MR. ROGAN: It's two-thirds of
18 what you're asking for today.

19 MR. SCOPELLITI: But structurally
20 that money was set aside in that bond
21 to use for that specific reason. A
22 note -- it was placed there.

23 MR. ROGAN: And nobody on the
24 board or yourself objected to that?

25 MR. SCOPELLITI: I think that was

1 done in 2010 if I'm correct, Mr.
2 Rogan, so at that time it was quite
3 well underway. You know, it's
4 something that was set in place, set
5 aside in the bond and we followed the
6 plans that were set forth. We
7 obviously had other plans in place to
8 do this and we're not doing it, you
9 know, renovations to other garages. I
10 think this is the first year in the
11 2012 budget you'll see the balance
12 here. Years prior was always a zero,
13 and we notified, you know, the city
14 October 5th of those findings and that
15 a budget and hopefully we could
16 continue on with this plan of action
17 to generate more revenue. As I said,
18 you know, we're attracting more
19 business with the county. We'll
20 continue looking for other venues to
21 make money for the Scranton Parking
22 Authority.

23 MR. ROGAN: And that's everyone
24 hopes that you do, in fact, increase
25 revenues without increasing rates

1 because as we all know if rates go up,
2 we're going to go elsewhere to park
3 and with the debt payment I would
4 assume that is a big part of what the
5 ratepayer is paying?

6 MR. SCOPELLITI: It absolutely
7 is.

8 MR. ROGAN: To pay for the debt.

9 MR. SCOPELLITI: In the year 2012
10 that's when it went up. And that's
11 why we're here. You know, decreased
12 operations due to the economy and
13 other parking facilities in the
14 downtown at the same time bond
15 payments escalated.

16 MR. ROGAN: And how much does it
17 currently park in an SBA garage for
18 one hour?

19 MR. SCOPELLITI: One hour, \$3.70.

20 MR. ROGAN: \$3.70 was that?

21 MR. SCOPELLITI: That's correct.

22 MR. ROGAN: And at the meter it
23 would cost how much?

24 MR. SCOPELLITI: A dollar.

25 MR. ROGAN: A dollar. So I think

1 people are going to choose the meter
2 option if it's available, you know, so
3 you're at a disadvantage already.

4 MR. SCOPELLITI: If it's
5 available. But you've got to consider
6 this. If you're in town just running
7 into the retail stores, that's what
8 it's meant to do. It's a two hour
9 meter. It's a two hour meter. If
10 you're downtown doing business in the
11 downtown you typically park in the
12 garage at a two hour meter, you have a
13 chance of actually putting the money
14 in there but have a very good chance
15 of getting a \$20 parking ticket.

16 MR. ROGAN: \$3.70 per hour. Do
17 you have any idea how much it cost to
18 park in a garage for a comparable
19 city, say maybe Wilkes-Barre?

20 MR. SCOPELLITI: I think when we
21 did these rate structures, we were
22 very competitive with outlying cities
23 of our size.

24 MR. ROGAN: Correct me if I'm
25 wrong, I believe it's a dollar an hour

1 in Wilkes-Barre.

2 MR. SCOPELLITI: I'm not sure,
3 Mr. Rogan, okay. I can't comment on
4 that. These are things that we've
5 talked about with our bond counsel and
6 our financial people in order to try
7 to meet the goals set before us.

8 MR. ROGAN: Well, the goal
9 obviously is to pay down debt and
10 become profitable or break even I
11 should say.

12 MR. SCOPELLITI: Absolutely.

13 MR. ROGAN: Why should the city
14 give this money to the Parking
15 Authority if after this meeting you
16 guys all leave, we vote to give the
17 money to the Authority, pays the debt,
18 all right, everyone is happy. Then we
19 don't have any say in the matter again
20 until you come back to us for more
21 money. And that's what is very
22 frustrating with everyone for council
23 is we don't have any say in who gets
24 appointed to the board and we don't
25 have any say in the operations.

1 Personally I believe the board should
2 be disbanded and the entire operation
3 should be brought back into the city
4 where the mayor and the city council
5 would be in charge of making the
6 decisions. Because at the end of the
7 day all of us up here and the mayor,
8 whoever it may be, we answer to the
9 voters and to the taxpayers. When
10 people are appointed to an Authority,
11 they really don't answer to anyone.

12 MR. SCOPELLITI: I think we do.
13 We answer to the board and our bond
14 counsel.

15 MR. ROGAN: But the board is all
16 appointed by one person, though,
17 correct?

18 MR. SCOPELLITI: I think the
19 board members are very responsible and
20 more than capable of making decisions
21 set before them.

22 MR. ROGAN: So you think it's
23 better to have an Authority set up
24 than have elected officials in charge?

25 MR. SCOPELLITI: I think the way

1 it functions now is proper.

2 MR. ROGAN: It may be proper in
3 your opinion but it doesn't seem to be
4 working. That's why we're here today.

5 MR. SCOPELLITI: I think it's
6 working, Mr. Rogan. I don't know how
7 it would be different if the city had
8 this entity at this point in time.
9 You know, we had an economy that is
10 very much on the downslide and
11 hopefully we attract more businesses
12 into the downtown to use our parking
13 facilities. You know, we rely heavily
14 on the economy. I think that the
15 moves that the city made by imposing
16 the 15 percent tax to the outlying
17 parking lots will help us, and I think
18 by going after this and installing the
19 pay stations we are making changes to
20 improve this, and we need to get the
21 confidence of the city and city
22 council. I don't want you to ever
23 feel that you can't pick up the phone.
24 I said that to Mrs. Krake today. I
25 don't know why we have to do these

1 things. If these questions are set
2 before us, I'm there everyday.

3 MR. ROGAN: It did take you six
4 months to reply to Attorney Hughes'
5 letter; isn't that correct?

6 MR. SCOPELLITI: It was a letter
7 sent to us and that was the advice of
8 our solicitor --

9 MR. ROGAN: Mr. Kelly?

10 MR. SCOPELLITI: The letter that
11 was SENT to us, you had all of that
12 information. You are a guarantee-or
13 of the bond. You had all the bond
14 information that you requested. It
15 was in your possession.

16 MR. ROGAN: So as an authority
17 you don't feel that you have the
18 courtesy to a legislative body to
19 reply?

20 MR. SCOPELLITI: Absolutely do
21 and I'm more than open to do that.
22 Anytime someone calls, Mrs. Krake
23 would call me, I would answer her
24 immediately and I'd do the same for --

25 MR. ROGAN: Well, why not the

1 letter that Attorney Hughes sent. It
2 took six months.

3 MR. SCOPELLITI: I understand
4 that. It was under the advice of our
5 board and solicitor.

6 MR. ROGAN: Attorney Kelly?

7 MR. SCOPELLITI: And our board.

8 MR. ROGAN: And Attorney Kelly is
9 also the solicitor for the city and
10 the Parking Authority just to get that
11 out there again.

12 Is there anyone who is parking
13 for free in the Parking Authority?

14 MR. SCOPELLITI: No, absolutely
15 not.

16 MR. ROGAN: So there's no, you
17 know, badge you can put on the, you
18 know, mirror to park for free?

19 MR. SCOPELLITI: No.

20 MR. ROGAN: Okay. Well, that's
21 good to hear.

22 MR. SCOPELLITI: Are you
23 saying -- are you saying in the
24 parking facilities?

25 MR. ROGAN: Parking facilities or

1 meters?

2 MR. SCOPELLITI: Meters, there
3 are parking permits. It is the city's
4 program and when we get a letter from
5 the mayor or -- stating that there are
6 spots because people in the city
7 government have to go out and from
8 time-to-time visit spots such as OECD,
9 such as inspectors in this building,
10 they come and go. They're not parked
11 there all day long, at least they're
12 not supposed to be. They we were sent
13 down to us. It is your meters. We
14 have a letter documenting that and
15 that's the only way we issue a hang
16 tag.

17 MR. ROGAN: Do you know
18 approximately how many there are
19 issued currently?

20 MR. SCOPELLITI: Off the top of
21 my head, I don't. I can get you that
22 tomorrow.

23 MR. ROGAN: If you can provide us
24 with that list, that would be greatly
25 appreciated.

1 MR. SCOPELLITI: Sure.

2 MR. ROGAN: How much cash does
3 the Park Authority currently have on
4 hand?

5 MR. SCOPELLITI: That is, Mr.
6 Rogan, if you can refer to -- I think
7 it is Exhibit C. If you look to
8 the -- after the Landmark Bank
9 information, there's Fidelity Bank.

10 MR. KELLY: It should be the last
11 document on that big packet, the last
12 packet.

13 MR. ROGAN: I hope it's not the
14 one that states available balance of
15 \$697.

16 MR. SCOPELLITI: No, it is not.
17 What is the tag on that? That could
18 be a Penn Security account.

19 MR. ROGAN: Yes, it is.

20 MR. SCOPELLITI: Okay. That is
21 basically there. It used to be used
22 for security deposits so we have a
23 small amount in that. It is the
24 Fidelity account, and I think the
25 balance on the account is 1-52-477-18

1 and that's deemed our construction
2 fund.

3 MR. ROGAN: And do you have any
4 concerns with this amount of money on
5 hand of not being able to meet payroll
6 or maybe other obligations outside of
7 the debt service?

8 MR. SCOPELLITI: No.

9 MR. ROGAN: No.

10 MR. SCOPELLITI: There is a
11 payroll account as well, Mr. Rogan.
12 There are several accounts. There's
13 actually three accounts in Fidelity
14 Bank. We have an operation account, a
15 construction account and a payroll
16 account. I've provided you with them.

17 MR. ROGAN: Do you have an
18 approximate value of the parking
19 garages of the Parking Authority?

20 MR. SCOPELLITI: We will know
21 about that. We capture that cost in
22 the parking study.

23 MR. ROGAN: And how are they
24 currently insured for?

25 MR. SCOPELLITI: Off the top of

1 my head I don't know. I can get you
2 that information.

3 MR. ROGAN: Because that might
4 be, you know, a ballpark the
5 valuation. Usually you insure for
6 what it's valued at. So I think that
7 would be definitely be something, you
8 know, would be helpful for us.

9 My question is regarding the
10 proposed Street Smart Program that
11 council had passed and was ignored by
12 whether it be the administration or
13 the Parking Authority. Now, you
14 mentioned paying by credit card. Was
15 that for meters or was that for
16 garages?

17 MR. SCOPELLITI: That was for
18 meters.

19 MR. ROGAN: For meters. Now, do
20 you support a system such as Street
21 Smart or another company, just the
22 same concept?

23 MR. SCOPELLITI: That is not a
24 decision of mine. It's the city's
25 meters and they can do what they wish

1 with it. I don't know if it's
2 necessarily a good idea or a bad idea.
3 I mean, we tried, I believe, with the
4 city to put it out to bid. I think
5 the first round Street Smart didn't
6 include a certificate of insurance and
7 the second time the city went out to
8 bid, they didn't even bid on it.
9 That's -- am I right in saying that?

10 MR. MCGOWAN: That would be
11 correct. The first time I think was
12 probably a year ago. A certificate of
13 liability insurance was not put in
14 there so it has to be disqualified.
15 The other bid that came in was just
16 too costly for the city at this;
17 point. I have discussed with Mr.
18 Joyce at meetings we've had over the
19 past few months at looking back at
20 something and we are currently looking
21 at a few things. I'm waiting to hear
22 back from a company out of Washington,
23 D.C. that has -- I believe it's single
24 space units as opposed to multi spaced
25 units. There's a variety of options

1 you can have. The concern I have is
2 the upfront costs associated, you
3 know, with the city, you know, because
4 of the financial situation we are
5 currently in, but that is something I
6 would like to bid back out before the
7 end of the year.

8 MR. ROGAN: And I support that as
9 well. And just for the record, Mr.
10 Scopelliti, the authority, yourself,
11 you don't have a position for or
12 against the program such as Street
13 Smart?

14 MR. SCOPELLITI: I think anything
15 that would be used in a trial program
16 and conduct that in a trial program
17 and it can prove that it's going to
18 make money for the city, I think it's
19 welcome with open arms. Correct if
20 I'm wrong, I think they did a trial in
21 Wilkes-Barre, and I think they tabled
22 that because it would cost more to
23 hire more people. That's our
24 understanding.

25 MR. ROGAN: In other cities, I

1 believe it was Bethlehem had great
2 success with the program so it's
3 definitely something I think we should
4 explore at least on a trial basis.

5 MR. SCOPELLITI: Absolutely.

6 MR. MCGOWAN: The company that
7 actually -- I had discussions with, I
8 think, is trying to make it up here in
9 the next few months is currently
10 putting in I want to say a few hundred
11 meters in Bethlehem, I don't know if
12 it's Street Smart. I think it's IPS
13 or IBS or something of that acronym.
14 In discussions I had with individuals
15 from Wilkes-Barre the concern they had
16 was the Street Smart Program was that
17 they had asked to have another two or
18 three individuals hired and the city,
19 you know, couldn't afford to hire the
20 other two or three individuals. So
21 although they saw an increase of
22 revenue, you know, the cost associated
23 with another three people didn't seem
24 to balance out for them.

25 MR. SCOPELLITI: Mr. Rogan, may I

1 say something? You have to compare
2 apples to apples and I hate to use
3 that phrase again but we have four
4 enforcement officers currently here.
5 We had six. Council had taken a
6 \$110,000 out of our budget in which we
7 lost two supervisors, a person that
8 helped in the office in the
9 enforcement and we lost two
10 enforcement officers on the street.
11 With that being said, I think our
12 officers write anywhere from 120 to
13 150 tickets a day. There's a balance
14 there. If you write -- you know,
15 we're not out there to try to kill
16 every car out there. We have to help
17 the retailers downtown. Our job is to
18 keep these cars moving. If they're
19 downtown business people working in
20 the downtown, they should be parking
21 in a parking facility like ours or
22 elsewhere but you just -- I just
23 caution you. You can read on these
24 things. Sometimes they work,
25 sometimes they don't. It depends on

1 how many enforcement officers -- maybe
2 Bethlehem, in certain cases I heard
3 there was only, you know, one officer
4 there and obviously it would be
5 beneficial if they had a direction
6 which to go on. The way the Parking
7 Authority structures this is our
8 enforcement run what we call zones and
9 they overlap every so many hours, and
10 I think they do a great job. If you
11 can write a 120 tickets a day for four
12 officers, I think -- I don't know how
13 much more you're going to get out of
14 it. So I'm just saying --

15 MR. ROGAN: But I will say this,
16 everything I've heard from the
17 residents and nobody is happy when
18 they get a ticket but everything I've
19 heard that the employees of the
20 Parking Authority, the actual workers
21 working with the stations prints --
22 you know, doing the tickets, they do a
23 great job.

24 MR. SCOPELLITI: They do.

25 MR. ROGAN: It seems that the

1 problem is with administration in
2 overspending.

3 MR. SCOPELLITI: Well, I don't
4 think there's overspending. You can
5 refer back to it and I will touch on
6 that again. The spending is not up,
7 Mr. Rogan. It's down a \$100,000.
8 It's down. Salaries and everything
9 else is down. The only thing that's
10 up or down is, well, operating
11 expenses -- I'm sorry -- the income
12 and the bond payment accelerated. But
13 our operating expense is not up, our
14 salaries or anything else.

15 MR. ROGAN: I would rephrase that
16 then. Maybe to say that borrowing is
17 the problem.

18 MR. SCOPELLITI: That was
19 something that was done in 2004, 2006,
20 2007. We're dealing with what we have
21 in front of us right now and we're do
22 the best we can in doing this. I hope
23 after this we can work together in
24 doing this. I'm very open to hearing
25 your suggestions so I don't like the

1 fact that you say you have no input on
2 this. We have meetings once a month.
3 Maybe it would be wise to have
4 somebody be a liaison and attend our
5 meetings. We have public comments all
6 the time. We've answered everybody's
7 questions. I think we are transparent
8 in our board, in our administration
9 down there, is more than capable of
10 running that.

11 MR. ROGAN: How about having the
12 meetings televised in council
13 chambers.

14 MR. SCOPELLITI: I don't have a
15 problem with that. It would be a
16 decision of our board and our --

17 MR. ROGAN: I definitely think
18 that would, you know, the citizens
19 would definitely appreciate.

20 MR. SCOPELLITI: The citizens do
21 come to our meetings. They're more
22 than welcome to do that. It's been
23 something that's been there for over
24 50 years offered in that.

25 MR. ROGAN: Well, it's not easy

1 for everyone to attend a public
2 meeting and that's why with ECTV, you
3 know, with council, zoning,
4 commissioners being able to watch on
5 TV to see what the government is doing
6 is very important. And the
7 frustrating part and I mentioned this
8 before and it's the same for the
9 taxpayers I talked to is that you are
10 not elected. So if the Authority is
11 doing something that they don't
12 support, they don't have any recourse.
13 You know, for instance, if I do a bad
14 job or anyone of us up here come
15 election we get thrown off. With an
16 authority you don't have that
17 oversight by the voter and that's what
18 is very frustrating.

19 MR. SCOPELLITI: Well, I think
20 I'll say this much, you might have a
21 two to four year span on getting
22 fired. I can get fired immediately if
23 I'm not doing a good job. I report
24 directly to the Board of Directors of
25 the Scranton Parking Authority and I

1 don't know what makes you think I
2 can't get fired if I'm not doing a
3 good job.

4 MR. ROGAN: Well, I'm sure you
5 can but all the board members were
6 appointed by the same person.

7 MR. SCOPELLITI: It doesn't
8 matter. Their credibility is on the
9 line. They come here and do a job
10 without being paid. They're a very
11 diverse group of individuals that sit
12 on that board and are not elected to
13 do it. They come from various
14 backgrounds, from attorneys to people
15 that work downtown. There's all
16 different background, nurses, I
17 mean --

18 MR. ROGAN: So you believe the
19 board does a good job?

20 MR. SCOPELLITI: I absolutely do.

21 MR. ROGAN: Then why are you
22 here?

23 MR. SCOPELLITI: I'm here because
24 of the economy and living up to the
25 agreement that the city made with the

1 Scranton Parking Authority going back
2 to the bond issuing of 2004, six and
3 seven.

4 MR. ROGAN: Well, when economic
5 times get bad, I don't think the
6 solution is to continue borrowing and,
7 you know, brick facade, things of
8 that -- and when times are good, that
9 stuff is nice.

10 MR. SCOPELLITI: We didn't
11 borrow, Mr. Rogan. That was already
12 built into our bond.

13 MR. ROGAN: And the bond was how
14 much money?

15 MR. SCOPELLITI: I'm sorry. What
16 bond are you referring to?

17 MR. ROGAN: With the one with the
18 facade was built into.

19 MR. SCOPELLITI: Are you asking
20 the amount?

21 MR. ROGAN: Yes.

22 MR. SCOPELLITI: It was like
23 600,000. I can get you exact numbers.
24 I don't have them in front of me. I
25 thought we were going to work off the

1 information that you requested.

2 MR. ROGAN: Well, I have
3 questions just -- obviously we knew
4 what the situation is and everyone in
5 this room knows what the financial
6 situation is but it's how we got there
7 and where we're going from here which
8 is my concern.

9 MR. SCOPELLITI: Right.

10 MR. ROGAN: You know, I know you
11 don't like the term bailout. I
12 believe it's a bailout. And this
13 would be just like if city council
14 came to the county government looking
15 for money or the federal government
16 and we have gone to the federal
17 government looking for money and
18 luckily they came through for our
19 firefighters.

20 But if this is approved tonight,
21 will you be back here looking for more
22 money this from the city taxpayers?

23 MR. SCOPELLITI: We have applied
24 for -- we have requested 1.6 million
25 dollars from the Parking Authority.

1 It's too soon to tell. Obviously we
2 would love to get this June payment
3 completed and that we have three
4 months for our other bond payments.

5 MR. ROGAN: So there is no
6 guarantee that if this money is given,
7 that you might not be back here again?

8 MR. SCOPELLITI: It's a
9 possibility.

10 MR. ROGAN: It's a possibility.

11 MR. SCOPELLITI: I'm not going to
12 say yes or no. I mean, we're going to
13 do everything we can possible to
14 generate as much revenue as we can.
15 We'll do our due diligence to do that.

16 MR. ROGAN: Thank you for coming.
17 And my final couple questions are for
18 Mr. McGowan.

19 Does the city have the cash on
20 hand to pay it?

21 MR. MCGOWAN: Yes.

22 MR. ROGAN: Yes. Has Blue Cross
23 been paid?

24 MR. MCGOWAN: There is an
25 outstanding obligation with them.

1 MR. ROGAN: So if this was shot
2 down, that money could pay our health
3 in the short term?

4 MR. MCGOWAN: Well, you have to
5 understand in the budgetary matters
6 you have budgeted set revenues, set
7 expenditures, set expenditures for
8 Blue Cross. A transfer from
9 contingency in all reality is that
10 you're not -- we don't have, you know,
11 a 100 bank accounts. We have one
12 general fund and there's a 100
13 expenditures but, you know, by doing
14 that transfer, you know, we're still
15 in line with our budgetary numbers for
16 Blue Cross or for health insurance, I
17 should say.

18 MR. ROGAN: And this was the one
19 issue I wanted to bring up. You have
20 mentioned in the paper that the money
21 for the Parking Authority was in the
22 budget?

23 MR. MCGOWAN: Yes.

24 MR. ROGAN: Where was the line
25 item?

1 MR. MCGOWAN: Contingency. It
2 says --

3 MR. ROGAN: So contingency is now
4 not contingency, it's money for the
5 Scranton Parking Authority because
6 council took it out.

7 MR. MCGOWAN: Well, actually if
8 you go back to the 12-12 of last
9 year's meeting minutes, Mr. Joyce said
10 we place 1.6 million dollars in
11 contingency for the Scranton Parking
12 Authority.

13 MR. ROGAN: But contingency funds
14 are not earmarked, correct?

15 MR. MCGOWAN: Mr. Joyce stated
16 himself he put in there for the
17 Scranton Parking Authority. If you go
18 back to the budget that was sent by
19 the mayor, 1.6 million dollars.

20 MR. ROGAN: The mayor's budget
21 did include it?

22 MR. MCGOWAN: Yes, absolutely.

23 MR. ROGAN: After this budget, it
24 was signed -- it was vetoed by the
25 mayor, put into law by council by a

1 four/one vote did not did not include
2 a line item for the Parking Authority.

3 MR. MCGOWAN: No. It was stated
4 on the record by Mrs. Evans and Mr.
5 Joyce at the, you know, December 12th
6 meeting we're placing this money in
7 contingency for the Parking Authority.

8 MR. ROGAN: But it was not in a
9 line item for the Parking Authority.

10 MR. MCGOWAN: Correct. It's not
11 for the Parking Authority but I'm only
12 following what you put in there and
13 what council stated the intentions of
14 the money was.

15 MR. ROGAN: Well, that's what two
16 members may have stated. Personally I
17 didn't support putting it in and I was
18 glad it was placed --

19 MR. MCGOWAN: If I recall we had
20 this conversation I think
21 December 13th, I personally called you
22 and told you how important it was that
23 it was budgeted for and you stated to
24 me, I totally understand this. I
25 don't want the Parking Authority to

1 default because I understand what
2 would happen.

3 MR. ROGAN: Of course, we don't
4 want the Parking Authority to default
5 but we also don't want the city to not
6 be able to pay our bills like we've
7 had for the last three months the
8 problems we've been having, actually
9 longer than that. And I supported the
10 money being transferred from a line
11 item where it if was placed in a line
12 item for the Parking Authority, the
13 day that budget was passed, that was
14 it, correct, the Parking Authority
15 would get the money.

16 MR. MCGOWAN: You know, I think
17 we're, you know, disagreeing over
18 something that -- you know, this is
19 your budget.

20 MR. ROGAN: Did it include a line
21 item for the Scranton Parking
22 Authority?

23 MR. MCGOWAN: I'll take you back
24 to the comments made by your fellow
25 council members, replacing this money

1 in the budget for the Scranton Parking
2 Authority.

3 MR. ROGAN: But I didn't make
4 those comments.

5 MR. MCGOWAN: Well, then I would
6 ask your colleague.

7 MR. ROGAN: The reason --
8 unfortunately I didn't think to pull
9 the minutes from that meeting before
10 coming here, but I do remember the
11 conversation was if it was placed into
12 contingency and the Parking Authority
13 did need funds, we would have a
14 situation like this, we would have a
15 public caucus, we would be able to
16 look into it. And if it was put into
17 a line item in the budget, once it's
18 passed, there's no way council could
19 take that money back because as you
20 know, we've been down the road if we
21 can't reopen the budget.

22 MR. MCGOWAN: Well, I mean, that
23 would only be suggested on the amount
24 they needed, you know. If they didn't
25 need the money, then obviously that,

1 you know, would assist the city in
2 having the excess of funds and, you
3 know, council would be able to approve
4 a transfer of that. It would have to
5 be approved by council because of the
6 way it was in the, you know,
7 nondepartmental expenditures.

8 MR. ROGAN: And finally you did
9 say the money is -- we do have the
10 cash on hand?

11 MR. MCGOWAN: Yes.

12 MR. ROGAN: It would be
13 transferred. And I know Mr. McGoff
14 mentioned last week that we did it.
15 So what transpired in the last week
16 that --

17 MR. MCGOWAN: We've received
18 revenues from our real estate tax and
19 tax sale that is going to take place
20 on Tuesday, additional revenues have
21 come in from earned income tax. Today
22 was the final day to make the first
23 payment on refuse fee and then
24 other -- as I just said general
25 obligation revenues that come in.

1 MR. ROGAN: So you would assure
2 us that we wouldn't be borrowing to
3 pay off the Parking Authority's
4 borrowing?

5 MR. MCGOWAN: Borrowing what
6 funds?

7 MR. ROGAN: That the city
8 wouldn't be borrowing. We're getting
9 out a bond, go into a loan, getting a
10 bank to pay --

11 MR. MCGOWAN: We wouldn't be able
12 to do that without your approval.

13 MR. ROGAN: Because that was the
14 comment that Mr. McGoff made last week
15 that the city doesn't have the money
16 and that was another concern.

17 MR. MCGOFF: I said I wasn't sure
18 where the money was.

19 MR. MCGOWAN: I mean, I think you
20 have to understand on a day to day
21 basis the fluctuation of our general
22 fund. We, you know, a large amount of
23 accounts payables right now that, you
24 know, have to be paid, you know,
25 immediately. You know, funds come in

1 on a daily basis so, you know, at that
2 point or that day, we probably didn't
3 have enough money but as of tomorrow
4 we will have enough money in the bank
5 to make the payment for the Authority.

6 MR. ROGAN: Okay. And that's all
7 I have and I do thank everyone for
8 coming in.

9 MR. JOYCE: Councilman Loscombe,
10 do you have any questions for the
11 Parking Authority?

12 MR. LOSCOMBE: Yeah, I have a few
13 questions that came up through our
14 conversations here. Just a followup
15 on Mr. Rogan. He asked about free
16 parking passes in the garages and the
17 meters, stuff like that. Is there any
18 non city employees or non Parking
19 Authority employees that have a pass?

20 MR. SCOPELLITI: No.

21 MR. LOSCOMBE: No?

22 MR. SCOPELLITI: No.

23 MR. LOSCOMBE: Now, we have
24 tonight on our legislation approval
25 for no parking area where the

1 Commonwealth Medical College is
2 building some parking facilities. I
3 know the Parking Authority has
4 committed so many parking spots to the
5 Commonwealth Medical College for a
6 number of years. Are we going to
7 trade off once they open their lots?

8 MR. SCOPELLITI: We are not
9 trading anybody.

10 MR. LOSCOMBE: So they are
11 keeping the free parking?

12 MR. SCOPELLITI: There is no free
13 parking with the medical school at the
14 Scranton Parking Authority. There
15 might have been in early times when
16 the medical school first developed.

17 MR. LOSCOMBE: I believe there
18 was an ordinance that --

19 MR. SCOPELLITI: But at this time
20 there are no free parking.

21 MR. LOSCOMBE: For the
22 Commonwealth Medical College?

23 MR. SCOPELLITI: No.

24 MR. LOSCOMBE: No free parkers.
25 We discussed the Street Smart and

1 stuff like that, I know why it didn't
2 fly and there's a whole bunch of
3 reasons. We're discussing another
4 company. Is there going to be another
5 RFP placed?

6 MR. MCGOWAN: Yes, I'd like to do
7 something before the end of the year.

8 MR. LOSCOMBE: Okay. We
9 discussed some of the staffing. I
10 believe you said city council reduced
11 your staff by two people?

12 MR. SCOPELLITI: It was a total
13 of five people, Mr. Loscombe.

14 MR. LOSCOMBE: Okay. One of the
15 positions we eliminated was the
16 position that Mrs. Renda was in.

17 MR. SCOPELLITI: Correct.

18 MR. LOSCOMBE: Have you replaced
19 her anyone in that position?

20 MR. SCOPELLITI: We have.

21 MR. LOSCOMBE: And how about a
22 ticket processor?

23 MR. SCOPELLITI: The ticket
24 processor was eliminated. As I stated
25 before, when I get here they were

1 handwriting tickets. Typically the
2 ticket processor in the office would
3 basically take the tickets from the
4 day and feed it into what is called
5 the dock star machine that would take
6 it and download it onto the computer.
7 By buying the AutoCITE handheld
8 computers that they write tickets with
9 now, we take it and plug it in and it
10 downloads it there. That was the
11 elimination of that position.

12 MR. LOSCOMBE: Is it my
13 understanding that one of the parking
14 enforcement officers each day comes in
15 part of the day to do the ticket
16 processing off the street?

17 MR. SCOPELLITI: Somewhat, yes.
18 On certain days they do come in and do
19 the issuing of writing those citations
20 that go out to be collected. It's a
21 very important process of that.

22 MR. LOSCOMBE: Okay. Basically
23 lastly I have just have a comment. I
24 know our solicitor has a lot of
25 information to ask and stuff like

1 that. But, you know, here we are in
2 October he asked for some information.
3 I think Mr. Rogan alluded to that.
4 We're at the 11th hour literally.
5 This payment has to be made tomorrow,
6 I believe.

7 MR. SCOPELLITI: Correct.

8 MR. LOSCOMBE: You know, I don't
9 think things are going to change
10 overnight. We've requested
11 information. We've been treated like
12 the wicked stepchild, we're ignored.
13 We're part of this process. And you
14 can say what you want that you've been
15 open and everything. When we request
16 information and we don't get it, then
17 we get a one page -- I don't care what
18 you call that budget but the budget
19 for my home is much more than that.

20 MR. MCGOWAN: Could I just --
21 before Mr. Scopelliti. Just so
22 council is aware. I did bring a copy
23 of a request from council last year
24 and it was time stamped by the city
25 clerk on September 22nd, 2011, council

1 had requested all the indentures and
2 all the borrowing that the Authority
3 has done for that time period. I know
4 that was asked again but that
5 information was provided last year and
6 I can give you a copy of that.

7 MR. LOSCOMBE: Well, I think we
8 were lacking information that we
9 critically needed for our budget, too,
10 on that because we knew this was
11 coming up and I'll let Mr. -- our
12 solicitor address that.

13 MR. MCGOWAN: Okay. I just
14 thought it was important that -- you
15 know, sure, it was on the record that,
16 you know, we have provided --

17 MR. LOSCOMBE: It's the same
18 budget we just received which hasn't
19 changed at all in excess of content or
20 anything like that.

21 MR. MCGOWAN: Thank you.

22 MR. LOSCOMBE: But, thanks, Mr.
23 McGowan. I just know -- I mean,
24 again, authorities are autonomous, and
25 that's what they tell us. We can't do

1 anything about them. They're their
2 own body but yet time after time we're
3 on the hook for them, yet we have no
4 say. We have to do something to
5 change that. We just had to bailout
6 the Redevelopment Authority on a bad
7 loan. Suppose the Sewer Authority and
8 the other start failing. We just
9 can't keep coming to bat and doing
10 this. We have our own problems with
11 our own city budget, and I'm not
12 blaming anyone in particular. It's
13 the system itself and, you know, if
14 things don't change, if we don't get
15 serious here, it's not going to get
16 better. We're going to be back here
17 in three months, we're going to be
18 back here next year. But I'm not
19 making this a personal issue but, you
20 know, we have 70 some thousand people
21 that we represent, and we have make
22 decisions for them. We're looking at
23 some pretty hefty tax increases and a
24 lot of other hard decisions right now
25 just with our own budget. And there's

1 been opportunities in the past to
2 generate revenue and nothing has been
3 done, everything has been ignored to
4 this point. And we don't want to be
5 here again. And at that point I'll
6 let Mr. Hughes have the floor. I
7 believe he's next, right?

8 MR. JOYCE: Yes. Attorney
9 Hughes, I understand you have some
10 questions.

11 MR. HUGHES: They're scaled back
12 about 90 percent but anyway in
13 response to what Mr. Rogan said the
14 parking rates at the Wilkes-Barre
15 Parking Authority and I've parked
16 there many times are a dollar an hour.
17 I was amazed when I came out. I was
18 in there for three hours. The lady
19 said three dollars. I almost laughed
20 when she said it. I said, "You should
21 come to Scranton. To run the Scranton
22 Parking Authority, it's \$3.75 for the
23 first hour." I believe that the
24 Wilkes-Barre Parking Authority has
25 recently raised their rates to a

1 dollar and a half the first hour and a
2 dollar each hour after that. That's
3 local Wilkes-Barre.

4 But I have a couple questions for
5 Mr. McGowan and then I have some
6 questions for MR. Scopelliti.

7 Is the amount that is needed
8 right now \$994,948.56?

9 MR. MCGOWAN: Yes.

10 MR. HUGHES: So that's the
11 amount?

12 MR. MCGOWAN: Yes.

13 MR. HUGHES: You stated that the
14 city has cash on hand for that?

15 MR. MCGOWAN: Yes.

16 MR. HUGHES: After that amount
17 would be paid -- assuming it would be
18 paid, how much cash on hand will the
19 city have?

20 MR. MCGOWAN: Roughly between 150
21 to \$200,000.

22 MR. HUGHES: So right now there's
23 about \$1,150,000 on hand. You're
24 going to take a million out to pay
25 this and then as of tomorrow there

1 will be \$150,000 the city has on hand.

2 MR. MCGOWAN: Yes. There's also
3 the debt payment that the city has
4 their A, B, C and D bond of 2003 on
5 the supplemental pension that will be
6 so there's actually more than million.
7 There's about 1.7 million dollars.

8 MR. HUGHES: Well, that's going
9 to be made from the bond issue when
10 that's floated.

11 MR. MCGOWAN: No. This is our
12 monthly debt service payment that we
13 sent.

14 MR. HUGHES: Okay. Have you
15 gotten this spreadsheet from the
16 Parking Authority?

17 MR. MCGOWAN: Yeah. I don't have
18 it in front of me but I have seen it,
19 yes.

20 MR. HUGHES: You have seen it. I
21 have to use a magnifying glass to get
22 the figures off. Have you reviewed
23 it? Have you analyzed it?

24 MR. MCGOWAN: I've reviewed the
25 first few months of it, yes.

1 MR. HUGHES: In my review -- let
2 me ask you this then. Based on your
3 review what's your conclusion
4 regarding the financial condition of
5 the Parking Authority based on their
6 actual versus their budget for the
7 first three months?

8 MR. MCGOWAN: I think you have to
9 understand the fact that the city has
10 yet to send any money over to the
11 Authority because of the financial
12 position that we're currently in. So
13 said revenues are not going to be as
14 high as they would because of the
15 financial issues we currently have
16 specifically for, you know, SPA
17 citation issuers and, you know, the
18 other revenue line items that we would
19 send over for, you know, a fixing of a
20 meter if it's broken or other costs
21 associated with that.

22 MR. HUGHES: I didn't ask you
23 that. I'm looking at it --

24 MR. MCGOWAN: Well, I'm answering
25 your question.

1 MR. HUGHES: I can see that in
2 there. But I've analyzed it, I've
3 reviewed it. Contrary to what Mr.
4 Scopelliti says that the revenue --
5 and I've never seen a budget for any
6 Authority or anyone ever prepared like
7 this where you take your anticipated
8 revenue of 3,600,872 divided by 12 and
9 come up with a monthly allocation of
10 250,572.67 for revenue; operating
11 expenses of \$1,078,430 divided by 12
12 monthly expenses of 89,869.16. In
13 reviewing this, the actual -- what
14 happened in January, the Parking
15 Authority revenue is \$242,951 which
16 was \$7,576.33 under budgeted. In
17 February it was \$193,412 which is
18 \$57,115.60 under budget and based on
19 this thing tonight and looking at it
20 through my magnifying glass, I find
21 out that the revenue for the month of
22 March was \$195,101 or \$55,425 less
23 than projected which is a total less
24 revenue in the first three months this
25 year of \$120,116. Have you analyzed

1 that and reviewed that?

2 MR. MCGOWAN: Yes.

3 MR. HUGHES: And do you come to
4 the same conclusion?

5 MR. MCGOWAN: Yes.

6 MR. HUGHES: The expenditures,
7 the actual for January were actual
8 expenses for January were \$101,692,
9 what was budgeted was \$89,869.16. In
10 February the actual expenditures were
11 \$112,603 versus the budget of
12 \$89,869.16. They were over budget in
13 expenditures of \$34,556. You add that
14 to the less revenue of \$64,692.
15 That's a negative of \$100,000 of less
16 revenue and more expenses. When you
17 add in what happened in March, March's
18 revenue was \$195,101 versus the budget
19 of \$250,000 or \$55,000 less which is
20 the total less revenue in the first
21 three months of this year of \$120,000.
22 You project that out over four other
23 quarters, you're looking approximately
24 of a half a million dollars less in
25 revenue. You look at the expenditures

1 in the budget for March were \$143,635
2 versus in the budget of \$89,869 which
3 means that they were over budget in
4 expenditures this year of \$53,766 for
5 a total for the three months, first
6 quarter of the year of \$88,322 over
7 budget on expenditures. You put all
8 of that together for the year, I come
9 out that this budget is off almost
10 \$850,000. If you add that to the
11 projected loss the Parking Authority
12 had of \$1,620,000, add \$850,000 to it
13 and you end up with a proposed deficit
14 of \$2,570,000 net swing from the
15 projected deficit of 1.6 million to
16 two and a half million. Have you had
17 time to review that?

18 MR. MCGOWAN: I have not.

19 MR. HUGHES: Assuming that this
20 projection is correct and this is
21 right from their own document and Mr.
22 Scopelliti said that their -- I
23 believe he said that their
24 expenditures are less for the first
25 three months of this year which is not

1 accurate. They're actually \$88,000
2 over budget. The revenues from
3 projected are actually \$120,000 less,
4 that there's a bond payment coming up
5 in three and a half months of close to
6 a million dollars. Do you have any
7 idea how they're going to pay it?

8 MR. MCGOWAN: I would answer that
9 question by saying that, you know,
10 because of what has been done in the
11 past, the city has to guarantee that
12 debt. So whatever funds they will
13 need, the city will have to guarantee
14 that debt.

15 MR. HUGHES: Well, let me ask Mr.
16 Scopelliti. Everything that I asked
17 Mr. McGowan and I have this here, as I
18 said, I had to read it through a
19 magnifying glass to analyze it and
20 come up with it this afternoon, you
21 stated that the Parking Authority is
22 actually under their expenditures and
23 I find out on your own document that
24 they're actually \$88,000 over its
25 budget.

1 MR. SCOPELLITI: That was
2 according to the budget. It's a
3 budget. It's a projection on that.
4 As Mr. McGowan did say, the city still
5 owes us management fees and on street
6 parking.

7 MR. HUGHES: How much?

8 MR. SCOPELLITI: We were paid for
9 in January and February so far this
10 year. They still owe us for March,
11 April and May.

12 MR. HUGHES: How much of
13 management fees?

14 MR. SCOPELLITI: Roughly \$90,000
15 for every two months.

16 MR. HUGHES: \$90,000 how often?

17 MR. SCOPELLITI: Every two
18 months.

19 MR. HUGHES: Every two months.

20 MR. SCOPELLITI: Actually, Mr.
21 Hughes, it depends the fines. It's
22 ten percent of whatever the revenue
23 is. So they are projections. If
24 people aren't parking in the downtown
25 due to economic times, you know, we're

1 doing everything we can. We don't
2 want to give up on this budget. We
3 want to see it through and we'll do
4 everything we can to generate as much
5 money as possible for this Parking
6 Authority.

7 MR. HUGHES: It's very difficult
8 to read this. I wish I had a bigger
9 one so I don't have to use this
10 magnifying glass but --

11 MR. SCOPELLITI: Well, let me
12 just say --

13 MR. HUGHES: I don't see -- I
14 can't see it, I mean, in your three
15 million dollars. I just see other
16 revenue of \$100,000. There's
17 something there I can't read on street
18 program fee it looks like 499,000.

19 MR. SCOPELLITI: It's the budget
20 amount, 499,672.

21 MR. HUGHES: And it looks like in
22 February you did get \$30,000 on that.
23 It looks like in March you did get
24 \$16,718. So it has been paid. You
25 had been receiving that revenue. So

1 it's not going to 90,000 every two
2 months?

3 MR. SCOPELLITI: Not fully, sir.

4 MR. HUGHES: Not fully paid but
5 you're getting part of that revenue.

6 MR. SCOPELLITI: We did get
7 January and February.

8 MR. KELLY: Partially.

9 MR. SCOPELLITI: Partially.

10 MR. HUGHES: Assuming that this
11 continues to the end of the year,
12 assuming that this projection for the
13 e first three months continues, how is
14 the Parking Authority going to come up
15 with one million dollars on
16 September 15th?

17 MR. SCOPELLITI: Combined efforts
18 of our revenue. It's too far out to
19 project that Mr. Hughes.

20 MR. HUGHES: So it's too far out
21 three and a half months as to how
22 you're going to get a million dollars.
23 Do you have any idea? I mean, right
24 now for this bond payment I believe it
25 was \$1,134,000, you put in a little

1 bit over 150,000, close to 200,000,
2 leaving the city to come up with
3 998,000. In the next three and a half
4 months knowing that your revenues are
5 decreasing, your expenses are
6 increasing, three and a half months is
7 too far out to figure out how you're
8 going to continue to operate, pay your
9 bills and how you're going to come up
10 with a million dollars to pay the next
11 bond issue?

12 MR. SCOPELLITI: Well, I think
13 we've set into place the pay stations
14 as of April and we're going to
15 aggressively continue to do the
16 validations in the downtown and with
17 the volume parking, as I said, with
18 the county hopefully make up some of
19 this revenue.

20 MR. HUGHES: Yes, sir. I was in
21 there yesterday. I parked for three
22 hours. It costs me \$12.15, I believe.
23 We came down, there was someone that
24 didn't have the documentation, he was
25 stopped, he couldn't get out because

1 the gate was down. I was the third
2 car behind him and there were five
3 cars going up the ramp and everybody
4 was blowing the horn. I mean, it's --

5 MR. SCOPELLITI: Which garage was
6 that, Mr. Hughes?

7 MR. HUGHES: The Scranton Parking
8 Authority garage.

9 MR. SCOPELLITI: We have five of
10 them.

11 MR. HUGHES: Pardon?

12 MR. SCOPELLITI: We have five of
13 them.

14 MR. HUGHES: Well, right over
15 here on Washington.

16 MR. SCOPELLITI: Okay.

17 MR. HUGHES: That's the original
18 one.

19 MR. SCOPELLITI: There is a call
20 button on the gate.

21 MR. HUGHES: I'm just saying that
22 he didn't have the ticket, it took a
23 long time, there had to be seven or
24 eight cars backed up, people were
25 getting frustrated. The lady behind

1 me when I paid, she had to pay seven
2 dollars. She said, "I'm never coming
3 in here again."

4 Now, you don't have a projection
5 how you're going to do that in three
6 and a half months come up with almost
7 a million dollars to pay it so you'll
8 be back to the city again?

9 MR. SCOPELLITI: I'm sorry.

10 MR. HUGHES: The next bond
11 payment is due September 15th.

12 MR. SCOPELLITI: Yes, sir.

13 MR. HUGHES: It's almost a
14 million dollars. Do you have any
15 projections as to how much you're
16 going to have in your funds and how
17 much you're going to have to come back
18 to council at that time?

19 MR. SCOPELLITI: I don't have an
20 exact number.

21 MR. HUGHES: Two and a half
22 months later after September 15th is
23 December 1st. You have another bond
24 payment due then of \$813,000. Do you
25 have any idea of how you're going to

1 pay that?

2 MR. SCOPELLITI: I don't have
3 exact numbers. That's what our
4 business relies on supply and demand.
5 We'll continue doing this. As I
6 pointed out in our action plan, we are
7 trying to, you know, fill all of our
8 vacancies with a realtor. We're
9 making every effort to do this.

10 MR. HUGHES: Mr. Scopelliti, one
11 thing that concerns me in your
12 budget -- there's a lot of things that
13 concern me in your budget and I'm sure
14 if I gave it to a CPA, I mean, he can
15 do a lot better job than I have. But
16 I have cross-examined many CPA's in my
17 career and here's the thing. I look
18 at it, you have projected in here
19 salaries, \$31,616 per month. In
20 January it was \$51,816. In February
21 it was \$62,765. And that's because
22 there were five payrolls, weekly
23 payrolls in February.

24 MR. SCOPELLITI: Correct.

25 MR. HUGHES: So that's why it

1 went up. I don't know if it should
2 have gone up -- yeah, about \$11,000.
3 And in March -- in March the salaries
4 were, I believe, about the same, were
5 about another 50-some thousand,
6 \$51,000. You're 82 percent over
7 budget on your salaries. How can you
8 make a budget up and say these are my
9 salaries of \$31,000 per month and
10 you're coming in at \$51,816 and then,
11 of course, once every six months
12 you're going to hit 62,760. The way I
13 see it your salary budget alone is
14 going to be over by almost \$300,000.

15 MR. SCOPELLITI: There has been
16 no changes in the budget and
17 increases, just mandated salary
18 increases on unionized employees.

19 MR. HUGHES: Who drafted this
20 budget?

21 MR. SCOPELLITI: It was a
22 combined effort with Mrs. Renda,
23 myself and the board.

24 MR. HUGHES: It seems to me
25 there's something seriously flawed

1 when you have \$31,000 per month in
2 salaries and your actuals are \$51,000
3 for five -- it's going to be on five
4 months and 62,000 every six months,
5 that you're off by over \$30,000 a
6 month. That dovetails then into your
7 benefits because you have your
8 insurance, your health is budgeted
9 \$9,246 a month. In January it was
10 \$11,411. In February it was \$15,918.
11 You're over budget in all of these
12 items. I'm taking this right from
13 your figures.

14 MR. KELLY: Is that a question or
15 is that a statement?

16 MR. HUGHES: Yes. I said you're
17 over budget in every one of these
18 items, aren't you?

19 MR. KELLY: That's a statement.
20 That's not a question. What's your
21 question, sir?

22 MR. HUGHES: You're over budget
23 in every one of these items.

24 MR. KELLY: That's a statement.

25 MR. HUGHES: On your health care?

1 I'm dealing with your figures here,
2 correct?

3 MR. SCOPELLITI: I understand
4 what you're saying. I can get you --

5 MR. HUGHES: The way I project
6 this out and I can only deal with the
7 figures that I have here. Based on
8 what you have in this budget as your
9 revenue and your expenditures and your
10 deficit at the end of the year of 1.6
11 million, you're going to end up close
12 to a deficit of two and a half million
13 dollars.

14 MR. SCOPELLITI: That's an
15 assumption, I believe.

16 MR. HUGHES: Well, I'm using your
17 figures to an actual, actual versus
18 budget.

19 MR. SCOPELLITI: I would like to
20 double check these figures to be hones
21 with you, Mr. Hughes. To be honest
22 with you, Mrs. Krake had called us
23 this afternoon and we put these
24 together. We spent an enormous amount
25 of time putting all of these documents

1 together for you in their true
2 numbers.

3 MR. HUGHES: Well, I'll just
4 finish with one statement and actually
5 it's a question first, then I'll make
6 a statement.

7 When you receive my letter of
8 October 27, 2011, Article -- I think
9 it was Item No. 7 requested you to
10 produce a budget in accordance with
11 the format that it have comparative
12 figures and you did not do it,
13 correct?

14 MR. SCOPELLITI: We've sent our
15 budget up.

16 MR. HUGHES: And this budget was
17 your budget that was sent up was
18 rejected by council, correct?

19 MR. SCOPELLITI: I believe so but
20 it was approved by our board.

21 MR. HUGHES: Are you aware that
22 in accordance with the trust
23 documents, the lease documents that
24 it's a requirement that the budget of
25 the Scranton Parking Authority be

1 approved by council and if it is not,
2 it's an event of default?

3 MR. KELLY: Don't answer that
4 question.

5 MR. HUGHES: Paul, I'm not asking
6 Brian, I'm asking the executive
7 director -- I'm asking the executive
8 director if he knows that.

9 MR. KELLY: You're asking for the
10 executive director who is not trained
11 in the law for a legal conclusion.

12 MR. HUGHES: It's not a legal
13 conclusion. It's a fact.

14 MR. KELLY: That is what I'm
15 counseling my client.

16 MR. HUGHES: Fine. Let's -- I
17 have nothing further. I think that
18 this, you know, just from what I see
19 in this budget I stated publicly at
20 council meeting and it was an insult
21 to Mickey Mouse when I said it was a
22 Mickey Mouse budget. I think it
23 leaves a lot to be desired. Council
24 rejected it. I can't see how you can
25 have based on your experience being

1 over there for five years and
2 historical budgets and revenues coming
3 in on a monthly basis, expenditures on
4 a monthly basis that you can have a
5 level statement of income every month
6 and to the same item for expenditures
7 every month. I think that it's not --
8 it's definitely not a proper budget
9 for an Authority. It leaves a lot to
10 be desired and I would like to see --
11 and the next time I would like to get
12 something a little bit bigger that I
13 can read, at least on two pages of a
14 spreadsheet and I'd like some answers
15 and I'd like to know if -- I think Mr.
16 Joyce should ask you if you will
17 voluntarily come back here in a couple
18 of weeks as council sets up a caucus
19 to answer questions and inform council
20 as to how you're going to revise this
21 budget and what you're going to look
22 at as to how the money can come in or
23 what money is going to be available
24 projected to pay the September bond
25 payment of almost \$959,000. I'll

1 round it off to a round figure of a
2 million and after that how you're
3 going to determine how you're going
4 make the payment in December. I can
5 only deal with the facts and figures
6 that you supplied Mr. Scopelliti.
7 These came into me -- they came in
8 late last night. I was in a trial. I
9 looked at them this morning. I put
10 all this together then, and it seems
11 to me that even if you had -- I say
12 you, the Parking Authority had
13 \$400,000 on September 1st and
14 requested council to make another bond
15 payment of \$600,000 I don't see how
16 based on these figures and your actual
17 to date of three months that you would
18 have money to make the December bond
19 payment and everything would be
20 expended from the contingency fund and
21 I don't see how that bond payment is
22 going to be paid and I think you're
23 looking right now based on the figures
24 I have that you have given me, I did
25 analyze this stack -- this whole stack

1 here, I went through it pretty well
2 today. I didn't have time to put it
3 all together the actuals for April or
4 the actuals up through May 25th, but I
5 think your revenues are going down,
6 your expenses are increasing, and I
7 think in my opinion based on the
8 documentation I have unless something
9 drastically changes at the Parking
10 Authority, it's going to be in default
11 in December and that's assuming that
12 council approves the ordinance tonight
13 that has to be amended from 940,000 up
14 to nine million, nine hundred
15 and -- whatever it is. I have it
16 written down here, 9,940,948.56 --

17 MR. KELLY: Not nine million,
18 nine hundred.

19 MR. HUGHES: \$994,948.56.

20 MR. SCOPELLITI: Yes, sir.

21 MR. HUGHES: I'm telling you that
22 based on my financial experience that
23 I think things are critical over at
24 that Authority, and I think something
25 seriously has to be addressed and you

1 have to cooperate with council more.
2 There has to be more open
3 communication. I'm personally
4 offended that, you know, you've never
5 replied, the reply that you sent to my
6 letter seven months after I sent it.
7 There's information there that was
8 critical. I didn't have a lot of
9 these documents. We don't know the
10 balances that are in all these trust
11 agreements and all these varies
12 accounts and they're critical. And
13 including the information that if
14 there was going to be a default, did
15 you ever give the insurers notice and
16 I believe you said you never gave any
17 of the insurers notice. But I think
18 they know the situation and I note
19 that you're going to have to start
20 doing something different down there.
21 And my immediate reaction when I
22 reviewed this and I saw that what you
23 had budgeted for salaries and what you
24 were paying, I said how could you be
25 putting more people on your payroll

1 now. You're not only increasing that
2 amount that screws your budget
3 drastically but your health insurance
4 account is screwed drastically, plus
5 based on an 82 percent higher rate of
6 salary to your employees, the other
7 things that get screwed in your budget
8 are your FICA, your Workers' Comp,
9 your Unemployment Comp. So when I say
10 that there's a deficit in there just
11 on payroll of \$230,000 projected out
12 to the end of the year, it's probably
13 a lot higher than that.

14 MR. SCOPELLITI: Mr. Hughes, I'd
15 like you to grant me the opportunity
16 to see if these numbers are actually
17 correct. There has been no hiring
18 down there. As a matter of fact, we
19 laid off two people come April. I
20 will be back to give you proper
21 numbers.

22 MR. HUGHES: I fully understand.
23 But when you look at a budget --

24 MR. SCOPELLITI: I understand
25 that. I just want to make sure --

1 MR. HUGHES: And you have in your
2 budget --

3 MR. SCOPELLITI: They're not
4 actually --

5 MR. HUGHES: -- salaries of
6 \$31,000 per month and I see your
7 actual figures of salaries of 51,000
8 and 62,000, until I got this today and
9 I went over your actual payroll, I
10 realized that you had five payrolls.
11 I had no idea how you make your
12 payroll. And then I saw that, now I
13 know why that jumped from 51,000 to
14 62,000 because you had five payrolls
15 in there. That's going to be twice a
16 year. But that's almost double that
17 amount. So you're already -- look it,
18 I've taken enough time --

19 MR. SCOPELLITI: I will get you
20 the answer to that.

21 MR. HUGHES: This thing is
22 serious between the Parking Authority
23 and council and I think there has
24 to -- not I think. I'm telling you
25 that there has to be better

1 cooperation because if something
2 isn't -- you guys don't get your ship
3 in order down there, and I know
4 there's not going to be mutiny but
5 what's going to happen is there's not
6 going to be enough of money at the end
7 of the year. And if it goes in
8 default, you know, I think you're
9 going to be out of your 1.6 million in
10 the contingency fund now and comes
11 December who knows how much money the
12 city is going to have or the city is
13 going to have to go out and borrow
14 more money and there ain't going to be
15 any money for you, I don't think. So
16 this is my analysis. I hope I'm wrong
17 but I don't believe I am.

18 MR. SCOPELLITI: We'll get you
19 proper answers. I'll be back.

20 MR. ROGAN: Mr. Joyce, before we
21 adjourn, I just have one followup
22 question from Mr. Hughes.

23 If the numbers, in fact, that
24 were presented to Mr. Hughes as
25 citing, they were provided by you are

1 incorrect, how could a mistake that
2 large be made?

3 MR. SCOPELLITI: I didn't
4 actually do these numbers. I want to
5 go back and verify them.

6 MR. ROGAN: Who did do those
7 numbers?

8 MR. SCOPELLITI: Financial person
9 who works with us.

10 MR. ROGAN: Which person is that?

11 MR. SCOPELLITI: We have Sal
12 Caterino and we have actually a
13 professional service, we pay a
14 professional service to do those
15 financial statements. When Mrs. Renda
16 left us, we felt that she was very
17 well informed on the bond information
18 after being there three years, and we
19 were paying her an hourly salary to do
20 these finances so that somebody could
21 go trained until somebody can be
22 trained, she would work hand in hand
23 with the person. So we'll go over
24 this. Unfortunately this week was a
25 week that they were away so these

1 numbers I will bring back other
2 documents. And if they are right,
3 we'll tell you they are right.

4 MR. ROGAN: Mr. Scopelliti, how
5 do you expect us --

6 MR. HUGHES: One other at least
7 from my opinion, from what I see at
8 least in your salaries and everything
9 else and what you allege you put in
10 here that was going to be paid on a
11 monthly basis, I'm requesting on
12 behalf of council that you put
13 together an amended budget. The city
14 has to demand it. It should be the
15 mayor demanding it. Council is
16 demanding it. This thing is so
17 inaccurate, and I think I can
18 understand your revenues to an extent.
19 I mean, I only look at the bottom
20 figure. I didn't look -- I mean, I
21 don't know -- again, I'm using this
22 and this is what I have. I'm used to
23 reading deeds and other documents with
24 my magnifying glass. That's why I
25 have one. The print is so small

1 sometimes. But anyway, I don't
2 believe this budget serves your
3 Authority. I think it's fictitious.
4 It certainly doesn't -- it certainly
5 does not give council, you know, any
6 confidence in this budget. And, you
7 know, based on that, you should do a
8 revised budget from now till the end
9 of the year for your own benefit as to
10 how you're going to come up on
11 September 15th with a million dollars
12 to pay the bond and how you're going
13 to come up with another \$900,000 on
14 December 1st when there's only two and
15 a half months after that. That's
16 almost \$450,000 a month.

17 MR. SCOPELLITI: Understood.

18 MR. HUGHES: Because I don't
19 think everybody is going to be so kind
20 the next time you come with hat in
21 hand. I mean, I'm just -- this is my
22 opinion as Boyd Hughes, okay.

23 MR. SCOPELLITI: We'll look at
24 it.

25 MR. HUGHES: I don't know if the

1 rest of council has that opinion but I
2 certainly think you're doing yourself,
3 the Authority or this community or
4 this city a benefit with this budget
5 as done. I have nothing further.

6 MR. SCOPELLITI: Thank you.

7 MR. ROGAN: Just another
8 followup. Mr. Scopelliti, if these
9 numbers are, in fact, incorrect, how
10 do you expect us to make an informed
11 decision today to give nearly a
12 million dollars of the taxpayers'
13 money to the Parking Authority?

14 MR. SCOPELLITI: I understand,
15 Mr. Rogan. We looked at the budget
16 and historically from our audits done
17 before, that's what we can go back by.
18 The budget is merely an estimate on
19 what we're going to project. We'll
20 continue on with this action plan
21 and --

22 MR. ROGAN: Well, we have to vote
23 tonight.

24 MR. SCOPELLITI: I understand
25 that.

1 MR. ROGAN: How do you expect us
2 to vote when we're not provided with
3 the proper information by your own
4 admission?

5 MR. SCOPELLITI: I understand
6 that. And in the September 5th letter
7 we anticipated a 1.6 shortfall for
8 this year based on the numbers.

9 MR. ROGAN: So how should we make
10 this decision if these numbers are
11 incorrect? That's my question.

12 MR. SCOPELLITI: I'm not saying
13 they're correct. I'm going to go back
14 and double check them. Obviously you
15 want me to come back to city council
16 and report to you --

17 MR. ROGAN: Absolutely.

18 MR. SCOPELLITI: And I will be
19 more than happy to do that.

20 MR. ROGAN: Don't you think the
21 proper numbers should have been
22 presented tonight when we have to case
23 a vote?

24 MR. SCOPELLITI: Actually for
25 these particular numbers Mrs. Krake

1 called me this afternoon at 12:15, and
2 I said, we have our financial person
3 on vacation so I was --

4 MR. ROGAN: And that's Mr.
5 Caterino?

6 MR. SCOPELLITI: And Mrs. Renda.

7 MR. ROGAN: And Mr. Caterino,
8 what were his qualifications for the
9 position?

10 MR. SCOPELLITI: Mr. Caterino, I
11 believe, was in the BA's Office and he
12 works as an accounts payable
13 receivable person and a body to help
14 out at the Scranton Parking Authority.

15 MR. ROGAN: And his salary?

16 MR. SCOPELLITI: 35,000.

17 MR. ROGAN: 35,000?

18 MR. SCOPELLITI: Yes, sir.

19 MR. ROGAN: I have nothing
20 further.

21 MR. JOYCE: Nobody has anything
22 further, I hereby declare this public
23 caucus adjourned.

24 (Proceedings concluded at 6:52
25 p.m.)

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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 taken by me of the above-cause and that this copy is a correct transcript of the same to the best of my ability.

Amelia Nicol, RPR
Official Court Reporter