

SPECIAL CITY COUNCIL MEETING MINUTES-December 8, 2009-Page 1

Mayor Eisaman called the meeting to order at 5:15 p.m. City Administrator, Susan Trout, took roll call with the following members present: Councilman DePasquale, Councilman Peterinelli, Councilman Tridico, Councilman Finfrock and Mayor Eisaman. City Solicitor, Timothy McCormick and City Treasurer/Fiscal Director, Mary Perez were also present.

*****PLEDGE OF ALLEGIANCE*****Mayor Eisaman

*****COMMENTS/BUSINESS FROM THE FLOOR*******Kathleen McCormick, 10 Moreland Street, Greensburg, PA.** Ms. McCormick, "Mayor Eisaman, I respectfully would like to address Council. I am Councilwoman-elect. I realize I have no legal right to any input into the upcoming budget for 2010, because I won't be sworn in until January 4, 2010, but I would like, if you would allow me, to present these letters to the Council members and City Administration. I have a few ideas and some questions. I wasn't invited to sit in on any budget meetings as an elected official waiting to be sworn in, although other municipalities do that. So if my questions sound redundant, I apologize. Mrs. Trout was very kind. She did answer a lot of my questions and spent an afternoon with me. If I can, may I pass these out?" Mayor Eisaman, "Sure."

*****INTRODUCTION OF BILLS*****

BILL NO. 12 – AN ORDINANCE OF THE CITY OF GREENSBURG, COUNTY OF WESTMORELAND AND COMMONWEALTH OF PENNSYLVANIA, FIXING THE TAX RATE FOR CITY PURPOSES FOR THE YEAR 2010. Ms. Trout, "The purpose of Bill No. 12 is to fix the Real Estate Millage for 2010. It is proposed with no tax increase." Mayor Eisaman, "Once again this is an introduction of bills. No action will be taken until December 29, 2009 at 4:00 p.m."

Councilman Finfrock, "Tonight we're going to be introducing the budget for 2010. I have to first acknowledge all the hard work and effort that have gone in to make this budget a real budget. I also have to acknowledge the fact that this is probably the best budget we could come up with under this set of circumstances. I also have to say I'm not a fan of this budget and I detest what it stands for and represents. But, as I said, this may be the best budget that we can do. It will be available for public comment for 20 days until final passage on December 29th. As we introduce this budget I know that most of all people just seem to care about their tax bill. It would be very easy to say that there's not a tax increase, as the City Administrator indicated, and go on to other things and I would just shut up. It just isn't that simple anymore. Revenues for next year are projected to be lower while fixed expenses are projected to be higher. The worst economy in 75 years is certainly accountable for a share of these difficulties such as pension deficits, but it doesn't bear the full responsibility. Part of the blame rests with cowardly State and Federal Governments that mandate programs but cut off funding for them. Higher levels of government continually artificially balance their budgets without making difficult choices by kicking the costs downward. I give you police training as an example in this budget. The State mandates we have certain levels of police training; previous years they've funded it, this year they say you have to continue with the training but we're not going to pay for it. So that's an example of this unfunded mandate. State Government will cut a

library by 20% but the size of the Legislature remains at 100%. This same Legislature allows utility rate caps to just expire rather than phase out and this will account for a 13% increase in our street lighting bill for this upcoming year. Health care costs will rise 32% in this budget. Attempts to control this line item are hampered by a media that continues to exploit fears with simple solutions to complex problems. These individuals resist all attempts at cost cutting and brand any cost cutting attempts as socialism as if they even know what that means. 'Just cut taxes and the world will be wonderful again' is the mantra they spew. They tell you the Government doesn't need revenue or any increased revenue. They believe if you say something loud enough, if you say it often enough, it becomes true. It's power over truth. Those tactics worked in the Bavarian beer halls in the '30s and they worked in California in 1979; California is now in a state of what may be a permanent recession, certainly a recession that will last my lifetime. Government is this evil entity that takes your hard earned cash and fritters it away on useless and senseless programs. Well, remember that when your street goes unpaved or there's some rustling in the bushes and the only police that are left are on the other side of town or you smell smoke and nobody comes. Are we there? Not yet. We're not even close to that point but this budget for the first time puts us on the road to that end point. Look I understand what government is. I'm not a big government guy. I understand government needs to be minimal. It needs to be accessible. It needs to be responsive. It needs to be open and it needs to be efficient. But it needs to be, and it's not free. There's a cost and contrary to what talk radio and its ilk will tell you, government is not free. If the cost is unwilling to be paid, then government must downsize. Elections have consequences and agendas have to be addressed. This election is no exception. This Administration has never ducked; it won't duck this time. It won't avoid difficult decisions. It will provide the best government possible for the revenues it receives. In the last four years we've not once, not one time, did we borrow money or go into debt to fund this government. As a result we have to cut expenses in order to meet this budget. There will be, true, some small increases; parking leases will go up less than 25 cents a day and some revenues will shift from one category to another. Most budget balancing efforts are going to be on the expense side. Some examples such as road paving will be removed from the General Fund to Liquid Fuels. The only paving that will be done will be those that can be afforded from the Liquid Fuels budget. The elimination of the grass cutting contract is also part of this budget. And, yes, I will personally miss some of the events that are no longer funded and I will miss some of the services that we will no longer provide. The City itself will miss progress that has been made by leveraging tax dollars to revitalize the City and to rebuild it. It pains me to know that salaried employees like the ones sitting here today will see smaller paychecks this year. True, there will be a nominal increase, but spread out over 27 pays will not offset that loss; their paychecks will be smaller each pay period. Finally, my heart breaks for those good people who will lose their health care, their jobs, their careers and their livelihoods. These are decent people. They deserve better from their City. With that we will introduce this year's budget. There won't be a tax increase, and I'll shut up now."

BILL NO. 13 – AN ORDINANCE OF THE CITY OF GREENSBURG FIXING THE NUMBER OF OFFICERS AND EMPLOYEES OF ALL DEPARTMENTS OF THE CITY OF GREENSBURG AND RATES OF COMPENSATION THEREOF FOR THE

YEAR 2010. Ms. Trout, "The purpose of Bill No. 13 is to set forth wages for all officers and employees of the City of Greensburg for the year 2010. It includes 3½% increases that are fixed by contract for the Fraternal Order of Police (FOP) and Teamsters and a 2% increase for non-union employees."

BILL NO. 14 – AN ORDINANCE OF THE CITY OF GREENSBURG, COUNTY OF WESTMORELAND AND COMMONWEALTH OF PENNSYLVANIA, APPROPRIATING SPECIFIC SUMS ESTIMATED TO BE REQUIRED FOR SPECIFIC PURPOSES FOR THE CITY GOVERNMENT HEREINAFTER SET FORTH DURING THE YEAR 2010. Ms. Trout, "Bill No. 14 sets forth the proposed budget for the City of Greensburg for the year 2010."

Ms. Perez, "While Councilman Finfrock did outline some of the changes that will be in this year's budget I have a few more I'd like to discuss. There will be layoffs of four full-time employees, one part-time employee, and we will be hiring less seasonal employees this year. The Greensburg Business Association sponsorship and the summer Symphony Concert will be eliminated. Parking lease rates will be increased by \$5 per month. There's an increase transfer from the Parking Revenue to the General Fund. There will be no new police cars purchased in 2010 and the funds that would have been used for that will be transferred to the General Fund as well. There's an increase in parking ticket fines that are not paid within two days of issuance; so there's a timing change there as well. We're going to institute some recreation fee increases as recommended by the Recreation Advisory Board to help many of our recreation programs come closer to the breakeven point. We are instituting new fees for the Historic and Architectural Review Board (HARB) reviews and there are other fee increases as recommended by department supervisors. There's also going to be a transfer from the Special Fund to the General Fund representing accumulated interest and forfeitures. There will be no new Capital expenditures in the General Fund. That's just a few more of the notes I wanted to highlight as part of the cost saving measures and revenue increase generating. The General and Sinking Fund Budgets are based on a total projected assessed value as determined by the County of Westmoreland for the City of Greensburg for \$129,000,000 and 25.05 mills which is the same as last year. One mill is equal to approximately \$129,000 and the split between the Sinking Fund, which is where we pay our debt from, and the General Fund, where we pay our general operating expenses from, is the same as last year as well. All funds have been budgeted in accordance with requirements by State Law or Local Ordinance. I would like to thank everyone sitting at this table, the supervisors and employees for their input into what was a very difficult budget process this year. Thank you."

Mayor Eisaman, "The assessed value of real estate; did you say that decreased?"

Ms. Perez, "It decreased somewhat. When we get a figure from the County at the end of October, it changes from the figure that they give us to what we actually end up with as our tax duplicate. So we take that figure and decrease it slightly also knowing there are outstanding tax appeals that have not been resolved and also allowing for the tax appeals that have been resolved for which we still owe credits for this year for 2010."

Councilman Finfrock, "So Redstone is included in this?"

Ms. Perez, "Yes."

Mayor Eisaman, "Thank you. I'd just like to point out I know Councilman Finfrock gave some percentages, but our hospitalization increased roughly around \$300,000 and the year 2010 is a situation that creates a 27th pay, which happens, I believe, every 10 to 11 years, which also created an additional \$180,000 to our budget. So we had close to a \$500,000 increase to our budget expense without any offsetting revenue to that. Unfortunately, it's always easy to say you can go out and get different hospitalization but sometimes between contractual commitments and experience, those options aren't available. We did try other markets and basically we got no farther than 'thank you for calling us, but at this time we don't have a program for you'. Mary had mentioned something about the police ticket fee increasing. The ticket fee of \$3 remains the same. It's required to be paid currently in 24 hours. If it's not paid within 48 hours; we're giving them an extra day to go through the process, the fine will increase another \$4. We're trying to give the benefit, because we do have the situation where people will have a ticket but not bring it in until the next day. We thought we'd try to work on that to their benefit. For people who are truly delinquent we would look at that source."

Councilman DePasquale, "Mayor, have the people being furloughed been notified?"

Ms. Trout, "Yes."

Councilman DePasquale, "Thank you."

BILL NO. 15 – AN ORDINANCE AMENDING CHAPTER 151, KNOWN AS 'FEES', OF ORDINANCE NO. 1646, THE CODE OF THE CITY OF GREENSBURG, CHANGING AND/OR ADDING CERTAIN FEES AND/OR LANGUAGE FOR CERTAIN CITY SERVICES. Ms. Trout, "The purpose of Bill No. 15 is to add and/or delete services and/or fines and fees and to increase and/or decrease fees charged for certain services in certain departments in the City of Greensburg. Mary and Councilman Finfrock have touched on those fees."

Mayor Eisaman, "I would just like to comment to Council, Sue, Mary and all the supervisors, I thought last year was a difficult budget passing off a tax increase to the taxpayers, but it was challenging times, but then adding this year with all the cuts and having layoffs, it's been two very difficult budgets. I appreciate all the hard work everyone has put forth in this effort."

*****ADJOURNMENT*****Councilman Tridico **MOVED** to adjourn the meeting.

SECONDED: Councilman DePasquale.

Councilman DePasquale, "Now we meet again for this purpose on December 29th at 4:00 p.m. Obviously that meets the guidelines that there is so many days in between, but the 4:00 p.m. and 5:15 p.m. doesn't make any difference? Is that 21 full days?"

Ms. Trout, "No, it doesn't make a difference."

Councilman DePasquale, "I don't want this messed up for an hour."

Unanimously all voted in favor to **adjourn**.

RESPECTFULLY SUBMITTED:

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Susan M. Trout, City Administrator

