## Council Candidates – 4-year seat – Prompt 4 (26)

The Bethlehem Gadfly Candidates for election, Gadfly's posts, Serious Issues April 20, 2019

(26th in a series of posts on candidates for election) Bethlehem NAACP "Candidate's Night 2019," April 22, 7PM, at Steelworkers Hall, 53 E. Lehigh St. BCDC is hosting a candidates' forum May 6, 6PM, at Steelworkers Hall, 53 E. Lehigh St. registration deadline April 22

Election Day is May 21 vote for 3 4th in the series of candidate statements statements in alphabetical order this time

# Talk about budgets and the budgeting process, arguably the most important power and responsibility that City Council has.



### Michael Colon (incumbent)

The City's budget is a long, tedious process which is often not very appealing to the public. I understand why. There are a number of budget hearings during the fourth quarter each year. City Council and the administration go through a budget book which is hundreds of pages long. A couple years before I

was elected to City Council, I went to a budget hearing and truthfully didn't totally grasp what I was hearing. Thankfully the members of Council at the time were polite enough to answer emails I'd send with general questions to help me understand.

What is important to understand with the City's budget today are two things. First is personnel is the biggest cost driver in running Bethlehem. Second is the overall headcount of Bethlehem employees is as low as anyone can remember. Most employees are likely going to work each day to a department that had more manpower when they started their employment. The question then is how to maintain adequate services? The City must continue to look at technologies which will allow employees to be more effective at their jobs. Continued investment in new technologies will help in delivery of services. An example is the water department rolling out more electronic meters each year which allow the meter to be read remotely, cutting down on time going meter to meter. That being said, the workloads only increase our departments at City Hall. Sometimes adding to the headcount is necessary as we recently decided to add a part-time employee to the Law Bureau due to increased demands. It is important to consider the long-term budgetary impact of each addition to the City's payroll. In this instance there are no benefits other than salary.

The cost of doing business will continue to rise. It's only fair a hardworking employee should be paid more today than they were one, three, ten years ago. Am I opposed to raising taxes? Can't say that I am. I've been a part of a Council that has passed small tax increases. What I am in favor of is continuing to look at the budget, this massive document, comprehensively and continuing to understand how to meet the City's needs so that when taxes do have to rise they are incremental.

#### J. William Reynolds (incumbent)

The following facts about the budget cannot really be disputed.



- Most of the budget is fixed due to union contracts and obligations (such as debt relating to capital investments)
- The vast majority of the budget is personnel (over 80 percent)
- The majority of the budget is public safety (important when considering the service impact of any spending cuts)
- Legitimate meaningful cuts cannot be made without touching personnel (which generally Councilmembers do not want to do)

With those four points in mind, it is very difficult to make *substantial* cuts during budget time. So, what is City Council's role in the budget?

- Determine, follow, monitor the long-term financial health of the city by understanding the budget revenue and expenditure drivers
- Have an in-depth understanding of the direction of departments and the short- and long-term financial implications of annual proposed changes
- Monitor and follow revenue and expenditure estimates throughout the year
- Educate the public about the aforementioned structural limitations of our budget
- Support initiatives that assist the city financially and do not sacrifice the effectiveness and efficiency of city services

The single most impactful thing that Council members *can* do as it pertains to the budget is to keep open communication with the Administration and department heads about their short- and long-term financial plans for their departments throughout the year. The budget is passed in December, but important financial questions are being asked and answered every day in City Hall. What is our pension obligation for next year? A few people retired, are those positions being filled? Would a change in departmental structure save money over the long run without sacrificing service? If we have a year with many winter storms, where are we moving money from to pay for snow removal?

City Councilmembers who wish to fund new initiatives also must work with the Administration and Department heads throughout the year (rather than during budget time) to understand where new initiatives work with the larger plans/strategies for the departments. It is often a long and tedious process to build support and the necessary financial budgetary flexibility for even minor additions to the budget throughout the year. Working slowly is, however, necessary to not only fund new initiatives but also to make sure the implementation process is clear moving forward. During my time on City Council, most Councilmembers have approached the budget process with the above information in mind and, as a result, the current and future financial position of the City is stable and growing stronger by the year.



Carol Ritter Carol Ritter

Watch this space



#### **David Saltzer**

When speaking about budgets, there are multiple facets that change annually. I have had the opportunity to sit on the other side of the council table as a taxpayer, employee, and president of the union looking at the

budget from different perspectives. Budgeting is one of council's most important duties. To create a budget that is fair to everyone allows the city to operate, grow, provide essential city services, and not drain the pockets of the citizens.

Budgets should be reevaluated on an ongoing basis. By looking at our vendors and what they offer to the city, it may in our best interest to look at long-term contracts as opposed to monthly or yearly contracts for services to save money, while also continuing with a yearly fleet replacement plan for aging essential city equipment in the streets, parks, and public safety departments. This will also help in the long term by not having to replace multiple broken and aged pieces of equipment at once. We can also look at attracting businesses that will help add to the tax base and give back to the community through sponsorships to maintain parks or monies to fund essential equipment, saving taxpayers monies. We can also continue to search and seek out grants for community upgrades, equipment programs such as Costars, and safe staffing such as the COPS and SAFER grants for fire and police to help offset the cost of salaries in public safety.

One area where we cannot afford to cut is city personnel. Our city is currently operating with the lowest number of employees in history, and it shows. Employees are constantly asked to do more with less, and this attitude is unacceptable and needs to change. Our employees can feel the lack of support from the current city administration and are burning out, and the city is seeing the results of this burnout.

#### Paige Van Wirt (incumbent)



Semper Pro Populus City Council has fiduciary responsibility over the City operations — the budget, capital expenditures, and leveraging debt. In thinking about this duty I find the term "Semper Pro Populus" to be the guide: Always for the Public. It is in this role that Bethlehem's finances must be abundantly transparent, and the decision-making behind the city finances accessible and easily understood.

City Council approves debt - in part by floating general obligation bonds, which are backed by the power of the taxpaver. Taxpavers frequently backstop the bonds of independent authorities, approved by City Council. It is in this responsibility I find the most serious oversight responsibility lies – how do we ensure that we do not wind up like Scranton, where City Council approved general obligation bonds for the Scranton Parking Authority to build yet another parking garage which subsequently was not supported by parking revenue. The Parking Authority then asked Scranton City Council to raise city taxes to pay the G.O. bonds. Scranton City Council refused to honor the taxpaver guarantee for the Parking Authority's G.O. Bonds – not wanting to raise taxes on it's citizens – and Scranton wound up losing access to capital markets as a result, precipitating a full-blown financial crisis. (Mary Walsh, "With No Vote, Taxpavers Stuck with Tab on Bonds" New York *Times* 6/25/2012) Or Harrisburg, where the G.O. Bonds for a trash incinerator provided the initial debt, which was subsequently inflated by the Harrisburg Authority over the years, ultimately leading to the state taking over Harrisburg's finances. Or Allentown, where the debt of the struggling Lehigh County Authority has provoked widespread concern. To compound the problem, these obligations are frequently carried off the books.

In terms of function, the City budget is composed of a series of operating funds (general, water. and sewer) as well as a capital budget. Within this framework, there is often very little room for leverage in council towards goals that differ from the administration, with the exception of the capital budget. It is here that I think a unified, cohesive City Council has the most room to guide the administration- How we invest in our downtowns to help Bethlehem's small businesses? What are the projected costs of replacing our fleet with electric vehicles? How do we improve our sidewalks? How do we use the power of the purse to create a city with a diversified economy, an affordable housing stock, and lively, energized streetscapes in our downtowns?

A fiduciary must always act with highest ethical standards. This means honesty and full disclosure. The power of the purse, as controlled by City Council, is another reason we must have a strong ethical foundation for our elected officials; the proposed Ethics Ordinance, which I will be reintroducing, is meant to reassure the taxpayers that no conflict of interests will affect Bethlehem's elected official's obligation to the people. Bethlehem is pressured by many responsibilities — pension obligations, retiree and employee healthcare, aging infrastructure are just a few and is looking for ways to creatively increase the tax base and to find new sources of revenue all without adding to the taxpayer's burden. It is in the fiduciary role of City Council — to ensure that Bethlehem's financial obligations and decision-making are transparent, that taxpayer backed bonds are vetted and publicly discussed, particularly when it comes to off-the-books Authority debt, — that we must ensure we are Semper Pro Populus — always for the public.