

Finance Committee Meeting of Council City of Richmond Heights March 20, 2018

Chairman Ursu called the meeting to order at 8:27 pm

Roll Call:

Present: Ursu, Lentine, Lewis, Hurst (arrived at 9:07pm)

Council also present: Alexander, Henry, Kumin

Reports:

Mayor David H. Roche: Comment as we go along.

Tax Administrator, Anthony Miceli:

- RITA says new judge is being cooperative and working well.
- State allows companies to file net profit returns. As part of that, businesses have to notify the city, so volume of mail is growing. Working through all of these, as well as the penalties. \$25 per month late filing penalty.

Finance Director, Jim Teknipp:

- On budget, received settlement—property taxes, rollbacks in late May. Income Tax---up a bit by \$180,000. Expenses on target for most items.
- STAR Ohio--going up, 1.61%
- Overall cash over \$8 mil
- Kumin asked about STAR Ohio and seeing as we have this money set aside, we will take funds and purchase the school bonds with them at 4% to show support for schools and increased rate of return on investment. No restrictions on investing (checked with Todd Hunt). Will go on sale soon, and wanted to float this idea out here. Mayor said we do not want to get involved with buying and selling bonds. It would not be in the investment portfolio of the city. Teknipp agreed that a rate like that is risky.

City Engineer, Lee Courtney: -present

Building Commissioner, Jim Urankar: -present

OLD BUSINESS:

Budget Work Session:

- General Fund projected surplus is \$219,316
- Projected General Fund ending balance \$3,514,196
- Total of all funds deficit-- \$450,858
- Projected total of all funds ending balance \$6,383,168
- Income Tax estimated collection for 2018 is \$6,500,000
- Went through Capital expenses for each dept., what was pulled from budget, what has been deferred and what has been added?
- Total deferred from budget to Capital Expense is \$123,800
- If year goes well, put ice maker back in to Kiwanis Lodge for \$3500, said Ursu.
- Dispatchers: Two of the dispatchers jobs were eliminated from the center; \$25,000 cost of unemployment
- Payroll addition/change for retired Building Inspector \$11,225
- Net changes to the deficit \$249,421
- Estimated deficit with changes \$450,858

Henry would like to look at the consultant cost for Building Inspector (Phil Seyboldt) at \$9,000

Urankar said there are times we need someone to fill in such as vacation times, and he is our official backup in the Building Dept., otherwise not needed much, a contingency. Kumin asked about reciprocal agreement with South Euclid. Urankar said it is on an hourly basis and we will only call if needed.

Ordinance No. 27-2018:

- Mayor discussed the Role of new position in Building Dept.---3 changes in legislation---make them an hourly non-exempt, combination put in for Ohio revised code to be in line with Ohio code, making it a full time position as fire inspector/building inspector.
- Urankar said the Building Dept. is bare bones and needs staffing. Urankar said that the Fire Inspector combo is a big deal and he gets into places that he can't. He said he needs him full time. State of Ohio—trying to have fire inspectors work more closely with Building Dept. He sees violations and Urankar can write them up. The fire safety portion of it is 3 days full time, the other 2 days does building and property maintenance.
- Alexander said he is all for this now. Referred to meeting with prosecutor and the easiest way to prosecute is with the fire code. This is important to keep in Building and the person can do both jobs. We fought long and hard to find the right person for this position.
- Kumin asked if one person doing 2 jobs is more effective than 2 people doing 28 hr/week jobs, and separating the duties. Urankar said yes, he would rather have one full timer doing both. He had concerns with this one person leaving and then having this position open.
- Urankar added that this person with all his certifications is very rare, only about 38 in state of Ohio.
- Alexander said we can always back track in the future with this position.
- Hurst asked about past 10-15 yrs---why have we come to point where we need full time now and not so in past? Mayor said we used to have 3 full timers in Building Dept. Urankar went over past employees who were full time, and certifications needed. Discussed past years and issues with part time and full time.
- Kumin added that some people wanted to put this (Fire Inspector) position back in the Fire Dept. He said he would rather keep this position part time, but bump his pay up a bit. Henry said she agrees with Kumin.
- Cost for full timer is about \$62K, per Teknipp, including benefits, or cost for 2 part timers is the same.
- Mayor said he needs the first part of this ordinance at least passed this week, to hire.
- Lentine said we should consider passing this tonight to help the Mayor.

NEW BUSINESS:

Motion to approve new gutters for Kiwanis Lodge, not to exceed \$4800, from the 401 Fund by Lentine, seconded by Lewis; passed 3-0.

Motion to approve the Stryker Agreement for maintenance at \$3167/yr, the renewal of agreement for cots in Fire Dept by Lentine, seconded by Ursu; passed 3-0.

Motion for the purchase of a new police vehicle for \$28,709 with reimbursements, and equipment (full cost not to exceed \$42,000) by State bid by Lentine, seconded by Ursu; passed 3-0.

Audience:

Patricia Ackerman, 456 Rushmore Drive:

She asked for a copy of the agenda that was voted on and would like a copy of agenda and the budget. Ursu commented on 2 items from the Safety Committee that were voted on and passed to Finance tonight and therefore impossible to have on his agenda that was printed before the Safety meeting.

Ackerman said the next time this committee meets, she would like the reactions of auditors in city and their findings.

Teknipp said that 2017 will be audited next month.

Henry said she read something in Cleveland.com and reactions from article

Kumin said the Audit Committee will be meeting in the future to discuss findings.

Mayor said the Audit Committee meets as needed. Auditors findings are always put on the website. We do have a Records Retention Policy and are completing the schedules and updating those. Putting forth other schedules soon and finalizing those details.

Lewis said the next Audit meeting will be next month after the Finance meeting (3rd Tuesday of April).

Chairman Ursu adjourned this meeting at 9:42 pm

Meeting Minutes taken by Betsy Traben, Clerk of Council