

# **Allegheny County Council**

*County of Allegheny  
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## **Committee Meeting Minutes**

**Tuesday, November 25, 2008**

**4:00 PM**

**Conference Room 1**

## **Committee on Budget and Finance**

*William Russell Robinson, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Mike Finnerty, Vince Gastgeb, Amanda Green, Bob Macey, and Chuck McCullough - Members*

**I. Call to Order**

**Summary:** *The meeting was called to order at 4:05 PM*

**Invited Guests:**

**Jim Flynn, County Manager or Designee**  
**Amy Griser, Director, Budget & Finance**  
**Steve Bland, Executive Director, Port Authority**  
**Derek Uber, Deputy County Manager**

**Summary:** *Invited guests in attendance: Mr. Uber and Greg Casciato for Ms. Griser*

*Council Staff in attendance: John Mascio, Jennifer Liptak, Jared Barker, and Joe Catanese*

**II. Roll Call**

***Roll Call:*** Present: Jim Burn, Joan Cleary, John DeFazio, Michael Finnerty, Amanda Green, Bob Macey, Chuck McCullough, Chair William Robinson, Council Member Nick Futules, and Council Member Rich Fitzgerald  
Absent: Vince Gastgeb  
Phone: Matt Drozd

**III. Approval of Minutes**

**4482-08** Motion to approve the Minutes of the November 13 & November 19, 2008 Budget & Finance Committee Meetings.

**Action:** **A motion was made that this matter be Passed. The motion carried by the following vote:**

***Votes:*** Yes: 9 - Burn, Cleary, DeFazio, Drozd, Green, Macey, Chair Robinson, Council Member Futules and Council Member Fitzgerald  
Abstain: 2 - Finnerty and McCullough  
Absent: 1 - Gastgeb

**IV. Agenda Items****Ordinance**

**3854-08** An Ordinance amending and supplementing the Allegheny County Code of Ordinances, Division 1, entitled "Administrative Code," Article 808.B, "Rental Vehicle Taxation," in order to provide consistency with regard to exemptions from the County tax on the rental of certain motor vehicles within the County and the exemptions from taxes imposed by the Commonwealth on such rentals.

**Sponsors:** William Russell Robinson, Joan Cleary, Vince Gastgeb, Michael Finnerty, Matt Drozd, Nick Futules, Amanda Green and Bob Macey

**Summary:** *The Chair provided the committee with a summary of the bill. He said that Bill would provide exemptions for not-for-profit organizations from the County tax on the rental of certain motor vehicles.*

*This amendment would provide that any individual or entity that is exempt from taxation by the Commonwealth of Pennsylvania for the purposes of vehicle rental transactions shall receive the same exemption(s) from the County Rental Vehicle Tax.*

*He distributed a letter (on file) dated March 27, 2008, that he received from County Treasurer John Weinstein containing his observations and concerns with the bill.*

*Ms. Cleary asked how much money this would cost the county. The Chair said that Mr. Weinstein estimates as high as \$750,000. He said that the car rental industry said it was not that high but they, Council, do not have an independent analysis of the cost. He said that they need to obtain an estimate that everyone can accept and that they have to agree on what exemptions would be put in place. He said that he is not inclined to take any action on this bill at this meeting but would like to address this issue at the beginning of 2009. Councilmembers Finnerty, Cleary, Burn, and Green agreed with the Chair. Mr. Burn said that they need to start drawing lines on how they define who is and who is not eligible for this.*

*The Chair said that it appears that most of the sponsors agreed to revisit this bill in 2009. He said that it would appear on the first Budget and Finance Committee meeting for 2009. There were no objections to this.*

*The Chair proceeded to discuss various amendments that he plans to propose at the December 2, 2008 Regular Meeting of Council. He said that the amendments are based on his concern that given the fiscal and management conditions of the Port Authority, no matter what is done in the contract negotiations their fiscal situation remains serious and needs attention. He said that the county has accepted a responsibility to help operate public transit and that the money should be under the control of County Council until such time as it is requested. He said all his proposed amendments will be based on that.*

*The Chair distributed a letter (on file) dated November 6, 2008 that he received from Port Authority CEO Steve Bland expressing what he thinks will happen if Port Authority does not receive money from the county. He said that the letter indicates that even if they do receive the appropriations they would still need more to be financially stable to operate.*

**Action:** Held in Committee

## **Resolution**

### **4458-08**

A Resolution of the County of Allegheny amending the Operating Budget for 2008.

**Sponsors:** Chuck McCullough

### **Summary:**

*Mr. McCullough provided the committee with a summary of the bill. He said that the bill would amend the 2008 Operating Budget and would decrease the expenditures appropriation portion of the 2008 Operating Budget by \$27,453,060 from \$745,112,820 to \$717,659,760 by decreasing the following specific expenditures: Miscellaneous Agencies - Port Authority from \$24,358,500 to \$0.00; and Non-Departmental - Contingency - from \$3,094,560 to \$0.00;*

*He said that the amendment would also decrease the revenues portion of the previously adopted Operating Budget by \$27,453,060 from \$745,112,820 to \$717,659,760 by decreasing the following specific revenues: Drink Tax - from \$28,000,000 to \$2,000,000; and Car Rental Tax - from \$4,000,000 to \$2,546,940.*

*Mr. McCullough distributed a copy of an Executive Order (on file) dated November 26, 2007, and other supporting documents relative to the funds authorized to Port Authority. He said that the Order purports to freeze drink tax and car rental revenues until certain conditions are met by Port Authority. He said that Mr. Barker of Council's staff told him that the Executive Order was unenforceable. He reviewed the document page by page.*

*Ms. Liptak clarified that the total amount appropriated to Port Authority was 27 million dollars. She said 24 million was a direct appropriation and the remaining 3 million was placed in a contingency fund. The Chair asked Mr. McCullough if his amendment is intended to place all of the appropriation under the jurisdiction of County Council. Mr. McCullough said that was correct. He said that the amendment would remove the entire 27 million dollar appropriation from the 2008 budget to ensure that Council would be involved in the appropriation.*

**Action:** Held in Committee

**V. Adjournment**

**Summary:** *The meeting adjourned at 5:15 PM*