

CITY COUNCIL MEETING
2016 Preliminary Budget Public Hearing
December 7, 2015

PUBLIC HEARING

President Lavender-Norris opened the floor for the public hearing for the 2014 Preliminary Budget at 6:15 pm. Mrs. Hunt and Mr. Hamrick will not be in attendance.

Mr. Carnes explained the budget process. The budget adoption will be held at the regularly scheduled Council meeting on December 14, 2015.

Mr. Marcarelli read the revenues and appropriation that were advertised in the Daily Local News.

Mr. Trio explained Option 2 shows a withdrawal from the Trust Fund in the amount of \$360,000 for Capital Expenses and raising the taxes 4.693 mills. There are only two places that funding could be found and that was raise the taxes or take the money out of the Trust Fund.

Mr. Marcarelli said the original budget had a \$1.7 million shortfall, additional cuts were made to bring the shortfall to \$1.5 million. He explained the 4 options that were provided to Council to close the gap in the 2016 budget.

- 1) 6.172 millage increase and no withdrawal from the Trust Fund
- 2) 4.693 millage increase and \$360,000 withdrawal from the Trust Fund
- 3) 3.104 millage increase and \$750,000 withdrawal from the Trust Fund
- 4) 0 millage increase and withdrawal \$1,508,805 from the Trust Fund

The trash fees are from a separate fund.

Mr. Trio explained the budget show elimination of positions, cutting and sharing departments. There is nowhere else to cut. Mr. Marcarelli stated the City started leasing vehicles and will own the vehicles in three years when the lease is up.

Mae Barton

Ms. Barton announced an increase in taxes will cause a hardship for the seniors. She currently only has \$54 a month to spend after her bill and her rent is going up. The City increases taxes but the residents get nothing in return. It gives you nothing.

Khadijah AlAmin

Ms. AlAmin stated the City needs to do a better job of collecting past due taxes and trash fees. They are three to 4 years behind. She explained the seniors cannot afford a tax increase. They barely make their bills. A tax increase would deter people from wanting to move into the City. We will not even be able to give the homes away. The second option is best but you don't live here. There is a lot of overtime in the Police and Fire Department that needs to be cut down.

Ora Wilson

Ms. Wilson stated there is nothing in Coatesville, but they keep raising the taxes and still getting nothing in return. Seniors can barely keep their houses now. Their fixed income is truly a fixed income. She also stands for the people with only minimum wage jobs. She asked the City to look at other avenues than raising taxes.

Diane Moses

Ms. Moses begged the City not to raise her taxes. She cannot afford it and will have to sell her house.

Howie Johnson

Mr. Johnson suggested hiring Portnoff Associates for collection so f past due revenue for the City. Council explained that Portnoff has been approved to collect the past due revenues.

Paul Evans

Mr. Evans stated once there is no trust fund, the raise in taxes will take everyone out. The one thing I want to guard against is going Act 47 and having Financial Armagedon.

Mrs. Jones stated something is no right. Cannot have me give something without giving something back. The seniors should have a break. Cannot see the older people paying higher taxes, they should receive a discount.

Vice President Lawson explained she is younger and not a single income family and still cannot afford it. This is a huge issue.

Ms. Green stated the residents cannot take a tax increase. We offer the least amount of services in the area. The Trust Find can help us. We should take all the money out of the Trust. We need to go into each department and revamp and also get a handle on collections.

Mr. Trio explained they gave you snapshots of what to expect. Taking from the Trust Fund and/or raising taxes, neither is good but have no other option.

Mr. Marcarelli explained the City has received a 90-91% receipt on tax collections.

Mr. Simpson explained the bottom line is that we are going to get out is to increase taxes. We need to bring jobs in.

Mr. Marcarelli explained the process of the local services tax. The City has a large amount of non-profits that do not have to pay taxes, this has an impact on the City.

Mr. Trio explained assessments are being done. The assessments are reducing the tax base collection for the City.

President Lavender-Norris stated she does not want to cut services, we are at bare minimum now.

Mrs. Green stated some departments need to be cut. The overtime is out of control. We are running inefficiently. The salaries are skyrocketing. This could be done by volunteers. The public needs to see what the money is being spent on. We need accountability.

President Lavender-Norris was interested in the option with the smallest tax increase and \$750,000 from the Trust Fund. It would be a 50/50 split.

Vice President Lawson made a motion to close the Public Hearing at 7:50 pm; Mrs. Green seconded the motion. Motion passed 5-0.