



County of Lackawanna

Lackawanna County
Administration Building
200 Adams Avenue
Scranton, Pennsylvania
18503

Meeting Minutes

Board of Commissioners

Thursday, November 1, 2018

5:00 PM

Clarks Green Borough Building

Budget Hearing

Call to Order

Opportunity for the Public to Address the Board

Mayor Patti Lawler welcomed the county.

2019 Tentative Budget Presentation

The County of Lackawanna's 2019 Budget Message

2018 Lackawanna County Budget-Funded Accomplishments

Calendar year 2018 can appropriately be described as a period of growth, preserving history, concern for the welfare of others, and technological advances.

All of those elements were accomplished via the policies undertaken by the Commissioners to safeguard, improve and enhance the area's quality of life and economy. All of the actions initiated were for the "common good," but all of them contained an eye towards fiscal responsibility.

Lackawanna County's ongoing stability can be attributed to the "cost containment" mode that the staff constantly operates under. The County continues to provide top-flight services, while doing more with less.

In order to provide the elements necessary to spur new programs and innovations, financial resources are necessary. To that end, the County, through Ordinance 254, borrowed \$15 million to upgrade its land records management software, improve several roads and bridges, purchase new equipment for its facilities, and buy a building to serve as a new Court Center.

The Lackawanna County Government Center at The Globe continues to progress at a smooth pace with a target of the end-of-the-year/early 2019 occupancy. The sale of the current Administration Building to a private developer paves the way for it to be put back on the tax rolls and offer new retail, living quarters, food, and office opportunities.

Protecting our residents is of the utmost concern. To that end, significant upgrades were completed for the 911 Emergency Services Center along with the installation of a new CAD System to more accurately target locations for first responders.

Human Services continue to be a vital requirement for helping those in need.

Many agreements have been approved to assist the elderly, youth and homeless and educate the public on the perils of opioid addiction.

Preserving the area's history, through the Arts & Culture Department's programs, serves as a link to our past. The monuments on Courthouse Square

will be getting a facelift to restore their grandeur. Volunteers are working to rehabilitate Trolley Car 505, as a tribute to the strength of our past. The initial County Heritage Fair will provide a new leisure outlet for local and out-of-town folks. Several grants continue to fund free arts, crafts and recreational programs for youth, the underprivileged and area organizations.

Debt Position

The County has been able to mitigate its annual expenditures for debt service by taking advantage of favorable interest rates. The savings from the refinancings of 2016 and 2017 allowed the County, without extending the maturity of any of the refinanced bonds, to maintain its annual debt service in a manageable range.

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

Financial Policies of Lackawanna County for 2019

In 2019, 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 64.46 percent of the County's general fund budget, net of tax transfers out.

Important Features of the Budget

The 2019 general fund budget includes no property tax increase.

Many man-hours went into the preparation of the County's 2019 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 Zika and other viruses. We continue to meet the challenges of an ever-changing society by doing more with less in a fiscally responsible manner.

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 2018

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 2019 budget will exceed the 2018 budget.

During 2018, the County was able to capitalize on a significant surplus in its debt service fund. Since the County depleted the debt service fund surplus, the County will need to transfer additional funds from the general fund to the debt service fund.

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 2019 expenditures.

Budget Overviews

The 2019 general fund budget totals \$126,607,429. The 2019 capital budget totals \$13,916,483. The 2019 debt service budget totals \$20,371,725. The 2019 special purpose funds budgets total \$48,440,489.

This Budget Message is respectfully submitted this 15th day of October 2018 pursuant to
Section 1.12-1203 of the Lackawanna County Home Rule Charter.

Opportunity for the Public to Address the Board**Commissioners' Other Business**

Commissioner Laureen Cummings- thank everyone for their work, our CFO Durkin, and Mary Jo who worked very hard on the budget- congrats and good job. I greatly appreciate the work, in trying to save the taxpayers money. Discussed today, union contracts- which are now on our website for everyone to review- discussed also was reassessment, and I will be happy to discuss that further with anyone interested. This is a tentative budget- we will be reviewing it further, and there are many more items we are looking to do, to save the taxpayers more money. Article- pension, and over taxation of the people. I believe we can take the millage down, remove the arts and culture millage, which I was then attacked, I think we can decrease the millage- no tax increase this year, and no tax increase next year. We would continue to maintain our budgets and not raise taxes in the future as well. Anytime you, the mayor, or the people here, need help we are always available for you. Thank you for hosting this meeting.

Commissioner Patrick O'Malley- first reading November 7th, second on November 21st.

Commissioner Jerry Notarianni- thank you to the office holders in Clarks Green for their hospitality, it is a beautiful place. It is a tentative budget at this point, conversations to be had, still going forward on it. Thank you to the finance dept and dept heads, for getting us to this point.

Commissioner Patrick O'Malley- thank you to CFO Durkin and Mary Jo, which

this is her first budget- thank you to our directors for living in their budget, and actually decreasing every year. We, this current administration, have been in office for 3 years, I have been here 7, and there have been no political filings, this admin was never going to let that happen, and it has never been written about; I lost my job after 17 years from the county, and it really hurt, and I made a promise to not hurt people who are doing the right job, if you screw up you will be fired, but you won't be hired based on who you know. The financial burden was overwhelming due to the county being sued by people who have lost their jobs due to political firings.

A lot of hard work here- 7 consecutive audits done on time. Fiscally responsible- looking for all different types of ways to bring in revenue- people can't afford to have raised taxes. We do great work on behalf of the citizens. We took on centralizing county government, something that many administrations wanted to do; we took a landmark on the deadest block of downtown Scranton, and now this government center will bring all the county offices in a one-stop-shop, looking at big savings. Bus accessible too. Loan was 17 mil, received 1 mil loan from the governor- this loan lives within those leases and rent- no tax increase. We figured out what we could afford within those leases and rents- and there is a savings in it. All the taxpayers will own the building. So many great memories at the Globe store- bringing the past with the future. Wyoming Ave will be a thriving community in the next couple year or two. We refinanced debt- we saved an amazing amount of money. The loan we took through the local banks, which employ our citizens, and pay taxes in this community. We saved at least 1 mil- if we had taken out bonds for that, we would have paid 1 mil in interest a year. This government works on behalf of the citizens, every day.

Thank you for letting us be in your borough building. Please look at our community re-invest grants- to help your community along.

Adjournment