

for the Arts. Ms. Prasser stated that is her degree. Ms. Prasser stated Christina did the research for the custom design. Ms. Drucker asked why we would pay someone to do that. Ms. Prasser stated designing is a specialty and Christina did not do this during her normal work hours. Ms. Prasser suggested the work be started June 10th and should be completed within two weeks. Ms. Drucker was disturbed that the City would pay a designer to do this. What if the project was not approved? Ms. Prasser felt it was fair to reimburse her for her time. Ms. Drucker stated people should not be doing work for the City and paid for their work if the project is not approved. Ms. Prasser said that the work was done from Christina's home and she knew it was a risk that she might not get paid.

Mr. Weber stated the funds for the painting and floor could come from the Old City Hall Renovation Fund. There is approximately a \$30,000 balance in that fund. The furniture would have to be funded by the General Capital Improvement Fund.

Moved by Councilman Stolarsky, second by Councilman Russo approving the proposed Center of the Arts gallery renovation as submitted on memo of April 15, 2009 with the total cost not to exceed 22,101.00 plus the cost of shipping.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

2. Professional Service Industries Inc.

Mr. Driscoll stated for the 2008 construction season the company QCI was used for inspection services. This company does not perform material testing services. Quality assurance is needed. Quotes were obtained and Mr. Driscoll proceeded on a month to month basis for material testing using individual purchase orders. Mr. Driscoll stated he was accustomed to \$25,000 competitive bidding limits. At the end of the construction season the costs exceeded the City's limit of \$15,000. Mr. Driscoll presented this issue for informational purposes and requested to create a purchase order for the \$2,252.50 that is still owed for material testing services that were performed in November and December of 2008. Mr. Driscoll stated this same problem will not happen in 2009 because there is a contract in place for the construction season of 2009 for these services.

Moved by Councilman Stolarsky, second by Councilman Russo to approve the professional services for the construction season of 2008 performed by Professional Service Industries, Inc. not to exceed the amount of \$24,828.50.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

Moved by Councilman Russo, second by Councilman Stolarsky to prepare legislation accepting the bid of Bell Equipment Company for the purchase of three automated rubbish trucks for phases II and III in the Automated Rubbish Program.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None Motion carried

7. Senior Services Vehicle Replacement

Ms. Frankel requested replacing van 93 based on the recommendation of the Fleet Manager. Van 93 is a 2001 Dodge Mini Van Caravan. It has greater than 98,000 miles. At this time the present estimated repair exceeds the blue book value of the vehicle. The estimated state bid cost is \$42,000 for an ADA compliant wheel chair accessible mini van. Ms. Frankel stated van 94 seats 14 people and is very hard to navigate on the City streets. This van is only used for additional trips. The known repairs to be done at this time are estimated at a cost of \$5,328. Ms. Frankel can not guarantee there will not be any major repairs on van 93. The actual repairs done to date are at a cost of \$4,000. The approximate blue book value is \$2,500. Van 93 is used daily and is only driven within the City. If the purchase of a new van is granted, van 93 will be auctioned on Gov Deals.

Moved by Councilman Russo, second by Councilman Stolarsky to prepare legislation to advertise for bid to purchase a mini van for the Senior Service Department and not to exceed \$42,000.

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None Motion carried

Ms. Drucker wants to see a detail repair record for van 93. Ms. Frankel will submit that report to the secretary of the Committee for distribution prior to returning to the Finance Committee with the bid results.

8. Codified Chapter 244 Benefits

Mr. Weber explained that when Chapter 244 was revised that some of the provisions in that section were accidentally deleted. Those provisions were the CDL and Protective Gear Allowance. Mr. Weber presented a re-write of those provisions. He would like to place them in Chapter 260, which is for benefits for non-union employees. An addition to the CDL bonuses are the full time Senior Services employees with Senior Service bus driving duties.

Another amendment that is being presented for approval to Chapter 260 is the sick leave bonus payouts that are made when people retire. When the payouts are made it places a heavy tax liability on the employee who retires at the end of a year. They have their yearly wages and the bonus sick leave. Mr. Weber suggested adding the following to 260.08 (g) *When giving the city written notification, the employee shall request payment either immediately upon retirement or at a later date within one year after retirement. In either*

case, only one payment will be made. If the employee elects payment at a later date, it will be at the hourly rate at retirement and no interest earnings will be accrued or added to the payment. This will give the employee the choice of taking the payment upon retirement or a year later. This also gives the City a little benefit if the payment is given a year later giving the City the opportunity to earn interest on that money.

Moved by Councilman Stolarsky, second by Councilman Russo to prepare legislation amending chapter 260 of the Codified Ordinance allowing for CDL Bonuses in the amount of \$400 for employees holding commercial driver licenses in good standing paid before December 1 of the calendar year for full time Service Department employees and full time Senior Service Department employees with Senior Service bus driving duties, also any full time employee of the Service Department that does not qualify and receive a CDL bonus shall receive a \$150 bonus for maintaining a valid drivers license in good standing to be paid before December 1st of each calendar year. Also adding section 260.08 (g) *When giving the city written notification, the employee shall request payment either immediately upon retirement or at a later date within one year after retirement. In either case, only one payment will be made. If the employee elects payment at a later date, it will be at the hourly rate at retirement and no interest earnings will be accrued or added to the payment.*

Roll Call: Aye: Drucker, Russo, Stolarsky
Nay: None

Motion carried

9. 2009 Capital Improvement Budget

Mr. Weber reviewed the list of expenses for 2009 Fund 491 by departments. The total appropriations for Fund 491 are \$2,512,000. If this amount is spent there will be about \$530,000 in reserves at the end of 2009. At the beginning of 2009 there is \$2,963,111 in reserves. There may not be a steady and reliable source of revenue in 2009. That is where the transfer to this fund comes from.

The Safety/Equipment Levy Fund 421 appropriations are \$1,373,313. The source of revenue for this fund is a voter approved .5 mill levy that should generate about \$417,000 in 2009. In addition, there is a transfer in from the earned interest fund, of \$600,000. There is a carryover of \$855,302. If everything is purchased on the list in the 2009 budget, the year could end with \$499,000 in this fund.

The largest purchase from 421 will be for a Fire Engine/Pumper in the amount of \$560,000.

The Emergency Medical Service Fund 217 is the billings to insurance companies for ambulance service. The purpose of this fund is for purchases of EMS related services which would include new ambulances or ambulance equipment. In the past it has also included wages and overtime.

The Infrastructure Capital Improvement Fund 400 receives ½ of 1% of our City income tax. This is for the purpose of infrastructure projects.

Ms. Drucker stated the Committee faces the issue that on a monthly basis requests are made for Capital Improvements. They can be small or large requests. The Committee would like to track all purchases made by each department from these funds. Requests should be prioritized. Everyone may not be able to purchase their requests. The Committee may not be comfortable having only \$530,000 left in reserves. Mr. Weber stated a special report can be created each month for these funds.

Mr. Russo stated the City must hold the line on expenditures. Even if the expense was approved in the budget process, which was based on 100% collection of city income tax, the City should not approve the expense if the collection is down. At this point the City is 15% behind last year's figures. Only essential and necessary expenditures should be approved as we move forward in the year.

Mr. Weber stated if you do not want to end the year over spending then you do not touch the contingency. Ms. Drucker stated that means the departments can not come at the end of the year and request a transfer from the contingency and if they don't get the transfer their budget will not balance. The departments must hold the line. It is up to those departments to make the necessary cuts to save money to keep their budget in balance. It is important that the department heads understand that the contingency is not free money which they can use because their budgets are not balanced at the end of the year.

Ms. Drucker stated a monthly report of what is being spent from all the funds should be presented to the Committee each month. The departments need to prioritize their list of capital expenditures.

10. Cash Reserves

Mr. Weber presented four options of how the cash reserves could be used. Redeem the Library Bonds, Pay-down the current note debt (Bond Anticipation Notes), Transfer to the Landfill Fund, Transfer to the Capital Improvement Fund 491 is the list in the prioritized order of importance. Mr. Weber explained each option. Mr. Weber stated that using cash to pay-down debt does not hurt the financial position or equity because both the assets and liabilities are being reduced by the same amount. There was discussion on all four options. Mr. Weber will request additional information from the County on the option of redeeming the library bonds. The Committee will think about the options and act on them in a timely manner.

The monthly Financial Reports were reviewed.

Ms. Drucker added the following comments about the meeting. Ms. Drucker referred to the Center of the Arts issue. Ms. Drucker did not think the City could pay an employee extra money to perform a professional service. Mr. Weber stated you either are an employee or a contractor for professional services but you can not be both. This issue will be reviewed further.

Ms. Drucker instructed the secretary to add a "Pending" list to the agenda for those items that have come before the Committee and then were never acted upon because they were to be brought back to the Committee with further information. Fire Alarm Suppression System, WiFi, Grantwood Business Plan, and Police Building for Storage should be placed on the Pending list. The items will remain on the list and reviewed each month until they are resolved. A memo requesting the Grantwood Business Plan should be sent to Gary Mazzeo and a memo requesting the Assistant Finance Director to submit a Compensation Analysis for the 260 Employees.

The meeting adjourned at 7:36 p. m.

Respectfully submitted,

Barbara M. Janca
Secretary