

Cuyahoga Falls City Council
Minutes of the Finance Committee Meeting
Budget Hearings
December 4, 2006

Members: Tim Gorbach, Chair
Jerry James
Carol Klinger

Mr. Gorbach called the meeting to order at 8:15 p.m. All members were present.

Mr. Gorbach said that A-146, A-147 and A-148 would be held until the 2007 budget hearings are concluded.

Budget Discussion

Municipal Court

Proposed budget: \$1,655,758 increase of .81% due to additional part-time employee.

Mr. Gorbach reviewed the staffing levels with Mr. Klinger. He asked if the \$1million in the special projects fund applies to land for the court s new construction. Mr. Klinger said yes. Mr. Klinger said the court has two technology initiatives planned for next year, electronic sentencing and traffic citations.

Clerk of Courts

Proposed budget: \$1,493,988 increase of 2.19% due to employee step/longevity increases.

Mr. Gorbach noted that contractual fees have been increased. Mr. Czetli said the \$2,500 increase is for court interpreter fees.

Capital Projects

Mr. Brodzinski provided an overview of the 5-year capital plan.

Mr. Gorbach noted that the state funding for Chart Road is up \$400,000 from last year. Mrs. Klinger asked what can be done to accelerate the project. Mr. Demasi said the City will apply for Issue II funds in July 2007 and should have an answer by the end of that year.

Mr. Gorbach asked about the increase in concrete street repair funds. Mr. Demasi said 9th Street from Broad to Levitt will be done in 2007, as well as Deepwood Drive. The Old Town Loupe, the Eagles club parking lot and music store parking lot on Front Street will be worked on in 2008.

Mr. Barnhart asked if Cedar Hill will be included in the hot mix program next year. Mr. Demasi

said he s looking into it. Mrs. Carr said that Council will receive the final street resurfacing list in early 2007.

Mr. Brodzinski reviewed the proposed safety (police and fire) capital improvements. Chief Conley referred to the line item "remodel holding cells/jail". He said there is currently one room to hold prisoners waiting for processing. He would like to divide the room into three separate holding areas with monitoring equipment and new hardware for the doors.

Mrs. Klinger asked when the new fire station will be completed. Chief Snyder said construction should be complete next week, with the ribbon cutting scheduled for December 27, 2006. Mrs. Pyke asked if Station #1 would remain open. Chief Snyder said yes.

Mr. Brodzinski reviewed line items under "Other Projects". Mrs. Klinger asked how much money was spent last year from the Land Preservation Fund. Mr. Brodzinski said approximately \$210,000.

Storm Drainage Utility

Proposed budget: \$1,353,151 increase of 98.44% due to capital outlay.

Mr. Brodzinski noted that the FEMA grant awarded to the City is \$420,000 federal and \$70,000 state. Since it hasn t been received yet, only 50% has been budgeted.

Mr. Brodzinski said the City will implement an impervious area rate change from \$2/ mo. to \$3/mo. beginning in January 2007, resulting in an increase of \$350,000 in revenue. Mrs. Carr said surveys had been conducted for Ohio cities, and the average rate is about \$3 to \$4.

Information Services

Proposed budget: \$1,055,598 decrease of 11.93% due to decrease in capital outlay and other operations.

Mr. Konich said the department has budgeted a computer network upgrade for 2007, along with document imaging and payroll management system. Document imaging is most needed for Community Development documents.

Print Shop

Proposed budget: \$93,663 decrease of 7.56% due to decrease in employee hours and reduction of several "other operations" line items.

Council

Proposed budget: \$225,448 increase of 2.42% due to cost of living increase offset by a slight reduction in other operations.

Mayor

Proposed budget: \$215,910 increase of 4.43% due to employee step increase.

Finance Director

Proposed budget: \$860,531 decrease of 4.94% due to elimination of one full-time staff position.

Law Director

Proposed budget: \$1,013,996 decrease of 4.9% due to one less P/T prosecutor and lower contractual services.

Service Director

Proposed budget: \$313,224 increase of 8.1% due to employee step increases and cost of living, additional monies to host "Tree City" with additional costs offset by revenues.

Engineering

Proposed budget: \$1,036,591 increase of 3.27% due to employee step increases.

Building

Proposed budget: \$601,965 increase of 3.7% due to employee step increases and cost of living.

Garage

Proposed budget: \$2,019,942 increase of 12.3% due to gas and diesel fuel costs and increase in capital outlay.

The meeting recessed at 9:45 p.m., to be reconvened on December 11, 2006.

Budget Discussion Cont. December 11, 2006

Mr. Gorbach reconvened the meeting at 6:55 p.m.

Income Tax

Proposed budget: \$17,805,298 decrease of 1.25% due to decrease in P/T payroll and decrease in some "other operations" line items (mostly notably refunds).

Sewer

Proposed budget: \$7,161,984 decrease of 6.89% due to decrease in capital outlay.

Mr. Christopher reviewed the department's capital needs, explaining each of the twelve items listed on the budget worksheet. Employees paid from this fund are included in the Water Department.

Regarding the sewer pump station fencing at Crown Pointe, Mrs. Klinger asked if the pump was originally put in by the developer or the City. Mrs. Carr said the City installed the pumps and is responsible for maintenance.

Mrs. Hummel asked if developers will bear the cost of fencing around pump stations in the future. Mr. Demasi said yes, it has been a requirement during the last 4-5 years.

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Mrs. Hummel asked what is planned for the land where the water/sewer complex now sits. Mrs. Carr said there are plans to redesign the layout, change the exit and entrance areas, add screening,

expand parking, etc.

Water

Proposed budget: \$5,067,651 decrease of 4.3% due to decrease in "other operations - contractual services".

Mr. Christopher reviewed the department's capital needs, explaining each of the twelve items listed on the budget worksheet. Staffing includes employees paid from the Sewer Fund.

Police

Proposed budget: \$10,733,615 increase of 1.31% due to cost of living and step increases, reduction of capital outlay.

Mr. Gorbach inquired about the reduction in grants on the revenue side. Chief Conley said the department didn't receive the federal Burn grant last year. The Governor's Highway Safety grant was also eliminated since the City has had no fatality in the last 3 years and is no longer eligible. The Chief said he's always looking for grant opportunities.

Mrs. Klinger asked about the reduction in police cars in 2006. Chief Conley said he removed 7 vehicles that were no longer needed. Mrs. Klinger asked why the garage costs were so high considering the reduction in fleet. Mr. Brodzinski said that increased gas costs and repairs account for the high costs.

Mrs. Klinger asked if there were plans to cut staff or programs in 2007. Chief Conley said no.

Mr. Walters asked about the reduction in the school safety patrol budget. Chief Conley said he's replacing the crossing guards with the Callos Program.

Mr. Gorbach referred to the omission of the \$705,000 payroll line on page 41.

Fire

Proposed budget: \$8,376,270 decrease of 2.89% due to reduction of capital outlay and reduction of Fire Pension fund transfer needed.

Mr. Gorbach asked how the new 5th fire station will be manned.

Chief Snyder said minimum staffing is 19 personnel: (6) three-person companies and one shift commander. With the addition of Station #5, he will better deploy the department's resources to provide coverage.

Mr. Gorbach said the department's authorized strength is 84 but is currently at 81. He asked if there is a current list to hire from. Chief Snyder said testing should be complete by spring. Mrs. Hummel asked how many firefighters will be hired in 2007.

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Chief Snyder said six firefighters will be retiring next year, and he will ask the administration to replace the retirees as openings become available. He will maintain the 81 level through 2007,

using overtime when necessary.

Mr. Gorbach asked if it might be more economical to hire additional firefighters than to pay overtime. Mr. Brodzinski said paying overtime is more cost effective than a new hire.

Mrs. Colavecchio asked what factors are considered in determining the department's level of strength. Chief Snyder said there are national standards, and the City compares well to other communities. He said response time and level of service is also considered, and he believes the department is operating at an adequate level of strength at this time. Mrs. Colavecchio asked for a written analysis. The Chief said he's working on one, and it should be completed in the next few months. Mrs. Colavecchio asked for a copy of the last report/analysis.

Mrs. Colavecchio asked why the department is at 81 instead of 84. Chief Snyder said the decision is based on budgetary factors. Response time averages 4 minutes or less 85% of the time.

Mrs. Colavecchio asked how the stations will be manned with the addition of Station #5. The Chief reviewed current staffing: (2) three-person teams at Station #1; (1) three-person team at Station #2; (2) three-person teams at Station #3; and (1) three-person team at Station #4. When Station #5 is completed, he'll move (1) three-person team from Station #3 and (1) three-person team from Station #1 to the new location.

Mrs. Colavecchio asked if there are plans to fill all of the six slots left open by retirees in 2007. The Chief said yes. Mrs. Colavecchio expressed concern about maintaining adequate staffing levels.

Technical Service

Proposed budget: \$604,063 decrease of 3.56% due to decrease in P/T payroll and related fringe benefits, also decrease in "other operations" line items.

Community/Economic Development

Proposed budget: \$916,503 increase of 1.42% due to cost of living and longevity increases offset by a decrease in "other operations". Staffing includes Riverfront Centre District Department and the Community Development Block Grant Fund.

Mrs. Truby said the department plans to hire an additional full-time housing inspector at the beginning of 2007, as well as a temporary P/T employee through Callos.

Riverfront Centre District

Proposed budget: \$528,924 increase of 1.14% due to employee cost of living and step increases.

Mrs. Hummel referred to page 59 under "contractual other", noting that the 2007 budgeted amount is \$97,500 as compared to \$68,000 in 2006. Mrs. Truby said that \$57,500 is for Callos temporary part-time people. The remaining \$40,000 is broken down into miscellaneous contractual help.

(5)

Mr. Gorbach referred to CDBG funds. Mr. Brodzinski said that typically there are no budget sheets for this item.

Mrs. Hummel asked that future budget sheets include a breakdown of funds by project for the rehab program. She believes most of the money should be spent in neighborhoods as opposed to commercial areas.

Mrs. Hummel referred to page 23 on the revenues side. Mrs. Hummel said that in 2006, the account was in the red by \$310,000. It appears the deficit will be \$350,000 in 2007. She suggested that more revenue could come from for-profit groups that use the mall.

Mrs. Truby said that 90% of mall users are non-profit, but the department is currently looking at ways to increase revenue for the district. Mr. Brodzinski said the Riverfront District is not a fund in itself but rather part of the General Fund; it is not intended to generate income.

Human Resources

Proposed budget: \$323,963 increase of 3.69% due to employee cost of living and step increases.

Mrs. Carr said the department has been reorganized as a hands-on administrative function, rather than just record-keeping.

Mrs. Colavecchio noted the department generates revenue through vendor permits. She asked why Human Resources is responsible for that function. Mrs. Megenhardt said a city ordinance passed a few years ago assigns records under personnel.

Mrs. Klinger said she had submitted a list of 40 questions to Mr. Brodzinski, and he responded. She suggested that Callos part-time temporary employees be listed separately under "contractual other part-time labor".

The meeting recessed at 8:25 p.m., to be reconvened on December 18, 2006.

Budget Discussion Cont. December 18, 2006

Mr. Gorbach reconvened the meeting at 7:15 p.m.

Street

Proposed budget: \$3,929,160 decrease of .32% due to decrease in some other operations line items, most notably rock salt.

Mrs. Carr spoke about plans to merge the Street and Sanitation departments sometime in 2007 following the retirement of Sanitation Superintendent Bob Leonard. The move will result in significant cost savings and provide cross-training of personnel. While the management will merge, the funds will remain separate

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Chuck Novak said he wants to purchase two Epokes early next year, which brings the total in the department to five. Each Epoke costs about \$50,000. He said that \$48,000 was saved on salt last in the last two years, nearly enough to cover the cost of the vehicle.

Mrs. Pyke asked about the cable franchise fee from Warner Cable paid to the street fund. Mr. Brodzinski said the street fund is considered an extension of the general fund.

Sanitation

Proposed budget: \$3,863,981 decrease of 6.37% due to decrease in payroll and related benefits, decrease in capital outlay offset by an increase in other operations (refuse containers for cart program).

Mr. Gorbach noted that the budget requested for carts this year is \$350,000. Bob Leonard said the department purchased 3,200 last year and will buy 6,000 this year to complete routes 1 and 5. Cost of each cart is \$48.25, as compared to \$35 two years ago, due to the increased cost of resin.

Mrs. Hummel referred to the revenue side on page 75, which projects an increase on residential revenue, and asked if a rate increase is planned. Mr. Leonard said no, the increase is a result of new housing development. Mrs. Hummel noted that projected revenue for commercial customers appears to have decreased. Mr. Leonard said it is due mostly to competition. Mrs. Hummel said Waste Management is initiating a \$2 per month fee for commercial customers who don't use automatic payment deduction. She suggested the City contact commercial customers again.

Mrs. Pyke asked when the \$5 fee for two carts be initiated. Mrs. Carr said the City will begin charging the fee when all of the cart routes are complete, sometime in 2008.

Mr. Walters noted that Workers Comp claims have decreased over the years. Mr. Leonard said there have been injuries on the cart routes. Mr. Walters said he has received complaints regarding carts left on the curb after pickup. He inquired about charging a cart return fee to residents who fail to remove carts from the curb. Mrs. Carr said one of the difficulties is charging landlords for tenants who leave carts out. She believes there would be a negative response from the public.

Mr. Flinn commended the administration for merging the two departments as a cost-savings measure.

Electric

Proposed budget: \$36,302,292 decrease of 3.68% due to decrease in other operations (purchased power OMEGA Joint Ventures) and decrease in capital outlay.

Bob Bye reviewed the twelve capital items on the budget review worksheet.

Parks and Recreation

Proposed budget: \$2,915,773 decrease of 6.37% due to decrease in payroll and related fringe benefits, reduction of several other operations line items, and decrease in capital outlay.

Mr. Gorbach noted that there is little change from last year.

(7)

Recreation Levy Fund

Proposed budget: \$1,334,599 increase of .48%

Mr. Gorbach noted the transfer of \$750,000 out to the Natatorium as part of the 5-year plan

detailed to Council last year.

Leisure Time

Proposed budget: \$27,268,967 increase of .58% due to cost of living and step increases for Natatorium, Quirk Center and Downview. Also increase in part-time payroll in the Natatorium.

Mr. Gorbach noted the increase in revenues for the Natatorium in 2007. Bill Lohan said revenue was up last year, and expenses were down. He hopes to generate 1,000 new memberships in 2007. The Member Reward program is the most successful, bringing in 600 new members in 2006. The program gives \$100 to an existing member who brings in a new member. The goal is 90% retention of old members. Early next year, the City will partner with Summa and Children's Hospital in an effort to change the demographic use of the Natatorium and provide a new revenue stream for the facility.

Mr. Gorbach noted an increase in part-time payroll. Mr. Lohan said the current policy for part-time staff is not equitable and should be made more consistent with the way other employees are treated. Personal trainers and lifeguards are also included.

Mr. Gorbach asked if any fee increases are planned for Waterworks. Mr. Lovelette fees for season passes were raised in 2006 but none are planned for 2007. He hopes to operate in the black next year with a more streamlined and efficient operation. Marketing plans are underway to attract new customers. Mr. Gorbach asked for 2006 attendance figures.

Mr. Gorbach asked about the clubhouse patio floor. Mr. Lovelette said the original carpeting will be replaced with a new and more durable covering. Mr. Gorbach asked how many rounds of golf were played at the course last year. Mr. Lovelette said he would provide that information.

Mr. Flinn asked how the department plans to increase revenue at Waterworks and the golf course next year, since revenues were down for the last two years. Mr. Lovelette said they hope to employ various marketing techniques to draw more users.

Mr. Gorbach asked about the capital expense for Downview. Mr. Lovelette said half the netting will be replaced next year.

Mr. Gorbach referred to the Quirk Cultural Center revenue. Mr. Lovelette said \$7,500 is from programming; the other \$13,500 is for ceramic and pottery items sold.

Building and Grounds

Proposed budget: \$1,180,976 decrease due to reduction of several other operations line items.

Mr. Gorbach asked about the cemetery. Mr. Amburn said it is nearly full. Mrs. Colavecchio asked about sold lots that are not claimed by the owners.

(8)

Mr. Amburn said there is no policy to address the issue. Mrs. Colavecchio asked if there is a way for heirs to sell the lots back to the City. Mr. Amburn said yes.

Utility Billing

Proposed budget: \$1,815,830 increase of 5.38% due to employee step and longevity increases; full-time Public Utility Customer Advocate and part-time Education Specialist positions moved to this fund.

Mr. Gorbach referred to the bank service charges under "other operations". He said the charges are the result of the City's accepting credit cards for bill-paying.

Mr. Flinn asked how many people are paying bills online. Mrs. Hale said about 1,000, and the number is steadily increasing. Mr. Flinn asked if staffing at the pay windows has been reduced as a result. Mrs. Hale said one position was vacated and not filled.

The meeting recessed at 8:35 p.m., to be reconvened at 6:15 p.m. on December 28, 2006.

Budget Discussion Cont. December 28, 2006

Mr. Gorbach reconvened the meeting at 6:20 p.m.

Civil Service

Proposed budget: \$35,930 decrease of 22.24% due to decrease in part-time payroll and related fringe benefits.

Mr. Brodzinski said the commission's secretary will be eliminated in 2007, resulting in a savings of \$8,900. Her duties will be assumed by a Secretary I in the Law Department who will be promoted to Secretary II with a pay raise of \$1,350.

Mr. Gorbach asked if there were any questions from Council regarding the budget. Hearing none, he proceeded with discussion of the budget ordinances.

Temp. Ord. A-146

An ordinance providing for current operating expenses of the City of Cuyahoga Falls by appropriating, re-appropriating and transferring money within and for the various funds hereinafter set forth, and declaring an emergency.

Mr. Gorbach read A-146 (second reading). Mr. Brodzinski reviewed the exhibits related to A-146, explaining reductions and transfers in various department funds.

Mrs. Hummel inquired about the CDBG amounts of \$80,000 and \$200,000. Mrs. Truby said the \$80,000 represents dollars not spent in housing rehab in 2006. The \$200,000 represents the Main Street project and Wyoga Lake multipurpose trail.

The Committee recommended bringing out A-146 for approval.

(9)

Temp. Ord. A-147

An ordinance making the annual appropriations for the current expenses, other expenditures and the capital outlays of the City of Cuyahoga Falls for the fiscal year ending December 31, 2007, and declaring an emergency.

Mr. Gorbach read A-147 (second reading). Mr. Brodzinski reviewed the Appropriations Exhibit outlining changes in various departments and funds for 2007.

The Committee recommended bringing out A-147 for approval.

Temp. Ord. A-148

An ordinance adopting the report on staffing for the City of Cuyahoga Falls for the year 2007 and declaring an emergency.

Mr. Gorbach read A-148 (second reading). Mr. Walters asked if a third housing inspector would be hired in Community Development. Mrs. Truby said yes. She is looking at renaming the position of Chief Code Enforcement Officer to more accurately reflect the duties of the position.

Mr. Walters asked if removing the residency requirement might help recruitment. Mrs. Truby said the residency requirement is not a problem in finding qualified applicants.

The Committee recommended bringing out A-148 for approval.

The meeting adjourned at 6:36 p.m.

