

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
December 27, 2011

Members: Kathy Hummel, Chair
Don Walters
Carol Klinger

Mrs. Hummel called the meeting to order at 6:00 p.m. All members were present.

The minutes from the December 19, 2011 Finance Committee meeting were approved as submitted.

Legislation Discussed:

Temp. Ord. B-127

Temp. Ord. B-128

Discussion

Temp. Ord. B-127

An ordinance providing for supplemental and/or amended appropriations of money for current operating expenses and capital expenditures of the City of Cuyahoga Falls, and authorizing the transfer of appropriations within and for the various funds hereinafter set forth, and declaring an emergency.

Mr. Brodzinski distributed a new Exhibit A along with another sheet that explained the 2011 transfers. The net total transfer to the General Fund is (\$676,800) and the net total of all funds is (\$11,634,661). The additions to Municipal Income Tax were after net expenses were taken out. In Permissive Tax, the City originally budgeted \$200,000, however, the County sent the City \$215,000 so that is increased. For CDBG, that is money that is committed, spent, then drawn down for the federal government. The amounts cut were for projects that did not occur in 2011 but are rolled into 2012. The reason for transfer in Federal Law Enforcement is because the amount was originally budgeted in Capital Outlay but should have been put in Other Operations. Mrs. Hummel stated if her addition was correct, there was a net savings of approximately \$500,000 due to retirements. She did not know whether those retirements were anticipated by the Administration but it certainly helped with the bottom line. She mentioned that Council received the revised Exhibits A and B, which detail all of the changes.

Mrs. Klinger moved to bring out B-127 with a favorable recommendation, second by Mr. Walters. Motion passed (3-0).

Mrs. Hummel wanted to thank Mr. Janis for the staffing report he provided to Council. Last year, she, Mrs. Klinger, and Mr. Walters had tried to come up with an alternative to the format that was traditionally given to Council, and they agreed this would be informational only. It is a more valuable document to Council in order to see what is happening in the current staffing level and what is planned for 2012.

Temp. Ord. B-128

An ordinance establishing annual appropriations of money for the current expenses, capital expenditures and other expenses of the City of Cuyahoga Falls for the fiscal year ending December 31, 2012, and declaring an emergency.

Mr. Brodzinski stated he distributed new exhibits. The only changes were to the Storm Drainage Fund which now notes the additional \$1,000,000 grant for removing the dams. Also, the appropriation request for Portage Crossing and related funds in CDGB was removed. The first page of Exhibit A is the same as the one given to Council on December 16. Mrs. Hummel stated she was pleased with the detail Mr. Brodzinski gave regarding the savings of \$500,000, however, those savings were not from cuts that needed to be made. They were due to people who left the City. She stated she had a great deal of respect for the City's employees. In recent years,

employees have voluntarily accepted wage reductions and other concessions to protect the City's financial stability, and she thanked them for that. This Council was asked through legislation to do away with four jobs this month. Speaking only for herself, it was a very difficult decision given the dim prospects for those employees to find employment in this economy, but this action helped the City's bottom line. Earlier in these budget discussions, she asked whether the Administration considered making any personnel cuts at upper management levels. The Mayor was not present during that conversation. At that time, Mr. Demasi responded that an engineer in his department was reducing his hours from full-time to part-time. Mrs. Carr also detailed job and personnel restructuring that has occurred in the Service Department, Sanitation and Street Departments, and the Water and Sewer Departments. Other Cabinet members did not respond. The following week, she spoke with Mrs. Truby about a particular position she supervises, and Mrs. Hummel believed another Councilman also had questions about the same position. Mrs. Hummel stated Mrs. Truby provided a written response to all members of Council regarding the concerns, in particular, the cost to the General Fund of this position. While Mrs. Hummel appreciated the response, she still thought we could do better. During the budget hearings in 2010 and again this year, Mr. Brodzinski detailed financial cuts for cities throughout Ohio. Cuyahoga Falls has experienced these state and federal cutbacks in Local Government Funds and CDBG Funding, as well as grant money for local infrastructure projects. This economy has affected everyone. The residents have taken pay cuts and lost jobs. Small businesses in this community have had to find ways to minimize cost while improving efficiency in order to survive. And, for the most part, tax burdens have remained constant. City Council is charged with controlling the spending of the City. Its role is not to manage the City. In that context, she asked that the Mayor and cabinet members look for ways to combine job duties and reallocate talent within upper management to save taxpayer dollars in 2012 and beyond. To continue business as usual at the top is an affront to those who pay City salaries.

Mr. Brodzinski stated he was present that night and wanted to respond to the comment made that more would be saved by making cuts from the top down rather than the bottom up. He looked at the jobs in management and other nonbargaining positions. Since 2003, the City cut part-time positions in the prosecutor's office, it cut the positions of Assistant City Engineer, Assistant Fire Chief, Assistant Superintendent in Parks & Rec., Assistant Water Superintendent, Sanitation Superintendent, City Engineer and Assistant IS Manager. By eliminating those positions from the budget, since 2003, the City has saved \$7.4 million. The problem is, the Administration does not look for praise for their work. He felt people lose focus of all the positions that have been cut. Unfortunately, this is the first time the City has looked at an internal function it felt had zero affect on residents of the City.

Mayor Robart felt to imply that any of the Administration would proceed with business as usual was misguided. They have not done that for the past six years. They have been merging department heads and departments. They look at this every day. The City is in a very unique position because the Charter requires that 30% be set aside for capital benefits. Most cities do not do that. Setting aside that amount puts a burden on the Administration but he feels they have handled it very well. The City finished strong for 2011 but, as you look forward, the City will need to come up with \$2 million over the next two or three years. They need to look at each part over the next couple years or the City will be in deep trouble. Other cities are surviving because they are eating their capital. His administration works on a daily basis to cut every dollar they can. Unless there is a turnaround in the economy, it will be tough for the next few years. He has appreciated Council's cooperation and asked for that to continue.

Mrs. Klinger thanked Mrs. Hummel for the good job she did with the budget process. She was diligent in seeing it through. Mrs. Klinger stated it has been an honor serving with Mrs. Hummel on Council.

Mr. Walters moved to bring out B-128 with a favorable recommendation, second by Mrs. Klinger. Motion passed (3-0).

The meeting adjourned at 6:35 p.m.