



Lackawanna
County

Commissioners
Bill Gaughan • Matt McGloin • Chris Chermak

Legislative Cover Sheet – Lackawanna County

1. What department is this legislation originating from? Where did the initiative for this legislation originate?

- Revenue and Finance. This initiative resulted from the acute financial situation presently affecting the County. This program provides financial assistance to local governments throughout the Commonwealth to develop financial management and operational strategies.

2. Please provide a brief summary and basic facts of the legislation. In your response, please include the following:

- What does the legislation do? What are the specific goals/tasks the legislation seeks to accomplish?

The legislation would affirm the selection of a consultant to undertake the process of developing a report to address the County's financial issues and review operational processes for improvement.

What are the benefits of doing this?

While some thought has been given to remedying the present cash flow deficiencies, the County's deficit is structural and more acute in nature. A highly regarded third party review would only benefit the County.

- Are there any drawbacks to doing this?

None. The cost is included in the budget. The cost is reimbursed up to \$100,000 by the Department of Community and Economic Development. The cost will only be assessed once.

3. What is the financial impact of this legislation? – please include the following in the explanation:

- What is the cost (initial and ongoing)?

The net cost to the County is \$176,800. This cost is certainly worthwhile if the consulting report offers solutions not only to the County's structural deficit but improvements to its operation.

- What are the benefits (initial and ongoing)?

The recommendations can assist the County with securing a better financial footing and generate greater operational efficiencies.

- What are the funding sources for this legislation?

The costs have been budgeted. Additional costs will be funded through the healthcare surplus account.

4. What is the priority status of this legislation? Are there any deadlines?

- Important. The financial component has some urgency because of the projected fourth quarter cash flow deficiencies.

5. Why should the Commissioners unanimously support this legislation?

- The report can only offer significant benefit to the County. While we have ideas on how to create some change internally, both financial and operational, sanctioned by the state will create some inertia for longer lasting improvements.

6. Include any other pertinent details and/or relevant information that the Commissioners should be aware of:

- The recommended consultant has the highest cost of the four reviewed proposals. This cost is more of a value proposition; this consultant has the most experience working with counties. Given the complexity of a county operation, it is imperative to secure the services of a consultant which has a greater depth of familiarity with the operation.