



Allentown

435 Hamilton Street
Allentown, Pa. 18101

Minutes - Final

City Council

Wednesday, October 27, 2021

6:30 PM

Council Chambers

Special Council Meeting Revenue and Expenditure Estimates, Finance Department, Debt Service Fund – Financing of Equipment and Capital Projects Fund.

Roll Call

Present: 5 - Daryl Hendricks, Julio Guridy, Ed Zucal, Ce-Ce Gerlach, and Joshua Siegel

Absent: 2 - Candida Affa, and Cynthia Mota

ORDINANCES FOR FINAL PASSAGE (To be Voted On):

[15-4540](#)

Bill 86 CEDC, Forwarded favorably, missed on last agenda, this sets up accounts for the spending

An Ordinance providing for the expenditure of One Hundred Thousand (\$100,000) Dollars in Emergency Solutions Grants Program (ESG)- COVID CARES funds for the period of April 21, 2021 to April 20, 2022 and the establishment of appropriate accounts. The monies are received by the City of Allentown under Title I of the Housing and Community Development Act of 1976, as amended; The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009; and Title II of the National Affordable Housing Act of 1990, as amended; for the purpose of undertaking programs of housing and community development within the City.

Sponsors: Administration

Attachments: [Bill 86 ESG Accounts](#)
[Ordinance #15759](#)

Mr. Julio Guridy is this part of the presentation.

Mr. Michael Hanlon stated that he forgot to put on the last Agenda. It was in the CED committee and was forwarded.

Mr. Joshua Siegel stated that technical CED needs to address it or does Mr. Hanlon need him to take care of it.

Ms. Ce Ce Gerlach stated that this is the one that they voted on, but it wasn't on the Agenda. She stated that Mr. Lightner was here.

Mr. Leonard Lightner stated that he is here. He stated that Maria Quigney is on the line and will talk about it.

Ms. Maria Quigney stated that is a grant from the state for some of the nonprofit organizations emergency shelters. It was \$100,000. It was put to committee two weeks ago and missed last week during City Council.

Ms. Ce Ce Gerlach asked if there were any questions from the dais or Council.

Mr. Julio Guridy stated that he does not have Bill 86. Does anybody have it?

Mr. Michael Hanlon stated that it is on the Agenda. It is the first bill on the Agenda.

Ms. Ce Ce Gerlach stated that it is right under Ordinances for Final Passage.

Mr. Michael Hanlon read Bill 86.

Ms. Ce Ce Gerlach stated that it is just to set up accounts. Any questions from the public or emails.

Yes: 5 - Daryl Hendricks, Julio Guridy, Ed Zucal, Ce-Ce Gerlach, and Joshua Siegel

Absent: 2 - Candida Affa, and Cynthia Mota

Enactment No: 15759

ORDINANCES FOR INTRODUCTION (To be referred to Committee with public comment prior to referral)

The bills will be taken up during Council's respective meetings reviewing the budget.

[15-4677](#)

Bill 107

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, adopting the Liquid Fuels Fund Budget for 2022.

Attachments: [Bill 107 2022 LIQUID FUELS](#)

Mr. Joshua Siegel stated that this will be referred to Public Works.

Mr. Michael Hanlon stated to the Special Budget meeting. He stated to ask if there are any questions.

Mr. Joshua Siegel asked if there were any questions from Council related to the Liquid Fuels Budget or the public.

REFERRED TO THE PUBLIC WORKS

[15-4678](#)

Bill 108

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, adopting the Trexler Fund Budget for 2022.

Attachments: [Bill 108 2022 TREXLER FUND](#)

Mr. Joshua Siegel asked if there were any questions from Council as it related to Bill 108 and the Trexler Fund or the public.

REFERRED TO THE PARKS AND RECREATION

[15-4679](#)

Bill 109

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the Solid Waste Enterprise Fund Budget for 2022 and amending Article 1131, Municipal Waste Storage, Collection and Disposal by maintaining the Solid Waste Fee at Three Hundred and Seventy-Five (\$375) Dollars.

Attachments: [Bill 109 2022 Solid Waste Fund and Fee](#)

Mr. Joshua Siegel asked if there were any questions from Council related to the Solid Waste Enterprise Fund Budget or the public.

REFERRED TO PUBLIC WORKS

[15-4680](#)

Bill 110

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the Stormwater Fund Budget for 2022 and amending Article 393.15 – Stormwater Utility Fee by maintaining the Stormwater Utility Fee at Twenty (\$20) Dollars per Five Hundred (500) square feet of impervious surface.

Attachments: [Bill 110 2022 STORMWATER FUND AND FEE](#)

Mr. Joshua Siegel asked if there were any questions from Council or the public.

REFERRED TO PUBLIC WORKS

[15-4681](#)

Bill 111

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, adopting the Housing Fund Budget for 2022.

Attachments: [Bill 111 2022 HOUSING FUND](#)

Mr. Joshua Siegel asked if there were any questions from Council or the public.

REFERRED TO COMMUNITY AND ECONOMIC DEVELOPMENT

[15-4682](#)

Bill 112

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the Rental Unit Licensing Fund Budget for 2022 and amending Article 1759 – Landlord and Rental Fee by maintaining the Residential Rental Fees.

Attachments: [Bill 112 2022 RENTAL UNIT FUND](#)

Mr. Joshua Siegel asked if there were any questions from Council or the public.

REFERRED TO COMMUNITY AND ECONOMIC DEVELOPMENT

[15-4676](#)

Bill 113

An Ordinance of the City of Allentown, County of Lehigh and Commonwealth of Pennsylvania, establishing and adopting the General Fund, Administrative Order Fund, Risk Management Fund, Debt Service Fund, Equipment Fund, Golf Fund and Hamilton Street Dam Maintenance Fund Budgets and tax rate for 2022.

Attachments: [Bill 113 2022 Budget and Tax Rate](#)

Mr. Joshua Siegel asked if there were any questions from Council or the public.

REFERRED TO PARKS AND RECREATION

RESOLUTIONS FOR FINAL PASSAGE:

[15-4693](#)

R184

Approves two transfers placing funds in the proper accounts: (1) \$20,000 in Building Maintenance for various emergency repairs (brick façade at Central, cooling tower repair, duct work in Vice, increase PO for electrical work, boiler service and emergency after hours plumbing); (2) \$10,000 in Traffic for overtime for special event coverage.

Attachments: [R184 Transfer Funds](#)

[Required To Cover Unexpected Emergency Repairs \(Central Fire Station, Vice HVAC Unit, Electrical Work, Boiler Servicing, Emergency After Hours Plumbing\)](#)
[Special Events Has Caused More Overtime Costs Than In The Past](#)
[Resolution #30327](#)

Mr. Joshua Siegel asked if anyone from the administration wants to

comment on that.

Mayor Ray O'Connell stated no comment, but thank you for putting the last one on for \$10,000. That was a last minutes one and the Transfers are to balance the books and the formality of transferring one account to another account.

Mr. Joshua Siegel asked if there were any questions from Council related to this.

Mr. Daryl Hendricks stated that he found it very upsetting to him that the city used large vehicles for Special Events over the last couple of months. They were occupied by city workers for an excess of eight to 10 hours. The need of that was totally unnecessary and an extra burden on the taxpayers of the city. He encouraged that the administration and Mr. Messinger going forward go back to using barricades and not large vehicles. Some of these streets are one way streets that you will not have vehicles traveling on anyway. He felt that it should not have been a burden that the taxpayers had to pay. It costs us additional overtime at the expense of \$10,000.

Mayor Ray O'Connell stated that he understands that and respects Mr. Hendricks opinion. It would be wise that a Councilmember be added to the Special Events committee that they meet on a monthly basis so you can give your opinion. If past practice is that, then practice has to change. He stated that they will be willing to look at changing. it is important that somebody from the Public Safety Committee because it is Special Events.

Mr. Daryl Hendricks stated that he appreciates that. Thank you. It will be a good addition.

Mr. Joshua Siegel stated that it is a reasonable compromise. He stated that they will take that action next year for whoever is on Public Safety or Community and Economic Development to serve in some capacity. He asked if there are any further comments as it relates to this. He asked if there were any comments from the public as it relates to Bill 184.

Yes: 5 - Daryl Hendricks, Julio Guridy, Ed Zucal, Ce-Ce Gerlach, and Joshua Siegel

Absent: 2 - Candida Affa, and Cynthia Mota

Enactment No: 30327

Budget Discussion: Five Year Plan, Revenue and Expenditure Estimates, Finance Department, Risk Fund, Debt Service Fund – Financing of Equipment and Capital Projects Fund.

Mr. Seth O'Neill stated that they discussed the Finance Department budget proposal as a whole and personnel first. He made a comment on the

biggest line item that is going up from prior year estimates is in permanent wages. Finance has had a lot of staffing shortages that they filled this year that has been a revolving door. They put a little bit more in the refund account for the first year city real estate billing with a new payment realization technique uses TD Bank as a payment processor.

Ms. Jessica Baraket stated that she will be reviewing the personnel changes that they are requesting for the 2022 budget. There are three changes in the Finance Department. First change is an Accountant position that is at an S13 and update that position as a Senior Accountant position as S14. The accountant is a great position, but there is nowhere for them to grow. It gives an advancement opportunity. There are a lot more filings and changes that have not been done in the past. It will take on full execution of the CAFR. It will be an advance position and a mentor for the other accountants. The other change is the Treasury and Accounting Coordinator position. That is currently right now a part-time position. They are looking at making that a full-time position. It will be a full-time payroll position. For a very long time it was a single point of failure and now they have backup. They are looking to have two full-time persons in the payroll area. The last personnel change that they are requesting is the Claims Coordinator position in the Risk Department. Risk recently fell under the Finance Department. They are looking to have this position upgraded to an S10. It has been misclassified for some time. They are looking at bringing the claims in-house. She stated that she is happy to answer any questions.

Mr. Joshua Siegel asked if there were any questions from members of Council or the public. They will move to the Five Year Plan.

Mr. Seth O'Neil stated that this was prepared by Audrey Danek, one of the Finance Analyst. He is a great proponent for people being able to present their own work.

Ms. Audrey Danek stated that the Five Year Plan is on Page 439 of the Budget. It is intended and projects out the budget from 2022 through 2026. It is intended as a loose guideline on how the budget may look in the near future based on the city's operational expenses and revenue. Increasing at a steady rate. Most of the revenue projects out an increase of about 1.5 - 2.5 percent depending on the line item, except for personnel which projects out at 3 percent. It does not factor in any significant one-time occurrences that might impact the budget such as potential tax increases or any ARPA funds or debt restructuring. The end of it on Page 443 will show you how it will look with the bottom-line. the last two line items you will see what it looks like with the bottom-line. For 2022 our proposed budget is balanced. We are roughly estimating an unappropriated balance of \$17 million based

on what we are currently looking at. It is projecting out each year a deficit starting at \$3.7 million in 2023 and increasing to a deficit over \$5 million for 2026. Below that, it is how it will impact our cash reserves.

Mr. Ed Zucal asked about Page 440, under fines and forfeits \$4113. There is no reimbursement from the Parking Authority. Why is that?

Ms. Audrey Danek stated that has been an unsteady revenue source. We don't have anything set in stone.

Mr. Seth O'Neill stated that he took that out of the budget. It is not realistic. The city will have to work with the Parking Authority on a lot of things in the near future.

Mr. Jeff Glazier stated that the city got money and it was unsteady. The city has agreements between the city and the Parking Authority. It needs to be updated to reflect the reality.

Mr. Joshua Siegel asked if there were any questions from his Council colleagues or the public.

Mr. Seth O'Neill stated that the picture is pretty clear. The organic revenue growth will not outpace organic expenditure growth without revenue increases or expenditure containment clearly in the personnel column.

Mr. Joshua Siegel stated just to be clear healthcare and pensions are significant costs contributors.

Mr. Seth O'Neill stated unless we continue to reducing the discount rate as they are being advised to then the MMO would go up.

Mr. Seth O'Neill stated that obviously, the big line items: taxes, general fund taxes, city real estate, earned income, and business privilege tax. Earned Income Tax is a notoriously difficult thing to estimate. However, he thinks it has been pretty clear that they should be seeing wage growth going forward. He is really feeling good about his numbers. He stated that he will sink or swim with them. There is no attempt with EIT or tax estimates. These were done first before he had any clue on what the over and under would be. The state when they are getting income tax in, they are getting real-time data that sees what the market is bearing. We are always three months behind. He stated that he is sure they had a chance to look at the revenues. They are putting up \$124.8 million as their estimates. He stated that the A & E is in the middle. He stated that on the whole it is pretty solid.

Mr. Joshua Siegel stated that he had conversations in the past in negotiating more generous PILOT Programs with many of the city's anchoring institutions. We have \$250,000 budgeted. He asked has it been any more effort or success in that regard. Lancaster General contributes \$1.3 million a year to the municipality. He asked about the Franchise Fees and access to the cable television fees. As we confident that the \$1.3 million is a solid figure. He talked about the cable television fees. More and more people may do away with cable television and the fee may not be merely as sizable that he thinks it is.

Mr. Seth O'Neill stated with the PILOT account, they spoke to the Controller and they will take \$100,000 out of there and reclass it. He stated to Mr. Siegel's larger question, the answer is no. He stated that he doesn't know if he disagrees with Mr. Siegel on the \$1.3 million. They did notch it down in this proposed budget. He stated \$170,000.

Mayor Ray O'Connell stated \$147,000.

Mr. Jeff Glazier stated that he had an opportunity to speak to Mr. O'Neill and his team yesterday. They had a discussion on a variety of revenue estimates. He probably questioned 12 or 13 and thought that the team made their case very well for most of them. There are some he has concerns about. Last year, he came before Council he had questions on revenue totaling \$1.9 million. He was accurate of \$1.7 million of that. This year, he is concerned about \$460,000. He commended the administration because they addressed things head on such as the Parking Authority and real estate sales. The number needs to be accurate in the aggregate. The Five Year Plan, personnel and pensions the five year window will dropdown in the normal cost all things being even. Returns continue to be strong. If the market has a cataclysmic failure, we won't be in good shape. He has concerns: cable tv. It has been declining as people has other options to bring entertainment into their home. It is hard to read the tealeaves on the accidents that we have. he stated that they discussed the PILOT and are optimistic with the \$90,000. He stated that they are in the \$160,000 range. The administration negotiated a payment with a nonprofit. His concerns it will be enter in the revenue account. He concerns about the advertising account, 6139. This account is made up of two revenue sources: digital advertising which has shown incremental growth every year. The second revenue source is from the bus shelter. It is the ads that they sell for bus shelters. He stated that the city does that with LANTA. The total amount of revenue that they city gets from the source is less than \$2,000 annually. Compared to last year's budget, and the prior year budget, the administration has made some difficult choices in removing revenue that we would not going to get anyway. These are relatively small items.

Mr. Seth O'Neill stated that they all can look at the bottom-line here. Personnel is up. The reason for that is that they made tough decisions in revenue. They have to get the bottom-line right. The expenditures are a little bit higher in personnel because Mayor O'Connell wanted to make sure that there was investments in under staffed departments. They are in the budget memo. You can't always just pick and choose winners and losers. This is the personnel budget they are putting forth. He hopes they find it acceptable since they were able to balance the budget without touching cash reserves which is at an all time high of over \$17 million expected opening balance. They managed to make investments and good things for departments that needed it. If you see a jump in the 46, it has to do with a Lead Abatement grant which revenues will offset expenditures in large part. It is part of a grant expended from 46. Materials and supplies they expect to be some inflationary pressure on this budget. They allowed departments to build some cushion to cover rising materials costs. They were able to accomplish this balanced budget because they had over the last two years they have been putting such amount in reserves in risk fund balance. The revenues were far exceeding expenditures. They were at the last count over \$11.6 million in fund balance for risk. The Finance Department is planning a trimming in 2022. At a certain point, you have stocked enough.

Mr. John Ferry thanked Council for the opportunity to speak. He stated that the Risk Department had Safety Day which is a huge thing for our employees. He stated that they have Risk Management and Safety. Risk Management is the insurance protecting the city from any kind of risk. Also, making sure we have the insurances in place. That exceed our immunity. That is the risk side of it. On the safety side, making sure the employees are safe and we are giving them the tools as well to be safe. he stated that the Safety Day is very well received. We had record attendance and is a collaborative effort. He highlighted that it is an opportunity for our employees to take a breathe. They have been working hard for 20+ months as a lot of people. He stated it is to thank them and give them a moment to step aside and meet people they don't know or have not talked to on the phone or get some fund swag or get away from the daily day to day. He touched on the auto portion. One of things that they wanted to do in Risk Management, his processor Jeff Nelson and he wanted to bring the auto claims portion in house. They wanted to reduce and kind of sat back and realized that they could save the city money. He stated that he does not know how that looks. They will actually start a team together to bring the auto claims inside. Worker's Compensation and Auto, the city has a TPA. That is to pay for regulatory reporting. Risk does a lot of Auto pay portion. They are exploring that this year. The Employee Health Benefits, the Risk Department sat down with the Human Resources Department and really took a holistic review of the benefits. They sat back and trended out the expenditures to get more of a realistic number. This

whole year, we tracked every single expenditure that we had for any of these items on here, whether it would be the Capital Blue or any of the other insurances we have for the healthcare. We trended it out for the remainder of the year. This is how we came up with this budget. We did a lot of work to get a more realistic number or a realistic number for the 2022 year.

Mr. Joshua Siegel thanked Mr. Ferry for all the work he does. Thanks for the shirts and the hand wedge. He asked if there were any questions from his colleagues in terms of the Risk Management Fund.

Mr. Seth O'Neill starting with the Debt Fund. The Debt Fund exists solely to and the way it is funded is through Interfund transfer and there is a small capitalize interest pools. Yielding very minimum interest. Big picture on the debt load, principal debt amount is \$72.9 million. The bigger picture is on the very bottom right side is the debt service with interest. The Debt Service in 2022 is about \$9 million. The \$9.4 million is the total debt service however some will be covered by the capitalized interest fund about \$486,000 that was created in the 2020 restructuring. It is not ideal to capitalize interest, but has to been able to put some short-term relief. the net debt service for next year is \$8.97 million.

Mr. Joshua Siegel asked if Mr. O'Neill wanted to touch on the Equipment and Capital Fund.

Mr. Seth O'Neill stated that one of the problems admittedly is that this is largely going to be covered by General Obligation Debt proceeds. As you can see from the previous fund that pain is shared over many years. The life cycle of equipment may not necessarily match that. This is representative of our equipment needs.

Ms. Barbara Wagenhurst stated that we typically do not budget for city auction proceeds every year because it is a very unknown number and depends on what items are being auctioned off. It was a piece of equipment that was purchased for the Golf Course that does not go back to the equipment fund. That goes back to the enterprise fund. What you are looking at here is any items that are General Fund purchased that have been auctioned off. They continue in the Purchasing office to use the online auction. That has not stopped. It is just an unknown number.

Mr. Ed Zucal stated that the Police used to put that auction on with the District Attorney's office then the city would get proceeds. The auctioned off a few cop cars to taxi services.

Mr. Seth O'Neill asked if the Capital Improvement Plan make it to Council.

There is a handful of projects. They are disclosed and discussed quarterly. Nothing substantial has changed there. The funding sources tends to be the general obligation bond proceeds that we continue to have on hand and we drawdown as appropriate as projects becomes complete or semi-complete. The idea is that we draw bond proceeds and put it in the capital fund under the project that needs to be funded as it makes it way along. You can see the newer additional funding is \$2.5 million in 2022. The funding sources are a little all over the place. The ARPA money not being represented in here at this time does make it a little premature to sort of lay sentence on our total capital project picture. It is just uncertain right now exactly what that is going to look like right now once we start including those projects and creating projects under the ARPA funding.

Mr. Joshua Siegel stated it is an evolving discussion. We don't really have a complete picture as of what additional capital projects we might add as a result of our ARPA funding. They will have a more holistic discussion as the budget season progresses. He stated that they do not have a definitive spending plan for the first ARPA money.

Mr. Jeff Glazier stated that Mr. O'Neill alluded to this earlier that Allentown like a lot of cities bonds for 30 years over buying assets that don't last for 30 years. Police cars don't last 30 years. The items that do last longer, things like fire trucks and those we pay for. It would make sense to bond for fire trucks and things like 10 ton rollers and other heavy trucks for 30 years. Move our finance to a five year go or a six year go. If he is bonding for 30 years, a lot of cities and school districts bond the same way. He wanted to bring it to Council's attention so in the future they can move to a more rational way to fund these kinds of purposes. He asked to discuss item #6 Police SUVs and Command SUVs. One of the things he learned, the more current vehicles have much greater reliability. He has a basic discussion with Chief Roca. It is possible to buy fewer and maintain the level of service and safety for the public and officers. The command vehicles last even longer because they are not used as heavily as patrol vehicles. He stated protecting those bond funds or saving those bond funds and making them last longer. The city has one hybrid SUV. He was interested on how it performed. It has same amount of mileage. The hybrid gets 10 1/2 miles to the gallon and the regular SUV has under 8 miles to the gallon. Over the lifespan of the vehicle, it is a little bit over \$6,000 in real savings. This year may not be the year to do it given the supply chain issues, but maybe in the future having more hybrids in our fleet. The older police vehicles are auctioned. Some of the auction money that they discussed is for older vehicles that people purchase and the drug money go general to the police. They made a down payment for tasers a couple of years ago. They actually bought the hybrid SUV and they purchased some other vehicles. Some of that money does flow back. He

stated that the city needs to get its financing in rolling stock. To begin to purchase vehicles without compromises safety or performance. Today's vehicles are more reliable than the old ones.

Mr. Julio Guridy stated great observation. In the front end how much is the hybrid versus the gas.

Mr. Jeff Glazier stated that is a good question, but he does not know. The fuel savings are real and better for the environment.

Mr. Joshua Siegel thanked Mr. Glazier and stated that in the future for capital projects they can interrogate the diversification on how we choose to bond certain purchases.

Mr. Seth O'Neill stated that is a fair point.

Mr. Joshua Siegel stated that it would optimize the process of procuring things and save us money. He is all for the hybridization of the city's fleet. Maybe one day we can go full electrical. He asked if there were any wrap-up questions for his colleagues.

Mr. Ed Zucal stated that in the budget book, page 48, which is mileage reimbursement. In 2021 it was budgeted \$425 and didn't even use it. Now, it is \$300 budgeted. What is that for?

Mr. Seth O'Neill stated that originally there was some meetings that they had for tax matters in Harrisburg. He foresees some legislation that he would like the city's tax people to attend and keep an eye on. This stuff is always floating around in committees that materially affects the city's tax collection practices and various discussions with representatives who advance this type of legislation. That is what the expenditure is in there for. As far as using a city vehicle for that. He guesses that is a possibility. They can talk about that. It just has been practice to use our own vehicle.

Mr. Ed Zucal stated that the only issue if something happens the liability issue for your insurance company.

Mr. Seth O'Neill stated that is a fair point.

Mayor Ray O'Connell stated that they can use a city vehicle.

Mr. Ed Zucal stated page 51, the Director's salary. He is confused here. In 2021, it was \$121,810, but in 2022, it has \$103,000. He asked Mr. O'Neill is he giving himself \$18,000 less.

Mr. Seth O'Neill stated that probably that A&E is wrong. The 2021 A&E shouldn't that be lower.

Ms. Barbara Wagenhurst stated no because the salaries as they are going to be spent because of the vacancy factor.

Mr. Seth O'Neill stated that the vacancy factor levels that out.

Ms. Barbara Wagenhurst stated that was based on Brent Hartzell's salary.

Mr. Seth O'Neill stated that in 2021, it was based off of Brent Hartzell's salary and in 2022, it was based on his.

Mr. Ed Zucal stated ok. With the 2.5 percent raise.

Mr. Seth O'Neill stated the 2.5 percent, yes. Just on that one.

Mr. Ed Zucal stated that the 14N - Senior Analyst is what Ms. Baraket brought up. It was one in the 2021 budget for \$60,957 and then it ended up being \$25,790. He asked if this year he took it out or got rid of it.

Mr. Seth O'Neill stated no, that is not correct. He stated that position was eliminated. In its place, they established another Financial Analyst position at a 12 which you see right below that. It went from one to two positions. The .1 came out of the Risk Management.

Mr. Ed Zucal asked about Page 52, seems like a 50 percent drop in the Other Contract Services.

Mr. Seth O'Neill stated that is for the Financial Advisory Services that they have regarding their debt structuring.

Ms. Barbara Wagenhurst stated that they removed the study in 2022 because Finance is having it done this year. Financial Services is still in there.

Mr. Ed Zucal asked about the \$376 under equipment and now it is zero. What equipment are you talking about.

Ms. Jessica Baraket stated that is really just under the equipment is really just minor things. It is account coding issues. They code all computer peripherals to the 72 account. It could be something as simple as a wireless mouse or wireless keyboard. They usually budget in the supplies account and if they need something that does fall within that they will transfer and move it into the 72 account. That's why they did not see

anything budgeted in 2021. There was an adjusted budget and they will see their A&E in there.

Mr. Julio Guridy asked wouldn't IT provide those things to you.

Ms. Jessica Baraket stated that IT provides some, but generally provides the ones that plug in. They don't provide the wireless ones. A lot of times, if you want to purchase something above and beyond which there is some convenience of having a wireless keyboard or a wireless mouse. Those have to be purchased at the departments expense.

Mr. Julio Guridy suggested that IT purchase all the equipment and purchase what you need.

Ms. Jessica Baraket stated that is definitely something they can look at as well.

Mr. Ed Zucal asked about the Detail Book - Page 22, Account 28, Item 1. He stated that kind of discussed that. Page 23, Other Contract Services, 46 a Stenographer for \$1,500. He asked what are we using a Stenographer for in Finance.

Mr. Seth O'Neill stated that the state statute requires them to have an appeals board for tax assessment under the Local Tax Enabling Act. This is basically people appealing their BPT assessment by Revenue and Audit Bureau. The stenographer being present at those proceedings is legally recommended to create a record. It is good practice.

Mr. Ed Zucal asked about Account 50, Number 1, filing fees for civil complaints and executions, \$45,320. Do we have that many that we have to file?

Mr. Seth O'Neill stated that it is extremely expensive to collect claims and tax claims and other financial fiscal claims through the court system. The civil route has tended to be infinitely more preferable than trying to do this through summary offense, citation at the District Court level. It is more expensive to do it civilly, but it does not create a criminal sort of case which is good for the taxpayer. Those expenditures goes up every year and it is extremely expensive. The Program Narrative for Revenue and Audit on Page 27 gives you breakdowns on cost benefit on this line item. The benefit of recovery is 16 times the cost.

Mr. Ed Zucal asked about training and professional development. Last

year, it ended up being \$1,000 and it jumped up to \$5,000 this year. Is any of this training being done in-house or all outside.

Mr. Seth O'Neill stated that this particular conference cannot be done in-house. This is the GFOA Conference. It is a really good conference to invest in. He stated that they are fully staffed.

Ms. Jessica Baraket stated that this is the first year they have the Deputy Finance Director. Before, they only had a Finance Director position. They had a part-time analyst and a full-time and now they have two full-time analysts. Their department is growing full-time. They have more positions now as well. The numbers reflect a little bit of rising costs, but it also reflects additional staff. It is the GFOA Conference and training as well. They are offering a lot more online. They will reserve a conference and watch it.

Mr. Ed Zucal asked about the legal advertising under Account 50. Last year, it was budgeted for \$2,000 and you only used \$100 and now it is back to \$2,000.

Ms. Jessica Baraket stated that it is something and as far as she understands and Barbara might have something to jump in. It might be for advertising that they are not aware of. It happens throughout the year that they have to advertise for that they are not aware of those things. That is why they leave that open. Sometimes they spend it, and sometimes they don't. As soon as they decide to take it out, it would be the year that things comes that they have to advertise for. One of the things that they have to advertise for is for open positions like the Finance Director's position. She stated that she is hoping that they don't have to advertise for that again. Hopefully, they will have Seth here for a long time. It is something that is a unknown.

Mr. Ed Zucal asked about Account 46 - Item 1 Overtime, \$1,900. What overtime?

Ms. Jessica Baraket stated that they have the Accounts Payable Clerks are the only ones that receive overtime. There are times that there is a lot of processing that has to get done.

Mr. Ed Zucal asked about Page 33, Account 34, Item 4 - Conference and Training, \$3,500. Are they the same people going to the other training.

Ms. Jessica Baraket stated they are not, but the GFOA does offer their continuing credits that are the same in the accounting department as they are in finance and budget department. They are not the same people, but

the continuing education credit that come from that are the same credits that are downstairs in accounting as they are upstairs in Finance and Budget.

Mr. Ed Zucal asked about Page 36 - Permanent Wages, the 2021 budget was \$307,658 in the end and the new budget is \$306,956, but there is 2.5 percent raise. Why is that much lower? There is a 2.5 percent increase for everyone in your office. Shouldn't it be a lot more than last year?

Ms. Jessica Baraket stated that it has to do with her salary when she went into the Deputy Director's position. Her salary was a little bit high then the new person that came in at a lesser salary than what she was making when she was in that position.

Mr. Ed Zucal stated that Page 40 under 02, how many employees is that? He stated same page, Account 26 and combine it with Page 40 and 41, Numbers 2, 3, and 4. Why do we have separate maintenance agreements? Are we using the same company to service both?

Ms. Jessica Baraket stated that is for two employees.

Ms. Barbara Wagenhurst stated that yes, we are using the same company, but the units were purchased at different times. There are different contracts. One for the black and white and one for the color. They were purchased approximately a year and a half to two years apart. It is Canon USA.

Mr. Ed Zucal stated that he thinks there should be a way to combine those two.

Ms. Jessica Baraket stated that they should be able to combine it on here for their reference, but the company is going to require a different contract for each Lease.

Mr. Ed Zucal stated that he believes that the city is spending \$19,000 more than they should.

Ms. Barbara Wagenhurst stated that they are doing a whole lot more in-house. Now that they have equipment down there. The city now has production copiers that they are able to do color printing. They can do business cards in-house. With Zach and his talent and the graphic design, they are doing so much more in-house than they have ever done before which is why the cost is up there.

Mr. Julio Guridy asked are they still printing the newsletters for the

community organizations or the block watch groups.

Ms. Barbara Wagenhurst stated that the city typically do them. They have done them in the past. She does not know if those requests have come back since Covid has allowed them to open back up again. Yes, the city was doing those requests in the past.

Mr. Joshua Siegel asked if there were any further questions from his colleagues or the public.

ADJOURNED: 7:58 PM