

FINANCE COMMITTEE MINUTES
JULY 16, 2007

The Finance Committee meeting was held on July 16, 2007, at North Royalton City Hall, 13834 Ridge Road. Meeting called to order at 6:30 p.m.

PRESENT: Committee Members: Chair Kurt McKee, Bob Stefanik, Don Willey; Council: Larry Antoskiewicz, Lisa Uffman-Kirsch; Administration: Finance Director Karen Fegan, Other Attendees: Gary Petrusky, Ashley Petrusky, Nick Cinquepalmi, Lydia Bazarko, Volodymyr Bazarko, Laurie Pfister.

June 25, 2007, minutes approval. Mr. Stefanik recommended adding the following amendment to New Business, Item 2.

*Mr. Stefanik moved to recommend approval of Ordinance 07-72, seconded by Mr. Willey.
3 yeas/0 nays. Motion carried.*

Moved by Mr. Willey, seconded by Mr. Stefanik, to approve the minutes from June 25, 2007, as amended. 3 yeas/0 nays. Motion carried.

UNFINISHED BUSINESS

- 1. Quarterly Economic Development report/available grant money – Jan/April/July/Oct**
The July report was not received.
- 2. Quarterly Capital appropriations (Jan/April/July/Oct)**
Mrs. Fegan distributed the report at the meeting, reviewed the basic changes to the report that the police vehicles are in and there is a tentative delivery date on the vac truck for Thursday.
- 3. Monthly Finance report including tax collections status**
Mrs. Fegan said that the reports were distributed last week and the tax collections report will be distributed by the end of the week. She noted that the mini budget is as of the end of June. The amending appropriations were not passed by Council until July so they are not reflected in these reports.

Mr. McKee asked about the fuel cost. It showed that we were at 75% of the budget for the last report. It is showing less for this month. If the figures show more money is available he would like that to be spent on Rustic Drive repairs. Mrs. Fegan explained that fuel is charged to the Service Department and later distributed to the respective departments. The May report did not reflect the distribution; the June report has the distribution reflected. Mrs. Fegan will also distribute her internal work copies that show how the numbers are dispersed to all the departments reflecting cash expenditures only. The fuel expenditures are within the budgeted amount at this time. She is still concerned with regard to the fuel prices. Adjustments can be made if needed in September with an amending ordinance.

Mrs. Fegan will have information for Mr. Mayer to offer at the next Council meeting to further clarify the fuel status since there may have been confusion at the last Council meeting.

Mr. McKee said we talked last meeting about interest and how last month it was said we are doing well as far as investments go. He asked if over the last few months we have had to pay some of the borrowed money. Mrs. Fegan said money has not been sent yet. The contracts are just starting to roll now and that Oakridge Drive and West 130th projects are the only ones with the majority paid so far.

Mr. McKee asked if there is a possibility to be over-budget on the projected investment income if it is reflecting 82% at six months. Mrs. Fegan said the only caution she would recommend is the need to look at the revenue in total and not just specific items. Estate taxes and interest is running higher than anticipated right now. There are other revenue items not at their total. While we may be slightly over at this point in the year, there are items that are under. At this point of the year we are up 5%.

Mr. McKee commented about putting the money toward the repair of Rustic Drive and earlier discussions saying we would not have money to add this project.

Mr. Stefanik asked about legal fees and the status of the contracts. Mrs. Fegan stated that nothing has been signed and finalized at this time. More legal fees are anticipated.

Mr. McKee asked about the new income tax reporting. Mrs. Fegan explained it appears on the monthly reports.

Mr. Willey asked about the investment report and the banks we use. Mrs. Fegan said that we do try to use the banks in the city even if it is not required according to state law.

4. Overtime Reporting (monthly)

Mr. McKee said that an overtime report is still not being received and repeated the request to the Mayor to at least supply the report that is currently generated.

5. January through June 2007 road construction expenditure update including labor costs

Mrs. Fegan said that Mr. Mayer provided a memo dated June 28, 2007, that supplied the list of streets being addressed and that she supplied last meeting what was budgeted and borrowed and those funds still unencumbered.

A resident from Oak Knoll Court said for the last two months the information has been requested to be put into one document indicating what was the budget, how much has been spent, how much remains to be spent in order to determine if Oak Knoll Court can be repaired this year. The residents want to know where and when is the money going to come forth to have the street redone. The resident said Mr. Mayer had said that he would review the information with Mrs. Fegan in order to make a determination for concrete repair rather than spot repair. The resident said they have been requesting for three meetings that reconciliation be made of budget versus actual so that some way can be found to have the street done this year. A reconciliation and timetable for this repair is requested once again so they can understand when the street will be fixed.

Mrs. Fegan said the reconciliation has been made for the borrowed funds. She had explained to Council and the residents in attendance at the last meeting that the borrowed funds cannot be used for their road. The other projects to be addressed with available funds were determined by Mr. Mayer. Mrs. Fegan will review the remaining projects and funds with Mr. Mayer and anticipates that information will be available for the next meeting.

The resident asked if this information could be available for the next Streets Committee meeting. The resident said it was her understanding from Mr. Gentile that the issue was that if the numbers were available by the next Streets Committee meeting in September that there would still be time, that the bids could be in place for the repair to be done this season and if it could not be done until after that meeting then the project would not be able to be done this year because the Streets Committee could not act upon it until October.

Mrs. Uffman-Kirsch said that she did not think there had to be a meeting for the numbers to be able to be shared with the residents. If the report is being put together and when Council received it the representative could review it with their residents.

Mr. Stefanik suggested that if the information were received in August and if something could be done then Council could act at the first meeting in September. It would not have to go to the Streets Committee or Finance Committee prior to action on this matter. Council can pass legislation without taking it into committee.

The residents reviewed the issue once again stating that figures will be reviewed as early as possible and if it is determined that there is funding for the street repair something will be done at the first Council meeting in September.

Moved by Mr. Stefanik to adjourn the meeting, seconded by Mr. Willey. 3 yeas/0 nays. Motion carried.
Meeting adjourned 6:59 p.m.