

December 16, 2019

SCRANTON, PENNSYLVANIA

The Scranton School Board of Directors held a Public Hearing for the 2020 General Fund Budget on Monday, December 16, 2019 at Isaac Tripp Elementary School, 1000 Everett Ave., Scranton, PA 18504 following the scheduled Budget and Finance Committee meeting at 5:30PM.

President Gilmartin called the Public Hearing to Order at 5:38PM. *(The Pledge of Allegiance was held prior to the Committee Meeting)*

Public Comment:

Oswaldo Rios, Capouse Ave is active in the community and coaching soccer. Mr. Rios urged the board to integrate a soccer program in the district.

Char Short, Mountain View Way is new to the area and she is still learning the process and understanding budgets. Ms. Short said she has been attending school board meetings and something that keeps eluding her is the Special Education money. Ms. Short shared her experience from other districts in Special Education departments and her research

Joseph Fasula, Abby Way expressed concern of the payroll tax conversion that the school district is considering and how it will affect his businesses and 400 employees in Scranton.

Mr. Pat Laffey responded that there is still some confusion about the transition.

Director Gilmartin said it is important to note this is an initiative of the city's Act 47 exit plan, not in the school district's recovery plan; the recovery plan simply states the district would consider this and remarked that the ball has been placed in the district's court; something we didn't plan to do.

Director McAndrew and Director Schuster thanked Mr. Fasula for stepping up because we weren't given that perspective and the board needs to know more about how the conversion will impact businesses; it was "sold" to the district that it would bring more business to Scranton because the tax would be fair.

Director Dixon wishes more businesses would step forward and doesn't see how the conversion will attract businesses to Scranton.

Pat Fricchione, of Simplex Industries, said the conversion will affect all businesses, has had many conversations with the city and no one seems to have confidence that the numbers are correct. Mr. Fricchione said this will be devastating to the larger companies and he is concerned how this would impact smaller businesses and incoming businesses would not be relocating to Scranton.

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Ryan Mayes, Simplex Dr, voiced concern of the payroll tax conversion, it would be a significant impact on businesses and a burden on the growth of the city because companies will chose to go elsewhere outside the city.

Director Gilmartin thanked the businesses for coming forward and also for all that they do to support our students. Ms. Gilmartin added there are so many concerns and still unclear about the process.

Mr. Laffey responded that no other school district has done this so we have no blueprint to follow and everyone is looking at this for the first time.

Ms. Gilmartin asked if a decision has to be made at the time we take action to vote on the budget.

Mr. Laffey said he is still having discussions with Solicitor Audi, they've been in touch with PDE about this and he has also spoken to a gentleman from Pittsburgh School District.

Kevin Whelan, Delaware St, a candidate for the board vacant seat, did not understand why the special meeting scheduled to take place following this public hearing was cancelled due to the weather albeit a meeting is still taking place.

Director Gilmartin apologized that we had to make a decision due to the weather, the vacant seat is no longer part of the agenda, and explained that this is a public hearing on the budget, the special meeting will be re-advertised and appreciates his understanding.

Director Fox said she is very interested in having more people come out to speak regarding the conversion tax.

Director Schuster agreed that we need more input from businesses.

Director McAndrew asked Mr. Laffey if the city can convert to the new payroll tax without the district's vote.

Mr. Laffey said that is how they understand it as well.

Director Gilmartin responded that we would be levying two taxes at once and asked if the city were to make the conversion, would the district continue with the Business Privilege Mercantile Tax, would the option to repeal the BPM tax remain on the table for the district.

Mr. Laffey did not know the answer to that and would have to research that.

There being no further business a motion to adjourn was made by Director McAndrew, seconded by Director Schuster and the hearing adjourned at 6:10pm.

By: _____