

City of Seven Hills

Record of Minutes of

COUNCIL MEETING HELD March 27, 2017

This Regular Council Meeting was called to order by Council President Matthew A. Trafis at 7:35 p.m. with the Pledge of Allegiance.

ROLL CALL

Present and accounted for were Mayor Dell'Aquila, Director of Law Pignatiello, Councilman-at-Large Bicker, Councilman-at-Large Kraynak, Councilman-at-Large Trafis, Ward 1 Councilman Biasiotta, Ward 2 Councilman Fraundorf, Ward 3 Councilman Kukral, Ward 4 Councilman Petro, Director of Public Service and Properties Lovece, and Engineer Collins. Absentee was Building Commissioner Moro.

READING AND DISPOSAL OF JOURNAL

MOTION by Mr. Fraundorf, seconded by Mr. Kukral, to accept the Minutes of the Public Hearing held March 2, 2017, as printed.

Roll Call: all yea

MOTION CARRIED

MOTION by Mr. Fraundorf, seconded by Mr. Biasiotta, to amend the Minutes of the Special Council Meeting held March 2, 2017, by changing the dollar amount found on Page 7, under Councilman Biasiotta's statement, second paragraph, third line, from \$2.5 million a year to **\$1.5 million a year**.

Roll Call: all yea

MOTION CARRIED

MOTION by Mr. Fraundorf, seconded by Mr. Kukral, to accept the Minutes of the Special Council Meeting held March 2, 2017, as amended.

Roll Call: all yea

MOTION CARRIED

CONSENT AGENDA

There were no submissions for the March 27, 2017 Consent Agenda.

RESOLUTIONS OF COMMENDATION

There were no Resolutions of Commendation.

REPORTS OF COMMITTEES

Planning, Zoning, and Economic Development

Planning, Zoning, and Economic Development Committee Chairman Trafis stated that the Committee last met on Monday evening, March 20, 2017, and the minutes from that meeting are on file with the Clerk of Council. Mr. Trafis stated that the Committee will hold its next regular meeting on Monday, April 17, 2017.

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Public Works

Public Works Committee Chairman Petro stated that the Committee will hold its next regular meeting on Monday evening, April 3, 2017.

Community Services

Community Services Committee Chairman Bicker stated the Committee last met on Monday evening, March 6, 2017, and the minutes from that meeting are on file with the Clerk of Council. Mr. Bicker stated that the Committee will hold its next regular meeting on Monday, April 3, 2017.

Police and Fire

Police and Fire Committee Chairman Kraynak stated that the Committee last met on Monday evening, March 20, 2017, and the minutes from that meeting are forthcoming. Mr. Kraynak stated that the Committee will hold its next regular meeting on Monday evening, April 17, 2017.

Parks and Recreation

Parks and Recreation Committee Chairman Kukral stated that the Committee last met on Monday evening, March 20, 2017. Mr. Kukral stated that the Committee will hold its next regular meeting on Monday evening, April 17, 2017.

Rules, Ordinances, and Ethics

Rules, Ordinances, and Ethics Committee Chairman Biasiotta stated the Committee will hold its next regular meeting on Monday evening, April 3, 2017. Mr. Biasiotta reported that all committee meeting minutes are on file.

Finance, Civil Service, and Personnel

Finance, Civil Service, and Personnel Committee Chairman Fraundorf stated the Committee last met on Monday evening, March 20, 2017, and the minutes from that meeting are on file with the Clerk of Council. Mr. Fraundorf stated that the Committee will hold its next regular meeting on Monday evening, April 3, 2017.

APPOINTMENTS AND CONFIRMATIONS

There were no appointments or confirmations.

COMMUNICATIONS, PETITIONS, AND CLAIMS

There were no communications, petitions, or claims.

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COUNCIL OPEN TO THE AUDIENCE ON LEGISLATION ONLY

Tom Jaros, 224 Crescent Ridge Drive made the following comments:

“Resolution No. 6-2017 is a humdinger -- that’s a Resolution that really should set some kind of standard for Democracy in this entire Country. You guys have appointed yourselves the judge and jury in a matter where you are the accuser. The document that I got from Mr. DiChiro says ‘City of Seven Hills Council, Summitview Drive, -blah-blah, Petitioner’. So, Petitioner or accuser -- either way. Then it is Thomas Jaros and my address as Respondent. For people who don’t understand what’s going on.....the idea of the accuser, also being the judge and jury. Anybody up there have a problem with this concept? This is a Democracy, not a totalitarian government. Anybody that votes for that thing is voting against the basic principle this country was built on -- Democracy. And I know you all do the family thing, and you take the votes and everybody has got to stick up for the family. You will be voting against democracy in no uncertain terms -- that’s what you are doing. The accuser gets to be the judge and jury. What the hell is the matter with you guys? Who wrote that garbage? Thank you.”

ORDINANCES AND RESOLUTIONS

Ordinance No. 30-2017 – AN ORDINANCE TO AMEND SECTIONS 707.01, DEFINITIONS, 707.02, ESTABLISHMENT AND JURISDICTION OF CITY ARBORIST, 707.03, MASTER STREET TREE PLAN ADOPTED, 707.04, PERMIT REQUIRED; CONDITIONS FOR GRANTING, 707.05, GENERAL TREE AND SHRUB REGULATIONS, 707.06, CERTAIN TREES PROHIBITED, 707.07, PRESERVATION AND REMOVAL OF TREES ON PUBLIC PROPERTY, 707.08, PROCEDURE UPON ORDER TO PRESERVE OR REMOVE, AND 707.11, DUTIES OF PRIVATE OWNERS, AS CONTAINED IN CHAPTER 707, STREET TREES, OF TITLE ONE, STREETS AND SIDEWALKS, OF PART SEVEN, STREET AND PUBLIC SERVICES CODE, OF THE CODIFIED ORDINANCES OF THE CITY OF SEVEN HILLS, FOR THE PURPOSE OF CLARIFYING THE RESPONSIBILITY FOR THE MAINTENANCE OF TREES ON TREE LAWNS.

MOTION by Mr. Bicker, seconded by Mr. Petro, to table Ordinance No. 30-2017.

Roll Call: all yea

MOTION CARRIED

Ordinance No 30-2017 was tabled.

Amended Ordinance No. 31-2017 -- AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO AN AGREEMENT ON BEHALF OF THE CITY OF SEVEN HILLS, OHIO, WITH THE BOARD OF EDUCATION OF THE PARMA CITY SCHOOL DISTRICT OF PARMA, OHIO, TO PROVIDE TRANSPORTATION FOR 2017 SUMMER DAY CAMP FIELD TRIPS; SAID AGREEMENT SHALL TERMINATE AUGUST 31, 2017; AND AUTHORIZING AN AMOUNT NOT TO EXCEED \$4,500.00 FOR SAID SERVICE.

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MOTION by Mr. Kraynak, seconded by Mr. Kukral, to read Amended Ordinance No. 31-2017 by title only for its third and final reading.
Roll Call: all yea **MOTION CARRIED**
Amended Ordinance No. 31-2017 was read by full title only for its third and final reading.

MOTION by Mr. Kraynak, seconded by Mr. Kukral, to pass Amended Ordinance No. 31-2017.
Roll Call: all yea **MOTION CARRIED**

AMENDED ORDINANCE NO. 31-2017 IS DECLARED PASSED.

Amended Ordinance No. 36-2017 – AN ORDINANCE TO AMEND THE APPROPRIATIONS OF THE CITY OF SEVEN HILLS, OHIO, FOR THE YEAR ENDING DECEMBER 31, 2017; AND DECLARING AN EMERGENCY.

MOTION by Mr. Fraundorf, seconded by Mr. Bicker, to read Amended Ordinance No. 36-2017 by title only for its second and final reading.
Roll Call: all yea **MOTION CARRIED**
Amended Ordinance No. 36-2017 was read by full title only for its second and final reading.

MOTION by Mr. Fraundorf, seconded by Mr. Bicker, to pass Amended Ordinance No. 36-2017, as an emergency measure.

Mr. Fraundorf stated:

“I would like to announce to the Seven Hills community that this is a balanced budget and we are seeing a rather healthy surplus that we have not seen in many years.”

Roll Call: all yea **MOTION CARRIED**

AMENDED ORDINANCE NO. 36-2017 IS DECLARED PASSED.

Ordinance No. 37-2017 – AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR TO ENTER INTO AN AGREEMENT ON BEHALF OF THE CITY OF SEVEN HILLS, OHIO, WITH OHIO COUNCIL 8 AND LOCAL 3557 (SERVICE), AMERICAN FEDERATION OF THE STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFL-CIO, FOR THE PURPOSE OF MEMORIALIZING WAGE NEGOTIATIONS WITH VARIOUS CITY EMPLOYEES; AND DECLARING AN EMERGENCY.

MOTION by Mr. Petro, seconded by Mr. Biasiotta, to read Ordinance No. 37-2017 by title only for its first and final reading.
Roll Call: all yea **MOTION CARRIED**
Ordinance No. 37-2017 was read by full title for its first and final reading.

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MOTION by Mr. Petro, seconded by Mr. Biassiotta, to pass Ordinance No. 37-2017 as an emergency measure.

Mr. Fraundorf stated:

“I would like to acknowledge three members of the Service Department that were part of the negotiating team -- Mike Vano, Fred Frost and Tom Sech. The meetings were very professionally held and there was a good exchange of information, thoughts, and ideas. I also would like to acknowledge the input and hard work of Will Nowel, who is the AFSCME Representative for the Service Department.”

Council President Trafis stated:

“I would like to mention that both Councilman Fraundorf and Law Director Pignatiello handled this union negotiation and are handling the others. I know how much time and effort you are putting into this. And it is appreciated.”

Roll Call: all yea

MOTION CARRIED

ORDINANCE NO. 37-2017 IS DECLARED PASSED.

Ordinance No. 38-2017 -- AN ORDINANCE ENACTING NEW CHAPTER 1543 ENTITLED “WAGE ENFORCEMENT”, AS CONTAINED IN PART FIFTEEN, TAXATION CODE, OF THE CODIFIED ORDINANCES OF THE CITY OF SEVEN HILLS, OHIO, FOR THE PURPOSE OF ESTABLISHING GUIDELINES FOR WAGE ENFORCEMENT; AND DECLARING AN EMERGENCY.

MOTION by Mr. Trafis, seconded by Mr. Kraynak, to read Ordinance No. 38-2017 by title only for its first and final reading.

Roll Call: all yea

MOTION CARRIED

Ordinance No. 38-2017 was read by full title for its first and final reading.

MOTION by Mr. Trafis, seconded by Mr. Kraynak, to pass Ordinance No. 38-2017 as an emergency measure.

Council President Trafis stated:

“I am particularly happy about this Ordinance. This is to help the City to put guidelines in effect to collect income tax from workers and temporary workers in Seven Hills. We are anticipating hundreds of them with the Rockside Road Project. So this is just one item that helps up collect our revenue that is due to the City. I want to thank the Law Director, as well, for helping with this Ordinance, too.”

Roll Call: all yea

MOTION CARRIED

ORDINANCE NO. 38-2017 IS DECLARED PASSED.

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MOTION by Mr. Kukral, seconded by Mr. Petro, to amend Ordinance No. 39-2017 by:

1. Adding the emergency prevision to Ordinance No. 39-2017; and
2. Waiving the 24-hour delivery requirement; and
3. Replacing the existing agreement in its entirety with the new agreement distributed in the Caucus Meeting.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 39-2017 - AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN ECONOMIC DEVELOPMENT JOB CREATION AND JOB RETENTION AGREEMENT WITH FOUR ONE FOUR ONE ALLIANCE LLC; AND DECLARING AN EMERGENCY.

MOTION by Mr. Kukral, seconded by Mr. Petro, to read Amended Ordinance No. 39-2017 by title only for its first and final reading.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 39-2017 was read by full title only for its first and final reading.

MOTION by Mr. Kukral, seconded by Mr. Petro, to pass Amended Ordinance No. 39-2017 as an emergency measure.

Council President Trafis stated:

“I am pretty excited about this Ordinance as well. This is an agreement with a company on Lombardo Center Drive, and this company will be generating quite a bit of cash into the City once they move in, come this November. It is a great deal for Seven Hills, and welcome to this new company.”

Roll Call: all yea

MOTION CARRIED

AMENDED ORDINANCE NO. 39-2017 IS DECLARED PASSED

MOTION by Mr. Fraundorf, seconded by Mr. Bicker, to amend Ordinance No. 40-2017 by adding the words “**and declaring an emergency**” to the title of the Ordinance and by adding the emergency clause to Section 3.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 40-2017 -- AN ORDINANCE TO APPROPRIATE A SUM NOT TO EXCEED \$65,606.50, PLUS DELIVERY CHARGE, FOR THE PURCHASE OF ONE (1) 2017 FORD F450 UTILITY TRUCK, 2WD CREW CAB WITH STANDARD EQUIPMENT, WITH APPURTENANCES, FOR USE IN THE SEWER DEPARTMENT OF THE CITY OF SEVEN HILLS, OHIO; SAID PURCHASE TO BE MADE FROM VALLEY TRUCK CENTERS, OF CLEVELAND, OHIO THROUGH THE OHIO DEPARTMENT OF ADMINSTRATIVE SERVICES CONTRACT #RS901017; AND DECLARING AN EMERGENCY.

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MOTION by Mr. Fraundorf, seconded by Mr. Bicker, to read Amended Ordinance No. 40-2017 by full title for its first and final reading.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 40-2017 was read by full title only for its first and final reading.

MOTION by Mr. Fraundorf, seconded by Mr. Bicker, to pass Amended Ordinance No. 40-2017 as an emergency measure.

Roll Call: all yea

MOTION CARRIED

AMENDED ORDINANCE NO. 40-2017 IS DECLARED PASSED

MOTION by Mr. Petro, seconded by Mr. Kukral, to amend Ordinance No. 41-2017 by adding the words “**and declaring an emergency**” to the title of the Ordinance and by adding the emergency clause to Section 3.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 41-2017 – AN ORDINANCE TO APPROPRIATE A SUM NOT TO EXCEED \$40,892.00, PLUS DELIVERY CHARGE, FOR THE PURCHASE OF ONE (1) 2017 FORD FULL-SIZE CARGO VAN, WITH STANDARD EQUIPMENT, WITH APPURTENANCES, FOR USE IN THE SEWER DEPARTMENT OF THE CITY OF SEVEN HILLS, OHIO; SAID PURCHASE TO BE MADE FROM VALLEY FORD TRUCK, INC., OF CLEVELAND, OHIO, THROUGH THE OHIO DEPARTMENT ODF ADMINISTRATIVE SERVICES CONTRACT #RS901017; AND DECLARING AN EMERGENCY.

MOTION by Mr. Petro, seconded by Mr. Kukral, to read Amended Ordinance No. 41-2017 by full title only for its first and final reading.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 41-2017 was read by full title only for its first and final reading.

MOTION by Mr. Petro, seconded by Mr. Kukral, to pass Amended Ordinance No. 41-2017 as an emergency measure.

Roll Call: all yea

MOTION CARRIED

AMENDED ORDINANCE NO. 41-2017 IS DECLARED PASSED.

Resolution No. 5-2017 -- A RESOLUTION RATIFYING 406 HOURS OF VOLUNTARILY DONATED SICK LEAVE UNITS BY SEVEN HILLS CITY EMPLOYEES TO THERESA FRANCIS; AND DECLARING AN EMERGENCY.

MOTION by Mr. Biasiotta, seconded by Mr. Bicker, to read Resolution No. 5-2017 by title only for its first and final reading.

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Resolution No. 5-2017 was read by full title only for its first and final reading.

MOTION by Mr. Biasiotta, seconded by Mr. Bicker, to adopt Resolution No. 5-2017 as an emergency measure.

Roll Call: all yea **MOTION CARRIED**

RESOLUTION NO. 5-2017 IS DECLARED ADOPTED.

Resolution No. 6-2017 -- A RESOLUTION ESTABLISHING, AUTHORIZING AND RATIFYING 'PROCEDURES FOR HEARING OF PETITION' OF THE COUNCIL OF THE CITY OF SEVEN HILLS, OHIO, IN REFERENCE TO THE PETITION FOR REMOVAL OF THOMAS JAROS (RESPONDENT) FROM THE CITY OF SEVEN HILLS PLANNING COMMISSION; AND DECLARING AN EMERGENCY.

MOTION by Mr. Kraynak, seconded by Mr. Fraundorf, to read Resolution No. 6-2017 by title only for its first and final reading.

Roll Call: all yea **MOTION CARRIED**
Resolution No. 6-2017 was read by full title only for its first and final reading.

MOTION by Mr. Kraynak, seconded by Mr. Fraundorf, to adopt Resolution No. 6-2017 as an emergency measure.

Mr. Kraynak stated:

“Since this was up for a first reading, my preference was that we just go with the first reading. I have been informed by the legal people that by passing it now as an emergency, it will allow Mr. Jaros more time to prepare for whatever situation he needs to prepare for. So, out of fairness to him, we agreed to pass this as an emergency.”

Roll Call: all yea **MOTION CARRIED**

RESOLUTION NO. 6-2017 IS DECLARED ADOPTED.

COUNCIL OPEN TO THE AUDIENCE

Tom Jaros, 224 Crescent Ridge Drive made the following comments:

“Tom Jaros, 224 Crescent Ridge Drive, Seven Hills, Ohio, USA. Nice job guys. Like to see the *family* hanging together -- Tony you even jumped in there. For those who don't know the whole story on Tom Jaros, Planning Commissioner -- January 29th I made a post on Facebook, You Tube actually, and I stated that this Council violated Seven Hills law when they passed the Pre-Development Application -- approved it. I stand by that statement.”

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Tom Jaros (continued):

“The application was deficient. You all knew it was deficient. The Planning Commission knew it was deficient, when they had it, then they sent it to you guys and I particularly announced to Councilman Trafis, it’s not all there. On February 2nd, Councilmen Trafis, Fraundorf, and Kukral decided to post on Facebook pages under their control that Council is not allowed to talk to Planning Commissioner, Tom Jaros. I didn’t have a question before them, I don’t know why that question was made? Other than to cast some dispersions on my character. It was vague enough, that I had people asking me, ‘What’s this about?’ I said I didn’t know because I hadn’t seen the allegations until it showed up on you Facebook pages. Since then we have just gone downhill and I got suspended, I thought, and then you’re forcing a removal -- the real knee-slapper in this whole deal, guys.”

Mr. Jaros continued:

“In Seven Hills, to be a Mayoral Appointee, you are appointed by the Mayor, approved by the Council, and then according to Ordinance, The Planning Commission position, you’re paid \$25.00 a month. I never got a dime. You didn’t cement the employer or employee relationship. So, I couldn’t resign, I can’t quit -- I never was a Planning Commissioner, because you guys didn’t follow through on your end of the deal. Has to be there. We heard the Mayor just bring this up lately about your Financial Advisory, got to pay those guys something that makes them an employee. You never did it. So, there isn’t going to be a Hearing. Can’t remove me.....I never was. I can’t resign. And, you gentlemen can go to your Facebook pages and make a retraction about any statement regarding Tom Jaros, Planning Commissioner.”

Mr. Jaros continued:

“You got a nice front page story -- ‘*Planning Commissioner, Tom Jaros -- Suspended*’. Mr. Holan did that one -- or his editors did. This is all great stuff, and it was all wrong. And it might even be subject to a law that applies to liable, slander -- who knows. But, since nobody bothered to check..... if you ever followed through. I got smeared through this deal. I don’t want to hear anymore mention of Planning Commissioner, Tom Jaros -- because he never was. Your fault. Period. And, I don’t want to hear anymore garbage about you can’t talk to me. I have a right as a citizen to converse with my representatives. I never was. All the bets are off. The witch hunt is over. I will definitely want to see how much this cost. This is going to be good. I just found out I was never paid -- I didn’t realize. I went looking for the money...there is none. So, another one of your knee jerks and your insult to Democracy with Resolution No. 6. Was all for naught. And -- I will want to see the retractions, guys. Thank you.”

Council President Trafis replied:

“Just for Council’s clarification, Mr. Jaros never turned in his paperwork until nearly a month ago, regarding payroll. That is documented by our Finance Department. It is my understanding that the paperwork is in process.”

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REPORTS AND COMMUNICATIONS FROM THE MAYOR-SAFETY DIRECTOR

Mayor Dell'Aquila gave the following report.

Thank you, Mr. President -- I just have a few comments about Ordinance No. 36-2017, the amended budget. I first want to acknowledge the hard work of everybody here on the dais, as well as our Directors. This was a ton of work to assemble the budget that has been passed this evening, the amendment to the budget. As you know, in accordance with State Law, the City ordinarily operates on a temporary budget based on estimated expenditures for the first three months of every new fiscal year or until April 1st. By that date, an original appropriation is passed by Council for the entire year, after considering anticipated expenditures for the upcoming year.

The appropriations can be, and typically are, revised as necessary throughout the year based on unforeseen changes that come along. As you know, the Administration attempted to meet a request to prepare a draft budget early in 2017 before all the 2016 final numbers were in and the 2016 books were reconciled and closed. We presented a rough discussion draft of estimated amounts, preparing that rough draft was further complicated by the fact that Seven Hills has had no appointed Finance Director since February of 2016. After budget meetings with Council a proposal was submitted and with some later modifications became Ordinance No. 36-2017 which was passed this evening.

There are still some coming amendments, as we all know, as I mentioned to Council at Caucus last week. Just very briefly, let me numerate some of those. The former Police Chief's severance pay has already been completely paid out which has already been paid in the middle of 5-figures, but not reflected in this appropriation. Police overtime is budgeted much lower than the Chief's, estimated at least by \$30,000.00, and perhaps more. It should be noted that Police overtime consists of many things besides just regular overtime pay -- this includes training pay, extended call compensation, grant-funded reimbursable OVI patrols, Mayor's Court duty, SWAT team member costs to patrolmen. Some overtime costs can be reduced by signing some SWAT training days without using overtime when staffing permits that. But, with only 15 officers, it won't make any difference to the bottom line. We now know the overtime expense will be even higher because the department is about to transfer one of its Uniformed Officers to the Detective Bureau, which will place additional overtime demands on the Police Budget to keep Officers on the road. Police overtime is impossible to reduce at current staffing levels and will probably be even higher than the Chief's \$80,000.00 estimate by the end of 2017, unless more Officers are hired -- and that is, as you know, in process now with testing being hopefully permitted.

We now also know, that University Hospitals has asked that the Civic Drive sign be repaired as part of their lease renewal at the Recreation Center. That will be in the low 5-figure range, depending on whether there are any contributions from the hospital.

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Mayor Dell'Aquila (continued):

Just these three known items alone total an additional unappropriated General Fund expense in excess of \$100,000.00 -- but there is more. The 2017 Road Program that Council has been working reflects on Page 8 of the budget appropriation of zero dollars, with \$184,000.00 with engineering expenses to be housed in a currently unfunded, as an unanticipated obligation, but no expenses occurred to date. The City just cut its debt significantly in 2015-2016 and our residents just passed a huge tax increase. The General Obligation Bond Debt was reduced from just over \$15 million at the beginning 2015 to just over \$12 million at the end of 2016.

Capital improvement notes were reduced from about \$3.2 million to \$2.6 million. A lot of that money coming from cell phone tower proceeds. This represents a total bond-note debt reduction between \$3.5 - \$4 million in just two years, roughly about 20% of the City's total bond and note obligation.

The Refuse Levy will be up for renewal in 2018. If that Levy fails, the City will return to the financial condition it faced before the 2016 tax increases -- borrowing millions of dollars more at this time for any reason is too risky and will eat away at the City's borrowing limits at the very worst time possible.

Then there is the whole issue of creating a Reserve Fund for compensated absences, particularly in the Police Department. The compensated absence time currently accumulated there by one patrol officer is in the 6-figure range. There is no fund budgeted to carry this reserve and therefore exists as known but unappropriated general fund liability. Council should establish a separate fund and begin to transfer general fund money into it to cover this known obligation. I would hope and anticipate that this will occur the remainder of 2017, as an appropriation amendment.

The reality is that every budget is just an estimate of future income and expenses. For example, the City brought in more last year in unanticipated income tax than the state tax dollars. In 2015, the General Fund actual expenses were \$9,073,000.00. Last year in 2016, the General Fund expenses went up to \$9,288,000.00.

The lesson is that no one on this dais has a crystal ball. We all know that future amendments of this appropriation will be required by the end of 2017 to meet all the unexpected things that will happen over the rest of the year. I will be signing this legislation so that the City will be in compliance with State Law; however, everyone should be aware that just like every year, this budget is not the final word on what the actual City expenses will be at the end of 2017. These budgets are works in progress until the final year budget numbers are in.

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REPORTS FROM THE DIRECTORS OF DEPARTMENTS AND OTHER OFFICIALS

Director of Law Pignatiello had no formal report.

Director of Public Service and Properties Lovece:

A special thanks to custodian Todd Stimetz. He has been like a one-man army renovating the Police Department, including wallpaper removal -- which is not easy -- and painting most of the rooms in that area. The ones he has been painting, nobody knows when they have been painted, maybe 1985 when this building was turned into City Hall. He has been doing that work diligently, along with his other tasks as a custodian.

City Engineer Collins had no formal report.

Building Commission Moro was not present.

MISCELLANEOUS

Council President Trafis:

I want to start off with a couple of things regarding the budget. I am very proud of this budget. I think this was a team effort between the Council, Administration, and our residents. We would have not have been able to get to where we are today without all three groups working together. This 2017 budget does not account for a number of revenues that have not been mentioned.

Blue Chip is a new company on Rockside Road -- opened their doors a week ago. The new income tax that will be collected from that company is not in this budget. The revenue from the construction jobs on Rockside Road are not accounted for in this budget. The regularly scheduled income tax collections are also budgeted very low, according to our Deputy Finance Director.

Regarding the police overtime, we are still waiting for details of that from our Police Chief, which we requested a couple of months ago and certainly no slight at the Police Chief, he is transitioning into the new job and doing a great job at it. That additional detail should be coming soon.

The Broadview Road sign at Civic Drive is a very small expense and could be \$10,000.00, 20,000.00-tops, and that does very little to our bottom line.

Regarding the 2017 Road Program, when we borrow the \$3 million, payments are not going to be made until 2018. That is not accounted for in the 2017 budget.

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Council President Trafis (continued):

As far as the upcoming November Refuse Renewal Levy, that is in November 2017, and currently, I believe, it is at a 3.8 Millage Levy, and we had previous discussions about decreasing that millage to 2.9. If memory serves correctly and we put that on the ballot and it passes, the amount that residents pay will decrease by \$51.00 for every \$150,000.00 valuation of a home. If that Levy fails -- I can only speak for myself -- but it is my intention not to spend one penny of City money to pick up garbage. If residents vote against the Levy, then it is on the residents to contract themselves to pick up garbage. I will fight tooth-and-nail to not spend General Fund money to pick up residents' garbage. It's a service that needs to be paid for. Residents want their garbage picked up, vote for the Levy. If they don't, you are on your own. I don't think that is a consideration at all.

My point is that this budget is very good -- frankly conservative, in my opinion. There is a lot of new revenues that will be coming in that are not appropriated for and we are in great shape financially, and I am very proud of all the work that everybody has done to get the City where it is right now.

Mr. Fraundorf:

I have a few comments to say about the budget as well. Number one, here is the difference. I have spent a lot of time and have worked glove and hand with our Deputy Finance Director. We had two Budget Hearings held on Saturdays -- we had every Department Head in providing their wish list of the budget. We made adjustments at that time -- we made adjustments after those meetings -- and again Joe Hotchkiss and I worked very, very closely. If anyone can say they are intimate with the budget, I would say I am intimate with our current budget. The difference is, and this is how an optimist sees things, they see opportunity. Pessimists sees nothing but road blocks. What I am hearing tonight is nothing but road blocks.

Let me tell you why -- why that is. Number one -- Mr. Trafis has mentioned our income tax was under estimated very, very conservatively, and that was done on purpose and that was something that our Deputy Finance Director insisted that he'd do. He said, "You don't know what it is, so we are going to grossly underestimate". He would rather err on the side of conservative rather than being overly optimistic. I get that and that's fine. So that is what we did. Secondly, the Mayor mentioned the Police Chief severance, Police overtime, and some General Fund liabilities that are going to be in the 6-figure range.

Let me tell you where the Budget currently stands. We are north of \$300,000.00 to the good. So if we take that \$100,000.00 that the Mayor is talking about, we are still north \$200,000.00 to the good. We haven't been there in probably ten years, only than by artificial means, which was selling City assets refinancing our debt.

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Mr. Fraundorf (continued):

All we did was push that debt further out, and we increased it. This is a truly balanced budget.

Thirdly, if we were to take this General Fund liability of one police officer who said, if you cashed out tomorrow, we'd be in the 6-figure range – well, guess what? We are still to the good. Now remember that is with a conservative income tax estimate and that's without accounting for taxes that we are going to receive from Blue Chip and people that are working on this Rockside Road Project. So, if anybody has any financial background or understands finances – yes, agree with you Mayor, this is a working document. But, I look at this money if it were mine, so I manage it that closely. There is no way that I am going to put this City in any kind of jeopardy.

As a matter of fact, we talk about Road Programs. Matt Trafis and I did an analysis of what the City could afford. We can easily afford a \$3 million Road Program. As a matter of fact, we could afford a \$5 million program and we would not break the bank. When I hear things like this, it absolutely drives me crazy.

When we talk about a rough draft – well, the Mayor says we haven't had a Finance Director -- let me tell you, Joe Hotchkiss has done a yeoman's job as Acting Finance Director. He has done a great job and he is available and answers all of my questions. I cannot tell you the number of times we sat down together in his conference room in the Finance Department and went through this thing, line by line. If I had any questions, he would have investigated it.

Let's also talk about the pessimists. For those of you that were here last Monday, I said Mr. Mayor, you submitted a budget -- he says no, I didn't submit a budget. Well I got this off of our website, and it says Mayor's budget submission. In a cover letter, he says we're in the midst of collecting bargaining negotiations with the union, which is another hidden cost that pessimists see as a road block. Here is a guy that hasn't been involved in one second of the negotiations and has no clue as to where we are going with our Unions and yet he makes these bold and blind statements about the road block ahead. I will be quite honest with you, Mayor, my personal feeling -- you couldn't navigate the budget with Joe Hotchkiss holding you by the hand and a GPS in the other. So, don't tell me about how we should be worried where this City is heading. It is heading in the right direction and make no mistake about it. Thank you.

Mr. Petro had no miscellaneous comments.

Mr. Kukral had no miscellaneous comments.

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Mr. Bicker had no miscellaneous comments.

Mr. Kraynak had no miscellaneous comments.

Mr. Biasiotta had no miscellaneous comments.

MOTION by Mr. Trafis, seconded by Mr. Bicker, to adjourn the meeting
Roll Call: all yea **MOTION CARRIED**

The March 27, 2017 Council Meeting was adjourned at 8:25 p.m.

Matthew A. Trafis, President of Council

Attest: _____
Carol L. Sekerak, Clerk of Council

Date: _____

Transcribed 5/05/17
Lisa Plisko, Council Assistant
(Edited C. Sekerak)