

FINANCE COMMITTEE MEETING
MARCH 10, 2008

Finance Committee Chair Mr. Knuchel opened the Finance Committee Meeting at 6:36 p.m. In attendance from the Committee were Mr. Knuchel, Mr. D'Ambrosio and Mr. Lajeunesse. In attendance from Council were Ms. Vaughn, Mr. Morley and Council President Mr. Elshaw was late in arriving. Mr. Zontini was absent and excused.

In attendance from the Administration were Mayor Andrzejewski, Finance Director Condron, City Engineer Mr. Gwydir, Service Director Mr. Semik, CBO Mr. Voros and Fire Chief Sabo.

Also in attendance were members of the public in the audience.

2008 BUDGET, con't.

Mr. Knuchel: Questions were raised at the March 4, 2008 meeting concerning changes that were made. We received a fresh copy of the 5-year General Fund Comparison, Expenses and Revenues.

Mayor's Office

There were no questions or comments.

Council Office

Mr. D'Ambrosio: As most of you know I was not able to pick up my information this weekend – were the adjustments made with the 1% for the salaries, Mr. Condron?

Mr. Knuchel: Let's hold on that question, unless the Mayor would like to answer.

Mayor Andrzejewski: If we get to that point I would like to ask that we adjourn into Executive Session for any discussion on that issue as it pertains to Union negotiations. We have checked this with both Law Director Mr. Klammer and Mr. Esposito, our Labor Attorney and they said any discussion about labor negotiations should be held and can be held in Executive Session. I would like to request if there is any discussion of that matter it be done in Executive Session.

Mr. Elshaw: #120.5750 "Council Contingency" – this was reduced to \$2,500.

Mr. Morley: That was my suggestion.

Mr. Elshaw: That was fine.

Clerk of Council

There were no questions or comments.

Finance Department

There were no questions or comments.

City Income Tax

Mr. Knuchel: Tax Administrator Mrs. Kenven-Zanella was unable to be in attendance but she provided us with a document listing items she would like reviewed.

Mr. Condron, as you have talked with her about these items, would you like to comment?

Mr. Condron: Mrs. Keneven-Zanella was concerned about the OATA dues – that is in line item #101.140.5214 – that was the \$20 she was indicating. The next item is her concern about equipment – she is interested in a copier and a printer – we have budgeted \$1,200 in equipment and office equipment \$500.

Mr. Knuchel: Do you feel that is enough?

Mr. Condron: \$500 will be more than enough for the printer for her PC. We have a copier lease that is due in the fall for all of City Hall for several machines. We put money in the account for the last quarter of the year – so, when we look at new machines for City Hall we can look at this. We may want to look at purchasing out right rather than leasing. We kept upon the current practice of leasing and put extra money in appropriations - \$1,200 for equipment – if we re-appropriate later maybe we can purchase one for the Tax Department – but, we have options and we have time.

Ms. Vaughn: What about the OATA dues?

Mr. Condron: \$20 is included in #101.142.5214.

Ms. Vaughn: Is that the only organization she has to belong to for Tax Administrators?

Mr. Condron: Yes.

Mr. Knuchel: The final item is the issue with space in the Tax Department – that really is not a budget item but may incur some expenses.

Mr. Condron: We are still researching it to see if we have files we are not using anywhere that we can give her – as a cost effective alternative.

There were no further questions on City Income Tax.

Legal Administration

Mr. Condron: We increased this, pursuant to the last discussion, to \$95,000 in #101.150.5345 “Special Legal Services.”

Mr. Knuchel: So you feel that is enough to get us through the Union negotiations and through all the other legal fees we may have in the coming year?

Mr. Condron: Yes, for sure.

Mr. Knuchel: We also have quite a few lawsuits and cases pending – do you think those will come to fruition this year?

Mr. Condrón: We are in Court on Fatur – I don't know if that will come to trial this year.

Mr. Knuchel: We have Fatur, which is the sewer, the Recall, Timberlake.

Mr. Elshaw: The rezoning and Peachtree properties. Last year we said \$60,000 and you encumbered \$66,000 – we spent \$60,000 without any Union negotiations – that was just on basic stuff.

Mr. Condrón: There were Union negotiations.

Mr. Elshaw: How much?

Mr. Condrón: It would show on the last quarter of last year – maybe \$9,000 - \$12,000.

Mr. Elshaw: So, you still spent \$40,000 without anything else happening. With all these pending lawsuits, plus you are collecting on tax delinquencies.

Mr. Condrón: The tax delinquencies have their own line item - \$26,000 in #240.

Mr. Knuchel: Mr. Condrón, would \$5,495 for Clemons-Nelson at 11/16/2007 sound like a good number – things happened in September?

Mayor Andrzejewski: The Timberlake lawsuit is being handled by Mr. Klammer – there are no extra legal charges there. The Peachtree lawsuit is also handled by Mr. Klammer – there are no legal charges.

Mr. Knuchel: Are you sure?

Mayor Andrzejewski: Mr. Klammer has not indicated he was going to charge us anything for that – so, I am reasonably sure.

Mr. Knuchel: I see in this line item there are charges for Klammer law office for lawsuits.

Mayor Andrzejewski: At the last meeting we pretty much agreed on the \$95,000 number.

Mr. Knuchel: I think we agreed on \$100,000 – that was my recollection.

Mayor Andrzejewski: No, it was \$95,000.

Mr. Elshaw: My recollection was \$100,000 minimum and we talked about what we needed. I am going to say it is low but that is my opinion.

Mayor Andrzejewski: Mr. Condrón and I have discussed this item in depth, about the encumbrances. We talked about the sewer bill lawsuit we have been putting in the budget the last two years - \$30,000 that has not been used. We anticipate the same thing for 2008 – the other encumbrance was – Mr. Condrón?

Mr. Condron: We had some bills that we may not have received for our Labor Counsel.

Mayor Andrzejewski: Clemons-Nelson – they are encumbered through this year. We feel very comfortable with the \$95,000.

Mr. Lajeunesse: Per the minutes of the last time it says – Mr. Condron: “he can’t give a guarantee but it will in the ballpark – we spent \$51,000 so I think the \$105,000 is the best number we have budgeted for the last three years and we should be in the ballpark again.” Then Mr. Condron said: “You can make it \$110,000 – increase the buffer – we will know when it comes if it will be \$51,000 – if you want another \$5,000 buffer. Mr. Knuchel says: “do you want this increased to \$110,000?” That is where we left it?

Mr. Condron: Mr. Lajeunesse, I think that was the Willoughby Municipal Court.

Mr. Lajeunesse: “Special Legal Services” – I think we did say \$100,000.

Mr. Knuchel: Mr. Elshaw, are you comfortable with \$95,000?

Mr. Elshaw: No, I have already stated that.

Mr. Knuchel: What would your recommendation be?

Mr. Elshaw: Higher than that.

Mayor Andrzejewski: Where are we getting the \$95,000 from? Mr. Condron, what did we say we are going to put into 2008 for legal expenses for Union negotiations?

Mr. Condron: About \$40,000.

Mayor Andrzejewski: That leaves \$55,000. If the sewer thing comes about we have in there \$30,000 – that is \$70,000 – that leaves \$25,000 for other miscellaneous legal lawsuits of which I can only think – Peachtree is not going to be that much if Mr. Klammer charges us – Timberlake he will not charge us for. What other lawsuits are there out there?

Mr. Condron: Timberlake is just about wrapped up – we have an agreement in principal.

Mr. Elshaw: The last e-mail I saw it wasn’t close. We have the sewer levy, the recall, Timberlake, rezoning and Peachtree properties – and, you said Timberlake is almost finalized and Mr. Klammer will handle the Peachtree properties. So, I think we still have some other items out there. Okay, if you want to hold to the \$95,000 – if we come back in June and you say you should have had more – I don’t know what to tell you – I guess we will have to make some cuts. I don’t know what else to say.

Mr. Morley: That is my point that we brought up in the last meeting – if we are going to go by these numbers, unless there is something out of the ordinary that would be new, we will have to hold you accountable for everything else. We still have the Superlative Group out there too – we haven’t settled that. It is like we discussed last meeting – if we are going to hold the numbers we are going to hold the numbers – and you can’t come to us in June and say – now, this is moving

forward – we have to move some money. We are trying to get this done – and, I know we can work on it down the line but we have to get a budget we are comfortable passing and right now these numbers, as of last Monday, were all over the place. I have \$100,000 written down. That is the number we talked about. I know it is \$5,000 but \$5,000 is \$5,000 these days. That is where I am going to be down the line. Unless it is a brand new lawsuit we are going to have to hold to these numbers.

Mayor Andrzejewski: Again, \$40,000 for Union negotiations, \$30,000 if the sewer lawsuit progresses - that is \$70,000 – that still leaves \$25,000 for other legal matters that we have identified as Timberlake, Peachtree and that is about it – what other lawsuits are out there? Again, if something comes out of the blue as Mr. Morley rightly said we cannot be held accountable but I have no idea of anything else we are being sued for. So, that gives us \$25,000 extra in there. Mr. Morley, I don't see – what else do we have to defend?

Mr. Elshaw: The ones you did not mention were the recall, rezoning and the Superlative Group.

Mayor Andrzejewski: The recall is done pretty much.

Mr. Elshaw: No, it is not.

Mayor Andrzejewski: But, Mr. Klammer is handling that too.

Mr. Lajeunesse: I am going by the minutes – Mr. Elshaw asked for at least \$100,000. I am in agreement with Mr. Elshaw – at least \$100,000. And, we spent \$125,000 two years ago in Union negotiations – that is a lot.

Mayor Andrzejewski: We have already explained that one – I don't want to go over it again.

Mr. Knuchel: You said \$40,000 should cover Union negotiations.

Mayor Andrzejewski: For this year.

Mr. Knuchel: Worst case scenario – all the contracts go to arbitration?

Mayor Andrzejewski: I think we should discuss that in Executive Session.

Mr. Knuchel: Why?

Mayor Andrzejewski: Because it has to do with Union negotiations.

Mr. Knuchel: I am just putting out a scenario that says if they go to the worst case scenario is that enough to cover it.

Mayor Andrzejewski: On the record – last time – we indicated that we asked Mr. Esposito of Clemons-Nelson how much will you estimate it will cost for all the Union negotiations. His reply was about \$40,000.

Mr. Morley: Does that include going to arbitration?

Mayor Andrzejewski: Yes, all the way.

Mr. D'Ambrosio: Mr. Elshaw, what number would make you feel more comfortable?

Mr. Knuchel: Let's bump it up \$5,000 and be done with it.

Mr. D'Ambrosio: Let's go with \$100,000.

Mayor Andrzejewski: Just do it. We are arguing about \$5,000 which I hope we are not going to spend and if we don't - fine - that will be a little extra in the budget.

Mr. Knuchel: So, we will go with \$100,000 on that Mr. Condrón.

There were no further questions on Legal Administration.

Municipal Court

Mr. Condrón: There is the extra \$5,000 that was previously referred to - in "Court Costs" - #101.180.5562.

Mr. Knuchel: That was \$110,000?

Mr. Condrón: Yes, it used to be \$105,000.

There were no further questions on Municipal Court.

City Hall

Mr. Condrón: I bumped the utilities up a little bit.

Mr. Knuchel: Basically, we had a question on all the utilities.

Ms. Vaughn: Is it possible for us to get a report - natural gas for the entire City is under #5311 - can you get us a final cost for all the gas we spent, all the electricity we spent, all the phone we spent - hospitalization - so I don't have to keep adding up page after page - that way we will know how much we are spending on electricity and gas?

Mr. Condrón: Yes, hospitalization is out of one fund in the General Fund.

Mr. Knuchel: I don't understand why you would want that.

Ms. Vaughn: Because I want it - for my own review. You have the computer - it would be easier for me.

Mr. Condrón: We can do that for you.

Mayor Andrzejewski: Mr. Condrón and I spent a lot of time on this - what he shows to make it easier for everyone - he only put in encumbrances in this report where there were encumbrances and the encumbrances should be this - that is one month of bill that has not been paid yet. If the natural gas #5311 was \$24,000 in 2007 we took a portion of the \$13,000 which represented

December's bill and we agreed on \$4,500 – added that to the \$24,000 and added 12% to all utilities – natural gas, electricity – water and telephone we left alone. So, we took the portion that represented one month's bill and we went on the high side – added it to the \$2,000 figure and multiplied that by 12% to come up with the 2008 figure. So, the \$13,000 in encumbrances you see is not one month bill – only a portion of that \$4,500 should be added to the 2007.

Mr. Condon: Actually, it is \$4,338.

Mayor Andrzejewski: And, we did that throughout wherever you see encumbrances unless as Mr. Condon will explain to you certain items were one time charges – never to appear again – such as purchase of software or a piece of equipment that has not been paid for or the bill came in December and has not been paid for yet. You will see a 12% increase in gas and electricity.

Mr. Elshaw: #190.5407 “Other Contracts”?

Mr. Condon: Honeywell.

Mr. Elshaw: Is that all that is in there?

Mr. Condon: Honeywell is \$18,600.

Mr. Morley: On the Honeywell item – we will probably hear that in the Service/Utilities Committee.

Mr. Condon: We just included it – if we don't do it.

Mr. Morley: There will be other thoughts coming in on that probably.

Mr. Condon: We included it just in case – we can take it out.

Mr. Knuchel: Wouldn't it be fair to say that on that we are going to spend some money anyway?

Mr. Condon: Right – last year we spent \$1,682 last year and \$96.00 – so we just bumped it up to include the possible contract.

There were no further questions on City Hall.

Engineering Expense

There were no questions on Engineering Expense.

Civil Service Commission

Mr. Condon: This was changed a little bit. After hearing Ms. Vaughn's input we upped the medical tests a little bit and put some in for testing supplies.

There were no further questions on Civil Service Commission.

Election Expenses

There were no questions on Election Expenses.

Miscellaneous Government Expenses

Mr. Condrón: The Council President had some input on #5407 “Other Contracts” – we went to \$15,000 – we spent \$27,574 but some of that was the initial cost to get the web site going – that was part of the one-time expenses from 2007.

Mr. Knuchel: The other thing I had a little bit of difficulty with was the transfer to the Callable Bond fund at \$175,000 – what can we do about that – that seems to be low.

Mr. Condrón: That was \$50,000 higher than we started the year at last year. The same scenario – we did our transfers in the latter part of the year in 2006 and 2007.

Mr. Knuchel: I still think we need to bump that up a little bit – I would be more comfortable if we started at – if our priority is to reduce debt I think we need to bump that number up – at least another \$50,000.

Mayor Andrzejewski: This City needs items such as recreation programs, we need to fix the pool, we put in other items you call a wish list – I don’t call it a wish list – I call it needed people and needed equipment in this City. I cannot see paying more money on the brick and mortar facility than we already have – we already have money lined up to pay off a substantial amount of that debt in 2009 and we took money out last year when we found we were running ahead and we can do the same this year. If we happen to have a good year and it comes to the end of the year and we know we can pull some out and put it in the Callable Bond fund we can do that again. But, this budget as you all see is running very tight and we would like to institute some of those other additions to the budget that we have. If you throw in another \$50,000 you’ve just taken out one of our employees we want to add. And, for the benefit of this City we need to start adding a few more employees and items back to the budget rather than putting it on the stadium. This is redundant but I will say it again – I think the people of Eastlake are tired of throwing money at that stadium at the expense of other services in this City. And, I will be as strong as I can to say I am not going to throw more money at the stadium other than what we have planned to do because that will substantially cut down the debt in 2009.

Mr. Knuchel: So, basically what you are saying is this \$175,000 is it?

Mayor Andrzejewski: No, that is not what I said. I said \$175,000 is the starting figure and if, like last year, we have a good year where either the economy does better than expected or we control expenses better than expected or they don’t come in as high as expected you can take a look at it towards the end of the year and do like we did last year – take more out and put it into the Callable Bond fund – I am asking you to hold steady at what you have and see how things go for the year.

Mr. Knuchel: I think this is a fundamental difference between you and I – how we deal with debt. Mr. Mayor, we are going to pay for that brick and mortar today, tomorrow and for the next 25 years – so, the debt will be there. My view is that we take as much of that debt down and away so our children’s, children’s children are not paying for it.

Mr. Elshaw: I don’t disagree with Mr. Knuchel. I think you have to get away from thinking about it as paying for brick and mortar – it is a debt we have just like any other debt we have out

there that we need to take care of. I am going to go back to what I said last time – we need to stabilize. I want to add to this City has much as you do, if not more. I would love to have everything that you put in there – I understand what you are trying to do as Mayor. But, I think what you need to do is stabilize first – and, that is just my opinion – if you don't have the cash to do these things then it just can't be done. We will talk about this again when we go through the Forecast.

Mr. Lajeunesse: I believe we did this at the last meeting too and I stand by what I said – you need to have balance and compromise but you also need to look at it in a different term than brick and mortar. It is a debt – just like the City Hall is a long term debt that we needed to take care of – so, you have to look at it in those terms and make sure we as a Council look at it and balance and compromise. If Mr. Elshaw feels that is what we should do I feel we should put a little more in if we could do that.

Ms. Vaughn: As to the Callable Bond issue – I don't necessarily agree with you, Mr. Elshaw and Mr. Lajeunesse but I might be closer to the situation as far as I have talked to people on the street. They know the stadium is there – they know we are going to pay for it. But, they are tired of not seeing anything for their kids – it is going to cost us more money in police and security and more patrolmen on the road unless we do something to give the children something to do. We have stripped the Senior Center – they are on their own and really we should give something back to them – there is a very limited budget in there. We don't even have a Safety Town for the kids. I can understand why you want to increase the pay-down and maybe an estimated \$200,000 – if you have more put it in there. But, I still want the residents to get something. My other questions is – on the Hospitalization/Dental – I noticed it went up \$200,000 – is that correct – it was \$810,000 last year?

Mr. Condrón: We had \$180,000 – we did not get our bills for November and December until January.

Ms. Vaughn: And, at what percent?

Mr. Condrón: 7 ½%.

Ms. Vaughn: Will the 7 ½% increase impact the benefits to the employees at all?

Mayor Andrzejewski: We were able to increase the amount covered by \$500 – rather than \$1,000 maximum benefits – it is now \$1,500 for dental.

Ms. Vaughn: What about the health insurance – will that impact them – will they have higher deductibles or co-pays.

Mayor Andrzejewski: Our insurance stays the same since we joined the County plan.

Mr. Condrón: There are no plan changes.

Mayor Andrzejewski: I hear the word compromise – I think we did compromise – there is \$175,000 in the budget to put to the Callable Bond fund – it was \$125,000 last year – we increased it by \$50,000. So, when you talk about compromise we did do that – we gave in

another \$50,000 – but, this City has no recreation programs for its kids other than the leagues. I sat at the Western Lake County Chamber of Commerce meeting and listened to Willowick and Wickliffe brag about their recreation program – Willowick - \$1 million in their budget towards parks and recreation – two pools. Wickliffe – two pools – parks and recreation money. We don't have, other than the few dollars we put in there; we don't have a Recreation Department. I go on record as saying I am in favor of not putting more money towards the stadium debt this year other than at the end of the year when we see if we have it available and let's start bringing back some of the recreation programs.

Mr. Knuchel: Mr. Mayor, if we had a million dollars – if we had the kind of budget that Willowick has I would be the first one up here saying let's do all this.

Mayor Andrzejewski: But I am not asking for a million dollars – we are asking for very little in our recreation requests.

Mr. Morley: We are not there yet – you want to put a band aid on a pool that is not worth fixing – you want to spend \$214,000 on a pool that is not worth fixing.

Mayor Andrzejewski: We have a consultant's report that says it is very fixable and structurally sound. We are always talking about consultants – we got a consultant to do this – you are going to contradict the consultant's expert opinion.

Mr. Morley: Ask for an opinion on the stadium too to see where we are at.

Mr. Knuchel: Let's wait to discuss this – we are almost there. We will come back to the Callable Bond fund.

There were no further questions on Miscellaneous Government Expenses.

Police Law Enforcement

Mr. Condon: #101.310.5424 “Fuel Oil Lubricants” – this went to \$63,500 – it was \$54,000 last time.

Mr. D'Ambrosio: I thought there was something else we were going to change.

Mr. Condon: The utilities – but, that is in another department.

Mr. D'Ambrosio: What about “Motor Vehicles Supplies”?

Mr. Morley: “Range Supplies.”

Mr. Knuchel: “Range Supplies” was changed #310.5429 – I think that actually went up.

Mr. D'Ambrosio: What was the account we discussed that the Chief was surprised that the boiler was going to be taken out of the account?

Mr. Condon: He knew about the boiler – it was the generator in #314.5374 “Repair/Building.”

There were no further questions on Police Law Enforcement.

Court Costs

There were no questions on Court Costs.

Police Communications

There were no questions on Police Communications.

Police Administration

There were no questions on Police Administration.

Police Station

Mr. Condron: This is the account involving the boiler and generator.

Mr. Elshaw: #314.5100 “Salaries Wages F/T” - it looks like the salary line item is at \$42,036 – there is an extra \$10,000 – what is that for?

Mr. Condron: We changed some personnel. We have a different person than who cleaned the Police Station last year – it is at a higher pay rate.

Mr. Elshaw: #314.5312 “Electricity” – I did go through all your changes to utilities in all Departments and they looked reasonable – but, this one still looked a little out of line.

Mr. Condron: I looked at this – the encumbrance is \$2,206.

Mr. Elshaw: You spent \$28,000 and encumbered \$8,000.

Mr. Condron: Yes, the approximate cost is \$2,206.

There were no further questions on Police Station.

Police Substation

There were no questions on Police Substation.

Police Communications Equipment

There were no questions on Police Communications Equipment.

Tactical Response

There were no questions on Tactical Response.

Community Education

Mr. Elshaw: #319.5218 “Training” – last year you had \$550,000 in the budget - \$105,000 was spent and there is -0- this year – what was that for and why was this now reduced?

Mr. Condron: I will check on that one.

Firefighting

Mr. Elshaw: #320.5100 “Salaries Wages F/T” – it looks like there is an extra \$16,000 over and above.

Mr. Condron: We have some of the guys we were hired last may who will be moving up to the second step and will receive a substantial increase.

Mr. D’Ambrosio: At the last meeting we talked about the Fire/Ambulance Trust Fund - are we going to discuss this prior to the budget completion?

Mr. Condron: Whenever you want.

Mayor Andrzejewski: Isn’t that part of revenue?

Mr. Condron: It is outside the General Fund – Fund #617.

Mr. Elshaw: Last time we left it that the Chief was going to provide information to go over at one of these meetings. Whenever we get the information, Chief.

Chief Sabo: The last word he heard was that you were requesting some information from me if I wanted to provide it and you were going to set up a meeting sometime in the future – how soon do you need the information?

Mr. Knuchel: If you get us information as quickly as possible it cannot get referred into Committee for discussion until we have the information – one we get it in Communications it will be referred into the appropriate Committee.

Mr. Elshaw: We said within the next couple of meetings – I don’t know if it is necessary that this has to be done as part of this budget, but if the Chief would like to talk about that – I have no problem – it will probably be referred to Finance Committee.

Mr. Knuchel: During a conversation he had with the Chief last week he had concerns about the Fire/Ambulance Trust fund – how it was used – where it was used.

Mr. Elshaw: I think it will be a lengthy discussion. I did say last time that I did not think we would have time to devote to just that topic – I think it will be a long meeting to go over what the Chief feels the needs are as a far as equipment and so on. Also, you had talked about other capital improvements.

Mr. Lajeunesse: Per the last minutes it was mentioned about reviewing this as part of the budget discussion and the Mayor and Chief were to get together to talk about how this was going to be addressed – the discussion on the Fire/Ambulance Trust fund was for next time and we will discuss how to integrate training either into the General Fund or Fire/Ambulance Trust fund – how we are going to handle the Fire/Ambulance Trust fund from here on out.

Ms. Vaughn: I understand you are using the Fire/Ambulance Trust fund for comp time – which is what they have to be trained on – but, are you not going to put any overtime into #320.5114.

Mr. Condron: No, that is usually charged to comp-time #120.320.5112.

Ms. Vaughn: They only use comp-time – they don't have any overtime when they are called in on emergencies?

Mr. Condron: We pay it all out of #5112.

Ms. Vaughn: I understand how comp-time works – I would think if they are called in for emergency they would be getting overtime and not necessarily comp-time and there should be some overtime in the General Fund for that. I am not saying for training – I am saying for overtime for specific reasons. I am sure you have a reason why you aren't but I don't know what it is.

Mr. Condron: This is how it has been done since I have been here. The #5112 was used.

Mayor Andrzejewski: I think what Mr. Condron is trying to say is that comp-time category includes comp-time and overtime.

Ms. Vaughn: Okay.

Mr. Condron: This was set up before I got here – in July, 2006 they did not have any overtime – maybe it was the preference to combine them – I do not know – since I have been here it has been #5112.

Chief Sabo: When you and I talked Mr. Knuchel, my concern was that unless we address the Fire Ambulance Trust fund – my General Fund money has been reduced year after year after year – there was a number of years where the Fire Ambulance Trust fund was picking up that loss but now there is not even money in the Fire Ambulance Trust fund to pick up that loss. Therefore, I can't say that I am happy with my General Fund accounts as they all are unless I have some money in the Fire Ambulance Trust fund to address those line items that were moved out of the General Fund into the Fire Ambulance Trust fund.

Mr. Elshaw: Then I would suggest that we have a Finance Committee meeting.

Chief Sabo: I will get you the information in a timely fashion.

There were no further questions on Firefighting.

Fire Communications

There were no questions on Fire Communications.

Fire Administration

Mayor Andrzejewski: #322.5114 "Overtime" – Mr. Condron, refresh my memory – there is no overtime for salaried individuals – that is vacation cash-in?

Mr. Condron: We have a mechanic – you are correct on the Chief and his secretary.

There were no further questions on Fire Administration.

Smoke Detectors

There were no questions on Smoke Detectors.

Disaster Services

There were no questions on Disaster Services.

Auxiliary Police

There were no questions on Auxiliary Police.

Auxiliary Police Expense

There were no questions on Auxiliary Police Expense.

Street Lighting

There were no questions on Street Lighting.

Public Health Expense

There were no questions on Public Health Expense.

Recreation Administration

Ms. Vaughn: Could we hold off on Recreation until we get through the rest of the budget?

Mr. Knuchel: For what purpose?

Ms. Vaughn: Then you can go into Executive Session – but, if we get through Service it may speed up the process. It is up to you.

Mr. Knuchel: Mr. Elshaw?

Mr. Elshaw: I don't know about holding up Recreation – I have questions on that which would not require going into Executive Session – I do agree with Ms. Vaughn that we should wait until the end for the Executive Session – because what we are going to talk about is an over-all topic.

There were no questions on Recreation Administration.

Recreation Parks

Mr. Elshaw: #510.5100 “Salaries Wages F/T” – it looks like this is high by \$74,000?

Mr. Condron: Correct.

Well, we reviewed that and we found we were taking people 100% out of the Road Department we did not feel we could justify. We had a couple of mechanics who do a good job in fixing heavy equipment and things that are needed for snowplowing – they also work on vehicles that are not purchased out of the Road Department. This was here when I came here – charging these people 100% to the Road Program but when taking with the Mayor we could not justify 100% of salaries for people who work on non-road department. We looked at some of the other classifications and we had a couple of laborers who are not classified as heavy equipment operators or truck drivers but they are in the labor category and we feel that we could justify

100% of their time as a laborer out of the Road Department – when you get to the Road Department you will see it go down substantially. As far as identifying things for future discussion we did put one extra person in there for a mechanic – the need has been expressed – we did look at the Union rates and there is funds set aside for a mechanic but the biggest part of the increase is for prorating the salaries we could not justify 100% out of the Road Program.

Mr. Elshaw: How much extra?

Mayor Andrzejewski: The mechanic is \$51,000.

Mr. Condrón: Not for part of the year.

Mr. Elshaw: How much do you have in there right now as part of this line item for 2008?

Mr. Condrón: About \$27,000.

There were no further questions on Recreation Administration.

Recreation Parks

Mr. Elshaw: #510.5108 “Salary Wages P/T Temp” – we had a budget of \$50,000 and spent \$50,000 –now we are going to \$58,000?

Mr. Condrón: Yes, we felt that last year was our first year and we may have cut the part-time workers a little short. We cut them off the second week in August – this will get us two more weeks at least.

Mr. Elshaw: So, in other words what you would like to do is increase the part-time workers – that would be \$58,000.

Mayor Andrzejewski: So they can work through at least the end of August.

Mr. Lajeunesse: Did we keep any of those part-time workers after the deadline?

Mayor Andrzejewski: I believe you know the answer to that question – it is yes – with Council’s permission we did that.

Mr. Knuchel: That was two individuals?

Mayor Andrzejewski: One was because the custodian was retiring and we wanted to let him work a couple of weeks before the retirement. The answer to the question is yes but everyone was fully aware of what we were doing.

Mr. Elshaw: #510.5351 “Repairs/Main Lands” – we have a budget of \$24,000- what is that for?

Mr. Condrón: Repair to buildings, grounds.

Mr. Elshaw: What do you plan on doing with the \$24,000?

Mr. Condron: Fences, lands...

Mr. Elshaw: So, this is part of the list Mr. Knuchel had brought up that we are providing for the youth – that was claimed we were not. We are providing this to the leagues? Last year we had diamond dry of \$1,300, field paint of \$3,400, field maintenance of \$200 and another account – soccer nets for \$1,300, festival of \$200, and another line item - #510.5438 – tennis nets of \$1,000, line markers for \$200, field maintenance supplies for \$700. We have quite a bit being spent that we are allowing to go through the budget.

Mayor Andrzejewski: Mr. Elshaw, don't take this the wrong way – all of that is less than ½% of the budget – less than ½ of 1%. It sounds like a lot of money - \$10,000 but compared to a \$14 million General Fund budget it is less than ½ of 1%.

Mr. Elshaw: I am not arguing with the expenditures – if they are needed, they are needed and we understand that – I am just saying that we have allowed this to flow through the budget and we are saying we haven't allowed things to happen and I think that was the point Mr. Knuchel had mentioned in the last meeting – that we have allowed certain items to be included within the budget to take care of some of the things the youth may use in our City. When we talk about what are the items that we are missing I am having a hard time understanding that outside of a pool. I know you talked about a part-time recreation person and I know there are things included with that but in my opinion those things are available through other venues – I would agree with Mr. Knuchel. All I wanted to mention was there are items here on some of the line items that we are allowing expenditures.

Mayor Andrzejewski: I will not say anything until we get to that particular item – at that point I want to address the Recreation Department needs of this City. It is not the place right there – is that what you are saying?

Mr. Knuchel: Yes.

Mayor Andrzejewski: Then I will hold my comments till then.

Mr. Lajeunesse: I wish we had more of a forecast with these individual leagues or organizations that we use these funds for to go back to them and see what their forecast is for their season, realizing there is rain and other inclement weather types of things going on – they have to also understand that we are in a budget as well as they are. Is there any opportunity to communicate with these leagues – they will be here on Thursday, maybe that is a good time to have discussions with them – you are talking about field dry and painting the stripes on the soccer field – I understand how they operate but they are doing fundraising and we are in a situation still that we need to really stabilize our funds – maybe we need to have a discussion with them as well.

Mayor Andrzejewski: Here's how these items come about – we get a call asking us to cover items such as soccer nets, repair of bathrooms, lining fields – and, again \$10,000 – we are not stabilizing anything by giving the sports programs \$10,000 – less than ½ of 1%. Mr. Lajeunesse made a comment that we need to stabilize the budget. A \$14 million budget is not going to be helped or hurt one way or another by \$10,000. I am trying to put this into perspective – out of the entire budget \$10,000 is not a big expense.

Mr. Elshaw: We can make that argument on every line item within the budget. It all adds up and we know that. I don't totally agree with that comment – it all adds up. I am not saying... – we will talk about it.

#510.5436 “Motor Vehicle Supp” - \$10,700 is budgeted but we spent over that last year.

Mr. Condrón: There was a one-time expenditure of \$804 where we did body work on a truck.

Mr. Elshaw: So, you took into account a one-time item?

Mr. Condrón: Yes.

Mr. Knuchel: #510.5801 “CDBG Equipment Grant” – will we apply for that grant again?

Mayor Andrzejewski: Yes, but I have been told they are going to dry out – for each of the last three years we got \$10,000 that we put towards 3 different playgrounds for equipment.

Mr. Condrón: We apply around April 1st – their year goes from October 1st to September 30th – this is \$10,000 that was approved previously – the Mayor is saying for the fiscal year 2009 we may have to find other areas to apply for.

Mr. Knuchel: So, we won't do playground areas this year?

Mr. Condrón: We are – from the \$10,000 that we received from last year.

Mr. Knuchel: How many years have we received this grant.

Mr. Condrón: This is the third year.

Mr. Knuchel: What parks did we do?

Mayor Andrzejewski: Eastlake Gardens, Green Road, and this year we will do Surfside.

Mr. Lajeunesse: Where exactly is the area the grant covers?

Mayor Andrzejewski: It covers \$15,000 for our part-time zoning person.

Mr. Lajeunesse: What exactly can the grant be used for?

Mayor Andrzejewski: On the recreation side it must have something to do with providing recreation activities for handicapped children – we always include ADA swings. The other part has to be done for improving the housing stock in Eastlake because it is HUD funds – for three years we have put it towards a part-time zoning inspector to keep the housing stock up in Eastlake.

Mr. Lajeunesse: So, what we are receiving this year was applied for last year?

Mayor Andrzejewski: Yes.

Mr. Lajeunesse: And it has to go for the ADA items?

Mayor Andrzejewski: And the other half goes for fixing up or keeping the housing stock up.

There were no further questions on Recreation Parks.

Houston Fisher Pool

Mr. Knuchel: This is a new item.

Mr. Morley: #101.520.5108 “Salary Wages P/T Temp” – out of the \$50,000 you are requesting – how many people is that for?

Mr. Condon: That would be for lifeguards.

Mayor Andrzejewski: I cannot answer that Mr. Morley – we have to see how many hours we will need – there are so many lifeguards you are required – and, we would have a part-time pool manager in the summer.

Ms. Vaughn: And a maintenance person.

Mayor Andrzejewski: The maintenance we can do from our existing Service Department workers.

Ms. Vaughn: They usually had a young person there all the time to clean the bathrooms.

Mayor Andrzejewski: The last time we required the lifeguards to do that.

Mr. Condon: We looked at the last time the pool was open in 2005 – we spent \$45,580.78.

Mr. Lajeunesse: Mr. Semik, as Service Director/Recreation Director what are your thoughts on this particular line item?

Mr. Semik: In my opinion I think it is satisfactory. I agree with the Mayor, if the pool opens, on the staffing – that will be the big thing – that is a realistic number.

Mr. Lajeunesse: I realize there will be good discussion on this coming up – in order to check out the numbers more clearly and precisely could the Administration come up with the hours – you want to open something but you don’t really know how much it will cost to maintain that for the 10 weeks it will be open. I could probably go to a community and determine by their budget how many lifeguards they use and what equipment they need. Do we have any idea of any of those numbers at all – do you have any updated right now?

Mr. Condon: We used what we used when the pool was open and took into account inflation in a couple of areas.

Mayor Andrzejewski: Most of the other line items we did the same type of analysis – take what you spent already – add a little bit for inflation or if there is a logical reason to add or reduce – Mr. Condron stated we took the last the pool operated where we spent \$45,500 – added a little bit for salary increases, etc. – the \$50,000 number is what we work with. If that means the pool would be open from noon to six p.m. rather than eight p.m. that is what we would do.

Mr. Lajeunesse: If the Administration could be a little bit more specific with their numbers sometime in the next week of so – if it is open six hours and you will have 15 lifeguard and one pool manager and two assistant pool managers and you need how and you need how much chlorine – there are those things you can figure out.

Mayor Andrzejewski: I'll call Mayor Anderson in Willoughby – he should know about his pools and ask him if he can give us some information.

Mr. Knuchel: Mayor, you said basically when we went through natural gas, electricity and water you used the same analysis?

Mayor Andrzejewski: Yes.

There were no further questions on Houston Fisher pool.

Surfside Pool

Mr. Knuchel: Surfside Pool is -0-.

Mr. Condron: There is \$500 for natural gas.

Mayor Andrzejewski: Tomorrow you will be getting a small document that shows what C.T. Consultants has said we should do to close out Surfside Pool permanently and make it into a park.

Mr. Morley: I think the only problem we keep arguing about is the pool – I would like to hear from the Mayor what are the other items we are missing in this Community for the children.

Mr. Knuchel: We are almost to Recreation Programs.

Mr. Lajeunesse: Regardless of what happens – I do believe Surfside Pool is a safety hazard and has been – also, regardless of what may or may not want to be done with either pool we have equipment there that either needs to be sold or auctioned off – especially at Surfside – a determination has to be made this year on Surfside and we need to come to a conclusion on both pools because of the equipment that is involved.

Mayor Andrzejewski: I thought I just said that – that you are going to get a report from C.T. Consultants.

There were no further questions on Surfside Pool.

Recreation Programs

Mr. Knuchel: Account #530 - these are all zeroed out – we gave money to the leagues in the past but have not been able to do so.

Mayor Andrzejewski: In the past we used to give \$1,500 to each – last time was \$800 – I would not have a problem putting the funds in there but I think the leagues have been satisfied by our responding to their needs such as netting, lining, special help from the Service Department for their tournaments. I have not received any calls from the League Presidents about the money. If, when we finish this whole process we decide we could do that it would be one area I would look at doing – giving them \$800 as a little financial help.

Mr. Knuchel: I received an e-mail from the Girls Softball League who wanted to know if we could drag the fields this year – I will forward it to you.

There were no further questions on Recreation Programs.

Recreation Garage

Mr. Knuchel: This account is zeroed out.

There were no questions of Recreation Garage.

JFK Senior Center

Mr. Knuchel: This is the old one.

Ms. Vaughn: #550.5407 “Other Contracts” – I assume this might be alarms or something?

Mr. Condron: That is for the part-time person who opens.

Ms. Vaughn: There are alarms on there, aren't there?

Mr. Knuchel: Yes – I think they are in other contracts also.

Mr. Condron: I think so.

Mr. Morley: The alarms used to be on the phone lines.

There were no further questions on the JFK Senior Center.

Taft Senior Center

Ms. Vaughn: Who are the full time wages for?

Mr. Condron: It is a prorated share of the Center's coordinator's salary – The \$29,460 represents the amount of rental income we get from our tenants – that goes back to previous Recovery Plans that we would charge the money we got to the General Fund – the rest of his salary is going to be in Fund #211.

Ms. Vaughn: Has there been any consideration of getting them any custodial help over there?

Mayor Andrzejewski: This does not represent the entire budget that goes into the Senior Center – we get a fairly substantial amount of money from United Way and the Senior Center levy and Mr. Doberdruk and I just discussed some of the items they are going to look at to add to the Senior Center this year. Because there is not enough people at City Hall and all the rooms are not being used the custodian here goes to the Senior Center on Wednesdays and Fridays and that has been that way for about a year and they seem very happy with that relationship. I don't think either this building or that building needs a full time custodian. And, right now we are covering it with the one person.

Ms. Vaughn: Would you consider four hours a day there and four hours here? Because they do need daily maintenance of the laboratory situation?

Mayor Andrzejewski: No. What we are doing right now is working fine – and before that in order to stay open the seniors were doing it themselves and they were satisfied. We volunteered and said we could give them a little help twice a week.

Ms. Vaughn: Maybe because I am down there frequently, my perspective of what I am hearing from the people who are there all the time is different than yours. And I know they are not happy with the conditions of the laboratories because twice a week when you have 100+ people every day in there – just for your consideration maybe you could change the schedule – I am not saying to necessarily spend more money. But, I have heard complaints from the residents that go there. In a \$14 million budget it is a minor thing but I want you to be aware of it.

There were no further questions on Taft Senior Center.

Community Center

There were no questions on the Community Center.

Cable TV Franchise

Mr. Knuchel: There is a new item in this account #-565.5407 “Other Contracts” - \$6,000.

Mayor Andrzejewski: Part-time.

There were no further questions of Cable TV Franchise.

Recreation Program Contracts

Mr. Knuchel: #568.5405 “Rec/Contracts” – what does that cover and why did it go up from \$1,900 to \$3,000?

Mr. Condon: It is a budgeted item to help pay some of the expenses for the summer festival. Last year we needed some for electrical supplies.

Mr. Knuchel: Is that going to be a continual residual cost – or is it a one-time cost?

Mayor Andrzejewski: We are adding \$1,200 to there. At Erie and Lakeshore we had to redo the electrical boxes, the water outlets. Yes, that is a one-time charge. We need to leave a little bit in there in the event something comes up.

Mr. Knuchel: My question would be what other imaginable thing could we think of that we are going to need money for?

Mr. Voros: New light fixtures – new telephone poles.

Mayor Andrzejewski: Lighting was inadequate last year.

Mr. Knuchel: So, you are proposing putting new lighting in? Is that what you are going to use this for?

Mayor Andrzejewski: That's as good as any.

Mr. Voros: Just for general repair also.

Mayor Andrzejewski: I think this is one of those – we seem to be having this theme throughout this budget that we want to prepare if something does come up so we are not held accountable and asked why we didn't put in money for the festival site when we had the opportunity. This is that opportunity. We are not going to make up things. I know we need lights – the promoter asked if we could look at lighting.

Mr. Lajeunesse: What was the revenue from the festival?

Mayor Andrzejewski: \$1,500 - and, we will receive the same amount this year. It is a community event – we are not looking to make money – we are looking to have a good time.

Mr. Lajeunesse: I understand, Mayor – I was just asking.

Mayor Andrzejewski: We have scheduled it for the week after the July 4th.

Mr. Knuchel: Are there any places in the budget where we take money and use it for the Freedom Festival? Is this the only line item?

Mayor Andrzejewski: Yes.

Mr. Lajeunesse: I thought the Freedom Festival was self funded – I did not think we were to have any expenses on that?

Mayor Andrzejewski: This is not the Freedom Festival – starting last year it was called the Eastlake Home Days and it is put on by Nick from Nick's Gyros who pays the City \$1,500 and other than the one-time expenses or to help cut the grass there are no expenses to this City. He donated \$1,500 to the City. It is pretty self-sustaining.

Mr. Elshaw: We have revenue of \$1,500 and it will be self-sustaining – I think we should limit ourselves to \$1,500 – if you want to put in new lighting – fine – but, we should not be doing this year after year. If it can happen without the City having to contribute then I think that is great.

Mr. Voros: You have to also keep in mind that these lights and the electric are not used year round. Last year they did considerable amount of repairs to the lighting to the panels. \$3,000 is not a whole lot if we are going to add more lighting. It may add one or two telephone poles. For general repairs – just to get an electrician out there to inspect every light will take about 4-6 hours and will cost about \$1,200. I am not going to allowed it to be turned on without a qualified electrician looking at it – someone could tamper with it and we could turn it on and something could happen. We need to have it in the budget where we can actually service it if we need to.

Ms. Vaughn: Originally, in 1987 the lights were done by volunteers but they were journeymen electricians and plumbers. Does the City own that property now?

Mr. Voros: No. CEI.

Ms. Vaughn: But, we are going to spend City money on CEI property?

Mr. Voros: I am not saying anything like that – I am just saying if we are going to use it we are going to have to maintain it.

Mr. Morley: Is there any way that Nick Gyros would pay for the repairs as he is the one making the money?

Mayor Andrzejewski: He paid for a lot of the electrician costs last year. He paid for the water hookup.

Mr. Morley: I understand that but he is the one making the profit – we are not there to make a profit. I am sure his profit is more than \$1,500. We can request what his profit is and see what he makes on the festival – there may be a few more extra dollars that he has to kick in. I understand we are having it for our residents. But, we are not here to make a profit as you stated a few minutes ago – Nick's Gyros is there to make profit – what is his profits and if there is enough money put it in his contract to do those repairs. I agree with what Ms. Vaughn is talking about – it is not our property – it is CEI's.

Mayor Andrzejewski: We are using the wrong word – repairs – what Mr. Voros has said is he wants the electrician is check out the electrical systems to make sure they are safe. We are not putting repairs in – it is a hunk of grass – that is all it is. So, we cut it - that is it. There are no expenses for us. We get so carried away with some of these things. If something happens and a repair that costs \$5,000 has to be made I can see you saying we did not have that prepared for in the budget. If you want to knock that down to \$1,500 so the revenue we get equals the expenses – that is fine. This is truly something for us not to make money. I now the promoter makes some money – but, the people like it – it is a nice festival.

Mr. Lajeunesse: Mayor, I realize where you are coming from – as a compromise why not take \$215 x your 7 weeks = \$1,500 – and say this is what we can do now – we used to do so much but at least you are still giving to your community like you wanted to.

Mayor Andrzejewski: We have to use that money to do the electrical work.

Mr. Lajeunesse: Ms. Vaughn is right – there have been times when volunteers contributed towards that festival.

Mr. Knuchel: You are talking about the “wish list” – we held that until the end of the discussion to see if we have money for it.

Mr. Voros: This is getting drug out – all I am looking for is the safety of the residents – whoever owns the property – if the City is holding a function there the City is ultimately responsible. I am uncomfortable not having the electrical checked out or any of that area checked out before any time of function goes on. We will need money for that. I don’t have the staff or time to go to each of the panels to test the service. We need to hire a contractor to do that – if we can find someone to do it for free – help us out.

Mr. Morley: Lake County had issues - is that not the carnival people’s responsibility?

Mayor Andrzejewski: The promoter did about 90% of the cost of getting the wiring up to snuff – he showed me his electrician’s bills.

Mr. Voros: Some of this was material – the City bought the material and the promoter paid for the labor. Yes, the problem that occurred in Lake County – the electrical inspector is probably still sitting in jail. I am not sitting in jail for any community – for anybody here. If it is not checked out it is not going to open.

Mr. D’Ambrosio: I can see Mr. Voros’ point as far as for safety reasons. If something does happen and some gets hurt by the electrical – who will be responsible – the City or CEI because it is their property.

Mr. Voros: Both – all of us. The electrical contractor, CEI, the City and myself.

Mr. D’Ambrosio: For \$3,000 for a safety issue.

Mayor Andrzejewski: The promoter also carries liability coverage that names the City as a secondary insured.

Mr. Elshaw: Year after year we are going to look at \$1,500 – it is a break-even. Are we talking about a one-time upgrade?

Mayor Andrzejewski: We will let you know.

There were no further questions on Rec/Program Contract.

Parks/Recreation Expense

There were no questions on Parks/Recreation Expense.

Building Department

Mr. Knuchel: #610.5358 “Repairs Motor Vehicles” – we are only going to allow \$100?

Mr. Condron: We have new pool cars.

Mr. Knuchel: How many cars do we have for the Building Department – how many times do we change the oil? Four vehicles 3 times a year would be 12.

Mayor Andrzejewski: You pay for the oil and the mechanic changes the oil.

Mr. Knuchel: How much is the oil and the filter?

Mayor Andrzejewski: That goes under lubricants. Mr. Condron, make that item \$400. Since we did get the new vehicles I want to be sure they are maintained adequately – we spent a lot of taxpayer’s money on those – we have to be good stewards.

Mr. Elshaw: #610.5100 “Salaries/Wages F/T” – an additional \$40,000?

Mr. Condron: \$44,000.

Mr. Voros: Looking at the budget – I know you are all tired of me asking for more help – realistically I would like to explain why I need that help. One of the reasons is the Insurance Services of Ohio – this is the Building Department’s grading for the type of services we do. The insurance companies rely on the information we have, the type of training that we have, and that is what the industry charges our resident. The ISO grades each and every Building Department every four years. Four years ago they came in and graded us #4 for residential - #1 is being the best and #10 is the worst. A class #3 for commercial – four years ago there were two additional building inspectors on staff. I do not have that staffing today. If we are going to be anywhere near these numbers I need to have at least that staffing I had back then. (see attached communication) If I go on vacation today there is only a backup – there is no electrical inspector – it is almost impossible for me to take a day off. I hired a plumbing inspector with the thoughts that I am going to take the plumbing inspections away from the County – that is additional funding that we can have because we now have the manpower. I cannot take that away from the County and add more work to us without an additional helper. The amount we have in our budget – if you look at last year’s budget – last year my budget was \$325,697 – this year for 2008 I am asking for \$318,243. That is \$7,400 less than last year’s budget. Yes, I had a \$20,000 software budget. If I can add one full time inspector and take one part-time and add that to full-time I am below \$7,000 from my last year’s budget.

Mr. Knuchel: Mr. Mayor, what are your thoughts?

Mayor Andrzejewski: I agree with Mr. Voros – we have looked over his Department. There were two Departments in this City that were gutted by the former Mayor when the cuts were made – that was the Service Department and the Building Department. We have a plumbing inspector – we need an electrical inspector – we need another person in Spring and Summer. They need another full-time person. We need Mr. Voros more of a manager although he will still be our Commercial Inspector. He is filling the role of an inspector right now –not a manager. The other thing he is asking for is to upgrade one inspector by 10 hours – from 30 hours to 40 hours – that will help with the zoning and building violations and identifying businesses without occupancy permits and do not pay taxes. They have been very successful in bringing revenue into the City from long time offenders. Sometimes you need to add people. He needs people.

Mr. Knuchel: So, what you are saying is the \$44,000 will do what?

Mayor Andrzejewski: It is for one Building Inspector and will upgrade another inspector 10 hours a week. Even with those additions his total budget is below last year's.

Mr. Voros: Building and electrical inspector.

Mr. Knuchel: I think we have heard that from several of the Department Heads.

Mayor Andrzejewski: Mr. Voros, how many were in your Department before the cuts?

Mr. Voros: There were 8 full-time building inspectors – not including a part-time zoning and part-time property maintenance. There were 10 inspectors total – this is a few years back.

Ms. Vaughn: I go back to three years and I know how many inspectors there were - there were not 8 – there were 3 with one zoning inspector.

Mr. Voros: I am saying before the first layoff.

Ms. Vaughn: I was here – I laid people off – I know.

Mayor Andrzejewski: The 8 is high – at one point – say five years ago – how many full time building inspectors?

Ms. Vaughn: What I gave you – that was it.

Mayor Andrzejewski: There was a couple more part-time.

Ms. Vaughn: They eliminated the part-time and made them full-time.

Mr. Voros: One was also a certified building inspector – I don't have that.

Ms. Vaughn: For the record, we need to be truthful.

Mr. Voros: I am being as truthful as I know – I asked in the Department and was told in the last 80's, early 90's there were 8 inspectors.

Mayor Andrzejewski: Willowick has 3 or 4 full-time building inspectors – a City with 6,000 less residents than us.

Mr. Knuchel: But, they also do rental inspections. This is a new item and will be discussed at the end.

Mr. Voros: #610.5391. That is \$30,000 and is the landscapers – last year we paid out \$23,136 and collected a little over \$42,000. This is from 2006 and 2007 and does not include 2007's tax assessments.

Mr. Condron: We collect a year in arrears. So, the money in 2007 was certified in 2006. When we get our tax settlement from the 2007 taxes we will get the other.

Mr. Voros: I do not think the “Grounds/Maintenance” should be this – it is hurting my budget. I am paying the money out but I am getting it back.

Mr. Knuchel: We realize that is a wash.

Mr. Voros: I just don’t want Council to think this is not coming back. The only request I have is to be at least at where the Department was prior to some of the layoffs.

There were no further questions of the Building Department.

Planning Commission

There were no questions of the Planning Commission.

Zoning Board of Appeals

There were no questions of Zoning Board of Appeals.

Watershed Committee

There were no questions of Watershed Committee.

Architectural Board of Review

There were no questions of Architectural Board of Review.

Review of Garage Collection

Mr. Condron reviewed the information provided on the Garbage Collection (see attached).

Mr. Condron: If you want to include those inflated figures that may not be applicable then obviously you have to do more than the \$12 because the \$12 would just about approximate the contract – so, if you throw in the leaves and in-house costs of our Department you will be over - \$14.29.

Mr. Elshaw: Perhaps I was not clear on the analysis I wanted to see – but, what I would like to see is – I am not saying that we want to increase it to this and charge that to the residents. What I would like to see is the analysis from last time – all the line items – just take the last analysis and compare it to this time and remove items by putting zeros in the current year’s analysis on the line items – in the prior analysis you will have cost of the leaf program – leaf disposal – some of the items you are saying will not be in there this time – do a comparison and I would like to see a difference column showing what we are no longer including. Just take the last analysis and compare it. I want to see what we are not including anymore.

Mr. Condron: Okay, I will have that for next meeting.

Service/Administration

Mr. Knuchel: Mr. Semik, are you pretty comfortable with the proposed budget?

Mr. Semik: As far as his recollection is – yes.

There were no further questions on Service/Administration.

Street Maintenance & Repair

There were no questions on Street Maintenance & Repair.

Service Garage

Mr. Knuchel: Mr. Semik, you requested certain items of equipment to be purchased next year – are those items included in this budget? Or, are they taken out of another fund?

Mr. Semik: I believe they are out of another fund.

Mr. Condrón: The heavy equipment is out of the road fund. We were able to put four in – all except the leave.

Mr. Semik: We requested a hydro-hammer – they are only allowing a certain number of cuts on concrete – this will get the work done quicker. Also a dura-patcher – we saw a demonstration and how we can address all types of problems with the roads. This is a much quicker method and allows us to make repairs year-round, regardless of weather conditions. Cold patch is a quick fix – this is better bonding and a better way to repair chuck holes. The other item was the 1-ton dump for the Road Department. The Sewer and Recreation Departments have their own 1-ton dump – the Road Department does not have one – that will also provide us with another vehicle in the winter months to do cul-de-sacs. The fourth item was a backhoe to replace a 1989 backhoe – it is not worth spending any more money on.

Ms. Vaughn: In what account is the money used for drug testing? The Ohio Department of Transportation requires random drug testing.

Mr. Condrón: We will look at this.

There were no further questions on Street/Maintenance & Repair.

Service Garage

Mr. Knuchel: How are the portable heaters working – are they reducing your costs for natural gas?

Mr. Semik: They are reducing them. We also replaced doors to help reduce the use of gas with insulated doors. The heaters are running almost constantly where the gas heaters are not.

Mr. Knuchel: What line item will the doors come from?

Mr. Condrón: I think the Recovery Plans had \$18,000 or \$19,000.

Mr. Knuchel: We replaced two of the doors – are we going to replace the main two?

Mr. Semik: I would like to. There are other areas as well – that should cover it.

There were no further questions on Service Garage.

Rivers & Harbors

Mr. Condron: There are a couple of new things under the Port Authority.

Mr. Knuchel: #860.5312 “Electricity” – is that electricity for the pump stations?

Mr. Condron: Yes – we are taking it out of #501.

Mr. Knuchel: #860.6407 “Other Contracts” – what does this entail?

Mayor Andrzejewski: About a month and one half ago that involved an excavator to break up the ice and get the river program – we talked about this with the Port Authority and limited it to \$4,000. It is a preventive measure we are taking when the occasion arises to break up the ice to get it flowing before it jams up – the first time they did it was very successful.

Mr. Knuchel: Why is the City incurring that expense when the Port Authority is collecting money from tags and for things to go up and down the river?

Mayor Andrzejewski: That goes for dredging – there is sorely inadequate money for dredging.

Mr. Knuchel: Aren't we crossing a line between the responsibilities of the Port Authority and the responsibilities of the City as far as keeping the river open?

Mayor Andrzejewski: No. For two reasons – anytime we can do some preventative measures to prevent flooding it helps the residents of this City, we get a tremendous amount of money in this City during the summer for the boating season. It is worth the money to prevent flooding and because it does add to our local economy in the summer. If that river floods and causes damage to the area it will directly affect what goes on in the summer.

Mr. Lajeunesse: As I was Council liaison to the Port Authority – we did this a couple of years ago – perhaps it would be best if them to come in and explain and share ideas – we need to get re-educated. Mayor, you are right – perhaps it is not exactly the explanation these guys are looking for but it may be wise to have the Port Authority Chairman come into one of our meetings.

Mr. Knuchel: I do not think that will change my thoughts on this – if we are going to give the Port Authority a \$15,000 grant they should roll in that \$4,000.

Mayor Andrzejewski: \$15,000 isn't even.

Mr. Knuchel: We have given them \$10,000 in the past. If we are going to do this my recommendation is that we give the Port Authority the \$15,000 and we require them to take that \$4,000 in their budget instead of ours.

Mr. D'Ambrosio: I was going to suggest something similar to that – I know in the past we gave the Port Authority \$10,000. I was going to suggest the two be incorporated – include the \$6,000 into the Port Authority grant and the \$4,000 into Other Contracts. If they don't use the \$4,000 we can give them the balance. I have no problem with bringing things back – but, we are actually going to give them more than in the past. And, I don't know if we are ready to do that.

Mr. Lajeunesse: Ms. Vaughn, do you remember how much money used to be spent on the rivers before the Port Authority took it over?

Ms. Vaughn: No – the Port Authority took it over in the early 90's – I have no idea.

Mr. Elshaw: I recognize the benefits from a safety standpoint – from a dredging standpoint – from an economic standpoint – I understand all that. However, I do have to question. I thought the how reason to set up a Port Authority was to take care of this sort of thing. Don't get me wrong – I understand the benefits and I think it is a great organization and that it is put together to take care of this sort of thing. I have to agree with Mr. Knuchel and Mr. D'Ambrosio – I am not understanding why – they are separate entities – I do not understand why that is on this entities books. I don't like it.

Mayor Andrzejewski: Which entity? I lost you.

Mr. Elshaw: The Port Authority is a separate entity from the City of Eastlake and they should take care of their business within their books and we should take care of ours. I am not saying that we shouldn't give them anything. But, I like the idea of Mr. Knuchel and Mr. D'Ambrosio.

Mr. Knuchel: Since most of this concerns Ward 3 of which I am the Councilman – I am well aware of the flooding situations and the benefits of doing this – my question is who should be paying?

Mayor Andrzejewski: Whose responsibility is the river?

Mr. Knuchel: The Port Authority's.

Mayor Andrzejewski: Not the City's.

Mr. Knuchel: That is the way I see it.

Mayor Andrzejewski: So, whose responsibility is dredging the river so that boating can be done in the summertime and so that we don't have ice jams and floods?

Mr. Knuchel: The Port Authority has taken that responsibility on.

Mr. Elshaw: I think from a dredging standpoint I would agree with you, Mayor. From a safety standpoint I think we have our Fire Department, Police Department monitoring the river. I understand the Mayor is responsible for that type of thing. I am not disagreeing with that. I am just saying why have a Port Authority – they are set up to do this type of thing – they are going after grant money. It is my understanding that they have the ability to go out for grants and obtain funding for this type of thing that the City could not do.

Mayor Andrzejewski: I have been to the Port Authorities – I am starting to get a better picture as to how all this works. There is only a certain amount of grant money given by the State for dredging. Each Port Authority in each City is given that opportunity once every three years – for those other two years I don't know what we do to dredge the river. We are looking at some long term things with the Army Corps of Engineers to find a permanent solution to this and the State of Ohio to see if they would buy and supply a dredger so all four ports can have their own and just pay for labor. I am struggling with the question of whose responsibility is it to try to prevent flooding in the City. My contention is that if we spent \$4,000 and it prevents one or two floods we have not only helped the people who have homes that could be flooded but we have saved on overtime for both police and fire.

Mr. Elshaw: I think everyone here supports the Port Authority – we all support everything they do to take care of the river. That is not what is at question. The question is – if they are hiring someone to do this type of thing that should be on their books – whether we contribute to that is a different story – it should not on this entity's books. If they are going to hire somebody to do the ice breaking they should do so.

Mayor Andrzejewski: They came to us and I came to Council with that request for the \$4,000.

Mr. Morley: I remember it was mentioned at a Council meeting.

Ms. Vaughn: If we are going to participate in this doesn't have to go out for bid?

Mayor Andrzejewski: No, it is under \$12,500. I put a limit of \$4,000 on it. I know I talked to you guys about it and the fact that it did not get Council approval was because it was under \$12,500.

Mr. Elshaw: I agree – it was brought up before but I do recall there were the same concerns. I do not think anything has changed as far as the concerns.

Mr. Morley: We can change the numbers anyway. I agree with the Mayor in part that it is our responsibility on that part of the river that it does not jam and does not come up and take out businesses and marinas. We have to watch that a little more than the Port Authority because it will entail overtime with the police and fire department, service department, building department. If we just want to adjust the money where we continue to pay for that and take money away from the Port Authority we should do that instead of saying whose responsibility it is – it is both our responsibilities to do it. But, we have more to lose than the Port Authority in the whole matter with the extra costs it would cost us to have all our departments out there in a flood because we did not want to spend money to unjam the river.

Mr. Knuchel: Mr. Morley, I agree with you but that was not the point I was raising. The point I was raising was – yes – the work needs to be done – it is just who is going to do it.

Mr. Morley: That is fine – if it is just logistics adjust the money.

Mayor Andrzejewski: Put \$19,000 in the Port Authority and let them pay the bill.

Mr. Knuchel: I am not for that Mr. Mayor. I will be bluntly honest with you. We gave them \$10,000 in the past – you bumped it \$5,000 plus you want to add another \$4,000. You, yourself have said this will be a tight budget.

Mr. Lajeunesse: I believe the Port Authority realizes they are fortunate to get \$15,000. Mayor, why not make a compromise? During our meeting with them we thought we may be able to get the Port Authority a little bit more than what we have because without them it would be our responsibility for the whole river and everything that goes on there. Why not take the \$11,000 and the \$4,000 – make it \$15,000 and leave it at that and tell the Port Authority that we tried to make that effort and bring them in someday soon to share with us.

Mayor Andrzejewski: That is fine. What we have to talk about at a later time is this whole discussion on the river and whose responsibility it is. There are advantages for being at the mouth of the river and having access to Lake Erie but there is also the other side we have jams and floods. If we can do something to prevent things from happening it is cheaper in the long run. So, we will go with that suggestion. But we have to decide as a body where is the responsibility of the City as far as that river is concerned and where is the responsibility of the Yacht Clubs, the boating docks and all that stuff.

Mr. Knuchel: Mr. Semik, did we not open a dead branch?

Mr. Semik: Yes.

Mr. Knuchel: That is another cost we incur that again takes care of part of this flooding issue.

Mr. Elshaw: I guess that conversation does need to happen but I wanted to mention that we are going from -0- in the budget last year and maybe the year before to \$15,000 – so, we are making an effort.

Mr. Lajeunesse: Mr. Elshaw, you are right – we have made that effort and it showed them – but, about three or four years ago the Chairman came in to speak about the Port Authority's relationship is to the river and how the City and the Port Authority should work together – most of us were not here at that time so let's revisit that same thing with the new Chairman.

Mr. Knuchel: Do we not also put up gates by the fishing pier – do we not incur costs for that?

Mayor Andrzejewski: I did not know we paid for the gates?

Mr. Knuchel: Yes, there was. So, there are things we are doing in addition to what we are doing to help the Port Authority out. We also do things down by the canoe livery.

Mayor Andrzejewski: You also have a lot of residents use the fishing dock.

Mr. Knuchel: You are misunderstanding my communication. We are going to go with the \$15,000 and let the Port Authority decide how to use it.

Mr. Condon: You may want to leave some.

Mayor Andrzejewski: We may have already used some of it this year – just know their is down to \$11,000.

There were no further questions on Rivers & Harbors.

Transportation Expense

There were no questions on Transportation Expense.

There were no further questions on General Fund Expenditures.

Mr. Semik was excused from the meeting at this time.

WISH LIST

Mr. Elshaw: We need to go through the revenues first – I do not see the point of going through that unless we know we have enough revenues to cover. We will need to go over the Capital Expenditures by the next meeting.

REVENUES

General Fund Taxes

Mr. Elshaw: #4110 “General Property Tax”, #4011 “Electric Deregulation”, #4015 “Property Tax Reimbursement”, #4030 Tangible Property Tax”, #4031 “Tangible 10,000 Exempt”, and #4032 “Tangible Cat Tax Reimbursement.” Overall this is supposed to break even or balance out through the phase out of the personal property tax and the phase in of the cat tax. If I add the differences it looks like there is an increase from last year of \$44,000 in revenues. The total of those – total budget 2008 that you are requesting is \$2,041,980. There was a \$44,000 increase?

Mr. Condron : #4010 “General Property Tax” – that is not subject to the personal property phase out. The next one is #4011 “ Deregulation.”

Mr. Elshaw: Last year you collected \$1,477,000 and you are asking for \$1,475,000.

Mr. Condron: That is a 2% increase. “Deregulation” - \$407,544 – that was an anomaly – we are froze at \$399,000 – we had a one-time payment from the County - \$399,000 is 80% of what we used to get.

Mr. Knuchel: When does it go down to \$299,000?

Mr. Condron: In 2012 to 2013.

Mr. Knuchel: It does not change from \$399,000 until 2013?

Mr. Condron: Correct. It phases all the way out in 2016 or 2017. #4015 “Property Tax Reim” – that is what the State gives us to make us whole and goes up – the figures came from the Lake County Auditor and are pretty realistic. #4030 “Tangible Property Tax” – that will decline – it will be phased out.

Mr. Knuchel: Is that for the Cat Tax?

Mr. Condron: We call it reimbursement from the State – they send money to the County – it is actually State revenue that they give the Counties to distribute to us – in County terms it is known as an intergovernmental – so we call it property tax reimbursement. It may be tied at the State level to CAT tax but according to the State Auditor it is just reimbursement back to us to offset the phase out of personal property in the State of Ohio. The \$110,000 came from the County Auditor. That will increase each year. #4032 “Tangible 10,000 Exempt” – the Tangible Property Tax will go down – so will the trailer tax #4050- \$127. #4100 “Municipal Income Tax – St” – \$285,000 – that is a three or four year average minus \$20,000 – we have collected \$273,414 and \$238,000 – we get it four times a year. Then we get into our Municipal Income Taxes.

Mr. Elshaw: #4015 “Property Tax Reimbursement” – you are increasing that by \$30,000?

Mr. Condron: That figure is good – it came from the County Auditor’s office. Under Municipal Income Taxes – they were broken down into three different areas – our own collections, the Skrl collections which is based upon acceptance of the Settlement Agreement and the Delinquencies – we estimate we get about \$190,000 per year in delinquent taxes and for the year 2008 we are saying \$100,000.

Mr. D’Ambrosio: #4110 “General Property Tax” – On this January 14, 2008 memo it shows some businesses that will go out with a total of about \$325,000 that we will not be receiving. It also showed 15 businesses that are guesstimated to be down in income tax and it showed 9 that are going to be up. I added all the down percentages which came to 398% and I added up all the up percentages which came to 330% - the difference is a -67.60%. Do those numbers reflect in the projected revenue for 2008? I see we are about \$100,000 less but this would show it to be considerably more than that.

Mayor Andrzejewski: It does not show the projected revenue starting in August from the addition of the school.

Mr. D’Ambrosio: I am just going off these 24 businesses – 67% less.

Mr. Condron: Was that for 2007?

Mr. D’Ambrosio: The memo states it shows the projected figures for 2008.

Mr. Condron: Those were down in 2007 – how could you tell in the beginning of the year that those companies are not going to rebound.

Mr. D’Ambrosio: That is projected. I am going by what it says that it will affect our income tax for 2008. You are the Finance Director so you tell me.

Mr. Condron: I think those figures were reflected in 2007 and are year-end numbers – some of those entities had down payroll for whatever reason and some had up – but, overall they are part of \$7,187,736 that we collected. I don’t think anyone in January can say I am projecting. I don’t think some of the owners of those businesses are able to project at this time if they are going to be that far down or not in the beginning of January. I think that has to be 2007 numbers included.

Mayor Andrzejewski: We took Parker Hannifin's removal out and added back in from August to the end of the year. It is reflective in the numbers we put out there.

Mr. Condon: I have to think those numbers are what happened to those individual companies in 2007.

Mr. D'Ambrosio: These delinquencies and back taxes – if you collect \$100,000 in 2008 you are assuming then in 2009 there will be more delinquent taxes?

Mayor Andrzejewski: There are always delinquent taxes. I hope we would catch up. There are businesses and people in this City who do not want to pay their taxes. The last couple of years we collected \$200,000 one year, \$190,000 the next year. We only put in about half of that and less for the subsequent years. Since we are making a diligent effort and have been successful in collecting and we should put some of that number in the budget.

Mr. Knuchel: Is there a percentage you use of the overall collections to determine the delinquency rate?

Mr. Condon: We always try to be conservative and not take the full amount because you don't know how successful you will be.

Mayor Andrzejewski: No, we don't. As they take people to Court and have the collection company go after people they may settle and not receive the whole amount or there may be a payment plan – it is an ongoing battle. It would be more accurate to look at the historical precedent and say we will be in the \$200,000 range – we already collected \$20,000 in January – that would be \$240,000 for the year.

Mr. Lajeunesse: Someone's figures are not accurate or some information is not provided properly – we received a memo and what we are going by is a memo that refers to figures that will affect our income for 2008 – that is from our Tax Administration to our Finance Director and our Mayor. Somewhere along the line – we need clarification.

Mayor Andrzejewski: We just did. He just said those are reflective of 2007 and how can anyone in January of 2008 accurately predict what their tax payments to Eastlake will be.

Mr. Condon: Or what their gross payroll will be for the year.

Mayor Andrzejewski: We are sticking by our numbers – we were conservative in putting them together and took all factors into consideration. Could the general economy falter – yes – but, based on what we have seen and what we saw last year in losing Parker Hannifin and adding the school we are fine – we are okay with these numbers.

Mr. Lajeunesse: Mr. Condon, you have communicated with our Tax Administrator on these figures?

Mr. Condon: We have talked about Parker Hannifin since July – we knew about TOPS.

Mayor Andrzejewski: It should be questioned by TOPS is on the 2007 list – they were gone.

Mr. Condon: They were gone in 2006.

Mr. Elshaw: What were the total delinquencies we collected on in 2007?

Mayor Andrzejewski: \$195,000.

Mr. Elshaw: I thought we said \$140,000.

Mayor Andrzejewski: \$195,000 – I get a month by month report.

Mr. Elshaw: So, we got \$195,000 in 2007 – how much of the \$195,000 total delinquencies was due to a certain company we had listed separately last year?

Mayor Andrzejewski: Zero.

Mr. Elshaw: Where was it then?

Mayor Andrzejewski: From three sources – one was the collection agency.

Mr. Condon: That is over and above Skrl.

Mr. Elshaw: So, we collected \$195,000 plus Skrl.

Mayor Andrzejewski: The delinquencies are from three sources – a collection agency, Court cases, and internal collection efforts.

Mr. Elshaw: And, that company was about the same number.

Mayor Andrzejewski: Their new Agreement which you will hopefully pass tomorrow is reflected in the \$140,000.

Mr. Elshaw: How much was Skrl last year?

Mr. Condon: I think they quite after March or April.

Mayor Andrzejewski: They were paying \$15,000 per month – about \$60,000.

Mr. Elshaw: So, you are saying about \$255,000 in total delinquency collections in 2007?

Mayor Andrzejewski: Yes.

Mr. Knuchel: Are we good with Taxes General Fund.

Mr. Elshaw: I am going to take another look at the property tax – I'm still not comfortable with that one.

There were no further questions on Taxes General Fund.

Intergovernmental Receipts

Mr., Condron: That is not a typo – there is some more of the Local Government Assistance #4201 - \$209,318. They have done a couple of things with the Local Government Fund – it is no longer frozen and they are talking about increasing it by 1% - I am not sure they will do that. They will not cut it. We added up the two of them and they should be all in the other one.

Mayor Andrzejewski: It is not based on a formula based on the revenue the State of Ohio brings in. I have been assured by the lobbyists the Northeast Ohio Mayor's & Manager's Association employs that the Local Government Fund is not subject to be cut by the Governor and that at worst it will remain steady and will hopefully go up 1% or 2%.

Mr. Elshaw: We did increase it this year?

Mayor Andrzejewski: What Mr. Condron is saying is that #4201 and #4204 are now combined.

Mr. Elshaw: So, you are increasing it by \$22,000? For last year we collected \$188,000 in #4201 and #4205 we collected \$1,881,467 plus another \$187,862.

Mr. Knuchel: #4205 is \$201,274 for estimated. For - for the month \$187,862 – then you have \$1,881,467 year to date.

Mr. Condron: We made a posting error in our own office. Actually, if you look at the State Sales Tax is where it was posted – that would be #4208.

Mr. Elshaw: So, you are saying we have to add #4201, #4205 and #4208?

Mr. Condron: No, #4208 did not collect as much as we thought.

Mr. Elshaw: Okay, so how much?

Mr. Condron: What was missed in the month – there was nothing shown but we did actually collect the \$209,318.

Mr. Elshaw: But, I can't tell how much would go in there.

Mr. Condron: \$22,000.

Mr. Elshaw: For clarification, you are saying that account #4208 "Sales Tax Reimbursement" there was an additional \$22,000 booked there that should have been booked in #4205.

Mr. Knuchel: "Intergovernmental" – I see you put \$24,000 in projected revenue for #4219 "Estate/Inheritance Tax"?

Mr. Condron: Yes, I called the County Auditor for that – we will collect that in April.

Mr. Knuchel: I thought we agreed to put -0- in there.

Mr. Condron: We don't plan on any but if it comes in – you notice we did not put anything in the rest of the forecast.

Mayor Andrzejewski: We have suggested that we take whatever money we get in inheritance tax and start putting it into a capital improvement fund to start saving money for projects we may want to do in the future. We don't know who is going to pass away and leave large or small estates – so, we don't know year from year if what amount we will get. Why not consider that as extra and put it into a separate fund that we can start to accumulate and use for the benefit of all the residents of Eastlake. We need Council's action and I sent this to you several months ago.

Mr. Knuchel: But, we sent it back to you Mr. Mayor for you to make a proposal to Council as to exactly what you want to do and how you want to do it.

Mayor Andrzejewski: I will put it in writing but the proposal is to set up a separate fund and put any inheritance in that fund and call it a capital improvement fund. Let's start saving for future things we may want to do.

Mr. Lajeunesse: Can we be more specific? I have not had an opportunity to see a Capital Improvement plan.

Mr. Condron: That is included in the back of this document.

Mayor Andrzejewski: That is not what that is intended for – call it a Building Fund – we want to set away some money so that if we want to do some things in the future we have a fund started.

Mr. Lajeunesse: I understand and think it is a great idea – I would just like to see what you think you would like to do with the funds. Sometimes there needs to be a reason for something before just saying we are going to put it somewhere.

Mayor Andrzejewski: A minor league basketball stadium next to our minor league baseball stadium. I think we can attract a nice minor league basketball team.

Mr. Morley: We discussed this months ago that we put money away to either build a pool or whatever – if that is what you are looking for. But, we have talked about it.

Mayor Andrzejewski: The reason I hesitate to say that – it doesn't meeting to close the pool.

Mr. Morley: You should learn how he asks questions. You have to understand that he will not come out and say the question but I will for him.

Mayor Andrzejewski: That is what it is for Mr. Lajeunesse.

Mr. Lajeunesse: I just wanted to have an answer as to what you want to do with that money – it is a good idea.

Mayor Andrzejewski: I happen to know from an attorney who called me and said “You are going to get a nice gift this year” because someone with substantial wealth did pass away.

Mr. Condon: The reason the \$24,000 is in there – by State law your inheritance goes into the General Fund unless a Chartered City directs it elsewhere. We receive it twice a year – in April and October. The \$24,000 is the April distribution. If nothing else changes we will get an October distribution - unless there some legislation to the otherwise it will go to the General Fund. I don't know what that is and I did not do any projections.

Mayor Andrzejewski: You will get that memo tomorrow and I know Council will act on it. I will send a memo saying we would like to put the inheritance tax received in to a capital improvement fund, project #1 – saving for building a new pool complex.

There were no further questions on Intergovernmental.

License, Permits & Fees

Mayor Andrzejewski: You will see a bigger number in 2007 because we did what we did with the taxes – we cracked down on places that had amusement devices but were not getting their permits. The spike in 2007 was for that – in the future years there will be a more realistic figure.

Mr. Knuchel: As far as #4498 “Amusement Device Licenses” – are we making sure the tic-tac-fruit games are going – I am sure we derived a lot of our income from those.

Mr. Condon: We took that into effect.

Mayor Andrzejewski: The license does not matter – if you have one machine you have to get a license.

Mr. Knuchel: Those machines were pulled, correct?

Mayor Andrzejewski: Yes, but they have other machines too.

Mr. Knuchel: If we took out the devices are they going to replace them with other machines?

Mayor Andrzejewski: You are misunderstanding – there is nothing illegal about tic-tac-fruit or any other game – what they have to do now is pay out no more than \$10 or some sort of gift certificate. They can still have the tic-tac-fruit machines.

Mr. Knuchel: I am aware that several establishments have taken them out.

Ms. Vaughn: #4527 “Freedom Festival Fees” – is this where the money the promoter provides would be?

Mr. Condon: Correct.

Ms. Vaughn: Last year it was \$1,283 and this year you are projecting \$2,000.

Mayor Andrzejewski: It is \$1,500.

Mr. Condon: I will drop that down.

Mr. Knuchel: #4520 “Skate Park Fees” – we have \$312?

Mr. Condron: Yes – I can check to see what it was.

Mr. Knuchel: What fees?

Mr. Condron: I will check.

Mr. Morley: #4543 - when is our current towing contract up?

Mr. Knuchel: Three years?

Mr. Condron: We awarded that in 2006.

There were no further questions on License, Permits & Fees.

Charges for Service

Mr. Knuchel: #4410 “Pool Passes” and #4420 “Pool Fees” – these are both Mayor’s list items.

Mr. Elshaw: #4430 “Community Center Rental Income” – we collected \$45,000 and are at \$51,000 – how did we come up with this?

Mr. Condron: Mayor, are we going to do something with the gym group?

Mayor Andrzejewski: It looks like it – they keep sending me e-mails every two or three weeks stating they are close – that assumes Gymnastics will come in there.

Mr. Knuchel: So, we are charging them \$6,000 for rental?

Mayor Andrzejewski: Actually it will be \$12,000 - \$1,100 per month. Also, there has been an increase in activity in renting out the building. Even if we did not get the gymnastic - \$500 per month may be a little high – we have been getting \$300 - \$350 per month from other rentals.

Mr. Elshaw: If we think this is high we should back it down.

Mayor Andrzejewski: It will be low if we add the Gymnastics – they will add \$12,000. The last communication I received said they were going to do it.

Mr. Elshaw: I would say to go with the \$45,000.

Mayor Andrzejewski: Leave the \$5,000 in there – if between now and when the final approval needs to be made we receive a definitive answer from Gymnastics then we will add it in.

Mr. Elshaw: So, put in \$45,000?

Mayor Andrzejewski: For now.

Ms. Vaughn: #4445 “Rental Equipment/Personnel” \$200 – what is this?

Mr. Condrón: I can check on this.

There were no further questions on Charges for Services.

Investment Earnings

Mr. Knuchel: I see this was brought down substantially. How did you make that calculation?

Mr. Condrón: First, it was figuring we would stay at about half of what we collected last year – at the zenith we were steady at \$548,000 and it is at \$325,765 now – but, obviously they are going to cut on the 19th – hopefully, if they keep doing that our gasoline costs go up – maybe they will get wise and stop after this one. We figured an interest rate of about 2.25% We took into account what they are going to do on March 19th.

There were no further questions on Investment Earnings.

Fines & Forfeitures

Mr. Knuchel: #4652 “Juvenile Diversion Grant” – it went from \$14,150 to \$19,000 – how is that number derived?

Mr. Condrón: Reimbursement from two sources – I think we will spend some more time there this year.

Mayor Andrzejewski: You got that number from the Chief?

Mr. Condrón: Yes.

Mr. Morley: #4650 “Cops Fast Grant” - \$9.00?

Mr. Condrón: It should be -0-.

There were no further questions on Fines & Forfeitures.

All Other Revenue

There were no questions on All Other Revenue.

There were no further questions on Revenue.

MOTION TO ADJOURN INTO EXECUTIVE SESSION

Mr. Knuchel asked for a Motion to adjourn into Executive Session for discussion of matter of Union negotiations.

MOTION: Mr. Lajeunesse moved to adjourn into Executive Session for discussion of matters of Union negotiations in compliance with Ohio Revised Code Section 121.22, "Open Meeting Law." Mr. D’Ambrosio seconded.

ROLL CALL: Yeas unanimous.

Motion carried. The Finance Committee meeting was adjourned into Executive Session for discussion of matters of Union negotiations.

MEETING CALLED BACK TO FINANCE COMMITTEE MEETING

Mr. Lajeunesse moved to adjourn back into the Finance Committee Meeting portion. Mr. D'Ambrosio seconded. The meeting was called back to the Finance Committee with Mr. Lajeunesse, Mr. D'Ambrosio, Mr. Morley, Ms. Vaughn, Mr. Knuchel and Council President Mr. Elshaw in attendance.

Motion carried.

The meeting was adjourned at approximately 10:10 p.m.

DEREK W. ELSHAW, COUNCIL PRESIDENT

APPROVED: _____

ATTEST: _____
DEBORAH A. CENDROSKI, CMC
CLERK OF COUNCIL

