JOHNSTOWN CITY COUNCIL
WORKSHOP MEETING MINUTES
Wednesday, October 7, 2026

The Greater Johnstown City Council met in a stated session for special business. Mayor Sylvia King called the meeting to order at 5:02 p.m.

Mayor King offered the invocation. The Pledge of Allegiance was recited.

The following members of Council were present for roll call:

Mayor Sylvia King, Charles Arnone, Samuel Barber, Taylor Clark, Michael Hamacek, Nicolas Spinelli, Lorraine Brandon-Taylor

Art Martynuska, City Manager; Jennifer Burkhart, Executive Secretary; Aimee Willett, Solicitor; Jeff Kent, CEO, Maher Duessel; and Jon Tilelli, CPA, Maher Duessel, were also present

MANAGER'S REPORT

Art Martynuska, City Manager, explained the work on the budget over the past couple of months with Maher Duessel and input from department heads. Ms. Willett reviewed the City's Charter and codified ordinances, as well as the Third-Class City Code requirements in relation to the budget. She also reviewed the timeline for the budget and proposed wage and salary ordinance.

WORKSHOP ITEMS

1. 2027 Budget Review

Jeff Kent, CEO, Maher Duessel, provided a summary of the budget packet. He noted the packet included four main items: A detailed summary of the budget for all funds, a summary of the budget, a salary ordinance, and a handout summarizing everything in the packet. He provided background on how Maher Duessel had gotten to the point of Council reviewing the budget. He stated input from Council would be taken with regard to making changes to the budget before the next step. The high-level summary of the draft budget for the general fund reflected about $16.1 million in total revenue with $17.1 million in expenses, leaving a gap of roughly a million dollars. He stated the prepared scenario showed the gap being balanced by the use of the accumulated fund balance in the general fund. He noted a large percentage of the deficit was related to potential retirements and the leave payouts associated with the retirements.

Mr. Kent explained the summary included a page reflecting historical data provided by Wessel and Co. for the general fund balance. He noted the current balance was not expected to shift much from 2025 to 2026 as the City was on track to break even on the 2026 activity. He pointed out about $1.4 million of the fund balance was

specifically committed by Council for OPEB (other post-employment benefits). The portion of the budget related to potential retirement payouts could be allocated from the OPEB funds. He took a moment to explain how the City had gotten to the deficit. He shared generally expenses were outpacing revenue. Additionally, there was a loss of some of the ARPA interest.

Mr. Martynuska questioned how much of the loss was from the ARPA interest. Jon Tilelli, CPA, Maher Duessel, replied, in 2025, the interest was about $800,000; however, each year, the interest amount would decrease as the ARPA balance is spent down.

Mr. Tilelli reviewed a slide describing the bridge from 2026 into 2027 into the deficit. In addition to the ARPA interest, the City was losing revenue from amusement taxes, building permits, liquid fuels fund transfers, and a now nonexistent state grant program for police to pay for academy time. Expenses grew primarily from cost-of-living increases and healthcare for active and retired employees. Mr. Kent pointed out about half of the $1.167 million callout was related to the retiree leave paid out provision and the addition of golf course operations.

Mr. Tilelli stated the proposed budget had the golf course budgeted as flat with revenue equal to expenses. He noted there would be later examples of scenarios for the golf course. Additional slides showed one-time financing sources not available in 2027, revenues by category, and expenses by department.

Mr. Spinelli questioned the projected numbers for the collected real estate taxes. Mr. Tilelli explained the projection changes each year because it is based on historic collections, not on the tax rate. Mr. Kent added the delinquent collection is tough to gauge, noting 2025 was a high outlier. Mr. Hamacek asked if delinquent collection amounts fell into the due year or the year collected. Mr. Tilelli replied the taxes are reflected as revenue in the collection year.

Mr. Tilelli reviewed the increases in debt service, noting there was a break in 2026 where there was only one scheduled bond payment; however, debt service in 2027 would be jumping back up to 2025 levels. Other increases touched on included healthcare costs and retiree leave payouts. Retiree healthcare costs were briefly discussed with Mr. Tilelli, noting the number will increase before decreasing.

Mr. Tilelli pointed out two new line items in the budget for 2027 for the JRA Land Bank and for Sustainable Strategies, who does the City's federal grant work.

Mr. Martynuska shared the City was recently informed the CamTran expenditure would increase based on a change in formulary. Mr. Arnone pointed out the importance of public transportation in Johnstown.

Additional slides reflected projected information for the golf course, items that may be subject to significant fluctuation, Act 205 pension money, a summary of other funds, and the capital fund. Mr. Tilelli next reviewed potential scenarios for the budget including a more aggressive approach to golf course revenue, millage increase, and the elimination of newer or vacant positions. He mentioned appendixes included in the report.

Mr. Arnone commented Council should consider selling the sewage plant, which would help provide a substantial amount of money. Council discussed the possible pros and cons of selling the sewage plant before agreeing additional research and education was needed similar to when the sewer system was sold. When asked, Mr. Martynuska stated, instead of outright selling the plant, consideration could be given to the City accepting a lower lump sum for the plant with retaining some interest in the system to receive payments each year.

Mr. Arnone mentioned another concern is the money received from the housing authority for police protection. He noted the federal government provides a certain amount in funding for police; however, the amount may be reduced at the federal level, lowering the amount paid to the City.

Mr. Clark commented he would like to see if there was a way to increase the salary of the fire chief. Council Members agreed that an increase was well-deserved.

Mr. Spinelli asked if anyone had an issue with eliminating the vacant assistant city manager position, saving about $85,000 from the budget. Other Council Members agreed with eliminating the position, noting Mr. Martynuska was doing a great job by himself. Mr. Spinelli next discussed the golf course, stating the golf course should be able to turn a profit. Mr. Tilelli agreed the budget could be adjusted based on Mr. Spinelli's suggestions. Mr. Spinelli next questioned the need for a $50,000 budget for Central Park maintenance. Mayor King stated the maintenance was needed. Mr. Arnone noted, in talking with the horticulturalist, he learned the plants would not need trimmed for two or three years. There was overall agreement to reduce the amount to $10,000.

Mr. Barber commented on permitting fees. He noted an employee in City Hall is licensed and willing to go back to issuing permits. Additionally, he stated there had not been a code violation in court since September 1, 2026. Mr. Tilelli mentioned code violation revenue was down. Council discussed the possibility of exiting the contract with Laurel Municipal and the logistics involved with the possibility.

Mr. Tilelli asked for confirmation regarding the Central Park maintenance line item. It was confirmed Council wanted to reduce the amount.

Mr. Spinelli questioned the possibility of reducing the severance pay assumption to 50 percent from 65 percent. It was explained the amount would be reduced to $250,000, instead of $330,000; however, it would not change where the money was allocated from as the OPEB funds are specifically allocated.

Mr. Kent confirmed, thus far, the changed line items included elimination of the assistant manager, golf course revenue to $450,000, Central Park maintenance reduced from $50,000 to $10,000, severance reduced to 50 percent, and the fire chief increased by $10,000. Council continued discussion of the severance pay amount with Mr. Martynuska pointing out most people up for severance wait until the end of the year to retire for max payout. Mr. Tilelli noted the calculations were factored at the max payouts.

Mr. Spinelli stated another potential revenue source would be increasing the contracted police responsibilities as the contracts came up for negotiation. The current police contracts were discussed and potential increases. It was noted Mr. Martynuska could negotiate the contracts as they became due for negotiation. For the purposes of the budget, it was suggested an increase of 20 percent over the current contracted amounts could be used for 2027 for the boroughs that will be up for negotiation, and the standard five percent increase would still be allocated for the areas that will still be under current contracts. Ms. Willett noted Mr. Martynuska was working to determine a more accurate cost figure the protection of the citizens in each community. The number Mr. Martynuska will propose to each community will be based more on a per capita figure.

Mr. Spinelli next mentioned the amusement tax loss from the skills game legislation. Mr. Arnone noted the information pointed to the Legislature not acting on the skills machines until April 2027 at the earliest.

Mayor King asked what was happening with the collection of parking fees with the new system. Mr. Martynuska reported the City was working with ParkMobile on the continued transition between systems, and there had been some information glitches in communications. Due to the glitches, the new Barnacle immobilization system had not gone live yet but was expected to do so soon.

Council discussed Berkheimer. Mr. Martynuska noted the City recently had a meeting with Berkheimer, who would be drafting a proposal for additional work. Mr. Hamacek commented on the business privilege tax, stating if a business is located outside the City but still does a certain amount of work in the City, the business is still required to pay the business privilege tax. He questioned whether companies like Lowes pay the tax and was informed the businesses were too big to collect such taxes. He suggested the City consider reexamining companies like Lowes and Home Depot for the tax.

He suggested the subcontracting for Lowes and Home Depot should fall under the work in the City and qualify for the tax.

Mayor King asked if the City was planning on increasing fees. Mr. Martynuska confirmed there were plans to change fees. Mr. Clark pointed out the City was not good about enforcing fees for violations.

Mr. Hamacek asked about additional revenue from parking fees when 1st Summit Bank moves downtown. Mr. Martynuska explained the spots reserved for 1st Summit and the yearly fees involved.

Mr. Spinelli asked if it would be realistic for the new mechanic to do more than $75,000 worth of work for outside municipalities. Mr. Martynuska replied, while it would be realistic to expect additional work, there would still be a limitation on how much work could be done while still maintaining City vehicles.

Mr. Barber questioned what would happen if people or departments did not meet the goals being raised through the discussion. Mr. Spinelli noted the difference would come out of the general fund, but it was better to set a high goal to strive for then a low goal.

Mr. Clark pointed out an additional source of revenue not being discussed are events and advertising at Sargent's Stadium at the Point and the Conference Center.

Mr. Spinelli questioned why the rates being charged by the City at Berkeley Hills were lower than what Berkeley Hills was charging prior to the City taking over. Mr. Martynuska replied the lower fees were in an effort to bring people back. He shared, over the past few days, the City was averaging about $1,000 a day in revenue since taking over operations. It was noted the revenue was strictly golf as there was not a pro shop or food yet. Mr. Clark suggested the City should also consider corporate memberships in the upcoming year.

Mr. Tilelli questioned what Council decided on building permits and if they would be brought back in house. Mr. Barber desired to see them brought back. Mayor King stated Mr. Martynuska would have to determine how bringing the building permits in house would be executed.

Mr. Arnone asked if there was the possibility of bringing a concession stand back to Roxbury Park. Council discussed a concession stand. Mayor King suggested the possibility of monthly leases to allow various groups to use the stand.

Related to the capital fund, Mr. Spinelli asked if vehicles could be repurposed or shared, instead of purchasing new vehicles. Mr. Martynuska stated the City already

repurposes vehicles when possible. If the vehicle cannot be repurposed, it is sold or scrapped depending on the condition. He discussed considering multi-purpose vehicles for future purchases. Council discussed license plate readers, and the process used by the parking department for enforcing parking. Mr. Martynuska stated a municipality reached out to possibly purchase 250 of the old parking meters.

Regarding the mowers and carts in the budget, Mr. Spinelli asked if they were new or used. Mr. Arnone commented the vehicles for the golf course were new. Mr. Tilelli noted the leases were for both mowers and carts. It was noted the mowers were lease-to-own.

Mr. Tilelli noted, while there was a lot in the capital budget, some of it was due to deferred maintenance. Mr. Martynuska added the capital budget had been trimmed with big ticket items like a paving machine being eliminated.

Mayor King returned to discussion of the general fund budget, asking about the bonds. Mr. Tilelli explained the structure of the bonds. It was noted, while the 2020 bond goes to 2031, the rate is low.

Mr. Arnone noted the vacant property revenue was zero, and it costs the City to mow the properties. He asked if there was a way to sell some of the vacant properties to put them back into taxation. Council discussed vacant properties and how the buildings were demolished creating conditions that may prevent the property from being sold.

Discussion returned to the mowers and carts for the golf course. Mr. Martynuska explained the lease for the mowers was a total of $233,000 over five years and included multiple pieces of equipment beyond just the mowers. The lease for the carts was for 28 carts, matching what was previously at the course. It was asked if renovations were still moving forward at the course. Mr. Martynuska replied the renovations had been cut back, but regular maintenance like painting was continuing. Additionally, replacement windows were being considered to reduce heating costs.

Additional topics of discussion included the Turjan building, a street sweeper, and used garbage trucks. Council discussed the possibility of renting items like the tow truck and garbage trucks to surrounding municipalities. Mr. Arnone noted the Water Authority had rented a truck they owned to help offset the cost.

Mayor King asked about the budget for the fire station. Mr. Martynuska explained the budget had been reduced for the fire station. Additionally, the maintenance budget for the Public Safety Building was eliminated, because the building would be under construction.

Mr. Barber questioned the total figure for the adjustments. Mr. Kent replied the changes totaled roughly $400,000.

Mayor King asked if anyone had paid to use the new scanner. Mr. Martynuska contacted a few places, but no one had used the scanner yet. Mr. Clark noted the school district asked about moving the scanner, which would be difficult.

Mr. Arnone asked if either Mr. Kent or Mr. Tilelli had any suggestions for reducing the budget. Mr. Kent stated, for capital, the City was proposing to spend a significant portion of the funds set aside; however, he would not necessarily be able to make suggestions as he was not sure of the capital needs. Mr. Spinelli commented the capital projects over the next five years would be an ongoing conversation. He questioned if the funds could be spent towards higher priority items in the future rather than vehicles. Mr. Tilelli stated the budget had to include line items for leases.

Mr. Barber asked if the City needed a security officer at City Hall. Mr. Martynuska noted it was useful to have someone present to answer the phones. It was noted having someone to direct residents within the building would be useful.

Council discussed the labor supervisor position and codes director position. Mr. Martynuska stated both positions were needed.

Mr. Tilelli stated Maher Duessel would make the requested changes to the budget and send the City a new budget.

PUBLIC COMMENT: NON-AGENDA ITEM

RECESS/ADJOURNMENT

Mayor King noted Council would be going into Executive Session.

The next regular scheduled meeting is October 14, 2026 at 6:00 p.m.

There being no further business, the meeting concluded at 7:19 p.m.