

**MINUTES TO FINANCE AND CLAIMS COMMITTEE
SHEFFIELD LAKE, OHIO
January 20, 2009**

This regular meeting of the Finance and Claims Committee was held Tuesday, January 20, 2009. Chairman Rosso called the meeting to order at 7 PM.

ROLL CALL OF MEMBERS:

Present: Rosso, Smith, Kovach, Bring, Elliott, Diebold, Finance Director
Smith, Law Director Graves

Absent: Podmanik, Huska, Mayor Piskura, Treasurer E Hoenig,
Safety/Service Director Arendt (excused)

PRESENTATIONS: None.

FINANCE DIRECTOR'S REPORT:

Appropriations: Finance Director Smith advised I got a notification that our local government has been cut from the state level down, Lorain County's was cut by like 1.4 million dollars and our piece is 27,000.00. So I have cut some things that we had money extra in because these things we had increased last year when I wasn't sure what we were going to do with the 27-pays just to be on the safe side. Fortunately we don't need to be on the safe side and we know what we are doing so I have made some cuts there. Just to get things back on a level, nothing real exciting. I wasn't real excited about getting the cut, I kind of knew that was coming down the pike. Unfortunately I think we are going to see things are going to tighten up a little this year but I don't see it lasting more then 18 months at the most. Then I needed to establish lines for the Grant Administrator and everything other then general fund is just roll-over amounts and increase in Administrative costs again for the Grant Administrator. I also set-up the Shoreway escrow account, we won't even look at that until December but I figured what the heck – I thought about and I might as well put it in, get it out of the way and one less thing we won't have to do in February hopefully. I was trying to look ahead on a lot of things. Chairman Rosso asked Tammy what is the "other" account in 199.5591? Finance Director Smith asked oh, did I send you that one? I don't want to do that, can I revise that please. I realize that I sent that prematurely and didn't pay attention. I want to cut "other" and make "contingency" decrease only \$5,000.00. So scratch "other" \$5,000.00 and decrease "contingency" by \$5,000.00. Other is an account that our auditors suggested we have for other anomalies but then John brought up a good point that we have done that out of contingency and why start another account and he is right. Councilman Elliott stated these state cuts that you spoke of, they have been talking about that for years right? Finance Director Smith answered there was an argument about how Lorain County auditor had divided up the local government. There is lawsuits about it and everything, the City of Lorain had a fit and they started a lawsuit and all the other cities started their own lawsuit

and they pretty much settled it where they have a firm percentage and everybody is happy. This isn't that, this is the state said you are not getting that much local government and here is how we are cutting Lorain County and then Lorain County says here is how we are cutting the city, schools and townships. President Podmanik asked why do we have a decrease in Clerk of Council? Finance Director Smith answered that was money that we had put in there last year as extra when we didn't know how we were going to handle the 27-pay's. It is not taking away from Kay's pay at all, this doesn't decrease anybody's pay. President Podmanik advised if I may be saying that it is on here as a decrease, I just want to make everybody aware and you can correct me if I am wrong – Kay's rate of pay has been decreased because of the extra pay period. Finance Director Smith stated so was mine. President Podmanik continued so everyone who was decreased because of the extra pay period and we are going to have all year to remember this – next year when we talk about increases, what rate of pay does everyone go to to get the increase? Finance Director Smith answered she will get whatever rate of increase on her salary for next year. Everyone will feel like they had a huge jump the first pay in 2010 because of the rate getting changed. President Podmanik stated if you do the math you come up with 2 hourly rates but one for 26 pays and one for 27 pays. Finance Director Smith stated but the salary remains the same. President Podmanik stated but she is not a salary employee. We discussed that, she is considered a salary employee for this instance. I don't know how many other employees. I want to make everyone aware of it, I have a concern about it. Kay and I went through it, she is making the money she is supposed to in 27-pay periods. However when we get to next year, it is going to be 26-pay periods – what rate of pay do we base her 3% increase on? Finance Director Smith answered on her yearly salary and her ordinance states a yearly salary and we will increase it by whatever percentage on the yearly salary and divide it by 26 pays. My hourly rate went down also. President Podmanik stated Kay was never intended to be a salary employee, when we gave her that huge raise she was intended to be hourly. Now when she went to salary, I don't know and I don't think we have a problem with it. I just want to make sure that everyone is aware of that because come next year, come the end of 2009 – it will be back to 26-pay periods and I want to see that everybody gets the proper increase if they are given on the right amount of money. Finance Director Smith stated they will get an increase on a 26-pay rate from 2009 to 2010. President Podmanik stated we are saying the same thing differently. Finance Director Smith stated yes, trust me, it affects me too. President Podmanik stated I will be the first one to say something if it don't ring right with our clerk. Finance Director Smith stated any of these decreases have anything to do with anybody's current rate at all but I mentioned before you got here our local government got cut by 27,000.00 a year. President Podmanik stated that's all. Councilman Smith stated I was going to say that is better then 100,000.00 getting cut. President Podmanik stated it is bad news across the state. Finance Director

Smith stated I haven't taken away anything that anybody's getting currently on their current pay plan. Well that wouldn't be right because at the end of the year hey, guess what increase it to pay them. *Motion by Smith to accept the amended appropriations and add them to next Tuesday's Council agenda. Yeas All.

Decrease	101.101.5118	Clerk of Council	-1,700.00
Increase	101.111.5112	Court Clerk	1,500.00
Decrease	101.111.5115	Law Director	-2,200.00
Decrease	101.111.5117	Prosecutor	-1,200.00
Decrease	101.131.5111	Finance Director	-1,500.00
Decrease	101.131.5118	Finance Clerk	-3,000.00
Estab.& Incr.	101.141.5111	Grant Administrator	30,000.00
Estab.& Incr.	101.141.5124	Medicare	435.00
Estab.& Incr.	101.141.5126	P.E.R.S.	4,200.00
Decrease	101.199.5590	Contingency	-10,000.00
Increase	101.199.5591	Other	5,000.00
Decrease	101.210.5111	Fulltime Police Salaries	-10,000.00
Decrease	101.220.5111	Fulltime Fire Salaries	-15,000.00
Decrease	101.320.5114	Assistant Building Inspector	500.00
Increase	104.220.5332	Rescue Squad Donation	185.00
Increase	201.111.5240	Court Computerization	19,000.00
Increase	202.330.5117	Administrative Salaries	3,860.00
Increase	209.350.5117	Administrative Salaries	3,710.00
Increase	226.210.5241	Enforcement & Education	3,000.00
Increase	265.199.5213	Street Lighting	17,000.00
Increase	288.350.5695	CDBG	31,000.00
Increase	289.350.5643	Solid Waste Grant	30,800.00
Estab.& Incr.	301.710.5810	Shoreway Escrow	350,000.00
Increase	601.360.5117	Administrative Salaries	3,410.00
Increase	611.370.5117	Administrative Salaries	3,410.00

MAYOR'S REPORT AND/OR COMMENTARY: None.

LAW DIRECTOR'S REPORT: None.

CITY TREASURER'S REPORT: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

PRESIDENT OF COUNCIL COMMENTARY: None.

MEETING ADJOURNED: With no further business before this committee,

*Motion by Kovach to adjourn at 7:11 PM. Yeas All.

CLERK OF COMMITTEE AFFIRMATION:

This Meeting of the City Committee of the City of Sheffield Lake, Ohio, was held and conducted under all Rules and Regulations Governing the Sunshine Laws of the State of Ohio as they may apply. All meetings are recorded and available in Council's Office.

CLERK OF COUNCIL/COMMITTEES

Kay Fantauzzi

I, Kay Fantauzzi, duly appointed Clerk of Committee Of Sheffield Lake DO HEREBY CERTIFY that this Is a true and exact copy of the Minutes of the Finance of January 20, 2009.

CHAIRMAN

Richard Rosso

COUNCIL PRESIDENT

Edward R Podmanik

and/or

COUNCIL PRO TEM

Richard Rosso