

FINANCE COMMITTEE MINUTES

June 26, 2006

The Finance Committee meeting was held on June 26, 2006, at North Royalton City Hall, 13834 Ridge Road. The meeting was called to order at 6:32 p.m.

Present: Chair Kurt McKee, President of Council Robert Stefanik, Don Willey; Denise Bobulsky, Larry Antoskiewicz, Lisa Uffman-Kirsch. Finance Director Karen Fegan, Law Director Tom O'Donnell. Other attendees were present.

Moved by Bob Stefanik, seconded by Don Willey to approve the minutes of May 15, 2006. 3 yeas/0 nays. Motion carried.

UNFINISHED BUSINESS:

1. **Economic Development Report/available grant money**
See attached Memo from Mike Kosdrosky dated June 14, 2006.
2. **Tax collections status**
Right at budget.
3. **Monthly finance report**
Received.
4. **Capital appropriations**
No action.
5. **Bid process and purchasing policy**
No action.
6. **Deficit projection report**
Budget was on track until the flood on Thursday June 22nd.
7. **Tax Expenditure Limitation (TEL) State proposal**
Off the ballot. Removed from Agenda.
8. **Overtime Reporting**
Will be distributed next week. Disaster forms were filled out as of Friday; the cost is about \$250,000 in damages and overtime.
9. **2006 Budget**
No action.
10. **Volunteer CERT Team**
No action.
11. **Income tax increase scenarios for November**
General discussion took place on the income tax issue. Mayor Luks said she feels we should tie all the credit to the vote of the people. She gave many reasons for the income tax: more staffing, equipment, roads and flooding issues.

Mr. Miller distributed a paper pushing for a 0.25 tax increase on the entire tax base.

Mrs. Uffman-Kirsch distributed a memo showing 3 million more is needed for flooding problems in Ward 6. (See attached.)

Mrs. Fegan made it clear to Mr. Miller that 0.25 on the entire tax base would raise only 2.175 million, not the 2.5 million Mr. Miller says it will raise.

Mrs. Bobulsky talked about raising the city income tax to 2.5% and raising the credit to 2%.

Mr. Willey talked about raising the income tax rate 0.50 across the entire tax base.

Mr. McKee feels that 2% and a credit up to 1.25% would be the best option. Roads and storm being the two biggest areas to be funded.

Mrs. Recker feels that the people will not support the income tax increase.

Mr. Stefanik said he will vote to put it on the ballot.

Mrs. Uffman-Kirsch said she will vote to put it on the ballot and support it.

Mrs. Bobulsky said she will support it.

Mrs. Fegan said she will go to bond counsel and work on the language for option B.

Moved by Mr. Willey to adjourn the meeting, seconded by Mr. Stefanik. 3 yeas/0 nays.
Motion carried.

Meeting adjourned at 7:32 p.m.