

**City of Maple Heights
Special Council Meeting Minutes**

Maple Heights City Hall

December 8, 2015

Council President Jackie Albers called the meeting to order at 6:30 p.m. Council Clerk Leonette Cicirella called the roll.

ROLL CALL: Those present were Council President Jackie Albers, Council Members Toni Jones, Anthony Cefaratti, Ron Jackson, Bill Brownlee, Richard Trojanski and Edwina Agee. Councilman Alex Adams was absent and excused. Also present were Mayor Jeff Lansky, Finance Director Irene Crowell, Police Department Capt. Todd Hansen, Human Services Director Linda Vopat and Council Clerk Leonette Cicirella. Law Director John Montello, Police Chief John Popielarczyk, Fire Chief Vito Kavaliunas and City Engineer Ed Hren were absent and excused.

Mr. Trojanski made a motion, seconded by Mr. Jackson to suspend all regular items and reports from the meeting except for the legislation. All voted aye, none opposed, the motion passed.

Ms. Albers announced that there would be a number of upcoming meetings and advised the council members that if unable to attend, let her know as soon as possible. Ms. Albers also announced that the Planning and Zoning Commission would be discussing the zoning text change legislation forwarded by Council at their next scheduled meeting which is December 14, 2015.

LEGISLATION:

2015-82 AN ORDINANCE TO MAKE TEMPORARY APPROPRIATIONS FOR CURRENT EXPENDITURES OF THE CITY OF MAPLE HEIGHTS, OHIO FOR THE FISCAL YEAR ENDING MARCH 31, 2016, AND DECLARING AN EMERGENCY

This Ordinance had its first reading. Ms. Albers asked if there were any questions or comments regarding the temporary appropriations. Councilwoman Jones asked what benefits were paid regarding the Building Department since the City subcontracts with SAFEBuilt. Ms. Albers said the benefits listed under the Building Department are for the secretary and one inspector.

Ms. Albers asked Finance Director Crowell to begin the discussion of **Ordinance 2015-82**. Ms. Crowell distributed two (2) documents to Council to aid the discussion – the list of 2016 Temporary Appropriations and the schedule of Projected Revenues from all City programs. Ms. Crowell explained that the appropriations focus on the general fund (Fund 100) only and that other special funds are self-sustaining, self-adjusting and therefore not included in these reviews.

Ms. Crowell also said that the 2016 Budget was based upon a number of assumptions and changes compared to the previous year's budget including:

1. Savings are anticipated with the new Police Department and Fire Department vehicle leases due to reduced repair expenses;

2. Certain debt amounts will be paid this year, freeing up funds to be used for the new vehicle leases;
3. Certain expenses carried in 2015 are not anticipated in the 2016 budget such as employee retirement payouts. There are few employees with the years of experience/benefits whose retirement would substantially impact the General Fund.
4. Workers' Comp (BWC) payments nearly doubled in 2015 which is not anticipated for 2016.

Ms. Crowell said one factor still unknown for the budget is the health insurance rate for the 2016 benefit year.

Regarding the City revenue estimates for 2016, Ms. Crowell reminded Council that revenues such as property tax monies do not come in equal, monthly installments and that these revenues will be reduced for 2016 by the 8.3% reduction in property values for all properties in the City. Ms. Jones asked if the permit fees listed included the foreclosure fees to which Ms. Crowell answered in the affirmative.

Ms. Crowell said another change from last year's budget is that the Senior Center was in the City's budget for the first eight (8) months of the year under the 50% rule for City government funding 50% of a program's operating expenses. Ms. Crowell said for 2016 a special fund (Senior Fund, Fund 240) was created to accept the Senior Center levy funds and grant monies so it is not included in the General Fund.

Ms. Crowell said other revenues received by the City include: income tax and CAT tax revenue, special assessment collections, fines and forfeitures including some traffic camera payments still being paid, cable franchise fees and cell tower leases.

Moving to a review of City expenditures, Ms. Crowell said the Police and Fire Departments personnel expenses are the only expenses for these departments paid out of the General Fund. Ms. Crowell said other operational expenses such as equipment is paid from a special fund, Fund 252, the ambulance billing fund.

Councilman Jackson asked for more information regarding the employee payments paid from the General Fund. Ms. Crowell said the wage information included line items for wages and benefits such as vacation time, sick time, etc.

Ms. Crowell said the Escrow Fund listed this past year in the General Fund will be transferred in 2016 to a special fund since it is a custodial account.

Ms. Crowell stated that the Police Department and Fire Department also have special funds (Fund 230, Fund 235) which receive the monies from the Police and Fire levies, money which is used for some of those department expenses. Mr. Jackson asked how long the Police and Fire levies would be in existence. Ms. Crowell said she had been told these were five (5) year levies which started in 2012 so they would end in 2017.

Ms. Jones asked Capt. Hansen if the Police Department anticipated any other large payout due to employee retirements to which Capt. Hansen responded in the negative. Capt. Hansen said the officers on staff presently are younger officers with limited time in.

Ms. Crowell said another change for the 2016 budget is that with the Regional Dispatch Center some salaries are not included in the budget, but there is a line item for Professional Services listed as (SECC). Councilman Trojanski asked if this professional fee for the Dispatch Center was based upon the number of calls. Ms. Crowell said this past year the Cities paid twenty-five percent (25%) of the costs. Mayor Lansky said in 2016 the cities will pay based upon the number of calls. Ms. Albers said the professional services fee would be used to pay the salaries/officer expenses/overhead of the regional center.

Ms. Crowell said the 2016 budget would also need to be updated once the contract with SAFEBuilt regarding the City's Building Department is finalized. She said the contract was only extended four (4) months so more information (regarding both revenues and expenses) should be available by April.

Regarding the Service Department, Ms. Crowell said the 2016 budget did not include the Mechanic at this time and that the Service Department was considering the use of private dealerships to do the required maintenance on all vehicles. Councilman Brownlee asked how would the privatizing of the department be done and would it include even simple repairs such as oil changes and tires. Ms. Crowell said she could not address these questions, but that recently all major repairs were being sent to local repair shops. Ms. Crowell said perhaps this work could be done by a sharing arrangement with neighboring cities' service departments or local businesses.

Mr. Brownlee asked how the Service Department felt about the idea to privatize to which Mayor Lansky responded that it was that department's idea since it is not efficient to work with only one (1) mechanic.

Mr. Jackson asked about emergency repairs such as to snowplows, etc. Mayor Lansky said those repairs had already been going out to local repair shops due to the age of the equipment. Mr. Brownlee said that was an argument for keeping a mechanic on-staff to maintain the equipment.

Councilman Cefaratti said the turn-around time for repairs would be greater with out-sourcing depending on the problems to be repaired. He said with only one (1) mechanic, there is only so much he can do in a day. Mr. Cefaratti said another consideration is the software needed to be able to make repairs and the certifications that are required for various repair projects. It would be difficult for one person to have all these certifications.

Ms. Jones said the City could make arrangement for vehicle repairs with a group of vendors within the City. Capt. Hansen said the police vehicles would benefit with a mechanic to do preventative maintenance, but other problems would require someone certified in that particular area or the warranty would be voided.

Ms. Crowell said she suggested the Service Director check with his counterparts at other cities to see what they do for mechanical repairs and also to check into the requirements to establish fixed cost rate repair contracts.

Ms. Jones asked about the workers' comp (BWC) amount listed in the budget, since the rate for last year was double compared to past rates. Ms. Crowell said this happened as the result of the plan the City was in and referred any additional questions to the Human Resource Director.

Ms. Jones also questioned the election expense to which Mayor Lansky responded it was a fixed expense required by the 2016 presidential election. Ms. Crowell said she also increased the budget for the Law Department to cover costs of labor negotiations, etc.

Mr. Jackson asked about the expenses for the Mayor's office for 2016. Ms. Crowell said the Mayor's salary was reduced by ordinance to Eighty Thousand Dollars (\$80,000.00) per year, plus Five Thousand Dollars (\$5,000.00) per year as the City Safety Director.

Regarding the Finance Department, Ms. Crowell said there are currently three (3) employees in that department and that she has included funding for a part-time payroll clerk in 2016. Ms. Crowell said that presently some of the salaries paid to her two (2) employees in the Finance Department have been reallocated to other departments for which they perform work (example billing work for the Service Department, accounting and/or banking for Mayor's Court, etc.)

Ms. Crowell said the City Engineer's Department also has increased funding for this year to reflect the number of projects being contemplated this year which will be greater than those completed last year.

Regarding Lands and Buildings, Ms. Crowell said this item includes the maintenance and the utilities for all City buildings and the animal warden.

Mr. Brownlee asked about the OPF payments to which Ms. Crowell explained these payments had been made quarterly but will be moved to monthly payments which will go back into the General Fund in 2016.

Mr. Jackson asked if the old police and fire vehicles will be retired after the new vehicles are put into service and what would be their sales value? Capt. Hansen said the Police Department will use the old vehicles until they can't be used anymore. He said the auxiliary police will use the older vehicles. Capt. Hansen said the value of the old vehicles would be de minimus, probably less than Five Thousand Dollars (\$5,000.00) each given the age of the vehicles, the mileage and rear and tear over the years.

Ms. Crowell said another appropriation she increased for 2016 was that for the Human Resources Department to cover the advertising expenses for job postings, etc. and hiring expenses such as professional fees for physicals, etc.

Ms. Jones asked if there was an increase in OPERS. Ms. Crowell said there was a change in the methodology for budgeting of fringe benefits. Ms. Crowell said in the past the fringe benefits

were bundled together as a “miscellaneous” item but starting in 2016 the benefits will be separate line items such as pension, medical, dental, etc.

Ms. Albers said the council section needed to be changed to include funds for the codification expenses.

Ms. Jones asked going forward in the budget process, when is the City affected by the rule that cuts the city’s budget by fifteen percent. Ms. Crowell said the 15% cut occurs if the City does not file the Financial Recovery Plan on time or fails to timely correct the plan (within thirty (30) days) if it is not accepted. Ms. Crowell said it is important that the City keep the expenditures less than the appropriations.

Ms. Crowell reiterated that savings in the 2016 budget resulted from projected savings in vehicle repairs due to the new vehicle leases for both the Police and Fire Departments; the Senior Center moved to a special fund due to its own levy funding; and the reduction in the Service Department with the elimination of the mechanic position. Ms. Crowell said the staff has been very good at not asking for expenditures outside of their budgets except in true emergency situations and following the correct purchase order requisition process. She said all the departments should be commended for working hard to keep within their budgets and looking for other sources of funding such as grants, etc.

There being no further business to come before this Council, Council President Jackie Albers adjourned the meeting at 8:10 p.m.

Passed: January 20, 2016

ATTEST:

S/S Leonette F. Cicirella, Clerk of Council