

## SPECIAL FINANCE COMMITTEE MINUTES

February 23, 2008

The Special Finance Committee meeting was held on February 23, 2008, at North Royalton City Hall, 13834 Ridge Road. Meeting called to order at 8:32 a.m.

**PRESENT:** Committee Members: Chair Kurt McKee, Gary Petrusky, Vince Gentile; Council: John Nickell, Don Willey, Larry Antoskiewicz, Dan Kasaris; Administration: Mayor Bob Stefanik, Finance Director Karen Fegan, Service Director Kris Kamps; Other attendees: Don Harris, Nick Cinquepalmi, Paul Marnecheck, Stacey Rubenfeld, Kelly Snider, Celeste Noe, Carole Kennat.

### **OLD BUSINESS**

#### **1. 2008 Budget**

Finance Director Karen Fegan gave a brief overview of the proposed budget as submitted to Council.

Service Director Kris Kamps reviewed the needs of his department, including road repair work for both concrete and asphalt, and preventive maintenance for storm water including a full time ditching program. Mr. Kamps said that he did almost twice as much concrete work in Brecksville last year compared to North Royalton, and paid the same amount by sourcing it out vs. doing it in-house. He said that he also wants to review our bidding process and bid specifications to ensure that we are getting the most competitive bids possible. He said that he has signed us up for an asphalt consortium similar to what we have with salt and fuel.

A general discussion regarding workers compensation and health insurance costs was held.

Mr. Kamps gave an overview of his equipment needs for the year, including a street sweeper and a single axle hook truck with an extra dump truck body.

Mrs. Fegan stated that if we privatize rubbish pick up, we will need to revisit the budget to move funds since the continued salary and the benefits of the rubbish department will need to be moved to the streets budget. Mr. McKee asked if we privatize rubbish, would we downsize the mechanics needed. Mr. Kamps said he would look to actually upsize the department because there is so much work.

Unemployment compensation was discussed. Mrs. Fegan said that she budgeted \$50,000 to cover what she felt our maximum exposure would be based on the recent changes made in the administration.

A general question and answer period was held regarding the purpose of various funds, line items, revenue sources, etc.

The increase in the police staffing was discussed. Mr. Antoskiewicz said that he does not view these as replacements, but rather as new hires since these positions have been vacant for many years. Mr. Kasaris said that he views them as replacements for positions that were vacated and never filled. Mr. Kasaris said that the budget reflects an extra 4 months of funding for the two police officers we are hiring since they won't be starting until August. He suggested taking these funds and hiring a third officer for this year.

Mayor Stefanik said that he discussed the possibility of a third officer with the Chief during the budget meetings. The Chief stated that he was satisfied with two officers knowing that we will be growing and adding to that number in the coming years. It was decided to have the new Safety Director assess the needs of the department for the next few years before deciding on staffing numbers. Mr. Kasaris said we could hire 3 this year, and then maybe only hire 1 instead of 2 next year.

Mrs. Fegan said that the 4 months salary would not cover all the expenses needed to hire a third officer. Also, she said that the state of the economy worries her at this time. Last year we were down on our base income tax and if that happens again this year we will have to address this in the budget. Interest rates have fallen much faster than she thought they would and she is hoping that we meet the interest income numbers reflected in the budget. On the safety forces side, we have a lot of officers who are in the DROP program and we need to start setting aside money because these officers will start retiring and we are going to have some major payouts. The possibility of establishing a line item for this was discussed. Mrs. Fegan gave a brief explanation of the DROP program.

Mrs. Fegan gave an overview of what the various safety levies are generating and how much the general fund is subsidizing these departments

Mr. Petrusky suggested that the issue of the police staffing should be carried over for discussion in the Safety Committee. Mr. McKee agreed and said that the budget is an ongoing process and needs can be addressed later in the year as determined. He felt that we can approve the budget as submitted and then make any necessary amendments throughout the year. Mr. Gentile said that the Council meeting on March 5, 2008, will be the third reading for this legislation and it can be adopted that night.

Moved by Mr. Gentile, seconded by Mr. Petrusky to **recommend approval of Ordinance 08-30 as submitted to Council**. Yeas: 3. Nays: 0. **Motion carried.**

#### **ADJOURNMENT**

Moved by Mr. Gentile, seconded by Mr. Petrusky to **adjourn the meeting**. Yeas: 3. Nays: 0. **Motion carried.**

**Meeting adjourned at 10:34 a.m.**