

MINUTES

HAZLETON CITY COUNCIL

WORK SESSION

WEDNESDAY, OCTOBER 10, 2018

Council met for a work session on Wednesday, October 10, 2018 in Council Chambers. The work session began at 7:15 p.m.

In attendance were City Council President Bob Gavio, Vice-President Allison Barletta, Jean Mope, Anthony Colombo, and James Perry.

There was discussion on the recent Lehigh Valley Hospital Emergency Department groundbreaking ceremony on October 22, 2018. Mayor Cusat stated the City of Hazleton can start their own ambulance service at \$1,200,000 and can use Lehigh Valley Hospital as their facility. Colombo said he would volunteer for this service. Mope stated there were complaints when the hospital would transfer patients to Lehigh Valley Hospital in Allentown. Gavio stated there has been overcharging from ambulance services. Perry stated the ambulance services charge by the mile. Mayor Cusat said the City may lose if there are three trucks used to transport patients. Mope said this has been discussed in the past. Mayor Cusat said the City cannot just "service" the City of Hazleton. Mayor Cusat said Fire Chief Donald Leshko did a study several years ago on this service.

Lynch spoke of the 2019 City of Hazleton budget. Lynch said the current cash report, as of 10/10/2018, is as follows: General Fund account balance is \$140,060,034. The current Accounts Payable invoice total is \$169,821. The current cash in the ACT 205 fund is \$5,772,379. He said, at this point, 83.3% is budgeted with revenue collected. He stated with the adjusted real estate taxes, there is a 3% shortfall. He also spoke of the LST tax and business privilege taxes. He said total general fund overall expenses are at 77.5% mark for the year with 76.2% total expenses. He said 2.5 million remains in expenses with three more payments of \$250,000 each for health care to be made and six more payrolls to be made in 2018. Lynch stated money can be transferred from the ACT 205 fund to make payroll payments.

He said there is \$181,000 in unbudgeted expenses not accounting for calling boiler repairs unbudgeted, but there was \$1,000 in budget. He said the ACT 205 revenue is \$300,000. Lynch said the EIT taxes collected amount is \$1,100,000. Expenses for ACT 205- OPEP exceeded budgeted amounts for 2018. He said the debt service is okay. Deficits- Fund balance is ahead at \$700,000. Lynch said the City needs to start the unfunded debt process now if this is decided on by administration. Lynch said, recently, he spoke with Ryan McGowan, City of Hazleton's financial advisor regarding the City's financial options. He stated the unfunded debt needed, in the Pennsylvania Economy League's ACT 47 Financial Report, is \$1,000,000. He stated the City will need to start building up a fund balance. Mope said the City did not have the money to put into a capital fund. Lynch said the capital fund budget would reflect what the City projects will be done. He said there were non-personnel cuts made. Perry asked how this would change the debt service with a \$1,000,000 loan. Lynch stated Gerald Cross of PEL said the City's mills would increase to 1.3 mills to cover potential payment.

Lynch said the hearing regarding the City waiting for approval to raise the EIT tax has met a third party ethics accusation. Mayor Cusat said there cannot be a hearing on the EIT accusation.

Barletta asked Mayor Cusat if any residents inquired about a residential parking permit. He said he received four requests.

Gavio concluded the work session at 8:00 p.m.