

**SPECIAL CAUCUS MEETING
OF THE COUNCIL OF THE CITY OF BROOK PARK OHIO
HELD ON SATURDAY, MARCH 4, 2017**

The meeting was called to order by Council President Astorino at 8:00 a.m., who read the notice. The Clerk called the roll and the following Members of Council responded:

SCOTT, BURGIO, SALVATORE, TROYER, POWERS, MENCIN

Also in attendance were Mayor Coyne, Finance Director Cingle, Law Director Horvath, Engineer Piatak, Assistant Finance Director Healy.

DISCUSSION:

1. 2017 BUDGET

The Mayor, Finance Director and Assistant Finance Director gave an overview of the proposed 2017 budget focusing on key budget points, key operational and capital requests and received input from Council. Most of the comments to be considered involved relatively minor changes or corrections. The budget would be subject to any changes and possible other minor adjustments as a result of the discussions. Any requested additional information, clarification and changes that were discussed would be prepared by the Finance Department who would submit the information to Council. Each Fund was reviewed in detail and Council's questions were answered. Council could contact the Mayor, Finance Director or Assistant Finance Director with questions and in addition, meetings could be arranged with them to work through the process up until March.

Finance Director Cingle stated the year began with the General Fund Balance being \$5,591,837.00, almost 5.6 million dollars. The Fund Balance Reserve Policy for this year is \$3,837,586.00 and that begins the Fund Balance in the General Fund; projected General Fund Revenues are nearly \$21.6 million dollars. Projected Income Tax Revenue is \$19.1 million, about a 3% decrease from 2016 Actual Income Tax Revenue of nearly \$19.6 million. Some reasons for that are in the automotive sector, the sig-in bonus was received in 2016, Aeronautics sector is forecasted down slightly due to retirees being replaced by lower salary employees and the federal government is on a hiring freeze. Total number of cases have been reduced

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for Court Remediation & Compliance Services and total employment decreased in the manufacturing sector. A 3% reduction is forecasted in Income Tax Revenue for 2017 and still proposing an 80/20 income tax split; \$15,600,000 and change will transfer to the General Fund and nearly \$2.7 million will transfer to the Capital Improvement Fund. Property Tax Revenue is estimated mainly by the county for 2017 to be nearly \$1,543,000 yearly, actual revenue in 2016 was \$1,527,000, (rounded) for an estimated increase of about 1%. Court Costs & Fines in 2016 equaled a little over \$750,000 and the estimate for 2017 is \$676,000, for approximately a 1% decrease from 2016. Parking Revenue is again forecasted flat at roughly \$986,000 and those dollars will continue to be accounted for in the General Fund.

Mrs. Powers asked is the projected Property Tax Revenue for 2017 the General Fund is \$15,042.00 million dollars. Is that a typo because what was actually received was \$15,026.00 million, that is an increase.

Mr. Cingle stated the projection for this year is \$1,542,871, the amount collected last year was \$1,526,628. The projection for this year is roughly a 1% increase over what was collected in 2016.

Mr. Cingle continued as follows:

Expenditures: 2017 General Fund proposal appropriation includes encumbrances and is approximately \$23.33 million dollars and change. Proposed General Fund Transfers are \$250,000 to Economic Development; \$25,000 to the Water Park; \$3,250,000 to the 2017 Street Improvements' and \$50,000 to the Retirees' Approved Benefit Fund; transfers from the General Fund. Total Compensation Packages is estimated at roughly \$14.7 million dollars; of the Total General Fund Proposal Appropriations, police and fire departments account for \$9.1 million dollars or 39% of the total. The Proposed General Fund Transfers to the Police & Fire Pension or for the Police & Fire Pension costs are as follows: Police \$520,000; Fire \$590,000. The Service Department accounts for nearly \$4.2 million of the \$23.33 million dollar, proposed General Fund Appropriations ordinarily are roughly 18%.

Mr. Cingle stated in summary, the projected total General Fund revenues for 2017 is \$21,582,088, the proposed total General Fund Appropriations

DISCUSSION: CONT.

including encumbrances for 2017 are \$23,328,694, the proposed General Fund transfer of \$3,250,000 for Street Improvements and, most importantly, the Fund Balance Reserve Policy is met.

Mr. Astorino asked is the two-month minimum met for the Fund Balance Reserve Policy?

Mr. Cingle concurred.

Mr. Astorino asked if the city has exceeded that?

Mr. Cingle responded the way it was calculated the city will equal the fund balance reserve policy and whatever dollars are left over are proposed to transfer out of the General Fund for mainly the 2017 street improvements. No additional money was added to the Fund Balance Reserve Policy; two-month or looking with an increased factor on it of 3%.

Mr. Cingle continued with the Economic Development Fund the proposed appropriations are as follows: \$50,000 for SBS, \$100,000 for the HMAP Program, \$100,000 for Economic Development Grants; \$160,000 for Senior Services; \$205,000 for the 2017 Sidewalk Program.

Mayor Coyne stated this year about \$3.2 million is being transferred into the Road Program. Looking at the pavement rating system there are many streets that are in need of repair and in some cases total reconstruction. Streets to be addressed are Kalvin Drive in the amount of \$743,000; Middlebrook Blvd. from Holland to Wolf at \$959,000; Sylvia Rd. from Fry to Smith, total is \$1.3 million and change; Bowfin Blvd. from Fry to Doris is \$159,900. The entire street up to Wengler cannot be done to other capital needs, unless bids come in lower or some money is captured from some other place. The proposal is based on a review of streets by the service director and engineer and will be a cash project for roads, which is pretty substantial for this year.

Mrs. Powers stated on Bowfin, from Doris to Fry, there is a strip of street on Bowfin Blvd. of about 250' for a cost of \$159,000; that price seems exorbitant.

DISCUSSION: CONT.

Mayor Coyne responded that is the estimate and the bids could come in less and that's probably the worse section; most people use the street to go to Robert and Wengler from the interstate. The hope is to go all the way to Wengler for an additional \$500,000 before going out to bid.

Mr. Piatak stated the reconstruct unit price is the same for all streets, they use the same basis for data and cost estimates. The calculations for reconstruction unit price was based on averaging the bids for Michael, Fry and Brookdale, after removing the water line component from bids for Brookdale. Hopefully the project will come in under budget, these are budget numbers, not a done deal.

Mr. Mencini stated these are projected cost estimates?

Mr. Piatak concurred, this past year what I did was take the bids received for Michael Drive, Fry Road and Brookdale Drive. By taking the water main component out of the bids the bid averages are how the reconstruct unit price was calculated.

Mr. Astorino asked if the estimates have been close?

Mr. Piatak responded yes, pretty accurate, a little on the lower side rather than the higher side.

Mr. Burgio stated on the highlighted Snow Road is that monies coming from the state for this project?

Mr. Piatak responded yes, those highlighted signify projects currently underway.

Mr. Burgio continued that will be a minimal cost to the city?

Mr. Piatak responded those projects are already funded and not part of the 2017 budget. The rumors that the state cancelled the Snow Road project are untrue. Pursuant to word from ODOT (Ohio Department of Transportation) a preconstruction meeting is scheduled for March 16th, so that project is moving forward.

DISCUSSION: CONT.

Mr. Astorino asked will Fry Road from Sylvania to Snow and Fry to Smith be done simultaneously?

Piatak responded it's possible, currently Fry Road is complete through the Sylvania intersection and am anticipating the next phase of Fry Road to start before the Sylvania project is out to bid. So there is a possibility that Snow could possibly be concurrent with Sylvania, but those are obstacles that could be overcome as far as phasing and keeping the work away from each other.

Mayor Coyne explained the following:

Capital Budget – The available amount for 2017 is \$2,065,000 and change. There are other leases and other items in the report that the city has from last year; so about \$3 million dollars in various project that doesn't include roads and sewers. **Police Department** items include replacement of eight bulletproof vests; last year four police vehicles with four more this year to keep turning over the fleet. Miscellaneous equipment for various items needed in the department and with the transformation of dispatch to Parma Central Dispatch. Taser replacements is \$20,000 from both the capital and law enforcement assistance fund; \$20,000 for computer service with part coming out of the Law Enforcement Fund, the ticket printer will give the police the ability to electronically issue and process through the court operations; thereby reducing the human element and providing quicker processing of citations issued. In the move of the central dispatch improvements needed to be made to the records room to transform that operation from dispatch to processing of records. When the move takes place for City Hall to the Community Center the office partitions will be recycled to incorporate that into the various improvements and equipment improvements is about \$94,000, for a total price for police will be \$200,500.

Mrs. Powers stated the improvements to the records room facility improvements in the amount of \$94,000, how big is the room and what is being improved?

Mayor Coyne replied the room will be transformed from the existing use, so there are ceiling and partition issues and improvements to the second floor. The detective bureau was done last year so this would be total

DISCUSSION: CONT.

improvements for the whole building, not just the records room but also squad and rooms used by the police department

Mrs. Powers asked how many bulletproof vests are being purchased at \$1,000 each?

Mayor Coyne responded eight.

Mrs. Powers continued how many more years are bulletproof vests going to be replaced?

Mayor Coyne responded as long as they need to be replaced, so probably about eight a year; that is what the police chief proposed and the vests are needed.

Mr. Astorino asked how long do the vests last?

Mr. Healy commented the police chief is involved in a federal reimbursement program, so there are some reimbursements for the vests. The vests have to be recycled through in five years, maybe a little less, there are set standards.

Mr. Astorino stated if eight a year are purchased will the city need them?

Mr. Healy, responded the vests are on a schedule and every year the city has to do this, it's a continuous cycle.

Mr. Mencini stated the records' room will be made out of the former dispatch office?

Mayor Coyne replied correct, as many partitions that can be used from city hall will be incorporated along with a bulletproof window. There will be a bulletproof window for the Clerk of Court's office to enhance the lobby and facilitate the function of the personnel, the whole room was basically configured for dispatch and must be reconfigured for what will be done there. The cost shown is for redoing the records room and some additional rooms upstairs.

DISCUSSION: CONT.

Mr. Troyer stated the records room will be in the same spot as the former dispatch?

Mayor Coyne replied correct.

Mr. Troyer continued will any projections be brought forward for next year; such as the eight bulletproof vests. What will be needed next year for capital?

Mayor Coyne responded we need to get through this year's budget, this is what is done each year. A presentation is made for what the needs are to be consistent, particularly with vehicles. The building is challenged and facility improvements are not done annually, future jail demands may make it impossible to continue use of this building. Jail standards now require people to see sunlight coming in, so all of that could change. However, for technology, bulletproof vests, vehicles, and computer equipment, will probably be two, three, four years as the consistent budget for these departments changes infrequently. When it is going to be a couple hundred thousand dollars every year what are those needs going to be, the projected equipment will probably be consistent. This year's budget is not much different from last year's, except for the facility improvements.

Mrs. Powers asked if this project will be bid, for \$94,000?

Mayor Coyne replied that depends on some equipment costs that the city will buy directly, if possible, contractors are being sought to disassemble partitions and there will be proposals for installation costs; if required to bid some of it, that will be done.

Mr. Astorino commented the listed total is \$200,500.

Mayor Coyne concurred.

Mr. Astorino stated with the disbursements history provided last week list a capital for the police department of \$254,396, can you explain what the difference is.

DISCUSSION: CONT.

Mayor Coyne stated some of the law enforcement money will be used so direct out of capital if you add another \$32,000, it's right with the \$18,000 of that appropriation. For Taser replacement/computer service monies will be taken out of the law enforcement fund for those matching amounts, so the total Taser replacement is \$40,000, not \$20,000.

Mr. Cingle stated a lease payment of almost \$46,000 will be paid this year that is not reflected in the documents received today. There are encumbrances rolled forward as well as the lease payments already in effect prior to 2017, so there are few additional expenditures not included in this document.

Mr. Astorino stated on page 14 the total for capital improvement is \$2.25 million dollars and is shown as \$2.06 million dollars, so the difference is the encumbrances not listed on this page.

Mr. Cingle responded yes, for example, under Service Department/Sanitation, there is a lease payment for automated rubbish packers, approximately \$230,500, not reflected on the \$2 million dollars available for this year as well as the plow truck lease.

Mayor Coyne responded before the budget is passed, \$1,631,000 exists in various money 'earmarked' to come out of capital improvement; this is cash being reported this year, it lists the various leases.

Mrs. Powers commented that an 18-page document was received last week that should have been provided in November or December and has now received half-dozen pages to work off, this is a total disadvantage.

Mayor Coyne responded this is the fourth year Mrs. Powers' is making this complaint; the budget was provided a week ago and no one is asking for action to be taken. The presentation is made regarding what is included in the budget and the needs, Council moves at its own pace to take action. This budget provides essential services the citizens require and is the beginning of a process. Mayor Coyne presented the budget in the way he

DISCUSSION: CONT.

felt fit for Council to review. Figures could be provided and Council could have no clue as to their meaning no action is necessary until there is legislation. This has been done in this fashion for a long time and this begins the process, it is better to explain in person what went into presenting the budget and move accordingly. The budget is now before Council along with the revenue reports to back it up, it is not out of the ordinary.

Mr. Astorino responded it is out of the ordinary because last year Council received the budget with revenue and expenditures at the same time and some additional information. You can present the budget in the way you see fit, but it is not respectful to Council to withhold information until the last minute.

Mayor Coyne continued it is hard to respect someone making an inflammatory statement ("withholding information"), nothing is being withheld, the budget showed history of the last three years' expenditures.

Mr. Astorino stated the information is available for Council to ask questions, but there are no directors to provide answers. Information is not presented timely for it to be beneficial for Council to review it. This is Council's most important function and the Mayor is not doing it in a cooperative and open way, he is controlling the information to control Council's ability to ask questions and understand this.

Mr. Troyer stated it has not always been done this way, last year we met on February 23, which is about a two week's difference. Over the three previous budgets, we received the annual estimated revenue at the same time we received the budget, this year we received it a few minutes prior to the meeting. It is wrong and disrespectful to Council. The budget ends with Council and we take our responsibility seriously, we make it ours and get it done right.

Mayor Coyne continued with the budget presentation: **Fire Department** – Miscellaneous Equipment Needs are as follows: Replace some beds, \$15,000; Call Alert System to better handle calls with dispatch, about

DISCUSSION: CONT.

\$43,000; improvements to ladder truck; lease pumper and two vehicles, chase vehicle and another vehicle – total \$192,008.

Mr. Astorino stated the document from previously is \$327,000.

Mayor Coyne stated there is \$128,000 in the new document showing encumbered from capital improvements, the fire vehicle lease is about \$128,000. **Service Department** – The new Vactor lease is \$67,000; another plow truck, \$26,000; two rubbish truck leases, \$140,000; a new vent track mower to cut where the state does not cut on the sides of the interstates; annual snow plow blade, \$15,000; miscellaneous tool equipment, about \$10,000; senior refuse containers, \$14,500 – total \$299,000. The earmarked plow truck lease, \$49,000, is the major one at the present time and the other rubbish truck leases are included.

Mr. Burgio asked what is the total amount of senior containers?

Mayor Coyne responded about \$300 or \$350, the resident's existing can would be exchanged and resold, unless they want to keep it and pay for it.

Mr. Astorino asked if the containers are just for rubbish or is the city getting smaller recycle bins.

Mayor Coyne stated the city is not getting the smaller recycled bins.

Mr. Mencini stated \$300 seems a little on the short end, there is more need.

Mayor Coyne stated it is reasonable for the requests received; if more are needed then next year more can be appropriated.

Mr. Astorino stated the main sheet shows individual line items under service department, but does not list under each one what separate account that is for. For ease of tracking, can you tell us the accounts?

Mr. Cingle responded Vactor is Fund 429 Sewers & Drains; Plow Truck is Fund 432 Snow Removal; Rubbish truck lease is Fund 423 Sanitation; Vent track Mower is Fund 342 Parks & Playgrounds; Snow Plow Blades is Fund 432

DISCUSSION: CONT.

Snow Removal; Miscellaneous Tools was split \$5,000 to Fund 409 Mechanics with the remainder to Fund 422 Service Building and the Senior Containers is Fund 423 Sanitation.

Mr. Troyer stated for the Vactor lease, one of those was purchased last year and was used maybe two months out of the year, is that for picking up leaves or for sewers?

Mayor Coyne it is the sewer truck.

Mr. Troyer asked if the city uses storm water money for that?

Mayor Coyne replied no, there are other things to use that for.

Mr. Troyer continued could the city, if wanted to, apply to get some of that money back since there is quite a bit of money in Stormwater.

Mayor Coyne stated it is a minimal amount.

Mr. Troyer stated about \$100,000.

Mayor Coyne responded correct, this lease is \$60,000 per year. Mayor Coyne continued with the budget presentation. **Service Building** - \$5,000 is annual if gas pumps or something has a problem. **Sewers** - About \$22,000 is always put aside for small sewer project emergencies; a section of the Fayette Blvd. sewer has to be repaired at \$17,500 and the same on Forestview Circle; there is \$57,000 for small sewer repairs. When legislation is submitted account numbers will be included.

Mr. Troyer asked if the sewer repairs on Forestview has anything to do with the catch-basins collapsing on the cul-de-sac?

Mr. Piatak responded the sanitary sewer has a failure that needs to be repaired, it is not related to catch-basins.

Mayor Coyne continued the Building Department's three car leases are old and the hope is to transfer some of the old cars. The city has not taken

DISCUSSION: CONT.

delivery of the police cars the city will transfer them. At this point in time there will be three intermediate size vehicles leased for the building department.

Mr. Troyer stated the police cars were supposed to be transferred last year, a Crown Victoria was repainted and transferred over there. Why buy police cars when the ones the city has have less than 100,000 miles by continuing to use them in another capacity within the City. This year you want to lease three cars for the building department while those cruisers should still have some life in them.

Mayor: Mechanics in the service department analyzed the vehicles and made that suggestion. It is idle time rather than miles that takes the capacity out of them; vehicles are recycled when possible. The intent is to give the Expeditions from the fire department to the recreation department. There might be some operable police vehicles to get a few more years out of them; there is nothing in the budget for recreation vehicles, so that's why. Currently, we are looking into whether state bidding for police vehicles is in the best interest of the city because it was a nightmare dealing with it; we should have received these cars some time ago.

Mr. Troyer asked how idling puts wear and tear on a vehicle?

Mayor: The mechanic can prepare a report but generally that is the analysis; idle time on police cars does the most damage, not mileage.

Recreation Department – Miscellaneous Equipment, \$5,000, which is generally given to most department.

Parks & Playgrounds – Miscellaneous Equipment and Improvements to Various Parks - \$20,000. With the Hufsey Forbes lighting, the Marine Corp has requested their property back where we had the field down at Wedo Park. Lights at Hufsey Forbes are old, twisted and rotted wood poles. Two years ago one was cut down due to the condition so the lighting will be moved from Wedo Park, most play time will also be moved to these fields. Portable fences and the press box facility have been improved, and now is the hope to move the lighting, they are steel poles. The city has talked to

DISCUSSION: CONT.

Musco Lighting about moving the poles and putting them up here with better lighting. Fourteen poles are lighting two fields and can move seven from Wedo Park to improve operations to Hufsey-Forbes. This should reduce maintenance costs and provide better playing facilities for the citizens. The cost is about \$100,000 to move the lights. Regarding the dog park, we will meet with some private individuals for part of the funding and the equipment needs are about \$30,000 to facilitate the park, so it is in this year's budget. This is something being demanded by citizens and most other communities are undertaking them. Total aggregate of Miscellaneous Parks & Playgrounds Expenditures is \$150,000.

Mrs. Powers: You say Hufsey Forbes lighting is deteriorated to the point of useless and there are only 14 poles. We are looking a \$100,000 to take them down and move them, that does not sound right. Regarding the dog park, where will it be located?

Mayor: The current plan is Wedo Park when the baseball fields are removed.

Powers: Why does it cost \$100,000 to move 14 rotted poles?

Mayor: We are not moving 14 rotted poles; we are taking out 14 rotted poles at Hufsey Forbes. The lights were installed in 1994 at the Wedo Park Complex; they are metal and the lighting is more modern, therefore, there are only seven poles that light the entire area. Musco's original analysis of this is that those seven poles will replace the fourteen now at Hufsey Forbes. Last year the light support system was replaced at the football fields; those lights were put in over 20 years ago. All of the applications now are putting in metal or concrete poles because of the conditions with age. Buying new lighting for one field would be twice that amount so we feel this is a good use. We are reducing maintenance and facilitating that what we see right now as nominal future needs of the recreation department.

Mencini: Regarding the dog park that a lot of residents will be excited about, will the \$30,000 cover a track, how big of an area, and insurance.

Mayor: We currently pay insurance on our facility and our liability is what it is. It will not change having a dog park at the little league baseball field.

DISCUSSION; CONT.

This is equipment that will go in. We are working on a preliminary plan that will be provided to Council once finalized. There is a meeting this week with private sector people who have been looking to fund something like this in partnership with the City and be able to show you plans, a minimal maintenance thing, mostly pea gravel, an optical course and running area, benches. We hope to utilize the pavilion with volunteers providing dog washes. Charleston has a network of dog parks. It is a much larger city but there is a great demand. We will not have a place to just run dogs. It will be a place that will be an added amenity to the community. The \$30,000 it to purchase all the equipment and putting it in place at the park.

Mencini: It is definitely needed. The insurance for the dog park is just the same as if we had a ball field with little leaguers playing there. That is true?

Mayor: Insurance must be advised of any new facility. There should be no difference. There are well established rules in place throughout the nation that we will incorporate and a comprehensive report will be provided to Council.

Salvatore: Is there a time frame for moving the lights and will it affect any programs?

Mayor: It will not affect this year's season. We do not know if we will have to utilize Wedo Park because last year we started moving up and it will depend on registration. The ground has to be solid to get vehicles in to do the work. It will be coordinated with the baseball season. It will not interfere with what we are doing right now. It would probably be more towards the fall if the fields are needed. If not, we would get in there as soon as we can get the proposals and logistics of moving it.

Powers: The area for the dog park is huge. When you take the ballfields out, how much will be for a children's playground and how much will be for the dog park. What will be the location of the dog park? Hopefully, not up against the houses. The further part towards the drainage ditch would be a better location. Then residents do not have to deal with the dog park smell.

DISCUSSION: CONT.

Mayor: Platting of the dog park will be exactly where the baseball field is, about 200' from the houses. The existing playground, pavilion, and basketball courts, stay. This could be an integral part of families coming with children to use the park. Our dog population is probably almost equal to our human population. Once the plat is available you will see we are sensitive in planning. There will be a hearing in the neighborhood so people are aware of what is going on behind them. This might be more minimal to them than the kids playing ball there.

Powers: She never had a complaint with children playing ball there.

Mayor: There have been complaints about the lights in the past.

Safety Building – There are leaks in the roof. To replace it entirely is about half a million dollars. Presently in the housing section and office of the fire department there are some leaks. The estimate for those portions is about \$220,000. Some infrared testing will be done to see if we can make other repairs. If we do, then that money would be available for the roads. If it is less than that then that money would be transferred later to possibly do Doris Dr. Roofs are uncertain until work begins. Leaks started during the heavy snow falls.

Troyer: Who was or were the companies that provided estimates?

Mayor: This is a bid project and we get roofing estimates. This company does infrared testing. They looked at it and provided a cost estimate. This would have to be advertised for bids if this work is done at a cost of \$220,000.

Troyer: There would be a better warranty and the roof would last longer if it is all done at one time. Hopefully, that information will be brought back to Council to make that decision.

Mayor: If the infrared is done and we can do a minimal repair he would concur with Mr. Troyer. Then next year we could look at doing the entire roof, but we cannot have the firefighters unable to go into rooms where they need to rest while waiting to respond.

DISCUSSION: CONT.

Troyer: Agreed.

Powers: What is the square footage? This is a minimal repair for \$220,000?

Mayor: This is an estimate for the budget of what we think it will cost. He did not know the square footage. The preliminary review to repair areas where it is leaking was estimated at \$220,000. Once testing is done we will know exactly what has to be repaired. If a small repair is recommended, which may be all that is necessary, it will eliminate that amount of money, which would be used for something else. It is in the budget in case it must be done.

Safety Director – He may need minimal equipment so it will be the general \$5,000.

General Government Buildings & Lands - When we move to the daycare center some parking will be needed along the side between the armory and some parking will be needed in the back. The preliminary estimate is about \$200,000. There will be about 15 spaces total. There will be a phone system with a security camera system for total operations at the community center. The cost depends on if we lease or purchase. Upgrades to the tornado sirens will cost about \$10,000. Appropriation for General Government Buildings & Lands is \$310,000.

City Council Move - \$100,000 – Audio visual will be modernized and Council will be more involved in the planning of that. A computer system will be at the dais and there will be 21st century meetings and presentations for planning, zoning and City Council.

Mencini: Is that for here or will that transfer over if we need to move it to the recreation center.

Mayor: It is going to the recreation center.

Troyer: That is basically another \$300,000 that goes into the recreation center program plus an addition to the \$5.2 million.

DISCUSSION: CONT.

Mayor: That part of those improvements has nothing to do with energy savings and there has to be an area for residents to park so it is an additional improvement cost.

Streets – Engineering, inspections and testing for the street programs and other programs will be \$356,000. Annual crack sealing is \$100,000 so part of the street program is \$456,000.

Mencini: Is the inspection citywide and will this cover the streets that are not being reconstructed.

Mayor: This is testing, inspections, drawings of plans and laying plats out for street improvements. It is all inclusive of 2017 streets.

Mencini: For crack sealing, how many streets would \$100,000 cover?

Piatak: It depends on the length and conditions of the street. I can see how many streets we did based on the '16 project. It might be better to do a length of the streets we did for '16 for a better answer to what we think the \$100,000 would cover. Locations of the streets would be determined before we go out to bid for that project.

Troyer: It depends on how many cracks are in the street. We are buying an amount of sealant that will be gone when it is done. Sandhurst Dr., Cambridge Blvd., Harrow Rd., are in bad shape and it is a joint problem. We could get a few more years out of those streets and have a more reasonable driving experience by grinding and patching the joints with the equipment we have. Taking better care of our streets will make them last longer. It was done on Calvin to make it last longer, which should have been done six or seven years ago. We should start a crew or start putting more money into this type of repair for streets so they can last longer until they can be replaced properly.

Astorino: How much was spent last year?

Mayor: \$100,000.

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Astorino: Was engineering and testing a similar amount?

Cingle: Fund 542, 2016 Street Improvements – For Professional Services a little over \$79,000 was spent. Nearly \$51,000 encumbered rolled forward to 2017. So, about \$130,000.

Astorino: Regarding sealing done last year, would you recommend we do more or is the amount of work we are doing sufficient?

Piatak: Crack seal is a big bang for the buck. As much monies that can be appropriated for it is money well spent.

Law Department – Has to upgrade their law library. Their needs are not known regarding what will be involved with the move so a general appropriation would be \$10,000, which is the same for the tax department and the Mayor’s office. Those are annual things that may or may not be spent.

Council – There were no questions.

Clerk of Council –

Troyer: Fringe benefits are low and salaries are up to the tune of about \$400,000 less.

Healy: In 2016 there was an extra pension payment due to timing from 2015; roughly 13 payments were made based on timing in 2016 and in 2017 it will go back to 12. We saw some savings in our health care, adding that with that gets your roughly \$400,000.

Troyer: So we have an extra \$400,000 to work with this year.

Astorino: Explain items calculated in fringe benefits.

Healy: Annual Salary includes part-time salaries, regular salaries and overtime. Ohio Public Employees Retirement System (OPERS) includes Ohio Police & Fire Pension. Pension, Medicare costs, life insurance, hospital and

DISCUSSION: CONT.

dental is included in fringe benefits. The last row is for a few individuals who opted out medical, that would be added back into the first column, Salaries. Everything between OPERS and dental would be included in fringe benefits.

Powers: Planning Commission and Board of Zoning Appeals, members are part-time working only a couple of hours a month. Why do they receive Medicare benefits, etc.?

Healy: As employees, by law they must pay into the pension system and Medicare.

Mayor: Explain the \$30,000 under Council Professional Service 2017 Appropriations.

Healy: The Chair provided that to budget for Council this year.

Astorino: Mr. Cingle was provided with information on things he thought were needed this year. There was additional expense for court reporters and outside legal.

Healy: The majority of activity was for the court reporter and \$12,000 for professional services for legal representation. Another one was to bring someone in under the 1099 format.

Mayor: Requested a copy of that from Mr. Healy because the most appropriated was in 2014 was at 1,600 hours at \$30,000.

Healy: He will forward that over.

Troyer: Council should know because it is for them and it will eventually be Council's budget. He knew what it was.

Mayor: Did not know what it was so he asked.

Mayor's Court – It was flat comparing 2016 to 2017.

DISCUSSION; CONT.

Astorino: Contracts for 2014 and 2015 were either \$2,600 or \$3,900 and it increased to \$10,000 last year and then another \$10,000. What was the increase for?

Cingle: One was \$5,000 for the Domestic Violence Program and the maintenance of the software program used.

Planning Commission – The decrease reflects the change in compensation, 320. For Community Development 325, there was a slight uptake.

Troyer: Fringe benefits were explained but regular salaries is up slightly. Why is that?

Healy: There was a month that Mr. Dolan was not paid in 2016.

Civil Service Commission – There is a slight uptick and some of that involves miscellaneous testing.

Troyer: For 527 Miscellaneous Expenses, we are about the same level as 2014, but 2015 and 2016 were zero and now we are up to '14 levels.

Healy: That is due to potential promotional testing. Police lists will probably be expiring, which he will verify for Mr. Troyer.

Board of Zoning Appeals 335 – The decrease reflects a change in compensation for board members, which is the same for 340.

Recreation Center 341 – There is an increase.

Troyer: There are a lot of increases. Fringe benefits went down. Regular salaries are up about \$90,000 and part-time salaries are also up. Why?

Cingle: Salaries are projected, in addition bringing back the proposals to fund part-time salaries back at the 2015 level.

DISCUSSION; CONT.

Astorino: The new hire last year was for half the year and this reflects a full year. You are restoring part time to previous years, that's the reason for the big increase.

Healy: Correct.

Troyer: There was a new full time hire at the recreation center this year.

Mayor: No.

Astorino: There was a new hire July 11, 2016.

Troyer: Right, but as far as budget numbers go.

Astorino: But for last year's expense it would have only been an expense for half a year.

Troyer: We were told when the hire was made it was coming out of part-time employees. Now part-time employees are being brought back or at least the hours are now that hire is all in regular salaries; so it's an increase. Part of the program is to lower utilities so why are we still showing an increase in utilities when that is where we are to be saving the money.

Healy: When we project these future weather patterns are not known. Winter was mild, but we do not know what next year holds even with energy savings. It is not known how much a/c will run during summer. To project utilities, the past three to five years are reviewed to see what was spent to come up with a number in between that. A forecast is based on prior history.

Troyer: We are guaranteed a savings.

Healy: There may be more because some operations, i.e., Council and City Hall, are moving, so there will be potential savings in other areas depending on when the move takes place. General Government Lands & Buildings is a decrease in utilities, but at the end of the year, recreation may be higher based on the fact that, that cost center is not being utilized. But on a whole

DISCUSSION: CONT.

utilities in the General Fund, depending on when the project is completed, could be lower.

Astorino: There is also no change to General Government. Is it safe to say nothing was factored in regarding energy efficiency of the recreation center?

Healy: Not knowing when the project would be completed or when the move would be, savings would probably be minimal this year based on completion of it; bigger savings will be recouped in 2018.

Healy: Any questions on the slight increase for 342?

Troyer: For 511 Regular Salaries, is that roughly for two employees?

Healy: Correct.

343 Professional Services – There will be empires, etc., that are not employees.

Astorino: We are going from \$24,000 to \$39,000.

Healy: That also has reconditioning of equipment, such as, football equipment that has not been not been done in a few years. Every cycle equipment has to be refinished and that number was last utilized in 2014 and now in 2017 it has to be done again based on the cycle.

Astorino: Is there any way for us to get a detail of professional service of where the increases are?

Healy: He will provide that.

Home Days 345 saw a slight decrease.

351 – There is no Charter review this year.

400 Mayor's Office – There is a slight increase for a full time employee for a full year reflected under salary benefits.

DISCUSSION: CONT.

Cingle: Salaries, overtime, and fringe benefits, are all under benefits.

402 Human Resources - decreased from prior year.

Astorino: What was the increase for professional services last year that is not being done this year?

Healy: That was due to some of the rehired called back employees fit for duty examinations.

405 Correctional Facilities - The increase involves hiring a full-time jailer, reflected on the salaries' sheet. Last year there were no full time. The full time you see there was accounting for one of the clerks working there coded for time she spent doing clerical work. This year it shows hiring a full-time jailer.

Troyer: Regular salaries for past years starts at 2014 at \$75, then 2015 at \$69 then last year \$5,000. There was no part-time in 2014 or 2015 and last year you had only \$5,000 in regular salaries and \$120 in part time. The difference is you still have \$112 in part-time and \$43 in full time; that is a full time hire?

Healy: With dispatch moving, having a jailer 24/7...in the past they watched the monitor with the jailers...now they will have someone to work back and forth between the window so this is to cover to make sure, I stand corrected. In 2016 I believe that number revolves the run off of 2015 for the employee.

Troyer: This full-time employee was necessitated by the central dispatch deal.

Healy: That is my understanding.

Astorino: Is that correct?

Mayor: Yes and no. Full-time jailer has been in the ordinances a long time, operationally the chief feels this is the best way to go. It's very difficult to

DISCUSSION: CONT.

keep people and have one of them, probably our best part-time jailer, that trains the others have been offered a position in another community and we didn't want to lost that person; so it is combination of ingredients in this decision, it's the chief's recommendation.

Safety Town

Astorino: Salary is charged to police department.

Healy: The police officer is charged to the police department. The \$2,100 reflects the payment to kids working at safety town over the course of the program.

409 Mechanics – The decreased from the prior year is mainly due to the savings in the benefit line item.

410 Safety Director – The decrease can be seen in the benefit line item.

411 Safety Building – Questions?

Astorino: Salary & Benefits' Projections received this morning might explain the changes because this is the one where we changed the dispatch. It explains some of the salaries.

412 Police Department – Questions?

Astorino: Explain reduction in fringe benefits. Fringe benefits paid for police is in a separate account.

Healy: A lot of that is a reflection of the health care costs going from self-funded to fully funded, which captured a savings for the current calendar year.

Astorino: So we are seeing a reduction to health care costs in 2017. Can you provide a report showing how much it is or will that be reflected...?

Healy: You can also capture it in the salary sheet under hospitalization and dental combined in 690.

DISCUSSION: CONT.

Cingle: There is an increase in Medical Benefits. There are run off claims that are self-funded. Run off claims that occurred in 2016 will get paid in 2017 so, we budgeted an estimate for what we believe the run off claims may be. It might be a little high, but the \$2,047,000 figure does include the payment for the run off claims.

Fire – No questions.

414 Disaster Service – Questions?

Troyer: Regular salaries is a low amount, but who is being paid?

Healy: Auxiliary police officers.

414 Building Department – There is a decrease from 2016.

Astorino: The only reduction is fringe benefits.

Healy: That is standard throughout.

There were no questions regarding the following:

418 School Guards

419 Animal Warden

420 Service Director

421 Engineer – Flat throughout.

422 Service Building

423 Sanitation

Astorino: Benefits was the only major change.

Healy: There was a slight uptick in miscellaneous under repair and maintenance.

424 Street Cleaning –

Troyer: That is one employee accounted for?

DISCUSSION: CONT.

Healy: Correct.

426 -

Troyer: Under Regular salaries, that is one employee accounted for?

427 Trees & Tree lawns -

Troyer: Under Regular salaries, that is two people?

Healy: Yes.

428 Public Properties -

Astorino: Explain the increase.

Healy: The increase is due to an individual starting at the beginning of the year, that reflects four people. An individual retired at the end of last year. You can see the reflection in 429 of a decrease, which reflects the increase in 428.

Troyer: How many employees is that under 511, regular salaries?

Healy: In 428 it is four.

Astorino: Was the new employee paid differently last year?

Healy: Yes.

Astorino: What was he paid last year?

Healy: Under Professional Services he was paid \$700 because he was called in only when something was needed.

Healy: Any questions regarding 429? An employee retired at the end of the year in 2016 and the new hire was placed in 428, not in 429. The retiree was in 429.

Troyer: That is eight employees under 511?

Healy: Correct.

432 Snow Removal – Questions?

Powers: Overtime for \$51,000 seems high for last year. There were only two occasions that snow plowing was needed.

Healy: In 2016 \$50,063.03 was spent. Snow is not just this season. It begins at the end of the 2017, 2018 winters as well. Just as the 2016 budget reflects 2015, 2016.

Powers: This is 2015, 2016 when we used the plow twice and it seems inflated.

Healy: Going back to 2014 at lesser rates you can see overtime was \$135,000, which was probably a typical winter.

Cingle: Winter was mild last year. This year we are forecasting a little bit of an increase. Expenses will continue into November and December should it snow. If winter continues to be mild through April and November and December, there will be a savings in one of these line items.

Troyer: There are no regular salaries for snow removal as it is all overtime. If the employees are on first shift when it snows do, they just work their regular shift and it does not apply to this.

Healy: This is just overtime. If it snowed on the second shift and the first shift was held over and they were plowing for the first and then it goes into the second, then that overtime gets coded here. If they are on second and they started second and they are plowing it is not overtime; it is just a regular salary.

434 Street Lighting - No questions.

434 Traffic Light –

DISCUSSION: CONT.

Burgio: Does this include the contract with Signal Service, the \$56,000?

Healy: Yes.

Astorino: What is the contract amount, \$56,000?

Healy: He will verify if that is the majority of it. There may be something smaller in there, but 90+% of that is definitely the contract for street lighting.

Burgio: In 2016 it was \$36,000. Why is there an increase?

Cingle: The company is paid on an as needed basis. They are paid as they are called out.

Astorino: Explain the almost \$12,000 encumbered. Is that services provided last year that have not been paid yet?

Cingle: He will review the encumbrance line item and provide a report or explanation. In the past Council passed an ordinance authorizing the work, but it has been under \$50,000 for many years.

Troyer: When you have disbursed in 2016 and encumbered you add those together to find the cost.

Healy: Correct.

500 Law Department – There is a decrease from 2016.

610 Finance Department – No questions.

Office of Aging – There is a slight increase over prior years, which can be reflected in part-time salaries. That is an estimate of what might be worked.

650 Retirees – Questions?

Astorino: Explain the fluctuation.

DISCUSSION: CONT.

Healy: That has to do with the timing of the disbursement of the health care reimbursement for retirees that went out in January. It started the end of December. And, 2017 reflected the changes in the legislation to payment of retiree reimbursement.

Astorino: What was the payment in January?

Cingle: We will have to get the exact figure, but it was roughly in the range of \$130,000.

Astorino: The difference between 228 and 132 might be the cost of that legislation.

Cingle: Correct. Mainly, the cost of that change.

Troyer: The understanding was that previous retired hospitalization was in the neighborhood of \$300,000 and passing the legislation would reduce it to about \$100 a year.

Cingle: Correct. Forecasting what the cost will be for the \$100 per month, \$1200 per year, is roughly in the neighborhood of around \$100,000. Add into it the 2016 second payment for the retirees. That is the forecasted number roughly around \$228,000.

Troyer: Why was that payment that should have been on last year's budget not encumbered?

Cingle: We do not issue a purchase order for those payments. When you do that it encumbers the monies. There was a lot of back and forth on that health care payment. Whether it was going to be paid or not and when it was going to be paid. It did not get paid until January, 2017, so it is reflective in the 2017 appropriation figure.

700 General Lands & Buildings – Questions?

Astorino: A question was answered earlier about reduction of professional services. One employee was moved over.

DISCUSSION: CONT.

Healy: Correct.

Troyer: Was the contract explained going from \$8000 to \$3100.

Healy: There was something specific and he did not recall what it had to do with for 2017. It was a specific contract. He believed COG had to do with our radio system that COG established and he thought it related to Motorola for radios, but he would have to get the answer.

821 - Zero.

825 Workers' Comp – No questions.

826 – Basically \$1000 was placed in there in the event we are notified of unemployment.

Election – Estimated cost of election bill.

Auditor & Treasure's Fees – 2017

Astorino: Explain the increase.

Cingle: This was an average of the two years. Some of those fees come from the Auditor of State's office and they do not tell us the amount in advance, which depends on how many hours are spent reviewing our financial reports once they are completed by the independent public accounting firm. They then bill us accordingly.

840 Insurance – According to our agent, that increase was estimated and is what they project for us in June. We will not know for sure until they go out and tell us, but we should be right about that, hopefully less.

850 County Board of Health - That number was provided pursuant to legislation.

Miscellaneous Executive – This is a decrease prior to 2016, most of which is professional services.

DISCUSSION: CONT.

Astorino: You can provide us with detailed expenses.

Cingle: Any other questions on the General Fund transfers?

Astorino: On the General Fund you are appropriating \$23,125,400 and we just received the report so what is the revenue we are receiving for the General Fund?

Cingle: The projected estimated revenue for 2017 is roughly \$21.6 million. The Fund Balance Reserve Policy, \$3,837,586. The difference between the beginning balance and the Fund Balance Reserve Policy is \$1,754,251. Total revenue including fund balances, \$27,173,924.

Astorino: Appropriated expenditures for this year exceed the revenue that will be received so we will have to use some of our \$1.5 million fund balances to cover this.

Cingle: The proposed appropriations are \$23.33 million rounded. The projected revenue is \$21.6 million so when we built the budget we forecasted the revenue and projected the appropriations. Whatever difference we had, we had a positive variance, so that positive variance is being utilized after accounting for the Fund Balance Reserve Policy calculation of roughly \$3.8 million. The positive variance that was produced is being invested back into the community, mainly to economic development, \$250,000 and \$3,250,000 to 2017 Street Improvements. All things being equal, if we spent exactly what we forecasted to bring in we would have a carry forward of \$3,837,586 beginning in January of 2018.

Astorino: You said we spend what we bring in. We have already brought in some of what we are spending this year.

Cingle: Our forecasted revenue was \$21,582,088 and our expenses equaled \$23,330,000 rounded. The ending Fund Balance would be \$3,837,586, which would be the Fund Balance Reserve Policy. So, we are utilizing some of the beginning balance to invest into the community.

DISCUSSION: CONT.

Troyer: Based on information received today, it is about a \$1.7 million structural deficit, which is spending more than you are taking in. That is generally a bad thing, but in this case, some of this is carry over money and hopefully we will do good things with it.

Cingle: When structural deficits were looked at in the past, we never had a positive variance or a surplus. Once we looked at projecting our revenues and projecting out our expenses, meaning 70 to 80% of the General Fund appropriations are salaries and benefits, so when we projected out revenues in our appropriations, many years, we had a negative variance, or a structural deficit. This year, like last year, we had a positive variance, or a surplus. The Mayor made a determination to invest that surplus into the community. If Council does not want to spend the surplus, invest it back into the community, then let the Mayor know that and the budget can be adjusted. But the Mayor's determination was investing in the community, fix streets that need to be fixed, and continually when we are in these situations moving forward that we can utilize that surplus or those surpluses to invest into the community. Rather than going into debt to do that, we will use the surplus to invest into the community by still maintaining the Fund Balance Reserve Policy moving forward.

Mayor: We were spending reserve funds to operate. So we have achieved not only maintaining and reestablishing our reserve, but also the ability to generate funds going forward to meet our extensive capital needs.

Astorino: Mr. Cingle said that payroll in the past has been 70 to 80% of the General Fund budget. What he received today, our compensation packet, payroll is estimated roughly at \$14.7 million. Comparing that to \$23 million payroll is more like 63% or 64% of the General Fund budget.

Cingle: Back off the \$3.2 million for the Street Improvements and the \$250,000 for Economic Development and then run the figure there, it will be up in the seventy percentile range.

Astorino: Our tax split is 80/20 so you are taking \$3 million out of the General Fund. We are going to contract out for streets. At the 2014 State of the City, 81% of our General Fund budget was payroll, compensation

DISCUSSION: CONT.

packages. Now we are down to 63%, which is something Council will have to review to be sure we have not cut certain areas too far. Investing in the community is a broad meaning. It could be streets or economic development, but it is also services to the community. I am trying to confirm that we have reduced that percentage dramatically.

Cingle: In 2014 we did not have additional transfers. We did not have a \$2.3 million transfer to Street Improvements or to Economic Development. By taking away the two transfers, the \$3,250,000 and the \$250,000 to Economic Development, so reducing the proposed appropriations by \$3.5 million and taking the \$14.7 dividing it into that new figure, which is roughly \$19.8 million, we have about 74% Salary & Benefits. It is between 70 and 80% Salary & Benefits in the General Fund expenditures that is being proposed, appropriations.

Mayor: Personnel cannot make the road improvements. Looking back the largest transfer into streets was around \$780,000. Council should look at going from a 70/30 split and we could argue that would provide more money for Capital Improvements. Parks and other public improvements will be constant demands. The current 138 full-time employees is where we should be in delivering services. I would challenge that services are not being delivered. They clearly are being delivered in a different fashion. The goal is to try to deliver as many improvements with balances delivering services as possible. This is a welcomed addition of less managing this budget, and also for the first time in years, our employees received an increase. You recognize also other things we did negotiating and changing how we do hospitalization that provided some savings that we can use in other operations. Overall, in operating and making Capital Improvements this is probably the best budget since his return to the City. If Council is looking at changes, look at changing the split so this is permanent. It gives us more ability and flexibility to determine revenues because the Fitch rating recognizes our ability to manage this budget, but it also criticizes our flexibility being governed by two entities, the congressional budget that could be wiped away and a major corporation that hopefully will go in a different direction, but can reduce size at any time. If you read Fitch's report and see what we have proposed, not only to provide for our reserve,

which is important, but to deliver capital needs and services at a level that our citizens have come to demand, it will satisfy them.

Salvatore: The City once realized a 90/10 split and worked toward realizing 80/20. It was anticipated that at some point there would be a 75/25 split and ultimately realize a 70/30 split again. He favored a program developing sooner to reach a 75/25 split and then drop to a 70/30 within the next year or so. It is time to start looking at a different split as well as the Reserve Fund. For many years that fund was not funded. Council and the Mayor working together to have the Reserve Fund in place is a tremendous accomplishment. It would be unfortunate to lose what we have. He agreed with the Mayor about a 70/30 split and having more money for improvements and to invest in the roads.

Astorino: Transfers change the split. \$3.5 million is moving from the General Fund to Capital Improvement and community development. Have you looked at the calculations? The tax split is 80/20. By making these transfers what is the amount of money acutely going to Capital Improvements versus General Fund? Last year \$1.7 million was transferred from the General Fund for Capital Improvement, which changed the split to 75/25. What is it this year? This is a different way of reaching the goal to change to 80/20. Have you done a calculation by making these transfers of the actual split? He preferred it this way as it gives Council flexibility to make these transfers.

Cingle: He also preferred doing it this way. We can run the tax split at 70/30 and show the numbers.

Astorino: We do not need it that elaborate. If transferring money to the General Fund from income tax and then taking \$3.5 million of that and putting it into Capital Improvements, you just factor out whatever...you are showing a transfer of \$15.6 million from City income tax into General Fund. But, if that transfer was only \$13.1 million then where do we have Capital Improvement transfers.

Cingle: The revenue report projection is \$19.1 million City income tax; ten percent of that is \$1.9 million.

DISCUSSION: CONT.

Troyer: But we have NASA.

Cingle: That is why he wanted to run it on the computer to forecast the NASA component; simply looking at it, 10% is \$1.9 million.

Mayor: We proposed it in this fashion because we have to look at this years' experience, and we are closer to getting to the 70/30 by this appropriation. We will see if the government continues funding NASA, particularly our research operation. Council could look at that in the future. We agree this might be a preferable model that provides more flexibility annually to determine what our needs may be.

Astorino: He would not like the public to hear we have an 80/20 split. The idea of 20 being the minimum is okay and we have that ability, but this budget is pretty much a 70/30 split. By backing \$3.5 million, \$13.1 million is staying in the General Fund out of \$19.1 million, it is pretty close. Actually, 68% is what he has staying in the General Fund and 32% is going to Capital Improvements. We do not need to change the ordinance; we simply want to identify that we are doing this. We did it last year and this year. We do not necessarily need to visit the 80/20; this give us the flexibility to make the changes on our own.

Mayor: It was our goal to get there. We should look at this years' experience and hope we can get there permanently. I do not know if we will, but it is a goal people have looked at for a long time. Achieving it this year would be remarkable if Council passes the budget.

Powers: Questioned Economic Development going from a zero balance to a \$250,000 balance, and that we paid the Snow Road Resurface \$640,000 and no work was done. How did we manage that?

Mayor: Money was appropriated for Snow Road, they were in a hurry and the election did not go someone's way so they postponed it, it is under the state. The contracts are going to be let and that will be done. They had over \$600,000 of our money for over a year. Looking at Key Budget Points and Economic Development you see that appropriations, the SBA participating in the program is a Federal program, where we put some

DISCUSSION: CONT.

money in and businesses can get matching funds. The HMAP is assistance for residents on their properties to get \$100,000 in economic development grants that is appropriated yearly. The \$160,000 for senior services, which is snow removal, grass cutting and the sidewalk program is \$205,000. That is all incorporated into Economic Development.

Mayor: Explained SBA is a Federal program for small businesses and said he would provide information for Council on what they do.

Astorino: Was \$500,000 appropriated to transfer into Economic Development last year?

Cingle: There was a proposed appropriation, but the administration proposed a change to Council to remove the transfer. With those dollars we were working towards funding the Phase IV West 150th Street Sewer Improvement Project so we did not have to borrow money to complete the project. Under 243, Actual Estimated Revenue, in the beginning of 2016 the beginning balance in Economic Development was about \$1,263,000. Total actual revenue for 2016 in Economic Development was nearly \$335,000. Actual expenses under Proposal for Actual in Proposed Appropriations for 2016 in Economic Development, nearly \$784,000 was expensed and there was nearly a \$515,000 encumbrance. So the transfer was not necessary in 2016 to account for the activity in Economic Development.

Astorino: Did that money go to Phase IV?

Cingle: No. Phase IV is 541 and he was going through the activity in Economic Development 243.

Astorino: You said the \$500,000 that was going to be transferred would be moved over for Phase IV.

Cingle: Under Three Year Disbursements in Appropriations for 2017, \$308,000 was transferred for Phase IV. Some money was added to 2016 Street Improvements. Monies approved by Council to be transferred to 2016 Economic Development were used in other funds because they were not needed in Economic Development. Therefore, the City did not have to

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get a note or bond to complete Phase IV. Under Estimated and Actual Revenue, the year began with a little over \$814,000 in Economic Development. Forecasted Revenue includes a post transfer of \$250,000 from the General Fund of \$377,625. Refunds and Reimbursement is for the 2017 Sidewalk Program. Estimated cost of construction is \$185,000. Residents will share fifty percent of that or \$92,500. Total revenue, including the fund balances, is almost \$1.2 million and our proposed expenses of the three year disbursements and appropriations, proposed 2017 appropriations, \$664,050 of new appropriations plus the nearly \$515,000 that was encumbered and brought forward into 2017. This year Economic Development is fully funded.

Powers: What happened to Unclaimed Monies?

Cingle: It is under 2017 Three Year Disbursements and Appropriations and was established for uncashed checks. Unclaimed checks are held in a separate fund and if unclaimed after five years they become the City's funds. At the end of the year we write off or account for unclaimed funds. In a future appropriations' ordinance, you will see those amounts being moved into Unclaimed Monies.

Powers: Payroll Accounts Flexible Spending increased from \$84,000 to \$132,000. Why such a large jump in appropriations if less than \$85,000 was spent in 2016?

Cingle: Employees defer monies into a flexible spending account that are expensed out of the fund when utilized. Some monies have not been utilized and are rolled forward into the current year.

Astorino: These are funds used to pay health or child care with pre-tax dollars.

Powers: Total Tax is \$19.9 million and the projected is \$19.8 million. Not only is every dime being spent, you are going into a different fund. That does not make sense.

The meeting recessed at 10:35 a.m. and reconvened at 10:45 a.m.

DISCUSSION: CONT.

Troyer: It looks as though we are spending roughly \$1.7 million more than we are taking in, which is not necessarily bad. It is good that we are funding the Fund Reserve Policy, but then there are extra reserves. It is not a problem to spend that, but Council must be careful that it is being spent on appropriate things. Basic services the City provides, everything in the General Fund, must be funded. When there is a reserve there is no problem spending it on needed capital or other things, as long as it is being spent on the right things. The entire budget has to be right, but if we spend more than we take in we have to be sure that the General Fund budget and the services are provided to the level the residents expect. We have to be sure if that is done that we are spending it on the most needed item, which he agreed was roads.

Powers: Administrative Tax transferred \$150,000 in 2014, nothing in 2016 and nothing in 2015 but for 2017, \$182,000 is projected. Why such a difference?

Cingle: The proposal for Admissions Tax is to transfer \$182,000, which equals the amount projected to collect. Admissions' Tax Projection is \$182,000. The proposal is to transfer \$182,000 to the General Fund in this year. Almost the same thing in Hotel, Motel Tax projecting to bring in under Revenue \$165,600. The proposal is to transfer \$165,000 over to the General Fund proposed this year. It would still leave the Hotel, Motel Tax roughly almost \$370,000 of Fund Balance in that fund.

Astorino: On the Admissions, Hotel and Motel tax last year you appropriated the transfer of money there but just never...

Cingle: He would review last year's budget, but the transfer was not made out of either fund in 2016.

Powers: According to the 18 pages received the other day, the Hotel, Motel tax was zero until 2014 and 2015 and it was \$13,418 in 2016; the proposed amount for 2017 is \$165,000.

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Cingle: The \$13,419 in 2016 was a refund because a taxpayer paid twice and one of the payments was refunded. This year the proposal is to transfer \$165,000 to the General Fund.

Powers: Economic Development Professional Service is \$81,000. There is a travel budget of \$3,000 and contracts of over \$40,000.

Cingle: We can provide a detailed report for 2016, and then run a report for the encumbrances at year-end for Council's review. It will show all expenses that came out of 243 in 2016 and encumbrances carried forward into 2017.

Powers: Brookpark Rd. had \$5,000 encumbered and nothing for 2017. Was Brookpark Rd. paid for in full?

Astorino: We have not gone through those items yet.

Healy: In 2010 Income Tax, there is a major increase in contracts dealing with scanning. Retrievers are old and they are not going to service them anymore. The tax number of what is being transferred is \$18.3 and the refunds are the \$1.1 million that is the potential liabilities from legislation as far as agreements that were made between employers. If they reach certain standards, they get their income tax back. That is going back for a few years. We have to account for the potentials. In '16 that was budgeted. It was quite a bit and we only spent \$364. That number potentially be less at year end. In 211 it is \$100. As far as operational cash or petty cash, we have to account for it.

Astorino: Regarding refunds and last year's budget, Mr. Cingle plans for the worst case scenario. Last year we appropriated \$975 and spent \$364. Of this \$1.175 we do not expect to spend that; we just have to have it appropriated.

Cingle: It depends on if companies request their economic development refunds. If they are still outstanding and meet certain payroll criteria, they would get an income tax refund. Our forecast this year is roughly about \$250,000 for taxpayer refunds. If they submit their tax return and request a refund, then the balance would be the economic development potential

DISCUSSION: CONT.

refunds as they relate to the economic development agreements passed going back to 2012 and '13 and '11.

215 Admissions Tax - the director explained the increase as to the transfer as well as 220.

Troyer: On the last two Admissions' Tax, Hotel/Motel Tax, how does that show up in the budget? It should not show up as revenue for the year.

Cingle: It will show up in the transfer, like to 215. In the transfers and refunds you will see \$182,000.

Troyer: So it cannot be counted as revenue.

Cingle: It will show up as an appropriation in the fund under transfers and refunds. Once it is transferred, it becomes revenue in the General Fund and then that becomes part of the overall amount of money available to be appropriated.

Troyer: Even though it is not revenue.

Cingle: It is not revenue on the appropriations.

Troyer: It is not new revenue.

Cingle: No, it is not revenue on the appropriation reports. Once it is transferred it shows as revenue, a non-revenue line item on the revenue report. On page one of the revenue report you will see \$182,000. It will be an expense out of 215 Admissions' Tax. It gets receipted into the General Fund, then it will get appropriated and spent when Council deems necessary or authorizes it.

Fund 240 - The construction contract for Brookdale, is fully funded. The water line is fully funded at \$1.1 million.

Astorino: This was appropriated last year.

DISCUSSION: CONT.

Cingle: Yes, as part of the 2016 appropriation. The contract was awarded in early January this year. It is being reflected again with the actual contract in 2017; that is a firm figure of \$1,096,000 and change.

Troyer: It did not have to be encumbered because it is in a separate fund. I asked if all the roads that did not get done last year were encumbered. We are paying for them this year, but they were actually encumbered. It just does not show it that way.

Cingle: Monies were appropriated in 2016, not encumbered. When the contract was awarded in January of this year, the amount became encumbered and is a 2017 appropriation. It was not in the accounting system in 2016.

Troyer: So, it is a 2017 project.

Cingle: A 2017 project utilizing 2016 dollars.

Troyer: How much is left in SCM&R after that?

Astorino: \$150,000.

Troyer: Was against doing it this way last year. Not against getting streets done, but that SCM&R should be used to upgrade/fix current streets so they last longer.

241 State Highway Improvement – Those dollars are being appropriated for potential use of repair/maintenance and miscellaneous expense for highway improvements.

Astorino: Nothing was spent in 2014 or 2015, less than \$1,000 is encumbered. What did you gauge the \$15,000 on?

Cingle: We looked at Fund 240, from salaries, benefits, and the construction contract, we are pretty tight there revenue wise. If we can move some expenditures that in years past may have been coded out of Fund 240 into

DISCUSSION: CONT.

241 and 242, that will take a little of the pressure off of Streets, Construction, Maintenance & Repair. When looking at the revenue report, the City began 2017 with almost \$630,000 in State Highway Improvement and roughly \$194,000 in Permissive Tax. State Highway monies are restricted to be spent on State highways throughout the community. The Mayor is looking at possibly a project or two to utilize out of Fund 241. We allocated some dollars in Funds 241 and 242 to take some of the pressure off of Fund 244 for this year; to do some minor road repairs out of Funds 241 and 242.

Astorino: Money in Fund 241 can only be spent on State highways. What about Permissive taxes is that on anything?

Cingle: Yes.

243 Economic Development – This has been covered.

Powers: Did the economic developer bring in enough money to pay for his salary?

Cingle: His salary is not accounted for out of this Fund.

Powers: What has he brought in or plans to bring in because it goes down except from transferring from the General Fund. What are we planning to use in this Economic Development Fund for the year? In 2015 we sold \$13,504.50 for the sale of City owned land. In 2016 we brought in zero one of the reasons because of the lot for sale on Hummel Road that I offer to purchase and was given to the neighbor, so the city lost a few dollars.

Fund 244 - Nothing is planned to be expensed, there is an encumbrance for Brookpark Rd.

Fund 245 - Nothing is planned to be expensed.

250 Special Recreation - The big expenditure will be the proposed equipment for 2017.

Astorino: Is that listed on Capital Improvements or is it separate?

DISCUSSION; CONT.

Mayor Coyne: That's separate, that's the Endless Pools.

Troyer: So it is an additional \$240,000 for the recreation center bringing it to \$5.7 million.

Healy: Concession stands have not been utilized for the last few years. The minor utility expenses, communications and small contract fees in the amount of \$186.17 in 2016 all the way up to concession stand 264. Those expenses will now be seen as an increase in the 100-342 account in General Fund.

Cingle: Concession stands are not open so no revenue has been coming in. In order to continue to pay these expenses through their itemized funds we would have to transfer monies we would have to transfer monies from the General Fund over into these funds; when the auditors look at this they consolidate it together. To simplify we will move those minor expenses into Parks & Playgrounds 100-342 and in the future if the concession stands are reopened and revenue starts to come in then we will utilize the itemized fund.

Healy: Fund 254 represents concession stand petty cash that has to be accounted for even though it is not being utilized. Funds 255, 261, 262 and 263 reflect comments from the director. Fund 264, Water Park, has a slight uptick. Fund 265, is another concession stand that will be rolled up currently. Fund 266, no expenditure is expected. Accounts 270, 271, and 272, are for the police department. Those figures are specifically driven by those programs and the chief has discretion in how some dollars are utilized. The earlier report showed in Capital Improvement, monies coming out of the LE Fund for, ticket printer, computer service and Taser replacement.

Cingle: Itemized capital under the police department shows one half L.E.F., the LE Fund. There are three 50% matches for Taser replacement, computer service and ticket printer at \$32,500. Proposed Appropriation for this year, not including the encumbrances, is \$33,000; those figures were provided by Chief Foster.

Astorino: Remind us of what the encumbrances are for those.

DISCUSSION: CONT.

Cingle: We will run a report.

273 Juvenile Diversion Program – No questions.

275 - Another fund specifically police driven for training.

280 FEMA - There is nothing planned out of there.

290 City Insurance - A lot of those are basically looking at prior history projecting for potential usage, in 2016 we had a good year.

Troyer: What is repair and maintenance?

Healy: If a City building or vehicle is damaged and an insurance claim is made, it is coded out so when the money comes back in it goes back into that fund.

Cingle: When a vehicle has an accident and a claim is made, a check is received and that payment is accounted for in Fund 290 and those dollars are expensed out of Fund 290. For repair and maintenance, whether it is our fault or someone hits a police vehicle, the person's insurance pays for the damage, then we receive those dollars into the Insurance Fund 290 and then pay for the repair out of Fund 290 as well.

310 General Bond Retirement Fund is outstanding principal payment, the total debt payment, the City will be making in 2017.

Troyer: It is what it is and we pay it first.

Cingle: Exactly.

400 Capital Improvement Fund – This has been reviewed.

880 – This is transfer Capital Improvement.

DISCUSSION: CONT.

Astorino: Explain under transfers the zero for the General Bond Retirement Fund in 2016.

Cingle: In 2016 under Fund 536 Road/Sewer Improvement, it shows a transfer of \$990,754.10. The majority of that transfer went back to the General Bond Retirement Fund. In looking at the Revenue Worksheet under Transfer from Other Funds in 2016, \$1,045,000 was transferred into that fund so a portion of that came from Fund 536. It was not necessary to make a transfer out of Capital Improvement to Bond Retirement in 2016 because we closed out Fund 536.

459 Expenses - No expenses.

460 - That radio system was moved over to COG and set up as an entity in 2016 so it is off the City's budget.

517 Sound Insulation Program – Questions?

Powers: It says Professional Services. What were the services for \$42,000 and why is \$50,000 for 2017?

Cingle: It is mainly legal fees for possible litigation in the west end of town.

Troyer: Legal fees come out of Sound Insulation because it is part of the airport deal. We still have \$441,802 in Sound Insulation where money comes out for railroad quiet zones. Is there a report on when the quiet zone will happen?

Mayor Coyne: It is a work in progress governed mostly by the Federal government. If a grade separation occurred at Sheldon Rd., signalization by trains in that entire area would be unnecessary. Improvements have to be made to the Eastland Rd. crossing and considering the magnitude of that cost, doing a grade separation might be more cost effective and in our best interest. It would also provide another access point in providing emergency services. That is in discussion and moving forward and is happening simultaneously.

Troyer: Excellent.

DISCUSSION: CONT.

Healy: Finishing out the 2013 Roads' Program minimal payment.

540 Snow Rd. Resurfacing Project – Question?

Powers: How much did we already pay for Snow Rd. when there has been no construction, why are we paying another \$2.5 million dollar for this year?

Cingle: Once construction starts, we will have to account for the construction activity. The money received from ODOT will be funded by ODOT going forward; any engineering construction activity will still be accounted for in Fund 540.

Astorino: Revenue shows the ODOT grant coming in, which is the money that will be expended.

Cingle: The city made its payment, we funded it from the city's perspective for the city's obligation. Monies moving forward will come from ODOT and we will work with the engineer; his payments are made and will be accounted for in Fund 540.

541 – This is Phase IV of the West 150th project.

542 – This is finishing up the second part of Fry Rd.

543 and 544 – This reflect 2017 projects.

690 Medical Benefit – This was discussed earlier.

691 Retirees' Accrued Benefit - That is a number of potential someone who may be eligible for retirement, what they may end up getting, maybe less. If someone leaves early that we do not know about, it could potentially be more.

711 and 712 Police & Fire Pension.

Astorino: That decreased because last year it was 13 payments and this year is 12 for 2017.

DISCUSSION: CONT.

Healy: Yes, timing. You can see the payment if you look back to 2015, the spike from 2015 to 2016, and then the decrease back down.

713 Southwest General – That is money collected and given to Southwest.

714 Cash Bonds Held – This is Building Department funds; the city gives a bond and when the project is finished the bond is paid back out of this fund.

716 Building Standards' Board

Unclaimed Funds – This was discussed earlier. There will be an appropriation later in the year when we know the figure.

Flexible Spending – This is employee contributions on a pre-taxed basis into a fund that we expense out.

920 Special Assessment B.R.F. – This has been specifically set.

Cingle: That is paid by an assessment to assess the property owners on Brookpark Road, Keystone Parkway, the former Laich Roadway.

Troyer: On page 18 it is showing that disbursed \$21.2 million total in 2014; last year, \$58.3 million; and this year it will be \$65.8 million disbursed through our overall budget.

Mayor Coyne: If Council has any questions and needs clarification to send a memo or if they want to meet with me that can be arranged.

Motion by Mr. Troyer, supported by Mr. Burgio, that item number one has been discussed.

ROLL CALL: AYES: Troyer, Burgio, Scott, Salvatore, Powers.

NAYS: None. The motion carried.

Motion by Mr. Burgio, supported by Mr. Scott, to adjourn.

ROLL CALL: AYES: Burgio, Scott, Salvatore, Troyer, Powers.

NAYS: None. The motion carried.

There being no further business to come before the meeting Council President Astorino declared the meeting adjourned at 11:29 a.m.

RESPECTFULLY SUBMITTED 
Michelle Blazak
Clerk of Council

APPROVED 

THESE MEETING MINUTES APPROVED BY BROOK PARK CITY COUNCIL ARE A SYNOPSIS, NOT TRANSCRIBED IN THEIR ENTIRETY, ALTHOUGH ACCURATE.

13,854 words