

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
June 3, 2013

Members: Carol Klinger, Chair
Jerry James
Vince Rubino

Mrs. Klinger called the meeting to order at 6:30 p.m. All members were present.

The minutes from the April 15, 2013 Committee meeting were approved as submitted.

Legislation Discussed:

Temp. Res. B-31

Temp. Res. B-32

Discussion

Temp. Res. B-31

A resolution authorizing the “pick up” of employee retirement contributions required of eligible Police Department employees by the Ohio Police and Fire Pension Fund, and declaring an emergency.

Mr. Brodzinski stated that Temp. Resolution Nos. B-31 and B-32 are the same except one is for police and the other for fire. The City is committing that, pursuant to the Ohio Police and Fire Pension Board, the employee contribution piece is going up over the next three years. It will increase to 10.75%, then to 11.25%, and then to 12%. The City will still be paying its share for police, which is 19.5%, and for fire, which is 24%. The Pension Board requested that resolutions be presented and passed by Council. The Administration was able to combine all of the increases into one piece of legislation to cover all three years. Mrs. Klinger confirmed this was set forth by the Pension Board and that the resolution confirms what the Pension Board established. Mr. Brodzinski stated that is what he sees. The resolution shows the City will increase the rate to 12%.

Mr. James moved to bring out Temp. Res. B-31 with a favorable recommendation, second by Mr. Rubino. Motion passed (3-0).

Temp. Res. B-32

A resolution authorizing the “pick up” of employee retirement contributions required of eligible Fire Department employees by the Ohio Police and Fire Pension Fund, and declaring an emergency.

Mr. Brodzinski stated this Resolution is identical to Temp. Res. B-31. It is raising the rates over the next three years.

Mr. Rubino moved to bring out Temp. Res. B-32 with a favorable recommendation, second by Mr. James. Motion passed (3-0).

Other Business

Regarding Report 21, Mrs. Klinger stated there were two items that stood out in the General Fund. The first was that real estate taxes were up vs. last year. She asked if that was due to timing or a real increase. Mr. Brodzinski stated some was due to timing. Revenue YTD is up but expenses are also up. They are looking for reconciliation on some costs. Mrs. Klinger stated the fund is up \$111,000 and asked whether

that will be sustained through the rest of the year. Mr. Brodzinski responded that it will be close to doubling and will probably end up being 1.8% to 2%. Mrs. Klinger stated the second item is that income tax transfer-in is up \$401,000. Mr. Brodzinski stated the income tax fund is up \$603,000. Withholding is basically flat and direct taxes are up. Direct taxes are where employees are working out of their homes or residents who work in another community pay less tax than the City's 2%. The amount for direct taxes is close to \$500,000. He would like to think it is due to authorizing the Cleveland collection agency to find extra tax money. The City is trying to get to the bottom of that because he does not anticipate that it would always go up. Also, more communities are moving to increase their income taxes to 2% so that will affect the direct tax fund. Mr. Brodzinski also stated that the City has had issues with money coming in from the County. For example, estate taxes have always come in during the month of March but they came in during May this year. They are going to schedule a meeting with the County Fiscal Officer to discuss the issue. Mrs. Klinger asked if the amount received was what was expected. Mr. Brodzinski stated it came in around \$400,000 and had been budgeted at \$487,000. They are anticipating the amount that will be coming in for the second half will be much less. Sanitation is up due to the sale of recyclables. Nat revenues are down but expenses have also been trending down. The golf course and Downview are down but last year was very warm. Revenue-wise, last March was the biggest March the City ever had. Mrs. Klinger commented that we have not yet gotten into the big months yet. With regard to Mayor's Court, she asked when the Police Chief implemented his new program. Mr. Brodzinski responded it started in May.

The meeting adjourned at 6:40 p.m.