



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Meeting Minutes

Board of Commissioners

Thursday, November 2, 2017

10:00 AM

Commissioner's Conference Room

Budget Hearing

Call to Order

Opportunity for the Public to Address the Board (Agenda Items Only)

2018 Tentative Budget Presentation

The County of Lackawanna's 2018 Budget Message

2017 Lackawanna County Budget-Funded Accomplishments

History does repeat itself. Especially as it relates to the operation of Lackawanna County government in 2017.

The policies enacted and actions taken by the Commissioners had a significant impact on the area's operating environment.

Lackawanna County remains on solid ground thanks to the hard work, wisdom and insights of many individuals. This gave birth to new innovations that impacted the area's economy and quality of life. Several cost-cutting measures also helped to save money. All of this was done by doing more with less.

The County's financial stability was fortified through the 2017 bond refunding series, which consolidated debt, saving over \$5.2 million. The practice of completing audits on time has continued, enhancing the County's fiscal standing even more.

Economic Development remained the focal point of the County's goal of creating opportunities, generating commerce for our businesses, and expanding the tax base. The very popular Community Re-Invest Program continued to transform communities by funding a variety of new ventures. In 2017, 36 projects totaling \$363,980 were approved, which changed the landscape up-and-down the valley. The Land Bank continued to be successful in generating tax revenue. It acquired over 100 properties from the City of Scranton and handled the deed/lien work on them for a "free-and-clear" resale in an attempt to get them back on the tax rolls. The "Side Lot" program was a success as well, with several property deeds being awarded to homeowners and others to utilize the sites in some unique fashion.

The Lackawanna County Government Center project continues to progress.

Designs, bids, contracts and a host of other documents were prepared, paving the way for the renovations to begin. The goal is to occupy the building by late 2018, signaling the dawn of a new era for Downtown Scranton.

The County also took a giant step forward to protect the well-being of all residents against the opioid crisis by filing a lawsuit against the pharmaceutical companies. To further alert the community of the dangers of the epidemic, a PSA video contest was initiated to help spread the word about the evils of this demon.

The Lackawanna County Courts, the “Halls of Justice” for those requiring legal satisfaction, initiated a Unified Case Management (UCM) system to share information between the prison, probation and other areas, as a means of keeping everyone on “the same page” and preventing the duplication of bookings and other administrative actions. Consolidating Central Court, administrative functions and other judiciary departments into a “one-stop” shop format is still being investigated. This action would, if brought to fruition, streamline services and save resources. Protecting law enforcement personnel was also done through the approval of equipment and safety grants.

The parks system is the crown jewel of the County’s recreation offerings. This was evidenced with the announcement of the upcoming development of vacant land on the lower end of Lackawanna Avenue into greenspace called Riverfront Park. The safety of everyone who uses the facilities was kept in mind with the installation of Automated External Defibrillator (AED) monitors. Our Arts & Culture program remains strong as ever through its grant funding, Art in the Park youth series, and Arts Engage initiative.

Debt Position

While the annual debt service for 2018 was scheduled to increase to more than \$21 million, the County was able to garner savings due to refinancing in 2017. The savings from the refinancing allowed the County, without extending the maturity of any of the refinanced bonds, to reduce the 2018 debt service to \$19.9 million.

The County will continue to be diligent when seeking further opportunities to restructure its long term debt.

Financial Policies of Lackawanna County for 2018

In 2018, the Administration will continue to be conservative and demonstrate fiscal responsibility, restraint and management when addressing the County’s financial challenges.

The Administration will continue its commitment to addressing the constant challenges facing County government on numerous fronts, especially in the area of its workforce. Personnel-related expenses (salaries, wages and health care) comprise 54.1 percent of the County’s general fund budget, net of tax transfers out.

Important Features of the Budget

The 2018 general fund budget includes no property tax increase.

Many man-hours went into the preparation of the County's 2018 fiscal blueprint. Its goal is service to the 214,000 residents. The budget also reflects no cuts in programs or services that our communities and people rely on.

The budget also contains provisions for our parks, Human Services programs, Aging initiatives, environment, with spraying for gypsy moths and black flies along with monitoring for the Zika virus, and other elements that matter. We continue to meet the challenges of an ever-changing society by doing more with less in a fiscally responsible matter.

Important features of the 2018 budget include: (1) funding debt reduction; (2) funding economic development initiatives and infrastructure improvements; and (3) continued funding for the Lackawanna County Library System.

It is vital to secure public input on this financial plan. The budget hearings are the perfect venue for the public to provide the Commissioners with ideas that they can review and implement, where possible, to help cut expenses further and generate additional revenue.

The cost to run County government and its various programs is substantial. A prime example is the Prison. A great deal of revenue is expended for staff, programs, medical treatment, supplies and other ancillary services. This is part of our mission, and we will continue to do so as efficiently as possible.

Reasons for Major Financial Policy, Expenditure & Revenue Changes from 2017 Budget

Due to continued pressure from shrinking Federal and State funding, collectively bargained wage and benefit increases, and rising law enforcement costs, the County's 2018 budget will exceed the 2017 budget.

The Human Services area will continue to be a hallmark of the programs offered by the County government. In addition to Human Services, emergency response, the court system and other vital functions will comprise the majority of the County's 2018 expenditures.

Budget Overviews

The 2018 general fund budget totals \$123,001,265. The 2018 capital budget totals \$18,041,690, which includes \$1,250,000 in infrastructure improvement funds to be transferred from the general fund. The 2018 debt service budget totals \$19,917,071. The 2018 special purpose funds budget totals \$58,220,316.

This Budget Message is respectfully submitted this 13th day of October 2017 pursuant to
Section 1.12-1203 of the Lackawanna County Home Rule Charter.

Budget Message – Commissioner Laureen A. Cummings

Fiscal responsibility continues to be my top priority. Cutting costs, eliminating wasteful spending, doing more with less, and getting the best value for every

taxpayer dollar are the elements that I have advocated for both our current operating environment and inclusion in the County's 2018 budget.

I have logged many hours in the preparation of the County's 2018 fiscal plan. I've attended a number of budget hearings with staff and participated in deliberations with my colleagues and our Revenue & Finance Department. This document is the outcome of the 2018 budget process. I want to thank everyone for all of their efforts.

I am still reviewing it and meeting with specific departments, especially in regard to overtime expenditures that I believe can be significantly reduced, to generate further savings for the County. This is one of the goals that I want to achieve, and I believe that it can be accomplished. I encourage the general public to review the union contracts that I have requested to be posted on our website and to offer your constructive comments and insights.

I encourage everyone to review the budget, participate in our hearings and make suggestions that may be of assistance to us. We have the opportunity to do so until it is voted on for approval and implementation.

This is your budget, funded by your tax dollars. We are your stewards. Please take the time to look, digest and offer any constructive advice.

Thank you for your support.

Opportunity for the Public to Address the Board

Commissioners' Other Business

Adjournment