

MEETING OF THE
COUNCIL OF THE CITY OF CHESTER

A Public Hearing on the 2023 Budget of the Council of the City of Chester was held on the above date at 10:00am with Mayor Thaddeus Kirkland presiding. The following were in attendance:

Elizabeth Williams
William Morgan
Portia West
Stefan Roots
Mayor Thaddeus Kirkland

Kenneth Schuster, City Solicitor asks the following questions to the City Clerk:

1. Has the notice of this Public Hearing on the 2023 City Budget been advertised? **The City Clerk says yes.**
2. What was the date of advertisement? **The City Clerk says December 21, 2022.**
3. Where was the City's Budget Advertised? **The City Clerk says the Delaware County Daily Times.**
4. Do you have proof of the advertisement? **The City Clerk says yes.**
5. Can you make the proof of publication upon receipt part of the record? **The City Clerk says yes. (See attachment)**
6. Has the budget been available in your office for inspection by the public from the date of advertisement to today's date? **The City Clerk says yes.**

Kenneth Schuster, City Solicitor asks the following questions to Councilman Morgan:

1. Kindly state the total amount of anticipated revenue in the City Budget and the breakdown of expenditures between the Departments in the General Fund Operating transfers.

Councilman Morgan says the General Fund Revenue for Calendar Year of 2023 reads as \$63,650,000.00.

Real Estate Taxes	\$ 9,996,000
Taxes - Act 511	\$ 21,363,000
Fines	\$ 100,000
Licenses and Permits	\$ 1,605,000
Interest, Rents and Royalties	\$ 3,660,000
Intergovernmental Revenues	\$ 12,655,000
Charges For Services	\$ 7,006,000
Reimbursements	\$ 1,417,000
Other Revenue	\$ 5,848,000
TOTAL	\$ 63,650,000

Department Expenditures

Department of Public Affairs	\$21,682,514
Department of Accounts and Finance	\$23,854,236
Department of Public Safety	\$ 8,798,088
Department of Public Works, Parks & Property	\$ 5,874,607
Operating Transfers	\$ 5,344,000
TOTAL	\$65,553,445

2. Is the Budget being presented today different in any way from the Budget read on December 14, 2022.

Councilman Morgan says yes, there were some minor changes. Revenue replacement from the American Rescue Plan has been decreased. They changed the General Liability Insurance for the City Chester provided that the quotes we received from our Insurance Brokers and there were some adjustments in Employees' salaries from one department to another.

Ken Schuster, City Solicitor says are there any public comments from the Public.

Harry Crawford says what have you'll done to actually decrease what was owed versus moving forward to actually spend what you don't have.

Councilman Morgan says the Members of Council and Departments have done really a lot to try to decrease its liabilities and expenditures on a year-to-year basis. Unfortunately, the City, we have to provide services to the Residents. So, there is not a lot of places that you can cut or (inaudible) cut back on your employees. It's hard not to repair certain buildings and or fleet repairs that are necessary. But what we have been able to do is to come up with other Revenue (inaudible) (ex. improve IT, to pay tax bills on line, different insurance plans for employees and retirees). However, we still have somewhat of a dark cloud over us in regards to the Pension where it struggles for us to meet our day to day needs and your annual needs.

Mr. Crawford says are there any Businesses/Companies in the City of Chester not paying taxes because they were given a time period just to come here and not pay taxes for five or 10 years.

Councilman Morgan says the State has a program called LERTA, which is a tax abatement type of program which is a 10-year tax abatement and it's increasing every year. So, year one you pay 10% on your assessed value of the property and at year 10 you'll pay 90%. After year 10 you will be at 100%. There are some Businesses that are in the LERTA Program but they have to qualify for that.

Ken Schuster, City Solicitor says there used to be what you called Keystone Opportunities Zone. That has expired and those Keystone Opportunities Zones have not been renewed. So, any Business that comes into the City must pay taxes other than that program.

Mr. Crawford says so that program that you were talking about (Keystone Opportunities Zone) and this one you were talking about (LERTA), was the State making up the actual difference.

Mr. Schuster, City Solicitor says no. The idea was to encourage economic development. It may or may not have worked. There was some economic development. But both the State and the City determined that it was not in the best interest to continue that program following the expiration.

Mr. Crawford says maybe that's the reason why we're in the spot that we are.

Mr. Schuster says I don't think so. Not at all.

Mr. Crawford says rest of Council feel the same way.

Mayor Kirkland says I do. It's a pension problem that have been happening for some 70 years. That's why we are in the state that we are. It's a pension problem.

Councilman Morgan says many Businesses did not take the opportunity with the KOZ's in the City of Chester. So, we can't force a businesses hand to take that. That program's restrictions that come within that. Certain funds that they have to provide. They didn't take that advantage here in the City of Chester.

Ken Schuster, City Solicitor says are there any questions/comments from Mayor and Council.

No questions/comments from Mayor and Council.

The 2023 City Budget Public Hearing was adjourned at 10:12am.

Respectfully submitted,

December 28, 2022

Candice Newsome, City Clerk