

AGENDA
REGULAR MEETING OF COUNCIL
December 3, 2018
6:00 PM

1. ROLL CALL
2. READING OF MINUTES
3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES:
 - 3.A CHECK RECEIVED FROM SINGLE TAX OFFICE IN THE AMOUNT OF \$310,491.81 WHICH REPRESENTS PAYMENT OF AMUSEMENT TAX, 3RD QUARTER FROM LIVE NATION WORLDWIDE, INC.

[Check recieved from Single Tax Office Payment of Amusement Tax 11-14-18.pdf](#)
 - 3.B SHARED SERVICES COMMITTEE REPORT DATED NOVEMBER 27, 2018.

[Shared Services Committee Report 11-27-18.pdf](#)
 - 3.C AGENDA FOR THE HOUSING APPEALS REVIEW BOARD MEETING HELD NOVEMBER 29, 2018.

[Housing Appeals Review Board Meeting Agenda 11-29-18.pdf](#)
4. CITIZENS PARTICIPATION
5. INTRODUCTION OF ORDINANCES, RESOLUTIONS, APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS & COMMISSIONS MOTIONS & REPORTS OF COMMITTEES:

5.A MOTIONS.

5.B NO BUSINESS AT THIS TIME.

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

6.A NO BUSINESS AT THIS TIME.

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

7.A FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 38, 2018 - APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31, 2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2019.

[Ordinance-2018 Operating Budget for 2019.pdf](#)

7.B FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 39, 2018 - AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING THE DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES", BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT

ANNUALLY THEREAFTER.

[Ordinance-2018 Realty Transfer Tax for 2019.pdf](#)

- 7.C FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 40, 2018 - AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES", BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Mercantile License Tax for 2019.pdf](#)

- 7.D FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 41, 2018 - AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Business Privilege Tax for 2019.pdf](#)

- 7.E FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 42, 2018 - AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

[Ordinance-2018 Earned Income Tax for 2019.pdf](#)

- 7.F FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 43, 2018 - AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

[Ordinance-2018 Setting the Millage for 2019.pdf](#)

- 7.G FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 44, 2018 - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

[Ordinance-2018 Special City Account SSA Pension for Pension Obligation Note.pdf](#)

- 7.H FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 45, 2018 - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229637 ENTITLED "SSA FUNDS" FOR RECEIVING THE REMAINING BALANCE OF FUNDS FROM THE SALE OF THE SCRANTON SEWER AUTHORITY FOR DISBURSING FOR FUTURE CITY PROJECTS.

[Ordinance-2018 Special City Account SSA Funds for Future City Projects.pdf](#)

- 7.I FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - FILE OF THE COUNCIL NO. 46, 2018 - AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE "AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN ENACTED" BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.

[Ordinance-2018 Trust Agreement with Composite Pension Board.pdf](#)

- 7.J FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 47, 2018 - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229638 ENTITLED "STREET LIGHTING LEASE RESERVE FUNDS" FOR THE RECEIPT AND DISBURSEMENT OF STREET LIGHTING LEASE RESERVE FUNDS.

[Ordinance-2018 Special City Account for Street Lighting Lease Reserve Funds.pdf](#)

- 7.K FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - FILE OF THE COUNCIL NO. 48, 2018 - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED "HIGHMARK HEALTHCARE RESERVE" FOR THE RECEIPT OF HIGHMARK HEALTHCARE FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON HEALTHCARE COSTS.

[Ordinance-2018 Special City Account for Highmark Healthcare Reserve.pdf](#)

- 7.L FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - FILE OF THE COUNCIL NO. 49, 2018 - AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

[Ordinance-2018 Amending FOC 21, 2016 LERTA.pdf](#)

- 7.M FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - FILE OF THE COUNCIL NO. 50, 2018 - AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN

AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO” IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

[Ordinance-2018 Amending FOC 22, 2016 LERTA.pdf](#)

- 7.N FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - RESOLUTION NO. 90, 2018 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

[Resolution-2018 STO Audit Joseph Alu Associates.pdf](#)

- 7.0 FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - RESOLUTION NO. 91, 2018 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE REPAIRS IN THE AMOUNT OF \$1,000.00.

[Resolution-2018 Grant Wenzel Treehouse Repairs.pdf](#)

8. ADJOURNMENT



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

MEMORANDUM

DATE: November 14, 2018
TO: Wayne Beck, City Treasurer
FROM: Becky McMullen
RE: Check for Deposit

Enclosed kindly find the following check received from the Single Tax Office which represents:
payment of Amusement Tax, 3rd quarter, from Live Nation Worldwide, Inc.

Single Tax Office	ck.# 10321	\$310,491.81
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\$

This check is to be deposited into **Account #01.310.31295 Amusement Tax.**

cc: Roseann Novembrino, Controller
File

RECEIVED
NOV 21 2018
OFFICE OF CITY
COUNCIL/CITY CLERK

November 27, 2018

Over the past several months, members of Scranton City Council and the Scranton School Board have met to discuss services that could potentially be shared between the City and the District. The Shared Services Committee, comprised of City Councilmen Kyle Donahue and Bill Gaughan and School Directors Paige Cagnetti and Katie Gilmartin, established a list of areas of focus and called on administrators from the City and the District to share their input.

In addition to the goal of realizing cost savings to benefit Scranton taxpayers, the group endeavors to increase efficiencies, improve productivity and convey a collaborative spirit between the City and the District. The entities are interdependent; the outlook of one cannot improve if the other is trending in the opposite direction.

The following list reflects issues discussed and areas identified as potential opportunities for collaboration. The committee will continue to work with City and District administrators to prioritize these items, define plans and assess possible savings.

Finance

- Delinquent Tax Collection
- Payroll Tax Conversion
- Real Estate Tax Discount Period
- 10-year city wide LERTA for improvements and new construction
- Property Tax Exemptions/HUP Test

Purchasing

- Gas Procurement Cards
- Healthcare
- Pool supplies, chemicals, etc.
- Printer/Copier Services and Maintenance
- Technology

Operations

- Crosswalk safety
- Pothole repair
- Recycling

Fundraising & Community Development

- Complete Count Census Committee
- Electric City Shock Soccer Field Project
- Grant Writing Services

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NOV 28 2018
OFFICE OF THE
COUNCIL/CLERK

Housing Appeals Board Meeting

The Housing Appeals Board has scheduled hearings for Thursday, November 29, 2018, at 6:00 p.m. The meeting will be held in Council Chambers, Scranton City Hall, 340 N. Washington Ave., 2nd Floor. The public is welcome to attend.

Hearings on the following properties will take place:

1805 North Washington Ave., Scranton, PA 18509 – Demolition;
1102 Prospect Ave., Scranton, PA 18505 – Demolition;
1001 Moosic St., Scranton, PA 18505 – Permit Denial;
300-302 William St., Scranton, PA 18508 – Condemnation;
223 East Mountain Rd., Scranton, PA 18505 – Rental Registration;
800 Electric St., Scranton, PA 18509 – Rental Registration;
934 Albright Ave., Scranton, PA 18504 – Rental Registration;
1116 Washburn St., Scranton, PA 18504 – Rental Registration;
2516 N. Main Ave., Scranton, PA 18509 – Rental Registration;
150-152 S. Sumner Ave., Scranton, PA 18509 – Rental Registration;
510 Harrison Ave. – 512 Stipp Crt., Scranton, PA 18510 – Rental Registration;
1137 Albright Ave./501 Court St., Scranton, PA 18508 – Rental Registration;
701 Moosic St., Scranton PA 18505 – Rental Registration;
718 Pittston Ave., Scranton PA 18505 – Rental Registration;
1770 Bloom Ave., Scranton PA 18508 – Rental Registration;
833 Fig St., Scranton PA 18505 – Rental Registration;
611 Crown Ave., Scranton PA 18505 – Rental Registration;
544 Hemlock St., Scranton PA 18505 – Rental Registration;
529 Brook St., Scranton PA 18505 – Rental Registration;
421 S. Main Ave., Scranton PA 18504 – Rental Registration;
1820 Division St., Scranton PA 18504 – Rental Registration;
1707 Farr St., Scranton PA 18504 – Rental Registration;
2115 Hollister Ave., Scranton PA 18508 – Rental Registration;
1076 W. Market St., Scranton PA 18508 – Rental Registration;
1120 Cedar Ave., Scranton PA 18505 – Rental Registration;
1024 Bennett St., Scranton PA 18508 – Rental Registration;
536 Deacon St., Scranton PA 18509 – Rental Registration;
1001 Moosic St., Scranton PA 18505 – Rental Registration;
1112 Delaware St., Scranton PA 18509 – Rental Registration;
210-212 Prospect Ave., Scranton, PA 18505 – Rental Registration

RECEIVED

NOV 29 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

APPROPRIATING FUNDS FOR THE EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31, 2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR THE YEAR 2019.

WHEREAS, it is in the best interests of the City of Scranton, and required by the Home Rule Charter, that the City pass a General City Operating Budget for the year 2019.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that the 2019 General City Operating Budget is hereby approved and authorized in the form as attached hereto and made a part hereof.

SECTION 1. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance, so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

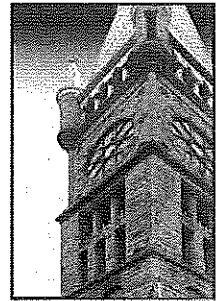
SECTION 3. This Ordinance shall take effect January 1, 2019.

SECTION 4. This Ordinance is enacted by the Council of the City of Scranton under the Authority of the Act of the Legislature, April 13, 1972, Act No. 62 known as the "Home Rule Charter and Optional Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225

RECEIVED
NOV 14 2018
OFFICE OF CITY
COUNCIL/CITY CLERK



SCRANTON

October 28, 2018

Ms. Lori Reed
City Clerk
City of Scranton
340 North Washington Avenue
Scranton, Pa 18503

Re: 2019 Budget

Dear Ms. Reed:

According to Article IX, Section 902, of the Home Rule Charter, the Administration of the City of Scranton hereby submits the 2019 Operating Budget. The Budget document includes estimated income, including various taxes, fees, and other revenues for the fiscal year. Detailed proposed expenditures by department including employee-related expenses and capital expenditures are delineated. Proposed expenditures do not exceed budgeted revenues.

Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

David M. Bulzoni
Business Administrator
City of Scranton

2019 Budget Summary

Financial Overview

The City of Scranton 2019 budget continues a phased progression in recovery from a period of acute crisis. The City will continue to strive to achieve manageable annual adjustments in both revenues and expenditures to avoid the punitive nature of double digit real estate tax increases. The continued compression of real estate tax valuations will be an ongoing concern in budget creation and remains a focal point of the 2019 budget. The 2017 budget was transitory from revenue assignments concluding the parking monetization transactions and the sale of the sewer assets; the 2019 budget reflects the execution of those initiatives and the subsequent influence on the City's budget. Without those adjustments, the impact on the primary revenue drivers would be significant. Those revenue components are real estate and earned income taxes and both would have been strained without the completion of the monetization initiatives.

An integral component of the continued fiscal stability is the assignment of real estate taxes through a segmented calculation which originated in the 2015 budget. The City of Scranton created a dedicated millage to meet total annual debt service requirements and appointed a single point paying agent to manage those payments. This concept was well received by the financial markets and has been an integral part of the restoration of the City's credit worthiness. The reduction in budgeted debt service from \$14,713,139.50 in 2014 to \$12,322,886.84 in 2019 is representative of the City's efforts at greater budget stability. Of this total, \$11,113,634.62 will be funded through the debt service allocation; \$1,208,252.22 will be offset by invested funds resulting from the pension debt initiative, and \$1,000 is a placeholder for a prospective 2019 refunding and capital improvement debt initiative.

Real estate taxes will continue as a significant source of revenue in the 2019 budget. The intent of the 2019 budget is to maintain total millage at 2018 levels regardless of the compression in real estate valuations. The debt service allocation will be based on the City's annual debt service requirement and is adjusted accordingly. This process is based purely on an annual calculation and eliminates discretionary considerations from the evaluation process. Correspondingly, with a prospective \$2,221,507.00 reduction in the Minimum Municipal Obligation in 2019, the operating revenue percentage is adjusted accordingly.

The 2019 budget positions the City to further evaluate revenue maximization and expense containment. Analytic methodology is used for better identification of components of the City's taxes and fees. Those analytics should result in fee and tax clarification in future budget years. Planned initiatives include the migration from business privilege and mercantile taxes to a payroll based tax allowed under Act 47. The City continues to evaluate refuse payment and collection alternatives to achieve greater program efficiencies. Effective storm water management portends to be a principal initiative in 2019 regardless of the impact on the operating budget.

A realistic approach to expenditure budgeting will mirror the same approach to revenues. While several issues portend some significance for the City with the 2019 budget, the approach is to evaluate each budget category for savings realized through either achievable efficiencies or program alternatives to manage costs more effectively.

The budget also continues a measure of sensibility to nonunion salaries, which has been devoid of any real methodology in prior budgets. A planned compensation review should further assist the process. Once salaries have reached a level of equilibrium, raises may rotate every two years for the nonunion employee base.

In effect, the 2019 budget continues to pivot from crises to recovery. The ability to sustain positive momentum will be critical; broad economic development initiatives, such as LERTA expansion and Opportunity Zone funding initiatives could have a measured impact on the City's continued improvement.

The City of Scranton 25% Act 44 reduction provision, which artificially decreased the minimum municipal pension obligation for a six year period, concluded in 2016. The expiration of the provision increased the minimum obligation by \$4,411,510 in the 2017 budget. Revaluation of the Plan in 2018 resulted in a decrease of \$5,208,046, excluding the state aid contribution. The City also directed the reduction in the Plan discount rate to 7.50% from 8.00%; a further reduction to 7.25% is planned.

On July 2, 2014, the City of Scranton took the initial steps in restoring long term fiscal stability and the repair of the City's creditworthiness by the unveiling of the Amoroso Plan. With the continued implementation of the Plan components and the incorporation of those provisions in the Act 47 Exit Plan prepared by the Pennsylvania Economy League, the fiscal framework for the City of Scranton is now intact and will serve as a guide to follow through the conclusion of 2018 and the anticipated exit from Distressed Status no later 2021.

A sustainable City is achieved not only through the cost effective delivery of services, but through the value-added nature of the delivery of those services. Those services have many components, including ensuring safety at home, work, and leisure, protecting the vitality of our arts, cultural, and recreational amenities, preserving our parks, and caring for the health and well-being of our citizens. While there is a cost that we all must assume to achieve that sustainability, we expect to receive maximum value for those dollars expended. Managing those costs, achieving a measurable level of value for tax dollars, and using well founded budgetary principles will assure the future viability and vitality of the City of Scranton.

2019 General Fund Budget - Revenues

Real Estate Tax

Account Description

Real Estate Tax is a primary revenue driver in the City of Scranton annual operating budget and the most subject to adjustment. In the Commonwealth of Pennsylvania, real estate tax adjustments are affected to meet budgetary obligations by most municipalities, school districts and counties. Taxes are levied on the assessed value of all taxable real property. The values are compiled by Lackawanna County. The property tax rate is expressed either as a percentage or may also be indicated as a millage rate or mill levy.

The City of Scranton 2015 budget had initiated discussions about the segregated millage concept on land and improvements. Future discussions regarding the potential advantages of migrating to a single millage based on a total assessed valuation have also been considered. This concept was deferred for further evaluation and may resurrect when a Lackawanna County property reassessment is completed. The City's 2018 land rate is **232.521**. The 2018 land improvement rate is **50.564**. (A mill is also stated as one-thousandth of a dollar.) The City's total millage rate in 2018 is **283.085**.

As noted previously, in departing from the usual assignment of taxes to operations, including debt service, the City created a debt service millage component from both levies. This concept was continued in the 2017 budget with an alteration to the assignment of this dedicated revenue. The use of a dedicated percentage of real estate tax revenue was memorialized in the legislative document authorizing the levy. The assignment will continue with an allocation of thirty-seven percent (37%), which is an adjustment from the thirty-two percent (32%) of real estate tax revenue to meet debt service requirements in 2018. Again, the value of assessed City property decreased by \$2,588,924 in 2018; the value decreased by \$1,068,794 from 2016 to 2017. Overall, debt service has decreased from \$14,758,139.50, or greater than 30%, in the 2014 operating budget. Projected debt service for 2019 subject to the allocation increases to \$11,828,036.84. This figure is compared to the 2018 budget amount of \$10,315,179.53.

Total millage, therefore, remains constant at **283.085 mills**.

With the dedicated revenue component for debt service, the arbitrary use of this specific real estate levy component is eliminated. The process also adds greater transparency and effectiveness to the discussion of transacting future debt because of the specific revenue assignment. This revenue component would be adjusted annually only to meet those specific debt service requirements. The City will continue to work with the designated Single Point Paying Agent, Community Bank N.A., to efficiently pay debt service throughout the budget year. The respective millage rate for land and improvements applied to the City's operational needs is subject to adjustment annually.

Budget Highlights

- The real estate tax levy will remain level in 2019;
- The debt service revenue component increases to thirty-seven percent (37%).

Landfill/ Refuse Fees

Account Description

The City has established a residential fee to fund essential refuse and mandated recycling collection programs. The annual fee was increased from \$178 per unit per year in 2013 to \$300 in the 2014 budget. The billing period was modified in 2014 to allow for two payments annually and will be continued in 2019 barring any changes to the program. The fee will remain constant, again, barring any program changes.

Budget Highlights

- While the refuse fee will remain at \$300 per unit in 2019, the City continues to seek increased collections based on user identification. The rental registration identification program will be used comparatively for greater billing penetration;
- The City billing and collection methods were restructured to incorporate an electronic payment and collection methodology. Further restructuring is anticipated;
- The Department of Environmental Protection Refuse/Recycling evaluation was completed in 2018 and will provides a degree of optionality in considering the merits of a 'pay-as-you throw" or hybrid program concept. The City evaluated a millage-based concept which, based on initial results, was deemed impractical. Further program reviews are ongoing. The objective of the City evaluation is to identify a program method which favorably impacts program costs and increases recycling effectiveness.

Local Tax

Account Description

Local Taxes are a significant component of the City's revenue base. Included in the local tax levy is the City wage, mercantile and local services taxes. The City's wage tax is 2.4%; the total wage tax collected in the City of Scranton is 3.4%, as commonly stated, which includes the Scranton School District's 1% Wage Tax. The taxpayers submit payments to Berkheimer Associates, the designated collector of earned income taxes for Lackawanna County municipalities. With the exception of the current and delinquent wage taxes, the remaining Local Taxes are collected by the Single Tax Office. The Single Tax Office is the local tax collection agent for the City, School District and Lackawanna County and is singular to a Class 2-A city. Scranton is the only Class 2-A city in the Commonwealth. The City's Mercantile and Business Privilege Tax rate is a flat .1%. The Real Estate Transfer tax, which is collected by Lackawanna County, was reduced to 2.20% in 2018%.

Budget Highlights

- Real estate transfer tax collections have performed favorably since 2014. A constant collection level is projected in the 2019 budget following the .20% reduction in 2018. Wage Tax collections are projected to increase due to a favorable local economy;
- The improvement in Mercantile and Business Privilege Tax collection percentages are proceeding because of the use of analytics by the Single Tax Office. This cooperative effort between the City and Tax office is identifying nonpayment and resulting in improved collection percentages and a more complete data base. The City will seek to convert from the Business Privilege and Mercantile Tax levies to a broader based payroll tax for 2020, as recommended in the Recovery Coordinator's Exit Plan. Act 47 communities are eligible for the conversion. The tax is presently levied by the City of Pittsburgh.
- With the Governor's signature of House Bill 1773 in 2014, the City has continued the tripling of the local services tax in the 2017 budget. The full amount calculated is based on total payrolls identified through wage tax collections. The City is subject to court approval annually to levy the tax.

Penalties & Interest - Delinquent Tax

Account Description

Penalties and Interest revenue is the result an individual and/or business' taxes which became delinquent. The City assesses a penalty on the delinquent balance.

Budget Highlights

- The amounts remain consistent with prior year collections.

Licenses and Permits

Account Description

Revenue is derived from the sale and issuance of licenses and permits. The Office of Licenses and Permits issues and administers all permit activity for the City of Scranton. In addition to issuing licenses and permits, this office conducts annual inspections on personal care homes, rooming houses and rental units, child day care centers (excluding in-home day care centers), hotels and food / drinking establishments within the City. This office also administers and issues other licenses for amusements, dogs, dumpsters, eating and drinking establishments, peddlers, entertainment, gas pumps, hauling, parking facilities, scales, scrap yards, transient activity and tree trimming.

The City will continue to receive fees through the third-party planning review process in 2019. A departmental initiative for 2019 is a continuation of an evaluation to improve departmental efficiency.

Budget Highlights

- Revenue fluctuations in prior budgets may be attributed to various factors impacting the collection of permit fees and licenses, including activity influenced by the state of the local economy;
- The City is seeking to improve departmental efficiency through the use of technology, including improving payment methods;
- The City will also seek to undertake a review of enacting ordinances to better identify the effectiveness of permitting activity;
- the City budget reflects an optimism that contemplated tax abatement legislation will have a positive effect on development;

- Foreclosure registry fees fund the Scranton Home Assistance Program created by the partnership between the City and Neighborworks Northeastern Pennsylvania. The partnership was formalized by legislation adopted on June 23, 2016. A home improvement grant program with a maximum allocation of \$5,000 is managed by Neighborworks from the receipt foreclosure registry payments.

Fines, Forfeits, & Violations

Account Description

Fines, Forfeits, and Violations are collected from persons or businesses that violate state statutes or City ordinances. Historically, parking meter revenue was a budget component and was derived from a management agreement the City maintained for the operation of the on-street parking program. The program also included mobile parking services. Landmark concession lease legislation adopted by Council on June 30, 2016 consolidated parking operations with the non-profit Community Development Properties, thereby eliminating revenues associated with the on-street program. Civilian Parking Tickets, which resulted from the 2015 agreement between the City of Scranton and the Fraternal Order of Police, and Quality of Life Tickets, will remain an integral component of this revenue category.

Budget Highlights

- Police Fines and The Civilian Parking Tickets are the principal revenue sources;

Interest Earnings

Account Description

Interest Income is derived from investing available cash in interest bearing accounts and does not include fee offsets through earnings allowances.

Budget Highlights

- The City of Scranton has two primary cash accounts which are subject to some balance seasonality: The General Fund and the Debt Service Account component of the Fund. The debt service account is presently maintained with the Single Point Paying Agent to meet debt payment needs; the general fund is maintained for operations.

- The remaining proceeds associated with the sewer asset sale are invested subject to Act 10 of 2016 provisions.
- The City will seek to generate income from operating budget cash balances in 2019 in conjunction with improvements in earnings rates. To improve earnings, the City will seek proposals for the general fund banking relationship.

Intergovernmental Reimbursement

Account Description

Intergovernmental Reimbursement represents federal and state revenue received by City. Federal funds are typically derived from sources including the Community Development Block Grant which funds many City programs, including demolition of blighted structures and police enforcement. The State sourced funding contributes to the City's minimum municipal pension obligation. The amount of the state aid budget increases in 2019.

Budget Highlights

- The amount budgeted for the school resource officer line item was reinstated in 2017 for accounting purposes associated with the shared program with the school district.

Payment in Lieu of Taxes

Account Description

A payment in lieu of taxes ("PILOT") is made to compensate the City of Scranton for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property.

Budget Highlights

- The 2019 budget year will be a continuation of the targeted contribution approach of the University of Scranton. In addition to the Scranton Tomorrow allocation, a component is considered for the Block Grant Challenge Program contemplated for 2019 in partnership with Neighborworks Northeastern Pennsylvania. The program will be formally introduced in 2019.

Departmental Earnings

Account Description

These accounts represent various departmental revenues earned through program operations. Revenue is generated by utility companies through roadway impact repairs, public safety report fees and public safety false alarm charges. False alarm charges were modified in 2014. The City eliminated the budget for meter revenue in 2017. A resolution of the enacting ordinance issue for utility company interaction will eliminate the current escrow provision

Highlights

- Impact repairs will be redefined through proposed changes in the Street and Sidewalks ordinance.

User Fees

Overview

User Fees are collected by the Parks & Recreation Department for use of City property.

Budget Highlights

- The budget amount is consistent with current year projections.

Misc. Revenue/ Cable TV

Overview

This account represents funds received from various sources. The Cable TV franchise fee represents the primary portion of recurring revenue. The CATV budget reflects the execution of the revised contract.

Budget Highlights

- The City expects to receive an amount consistent with the 2018 budget resulting from the CATV agreement;

Inter-fund Transfers

Account Description

This account represents reimbursements from third parties or transfers between City funds. Transfers from other funds include reimbursement from insurance companies relating to worker's compensation claims, excess recovery payments, grant funding reimbursement and other single revenue sources. The transfer of the annual liquid fuels payment is also listed. Under provisions of the law, these funds may be deployed only for eligible expenditures. The liquid fuels funding is based on the total miles of locally owned roads and streets plus the most recent U.S. Federal census figures on record. Funds are used primarily for the construction, reconstruction, and maintenance of City roads and streets. The budget also includes a transfer of funds to meet the debt service requirements of the proposed Pension Obligation Note.

Budget Highlights

- The City's Office of Business Administration has opted to a return to liquid fuels funds transfers to the general fund. The City used the fund as a standalone account in 2015. This change was recommended by the City's auditors;
- The liquid fuels transfer represents approximately 100% of the anticipated state allocation in 2018. Approximately \$640,000 of liquid fuels funds will be deployed to repay the Pennsylvania Infrastructure Bank paving loan and the Street Lighting lease, \$785,000 for eligible general fund expenditures, and \$875,000 for a 2019 roadway resurfacing project.

Tax Anticipation Notes

Account Description

Tax Anticipation Notes are short term obligations issued by the City to sustain cash flow in anticipation of future tax revenues. The amount of issue has been consistent in recent years. The City issued a \$12.75 million Tax Anticipation Note in 2018

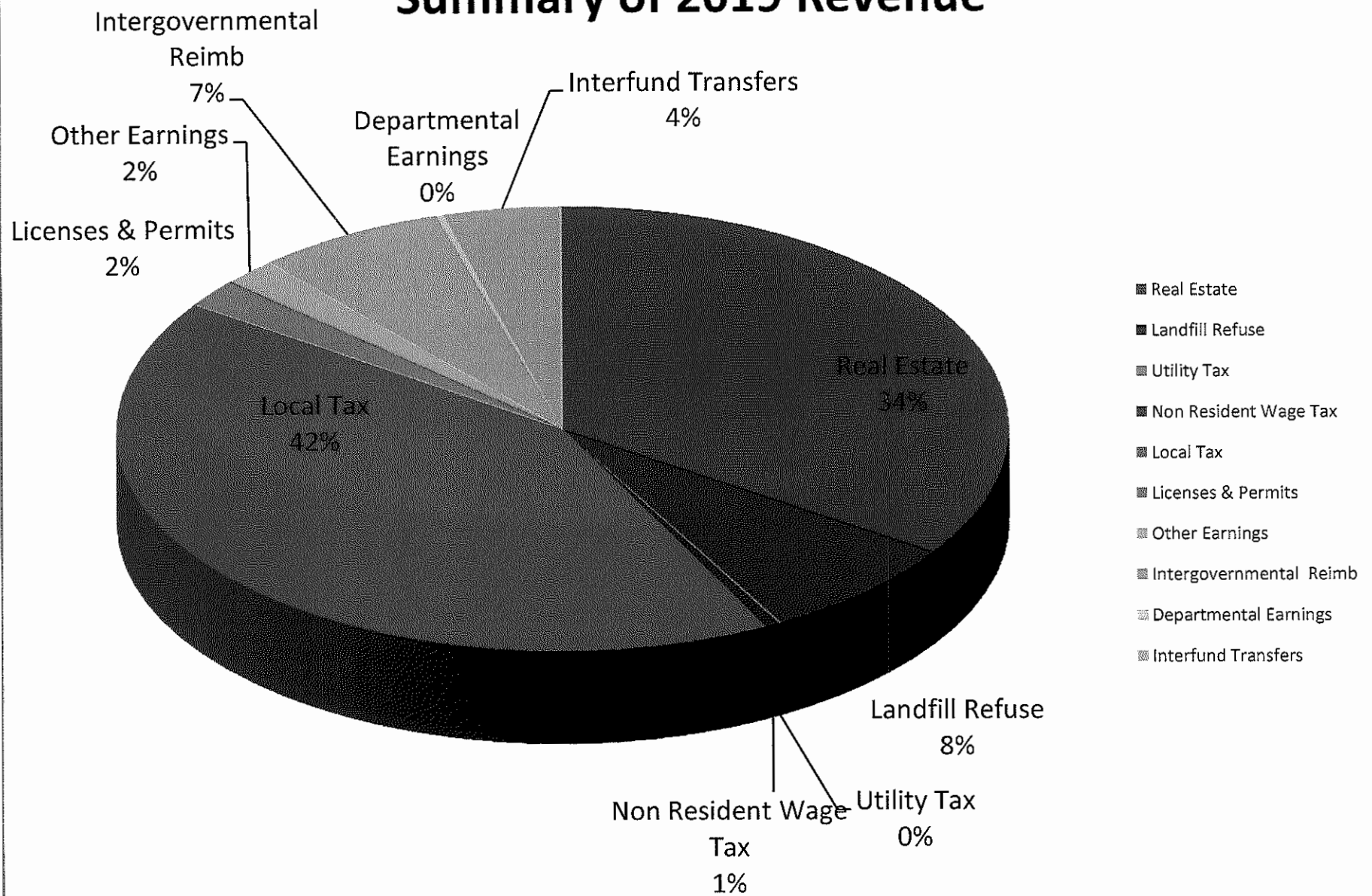
Budget Highlights

- The necessity of the Tax Anticipation Note is to fund operations until tax revenues are realized and to fund the Workers Compensation account by January 31. The City maintains a self funded Workers Compensation program. Improvements in the City's fund balance may lessen the amount of future annual borrowings, thereby reducing interest costs.

Revenue Category	2018 Budget	2018 Sept YTD	2019 Budget
Real Estate Taxes	\$33,827,806	\$31,498,758	\$33,520,051
Refuse Revenues	\$7,662,500	\$6,246,125	\$7,267,500
Real Estate Transfer Tax	\$3,376,000	\$2,224,686	\$3,376,000
Earned Income Tax	\$28,107,219	\$18,572,814	\$29,212,533
Mercantile/Business Privilege Tax	\$3,185,250	\$2,403,066	\$3,585,250
Parking Tax	\$0	\$0	\$0
Commuter Tax	\$0	\$0	\$0
LST	\$4,810,000	\$2,496,147	\$4,653,335
Amusement Tax	\$385,000	\$0	\$385,000
Utility Tax	\$75,000	\$75,073	\$75,000
Penalties & Interest	\$168,092	\$218,852	\$249,600
Licenses & Permits	\$1,906,004	\$2,003,034	\$1,992,004
Fines, Forfeits & Violations	\$360,850	\$308,547	\$347,850
Interest Earnings	\$30,000	\$235,000	\$150,000
Rents & Concessions	\$5,000	\$4,500	\$5,000
Intergovernmental Reimbursements	\$3,957,646	\$4,493,753	\$6,659,966
In Lieu of Taxes	\$250,000	\$63,956	\$250,000
Departmental Earnings	\$469,625	\$102,262	\$267,125
User Fees	\$49,500	\$31,779	\$45,500
MBROs	\$50,000	\$0	\$1,000
Miscellaneous Revenues	\$1,064,800	\$814,273	\$1,117,200
Bond Proceeds Other	\$0	\$0	\$0
Interfund Transfers	\$5,183,505	\$0	\$4,147,793
Total Revenues	\$94,923,798	\$71,792,627	\$97,307,707
Tax Anticipation Notes	\$12,750,000	\$12,750,000	\$12,750,000
State Loan Receipts	\$0	\$0	\$0
State Grant Receipts	\$0	\$0	\$0
Bond Issue Proceeds	\$1,000	\$0	\$1,000
Total Revenues	\$107,674,798	\$84,542,627	\$110,058,707

CITY OF SCRANTON			
2019 OPERATING BUDGET			
REVENUE SUMMARY			
	2018	2018 Actual	2019
	Operating Budget	Through (9.30.2018)	Operating Budget
CURRENT REAL ESTATE TAX	\$ 32,252,806.10	\$ 30,136,364.40	\$ 32,045,050.63
DELINQUENT REAL ESTATE TAX	1,575,000.00	1,362,393.81	1,475,000.00
LANDFILL/REFUSE FEES	7,662,500.00	6,246,125.36	7,267,500.00
UTILITY TAX	75,000.00	75,073.05	75,000.00
NON RESIDENT WAGE TAX	520,000.00	-	520,000.00
LOCAL TAXES (ACT 511)	39,343,469.39	25,696,714.00	40,692,118.03
PENALTIES & INT/DEL. TAX	168,092.00	218,851.53	249,600.00
LICENSES & PERMITS	1,906,004.00	2,003,034.22	1,992,004.00
FINES, FORFEITS & VIOLATIONS	360,850.00	308,546.94	347,850.00
INTEREST EARNINGS	30,000.00	235,000.00	150,000.00
RENTS AND CONCESSIONS	5,000.00	4,500.00	5,000.00
INTERGOVERNMENTAL REIMBURSEMENTS	3,957,646.00	4,493,752.53	6,659,966.00
IN LIEU OF TAXES	250,000.00	63,956.36	250,000.00
DEPARTMENTAL EARNINGS	469,625.00	102,262.00	267,125.00
RECREATIONAL DEPARTMENTS	49,500.00	31,779.25	45,500.00
MISC REVENUES/CABLE TV	1,115,800.00	814,273.47	1,119,200.00
INTERFUND TRANSFERS	5,183,505.30	-	4,147,793.00
TAX ANTICIPATION NOTES	12,750,000.00	-	12,750,000.00
TOTAL REVENUE	\$ 107,674,797.79	\$ 71,792,626.92	\$ 110,058,706.66

Summary of 2019 Revenue



CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget	
	REAL ESTATE TAXES (calculated at 89%)				
01.301.30100	Real Estate Taxes	13,501,829.37		13,410,679.84	
01.301.30105	Real Estate Taxes		\$30,136,364		
01.301.30110	Real Estate Taxes				
01.301.30706	Real Estate Taxes	18,750,976.73		18,634,370.79	
01.301.30120	Real Estate Taxes	1,575,000.00	\$ 1,362,393.81	1,475,000.00	
	TOTAL REAL ESTATE TAXES	\$ 33,827,806.10	\$ 31,498,758.21	\$ 33,520,050.63	
	LANDFILL / REFUSE FEES				
01.302.30200	Refuse Revenues	5,912,500.00	4,952,193.00	5,612,500.00	
01.302.30210	Refuse Revenues	1,750,000.00	1,293,932.36	1,655,000.00	
	TOTAL LANDFILL/REFUSE FEES	\$ 7,662,500.00	\$ 6,246,125.36	\$ 7,267,500.00	
01.304.30400	Utility Tax	75,000.00	75,073.05	75,000.00	
01.305.30500	Earned Income Tax	520,000.00		520,000.00	
	LOCAL TAXES				
01.310.31110	Real Estate Transfer Tax	3,375,000.00	2,224,686.42	3,375,000.00	
01.310.31115	Real Estate Transfer Tax	1,000.00		1,000.00	
01.310.31120	Earned Income Tax	27,387,219.39	18,489,052.59	28,587,533.03	
01.310.31125	Earned Income Tax	200,000.00	83,761.55	105,000.00	
01.310.31160	Mercantile/Business Privilege Tax	1,605,000.00	1,162,225.52	1,605,000.00	
01.310.31190	Mercantile/Business Privilege Tax	100,000.00	35,682.22	100,000.00	
01.310.31205	LST	4,810,000.00	2,496,147.19	4,653,335.00	
01.310.31260	Mercantile/Business Privilege Tax	200,000.00	193,706.53	400,000.00	
01.310.31290	Mercantile/Business Privilege Tax	1,280,250.00	1,021,451.98	1,480,250.00	
01.310.31291	Parking Tax	-			
01.310.31292	Commuter Tax	-			
01.310.31295	Amusement Tax	385,000.00	-	385,000.00	
	TOTAL LOCAL TAXES (ACT 511)	\$ 39,343,469.39	\$ 25,696,714.00	\$ 40,692,118.03	
	PENALTIES & INT / DELINQUENT TAXES				
01.319.31900	Penalties & Interest	43,492.00	127,922.63	125,000.00	
01.319.31910	Penalties & Interest	75,000.00	49,258.90	75,000.00	
01.319.31930	Penalties & Interest	100.00		100.00	
01.319.31940	Penalties & Interest	49,500.00	41,670.00	49,500.00	
01.319.31950	Penalties & Interest	-	-	-	
	TOTAL PENALTIES & INT/DEL. TAXES	\$ 168,092.00	\$ 218,851.53	\$ 249,600.00	

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number		Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		LICENSES AND PERMITS			
01.320.32010	Licenses & Permits	ELECTRICAL PERMITS	116,470.00	107,518.00	116,470.00
01.320.32030	Licenses & Permits	PLUMBER LICENSES	20,610.00	22,270.00	20,610.00
01.320.32040	Licenses & Permits	ELECTRICIAN LICENSES	34,400.00	36,825.00	34,400.00
01.320.32050	Licenses & Permits	MECHANICAL PERMITS	112,150.00	171,715.00	162,150.00
01.320.32060	Licenses & Permits	MECHANICAL LICENSES	32,500.00	31,125.00	32,500.00
01.320.32070	Licenses & Permits	CONTRACTOR LICENSES	85,000.00	109,775.00	85,000.00
01.320.32080	Licenses & Permits	SCALE LICENSES	3,500.00	4,230.00	3,500.00
01.320.32110	Licenses & Permits	BEVERAGE LICENSES	-	-	-
01.320.32120	Licenses & Permits	BUILDING PERMITS	586,324.00	557,423.13	636,324.00
01.320.32130	Licenses & Permits	JUNKYARD LICENSES	8,000.00	8,500.00	8,000.00
01.320.32140	Licenses & Permits	PARKING FACILITIES	1,250.00	1,300.00	1,250.00
01.320.32150	Licenses & Permits	SIGN HANGERS LICENSES	6,500.00	6,175.00	6,500.00
01.320.32160	Licenses & Permits	DOG & KENNEL LICENSES	13,000.00	32,343.10	13,000.00
01.320.32170	Licenses & Permits	LODGING LICENSES	25,000.00	22,915.00	25,000.00
01.320.32180	Licenses & Permits	EATING & DRINKING LICENSES	92,500.00	80,955.00	92,500.00
01.320.32190	Licenses & Permits	GASOLINE PUMP LICENSES	5,000.00	4,450.00	5,000.00
01.320.32200	Licenses & Permits	MUSIC MACHINE PERMITS	100.00	-	100.00
01.320.32210	Licenses & Permits	PINBALL MACHINE PERMITS	-	-	-
01.320.32240	Licenses & Permits	PLUMBER PERMITS	35,000.00	45,975.00	35,000.00
01.320.32250	Licenses & Permits	SIGN PERMITS	40,000.00	42,350.00	40,000.00
01.320.32290	Licenses & Permits	TEMP. PEDDLER PERMIT	12,500.00	14,000.00	12,500.00
01.320.32295	Licenses & Permits	TRANSIENT MERCHANT LICENSES	-	-	-
01.320.32300	Licenses & Permits	POOLS & BILLIARDS LICENSES	500.00	-	500.00
01.320.32320	Licenses & Permits	DAILY ENTERTAINMENT LICENSE	21,000.00	20,720.00	21,000.00
01.320.32330	Licenses & Permits	ELECTRONIC MACHINE PERMIT	-	-	-
01.320.32332	Licenses & Permits	VIDEO AMUSEMENTS	100.00	-	100.00
01.320.32335	Licenses & Permits	AMUSEMENT RIDES	4,500.00	19,000.00	4,500.00
01.320.32336	Licenses & Permits	DUMPSTER PERMITS	4,500.00	7,120.00	4,500.00
01.320.32337	Licenses & Permits	ARCADE LICENSES	3,500.00	-	2,500.00
01.320.32340	Licenses & Permits	NON-CLASS LIC. & PERMITS	-	-	-
01.320.32345	Licenses & Permits	SECOND-HAND DEALER REVENUE	5,000.00	4,500.00	4,500.00
01.320.32360	Licenses & Permits	SIGN PERMITS/CONSTRUCTION	5,000.00	2,769.50	2,500.00
01.320.32380	Licenses & Permits	RENTAL INSPECTIONS	100.00	200.00	100.00
01.320.32390	Licenses & Permits	CHILD DAY CARE	5,000.00	11,200.00	5,000.00
01.320.32400	Licenses & Permits	PERSONAL BOARDING CARE	3,500.00	11,310.00	3,500.00
01.320.32420	Licenses & Permits	SANITATION HAULER FEE	-	-	-
01.320.32430	Licenses & Permits	HOUSING RENTAL LICENSES	310,000.00	220,370.00	250,000.00
01.320.32450	Licenses & Permits	BUILDING CODE STATE FEE	1,000.00	10,134.00	1,000.00
01.320.32460	Licenses & Permits	THIRD PARTY PLAN REVIEWS	275,000.00	363,266.49	325,000.00
01.320.32460	Licenses & Permits	FORECLOSURE REGISTRY	37,500.00	32,600.00	37,500.00
		TOTAL LICENSES & PERMITS	\$ 1,906,004.00	\$ 2,003,034.22	\$ 1,992,004.00

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number		Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		FINES, FOREFITS & VIOLATIONS			
01.330.33000	Fines, Forfeits & Violations	FINES & FORFEITS/MISCELLANEOUS	100.00	-	100.00
01.331.33100	Fines, Forfeits & Violations	POLICE FINES	185,000.00	141,674.65	185,000.00
01.331.33119	Fines, Forfeits & Violations	PARKING TICKETS-POLICE ISSUED	15,000.00	10,410.00	12,000.00
01.331.33120	Fines, Forfeits & Violations	CIVILIAN PARKING TICKETS	100,000.00	75,077.00	100,000.00
01.331.33121	Fines, Forfeits & Violations	QUALITY OF LIFE TICKETS-	35,000.00	59,870.00	35,000.00
01.331.33130	Fines, Forfeits & Violations	FINES & PENALTIES - STATE	25,000.00	21,515.29	35,000.00
01.331.33145	Fines, Forfeits & Violations	PARKING METER PERMITS	-	-	-
01.331.33155	Fines, Forfeits & Violations	TAXI DRIVER PERMITS	750.00	-	750.00
01.331.33165	Fines, Forfeits & Violations	POLICE TOWING/STORAGE FEES	-	-	-
		TOTAL FINES, FORFEITS & VIOLATIONS	\$ 360,850.00	\$ 308,546.94	\$ 347,850.00
		INTEREST EARNINGS			
01.341.38525	Interest Earnings	INTEREST-CASH-CHECKING	30,000.00	235,000.00	150,000.00
		TOTAL INTEREST EARNINGS	\$ 30,000.00	\$ 235,000.00	\$ 150,000.00
01.342.34200	Rents & Concessions	RENTS AND CONCESSIONS	\$ 5,000.00	\$ 4,500.00	\$ 5,000.00
		INTERGOVERNMENTAL REIMBURSEMENT			
01.350.35002	Intergovernmental Reimbursements	OECD REIMB - DEMOLITION PROGRAM	-	-	-
01.350.35020	Intergovernmental Reimbursements	SUPL STATE AID PENSION	3,450,000.00	3,677,244.99	3,600,000.00
01.350.35060	Intergovernmental Reimbursements	DCA ACT 47 LOAN	21,780.00		100.00
01.350.35100	Intergovernmental Reimbursements	FEMA EMERG PMTS	-		2,773,900.00
01.350.35115	Intergovernmental Reimbursements	ACT 13 UNCONVENTIONAL GAS WELL FUND USAGE	-		
01.350.35130	Intergovernmental Reimbursements	FEMA PAYMENTS- FIRE SAFER GRANT	200,000.00	672,626.63	-
01.350.35140	Intergovernmental Reimbursements	REIMBURSEMENT SCHOOL RESOURCE OFFICERS	285,866.00	143,880.91	285,866.00
	Intergovernmental Reimbursements	PRIOR YEAR REIMBURSEMENT SCHOOL RESOURCE OFFICERS			100.00
		TOTAL INTERGOVERNMENTAL REIMBURSEMENTS	\$ 3,957,646.00	\$ 4,493,752.53	\$ 6,659,966.00
01.359.35900-35940	In Lieu of Taxes	IN LIEU OF TAXES	\$ 250,000.00	\$ 63,956.36	\$ 250,000.00

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED REVENUES					
GENERAL FUND					
Account Number		Account Description	2018 Operating Budget	2018 Actual (Through 10.01.2018)	2019 Operating Budget
		DEPARTMENTAL EARNINGS			
01.360.36010	Departmental Earnings	PARKING METERS	-		-
01.360.36020	Departmental Earnings	BOARD OF ZONING/PLANNING COMMISSION	27,125.00	19,325.00	27,125.00
01.360.36030	Departmental Earnings	PAVE CUTS - PAWC	175,000.00	55,226.00	110,000.00
01.360.36035	Departmental Earnings	PAVE CUTS - UGI ENERGY	195,000.00		90,000.00
01.360.36040	Departmental Earnings	PAVE CUTS - OTHER	22,500.00	4,611.00	15,000.00
01.360.36050	Departmental Earnings	REPORT COPIES-FIRE/POL	-		
01.360.36060	Departmental Earnings	FIRE/POL BURGLAR ALARMS	50,000.00	23,100.00	25,000.00
		TOTAL DEPARTMENTAL EARNINGS	\$ 469,625.00	\$ 102,262.00	\$ 267,125.00
01.367.36740	User Fees	USER FEES	49,500.00	31,779.25	45,500.00
		MISC REVENUES/CABLE TV			
01.380.38000	Miscellaneous Revenues	OTHER-NOT CLASSIFIED	175,000.00	231,321.58	200,000.00
01.380.38004	Miscellaneous Revenues	PA LCB LICENSE FEES	37,600.00	70,650.00	65,000.00
01.380.38010	Miscellaneous Revenues	CATV REVENUE	850,000.00	512,401.89	850,000.00
01.380.38020	Miscellaneous Revenues	DONATED REVENUE	100.00		100.00
01.380.38030	Miscellaneous Revenues	OTHER FINANCING SOURCE	100.00		100.00
01.380.38060	MBROS	MARKET-BASED REVENUE OPPORTUNITIES	50,000.00		1,000.00
01.380.38070	Miscellaneous Revenues	REPAYMENT FROM ICE BOX DEVELOPMENT	1,000.00		1,000.00
01.380.38860	Bond Issue Proceeds	PROCEEDS 2019 BOND ISSUANCE	-		1,000.00
01.380.38865	Bond Issue Proceeds	PROCEEDS 2015 BOND ISSUANCE	-	-	-
01.380.38870	Miscellaneous Revenues	SALE OF ASSETS	1,000.00	-	1,000.00
01.380.38875	Bond Issue Proceeds	PROCEEDS 2017 BOND ISSUANCE	-		-
01.380.38880	Bond Issue Proceeds	PROCEEDS OF 2018 BOND ISSUANCE	1,000.00		-
		TOTAL MISC REVENUES/CABLE TV	\$ 1,115,800.00	\$ 814,273.47	\$ 1,119,200.00
		INTERFUND TRANSFERS			
01.392.39331	Interfund Transfers	TRANSFERS IN FROM OTHER FUNDS	2,880,000.00	-	1,808,252.00
01.392.39332	Interfund Transfers	TRANSFERS IN FROM LIQUID FUELS	2,303,605.30	-	2,339,541.00
		TOTAL INTERFUND TRANSFERS	\$ 5,183,605.30	\$ -	\$ 4,147,793.00
		TAX ANTICIPATION NOTES			
01.394.39320	Tax Anticipation Notes	TAN SERIES A	12,750,000.00		12,750,000.00
01.394.39330	Tax Anticipation Notes	TAN SERIES B	-	-	-
		TOTAL TAX ANTICIPATION NOTES	\$ 12,750,000.00	\$ -	\$ 12,750,000.00
		TOTAL REVENUE	\$ 107,674,797.79	\$ 71,792,626.92	\$ 110,058,706.66

2019 General Fund Budget - Expenditures

Summary Highlights

The 2019 budget continues the process of fiscal restoration in conjunction with the Revised Recovery Plan and Exit Strategy. The value-added component is apparent through continued capital allocations. In addition to fulfilling the contractual responsibilities the City maintains with the respective unions, through salary, staffing, and manning requirements, the City is seeking to effectively deliver all services, and not just those assumed by our union employees, in an effective manner whereby residents and businesses will receive value for their tax dollars.

The City of Scranton employee base must be viewed as an asset when evaluating the delivery of services. Limited and targeted additions to staff are included in the budget only when a determination is made that those positions either add measurable value and efficiency to the departmental operation, or are offset by either program savings or revenue production.

To more effectively maintain and deliver services, limited additions to staff will occur in the Solicitor's Office and the Department of Parks and Recreation. The Solicitor's Office will seek to employ a full-time project coordinator. The Parks Department will employ a director's assistant. Both will be non-union positions. Casual employees will also be designated for additional parks and recreation responsibilities. The traffic/sign maintenance position in the Department of Public Works will transition from part time to full time and will be a union position.

The City continues to improve the delivery of services through an aggressive capital improvement and acquisition program. Major parks initiatives are either planned or underway. Measurable roadway improvements will continue in the 2019 budget. Capital acquisitions will continue but will be limited and will affect service-oriented departments.

Technological improvements will influence the City's future success by assuring a more effective delivery of services, with limited staffing availability, at reasonable costs. The redefinition of the delivery of City services will continue through the use of technological innovations.

That the City has benefited immensely from the execution of the sewer and parking transactions has been the subject of much discussion. The 2019 operating budget solidifies the foundation of the ongoing and endless effort to achieve an optimal level of service delivery at a consistent cost.

Mayor's Office

Department Description

The Mayor might be considered the Board Chairman and Chief Executive Officer of the City. The Mayor's Office is administered by an Executive Secretary and an Administrative Secretary, which was a full-time addition to the budget in 2018.

The Mayor's Office coordinates the activities and initiatives of City government to ensure that services are provided in an efficient and effective manner and citizens have a voice in the responsible delivery of those services.

2019 Budget Highlights

- The dues to the membership subscription in the Pennsylvania League of Cities will continue in 2019.

City Clerk/ City Council

Department Description

The Scranton City Council constitutes the legislative branch of the City government. As such, it enacts all ordinances, resolutions, levies taxes, appropriates monies for government operations, and holds weekly public meetings.

The City Council is comprised of five elected members. Activities include attendance at committee meetings and individual involvement with City Departments, the Mayor, City residents, and civic organizations.

2019 Budget Highlights

- Funding is continued under Services and Maintenance budget for the Granicus system, which has proven very advantageous to disseminate information.
- Professional services include costs associated with audit completion, stenographic services, and legislative document storage costs.

City Controller

Department Description

The City Controller maintains an encumbrance system of budget operations. The Controller's Office works closely with the Office of Business Administration and department heads to compile such information regarding city properties and obligations, and monitors and reviews city income and expenditures as are deemed necessary to carry out these duties. The Controller furnishes the Mayor and Council with monthly reporting on these matters. The reports are typically submitted within two (2) weeks after the close of the month. The Controller also submits such other reports as necessary and proactively assists all City departments with information to fulfill bidding and purchase requirements properly.

The City Controller reviews all vouchers for the expenditure of city monies for verification that such expenditures are within the respective budget allotment. The City Controller authorizes and signs vouchers before presentation to the City Treasurer for payment. In so doing, all pre-audit claims and demands against the city prior to the payment function are supported. Approval for payment vouchers are made only if the Office is satisfied that payments are processed in accordance with law.

2019 Budget Highlights

- An outlay of \$40,000 was budgeted in the Professional Services category to completed audits for the Single Tax Office.

Business Administration

Department Description

The Department of Business Administration is directly responsible for planning, direction and monitoring of departmental activities, both within the Department of Business Administration and throughout the City. The operating divisions of the Department delivering general governmental services include: Administration, Human Resources, Information Technology, and Treasury. The overall function of the Office of Business Administration supports initiatives involving policy formulation, human resource management, accounting support, purchasing, technology support, and fiscal management and major City initiatives. The Department evaluates administrative and

operational functions and reviews business processes, thereby ensuring optimal use of available resources.

The **Bureau of Administration** develops the City's annual budget; implements the Mayor's financial and management policy agenda for departments; and monitors budget performance throughout the year. It also assesses the City's economic environment, forecasts revenues, monitors revenue collections, and evaluates new revenue and expenditure proposals, providing the basis for operational and strategic planning. This bureau is also responsible for the procurement of goods and services for the various City Departments and has proactively initiated major projects within the City.

The **Bureau of Human Resources** provides personnel, payroll, and support functions including benefit administration, recruiting, and hiring services. This office provides support and resolution pertaining to employee issues, staff development, safety initiatives, contract negotiations, and disciplinary matters to ensure compliance with City rules, policies, and procedures. The Department has direct responsibilities with oversight of the City's insurances and workers compensation programs.

The **Bureau of Information Technology** is the central information technology and telecommunications source for all departments within the City of Scranton. With the many technological changes impacting the City operation, the Information Technology department has become the central hub controlling all City operations. The department's value is immeasurable. This department provides project management, business analysis, data network, telephone, application development, software and hardware support and electronically delivered communication services for internal users, as well as the evaluation of new initiatives in this rapidly changing technological environment.

The **Bureau of Treasury** collects, reconciles, records, and deposits City revenues; disburses money as required by City rules; manages the City's cash and investments; and acts as the fiscal custodian of all funds received by the City of Scranton. The Department also has direct oversight responsibilities for the billing and collection of refuse payments.

2019 Budget Highlights

Bureau of Administration

- The **Bureau of Administration** budget will continue with the current staffing complement.
- The Professional Services budget will increase because of its collective nature for many related costs associated both current and proposed capital projects. Generally, these costs support

related engineering and design services or professional contracts not specifically embedded into the various departmental budgets.

- Increases in health insurance for clerical and nonunion employees are forecast at manageable levels. While the City is self-insured, individual claims may impact the annual costs associated with program delivery. The City continues to implement wellness programs in conjunction with the creation of the Workers Compensation Safety Committee.
- The non-uniform pension contribution will decrease by 36% due to adjustments in the City's actuarial requirements from the acceleration of the Minimum Municipal Obligation. The next plan valuation will be dated January 1, 2019.
- Operating transfers to the Workers Compensation Trust Fund will decrease by 11.8%. This funding requirement occurs annually and is actuarially determined. The City maintains a self funded Workers Compensation program. Favorable recent activity impacted by more effective program management is expected to continue to reduce this cost in coming years.
- Bank fees and charges are more reflective of actual bank account activity and do not incorporate transaction related fees. The City will seek Requests for Proposals for banking services in 2019 to further reduce these costs.

Bureau of Human Resources

The **Bureau of Human Resources** salary budget was increased in 2016 to include an addition to staff to manage the City's Workers Compensation program. While the City's historic program management had not been viewed favorably by the Commonwealth of Pennsylvania, great strides have been made in cost savings through case settlements undertaken by this position. The Workers Compensation program is self-funded and the prior three-year certification filings have occurred on a timely basis following tardy prior submissions. This addition to staff has had a critical role in addressing those concerns expressed by the Department of Labor and Industry regarding the effectiveness of the management of the City program. Improvements will continue with safety management and claims administration. The City will engage the Department of Labor and Industry in 2019 to review the criteria associated with the reserve funding requirements for the program.

- The Professional Services budget includes costs associated with the random drug testing program, safety and wellness programs, legal and arbitration fees associated with Compensation and Heart and Lung cases;
- The stationary/office supplies budget includes costs of equipment acquisitions associated with the departmental safety and environment review as authorized by the City of Scranton Safety Committee;
- Insurance costs are forecast to remain stable due to favorable claims data.

Bureau of Information Technology

The **Bureau of Information Technology** continues to drive the progression of the City through the upgrade of hardware and software in each department. The Department also coordinates efforts to evaluate the delivery of services to the City, such as telephone services. The City completed the upgrade of the financial accounting system software in the second quarter of 2015. The system was last upgraded in 2004. The City of Scranton now has a much greater reliance on technology for the operation of all departments, especially the police department. Technological initiatives are planned in 2019 in the Department of Licenses and Permits and Department of Public Works. Technological support has been greatly enhanced through the 2015 addition of the Information Technology Manager.

- The Department continues to dedicate efforts to the implementation of the Police Records Management System. The Department is actively supporting this installation of the wireless Law Enforcement Records Management System in conjunction with the upgrade of the County of Lackawanna 911 system. The City was the first municipality in Lackawanna County to install the system;
- The Professional Services and Services and Maintenance fee budgets include costs associated with annual maintenance contracts, CCTV system, and video wall support. The budget increase will support the use of contractors for infrastructure upgrades and costs associated with process systems evaluation in the Licenses and Permits Department;
- Increased costs in dues and subscriptions are reflective of an expansion to the full Office 365 suite;
- The Materials and Supplies and Capital Expenditures budgets incorporate the continued need for computer replacement to replace outdated units. The budget also includes funds required to replace servers in City facilities and for the purchase of the latest version of Microsoft Office for desktop computers. The City continues to replace outdated servers and network switches;
- The telephone system budget is increased to support costs associated with police department body camera usage and improvements in bandwidth in city facilities;
- The training budget will be increased to provide additional staff training to bypass the need to add a network administrator to the budget;
- The capital budget includes costs associated with the replacement of twenty MTD's in police vehicles, new computers in City Hall, additional servers, including those situated in the new Public Safety Building, and a dedicated vehicle for the Department.

Bureau of Treasury

The **Bureau of Treasury** budget remains consistent with 2018. The Professional Services budget incorporates funding for the refuse billing contract.

- The Office of Business Administration has assisted with the review of refuse billing and collection options. The City received a Commonwealth supported initiative evaluating the structure of the refuse collection program to determine alternate methods of service delivery, specifically a pay-as-you throw concept. Additional reviews are ongoing in an effort to impact costs and efficiencies related to the delivery of the service;
- The cost associated with the Tax Collection Committee expense is a pro-rated assignment based on an allocation of costs to the other participating Lackawanna County municipalities.

Office of Economic and Community Development

Department Description

The Office of Economic and Community Development ("OECD") manages the U.S. Department of Housing and Urban Development ("HUD") entitlement grants for the City of Scranton, as well as other funding for housing and neighborhood development initiatives. The Department leverages public and private funds to provide affordable housing, promote safe and livable neighborhoods, and stimulate economic development in Scranton.

2019 Budget Highlights

The Department initiatives support many economic development programs and capital improvements undertaken by the City. Departmental salaries are considered non-additions to the General Fund budget and receive federal funding support. Salary increases were included in the budget for Departmental employees.

Department of Licenses, Inspections & Permits

Department Description

The Department of Licenses, Inspections & Permits (“LIPS”) has multiple responsibilities in support of varied City functions. The primary responsibility of the Department is the planning and regulation of land use and development in Scranton. The Department reviews building plans and site plans, processes zoning applications, and conducts inspections. This Department is also responsible for the administration and enforcement of the City’s Construction Code and Zoning and Subdivision ordinances. The purpose of the Construction Code is to provide standards to safeguard life, health, property, and public welfare by regulating and controlling the design, construction, quality of materials, use, occupancy, location and maintenance of all buildings and structures within the City of Scranton. The Department oversees the maintenance and improvements of all City buildings.

2019 Budget Highlights

- The continued departmental initiative for 2019 and subsequent years will be the incorporation of automation through the expanded use of options in the City’s financial accounting system software. Providing a more user-friendly method of permit issuance and payment will be a critical evaluation component. The Information Technology Department will assist with system wide improvements including the acceptance of credit cards and electronic payments;
- The Department will continue to review and reconstruct Rental Registration activities with the revised program legislation. The Department has made strides through both internal and third-party support to identify rental units;
- The City Planner was assigned to the Department in 2018;
- The Building Demolition line item has been expanded for greater activity in 2019.

Department of Licenses, Inspections & Permits - Buildings

Department Description

The Department of Licenses, Inspections & Permits - Buildings (“Buildings”) provides comprehensive facility management and planning for all City Departments. This department is responsible for the operation and maintenance of City buildings, including City Hall, Police and Fire facilities, including the Public Safety Building, and the Department of Public Works.

2019 Budget Highlights

- The overall budget remains consistent with 2018. Electrical costs are expected to decrease from energy improvements to City buildings.

Department of Law

Department Description

The Law Department serves as legal advisor to the Mayor and department heads of the City; represents the City in negligence actions; prosecutes all suits initiated on the behalf of the City; defends all cases brought against the City; and provides legal services to all City departments as well as the Single Tax Office, including preparing contracts and drafting ordinances.

2019 Budget Highlights

- Due to the volume of activity in the Office of the Solicitor, including the volume of varied legal issues confronted by the City annually, the department will remove the full-time assistant City solicitor to be replaced with two part time solicitors. The salary budget in 2018 for a full-time solicitor did not attract candidates. A Project manager will be added to staff to assist in drafting Requests for Proposals and to assist with project monitoring and development. The Professional Services budget will be increased by 24% to assist in case management.

Public Safety – Scranton Police Department

Department Description

The Scranton Police Department is responsible for the overall management, resource allocation and strategic direction of this component of public safety. This service delivery includes the development, evaluation and implementation of policies, procedures, programs, community initiatives, employee training and recruitment. The Department implements and manages police services for the City. The Department also establishes staffing levels necessary to provide adequate levels of policing. The Department plans, staffs, and implements police responses to major planned and unplanned events, natural disasters, major emergencies, and coordinates with other City departments and law enforcement agencies for such events. The Department is increasingly more technologically oriented which reflects the trend in effective public safety management. Costs associated with the many technological initiatives involving each department are reflected throughout the City budget and are specifically coordinated through the Department of Information Technology.

2019 Budget Highlights

- The Departmental budget is expected to remain consistent with the 2018 budget;
- Health care costs are expected to remain within an acceptable cost range;
- The Professional Services and Services and Maintenance budgets are consistent with the increase in the use of designated software and associated maintenance fees;
- Net overtime salary levels are expected to remain consistent with the 2018 budget although the budget does not reflect reimbursements as was the case in the 2018 budget;
- The Capital Expenditure budget will increase by \$50,000 for the acquisition of 147 police ballistic vests, a transport vehicle, resurfacing the police headquarters parking lot, the construction of a pole barn in the parking area for storage, and second year costs of the body worn contract;
- With the inclusion of the Animal Control budget in the overall departmental responsibilities, the City will continue to maintain a more realistic contribution level to the Griffin Pond Animal Shelter which is generally the sole recipient organization of the City's animal control program. Prior to authorizing any contribution, City officials will meet with the Center Board of Directors to understand how the relationship will be impacted by the recent personnel changes and structural changes to the facility. The delivery of animals to the Shelter had reached what may

be deemed crisis proportions in 2014. With a dispersion of responsibilities for the maintenance of the program, funding in this budget will also include allocations to the Veterinary Emergency Referral Center, the Abington Veterinary Center, and St. Dogs and Cats.

Public Safety – Scranton Fire Department

Department Description

The Scranton Fire Department serves the needs of the Scranton community and its citizens through fire and emergency services. It also conducts a variety of prevention efforts and public education programs to promote fire safety throughout the community. Eight fire stations are manned and operated by the Department.

2019 Budget Highlights

- The City expects future staffing levels to remain relatively constant without SAFER grant support;
- Health insurance costs are projected based on 2018 year to date expenditures;
- The Fire House improvement project will have been substantially completed by the conclusion of 2018. An amount of \$1,500,000 was included in the 2018 budget to fund facilities improvements. The concrete pads replacement project may continue into 2019;
- Capital acquisitions will include a new Engine 8 and the refurbishment of Truck 4.

Department of Public Works

Department Description

In 2019, the Department of Public Works will be comprised of five bureaus; Administration, Engineering, Highways, Refuse, and Garage. The Bureau of Parks & Recreation was designated as a separate department in the 2018 operating budget which is consistent with City of Scranton historical standards. The Department's responsibilities include year-round roadway maintenance and repair,

weekly household trash collection services, design and construction management of streets, bridges, and public buildings, traffic engineering, street lighting and traffic signal maintenance coordination, and office operations.

The **Bureau of Administration** provides overall policy direction, management, and communication for the Department. The bureau coordinates financial initiatives related to the Department, as well as purchasing, and payroll services.

The **Bureau of Engineering** manages all activities involving technical support associated with private development and use of the City's street rights-of-way.

The **Bureau of Highways** is responsible for roadway maintenance, sweeping, and snow removal on public streets and alleys.

The **Bureau of Refuse** provides weekly trash collection services, including large item acceptance. The bureau is also responsible for the City's residential recycling program.

The **Bureau of Garage and Equipment Maintenance** services and procures vehicles and other equipment for the City of Scranton, including the oversight of the parts inventories, tools and other supplies, as well as the City's fuel purchase program.

2019 Budget Highlights

Department of Public Works – Administration

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- Health insurance costs are projected based on 2018 year to date expenditures;
 - The Professional Services budget is decreased since the cost of consulting services to complete an energy efficiency evaluation on the Public Works facility will be incorporated into the ESCO lease;
 - The flood protection system maintenance line item will provide reflect funding received for flood control projects and a grant match for the upgrade of the Keyser Valley Pumping Station.

Department of Public Works – Engineering

- The budget is consistent with 2018.

Department of Public Works – Highways

- The budget is consistent with 2018 as PP&L continues to implement the rate code changes for the City's change to LED lighting;
- The Capital Expenditures is consistent in using a measured approach to equipment replacement;
- The roadway resurfacing budget remains at \$875,000 consistent with the increase in the City's 2019 Liquid Fuels allocation;
- The capital expenditures budget is increased to meet costs associated with the acquisition of a paver.

Department of Public Works – Refuse

- The Capital Expenditures budget includes an amount to purchase a refuse packer;
- Recycling includes an amount anticipated to fund an electronic component drop-off program although the program will require much greater evaluation and state Department of Environmental approval.

Department of Public Works – Garage

- The Capital Expenditures budget was funded to acquire new garage maintenance equipment, including a lift.

Department of Parks and Recreation

The **Bureau of Parks & Recreation** provides a broad range of recreational programs and services to the residents of the City of Scranton, as well as maintenance and oversight of the City's parks system. The City's parks system encompasses 28 parks including 7 pools, 2 waterslides, and a dog park. The recent addition is the elevated park adjacent to the 500 Lackawanna Avenue residences. The park system offers many recreational activities to the residents of the City of Scranton. Additionally, the bureau provides logistical support to the many organization sponsored activities held within the geography of the City of Scranton. The rationale for the departmental segregation is based on the general deterioration of the parks system and the significance of projects in process, including improvements to Novembrino Park and Crowley Park, and prospective projects including the Linden Street Park, the joint soccer field project with the school district, the pedestrian bridge project undertaken by the Lackawanna Valley Heritage Authority, and the Trailhead Project at Parker Street. These projects are presently overseen with assistance by the Office of Business Administration.

-
- Capital expenditures are generally a carry-over from 2018, include a component for funding improvements to the Novembrino Recreation Complex. The state Department of Natural Resources and Conservation approved a grant application submitted by the City for \$288,000. An amount of \$220,000.00 has been designated by the Office and Economic and Community Development and the funding component of \$23,000 assigned by the Sewer Authority. The Capital Expenditures budget incorporates an additional \$300,000 to fund the project;
 - The Capital expenditures budget also includes any remaining costs for Crowley Park, \$100,000 for the pedestrian bridge project undertaken by the Lackawanna Heritage Valley Authority on North 7th Avenue, \$100,000 for the joint soccer field project with the Scranton School District and the Electric City Shock, and \$25,000 for the green space development on Linden Street. The City expects the green space costs to be fully grant funded.
 - The increase in salary is based on the appointment of an assistant department Director.
 - The City will continue to seek Weston Fund allocations for the continued maintenance of Weston Field and Weston Park. A plan to prepare a five-year budget for improvements to the parks is recommended. The plan design will be funded by the Foundation.

Single Tax Office

Office Description

The Scranton Single Tax Office was created to administer the tax laws of the City of Scranton and the Scranton School District and to provide one single location for residents to conveniently pay various taxes. The Collector of Taxes, an elected official, supervises an office staff which strives to assess and collect all taxes in a fair and equitable manner. The City and School District assume an equal responsibility for the incurred wages and benefits associated with this office. In 2012, Berkheimer Associates began collecting the Wage Tax through an appointment from the Tax Collection Committee as designated under Commonwealth of Pennsylvania Act 32. The Tax office collects:

- Current Real Estate Taxes for Lackawanna County, the Scranton School District, and The City of Scranton;
- Local taxes including current and delinquent Scranton School District and City of Scranton Business Privilege and Mercantile Taxes, Amusement taxes, and the Local Services Tax;

2018 Budget Highlights

- The City continues to working cooperatively with the Tax Office to execute an analytics program designed to better identify tax payers responsible for the Business Privilege and Mercantile Taxes;

Non-Departmental Expenditures

Budget Description

The budget category of Non-Departmental Expenditures includes three distinct components:

- (1) Funding and Contributions for Boards/Commissions/and Non-Profits with City based functions.

- (2) Total principal and interest payments on direct debt obligations of the City, and listed separately, lease payments due during the fiscal year;

- (3) Total Miscellaneous, which includes prior year unencumbered and unpaid bills, court awards, and contingency expenditures.

Boards Commissions and Non-Profits

- The Scranton Plan contribution reinstates a financial commitment to the Plan previously suspended by the City. The 2019 budget includes a \$150,000 contribution to assist with promotional activities for the prospective LERTA adjustments and the Opportunity Zone program; and a carryover \$50,000 to fund a matching component to install sidewalks at the Mt. Pleasant development site. The disbursement will occur only based on an actual project match and is a continuation from 2018;
- The Scranton Tomorrow budget is reflective of the City's annual contribution to the organization as Downtown Economic Revitalization Coordinator and as a prelude to the construction of a Business Improvement District. The budget includes an annual operating contribution, a targeted allocation from the Economic Development account, and a component of the University of Scranton allocation;
- The St. Cats and Dogs budget was maintained to accept any overflow of animal volume which exceeds the capacity of Griffin Pond. The volume of cats has transitioned to a degree from Griffin Pond to St. Cats and Dogs due to those capacity issues. The City continues to evaluate options to the exclusive use of the Griffin Pond Animal Center, which was beset by operational issues in 2018;
- The Shade Tree Commission budget will increase to implement a tree planting program in the City's downtown section and to maintain consistency with the continued success the program achieved in 2018. The budget also includes funding to continue the stump removal program;
- The City has paid for trail maintenance according to a contract with the Lackawanna Heritage Valley Authority. The funding responsibility is based on an arithmetic formula per each mile of

train with the City geography. The budget identifies maintenance responsibilities for 2019 and a match component for the Parker Street Trailhead.

Total Principal and Interest Payments, Debt Obligations/Lease Payments

The City of Scranton will continue to dedicate a percentage of the real estate tax levy for debt service. The allocation does not include lease payments. The concept was modified from the 2016 budget which included dedicated debt service millage. Because of the complexity of calculating four millage components, the concept was collapsed to the traditional two millage components with a designated percentage for debt service. The 2018 Operating Budget concludes a complete re-profiling of the City's debt structure. In addition to the new debt issues related to the comprehensive parking transaction and the award settlement, the City completely refunded or defeased all remaining higher yielding debt. The only remaining pre-2014 debt series remaining is that of the 2002 Emmaus General Authority variable rate issue, which may be refunded to fixed rate debt if the City receives an investment grade debt rating in 2019.

A description of City debt transactions since 2014 follows:

New Debt Issuance Since 2014

Refinancing of 2009 and 2011 Defaulted Parking Loans

Issuer: The Parking Authority of the City of Scranton, Pennsylvania

\$3,828,480 Refunding Revenue Note, Series of 2014

Purpose: To refund, on an interim taxable basis, parking related loans that defaulted in 2012.

Average Rate of the Issue: 6.75% (has since been paid off as planned)

Settlement: December 2014

Pennsylvania Infrastructure Bank Loan

Issuer: The City of Scranton

\$2,420,000 General Obligation Note, Series of 2015

Purpose: (1) Funds for roadway improvements

Combined Average Rate of the Issue: 1.625%

Settlement: 2015

Financing of Judgment

Issuer: The Redevelopment Authority of the City of Scranton

\$29,810,000 Guaranteed Lease Revenue Bonds, Series A of 2016

\$7,920,000 Guaranteed Lease Revenue Bonds, Series AA of 2016 (Taxable)

Purpose: (1) Payments to City employees related to the 2012 Supreme Court Award, approximately \$1.6 million of which was deposited into the City's Pension Funds (negotiated per the Judgement) and (2) Approximately \$5.6 million to refund the outstanding Guaranteed Lease Revenue Bonds, Series of 2008 for interest rate savings

Combined Average Rate of the Issue: 4.56% (Series A: 3.98%) (Series AA: 5.95%)

Settlement: June 28, 2016

Financing of the Stranded Debt Related to the Parking System

Issuer: City of Scranton

\$32,850,000 General Obligation Notes, Series of 2016

Purpose: (1) Finance "stranded" debt related to the Parking System after receipt of the Concession payment, (2) provide approximately \$1.8 million funds for certain fire stations located in the City

Average Rate of the Issue: 3.73%

Settlement: August 30, 2016

Refinancing of the City's General Obligation Bonds, Series B of 2003

Issuer: City of Scranton

\$24,620,000 General Obligation Bonds, Series of 2017

Purpose: Refund the Series B of 2003 Bonds for approximately \$1.2 million in interest rate savings

Average Rate of the Issue: 3.63%

Settlement August 31, 2017

Bonds Paid Off Since 2014

Parking Related Debt

With the receipt of the Concession proceeds and the issuance of the Series of 2016 Notes, the City and Authority paid off the 2014 Bank loan, and the Guaranteed Parking Revenue Bonds Series 2004, 2006 and 2007 which totaled approximately \$51 million of principal.

Use of Sewer Proceeds & Other City Funds

The City has utilized a portion of the proceeds it received as a result of the sewer sale, committed debt service funds, and a contribution from bond insurer AMBAC to pay off several series of debt.

Approximately \$18.9 million to payoff the City's General Obligation Bonds Series A, B & C of 12 and Series A of 2013 which had rates ranging from 7.25% to 8.50%

Approximately \$8.9 million to payoff the Scranton Redevelopment Authority Guaranteed Lease Revenue Bonds, Series of 2006 which had rates of 6.10%

Approximately \$20 million to payoff the City's General Obligation Bonds, Series C & D of 2003 which had rates ranging from 4.90% to 5.60%.

To summarize, in 2014 the City had debt obligations (principal and interest) totaling approximately \$237 million (2039 final maturity) and an approximate annual debt service payment of \$14 million per year. It was also faced with defaulted parking loans, a parking system which was a drain on the General Fund with major capital needs which would further strain the General Fund, a large court judgement, and rapidly increasing MMO costs.

After the most recent refunding transaction, the City was left with an approximate annual debt service payment of \$10.6 million and a relatively short debt portfolio which pays off in 2032- 15 years from now. Over the life of the remaining bonds, the City will pay approximately \$148 million of debt service and its highest interest rate is 5.25%.

To highlight the only anticipated debt transaction impacting the general fund in 2018:

- The Tax Anticipation Note will be issue at approximately the same amount as 2018. The transaction will be completed on a negotiated basis as a private sale with M&T Bank, which is allowed under the Local Government Unit Debt Act. The private placement will yield 3.65%, which is favorable in the current interest rate environment.
- Additional lease payments are budgeted for the energy savings project.

Total Miscellaneous, including Contingencies and Unencumbered Expenses

- The Contingency budget is funded for non-budgeted emergencies, or when an individual budget is vastly exceeded due to emergencies;
- Unencumbered expenses are payments carried over from the prior fiscal year which have not been subject to encumbrance;
- The court award budget is expected to fund the remaining Award Settlement payments not resolved by the conclusion of 2018 and any litigation settlements resolved by the Law Department;
- The Veterans Organization budget includes a \$50,000 contribution for Phase II of the Veterans Memorial project;
- The OPEB Trust Fund allocation is based on a recommendation from the City's auditor. The fund would be established for Other Postemployment Benefits, which may include Medicare reimbursements. The Government Finance Officers Associations recommends as a best practice that governments prefund their obligations for postemployment benefits other than pensions once it is determined that the employer has incurred a substantial long-term liability, which is the case with the City of Scranton. If funds properly, the City may make long term investments

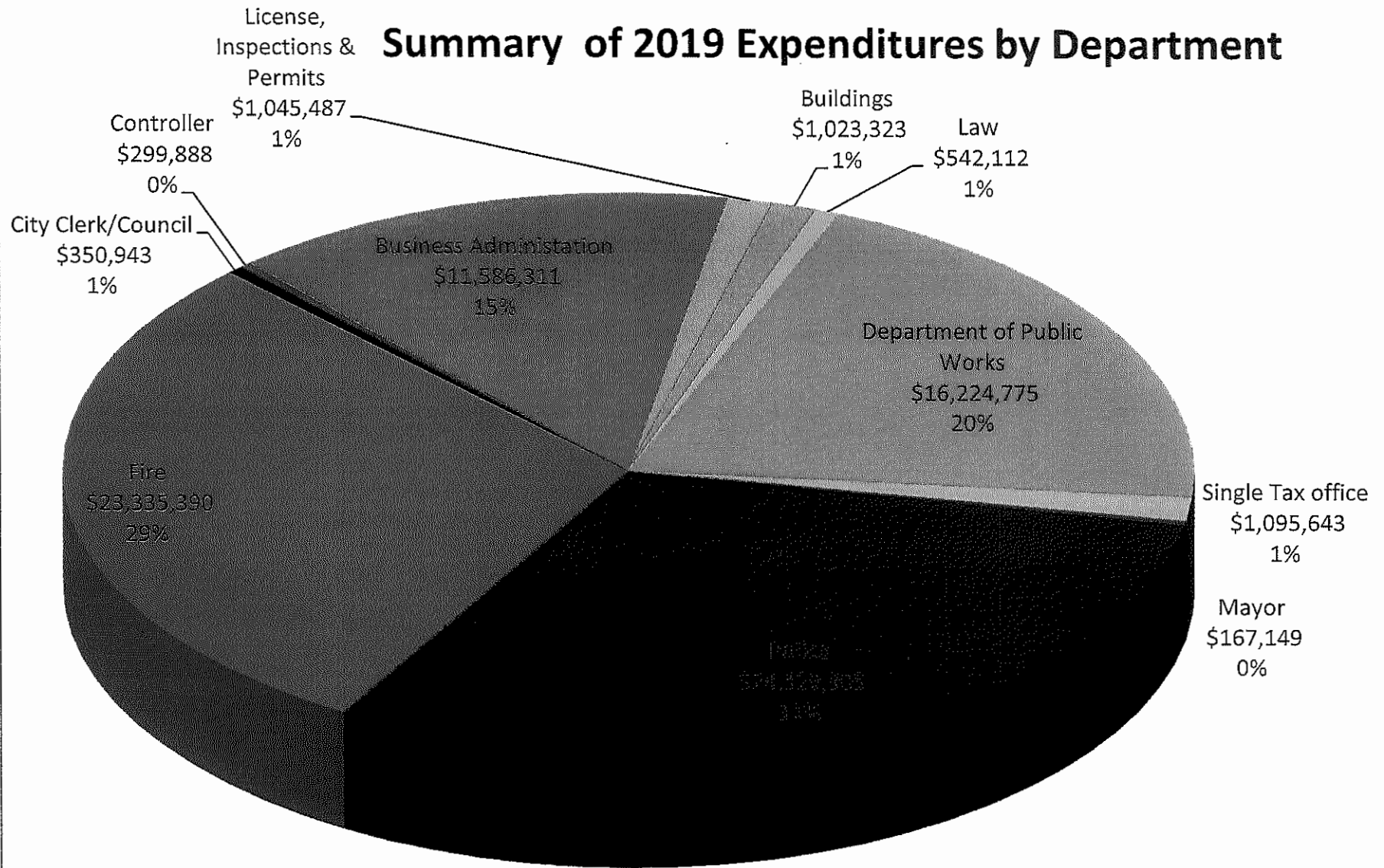
to cover these obligations through a separate trust fund the should, over time, result in a lower total cost for providing postemployment benefits. Other examples of postemployment benefits might include health care or insurance premiums.

The City would seek further evaluation and comment from the pension board actuary and administrator in creating the fund. The City anticipates potential funding allocations if the Workers Compensation Reserve fund is granted reductions by the Department of Labor and Industry;

- The Targeted Expenses Budget will support contractual payment requirements for third party agreements which are performance based. As an example, the analytics and identification program implemented for the Single Tax office for the Business Privilege and Mercantile Tax Program requires a 20% compensation level for all dollars collected resulting from the program. Those dollars are received by the City and 20% of those payments are remitted to the third party. This line item will provide more clarity in identifying those payments;
- The grant match line item is new for 2019 and is based on a list of grants both approved and pending as submitted by the City's grant writer.

CITY OF SCRANTON			
2019 OPERATING BUDGET			
EXPENDITURE SUMMARY BY DEPARTMENT			
	2018	2018	2019
	Operating Budget	Through 9/30/2018	Operating Budget
MAYOR	\$ 168,061.70	\$ 127,385.49	\$ 167,148.63
DEPT OF PUBLIC SAFETY BUREAU OF POLICE	\$ 24,954,331.94	17,103,824.06	24,329,905.50
DEPT OF PUBLIC SAFETY BUREAU OF FIRE	25,409,079.87	14,785,281.88	23,335,390.01
CITY CLERK/COUNCIL	344,112.50	245,936.61	350,943.14
CONTROLLER	295,316.34	187,014.02	299,888.39
DEPT OF BUSINESS ADMINISTRATION BUREAU OF ADMINISTRATION	8,709,329.90	6,573,687.95	8,595,353.49
DEPT OF BUSINESS ADMINISTRATION BUREAU OF HUMAN RESOURCES	1,766,839.01	1,176,425.95	1,583,395.46
DEPT OF BUSINESS ADMINISTRATION BUREAU OF INFO TECHNOLOGY	832,250.00	722,587.44	1,252,250.00
DEPT OF BUSINESS ADMINISTRATION BUREAU OF TREASURY	137,951.10	94,481.51	155,311.98
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF LIPS	920,468.38	587,460.36	1,045,486.55
DEPT OF LICENSES INSPECTIONS & PERMITS BUREAU OF BUILDINGS	1,237,189.47	878,075.14	1,023,322.76
LAW DEPARTMENT	423,562.47	265,715.77	542,112.47
DEPT OF PUBLIC WORKS BUREAU OF ADMINISTRATION	3,497,079.26	2,171,283.42	4,781,905.40
DEPT OF PUBLIC WORKS BUREAU OF ENGINEERING	197,767.70	124,017.44	197,164.08
DEPT OF PUBLIC WORKS BUREAU OF HIGHWAYS	3,745,055.21	1,969,166.46	4,151,491.74
DEPT OF PUBLIC WORKS BUREAU OF REFUSE	3,896,580.46	2,980,254.23	4,136,663.42
DEPT OF PUBLIC WORKS BUREAU OF GARAGES	1,282,152.24	963,565.50	1,329,276.02
DEPARTMENT OF PUBLIC WORKS- BUREAU OF PARKS & RECREATION	1,563,580.15	590,721.77	1,628,274.39
SINGLE TAX OFFICE	789,959.49	562,230.21	1,095,643.49
NON-DEPARTMENTAL	27,504,130.60	4,498,478.57	30,057,779.75
TOTAL OPERATING EXPENDITURES	\$ 107,674,797.79	\$ 56,607,593.78	\$ 110,058,706.66
ECONOMIC & COMMUNITY DEVELOPMENT (NON-ADDITION TO THE BUDGET)	\$ 649,985.32	\$ 524,987.88	\$ 647,544.47

Summary of 2019 Expenditures by Department



■ Mayor ■ Police ■ Fire ■ City Clerk/Council ■ Controller ■ Business Administration ■ License, Inspections & Permits ■ Buildings ■ Law ■ Department of Public Works ■ Single Tax office

CITY OF SCRANTON				
2019 OPERATING BUDGET				
EXPENDITURE SUMMARY BY ACCOUNT				
		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4010	STANDARD SALARY	\$ 27,473,211.04	\$ 19,696,949.55	\$ 28,529,695.51
4040	OTHER SALARY	1,107,517.00	\$ 922,160.22	1,079,100.00
4070	LONGEVITY SALARY	1,832,646.15	\$ 1,206,363.60	1,861,007.77
4080	OVERTIME SALARY	1,058,701.30	\$ 1,345,853.86	1,402,750.00
4090	COURT APPEARANCE SALARY	135,000.00	\$ 105,180.57	135,000.00
4101	UNIFORM ALLOWANCE	268,248.21	\$ 226,635.19	268,120.00
4112	HEALTH INSURANCE - POLICE UNION	5,901,830.83	\$ 5,395,376.06	5,744,220.06
4113	HEALTH INSURANCE - FIRE UNION	5,329,301.05	\$ 3,687,847.55	4,279,591.00
4116	HEALTH INSURANCE - CLERICAL UNION	1,565,040.07	\$ 1,202,402.61	1,555,980.00
4117	HEALTH INSURANCE - NON-UNION	1,151,642.25	\$ 1,376,292.93	1,620,366.00
4118	HEALTH INSURANCE - DPW UNION	2,529,641.97	\$ 1,361,937.91	1,773,915.00
4119	HEALTH INSURANCE - SINGLE TAX OFFICE	410,670.98	\$ 282,303.11	702,956.00
4120	LIFE/DISABILITY INSURANCE	346,905.00	\$ 284,825.24	346,905.00
4130	L.A.M. PENSION	300,344.00	\$ 340,564.72	455,000.00
4140	CITY 10% EARLY RETIREMENT	253,176.90	\$ 208,167.72	255,962.95
4150	CITY PENSION	13,603,516.00	\$ 3,685,089.46	10,808,680.00
4170	POLICE EDUCATION ALLOWANCE	60,000.00	\$ -	60,000.00
4180	SOCIAL SECURITY	898,090.00	\$ 739,612.45	921,230.00
4190	UNEMPLOYMENT INSURANCE	25,000.00	\$ 474.16	25,000.00
	TOTAL EMPLOYEE COMPENSATION	\$ 64,250,482.75	\$ 42,068,036.91	\$ 61,825,479.28
4201	PROFESSIONAL SERVICES	1,080,000.00	\$ 936,714.52	1,391,500.00
4210	SERVICES & MAINTENANCE FEE	186,290.00	\$ 118,571.43	205,290.00
4220	CONTRACTED SERVICES	750.00	\$ 1,831.82	2,50

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4230	PRINTING & BINDING	8,250.00	\$ 3,511.94	8,750.00
4240	POSTAGE & FREIGHT	30,100.00	\$ 29,189.00	34,100.00
4250	ADVERTISING	48,750.00	\$ 33,976.40	54,000.00
4260	RENTAL VEHICLES & EQUIPMENT	300,000.00	\$ 20,010.80	300,000.00
4270	DUES & SUBSCRIPTIONS	32,651.70	\$ 28,511.10	31,263.63
4280	MISC SERVICES-NOT CLASSIFIED	7,000.00	\$ 3,458.71	7,000.00
4290	STATIONERY/OFFICE SUPPLIES	43,950.00	\$ 11,725.49	20,250.00
4301	GAS. OIL & LUBRICANTS	295,000.00	\$ 323,309.36	340,000.00
4310	EQUIPMENT/VEHICLE REPAIR & MAINT	325,000.00	\$ 267,753.58	325,000.00
4320	BUILDING REPAIR-SUPPLY & MAINT	175,000.00	\$ 154,815.31	180,000.00
4330	MEDICAL, CHEMICAL & LAB SUPPLIES	20,000.00	\$ 4,667.80	20,000.00
4340	CONSTRUCTION-PAVING MATERIAL	100,000.00	\$ 84,310.21	150,000.00
4350	PAINT & SIGN MATERIAL	50,000.00	\$ 8,362.34	25,000.00
4360	SMALL TOOLS/SHOP SUPPLIES	7,000.00	\$ 4,904.57	7,000.00
4370	PARKS & RECREATION SUPPLIES	63,000.00	\$ 15,769.60	48,600.00
4380	GUNS & AMMUNITION	22,500.00	\$ 9,605.43	30,000.00
4390	MATERIAL/SUPPLIES (MISC)	191,600.00	\$ 146,632.28	208,600.00
4401	TIRES	109,500.00	\$ 62,483.23	109,500.00
4410	SALT	273,500.00	\$ 403,734.07	425,000.00
4420	TRAVEL & LODGING	18,000.00	\$ 5,498.66	21,750.00
4430	AIR PACKS/REHAB SUPPLIES	6,000.00	\$ 81.25	6,000.00
4440	TELEPHONE	150,000.00	\$ 127,856.45	200,000.00

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4450	ELECTRICAL	275,000.00	\$ 197,311.06	135,000.00
4445	SEWER CHARGES	5,000.00	\$ -	-
4447	PG ENERGY GAS	135,000.00	\$ 86,267.01	135,000.00
4448	PAWC-WATER	475,000.00	\$ 374,897.84	475,000.00
4460	STREET LIGHTING	375,000.00	\$ 143,790.14	200,000.00
4465	BUILDING SUPPLIES	1,000.00	\$ -	1,000.00
4466	STREET LIGHTING SERVICE / MAINTENANCE	77,500.00	\$ 38,170.95	60,000.00
4467	TRAFFIC SIGNAL ELECTRICITY	-	\$ -	90,000.00
4470	TRAINING & CERTIFICATION	143,000.00	\$ 108,810.99	192,500.00
4480	SELF INSURANCE	110,000.00	-	110,000.00
4490	LANDFILL	1,271,434.74	\$ 1,022,808.65	1,300,000.00
4530	PERFORMING ARTS	20,000.00	\$ 15,675.00	20,000.00
4540	SPRING/SUMMER PROGRAM	3,000.00	\$ 2,886.01	3,000.00
4550	CAPITAL EXPENDITURES	3,106,250.00	\$ 2,074,124.37	3,333,000.00
4551	ROAD RESURFACING	875,000.00	\$ -	875,000.00
4555	RECYCLING	-	\$ -	175,000.00
4560	EQUIPMENT MAINTENANCE & LEASES	50,000.00	\$ 45,000.00	94,000.00
4570	MAINTENANCE OF COMMUNICATION EQUIP	28,750.00	\$ 17,970.11	28,750.00
4575	MAINTENANCE-EQUIPMENT	1,000.00	\$ -	1,000.00
4576	MAINTENANCE OF SUPER FUND SIGHT	13,000.00	\$ 6,935.80	13,000.00
4580	GENERAL EQUIPMENT	75,000.00	\$ 58,163.61	65,000.00
4590	BUILDING DEMOLITION	65,000.00	\$ 10,252.00	150,000.00
4630	LIABILITY & CASUALTY INSURANCE	1,371,000.00	\$ 915,579.60	1,175,000.00

CITY OF SCRANTON
2019 OPERATING BUDGET
EXPENDITURE SUMMARY BY ACCOUNT

		2018	2018	2019
		Operating Budget	THROUGH 9/30/2018	Budget
4901	PREVENTATIVE MAINTENANCE	7,500.00	\$ 3,421.12	7,500.00
6000	TAX & MISC REFUNDS	1,000.00	\$ 3,073.30	5,000.00
6001	TAX COLLECTION COMMITTEE EXPENSE	500.00	\$ -	500.00
6003	SPCA ANIMAL CONTROL	86,976.00	\$ 78,260.47	86,976.00
6004	SINGLE TAX OFFICE AUDIT	-	\$ -	-
6006	PERSONNEL COST ADJUSTMENT	-	\$ 2,456.63	7,500.00
6007	FLOOD PROTECTION SYSTEM MAINTENANCE	50,000.00	\$ 25,215.63	1,973,900.00
6009	WORKERS' COMPENSATION	3,743,432.00	\$ 2,000,000.00	3,300,718.00
6024	BANK FEES & CHARGES	11,000.00	\$ 206.16	11,000.00
	NON-DEPARTMENTAL EXPENDITURES:			
10020-10140	BOARDS & COMMISSIONS	359,500.00	312,500.03	690,000.00
15010-15360	INTEREST & DEBT SERVICE (w/o TANs)	11,722,981.50	3,421,605.21	13,019,000.93
15230-15240	TANs (SERIES A & B)	13,244,850.00	-	13,215,375.00
13090,16090-17060	UNPAID BILLS/COURT AWARDS/MISCELLANEOUS	2,176,799.10	764,373.33	3,133,403.82
	TOTAL NON-DEPARTMENTAL EXPENDITURES	27,504,130.60	4,498,478.57	30,057,779.75
	TOTAL OPERATING EXPENDITURES	\$ 107,674,797.79	\$ 56,605,077.28	\$ 110,058,706.66
4010	ECONOMIC & COMMUNITY DEVELOPMENT			
	STANDARD SALARY (NON-ADDITION TO THE BUDGET)	649,985.32	524,987.88	647,544.47

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Office of the Mayor - #10						
4010	01.010.00000.4010	STANDARD SALARY		\$ 144,085.00	104,081.30	144,085.00
4040	01.010.00000.4040	OTHER SALARY (MISC)		0	-	-
4080	01.010.00000.4080	OVERTIME SALARY		0	-	-
		TOTAL EMPLOYEE COMPENSATION		\$ 144,085.00	\$ 104,081.30	\$ 144,085.00
4270	01.010.00000.4270	DUES AND SUBSCRIPTIONS		22,826.70	22,826.70	21,913.63
4290	01.010.00000.4290	STATIONARY/OFFICE SUPPLIES		150.00	42.49	150.00
4390	01.010.00000.4390	MATERIALS/SUPPLIES (MISC)		-	-	-
4420	01.010.00000.4420	TRAVEL AND LODGING		1,000.00	435.00	1,000.00
4550	01.010.00000.4550	CAPITAL EXPENDITURES		-	-	-
		TOTAL OPERATING EXPENDITURES		\$ 23,976.70	\$ 23,304.19	\$ 23,063.63
		DEPARTMENT of MAYOR TOTAL		\$ 168,061.70	\$ 127,385.49	\$ 167,148.63

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
			2018	2018
Account Number	Account Description		Operating Budget	(Through 9/30/2018)
				2019
				Operating Budget
	Dept. of Public Safety - #11			
	Bureau of Police - #71			
4010	01.011.00071.4010	STANDARD SALARY	\$ 10,525,848.30	7,671,667.16
4040	01.011.00071.4040	OTHER SALARY (MISC)	401,017.00	301,642.40
4070	01.011.00071.4070	LONGEVITY SALARY	806,113.31	636,455.75
4080	01.011.00071.4080	OVERTIME SALARY	400,000.00	576,064.77
4090	01.011.00071.4090	COURT APPEARANCE SALARY	135,000.00	105,180.57
4101	01.011.00071.4101	UNIFORM ALLOWANCE	115,850.00	109,190.00
4112	01.011.00071.4112	HEALTH INSURANCE - POLICE UNION	5,901,830.83	5,395,376.06
4120	01.011.00071.4120	LIFE/DISABILITY INSURANCE	150,634.00	123,712.25
4140	01.011.00071.4140	CITY 10% EARLY RETIREMENT	131,581.50	109,051.60
4150	01.011.00071.4150	CITY PENSION	5,343,583.00	1,367,841.45
4170	01.011.00071.4170	POLICE EDUCATION ALLOWANCE	60,000.00	-
4180	01.011.00071.4180	SOCIAL SECURITY	332,998.00	291,757.25
		TOTAL EMPLOYEE COMPENSATION	\$ 24,304,455.94	\$ 16,687,939.26
				\$ 23,638,029.50
4201	01.011.00071.4201	PROFESSIONAL SERVICES	\$ 25,000.00	16,021.50
4210	01.011.00071.4210	SERVICES AND MAINTENANCE FEE	75,000.00	57,603.85
4270	01.011.00071.4270	DUES AND SUBSCRIPTIONS	3,150.00	3,142.15
4280	01.011.00071.4280	MISC SERVICES-NON CLASSIFIED	2,000.00	1,751.68
4290	01.011.00071.4290	STATIONARY/OFFICE SUPPLIES	2,750.00	2,343.84
4380	01.011.00071.4380	GUNS/AMMUNITION	22,500.00	9,605.43
4390	01.011.00071.4390	MATERIALS/SUPPLIES (MISC)	21,000.00	13,529.65
4420	01.011.00071.4420	TRAVEL AND LODGING	4,000.00	3,862.08
4470	01.011.00071.4470	TRAINING AND CERTIFICATION	50,000.00	38,200.74
4550	01.011.00071.4550	CAPITAL EXPENDITURES	350,000.00	187,315.30
4570	01.011.00071.4570	MAINTENANCE COMMUNICATION EQUIPMENT	7,500.00	4,248.11
6003	01.011.00071.6003	SPCA-ANIMAL CONTROL	86,976.00	78,260.47
		TOTAL OPERATING EXPENDITURES	649,876.00	415,884.80
				691,876.00
		BUREAU of POLICE TOTAL	\$ 24,954,331.94	\$ 17,103,824.06
				\$ 24,329,905.50

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Dept. of Public Safety - #11				
Bureau of Fire - #78				
4010 01.011.00078.4010	STANDARD SALARY	\$ 9,660,286.61	6,892,988.20	10,002,752.16
4040 01.011.00078.4040	OTHER SALARY (MISC)	450,000.00	446,968.83	500,000.00
4070 01.011.00078.4070	LONGEVITY SALARY	775,213.81	569,907.85	\$ 758,574.90
4080 01.011.00078.4080	OVERTIME SALARY	275,000.00	431,057.44	350,000.00
4101 01.011.00078.4101	UNIFORM ALLOWANCE	98,550.00	69,140.76	98,550.00
4113 01.011.00078.4113	HEALTH INSURANCE - FIRE UNION	5,329,301.05	3,687,847.55	4,279,591.00
4120 01.011.00078.4120	LIFE/DISABILITY INSURANCE	141,521.00	116,210.02	141,521.00
4140 01.011.00078.4140	CITY 10% EARLY RETIREMENT	121,595.40	99,116.12	122,932.95
4150 01.011.00078.4150	CITY PENSION	7,087,112.00	1,246,047.35	5,985,968.00
	TOTAL EMPLOYEE COMPENSATION	\$ 23,938,579.87	\$ 13,559,284.12	\$ 22,239,890.01
4201 01.011.00078.4201	PROFESSIONAL SERVICES	\$ 23,000.00	28,053.86	30,000.00
4210 01.011.00078.4210	SERVICES AND MAINTENANCE FEE	15,000.00	6,950.06	15,000.00
4270 01.011.00078.4270	DUES AND SUBSCRIPTIONS	1,000.00	150.00	1,000.00
4316 01.011.00078.4316	CLEAN AIR MAINTENANCE	-	-	-
4320 01.011.00078.4320	BLDG/REPAIR-SUPPLY MAINT	10,000.00	12,109.67	15,000.00
4390 01.011.00078.4390	MATERIALS/SUPPLIES (MISC)	7,250.00	5,501.49	7,250.00
4420 01.011.00078.4420	TRAVEL AND LODGING	3,000.00	770.90	3,000.00
4430 01.011.00078.4430	AIR PACKS/REHAB SUPPLIES	6,000.00	81.25	6,000.00
4470 01.011.00078.4470	TRAINING AND CERTIFICATION	75,000.00	66,689.73	95,000.00
4550 01.011.00078.4550	CAPITAL EXPENDITURES	1,250,000.00	1,046,150.19	853,000.00
4570 01.011.00078.4570	MAINTENANCE COMMUNICATION EQUIP	4,250.00	1,377.00	4,250.00
4575 01.011.00078.4575	MAINTENANCE-EQUIPMENT	1,000.00	-	1,000.00
4580 01.011.00078.4580	GENERAL EQUIPMENT	75,000.00	58,163.61	65,000.00
	TOTAL OPERATING EXPENDITURES	\$ 1,470,500.00	\$ 1,225,997.76	\$ 1,095,500.00
	BUREAU of FIRE TOTAL	\$ 25,409,079.87	\$ 14,785,281.88	\$ 23,335,390.01
	DEPARTMENT of PUBLIC SAFETY TOTAL	\$ 50,363,411.81	\$ 31,889,105.94	\$ 47,665,295.50

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Office of the City Clerk/City Council - #20					
4010 01.020.00000.4010	STANDARD SALARY	\$ 230,937.37	163,978.54	233,315.79	
4040 01.020.00000.4040	OTHER SALARY (MISC)	-	1,500.00	1,000.00	
4070 01.020.00000.4070	LONGEVITY SALARY	3,425.13	-	3,877.35	
4080 01.020.00000.4080	OVERTIME SALARY	500.00	351.51	500.00	
	TOTAL EMPLOYEE COMPENSATION	\$ 234,862.50	\$ 165,830.05	\$ 238,693.14	
4201 01.020.00000.4201	PROFESSIONAL SERVICES	\$ 56,000.00	51,064.01	59,000.00	
4210 01.020.00000.4210	SERVICES AND MAINTENANCE FEE	15,000.00	10,795.00	15,000.00	
4220 01.020.00000.4220	CONTRACTED SERVICES	-	-	-	
4230 01.020.00000.4230	PRINTING AND BINDING	6,250.00	2,210.96	6,250.00	
4250 01.020.00000.4250	ADVERTISING	31,500.00	15,686.60	31,500.00	
4260 01.020.00000.4260	RENTAL VEHICLES & EQUIPMENT	-	-	-	
4270 01.020.00000.4270	DUES AND SUBSCRIPTIONS	-	-	-	
4290 01.020.00000.4290	STATIONARY/OFFICE SUPPL	500.00	349.99	500.00	
4420 01.020.00000.4420	TRAVEL AND LODGING	-	-	-	
4550 01.020.00000.4550	CAPITAL EXPENDITURES	-	-	-	
	TOTAL OPERATING EXPENDITURES	\$ 109,250.00	\$ 80,106.56	\$ 112,250.00	
	DEPARTMENT of CITY CLERK / CITY COUNCIL TOTAL	\$ 344,112.50	\$ 245,936.61	\$ 350,943.14	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number	Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
City Controller - #30						
Roseann Novembrino, City Controller						
4010 01.030.00000.4010	STANDARD SALARY		\$ 248,373.63	178,178.46	250,608.90	
4040 01.030.00000.4040	OTHER SALARY (MISC)		1,000.00	750.00	2,500.00	
4070 01.030.00000.4070	LONGEVITY SALARY		3,417.71	-	3,979.49	
4080 01.030.00000.4080	OVERTIME SALARY		0.00	-	-	
	TOTAL EMPLOYEE COMPENSATION		\$ 252,791.34	\$ 178,928.46	\$ 257,088.39	
4201 01.030.00000.4201	PROFESSIONAL SERVICES		\$ 40,000.00	6,500.00	40,000.00	
4210 01.030.00000.4210	SERVICES AND MAINTENANCE FEE		-	-	-	
4230 01.030.00000.4230	PRINTING AND BINDING		1,000.00	449.95	1,000.00	
4240 01.030.00000.4240	POSTAGE AND FREIGHT		100.00	82.00	100.00	
4270 01.030.00000.4270	DUES AND SUBSCRIPTIONS		225.00	600.25	700.00	
4290 01.030.00000.4290	STATIONARY/OFFICE SUPPLIES		200.00	453.36	500.00	
4420 01.030.00000.4420	TRAVEL AND LODGING		1,000.00	-	500.00	
4550 01.030.00000.4550	CAPITAL EXPENDITURES		-	-	-	
	TOTAL OPERATING EXPENDITURES		\$ 42,525.00	\$ 8,085.56	\$ 42,800.00	
	DEPARTMENT of CITY CONTROLLER TOTAL		\$ 295,316.34	\$ 187,014.02	\$ 299,888.39	

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
				2018	2018	2019
Account Number		Account Description		Operating Budget	(Through 9/30/2018)	Operating Budget
Department of Business Administration - #40						
Bureau of Human Resources - #41						
4010	01.040.00041.4010	STANDARD SALARY		\$ 206,877.76	144,541.76	208,918.11
4040	01.040.00041.4040	OTHER SALARY (MISC)		2,250.00	1,500.00	9,600.00
4070	01.040.00041.4070	LONGEVITY SALARY		7,211.25	-	3,877.35
4080	01.040.00041.4080	OVERTIME SALARY		-	-	-
		TOTAL EMPLOYEE COMPENSATION		\$ 216,339.01	\$ 146,041.76	\$ 222,395.46
4201	01.040.00041.4201	PROFESSIONAL SERVICES		\$ 150,000.00	109,829.46	170,000.00
4290	01.040.00041.4290	STATIONARY/OFFICE SUPPLIES		25,000.00	70.00	1,000.00
4390	01.040.00041.4390	MATERIALS/SUPPLIES (MISC)		500.00	188.80	500.00
4420	01.040.00041.4420	TRAVEL AND LODGING		1,000.00	430.68	2,000.00
4470	01.040.00041.4470	TRAINING AND CERTIFICATION		3,000.00	1,829.02	5,000.00
4630	01.040.00041.4630	LIABILITY/CASUALTY INSURANCE		1,371,000.00	915,579.60	1,175,000.00
6006	01.040.00041.6006	PERSONNEL COST ADJUSTMENT		-	2,456.63	7,500.00
		TOTAL OPERATING EXPENDITURES		\$ 1,550,500.00	\$ 1,030,384.19	\$ 1,361,000.00
		BUREAU of HUMAN RESOURCES TOTAL		\$ 1,766,839.01	\$ 1,176,425.95	\$ 1,583,395.46

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Business Administration - #40						
Bureau of Treasury - #43						
4010	01.040.00043.4010	STANDARD SALARY	\$ 114,376.08	80,042.48	118,157.12	
4040	01.040.00043.4040	OTHER SALARY (MISC)	0.00	1,500.00	-	
4070	01.040.00043.4070	LONGEVITY SALARY	2,825.02	-	3,654.86	
4080	01.040.00043.4080	OVERTIME SALARY	-	-	-	
		TOTAL EMPLOYEE COMPENSATION	\$ 117,201.10	\$ 81,542.48	\$ 121,811.98	
			-			
4201	01.040.00043.4201	PROFESSIONAL SERVICES	\$ 11,250.00	-	13,000.00	
4250	01.040.00043.4250	ADVERTISING	-	-	-	
4290	01.040.00043.4290	STATIONARY/OFFICE SUPPLIES	-	-	-	
4390	01.040.00043.4390	MATERIALS/SUPPLIES (MISC)	8,000.00	9,865.73	15,000.00	
4420	01.040.00043.4420	TRAVEL AND LODGING	-	-	-	
4550	01.040.00043.4550	CAPITAL EXPENDITURES	-	-	-	
6000	01.040.00043.6000	TAX AND MISC REFUNDS	1,000.00	3,073.30	5,000.00	
6001	01.040.00043.6001	TAX COLLECTION COMMITTEE EXPENSE	500.00	-	500.00	
		TOTAL OPERATING EXPENDITURES	\$ 20,750.00	\$ 12,939.03	\$ 33,500.00	
		BUREAU of TREASURY TOTAL	\$ 137,951.10	\$ 94,481.51	\$ 155,311.98	
		DEPARTMENT of BUSINESS ADMINISTRATION TOTAL	\$ 11,446,370.01	\$ 8,567,182.85	\$ 11,586,310.93	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
				2018	2018	2019
Account Number	Account Description			Operating Budget	(Through 9/30/2018)	Operating Budget
Office of Economic & Community Development (OECD) - #50						
50.00000.4010	STANDARD SALARY			\$ 649,985.32	524,987.88	647,544.47
	OECD DEPARTMENT TOTAL (NON-ADDITION TO BUDGET)			\$ 649,985.32	\$ 524,987.88	\$ 647,544.47

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Dept. of Licenses, Inspections & Permits - #51				
Bureau of Licenses, Inspections & Permits - #51				
4010 01.051.00051.4010	STANDARD SALARY	\$ 745,863.37	503,481.77	786,660.00
4040 01.051.00051.4040	OTHER SALARY (MISC)	9,600.00	11,250.00	-
4070 01.051.00051.4070	LONGEVITY SALARY	17,805.01	-	19,826.55
4080 01.051.00051.4080	OVERTIME SALARY	3,000.00	709.67	3,000.00
4101 01.051.00051.4101	UNIFORM ALLOWANCE (AUTO)	12,500.00	9,092.71	12,500.00
	TOTAL EMPLOYEE COMPENSATION	\$ 788,968.38	\$ 524,534.15	\$ 821,986.55
4201 01.051.00051.4201	PROFESSIONAL SERVICES	\$ 40,000.00	46,610.00	50,000.00
4270 01.051.00051.4270	DUES AND SUBSCRIPTIONS	-	-	-
4290 01.051.00051.4290	STATIONARY/OFFICE SUPPLIES	500.00	129.30	500.00
4390 01.051.00051.4390	MATERIALS/SUPPLIES (MISC)	500.00	-	500.00
4420 01.051.00051.4420	TRAVEL AND LODGING	1,000.00	-	1,000.00
4470 01.051.00051.4470	TRAINING AND CERTIFICATION	1,000.00	209.00	1,000.00
4550 01.051.00051.4550	CAPITAL EXPENDITURES	23,000.00	5,725.91	20,000.00
4570 01.051.00051.4570	MAINTENANCE COMMUNICATION EQUIPMENT	500.00	-	500.00
4590 01.051.00051.4590	BUILDING DEMOLITION	65,000.00	10,252.00	150,000.00
	TOTAL OPERATING EXPENDITURES	131,500.00	62,926.21	223,500.00
	BUREAU of LICENSES, INSPECTIONS & PERMITS TOTAL	\$ 920,468.38	\$ 587,460.36	\$ 1,045,486.55

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Law Department - #60					
4010 01.060.00000.4010	STANDARD SALARY	\$ 215,612.47	145,773.97	274,112.47	
4040 01.060.00000.4040	OTHER SALARY (MISC)	750.00	-	-	
4070 01.060.00000.4070	LONGEVITY SALARY	-	-	-	
4080 01.060.00000.4080	OVERTIME SALARY	-	-	-	
	TOTAL EMPLOYEE COMPENSATION	\$ 216,362.47	\$ 145,773.97	\$ 274,112.47	
4201 01.060.00000.4201	PROFESSIONAL SERVICES	\$ 195,000.00	118,440.30	255,000.00	
4210 01.060.00000.4210	SERVICES AND MAINTENANCE FEE	2,000.00	-	2,000.00	
4270 01.060.00000.4270	DUES AND SUBSCRIPTIONS	3,950.00	902.00	3,000.00	
4290 01.060.00000.4290	STATIONARY/OFFICE SUPPLIES	500.00	265.00	500.00	
4390 01.060.00000.4390	MATERIALS/SUPPLIES (MISC)	500.00	-	500.00	
4420 01.060.00000.4420	TRAVEL AND LODGING	1,000.00	-	3,500.00	
4470 01.060.00000.4470	TRAINING AND CERTIFICATION	1,000.00	334.50	3,500.00	
4550 01.060.00000.4550	CAPITAL EXPENDITURES	3,250.00	-	-	
	TOTAL OPERATING EXPENDITURES	\$ 207,200.00	\$ 119,941.80	\$ 268,000.00	
	DEPARTMENT of LAW TOTAL	\$ 423,562.47	\$ 265,715.77	\$ 542,112.47	

CITY OF SCRANTON							
2019 OPERATING BUDGET							
BUDGETED EXPENDITURES							
GENERAL FUND							

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Department of Public Works - #80						
Bureau of Engineering - #81						
4010	01.080.00081.4010	STANDARD SALARY		\$ 112,798.45	69,427.20	114,348.77
4040	01.080.00081.4040	OTHER SALARY (MISC)		2,100.00	750.00	-
4070	01.080.00081.4070	LONGEVITY SALARY		3,891.04	-	3,965.31
4080	01.080.00081.4080	OVERTIME SALARY		4,500.00	3,327.08	4,500.00
4101	01.080.00081.4101	UNIFORM ALLOWANCE		3,128.21	1,831.72	3,000.00
		TOTAL EMPLOYEE COMPENSATION		\$ 126,417.70	\$ 75,336.00	\$ 125,814.08
4201	01.080.00081.4201	PROFESSIONAL SERVICES		\$ 69,500.00	47,925.00	69,500.00
4210	01.080.00081.4210	SERVICES & MAINTENANCE FEE		500.00	461.60	500.00
4280	01.080.00081.4280	MISC SERVICES-NOT CLASSIFIED		-	-	-
4290	01.080.00081.4290	STATIONARY/OFFICE SUPPLIES		100.00	-	100.00
4390	01.080.00081.4390	MATERIALS/SUPPLIES (MISC)		250.00	244.84	250.00
4470	01.080.00081.4470	TRAINING AND CERTIFICATION		1,000.00	50.00	1,000.00
4550	01.080.00081.4550	CAPITAL EXPENDITURES		-	-	-
		TOTAL OPERATING EXPENDITURES		\$ 71,350.00	\$ 48,681.44	\$ 71,350.00
		BUREAU of ENGINEERING TOTAL		\$ 197,767.70	\$ 124,017.44	\$ 197,164.08

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80					
Bureau of Highways - #83					
4010	01.080.00083.4010	STANDARD SALARY	\$ 1,179,627.24	810,170.85	1,244,176.11
4040	01.080.00083.4040	OTHER SALARY (MISC)	18,200.00	750.00	-
4070	01.080.00083.4070	LONGEVITY SALARY	85,387.97	-	85,875.63
4080	01.080.00083.4080	OVERTIME SALARY	160,000.00	136,241.42	160,000.00
4101	01.080.00083.4101	UNIFORM ALLOWANCE	11,340.00	10,920.00	11,340.00
		TOTAL EMPLOYEE COMPENSATION	\$ 1,454,555.21	\$ 958,082.27	\$ 1,501,391.74
4210	01.080.00083.4210	SERVICES AND MAINTENANCE FEE	-	-	-
4260	01.080.00083.4260	RENTAL VEHICLES & EQUIPMENT	\$ 300,000.00	20,010.80	300,000.00
4290	01.080.00083.4290	STATIONARY/OFFICE SUPPLIES	-	-	-
4340	01.080.00083.4340	CONSTRUCTION-PAVING MATERIAL	100,000.00	84,310.21	150,000.00
4350	01.080.00083.4350	PAINT/SIGN MATERIAL	50,000.00	8,362.34	25,000.00
4370	01.080.00083.4357	PARKS AND RECREATION SUPPLIES	62,000.00	15,769.60	37,800.00
4390	01.080.00083.4390	MATERIALS/SUPPLIES (MISC)	37,500.00	25,927.39	37,500.00
4410	01.080.00083.4410	SALT	273,500.00	403,734.07	425,000.00
4420	01.080.00083.4420	TRAVEL AND LODGING	-	-	-
4460	01.080.00083.4460	STREET LIGHTING	375,000.00	143,790.14	200,000.00
4466	01.080.00083.4466	STREET LIGHTING SERVICE / MAINTENANCE	77,500.00	38,170.95	60,000.00
4467	01.080.00083.4467	TRAFFIC SIGNAL ELECTRICITY	-	-	90,000.00
4550	01.080.00083.4550	CAPITAL EXPENDITURES	140,000.00	271,008.69	450,000.00
4551	01.080.00083.4551	ROADWAY RESURFACING PROGRAM	875,000.00	-	875,000.00
		TOTAL OPERATING EXPENDITURES	\$ 2,290,500.00	\$ 1,011,084.19	\$ 2,650,100.00
		BUREAU of HIGHWAYS TOTAL	\$ 3,745,055.21	\$ 1,969,166.46	\$ 4,151,491.74

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number		Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80						
Bureau of Refuse - #84						
4010	01.080.00084.4010	STANDARD SALARY	\$ 2,175,183.95	1,604,779.24	2,214,426.81	
4040	01.080.00084.4040	OTHER SALARY (MISC)	35,000.00	-	1,000.00	
4070	01.080.00084.4070	LONGEVITY SALARY	63,641.77	-	39,916.62	
4080	01.080.00084.4080	OVERTIME SALARY	150,000.00	138,325.65	160,000.00	
4101	01.080.00084.4101	UNIFORM ALLOWANCE	19,320.00	19,320.00	19,320.00	
		TOTAL EMPLOYEE COMPENSATION	\$ 2,443,145.72	\$ 1,762,424.89	\$ 2,434,663.42	
4260	01.080.00084.4260	RENTAL VEHICLES & EQUIP	-	-	-	
4330	01.080.00084.4330	MEDICAL, CHEM. LAB SUP	-	-	-	
4390	01.080.00084.4390	MATERIALS/SUPPL (MISC)	1,000.00	20.69	1,000.00	
4420	01.080.00084.4420	TRAVEL AND LODGING	1,000.00	-	1,000.00	
4490	01.080.00084.4490	LANDFILL	1,271,434.74	1,022,808.65	1,300,000.00	
4550	01.080.00084.4550	CAPITAL EXPENDITURES	180,000.00	195,000.00	225,000.00	
4555	01.080.00084.4555	RECYCLING	-	-	175,000.00	
		TOTAL OPERATING EXPENDITURES	\$ 1,453,434.74	\$ 1,217,829.34	\$ 1,702,000.00	
		BUREAU of REFUSE TOTAL	\$ 3,896,580.46	\$ 2,980,254.23	\$ 4,136,663.42	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
	Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget	
Department of Public Works - #80						
Bureau of Garages - #85						
4010	01.080.00085.4010	STANDARD SALARY	\$ 387,684.52	224,040.19	364,405.11	
4040	01.080.00085.4040	OTHER SALARY (MISC)	16,800.00	2,250.00	-	
4070	01.080.00085.4070	LONGEVITY SALARY	23,876.42	-	25,510.91	
4080	01.080.00085.4080	OVERTIME SALARY	31,201.30	20,011.58	25,000.00	
4101	01.080.00085.4101	UNIFORM ALLOWANCE	3,360.00	3,360.00	3,360.00	
		TOTAL EMPLOYEE COMPENSATION	\$ 462,902.24	\$ 249,661.77	\$ 418,276.02	
4201	01.080.00085.4201	PROFESSIONAL SERVICES	-	-	-	
4210	01.080.00085.4210	SERVICES AND MAINTENANCE FEE	-	-	-	
4220	01.080.00085.4220	CONTRACTED SERVICES	750.00	1,831.82	2,500.00	
4290	01.080.00085.4290	STATIONARY/OFFICE SUPPL	-	-	-	
4301	01.080.00085.4301	GAS, OIL, LUBRICANTS	295,000.00	323,309.36	340,000.00	
4310	01.080.00085.4310	EQUIP/VEHICLE REP/MAINT	325,000.00	267,753.58	325,000.00	
4360	01.080.00085.4360	SMALL TOOLS/SHOP SUPPL	6,500.00	4,904.57	6,500.00	
4390	01.080.00085.4390	MATERIALS/SUPPL (MISC)	49,500.00	29,862.09	49,500.00	
4401	01.080.00085.4401	TIRES	109,500.00	62,483.23	109,500.00	
4420	01.080.00085.4420	TRAVEL AND LODGING	500.00	-	500.00	
4550	01.080.00085.4550	CAPITAL EXPENDITURES	25,000.00	20,317.96	70,000.00	
4901	01.080.00085.4901	MAINTENANCE (PREVENTATIVE)	7,500.00	3,421.12	7,500.00	
		TOTAL OPERATING EXPENDITURES	\$ 819,250.00	\$ 713,903.73	\$ 911,000.00	
		BUREAU of GARAGES TOTAL	\$ 1,282,152.24	\$ 963,565.50	\$ 1,329,276.02	
		DEPARTMENT of PUBLIC WORKS TOTAL	\$ 12,618,634.87	\$ 8,208,287.05	\$ 14,596,500.66	

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						

CITY OF SCRANTON					
2019 OPERATING BUDGET					
BUDGETED EXPENDITURES					
GENERAL FUND					
Account Number	Account Description		2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
Single Tax Office - #90					
4010	01.090.00000.4010	STANDARD SALARY	\$ 371,038.51	276,795.20	388,937.49
4040	01.090.00000.4040	OTHER SALARY (MISC)	4,500.00	-	-
4080	01.090.00000.4080	OVERTIME SALARY	3,750.00	3,131.90	3,750.00
4119	01.090.00000.4119	HEALTH INSURANCE - SINGLE TAX OFFICE	410,670.98	282,303.11	702,956.00
		TOTAL EMPLOYEE COMPENSATION	\$ 789,959.49	\$ 562,230.21	\$ 1,095,643.49
		TOTAL OPERATING EXPENDITURES	-	-	-
		SINGLE TAX OFFICE DEPARTMENT TOTAL	\$ 789,959.49	\$ 562,230.21	\$ 1,095,643.49

CITY OF SCRANTON				
2019 OPERATING BUDGET				
BUDGETED EXPENDITURES				
GENERAL FUND				
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget
NON-DEPARTMENTAL EXPENDITURES - #401				
4299 01.401.10030.4299	ZONING BOARD	\$ 18,500.00	12,504.10	25,000.00
4299 01.401.10060.4299	EVERHART MUSEUM	29,000.00	28,999.98	29,000.00
4299 01.401.10075.4299	SCRANTON PLAN	60,000.00	10,000.00	150,000.00
4299 01.401.10080.4299	SCRANTON TOMORROW	75,000.00	75,000.00	225,000.00
4299 01.401.10110.4299	SHADE TREE COMMISSION	95,000.00	94,865.49	200,000.00
4299 01.401.10120.4299	ST. CATS AND DOGS	10,000.00	7,070.00	10,000.00
4299 01.401.10130.4299	MAYORS 504 TASK FORCE	1,000.00	-	1,000.00
4299 01.401.10140.4299	CIVIL SERVICE COMMISSION	25,000.00	13,560.46	25,000.00
4299 01.401.10150.4299	HUMAN RELATIONS COMMISSION	25,000.00	-	1,000.00
4299 01.401.10155.4299	LHVA TRAIL MAINTENANCE	21,000.00	70,500.00	24,000.00
	TOTAL BOARDS, COMMISSIONS, NON-PROFIT CONTRIBUTIONS	\$ 359,500.00	\$ 312,500.03	\$ 690,000.00
4299 01.401.15230.4299	TAN SERIES	\$ 12,750,000.00	-	\$ 12,750,000.00
4299 01.401.15240.4299	TAN SERIES INTEREST	494,850.00	-	\$ 465,375.00
4299 01.401.15310.4299	OPER TSF TO DEBT SVC-STREET LIGHTING	450,058.36	510,000	\$ 525,000.00
4299 01.401.15320.4299	OPER TSF TO DEBT SVC-GUARANTEED ENERGY SAVINGS	171,539.33	108,748	\$ 144,997.96
4299 01.401.15324.4299	OPER TSF TO DEBT SVC-FDM REVOLVING AID LOAN	100,000.00	100,000	\$ 100,000.00
4299 01.401.15328.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES AA	2,061,662.50	193,331	\$ 883,725.00
4299 01.401.15331.4299	OPER TSF TO DEBT SVC-2019 GO BONDS BUILDING	-	-	\$ 1,000.00
4299 01.401.15332.4299	OPER TSF TO DEBT SVC-SERIES OF 2017 GENERAL OBLIGATION REFUNDING	3,234,419.34	-	\$ 3,231,000.00
4299 01.401.15333.4299	OPER TSF TO DEBT SVC-2018 TAXABLE SERIES	-	-	\$ 1,208,252.22
4299 01.401.15338.4299	OPER TSF TO DEBT SVC-2016 REDEVELOPMENT AUTHORITY SERIES A	2,420,500.00	745,250	\$ 3,614,000.00
4299 01.401.15339.4299	OPER TSF TO DEBT SVC-SERIES OF 2016 GENERAL OBLIGATION NOTES	1,877,000.00	821,000	\$ 1,875,250.00
	TOTAL PRINCIPAL AND INTEREST, LOANS	\$ 23,560,029.53	# \$ 2,478,329.72	\$ 24,798,600.18
4299 01.401.15329.4299	OPER TSF TO DEBT SVC-LEASE OF REFUSE PACKERS	218,147.96	218,147.96	\$ 218,147.96
4299 01.401.15330.4299	OPER TSF TO DEBT SVC-LEASE OF KME ENGINE #4	49,849.00	49,849.00	\$ 49,849.00
4299 01.401.15334.4299	OPER TSF TO DEBT SVC-LEASE OF JOHN DEERE WHEEL LOADER	25,851.02	25,851.02	\$ 25,851.02
4299 01.401.15335.4299	OPER TSF TO DEBT SVC-LEASE OF LAW ENFORCEMENT MGMT SYSTEM	219,557.60	-	\$ 219,557.60
4299 01.401.15336.4299	OPER TSF TO DEBT SVC-REPUBLIC LEASE OF TURNOUT GEAR	80,000.00	80,000.00	\$ -
4299 01.401.15337.4299	OPER TSF TO DEBT SVC-ESCO LEASE BUILDING	-	-	\$ 100,000.00
4299 01.401.15340.4299	OPER TSF TO DEBT SVC-LEASE FORD TRUCKS 2016	53,925.94	53,925.94	\$ 53,925.94
4299 01.401.15341.4299	OPER TSF TO DEBT SVC-PIB LOAN	244,968.88	-	\$ 244,811.66
4299 01.401.15342.4299	OPER TSF TO DEBT SVC-LEASE STREET LIGHTING	413,345.00	413,345.00	\$ 421,476.00
4299 01.401.15343.4299	2018 AERIAL PLATFORM TRUCK LEASE	102,156.57	102,156.57	\$ 102,156.57
	TOTAL LEASE PAYMENTS	\$ 1,407,801.97	\$ 943,275.49	\$ 1,435,775.75
	TOTAL INTEREST & DEBT SERVICE	\$ 24,967,831.50	\$ 3,421,605.21	\$ 26,234,375.93

CITY OF SCRANTON						
2019 OPERATING BUDGET						
BUDGETED EXPENDITURES						
GENERAL FUND						
Account Number	Account Description	2018 Operating Budget	2018 (Through 9/30/2018)	2019 Operating Budget		
			#			
4299 01.401.13090.4299	CONTINGENCY	705,799.10	-	\$ 596,904.82		
4299 01.401.13100.4299	OECD CONTINGENCY	45,000.00	22,515.68	150,000.00		
4299 01.401.16090.4299	UNENCUMBERED EXPENSES PRIOR YEAR OBLIGATIONS	550,000.00	334,585.65	375,000.00		
4299 01.401.16270.4299	COURT AWARDS	350,000.00	106,272.00	725,000.00		
4299 01.401.17020.4299	VETERAN'S ORGANIZATION	75,000.00	50,000.00	50,000.00		
4299 01.401.17040.4299	OPEB TRUST FUND	150,000.00	-	100,000.00		
4299 01.401.17060.4299	TRIPP PARK COMMUNITY CENTER	1,000.00	1,000.00	1,000.00		
4299 01.401.17080.4299	TARGETED EXPENSES - REVENUE PASS THROUGH ACCOUNT	300,000.00	250,000.00	275,000.00		
4299 01.401.17100.4299	GRANT MATCH	-	-	860,499.00		
	TOTAL UNPAID BILLS / COURT AWARDS / MISC	\$ 2,176,799.10	\$ 764,373.33	\$ 3,133,403.82		
	TOTAL NON-DEPARTMENTAL EXPENDITURES	\$ 27,504,130.60	\$ 4,498,478.57	\$ 30,057,779.75		
	TOTAL GENERAL FUND EXPENDITURES	\$ 107,674,797.79	\$ 56,607,593.78	\$ 110,058,706.66		

Office of the Mayor - #10				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
MAYOR	\$ 75,000.00	1	\$ 75,000.00	1
CONFIDENTIAL SECRETARY	\$ 39,085.00	1	\$ 39,085.00	1
PART-TIME SECRETARY				
ADMINISTRATIVE ASSISTANT	\$ 30,000.00	1	\$ 30,000.00	1
Department of the Mayor Total	\$ 144,085.00	3	\$ 144,085.00	3

Department of Public Safety - #11				
Bureau of Police - #71				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
SUPERINTENDENT OF POLICE	\$ 98,357.07	1	\$ 100,333.81	1
DEPARTMENT CAPTAIN	\$ 90,935.97	1	\$ 92,763.73	1
LIEUTENANT OF DETECTIVES	\$ 84,075.70	1	\$ 85,765.60	1
LIEUTENANT - ADMINISTRATIVE	\$ 80,841.94	1	\$ 82,466.90	1
LIEUTENANTS	\$ 242,525.82	3	\$ 247,400.62	3
SUPERVISOR - NARCOTICS DIVISION	\$ 77,732.94	1	\$ 79,295.30	1
FIRE MARSHALL	\$ 77,732.94	1	\$ 79,295.30	1
DETECTIVE SERGEANT	\$ 310,931.74	4	\$ 317,181.20	4
DETECTIVES	1,195,876.37	16	\$ 1,219,924.96	16
SERGEANTS-TRAINING	\$ 149,484.54	2	\$ 152,490.62	2
SERGEANTS	1,112,838.15	15	\$ 1,143,679.65	15
JUVENILE PATROLMEN	\$ 285,336.19	4	\$ 293,250.84	4
CORPORALS	\$ 567,869.84	8	\$ 575,449.00	8
REGULAR PATROLMEN	\$ 5,700,045.63	89	\$ 6,032,589.10	89
SCHOOL RESOURCE OFFICERS 1/2 FUNDED BY SSD (6 OFFICERS)				
Neighborhood Police Officers Paid by OECD (4 in 2019)	\$ (265,785.32)	(4)	\$ (274,853.00)	(4)
SUBTOTAL POLICE OFFICERS	9,808,799.51	143	10,227,033.63	143
ANIMAL CONTROL OFFICER (a)	58,920.34	2	59,113.30	2
SIT CLERKS	527,404.80	15	537,334.80	15
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	38,057.14	1	38,773.68	1
GRANT MANAGER/SIT CLERK	48,243.03	1	49,151.22	1
SIT CLERK/CRIMINAL INFORMATION SPECIALIST	44,423.48	1	45,259.80	1
Subtotal - Administrative Support	658,128.45	18	670,519.50	18
Bureau of Police Total	\$ 10,525,848.30	163	\$ 10,956,666.44	163
* Scranton School District Reimburses the City for salaries & healthcare of 6 officers based on hours spent in the Schools.				
(a) Animal Control Officer is 1 full-time & 1 part-time				

Department of Public Safety - #11				
Bureau of Fire - #78				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CHIEF/EMERGENCY MANAGEMENT COORDINATOR	\$ 72,228.11	1	\$ 84,728.11	1
DEPUTY CHIEF	\$ 91,081.21	1	\$ 92,911.93	1
ASST. CHIEF	\$ 350,312.33	3	\$ 268,015.19	3
ADMIN. CAPTAIN	\$ 82,584.28	1	\$ 82,598.37	1
CAPTAIN	\$ 1,214,562.91	17	\$ 991,180.44	12
LIEUTENANT	\$ 1,167,848.95	17	\$ 1,111,901.13	14
CHAUFFEUR	\$ 2,620,173.92	36	\$ 2,443,738.75	32
FIRE INSPECTOR	\$ 168,419.38	2	\$ 171,804.61	2
FIRE PREVENTION OFFICER	\$ 84,209.69	1	\$ 85,902.30	1
PRIVATE	\$ 3,011,400.44	43	\$ 4,545,295.34	71
SAFER GRANT- PRIVATE	\$ 675,198.72	14	\$ -	-
MASTER MECHANIC	\$ 84,209.69	1	\$ 85,902.30	1
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	\$ 38,056.98	1	\$ 38,773.68	1
Bureau of Fire Total	\$ 9,660,286.61	138	\$ 10,002,752.16	140

Office of City Clerk/City Council - #20				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY COUNCIL	\$ 62,500.00	5	\$ 62,500.00	5
CITY CLERK	\$ 50,220.00	1	\$ 50,220.00	1
EXECUTIVE ASSISTANT	\$ 38,056.99	1	\$ 38,773.47	1
CONFIDENTIAL SECRETARY	\$ 35,160.38	1	\$ 35,822.32	1
LEGISLATIVE LEGAL ADVISOR (a)	\$ 45,000.00	1	\$ 46,000.00	1
Department of City Clerk / City Council Total	\$ 230,937.37	9	\$ 233,315.79	9
(a) No health care benefits				

City Controller - #30				
Roseann Novembrino, City Controller				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY CONTROLLER	\$ 40,000.00	1	\$ 40,000.00	1
SOLICITOR TO CONTROLLER	\$ 25,092.00	1	\$ 25,092.00	1
CONFIDENTIAL SECRETARY/ASSISTANT	\$ 32,671.00	1	\$ 32,671.00	1
DEPUTY CONTROLLER/ADMIN.	\$ 39,237.00	1	\$ 39,737.00	1
ADMINISTRATIVE ASSISTANT IV -INTERNAL AUDITOR	\$ 39,059.58	1	\$ 39,794.90	1
PROGRAM MONITOR	\$ 34,077.00	1	\$ 34,077.00	1
PERFORMANCE AUDITOR	\$ 38,737.00	1	\$ 39,237.00	1
Department City Controller Total	\$ 248,873.58	7	\$ 250,608.90	7

Department of Business Administration - #40				
Bureau of Administration - #40				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
BUSINESS ADMINISTRATOR	\$ 90,000.00	1	\$ 95,000.00	1
FINANCE MANAGER/ASST. BUSINESS ADMINISTRATOR	\$ 55,900.00	1	\$ 60,900.00	1
SENIOR ACCOUNTANT	\$ 38,400.00	1	\$ 38,900.00	1
STAFF ACCOUNTANT	\$ 37,500.00	1	\$ 38,500.00	1
FINANCIAL ANALYST	\$ 38,057.00	1	\$ 48,961.77	1
ADMINISTRATIVE ASSISTANT III- ACCOUNTS PAYABLE CLERK	\$ 38,057.00	1	\$ 38,773.47	1
ADMINISTRATIVE ASSISTANT IV -PURCHASING CLERK	\$ 39,059.58	1	\$ 39,794.90	1
Bureau of Administration Total	336,973.58	7	360,830.14	7

Department of Business Administration - #40				
Bureau of Human Resources - #41				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
HUMAN RESOURCES DIRECTOR	\$ 53,500.00	1	\$ 56,000.00	1
ADMINISTRATIVE ASSISTANT I-BENEFITS COORDINATOR	\$ 35,160.38	1	\$ 35,822.32	1
ADMIN ASSISTANT III- PAYROLL CLERK	\$ 38,057.00	1	\$ 38,773.47	1
ADMINISTRATIVE ASSISTANT I-CLERICAL FLOATER	\$ 35,160.38	1	\$ 35,822.32	1
WORKER'S COMPENSATION PROGRAM MANAGER	\$ 45,000.00	1	\$ 42,500.00	1
Bureau of Human Resources Total	206,877.76	5	208,918.11	5

Department of Business Administration - #40				
Bureau of Information Technology - #42				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR OF INFORMATION TECHNOLOGY	\$ 51,600.00	1	\$ 54,100.00	1
INFORMATION TECHNOLOGY MANAGER	\$ 41,150.00	1	\$ 42,900.00	1
NETWORK SYSTEMS ASSISTANT	\$ 42,000.00	1	\$ 43,750.00	1
Bureau of Information Technology Total	134,750.00	3	140,750.00	3

Department of Business Administration - #40				
Bureau of Treasury - #43				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY TREASURER	\$ 42,560.00	1	\$ 45,060.00	1
ADMINISTRATIVE ASSISTANT II- CASHIER	\$ 35,873.39	1	\$ 36,548.56	1
ADMINISTRATIVE ASSISTANT II - ASSISTANT CASHIER	\$ 35,873.39	1	\$ 36,548.56	1
Bureau of Treasury Total	\$ 114,306.78	3	\$ 118,157.12	3
Department of Business Administration Total	\$ 792,908.12	18	\$ 828,655.37	18

Office of Economic and Community Development - #50				
Bureau of Administration				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
EXECUTIVE DIRECTOR	\$ 52,152.00	1	\$ 52,152.00	1
DEPUTY DIRECTOR	\$ 43,000.00	1	\$ 44,500.00	1
DIRECTOR OF FINANCE & COMPLIANCE	\$ 43,000.00	1	\$ 43,000.00	1
DIRECTOR OF HOUSING/ADA COMPLIANCE	\$ 34,491.00	1	\$ 36,991.00	1
SOLICITOR	\$ 52,500.00	1	\$ 52,500.00	1
ADMINISTRATIVE ASSISTANT III-FINANCIAL ANALYST	\$ 39,057.00	1	\$ 38,773.47	1
HOUSING SPECIALIST	\$ 36,000.00	1	\$ 36,000.00	1
ADMINISTRATIVE ASSISTANT	\$ 28,000.00	1	\$ -	1
PUBLIC SERVICE/ESG SPECIALIST *	\$ 28,000.00	1	\$ 29,500.00	1
EQUAL OPPORTUNITY SPECIALIST *	\$ 28,000.00	1	\$ 43,000.00	-
Bureau of Administration Total	\$ 384,200.00	10	\$ 376,416.47	9
non-addition to budget	non-addition to budget		non-addition to budget	
*Construction/ADA Specialist & Economic Development/Relocation Specialist position became Housing Specialist				
*Economic Development/Relocation Specialist position became Administrative Assistant				
Office of Economic and Community Development - #50				
Bureau of Neighborhood Police - #515				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
NEIGHBORHOOD POLICE OFFICERS	\$ 265,785.32	4	\$ 271,128.00	4
Bureau of Neighborhood Police Total	\$ 265,785.32	4	\$ 271,128.00	4
OECD Department Total	\$ 649,985.32	14	\$ 647,544.47	13
non-addition to budget	non-addition to budget		non-addition to budget	

Dept. of Licenses, Inspections & Permits - #51				
Bureau of Licenses, Inspections & Permits - #51				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR	\$ 46,760.00	1	\$ 46,760.00	1
Deputy Director	\$ 42,535.00	1	\$ 42,535.00	1
ADMINISTRATIVE ASSISTANT I- PERMIT CLERK	70,320.76	2	\$ 71,644.64	2
ELECTRICAL INSPECTOR	-	-	\$ -	-
PLUMBING INSPECTOR	-	-	\$ -	-
MECHANICAL INSPECTOR	39,839.49	1	\$ 40,589.59	1
WEIGHTS & MEASURES	38,920.34	1	\$ 39,653.13	1
ADMINISTRATIVE ASSISTANT I	35,160.38	1	\$ 35,822.32	1
ENFORCER OF LICENSES	38,920.34	1	\$ 39,653.13	1
ZONING OFFICER/CODE ENFORCER	37,500.00	1	\$ 37,500.00	1
CONFIDENTIAL SECRETARY ZONING/PLANNING	-	-	\$ 30,000.00	1
HOUSING INSPECTORS	194,601.70	5	\$ 198,265.65	5
HOUSING/HEALTH INSPECTOR	38,920.34	1	\$ 39,653.13	1
RENTAL REGISTRATION ASSISTANT/housing inspector	77,840.68	2	\$ 79,306.26	2
CITY PLANNER	45,624.00	1	\$ 45,624.00	1
HEALTH INSPECTOR	38,920.34	1	\$ 39,653.13	1
Bureau of Licenses, Inspections & Permits Total	\$ 745,863.37	19	\$ 786,660.00	20

Dept. of Licenses, Inspections & Permits - #51				
Bureau of Buildings - #82				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
MAINTENANCE	\$ 38,920.34	1	\$ 39,653.13	1
JANITOR	\$ 71,746.78	2	\$ 73,099.66	2
Bureau of Buildings Total	\$ 110,667.12	3	\$ 112,752.79	3
Department of Licenses, Inspections & Permits Total	\$ 856,530.49	22	\$ 899,412.79	23

Law Department - #60				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
CITY SOLICITOR	\$ 64,500.00	1	\$ 69,500.00	1
FIRST ASSISTANT CITY SOLICITOR (full time)	\$ 44,500.00	-	\$ -	-
ASSISTANT CITY SOLICITOR	\$ -	1	\$ 35,000.00	1
ASSISTANT CITY SOLICITOR	\$ 35,000.00	1	\$ 35,000.00	1
PROJECT MANAGER	\$ -	-	\$ 35,000.00	1
TAX OFFICE SOLICITOR	\$ -	-	\$ 25,000.00	1
CONFIDENTIAL SECRETARY	\$ 32,615.38	1	\$ 34,615.38	1
CONFIDENTIAL SECRETARY	\$ 38,997.09	1	\$ 39,997.09	1
Department of Law Total	\$ 215,612.47	5	\$ 274,112.47	7

Department of Public Works - #80				
Bureau of Administration - #80				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
DIRECTOR	\$ 51,875.00	1	\$ 54,375.00	1
RECYCLING COORDINATOR	\$ 35,749.95	1	\$ 36,249.95	1
ADMINISTRATIVE ASSISTANT IV	\$ 39,059.67	1	\$ 39,794.90	1
ADMINISTRATIVE ASSISTANT III- PAYROLL CLERK	\$ 38,056.99	1	\$ 38,773.68	1
Bureau of Administration Total	\$ 164,741.61	4	\$ 169,193.54	4

Department of Public Works - #80				
Bureau of Engineering - #81				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
PAVE CUT INSPECTOR	\$ 38,920.39	1	\$ 39,653.13	1
FLOOD CONTROL PROJECT COORDINATOR	\$ 28,999.98	1	\$ 28,999.98	1
FLOOD CONTROL MAINTENANCE	\$ 44,878.08	1	\$ 45,695.66	1
Bureau of Engineering Total	\$ 112,798.45	3	\$ 114,348.77	3

Department of Public Works - #80				
Bureau of Highways - #83				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
HEAVY EQUIPMENT OPERATOR/CRAFTSMEN	\$ 92,430.62	2	\$ 94,173.58	2
HEAVY EQUIPMENT OPERATOR/LEADER	\$ 184,861.24	4	\$ 188,347.16	4
CHAUFFEUR	\$ 317,766.17	7	\$ 323,635.44	7
REPAIRMAN	\$ 313,488.84	7	\$ 319,184.78	7
DISPATCHER	\$ 44,878.08	1	\$ 45,695.66	1
MAINTENANCE/CRAFTSMAN LEADER	\$ 46,631.73	1	\$ 47,520.02	1
TREE TRIMMER	\$ 46,215.31	1	\$ 47,086.79	1
SWEEPER OPERATOR/CHAUFFEUR	\$ 45,829.47	1	\$ 46,685.38	1
STONE-BRICK LAYER MASON	\$ 45,629.79	1	\$ 46,477.68	1
TRAFFIC/SIGN MAINTENANCE	\$ 41,895.98	1	\$ 85,369.62	2
Bureau of Highways Total	\$ 1,179,627.24	26	\$ 1,244,176.11	27

Department of Public Works - #80				
Bureau of Refuse - #84				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
FOREMAN LEAD	\$ 46,587.30	1	\$ 47,087.30	1
FOREMAN ASSISTANT	\$ 44,000.00	1	\$ 45,000.00	1
OPERATOR LEADER	\$ 600,799.03	13	\$ 612,128.27	13
COLLECTOR LEADER	\$ 45,419.50	1	\$ 45,581.52	1
COLLECTOR	\$ 1,208,748.42	27	\$ 1,230,701.04	27
DISPATCHER	\$ 44,768.46	1	\$ 45,581.52	1
RECYCLING CHAUFFEUR	\$ 184,861.24	4	\$ 188,347.16	4
Bureau of Refuse Total	\$ 2,175,183.95	48	\$ 2,214,426.81	48

Department of Public Works - #80				
Bureau of Garages - #85				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
AUTO REPAIRMAN-LEADER	\$ 93,263.46	2	\$ 95,040.04	2
EQUIPMENT / VEHICLE MAINTENANCE	\$ 46,631.73	1	\$ 47,520.02	1
TIRE-EQUIPMENT REPAIR/HELPER	\$ 45,250.40	1	\$ 46,083.06	1
PARTS MANAGER/AUTO REPAIR/PA STATE VEHICLE INSPECTOR	\$ 45,925.98	1	\$ 46,785.74	1
MOTOR VEHICLE REPAIR	\$ 42,197.75	1	\$ 42,992.09	1
MECHANIC	\$ 42,197.75	1	\$ 42,992.09	1
MECHANIC DIESEL	\$ 42,197.75	1	\$ 42,992.09	1
Bureau of Garages Total	\$ 357,664.82	8	\$ 364,405.11	8
Department of Public Works Total	\$ 3,990,016.07	89	\$ 4,106,550.34	90
Department of Parks & Recreation - #100				
Bureau of Parks & Recreation - #100				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
PARKS AND RECREATION DIRECTOR	\$ 49,000.00	1	\$ 49,500.00	1
PARKS AND RECREATION ASSISTANT	\$ -	-	\$ 30,000.00	1
PROJECT ADMINISTRATOR	42,704.27	1	\$ 43,508.10	1
POOL OPERATORS / GROUNDSKEEPER	\$ 89,939.62	2	\$ 91,582.26	2
PARKS & RECREATION GROUNDSKEEPER	\$ 134,305.38	3	\$ 136,744.56	3
FACILITY MAINTENANCE / GROUNDSKEEPER	\$ 91,556.20	2	\$ 93,263.84	2
Department of Parks & Recreation Total	\$ 407,505.47	9	\$ 444,598.76	10

Single Tax Office - #90 (a)				
	2018		2019	
POSITION/TITLE	Total	#	Total	#
COLLECTOR OF TAXES	\$ 26,650.00	1	\$ 26,650.00	1
CONTROLLER	29,500.00	1	29,500.00	1
LEAD CASHIER	20,566.31	1	20,566.31	1
CASHIER	19,476.12	1	19,476.12	1
CASHIER	19,476.12	1	19,476.12	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
LEAD CLERK	19,476.12	1	19,476.12	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
AUDITOR (b) (Cashier)	38,952.24	1	38,952.24	1
CLERK	18,385.94	1	18,385.94	1
AUDITOR	19,476.12	1	19,476.12	1
AUDITOR	-	-	20,364.90	1
CLERK	18,385.94	1	19,464.80	1
CLERK	18,385.94	1	15,439.50	1
AUDITOR	19,476.12	1	18,877.78	1
CLERK	18,385.94	1	18,385.94	1
LEAD AUDITOR	21,111.40	1	21,111.40	1
Single Tax Office Department Total	\$ 371,038.51	17	\$ 388,937.49	18
(a) Salaries are paid 50% by the City and 50% by the Scranton School District.				
(b) Full Time City employee				

	2018		2019	
	Total	#	Total	#
Total City of Scranton Budgeted Payroll (a)	\$ 27,443,641.99	480	\$ 28,529,695.51	488
(a) Does not include OECD Payroll				

GRA Consulting

September 28, 2018

Mr. David Bulzoni
Business Administrator
City of Scranton
Department of Business Administration
City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: The City's Self-Insured Workers' Compensation Program
Reserve Analysis and Loss Forecast, Self-Insurance Renewal Application

Dear Mr. Bulzoni:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program as of August 31, 2018. This analysis has been conducted to assist the administration of the City with their financial reporting requirements as well as to assist the City in their self-insurance renewal application process with the PA Bureau of Workers' Compensation.

By using the loss experience of The City of Scranton in combination with the City's own development patterns weighted with those patterns as promulgated by the Pennsylvania Bureau of Workers' Compensation, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2018 to be \$17,610,046. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 3.00 percent.

This is a decrease of approximately \$4.75 Million over the prior report. The predominant impacts are twofold:

1. A quarter point increase in the discount rate to 3.0% resulted in an approximate \$400,000 savings when discounting the outstanding obligations of the City, and
2. The introduction of loss development factors based upon the experience of the current TPA PMA. These new tables and resultant development factors were weighted 50/50 with the City's pre-2012 factors prior to weighting that result with those of the Bureau of WC. The PMA factors were on average a 14.5% decrease on the reported loss side while the PMA paid factors, when compared to the City's pre-2012 factors were on average 45 to 70% lower.

Gary R. Abramson, Casualty Actuarial Services
500 Tennessee Avenue #1, Carolina Beach, NC 28428
Tel. (908) 642-3031

Mr. David Bulzoni
9/28/2018
Page 2 of 2

The goal is to phase out the older pre-2012 City development tables over the next two program years and rely exclusively on a PMA & Bureau weighted factor only.

Exhibit 5 details the level of anticipated, expected claims and claims expense expenditures for the 2019 calendar year, which total \$2,916,421. This is approximately \$400,000 less than the prior review. During this analysis we have increased the credit taken to arrive at a reasonable mid-point estimate, one that aligns very closely with the actual cash paid out in claims and related claims expenses over the previous three program years.

We had a prior history of overstating the expected payouts due to two issues: the selected paid loss development factors continued to overestimate the ultimate final costs, and, two, the Bureau's position that the starting point of this exhibit should be estimated ultimate losses by program year that reflect zero potential reinsurance recoveries for any year regardless of whether or not the providing carrier is viewed as qualified or not. This has been the Bureau's position since November of 2005. We believe we have taken appropriate steps to better estimate the expected outlay for the upcoming calendar year.

The Bureau's position continues to be that the estimated ultimate losses used in Exhibit 5 to project the upcoming cash payouts in 2019 be gross of any reinsurance recoverable. As an example of the impact of this position on projecting future outlays, we have estimated that this position results in an overstatement of the expected cash payout during 2019 for the Wilding claim alone of approximately \$105,000.

Finally, as outlined in Table A, combining the expected claims to be paid in 2019 with the other expenses of the Fund as provided by the Business Administration staff, the total expenditures to the Fund for 2019 are anticipated to be \$3,300,718.

Should you have any questions or need for further clarification, please do not hesitate to contact me at (908) 642 - 3031. One original of this report and one working copy for the reinsurance company have been provided. In the interest of complying with the PA WC Bureau's request for a timely review of the actuarial report, I have forwarded an original of this report to Lac Longson, Actuary, PA Bureau of Workers' Compensation in Harrisburg.

The invoice for our services has been included in a separate cover within this mailing.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

GRA: Scranton_cover_September 28_2018.doc

GRA Consulting

September 28, 2018

Mr. Lac Longson
Actuary
Commonwealth of Pennsylvania
Department of Labor & Industry
Self-Insurance and Safety Division
Bureau of Workers' Compensation
1171 S. Cameron Street
Harrisburg, PA 17104-2501

**RE: The City of Scranton
Pennsylvania Self-Insurance Renewal Application Security Requirements**

Dear Mr. Longson:

Gary R. Abramson, Casualty Actuarial Services ("GRA Consulting") has been retained by The City of Scranton to evaluate outstanding losses for the City's workers' compensation self-insurance program. This analysis has been conducted to assist the administration of the City with their annual renewal application establishing security requirements with the Pennsylvania Bureau of Workers' Compensation, Self-Insurance and Safety Division.

By using the loss experience of The City of Scranton in combination with their own historical development patterns, weighted with Pennsylvania statewide development patterns as promulgated by your Department, GRA Consulting has estimated the total discounted outstanding liabilities as of August 31, 2018 to be \$17,610,046. As displayed on Exhibit 4, this amount represents the sum of estimated outstanding losses discounted for future investment earnings at an annual rate of 3.00 percent.

The attached Table A summarizes the projected expenditures for the City's self-insured workers' compensation program for the calendar year commencing January 1, 2019. It includes estimates of the cost of claims and claim expense payments (gross of any anticipated reinsurance recoveries), claims administrative costs, general self-insurance costs and the Trust Fund operating expenses. The development of the claims liability expenses is explained within the attached synopsis; otherwise the expenses associated with 2019 are as estimated by The City based upon expected outlays. As displayed within this table, the projected annual expenditures for calendar year 2019 for all categories combined is \$3,330,718.

If you should have any questions, please do not hesitate to call me at (908) 642-031.

Sincerely,



Gary R. Abramson, ACAS, MAAA
Consulting Actuary

Enclosures

GRA: DOC: SCRANTON_SMRY_8.31.18.DOC
cc: David Bulzoni, Business Administrator

Gary R. Abramson, Casualty Actuarial Services
500 Tennessee Avenue #1, Carolina Beach, NC 28428
Tel. (908) 642-3031

***Projected Annual Expenditure Amounts
Calendar Year 2019***

<u>Category</u>	<u>Amount</u>
1. Claims Liability - midpoint of reasonableness range (Losses & ALAE payments, from Exhibit 5)	\$2,916,421
2. Claims Administrative Expense (PMA Claims Services annual services fee)	\$71,000
3. General Self-Insurance Expenses (Excess Reinsurance, Risk Mgmt Services, Loss Control & Special Assessments)	\$286,797
4. Trust Operating Expenses (Trust Fund fees including investment, accounting and actuarial services)	<u>\$56,500</u>
Total Projected Annual Expenditures (January 1, 2019 through December 31, 2019)	<u><u>\$3,330,718</u></u>

THE CITY OF SCRANTON
Workers' Compensation

SYNOPSIS OF PROCEDURES

The general thrust of this analysis has involved the estimation of expected ultimate losses by program year. This is accomplished in the following fashion.

For all historical injury periods, loss development factors as promulgated by the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division, are combined with the historical development patterns of The City and then applied to the most recent evaluation of losses. This link ratio approach results in the estimation of ultimate losses by program year.

This methodology parallels that employed by the Bureau with the following exceptions:

- (1) Individual large losses, if necessary, are capped at their respective per occurrence retentions, subject to the reinsurance in-force being that as provided by a licensed carrier with a financial rating of at least B+,
- (2) Reported and paid loss development procedures are utilized prior to selecting ultimate loss estimates which are based upon a 60/40 weighted average of the two procedures, and
- (3) The estimated outstanding losses as of the date of evaluation are discounted to a present value basis utilizing the underlying payment pattern of the specific losses at a yield rate representative of the U.S. 30 year Treasury Bond in effect at the time of evaluation, as specified in the PA Bureau of Workers' Compensation, Self-Insurance and Safety Division Regulations, § 125.9 (f).

A detailed explanation of the exhibits and analysis follows.

EXHIBIT 1

Sheet 1 of this exhibit provides a summary of the loss experience under analysis. The experience is that as provided by the PMA Companies, evaluated as of August 31, 2018. PMA assumed all claims administrative responsibilities from PA Claims Services as of March 1, 2013. The data displayed is the collective experience of all previous TPA's as provided to and assimilated by PMA. A comparison of the losses for accident years up through and including 2017/18, will show that during the previous twelve months, the program paid out \$2,378,687 in claims and related expenses, while the reported losses increased by approximately \$1,632,000 over the same time frame. This implies a decrease in the outstanding losses for the City's self-insured program of approximately \$745,000 for policy years up through and including 2017/18. This data has not been audited for accuracy but has been reviewed for reasonableness and consistency.

Sheet 2 of this exhibit provides basic exposure information in the form of number of employees and payroll for the current, prospective and twenty-one historical program periods. Trends in the average annual wage per employee are displayed for each year and for the collective annual history overall.

EXHIBIT 2

Exhibit 2 presents the development of the estimated ultimate losses for the respective accident periods.

Three versions of Exhibit 2 are presented – ultimate losses projected on a fully unlimited basis; ultimate loss projections limited to each policy periods specific per occurrence retention; and ultimate losses limited by the specific per occurrence retention for those reinsurers who have been approved by the Bureau as responsive reinsurers for the time periods under review.

The estimated losses of Exhibit 2, Sheets 2 & 3 have been presented on a limited basis. Excess insurance purchased by the City effectively limits the impact of any large loss to a specific per occurrence retention underlying the program. Column (F) identifies the critical large loss amount by accident period. Any reported claim at or exceeding this limit would effectively be subject to a special capping procedure, thereby limiting its impact on the overall obligations of the City. As of this valuation, 62 individual claims meet this criterion. This is a decrease of three (3) critical value claim from the prior August 2017 analysis.

From Sheet 3 of this exhibit, when the large claims are removed from this capping procedure due to the unlikely recovery of any reinsurance recoverables due from Frontier Insurance for program years 1995 and 1996 and the General Reinsurance Pappy Plan of late 1990-93, the number of critical claims declines to 32 overall. When comparing sheets 2 & 3 of this exhibit, the impact of the unresponsive reinsurance can be estimated at approximately \$6.3 Million. It is Sheet 3 of this exhibit that forms the basis of the final analysis for this review.

The selected expected ultimate losses of this exhibit are based upon a 60/40 weighted average between the two loss development methodologies employed – reported & paid. Due to the influence of the City's previous and highly successful buyout program of older, open claims, it is anticipated that the estimate based solely upon paid losses would overstate the true underlying ultimate losses by program period. Therefore, while it is likely that the true ultimate losses by year will lie somewhere between the estimates developed by the two methodologies, it is expected that they will probably be more closely aligned with those of the reported methodology. This weighting methodology will need to be closely monitored on an ongoing basis to properly reflect the reserving and payment practices of the current TPA.

Development of the selected loss development factors utilized in the projection of ultimate losses for this exhibit is explained in greater detail in the commentary underlying Appendix A.

EXHIBIT 3

Exhibit 3 develops estimated ultimate losses for the current and prospective program years by extending loss-per-exposure estimates from prior accident periods. Various averages are displayed on this exhibit and the selected average attempts to balance responsiveness to current trends with the stability inherent in reviewing several years of experience. The selected average loss rate, per \$100 of payroll, is then multiplied by the estimated payroll base for the individual years, to yield estimated expected ultimate losses for the current, relatively immature March 1, 2018 - February 28, 2019 program year as well as the forecasted results for the March 1, 2019 – February 29, 2020 accident period. The selected loss rate for accident year 2018/19 was reduced by \$1.50 to \$12.00 overall, reflective of improving ultimate loss projections relative to increases in payroll.

Loss trends utilized in this exhibit are selections based upon insurance industry averages. The City's actual wage trend over the previous twenty years led to a half point increase in the wage trend underlying this exhibit. To the extent that the City's actual underlying trend are different, a slight bias in the estimate may result. However, the excess insurance purchased by the City should limit the impact of this risk, at least from a severity viewpoint.

EXHIBIT 4

Exhibit 4 develops the estimated outstanding losses as of August 31, 2018 on both a nominal basis and a discounted basis. The estimated outstanding losses as of August 31, 2018 are calculated by subtracting the paid losses as of that date from the estimate of the limited ultimate losses derived in Exhibit 2, Sheet 3 and Exhibit 3 for program year 2018/19. The discounted outstanding losses of this exhibit were produced through the application of discount factors derived based upon the prevailing 30 year U.S. Treasury Bond rate in effect as of August 31, 2018 and the underlying payment pattern for the specific losses. In addition, there are ten large claims in the 1986/87-1988/89 program years plus another fourteen in the 1999/2000 through 2004/2005 program years as identified in Appendix B with paid to date amounts in excess of their underlying retention. Since Exhibit 2 has already limited these claims to a maximum of the underlying retention, any excess payments have to be backed-out in order to eliminate a double credit for reinsurance recoverable.

The discounted outstanding loss as calculated within Exhibit 4 is approximately \$4.7 Million less than the prior analysis (an approximate 20% improvement). \$400,000 of this improvement is due to a quarter point increase in the selected interest rate used to discount the outstanding obligations. The remaining \$4.3M improvement is due to the loss development factors used to projected ultimate losses. The City's own pre 2012 factors are now weighted equally with the current TPA PMA exclusive factors for the previous four program years. The new weighted City factors are then averaged with those as promulgated by the PA Bureau of WC.

EXHIBIT 5

Exhibit 5 develops a projection of the calendar year 2019 expected claims payments, including allocated claims expenses, for each program year under review. This exhibit simply extrapolates from the unlimited ultimate losses as previously derived for the anticipated annual expenditures commencing January 1, 2019. The projection is based upon the underlying paid loss development patterns that underlie the development of the ultimate losses by program year (attached as Appendix A, Sheets 1-5). By converting the cumulative paid factors into a percentage of losses paid at a given maturity and then comparing that percentage twelve months later, a percentage of losses expected to be paid in the upcoming twelve months can be calculated. The subsequent multiplication across program years yields an anticipated annual expenditure for calendar year 2019 of \$3,645,526. This figure is inclusive of allocated claims expenses since they are contained within the underlying loss data as presented by PMA Companies for this analysis and is further presented gross of any anticipated reinsurance recoveries.

A review of prior years' payouts has shown that this method had generally overstated the projected claims payments for the upcoming twelve months by upwards of \$500,000 to \$1,000,000. The reasoning is two-fold: historical paid development factors are overly conservative based upon the impact of historical buyout programs and the ultimate losses used to project the upcoming payments do not reflect potential reinsurance recoveries.

During this review, we have somewhat smoothed the impact of the historical paid loss development overstatement, yet the results of the ultimate loss projections of Exhibit 2 still show the estimates based upon the paid loss projections only are 15% to 20% higher than those of the reported methodology. Also, the unlimited expected losses in this exhibit do not reflect any potential recoveries from responsible reinsurers. It is estimated that \$4.2M of reported losses on large claims is currently excess of the various underlying self-insured retentions and that \$3.2M of paid losses are currently excess of underlying self-insured retentions and are expected to be covered by those same responsible reinsurers.

Our mid-point of a reasonable range of estimates (\$2,916,421) results in a 20% decrease in expected costs. This selected mid-point is slightly in excess of the actual annual average payout of the past three program years of approximately \$2,889,000 and is approximately \$500,000 larger than the actual average annual payout for the latest two program years. Based upon the average monthly payments over the past thirty-six months (\$240,000), the \$2.916M midpoint appears to be reasonable and adequate.

APPENDIX A

Appendix A presents the analysis of historical loss development patterns utilizing a variety of curve fitting techniques and display's various goodness of fit tests. Pennsylvania WC Bureau development patterns for paid and reported losses and reported claim counts have been used to supplement the City's own experience. The City's own loss development patterns are displayed in the triangulations of Sheets 1-2 & 6-7, for paid and reported losses respectively. Newly added this year is the City's own development experience for the past four evaluations as administered by their current TPA PMA. These are displayed as Sheets 1A-2A and 6A-7A.

PMA has been the current TPA for five and one half years and continues to aggressively settle claims and establish reasonable reserves. As such, PMA's loss development patterns could be argued as the most responsive to current conditions. However, due the somewhat limited experience of PMA (four diagonals, three point to point observations), we are currently not willing to completely exclude the large experience of the older, mixed TPA triangles through August 31, 2011. Therefore, with this review we have weighted the City's older experience and that of PMA equally (50/50) prior to weighing that result 50/50 with the factors as promulgated by the Bureau for Public entities.

Various averages of the development factors are shown, as are those of the PA Bureau of WC. The selected development factors attempt to weigh the responsiveness of the City's own experience with the stability inherent in those of the collective insurance industry in the Commonwealth of Pennsylvania for Industry Grouping 16, Public Administration entities.

The methodology described above results in final selections of paid and reported loss development factors that have declined significantly over the prior valuation. They will need to be closely monitored going forward but the expectation is that they will reach a plateau and level out over the coming one or two evaluations.

APPENDIX B

Appendix B, Sheet 1 presents the derivation of the critical reported loss amounts necessary to identify current large losses that would require special treatment under various per claim retention programs.

These critical loss amounts were used during a review of individual large losses of the City as detailed through a PA Claims Statement of Losses valued as of August 31, 2018. As mentioned previously, currently sixty-two losses meet or exceed these critical amounts and are displayed individually by program year within Sheets 2 through 5 of this Appendix.

APPENDIX C

Appendix C presents the derivation of discount factors used in discounting each accident periods' outstanding liabilities. This exhibit utilizes a discount rate of 3.00% per annum in combination with the selected payment pattern underlying the paid losses. The discount rate is representative of the effective yield as of August 31, 2018 for 30 year US Treasury Bonds.

The City of Scranton
Summary of Historical Loss Experience
As of August 31, 2018

Accident Year	Maturity (months)	Number of Claims			Paid Losses (Net of Subro)	Reported Losses
		Closed	Open	Total		
03/01/79-02/28/80	474	5	1	6	\$1,289,463	\$1,302,549
03/01/80-02/28/81	462	6	1	7	\$1,796,032	\$1,856,328
03/01/81-02/28/82	450	6	1	7	\$2,190,958	\$2,271,537
03/01/82-02/28/83	438	8	1	9	\$742,891	\$818,375
03/01/83-02/28/84	426	2	1	3	\$1,648,772	\$1,755,155
03/01/84-02/28/85	414	5	0	5	\$134,535	\$134,535
03/01/85-02/28/86	402	4	0	4	\$1,307,618	\$1,307,618
03/01/86-02/28/87	390	1	2	3	\$1,430,110	\$1,539,292
03/01/87-02/28/88	378	8	1	9	\$2,435,028	\$2,468,444
03/01/88-02/28/89	366	4	5	9	\$3,169,758	\$3,802,964
03/01/89-02/28/90	354	11	0	11	\$2,001,581	\$2,001,581
03/01/90-02/28/91	342	18	2	20	\$2,801,020	\$3,155,306
03/01/91-02/28/92	330	114	4	118	\$5,607,310	\$5,873,789
03/01/92-02/28/93	318	203	0	203	\$5,270,593	\$5,270,597
03/01/93-02/28/94	306	178	3	181	\$7,692,800	\$7,921,544
03/01/94-02/28/95	294	194	0	194	\$1,815,475	\$1,815,480
03/01/95-02/28/96	282	274	3	277	\$6,893,909	\$6,948,088
03/01/96-02/28/97	270	221	2	223	\$2,593,909	\$2,762,008
03/01/97-02/28/98	258	235	1	236	\$2,272,356	\$2,295,059
03/01/98-02/28/99	246	221	0	221	\$2,236,204	\$2,236,210
03/01/99-02/28/00	234	233	0	233	\$2,026,959	\$2,026,957
03/01/00-02/28/01	222	194	0	194	\$1,751,046	\$1,751,054
03/01/01-02/28/02	210	191	0	191	\$2,505,028	\$2,505,031
03/01/02-02/28/03	198	206	3	209	\$5,648,116	\$5,710,713
03/01/03-02/28/04	186	150	2	152	\$1,577,411	\$1,971,874
03/01/04-02/28/05	174	149	1	150	\$3,088,823	\$3,107,366
03/01/05-02/28/06	162	156	0	156	\$1,576,622	\$1,576,847
03/01/06-02/28/07	150	169	1	170	\$1,813,348	\$1,963,092
03/01/07-02/28/08	138	174	1	175	\$1,519,104	\$1,541,242
03/01/08-02/28/09	126	141	2	143	\$1,527,949	\$1,544,242
03/01/09-02/28/10	114	158	0	158	\$1,543,323	\$1,543,319
03/01/10-02/28/11	102	157	1	158	\$1,785,149	\$1,892,199
03/01/11-02/28/12	90	145	3	148	\$1,998,033	\$2,104,717
03/01/12-02/28/13	78	133	2	135	\$1,311,910	\$1,364,188
03/01/13-02/28/14	66	125	0	125	\$1,207,373	\$1,207,370
03/01/14-02/28/15	54	112	3	115	\$1,744,124	\$1,766,154
03/01/15-02/28/16	42	118	5	123	\$2,667,540	\$4,723,087
03/01/16-02/28/17	30	90	9	99	\$1,671,436	\$2,049,794
03/01/17-02/28/18	18	96	6	102	\$702,094	\$842,814
03/01/18-02/28/19	6	40	24	64	\$140,605	\$206,332
Totals		4655	91	4746	\$93,136,315	\$98,934,851

Source: PMA Companies Loss Summary by Policy, Account # 0441006
Statement of Losses Valued as of August 31, 2018

Note: Claim counts include claims closed without payment, and notice & medical only claims

*The City of Scranton
Summary of Historical Exposure
As of August 31, 2018*

<u>Calendar Year</u>	<u>Number of Employees</u>	<u>Payroll</u>	<u>Average Pay Per EE</u>	<u>Annual Change in Avg Payroll</u>
1997	571	\$18,920,100	\$33,135	
1998	584	\$18,968,992	\$32,481	-2.0%
1999	485	\$19,098,399	\$39,378	21.2%
2000	516	\$22,307,900	\$43,232	9.8%
2001	605	\$24,626,474	\$40,705	-5.8%
2002	580	\$21,313,870	\$36,748	-9.7%
2003	543	\$16,463,598	\$30,320	-17.5%
2004	562	\$20,214,639	\$35,969	18.6%
2005	520	\$17,887,985	\$34,400	-4.4%
2006	529	\$17,807,008	\$33,662	-2.1%
2007	516	\$18,738,747	\$36,315	7.9%
2008	525	\$19,114,409	\$36,408	0.3%
2009	549	\$18,670,308	\$34,008	-6.6%
2010	555	\$24,921,069	\$44,903	32.0%
2011	480	\$24,992,200	\$52,067	16.0%
2012	468	\$22,633,282	\$48,362	-7.1%
2013	498	\$28,699,650	\$57,630	19.2%
2014	480	\$30,574,331	\$63,697	10.5%
2015	475	\$32,395,961	\$68,202	7.1%
2016	474	\$31,625,548	\$66,721	-2.2%
2017	477	\$33,189,637	\$69,580	4.3%
2018	495	\$33,820,483	\$68,324	-1.8%
Average Annual Trend in Average Payroll per Employee:				5.1%
2019 Budgetary	500	\$34,835,097	\$69,670	2.0%

Source: City of Scranton, Department of Business Administration

Estimation of Unlimited Ultimate Losses

(A) Accident Period	(B) Evaluation Date	(C) Maturity (months)	(D) Reported Losses at 8/31/18	(E) Paid Losses at 8/31/18	(F) Large Loss Critical Amount	(G) Number of Losses > Column(F)	(H) Reported on Large Losses	(I) Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	N/A	N/A	N/A	N/A
03/01/87-02/28/88	8/31/2018	378.0	\$2,466,444	\$2,435,028	N/A	N/A	N/A	N/A
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,964	\$3,169,758	N/A	N/A	N/A	N/A
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	N/A	N/A	N/A	N/A
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,306	\$2,801,020	N/A	N/A	N/A	N/A
03/01/91-02/28/92	8/31/2018	330.0	\$5,873,789	\$5,607,310	N/A	N/A	N/A	N/A
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,598	N/A	N/A	N/A	N/A
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	N/A	N/A	N/A	N/A
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	N/A	N/A	N/A	N/A
03/01/95-02/28/96	8/31/2018	282.0	\$6,948,088	\$6,893,909	N/A	N/A	N/A	N/A
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,593,909	N/A	N/A	N/A	N/A
03/01/97-02/28/98	8/31/2018	258.0	\$2,295,059	\$2,272,356	N/A	N/A	N/A	N/A
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	N/A	N/A	N/A	N/A
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	N/A	N/A	N/A	N/A
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	N/A	N/A	N/A	N/A
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	N/A	N/A	N/A	N/A
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	N/A	N/A	N/A	N/A
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,577,411	N/A	N/A	N/A	N/A
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	N/A	N/A	N/A	N/A
03/01/05-02/28/06	8/31/2018	162.0	\$1,576,847	\$1,576,622	N/A	N/A	N/A	N/A
03/01/06-02/28/07	8/31/2018	150.0	\$1,963,092	\$1,813,348	N/A	N/A	N/A	N/A
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	N/A	N/A	N/A	N/A
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	N/A	N/A	N/A	N/A
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	N/A	N/A	N/A	N/A
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	N/A	N/A	N/A	N/A
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,998,033	N/A	N/A	N/A	N/A
03/01/12-02/28/13	8/31/2018	78.0	\$1,364,188	\$1,311,910	N/A	N/A	N/A	N/A
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	N/A	N/A	N/A	N/A
03/01/14-02/28/15	8/31/2018	54.0	\$1,768,154	\$1,744,124	N/A	N/A	N/A	N/A
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,687,540	N/A	N/A	N/A	N/A
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	N/A	N/A	N/A	N/A
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,084	N/A	N/A	N/A	N/A
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	N/A	N/A	N/A	N/A
Totals			\$89,488,754	\$84,026,046				

(J) Accident Period	(K) Evaluation Date	(L) Maturity (months)	(M) Cumulative Rptd Loss Dev Factor	(N) Implied Limited Ultimate Losses	(O) Cumulative Paid Loss Dev Factor	(P) Implied Limited Ultimate Losses	(Q) Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$1,595,564	1.122	\$1,604,556	\$1,598,161
03/01/87-02/28/88	8/31/2018	378.0	1.038	\$2,562,039	1.126	\$2,742,748	\$2,634,323
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$3,952,699	1.131	\$3,585,224	\$3,805,709
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,155,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$3,289,785	1.142	\$3,197,445	\$3,252,849
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$6,134,796	1.147	\$6,433,644	\$6,254,335
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$5,515,159	1.154	\$6,080,559	\$5,741,319
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$8,306,008	1.161	\$8,927,605	\$8,554,047
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,907,808	1.168	\$2,120,382	\$1,992,838
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$7,319,070	1.176	\$8,107,649	\$7,634,501
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,917,167	1.185	\$3,073,630	\$2,979,782
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,431,019	1.195	\$2,714,797	\$2,644,530
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,604,048
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$2,161,544	1.217	\$2,467,732	\$2,284,019
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,874,696	1.231	\$2,155,196	\$1,986,896
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,693,776	1.246	\$3,120,731	\$2,864,558
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$6,171,614	1.263	\$7,131,942	\$6,565,745
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$2,143,080	1.282	\$2,022,200	\$2,094,728
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,399,021	1.304	\$4,028,075	\$3,656,643
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,086,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,182,233	1.360	\$2,465,608	\$2,295,583
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,377
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,768,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,986,634
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,856	1.557	\$2,778,661	\$2,445,659
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,019
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$7,055,939	2.519	\$6,720,129	\$6,921,616
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,863,014	4.964	\$3,484,860	\$2,571,782
03/01/18-02/28/19	8/31/2018	6.0	5.797	\$1,196,126	14.743	\$2,072,870	\$1,546,825
Totals				\$101,012,368		\$115,660,146	\$106,871,478

Columns (D) and (E): Exhibit 1, Sheet 1
Column(F): Not applicable
Columns (G) through (I): Not applicable
Column(M): Appendix A, Sheet 9 & 9A

Column(N): Col(D) x Col(M)
Column(O): Appendix A, Sheet 4 & 4A
Column(P): Col(E) x Col(O)
Column(Q): 60% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions (Assumes Full Reinsurance Recoveries)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/18	Paid Losses at 8/31/18	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	\$242,779	3	\$1,539,291	\$1,430,110
03/01/87-02/28/88	8/31/2018	378.0	\$2,468,444	\$2,435,028	\$339,232	4	\$2,118,651	\$2,085,235
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,954	\$3,169,758	\$290,489	5	\$2,722,285	\$2,089,082
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	\$483,212	0	\$0	\$0
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,306	\$2,801,020	\$482,280	2	\$1,479,151	\$1,124,868
03/01/91-02/28/92	8/31/2018	330.0	\$5,873,789	\$5,607,310	\$336,946	8	\$4,216,448	\$3,949,979
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,593	\$384,341	4	\$2,496,780	\$2,496,780
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	\$383,237	9	\$5,279,008	\$4,996,423
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	\$334,371	0	\$0	\$0
03/01/95-02/28/96	8/31/2018	282.0	\$6,948,088	\$6,693,909	\$476,308	5	\$2,984,355	\$2,934,480
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,593,909	\$474,500	2	\$1,238,456	\$1,079,603
03/01/97-02/28/98	8/31/2018	258.0	\$2,295,059	\$2,272,356	\$378,164	1	\$395,272	\$395,272
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	\$376,740	0	\$0	\$0
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	\$234,578	3	\$942,198	\$942,198
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	\$233,672	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	\$232,863	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	\$277,838	4	\$1,895,941	\$1,877,604
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,577,411	\$322,359	1	\$691,103	\$305,826
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	\$366,084	2	\$915,257	\$915,257
03/01/05-02/28/06	8/31/2018	162.0	\$1,576,847	\$1,576,622	\$454,308	0	\$0	\$0
03/01/06-02/28/07	8/31/2018	150.0	\$1,963,092	\$1,813,348	\$675,728	1	\$712,869	\$563,124
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	\$689,044	0	\$0	\$0
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	\$681,167	0	\$0	\$0
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	\$651,753	0	\$0	\$0
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	\$683,019	0	\$0	\$0
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,998,033	\$667,954	0	\$0	\$0
03/01/12-02/28/13	8/31/2018	78.0	\$1,364,188	\$1,311,910	\$648,898	0	\$0	\$0
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	\$624,084	0	\$0	\$0
03/01/14-02/28/15	8/31/2018	54.0	\$1,768,154	\$1,744,124	\$590,559	0	\$0	\$0
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,667,540	\$542,954	1	\$1,951,614	\$254,869
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	\$470,635	0	\$0	\$0
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,084	\$350,899	0	\$0	\$0
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	\$142,282	0	\$0	\$0
Totals			\$89,488,754	\$84,026,046		62	\$33,879,517	\$29,741,546

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$855,001	1.122	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2018	378.0	1.038	\$1,763,056	1.126	\$1,793,998	\$1,775,433
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$2,823,229	1.131	\$2,922,322	\$2,862,860
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,159,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$2,747,592	1.142	\$2,913,378	\$2,813,906
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$4,530,886	1.147	\$4,701,567	\$4,599,216
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$4,502,525	1.154	\$4,800,082	\$4,621,548
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$6,370,789	1.161	\$6,729,184	\$6,514,147
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,907,808	1.168	\$2,120,382	\$1,932,638
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$6,675,370	1.176	\$7,156,525	\$6,867,832
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,609,139	1.185	\$2,794,364	\$2,683,229
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,412,331	1.195	\$2,642,563	\$2,504,424
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,504,046
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$1,908,785	1.217	\$2,070,640	\$1,972,330
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,545,074	1.231	\$1,664,030	\$1,592,656
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,383,978	1.246	\$2,590,652	\$2,466,648
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$5,322,655	1.263	\$5,861,069	\$5,578,021
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$1,766,972	1.282	\$2,005,138	\$1,862,239
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,197,859	1.304	\$3,634,506	\$3,372,518
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,096,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,139,786	1.360	\$2,449,929	\$2,263,643
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,377
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,755,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,988,694
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,858	1.557	\$2,778,661	\$2,445,658
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,088
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$4,940,373	2.519	\$6,878,056	\$5,715,446
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,963,014	4.864	\$3,484,860	\$2,571,752
03/01/18-02/28/19	8/31/2018	6.0	5.787	\$1,198,128	14.743	\$2,072,870	\$1,546,825
Totals				\$88,996,790		\$105,716,565	\$85,684,699

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 4 & 4A

Columns (G) through (I): PMA Large Loss Report by Policy Period

Column(M): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(F))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 60% of Col. (N) and 40% of Col. (P)

Estimation of Limited Ultimate Losses
Limited to Specific per Claim Retentions

(Assumes Allowable Reinsurance recoveries - all but Frontier 1994-1996 and General Re/Pappy Plan 1990-1993)

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Accident Period	Evaluation Date	Maturity (months)	Reported Losses at 8/31/18	Paid Losses at 8/31/18	Large Loss Critical Amount	Number of Losses > Column(F)	Reported on Large Losses	Paid on Large Losses
03/01/86-02/28/87	8/31/2018	390.0	\$1,539,292	\$1,430,110	\$242,779	3	\$1,539,291	\$1,430,110
03/01/87-02/28/88	8/31/2018	376.0	\$2,468,444	\$2,435,028	\$339,232	4	\$2,118,651	\$2,085,235
03/01/88-02/28/89	8/31/2018	366.0	\$3,802,964	\$3,169,758	\$290,489	5	\$2,722,285	\$2,089,082
03/01/89-02/28/90	8/31/2018	354.0	\$2,001,581	\$2,001,581	\$483,212	0	\$0	\$0
03/01/90-02/28/91	8/31/2018	342.0	\$3,155,308	\$2,801,020	\$482,280	0	\$0	\$0
03/01/91-02/28/92	8/31/2018	330.0	\$5,673,789	\$5,607,310	\$336,946	0	\$0	\$0
03/01/92-02/28/93	8/31/2018	318.0	\$5,270,597	\$5,270,593	\$384,341	0	\$0	\$0
03/01/93-02/28/94	8/31/2018	306.0	\$7,921,544	\$7,692,800	\$383,237	0	\$0	\$0
03/01/94-02/28/95	8/31/2018	294.0	\$1,815,480	\$1,815,475	\$334,371	0	\$0	\$0
03/01/95-02/28/96	8/31/2018	282.0	\$6,848,088	\$6,893,909	\$476,308	0	\$0	\$0
03/01/96-02/28/97	8/31/2018	270.0	\$2,762,008	\$2,693,909	\$474,500	0	\$0	\$0
03/01/97-02/28/98	8/31/2018	258.0	\$2,265,059	\$2,272,356	\$378,164	1	\$395,272	\$395,272
03/01/98-02/28/99	8/31/2018	246.0	\$2,236,210	\$2,236,204	\$376,740	0	\$0	\$0
03/01/99-02/28/00	8/31/2018	234.0	\$2,026,957	\$2,026,959	\$234,578	3	\$942,188	\$942,188
03/01/00-02/28/01	8/31/2018	222.0	\$1,751,054	\$1,751,046	\$233,672	3	\$1,008,418	\$1,008,418
03/01/01-02/28/02	8/31/2018	210.0	\$2,505,031	\$2,505,028	\$232,663	4	\$1,292,419	\$1,292,419
03/01/02-02/28/03	8/31/2018	198.0	\$5,710,713	\$5,648,116	\$277,838	4	\$1,895,841	\$1,877,604
03/01/03-02/28/04	8/31/2018	186.0	\$1,971,874	\$1,977,411	\$322,359	1	\$691,103	\$305,826
03/01/04-02/28/05	8/31/2018	174.0	\$3,107,366	\$3,088,823	\$366,094	2	\$915,257	\$915,257
03/01/05-02/28/06	8/31/2018	162.0	\$1,576,847	\$1,576,822	\$454,306	0	\$0	\$0
03/01/06-02/28/07	8/31/2018	150.0	\$1,063,092	\$1,813,346	\$675,726	1	\$712,869	\$563,124
03/01/07-02/28/08	8/31/2018	138.0	\$1,541,242	\$1,519,104	\$669,044	0	\$0	\$0
03/01/08-02/28/09	8/31/2018	126.0	\$1,544,242	\$1,527,949	\$661,167	0	\$0	\$0
03/01/09-02/28/10	8/31/2018	114.0	\$1,543,319	\$1,543,323	\$851,753	0	\$0	\$0
03/01/10-02/28/11	8/31/2018	102.0	\$1,892,199	\$1,785,149	\$683,019	0	\$0	\$0
03/01/11-02/28/12	8/31/2018	90.0	\$2,104,717	\$1,990,033	\$667,954	0	\$0	\$0
03/01/12-02/28/13	8/31/2018	78.0	\$1,364,188	\$1,311,910	\$648,896	0	\$0	\$0
03/01/13-02/28/14	8/31/2018	66.0	\$1,207,370	\$1,207,373	\$624,084	0	\$0	\$0
03/01/14-02/28/15	8/31/2018	54.0	\$1,766,154	\$1,744,124	\$590,559	0	\$0	\$0
03/01/15-02/28/16	8/31/2018	42.0	\$4,723,087	\$2,667,540	\$542,954	1	\$1,951,614	\$254,869
03/01/16-02/28/17	8/31/2018	30.0	\$2,049,794	\$1,671,436	\$470,635	0	\$0	\$0
03/01/17-02/28/18	8/31/2018	18.0	\$842,814	\$702,094	\$350,889	0	\$0	\$0
03/01/18-02/28/19	8/31/2018	6.0	\$206,332	\$140,605	\$142,282	0	\$0	\$0
Totals			\$89,488,754	\$84,026,046		32	\$16,185,319	\$13,159,415

(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Accident Period	Evaluation Date	Maturity (months)	Cumulative Rptd Loss Dev Factor	Implied Limited Ultimate Losses	Cumulative Paid Loss Dev Factor	Implied Limited Ultimate Losses	Selected Estimated Ultimate Losses
03/01/86-02/28/87	8/31/2018	390.0	1.037	\$855,001	1.122	\$855,000	\$855,000
03/01/87-02/28/88	8/31/2018	376.0	1.038	\$1,763,056	1.126	\$1,793,998	\$1,775,433
03/01/88-02/28/89	8/31/2018	366.0	1.039	\$2,823,229	1.131	\$2,922,322	\$2,862,866
03/01/89-02/28/90	8/31/2018	354.0	1.041	\$2,083,519	1.136	\$2,274,019	\$2,159,719
03/01/90-02/28/91	8/31/2018	342.0	1.043	\$3,289,785	1.142	\$3,197,445	\$3,252,849
03/01/91-02/28/92	8/31/2018	330.0	1.044	\$6,134,796	1.147	\$6,433,844	\$6,254,335
03/01/92-02/28/93	8/31/2018	318.0	1.046	\$5,515,159	1.154	\$6,080,559	\$5,741,319
03/01/93-02/28/94	8/31/2018	306.0	1.049	\$8,306,008	1.161	\$8,927,605	\$8,554,647
03/01/94-02/28/95	8/31/2018	294.0	1.051	\$1,807,808	1.168	\$2,120,382	\$1,992,838
03/01/95-02/28/96	8/31/2018	282.0	1.053	\$7,319,070	1.176	\$8,107,849	\$7,634,501
03/01/96-02/28/97	8/31/2018	270.0	1.056	\$2,917,167	1.185	\$3,073,630	\$2,979,752
03/01/97-02/28/98	8/31/2018	258.0	1.059	\$2,412,331	1.195	\$2,642,563	\$2,504,424
03/01/98-02/28/99	8/31/2018	246.0	1.063	\$2,376,264	1.205	\$2,695,720	\$2,504,046
03/01/99-02/28/00	8/31/2018	234.0	1.066	\$1,806,785	1.217	\$2,070,648	\$1,872,330
03/01/00-02/28/01	8/31/2018	222.0	1.071	\$1,545,074	1.231	\$1,664,030	\$1,592,658
03/01/01-02/28/02	8/31/2018	210.0	1.075	\$2,383,978	1.246	\$2,590,652	\$2,466,648
03/01/02-02/28/03	8/31/2018	198.0	1.081	\$5,322,655	1.263	\$5,961,069	\$5,578,021
03/01/03-02/28/04	8/31/2018	186.0	1.087	\$1,768,972	1.282	\$2,005,138	\$1,862,239
03/01/04-02/28/05	8/31/2018	174.0	1.094	\$3,197,659	1.304	\$3,634,506	\$3,372,518
03/01/05-02/28/06	8/31/2018	162.0	1.102	\$1,737,735	1.330	\$2,096,426	\$1,881,211
03/01/06-02/28/07	8/31/2018	150.0	1.112	\$2,139,786	1.360	\$2,449,929	\$2,263,843
03/01/07-02/28/08	8/31/2018	138.0	1.123	\$1,730,895	1.395	\$2,119,600	\$1,886,477
03/01/08-02/28/09	8/31/2018	126.0	1.137	\$1,755,572	1.438	\$2,197,442	\$1,932,320
03/01/09-02/28/10	8/31/2018	114.0	1.154	\$1,780,720	1.491	\$2,300,655	\$1,988,604
03/01/10-02/28/11	8/31/2018	102.0	1.175	\$2,223,658	1.557	\$2,770,661	\$2,445,858
03/01/11-02/28/12	8/31/2018	90.0	1.203	\$2,531,453	1.641	\$3,279,245	\$2,830,570
03/01/12-02/28/13	8/31/2018	78.0	1.240	\$1,691,112	1.754	\$2,301,052	\$1,935,088
03/01/13-02/28/14	8/31/2018	66.0	1.291	\$1,559,070	1.911	\$2,307,152	\$1,858,303
03/01/14-02/28/15	8/31/2018	54.0	1.368	\$2,416,550	2.143	\$3,737,890	\$2,945,086
03/01/15-02/28/16	8/31/2018	42.0	1.494	\$4,940,373	2.519	\$6,878,056	\$5,715,446
03/01/16-02/28/17	8/31/2018	30.0	1.732	\$3,549,793	3.223	\$5,387,580	\$4,284,908
03/01/17-02/28/18	8/31/2018	18.0	2.329	\$1,963,014	4.964	\$3,484,860	\$2,571,752
03/01/18-02/28/19	8/31/2018	6.0	5.797	\$1,196,128	14.743	\$2,072,870	\$1,548,825
Totals				\$95,042,373		\$112,441,897	\$102,002,222

Columns (D) and (E): Exhibit 1, Sheet 1

Column(F): Appendix B, Sheet 1

Columns (G) through (I): PMA Large Loss Report by Policy Period

Column(M): Appendix A, Sheet 9 & 9A

Column(N): (Col(D)-Col(H))xCol(M) + Col(G) x Specific Retention

Column(O): Appendix A, Sheet 4 & 4A

Column(P): (Col(E)-Col(I))xCol(O) + Col(G) x Specific Retention

Column(Q): 60% of Col. (N) and 40% Col. (P)

Estimation of Limited Ultimate Losses

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Limited Ultimate Losses	Loss Trend Factor	Trended Limited Ultimate Losses	Payroll	Payroll Trend Factor	Adjusted Payroll	Loss Rate per \$100 of Payroll
03/01/08-02/28/09	\$1,932,320	1.791	\$3,460,491	\$19,040,392	1.553	\$29,569,147	\$11.70
03/01/09-02/28/10	\$1,988,694	1.689	\$3,359,857	\$19,712,101	1.486	\$29,294,058	\$11.47
03/01/10-02/28/11	\$2,445,658	1.594	\$3,898,007	\$24,932,924	1.422	\$35,457,126	\$10.99
03/01/11-02/28/12	\$2,830,570	1.504	\$4,256,130	\$24,599,047	1.361	\$33,475,904	\$12.71
03/01/12-02/28/13	\$1,935,088	1.419	\$2,744,959	\$23,644,343	1.302	\$30,791,086	\$8.91
03/01/13-02/28/14	\$1,858,303	1.338	\$2,486,829	\$29,012,097	1.246	\$36,154,351	\$6.88
03/01/14-02/28/15	\$2,945,086	1.262	\$3,718,103	\$30,877,936	1.193	\$36,822,513	\$10.10
03/01/15-02/28/16	\$5,715,446	1.191	\$6,807,188	\$32,267,559	1.141	\$36,822,645	\$18.49
03/01/16-02/28/17	\$4,284,908	1.124	\$4,814,523	\$31,886,230	1.092	\$34,820,560	\$13.83
03/01/17-02/28/18	\$2,571,752	1.060	\$2,726,058	\$33,294,778	1.045	\$34,793,043	\$7.84
Total	\$28,507,825		\$38,272,145			\$338,000,433	\$11.32
Excl HI & Lo			\$28,978,129			\$265,023,437	\$10.93
Avg Last 5 Yrs			\$20,552,699			\$179,413,112	\$11.46
Avg Last 3 Yrs			\$14,347,768			\$106,436,248	\$13.48

(I)	(J)	(K)	(L)
Accident Period	Selected Loss Rate	Payroll	Forecast Limited Ultimate Losses
03/01/18-02/28/19	\$12.00	\$33,463,880	\$4,015,666
03/01/19-02/28/20	\$12.17	\$35,038,302	\$4,264,949

Column(B): Exhibit 2, Sheet 3

Column(C): Based upon a selected annual loss trend of 6.0%

Column(D): Column (B) x Column (C)

Column(E): Exhibit 1, Sheet 2

Column(F): Based upon a selected annual wage trend of 4.5%

Column(G): Column (E) x Column (F)

Column(H): Column (D) / Column (G)

Column(J): Selected average of Column (H), trended for 2019-20

Column(K): Exhibit 1, Sheet 2

Column(L): Column (J) x Column (K)

**The City of Scranton
Worker's Compensation**

Exhibit 4

Projection of Discounted Outstanding Losses

(A) <u>Accident Year</u>	(B) <u>Limited Ultimate Losses</u>	(C) <u>Paid Losses</u>	(D) <u>Outstanding Losses</u>	(E) <u>Discount Factor</u>	(F) <u>Discounted Outstanding Losses</u>
<i>As of August 31, 2018;</i>					
Pre - 1986	\$9,446,097	\$9,110,269	\$335,828	1.000	\$335,828
1986/87	\$855,000	\$850,000	\$5,001	1.000	\$5,001
1987/88	\$1,775,433	\$1,749,793	\$25,640	0.985	\$25,266
1988/89	\$2,862,866	\$2,687,344	\$175,522	0.971	\$170,410
1989/90	\$2,159,719	\$2,001,581	\$158,138	0.964	\$152,376
1990/91	\$3,252,849	\$2,801,020	\$451,829	0.956	\$432,062
1991/92	\$6,254,335	\$5,607,310	\$647,025	0.943	\$609,988
1992/93	\$5,741,319	\$5,270,593	\$470,726	0.929	\$437,428
1993/94	\$8,554,647	\$7,692,800	\$861,847	0.915	\$788,834
1994/95	\$1,992,838	\$1,815,475	\$177,363	0.901	\$159,858
1995/96	\$7,634,501	\$6,893,909	\$740,592	0.887	\$657,124
1996/97	\$2,979,752	\$2,593,909	\$385,843	0.873	\$336,951
1997/98	\$2,504,424	\$2,272,356	\$232,068	0.859	\$199,432
1998/99	\$2,504,046	\$2,236,204	\$267,842	0.845	\$226,447
1999/00	\$1,972,330	\$1,832,579	\$139,751	0.832	\$116,228
2000/01	\$1,592,656	\$1,481,672	\$110,984	0.818	\$90,775
2001/02	\$2,466,648	\$2,303,711	\$162,937	0.804	\$131,052
2002/03	\$5,578,021	\$4,970,512	\$607,509	0.791	\$480,366
2003/04	\$1,862,239	\$1,571,585	\$290,654	0.780	\$226,728
2004/05	\$3,372,518	\$2,973,566	\$398,952	0.769	\$306,957
2005/06	\$1,881,211	\$1,576,622	\$304,589	0.762	\$232,090
2006/07	\$2,263,843	\$1,813,348	\$450,495	0.755	\$339,918
2007/08	\$1,886,377	\$1,519,104	\$367,273	0.750	\$275,413
2008/09	\$1,932,320	\$1,527,949	\$404,371	0.745	\$301,349
2009/10	\$1,988,694	\$1,543,323	\$445,371	0.744	\$331,257
2010/11	\$2,445,658	\$1,785,149	\$660,509	0.742	\$490,315
2011/12	\$2,830,570	\$1,998,033	\$832,537	0.743	\$618,558
2012/13	\$1,935,088	\$1,311,910	\$623,178	0.745	\$464,547
2013/14	\$1,858,303	\$1,207,373	\$650,930	0.749	\$487,833
2014/15	\$2,945,086	\$1,744,124	\$1,200,962	0.755	\$906,707
2015/16	\$5,715,446	\$2,667,540	\$3,047,906	0.762	\$2,322,934
2016/17	\$4,284,908	\$1,671,436	\$2,613,472	0.771	\$2,014,445
2017/18	\$2,571,752	\$702,094	\$1,869,658	0.781	\$1,459,525
2018/19	<u>\$2,007,833</u>	<u>\$140,605</u>	<u>\$1,867,228</u>	0.791	<u>\$1,476,045</u>
Totals	\$111,909,327	\$89,924,798	\$21,984,529		\$17,610,046

Column (B): Exhibit 2, Sheet 3, or Exhibit 1, Sheet 1 for Pre-1986

Accident Year 2018/19 from Loss Forecast, Exhibit 3, as of 6 months

Column (C): Exhibit 1, Sheet 1, less claim payments in excess of SIR

(applicable to program years 1986 - 1988, 1999 - 2004)

Column (D): Column (B) - Column (C)

Column (E): Appendix C

Column (F): Column (D) x Column (E)

Projection of Annual Expenditure Amounts
Calendar Year 2019

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Year	Unlimited Ultimate Losses	Accident Year Age (in months) at 12/31/18	Ultimate Paid Loss Development Factor	Percentage Paid As of at 12/31/18	Percentage of Losses Paid in Upcoming 12 Months	Anticipated Losses & ALAE Paid in Upcoming 12 Months
Pre - 1986	\$9,446,097	442	1.025	97.6%	1.0%	\$94,461
1986/87	\$1,599,161	394	1.051	95.1%	1.0%	\$15,992
1987/88	\$2,634,323	382	1.063	94.0%	1.1%	\$28,278
1988/89	\$3,805,709	370	1.075	93.0%	1.0%	\$39,940
1989/90	\$2,159,719	358	1.087	92.0%	1.0%	\$22,166
1990/91	\$3,252,849	346	1.099	91.0%	1.0%	\$32,656
1991/92	\$6,254,335	334	1.111	90.0%	1.0%	\$61,432
1992/93	\$5,741,319	322	1.123	89.0%	1.0%	\$55,188
1993/94	\$8,554,647	310	1.135	88.1%	0.9%	\$80,493
1994/95	\$1,992,838	298	1.148	87.1%	1.0%	\$19,872
1995/96	\$7,634,501	286	1.161	86.1%	1.0%	\$74,423
1996/97	\$2,979,752	274	1.174	85.2%	1.0%	\$28,404
1997/98	\$2,544,530	262	1.187	84.2%	0.9%	\$23,724
1998/99	\$2,504,046	250	1.200	83.3%	0.9%	\$22,841
1999/00	\$2,284,019	238	1.213	82.4%	0.9%	\$20,388
2000/01	\$1,986,896	226	1.226	81.6%	0.9%	\$17,179
2001/02	\$2,864,558	214	1.241	80.6%	0.9%	\$27,129
2002/03	\$6,555,745	202	1.257	79.6%	1.0%	\$68,273
2003/04	\$2,094,728	190	1.275	78.4%	1.2%	\$24,091
2004/05	\$3,650,643	178	1.296	77.1%	1.3%	\$46,580
2005/06	\$1,881,211	166	1.321	75.7%	1.4%	\$26,765
2006/07	\$2,295,583	154	1.349	74.1%	1.6%	\$36,622
2007/08	\$1,886,377	142	1.383	72.3%	1.8%	\$33,950
2008/09	\$1,932,320	130	1.423	70.3%	2.0%	\$39,500
2009/10	\$1,988,694	118	1.472	67.9%	2.3%	\$46,520
2010/11	\$2,445,658	106	1.533	65.2%	2.7%	\$66,016
2011/12	\$2,830,570	94	1.610	62.1%	3.1%	\$88,990
2012/13	\$1,935,088	82	1.712	58.4%	3.7%	\$71,597
2013/14	\$1,858,303	70	1.852	54.0%	4.4%	\$81,859
2014/15	\$2,945,086	58	2.054	48.7%	5.3%	\$156,441
2015/16	\$6,921,615	46	2.371	42.2%	6.5%	\$449,507
2016/17	\$4,284,908	34	2.930	34.1%	8.1%	\$344,938
2017/18	\$4,015,666	22	4.158	24.0%	10.1%	\$404,982
2018/19	\$4,015,666	10	8.709	11.5%	12.6%	\$504,603
2019/00	\$4,264,949	0	N/A	0.0%	11.5%	\$489,728
Totals	\$126,042,107					\$3,645,526

Column (B): Exhibit 2, Sheet 1 or Exhibit 3 for Accident Years 2018 and 2019

Column (D): Appendix A, Sheet 5, runoff of 1998/99 and prior

Column (E): 1/Column (D)

Column (F): Annual Differences in Column (E)

Pre-1986 based upon factors from Appendix A, Sheet 3, 4 year prior

Column (G): Column (B) x Column (F)

\$2,187,316	@ 60%
\$2,916,421	Midpoint

City of Saratoga
Workers Compensation

Analysis Based Upon Paid Loss and Expenses

As of December 31, 2011

ACIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	262 Months	276 Months	288 Months	300 Months
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ACIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	262 Months	276 Months	288 Months	300 Months
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ACIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	262 Months	276 Months	288 Months	300 Months
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Paid Triangles

2x Sep-10

Analysis Based Upon Paid Loss and Expenses
As of December 31, 2011

	Point-to-Point Paid Loss Development Factors																								Tail
	12:24	24:38	38:58	48:80	60:72	72:84	84:96	96:108	108:120	120:132	132:144	144:156	156:168	168:180	180:192	192:204	204:216	216:228	228:240	240:252	252:264	264:276	276:288	288:300	
Str. Average	2.232	1.450	1.270	1.285	1.151	1.123	1.088	1.074	1.059	1.033	1.069	1.045	1.034	1.052	1.028	1.030	1.035	1.021	1.021	1.025	1.022	1.022	1.024	1.024	
Wgt'd Avg.	2.184	1.459	1.250	1.287	1.144	1.145	1.088	1.085	1.062	1.038	1.057	1.042	1.033	1.045	1.027	1.029	1.032	1.017	1.019	1.022	1.021	1.021	1.023	1.024	
Avg (x-high & low)	2.202	1.442	1.249	1.257	1.134	1.116	1.088	1.072	1.055	1.038	1.062	1.039	1.034	1.041	1.030	1.032	1.031	1.021	1.022	1.022	1.022	1.025	1.023	1.024	
Selected	2.215	1.460	1.200	1.285	1.145	1.135	1.088	1.078	1.059	1.038	1.082	1.042	1.034	1.048	1.028	1.030	1.033	1.020	1.020	1.022	1.022	1.022	1.023	1.024	1.100
Cumulative/No tail	12.418	5.806	3.887	2.222	2.547	2.225	1.960	1.805	1.874	1.681	1.523	1.434	1.376	1.331	1.273	1.238	1.202	1.183	1.141	1.118	1.094	1.071	1.048	1.024	
Cumulative/w/tail	13.260	6.027	4.158	3.484	2.736	2.391	2.107	1.940	1.800	1.699	1.537	1.542	1.480	1.431	1.358	1.331	1.282	1.251	1.228	1.202	1.178	1.151	1.126	1.101	1.075
PMA Fitted	3.511	1.818	1.424	1.286	1.188	1.138	1.108	1.087	1.072	1.080	1.052	1.045	1.040	1.035	1.031	1.028	1.026	1.023	1.021	1.020	1.021	1.021	1.021	1.021	
50/50 Internal LDFs	8.430	3.922	2.790	2.395	1.982	1.795	1.607	1.513	1.439	1.380	1.345	1.293	1.260	1.233	1.200	1.179	1.159	1.137	1.124	1.111					
2008 Bureau Factors	6.778	3.415	2.701	2.320	2.070	1.906	1.789	1.685	1.607	1.540	1.476	1.418	1.384	1.316	1.270	1.228	1.190	1.157							
Cumulative for Industry Grouping 18: Public Administration																									
50/50 Weighting (Bureau/Scranton Internal)	7.804	3.699	2.746	2.343	2.018	1.828	1.688	1.596	1.521	1.480	1.410	1.358	1.312	1.274	1.235	1.204	1.174								

Analysis Based Upon Paid Loss and Expenses
As of August 31, 2018

ACCIDENT YEAR	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months
3/1/97 - 2/28/98																			\$2,264,932	\$2,265,003
3/1/98 - 2/28/99																				
3/1/99 - 2/28/00																		\$2,154,794	\$2,216,524	\$2,235,751
3/1/00 - 2/28/01																	\$2,026,959	\$2,026,959	\$2,026,959	\$2,026,959
3/1/01 - 2/28/02																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/02 - 2/28/03																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/03 - 2/28/04																	\$5,609,932	\$5,627,769	\$5,638,984	\$5,646,116
3/1/04 - 2/28/05																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/05 - 2/28/06																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/06 - 2/28/07																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/07 - 2/28/08																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/08 - 2/28/09																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/09 - 2/28/10																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/10 - 2/28/11																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/11 - 2/28/12																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/12 - 2/28/13																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/13 - 2/28/14																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/14 - 2/28/15																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/15 - 2/28/16																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116
3/1/16 - 2/28/17																	\$1,751,046	\$1,751,046	\$1,751,046	\$1,751,046
3/1/17 - 2/28/18																	\$2,505,028	\$2,505,028	\$2,505,028	\$2,505,028
3/1/18 - 2/28/19																	\$5,627,769	\$5,638,984	\$5,646,116	\$5,646,116

ACCIDENT YEAR	6:18	18:30	30:42	42:54	54:66	66:78	78:90	90:102	102:114	114:126	126:138	138:150	150:162	162:174	174:186	186:198	198:210	210:222	222:234
3/1/97 - 2/28/98																			1.001
3/1/98 - 2/28/99																			1.009
3/1/99 - 2/28/00																			1.000
3/1/00 - 2/28/01																			1.000
3/1/01 - 2/28/02																			1.000
3/1/02 - 2/28/03																			1.000
3/1/03 - 2/28/04																			1.000
3/1/04 - 2/28/05																			1.000
3/1/05 - 2/28/06																			1.000
3/1/06 - 2/28/07																			1.000
3/1/07 - 2/28/08																			1.000
3/1/08 - 2/28/09																			1.000
3/1/09 - 2/28/10																			1.000
3/1/10 - 2/28/11																			1.000
3/1/11 - 2/28/12																			1.000
3/1/12 - 2/28/13																			1.000
3/1/13 - 2/28/14																			1.000
3/1/14 - 2/28/15																			1.000
3/1/15 - 2/28/16																			1.000
3/1/16 - 2/28/17																			1.000
3/1/17 - 2/28/18																			1.000

Analysis Based Upon Paid Loss and Expenses
As of August 31, 2018

	Point to Point Paid Loss Development Factors																			
	<u>6:18</u>	<u>18:30</u>	<u>30:42</u>	<u>42:54</u>	<u>54:66</u>	<u>66:78</u>	<u>78:90</u>	<u>90:102</u>	<u>102:114</u>	<u>114:126</u>	<u>126:138</u>	<u>138:150</u>	<u>150:162</u>	<u>162:174</u>	<u>174:186</u>	<u>196:198</u>	<u>198:210</u>	<u>210:222</u>	<u>222:234</u>	Tot
Str. Average	5.770	1.346	1.127	1.139	1.028	1.018	1.020	1.013	1.038	1.013	1.010	1.008	1.005	1.008	1.006	1.001	1.000	1.010	1.003	
Wgt'd Avg.	5.877	1.305	1.139	1.121	1.027	1.018	1.019	1.014	1.034	1.014	1.011	1.006	1.004	1.005	1.004	1.001	1.000	1.010	1.003	
Avg (x-high & low)	5.259	1.261	1.119	1.114	1.020	1.018	1.021	1.013	1.012	1.004	1.003	1.000	1.000	1.003	1.002	1.000	1.000	1.000	1.001	
Selected	5.750	1.300	1.125	1.120	1.027	1.018	1.020	1.015	1.035	1.013	1.010	1.006	1.004	1.005	1.004	1.001	1.000	1.010	1.005	
Cumulative/No tail	11.179	1.944	1.495	1.329	1.187	1.156	1.135	1.113	1.097	1.059	1.046	1.036	1.029	1.025	1.020	1.016	1.015	1.015	1.005	
Cumulative/w/tail	11.179	1.944	1.495	1.329	1.187	1.156	1.135	1.113	1.097	1.059	1.046	1.036	1.029	1.025	1.020	1.016	1.015	1.015	1.005	1.000

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	12.418	12.00	0.92	120	1.478	2.48	-2.48	120	1.551	-2.48	2.44	120	1.622	120	1.551
24	5.605	24.00	0.54	132	1.382	3.18	-1.63	132	1.466	-3.18	1.53	132	1.551	132	1.466
36	3.867	36.00	0.30	144	1.307	3.58	-1.21	144	1.397	-3.58	1.05	144	1.494	144	1.397
48	3.222	48.00	0.16	156	1.248	3.87	-0.99	156	1.340	-3.87	0.80	156	1.448	156	1.340
60	2.547	60.00	-0.07	168	1.201	4.09	-0.70	168	1.293	-4.09	0.44	168	1.406	168	1.293
72	2.225	72.00	-0.22	180	1.164	4.28	-0.52	180	1.254	-4.28	0.20	180	1.372	180	1.254
84	1.950	84.00	-0.40	192	1.134	4.43	-0.34	192	1.220	-4.43	-0.04	192	1.342	192	1.220
96	1.805	96.00	-0.53	204	1.110	4.56	-0.21	204	1.192	-4.56	-0.22	204	1.317	204	1.192
108	1.674	108.00	-0.66	216	1.090	4.68	-0.09	216	1.168	-4.68	-0.39	216	1.295	216	1.168
				228	1.074			228	1.147			228	1.275	228	1.147
				240	1.061			240	1.128			240	1.258	240	1.128
				252	1.050			252	1.113			252	1.242	252	1.113
				264	1.041			264	1.099			264	1.228	264	1.099
				276	1.034			276	1.087			276	1.216	276	1.087
				288	1.028			288	1.077			288	1.205	288	1.077
				300	1.023			300	1.068			300	1.194	300	1.068
				312	1.019			312	1.060			312	1.185	312	1.060
				324	1.016			324	1.053			324	1.176	324	1.053
				336	1.013			336	1.046			336	1.168	336	1.046
				348	1.011			348	1.041			348	1.161	348	1.041
SUM		540.00	0.05			35.17	-8.16			-35.17	5.80				
AVERAGE		60.00	0.01			3.91	-0.91			-3.91	0.64				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =		9.000		N =		9.000		N =		9.000			
		A =		13.290		A =		0.006		A =		273.503			
		B =		0.984		B =		1.069		B =		1.271			
		R^2 =		0.977		R^2 =		0.998		R^2 =		0.997			

CITY_PAID_TAIL.xls

28-Sep-18

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 & City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
 Sheet 4

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A \cdot (B^X)$ (Power Model)		Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)		Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
		TRANSFORMED VALUES		TRANSFORMED VALUES		TRANSFORMED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	LN(X)	Double Log [Y/(Y-1)]	LN(1/X)	LN(Y-1)	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X'	Y'	X'	Y'	X'	Y'	X	Y
12	7.604	12.00	0.71	6.0	6.243	2.48	-1.96	6.0	12.639
24	3.669	24.00	0.26	18.0	4.507	3.18	-1.14	18.0	4.973
36	2.746	36.00	0.01	30.0	3.448	3.58	-0.79	30.0	3.325
48	2.343	48.00	-0.16	42.0	2.767	3.87	-0.59	42.0	2.597
60	2.016	60.00	-0.36	54.0	2.309	4.09	-0.38	54.0	2.186
72	1.836	72.00	-0.60	66.0	1.989	4.28	-0.24	66.0	1.922
84	1.698	84.00	-0.64	78.0	1.780	4.43	-0.12	78.0	1.740
96	1.599	96.00	-0.76	90.0	1.592	4.56	-0.02	90.0	1.606
		102.0	1.466			102.0	1.505	102.0	1.557
		114.0	1.369			114.0	1.425	114.0	1.491
		126.0	1.295			126.0	1.382	126.0	1.438
		138.0	1.237			138.0	1.311	138.0	1.395
		150.0	1.191			150.0	1.268	150.0	1.360
		162.0	1.154			162.0	1.233	162.0	1.330
		174.0	1.125			174.0	1.203	174.0	1.304
		186.0	1.102			186.0	1.178	186.0	1.282
		198.0	1.083			198.0	1.156	198.0	1.263
		210.0	1.068			210.0	1.138	210.0	1.246
		222.0	1.055			222.0	1.122	222.0	1.231
		234.0	1.045			234.0	1.108	234.0	1.217
SUM		432.00	-1.43	30.48	-5.24	-30.48	2.59		
AVERAGE		54.00	-0.18	3.81	-0.65	-3.81	0.34		
		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES			
		N =	8,000	N =	8,000	N =	8,000		
		A =	7.538	A =	0.016	A =	104.410		
		B =	0.984	B =	0.912	B =	1.132		
		R^2 =	0.953	R^2 =	0.991	R^2 =	0.998		

PAID_FIT.xls

28-Sep-18

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 & City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
 Sheet 4A

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	7.604	12.00	0.71	246.0	1.037	2.48	-1.96	246.0	1.096	-2.48	1.89	246.0	1.205	246.0	1.205
24	3.669	24.00	0.26	253.0	1.030	3.18	-1.14	258.0	1.085	-3.18	0.98	258.0	1.195	258.0	1.195
36	2.746	36.00	0.01	270.0	1.025	3.58	-0.79	270.0	1.076	-3.58	0.56	270.0	1.185	270.0	1.185
48	2.343	48.00	-0.16	282.0	1.020	3.87	-0.59	282.0	1.067	-3.87	0.29	282.0	1.176	282.0	1.176
60	2.016	60.00	-0.36	294.0	1.017	4.09	-0.38	294.0	1.060	-4.09	0.02	294.0	1.168	294.0	1.168
72	1.836	72.00	-0.50	306.0	1.014	4.28	-0.24	306.0	1.054	-4.28	-0.18	306.0	1.161	306.0	1.161
84	1.695	84.00	-0.64	318.0	1.011	4.43	-0.12	318.0	1.048	-4.43	-0.36	318.0	1.154	318.0	1.154
96	1.599	96.00	-0.76	330.0	1.009	4.56	-0.02	330.0	1.043	-4.56	-0.51	330.0	1.147	330.0	1.147
				342.0	1.008			342.0	1.039			342.0	1.142	342.0	1.142
				354.0	1.006			354.0	1.035			354.0	1.136	354.0	1.136
				366.0	1.005			366.0	1.031			366.0	1.131	366.0	1.131
				378.0	1.004			378.0	1.028			378.0	1.126	378.0	1.126
				390.0	1.003			390.0	1.025			390.0	1.122	390.0	1.122
				402.0	1.003			402.0	1.022			402.0	1.118	402.0	1.118
				414.0	1.002			414.0	1.020			414.0	1.114	414.0	1.114
				426.0	1.002			426.0	1.018			426.0	1.110	426.0	1.110
				438.0	1.002			438.0	1.016			438.0	1.107	438.0	1.107
				450.0	1.001			450.0	1.015			450.0	1.104	450.0	1.104
				462.0	1.001			462.0	1.013			462.0	1.101	462.0	1.101
				474.0	1.001			474.0	1.012			474.0	1.098	474.0	1.098
SUM		432.00	-1.43			30.48	-5.24			-30.48	2.69				
AVERAGE		54.00	-0.18			3.81	-0.65			-3.81	0.34				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	7.538			A =	0.016			A =	104.410				
		B =	0.984			B =	0.912			B =	1.132				
		R^2 =	0.953			R^2 =	0.991			R^2 =	0.998				

PAID_FIT2.xls

28-Sep-18

The City of Scranton
City of Scranton WC Paid Loss Development Factors
PMA experience only

Appendix A
Sheet 4B

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES				TRANSFORMED VALUES				TRANSFORMED VALUES				FITTED VALUES	
X	Y	X	LN(LN(Y))			LN(X)	Double Log [Y/(Y-1)]			LN(1/X)	LN(Y-1)				
Cumulative Maturity (Months)	Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
6	11.179	6.00	0.88	12.0	2.429	1.79	-2.37	12.0	3.728	-1.79	2.32	12.0	3.511	12.0	3.511
18	1.944	18.00	-0.41	24.0	1.877	2.89	-0.33	24.0	2.086	-2.89	-0.06	24.0	1.818	24.0	1.818
30	1.495	30.00	-0.91	36.0	1.563	3.40	0.10	36.0	1.578	-3.40	-0.70	36.0	1.424	36.0	1.424
42	1.329	42.00	-1.26	48.0	1.373	3.74	0.33	48.0	1.343	-3.74	-1.11	48.0	1.266	48.0	1.266
54	1.187	54.00	-1.76	60.0	1.252	3.99	0.61	60.0	1.216	-3.99	-1.68	60.0	1.186	60.0	1.186
66	1.156	66.00	-1.93	72.0	1.173	4.19	0.70	72.0	1.140	-4.19	-1.86	72.0	1.138	72.0	1.138
78	1.135	78.00	-2.06	84.0	1.120	4.36	0.75	84.0	1.092	-4.36	-2.00	84.0	1.108	84.0	1.108
90	1.113	90.00	-2.23	96.0	1.084	4.50	0.83	96.0	1.081	-4.50	-2.18	96.0	1.087	96.0	1.087
102	1.097	102.00	-2.38	108.0	1.059	4.62	0.89	108.0	1.041	-4.62	-2.34	108.0	1.072	108.0	1.072
114	1.059	114.00	-2.65	120.0	1.041	4.74	1.06	120.0	1.028	-4.74	-2.82	120.0	1.060	120.0	1.060
				132.0	1.029			132.0	1.019			132.0	1.052	132.0	1.052
				144.0	1.021			144.0	1.013			144.0	1.045	144.0	1.045
				156.0	1.015			156.0	1.008			156.0	1.040	156.0	1.040
				168.0	1.010			168.0	1.006			168.0	1.035	168.0	1.035
				180.0	1.007			180.0	1.004			180.0	1.031	180.0	1.031
				192.0	1.005			192.0	1.003			192.0	1.028	192.0	1.028
				204.0	1.004			204.0	1.002			204.0	1.026	204.0	1.026
				216.0	1.003			216.0	1.001			216.0	1.023	216.0	1.023
				228.0	1.002			228.0	1.001			228.0	1.021	228.0	1.021
				240.0	1.001			240.0	1.001			240.0	1.020	240.0	1.020
SUM		600.00	-14.93			38.22	2.58			-38.22	-12.43				
AVERAGE		60.00	-1.49			3.82	0.26			-3.82	-1.24				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	10.000			N =	10.000			N =	10.000				
		A =	3.493			A =	0.022			A =	140.124				
		B =	0.972			B =	1.064			B =	1.618				
		R^2 =	0.884			R^2 =	0.931			R^2 =	0.984				

PMA_PAID_FIT.xls

28-Sep-18

The City of Scranton
 Weighted Average of PA Bureau of WC Paid Loss Development Factors
 & City of Scranton WC Weighted Paid Loss Development Factors

Appendix A
 Sheet 5

ANALYSIS OF DEVELOPMENT PATTERNS
 USING "THE METHOD OF LEAST SQUARES"

		Curve: $Y = A(B^X)$ (Power Model)				Curve: $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve: $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Paid Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	7.604	12.00	0.71	10	5.561	2.48	-1.96	10	8.124	-2.48	1.89	10	8.709	10	8.709
24	3.669	24.00	0.26	22	4.098	3.18	-1.14	22	4.231	-3.18	0.98	22	4.158	22	4.158
36	2.746	36.00	0.01	34	3.189	3.58	-0.79	34	3.027	-3.58	0.56	34	2.930	34	2.930
48	2.343	48.00	-0.16	46	2.594	3.87	-0.59	46	2.436	-3.87	0.29	46	2.371	46	2.371
60	2.016	60.00	-0.36	58	2.190	4.09	-0.38	58	2.086	-4.09	0.02	58	2.054	58	2.054
72	1.836	72.00	-0.50	70	1.905	4.28	-0.24	70	1.854	-4.28	-0.18	70	1.852	70	1.852
84	1.698	84.00	-0.64	82	1.699	4.43	-0.12	82	1.691	-4.43	-0.36	82	1.712	82	1.712
96	1.599	96.00	-0.78	94	1.546	4.56	-0.02	94	1.569	-4.56	-0.51	94	1.610	94	1.610
				106	1.431			106	1.476			106	1.533	106	1.533
				118	1.342			118	1.403			118	1.472	118	1.472
				130	1.274			130	1.344			130	1.423	130	1.423
				142	1.220			142	1.296			142	1.383	142	1.383
				154	1.178			154	1.256			154	1.349	154	1.349
				166	1.144			166	1.223			166	1.321	166	1.321
				178	1.117			178	1.194			178	1.296	178	1.296
				190	1.095			190	1.170			190	1.275	190	1.275
				202	1.078			202	1.150			202	1.257	202	1.257
				214	1.063			214	1.132			214	1.241	214	1.241
				226	1.052			226	1.117			226	1.226	226	1.226
				238	1.042			238	1.104			238	1.213	238	1.213
SUM		432.00	-1.43			30.48	-5.24			-30.48	2.69				
AVERAGE		54.00	-0.18			3.81	-0.65			-3.81	0.34				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =		8.000		N =		8.000		N =		8.000			
		A =		7.538		A =		0.016		A =		104.410			
		B =		0.984		B =		0.912		B =		1.132			
		R^2 =		0.953		R^2 =		0.991		R^2 =		0.998			

PAYOUTS.xls

28-Sep-18

City of Scranton
Workers Compensation
Analysis Based Upon Incurred Loss and Expenses
As of December 31, 2017

ACCIDENT YEAR	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months	264 Months	276 Months	288 Months	300 Months	
1/1/87 - 12/31/87																										
1/1/88 - 12/31/88																										
1/1/89 - 12/31/89																										
1/1/90 - 12/31/90																										
1/1/91 - 12/31/91																										
1/1/92 - 12/31/92																										
1/1/93 - 12/31/93																										
1/1/94 - 12/31/94																										
1/1/95 - 12/31/95																										
1/1/96 - 12/31/96																										
1/1/97 - 12/31/97																										
1/1/98 - 12/31/98																										
1/1/99 - 12/31/99																										
1/1/00 - 12/31/00																										
1/1/01 - 12/31/01																										
1/1/02 - 12/31/02																										
1/1/03 - 12/31/03																										
1/1/04 - 12/31/04																										
1/1/05 - 12/31/05																										
1/1/06 - 12/31/06																										
1/1/07 - 12/31/07																										
1/1/08 - 12/31/08																										
1/1/09 - 12/31/09																										
1/1/10 - 12/31/10																										
1/1/11 - 12/31/11																										

ACCIDENT YEAR	12/24	24/28	36/48	48/60	60/72	72/84	84/96	96/108	108/120	120/132	132/144	144/156	156/168	168/180	180/192	192/204	204/216	216/228	228/240	240/252	252/264	264/276	276/288	288/300	
1/1/87 - 12/31/87																									
1/1/88 - 12/31/88																									
1/1/89 - 12/31/89																									
1/1/90 - 12/31/90																									
1/1/91 - 12/31/91																									
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1/1/94 - 12/31/94																									
1/1/95 - 12/31/95																									
1/1/96 - 12/31/96																									
1/1/97 - 12/31/97																									
1/1/98 - 12/31/98																									
1/1/99 - 12/31/99																									
1/1/00 - 12/31/00																									
1/1/01 - 12/31/01																									
1/1/02 - 12/31/02																									
1/1/03 - 12/31/03																									
1/1/04 - 12/31/04																									
1/1/05 - 12/31/05																									
1/1/06 - 12/31/06																									
1/1/07 - 12/31/07																									
1/1/08 - 12/31/08																									
1/1/09 - 12/31/09																									
1/1/10 - 12/31/10																									
1/1/11 - 12/31/11																									

24-Sep-18

Rep'd: Timmofsky

Gery R. Abramson, Casualty Actuarial Services

Analysis Based Upon Incurred Loss and Expenses
As of December 31, 2011

	Point-to-Point Incurred Loss Development Factors																								Tail
	12:24	24:38	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:132	132:144	144:156	156:168	168:180	180:192	192:204	204:216	216:228	228:240	240:252	252:264	264:276	276:288	288:300	Tail
Str. Average	2.155	1.322	1.308	1.082	0.985	1.015	1.047	1.007	1.013	0.980	1.037	1.012	1.002	1.006	1.000	1.002	1.003	1.005	1.012	1.018	0.995	1.002	1.002	1.004	1.009
Weight Avg.	1.387	1.248	1.188	1.069	0.994	1.007	1.033	1.001	1.015	0.988	1.033	1.017	1.005	1.002	1.001	1.003	1.005	0.998	1.008	1.018	0.995	1.002	1.004	1.009	
Avg (x-high & low)	2.025	1.287	1.183	1.082	0.990	1.018	1.028	1.013	1.008	1.003	1.031	1.008	1.001	1.000	1.002	1.007	1.004	1.006	1.003	1.003	0.995	1.002			
Selected	2.025	1.300	1.185	1.082	0.985	1.012	1.035	1.007	1.013	1.000	1.034	1.012	1.003	1.003	1.002	1.005	1.004	1.005	1.010	1.015	0.995	1.002	1.003	1.009	1.010
Cumulative/No tail	3.930	1.941	1.493	1.260	1.184	1.182	1.189	1.129	1.121	1.108	1.108	1.070	1.057	1.054	1.051	1.049	1.044	1.040	1.034	1.024	1.009	1.014	1.012	1.009	1.010
Cumulative/w/tail	3.970	1.990	1.538	1.272	1.176	1.194	1.190	1.140	1.132	1.117	1.117	1.081	1.068	1.065	1.062	1.059	1.054	1.050	1.045	1.034	1.019	1.024	1.022	1.019	1.010
PMA Rates	2.484	1.590	1.267	1.171	1.121	1.081	1.072	1.058	1.049	1.041	1.036	1.031	1.028	1.025	1.022	1.020	1.018	1.017	1.015	1.014					
50/50 Internal LDFs	3.217	1.730	1.357	1.222	1.149	1.143	1.128	1.099	1.090	1.079	1.077	1.058	1.048	1.045	1.042	1.040	1.036	1.033	1.030	1.024					
2005 Bureau Factors	3.271	2.112	1.788	1.580	1.484	1.380	1.334	1.283	1.268	1.225	1.192	1.181	1.134	1.110	1.087	1.066									
Cumulative for Industry Grouping 18: Public Administration																									
50/50 Weighting (Bureau/Scranton Internal)	3.244	1.921	1.586	1.401	1.308	1.287	1.230	1.199	1.174	1.152	1.134	1.109	1.081	1.077	1.084	1.053									

Analysis Based Upon Incurred Loss and Expenses
As of August 31, 2018

ACCIDENT YEAR	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months
3/1/87 - 2/28/88																			\$2,270,879	\$2,270,747
3/1/88 - 2/28/89																		\$2,374,008	\$2,441,945	\$2,235,767
3/1/89 - 2/28/90																	\$2,026,957	\$2,026,957	\$2,026,957	\$2,026,957
3/1/90 - 2/28/91																\$1,751,054	\$1,751,054	\$1,751,054	\$1,751,054	\$1,751,054
3/1/91 - 2/28/92																\$2,505,031	\$2,505,031	\$2,505,031	\$2,505,031	\$2,505,031
3/1/92 - 2/28/93																\$5,704,170	\$5,704,170	\$5,704,170	\$5,704,170	\$5,704,170
3/1/93 - 2/28/94																\$1,947,031	\$1,947,031	\$1,947,031	\$1,947,031	\$1,947,031
3/1/94 - 2/28/95																\$3,094,492	\$3,094,492	\$3,094,492	\$3,094,492	\$3,094,492
3/1/95 - 2/28/96																\$1,576,847	\$1,576,847	\$1,576,847	\$1,576,847	\$1,576,847
3/1/96 - 2/28/97																\$1,963,092	\$1,963,092	\$1,963,092	\$1,963,092	\$1,963,092
3/1/97 - 2/28/98																\$1,523,700	\$1,523,700	\$1,523,700	\$1,523,700	\$1,523,700
3/1/98 - 2/28/99																\$1,509,845	\$1,509,845	\$1,509,845	\$1,509,845	\$1,509,845
3/1/99 - 2/28/10																\$1,412,329	\$1,412,329	\$1,412,329	\$1,412,329	\$1,412,329
3/1/10 - 2/28/11																\$1,790,208	\$1,790,208	\$1,790,208	\$1,790,208	\$1,790,208
3/1/11 - 2/28/12																\$1,769,998	\$1,769,998	\$1,769,998	\$1,769,998	\$1,769,998
3/1/12 - 2/28/13																\$2,023,665	\$2,023,665	\$2,023,665	\$2,023,665	\$2,023,665
3/1/13 - 2/28/14																\$1,332,040	\$1,332,040	\$1,332,040	\$1,332,040	\$1,332,040
3/1/14 - 2/28/15																\$1,186,236	\$1,186,236	\$1,186,236	\$1,186,236	\$1,186,236
3/1/15 - 2/28/16																\$1,256,112	\$1,256,112	\$1,256,112	\$1,256,112	\$1,256,112
3/1/16 - 2/28/17																\$1,627,129	\$1,627,129	\$1,627,129	\$1,627,129	\$1,627,129
3/1/17 - 2/28/18																\$1,541,469	\$1,541,469	\$1,541,469	\$1,541,469	\$1,541,469
3/1/18 - 2/28/19																\$1,786,154	\$1,786,154	\$1,786,154	\$1,786,154	\$1,786,154

ACCIDENT YEAR	6:18	18:30	30:42	42:54	54:66	66:78	78:90	90:102	102:114	114:126	126:138	138:150	150:162	162:174	174:186	186:198	198:210	210:222	222:234
3/1/87 - 2/28/88																			1.000
3/1/88 - 2/28/89																		1.029	0.918
3/1/89 - 2/28/90																	1.000	1.000	1.000
3/1/90 - 2/28/91																	1.000	1.000	1.000
3/1/91 - 2/28/92																	1.000	1.000	1.000
3/1/92 - 2/28/93																	1.000	1.000	1.000
3/1/93 - 2/28/94																	1.000	1.000	1.000
3/1/94 - 2/28/95																	1.000	1.000	1.000
3/1/95 - 2/28/96																	1.000	1.000	1.000
3/1/96 - 2/28/97																	1.000	1.000	1.000
3/1/97 - 2/28/98																	1.000	1.000	1.000
3/1/98 - 2/28/99																	1.000	1.000	1.000
3/1/99 - 2/28/10																	1.000	1.000	1.000
3/1/10 - 2/28/11																	1.000	1.000	1.000
3/1/11 - 2/28/12																	1.000	1.000	1.000
3/1/12 - 2/28/13																	1.000	1.000	1.000
3/1/13 - 2/28/14																	1.000	1.000	1.000
3/1/14 - 2/28/15																	1.000	1.000	1.000
3/1/15 - 2/28/16																	1.000	1.000	1.000
3/1/16 - 2/28/17																	1.000	1.000	1.000
3/1/17 - 2/28/18																	1.000	1.000	1.000
3/1/18 - 2/28/19																	1.000	1.000	1.000

Analysis Based Upon Incurred Loss and Expenses
As of August 31, 2018

	Point to Point Incurred Loss Development Factors																		
	<u>6:18</u>	<u>18:30</u>	<u>30:42</u>	<u>42:54</u>	<u>54:66</u>	<u>66:78</u>	<u>78:90</u>	<u>90:102</u>	<u>102:114</u>	<u>114:126</u>	<u>126:138</u>	<u>138:150</u>	<u>150:162</u>	<u>162:174</u>	<u>174:186</u>	<u>186:198</u>	<u>198:210</u>	<u>210:222</u>	<u>222:234</u>
Str. Average	6.273	1.275	1.055	1.141	1.025	0.998	1.001	1.034	1.029	1.013	0.971	1.002	1.003	0.978	1.002	1.000	1.000	1.010	0.972
Wgid Avg.	6.135	1.220	1.054	1.113	1.027	0.998	1.000	1.037	1.029	1.014	0.971	0.999	1.002	0.963	1.002	1.001	1.000	1.011	0.969
Avg (x-high & low)	3.444	1.334	1.058	1.076	1.021	1.003	1.000	1.018	1.012	1.010	1.000	1.000	1.000	1.000	1.002	1.000	1.000	1.000	1.000
Selected	3.600	1.275	1.055	1.100	1.025	1.003	1.001	1.030	1.030	1.012	1.001	1.001	1.002	1.001	1.002	1.001	1.000	1.010	1.000
Cumulative/No tail	5.825	1.664	1.305	1.237	1.125	1.097	1.094	1.093	1.081	1.030	1.018	1.017	1.016	1.014	1.013	1.011	1.010	1.010	1.000
Cumulative/w/tail	5.825	1.664	1.305	1.237	1.125	1.097	1.094	1.093	1.061	1.030	1.018	1.017	1.016	1.014	1.013	1.011	1.010	1.010	1.000

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
12	3.930	12.00	0.31	120.0	1.009	2.48	-1.23	120	1.010	-2.48	1.08	120	1.052	120	1.010
24	1.941	24.00	-0.41	132.0	1.005	3.18	-0.32	132	1.006	-3.18	-0.06	132	1.044	132	1.006
36	1.493	36.00	-0.91	144.0	1.003	3.58	0.10	144	1.003	-3.58	-0.71	144	1.038	144	1.003
48	1.260	48.00	-1.47	156.0	1.002	3.87	0.46	156	1.002	-3.87	-1.35	156	1.033	156	1.002
60	1.164	60.00	-1.88	168.0	1.001	4.09	0.67	168	1.001	-4.09	-1.81	168	1.029	168	1.001
				180.0	1.001			180	1.001			180	1.025	180	1.001
				192.0	1.000			192	1.000			192	1.023	192	1.000
				204.0	1.000			204	1.000			204	1.020	204	1.000
				216.0	1.000			216	1.000			216	1.018	216	1.000
				228.0	1.000			228	1.000			228	1.017	228	1.000
				240.0	1.000			240	1.000			240	1.015	240	1.000
				252.0	1.000			252	1.000			252	1.014	252	1.000
				264.0	1.000			264	1.000			264	1.013	264	1.000
				276.0	1.000			276	1.000			276	1.012	276	1.000
				288.0	1.000			288	1.000			288	1.011	288	1.000
				300.0	1.000			300	1.000			300	1.010	300	1.000
				312.0	1.000			312	1.000			312	1.010	312	1.000
				324.0	1.000			324	1.000			324	1.009	324	1.000
				336.0	1.000			336	1.000			336	1.008	336	1.000
				348.0	1.000			348	1.000			348	1.008	348	1.000
SUM		180.00	-4.36			17.21	-0.32			-17.21	-2.85				
AVERAGE		36.00	-0.87			3.44	-0.06			-3.44	-0.57				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N = 5.000				N = 5.000				N = 5.000					
		A = 8.527				A = 0.016				A = 255.180					
		B = 0.956				B = 1.180				B = 1.775					
		R^2 = 0.991				R^2 = 0.998				R^2 = 0.995					

CITY_RPTD_FIT_TAIL.xls

28-Sep-18

The City of Scranton
Weighted Average of PA Bureau of WC Incurred Loss Development Factors
& City of Scranton WC Weighted Incurred Loss Development Factors

Appendix A
Sheet 9

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A^*(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X'	Y'	X	Y	X'	Y'	X	Y	X'	Y'	X	Y	X	Y
12	3.244	12.00	0.16	6.0	2.680	2.48	-1.00	6.0	4.649	-2.48	0.61	6.0	5.797	6.0	5.797
24	1.921	24.00	-0.43	18.0	2.151	3.18	-0.31	18.0	2.349	-3.18	-0.08	18.0	2.329	18.0	2.329
36	1.588	36.00	-0.77	30.0	1.814	3.58	-0.01	30.0	1.794	-3.58	-0.53	30.0	1.732	30.0	1.732
48	1.401	48.00	-1.09	42.0	1.589	3.87	0.22	42.0	1.538	-3.87	-0.91	42.0	1.494	42.0	1.494
60	1.306	60.00	-1.32	54.0	1.433	4.09	0.37	54.0	1.390	-4.09	-1.18	54.0	1.368	54.0	1.368
72	1.267	72.00	-1.44	66.0	1.323	4.28	0.44	66.0	1.296	-4.28	-1.32	66.0	1.291	66.0	1.291
84	1.230	84.00	-1.58	78.0	1.243	4.43	0.52	78.0	1.230	-4.43	-1.47	78.0	1.240	78.0	1.240
96	1.196	96.00	-1.72	90.0	1.184	4.56	0.59	90.0	1.183	-4.56	-1.63	90.0	1.203	90.0	1.203
				102.0	1.140			102.0	1.147			102.0	1.175	102.0	1.175
				114.0	1.107			114.0	1.120			114.0	1.154	114.0	1.154
				126.0	1.083			126.0	1.099			126.0	1.137	126.0	1.137
				138.0	1.064			138.0	1.082			138.0	1.123	138.0	1.123
				150.0	1.049			150.0	1.069			150.0	1.112	150.0	1.112
				162.0	1.038			162.0	1.058			162.0	1.102	162.0	1.102
				174.0	1.029			174.0	1.049			174.0	1.094	174.0	1.094
				186.0	1.023			186.0	1.041			186.0	1.087	186.0	1.087
				198.0	1.018			198.0	1.035			198.0	1.081	198.0	1.081
				210.0	1.014			210.0	1.030			210.0	1.075	210.0	1.075
				222.0	1.011			222.0	1.026			222.0	1.071	222.0	1.071
				234.0	1.008			234.0	1.022			234.0	1.066	234.0	1.066
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	3.059			A =	0.063			A =	38.912				
		B =	0.979			B =	0.754			B =	1.168				
		R^2 =	0.925			R^2 =	0.982			R^2 =	0.997				

RPTD_FIT.xls

28-Sep-18

The City of Scranton

Weighted Average of PA Bureau of WC Incurred Loss Development Factors
City of Scranton WC Incurred Loss Development Factors

Appendix A
Sheet 9A

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \exp(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y	X	Y
12	3.244	12.00	0.16	246.0	1.006	2.48	-1.00	246.0	1.019	-2.48	0.81	246.0	1.063	246.0	1.063
24	1.921	24.00	-0.43	258.0	1.005	3.18	-0.31	258.0	1.016	-3.18	-0.08	258.0	1.059	258.0	1.059
36	1.588	36.00	-0.77	270.0	1.004	3.58	-0.01	270.0	1.014	-3.58	-0.53	270.0	1.056	270.0	1.056
48	1.401	48.00	-1.09	282.0	1.003	3.87	0.22	282.0	1.012	-3.87	-0.91	282.0	1.063	282.0	1.053
60	1.306	60.00	-1.32	294.0	1.002	4.09	0.37	294.0	1.011	-4.09	-1.18	294.0	1.051	294.0	1.051
72	1.267	72.00	-1.44	306.0	1.002	4.28	0.44	306.0	1.009	-4.28	-1.32	306.0	1.049	306.0	1.049
84	1.230	84.00	-1.58	318.0	1.001	4.43	0.52	318.0	1.008	-4.43	-1.47	318.0	1.046	318.0	1.046
96	1.196	96.00	-1.72	330.0	1.001	4.56	0.59	330.0	1.007	-4.56	-1.63	330.0	1.044	330.0	1.044
				342.0	1.001			342.0	1.006			342.0	1.043	342.0	1.043
				354.0	1.001			354.0	1.005			354.0	1.041	354.0	1.041
				366.0	1.001			366.0	1.005			366.0	1.039	366.0	1.039
				378.0	1.000			378.0	1.004			378.0	1.038	378.0	1.038
				390.0	1.000			390.0	1.004			390.0	1.037	390.0	1.037
				402.0	1.000			402.0	1.003			402.0	1.035	402.0	1.035
				414.0	1.000			414.0	1.003			414.0	1.034	414.0	1.034
				426.0	1.000			426.0	1.002			426.0	1.033	426.0	1.033
				438.0	1.000			438.0	1.002			438.0	1.032	438.0	1.032
				450.0	1.000			450.0	1.002			450.0	1.031	450.0	1.031
				462.0	1.000			462.0	1.002			462.0	1.030	462.0	1.030
				474.0	1.000			474.0	1.001			474.0	1.029	474.0	1.029
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N = 8.000				N = 8.000				N = 8.000					
		A = 3.059				A = 0.063				A = 38.912					
		B = 0.979				B = 0.754				B = 1.168					
		R^2 = 0.925				R^2 = 0.982				R^2 = 0.997					

RPTD_FIT2.xls

28-Sep-18

The City of Scranton
City of Scranton WC Incurred Loss Development Factors
PMA experience only

Appendix A
Sheet 9B

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

		Curve : $Y = A(B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)				Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES				TRANSFORMED VALUES				TRANSFORMED VALUES				FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X'	Y'	X	Y	X'	Y'	X	Y	X'	Y'	X	Y	X	Y
6	5.825	6.00	0.57	12.0	1.942	1.79	-1.67	12.0	2.583	-1.79	1.57	12.0	2.464	12.0	2.464
18	1.664	18.00	-0.67	24.0	1.566	2.89	-0.09	24.0	1.669	-2.89	-0.41	24.0	1.500	24.0	1.500
30	1.305	30.00	-1.32	36.0	1.378	3.40	0.37	36.0	1.366	-3.40	-1.19	36.0	1.267	36.0	1.267
42	1.237	42.00	-1.55	48.0	1.250	3.74	0.50	48.0	1.222	-3.74	-1.44	48.0	1.171	48.0	1.171
54	1.125	54.00	-2.14	60.0	1.167	3.99	0.79	60.0	1.142	-3.99	-2.08	60.0	1.121	60.0	1.121
66	1.087	66.00	-2.38	72.0	1.114	4.19	0.88	72.0	1.094	-4.19	-2.33	72.0	1.091	72.0	1.091
78	1.094	78.00	-2.41	84.0	1.078	4.38	0.90	84.0	1.063	-4.38	-2.36	84.0	1.072	84.0	1.072
90	1.093	90.00	-2.42	96.0	1.053	4.50	0.90	96.0	1.043	-4.50	-2.37	96.0	1.058	96.0	1.058
102	1.061	102.00	-2.82	108.0	1.037	4.62	1.05	108.0	1.030	-4.62	-2.79	108.0	1.049	108.0	1.049
114	1.030	114.00	-3.51	120.0	1.025	4.74	1.25	120.0	1.021	-4.74	-3.50	120.0	1.041	120.0	1.041
				132.0	1.018			132.0	1.015			132.0	1.036	132.0	1.036
				144.0	1.012			144.0	1.010			144.0	1.031	144.0	1.031
				156.0	1.008			156.0	1.007			156.0	1.028	156.0	1.028
				168.0	1.006			168.0	1.005			168.0	1.025	168.0	1.025
				180.0	1.004			180.0	1.004			180.0	1.022	180.0	1.022
				192.0	1.003			192.0	1.003			192.0	1.020	192.0	1.020
				204.0	1.002			204.0	1.002			204.0	1.018	204.0	1.018
				216.0	1.001			216.0	1.001			216.0	1.017	216.0	1.017
				228.0	1.001			228.0	1.001			228.0	1.015	228.0	1.015
				240.0	1.001			240.0	1.001			240.0	1.014	240.0	1.014
SUM		600.00	-18.65			38.22	4.90			-38.22	-16.89				
AVERAGE		60.00	-1.87			3.82	0.49			-3.82	-1.69				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	10.000			N =	10.000			N =	10.000				
		A =	2.599			A =	0.052			A =	68.700				
		B =	0.970			B =	0.901			B =	1.549				
		R^2 =	0.889			R^2 =	0.945			R^2 =	0.977				

PMA_RPTD_FIT.xls

28-Sep-18

ANALYSIS OF DEVELOPMENT PATTERNS
USING "THE METHOD OF LEAST SQUARES"

ACTUAL VALUES		Curve : $Y = A^*(B^X)$ (Power Model)		Curve : $Y = 1 / [1 - \text{EXP}(-AX^B)]$ (Weibull)		Curve : $Y = A * (1/X)^B + 1$ (Inverse Power Curve)		*** SELECTED ***	
TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	LN(X)	Double Log [Y/(Y-1)]	LN(1/X)	LN(Y-1)	X	Y
Maturity (Months)	Cumulative Rptd Claim Dev Factor	X	Y	X	Y	X	Y	X	Y
18	1.067	18.00	-2.73	2.89	1.02	8.0	1.270	8.0	1.270
30	1.012	30.00	-4.46	3.40	1.50	20.0	1.048	20.0	1.048
42	1.006	42.00	-5.20	3.74	1.65	32.0	1.013	32.0	1.013
54	1.002	54.00	-6.48	3.99	1.87	44.0	1.004	44.0	1.004
66	1.001	66.00	-7.53	4.19	2.02	56.0	1.001	56.0	1.001
		68.0	1.000			68.0	1.000	68.0	1.000
		80.0	1.000			80.0	1.000	80.0	1.000
		92.0	1.000			92.0	1.000	92.0	1.000
		104.0	1.000			104.0	1.000	104.0	1.000
		116.0	1.000			116.0	1.000	116.0	1.000
		128.0	1.000			128.0	1.000	128.0	1.000
		140.0	1.000			140.0	1.000	140.0	1.000
		152.0	1.000			152.0	1.000	152.0	1.000
		164.0	1.000			164.0	1.000	164.0	1.000
		176.0	1.000			176.0	1.000	176.0	1.000
		188.0	1.000			188.0	1.000	188.0	1.000
		200.0	1.000			200.0	1.000	200.0	1.000
		212.0	1.000			212.0	1.000	212.0	1.000
		224.0	1.000			224.0	1.000	224.0	1.000
		236.0	1.000			236.0	1.000	236.0	1.000
SUM		210.00	-26.40	18.21	8.05	-18.21	-26.36		
AVERAGE		42.00	-5.28	3.64	1.61	-3.64	-5.27		
PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES		PARAMETER ESTIMATES			
N =		5.000		5.000		5.000			
A =		1.344		0.325		2416.726			
B =		0.908		0.751		3.587			
R^2 =		0.987		0.989		0.980			

Appendix A
Sheet 11

		Curve : $Y = A \cdot (B^X)$ (Power Model)				Curve : $Y = 1 / [1 - \text{EXP}(-A \cdot B^X)]$ (Weibull)				Curve : $Y = A \cdot (1/X)^B + 1$ (Inverse Power Curve)				*** SELECTED ***	
ACTUAL VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		TRANSFORMED VALUES		FITTED VALUES		FITTED VALUES	
X	Y	X	LN[LN(Y)]	X	Y	LN(X)	Double Log [Y/(Y-1)]	X	Y	LN(1/X)	LN(Y-1)	X	Y	X	Y
Maturity (Months)	Cumulative Rptd Loss Dev Factor	X'	Y'	X	Y	X'	Y'	X	Y	X'	Y'	X	Y	X	Y
12	3.244	12.00	0.16	8.0	2.573	2.48	-1.00	8.0	3.849	-2.48	0.81	8.0	4.428	8.0	4.428
24	1.921	24.00	-0.43	20.0	2.085	3.18	-0.31	20.0	2.215	-3.18	-0.08	20.0	2.175	20.0	2.175
36	1.588	36.00	-0.77	32.0	1.770	3.58	-0.01	32.0	1.739	-3.58	-0.53	32.0	1.679	32.0	1.679
48	1.401	48.00	-1.09	44.0	1.559	3.87	0.22	44.0	1.508	-3.87	-0.91	44.0	1.468	44.0	1.468
60	1.306	60.00	-1.32	56.0	1.412	4.09	0.37	56.0	1.372	-4.09	-1.18	56.0	1.353	56.0	1.353
72	1.267	72.00	-1.44	68.0	1.307	4.28	0.44	68.0	1.283	-4.28	-1.32	68.0	1.281	68.0	1.281
84	1.230	84.00	-1.58	80.0	1.232	4.43	0.52	80.0	1.221	-4.43	-1.47	80.0	1.233	80.0	1.233
96	1.196	96.00	-1.72	92.0	1.175	4.56	0.59	92.0	1.176	-4.56	-1.63	92.0	1.198	92.0	1.198
				104.0	1.134			104.0	1.142			104.0	1.171	104.0	1.171
				116.0	1.103			116.0	1.116			116.0	1.151	116.0	1.151
				128.0	1.079			128.0	1.096			128.0	1.134	128.0	1.134
				140.0	1.061			140.0	1.080			140.0	1.121	140.0	1.121
				152.0	1.047			152.0	1.067			152.0	1.110	152.0	1.110
				164.0	1.036			164.0	1.056			164.0	1.101	164.0	1.101
				176.0	1.028			176.0	1.047			176.0	1.093	176.0	1.093
				188.0	1.022			188.0	1.040			188.0	1.086	188.0	1.086
				200.0	1.017			200.0	1.034			200.0	1.080	200.0	1.080
				212.0	1.013			212.0	1.029			212.0	1.075	212.0	1.075
				224.0	1.010			224.0	1.025			224.0	1.070	224.0	1.070
				236.0	1.008			236.0	1.021			236.0	1.066	236.0	1.066
SUM		432.00	-8.18			30.48	0.84			-30.48	-6.32				
AVERAGE		54.00	-1.02			3.81	0.10			-3.81	-0.79				
		PARAMETER ESTIMATES				PARAMETER ESTIMATES				PARAMETER ESTIMATES					
		N =	8.000			N =	8.000			N =	8.000				
		A =	3.059			A =	0.053			A =	38.912				
		B =	0.979			B =	0.754			B =	1.168				
		R^2 =	0.925			R^2 =	0.982			R^2 =	0.997				

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 1

Derivation of Large Loss Critical Values

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Implied Trend Factor to 2019	Large Loss Defintion	Maturity at 8/31/18 (months)	Reported Loss Development Factor	Reported Claim Development Factor	Large Loss Critical Reported Amount at 8/31/18
01/01/86-12/31/86	N/A	\$250,000	392	1.030	1.000	\$242,779
01/01/87-12/31/87	N/A	\$350,000	380	1.032	1.000	\$339,232
01/01/88-12/31/88	N/A	\$300,000	368	1.033	1.000	\$290,489
01/01/89-12/31/89	N/A	\$500,000	356	1.035	1.000	\$483,212
01/01/90-12/31/90	N/A	\$500,000	344	1.037	1.000	\$482,280
01/01/91-12/31/91	N/A	\$350,000	332	1.039	1.000	\$336,946
01/01/92-12/31/92	N/A	\$400,000	320	1.041	1.000	\$384,341
01/01/93-12/31/93	N/A	\$400,000	308	1.044	1.000	\$383,237
01/01/94-12/31/94	N/A	\$350,000	296	1.047	1.000	\$334,371
01/01/95-12/31/95	N/A	\$500,000	284	1.050	1.000	\$476,308
01/01/96-12/31/96	N/A	\$500,000	272	1.054	1.000	\$474,500
01/01/97-12/31/97	N/A	\$400,000	260	1.058	1.000	\$378,164
01/01/98-12/31/98	N/A	\$400,000	248	1.062	1.000	\$376,740
01/01/99-12/31/99	N/A	\$250,000	236	1.066	1.000	\$234,578
01/01/00-12/31/00	N/A	\$250,000	224	1.070	1.000	\$233,672
01/01/01-12/31/01	N/A	\$250,000	212	1.075	1.000	\$232,663
01/01/02-12/31/02	N/A*	\$300,000	200	1.080	1.000	\$277,838
01/01/03-12/31/03	N/A*	\$350,000	188	1.086	1.000	\$322,359
01/01/04-12/31/04	N/A*	\$400,000	176	1.093	1.000	\$366,094
01/01/05-12/31/05	N/A*	\$500,000	164	1.101	1.000	\$454,306
01/01/06-12/31/06	N/A	\$750,000	152	1.110	1.000	\$675,726
01/01/07-12/31/07	N/A	\$750,000	140	1.121	1.000	\$669,044
01/01/08-12/31/08	N/A	\$750,000	128	1.134	1.000	\$661,167
01/01/09-12/31/09	N/A	\$750,000	116	1.151	1.000	\$651,753
01/01/10-12/31/10	N/A	\$800,000	104	1.171	1.000	\$683,019
01/01/11-12/31/11	N/A	\$800,000	92	1.198	1.000	\$667,954
01/01/12-12/31/12	N/A	\$800,000	80	1.233	1.000	\$648,896
01/01/13-12/31/13	N/A	\$800,000	68	1.281	1.000	\$624,084
01/01/14-12/31/14	N/A	\$800,000	56	1.353	1.001	\$590,559
01/01/15-12/31/15	N/A	\$800,000	44	1.468	1.004	\$542,954
01/01/16-12/31/16	N/A	\$800,000	32	1.679	1.013	\$470,635
01/01/17-12/31/17	N/A	\$800,000	20	2.175	1.048	\$350,899
01/01/18-12/31/18	N/A	\$800,000	8	4.428	1.270	\$142,282

Note(*): retention increased from \$250,000 to \$300,000 effective 10/17/01, then to \$350,000 10/17/02, and then to \$400,000 effective 10/17/03. At 10/17/04, the SIR increased to \$500,000 and then \$1,500,000 from 10/17/05 to 12/1/05 and then decreased to \$750,000 through the 1/1/09 renewal.

Column (E): Appendix A, Sheet 11; runoff 1997 and prior

Column (F): Appendix A, Sheet 10

Column (G): Column (C)/ Column (E)/ Column (F)

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 2

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/86-02/28/87								
03/01/86	SABLE	\$2,394	\$424,799	\$7,032	\$434,225	\$91,455	\$525,680	\$242,779
07/01/86	MC GEE	\$6,213	\$454,912	\$21,943	\$483,068	\$17,726	\$500,794	\$242,779
01/09/87	HOBAN	\$48,817	\$413,963	\$50,038	<u>\$512,818</u>	<u>\$0</u>	<u>\$512,818</u>	\$339,232
	3 Claims				\$1,430,110	\$109,181	\$1,539,291	
03/01/87-02/28/88								
08/04/87	KERRIGAN	\$175,796	\$433,507	\$20,462	\$629,765	\$33,416	\$663,181	\$339,232
08/09/87	ROSS III	\$8,996	\$368,392	\$2,022	\$379,410	\$0	\$379,410	\$339,232
08/15/87	NOVAK	\$15,304	\$371,897	\$15,027	\$402,228	\$0	\$402,228	\$339,232
09/01/87	GENOVESE	\$166,035	\$484,785	\$23,011	<u>\$673,831</u>	<u>\$0</u>	<u>\$673,831</u>	\$339,232
	4 Claims				\$2,085,235	\$33,416	\$2,118,651	
03/01/88-02/28/89								
05/06/88	MCGOWAN	\$17,515	\$537,095	\$15,655	\$570,265	\$138,231	\$708,496	\$290,489
07/14/88	TASSEY	\$3,990	\$281,218	\$3,038	\$288,247	\$114,038	\$402,285	\$290,489
07/17/88	RESCIGNO	\$0	\$215,050	\$3,372	\$218,421	\$340,098	\$558,519	\$290,489
08/13/88	MCHALE	\$31,714	\$300,486	\$23,443	\$355,642	\$0	\$355,642	\$290,489
01/14/89	HOFFMAN	\$32,152	\$606,318	\$18,037	<u>\$656,507</u>	<u>\$40,836</u>	<u>\$697,343</u>	\$483,212
	5 Claims				\$2,089,082	\$633,203	\$2,722,285	
03/01/90-02/28/91								
06/26/90	JONES	\$0	\$544,908	\$12,896	\$557,804	\$320,959	\$878,763	\$482,280
12/30/90	BENTLER	\$75,543	\$444,566	\$38,214	<u>\$567,063</u>	<u>\$33,326</u>	<u>\$600,389</u>	"Pappy Plan"
	2 Claims				\$1,124,866	\$354,285	\$1,479,151	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 3

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I) Large Loss Critical Reported Amount
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	
03/01/91-02/28/92								
05/06/91	PRICE	\$23,868	\$365,198	\$2,156	\$391,222	\$52,386	\$443,608	\$336,946
07/19/91	WHALEN	\$138,044	\$295,115	\$18,444	\$451,602	\$0	\$451,602	\$336,946
07/24/91	MALINOWSKI	\$59,010	\$507,120	\$46,470	\$612,601	\$113,465	\$726,066	\$336,946
08/01/91	PETRINI	\$1,720	\$442,102	\$5,897	\$449,719	\$22,317	\$472,036	\$336,946
08/21/91	HARVEY	\$119,714	\$322,891	\$58,992	\$501,597	\$0	\$501,597	\$336,946
09/08/91	HUBSHMAN	\$13,294	\$398,781	\$61,227	\$473,302	\$0	\$473,302	\$336,946
11/05/91	SEYMOUR	\$96,312	\$546,905	\$21,588	\$664,805	\$78,301	\$743,106	\$336,946
02/07/92	BIDWELL	\$0	\$395,914	\$9,218	<u>\$405,133</u>	<u>\$0</u>	<u>\$405,133</u>	\$384,341
	8 Claims				\$3,949,979	\$266,469	\$4,216,448	
03/01/92-02/28/93								
08/02/92	DAVIS, B.	\$123,164	\$381,864	\$38,082	\$543,111	\$0	\$543,111	\$384,341
08/26/92	GRISKO	\$72,744	\$535,788	\$33,261	\$641,792	\$0	\$641,792	\$384,341
10/14/92	MONAHAN	\$34,940	\$644,818	\$80,507	\$760,265	\$0	\$760,265	\$384,341
11/29/92	DAVIS, Wm.	\$90,017	\$403,035	\$58,560	<u>\$551,613</u>	<u>\$0</u>	<u>\$551,613</u>	\$384,341
	4 Claims				\$2,496,780	\$0	\$2,496,780	
03/01/93-02/28/94								
03/04/93	POWELL	\$135,145	\$656,063	\$92,737	\$883,945	\$164,626	\$1,048,571	\$383,237
04/15/93	CONLON	\$77,228	\$584,473	\$19,034	\$680,735	\$29,221	\$709,956	\$383,237
05/02/93	WASYLYNIAK	\$59,871	\$470,649	\$27,589	\$558,109	\$0	\$558,109	\$383,237
05/14/93	JEFFERS	\$31,885	\$319,155	\$36,513	\$387,553	\$0	\$387,553	\$383,237
06/22/93	PALUTIS	\$76,477	\$390,796	\$48,169	\$515,442	\$0	\$515,442	\$383,237
07/08/93	ARMFIELD	\$11,005	\$588,113	\$16,879	\$615,997	\$61,749	\$677,746	\$383,237
07/24/93	CAWLEY	\$34,655	\$345,596	\$42,994	\$423,245	\$0	\$423,245	\$383,237
08/11/93	DAFFARO	\$49,843	\$531,593	\$3,881	\$585,317	\$26,988	\$612,305	\$383,237
01/19/94	BURRIER	\$59,239	\$255,436	\$31,406	<u>\$346,081</u>	<u>\$0</u>	<u>\$346,081</u>	\$334,371
	9 Claims				\$4,996,423	\$282,584	\$5,279,008	

LgLosses.xls

28-Sep-18

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/95-02/28/96								
07/20/95	MCGINNIS	\$91,758	\$494,797	\$40,216	\$626,771	\$0	\$626,771	\$476,308
08/23/95	DERMODY	\$8,741	\$625,434	\$70,983	\$705,159	\$0	\$705,159	\$476,308
09/18/95	ANDREJACK	\$45,914	\$363,700	\$52,659	\$462,273	\$19,829	\$482,102	\$476,308
12/07/95	HINKLEY	\$61,862	\$362,619	\$55,955	\$480,436	\$0	\$480,436	\$476,308
01/05/96	DUDZINSKI	\$58,794	\$543,209	\$53,952	<u>\$659,841</u>	<u>\$30,046</u>	<u>\$689,887</u>	\$474,500
	5 Claims				\$2,934,480	\$49,875	\$2,984,355	
03/01/96-02/28/97								
07/24/96	DOYLE	\$586	\$666,365	\$13,380	\$680,330	\$0	\$680,330	\$474,500
09/04/96	MUSSO	\$195,469	\$154,800	\$49,004	<u>\$399,272</u>	<u>\$158,853</u>	<u>\$558,125</u>	
	2 Claims				\$1,079,603	\$158,853	\$1,238,456	
03/01/97-02/28/98								
06/09/97	MATTICKS	\$62,307	\$275,891	\$57,074	<u>\$395,272</u>	<u>\$0</u>	<u>\$395,272</u>	\$378,164
	1 Claim				\$395,272	\$0	\$395,272	
03/01/99-02/28/00								
04/06/99	OTTONE	\$24,493	\$227,517	\$33,777	\$285,787	\$0	\$285,787	\$234,578
05/10/99	KLEE	\$15,904	\$209,899	\$22,015	\$247,818	\$0	\$247,818	\$234,578
01/26/00	MARTIN	\$272,273	\$89,236	\$47,084	<u>\$408,593</u>	<u>\$0</u>	<u>\$408,593</u>	\$233,672
	3 Claims				\$942,198	\$0	\$942,198	
03/01/00-02/28/01								
06/09/00	MEDALLIS	\$103,100	\$148,552	\$30,040	\$281,692	\$0	\$281,692	\$233,672
07/13/00	WAZNAK	\$224,469	\$220,048	\$43,165	\$487,682	\$0	\$487,682	\$233,672
02/17/01	BATYKO	\$44,640	\$156,846	\$37,558	<u>\$239,044</u>	<u>\$0</u>	<u>\$239,044</u>	\$232,663
	3 Claims				\$1,008,418	\$0	\$1,008,418	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX B
Sheet 5

Summary of Critical Value Disability Losses
As of August 31, 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Date of Loss	Named Insured	Medical Paid	Indemnity Paid	Expense Paid	Total Paid	Outstanding Reserves	Total Incurred	Large Loss Critical Reported Amount
03/01/01-02/28/02								
08/10/01	LANNING	\$56,527	\$219,620	\$25,557	\$301,704	\$0	\$301,704	\$232,663
08/23/01	GALELLA	\$44,321	\$184,415	\$27,920	\$256,656	\$0	\$256,656	\$232,663
02/11/02	MACKIN	\$46,164	\$221,969	\$22,969	\$291,102	\$0	\$291,102	\$277,838
02/20/02	OZOVEK	\$143,954	\$268,672	\$30,331	<u>\$442,957</u>	<u>\$0</u>	<u>\$442,957</u>	\$277,838
	4 Claims	(2 post 10/17/01 S/R)			\$1,292,419	\$0	\$1,292,419	
03/01/02-02/28/03								
04/15/02	FARGIONE	\$126,603	\$304,542	\$27,010	\$463,519	\$0	\$463,519	\$277,838
06/12/02	GISOLFI	\$144,865	\$294,596	\$45,856	\$485,317	\$0	\$485,317	\$277,838
07/21/02	ROSAR, J.	\$79,913	\$308,354	\$44,915	\$433,182	\$0	\$433,182	\$277,838
07/25/02	BOEZI	\$195,457	\$223,981	\$76,148	<u>\$495,587</u>	<u>\$18,337</u>	<u>\$513,924</u>	\$277,838
	4 Claims	(all pre 10/17/02)			\$1,877,604	\$18,337	\$1,895,941	
03/01/03-02/28/04								
11/25/03	MALONE	\$4,886	\$292,615	\$8,325	<u>\$305,826</u>	\$385,277	<u>\$691,103</u>	\$368,410
	1 Claim	(1 post 10/16/03 S/R)			\$305,826	\$385,277	\$691,103	
03/01/04-02/28/05								
06/24/04	EIBACH	\$155,654	\$284,209	\$58,192	\$498,055	\$0	\$498,055	\$366,094
09/19/04	McINTYRE	\$149,519	\$236,458	\$20,023	<u>\$417,202</u>	<u>\$0</u>	<u>\$417,202</u>	\$366,094
	2 Claims	(pre 10/17/04)			\$915,257	\$0	\$915,257	
03/01/06-02/28/07								
09/12/06	SVETOVICH	\$168,600	\$296,993	\$97,531	<u>\$563,124</u>	\$149,745	<u>\$712,869</u>	\$675,726
	1 Claim				\$563,124	\$149,745	\$712,869	
03/01/15-02/28/16								
07/11/15	WILDING	\$93,143	\$157,187	\$4,540	<u>\$254,869</u>	\$1,696,745	<u>\$1,951,614</u>	\$542,954
	1 Claim				\$254,869		\$1,951,614	

LgLosses.xls

28-Sep-18

The City of Scranton
Workers' Compensation

APPENDIX C

Derivation of Discount Factors as of 8/31/18

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		Cumulative			% Losses		
Accident	Maturity	Paid Loss	% Losses	Midpoint	Paid		
Period	in Years	Development	Paid	Upcoming	Upcoming	Column(F)	Discount
	at 8/31/18	Factor	at 8/31/18	Period	Period	Discounted	Factor
2018/2019	0.50	14.743	6.8%	1.0	13.4%	0.130	0.791
2017/2018	1.50	4.964	20.1%	2.0	10.9%	0.103	0.781
2016/2017	2.50	3.223	31.0%	3.0	8.7%	0.079	0.771
2015/2016	3.50	2.519	39.7%	4.0	7.0%	0.062	0.762
2014/2015	4.50	2.143	46.7%	5.0	5.7%	0.049	0.755
2013/2014	5.50	1.911	52.3%	6.0	4.7%	0.039	0.749
2012/2013	6.50	1.754	57.0%	7.0	3.9%	0.032	0.745
2011/2012	7.50	1.641	60.9%	8.0	3.3%	0.026	0.743
2010/2011	8.50	1.557	64.2%	9.5	5.3%	0.040	0.742
	10.50	1.438	69.5%	11.5	4.0%	0.028	0.745
	12.50	1.360	73.5%	13.5	3.2%	0.021	0.755
	14.50	1.304	76.7%	15.5	2.5%	0.016	0.769
	16.50	1.263	79.2%	17.5	2.1%	0.012	0.791
	18.50	1.231	81.2%	19.5	2.3%	0.013	0.818
	20.50		83.5%	21.5	2.5%	0.013	0.845
	22.50		86.0%	23.5	2.7%	0.014	0.873
	24.50		88.7%	25.5	3.0%	0.014	0.901
	26.50		91.7%	27.5	3.3%	0.015	0.929
	28.50		95.1%	29.5	3.6%	0.015	0.956
	30.50		98.7%	31.5	1.3%	0.005	0.971
ULT	32.50	1.000	100.0%				

Annual Interest Rate: 3.00%

Column(C): Appendix A, Sheet 4

Column(D): 1 / Column (C)

Column(E): [Column (B), current line + Column (B), next line] * 2

Column(F): Column (D), next line - Column (D), current line

with runoff after 19 years based upon an annual increase of 10% over prior period

Column(G): Column(F) x [1 + Interest Rate]ⁿ - Column(E)]

Column(H): [1 + Interest Rate]ⁿ * Column(B) / [1 - Column(D)] x [Upward Sum, Column(G)]

DFAX.XLS

28-Sep-18



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

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NOV 09 2018


OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE APPROPRIATING FUNDS FOR THE
EXPENSES OF THE CITY GOVERNMENT FOR THE PERIOD COMMENCING
ON THE FIRST DAY OF JANUARY, 2019 TO AND INCLUDING DECEMBER 31,
2019 BY THE ADOPTION OF THE GENERAL CITY OPERATING BUDGET FOR
THE YEAR 2019.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES", BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. Be it ordained by the Council of the City of Scranton that the following

Sections of File of the Council No. 6, 1976 shall be amended to read as follows:

- A. Section 2. IMPOSITION OF TAX. For calendar year 2019, the City of Scranton adopts the provisions of Article XI-D of the Tax Reform Code of 1971 and imposes a realty transfer tax as authorized under that Article subject to the rate limitations therein on each transfer of real property situate within the City of Scranton, or any interest therein, regardless of where the instruments making the transfers are made, executed or delivered, or where the actual settlements on such transfers take place. On and after the effective date of this Ordinance, every person who accepts delivery of any document or on whose behalf delivery of any document is accepted, shall be subject to pay a tax of 2.2 percentum of the value of the property represented by such documents which tax shall be payable at the time of the acceptance of delivery of the document. Where any document is delivered to the Commonwealth, to a political subdivision or to an authority created by the Commonwealth, or a political subdivision, the person by whom the document was made, executed, issued or delivered shall be subject to pay the tax, unless the transfer is between such governmental agencies, in which case no tax shall be paid. Where any lands, tenements or hereditament are situate partly within and partly without the boundaries of the City of Scranton, the tax shall be paid on the value of the portion of the lands, tenements or hereditament situate within the City of Scranton, the tax shall be paid on the value of the portion of the lands, tenements or hereditament situate within the City of Scranton."
- B. Section 6. INTEREST. Any tax under Section 2 that is not paid by the date the tax is due shall bear interest as prescribed for interest on delinquent municipal claims under the Act of May 16, 1923 (P.L. 207, No. 153) (53 P.S. Section 7101, et seq.) as amended, known as "The Municipal Claims and Tax Liens Act". The interest rate shall be the lesser of the interest rate imposed upon delinquent Commonwealth taxes as provided in Section 806 of the Act of April 9, 1929 (P.L. 343, No. 176) (72 P.S. S806), as amended, known as "The Fiscal Code", or the maximum interest rate permitted under the Municipal Claims and Tax Liens Act for tax claims.
- C. Section 11. EFFECTIVE DATE. The provisions of this ordinance shall become effective on and be applicable to any document made, executed, delivered, accepted or presented for recording on or after October 5, 2005 and shall be effective annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation, pursuant to the Local Tax Enabling Act, 53 Pa. C.S. § 6924.306.

SECTION 2. In all other respects, File of the Council No. 6, 1976 shall remain in full force and effect.

SECTION 3. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance and the effective administration thereof.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. If the correct amount of the tax is not paid by the last date prescribed for timely payment, The City of Scranton, pursuant to Section 1102-D of the Tax Reform Code of 1971 (72 P.S. S 8102-D), authorizes and directs the Department of Revenue of the Commonwealth of Pennsylvania to determine, collect and enforce the tax, interest and penalties.

SECTION 6. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 6, 1976 ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A TAX FOR GENERAL REVENUE PURPOSES ON THE TRANSFER OF REAL PROPERTY SITUATE WITHIN THE CITY OF SCRANTON; PRESCRIBING AND REGULATING THE METHOD OF EVIDENCING THE PAYMENT OF SUCH TAX; CONFERRING POWERS AND IMPOSING DUTIES UPON CERTAIN PERSONS, AND PROVIDING PENALTIES", BY IMPOSING THE RATE OF THE REALTY TRANSFER TAX AT TWO AND TWO TENTHS PERCENT (2.2%) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES", BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON, that

Section 4 of File of the Council No. 7, 1976 shall be amended to read as follows:

"Section 4. Imposition and rate of tax.

Every person engaging in any of the following occupations or businesses in the City shall pay a Mercantile License Tax for the year 2019 and annually thereafter at the rate set forth:

- (a) Wholesale vendors or dealers in goods, wares and merchandise, at the rate of one (1) mill (.001) on each dollar of the volume of the annual gross business transacted by them;
- (b) Retail vendors or dealers in goods, wares and merchandise, at the rate of one (1) mill (.001) on each dollar of the volume of annual gross business transacted by them;
- (c) All persons or entities engaged in conducting restaurants or other places where food, drink or refreshments are sold, whether or not the same be incidental to some other business or occupation, and all persons or entities conducting places of amusement or entertainment, whether or not the same be incidental to some other business or occupation, at the rate of one (1) mill (.001) on each dollar of the volume of the annual gross business transacted by them; and
- (d) The tax imposed by this Section shall not apply to the dollar volume of annual business covering the resale of goods, wares or merchandise taken by a dealer as a trade-in or part-payment for other goods or wares, except to the extent that the resale price exceeds the trade-in allowance."

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 7, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

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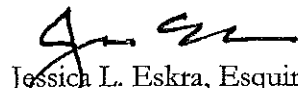
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 7, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) IMPOSING A MERCANTILE LICENSE TAX OF 2 MILLS FOR THE YEAR 1976 AND ANNUALLY THEREAFTER UPON PERSONS ENGAGING IN CERTAIN OCCUPATIONS AND BUSINESSES THEREIN; PROVIDING FOR ITS LEVY AND COLLECTION AND FOR THE ISSUANCE OF MERCANTILE LICENSES; CONFERRING AND IMPOSING POWERS AND DUTIES UPON THE TAX COLLECTOR OF THE CITY OF SCRANTON; AND IMPOSING PENALTIES", BY IMPOSING THE MERCANTILE LICENSE TAX AT ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. Be it ordained by the Council of the City of Scranton that Section 3 of File of the Council No. 8, 1976 shall be amended to read as follows:

"Section 3. Imposition and rate of tax:
Beginning with the tax year 2019, and
annually thereafter, every person engaging
in any business in the City of Scranton shall
pay an annual tax at the rate of one (1) mill
(.001) on each dollar of volume of the
gross annual receipts thereof."

SECTION 2. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance, and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 8, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

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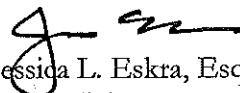
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 8, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) PROVIDING FOR THE GENERAL REVENUE BY IMPOSING A TAX AT THE RATE OF TWO (2) MILLS UPON THE PRIVILEGE OF OPERATING OR CONDUCTING BUSINESS IN THE CITY OF SCRANTON AS MEASURED BY THE GROSS RECEIPTS THEREFROM; REQUIRING REGISTRATION AND PAYMENT OF THE TAX AS CONDITION TO THE CONDUCTING OF SUCH BUSINESS; PROVIDING FOR THE LEVY AND COLLECTION OF SUCH TAX; PRESCRIBING SUCH REQUIREMENTS FOR RETURNS AND RECORDS; CONFERRING POWERS AND DUTIES UPON THE TAX COLLECTOR; AND IMPOSING PENALTIES", BY IMPOSING THE BUSINESS PRIVILEGE TAX AT THE RATE OF ONE (1) MILL (.001) FOR CALENDAR YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

SECTION 1. BE IT ORDAINED BY THE COUNCIL OF THE CITY OF

SCRANTON, and it is hereby ordained that Part II of File of the Council No. 11, 1976 is hereby amended to read as follows:

"II. IMPOSITION OF TAX.

An annual tax for general revenue purposes of two and four tenths percent (2.4%) is hereby imposed on the earned income received and net profits earned in the period beginning January 1ST and ending December 31ST annually by all persons, individuals, associations, and businesses who are residents of the City of Scranton, and one percent (1%) on non-residents of the City of Scranton, for work done, services performed or businesses conducted within the City of Scranton."

SECTION 2. If any section, clause, provision or portion of this ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this ordinance and the effective administration thereof.

SECTION 3. In all other respects, File of the Council No. 11, 1976 shall remain in full force and effect.

SECTION 4. This Ordinance shall be retroactive to January 1, 2019.

SECTION 5. This Ordinance is enacted by the Council of the City of Scranton and said taxes are levied pursuant to the authority of the Act of the Legislature, April 13, 1972, Act No.

62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 7, 2018

RECEIVED

NOV 09 2018

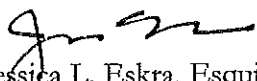
To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 11, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) ENACTING, IMPOSING A TAX FOR GENERAL REVENUE PURPOSES IN THE AMOUNT OF TWO PERCENT (2%) ON EARNED INCOME AND NET PROFITS ON PERSONS, INDIVIDUALS, ASSOCIATIONS AND BUSINESSES WHO ARE RESIDENTS OF THE CITY OF SCRANTON, OR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON, REQUIRING THE FILING OF RETURNS BY TAXPAYERS SUBJECT TO THE TAX; REQUIRING EMPLOYERS TO COLLECT THE TAX AT SOURCE; PROVIDING FOR THE ADMINISTRATION, COLLECTION AND ENFORCEMENT OF THE SAID TAX; AND IMPOSING PENALTIES FOR THE VIOLATIONS", BY RE-ENACTING THE IMPOSITION OF THE WAGE TAX AT TWO AND FOUR TENTHS (2.4%) PERCENT ON EARNED INCOME FOR RESIDENTS AND ONE (1%) PERCENT ON EARNED INCOME FOR NON-RESIDENTS OF THE CITY OF SCRANTON, FOR WORK DONE, SERVICES PERFORMED OR BUSINESS CONDUCTED WITHIN THE CITY OF SCRANTON FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

SECTION 1. Be it ordained by the Council of the City of Scranton, that Section 1 of File of the Council No. 100, 1976 shall be amended to read as follows:

"The Council of the City of Scranton ordains that for the purpose of defraying the expense of the City of Scranton for the fiscal year commencing on the first day of January, 2019 and certain other deficiencies prior thereto, a tax is hereby levied on all real, personal and mixed property within the limits of the City of Scranton, Pennsylvania taxable according to the laws of the Commonwealth of Pennsylvania as follows:

To provide for the payment of general expenses and to provide for the various interest and sinking funds as required by law, there is hereby levied on each thousand dollar of valuation in the Scranton Twenty-Four Ward area:

For General Expense and Sinking Fund purposes:

Levy on all Land	.232521 millage rate
Levy on all buildings	.050564 millage rate

The total levy for general and special purpose is two hundred thirty two dollars and .521 cents (\$232.521) on each one thousand dollars of said valuation of land, and fifty dollars and .564 cents (\$50.564) on each one thousand dollars of said valuation on all buildings."

The total levy remains unchanged from 2016 at 283.085 mills.

SECTION 2. Eliminating the dedicated millage for debt service and imbedding a dedicated percentage of revenues thereby meeting the intent of a segregated stream of revenues assigned to debt service. To address the continued dedication of real estate tax revenue, the Single Tax Office will be notified, and the amended legislation will certify, that 32% of real estate tax revenue on a current year basis will be remitted to the City's Single Point Paying Agent to meet the budgeted debt service requirement for the fiscal year.

SECTION 3. This Ordinance shall be retroactive to January 1, 2019.

SECTION 4. In all other respects, File of the Council No. 100, 1976 shall remain in full force and effect.

SECTION 5. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this ordinance or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Ordinance and the effective administration thereof.

SECTION 6. The tax imposed herein is effective for calendar year 2019 and shall remain in full force and effect annually thereafter, without annual reenactment unless and until there is a change in the rate of taxation, pursuant to the Local Tax Enabling Act, 53 Pa. C.S. § 6924.306 and the Act of the Legislature, April 13, 1972, Act No. 62.

SECTION 7. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

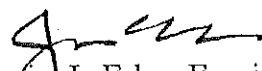
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 78, 2017, AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 100, 1976, ENTITLED "AN ORDINANCE (AS AMENDED) LEVYING GENERAL AND SPECIAL TAXES FOR THE FISCAL YEAR 1977", BY SETTING THE MILLAGE FOR THE YEAR 2019 AND THE SAME SHALL REMAIN IN FULL FORCE AND EFFECT ANNUALLY THEREAFTER" BY AMENDING SECTION 1 REVERTING BACK TO THE MILLAGE RATES FROM 2016 WHICH ARE .232521 MILLS LEVY ON LAND AND .050564 MILLS LEVY ON ALL BUILDINGS AND BY ELIMINATING THE DEDICATED MILLAGE FOR DEBT SERVICE CONTAINED IN SECTION 2 AND REPLACING THE DEDICATED MILLAGE FOR DEBT SERVICE WITH A DEDICATED DEBT PERCENTAGE OF 32% OF REAL ESTATE TAX REVENUES COLLECTED ON A CURRENT YEAR BASIS.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

WHEREAS, this Special City Account is being established for receiving funds from that part of the sale of the Scranton Sewer Authority proceeds used for the Pension Obligation Note (Taxable Series of 2018) and the disbursement of payments on the Pension Obligation Note (Taxable Series of 2018).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229636 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving funds from that part of the sale of the Scranton Sewer Authority proceeds used for the Pension Obligation Note (Taxable Series of 2018) and the disbursement of payments on the Pension Obligation Note (Taxable series of 2018).

02.229636
SSA Pension

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
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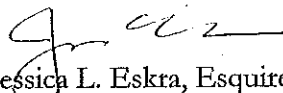
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229636 ENTITLED "SSA PENSION" FOR
RECEIVING FUNDS FROM THAT PART OF THE SALE OF THE SCRANTON
SEWER AUTHORITY PROCEEDS USED FOR THE PENSION OBLIGATION
NOTE (TAXABLE SERIES OF 2018) AND THE DISBURSEMENT OF PAYMENTS
ON THE PENSION OBLIGATION NOTE (TAXABLE SERIES OF 2018).

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

**CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229637
ENTITLED "SSA FUNDS" FOR RECEIVING THE REMAINING BALANCE OF
FUNDS FROM THE SALE OF THE SCRANTON SEWER AUTHORITY FOR
DISBURSING FOR FUTURE CITY PROJECTS.**

WHEREAS, this Special City Account is being established for receiving the remaining balance of funds from the sale of the Scranton Sewer Authority for disbursing for future City projects

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229637 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

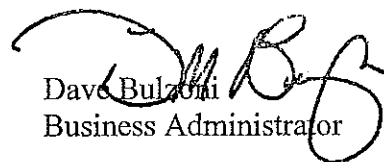
Dear Attorney Eskra:

Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving the remaining balance of funds from the sale of the Scranton Sewer Authority for disbursing for future City projects.

02.229637
SSA Funds

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

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NOV 09 2018


OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229637 ENTITLED "SSA FUNDS" FOR
RECEIVING THE REMAINING BALANCE OF FUNDS FROM THE SALE OF THE
SCRANTON SEWER AUTHORITY FOR DISBURSING FOR FUTURE CITY
PROJECTS.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

**AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE
"AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO
EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE
COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF
THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER
AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN
ENACTED" BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED
PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE
PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A
PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.**

WHEREAS, the City executed the Trust Agreement with the Composite Pension Board wherein, upon agreement between the City and the Composite Pension Board, the City would deposit approximately \$22,910,531.56 of Trust Proceeds into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account, and the balance remaining may be deposited into the Pension Contribution Account for the aggregate pension fund; and

WHEREAS, the Trust Agreement shall be amended to allow for the Trust proceeds to be deposited in a Deposit Account with Webster Bank, N.A. at 100 Westminster Street, Providence R.I. 02903 as part of the issuance of nonelectoral debt pursuant to the Local Government Unit Debt Act (53 Pa. C.S., Chapters 80-82), designated generally as "Federally Taxable General Obligation Note, Series of 2018" in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) for the purpose of a portion being deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and the balance remaining for purposes of funding the unfunded accrued pension liability of the City of Scranton Pension Funds as authorized in File of the Council No 138 of 2017.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that File of the Council No. 38, 2017 is hereby Amended by permitting the City to transfer funds required pursuant to the original Trust Agreement to the Composite Pension Board through the issuance of nonelectoral debt in the principal amount of approximately \$22,910,531.56.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.

TRUST AGREEMENT

Dated as of December 1, 2018

By and Among

CITY OF SCRANTON

and

SCRANTON COMPOSITE PENSION BOARD

TRUST AGREEMENT

THIS TRUST AGREEMENT (the "Trust Agreement") made and entered into as of this 1st day of November, 2017, by and among City of Scranton, Pennsylvania (the "City") and the Scranton Composite Pension Board.

WITNESSETH:

WHEREAS, the City, the Borough of Dunmore and the Scranton Sewer Authority have heretofore sold certain sewer system assets to the Pennsylvania American Water Company (the "Sale"); and

WHEREAS, after paying transactional costs, funding required escrows, and retiring or defeasing the outstanding sewer system debt, and meeting other terms as set forth in the Sale, the City's portion of the Sale proceeds received at closing was \$69,074,221, comprised of \$66,505,463 received at closing and \$2,568,758 released from the sewer revenue bond refunding escrows (the "Sale Proceeds"); and

WHEREAS, upon the Sale, an escrow fund for representations and warranties was established in the amount of \$5,000,000, with the City's share being 80 percent of that amount and the Borough's 20 percent, as well as an escrow fund for easements in the amount of \$12,000,000, with the City's share being 80 percent of that amount and the Borough's 20 percent. Upon the extinguishment of those escrows according to the schedule agreed upon at closing, all remaining funds will return to the City and the Borough according to the appropriate proportional share as additional proceeds ("Escrowed Sale Proceeds"); and

WHEREAS, the City determined to apply a portion of the Sale Proceeds to retire certain high coupon general obligation debt of the City (referred to as the City's 2006 General Obligation Bonds, the City's 2012 General Obligation Bonds, and the City's 2013 General Obligation Bonds) reducing the fixed costs of the general fund by approximately \$5.2 million per year; and

WHEREAS, the City determined to apply a portion of the Sale Proceeds to defease General Obligation debt of the City Series C of 2003 and Series D of 2003, and refund \$24,620,000 of Series B of 2003, reducing the City's debt service by \$29,170,000; and

WHEREAS, the City has agreed to apply an amount equal to the remaining Sale Proceeds to: i.) make necessary capital improvements in the City, ii.) provide initial funding for storm water management planning, iii.) fund economic development initiatives, iv.) repay or defease additional outstanding liabilities of the City v.) fund the City's pension plans; and vi.) potentially create/contribute to an OPEB Trust Fund; and

WHEREAS, among the pension reforms that are extremely important to the City's future financial well-being are: i) retaining a nationally recognized investment advisor to oversee the tactical and strategic allocation of pension fund investments; ii) retaining a third party administrator to assist the composite pension board with the operation of the funds, including but

not limited to assisting with the processing of disability pension applications, iii) utilization of independent board certified specialists to determine disability eligibility and continuing compliance with all material aspects of the January 30, 2015 Memoranda of Understanding, as amended by the Memoranda of Agreement filed in the Court of Common Pleas of Lackawanna County, No. 13-CV-6689 (the "Disability Pension Agreements"); and

WHEREAS, the City has agreed to invest the pension contributions made hereunder until such time as the above pension reforms are enacted; and

WHEREAS, it is anticipated that an amount of approximately \$22,910,531.56 shall be deposited in the pension plans; and

WHEREAS, the funds deposited hereunder shall remain invested in compliance with Act 10 of 2016 of the General Assembly of the Commonwealth of Pennsylvania; and

NOW, THEREFORE, intending to be legally bound, the City and the Scranton Composite Pension Board hereby agree as follows:

SECTION 1. Receipt of Sale Proceeds; Use of Funds; and Requisitions.

- a) The City hereby deposits into the Trust account an amount of approximately \$22,910,531.56. The Trust Deposit shall be deposited in the following amounts into the following accounts:

1. Upon agreement between the City and the Composite Pension Board, portion may be deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account. The balance remaining may be deposited into the Pension Contribution Account for the aggregate pension fund;

or

2. The Trust proceeds may be deposited in a Deposit Account with Webster Bank, N.A. at 100 Westminster Street, Providence R.I. 02903 as part of the issuance of nonelectoral debt pursuant to the Local Government Unit Debt Act (53 Pa. C.S., Chapters 80-82), designated generally as "Federally Taxable General Obligation Note, Series of 2018" in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) for the purpose of a portion being deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and the balance remaining for purposes of funding the unfunded accrued pension liability of the City of Scranton Pension Funds as authorized in File of Council No _____, of 2018.

Notwithstanding anything in the foregoing to the contrary, amounts required to be transferred under this Agreement shall not commence until such time as the Mayor has certified to the Trustee that the City has retained a nationally recognized investment advisor to oversee the tactical and strategic allocation of pension fund investments; the City has retained a third party administrator to assist the composite pension board with the operation of the funds, including but

not limited to assisting with the processing of disability pension applications, and the Police and Fire Unions are in compliance with all material aspects of the January 30, 2015 Memoranda of Understanding, as amended by the Memoranda of Agreement filed in the Court of Common Pleas of Lackawanna County, No. 13-CV-6689 (the "Disability Pension Agreements").

The Business Administrator of the City of Scranton shall serve as Trustee.

Thereafter, an amount equal to Sale Proceeds shall be released from the Trust or the Deposit Account with Webster Bank and transferred to the Composite Pension Board for deposit into the Pension Contribution Account and application as follows:

1. Upon agreement between the City and the Composite Pension Board, a portion may be deposited into the Pension Contribution Account Discount Rate Reduction Subaccount, and/or a portion may be deposited into a separate OPEB Account.
2. The balance remaining shall be deposited into the Pension Contribution Account.

Any amounts received thereafter from the Escrowed Sale Proceeds shall similarly be deployed to reduce the liabilities of the pension funds and/or to create an OPEB account, and shall be deposited according to a schedule agreed upon by the Composite Pension Board, its investment advisor, and the City.

SECTION 2. Irrevocable.

The Trust created hereby shall be irrevocable. The Trustee, on behalf of the City {shall have an express lien on and security interest in} all amounts in the Escrow Fund until such amount has been used and applied in accordance herewith.

SECTION 3. Invalid Provision.

If any one or more of the covenants or agreements provided in this Trust Agreement on the part of the parties hereto to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Trust Agreement.

SECTION 4. Amendments.

No amendment may be made to this Trust Agreement unless it is in writing and signed by the parties to this Trust Agreement, unless the amendment:

- (i) cures a formal defect, omission, inconsistency or ambiguity in the Trust Agreement;
- (ii) does not materially adversely affect the long term financial interest of the City; or

(iii) is made to pledge additional security, including the deposit of additional amounts to the various accounts created hereunder; and

SECTION 5. Governing Law.

This Trust Agreement shall be governed by the applicable law of the Commonwealth of Pennsylvania.

SECTION 6. Notices.

All notices, demands and formal actions under this Trust Agreement shall be in writing and mailed, postage prepaid by first class mail, telecopied and delivered:

(a) As to the City:

City Solicitor
Law Department
City of Scranton
340 North Washington Avenue
Scranton, PA 18503

(b) As to the Scranton Composite Board:

Composite Pension Board Solicitor
Lawrence Durkin, Esquire
Durkin MacDonald, LLC
536 East Drinker Street
Dunmore, PA 18512

Notices sent by mail shall be deemed received within seventy-two (72) hours of posting.

IN WITNESS WHEREOF, the parties hereto have each caused this Trust and Escrow Agreement to be executed by their duly authorized officers and attested as of the first date above written.

CITY OF SCRANTON



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

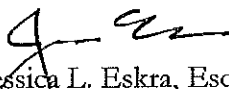
NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 138, 2017 AN ORDINANCE "AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A PENSION TRUST AGREEMENT WITH THE COMPOSITE PENSION BOARD TO HOLD APPROXIMATELY \$22,910,531.56 OF THE PROCEEDS FROM THE SALE OF THE ASSETS OF THE SCRANTON SEWER AUTHORITY IN TRUST UNTIL SUCH TIME AS PENSION REFORMS HAVE BEEN ENACTED" BY PERMITTING THE CITY TO TRANSFER FUNDS REQUIRED PURSUANT TO THE ORIGINAL TRUST AGREEMENT TO THE COMPOSITE PENSION BOARD THROUGH THE ISSUANCE OF NONELECTORAL DEBT IN A PRINCIPAL AMOUNT OF APPROXIMATELY \$22,910,531.56.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

**CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229638
ENTITLED "STREET LIGHTING LEASE RESERVE FUNDS" FOR THE RECEIPT
AND DISBURSEMENT OF STREET LIGHTING LEASE RESERVE FUNDS.**

WHEREAS, this Special City Account is being established for the receipt and disbursement of Street Lighting Lease Reserve funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229638 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

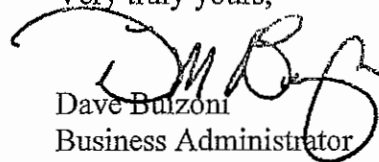
Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of the receipt and disbursement of Street Lighting Lease Reserve funds.

02.229638

Street Lighting Lease Reserve Funds

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229638 ENTITLED "STREET LIGHTING LEASE
RESERVE FUNDS" FOR THE RECEIPT AND DISBURSEMENT OF STREET
LIGHTING LEASE RESERVE FUNDS.

Respectfully,

Jessica Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED "HIGHMARK HEALTHCARE RESERVE" FOR THE RECEIPT OF HIGHMARK HEALTHCARE FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON HEALTHCARE COSTS.

WHEREAS, this Special City Account is being established for the receipt of Highmark Healthcare funds and the disbursement of these funds for the City of Scranton healthcare costs.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229639 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

November 8, 2018

Jessica Eskra, Esq.
City Solicitor
Municipal Building
Scranton, PA 18503

Dear Attorney Eskra:

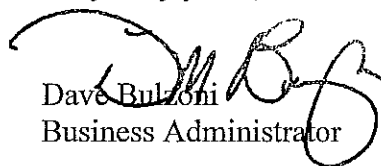
Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of the receipt of Highmark Healthcare funds and the disbursement of these funds for City of Scranton healthcare costs.

02.229639

Highmark Healthcare Reserve

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,


Dave Bulzoni
Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Rebecca McMullen, Financial Manager
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant



DEPARTMENT OF LAW

PENNSYLVANIA CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 8, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 09 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING
SPECIAL CITY ACCOUNT NO. 02.229639 ENTITLED "HIGHMARK
HEALTHCARE RESERVE" FOR THE RECEIPT OF HIGHMARK HEALTHCARE
FUNDS AND DISBURSEMENT OF THESE FUNDS FOR CITY OF SCRANTON
HEALTHCARE COSTS.

Respectfully,

Jessica L. Eskra (1)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

WHEREAS, the improvement of Deteriorating Real Property or Areas Tax Exemption Act, 72 P.S. 4711-101 et seq. enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local tax authorities to exempt improvements to certain deteriorating residential property and areas; and

WHEREAS, the New Home Construction Local Tax Abatement Act, 7; P.S. § 4754-1 et seq., enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local taxing authorities to exempt improvements to certain unimproved residential real property; and

WHEREAS, the City of Scranton, in an effort to expand its tax base, desires to further encourage improvement to deteriorating property and areas within the City of Scranton; and

WHEREAS, the City of Scranton desires to modify and expand its current program pursuant to said act thereby implementing Article VIII, Section 2(b)(iii) of the Pennsylvania Constitution; and

WHEREAS, pursuant to said act, the City of Scranton in conjunction with this Ordinance, shall hold a public hearing to determine and affix the boundaries of the deteriorating properties and areas for which the exemption shall be available; and

WHEREAS, the City of Scranton is desirous of having the School District of the City of Scranton and the County of Lackawanna; work together with the City for the purpose of implementing the policy goals contemplated in this Ordinance and the City has requested those two (2) local taxing authorities to adopt tax exemption consistent with those outlined in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON AS FOLLOWS:

SECTION 1. DEFINITIONS

The following words and phrases when used in this Ordinance shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

1. "Deteriorated property" means a dwelling unit located in the City of Scranton, as hereinafter provided, or a dwelling unit which has been or upon request is certified by a health, housing or building inspection agency as unfit for human habitation for rent withholding, or other health or welfare purposes, or has been the subject of an order by such an agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, Ordinances or regulations.

2. "Dwelling unit" means, unless otherwise defined in the Ordinance or Resolution providing for tax exemption, a house, apartment, or group of rooms intended for occupancy as separate living quarters by family or other groups or a person living alone, containing a kitchen or cooking equipment for the exclusive use of the occupants.
3. "Improvement" means repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a structure so that it becomes habitable or attains higher standards of housing safety, health or amenity or is brought into compliance with laws, Ordinances or regulations governing housing standards; ordinary upkeep and maintenance shall not be deemed an improvement.

SECTION 2. EXEMPTION

1. Full ten (10) year tax exemption from real property shall be limited to:
 - a. The exemption schedule as established by this Ordinance; and
 - b. The assessment valuation attributable to the cost of construction of the improvement to the deteriorating residential property and area.
2. In all cases, the exemption from taxes shall be limited to that portion of the additional assessment attributable to the new construction and for which a separate assessment has been made by the Lackawanna County Board of Assessment Appeals, and for which an exemption has been separately requested.
3. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to construction.
4. No tax exemption shall be granted if the property owner is delinquent in the payment of real property taxes on any property within the City of Scranton at the time of application for the tax exemption.

SECTION 3. EXEMPTION SCHEDULE

1. The following real estate tax exemption schedule commence in the tax year immediately following the year in which the building permit is issued. For the ten (10) years for which the newly constructed improvement would otherwise be taxable, one hundred (100%) percent of the eligible assessment shall be exempted.
2. This exemption from taxes granted under this Ordinance shall be upon the newly constructed improvement on the deteriorating property and area residential property and shall not terminate upon the sale or exchange of the property, but shall continue for the full time originally granted.
3. If a deteriorating property and area containing a new improvement is granted tax exemption pursuant to this Ordinance, the property shall not, during the exemption period, be considered as a factor in assessing that value of other properties in the same area.
4. If the use of the deteriorating property and area at the time the exemption is granted is modified, terminated, or changed during the ten (10) year period in any way which would have affected the exemption if the property had been so used when the exemption was granted, then, at the election of the governing body of the City of Scranton, the exemption shall terminate as of the date the use was modified or terminated.

SECTION 4. PROCEDURE FOR OBTAINING EXEMPTION

1. Any person desiring tax exemption pursuant to this Ordinance shall apply to the City of Scranton at the time a building permit is secured. The application shall be in writing upon forms specified by the City of Scranton setting forth the following information.
 - a. The date the building permit was issued;
 - b. The parcel number must be included in the location of the property to be improved;
 - c. The cost of the improvement;
 - d. A verification that the property has been inspected by the Building Code Official or his agent;
 - e. Such additional information as the City of Scranton may require.
2. There shall be placed on the form application for building permits, the following:

NOTICE OF TAXPAYERS

Under the provisions of File to Council No. 57, 1996, as Amended you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Department of Licensing, Inspection and Permits and must be filed with the City at the time a building permit is secured.

3. A copy of the exemption requests shall be forwarded to the Lackawanna County Board of Assessment by the Building Code Official. The Board shall, after completion of the construction, assess separately, the improvement and the land upon which the new residential construction stands, calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this ordinance, and notify the taxpayer and the local taxing authorities of the amounts of the assessment eligible for exemption.
4. The cost of construction per improvement to be exempted and the schedules of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to their adoption.
5. Appeals from the assessment and/or the amounts eligible for exemption may be taken by the City of Scranton or by the taxpayer as provided by law.

SECTION 5. ELIGIBLE AREAS

1. It is hereby determined and declared by City Council that the following portion of the City qualify and are hereby designated as areas eligible for tax exempt status;

The whole City of Scranton

SECTION 6. AMENDMENTS

No amendments to this Ordinance shall be effective unless consented to by Ordinance of the governing body of the City of Scranton.

SECTION 7. NON-PERMISSABLE

Any exemption made permissible under this Ordinance shall not be applied to any industrial, commercial or other business property.

SECTION 8. REPEALER

All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed.

SECTION 9. SEVERABILITY

If any sentence, clause, section, or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not effect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Council of the City of Scranton that this Ordinance would have been adopted as such as if such unconstitutional, illegal, or invalid sentence, clause, section or part thereof had not been included herein.

SECTION 10. AUTOMATIC TERMINATION

This Ordinance shall automatically terminate ten (10) years from the effective date of this Ordinance. Any person who obtains an exemption hereunder shall be entitled to the entire exemption period of ten (10) years even if said ten (10) year period goes beyond the termination date.

SECTION 11. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act. No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 21, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO IMPROVE DETERIORATING REAL PROPERTY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, AND PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO _____

2018

AN ORDINANCE

AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

WHEREAS, the Local Economic Revitalization Tax Assistance Act, 72 P.S. 4722 et seq. enacted by the General Assembly of the Commonwealth of Pennsylvania authorizes local taxing authorities to exempt improvements to certain residential, commercial and other business property; and

WHEREAS, the City of Scranton, in an effort to expand its tax base, desire to further encourage improvement and construction on residential, commercial and other business property with the City of Scranton; and

WHEREAS, the City of Scranton desires to modify and expand its current program pursuant to the Local Economic Revitalization Tax Assistance Act and thereby implementing Article VIII, Section 2(b) iii of the Pennsylvania Constitution; and

WHEREAS, pursuant to the Local Economic Revitalization Tax Assistance Act, the City of Scranton in conjunction with this Ordinance, shall hold a public hearing to determine and affix areas that are wholly or partially located within the City of Scranton for which the tax exemption shall be available; and

WHEREAS, the City of Scranton is desirous of having the School District of the City of Scranton and the County of Lackawanna work together with the City for the purpose of implementing the policy goals contemplated in this Ordinance and the City has requested these two (2) local tax authorities to adopt tax exemptions consistent with those outlined in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON AS FOLLOWS:

SECTION 1. DEFINITIONS

The following words and phrases when used in this Ordinance shall have, unless the context clearly indicates otherwise, the meanings given to them in this section:

1. **"Deteriorated property."** Any industrial, commercial or other business property owned by an individual, association or corporation, and located in the City of Scranton, as hereinafter provided, or any such property which has been the subject of an order by a government agency requiring the unit to be vacated, condemned or demolished by reason of noncompliance with laws, ordinance or regulations.
2. **"Improvement."** Repair, construction or reconstruction, including alterations and additions, having the effect of rehabilitating a deteriorated property so that it becomes habitable or attains higher standards of safety, health, economic use or amenity, or is brought into compliance with laws, Ordinances or regulations governing such standards. Ordinary upkeep and maintenance shall not be deemed an improvement.

3. **"Local taxing authority."** A county, city, borough, incorporated town, township, institution district or school district having authority to levy real property taxes.
4. **"Municipal governing body."** A city, borough, incorporated town or township.
5. **"Other business activity."** Includes, but is not limited to, apartment to condominium conversions, condominium and townhouses where the title has not yet been transferred to homeowner from developer, new townhouses, new condominiums.

SECTION 2. EXEMPTION

1. Full ten (10) year tax exemptions from real property shall be limited to:
 - a. The exemption schedule as established by this Ordinance; and
 - b. The assessment valuation attributable to the cost of construction of the improvement to the deteriorating residential property and area.
2. In all cases, the exemption from taxes shall be limited to that portion of the additional assessment attributable to the new construction and for which a separate assessment has been made by the Lackawanna County Board of Assessment Appeals, and for which an exemption has been separately requested.
3. No tax exemption shall be granted if the property owner does not secure the necessary and proper permits prior to construction.
4. No tax exemption shall be granted if the property owner is delinquent in the payment of real property taxes on any property within the City of Scranton at the time of application for the tax exemption.

SECTION 3. EXEMPTION SCHEDULE

1. The following real estate tax exemption schedule commence in the tax year immediately following the year in which the building permit is issued. For the ten (10) years for which the newly constructed improvement would otherwise be taxable, one hundred (100%) percent of the eligible assessment shall be exempted.
2. This exemption from taxes granted under this Ordinance shall be upon the newly constructed improvement on the deteriorating property and area residential property and shall not terminate upon the sale or exchange of the property, but shall continue for the full time originally granted.
3. If a deteriorating property and area containing a new improvement is granted tax exemption pursuant to this Ordinance, the property shall not, during the exemption period, be considered as a factor in assessing that value of other properties in the same area.
4. If the use of the deteriorating property and area at the time the exemption is granted is modified, terminated, or changed during the ten (10) year period in any way which would have affected the exemption if the property had been so used when the exemption was granted, then, at the election of the governing body of the City of Scranton, the exemption shall terminate as of the date the use was modified or terminated.

SECTION 4.

PROCEDURE FOR OBTAINING EXEMPTION

1. Any person desiring tax exemption pursuant to this Ordinance shall apply to the City of Scranton at the time a building permit is secured. The application shall be in writing upon forms specified by the City of Scranton setting forth the following information.
 - a. The date the building permit was issued;
 - b. The parcel number must be included in the location of the property to be improved;
 - c. The cost of the improvement;
 - d. A verification that the property has been inspected by the Building Code Official or his agent;
 - e. Such additional information as the City of Scranton may require.
2. There shall be placed on the form application for building permits, the following:

NOTICE OF TAXPAYERS

Under the provisions of File to Council No. 57, 1996, you may be entitled to a property tax exemption on your contemplated new construction. An application for exemption may be secured from the Department of Licensing Inspections and Permits and must be filed with the City at the time a building permit is secured.

3. A copy of the exemption requests shall be forwarded to the Lackawanna County Board of Assessment by the Building Code Official. The Board shall, after completion of the construction, assess separately, the improvement and the land upon which the new residential construction stands, calculate the amounts of the assessment eligible for tax exemption in accordance with the limits established by this Ordinance, and notify the taxpayer and the local taxing authorities of the amounts of the assessment eligible for exemption.
4. The cost of construction per improvement to be exempted and the schedules of taxes exempted existing at the time of the initial request for tax exemption shall be applicable to that exemption request, and subsequent amendment to this Ordinance, if any, shall not apply to requests initiated prior to their adoption.
5. Appeals from the assessment and/or the amounts eligible for exemption may be taken by the City of Scranton or by the taxpayer as provided by law.

SECTION 5.

ELIGIBLE AREAS

1. It is hereby determined and declared by City Council that the following portion of the City qualify and are hereby designated as areas eligible for tax exempt status;

The whole City of Scranton

SECTION 6.

AMENDMENTS

No amendments to this Ordinance shall be effective unless consented to by Ordinance of the governing body of the City of Scranton.

SECTION 7. NON-PERMISSABLE

Any exemption made permissible under this Ordinance shall not be applied to any industrial, commercial or other business property.

SECTION 8. REPEALER

All Ordinances or parts of Ordinances which are inconsistent herewith are hereby repealed.

SECTION 9. SEVERABILITY

In any sentence, clause, section, or part of this Ordinance is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, illegality, or invalidity shall not effect or impair any of the remaining provisions, sentences, clauses, sections or parts of this Ordinance. It is hereby declared as the intent of the Council of the City of Scranton that this Ordinance would have been adopted as such as if such unconstitutional, illegal, or invalid sentence, clause, section or part thereof had not been included herein.

SECTION 10. AUTOMATIC TERMINATION

This Ordinance shall automatically terminate ten (10) years from the effective date of this Ordinance. Any person who obtains an exemption hereunder shall be entitled to the entire exemption period of ten (10) years even if said ten (10) year period goes beyond the termination date.

SECTION 11. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of the Legislature, April 13, 1972, Act. No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

RECEIVED

NOV 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE AMENDING FILE OF THE COUNCIL NO. 22, 2016 AN ORDINANCE ENTITLED "DEFINING AND AUTHORIZING TAX EXEMPTIONS FROM REAL PROPERTY TAX IN ORDER TO STIMULATE RESIDENTIAL, COMMERCIAL AND OTHER BUSINESS ACTIVITY IN CERTAIN AREAS IN THE CITY OF SCRANTON, ESTABLISHING AN EXEMPTION SCHEDULE AND PROCEDURES FOR OBTAINING EXEMPTIONS, PROVIDING FOR NON-PERMISSIBLE EXEMPTIONS AND LIMITING AMENDMENT THERETO" IN ORDER TO EXPAND THE ELIGIBLE AREAS, INCREASE THE DURATION OF EACH EXEMPTION, AND TO LIFT THE CAP ON EACH EXEMPTION.

Respectfully,

Jessica Eskra (S)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

WHEREAS, a request for Proposal was advertised for the Scranton Single Tax Office Independent Audit for the years ending December 31, 2017 and December 31, 2018, and four (4) proposals were submitted for review; and

WHEREAS, after review of the proposals submitted, it was determined that it would be in the best interest of the City to award the Joseph M. Alu and Associates for the reasons provided in the Memo attached hereto from the Business Administrator; and

WHEREAS, on November 5, 2018, the Scranton School District passed a Resolution approving the contract to hire Joseph M. Alu and Associates and to share the cost of both audits with the City of Scranton, a copy of which is attached hereto; and

WHEREAS, the total cost of the Audit for the year ending 2017 and 2018 is \$48,000.00 to be shared by the City of Scranton and Scranton School District with each paying \$24,000.00 (\$12,000.00 each per year).

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City Officials are authorized to execute and enter into a Contract, substantially in the form attached hereto marked as Exhibit "A" and incorporated herein by reference thereto between the City of Scranton and the Scranton School District with Joseph M. Alu and Associates to perform the Single Tax Audit for the years ending December 31, 2017 and December 31, 2018.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

SCRANTON SCHOOL DISTRICT

425 North Washington Avenue
Scranton, PA 18503

To the Members of
The Board of Directors of
The School District of the
City of Scranton

November 5, 2018

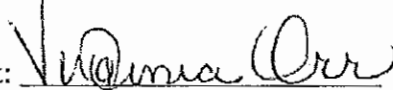
It is the recommendation of the Budget and Finance
Committee that the following resolution be accepted:

BE IT RESOLVED, that the Scranton School District
approves the contract to hire Joseph M. Alu and Associates, PC to
perform an audit of the Scranton Single Tax Office for the years
ending December 31, 2017 and December 31, 2018. The costs
associated with this audit shall be shared between the City of
Scranton and the Scranton School District (\$12,000 each per year)
as per the attached bid documents from the City of Scranton.

Respectfully Submitted:
Paige Cagnetti, Chairperson
Budget & Finance Committee

At a board meeting held Monday, November 5, 2018 with eight (8) affirmative and
zero(0) negative the above was approved.

Attest:



Virginia Orr, Secretary
Scranton School Board

CONTRACT

This contract entered into this ____ day of _____ 2018 effective Upon execution of Contract to Completion of Single Tax Office Independent Audits for year ending December 31, 2017 and December 31, 2018 by and between the City of Scranton, 340 North Washington Avenue, Scranton, PA 18503 and Scranton School District, 425 North Washington Avenue, Scranton, PA 18503 and

JOSEPH A. ALU AND ASSOCIATES
321 SPRUCE STREET
SUITE 1000
SCRANTON, PA 18503
PHONE NO. (570) 342-0405

hereinafter called "Contractor".

WITNESSETH:

WHEREAS, Scranton desires the Contractor to perform certain work and services in accordance with the terms and conditions hereinafter set forth and the Contractor is ready, willing and able to perform such work and services.

NOW THEREFORE, in consideration of the promises contained herein and the promises each to the other made, the parties do agree and intend to be legally bound as follows:

ARTICLE I - CATEGORY OF WORK AND SERVICES

The work and services to be performed by Contractor shall be in the general fields of providing Scranton Single Tax Office Independent Audit for the years ending December 31, 2017 and December 31, 2018. The Contractor hereby covenants, contracts, and agrees to furnish the City of Scranton and the Scranton School District with:

SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT
FOR THE FISCAL YEARS ENDING DECEMBER 31, 2017 AND
DECEMBER 31, 2018 FOR THE TOTAL SUM OF \$48,000.00
COST TO BE SHARED BETWEEN THE CITY OF SCRANTON
AND SCRANTON SCHOOL DISTRICT \$24,000.00 (\$12,000.00
EACH PER YEAR)

Said services to be furnished and delivered in strict and entire conformity with Scranton's Specifications marked as Exhibit "A" attached hereto and incorporated herein by reference thereto and the Bid Proposal submitted by Joseph M. Alu and Associates dated October 1, 2018 attached hereto marked as Exhibit "B" and incorporated herein by reference thereto. Said Bid Proposal and Specifications are hereby made part of this Agreement as fully and with the same effect as if set forth at length herein.

ARTICLE II - GENERAL

(1) In the performance of the work and services hereunder, the Contractor shall act sole as an independent contractor, and nothing contained or implied shall at any time be so construed as to create the relationship of employer and employee, partnership, principal/agent, or

adventurer as between Scranton and the Contractor
(2) Failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights, or of any other rights hereunder.

ARTICLE III - FEES

Said services to be furnished and delivered in strict and entire conformity with the Bid Proposal and Specifications attached hereto. Said Bid Proposal and Specifications are incorporated herein by reference as though set forth at length.

The total sum for the contract is \$52,000.00, the cost to be shared between the City of Scranton and Scranton School District \$26,000.00 (\$13,000.00 each per year) to the Contractor for furnishing the above services if said services are provided in full compliance with the terms and conditions of this Contract to the satisfaction and approval of the Business Administrator. Such approval shall not be unreasonably withheld. The terms and conditions of this contract are set forth herein and may be supplemented by any attachments or exhibits incorporated herein by reference.

ARTICLE IV - INDEMNIFICATION

The Contractor shall indemnify, defend, and hold harmless Scranton from and against any and all claims and actions, based upon or arising out of damage to property or injuries to person or other acts caused or contributed to by Contractor or anyone acting under the Contractor's direction or control or on the Contractor's behalf in the course of the Contractor's performance under this contract.

ARTICLE V - INSURANCE

- (1) Contractor represents that it now carries, and agrees it will continue during the term of this Contract to carry, at a minimum: Workers' Compensation, Comprehensive General and Contractual Liability, and Professional Liability Insurance in the following amounts:

<u>TYPE OF INSURANCE</u>	<u>LIMITS OF LIABILITY</u>
Workers' Compensation	Statutory
Employer's Liability	\$ 500,000.00
Professional Liability	\$1,000,000.00 each occurrence \$1,000,000.00 aggregate
Comprehensive General Liability (including Blanket Contractual Liability Insurance)	
Bodily Injury	\$ 1,000,000 each person \$ 1,000,000 each occurrence \$ 1,000,000 aggregate
Property Damage	\$ 500,000 each occurrence
Personal Injury	\$ 500,000
Comprehensive Automobile Liability:	
Bodily Injury	\$ 300,000 each person \$ 500,000 each occurrence
Property Damage	\$ 500,000 each occurrence

- (2) Certificates of all insurance provided by the Contractor shall be available for Scranton's review and will be furnished to Scranton if requested. Such copies of

certificates shall include the following:

- (a) Name of insurance company, policy number, and expiration data;
- (b) The coverage required and the limits on each, including the amount of deductibles or self-insured retentions (which shall be for the account of the Contractor);
- (c) A statement indicating Scranton shall receive thirty (30) days notice of cancellation or significant modification of any of the policies which may affect Scranton's interest;
- (d) A statement confirming Scranton has been named an additional insured (except for Worker's Compensation) on all policies; and
- (e) A statement confirming that Scranton, its agents and employees, have been provided a waiver of any rights or subrogation, which the Contractor may have against them.

ARTICLE VI: TERMINATION OF CONTRACT

If through any cause the CONTRACTOR shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or in the event of violation of any of the covenants contained herein, or in the event of violation of the laws applicable to implementation of the project contemplated by this Agreement, or in the event of misuse of funds, mismanagement, criminal activity or malfeasance in the implementation of this Agreement, Scranton shall thereupon have the right to terminate this Agreement by giving written notice to the CONTRACTOR specifying the effective date of termination. Said notice shall be given in writing to the CONTRACTOR and will be effective upon receipt by the CONTRACTOR. In such an event, all project records, unused grant monies, and such amounts as may have been expended contrary to the terms of this Agreement shall be returned to the Scranton.

ARTICLE VII: DEFAULT

In the event of a default by Contractor under this Agreement, the defaulting party then shall reimburse the non defaulting party for all costs and expenses incurred by the non defaulting party in connection with the default, including without limitation, court costs and attorneys fees at the trial level and on appeal.

ARTICLE VIII: JURISDICTION

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania and all obligations hereunder are to be performed in Lackawanna County, Pennsylvania. Jurisdiction over the subject matter and performance of this Agreement is therefore vested in the Lackawanna County Court of Common Pleas.

ARTICLE IX - ENTIRE AGREEMENT

This contract constitutes the entire agreement between Scranton and Contractor. It supersedes all prior contemporaneous communications, representations, or agreements, whether oral or written, with respect to the subject matter thereof and if it has been induced by no representations, statements, or agreements other than those expressed. No agreement hereafter made between the parties shall be binding on either party unless reduced to writing and signed by an authorized officer of the party sought to be bound thereby.

IT IS FURTHER UNDERSTOOD AND AGREED that this contract is entered into under and subject to the provisions of the Act of Assembly of the Commonwealth of Pennsylvania, approved March 7, 1901, its supplements and amendments, and the liability of the City of Scranton herein limited to the amount appropriated for the same and subject to the Section 6-13 of the Administrative Code of the City of Scranton which limits payments of money out of the City Treasury to appropriations made by the Council

IN WITNESS WHEREOF the parties hereto have, in due form of law, caused this agreement to be executed the day and year first above written.

ATTEST:

CITY CLERK

BY: _____
MAYOR

DATE: _____

DATE: _____

CITY CONTROLLER

BUSINESS ADMINISTRATOR

DATE: _____

DATE: _____

SCRANTON SCHOOL DISTRICT

DATE: _____

APPROVED AS TO FORM:

CITY SOLICITOR

DATE: _____

JOSEPH M. ALU AND ASSOCIATES

BY:

TITLE: _____

DATE: _____

BUSINESS ADMINISTRATION

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

November 7, 2018

Memo

To: William Courtright, Mayor
Roseann Novembrino, City Controller
Lori Reed, City Clerk

From: David Bulzoni, Business Administrator

Re: **Single Tax Office Independent Post Audit**

All,

The City of Scranton received four proposals for audit services for the Single Tax Office. The proposals are as follows:

Robert Rossi and Company	\$30,000
Rainey and Rainey	\$47,000
Joseph M. Alu and Associates	\$24,000
Jones Kohanski Consultants	\$39,800

Subject to further review by the City Controller with a concurrence by the Scranton School District, a recommendation is made to retain Joseph M. Alu and Associate for the completion of the 2017 and 2018 audits for the Single Tax Office. This proposal most completely met the requirement of the Request for Proposal at the most competitive cost. Unlike the initial round of proposals, the submissions complied with the provisions of the Request for Proposal in entirety. The Single Tax Office has direct experience with Alu and Associates; the firm was contracted to complete the audits through 2016. The work was consistently acceptable.

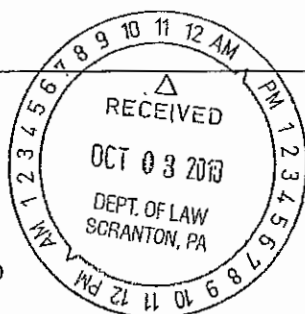
Therefore, Office of the Business Administrator recommends the approval of the proposal submitted by Joseph Alu and Associates for the completion of the Single Tax Office audits.

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON



October 3, 2018

Mrs. Roseann Novembrino
City Controller
Municipal Building
340 N. Washington Ave.
Scranton, Pa. 18503

Dear Mr. Bulzoni,

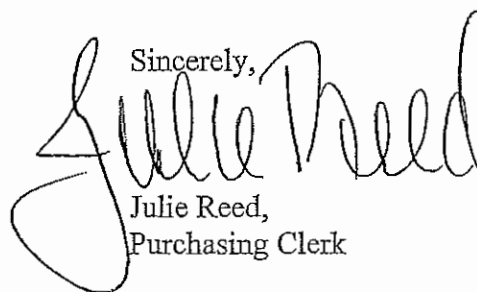
This is to inform you that proposals were opened Wednesday, October 3, 2018 in Council Chambers for the **City Of Scranton Re-Bid of Scranton Single Tax Office Independent Post Audit for the Fiscal Years 12/31/17 & 12/31/18**. Attached are the copies of the proposals submitted by the following company:

Rainey & Rainey
Jones Kohanski
Joseph M. Alu & Associates
Robert Rossi & Company

After your review of the proposals, please inform the Law Office of your decision so they may call for a contract or reject said bid.

Thank you for your cooperation in this matter.

Sincerely,



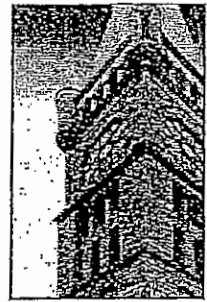
Julie Reed,
Purchasing Clerk

Encls.

CC: Mrs. Roseann Novembrino, City Controller
Mr. David Bulzoni, Business Administrator
Mrs. Lori Reed, City Clerk
✓ Mrs. Jessica Boyles Eskra, City Solicitor
File

Department of Business Administration

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

August 31, 2018

Mrs. Roseann Novembrino
City Controller
Municipal Building
340 North Washington Avenue
Scranton, Penna. 18503

Dear Mrs. Novembrino:

This is to inform you that proposals will be opened in Council Chambers on Wednesday, October 3, 2018 at 10:00 A.M. in City Council Chambers for the following:

**The Re-Bid of Scranton Single Tax Office Independent Post Audit
For The Fiscal Years 12-31-17 & 12-31-18**

Attached, please find an Invitation to Bidders, Proposal and Specifications.

Thank you for your cooperation in this matter.

Sincerely,

Julie Reed,
Purchasing Clerk

CC: Mayor William Courtright
Mrs. Lori Reed, City Clerk
Mr. David Bulzoni, Business Administrator
Mrs. Rebecca McMullen, Finance Manager
✓ Ms. Jessica Boyles Eskra, City Solicitor
Mr. William Fox, Collector of Taxes
File

REQUEST FOR PROPOSAL

Separate sealed proposals will be received by the City of Scranton, Office of the City Controller, 2nd floor, 340 North Washington Avenue, Scranton, PA. 18503 until Wednesday, October 3, 2018 at 10:00 A.M. at which time such proposals will be opened in the City Council Chambers for the following:

THE RE-BID OF THE SCRANTON SINGLE TAX OFFICE

INDEPENDENT POST AUDIT FOR THE FISCAL YEARS ENDING

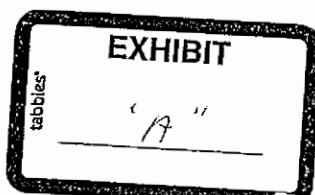
12/31/2017 & 12/31/18

Proposals shall be made in accordance with the specifications obtained from the City Purchasing Department, 340 North Washington Avenue, Scranton, PA 18503 and which may be had by interested parties responding to the Request. Copies can be requested by contacting the City of Scranton Purchasing Clerk, at ireed@scrantonpa.gov.

Sealed envelopes containing the proposals will be received and identified as "The Re-Bid of the Scranton Single Tax Office Independent Post Audit". The envelopes should be delivered or mailed to the Office of the City Controller, at the address listed above, so as to arrive by the date and time specified above. The City of Scranton will require five (5) copies of this proposal. If you have any questions, please contact Roseann Novembrino, City Controller, at (570) 348-4125 or David M. Bulzoni, Business Administrator, at (570) 348-4214.

ROSEANN NOVEMBRINO,
CITY CONTROLLER

Each proposal must be accompanied by a signed proposal, certificate of insurance, and signed anti-collusion and affirmative action affidavit.



TO WHOM IT MAY CONCERN:

You are invited to submit a proposal for "AN INDEPENDENT POST AUDIT" of all Single Tax Office activities, including collections of all applicable revenue and expenditures in accordance with the enclosed Request for Proposal.

All proposals must be submitted in five (5) copies to the City of Scranton, Office of the City Controller, 2nd floor, 340 North Washington Avenue, Scranton, Pennsylvania 18503. All proposals must be submitted in a sealed envelope and clearly marked "INDEPENDENT POST AUDIT – SINGLE TAX OFFICE".

All proposals must be received by the City Controller no later than 10:00 A.M. (prevailing time) on October 3, 2018. Late proposals will not be considered regardless of the reason.

Polices

- All submittals shall become the property of the City of Scranton and will not be returned.
- Deadline extensions will not be granted.
- Late submittals shall not be evaluated.
- The City of Scranton reserves the right to reject any or all submittals on the basis of being unresponsive to these guidelines or for failure to disclose requested information.
- The City of Scranton shall not be liable for any costs incurred by Respondents in the preparation of submittals nor in costs related to any element of the selection and contract negotiation process.
- To the extent allowed by law, responses will be held in confidence by the City of Scranton
- The proposal shall be binding for a period of ninety (90) days.
- Proposals not properly addressed shall not be accepted.
- The City of Scranton assumes no responsibility for improperly delivered proposals, carrier delays, or interruptions in the delivery service causing the proposal to be submitted following the deadline.
- Any proposal may be withdrawn or modified by written request of the Proposer, provided such request is received by the Business Office at the above address prior to the date and time of receipt of proposals. The request must be made formally in writing or electronically by email.

No oral, telephonic, emailed, or faxed responses shall be considered. Any responses received after the above scheduled due date and time shall not be accepted or considered.

Very truly yours

Roseann Novembrino
City Controller

INVITATION FOR REQUEST FOR PROPOSAL

SCRANTON SINGLE TAX OFFICE

Prospective respondents are invited to submit a proposal for an "Independent Post Audit" of all Scranton Single Tax Office revenues and accounts in accordance with the Request for Proposal.

All proposals must be submitted as instructed in five (5) copies to the Office of the City Controller, 2nd Floor, City Hall, 340 North Washington Avenue, Scranton, Pennsylvania, 18504. All proposals must be delivered in a sealed envelope and clearly marked. Late proposals will not be considered regardless of the reason.

CONTRACT PERIOD: The Request for Proposal incorporates audits for the fiscal years ending December 31, 2017 and December 31, 2018.

GENERAL INFORMATION FOR OFFERORS

PURPOSE: The Request for Proposal (RFP) provides interested prospective proposers with sufficient information to enable them to prepare and submit fixed cost proposals for consideration by the Office of the City Controller on behalf of the City of Scranton and Scranton School District to select an auditing firm to provide an independent post audit for the Scranton Single Tax Office.

A. No verbal information to bidders will be binding on the City and School District. The written requirements will be considered clear and complete, unless written attention is called to any apparent discrepancies or incompleteness before the opening of the proposals. All alterations to the Request for Proposal will be made in the form of a written communication emailed to all prospective proposers. The communications shall then be considered to be part of the Request for Proposal.

B. Submission of a proposal will be considered as conclusive evidence of the proposer's complete examination and understanding of the request.

C. The City of Scranton reserves the right to reject any and all proposals submitted and to request additional information from any Proposer. The City of Scranton reserves the right to waive minor irregularities in the procedures or proposals if it is deemed in the best interests of the City of Scranton. The City may elect, at its sole and absolute discretion, to award a Contract based on the initial proposals, or, to open negotiations, either written or oral, with one or more proposers to address performance, technical, pricing, delivery, or other provisions. If negotiations are opened, the City may elect, at its sole and absolute discretion, to conclude negotiations at any time if it is determined to be in its best interest, or they will be closed upon settlement of all questions and clarifications. Proposals may be rejected and negotiations terminated by the City. The award will be based on the offers submitted, as well as any and all negotiations conducted. The City further reserves the right to reject all proposals and seek new proposals when such procedure is considered to be in the best interest of the City.

D. The award will be made to that responsive and responsible proposer whose proposal, conforming to requirements of the request, will be most advantageous to the City, price and other factors considered. The award may or may not be made to the firm with the lowest cost.

E. The City shall have the right, without invalidating the contract, to make additions to or deductions from the items or work covered by the Request for Proposal. In case such deductions or additions are made, an

equitable price adjustment shall be made between the City and the Proposer. Any such adjustments in price shall be made in writing.

F. After notice from the City, the selected proposer will be required to enter into a contract upon receipt of a Notice of Award. If a contract is not executed by the selected proposer, then the City reserves the right to retract the Notice of Award and enter into a contract with another proposer.

G. Proposals must be in typewritten form. Unsigned proposals will not be accepted. Proposers are expected to examine the content of the request and respond accordingly. Failure to do so will be at the Proposer's risk.

H. No proposal will be accepted from or contract awarded to any person, firm or corporation that is in arrears or is in default to the City upon any contract, or that is a defaulter, as surety or otherwise, upon any obligation to the City or who had failed to faithfully perform any previous contract with the City.

I. Unless otherwise specified, all formal proposals submitted shall be binding for ninety (90) calendar days following the bid opening date and may be extended at the agreement of both parties.

J. AUTHORITY

The City of Scranton Business Administrator, as the designee of the Mayor, has the sole responsibility to respond to inquiries regarding the Request for Qualifications.

K. COMPLIANCE WITH LAWS

The firm selected shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, City and other local government agencies, which may in any manner affect the performance of the contract.

L. CONTRACTOR COMPLIANCE

If applicable, each respondent is required to be in compliance with the City of Scranton local tax requirements.

M. CONTRACT TERMINATION

A contract may be canceled by the City by giving the respondent written notice of intent to cancel.

N. CONTROLLING LAW

This Request for Qualifications is governed by, and will be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania without regard to any conflict of law provisions.

O. PROPOSAL INSURANCE REQUIREMENTS

By submitting a Proposal, the proposer agrees that it now carries or will carry throughout the term of any Contract generated as a result of this Request for Qualifications, at a minimum, the following types and amounts of insurance:

Workers' Compensation	Statutory
Employer's Liability	\$500,000

Professional Liability	\$1,000,000 each occurrence \$1,000,000 aggregate
Comprehensive General Liability (including Blanket Contractual Liability Insurance)	
Bodily Injury	\$1,000,000 each person \$1,000,000 each occurrence \$1,000,000 aggregate
Property Damage	\$500,000 each occurrence
Personal Injury	\$500,000
Comprehensive Automobile Liability	
Bodily Injury	\$300,000 each person \$500,000 each occurrence
Property Damage	\$500,000 each occurrence

Certificates of Insurance shall be furnished to the City of Scranton upon request.

P. BIDDER'S ETHICS AND COLLUSION

Collusive Bidding: Any firm that submits more than one proposal in such a manner as to make it appear that one of the proposals submitted is competitive with that of a different proposer, or any two or more firms that agree to fix their respective proposals in such a manner as to be awarded the contract shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Bribery: Any firm that attempts to influence a City official to award this contract to such proposer's firm by promising to provide or by providing to such City official any gratuity, entertainment, commission or any other gift, in exchange for a promise to award the contract to such firm shall be disqualified from further consideration of award of this contract and shall be subject to any applicable penalties under the law.

Conflict of Interest: Any firm that knows of any City official having a material direct or indirect financial interest in such proposer's firm shall be required to submit a written statement, along with the Form of Proposal, detailing such interest. Failure to disclose a known such financial interest shall result in the firm's disqualification from further consideration of award of this contract.

Q. INDEMNIFICATION

1. This agreement shall be binding on the parties hereto, their heirs, successors and assigns.

R. OPEN RECORDS LAW/PUBLIC INFORMATION

Under the Pennsylvania Right-to-Know Law (the "Law"), 65 P. S. Section 67.101 et. seq., a record in the possession of the City is presumed to be a public record subject to disclosure to any legal resident of the United States, upon request, unless protected by a statutory exception.

Any contract dealing with the receipt or disbursement of funds by the City or the City's acquisition, use or disposal of services, supplies, materials, equipment or property is subject to disclosure under the Law. The following are not subject to disclosure under an exception in the Law:

1. A proposal pertaining to the City's procurement or disposal of supplies, services or construction prior to the award of a contract or prior to the opening and rejection of all bids; and
2. Financial information of a bidder or proposer requested in an invitation to bid or request for proposals to demonstrate the bidder's or proposer's economic capability.

S. TRANSFERS AND ASSIGNMENTS

1. Consultant shall not, without written consent of the City, assign, hypothecate or mortgage this agreement. Any attempted assignment, hypothecation or mortgage without the consent of the City shall render this agreement null and void.
2. Neither this agreement nor any interest therein shall be transferable in proceedings in attachment or execution against bidder or in voluntary or involuntary proceedings in bankruptcy or insolvency or receivership taken by or against the respondent, or by any process of law including proceedings under Chapter X and XI of the Bankruptcy Act.

REQUIRED INFORMATION AND SCOPE OF SERVICES

Proposals must be submitted in the format outlined below.

A. PRIOR EXPERIENCE: Please document the firm's experience providing auditing services to other municipalities, specifically cities, counties, and school districts. Describe similar engagements and define the scope of engagement and description of recommendations. Experience shown should be work completed by your firm. Please refer to the audits completed by the firm including the contact information of the local government representatives.

B. SCOPE OF WORK: The City of Scranton and Scranton School District are requesting proposals from independent certified public accounting firms to conduct an independent post audit of the Scranton Single Tax Office accounts, revenues, and expenditures for the fiscal years noted in the introductory page. The City and School District will share the cost of said audit.

The post audit shall include an examination and the expression of an opinion on the financial statements of the Scranton Single Tax Office. The prospective service providers will provide professional independent certified public accounting services to conduct an on-site audit of all funds of the Scranton Single Tax Office, under the Single Audit Act of 1984, for fiscal years ending December 31, 2017 and December 31, 2018.

C. MANAGEMENT LETTER

The Audits for the proposed two (2) year period will result in an opinion with an accompanying financial management letter, relating to the financial operations of the Scranton Single Tax Office and complete financial statements reflecting the position of the funds.

C. PERSONNEL: The proposed staff shall have received continuing professional education in governmental accounting during the past two years and shall be familiar with all Government Accounting Standards Board (GASB) policies. The firm shall have a positive peer review within the last three (3) years. Peer review confirmation may be required if requested by the Office of the City Controller, City of Scranton.

E. WORK PLAN: Briefly describe your plan for accomplishing the audits/management letter. Include a proposed time schedule from start to completion. The Office of the City Controller recognizes this time schedule may present difficulties due to the scope of the audit responsibilities but also expects the firm to dedicate sufficient resources to the completion of the work on a timely basis.

An exit conference may be required at the discretion of the City of Scranton and Scranton School District.

6. PUBLICATIONS: Services provided under the scope of this Audit engagement shall be performed in accordance with the most recent adaptations of the following publications, if applicable:

The City of Scranton Home Rule Charter and Administrative Code;

Governmental Accounting, Auditing and Financial Reporting (National Committee on Governmental Accounting);

Audits of State and Local Governmental Units (American Institute of Certified Public Accountants (Latest Edition);

Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance;

Government Accounting Standards (Yellow Book);

Audits of State and Local Governments and Non-Profit Organizations (Single Audit Act – P.L. 104-156 – Circular Number A-133, as amended;

Commonwealth of Pennsylvania - Municipal Pension Laws, including Municipal Pension Plan Funding – Act 205 of 1985 as amended;

Grants and Agreements with State and Local Governments, Common Rule – 24 CFR Part 85, 2001 Edition (formerly OMB Circular Number A – 102, as amended through August 1997);

Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87, as amended.

8. OTHER RELEVANT DATA:

*The Audit for fiscal year 2016 was performed by Joseph Alu and Associates, Certified Public Accountants;

*The Scranton Single Tax Office accounting records are maintained, primarily, by the Collector of Taxes;

*All Real Estate Taxes and Act 511 authorized taxes are billed by the elected Collector of Taxes, with the exception of the City of Scranton and Scranton School District Earned Income Tax, which is billed and collected by Berkheimer Associates in conjunction with Act 32 of 2008;

*Audit work papers shall remain in the custody of the auditor, as appropriate. However, City and School District personnel, under the supervision of the Tax Collector, and succeeding auditors, shall be given access to audit work papers and shall have a right to copy such work papers pertaining to the audits for the years delineated in the Request for Proposal for a period of three (3) years after the delivery of the Final Report for the corresponding calendar years;

*A Work Progress update will be submitted to the officials in Section 5 according to an agreed upon schedule.

9. **SUBCONTRACTING:** The auditor shall not subcontract any work associated with this contract to any other firm unless first approved by the City of Scranton and Scranton School District;

10. **RELATIONSHIP TO THE CITY OF SCRANTON and SCRANTON SCHOOL DISTRICT:** The auditor shall provide the Office of the City Controller with a clear statement of the relationship of the firm and/or its principals with, or knowledge of, any officials or employees of the City of Scranton and Scranton School District and clearly state the nature of the same.

11. **AFFIDAVITS TO BE PROVIDED:** Proposers shall provide attached affidavits as part of the Proposal. Affidavits shall be completed in entirety.

12. **INSURANCE:** The auditor shall assume the defense of and indemnity and hold harmless the City of Scranton and Scranton School District, its officers, agents, and employees from and against any and all claims, demands, actions, suits, and proceedings by others and against all liability, both negligent and non-negligent, arising directly out of the actions of the firm/proposer in their performance of this contract. Certificates of Insurance shall be furnished to the City of Scranton upon request.

13. **MISCELLANEOUS COSTS:** All costs such as clerical, copying, travel, bonds, and incidental costs associated with the audit will be responsibility of the firm awarded the contract.

The firm awarded the contract shall be required to furnish the Office of the City Controller with a minimum of twenty (20) copies of the Final Audit covering the Audit, Management Letter, and Single Audit.

CRITERIA FOR SELECTION

1. EVALUATION: All proposals received from prospective firms will be reviewed and evaluated by the Office of the City Controller, Office of Business Administration, and Scranton School District. A recommendation will be made by the Office of the City Controller which will select the proposal which most closely meets the requirements of the Request for Proposal.

2. SELECTION BASED UPON QUALIFICATIONS: The contract will be awarded based upon the best value of the Scranton Single Tax Office, City of Scranton, and Scranton School District.

SERVICE EVALUATION:

1. GENERAL: The proposing firm has the responsibility to develop and present a detailed scope of work. The detailed scope of work proposed, at a minimum, should be designed to accomplish the goals of the Request for Proposal and fully address the primary elements identified in the RFP;

2. BACKGROUND: Please provide a brief history of your company (and, if applicable, parent company). Include the names of personnel, in short biographical form, who will be engaged in the projected work with the Scranton Single Tax Office;

3. SERVICES – GENERAL: Please provide a brief description of the services provided by your firm to the Scranton Single Tax Office, if selected;

4. SERVICES – SPECIFIC: Please provide a sample report that your firm developed for reporting data that would comprise a representative sample of your firm's work.

All responses must be received by 10:00 A.M. September 10, 2018. Questions should be submitted to either jreed@scrantonpa.gov, or dbulzoni@scrantonpa.gov by September 3, 2018. Subject line of questions and/or responses should read: "Single Tax Office Independent Post Audit".

In addition to the attachments, all Proposals submitted to the City of Scranton shall include the following:

A certificate of insurance of the prospective bidder's insurance coverage. All insurance coverages must be kept in effect during the contract period. The loss of insurance coverages could result in voiding of the contract.

- 1.) A statement of assurance that the prospective bidder is not currently in violation of any regulatory rules and regulations that may have any impact on its operations.
- 2.) A statement that the prospective bidder is not involved in any current litigation with the City.

Attachment A.

Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

(1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex, or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.

(2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.

(3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.

(4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it; such a factor shall be considered in mitigation in determining appropriate sanctions.

(5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.

(6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

(7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

(8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.

(9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.

(10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: _____

(Name of Bidder)

BY: _____

TITLE: _____

Attachment B.

Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal Opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: _____

(Name of Bidder)

BY: _____

TITLE: _____

Attachment C.
Non-Collusion Affidavit of Prime Bidder

STATE OF _____
COUNTY OF _____

_____,
being first duly sworn, deposes and says that:

1. He is _____
(Owner, partner, officer, representative or agent)
of _____, the Bidder that has
submitted the bid;
2. He is fully informed respecting the preparation and contents of the attached Bid and
of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents,
Representatives, employees or parties in interest, including this affiant, has in any
way colluded, conspired, connived or agreed, directly or indirectly with any other
Bidder, firm or person to submit a collusive or sham Bid in connection with the
Contract for which the attached Bid has been submitted or to refrain from bidding in
connection with such Contract, or has in any manner, directly or indirectly, sought by
agreement or collusion or communication or conference with any other Bidder, or to
Bidder, or to secure through any collusion, conspiracy, connivance or unlawful
agreement any advantage against the City of Scranton (Local Public Agency) or any
person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted
by any collusion, conspiracy, connivance or unlawful agreement on the part of the
bidder or any of its agents, representatives, owners, employees or parties in interest,
including this affiant.

Non-Collusion Affidavit
Signature Page

Signed _____

(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS _____ DAY OF _____

_____, 20____

(TITLE)

MY COMMISSION EXPIRES _____

_____, 20____

Attachment D.

Disclosures by Current Contractors

THE QUESTIONS LISTED BELOW MUST BE ANSWERED OR THE PROPOSAL WILL BE SUBJECT TO OMISSION.

1. Within the proposal, please provide the names and titles of all individuals providing professional services to the City of including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton.
2. Since January 1, 2013, have any of the individuals identified in paragraph one above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment.
3. Since January 1, 2013, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any City official in connection with any transaction or investment involving the Contractor and the City of Scranton. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the City of Scranton.
4. Since January 1, 2013 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton.
5. Since January 1, 2013, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton.
6. Does the Contractor have a direct financial, commercial, or business relationships with City official. With regard to every municipal official for which the answer is yes, identify that individual and provide a description of that relationship.
7. Since January 1, 2013, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and entertainment, at value or discounted value.
8. Regarding the provision of professional services to the City of Scranton, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide an explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist.
9. One of the individuals identified by the Contractor in paragraph one must participate in completing this form and must sign the verification statement below.

VERIFICATION

I, _____, hereby state that I am _____

for _____, and am authorized to make this verification.

I verify that the facts set forth in the foregoing Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

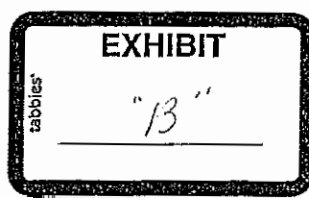
Signed: _____

Date: _____

PROPOSAL FOR INDEPENDENT POST AUDIT SERVICES

FOR THE

SCRANTON SINGLE TAX OFFICE
FOR FISCAL YEARS ENDING
DECEMBER 31, 2017
AND
DECEMBER 31, 2018



PROPOSAL

PRESENTED BY:

Joseph M. Alu, CPA

Joseph M. Alu and Associates, P.C.

Certified Public Accountants

321 Spruce Street

Suite 1000

Scranton, PA 18503

570-342-0405

570-342-0422

jalu@aluassoc.com

Date: September 28, 2018

This proposal is confidential and contains proprietary information. Neither the proposal nor any of the information contained in the plan may be reproduced or disclosed to any person under any circumstances without express written consent of Joseph M. Alu and Associates.

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SCOPE OF WORK/MANAGEMENT	6
PERSONNEL	7-8
WORK PLAN	9-11
BID PROPOSAL	12

Scranton Single Tax Office

Thank you for the opportunity to present a proposal to provide professional auditing services.

Joseph M. Alu and Associates, P.C. is anxious and willing to provide the requested services. We can assure you that we are prepared to provide the highest level of attention and the best quality service that you deserve.

You may also be assured that we will allocate the resources necessary to serve your interests and objectives.

PRIOR EXPERIENCE

Joseph M. Alu and Associates, PC has a significant non-profit and governmental client base and it continues to grow because of our desire to provide high quality services. As such, our firm has been able to maintain our long-standing client relationships. Our client base is comprised of a variety of different types and sizes of entities, all of which continue to broaden the experience base of our staff. Joseph M. Alu, CPA, has been providing audit and consulting services for over 30 years. Tami Bendzel-Mangan, CPA, has been providing audit and accounting services for over 15 years. Below, we highlight engagements we have completed which are similar to the Scranton Single Tax Office.

We have audited the following entities in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of The United States:

- Children's Advocacy Center NEPA (a non-profit organization)
Contact: Mary Ann LaPorta 570-969-7313
- Emergency Medical Services of Lackawanna County (governmental entity funded by grants from the Commonwealth of PA)
Contact: John Campos 570-655-6818
- City of Pittston Parking Authority (a municipal authority under the Commonwealth of PA)
Contact: Joseph Moskovitz 570-654-0513
- Redevelopment Authority, The County of Lackawanna (a municipal authority under the Commonwealth of PA)
Contact: Kevin Mitchell 570-963-6830
- Springbrook Township Sewer Authority (a municipal authority under the Commonwealth of PA)
Contact: Cheryl Bosley 570-842-0633
- City of Carbondale, PA (a municipality in the Commonwealth of PA)
Contact: Mayor Justin Taylor 570-282-4633

In addition, we provided audit services for the years ending December 31, 2015 and December 31, 2016 for the Scranton Single Tax Office.

SCOPE OF WORK & MANAGEMENT LETTER

Joseph M. Alu and Associates PC, an independent Certified Public Accounting firm, is proposing to conduct an on-site, independent post audit of the Single Tax Office accounts, revenues and expenditures for the fiscal years December 31, 2017 and December 31, 2018.

The post audit will include an examination and auditor's opinion on the financial statements of the Scranton Single Tax Office.

In addition, the auditor's opinion will have an accompanying financial management letter, relating to the financial operations and internal control standards of the Scranton Single Tax Office and complete financial statements reflecting the fund position.

PERSONNEL

Joseph M. Alu and Associates, P.C. was formed by Joseph M. Alu, a CPA registered in Pennsylvania and New York. Joseph M. Alu and Associates, P.C. brings forth over 30 plus years of financial and business experience in the areas of financial accounting (including audits of financial statements), tax planning and return preparation, and general business consulting services.

Mr. Alu graduated from the University of Scranton with a BS in Accounting and an Associates Degree in Marketing from the Pennsylvania State University. He is a member of the American Institute of Certified Public Accountants, the Pennsylvania Institute of Certified Public Accountants, and the Pennsylvania Society of Public Accountants. Mr. Alu served two terms with the Pennsylvania State Board of Accountancy, including a term as chairman. He also serves on the Regional Boards for PNC Bank and The Worthington Scranton Campus of Penn State University.

Mr. Alu's focus is on accounting and auditing financial statements for small to medium sized businesses, both commercial, government and

nonprofit organizations, with a strong emphasis on review and auditing services. Mr. Alu has the combined attributes of technical competence and unwavering client service.

In addition to Joseph Alu, the audit team will consist of Tami Bendzel-Mangan, CPA who has over 15 years combined audit, accounting, and tax experience with a significant portion of experience in governmental and non-profit entities. Ms. Mangan graduated from Penn State University with a B.S. in Accounting. She is a member of the Pennsylvania Institute of Certified Public Accountants, The American Institute of Certified Public Accountants, and The Pennsylvania Society of Public Accountants. She is a certified member of the American Institute of Certified Public Accountants Personal Financial Planning (PFP) section.

Our firm is independent with respect to the Tax Office and is not in violation of any regulatory regulations. We are not involved in any litigation with the City. All staff are current with CPE requirements, including requirements related to governmental accounting and auditing.

Attached for your review is a copy of our most recent Peer Review Report.

WORK PLAN

Our work plan pertaining to the audit is as follows:

Fiscal year 2017 - a thorough review of controls, the last audit report issued, and all documentation related to this will be completed. In addition, observation of staff during operations will be necessary to determine operations, and controls in place presently. Recommendations made in the prior audit report will be reviewed to determine their implementation. Through interviews with staff and management we will start creating our detailed audit program based on whether controls were in place and if so, were sufficient.

Fiscal year 2018 –based on prior year results, we will continue our testing of controls and financial statement accounts to ensure compliance with Governmental Auditing Standards.

There are several reasons to choose our firm to provide the services you require:

- We will go beyond the initial purpose of the service to not only independently report on historic financial and program

compliance information, but continually look for opportunities and efficiencies that could enhance your operations, strengthen internal controls, and contribute to your success. Any opportunities for improvements that we identify will be communicated to you and your management team as a normal part of the engagement.

- Our goal is to provide exceptional, timely services to our clients at reasonable rates that help to contain your costs. We will always do our very best not only to meet, but to exceed your expectations.
- Throughout the servicing of your organization, we will be available as necessary and at your request, to meet with and discuss with management, Board of Directors, and funding sources the results of work we have performed. Our direct discussion and participation with the various parties has proven in the past to be beneficial in providing additional understanding and professional insight on behalf of our clients.
- Our service team will conscientiously attempt to minimize work disruptions for your personnel throughout the engagement. You can be assured that all of our personnel assigned to service your needs are highly experienced and professional, and developing a long-term relationship with you is our goal.

We are familiar with the appropriate guides and professional pronouncements regarding audits of governmental entities. We also are

familiar with the subject matter of the services you require and have experience with this type of entity and with the operations of the Tax Office. Through the work we completed for fiscal year December, 31, 2014, we have recent and relevant information which will allow us to provide an efficient and effective audit.

If selected, we will begin the audit of December 31, 2017, on or about October 22, 2018. We believe a reasonable time frame for the scope of work required is one month, which will end field work on approximately November 22, 2018 for the 2017 audit.

We will begin the audit for December 31, 2018, once the report is issued for December 31, 2017, and payment for services received. The time frame for services requested will be approximately one month.

BID PROPOSAL

1. 2017 – Audit Cost	<u>\$12,000.</u>
2. 2018 – Audit Cost	<u>\$12,000.</u>
Total	<u>\$24,000.</u>

CLAUDE W. SPIRON

Certified Public Accountant

821 Shadebrush Ridge, West Chester, Pennsylvania 19382 ♦ 610.733.7459 ♦ Fax 610.429.4649

Report on the Firm's System of Quality Control

To the Owners of
Joseph M. Alu and Associates, P.C.
and the Peer Review Committee of the Pennsylvania Institute of CPAs

February 20, 2018

I have reviewed the system of quality control for the accounting and auditing practice of Joseph M. Alu and Associates, P.C. (the firm) in effect for the year ended September 30, 2017. My peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review.

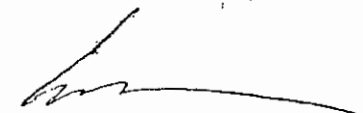
Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards* and an audit of an employee benefit plan.

As a part of my peer review, I considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of my procedures.

Opinion

In my opinion, the system of quality control for the accounting and auditing practice of Joseph M. Alu and Associates, P.C. in effect for the year ended September 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Joseph M. Alu and Associates, P.C. has received a peer review rating of *pass*.



Claude W. Spiron, CPA



ALUJO-1

OP ID: MP

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

07/24/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER C. C. Young Insurance Agy. Inc 1331 Wyoming Ave. Scranton, PA 18509 Mark D. Young	570-346-7021	CONTACT NAME: Mark D. Young PHONE (A/C, No, Ext): 570-346-7021 FAX (A/C, No): 570-342-8487 E-MAIL ADDRESS:
INSURED Joseph M. Alu & Associates P.C. 321 Spruce Street, Suite 1000 Scranton, PA 18503		INSURER(S) AFFORDING COVERAGE INSURER A: Twin City Fire Insurance INSURER B: Travelers Casualty & Surety Co INSURER C: INSURER D: INSURER E: INSURER F:
		NAIC # 29459 19038

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURED	SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			44SBAAJ7691	08/02/2018	08/02/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ EACH OCCURRENCE \$ AGGREGATE \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A		UB002L012251	08/03/2018	08/03/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	PROFESSIONAL LIAB			AP0308144	08/02/2018	08/02/2019	EACH OCC \$ 2,000,000 DEDUCT 5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Scranton Single Tax Office
Unit 216
100 The Mall at Steamtown
Scranton, PA 18503

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Attachment A.

Affirmative Action Certification

During the term of this contract, Bidder agrees as follows:

- (1) Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
- (2) Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
- (3) Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
- (4) It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
- (5) Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
- (6) Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.
- (7) Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of

Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.

- (8) Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
- (9) Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
- (10) Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: October 1, 2018

Joseph M. Albi, PC.

(Name of Bidder)

BY: Joseph M. Albi, CPA.

TITLE: President

Attachment B.

Certificate of Non-Segregated Facilities

The bidder certifies that he does not maintain or provide for his employees and segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term "segregated Facilities," means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: October 1, 2018

Joseph M. McQuinn, Jr.

(Name of Bidder)

BY: Joseph M. McQuinn, Jr., CPA.

TITLE: President

Attachment C.
Non-Collusion Affidavit of Prime Bidder

STATE OF Pennsylvania

COUNTY OF Lackawanna

Joseph M. Alu, CPA.
being first duly sworn, deposes and says that:

1. He is Owner
(Owner, partner, officer, representative or agent)

of Joseph M. Alu & Sons, PC, the Bidder that has
submitted the bid;

2. He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid;
3. Such Bid is genuine and is not a collusive or sham Bid;
4. Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;
5. The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

Non-Collusion Affidavit
Signature Page

Signed [Signature]
President
(TITLE)

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 1st DAY OF October
2018

Joseph M. Alu
President
(TITLE)

Beverly J. Finnerty
MY COMMISSION EXPIRES June
29, 2020

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BEVERLY J. FINNERTY, Notary Public
City of Scranton, Lackawanna County
My Commission Expires June 29, 2020

Attachment D.

Disclosures by Current Contractors

Joseph Allen, CPA
Auditing Service
Tax Office

1. Provide the names and titles of all individuals providing professional services to the City of including advisors and subcontractors, if any. After each name, please provide the responsibilities of that person with regard to the professional services provided to the City of Scranton.

- List the names of any of the above individuals who are current or former officials or employees of the City of Scranton and their position; None
- List the names of any of the above individuals who has been a registered federal or state lobbyist and the date of the most recent renewal/registration. None

2. Since January 1, 2011, have any of the individuals identified in paragraph one above been employed by the City of Scranton. If yes, please identify the individual by his/her name and position with the City of Scranton and dates of employment. No

3. Since January 1, 2011, has the Contractor employed paid compensation to a third party intermediary, agent, or lobbyist to directly or indirectly communicate with any individual on the list of municipal officials in connection with any transaction or investment involving the Contractor and the City of Scranton. This question does not apply to any officer or employee of the Contractor who is acting within the scope of the Contractor's standard professional duties on behalf of the Contractor including the actual provision of legal, accounting, engineering, real estate, or other professional advice, services or assistance pursuant to its professional services contract with the City of Scranton. No

4. Since January 1, 2011 has any agent, officer, director, or employee of the Contractor solicited a third party to make a political contribution to any municipal official or candidate for municipal office in the City of Scranton or to the political party or political committee for whom the solicitation was made. If yes, please identify the agent, officer, director, or employee who made the solicitation; the individual or individuals who were solicited, and the municipal officers, candidates, political party, or political committee for whom the solicitation was made. No

5. Since January 1, 2011, has the contractor made any Contribution to a municipal official or candidate for municipal office in the City of Scranton. If yes, please identify the recipient, the amount, and the date of the contribution. No

6. Does the Contractor have a direct financial, commercial, or business relationships with any individual on the List of Municipal Officials. With regard to every municipal official for which the answer is yes, identify that individual and provide a detailed written description of that relationship. No

7. Since January 1, 2011, has the Contractor conferred any gift of more than nominal value to any individual on the List of Municipal Officials. A gift includes money, services, loans, travel, and entertainment, at value or discounted value. With regard to every municipal official for which the answer is yes, identify the recipient, the gift, and the date it was conferred. No

8. Did the Contractor make political contributions the meet all of the following four criteria: (i) The contribution was made at any time since January 1, 2011; (ii) the contribution was made by an officer, director, executive-level employee, or owner of at least five percent (5%) of the Contractor; (iii) the amount of the contribution was at least \$500.00 in the form of either a single contribution by an officer, director, executive-level employee or owner of at least five percent (5%) or the aggregate of all contributions by all officers, directors, executive-level employees, and owners of at least five percent (5%) and (iv) the contribution was made to a candidate for any public office in the Commonwealth of Pennsylvania or to an individual who holds that office, or to a political committee of a candidate for public office in the Commonwealth of Pennsylvania or of an individual who holds that office. If yes, then the Contractor shall provide the following information: the name and address of the contributor, the contributor's relationship to the Contractor, the name and office or position of each recipient, the amount of the contribution, and the date of the contribution. *None*
9. Regarding the provision of professional services to the City of Scranton, are you aware of any conflicts of interest, whether apparent, potential, or actual, with respect to any officer, director, or employee of the Contractor and officials or employees of the City of Scranton. If yes, please provide a detailed written explanation of the circumstances which you believe provide a basis to conclude that an apparent, potential, or actual conflict of interest may exist. *None*
10. Please provide the name(s) and person(s) completing this form. One of the individuals identified by the Contractor in paragraph one must participate in completing this form and must sign the verification statement below.

VERIFICATION

I, Joseph M. Mh., hereby state that I am Owner

for Joseph M. Mh. & Co., PC, and am authorized to make this verification.

I verify that the facts set forth in the foregoing Act-44 Disclosure Form for entities providing professional services to the City of Scranton are true and correct to the best of my knowledge, information, and belief. I understand that false statements herein are made subject to penalties of 18 P.A.C.S section 4904 relating to unsworn falsification to authorities.

Signed: 

Date: October 1, 2018



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

RECEIVED

NOV 16 2018


OFFICE OF CITY
COUNCIL/CITY CLERK

To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO A
CONTRACT BETWEEN THE CITY OF SCRANTON AND THE SCRANTON
SCHOOL DISTRICT WITH JOSEPH M. ALU AND ASSOCIATES TO PERFORM
THE SCRANTON SINGLE TAX OFFICE INDEPENDENT AUDIT FOR FISCAL
YEARS ENDING DECEMBER 31, 2017 AND DECEMBER 31, 2018.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE REPAIRS IN THE AMOUNT OF \$1,000.00.

WHEREAS, the City of Scranton is applying for funding through the Lackawanna Heritage Valley National and State Heritage Partnership Grant Application. The purpose of this funding is to repair the Wenzel Treehouse located in Nay Aug Park. This Project is based around two goals: – first, to ensure the Treehouse is a safe and secure structure; and second, to reopen this all season unique feature of Nay Aug Park. A copy of the grant application (“Grant Application”) and supplemental items are attached hereto as Exhibit “A” and incorporated herein as if set forth at length; and

WHEREAS, the Lackawanna Heritage Valley National and State Heritage Area is a partnership of government, business, civic organizations, and individuals dedicated to the development of the region’s historic, cultural, economic, and national resources through preservation, education, and promotion of our heritage; and

WHEREAS, the Wenzel Treehouse, a fully handicapped accessible structure, is the first of its kind in the area; the construction was made possible by partnership between local government and foundations. The Treehouse provides a majestic view 150 feet above the Gorge, a spot previously unseen by most. This grant funding would allow the City of Scranton to restore a key piece of Nay Aug Park that visitors had been enjoying for years.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate city officials are hereby authorized to apply for and execute a Grant Application to the Lackawanna Heritage Valley National and State Heritage Area Partnership Grant for construction on the Wenzel Treehouse repairs in the amount of \$1,000.00.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid, or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally

enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, Known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



Lackawanna Heritage Valley National and State Heritage Area

213 South 7th Avenue, Scranton, PA 18505
Phone: 570.963.6730 x8200 ♦ Fax: 570.963.6732

Partnership Grant Application 2018

LHV Use Only

Received _____
Accepted _____
Denied _____
Modified _____
Amount _____
Initials _____

General Information: Before completing this application, please contact April Rogato, LHV Executive Assistant, at 570.963.6730 x8200 or arogato@lhva.org to discuss your project.

Instructions:

1. Please complete all the sections. An electronic (email) copy and a printed (paper) copy, signed by an official, are required.
 2. Electronic (email) completed application is to be sent to arogato@lhva.org.
 3. Printed (paper) completed application must be signed by your organization's authorizing official (Executive Director, Board of Directors Chairperson, President, etc.)
- This application may be sent by postal mail or hand delivered to the above address.

APPLICANT: (Name of organization/agency managing the project)

City of Scranton

FEDERAL EMPLOYER I.D. NO.: 246000704

DUNS NO: 060497856-7856

APPLICANT MAILING ADDRESS: (Street, city, state, zip)

340 North Washington Ave, Scranton, PA 18503

PHONE NUMBER: (570)-348-4105

FAX NUMBER:

PROJECT COORDINATOR: (Name and title of person managing project)

Jessica Eskra, Esquire, City Solicitor/Deputy Mayor

EMAIL ADDRESS: jeskra@scrantonpa.gov

PHONE NUMBER: (570)-348-4105

TYPE OF ORGANIZATION: (Check one)

☒ Government Entity ☐ Non-Profit Org. ☐ Educational Institution

WEBSITE:

scrantonpa.gov

PROJECT TITLE: Wenzel Treehouse Repairs

PROJECT START DATE: Fall 2018

PROJECT END DATE: Spring/Summer 2019

AUTHORIZING OFFICIAL: (President, Chair, etc.—the head of the applicant organization who signs below)

Jessica Eskra, Deputy Mayor

PROJECT LOCATION: (Municipality(s) and County(s))

Scranton, Lackawanna

BRIEF PROJECT DESCRIPTION: (Please limit description to 200 words)

See attached.

SUMMARY OF ESTIMATED PROJECT COST/GRANT REQUEST (Complete worksheets on pgs. 3 & 4 first)

A.

\$

IN-KIND/VOLUNTEER SERVICES DONATED

B.

\$

CASH PROJECT COSTS

A+B =

C.

\$ 187,000

TOTAL PROJECT COST (How much it will cost to do your project, including any In-kind donations)

D.

\$ 1,000

AMOUNT YOU ARE REQUESTING FROM LACKAWANNA HERITAGE VALLEY

E.

\$

AMOUNT OF TOTAL MATCHING FUNDS (cash, earned income, other grants, etc.)

Signature of Authorizing Official

Jessica Eskra

EXHIBIT

tabbles

"A"

THE DEPUTY MAYOR/
CITY SOLICITOR

Date 11/1/18

242

Lackawanna Heritage Valley National and State Heritage Area

2. Project Scope

A. What is/are the goals and purpose of this project?

The City of Scranton is applying for funding through the Lackawanna Heritage Valley National and State Heritage Partnership Grant Application. The purpose of this funding is to repair the Wenzel Treehouse located in Nay Aug Park. This project is based around two goals- first, to ensure the Treehouse is a safe and secure structure and second, to re-open this all season unique feature of Nay Aug Park.

B. Who is the intended audience?

The intended audience is Scranton residents and visitors of Nay Aug Park.

C. How do you intend to measure whether or not your goals have been attained?

The goals will be measured by first performing a safety inspection on the Treehouse once repairs are complete and second, monitoring the Treehouse throughout the year to ensure it remains secure and accessible to visitors.

D. Describe the process you will use to ensure public participation

Nay Aug Park draws multitudes of visitors throughout the year for the various attractions located in the park including the Everhart Museum, swimming complex, Davis Trail, playgrounds, Rose Garden, the City's annual Holiday Light Display in addition to the numerous events that are held at the park annually. Nay Aug Park is a much used recreational resource in the City; prior to the closing of the Treehouse, it was regularly utilized by visitors of the park.

E. What is the project timetable (list phases and when you intend to start and complete each)

The repairs are expected to commence in the Fall of 2018 and be completed in the Spring/Summer of 2019.

3. Funding Goals of the Lackawanna Heritage Valley National and State Heritage Area

1. Facilitate partnerships and strengthen local charity

The Wenzel Treehouse is funded through public/private partnerships including the City of Scranton, Lackawanna County, Weston Foundation, and the Shade Tree Commission.

2. Tell the story of the Lackawanna Heritage Valley

"The Lackawanna Heritage Valley National and State Heritage Area is a partnership of government, business, civic organizations, and individuals dedicated to the development of the

region's historic, cultural, economic, and natural resources through preservation, education, and promotion of our heritage". The Wenzel Treehouse, a fully handicapped accessible structure, is the first of its kind in the area; the construction of which was made possible by partnerships between local government and foundations. The Treehouse overlooks the Gorge, a unique natural resource and is located in the historic Nay Aug Park.

3. Preserve and enhance the physical character and economic vitality of Heritage Valley Communities

The Treehouse provides a majestic view 150 feet above the Gorge, a spot previously unseen by most. The accessibility of the Treehouse is part of what makes it unique as it is handicap accessible and able to be accessed by visitors of all ages and abilities.

4. Improve the visitor experience

From visitors accessing the Treehouse for its unique view to wedding ceremonies and photographs the Treehouse was utilized on a daily basis. This grant funding would allow the City of Scranton to restore a key piece of Nay Aug Park that visitors had been enjoying for years.

5. Reconnect communities and people to the Lackawanna River

Roaring Brook, a tributary of the Lackawanna River flows through Nay Aug Park. One of the key features of the Treehouse is the view and access it provides to Roaring Brook flowing through the Nay Aug Gorge, which is listed on the National Register of Geological Landmarks. Repairing and re-opening the Treehouse will reconnect visitors to some of our area's natural resources.

5. Cost Estimate/Budget Worksheet

Using the tables below, provide a cost estimate to complete the project. The cost estimate should indicate which work items will be paid for in cash and which will be completed through in-kind or volunteer services. LHV funds require a dollar-for-dollar match of public or private monies — or a combination of the two. LHV grants cover no more than fifty percent (50%) of direct project costs. After you complete each budget table, transfer the total to the appropriate lines on page one as instructed. For complete instructions, please refer to Grant Seeking Guidelines for Partnership Grants at <http://www.lhva.org/partnership-grants/>. Add rows to the tables as necessary.

See attached.

5a. In-Kind / Volunteer Services (Line A on page one)

In-kind contributions are non-cash donations for the project contributed by the applicant or by a third-party. In-kind and volunteer services cannot be counted as part of the required cash match for a grant. (Add rows as needed.)

Description of Donated Goods or Services	Amount
See attached.	
TOTAL OF ALL DONATED GOODS & VOLUNTEER SERVICES (Line "A" on page 1)	

5b. Matching Funds (Line E on page one)

NOTE: You will need to verify all Matching Funds when the project is completed and you submit the Final Report, so only list matching funds for which you believe you will have documentation.

Matching Funds include money raised for the project by the applicant through sources such as grants and earned income. Applicants must demonstrate a dollar-for-dollar cash match for all funds requested from LHV. **Public Matching Funds** include financial support from government agencies. **Private Matching Funds** are monies from non-governmental organizations or agencies, including cash donations and estimated earned income. (Add rows as needed.)

List All Matching Funds.

Source	Amount	Note whether the source is: Federal, State, or Local Government; or Private	Are the funds: In Hand, Applied For, or Pending
See attached.			
TOTAL OF MATCHING FUNDS (Line "E" on page 1)			

5c. Project Budget.

Detail the project's total estimated eligible costs by type and dollar amount. Include calculations if necessary. Add extra lines if needed. Documentation of all expenses, including invoices and proof of payment, must be included with Final Report.

Description of Expense	LHV Requested Amount	+	Applicant Match	=	Totals
See attached.		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
		+		=	
TOTALS		+		=	
	Include total on line "D" on page 1.	+	Include total on line "E" on page 1.	=	Include total on line "B" on page 1.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

MEMORANDUM

TO: Roseann Novembrino, City Controller
David Bulzoni, Business Administrator
Rebecca McMullen, Finance Manager
Brian Fallon, Director of Parks and Recreation

FROM: Jessica Eskra, Esquire
City Solicitor/Deputy Mayor *JE*

DATE: October 30, 2018

RE: City of Scranton – Wenzel Treehouse Repairs

We have awarded the contract for the above project to MarPaul for a total bid amount of \$187,000. The funding for this project and their sources are as follows:

\$	10,000	Lackawanna County Grant
	1,000	LHVA Grant
	87,856	Balance contained in the Scranton Area Foundation account
	<u>88,144</u>	Parks and Recreation Capital Expenditure Line Item
\$	187,000	TOTAL

BID FORM

BID FOR CONTRACT

City of Scranton Controller

Scranton, PA 18503

BID OF Mar-Paul Co., Inc.

(Company Name, Address w/Zip Code)

1335 Veterans Memorial Drive, Jessup, PA. 18434

Telephone Number: (570) 489-4400

Members of the Board of the City of Scranton:

1. In conformity with the drawings and specifications as prepared by Greenman Pedersen Inc., and after an examination of the location and nature of the required work, and the Contract Documents, including Invitation to Bid, Instruction to Bidders, Attachments to the Instructions to Bidders, this Form of Bid, the Form of Owner-Contractor Agreement, the Bid Bond, the General Conditions, the General Requirements, and the Drawings, Plans and Specifications, the undersigned submits this Bid and encloses herewith

(A) as a Bid Guaranty, a certified check, bank cashier's check, trust company treasurer's check, bid bond on the form enclosed and furnished by the Owner, or other form of security permitted by applicable law, in an amount of not less than ten percent (10%) of the total of the hereinafter stated Base Bid made payable to or indemnifying the City of Scranton, which bond it is understood will be forfeited to and retained by the Owner, as liquidated damages, if this Bid or any part thereof is acceptable by the Owner, and the undersigned shall fail to furnish approved bonds, other required documents, and the executed contract within ten (10) days from date of issuance of the award.

(B) A Non-Collusion affidavit under the Antibid-Rigging Act, certifying that the undersigned is the only person(s) interested in this Bid as principal, and that the Bid is made without collusion with any person, firm, or corporation.

(C) An Affirmative Action Certification stating that Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap.

(D) Certificate of Non-Segregated Facilities stating that the Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained.

BID FORM

BID FOR CONTRACT

City of Scranton Controller

Scranton, PA 18503

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(A) as a Bid Guaranty, a certified check, bank cashier's check, trust company treasurer's check, bid bond on the form enclosed and furnished by the Owner, or other form of security permitted by applicable law, in an amount of not less than ten percent (10%) of the total of the hereinafter stated Base Bid made payable to or indemnifying the City of Scranton, which bond it is understood will be forfeited to and retained by the Owner, as liquidated damages, if this Bid or any part thereof is acceptable by the Owner, and the undersigned shall fail to furnish approved bonds, other required documents, and the executed contract within ten (10) days from date of issuance of the award.

(B) A Non-Collusion affidavit under the Antibid-Rigging Act, certifying that the undersigned is the only person(s) interested in this Bid as principal, and that the Bid is made without collusion with any person, firm, or corporation.

(C) An Affirmative Action Certification stating that Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap.

(D) Certificate of Non-Segregated Facilities stating that the Bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained.

Certificate of Authority (or the Application in circumstances more fully described in the Instructions to Bidders) required of all corporations not domiciled in the Commonwealth of Pennsylvania.

2. It is understood and agreed that this Bid will remain effective for a period of 90 days in accordance with the provisions of the Instructions to Bidders.

Bidder agrees that, if awarded contract, he will furnish and deliver all materials, transportation, secure all permits and licenses, do and perform all labor, superintendence, pay all fees and do all incidental work and to execute, construct and finish in an expeditious, substantial and workmanlike manner, in accordance with the drawings, plans and specifications and other contract documents to the complete satisfaction and acceptance of the Owner for the above captioned contract for the price hereinafter stated.

STIPULATED SUM PROPOSAL

LUMP SUM BASE BID

For all Base Bid work, complete as specified and as shown on the Contract Drawings, Plans, and Specifications, the sum of:

One hundred, seventy three thousand and 00/100

(DOLLARS) (\$173,000.00)

BIDDER MUST INSERT THE BID BOTH IN WRITING AND NUMERICALLY

UNIT PRICE SCHEDULE

Unit Price No. 1 - 4000 PSI Concrete per Design Documents

5 @ \$ 300.00 / C.Y.= \$ 1,500.00

Unit Price No. 2 - 2x6 Roof Decking per Design Documents

16 @ \$ 75.00 / L.F.= \$ 1,200.00

Unit Price No. 3 - Roof Shingles per Design Documents

10 @ \$ 130.00 / S.F.= \$ 1,300.00

Unit Price No. 4 - 2x6 Timber Decking per Design Documents

16 @ \$ 110.00 / L.F.= \$ 1,760.00

Unit Price No. 5 - 3 1/2x18 Glulam Timber Framing per Design Documents

16 @ \$ 140 / L.F.= \$ 2,240.00

Unit Price No. 6 - 2 1/2x21 Glulam Timber Framing per Design Documents

16 @ \$ 150 / L.F.= \$ 2,400.00

Unit Price No. 7 - 2x6 Joist Timber Framing per Design Documents

16 @ \$ 95 / L.F.= \$ 1,520.00

Unit Price No. 8 - Structural Steel Painting per Design Documents

10 @ \$ 2.30 / S.F.= \$ 23.00

Unit Price No. 9 - 1/2 Round Wood Handrail per Design Documents

10 @ \$ 50 / L.F.= \$ 500.00

Unit Price No. 10 - Anti-Slip Surface per Design Documents

20 @ \$ 30 / S.F.= \$ 600.00

TOTAL AMOUNT OF BID = LUMP SUM + UNIT PRICES SCHEDULE ITEMS #1 thru #10

= \$ 187,000.00

One hundred, eighty seven thousand and 00/100
Insert the total amount of Bid both in writing and numerically

[If Bidder is a corporation:]

(CORPORATE SEAL)

Mar-Paul Co., Inc.

Name of Bidder-Corporation

ATTEST:

President or Vice-President

Marilyn Bamford
Secretary or Treasurer

By Robert J. Bamford
Robert J. Bamford

The Mar-Paul Co., Inc. is a corporation organized and existing
under the Laws of Pennsylvania.

[If a foreign corporation:] _____ has /has not [circle one] been granted a certificate of authority to do business in Pennsylvania, as required by the Business Corporation Law, approved May 5, 1933, P. L. 364, as amended to date.

[If a foreign corporation that has not been granted a certificate:] _____ has applied for a certificate of authority to do business in Pennsylvania, as required by the Business Corporation Law, approved May 5, 1933, P. L. 364, as amended to date, and a copy of the application is attached.

[If Bidder is a partnership:]

WITNESS:

Name of Bidder-Partnership _____

Signature of an authorized
Partnership representative

(seal)

(seal)

(seal)

(seal)

(Affix additional partner
signatures if necessary)

[If Bidder is an individual:]

Trade or Business Name of
Proprietorship

Name of Bidder-Individual
(printed)

WITNESS:

(seal)

Signature of Bidder-Individual

Our firm is not currently in violation of any regulatory rules and regulations that may have any impact on the firm's operations; and the firm or principals are not involved in any current or pending litigation involving City of Scranton, or any of its Departments or Authorities. There are no conflicts of interest to which the firm would be subject if it were to provide the requested services on behalf of the City.

ADDENDUM CONFIRMATION:

☒ Addendum Nos. 1 thru 1

Contractor to submit one set of original signed documents and five (5) copies.

AFFIRMATIVE ACTION CERTIFICATION

During the term of this contract, Bidder agrees as follows:

1. Bidder shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex or handicap. Bidder shall take affirmative action to insure that applicants are employed, and that employees or agents are treated during employment, without regard to their race, color, religious creed, ancestry, national origin, age, sex or handicap. Such affirmative action shall include, but is not limited to the following: employment, upgrading, demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. Bidder shall post in conspicuous places, available to employees, agents, applicants for employment, and other persons, a notice to be provided by the contracting agency setting forth the provision of this affirmative action certification.
2. Bidder shall, in advertisements or requests for employment placed by it or on its behalf, state all qualified applicants will received consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex or handicap.
3. Bidder shall send each labor union or workers' representative with which it has a collective bargaining agreement to other contract or understanding, a notice advising said labor union or worker's representative of its commitment to this affirmative action certification. Similar notice shall be sent to every other source of recruitment regularly utilized by bidder.
4. It shall be no defense to a finding of noncompliance with this affirmative action certification that bidder has delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the bidder was not on notice of the third-party discrimination or made a good faith effort to correct it, such a factor shall be considered in mitigation in determining appropriate sanctions.
5. Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so bidder will be unable to meet its obligations under this affirmative action certification, bidder shall then employ and fill vacancies through other affirmative action employment procedures.
6. Bidder shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of bidder's noncompliance with affirmative action certification of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and bidder may be declared temporarily ineligible for further City of Scranton contracts, and other sanctions may be imposed and remedies invoked.

7. Bidder shall furnish all necessary employment documents and records to, and permit access to its books, records, and accounts by, the City of Scranton Department of Business Administration, for purposes of investigation to ascertain Compliance with the provision of this certification. If bidder does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the City of Scranton Department of Business Administration.
8. Bidder shall actively recruit minority subcontractors or subcontractors with substantial minority representation among their employees.
9. Bidder shall include the provisions of this affirmative action certification in every subcontract, so that such provisions will be binding upon each subcontractor.
10. Bidder's obligations under this clause are limited to the bidder's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

DATE: September 24, 2018

Mar-Paul Co., Inc.
(Name of Bidder)

BY 
Robert J. Bamford

TITLE Vice President

CERTIFICATE OF NON-SEGREGATED FACILITIES

The bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The Bidder agrees that a breach of this certification will be a violation of the Equal opportunity clause in any contract resulting from acceptance of his bid. As used in this certification, the term Segregated Facilities, means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where he has obtained identical certifications from proposal sub-contractors for specific time periods) he will obtain identical certifications from proposed sub-contractors prior to the award of sub-contracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, and that he will retain such certification in his files.

NOTE: The penalty for making false statements in offers is prescribed in 18 U.S.C. §1001.

DATE: September 24, 2018

Mar-Paul Co., Inc.
(Name of Bidder)

BY 
Robert J. Bamford,

TITLE Vice President

NON-COLLUSION AFFIDAVIT

Contract/Bid No. _____

Commonwealth/State of Pennsylvania _____

County of Lackawanna:

I state that I am the ^{Vice}~~President~~ [Title] of Mar-Paul Co., Inc. [Name of Firm] and that I am authorized to make this affidavit on behalf of my firm, and its owners, directors, and officers. I am the person responsible in my firm for the price(s) and the amount of this bid.

I state that:

(1) I am fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such Bid:

(2) Neither the said Bidder nor any of its officers, partners, owners, agents, Representatives, employees or parties in interest, including this affiant, has in any way disclosed, colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, or to Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Scranton (Local Public Agency) or any person interested in the proposed Contract; and;

(3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit a bid higher than this bid, or to submit any intentionally high or noncompetitive bid or other form of complementary bid.

(4) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees or parties in interest, including this affiant.

(5) Mar-Paul Co., Inc. (~~Name~~ of my firm) and its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract, except as follows:

I state that Mar-Paul Co., Inc. [Name of my firm] understands and acknowledges that the above representations are material and important, and will be relied on by City of Scranton in awarding the contract(s) for which this bid is submitted.

I understand and my firm understands that any misstatement in this affidavit is and shall be treated as fraudulent concealment from City of Scranton of the true facts relating to the submission of bids for this contract.

Wenzel Treehouse Repairs Nay Aug

Robert J. Bamford (Name)

Mar-Paul Co., Inc. (Company)

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 24th DAY

OF September, 2018

Notary Public

Teresa M Stewart

My Commission Expires 03/05/22

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL
TERESA M STEWART, NOTARY PUBLIC
CITY OF JESSUP, LACKAWANNA COUNTY
MY COMMISSION EXPIRES MARCH 5, 2022

SECTION 000410 - BID SECURITY FORM

KNOW ALL MEN BY THESE PRESENTS, that we,
Mar-Paul Company, Inc. (Here insert full name and address or legal
title of Contractor) as Principal, hereinafter called the
Principal, and Arch Insurance Company
(Here insert full name and address or legal title of Surety) a corporation duly organized
under the

laws of the State of Missouri as Surety, hereinafter called the Surety,
are held

and firmly bound unto City of Scranton
(Here insert full name and address or legal title of Owner) as Obligee, hereinafter called
the

Obligee, in the sum of Ten percent of amount bid Dollars (\$ 10%), for the
payment of which sum well and truly to be made, the said Principal and the said Surety,
bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and
severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for

Wenzel Treehouse repairs Nay Aug

(Here insert full name and

address or description of project)

NOW, THEREFORE, if the Obligee shall accept the bid of the Principal and shall enter
into a Contract with the Obligee in accord with the terms of such bid, and give such
bond or bonds as may be specified in the bidding of Contract Documents with good and
sufficient surety for the faithful performance of such Contract and for the prompt
payment of labor and material furnished in the prosecution thereof, or in the event of
failure of the Principal to enter such Contract and give such bond or bonds, if the
Principal shall pay to the Obligee the difference not to exceed the penalty hereof
between the amount specified in said bid and such larger amount of which the Obligee
may in good faith contract with another party to perform the Work covered by said bid,
then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 24th. day of Sept., 20 18

Mar-Paul Company, Inc. (Seal)

Robert J. Bamford
(Title) Vice President

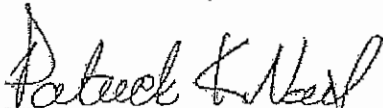
Arch Insurance Company (Seal)

Joan M. Evans
(Title) Joan M. Evans, Attorney-in-Fact

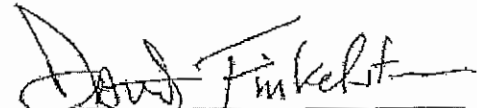
In Testimony Whereof, the Company has caused this instrument to be signed and its corporate seal to be affixed by their authorized officers, this 14th day of May, 2018.

Attested and Certified

Arch Insurance Company


Patrick K. Nails, Secretary

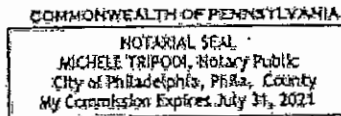


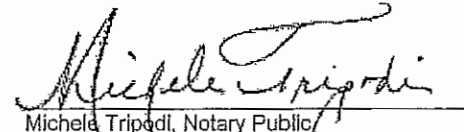

David M. Finkelstein, Executive Vice President

STATE OF PENNSYLVANIA SS.

COUNTY OF PHILADELPHIA SS

I, Michele Tripodi, a Notary Public, do hereby certify that Patrick K. Nails and David M. Finkelstein personally known to me to be the same persons whose names are respectively as Secretary and Executive Vice President of the Arch Insurance Company, a Corporation organized and existing under the laws of the State of Missouri, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they being thereunto duly authorized signed, sealed with the corporate seal and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary acts for the uses and purposes therein set forth.

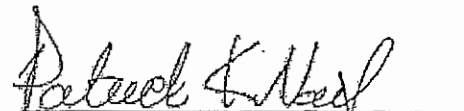



Michele Tripodi, Notary Public
My commission expires 07/31/2021

CERTIFICATION

I, Patrick K. Nails, Secretary of the Arch Insurance Company, do hereby certify that the attached Power of Attorney dated May 14, 2018 on behalf of the person(s) as listed above is a true and correct copy and that the same has been in full force and effect since the date thereof and is in full force and effect on the date of this certificate; and I do further certify that the said David M. Finkelstein, who executed the Power of Attorney as Executive Vice President, was on the date of execution of the attached Power of Attorney the duly elected Executive Vice President of the Arch Insurance Company.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the Arch Insurance Company on this 24th day of Sept, 2018.


Patrick K. Nails, Secretary

This Power of Attorney limits the acts of those named therein to the bonds and undertakings specifically named therein and they have no authority to bind the Company except in the manner and to the extent herein stated.

PLEASE SEND ALL CLAIM INQUIRIES RELATING TO THIS BOND TO THE FOLLOWING ADDRESS:

Arch Insurance -- Surety Division
3 Parkway, Suite 1500
Philadelphia, PA 19102



THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON BLUE BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated. Not valid for Note, Loan, Letter of Credit, Currency Rate, Interest Rate or Residential Value Guarantees.

POWER OF ATTORNEY

Know All Persons By These Presents,

That the Arch Insurance Company, a corporation organized and existing under the laws of the State of Missouri, having its principal administrative office in Jersey City, New Jersey (hereinafter referred to as the "Company") does hereby appoint:

Joan M. Evans, Mary Jo Davis and Ronald M. Metcho, Sr. of Taylor, PA (EACH)

its true and lawful Attorney(s)-in-Fact, to make, execute, seal, and deliver from the date of issuance of this power for and on its behalf as surety, and as its act and deed:

Any and all bonds, undertakings, recognizances and other surety obligations, in the penal sum not exceeding Ninety Million Dollars (\$90,000,000.00).

This authority does not permit the ~~same~~ obligation to be split into two or more bonds in order to bring each such bond within the dollar limit of authority as set forth herein.

The execution of such bonds, undertakings, recognizances and other surety obligations in pursuance of these presents shall be as binding on the said Company as, fully and amply to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal administrative office in Jersey City, New Jersey.

This Power of Attorney is executed by authority of resolutions adopted by unanimous consent of the Board of Directors of the Company on September 15, 2011, true and accurate copies of which are hereinafter set forth and are hereby certified to by the undersigned Secretary as being in full force and effect:

"VOTED, That the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division or their appointees designated in writing and filed with the Secretary, or the Secretary shall have the power and authority to appoint agents and attorneys-in-fact, and to authorize them subject to the limitations set forth in their respective powers of attorney, to execute on behalf of the Company, and attach the seal of the Company thereto, bonds, undertakings, recognizances and other surety obligations obligatory in the nature thereof, and any such officers of the Company may appoint agents for acceptance of process."

This power of Attorney is signed, sealed and certified by facsimile under and by authority of the following resolution adopted by the unanimous consent of the Board of Directors of the Company on September 15, 2011:

VOTED, That the signature of the Chairman of the Board, the President, or the Executive Vice President, or any Senior Vice President, of the Surety Business Division, or their appointees designated in writing and filed with the Secretary, and the signature of the Secretary, the seal of the Company, and certifications by the Secretary, may be affixed by facsimile on any power of attorney or bond executed pursuant to the resolution adopted by the Board of Directors on September 15, 2011, and any such power so executed, sealed and certified with respect to any bond or undertaking to which it is attached, shall continue to be valid and binding upon the Company.



DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

November 15, 2018

RECEIVED

NOV 16 2018


To the Honorable Council
Of the City of Scranton
Municipal Building
Scranton, PA 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND
OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A
GRANT APPLICATION BY THE CITY OF SCRANTON TO THE LACKAWANNA
HERITAGE VALLEY NATIONAL AND STATE HERITAGE AREA PARTNERSHIP
GRANT APPLICATION FOR CONSTRUCTION ON THE WENZEL TREEHOUSE
REPAIRS IN THE AMOUNT OF \$1,000.00.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl