

**FINANCE COMMITTEE MINUTES  
JULY 20, 2009**

The Finance Committee meeting was held on July 20, 2009, at North Royalton City Hall, 13834 Ridge Road. Meeting called to order at 6:31 p.m.

**PRESENT:** Committee: Chairman Mike Farrell, Vice Chair Gary Petrusky, Vince Gentile; Council: Dan Kasaris, Larry Antoskiewicz, Don Willey, John Nickell; Administration: Mayor Robert Stefanik, Finance Director Karen Fegan; Other Attendees: Paul Marnecheck, Joanne DuMound, Ashley Broadwater, Corrine Hennis, Amanda Trompak, Ron Bogucki.

**APPROVAL OF MINUTES**

Moved by Mr. Petrusky, seconded by Mr. Gentile, **to approve the June 3, 2009 Special Finance Committee Minutes and June 15, 2009 Finance Committee Minutes.** Yeas: 3. Nays: 0. **Motion carried.**

**UNFINISHED BUSINESS**

**1. Monthly Finance report including tax collection status**

Mrs. Fegan said the income tax report was a little bit higher than July of last year. She said we have not made up the difference over last year's year-to date. She said we are about \$487,000 under where we were last year at this time. Mr. Farrell estimated that the total number we are down is \$525,000 including earned income. He then asked Mrs. Fegan if she is proposing to stay with the projected budget amendment in the amount of \$600,000 due to the number of months there are remaining in the year. Mrs. Fegan said she is planning to stay with this number. Council and the Administration are comfortable staying with this number. Mr. Farrell said he would like to re-visit this at the September meeting to look at the data from July, August and September which he feels will give the committee a good gauge for the rest of the year.

Mr. Gentile asked if we can get a little more information as the year progresses as to how this is playing out as far as employers and our residents. Mrs. Fegan said she will include that information on the report she distributes monthly. Mr. Kasaris also asked if Council can get an update on unemployment funds. Mrs. Fegan will supply that report to Council.

Mr. Willey asked if the status of the income revenue will affect the stormwater projects moving forward. Mrs. Fegan said it will not impede these projects, but revenues in these funds are lower than expected. She said overall we are over by about 6.6 percent.

**2. Gas/Oil Well Royalties**

This item can be removed from the agenda.

**3. Admissions Tax**

Mr. Farrell said there has been a new proposal regarding this tax which is a suspension of the tax rather than a repeal of the tax. If passed, this suspension will be in effect for two years and can be re-visited if necessary. Mr. Farrell said he has no objections to this proposal and asked committee members for their feedback. Mr. Petrusky said we should suspend it. Mr. Willey feels we should do away with it, but said based on his choices, he would like to see it suspended. Mr. Antoskiewicz said he feels we should keep this tax. Mr. Nickell said he does not want to get rid of something that generates revenue when revenues are down, but said if the majority wants to suspend this tax, he would do that knowing that we can re-visit this in two years. Mr. Kasaris is in favor of repealing this tax, however recognizing that all Council members are not in favor of this, he said he proposed suspending this ordinance as a compromise. He said he feels it is an unfair tax and he does not see a reason to keep it. Mr. Gentile said he would like to see this tax repealed, but he will compromise with the suspension. He said he would ask that Council be notified 90 days prior to the end of the two year period, so they are aware that it is coming up. He feels this tax is unfair and it brings in very little revenue. Mayor Stefanik said there are a lot of unfair taxes and licensing. He said he was approached about these types of taxes and asked if these taxes were next to be reviewed. Mayor Stefanik said that he did not believe these taxes would be entertained at this time. Mayor Stefanik said there may be consequences down the road if we suspend this tax.

Mr. Farrell announced that Ron Bogucki, owner of Mr. Divots, was in attendance. Mr. Bogucki said he thought this tax had been repealed after reading an article in the Sun Newspaper. Mr. Antoskiewicz said he does not believe this tax is unfair and said no matter the amount that the tax brings into the city, that amount of money pays for something. Mr. Farrell asked Mr. Antoskiewicz what he feels is positive about this tax. Mr. Antoskiewicz said it is a source of income and has been on our books and does not feel it should be taken off. He said he does not feel suspending this tax makes any sense and feels it should either be repealed or should be kept on the books. Mr. Farrell feels this tax would detract a business from coming to North Royalton. Mr. Antoskiewicz does not believe it would. Mr. Farrell said he is in favor of repealing this tax, but will settle for suspending this tax.

Mrs. Fegan said this tax is due to the city on a monthly basis and asked if Council is planning to wait until January to suspend this tax or to suspend it in August. Mr. Gentile and Mr. Farrell agree that it should be suspended as of August 1, 2009.

Mr. Farrell asked Council once again if they would prefer suspension of this tax or repeal of this tax. Mr. Petrusky said he would prefer suspension of this tax; Mr. Willey said he is in favor of repealing this tax; Mr. Antoskiewicz said he feels we should keep the tax; Mr. Nickell said that he is in favor of suspension; Mr. Kasaris said he would prefer to have this tax repealed but will settle for suspension and Mr. Gentile said he is in favor of repealing this tax. Mr. Farrell then asked if Council would have a problem with repealing this tax over suspension. All Council members with the exception of Mr. Antoskiewicz were in favor of repealing this tax and putting it into effect September 1, 2009.

Moved by Mr. Petrusky, seconded by Mr. Gentile **to recommend to Council to amend Chapter 892 as proposed and repeal this ordinance effective September 1, 2009.** Yeas: 3. Nays: 0. **Motion carried.**

## **NEW BUSINESS**

### **1. Ordinance 09-65 – Amending Appropriation Ordinance**

Mr. Farrell asked if any Council member has an issue with amending this ordinance. There were no objections.

Moved by Mr. Gentile, seconded by Mr. Petrusky **to recommend to Council approval of Ordinance 09-65 at the July 21, 2009 Council meeting.** 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 7:10 p.m.**