

CITY OF CANAL FULTON

October 19, 2004

SPECIAL COUNCIL MEETING

Mayor Grogan called the October 19, 2004 Special City Council meeting (referencing Finance) to order at 7:00 PM in Council Chambers at City Hall. This meeting is to give Michael Rodino a chance to go over the numbers with Council prior to meeting with each department head to give Council an idea of how much the City has to spend, what their numbers look like, and how much Council is going to have to cut.

Present: Linda Zahirsky, Nellie Cihon, Mike Mouse, Diane Downing, Bob Szanto, Mayor Grogan, Marge Loretto, and Mike Rodino

Mr. Rodino just received the Certificate of Estimated Resources (Estimated Revenue for Expenditures 2005) from the Stark County Budget Commission. They are estimating Canal Fulton having \$9,000,000 and that includes the estimated 2005 Revenue plus any estimated carryover from 2004. Mr. Rodino (referencing the budget packets) said that what they did was they added 3½ percent to all salaries and calculated the pension, and the other benefit plan is based off of that increase. The other expenditure line items: compared them to the current fiscal year-to-date expenditures at that time and came up with an amount they believe would be sufficient for 2005.

Mrs. Zahirsky asked regarding the estimates for special projects, such as when the City put the generator in at the west side Fire Station, if those numbers are built in again, and she was told no. Mr. Rodino said they looked at things that were one-time shots and things that most likely wouldn't come up again in 2005, and took those numbers out and based the estimates off of what was remaining. Mrs. Loretto stated most of those big expenditures were in Capital Improvements, so they wouldn't be reflected in the Operational Budget.

Mrs. Loretto stated that one of the things Chief McNeely put in was he was interested in hiring four part-timers to equal 2080 hours (not to go over that with four people.) He didn't build that in because that's not something that is the normal. It's more a "wish list" kind of thing.

Mark Stewart represented the Fire Department. They had mentioned to Mrs. Zahirsky a "wish list" for the chief going full-time. Mr. Stewart did not discuss this. They have more "call outs" than in previous years. Mrs. Loretto said they are staying currently with what they have, figuring that there will be some bump-up in wages, as there seems to be more runs each year. Mayor Grogan asked if the Lawrence Township and Canal Fulton departments merged, would the City be able to move up to a full-time salaried fire chief. Mrs. Loretto told the Mayor she thinks what the City would have to know how he is structuring this. The City and Lawrence Township would both kick in their share, then that entity would be sort of like LOGIC. They would have to form a Fire District, and the City would have to enter into a contract with Lawrence Township, and then they would have the specifics of how much it would cost to put into the budget. Mayor Grogan stated that it would be more of a Regional - sometimes they refer to it as Metro Safety Forces. The Fire Department does generate some income. Mr. Mouse stated that regionalism is cost effective. Mayor Grogan said that regionalization in Hartville saved a lot of money and put more people into the field.

Mrs. Zahirsky questioned the \$55,000 Contingency Fund. Mrs. Loretto said that's where whenever Council comes up with something - like they want to do something unusual - they plug money there in one lump sum. If we don't need it, we don't spend it; if we need it, it's there. Different funds have it, but not in General Fund (EXA: Water, Police, etc. has it). Mr. Rodino stated, "This is the one Contingency Fund for all of just the General Fund, and all the General Fund Cost Centers."

Mr. Szanto asked what is included in Wages & Salaries 101.120.5110, and who is that? Mr. Rodino stated it was everybody in City Hall, except for Mr. Rodino, Karen Hiltbrand, Tammy Luther, and Dan Mayberry. It is Mayor and Administration; the Mayor's wages, a portion of Mrs. Loretto's, a portion of Sue Menefee's, and the Clerk of Council's.

Mrs. Downing wanted to know (Page 5 – the Legal Department) about Contracted Service; it was \$40,000, then \$20,000, then \$28,000, and now down to \$15,000. Mrs. Loretto stated that has a lot to do with negotiations and any kind of litigation the City is going through (i.e., last year's lawsuit). The \$15,000 is based on the fact that the City will probably have some of the lawsuits from this year, and we'll be in negotiations again next year for the rest of the people.

Mrs. Zahirsky mentioned that the Law Director, Dale Kincaid, probably won't be satisfied with his rate of \$7,000. Mr. Kincaid charges also - \$14,000. Mrs. Zahirsky stated he has not been happy in the past. Mr. Mouse noted under Legal – the Contractor Rate – that's not for Mr. Kincaid; that's for outside counsel.

Mrs. Zahirsky asked - regarding the Income Tax Dept. (Form 200) – on the Contracted Services - do you have any idea on what we are doing. Mr. Rodino stated that has to do with the new tax forms every year, computer/software updates for the new funding regulations, etc. Mrs. Zahirsky said Karen has her annual returns done externally and that goes in there. Mr. Mouse asked, "How are we going from a total of \$97,000 in 2002 to \$271,000 in 2005? Mrs. Loretto said it was the first year they started having a separate fund getting Income Tax out of the General Fund. Mr. Mouse

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said, "Ok, then we go to 2003 – one million; 2004 went one million, then we drop down to \$271,000?" Mr. Rodino said, "Right, because we haven't figured in the transfers yet because we don't know how much money we're going to have to transfer out of the Income Tax Fund to cover Capital Improvements." Mrs. Loretto said, "Those figures will come in at the end." Mr. Mouse commented, "Since we've done 2003, and we're almost through 2004, I guess I'm curious about Transfer to General Fund in 2003, as opposed to 2004 Transfer to Capital Improvements – '03 and '04 – as for General Debt." Mrs. Loretto responded, "One of the things it has to do too is what to transfer in like the Capital Projects. First, it has two-fold. It's what projects you guys want, and what the carryover is. It's a carryover that is growing, then you don't transfer as much in." Mr. Rodino added, "And the amount that's being transferred to the General Debt Fund, that's just the amount of the entire debt and principal interest payments that are required for 2005."

Mrs. Zahirsky stated, "And any of these numbers, as Mike and I were mentioning before, if you want to see what the year-to-date is for 2004, you have to go to the sheets that he passes out monthly. So, if you want to see what that transfer to General Fund is for this year exactly, you need to go to look for the sheets that he passes out monthly."

Mr. Szanto said, "Estimate Year Salaries and Wages for Council for \$4,117 for the Trustees, the three Trustees (I'm not talking about the pension, Medicare, and all that), their salaries are \$30,780 and their healthcare cost (if all three of them have it, I'm not sure) \$39,600 brings their total of Trustees to \$70,380." Mrs. Loretto, "You guys do get paid a little better than \$41,000 . . . but it is still unbelievable how much they would get paid." Mr. Szanto, "But in their defense, that's set by the State. It's not voted." Mr. Mouse, "They have more meetings. They meet two or three times a month." Mr. Szanto stated, "I'm not advocating anything at this point . . . just a point of reference." Mr. Rodino said, "I think that the Trustees, their salaries are based off of the population."

Mr. Zahirsky reminded everyone that there is a Departmental Budget Meeting on October 23, 2004. Mayor Grogan said he might be a little late, as President Bush is coming back into town Friday and Saturday, and he has to be there with S.W.A.T. as security for the President.

ADJOURNMENT

Mayor Grogan adjourned the October 19, 2004 Special Council meeting.

Patricia A. Schauwecker, Clerk of Council

Mayor John Grogan