

**MINUTES
HAZLETON CITY COUNCIL
REGULAR MEETING
WEDNESDAY, DECEMBER 4, 2019**

Call to Order: Council met in regular session on Wednesday, December 4, 2019 in Council Chambers. The meeting was called to order at 5:00 pm.

Silent Meditation and Pledge of Allegiance: A silent moment was taken followed by the Pledge of Allegiance.

Roll Call: Barletta-present; Colombo-present; Mope-present; Perry-present; Gavio-present

Minutes of Previous Meetings: The minutes of the November 13, 2019 Regular Meeting were approved unanimously.

Presentations/Proclamations/Communications: None

Bid Opening: Bid Proposal for Unleaded Gasoline and Diesel Fuel for year 2020-
(TABLED)

Courtesy of the Floor (ON AGENDA ITEMS ONLY): Dee Deakos, 43 West Mine Street, Hazleton, spoke of the Budget Ordinance. She said she brought "this up", last time about charging Hazleton Creek. She stated since her letter to the editor, some people informed her about this "changing hands." Deakos said there is an Australian company involved with this. She said a multi-national company is, now, not paying any fees. She said the City does not know how many materials were put "in there". She said the City does not know if an amphitheater will be built. She said the "whole premise" of why the City was sold on the mine reclamation was to reclaim the land which is a construction project. She said they need to pay a fee for everything that is being dumped because they are in the process of the construction of the mine lands. Deakos said the City needs to find out what has been and what is being dumped. She said the original permit stated from 10-15 million cubic yards. Deakos said just the first contract "alone" was over 900,000 cubic yards which was done years ago. She said they may have exceeded this now. Deakos stated if they go beyond 15 million, they will be at a level higher than the City of Hazleton. She said then the City would have to worry about flooding. Deakos said there are a lot of problems. She said this is a source of income for Hazleton that the City should be tapping this again. Deakos said it used to be tapped, but for some reason, has stopped being tapped.

Mope told Mayor Cusat to check into this. Perry stated the City made a lot of money from this.

Mark Rabo, 1st Street, Hazleton, spoke of the Budget Ordinance. He said he attended the Luzerne County Council meeting on December 3rd, 2019, with regards to the "bus portion" of the budget. Rabo stated the council said there would be a 5% increase that would be needed for the match of the Hazleton Public Transit Department. The Luzerne City Council wants Mr. Ralph Sharp to "go back" to explain if he got any word from Carbon and Schuylkill counties for their portion on the bus routes that "go into" their municipalities. Rabo asked city council to consider this into their budget amendments and for administration to have Mr. Sharp "go up there". He said the council members, in the county, are not pleased on the non-explanation of the two counties having residents taking the Luzerne county buses and not contributing anything towards this. Rabo said it is not fair for the City taxpayers or county taxpayers paying for these two counties. He said, if need be, he found \$8,000,000 for the 911 upgrade. Rabo said city council needs to tell Luzerne County about the \$290,000 still owed to the City for several years. He stated there is a \$11,000,000 windfall, and now, there is a \$8,000,000 windfall to be used for a portion of the 911 upgrade. He said this is coming from the county community development fund for

the \$290,000 still owed from the Sterling building. He said a portion of the \$8,000,000 can be used to pay back the City.

James Rose, Department of Pennsylvania- Department of Community and Economic Development, said he wants to talk about the budget. He stated he has a concern on the alterations that city council is considering in making on the 2020 budget. Rose stated city council is not backing the full tax increase that the City needs. He said city council is looking to cut this in half. He stated the issue he has is this is the same behavior that lead to the City being financially distressed and requiring ACT 47. Rose said the City, unfortunately, has costs. He stated the City must spend money to provide real necessary services, i.e.- police, fire, and public works services. Rose said this will not get cheaper, but will only get more expensive. He said, every year, the expenses will increase in these three departments, alone. He said it will take additional money to actually make sure they are funded properly to provide the services. He said the .30 mills which was originally forecast for increasing the property taxes would come out to \$22.50 per year to the median properties in the City. Rose said half the residents would pay less, and half the residents would pay more than \$22.50. Rose stated this is a reasonable amount of money. He said some people, in his department, are “wondering” if council is committed to the recovery plan, as adopted, and made a part of the ordinances. He said he is concerned, and does not want to see any of the great progress the City has made to crumble again. He said city council has made a lot of difficult choices and has moved the City, as a team, with some “kicking and screaming” from different parts of the team, forward. Rose does not want to see anything that would cause it to “slip back”. He asked city council to think, very carefully, on the rationale for voting for the budget, making amendments to the budget, and to see if this will be the best for the residents of this great City. He said the Pennsylvania Economy League has already sent a letter including the original budget which was approved by DCED. Rose said DCED has anticipated the City implementing the original budget being adopted. He said there can be the potential for grants “not coming through” as well as hoped. He stated the City needs to follow the plan.

Gavio stated he totally agrees with Mr. Rose’s comments. He said when the original budget was received by DCED, it was to be done in a certain time frame. Gavio said city council received the budget after the 4th. He said city council is struggling with the budget. He said city council has a lot of good ideas with some major ideas to make up the difference in the 2.5%. Gavio said city council did not want “to give nothing”. He said city council has been notifying the residents about the EIT tax. Gavio said the last two years the City has taken out a 32% tax rate including an EIT tax. He said two residents in the same household are paying \$150.00 apiece. Gavio stated he attends the PEL Financial Recovery weekly meetings. He said the City is on a good track. He said city council Members are talking with a lot of good ideas to give the residents a good tax rate. He stated the “little bit of difference” given to the taxpayer would be good. He said city council does not want to give them a “total break”. Gavio said several city council members have met with Dan Lynch, City administrator, to discuss several options for the 2020 budget. Gavio stated everything with the City is “subjective”. He said, maybe, city council’s deals could generate much more than the difference to cut. Gavio told Rose city council would have got this to DCED much earlier, but with the Sunshine Act, this prohibits city council and DCED meeting together. Gavio suggested, in the future, when DCED receives the budget that city council can also get the budget at the same time to review. He said there is some revenue to take advantage of to make up the 2.5%

Rose said Gavio’s comments sound logical to him. Rose stated the opportunity exists during the weekly meetings with PEL and administration to discuss where the budget is going. He stated he did not know if this happened due to being on medical leave. He said it is in the realm of possibility to be discussed in the PEL meetings, as well.

Gavio said city council members are part-time and are working on a short time frame.

Perry said in 2018, city council cut the budget down, and had no response from this.

Rose said this is why he is commenting now. Rose said he does not want to see the City loss its “forward momentum.” He said DCED and PEL, are thinking, the City should move forward until everything is “buttoned up” tightly. He said if this means a couple years of very tiny tax increases; \$22.50 is not a big tax increase. Rose said, then, the City would not need to do this again with a small fund balance. He said it is more prudent to get ahead and then start to relax.

Mope said city council is given a short time frame, especially during the holidays. Mope agreed with Perry that city council did cut the tax rate in 2018 and did not hear anything. She said city council is trying to be fair to everybody and help the City out. She said city council is trying to be fiscally responsible. Mope said she does not want the adverse effect where people do not want to move to Hazleton. She said there has been an influx of people with higher paying jobs and businesses leaving the City because they did not want to pay a higher EIT, mercantile, and real estate taxes. Mope said the City is in competition with outlying areas who do not have funding problems the City has.

Rose asked if these municipalities have all the services the City has. Mope said no. Rose said this is the tradeoff. He said the City of Hazleton provides a lot of services and provides them very well and very efficiently. He said he is a taxpayer in the town he lives in and understands that taxes need to go up and accepts this. He said he gets a slight salary increase with his job. He said his mother is a widow and living on a fixed income. He said a small tax increase, like this one, is understandable.

Mope said, in 2018, there was a sliding scale with a \$75,000 home. She said there is only one that was delivered to city council this year. She said it gives an “artificial” idea because most homes are not valued at the \$75,000 median but are worth \$100,000 or \$125,000. She said when the residents get their tax bill they feel they were slighted, and the City lied to them about the tax increase. Her suggestion is to do this on a sliding scale to let residents know the amount they will be paying. She said the residents look at it as “black and white”. Mope said they do not realize it is on a \$75,000 assessed home.

Lynch said he used a median as a mid-point to state the tax increase in the City. Lynch said, “half is less and half is more.” He said all residents should know the assessed value of their home. Lynch said a mill is not the same for everyone. He said they can divide the value by 1,000.

Mope said the City works with this, but the general public does not. She said if it is spelled out, each year, it makes it easier for residents to understand.

Perry said he agrees with Rose as the increase is \$22.50/year. Perry said city council did not do anything on the expense side but on the revenue side. He said there are some areas where the City can get more money. Perry said Lynch has been very gracious in working with city council and detailed in the 2020 budget. He thanked Lynch for working with city council on the budget. He stated he has a lot of faith in Lynch. Perry said city council is not “slashing” anything that is there. He said it is more on the revenue side.

Barletta said city council members were talking with Lynch with some ideas on cutting some expenses for 2020. She said not to cut back on employee salaries, but ideas for cutting back on gas cards or for accurate PO expenses. Mope said even paying for towing licenses would help. Rose said he thought this was in the process. Perry said yes; this is a revenue stream not in the budget yet.

Old Business:

ORDINANCES

Ordinance 2019-17

An Ordinance Prohibiting the Disruption of Lawful Activities of Commercial or Retail Establishments (2nd READING)

Presented by Perry. Seconded by Mope.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

ORDINANCE PASSES UNANIMOUSLY ON 2nd READING

Ordinance 2019-17

An Ordinance Prohibiting the Disruption of Lawful Activities of Commercial or Retail Establishments (**3rd READING**)

Presented by Gavio. Seconded by Mope.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

ORDINANCE PASSES UNANIMOUSLY

RESOLUTIONS

None

New Business:

ORDINANCES

Ordinance 2019-18

An Ordinance Amending Ordinance 2017-3, Recognizing the Medical Marijuana Industry and Specifying the Placement of Medical Marijuana Growers/Processors and Dispensaries in the City of Hazleton (**1st READING**)

Presented by Barletta. Seconded by Mope.

On the Question:

Barletta stated changing this should help bring in revenue before it bypasses the city. Perry said it is just a change. She asked if this amendment will be right in line with the state. Mayor Cusat said yes; it will put it back to where it was before it was amended improperly a couple years ago. Perry said the city is at the "top of the list" when it comes to this stuff. Gavio said other municipalities are taking advantage of this. He said the City can "realize" a lot of money through this.

Charlie Pedri, Code Enforcement manager, stated the medical marijuana location cannot be at a post office, for federal issues. However, they do have another location, in Hazleton, that they have a lease on and plan to move into within 1 ½ months. He stated this an allowed zone- I-2 zone.

Mope stated the city is trying to bring in more income.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

ORDINANCE PASSES UNANIMOUSLY ON 1st READING

Budget Ordinance 2019-19

An Ordinance Providing for the Appropriation of Specific Amounts Estimated as Required for the Various Departments of the Government of the City of Hazleton, Luzerne County, Pennsylvania for and during the Fiscal Year, Dating from January 1, 2020 and Ending December 31, 2020 (**1st READING**)

Presented by Gavio. Seconded by Barletta.

On the Question:

Gavio made a motion to amend Line Item #301-3300- Real Estate Taxes- Delinquent Taxes to increase the amount by \$40,000, #301-3100- Real Estate Taxes- Current year, lowering the number to \$3,979,573 which represents a tax increase of .15 mils based on a collection rate of 90%, #301-3100- Realty Transfer Tax increase by \$17,000 to \$275,000, #331-3130- Parking Fines increase by \$40,000 to \$365,000, #310-3610- LST Tax increases LST tax \$20,000 to \$345,000, and #321-3780 Business License increases \$12,487 to \$142,487.

Motion to Amend:

Presented by Gavio. Seconded by Mope.

Roll Call (On Motion to Amend): Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

MOTION TO AMEND PASSES UNANIMOUSLY

Back on the Question:

Mayor Cusat said there are a couple items he wants city council to consider. Mayor Cusat stated the budget that was presented is "status-quo." He made up a printout of the cost of an additional police officer; the yearly cost for seven years. He said he also made up a cost for one additional code officer. Mope asked why city council is getting this "at the last minute". Mayor Cusat stated these are amendments he would like city council to consider. He said it goes through the seven-year step program to add an additional police officer. He said any police officers, to add to the force, would cost the City \$89,000 for the first year. Mope asked if this is in addition to already established as a compliment which is 42. Mayor Cusat said yes. Barletta asked how many acting police officers are, currently, on the force. Mayor Cusat said 39. He said the City needs to get back to 42 to stay in compliance with the grant which is over in 2020. Mope said there is, currently, a civil service list with conducting new hires. Mope said the PEL plan stated there cannot be any new hires until January, 2020. Mayor Cusat also said administration is considering hiring anyone to code enforcement. He said Pedri stated they are behind in 240 inspections. He said code cannot get to everything "they have to." He said the third request is to add a health department/code officer. He said the code officer would do the work of the health department. The fourth request is to possibly

bring back the Vector Control employee or the code enforcement officer acting as the Vector Control. He said there is \$0 in the road repairs budget. He said he would like these four items considered into the budget. He said all roads are paid by grants, community development, and liquid fuels. He said the estimate to reconstruct a mile of road, in the City, would cost \$1,000,000, which is 25 blocks with 100 handicapped ramps. He said he would like city council to consider money going towards this project. He said he would also like to create a capital fund that would help fund the Hazleton Fire Departments need for fire engines over the next several years. Mayor Cusat said these were all questions, brought up, at the work sessions, but got no response from city council. Mope asked if the fire department has just purchased a new fire engine. Mayor Cusat said yes. Mope said the City has been purchasing equipment all along.

Donald Leshko, Fire Chief, said the City last purchased, a fire truck, with City capital funds, in 1995. He said the fire department has always relied on community development and grants. He said, at some point, in time, as a council and a City, had to take a strong approach to make a capital fund budget for fire department replacements. He said the City cannot keep relying on community development and grant funds. Mope said "you are". She said Leshko just got a 3% increase because Leshko is the only grant writer in the City and all the department heads are not "doing it". Leshko said he went to every third-class city, in the commonwealth, and they all have a capital fund for purchasing fire equipment. Perry asked if they are in ACT 47. Leshko said there are local municipalities, in ACT 47, purchasing fire apparatus. Mope said the fire department has not been neglected with the new fire equipment purchases they have made. She said there is, now, a resolution up for vote on selling a fire utility truck. She said this money needs to be set aside for the purchase of new vehicles, and not "squandered" with city council not knowing where it goes. Mope said city council has tried to "do their best" for the fire department. Leshko said all he is asking for is a strong approach to a capital budget or a lease agreement to lease fire equipment over a period of time. Mope said if the department heads would "give up" there increases then the City can put this money towards a capital fund. Mayor Cusat this would add up to \$6,600 per year.

Perry asked Lynch what this would "look like" with a lease over a period of time. Lynch said fire equipment has a longer service life with a bond more reasonable. He said he met with Ryan Hottenstein and discussed "looking down the line" with capital bonds. He said the City has, repeatedly, borrowed to close holes in the deficits. He said the City has not borrowed for straight investment. The City has purchased equipment, in 2018, through liquid fuels, but not funded through capital or debt funding. He said the revenue neutral loan, for the streetlights, is paying "for itself". Lynch said the goals, in ACT 47, is to strife toward the normality with funding firefighters, fire equipment, and capital equipment. He said city engineers are talking about paving City roads with 98 miles of road. He said counting all roads is 114 miles in total. Lynch said no general funds go towards the investment of roads. He said the City wants to get to financial stability and making sure the City is investing and funding our services. He said the City is very "personnel heavy" with a large police department with 42 officers, fire fighters and public works. Lynch said 89% of the City expenses is direct personnel. He said this is to direct personnel delivery. Lynch said a goal, over time, is to get back to investing and funding things of this nature. He said fire equipment has a long service life, and this can be "looked at" a longer term. Perry said as opposed to streets which will be every year. Lynch said the rule of thumb, for streets, is seven years. He said for the number of miles, the City has, this would be a substantial amount of money and constantly coming "back to this". Perry said if residents knew what a mill stands for then they would feel better about what the City was using the money for. Lynch stated direct millage is codified as to what it can be used for. He said when the municipalities are "very clear" on what the money is being used for then people tend to be a lot better with this. He said if the City says it would be better if taxes go up because roads need to be paved or purchasing a fire truck as opposed to insurance increasing. Perry asked if all these items "were done", how much is the extra amount. Mayor Cusat said adding one of each and one officer, the total would be \$250,000. Barletta asked Mayor Cusat if it would be \$250,000 more than the 5% increase. Mayor Cusat said yes. Barletta

stated she agrees. She said she “gets it” with the whole budget process. Barletta said this was discussed at the work sessions. She said city council had ideas, i.e.- \$1,00 per person for road repairs, but the City needs to be financially stable. She said this is Mayor Cusat’s “wish list”. Mayor Cusat said this is what he thinks the City needs to “move on” with the code, health, and police departments. He said this is what he thinks the City needs to do, but the budget is what “we need”. Barletta asked why city council received these requests on the night of the budget. She said this could have been presented at PEL meetings or meetings with Lynch. Barletta said the City needs to look ahead to 2020 to fix “this process.” Mope said these were presented after the deadline. Mayor Cusat said he received the city council amendments 15 minutes ago. Mope said administration had one year to work on the budget.

Lynch said administration is “hesitant” to talk about the budget because he needs to give a budget draft to the coordinators. He said administration needs to start “all over again”. He said the budget received by city council is not the subject of negotiation. He said the subject to negotiation is what the City could invest in. He said, in his opinion, it is not appropriate to put these in the initial presentation budget. Lynch stated passing the budget is the function of city council; council has the “power of the purse”. He said the mayor is the executive and runs the operation. The mayor can then say, “to run the operation, the City would need to add some funds, and this is where we need to add the funding.” He said this is not in the original budget and does not give everyone a lot of time. He said the draft budget needs to be presented by November 13th.

Mope said she and Gavio will be leaving at the end of the year. He said the new council members have until February 15th to do a budget. She said if the mayor or Lynch wanted additions, Mayor Cusat can veto the budget and may or may not get an override. She said city council still has the opportunity to create a budget of their own. She asked why this is in “front of us” now. She suggested discussing this with the new, friendly council.

Gavio said this can go “around and around”. He suggested city council voting.

Barletta said the process needs to be changed for obtaining business licenses. She suggested, in 2018, to change this. She said the mercantile audit did not go well. She said when residents apply for their business license, they need to show proof that this was paid the year before. She said the City needs to know the mercantile tax is due and that they paid. Mayor Cusat said the mercantile tax is not due until April 15th. Barletta said the resident, can show, two years prior payment of the tax. She said the process, currently, is “broken.” She said no one knows they need to pay this. She also stated that new businesses are not aware of this. She said it is hard to inform new businesses. She said this will increase the business licenses. Barletta said some of the numbers are realistic. She said city council did sit down and look at what the City collected in delinquent taxes, real estate transfer, and parking fines. She stated it was an odd year that it “went down.” Barletta said this could go back to where “we were” and raise it up by \$40,000. Mope stated this, also, was an election year.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

ORDINANCE PASSES UNANIMOUSLY, AS AMENDED, ON 1st READING

Ordinance 2019-20

Re-Enacting Ordinances 1931, 88-14, 1933, and 1949 which Continue in Force and Effect for the Period January 1, 2020 through December 31, 2020, Imposing the Real Estate Transfer

Tax, Mercantile and Business Privilege Tax, Per Capita Tax, and Resident Tax, Respectively (**1st READING**)

Presented by Gavio. Seconded by Mope.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

ORDINANCE PASSES UNANIMOUSLY ON 1st READING

Ordinance 2019-21

An Ordinance of the City of Hazleton Fixing the Tax Rate of Real Estate Located in the City of Hazleton, Pennsylvania, for All City Purposes for the Fiscal Year 2020, Beginning January 1, 2020 and Ending December 31, 2020 (**1st READING**)

Presented by Gavio. Seconded by Mope.

On the Question:

Gavio made a motion to amend on Section 1- Real Estate Tax from 6.26 mills to 6.11 and Article 3 from 4.76 for General Fund purposes to 4.61.

Motion to Amend:

Presented by Mope. Seconded by Gavio.

Roll Call (On Motion to Amend): Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

MOTION TO AMEND PASSES UNANIMOUSLY

Roll Call (As Amended): Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

**ORDINANCE PASSES AS AMENDED UNANIMOUSLY
ON 1st READING**

Ordinance 2019-22

Amending Ordinance 2005-2, Relative to the Establishment and Maintenance of the City Non-Uniformed Employees' Pension, Annuity, Insurance and Benefit Fund or Funds, to Clarify Certain Provisions of the Pension Plan (Plan) or Program Applicable to the Non-Uniformed Employees of Said City (**1st READING**)

Presented by Mope. Seconded by Colombo.

On the Question:

Perry thanked Gavio on his "hard work on this". He said he has been talking to lawyers. Perry said this is fair to the workers. Mope said she also worked on this. Gavio thanked all of the city council members for their work.

RESOLUTIONS

Resolution 2019-49

Awarding a Contract to Furnish and Deliver Unleaded Gasoline and Diesel Fuel

NO MOTION TO REMOVE FROM TABLE- RESOLUTION DIES

Resolution 2019-50

Authorizing the Administration to Dispose of or Sell Certain Decommissioned Vehicles of the City of Hazleton Police Department

Presented by Mope. Seconded by Barletta.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

RESOLUTION PASSES UNANIMOUSLY

Resolution 2019-51

Authorizing the Administration to Sell the City of Hazleton Fire Department's 2002 Ford F-350 Utility Truck

Presented by Mope. Seconded by Barletta.

Roll Call: Barletta-yes; Colombo-yes; Mope-yes; Perry-yes; Gavio-yes.

RESOLUTION PASSES UNANIMOUSLY

Comments from the Audience: Dee Deakos, 43 West Mine Street, Hazleton, said she was looking at the additional cost of the code officer. She listened to the debates stating the City cannot keep code officers because they are paid \$10.00/hr. She said at 52 weeks the pay would be \$20,800. She said it is listed at \$36,000 and not counting all the insurances. She asked why, suddenly, did these "numbers jump up" when the talk was why the City cannot get code officers because "we are not paying them". Deakos said either the residents were lied to on the debates or lied to right now.

Mayor Cusat said the City is, currently, in contract negotiations and this is where the new numbers are going to be.

Mark Rabo, 1st Street, Hazleton, said when it comes to the capital improvements budget, he mentioned, a few years ago, the impact with the construction on the roads for fixing city streets. He said this should be revisited. Rabo said this is where the capital budget money would come from. He said with the \$290,000 that is owed by Luzerne County this would be perfect "seed" money for starting a capital budget. Rabo said the gas tax money could go towards municipalities who can afford to have their own police force. He said they get state police protection and paid through the gas tax that the City residents pay. Rabo said the City residents are also paying a vehicle registration fee of \$5.00. He wants to ask DCED to go back to the state legislatures to get the \$5.00 that the county collects to give this to Hazleton for the capital budget. Mope also mentioned the scales that were bought.

Donald Leshko, Hazleton Fire Chief, spoke of the fire department budget and capital budget. As previously stated, the last purchase was in 1995. He said a tower ladder was purchased for \$500,000 "and some dollar's" that came out of the city general fund. Leshko said, everything else, since 2002 and this was the last pumper. He stated in 2008, 2009 and 2018 the fire department did purchase apparatus through community development money and a large FEMA grant received by the City. He said he is asking for a capital budget for apparatus purchasing. He said the one part that is missing, from the fire department budget, is purchasing equipment- i.e.- turnout gear, nozzles, hoses, and fans. He said there is a purchase of turnout gear "in here." Leshko stated every year the fire department needs to replace the turnout gear at a cost of \$5,000 a set for the fire fighters that work for the City. He said this has been done through state grant money. He said the one benefit, the City does have, is a great working relationship with the volunteer firemen's relief association and the companies that, on the average, of \$160,000, between these organizations "goes toward" purchasing of equipment for the fire department. He said these purchases do not come out of the fire budget.

Leshko thanked Mope and Gavio for all their work, but in the future, to propose a capital budget for apparatus. He said this is the biggest purchase, as a City, that needs to be made.

Mope thanked Leshko for all his work. She said he has gone "above and beyond" his duties as a fire chief. She said city council considered him "number one, on top". Leshko said he has a "great team". Mope stated when he purchased apparatus, in 1995, the City left a prior administration with a \$5,600,000 debt and an illegal immigration that "came up" and needed to take a loan. She said the loan for \$5,600,000 was not a fixed rate, a variable loan, and \$1,200,000 added on "top of this". Mope said the City was left with a "major struggle" including the mayors and administration to work through these deficits that would have put other municipalities "down the tubes". She said she has been a proponent, for a capital budget, for the last eight years. She said the fire department does need a capital budget. She said due to the debt the City was "put into", city council stated the department heads need to make a wish list. She stated, in the budget, his salary was going down 3%. Leshko said this was an error; he has spoken with Lynch and this was corrected. Leshko said he will continue to look at grants. Leshko said he hopes, next year, the fire department can get a capital improvement budget. Mope said she will not be here, next year, but the new city council will make sure money comes toward his direction. She said all city council can do is take "baby steps". Leshko stated, in the ACT 47 Plan, there is a replacement of apparatus noted in there. Mope said there is a section, in the plan, that states city council gets transfers but this never happens.

Comments from Mayor: Mayor Cusat wished the City of Hazleton Happy Birthday for 128 years in existence. City Council members also wished Mayor Cusat a Happy Birthday.

Comments from City Administrator: Lynch said for the City expenses, especially for the large departments, i.e.- police and fire departments, there has been good cost control. He said the projections, for cost increases in 2020, are only 0.04%, and over a two-year period is 1.1% per year. Lynch said the City is "beating" inflation. He said the City does not need to look at projected tax increases, in the plan, because the City has been disciplined in cost control by a few hundred thousands of dollars. He thanked city council member Gavio and other council members that came to talk to him about the budget. Lynch

stated it is an important part of the process. He said, in the past, the prior council members took a “blind knife” to try to make it work. He said this was not the best way to go about it. He said the amendments are not a huge amount of money, less than 1% of the actual budget. Lynch said it is a “sliding scale of risk.” He stated if these numbers come in and the City does not raise real estate taxes, then this is where the City would have been. If they do not come in, then the City did not, then there is an increase of risk for a tax increase later. If the City does increase taxes and the numbers did come in, then the risk is lowered. He said Deakos spoke of unre-cooped expenses. Lynch said if the City would “get these next year”, it slides the scale away from a tax increase in the future. He said when the City “gets it”, then this would affect future budgets. Lynch said administration knows there are places to work on. He said the City Hall union is something where there needs to be significant investment and with code. He said this is what administration will work towards.

Comments from Council: Perry stated administration and city council are in a “good step” in working towards Mayor Cusat’s wish list for the budget. He said the residents can see what the City needs. He said PEL’s projected original document, for 2020, the millage listed is 13.6% millage. He said the City is pretty good. He said adding Mayor Cusat’s needs, which the City needs, city council will look at these very shortly. Perry said the residents will see their taxes will not be raised “for nothing”.

Colombo thanked Mayor Cusat for a great program on December 3rd, Christmas Hazleton. He said the fire, police, and streets departments did an “outstanding job.” Colombo thanked Lynch for all his hard work on the budget. He said it was a difficult task to “get here.” He said city council will look towards moving the City forward.

Mope thanked everyone for coming to the meeting. She also thanked junior council for coming to the meeting. She said city council can get “heated” but they always “kiss and make up”. She also thanked all the department heads, especially Lynch for his work on the 2020 budget. She wished everyone a nice holiday.

Barletta thanked all the department heads for their wonderful work throughout the year working with a “tight budget”. She also thanked Lynch for meeting with city council members and answering all their emails. Barletta asked if administration can consider a better business license mercantile process and a better purchase order system to help with expenditures. She said administration also needs to look at the gas cards. She knows the City is selling a few vehicles, but city council and administration can sit down to discuss an auction to sell a lot of the City’s garage vehicles. Mope stated this income can go towards a capital budget. She also thanked Mayor Cusat for giving city council his information. She said city council has talked about this, but taxes cannot be raised 100% to get this. She said city council also wants extra police and code officers. She said it shows that city council members work as a team.

Comments from Junior Council: None.

Adjournment: Gavio motioned to adjourn the meeting. Meeting adjourned at 6:05 p.m.