

1
2 SCRANTON CITY COUNCIL MEETING
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5
6 HELD:
7

8 Thursday, December 5, 2013
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10 LOCATION:
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12 Council Chambers
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14 Scranton City Hall
15

16 340 North Washington Avenue
17

18 Scranton, Pennsylvania
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24 CATHENE S. NARDOZZI, RPR - OFFICIAL COURT REPORTER
25

JANET EVANS, PRESIDENT

FRANK JOYCE, VICE-PRESIDENT

ROBERT MCGOFF

PAT ROGAN

JOHN LOSCOMBE
(Not present)

NANCY KRAKE, CITY CLERK

JAMIE MARCIANO, ASSISTANT CITY CLERK

BOYD HUGHES, SOLICITOR

444
444

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. Joyce.

10 MR. JOYCE: Here.

11 MS. MARCIANO: Mrs. Evans.

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

14 MS. KRAKE: THIRD ORDER. 3-A.
15 MINUTES OF THE SCRANTON-LACKAWANNA HEALTH &
16 WELFARE AUTHORITY HELD OCTOBER 17, 2013.

17 MS. EVANS: Are there any comments?
18 If not, received and filed.

19 MS. KRAKE: 3-B. AGENDA FOR THE
20 ZONING HEARING BOARD TO BE HELD DECEMBER 11,
21 2013.

22 MS. EVANS: Are there any comments?
23 If not, received and filed.

24 MS. KRAKE: 3-C. LACKAWANNA COUNTY
25 PLANNING COMMISSION SUBDIVISION AND LAND

1 DEVELOPMENT EVALUATION RECEIVED OCTOBER 9TH,
2 2013.

3 MS. EVANS: Are there any comments?
4 If not, received and filed.

5 MS. KRAKE: 3-D. TAX ASSESSOR'S
6 REPORT HEARING DATES OCTOBER 30TH AND
7 DECEMBER 11TH, 2013.

8 MS. EVANS: Are there any comments?
9 If not, received and filed.

10 Do we very Clerk's notes tonight,
11 Mrs. Evans?

12 MS. KRAKE: No, Mrs. Evans.

13 MS. EVANS: Thank you. Do any
14 council members have announcements at this
15 time?

16 MR. ROGAN: Just one. We received a
17 letter today from Lackawanna County and, as
18 you know, city council requested both last
19 year and, unfortunately, the county said no.
20 This year we received better news regarding
21 extending the discount period for taxes.

22 It says, "Dear Mrs. Krake, pursuant
23 to your request stated November 25, 2013, in
24 the spirit of intergovernmental cooperation,
25 the county commissioners have agreed to

1 extend the deadline for the discount period
2 in order for taxpayers to have additional
3 time to pay. The county agrees to extend
4 the first discount deadline from February
5 28, 2014, to March 31, 2014."

6 So this is good news and I'd like to
7 thank the county commissioners who I was
8 very critical of last year when they refused
9 to do this and I thank them this year.

10 Mrs. Krake, could we please send a
11 copy of this letter to the school district
12 and ask for their cooperation as well, and
13 could we also give an a copy to Mayor
14 Courtright, mayor-elect Courtright's
15 transition team?

16 MS. EVANS: Is there anyone else?
17 This Saturday, December 7, Santa Clause will
18 arrive by special train at six communities
19 in the Lackawanna valley during the
20 Christmas in a small town program. Families
21 are encouraged to assemble at the state
22 office building parking lot on Lackawanna
23 Avenue in Scranton at 2:45 p.m. to welcome
24 Santa. Santa and his friends will greet all
25 of the children and hear their lists of

1 Christmas wishes. Afterwards, families can
2 enjoy refreshments, live entertainment by
3 the Scranton High School marching band and
4 special activities, including photo
5 opportunities with the Santa train and its
6 crew. All activities are free. Train rides
7 for the public are not available at this
8 event, however.

9 This Saturday, our country marks the
10 anniversary of the December 7, 1941, attack
11 on Pearl Harbor. We remember in our
12 thoughts and prayers the over 2,000 soldiers
13 killed and greater than 1,200 injured on
14 that day that continues to live in infamy.

15 Finally, I hope that all in our
16 community enjoyed a happy Thanksgiving and
17 that our Jewish friends and neighbors had a
18 very blessed and happy Hanukkah.

19 MR. MCGOFF: Could I make one
20 historical note as well since --

21 MS. EVANS: Please.

22 MR. MCGOFF: Today is the 80th
23 anniversary of the end of prohibition.

24 MS. EVANS: Thank you.

25 MR. MCGOFF: Just throw it out

1 there.

2 MS. EVANS: I don't know that that
3 belongs in the category of Pearl Harbor Day,
4 but it's certainly an historical event and
5 one that might interest Scrantonians.

6 Mrs. Krake?

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

9 MS. EVANS: Mr. Hickey.

10 MR. HICKEY: Thank you. Gene
11 Hickey, a resident of West Scranton, and
12 here on behalf of mayor-elect Courtright's
13 transition team to comment on the proposed
14 2014 budget.

15 Before I get started, there were a
16 lot of pointed questions that were raised by
17 some of the speakers earlier, many of the
18 same questions that mayor-elect Courtright's
19 transition team has looked at in its review
20 of the budget. I'd like you to know that
21 it's not just me on that transition team,
22 there are many individuals participating.
23 We have lawyers, accountants, financial
24 investors and the like who have taken their
25 time to look at this budget and make some

1 analysis to determine whether or not it's a
2 realistic budget, which is what we
3 understand the banking and investment
4 community to be looking for for 2014.

5 And I bring that point up early on
6 in this presentation, because as all of you
7 know, the City of Scranton when we start a
8 fiscal year in January, one of the most
9 important components of that is it a TRAN,
10 which is a tax and revenue anticipation
11 note. I believe it was Mrs. Schumacher who
12 brought up the fact that there is a \$16
13 million TRAN in the budget, with a \$17
14 million on the expense side. We are
15 assuming the expense side is higher for the
16 interest portion of that TRAN, and I see
17 your face, which raises some eyebrows, and
18 the reason the interest is going to be so
19 high is because of the cost of the funds to
20 the City of Scranton is so significant
21 because of our current status versus other
22 municipalities who aren't facing that same
23 dilemma.

24 So Mayor Courtright asked us and
25 really charged us with the tax of going out

1 and looking at the budget from a general
2 overview to line item by line item to
3 determine whether or not there were any
4 issues in the budget that we thought needed
5 to be brought to the forefront, and I'm
6 sorry to say that there are a lot of issues.
7 Many people have raised the questions here
8 tonight with regard to this budget, and I'm
9 not going to use smoke and mirrors here,
10 nobody is going to hide the 800 pound
11 gorilla in the budget. There is a huge tax
12 increase and there is a huge revenue
13 increase on the refuse fee.

14 Fortunately, we were warned about
15 that maybe a year ago when PEL suggested we
16 were looking at 117 percent tax increase
17 rather than a 57 percent. With that said,
18 we have looked at many issues, and I mean
19 numerous. We have met with PEL, we've meet
20 with DCED, we met with our communities who
21 are either still struggling similar to
22 Scranton or who have been through a process
23 and actually come out of it and talked to
24 those individuals who have been involved in
25 the process, and one of the real things that

1 we were concerned about and made aware of is
2 realistic items in the budget is at the
3 forefront of what we need to establish for
4 the City of Scranton, that's expenditures
5 and its revenues and, unfortunately, the
6 city has for many years, and I know all of
7 you are aware of this and everybody in the
8 audience is aware of it, we have been
9 deficit spending in this town, I don't know,
10 somebody raised the issue of 40 years, I
11 don't like to go back that far because
12 there's a guy up here on the wall that was
13 mayor back then, but it's been a long time.

14 And there was a quote I saw Ron Paul
15 said, "Deficit spending is nothing more than
16 tax increases." And all that means is
17 sooner or later you have to come up with
18 with the money to make the payments. So
19 when we look at the budget, we obviously
20 looked at the revenue side first because
21 that seemed to be the spot where most people
22 were concerned.

23 Somebody raised the issue this
24 evening about the liquid fuels and the \$2
25 million of state liquid fuels money. The

1 city is not getting that money this year or
2 in 2014. You have an immediate \$2 million
3 gap in the budget before you even got out of
4 the gate to look at it, unfortunately. The
5 Governor signed the Transportation Bill and
6 he did not include the liquid fuels revenue
7 in there for distressed cities.

8 As a result, we already have
9 shortfall of \$2 million almost immediately
10 after the mayor's budget was submitted to
11 council. So far there has been no
12 suggestion of how to replace that revenue,
13 so we have an issue there.

14 Secondly in the budget, there is a
15 sale of city assets of \$1.7 million. The
16 budget, unfortunately, didn't identify what
17 those assets are. We have been told it
18 could be parking meters, it could be Sewer
19 Authority. The unfortunate part from the
20 investment banking standpoint and from a
21 lending standpoint is if we don't know what
22 we are selling, we don't know what their
23 value is and we don't have signed contracts
24 it's not real revenue from their
25 perspective. That gets us to \$3.7 million.

1 Let alone the fact that we are going to be
2 short next year \$1.7 from the sale, and the
3 revenue from the meters on top of that. And
4 as Attorney Hughes knows, I think he has
5 been involved in the Parking Authority
6 issues, we've got all kind of problems on
7 that end which is going to involve the meter
8 revenue, so we have those issues as well.

9 The third dilemma in the budget on
10 the revenue side is we have an estimated
11 additional \$1.6 million next year in earned
12 income tax. The collector for the county,
13 which I believe is Berkheimer, saw a spike
14 in all municipalities this year of earned
15 income tax revenues. Do you mind if I
16 continue?

17 MS. EVANS: Please, but then wrap it
18 up.

19 MR. HICKEY: I'm trying to go as
20 fast as I can. He has told all of the
21 municipalities to use caution when putting
22 that revenue item into the budget, and the
23 reason for that is they believe it's a
24 one-time spike as a result of the Act 32
25 being implemented and the new collector

1 coming on board. You are up to \$5.3 million
2 short on the revenue side on three items.

3 Unfortunately, the bad news doesn't
4 stop there. If you look at the delinquent
5 real estate taxes, the local services tax,
6 licenses and permits, fines, forfeits and
7 violations, in lieu of taxes and
8 departmental earnings there is another \$2.55
9 million short in those projections based
10 upon simply the historical data.

11 When we looked at these revenue
12 items in the budget, most of these items
13 come in at 60 percent of funding at most and
14 as a result of that you have this built in
15 what we would deem a structural deficit on
16 the revenue side because the revenues aren't
17 there, they are projected, but they are not
18 collected.

19 So when you add all of that up you
20 come to a \$7.85 million revenue shortfall
21 without looking at the expense side of the
22 budget. You know as well as I do the
23 expense side is pretty well set in Scranton
24 I think you guys have slashed every where
25 possible to cut expenses. We are not sure

1 where anymore cuts are coming from. We have
2 organized labor contracts in effect until
3 2017. Roughly 80 percent of this budget is
4 based upon fixed costs. We have extensive
5 borrowing obligations on top of that, and as
6 a result of that somebody -- I have a friend
7 that says it all the time, and I think Mr.
8 Parrera, kick the can down the road. That's
9 what we are doing. We are kicking it down
10 the road.

11 What our concern is when we get to
12 January we don't have a TAN. There is no
13 TRAN in place, this is no money to fund the
14 city government for January, February and
15 March, particularly in light of the
16 extension on the discount period for real
17 estate taxes, those revenues are going to
18 come in very slowly. The banks have told
19 us, and we are going to be meeting with them
20 again shortly, without a realistic budget we
21 may not get that funding. On top of which
22 you have a \$22 million arbitration award, a
23 missed pension payment this year,
24 potentially the whole thing, maybe some of
25 it, depending on whose cash flow analysis

1 you are looking at, plus an interest penalty
2 of up to \$640,000 on top of that starting
3 off in January of 2014.

4 So you are confronted as a body with
5 some very significant issues. It's very
6 difficult for the mayor-elect's transition
7 team to come in and analyze every department
8 line item at a time to see where savings can
9 be met because we are not in there. Mayor
10 Courtright is not in office yet, he doesn't
11 have his team in place, whoever he is going
12 to appoint as department heads and whatnot,
13 so they don't have the ability to go in
14 there and do that, but as you know just
15 looking at the expense side it's going to be
16 very difficult to realize savings.

17 There is some hope, all right? And
18 the hope is that somehow we come up with a
19 realistic 2014 general city operating
20 budget, and the lending institutions agree
21 to loan us the TRAN and then we can somehow
22 finance the arbitration award and at that
23 juncture the city may be out of trouble.

24 MS. EVANS: Thank you, Attorney
25 Hickey.

1 MR. HICKEY: And I appreciate your
2 time, and if I can just leave with a quote
3 from Martin Luther King, I think you guys
4 have a very difficult task at hand and he
5 once said, "The ultimate measure of a person
6 is not where they stand in moments of
7 comfort or convenience, but where they stand
8 in times of challenge and controversy."

9 And our hope and wish for council is
10 that you can do what's necessary to assist
11 the city moving forward in 2014. Thank you.

12 MS. EVANS: Thank you. And I think
13 some of us have already done that.

14 MR. HICKEY: Pardon me?

15 MS. EVANS: Some of us have already
16 done that.

17 MR. HICKEY: Oh, I -- just so
18 everyone knows, I think everyone in the
19 transition team believes council has done an
20 admirable job of trying to move the city
21 forward.

22 MS. EVANS: Thank you.
23 Mr. Spindler?

24 MR. JOYCE: Before we move forward I
25 just have one question.

1 MR. HICKEY: Sure.

2 MR. JOYCE: You know, the transition
3 team obviously has looked at the budget,
4 went over it, and noticed some deficiencies
5 particularly on the revenue side. What is
6 the idea of Mayor Courtright or the
7 transition team of how to makeup for those
8 deficiencies?

9 MR. HICKEY: I can give you a couple
10 of examples. Somebody raised the question
11 of the rental registration ordinance, I
12 forget who said it, how many units are there
13 in the city? And I think the budget is
14 based upon \$50 a unit and 3,000 units for
15 \$150,000. You send out 20,024, I believe,
16 refuse fee bills. We don't understand where
17 the discrepancy is. If you only have
18 three -- even if you had three units per
19 building at 3,000 you are still only at
20 9,000. We are missing 11,000 potential
21 units. The US Census for 2010 indicated
22 that there were over 14,000 multi-family
23 dwellings in the City of Scranton. We are
24 only collecting on 3,000.

25 Delinquent real estate taxes, we had

1 real estate tax sales in the city, I don't
2 know, we had one this year, I think nine
3 people showed up and maybe three properties
4 were bid on. Lackawanna County sells
5 delinquent real estate properties and gets
6 them back on the tax rolls almost
7 immediately and if they are not sold at an
8 upset sale, they are sold at a judicial
9 sale, and even if you don't collect all of
10 the revenue from the sale you are still
11 getting the properties back on the tax rolls
12 for purposes of future taxes.

13 I mean, I think going on and looking
14 there is revenue items to look at, but when
15 you are asking a new administration to come
16 in, until they get in there and get their
17 feet in the door and look at these issues
18 nobody in mayor-elect Courtright's
19 administration is going to say, "We are
20 going to generate these revenues next year."

21 The rental registration program,
22 that could be a yearlong process of going
23 out to each neighborhood door to door,
24 similar to a tax assessment, and determining
25 how many units really are in the city. The

1 information is just not there.

2 So there is ways to enhance
3 revenues, there is way to go after
4 delinquent taxpayers, there is ways to go
5 after revenues, the problem is we haven't
6 done it. So when we the banks are coming
7 in, and this is what our concern is, when
8 the banks come in and you don't have a
9 commitment from a bank for a TRAN for 2014,
10 they are going to wait until you pass the
11 budget to make that determination. When
12 they come in, if they say no, that's the
13 concern we have because if they say this
14 budget isn't real, we are not going to loan
15 you the money, remember, one bank.

16 MS. EVANS: You do recall that the
17 mayor has the ability to open the budget.

18 MR. HICKEY: Well, the mayor can
19 open the budget on certain items.

20 MS. EVANS: On anything.

21 MR. HICKEY: But you are going to
22 issue a -- I'll give you an example of your
23 real estate tax. Whatever you do with it,
24 whether it's current, at current rates or
25 increased rates, we are not sending out

1 extra real estate tax bills next year. They
2 are going out in January or February, that's
3 it. That revenue item is over. You don't
4 get a second crack at the apple, so when you
5 look at those revenue sources it's one thing
6 to open a budget and transfer expenditure
7 and move it around to pay for other things,
8 but to increase the revenues in the budget
9 isn't possible based upon those bills.

10 MS. EVANS: I think you have to keep
11 in mind that that should this budget pass,
12 you are going to see increased delinquencies
13 because there are many people in the City of
14 Scranton who cannot this.

15 MR. HICKEY: I don't think there is
16 any doubt --

17 MS. EVANS: So I don't think you are
18 going to realize the amounts of money that
19 are envisioned.

20 MR. HICKEY: On the EIT and the real
21 estate taxes, real estate taxes in this city
22 are collected at approximately 88 percent,
23 so there is a built in 12 percent every year
24 that remains unpaid. The EIT is a little
25 different because it's collected at source.

1 The garbage fee is down around 78
2 percent. And I agree with you, the problem
3 is if you are right, and you very well could
4 be, that structural deficit that I'm
5 referring to is bigger next year. The bank
6 looks at it and says, "Hey, you are not
7 going to get this money, we don't like the
8 risk here, we are not going to give you a
9 TRAN."

10 So that the level you are faced with
11 is if the budget is not real and nobody
12 comes to the table on the loan that's where
13 we see the problem coming. And honestly,
14 this issue could be way more impactful a
15 year or two from now. If you have a million
16 dollars in interest payment on the TRAN this
17 year, you borrow \$30 million for a judgment
18 and a pension payment at four or five points
19 above what everybody else is paying, the
20 interest cost to everybody here, including
21 me and you, our grandkids are going to be
22 paying that. That's just the simple fact.

23 So we understand you guys got a
24 horrible task ahead of you, we understand
25 that. Mayor-elect Courtright is coming into

1 it, he is going to have to deal with it when
2 he gets here. We just hope that by offering
3 some comments you can see some of the issues
4 in the budget that we saw and hopefully, you
5 know, we can assist each other and try to
6 resolve them together. Thank you.

7 MS. EVANS: Thank you.

8 MR. SPINDLER: I didn't think I
9 would ever get up here. Good evening,
10 Council. Les Spindler, city residents and
11 homeowner and taxpayer. As I stated two
12 weeks ago, I totally am against this budget.
13 56 percent tax hike, people just can't
14 handle it and the garbage fee hike is
15 ridiculous. I don't know how people could
16 do it and could I ask Attorney Hughes a
17 question, Mrs. Evans?

18 MS. EVANS: Yes.

19 MR. SPINDLER: Correct me if I'm
20 wrong, our property taxes go towards our
21 garbage being picked up; am I correct?

22 MR. HUGHES: Pardon?

23 MR. SPINDLER: Our property taxes go
24 to our garbage being picked up?

25 MR. HUGHES: I have no idea.

1 MR. SPINDLER: Oh, okay.

2 MR. HUGHES: From the budget I have
3 no idea.

4 MR. SPINDLER: I'm under the
5 understanding --

6 MR. HUGHES: I always thought the
7 garbage tax that was used to help defray
8 that and if it wasn't sufficient then there
9 must be something in the line item in the
10 budget to pay for the balance due for Public
11 Works to collect the garbage.

12 MR. SPINDLER: I was always under
13 the understanding that our property taxes
14 are for our services, fire, police and
15 having our garbage picked up, and the point
16 I'm trying to make is I think that garbage
17 fee is illegal, because we are already
18 paying to have our garbage picked up, I
19 don't think that fee is legal. Do you have
20 an opinion on that?

21 MR. HUGHES: No.

22 MR. SPINDLER: As I stated, I don't
23 even think that garbage fee is even legal
24 because that's why we pay our property taxes
25 to have our garbage picked up, and two weeks

1 ago right down the street here there was a
2 race through Scranton where Mayor Doherty
3 was interviewed on Channel 16 and he was
4 quoted as stating the city is thriving. If
5 the city is thriving, why do we need a 56
6 percent tax hike? Why do we need a raise
7 from \$178 to \$300 in the garbage fee? It
8 doesn't make any sense to me. I'd like to
9 hear him explain that to someone.

10 Moving on, Mayor Doherty has been
11 sticking it to the taxpayer for 12 years,
12 and he is sticking it to the taxpayer to his
13 final day, and a couple of examples are he
14 has been firing city employees to give some
15 of his friends jobs, and one person was a
16 police officer who was elderly, and he let
17 him go and he took it to arbitration, the
18 arbitration didn't go on for 11 months. He
19 won his arbitration and got his job back and
20 who did you think paid for it? The
21 taxpayers paid for 11 months back then.

22 Now, recently, another city employee
23 who I know was fired, it's going to go to
24 arbitration. This person is going to win
25 and as is happened before Mayor Doherty has

1 never won an arbitration and the taxpayers
2 are going to get stuck with the bill again.
3 He is sticking to us right to the very end
4 and it's just unbelievable.

5 A couple of weeks ago there was the
6 caucus with OECD and it was mentioned 28
7 loans are late. Why is the city going after
8 these loans? We are in such dire need of
9 money and there is 28 whether they are,
10 businesses or whatever, out there that are
11 late with their loans and nothing is being
12 done? This is an outrage.

13 MR. ROGAN: Mr. Spindler, one of the
14 first thing I want to do when the new mayor
15 takes office is to sit down with the mayor,
16 the Chair of Economic and Community
17 Development and myself and go over each one
18 of these loans and look at the ones that
19 are, obviously some such as the Molly
20 Brantigan's loan, we're probably never going
21 to see a dime out of it and that never
22 should have been made, but many other loans
23 that can be worked out to get -- bring
24 revenue back into our revolving loan account
25 when we can do that, that will then have

1 more money to go out to other small business
2 owners.

3 So I think we need to review the
4 entire loan portfolio with the chair and
5 with the mayor, which is something that I
6 wish Mayor Doherty would have afforded the
7 same opportunity, which unfortunately he
8 hasn't, but we need to be more proactive.
9 The city can't just give a loan and then
10 send a bill once a month and if they don't
11 send it back forget about it.

12 MR. SPINDLER: Absolutely. I think
13 these people should be hit with severe
14 penalties. I mean, if I don't pay my
15 mortgage on time I have to pay a penalty
16 like everybody else does, like any loan. I
17 think these people -- and we should take
18 them to court if they are not going to pay
19 and let them pay the court fees because if
20 somebody makes a loan they have to pay.

21 And lastly, oh, this is something
22 else, last week's paper the mayor wants to
23 cut the fire chief's salary. This is
24 ridiculous. It's not going to be Mayor
25 Doherty's fire chief, that's why he wants to

1 cut the salary. Last year he wanted to give
2 Chief Davis a \$16,000 pay raise. Now it's
3 not going to be his chief so now he wants to
4 cut 26 percent. I think the fire chief's
5 salary should stay the same. I'm totally
6 against that. As I said, it's not going to
7 be his person, so now he wants to cut.

8 Where was were all of these cuts when he was
9 mayor? Maybe if he had made more cuts when
10 he was mayor we wouldn't be in the -- having
11 the problems we are having now. So I hope
12 when you vote that the fire chief's salary
13 is kept the same.

14 And lastly, the previous speaker who
15 was here saying about you better go after
16 the department heads, blah, blah, blah, I
17 can be a witness where you sent letter after
18 letter after letter to the department heads,
19 and a lot of them were about my property,
20 and they don't respond. If they don't
21 respond, what are you going to do? I don't
22 know what this person expects you to do.
23 You can't go out after them and force them
24 to come here or to respond to you. So your
25 hands are tied. I know it's frustrating,

1 but I know starting in January that will
2 change. We'll get competent department
3 heads, people that know what they are doing,
4 and I'm sure they will respond when letters
5 are sent. So we only have another month to
6 go. We have been suffering for 12 years,
7 finally another month the suffering will be
8 over. I know we have a tough chore ahead of
9 us, our new mayor has a tough chore, but the
10 people have to be patient and it will take
11 time. It took 12 years to tear this city
12 down because it was better under Mayor
13 Connors. A lot of people don't believe
14 that, but it was. It took 12 years for
15 Chris Doherty to tear it down, it's going to
16 take a long to time to build it back up, and
17 I have faith in Bill Courtright, and I know
18 he is going to try his best. Thank you for
19 your time.

20 MR. JOYCE: Thank you.

21 MR. HODAWANITZ: My name is Joan
22 Hodawanitz, I'm a Scranton resident. I
23 hadn't intended to speak tonight, but I just
24 retired for the second time last month and I
25 used to work nights, couldn't come to these

1 meetings, and I dumped my cable TV, it's a
2 waste of money, so I have to come now or I
3 won't know what's going on, and I came here
4 to be educated about the budget, both what
5 was proposed in the budget process. And I
6 could tell you I was not a little offended
7 with what appeared to me to be a little bit
8 of a cavalier air starting the caucus part
9 of the meeting late.

10 You know, first of all, there wasn't
11 enough publicity about this meeting. I read
12 the Times, and I don't know, was it in the
13 Times or did I just miss it or did I get the
14 --

15 MS. SCHUMACHER: It was in?

16 MS. HODAWANITZ: It was in? Well, I
17 missed it, okay. But what really annoyed me
18 was clicking on the council meetings website
19 every day and looking to see, because I know
20 when there is a caucus they, you know, show
21 the caucus minutes or the agenda and they
22 will tell you what time the caucus is going
23 to begin, and my goodness, I didn't see that
24 until today. Is that when it was posted,
25 today?

1 MS. EVANS: I don't know. That's
2 done by the IT Department.

3 MR. HODAWANITZ: Well, somebody
4 ought to make sure the IT Department gets it
5 in there, especially when the notice is
6 something about if you want to see such and
7 such paperwork you must notify the city
8 clerk 48 hours in advance. Well, that's
9 kind of hard to do, okay, when you get that
10 kind of late notice.

11 Be that as it may, I want to
12 compliment Ms. Schumacher on her usual
13 astute analysis of the budget which she does
14 every year unfailingly. I don't know where
15 she gets the time and the talent to do it,
16 but you are an educational by yourself.

17 I have a question, however, would it
18 be possible to schedule another public
19 caucus with mayor-elect Courtright's
20 transition team to see what they have
21 learned about the budget and their analysis?

22 MS. EVANS: I think -- certainly
23 it's possible, but I think it should be
24 mayor-elect Courtright who is doing this
25 speaking and I do know that he was afforded

1 the opportunity to work on this budget with
2 the mayor before it was presented on
3 November 15, and he didn't take that
4 opportunity.

5 MS. HODAWANITZ: Well, you still
6 might want to consider inviting him to the
7 caucus which whatever representation he
8 might want to bring, because I think it's
9 important for the citizens of Scranton to at
10 least be informed about the budget and what
11 they are going to be paying next year and
12 the future years, okay? Because, you know,
13 I mean, we need to be informed participants
14 in our government, okay, which is one of the
15 reasons why I was irritated by the late
16 start and your comment, Mr. Joyce, when you
17 started, you know -- well, you read the
18 notice saying, you know, "This meeting is
19 conducted at 5:15, oh, well, it's 5:30."

20 You know, somebody could have come
21 out and said, "We are running late."

22 This is a courtesy to those of who
23 are bothered to come. "We are running late,
24 we are going to probably start 15 or 20
25 minutes late."

1 That should be something. We are
2 sitting there watching, you know, you all
3 lollygag in, okay? You should have all
4 known what time the meeting started,
5 shouldn't you? You should have all been on
6 time, shouldn't you?

7 MS. EVANS: Yes.

8 MS. HODAWANITZ: I mean, just give
9 us hat courtesy. This is a painful enough
10 process, but at least we came. And I thank
11 you I know you are doing a very hard work
12 and I appreciate it. But, remember, we are
13 the ones ultimately who are going to be
14 paying the bill. Thank you.

15 MS. EVANS: Thank you. Mrs. Krake,
16 if you would send a letter to tomorrow to
17 Mr. Courtright and Mr. Hickey, who appears
18 to be his spokesperson, asking if they would
19 like to participate in a budgetary meeting
20 where they can present to the public their
21 views on the budget. I don't know that it
22 has to be before a city council meeting,
23 they can very likely select any day or
24 evening that is most convenient for them and
25 arrangements can be made to have ECTV cover

1 that meeting. Thank you.

2 MR. SBARAGLIA: Andy Sbaraglia.
3 Citizen of Scranton. Fellow Scrantonians, I
4 listened to Attorney Hickey's comments on
5 the budget. If you read between the lines
6 he is saying 56 percent isn't enough.
7 That's what he said.

8 MS. EVANS: Um-hum.

9 MR. SBARAGLIA: And I'm not saying
10 he is right or wrong, but I don't think the
11 people can afford it. Many times I sit
12 here, I say the reason we took at that wage
13 tax at 2.4 and we took that burden on was to
14 keep our mothers and grandmothers in their
15 homes, but you have taken that away. This
16 budget would take all of that away, all of
17 the suffering we did for all of them years
18 paying that wage tax you destroyed it in the
19 last four years, and that's really -- if you
20 are a realist, this is what it is.

21 You know, unfortunately, that we
22 have a lot of retired people in the city
23 that would like to die in their home, and
24 many times I came before you and said that,
25 too. I want to go out gracefully, but you

1 are making it awful hard. You have to fight
2 for everything in the city. I always said
3 the government is our enemy, your vote is
4 your weapon, and apparently, we haven't used
5 our weapon good enough or we wouldn't be in
6 this condition we are now.

7 I'm not saying he is wrong, because
8 anybody that can add and one and get two
9 realizes that's probably pretty close to the
10 ballpark, but I looked at your refuse. Now,
11 when we started that was only a tipping fee
12 when that started. When we did away with
13 our refuse pile we put that on as a tipping
14 fee, not as a way to generate money for the
15 city. That was just to pay the landfill,
16 but unfortunately we seem to be getting away
17 from that.

18 And another thing is, you know the
19 University does not pay the refuse fee, and
20 a lot of the other people that are
21 commercial do not pay the refuse fee, but
22 they can write it off, whatever it is they
23 are paying -- the people who are hauling the
24 refuse away. I don't know why that wasn't a
25 tax instead of a fee or we would have wrote

1 it off. You can't write off a fee, but we
2 can write off a tax, and there is too many
3 things in this city that the poor common
4 people have to pay, but businesses are able
5 to write them off as a part of doing
6 business.

7 So when you are looking at that
8 refuse fee, find out, obviously they don't
9 get a notice from whoever mailed out the
10 refuse fees, so I don't know why some way
11 that couldn't be incorporated into the tax
12 so that at least they can write it off their
13 income tax and get something back from it,
14 other than that we are just throwing it
15 away, but this at this is great for that.
16 This is the most mismanaged city I think
17 around.

18 I'm not talking about the fight
19 between you and the mayor or what have you,
20 that's your job. Your job is there as that.
21 You are a safety valve, and that's your job
22 whether you agree with the mayor or not
23 agree with the mayor, that's your
24 prerogative, but we got department heads
25 that should have been collecting the taxes

1 that are delinquent. And we have to hire
2 outside, are we so incompetent that we can't
3 even manage our own parking meters? Have we
4 fallen that far?

5 Now, you know the paper said we may
6 be selling them off, that's why they raise
7 it up another quarter to give this guy more
8 revenue to buy it or put pressure on it to
9 up our piece of the action. That's not way
10 a city should run. A city should be able to
11 do the things they sudden be able to do, and
12 this city is not able to do them. That's
13 why we are where we are now. People just
14 couldn't to their job. They collected their
15 salaries, smiled and did this and that, but
16 they didn't do their job.

17 We wouldn't have never had them
18 parking garages all over of the darn place
19 if they -- if the Authority had done their
20 job, but did you admonish them? Did you ask
21 for their resignation? No, they are
22 Democrats. The Democratic party has ruined
23 this city and has destroyed it, and there is
24 no other way to look at it. This is where
25 we are now because of contracts and

1 patronage and not caring about the public.
2 If people cared about the public long ago we
3 would never be in the condition we are now.
4 I thank you.

5 MS. WILLIAMS: Good evening,
6 Council.

7 ALL COUNCIL: Good evening.

8 MS. WILLIAMS: My name is Suzanne
9 Williams. I am a single parent, a property
10 owner for the past 35 years, and I am here
11 to represent my mother, my sister, and my
12 daughter, who are all property owners in
13 Scranton. Our family has resided in
14 Scranton since 1865, and this is the first
15 time that we will find it a hardship or
16 perhaps an impossibility to pay our property
17 taxes with the proposed 50 percent increase.
18 I am sure that I speak for many other
19 property owners.

20 What future can the property owners
21 look forward to except for the possible loss
22 of their property in the future, and then
23 what will happen to our city? Thank you.

24 MS. EVANS: Thank you.

25 MR. MORGAN: Good evening, Council.

1 MS. EVANS: Good evening.

2 MR. MORGAN: I'd like to say that
3 generally sometimes I find myself going in
4 the opposite direction of everybody else,
5 and I think that this is one of those times.
6 This budget, I really just honestly think we
7 should throw it in the garbage, and I'm
8 going to be really honest with you because
9 it's not going to solve any of our problems
10 and it's not workable, it's not feasible.

11 I think we need to do a couple of
12 other things here. I think we need to have
13 a real discussion about eliminating the wage
14 tax, okay, the rental registration fee, the
15 garbage fee, the mercantile tax, returning
16 the parking meters to 25 cents an hour, and
17 the truth of the matter is that over 20
18 years ago the state had an obligation to
19 come in here and make sure that this city
20 was set for recovery, but that's not
21 happened.

22 Now, there has been a lot of
23 discussions about all of the projects that
24 were done on Lackawanna Avenue and the
25 garages. You know, the state officials did

1 a very good job in making sure money got
2 here to spend, even though the taxpayers had
3 an inability to pay any of it back. I think
4 the system is just so flawed and so broken
5 that we find ourself, and for lack of a
6 better terminology, just a dictatorship from
7 the top to the bottom of this country that
8 is just pushed by politics, and I know that
9 in dictatorships generally you don't vote,
10 but in some dictatorships before they become
11 embedded they are voted into office and then
12 they take control.

13 And what's happened in this country
14 is we have created the elite political class
15 of people, not on this level, because you
16 guys are too low down, I mean, in the
17 status. You know, we've got people playing
18 politics in Harrisburg and Washington, and
19 what's happened is we have caused massive
20 unemployment across a very broad spectrum of
21 our country, we have created poverty that
22 really they tried to address that in the
23 60's with Mr. Johnson and former President
24 Kennedy, and you just take a look at all of
25 the things that have been just laid to

1 waste, the new deal, everything.

2 And what's happened to the working
3 core is that they have been disenfranchised
4 from everything and they don't vote because
5 they think their vote is a waste, and then
6 we listen to this presentation and my
7 question is, where is this transition team
8 because these council members and the mayor
9 that are going to come into office, they
10 told the public that they weren't going to
11 support any tax increase. So my question
12 is, I was at the debates, Mr. McGoff, my
13 point is, that if you said that to win
14 election and you said you had answers and
15 you don't have any then why mislead the
16 public and the City of Scranton to believe
17 that there are solutions to our problems,
18 because evidently in my opinion there are no
19 solutions. This city has been completely
20 looted from the top, from Harrisburg and
21 Washington, and it's just trickled down to
22 where, look it, if somebody gets on the
23 phone and, look it, I'm not going to pick on
24 Mayor Doherty or any politician or anybody
25 in public office, but if somebody in

1 Washington or Harrisburg comes in and says,
2 "We've got grant money coming your way and
3 we need you to match it or we need you take
4 this money we are going to give you and
5 spend it," they don't question it. They
6 just go out and do it and whether the
7 project was legitimate and offered any real
8 change to the residents of any community or
9 not, that's the question.

10 But in all of the projects we have
11 done what is the benefit to the people
12 actually been? We haven't moved forward.
13 We haven't paid any of our debt off. Are we
14 really going to sell the Scranton Sewer
15 Authority, the last asset we have? Is that
16 what we are going to do? I think we have
17 done a lot of silly things, and now we have
18 Mr. Hickey who comes in and here and talks
19 about, I guess he called it a TRAN, but a
20 tax anticipation note, our problem is all
21 embedded in borrowing, and I really think
22 that the mayor need to come forward and find
23 a way to go forward without a tax
24 anticipation note to take the rough and hard
25 track and find some solutions, because to be

1 honest with you, if we could have borrowed
2 money we would have settled the settlement
3 with the fire and police. We are
4 uncreditworthy.

5 So the truth of the matter is we
6 need to have someone go to Harrisburg who
7 okayed the recovery plan, just like the PEL
8 did with the last hearing with the three
9 judges, they talked about a recovery plan.
10 None of this was a recovery plan because
11 this city hasn't recovered and it's not
12 going to recover. And to be honest with
13 you, most of the people responsible for
14 this, believe it or not, are the voters
15 because they went to the polls, whether they
16 were mislead or not, city residents have an
17 obligation to know what they're voting for
18 and why and they didn't.

19 But the truth be told, we just can't
20 -- this is not a course of action we can
21 take, and I honestly think that this council
22 should take this budget and throw it in the
23 garbage, okay, and let them do whatever they
24 got to do because they don't have a big
25 enough window to come up with another plan.

1 If you take this budget and you throw it in
2 the garbage what are they going to do? They
3 are going to have to come up with a plan or
4 something is going to have to be done.

5 But I honestly think the transition
6 team needs to come forward, the mayor-elect
7 needs to come forward, and we need a lot of
8 answers from the state and federal
9 government how we can be in receivership or
10 a distressed status for this long with no
11 solution and no intervention by the state.
12 Thank you.

13 MR. JOYCE: Thank you.

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

16 MS. HEMKLER: Good evening, Council.

17 MS. EVANS: Good evening.

18 MR. JOYCE: Good evening.

19 MS. HEMKLER: I'm here because I
20 want you to know how upset I am.

21 MS. EVANS: Could you state your
22 name? I'm sorry, I don't mean to interrupt
23 you, but if you could state your name
24 please?

25 MS. HEMLKER: My name is Maude

1 Hemkler, and I'm a resident of the City of
2 Scranton.

3 MS. EVANS: Thank you.

4 MS. HEMKLER: And I'm very upset and
5 that's why I'm here. It's about the huge
6 increases in property tax and the \$300
7 increase in the garbage fee. Now, people
8 are selling their homes at half of what they
9 are worth just to get out of the city. I
10 spoke to a realtor, she said people come and
11 tell her any place but Scranton when they
12 are look for a home. That's upsetting. I
13 own a home, and I might want to sell it one
14 day, maybe soon, I don't know, but anyhow,
15 there are "For Sale" signs all over the
16 city, and no one can find a buyer at a
17 decent price. They are selling for 29,000,
18 39,000, if you read the courthouse notes
19 it's all there. We aren't going be able to
20 survive.

21 And about the garbage fee, as far as
22 I know Mr. DeNaples did not raise the rates
23 at his landfill so calling the \$300 raise a
24 garbage fee is not acceptable, it's not
25 affordable, and it may not be legal, I don't

1 know, but I can't afford it, and many people
2 that I know can't afford it. I want to
3 suggest that you look at a per bag fee for
4 garbage to make it more affordable for
5 people living alone as they don't even fill
6 one bag at a new cost of \$478 a year, is it,
7 or just raising it to \$300?

8 MS. EVANS: It's being raised to
9 \$300 from what it is now at \$178.

10 MR. HEMKLER: So it would be \$478
11 then?

12 MS. EVANS: Pardon?

13 MS. HEMKLER: It would be \$478 then?

14 MS. EVANS: No, no, currently it's
15 \$178.

16 MS. HEMKLER: I know that, I'm
17 paying it.

18 MS. EVANS: And the mayor has
19 proposed raising it from \$178 to \$300.

20 MS. HEMKLER: Well, do you think
21 that's right for a person that's putting out
22 a bag of garbage every week? We have a lot
23 of elderly people here and they don't use a
24 lot of garbage, they don't make a lot of
25 garbage, and you want them to pay that kind

1 of a fee?

2 MS. EVANS: Oh, I don't.

3 MS. HEMKLER: Thank you. I'm glad
4 you don't, Janet. I wish the rest of you
5 didn't. Hopefully you might think about
6 changing this to a per bag fee. Please
7 consider the people you are hurting with
8 these unreasonable and unfair taxes and that
9 goes for PEL, too. Thank you.

10 MS. EVANS: Thank you.

11 MS. FRANUS: Fay Franus, Scranton.

12 MR. JOYCE: Good evening.

13 MS. FANUCCI: Mr. Rogan, I
14 understand you just said that all of the
15 loans that Mayor Doherty had, like with
16 Molly Brannigans and all of those, did you
17 ever ask Mayor Doherty if he would sit down
18 with you and go over these loans with you?

19 MR. ROGAN: I not only myself, all
20 of council has sent --

21 MS. FRANUS: Have you? You said he
22 has never gotten in touch with you about
23 going over these loans, you make it sound
24 like if he did you would have. Have you
25 ever contacted him and said, "I'd like to

1 meet with you about these loans"?

2 MR. ROGAN: Unfortunately, Mayor
3 Doherty didn't have an open door policy as
4 mayor.

5 MR. FRANUS: That's not my question,
6 did you ever ask him I'm sure --

7 MR. ROGAN: Specifically on that, I
8 may have, I may not have.

9 MS. FRANUS: You don't know.

10 MR. ROGAN: On other issues when
11 I've asked to meet with the mayor or
12 department heads to get information myself
13 and other members have been stonewalled.

14 MS. FRANUS: Well, you made it sound
15 like you wanted to, but he didn't let you.
16 Somehow I don't believe that.

17 MR. ROGAN: Well, it was his --
18 these were his loans.

19 MS. FRANUS: I know, but you said --
20 I have other things to discuss here. I see
21 where you spoke with mayor-elect Courtright,
22 did he ever offer any suggestions to this
23 budget to you during that meeting?

24 MR. ROGAN: Our meeting was, as
25 publicized in the paper, myself,

1 Councilman-elect Weschler --

2 MS. FRANUS: That wasn't my
3 question, did he ever any suggestions for
4 this budget while you met with him?

5 MR. ROGAN: Well, most of the
6 conversation was from PEL and DCED, that's
7 who we met with. They did the majority of
8 the talking.

9 MS. FRANUS: Still didn't even my
10 question, did Bill Courtright answer any
11 suggestions for the budget?

12 MR. ROGAN: We discussed this
13 budget, but he didn't --

14 MS. FRANUS: Did Bill Courtright
15 offer suggestions to help with this budget
16 to amendments to it or anything to it at
17 all, any of his own thoughts, not PEL?

18 MR. ROGAN: You should address that
19 question to Mr. Courtright.

20 MS. FRANUS: I'm asking you, you
21 were there. You are a member of council,
22 did Bill Courtright come to you at any time,
23 now, at that meeting, any time, has he come
24 to you or anybody else on council to offer
25 any suggestions for this budget, to change

1 it, to help it, to do anything, any
2 suggestions as to what he may want?

3 MR. ROGAN: I have talked to him
4 about a number of issues within the budget.

5 MS. FRANUS: Did he offer any
6 suggestions?

7 MR. ROGAN: Yes.

8 MS. FRANUS: What are they?

9 MR. ROGAN: There is a number of
10 things we have talked about and continuing
11 to talk about.

12 MS. FRANUS: And you are not going
13 to say what they were?

14 MR. ROGAN: If it's something that
15 I'm going to propose absolutely.

16 MS. FRANUS: Are you going to make
17 any amendments to this budget?

18 MR. ROGAN: Yes.

19 MS. FRANUS: Are you going to raise
20 any salaries?

21 MR. ROGAN: Again, we are still
22 looking at the budget.

23 MS. FRANUS: But do you yourself?

24 MR. ROGAN: Salary increases from
25 this year's level, no.

1 MS. FRANUS: From next year's level.
2 Did you want to raise any salaries period,
3 at any level anything?

4 MR. ROGAN: No, no salaries should
5 go up from their current levels.

6 MS. FRANUS: Do you want to create
7 any new positions?

8 MR. ROGAN: Yes. One knew position
9 in the DPW, which I spoke about, which would
10 be a refuse supervisor, and two offset that
11 eliminating one of the new positions that
12 the mayor proposed creating.

13 MS. FRANUS: So you are just taking
14 one place and putting a name on the other?

15 MR. ROGAN: If it would actually
16 save the city -- it would save the city a
17 small amount of money, but hopefully would
18 make the department run more efficiently and
19 save on overtime costs as well.

20 MS. FRANUS: Well, I'll be curious
21 to see what Mayor Courtright has to say
22 about the unions and the banks since he
23 campaigned saying that they would be willing
24 to work with him if he got elected. Has the
25 banks contacted him or the unions to make

1 only get 57. Who is he kidding? Only 57.
2 We are getting 127 percent increase, whether
3 you call it a fee, whether you call it a
4 tax, and I agree with Les Spindler that
5 garbage fee certainly should be illegal.
6 Property taxes always paid for firemen,
7 police protection and your garbage for years
8 since forever, more times than it hasn't.
9 This garbage fee should be definitely
10 illegal and I hope that Joe Pilchesky is
11 he's the only one that ever takes the city to
12 task. I hope he has enough information he
13 could gather and sue the city for that
14 because the senior citizens certainly can't
15 afford that garbage fee, and if you sit up
16 there and you think we can then we know
17 where you stand.

18 Like I told you, and I will tell you
19 again, you are here to represent the people,
20 not your buddies, not your political
21 buddies, and you are not here to serve the
22 unions. Like Mrs. Evans said, you can't
23 anticipate the money coming in from the
24 taxes and the garbage fee to help pay this
25 budget because people aren't going to pay

1 it. We need a revolution in this town.
2 People shouldn't pay anything. What would
3 they do then? Nobody should pay any of
4 their bills, what would you do then? You
5 know, when I go to town or something and I
6 buy something I don't send you the bill
7 because I live within my means, but you live
8 without our means, just like Mr. McGoff and
9 Judy Gatelli and all of those people that
10 voted for all of those loans.

11 You just expect -- you did
12 everything you wanted, but we have to pay
13 for it. How come when I go and buy
14 something nobody pays my bills, why should I
15 pay yours? I don't get it. You should be
16 arrested. You should be thrown out of
17 office. You are there to represent us, not
18 to make us lose our homes. You should be
19 ashamed of yourselves and let's see what you
20 do with this budget because we can't afford
21 it and that's the bottom line.

22 Just because you live by yourself,
23 Mr. Rogan, or whatever you don't have the
24 bills like we do, you should see what it's
25 like living on a pension and if you even

1 have a pension you should be our age and
2 live on a social security check and see how
3 you're going to get your next meal.

4 MS. EVANS: Thank you, Mrs. Franus.

5 MS. FRANUS: What do you give up,
6 your food or you pay your garbage fee? You
7 won't have garbage because you can't afford
8 food.

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

11 MR. MILLER: Good evening. Doug
12 Miller, Scranton. I'll begin on a positive
13 note and move on to some other issues. I'd
14 just like to begin, obviously this time of
15 the year the 19th annual Bob Bolus Senior
16 Christmas Day dinner will once again take
17 place. This year it will be held at St.
18 Patrick's Church in the city's West side and
19 it's 1403 Jackson Street. Due to some
20 renovations taking place at St. Lucy's we
21 had to change venues.

22 But certainly Christmas Day is where
23 it would be for the buffet-style turkey
24 dinner where all are welcome. For many it
25 becomes an annual tradition for many who

1 otherwise wouldn't have anywhere to go and
2 whether it's family away from them or just
3 lonely and it's a place for them to go and
4 enjoy a good meal and meet up with friends
5 and neighbors they haven't seen for the
6 year.

7 So again, it's at St. Patrick's
8 Church and, you know, I'll continue to
9 announce that each week as we get closer.

10 As I stood in the back this evening
11 earlier because we seemed to get away from
12 our normal protocol of the way we conduct
13 the meeting, which I think moving forward I
14 think that we should stick to our normal
15 procedures. You know, some statements were
16 made in regards to, you know, speaking from
17 the podium and discussing this budget.
18 Believe me, nobody is more passionate about
19 it that I am, but this has been going on for
20 12 years, you know, we have had 12 years to
21 come down here and discuss this budget and
22 discuss -- not the budget but to discuss the
23 serious financial magnitude that this city
24 is in, but I understand the frustration,
25 don't get me wrong, but people have had

1 ample time to come down here and it just
2 seems that time and time again we only hear
3 from people when things are bad. They had
4 12 years to get up and get involved and it
5 really bothers me, you know, when people
6 make those statements, and I respect people
7 coming down here, I'm glad to see some new
8 faces this evening, but we have had 12 years
9 to come down here and address the issues of
10 the city government.

11 You know, you listen to I believe
12 it's Mr. Hickey speak on behalf of the
13 transition team this evening. You know,
14 Mr. Joyce, I thought you raised probably the
15 best question that anybody could possibly
16 ask and that is as we heard transition team
17 has many concerns, many concerns that I
18 have, many concerns that you have and the
19 public has, and that is, you know, we talk
20 about some of the, if we want to call them
21 flaws or, you know, lack of revenue sources
22 in this proposed budget, what are the
23 alternatives? What is the alternative
24 suggestion by Mr. Courtright and his
25 transition team? And I thought you hit the

1 nail on the head, Mr. Joyce, and I commend
2 you for asking that question, what is the
3 vision? What is the plan?

4 And tonight I think you heard the
5 sound of crickets. There is no plan. There
6 is no vision. Another speaker talked about
7 a lot of the promises that were made
8 throughout the campaigns. You know, we are
9 in a situation where time is of the essence,
10 and I understand that these individuals
11 haven't been sworn in yet, it's irrelevant,
12 it means nothing. They were elected, they
13 are the mayor elect and the council elect.
14 I think it's very urgent that they take part
15 in this process and I think it's very vital
16 that they should have been here tonight
17 sitting at that table.

18 I have a lot of respect for these
19 individuals, I appreciate the fact they ran
20 and campaigned, I have done it as well. I
21 understand the issues and I'm sure they do,
22 I hope they do, but they should have been
23 there. They should be here. You know, you
24 put a lot of hard work into this, and I
25 don't think a lot of people realize the hard

1 work you put into it and I know some of us
2 think it's comical, and that's unfortunate.
3 You know, the comical thing is going to be
4 when the tax bills come, okay, that's going
5 to be comical, but it just frustrates me
6 from all of the years of coming down here
7 and listening to the same old silly rhetoric
8 time and time again where so many people
9 think it's so easy that, you know, they
10 think you live in a fairytale land and we're
11 just going to waive this magic wand and
12 solve all of our problems. You know,
13 everything is so easy. I get the biggest
14 kick out of that, believe me I do.

15 But people don't understand the
16 magnitude of the issues we face and, you
17 know, Mrs. Evans, Mr. Joyce, you know,
18 Mr. Loscombe, I know he is not here tonight,
19 if the people only knew the things behind
20 the scenes you went through. And, you know,
21 when people talk about bankruptcy and why
22 we're not in bankruptcy it's due to you
23 three because when it comes time to roll
24 your sleeves up you did that. Some chose to
25 sit, quarterback in the bleachers, you know,

1 waive their pom-poms and talk a good game,
2 contribute absolutely nothing, but they
3 choose to be the fans in the stands and
4 scream and holler and rant and rave while
5 you were the ones that rolled your sleeves
6 up.

7 And it really upsets me that we have
8 -- or we hope to have a new vision moving
9 forward, but it seems to me it seems like
10 it's just going to be the same old rhetoric
11 and, you know, I really thought we are were
12 moving in a positive direction, I really
13 did.

14 But, you now, individuals have an
15 obligation to come forward and, you know,
16 it's nice to talk about things, it's nice to
17 say, oh, this isn't going to happen, you
18 know, or I don't like this, I don't think
19 this is a good idea, but you know, every
20 time I hear that repetitively I never hear
21 an alternative, and that's the most
22 important thing is when you are against
23 something I always thought common sense was
24 you had to have an alternative plan yourself
25 and we have never had that, and from the

1 looks of it, it seems as if we are just
2 going to continue to follow down the same
3 repetitive path of, you know, just playing
4 politics and worrying about, you know, what
5 political favors we can do.

6 But I just would hope that, I
7 understand, you know, the majority of this
8 council, two of you are leaving, but go out
9 on a high note and, you know, you have
10 always in your tenure in office, especially
11 Mrs. Evans, you were the longest serving,
12 you have always done what's right and, you
13 know, you are going to be remembered that
14 and the legacy that you have left behind is
15 that, you know, you may have faced some
16 tremendous odds and obstacles and you have
17 had a lot of in your way, but you never let
18 those bullies push you down, and I hope that
19 you go out on that high note and don't let
20 these people walk all over you and don't let
21 them discredit the hard work that your
22 majority has accomplished in the four years.
23 You should be very proud of what you have
24 done, really proud.

25 And don't let the bullies and the

1 naysayers discourage you because you know
2 what, I know what you have gone through, a
3 lot of people have paid attention and those
4 that do pay attention are involved
5 understand everything you have gone through
6 and the hurdles, you know, you have had to
7 overcome, and don't give us. Continue to
8 fight right all the way up until January 6
9 and continue to look out for the little guy
10 as you have done on your time on council
11 and, you know, I would only hope that the
12 transition takes more of a proactive
13 approach to this rather than saying than,
14 you know, we don't like this, we don't like
15 that, it's not what you were elected to do.
16 We've heard enough of that. That's why we
17 are in the situation we are in today.

18 But the challenges are there, ideas
19 are more important than ever. We need
20 creativity and it seems at times we have a
21 fear of creativity and that's not a good
22 thing because when you are as desperate as
23 we are we need to be creative in your
24 thinking and people need to step up and get
25 involved.

1 MS. EVANS: Thank you.

2 MR. MILLER: Because it's never too
3 late. Thank you very much.

4 MS. SCHUMACHER: Good evening,
5 Council. Marie Schumacher, back again.
6 Still a city taxpayer. I will start
7 tonight, although, I have a few more budget
8 items, on 7-C because it is up for final
9 passage, I am very strongly, very, very
10 strongly opposed to this legislation.

11 MR. ROGAN: Mrs. Schumacher, before
12 you continue it will be amended. Would you
13 like me to tell you about the amendment
14 before you speak on it?

15 MS. SCHUMACHER: No, I'll speak on
16 what was read, what was proposed, what was
17 available in the Clerk's Office. First of
18 all, we were promised, I have been after all
19 of these loans, Mr. Rogan, for a long time,
20 all of these delinquent loans, and we never
21 heard anything. And a couple of weeks ago
22 we were promised we were going to get these
23 loan reports and they were -- I looked first
24 thing, one of the first things I looked at,
25 was the Third Order. Guess what? No report

1 from OECD on the loan status. That is not
2 acceptable nor is acceptable that -- well,
3 first of all, two other things, did any of
4 you bother to go back and read from 2007,
5 the minutes of the 2007 meetings, April 12
6 and particularly April 26 where this loan
7 was originally discussed?

8 MS. EVANS: I perused it.

9 MS. SCHUMACHER: Pardon?

10 MS. EVANS: I perused it. It was
11 very interesting.

12 MS. SCHUMACHER: Yeah, interesting
13 is one word for it, I might find another,
14 but we'll go with that, but I don't think
15 anybody should vote on this until they have
16 read that. I would like to know what kind
17 of a deal Wilkes-Barre gave them. I believe
18 there is a misstatement, if I'm recollecting
19 correctly, they said that they didn't -- for
20 the first three years they didn't know that
21 this wasn't going to be a grant, converted
22 to a grant, not true. Mr. Spindler on the
23 12th of April, 2007, posed that. Just read
24 through those minutes. This was -- none of
25 this should have been a surprise and if they

1 knew in 2007 and they opened a place in 2009
2 that's giving them a problem, oh, well.
3 They knew. They knew this was a loan.

4 And now not only are we agreeing to
5 reduce to one-half of 1 percent when the
6 going rate is back up to between 4 and 5,
7 but we are also giving them a credit and we
8 are giving them a credit for what they have
9 already paid, which is stated as \$25,000
10 which of, course, is principal and interest.

11 MS. EVANS: No, it's only principal.
12 It's applied to the principal and not the
13 interest at all and so, in fact, it seems
14 that approximately \$45,000 in interest has
15 miraculously been forgiven, and in addition
16 to that, they have been paying -- they had
17 been paying \$500 per month for a period of
18 50 months.

19 MS. SCHUMACHER: Yeah, we discussed
20 that two weeks ago how it took a year and a
21 half for this to even come before council.

22 MS. EVANS: Well, that precedes
23 that. In other words, it seems that from
24 the very origin of this loan they were not
25 paying the full amounts, they were paying

1 \$500.

2 MS. SCHUMACHER: And go back and
3 read with on the 26th what Mr. Stivala
4 claimed, very interesting, but whatever they
5 have paid it should be -- only the principal
6 should be allowed to be reduce the principal
7 at whatever was done, if there is any
8 reduction.

9 And I will promise you this, if this
10 passes, I will write to every single person
11 who has a loan through OECD and I will tell
12 them the sweet deal that Alexander's got and
13 recommend that they come in and ask for the
14 same. It's only fair. Okay, enough on
15 that.

16 To the garbage fee, a fee is
17 different from a tax in that the fee is only
18 to cover the cost of the services rendered.
19 I need it to be proven to me that the fee
20 does not exceed the cost of the service that
21 is being provided. I also went to the
22 library and I pulled out the City Code
23 during these past two weeks and it said that
24 the original ordinance said that the DPW
25 chief will ensure that no garbage is picked

1 up where the fee has not paid. So for all
2 of these years, you know, just down the
3 tubes.

4 I am convinced that the \$300, I
5 agree perhaps that the \$178 was slightly
6 under, but I need to be convinced that it's
7 costing that much, \$300 a clip for
8 everybody.

9 And then one amendment I would urge
10 be provided to the budget if this continues,
11 and may I finish this thought?

12 MS. EVANS: Yes.

13 MS. SCHUMACHER: Two thoughts
14 actually quickly, is that for those who are
15 eligible for reverse mortgages that's
16 someone 62 or over, I know things have been
17 tightened up somewhat, but I believe that
18 there are a lot of people who have all of
19 their equity in their home and they could
20 see it evaporate like that. It could be
21 taken, within two years their home to be
22 taken, and so I would recommend that you
23 need a signed -- a signed meeting with a
24 financial advisor or someone up on reverse
25 mortgages so people are -- those 62 and

1 older who are eligible actually have an
2 opportunity to not loose all of that equity
3 in their homes. I think that it's grand
4 theft larceny, no grand theft taxation, and
5 I am definitely against that. Nobody should
6 have all of that equity if their homes are
7 paid for.

8 And then finally, still Senator
9 Blake is still opposed to Senate Bill 76. I
10 would urge everybody to call. I think that
11 would be a tremendous help and call Senator
12 Blake and tell him you want him to get
13 behind Senate Bill 76 and eliminate the
14 school property tax. Thank you.

15 MS. EVANS: Thank you.

16 MR. JOYCE: Thank you. Before you
17 leave, I have a few comments and questions.
18 I know that you had sent me an e-mail over
19 the holidays season, and I'm sorry it took
20 me awhile to respond, but I don't know if
21 you have checked that e-mail will address
22 lately, but I have reached out to the
23 different department heads, one of them.
24 Chris Boland, did e-mail me back privately
25 saying that he is going to research the

1 information and that he will get back to me,
2 but I was wondering your questions that you
3 brought forth in the public hearing, do you
4 have these in like a Microsfot Word document
5 or something where I could e-mail certain
6 segments of them.

7 MS. SCHUMACHER: Except for that
8 last one that I hand wrote, yeah.

9 MR. JOYCE: Okay, well, I can type
10 that, but would you please be able to e-mail
11 them to me?

12 MS. SCHUMACHER: To that same e-mail
13 you provided?

14 MR. JOYCE: Absolutely.

15 MS. SCHUMACHER: Okay, I'll do that
16 when I get home. Thank you.

17 MS. EVANS: Is there anyone else who
18 cares to address council?

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

21 MS. EVANS: Good evening.

22 MR. DOBRZYN: Taxes paid so far. I
23 don't have much of a choice, I have an
24 escrow account so I'll just have to pay
25 whatever I have to pay. I'd like to point

1 out something on trash first of all. In
2 2000 I lived in a small farm town that had
3 privatized trash and the fee per bag was
4 \$2.25. If you multiply that times 52 weeks,
5 one bag of trash was \$118. That was nearly
6 over 13 years ago since I have moved and,
7 well, how would we sort all of this out as
8 to whose trash is whose and potentially have
9 someone accused of -- I had the police up my
10 house at that time, it was a rental unit,
11 and the mayor, because it was a small town,
12 accusing my wife of not paying the trash
13 bill I. And I walked in about two months
14 after we had moved there, she wanted to move
15 again, and she finally showed them the
16 coupon book that we paid. I think you were
17 allowed three bags at the time, that was
18 1988, for about two bucks a week and then it
19 gradually inflated. We don't know what the
20 inflation would be now. Certainly the trash
21 fee is -- it should be a tax, and in that
22 way we would definitely have everybody
23 paying for also except for nonprofits.

24 And on tax fairness, it's time for
25 tax exempts to develop an association to

1 petition the state on our behalf for
2 property tax replacement. We are 33
3 percent. If you look at the figures every
4 year we are 33 percent tax exempt right now,
5 and if you figure that possible money into
6 the budget you wouldn't have as much of a
7 problem, and small towns and whatever they
8 have a few churches or maybe a school and
9 they can grant a few K0Zs, but that's their
10 personal choice and, by the way, these K0Zs
11 that they are building aren't paying very
12 well and the first word out of their mouth
13 is do you have reliable transportation to
14 their potential employees, because we have
15 no such thing as public transportation at
16 all hours of the day and night in Lackawanna
17 County. So if you acquire a job up in
18 Olyphant or whatever for \$9.40 an hour just
19 imagine paying to have a car to get there on
20 top of everything else and still pretty
21 putting food on the table.

22 And I would love to see before this
23 council adjourns for the year pass a
24 resolution asking no more exemptions until
25 these institutions do so and they don't --

1 even if it's a state building they don't
2 have to hire one person from Scranton. Go
3 with a KOZ and they can't say, "Well, you
4 are from Scranton, we don't like you, go
5 away," but they certainly don't have to --
6 not one person at General Dynamics has to
7 live and reside in Scranton. Maybe they do,
8 they probably do about, and back in the 60's
9 they probably all lived in South Side, but
10 right now they don't necessarily have to be.

11 And, you know, a lot has been said
12 on voting tonight and part of this isn't the
13 fault of the people in this room, but I have
14 worked a lot elections and, I mean, you just
15 get a pit in your stomach when you see the
16 turnout and the amount of information -- how
17 well informed or poorly informed people are.
18 We elected an official that didn't pay his
19 trash fee for ten years by a landslide and,
20 you know, it was right in the newspaper, but
21 they all voted for him. And the people that
22 did show up, well, they just didn't seem to
23 care.

24 And I'll try and make it quick,
25 beware of constituents making errors in

1 their favor. We all cost the government
2 money, and as painful as it is we should be
3 informed and vote, of course, I dealt with
4 service for 35 years and the customer could
5 make -- you know, I don't understand how you
6 got what this bill is. Well, you know, a
7 lot of work was put into a car or whatever
8 and they just didn't want to pay the bill or
9 they were so used to the warranty.

10 And finally with the unions, I'll
11 make it real quick, it came to my attention
12 in 2011 that a lot of the unions voted for
13 extremely right wing conservative candidates
14 in many states, I don't have the figures in
15 Pennsylvania, but if you want your raises
16 and your jobs you better -- it's really time
17 to wake up. I love most of them, but it's
18 time to wake up. They have voted 70 percent
19 in Ohio and the first thing he did was pull
20 their rights and started fighting with them,
21 so it's up to them. We can't afford to keep
22 paying the bill with no jobs. Thank you and
23 have a good night.

24 MS. EVANS: Thank you, Mr. Dobrzyn.
25 Is there anyone else who cares to address

1 council?

2 MS. ROSKY: Good evening, Council.
3 Mary Ann Rosky, Scranton. So far, taxpayer,
4 unaware of where I'm going to go from here,
5 I'm not sure. Anyway, first and foremost, I
6 would like to say, well, I left all my notes
7 at home so, therefore, I don't quite know in
8 what direction I'm going to go in, but I'm
9 going to start with the garbage fee, and as
10 I said about a year and a half ago, paying
11 \$178 a year I thought was a lot, and I
12 thought that taxation without
13 representation, once again, paying your
14 property taxes and whatnot.

15 \$300 a year is lot. Like, I feel
16 like a pinata, like, every year it's
17 something new. How much more can like the
18 administration beat out of us? Nothing is
19 left to come out. You know, now 50 percent
20 property taxes again. Like, you figure if
21 there are people that are paying \$3,000, you
22 add \$1,500 onto that they can't afford it.
23 I really can't afford it.

24 And the elderly, there are so many
25 elderly in this city and so many people on

1 fixed incomes and so many out-of-town
2 landlords, so many blighted properties
3 already, and it's like where is this city
4 going to go? I already know of places that
5 have already started to uproot and they are
6 going to Old Forge, and I don't know if they
7 are state run or what they are, but they
8 said the cost in Scranton is way too high.
9 And we pay the 3.4 percent in the wage tax
10 to work in this city, I mean, it's just too
11 much. Like, it's just too much to suck out
12 of us. We are suffocating, we just can't do
13 it anymore.

14 And I know you council, you guys up
15 there, every one of you I know has done your
16 part and done a very good job keeping it at
17 bay and you are so much more appreciated
18 than you will ever know, and I don't come
19 here every week, the last time I was here it
20 was a year and a half ago, and I come when I
21 feel I have to open my mouth and say
22 something. I don't know where half the city
23 is today, I really don't know. It's 60
24 degrees outside now, it's beautiful. If
25 they don't come tonight to fight for their

1 rights as property tax, we are taxpayers.
2 If they don't come tonight when are they
3 going to come? They are going to come next
4 year and they are going to blame Bill
5 Courtright for this. That's what they are
6 going to do, and nobody better come and
7 blame Bill Courtright as the next mayor for
8 all that's happened in the past. They have
9 no right to speak. If they are not here
10 tonight stating what they have to state they
11 shouldn't be here at all, and maybe they're
12 rich. Maybe they have money to pay and they
13 don't care.

14 But where I live we are surrounded
15 by mines. I have two neighbors next door to
16 me on either side, their houses went down.
17 One next door to another, the house is gone.
18 One up, the house went down. The property
19 behind me, down. I don't know where I'm --
20 if I'm on a pillar or not, I'm not sure, ut,
21 ours should be decreased, not hiked 50
22 percent or near there. Let's leave ours
23 where it is. I mean, everybody knows there
24 is mines all over, but what houses have gone
25 down without them being blighted and just

1 falling down on their own.

2 So there is only so much we can do
3 as taxpayers, and I'm not taking it out on
4 you guys, I'm just so frustrated with this
5 administration, that when that man's picture
6 gets up there it better be hung upside down
7 because that's all he has done for us is
8 down, down, down, so with respect to up
9 there facing downward. It just keeps
10 flipping, there is a ghost in here, you
11 know?

12 I mean, what could we do? There is
13 nothing we can do. I know you guys
14 understand you live in this city, too.
15 There is nothing we can do. We can't do
16 anymore. There are people one, two family
17 households, a bag of garbage week and we are
18 going to pay \$300 for one bag a week? Then
19 there are people that there is six people in
20 a family. They are still -- it's like the
21 Sewer Authority. Finally, they did by
22 consumption.

23 Why can't we figure out, I know the
24 take a lot of people and, yeah, maybe more
25 money being spent on those that have to be

1 paid to do this, but somehow some way there
2 has to be a way to figure out who is a
3 family of six and who is family of one or
4 two and go by consumption of garbage and if
5 it's not the sticker part that can't be used
6 for whatever reason, I don't know how much
7 it would cost for a sticker or by bags or
8 stickers or whatever, a weekly thing, like I
9 said, I don't keep up with everything in the
10 city, like, I don't keep up everything
11 federally because I will lose my mind and I
12 still have partially, I have it intact a
13 little bit, I don't want to lose everything,
14 so I try hard not to get too involved, how
15 much would it be per bag? Is that a good
16 idea. I don't know.

17 Bankruptcy for this city is not a
18 good idea, but garbage? What would it be a
19 bag to -- you can answer me later because I
20 don't want the bell to ring in my last and
21 final statements. But, yeah, so I don't
22 know, I don't know whom I'm speaking for out
23 there. I hope I'm speaking to most of you
24 people out there, I wish you were here to
25 speak for yourselves, but I hope I touched

1 nerves tonight that maybe -- is too late to
2 come next week for these people?

3 MS. EVANS: Oh, no.

4 MS. ROSKY: Please come. Please
5 come. You don't want to pay higher tax.
6 You are paying enough now. If you area
7 family of two, one or two, and you are
8 elderly, you are disabled and you take one
9 garbage bag out a week, come forth. If you
10 are fighting and struggling to pay your
11 taxes now the way it is, and this council
12 has kept it minimal, come forth. Please
13 come forth before it's too late and before
14 people start to take it out on Bill
15 Courtright.

16 You know, Mrs. Evans, Mr. Joyce,
17 Mr. Rogan, Mr. McGoff, Mr. Loscombe, you
18 have all done your part. You have all done
19 good jobs. I am proud of all of you because
20 you know what, I wouldn't want to sit up
21 there. I would not want to sit up there. I
22 wouldn't want to be blamed and if I got
23 praise and did my job that's okay, too, but
24 that's what we are all in this city for to
25 work together, but there are people that

1 just don't want -- they want to bleed us out
2 and we have no more to give.

3 And with that, thank you, Council,
4 for letting me, you know, speak and come
5 forth, and if I don't come next week I wish
6 you all a very, Merry Christmas and God's
7 blessings to the five of you, and I know
8 Mr. Loscombe is not here.

9 Mr. Hughes, and I'm sorry, I forget
10 your names --you girls.

11 MS. EVANS: Mrs. Krake.

12 MS. ROSKY: Happy, happy holiday and
13 Merry Christmas and let's pray that 2014 is
14 a whole better year than it has been in the
15 past 12. Thank you.

16 MS. EVANS: Thank you. Is there
17 anyone else who would care to address
18 council?

19 MS. DUNN: Good evening, Council.
20 My name is Carol Dunn. I moved to the City
21 of Scranton South Side one year ago today.
22 I am retired, I became widowed at a very
23 early age. I worked every day of my life to
24 guarantee my children an education,
25 sacrificed many, many things, fell in love

1 with the City of Scranton a long time ago
2 simply because I love trains. I grew up
3 around them and I love them.

4 I came here hoping that I would find
5 a place in my retirement, I'm over 65, but I
6 still have a little bit of life left in me,
7 so I think. I came here and I said I'd like
8 to be active in the community, I would like
9 to make a difference, because I think it's
10 well worth it. When I hear those train
11 whistles, it just makes my heart feel good,
12 but at this point in time I bought a home
13 where my taxes are over \$2,000 now, and
14 under the circumstances I have to say to
15 you, I stand here afraid. I stand here
16 afraid because I am hoping to God that my
17 first feeling for Scranton continues to hold
18 and that I go forward with the thought that
19 I love to see it come back, to be just a
20 wonderful place for hard working people to
21 live. I hope that can be a reality, but
22 it's something that I think we all need to
23 pray for. Thank you very much.

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

1 Mrs. Krake?

2 MS. KRAKE: 5-A. MOTIONS.

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

5 MR. MCGOFF: Yes, thank you. First,
6 just a note that I received a message from
7 someone that Nelson Mandela has passed away.
8 Really a true world leader, a great
9 humanitarian, and fighter for civil rights
10 and freedom, truly a loss to the world.

11 Obviously, a topic of discussion is
12 the budget and I do -- since I wasn't here
13 at the last meeting when the budget was
14 introduced, I do have a few comments that I
15 would like to make concerning the budget as
16 we move forward with it.

17 The budget contains two things,
18 Mr. Hickey -- or Attorney Hickey said that
19 when he spoke that the budget is revenue and
20 expenditures and tonight we have spent -- a
21 lot of people have spent time talking about
22 the revenue side of it. I think it's
23 important, also, it's very important to look
24 at the expenditure side of this budget.

25 For years, for the years that I have

1 sat here on council, numerous, you know,
2 requests have been made concerning
3 expenditure items. We have talked about
4 fire and policemen getting the raises that
5 they were entitled to, raises that they had
6 not had for ten years. We have talked about
7 keeping firehouses open and keeping an
8 adequate staff of firemen. We have talked
9 about putting policemen on the streets and
10 maintaining, you know, a legitimate number
11 of police. We have talked about getting
12 streets paved, streets plowed, parks open
13 and pools open, all of these things cost
14 money. And the budget that was presented
15 provides for many of these things that have
16 been requested.

17 You know, the compliment of firemen
18 are, you know -- is not being reduced. Fire
19 or police are not being reduced. DPW being
20 maintained. Salaries alone, salaries alone
21 make up 44 percent of this budget. That's
22 before -- that's 51, around \$51 million
23 before a fire truck leaves a house, before a
24 policeman responds to a call, before one bag
25 of garbage is picked up or a pothole filled,

1 this budget has \$51 million in salaries that
2 must be paid.

3 Three departments alone, fire,
4 police and DPW, to operate those and those
5 alone make up over 80 percent of the budget.

6 Again, these are services that we
7 need to have and need to be paid for. They
8 are hard numbers that need to be met and
9 there is very little that we can do at this
10 point to reduce those expenditures and for
11 the other 15 to 20 percent that remains in
12 the budget beyond those three departments is
13 also absolutely necessary to the operation
14 of the city.

15 How do we pay these? And that's
16 where the revenue part comes in. We are
17 limited in what we can do to create revenue.
18 Taxes and fees are hard numbers. There is
19 no speculation involved. We can look at
20 those numbers, we can say, okay, this is
21 what we can expect to receive based on
22 historical record and, you know, the numbers
23 that we have. The rest of what we are
24 looking at, the alternative sources that are
25 in the budget, are speculative. They are

1 a -- people saying a 56 percent increase,
2 Mr. Joyce and I have argued over in the past
3 couple of years over, you know, millage
4 rates versus the revenue or the money rate
5 and I have always chided him a little bit on
6 the fact that he used revenue, which is what
7 the mayor did when he said 49 percent, I
8 have always used millage, and I'm not going
9 to hypothetical here and try and say that
10 this is a 49 percent tax increase, it would
11 amount to in millage about 56 percent. To
12 make up that \$2 million deficit that we are
13 now looking at the only real place to go to
14 find that \$2 million is to real estate taxes
15 again.

16 We are caught. We are caught in a
17 real bind. Our expenditures are things that
18 we must pay and yet the revenue that we can
19 generate is limited and limited to things
20 that become yes, hurtful to most people.
21 I'm a property owner. I'm a taxpayer.
22 Believe me, I'm looking at this and it's
23 problematic. It's not an easy decision.
24 Are there answers? I mean, there are some
25 real simple answers, cut your biggest

1 expenditure, salaries. Lay off 30 firemen.
2 Lay off 30 of the policemen. Pick up your
3 garbage every two weeks or once a month and
4 lay off part of the -- half of the DPW.
5 That would get take care of the problem
6 immediately. The only problem is what are
7 we left with? We are left with
8 Wilkes-Barre, and I don't think anybody
9 wants to go there.

10 We want the services that we have
11 and the simple fact is that we need to pay
12 for them if we want to maintain them. I
13 like to use the analogy of buying a car.
14 When I go to buy a car and I want some
15 extras, I want the GPS in it, I want the
16 automatic starter, I want a sunroof, the
17 answer is always to get that "Well, that's
18 extra."

19 Well, I'm willing to pay the extra
20 if I'm getting the luxury. I think what we
21 are looking at, if we are going to pay more
22 maybe the one thing we can look to is if we
23 are going to pay more for these services
24 then we should expect more from the
25 services, and I'm not saying that the

1 police, fire and DPW don't do a good job,
2 but if we are going to pay -- if we are
3 going to increase salaries and we are going
4 to do these things maybe we should be
5 expecting more for our money in the future,
6 and I don't think that any of those people
7 would object to that, I think that they are
8 willing to do that.

9 When you talk about -- we have been
10 talking a lot about percentages, and I'd
11 just like to for one second talk about real
12 dollars. The average assessed value or
13 median assessed value of a home in Scranton
14 is \$9,500, that's the median assessed value.
15 A 100 percent tax increase would increase
16 that value or that those taxes by \$448.
17 That's at 100 percent. In your total tax
18 bill, that if that 100 percent increase
19 really equates to only a 36 only -- sorry, a
20 36 percent increase in your total tax bill,
21 since we are the lowest of the taxing
22 bodies, and again, this is on a 100 percent,
23 would represent increasing your total tax
24 bill, that would be including the city, the
25 school district and the county, by 36

1 percent. That's a lot of money. If you say
2 \$448 and add in \$122 for the garbage fee,
3 you are talking an increase of \$570 a year.
4 Those are the real dollars.

5 Now, if we decrease that 100 percent
6 and we are talking about 75 percent tax
7 increase, now you are talking about maybe a
8 \$470 increase in dollars for 2014. At what
9 exact now a little over 50 percent, well, 50
10 percent on the revenue side, it would cost
11 about \$350 a year. These numbers,
12 obviously, are not good. I don't think
13 anybody can reasonably say that they can
14 look at this type of tax increase and say
15 that it's a good thing. I think it might be
16 a necessary thing. Are people going to be
17 hurt by it? Yes. I just don't know where
18 else we can go.

19 Someone said, you know, mentioned
20 the word bankruptcy. I don't think it's an
21 answer because the simple thing that happens
22 when you go into receivership is that
23 somebody will just increase your taxes, and
24 probably more than we would do through this
25 budget.

1 I'm sure that there are going to be
2 amendments to the budget. I don't know -- I
3 don't know the people will be necessarily
4 happy with the amendments that need to be
5 made or that will be made. This is going to
6 be a difficult process, and moving into 2014
7 hopefully we can reconcile somewhat the idea
8 that, yes, we are going to pay more, but can
9 we -- are we going to get more for what we
10 are paying? Hopefully we do. And that's
11 all. Thank you.

12 MS. EVANS: Thank you, Mr. McGoff.
13 Councilman Rogan, do you have comments or
14 motions?

15 MR. ROGAN: Yes, some comments and a
16 motion as well. I guess I'll reflect and
17 speak a little bit about what Mr. McGoff
18 mentioned and some of the areas where I
19 disagree with much of what he said. Did I
20 say disagree or agree?

21 MR. MCGOFF: No, you said disagree.

22 MR. ROGAN: I meant to say agree. I
23 guess it's a force of habit to say disagree,
24 but I do agree with many of the comments
25 that Mr. McGoff made regarding some of the

1 individual items. The first one, and I have
2 said this through the course of my last
3 campaign and I have said this from here many
4 times, the last thing Scranton could ever
5 afford to become is Wilkes-Barre. We see on
6 the news every day shooting, stabbings in
7 those neighborhoods, and that's a result of
8 their cuts to their police department, and
9 our public safety has always been my top
10 priority as a councilman, and I believe it's
11 the top priority of government on every
12 level, so that's certainly something that
13 they need to be funded in the budget.

14 And again, as I stated last week
15 because of the mayor chose to fight city
16 unions over a decade ago we are now left
17 with a massive arbitration award, and salary
18 increases that were mandated by a Court
19 instead of being negotiated at a table like
20 this one here. That's what we need to get
21 back to is a mayor and union heads and
22 members of city council sitting down and
23 negotiating in good faith, and that's
24 something I think that was left out over the
25 last 12 years under Mayor Doherty's

1 administration.

2 Mr. McGoff also was correct when he
3 said that people are going to expect more
4 from their services, and the biggest
5 complaint that I have as a councilman and
6 that I hear from you isn't about the cost of
7 paying the bills, it's I pay my taxes and
8 when I look to get something fixed or
9 something done city hall is broken.

10 I could have a book this thick if I
11 reported every single person who we have
12 tried to help as a council and didn't even
13 get an answer from a department head or from
14 the administration, and sometimes the answer
15 may be we simply can't afford to fix that
16 person's problem, but they still deserve an
17 answer, and especially when fees and taxes
18 increase people deserve a better service,
19 and I'm very hopeful that our next mayor and
20 his department heads will do that, will be
21 open to the people and will take suggestions
22 from city council and from the residents.

23 A couple of items, and the garbage
24 fee has been discussed quite a bit tonight,
25 and a couple of people also brought up the

1 per bag fee, which is something that I have
2 advocated for for the last year or so and,
3 unfortunately, and I take a lot of criticism
4 for mentioning it because I hear it when I
5 go to the grocery store, and here and there,
6 a lot of people are against it. I think a
7 per bag is fair. I think a person putting
8 out ten bags of garbage should pay more than
9 the person putting out one.

10 Unfortunately, that's not the route
11 that others want to go and it's really --
12 the garbage fee of \$300 is not fair to a
13 single widow who puts out one bag a week.
14 Is it fair to a family of four? I think it
15 is, but I don't know that it's fair to that
16 senior citizen who doesn't create a lot of
17 garbage.

18 And another reason why I would
19 support a per bag fee is you increase
20 recycling by going to a per bag fee and that
21 reduces our fee at the dump. It would also
22 encourage more people to compost and do
23 other things to reduce the trash burden,
24 which is not only good for yourselves, but
25 good for the city, it's good for the

1 environment, and those are the types of the
2 thing that need to be promoted in the city,
3 and I mentioned that because I received a
4 very long message on Facebook from a
5 resident the other day who lives in a court
6 and she was very upset because she can't
7 recycle because the recycling trucks only go
8 on the streets not through the alleys. I
9 understand as a cost saving measure if
10 somebody has a street and an alley we don't
11 possibly collect the recycling on the
12 street, but for residents who live in an
13 alley without street access on the other
14 side I think we need to look to expand our
15 recycling program to those courts, not only
16 to save -- help the environment, but to save
17 the city money. We pay for every ton of
18 garbage that we dump, and we need to go
19 everything we can to reduce that burden.

20 Next, since the budget came out, and
21 not only since the budget came out, but over
22 the last four years on council, many people
23 have brought, and I'm sure it's the same
24 from my colleagues, I have brought up many
25 different ideas on how the city could create

1 revenue or, you know, reduce taxes to, you
2 know, bring in money using other means.
3 Being a city, and specifically a 2A city,
4 it's very difficult for the City of Scranton
5 to raise money in other ways. A commuter
6 tax is one that I know a lot of people
7 support and I think it should have been
8 pursued in this budget. Unfortunately,
9 despite council wanting to go that route the
10 mayor chose not to, and because it needs
11 Court approval the mayor would have had to
12 petition the courts prior to submitting the
13 budget to city council for a vote. Last
14 year it was done in the reverse order and we
15 saw that didn't work.

16 Many other items that have been
17 brought up that other cities do in other
18 states and many of them are good idea ideas,
19 they bring in real revenue, but,
20 unfortunately, they aren't legal.

21 I said this last week and I'll say
22 it again, we need help from the state.
23 Senate Bill 76 needs to pass, Senator Blake
24 needs to support it. This would drastically
25 reduce the tax burden from the homeowner to

1 the consumer, to the younger person who
2 could afford to pay a little bit more on
3 goods that are necessities. Food, clothes,
4 these things still wouldn't be taxed, but
5 you really see the savings on your property
6 tax bill.

7 Another item, and I think most
8 people know about it, but I want to mention
9 it because I know a lot of people watch the
10 meetings, if you live in a home you are
11 entitled to a Homestead exemption, which is
12 through the gaming funds. If you haven't
13 applied for a Homestead exemption, call the
14 county. It's through the County Tax
15 Assessor's Office that you would apply.
16 It's actually a one-page form and anyone who
17 lives in a home they own is entitled to
18 that.

19 For property tax owners -- or
20 property owners over the age of 65 you could
21 apply for a property tax rebate through the
22 state, which many people do not know about.
23 That rebate I would advise contact
24 Representative Flynn's office if you are in
25 his district or Representative Haggerty's if

1 you're in Haggerty's district and they will
2 be able to help you to see if you qualify
3 for these rebates. They are income based,
4 but only half of your social security
5 earnings count towards the income cap,
6 unlike most other benefits where they count
7 your entire income. With the rebate only
8 half of your social security would count.

9 For renters, there is a renter
10 rebate in the City of Scranton for senior
11 citizens who rent. Again, they can go
12 through your state representative for that
13 as well and they are very willing to help.
14 And I notice from going different places in
15 the city there are so many residents that
16 don't know about these programs and they
17 were established and mostly funded through
18 the lottery and through our casinos to help
19 taxpayers. The Homestead exemption is for
20 anyone, any age, any income as long as you
21 live in the property you own. The other
22 ones, the other two rebates are specifically
23 for senior citizens, but I can't stress
24 enough if you have not applied or you
25 think you may be eligible give a call. The

1 worse they could say is you have to wait two
2 more years because you are not 65 or your
3 income is a little too high, look into it
4 because I know for the rebates on the
5 property tax I believe the income threshold
6 is in the 30 some thousand dollar range,
7 after half of social security is taken out
8 so really it is a good program that can help
9 people.

10 And finally, I think the most
11 important and lot of mention was made
12 regarding our future mayor and this budget
13 and, obviously, I guess some of the
14 criticism directed towards me because I was
15 a staunch supporter of Mr. Courtright and
16 I'm looking forward to working with him, but
17 he hasn't taken office yet, and I don't
18 understand how people could criticize
19 somebody who is not even in office. This is
20 Mayor Doherty's budget and Mayor Doherty and
21 the five of us who sit on this board have an
22 obligation to fill your term until that last
23 day. It doesn't mean because somebody else
24 was elected to fill your position that your
25 I don't believe is done.

1 I just ran for election this year.
2 If I lost I would still, you know, be here
3 today as my colleagues who didn't run for
4 reelection or ran for other offices are and
5 that obligation is a four-year term. Mayor
6 Doherty isn't off the hook, he is still the
7 mayor until the end of the year, and I
8 actually think the mayor could come to city
9 council like he did last year to explain
10 some of these items in the budget,
11 specifically the \$2 million hole regarding
12 the liquid fuels.

13 So, Mrs. Krake, could we please send
14 a request to Mr. Mayor Doherty requesting
15 his presence at city council next week if
16 that's agreeable to my colleagues to have
17 him discuss the budget and how he would like
18 to see the hole in the budget filled.

19 MR. JOYCE: I agree.

20 MR. MCGOFF: Fine.

21 MR. ROGAN: And I know Mr. Mayor
22 Doherty did come last year when council was
23 faced with a similar situation when tax --
24 when there was I believe there was a millage
25 for the unfunded debt needed to be included

1 at the last minute, the mayor, and I rarely
2 agree with him, to his credit did come to
3 council and hopefully he will do the same
4 this time.

5 Finally, regarding Item 7-C, which
6 is the Alexander's loan, I am going to
7 propose an amendment to it. Before making
8 the amendment, I do want to explain the
9 amendment a little bit. What this would do
10 is this would delete the term, it would
11 eliminate the 25-year change to seven
12 months, which would have that rate for the
13 next seven months until July of 2014.

14 In-between now and then a longer
15 term agreement can be worked out between the
16 new administration and council and
17 Alexander's, if they wish, or it can expire
18 on July 1, 2014, and revert back to those
19 original terms. So instead of letting the
20 legislation sit on the table and die, which
21 is what would happen if council didn't vote
22 on it this week or next week, I will make a
23 motion to amend Item 7-C as per the
24 following:

25 Section II shall be amended by

1 deleting "25 years" in the second line and
2 inserting the following, "Seven months
3 ending with the payment due on July 1,
4 2014."

5 In Section III, shall be amended by
6 deleting the period after began and
7 inserting the following after began at the
8 end of the second line "And terminating with
9 the payment due on July 1, 2014, after
10 commencing on July 2, 2014, until the loan
11 is paid in the interest rate payment amount
12 of \$1,649.84 per month. And the terms and
13 conditions of the loan documents set forth
14 in Resolution 144 of 2007 shall apply."

15 That's the motion.

16 MS. EVANS: Oh, you made a motion?

17 MR. ROGAN: Yes.

18 MS. EVANS: I thought you were
19 reading it for the public.

20 MR. MCGOFF: I'll second it.

21 MR. ROGAN: And again, just I know
22 especially the second part was a little long
23 and more legally, but basically what it
24 says, and Attorney Hughes can correct me if
25 I'm wrong, for the next seven months this

1 would be the terms of the agreement. What
2 was placed before us originally sent from
3 OECD expiring in July.

4 MR. HUGHES: That would be July of
5 2014, with the July 1 payment of 2014.

6 MR. ROGAN: Yes.

7 MR. HUGHES: That's correct, and
8 then it would then all of the terms and
9 conditions of the original loan would then
10 be in place and the loan would have to go
11 back to start being paid at the rate of I
12 think it's \$1,649.86 per month.

13 MS. EVANS: With the 5 percent
14 interest rate?

15 MR. HUGHES: Pardon?

16 MS. EVANS: With the 5 percent
17 interest rate?

18 MR. HUGHES: Yes. That would be the
19 -- well, all of the terms and conditions
20 which is a 5 percent interest rate, and it
21 was to be amortized over 20 years. I think
22 the legislation tonight would extend the
23 loan from 25 years from today, so that what
24 would happen is that all of the terms and
25 conditions of the original loan as the

1 resolution that was passed in 2007 would
2 then be in place. There would have to be a
3 new amortization schedule, that's not in
4 there, but they can work out a new
5 amortization schedule based on what the
6 principal is and until the end of the loan,
7 so the loan will probably be extended for
8 more than the 20-year term of the original
9 loan that should have been paid off I think
10 it would have been December 1, 2027.

11 MS. EVANS: Thank you. Is there
12 anyone else on the question? All those in
13 favor signify by saying aye.

14 MR. MCGOFF: Aye.

15 MR. ROGAN: Aye.

16 MR. JOYCE: Aye.

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

19 MR. ROGAN: And that is all for
20 tonight. Thank you.

21 MS. EVANS: Thank you. And,
22 Councilman Joyce, do you have comments or
23 motions tonight?

24 MR. JOYCE: Yeah, I do. You know,
25 when I first looked at the budget and, you

1 know, I saw what it was, honestly it made me
2 feel sick. After I spoke -- or after
3 Attorney Hickey spoke on behalf of the
4 transition team tonight and spoke about some
5 of the concerns in the budget, not only was
6 I sick to my stomach, but I wanted to throw
7 up because it's just absurd. You know, it
8 worries me. It worries me a lot that there
9 could be a \$7.85 million hole in the current
10 budget that's proposed with a 56 percent tax
11 increase, a 69 percent garbage fee increase.
12 You know, it's to the point where, you know,
13 you look at people out there and you think
14 how much could they handle? How much could
15 people really afford?

16 You know, we had a lot of new
17 speakers tonight, a lot of people that I
18 haven't seen actually in my four years up
19 here, but I'm glad I saw them tonight
20 because they expressed really valid concerns
21 and, you know, I'm not going to be here next
22 year, there will be a new administration and
23 new council members and, you know, it
24 doesn't mean that because I'll only be here
25 for two more meetings that I don't care and

1 that I don't have the best interests of the
2 people in the city in my mind, but you look
3 at where we are at there is a big problem
4 with the budget. People can't afford it and
5 now they may be additional revenue that may
6 be needed on top of that, so instead of a 56
7 percent tax increase, you know, it's almost
8 like Attorney Hickey came in and said, well,
9 there is \$7.85 million that you can be short
10 with that big of a tax increase.

11 I'm very glad that council is
12 inviting the transition team to come to
13 council chambers and discuss, you know,
14 their concerns because, you know, I would
15 like to hear what they have to say as well
16 as, you know, other things that they may
17 have to say about, you know, there could be
18 revenue generated possibly to offset some of
19 that \$7.85 million.

20 But, you know, it's gotten to the
21 point where you look back and, you know, I
22 could sit here and I would like to point
23 fingers at people and I don't like to blame
24 people or call people out, but when you look
25 at why the city is in the way -- or in the

1 shape that it's in right now, why things are
2 the way they are, you know, I can't help but
3 to look back at state and, you know,
4 Mr. McGoff brought up some very valid
5 points.

6 You know, you look at the state
7 legislature, the state senate, our governor,
8 our taxation laws, you know, what does the
9 state give a city the ability to do besides
10 raise people's property taxes? It's
11 ridiculous, and I'll be honest with you, my
12 colleague, Mr. Loscombe isn't here and I
13 usually don't get harsh with my language,
14 but you know what, it really pisses me off.
15 Pennsylvania has one of the biggest state
16 legislatures besides the State of California
17 and we can't get out of the old days. We
18 can't do anything to help distressed
19 municipalities in the state.

20 And, you know, this city really
21 needs the help now and I'm hoping that when
22 I'm gone it will happen in the future
23 because it makes me sick to my stomach to
24 look out there and see people struggle and
25 see people go through hard times and, you

1 know, everything is going up, like, people
2 just say taxes, well, sewer rates have gone
3 up, your water bill has gone up, other
4 utilities have gone up. You know, it's
5 getting to the point where you think to
6 yourself how much could people afford? And
7 I'm saying this from the bottom of my heart
8 and I don't -- I don't pay property taxes, I
9 rent, which that will probably go up too,
10 but that's besides the point.

11 But all I could say is this much, I
12 will vote to move the budget along tonight
13 because I do want to hear what the
14 transition team has to say, I do want to
15 hear their ideas and I do want to hear if
16 there is anything that Mayor Doherty can
17 contribute additionally because, you know,
18 it's not about if you are for this guy or
19 that guy anymore or if you like Mayor
20 Doherty or if you like Bill Courtright, it's
21 about the City of Scranton and you know
22 what, the City of Scranton is in some real
23 trouble and there's a lot of obstacles to
24 overcome.

25 And I know if you could add to the

1 letter since we invited the mayor and the
2 mayor-elect and the transition team, any
3 incoming council members that would like to
4 be here and offer any suggestions or ideas I
5 think, you know, that should really be taken
6 into consideration because I stepped into my
7 roll on city council as the Finance Chair
8 being stuck with the budget that the
9 previous council passed and, as you know,
10 there were some of us on council, Mr. Rogan,
11 Mrs. Evans, myself, Councilman Loscombe, we
12 wanted to make changes to that, and the
13 state -- or, I'm sorry, not the state, we
14 went as far as to make changes to it and we
15 got taken to court and lost and the Court
16 ruled that we can't make changes to a budget
17 once it's adopted. So I would just be
18 interested in hearing everyone's opinion at
19 this time, so that's all I really have to
20 say for tonight.

21 MS. EVANS: Thank you.

22 UNKNOWN SPEAKER: Can I --

23 MS. EVANS: I'm very sorry, we
24 cannot allow citizens' participation once
25 that portion of the meeting has concluded.

Bagging fee revenues were \$29,100 and largely due to construction projects, street vendors and two checks from Geisinger CMC. Meter revenue sharply increased by approximately \$14,000 likely as a result of the extra meter polls, new meters and extended enforcement hours included in the original city ordinance.

Next, the mayor informed me this week that the City of Scranton will receive an additional \$1.2 million under the newly signed State Transportation Bill. Consequently, the previously reported \$2

1 million budgetary hole has decreased
2 significantly. As was reported by the
3 Scranton Times, the mayor believes the lease
4 of city-owned parking meters in 2014 may
5 cover any shortfall. He was informed of the
6 \$1.2 million by a representative of Senator
7 John Blake.

8 Next, I wish to report the results
9 of the October tax assessment hearings
10 related to Scranton businesses, and as you
11 recall, our attorney drafted a letter to the
12 Tax Assessment Board regarding the unusually
13 high number of Scranton businesses that were
14 looking to have their taxes lowered in the
15 month of October, and again, neither school
16 district or the county government had any
17 issues with this matter, but council did
18 send a letter, as I said, to the Board of
19 Appeals and I promised that when the results
20 were in I would report to you on each of
21 these businesses.

22 Tobyhanna Army Depot FCU, 300
23 Mulberry Street, a vacant lot, the result
24 was their request was denied.

25 BRT, Incorporated, LP, which is the

1 Icebox on West Olive Street in Scranton,
2 their request was denied.

3 Tobyhanna Army Depot, FCU at 325 to
4 331 Franklin Avenue, their request was
5 denied.

6 245 Wyoming Avenue Development
7 located at 245, 247 and 247 1/2 Wyoming
8 Avenue, they received a reduction of
9 \$2,571.86 so that their city real estate tax
10 after the change from this hearing will be
11 \$2,159.50.

12 Mellow L. and Ferrario G. and J.
13 Langan at 229-235 Wyoming Avenue in
14 Scranton, they received a reduction of
15 \$3,124. Prior to the tax hearing they were
16 paying \$5,270. With the reduction they are
17 now paying \$4,901.

18 245 Wyoming Avenue Development
19 located at 318-324 Linden Street, they
20 received a \$15,750 reduction on the land
21 only. Prior to the hearing they paid \$9,349
22 in taxes. After the hearing they will now
23 pay \$7,491.41.

24 Mellows L. and Ferrario G. and J.
25 Langan, another request, this one was

1 denied.

2 245 Wyoming Avenue Development, 312
3 to 316 Linden Street, another request by
4 them, denied.

5 Yet another by Mellows L. and
6 Ferrario G. and J. Langan, they did this
7 time receive a reduction of \$2,186. Prior
8 to the change they were paying \$3,348 in
9 taxes. After the hearing they will now pay
10 \$3,090.95.

11 The Third National Bank and Trust
12 located at 1025 River Street, their request
13 was denied.

14 Third National Bank and Trust
15 located at 1033-35 and 30 Meadow Avenue,
16 they were granted a 26 -- must be a \$2,600
17 reduction for improvements only. Previously
18 they paid \$3,650, they will now pay \$2,983.

19 MR. KRAKE: Mrs. Evans?

20 MS. EVANS: Yes.

21 MS. KRAKE: If I may, on the report
22 that our office provided to you, when you
23 were reading the part, and it's our fault we
24 didn't explain it clear enough in the
25 column, the reduction or the word "denied",

1 the reduction is in the amount they are
2 assessed so that's why as you reading I
3 could see the numbers don't seem to line up,
4 so we felt that just providing the reduction
5 amount then we gave you an example of what
6 their taxes actually were so people could
7 see that versus the assessment.

8 MS. EVANS: Thank you. Susquehanna
9 Investment Properties, 120 Wyoming Avenue,
10 they received a \$52,743 reduction, so there
11 city real estate tax before the hearing had
12 been \$10,351 on land, and \$3,207 on
13 improvements, and following the hearing they
14 will be paying \$7,078.50 on the land, and
15 \$2,565.60 on improvements.

16 Capouse Avenue Associates, this
17 would be the Sonic Restaurant, East Olive
18 Street, they withdrew their appeal.

19 F & M Realty Company, which is the
20 Martz Bus Company located on the 100 block
21 of Lackawanna Avenue, their appeal was
22 denied.

23 SLIBCO, which is an arm of the
24 Scranton Chamber of Commerce, the Enterprise
25 Center, located at 201-215 Lackawanna

1 Avenue, they received a reduction of
2 \$505,000, and so the city real estate tax
3 changed from \$26,521 on land to \$23,595, and
4 \$30,279 on improvements to \$17,959 on land.
5 It's important to note that this property
6 owned by SLIBCO was a KOZ paying absolutely
7 no taxes until 2013, so that in the first
8 year that this began to pay taxes like the
9 rest of us, the Chamber of Commerce went in
10 looking to get a significant tax reduction.

11 The Lackawanna Industrial Fund
12 Enterprise, another arm of the Chamber of
13 Commerce, 222 Mulberry Street, they had been
14 a LERTA from 1990 through 1999. They
15 received a \$29,000 decrease, and so in terms
16 of the city real estate tax prior to the
17 hearing they paid \$9,162 on land, and now
18 they will pay \$8,258. They paid \$3,446.50
19 on improvements and now they will pay
20 \$2,899.13, but, remember, these are taxes
21 paid to the city. So, again, you know, they
22 are paying county taxes, school district
23 taxes, everything would be reduced.

24 This one is very important, Montage
25 Mountain Resource, LP on Montage Mountain

1 Road, as you are all aware this was recently
2 purchased by a development group lead by
3 Charles Jefferson, who also purchased the
4 Connell building and the old Chamber of
5 Commerce building and converted it into
6 apartments, and truthfully, the resort was
7 purchased at a steal. Montage went in
8 looking for a reduction, I can't remember
9 now what it was, but it was millions of
10 dollars they wanted their taxes reduced by
11 and they were denied.

12 So I'd like to thank the Tax
13 Assessment Board for accepting the request
14 of Scranton City Council and for its
15 diligent and fair application of the law.

16 I have two citizens' requests this
17 evening: The first concerns a repair issue
18 the Weston Field pool. The residents who
19 utilize this public pool depend on it to
20 help their overall health and well-being
21 both physically and mentally. Please
22 address the entry stairs to the pool and
23 install the new set as soon as possible.

24 In addition, city council requests
25 that city employees treat residents

1 respectfully and inform the public of
2 repairs, replacements and the timeline.
3 Some residents cannot use the pool currently
4 since the steps have not been replaced.
5 They either cannot use the lift due to its
6 weight limit or the ladders, which are in
7 poor condition and awkward for use according
8 to the city residents. No employee should
9 tell elderly citizens to use the lift or
10 ladder or we'll close the pool.

11 Provide a report to council on or
12 before December 12, 2013, regarding the
13 installation of the steps and the
14 corrections made to provide a positive,
15 respectful environment.

16 Secondly, residents report that
17 there is no visible permit posted for the
18 demolition occurring at the site of the
19 former Daron Northeast. Please contact the
20 LIPS Department to confirm the purchase of
21 permits.

22 Finally, I want those who attended
23 tonight's public hearing and regularly
24 scheduled council meeting, as well as those
25 who of you viewing this meeting at home, to

1 know that I have heard your pleas regarding
2 the 2014 budget. I believe and I understand
3 the hardships, struggles and problems you
4 suffer. I have fought and worked for the
5 people of our city for ten years against all
6 odds and I'll continue it do so until I
7 leave this chamber next month. And that's
8 it.

9 MR. ROGAN: Mrs. Evans, before we
10 vote I just want to relay a message from
11 State Representative Haggerty, and it's a
12 bit of good news for those who want to see
13 property tax reform at the state level,
14 Representative Haggerty informed today he
15 did sign onto Senate Bill 76 which will, as
16 you know I have spoke about it numerous
17 times from here, that he will be supporting
18 that Bill and that's the one that would
19 eliminate your school portion of the
20 property taxes. He also relayed that he is
21 going to write legislation asking the state
22 to cover reassessment for all counties with
23 distressed municipalities, which is
24 something that Lackawanna County desperately
25 needs. This is fairness for the tax laws,

1 so just a quick update and I wanted to
2 share.

3 MS. EVANS: That's encouraging
4 because I know when we had the state
5 representatives here at a public caucus
6 several months ago, I don't remember how
7 long, I had asked them to do just that, and
8 none of them responded that they would. So
9 thank goodness for election years, Folks.
10 You are going to see some things happen.

11 MR. JOYCE: And, Councilman Rogan, I
12 want to thank you for the update. I'm also
13 very pleased and glad that Mr. Haggerty has
14 agreed and he is on board with Senate Bill
15 76.

16 MR. ROGAN: And of the three people
17 who represent Scranton our two
18 representatives are supportive in reducing
19 your property taxes. Unfortunately, Senator
20 Blake in three years still hasn't done a
21 thing to help the city.

22 MS. EVANS: Mrs. Krake?

23 MS. KRAKE: 5-B. AMENDING RESOLUTION
24 NO. 43, 2013 ENTITLED "RATIFYING AND
25 APPROVING OF THE EXECUTION AND SUBMISSION OF

1 THE GRANT APPLICATION BY THE CITY OF
2 SCRANTON, ON BEHALF OF THE SCRANTON SEWER
3 AUTHORITY, TO THE COMMONWEALTH OF
4 PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH
5 FINANCING AUTHORITY FOR A LOCAL SHARE
6 ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE
7 DEVELOPMENT AND GAMING ACT IN THE AMOUNT
8 OF \$415,695.00 FOR THE PROJECT TO BE KNOWN
9 AS "STREET SWEEPER PROJECT" LOCATED IN
10 SCRANTON, PENNSYLVANIA. THIS RESOLUTION
11 SHALL ALSO AUTHORIZE THE MAYOR AND OTHER
12 APPROPRIATE CITY OFFICIALS OF THE CITY OF
13 SCRANTON TO ACCEPT THE GRANT IF APPROVED,
14 AND EXECUTE AND ENTER INTO A LOCAL SHARE
15 ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER
16 WITH THE COMMONWEALTH OF PENNSYLVANIA TO
17 ACCEPT AND UTILIZE THE GRANT AWARDED BY THE
18 COMMONWEALTH OF PENNSYLVANIA FOR SUCH
19 PROJECT" BY CORRECTING THE TYPOGRAPHICAL
20 ERROR IN THE PROJECT NAME IN THE FIRST
21 WHEREAS CLAUSE TO STREET SWEEPER PROJECT AND
22 REDUCING THE GRANT AMOUNT TO \$410,211.00.

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

1 MR. ROGAN: So moved.

2 MR. JOYCE: Second.

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

6 MR. MCGOFF: Aye.

7 MR. ROGAN: Aye.

8 MR. JOYCE: Aye.

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

11 MS. KRAKE: SIXTH ORDER. 6-A.

12 READING BY TITLE -FILE OF COUNCIL NO. 55,
13 2013 - AN ORDINANCE - APPROPRIATING FUNDS
14 FOR THE EXPENSES OF THE CITY GOVERNMENT FOR
15 THE PERIOD COMMENCING ON THE FIRST DAY OF
16 JANUARY, 2014 TO AND INCLUDING DECEMBER 31,
17 2014 BY THE ADOPTION OF THE GENERAL CITY
18 OPERATING BUDGET FOR THE YEAR 2014.

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

21 MR. ROGAN: I move that Item 6-A
22 pass reading by title.

23 MR. MCGOFF: Second.

24 MS. EVANS: On the question?
25 Everyone else I think has thoroughly

1 discussed their perspective on the budget
2 and I will have more to say next week, but I
3 have to say as the budget stands currently
4 it's unacceptable, and if Mr. Hickey was
5 here tonight looking for an additional
6 increase on top of that 56 percent, I'm not
7 going along with that one either.

8 Now, I proposed many ideas to
9 generate new revenue and realize savings for
10 the City of Scranton. Some of them, like
11 the amusement tax, the parking tax, a
12 revival of a strong rental registration
13 program, aggressive collection of delinquent
14 taxes from big land developers, the use of e
15 RE-RE funds to benefit Scrantonians instead
16 of being used for luncheons and cakes and
17 gifts, professional management of parking
18 meters, among others, all of these have come
19 to fruition and they will continue to bear
20 fruit well into the future years.

21 Other suggestions, however, were not
22 followed by the administration, namely, the
23 commuter tax, the sale of the Scranton Sewer
24 Authority, a health care consortium, PILOTS
25 from large nonprofits, payment of \$600,000

1 by BRT Ice or the Icebox, a city-owned
2 storage yard, review and changes to health
3 care administrative fees, specifically, Blue
4 Cross.

5 Now, each of these ideas was
6 discussed with the mayor and his
7 administration in 2011 and meetings were
8 conducted in 2012 and early 2013 to pursue
9 these types of revenue sources, such as the
10 sale of the Sewer Authority, commuter tax,
11 and the health care consortium. If this had
12 occurred in 2014 it would be drastically
13 different today.

14 We look at PILOTS, people say, "Oh,
15 well, they don't have to give. That's pie
16 in the sky."

17 Well, of course they don't have to
18 give when no mayor is asking them to, and in
19 other municipalities, be it Pittsburgh,
20 Providence, Rhode Island, there are many
21 where mayors have very successfully obtained
22 significant payments in lieu of taxes from
23 large nonprofits, those being universities,
24 colleges, hospitals, etcetera.

25 Our mayor though appears not to have

1 made the effort because rather than doing so
2 he placed a million point something into the
3 contingency fund in 2013 to cover PILOT
4 payments, so that tells us no effort was
5 made.

6 Now, the administration dropped the
7 ball this year and declined to follow-up
8 throughout 2013, rather the mayor chose to
9 raise taxes and fees significantly when
10 there were multiple opportunities to address
11 the 2014 budget without solely saddling the
12 taxpayers of Scranton. But as they say, you
13 can lead a horse to water, but you can't
14 make him drink, and as Mr. Joyce has said,
15 oh, for many weeks this fall, yes, an
16 additional tax increase was needed, but it
17 did not have to be anywhere near this and
18 when council work on a recovery plan,
19 council only agreed to a 31 percent tax
20 increase over a three-year period. Last
21 year was 22 percent, the previous year was 5
22 percent, what was remaining or perhaps a bit
23 more is what was supposed to come for 2014.

24 But, as I said, people didn't hold
25 up their end of the bargain and I think that

1 as much as I would like to hear what the new
2 mayor has to say and all of his transition
3 team members and the committee members for
4 every department, I think they would be been
5 much better served to make the
6 recommendations before the proposed budget
7 came out because it certainly looks like a
8 lot of people are looking to this council to
9 do the work for them.

10 And you know what, ladies and
11 gentlemen, I'll just say this, I have never
12 been a rubber stamp. I wasn't Mayor
13 Doherty's rubber stamp and I'm not Mayor
14 Courtright's rubber stamp, so God bless this
15 city. Is there anyone else on the question?

16 All those in favor signify by saying
17 aye.

18 MR. MCGOFF: Aye.

19 MR. ROGAN: Aye.

20 MR. JOYCE: Aye.

21 MS. EVANS: Opposed? No. The ayes
22 have it and so moved.

23 MS. KRAKE: SEVENTH ORDER. 7-A. FOR
24 CONSIDERATION BY THE COMMITTEE ON FINANCE -
25 FOR ADOPTION-FILE OF COUNCIL NO. 54, 2013 -

1 TRANSFERRING THE FUNDS FROM FUND 02 SPECIAL
2 CITY ACCOUNT WHICH FUNDS AND ACCOUNT LISTED
3 BELOW ARE NO LONGER NEEDED FOR THE CONDUCT
4 OF CITY BUSINESS, AND ABOLISHING AND CLOSING
5 SAID ACCOUNT. THE FUNDS REMAINING IN THIS
6 ACCOUNT SHALL BE TRANSFERRED TO THE CITY'S
7 GENERAL FUND.

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

11 MR. JOYCE: As Chairperson for the
12 Committee on Finance, I recommend final
13 passage of Item 7-A.

14 MR. ROGAN: Second.

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

17 MS. MARCIANO: Mr. McGoff.

18 MR. MCGOFF: Yes.

19 MS. MARCIANO: Mr. Rogan.

20 MR. ROGAN: Yes.

21 MS. MARCIANO: Mr. Joyce.

22 MR. JOYCE: Yes.

23 MS. MARCIANO: Mrs. Evans.

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

1 MS. KRAKE: 7-B. FOR CONSIDERATION
2 BY THE COMMITTEE ON RULES FOR ADOPTION-
3 RESOLUTION NO. 47, 2013 - APPOINTMENT
4 OF PAUL DEANTONA, 333 NORTH SUMNER AVENUE,
5 SCRANTON, PENNSYLVANIA, 18504 AS A MEMBER OF
6 THE SCRANTON MUNICIPAL RECREATION AUTHORITY
7 TO FILL THE UNEXPIRED TERM OF THOMAS SMITH
8 WHOSE TERM IS SCHEDULED TO EXPIRE JUNE 17,
9 2016.

10 MS. EVANS: As Chair for the
11 Committee on Rules, I recommend final
12 passage of Item 7-B.

13 MR. ROGAN: Second.

14 MS. EVANS: On the question?

15 MR. JOYCE: Yes, when I went through
16 all of my mail I didn't see a letter of
17 interest or resume or any type of
18 correspondence from this fellow, so I'm not
19 sure did the office receive that?

20 MS. KRAKE: No.

21 MR. ROGAN: Did we send a letter
22 requesting on this one or did we --

23 MS. EVANS: I don't think so.

24 MR. ROGAN: I think we as a council
25 might have got mixed in with some others,

1 would we be agreeable to table it for a
2 week?

3 MS. EVANS: Yes.

4 MR. ROGAN: Send a request.

5 MR. JOYCE: I would definitely
6 table.

7 MS. EVANS: Well, you want to make a
8 motion?

9 MR. JOYCE: I make a motion to table
10 Item 7-

11 MR. ROGAN: Second.

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

14 MR. MCGOFF: Aye.

15 MR. ROGAN: Aye.

16 MR. JOYCE: Aye.

17 MS. EVANS: Aye. Opposed? The ayes
18 have it and so moved. Item 7-B is tabled.

19 MR. HUGHES: Madam President, if I
20 could, I know that there was a motion to
21 amend this resolution.

22 MS. EVANS: Yes.

23 MR. HUGHES: At the time it was made
24 there was no motion on the floor, so it
25 really was invalid. What you must do now is

1 introduce this resolution and then
2 Councilman Rogan would then make the motion
3 to amend this resolution that was previously
4 made and you would vote on the amendment
5 first and then vote on the motion.

6 MS. EVANS: Okay.

7 MR. HUGHES: Seriously that's the
8 correct -- I don't want anybody coming back
9 and saying that the procedure that was used
10 was not the correct procedure because there
11 was no motion on the floor.

12 MS. EVANS: But first we had to put
13 it back on the table.

14 MR. HUGHES: There is -- nothing was
15 tabled.

16 MS. EVANS: It was tabled.

17 MR. HUGHES: Oh, I'm sorry.

18 MS. EVANS: Several weeks ago.

19 MR. HUGHES: Oh, okay, then the
20 procedure -- I thought it was voted on.

21 MS. EVANS: It was in Fifth and
22 Sixth Orders and it was tabled in Sixth
23 Order until such time as a public caucus
24 could be conducted with the representative
25 of Alexander's Salon. That occurred on

1 November 21.

2 MR. HUGHES: I was not at that
3 meeting.

4 MS. EVANS: Right.

5 MR. HUGHES: So you take it off the
6 table, then the motion would be introduced,
7 then Councilman Rogan would make the motion
8 to amend the motion, then we would vote on
9 the amendment and then on the motion.

10 MR. ROGAN: I would like to make a
11 motion to take Resolution No. 45, 2013, from
12 the table.

13 MR. JOYCE: Second.

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

16 MR. MCGOFF: Aye.

17 MR. ROGAN: Aye.

18 MR. JOYCE: Aye.

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

21 MS. KRAKE: 7-C. FOR CONSIDERATION
22 BY THE COMMITTEE ON COMMUNITY DEVELOPMENT-
23 FOR ADOPTION- RESOLUTION NO.45, 2013
24 (PREVIOUSLY TABLED) – AMENDING RESOLUTION
25 NO. 144 OF 2007 ENTITLED “AUTHORIZING THE

1 MAYOR AND OTHER APPROPRIATE CITY OFFICIALS
2 OF THE CITY OF SCRANTON TO ENTER INTO A LOAN
3 AGREEMENT AND MAKE A LOAN FROM THE
4 COMMERCIAL INDUSTRIAL REVOLVING LOAN
5 PROGRAM, PROJECT NO. 150.9 IN AN AMOUNT NOT
6 TO EXCEED \$250,000.00 TO ALEXANDER'S SALON &
7 SPA, INC. TO ASSIST AN ELIGIBLE PROJECT" BY
8 AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
9 CITY OFFICIALS OF THE CITY OF SCRANTON TO
10 EXECUTE AND ENTER INTO A MODIFICATION/
11 EXTENSION OF THE LOAN AGREEMENT BETWEEN THE
12 CITY OF SCRANTON AND ALEXANDER'S SALON
13 & SPA.

14 MR. ROGAN: I make a motion to amend
15 Item 7-C, Section II shall be amended by
16 deleting "25 years" in the second line and
17 inserting the following: "Seven months
18 ending with the payment on July 1 2014."

19 And Section III shall be amended by
20 deleting the period after "began" and
21 inserting the following after began at the
22 end the second line, "And terminating with
23 the payment due on July 1, 2014, after
24 commencing on July 2, 2014, until the loan
25 is paid and the interest rate repayment of

1 \$1,649.84 per month and the terms and
2 conditions of the loan documents set forth
3 in Resolution 144 of 2007 shall apply."

4 MS. EVANS: Do we have a second?

5 MR. MCGOFF: Second.

6 MS. EVANS: On the question? All
7 those in favor of the motion to amend Item
8 7-C signify by saying aye.

9 MR. MCGOFF: Aye.

10 MR. ROGAN: Aye.

11 MR. JOYCE: Aye.

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

14 What is the recommendation -- or,
15 excuse me. Yes. What is the recommendation
16 of the Chair for the Committee on Community
17 Development?

18 MR. ROGAN: As Chairperson for the
19 Committee on Community Development, I
20 recommend final passage of Item 7-C, as
21 amended.

22 MR. JOYCE: Second.

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

25 MS. MARCIANO: Mr. McGoff.

1 MR. MCGOFF: Yes.

2 MS. MARCIANO: Mr. Rogan.

3 MR. ROGAN: Yes.

4 MS. MARCIANO: Mr. Joyce.

5 MR. JOYCE: Yes.

6 MS. MARCIANO: Mrs. Evans.

7 MS. EVANS: Yes. I hereby declare
8 Item 7-C, as amended, legally and lawfully
9 adopted.

10 If there is no further business,
11 I'll entertain a motion to adjourn.

12 MR. JOYCE: Motion to adjourn.

13 MS. EVANS: This meeting is
14 adjourned.

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C E R T I F I C A T E

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

CATHENE S. NARDOZZI, RPR
OFFICIAL COURT REPORTER