

**FINANCE COMMITTEE MINUTES**  
**January 13, 2005**

The Finance Committee meeting was held on January 13, 2005, at North Royalton City Hall, 13834 Ridge Road. The meeting was called to order at 6:35 p.m.

**Present:** Committee Members: Chair Don Willey, President of Council Robert Stefanik, Lisa Uffman-Kirsch, Council Members: Denise Bobulsky, Vincent Gentile, Tom Koch, Robin Zaccardelli; Finance Director Karen Fegan, BZA member Paula Recker; student Alan Knodel.

Mrs. Fegan wanted to make a clarification under New Business Item #1, line #2 of the November 17, 2004 minutes regarding the increases for Captains and Chiefs that they did receive increases flowing through the differentials. Mrs. Uffman-Kirsch moved to amend New Business Item #1, line #2 of the November 17, 2004 minutes by striking out the entire second sentence where it states "An increase was not given in 2003." Seconded by Mr. Stefanik. 3 yeas/0 nays. Motion carried. Mr. Stefanik moved to approve the minutes from November 17, 2004 as amended, seconded by Mr. Willey 3 yeas/0 nays. Motion carried. Moved by Mrs. Uffman-Kirsch, seconded by Mr. Stefanik to approve the minutes of February 21, 2004, August 4, 2004 and December 15, 2004. 3 yeas/0 nays. Motion carried.

**UNFINISHED BUSINESS:**

**1. Economic Development Report**

Further discussion next meeting.

**2. Tax collections: Status as of this date**

Mrs. Fegan said year-end revenues are at about 2% over budget. This still bears watching closely.

**3. Safety Director Salary Issue**

Removed from agenda with Uffman-Kirsch opposing removal.

**4. Costs of Master Plan. Review and discussion**

Mrs. Fegan supplied the cost through the end of 2004. There was discussion regarding downtown development and things resultant of the Master Plan.

**5. Monthly Finance Report**

Mrs. Uffman-Kirsch questioned the negative figures in unencumbered balances. Mrs. Fegan explained that the actual year-end numbers indicate negative accounts in the Capital accounts: Route 82, Akins Road, Water Main Fund and York Road Reconstruction reflecting that the major projects require budgeting for the entire cost. We are getting revenue sources from outside parties that have not yet been received.

**6. Proposed Ordinance 04-183 Accounting for Labor and Material**

Amendments recommended:

Second Whereas "...determine *the final cost of the project.*" ~~whether or not the city achieved the goal of reducing the cost of the project.~~

Section 1. This Council hereby deems it necessary and declares its intention to require that each Director of a city department, providing labor and/or material for ~~some or all of a~~ public construction improvement projects *required to be bid* to account for the total amount of such labor and/or material used or provided for each public construction project *in excess of \$1,000.00*. This requirement shall apply only to public construction improvement projects undertaken by any city department where said department provides labor or material for the project in *excess of \$1,000.00*. The accounting...(continue as is to the end.)

Mrs. Uffman-Kirsch asked if this legislation covered the projects not bid. It was explained that this legislation only covered projects required to be bid. She asked if based on the proposed changes in the legislation if the second Whereas clause should be changed. It was determined to change the second Whereas clause as indicated above.

Mrs. Fegan asked if there was a possibility of a threshold for in-house projects to be reported. It was decided that the threshold would be anything over \$1,000 and language inserted as above.

Mr. Willey looks to see this reporting substantiating manpower needs for various departments.

Mrs. Uffman-Kirsch thought there are other variables to consider as to how manpower is utilized and this report would not indicate these variables.

Mr. Willey moved to approve Ordinance 04-183 as amended, seconded by Mr. Stefanik. 2 yeas/1 nay (Uffman-Kirsch). Motion carried.

**7. Additional personnel to implement storm water retention program**

Removed from agenda.

**NEW BUSINESS:**

**1. Update and status of 2004 and year-end report of Capital Appropriations Budget items**

Mrs. Fegan provided information. She said most items appearing at the first of the year have been completed. We will review at the committee meeting on February 14, 2005.

**2. 2005 Budget schedule and process**

Mrs. Fegan said ordinance requires the budget to be to Council by the second meeting in February which will require her to have it to Council by February 11, 2005. Council will have time to review it before the budget must be passed by March 15, 2005. Tentative dates for the budget meeting would be March 5, 2005 with a second date of March 12, 2005 if needed. Mr. Stefanik requested that Council submit any questions to the Finance Director as soon as possible in order that answers are available for the March meetings.

**3. Proposed Ordinance 04-73 Parkland Acquisition Fund**

Mr. Willey said there was a previous recommendation to include this as a line item in the Recreation budget. Mrs. Uffman-Kirsch said she prefers a separate fund for this. She feels with a line item it would be subject to reappropriation and approval that there is no automatic carry over of funds. Council should decide if they are committed to the concept of open space, green space, and/or interconnected trail ways as recommended in the Master Plan. A separate fund would show commitment. Mr. Stefanik asked if it is possible to add a line item to the new budget with no money. It could be funded as needed. It would come from the Rec Capital Improvement Fund coming from the developer fees. A line item would also allow for a specific place for donations. Mrs. Uffman-Kirsch said that as a line item this money would not necessarily be kept separate at the end of the year. There would be no guarantee that money donated would stay there. Mrs. Fegan said for recording purposes donations could be handled similar to the Animal Shelter to determine revenues and expenditures as separate line items. Mrs. Uffman-Kirsch asked could it be a funded line item rather than unfunded? Mrs. Fegan said that it could be set up with the Rec Capital Improvement and Passive Rec Capital Improvement having the same source of revenue divided between them as recommended by the Administration with Council approval. Mr. Koch reviewed that the purpose of this Passive Rec Capital Improvement was for grant application and donations that might be received. He asked which was the better opportunity to get the funding a separate fund or a separate line item? Mrs. Fegan said with a grant either option would serve. It is not going into the General Fund. It would go into a Capital Improvement Fund which requires that the only thing it could be used on is rec capital. If it is a separate line item it gives Council and the Administration greater flexibility for future opportunities. It would require approval by Council for the movement. Mr. Willey said he supports the line item in the budget.

Mr. Willey moved to approve proposed Ordinance 04-73, seconded by Mrs. Uffman-Kirsch. 1 yea (Uffman-Kirsch)/2 nays. Motion defeated.

Mr. Stefanik moved to adjourn the meeting, seconded by Mr. Willey. 3 yeas/0 nays. Meeting adjourned at 7:40 p.m.