

EXECUTIVE & FINANCE COMMITTEE MEETING  
MARCH 3, 2010

2010 BUDGET HEARING

Chairwoman Holzheimer Gail called an Executive & Finance Committee Meeting for Wednesday, March 3, 2010 at 6:30 PM in the Euclid Municipal Center Council Chamber.

**AGENDA**

**Ord. (038-10)** An emergency ordinance to establish a solid waste collection fee for residential accounts. (Sponsored by Mayor Cervenik)

**Ord. (039-10)** An emergency ordinance enacting a special assessment upon all property within the City of Euclid to be used for the payment of street lighting within the City. (Sponsored by Mayor Cervenik)

Members Present: Gilliam (arrived 6:45), Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman, Van Ho (arrived 6:35), Holzheimer Gail

Others Present: Mayor Cervenik, Finance Director Johnson, Law Director Frey, Service Director Smith, Recreation Director Will, CS&ED Director Pietravoia, Police Chief Repicky, Fire Chief Cosgriff, Asst. Director Bock, Mr. Slocum, Mrs. Keller, Sgt.-at-Arms Novosel, Clerk of Council Cahill.

President Holzheimer Gail – We are here this evening to continue our discussion of our 2010 budget and the proposed garbage fee and lighting fee.

Mayor Cervenik – It was requested of myself and the administration to provide some information and I believe #1 on the e-mail was to try and list the changes that were made prior and reductions of the budget that were made prior to the budget book being presented; meaning that these changes are already included in your budget book which shows about a \$3.2 million deficit. That is the handout that I presented to you, Budget Revisions – 2010 Prior to Print.

We talked about these. We have 5 positions in Traffic Maintenance. Traffic Maintenance was combined into the Street Maintenance Dept. Although this is a non-general fund account, it eliminated the transfer of general fund money into the Streets account. In the big scheme of things, it does save the General Fund money.

In Motor Maintenance we eliminated two full time positions. Public Buildings, one full time position. Building Inspection one fully time position. Senior Programs at the time we eliminated five full time positions, three of which were filled, two of which were going to be filled, which we determined because of our change in transportation would not be filled.

I guess I should mention those numbers going back so the audience will know. Going back to Traffic Maintenance, that was a savings of about \$237,000. The Motor Maintenance change was a savings of \$97,000. Public Buildings was a savings of \$57,000. The Building Inspection position was \$36,000. The Senior Programs and all of this was done prior to the budget coming out was \$146,000. We also did not hire, we eliminated a program manager position in Recreation who left us in either the end of the year or early into the next year, of \$39,600. The Building Dept. we eliminated a building inspection position that we did not refill it. I also eliminated the Directors auto allowance which is a savings of \$13,750.

There were also some other changes that each Director made that I may not be aware of that were included in there. These are the ones that we could directly identify and really significantly changed the way we have to manage the various departments that we're talking about now.

The second thing that we were requested to provide was, I had talked about additional changes, additional cuts that I would be making before this evening. They are listed on the sheet that says General Fund Budget Changes proposed, there's red and black numbers on it. The total I had been telling you, I was looking at \$400,000 change cuts. That was thinking that the jail changes were already in your budget book, they weren't, which is why in total we have reduced the general fund expenditures, a combination of increased revenue and decreased expenditures to the tune of almost \$780,000. I will go over them very quickly as well.

We had not included the estimated \$50,000 in admissions tax. We are more than halfway there already with what we have received. Minor item, street opening permit, \$200; Exhibition Hall permits, that's the permit fee the Expo Center needs to pay is \$1700. Here's the jail part of it. After the budget book was printed we did reach an agreement with Sheriff Reid on March 1<sup>st</sup> he delivered and we helped pick up, 35 prisoners. We will have 35 prisoners and we will be paid \$55 a day to house them through the end of the year that totals about \$200,000.

In addition the original budget book did not include the \$100,000 that we get from Bureau of Corrections and our federal prisoners. We also transferred, not nearly as much as last year, but we increased the transfer for the Nuisance Abatement Fund by \$60,000. You should understand the Nuisance Abatement Fund, a good part of the assessment is the cost the general fund incurs to abate the various problems we have in our homes. So as that money comes in, we need to put that money back into the General Fund. The last is a transfer from unclaimed monies. That will still leave us a balance of about \$12,000. That's usually \$500-\$2,000 a year at most. If in fact any unclaimed funds are requested in excess of that balance, we would take them out of the general fund and that would probably be years from now.

We had a total increase in revenue from what was presented to you of \$436,900. On the expenditure side, as we mentioned to you as we presented the budget that the 6 ½ day furlough for the non-union employees, of which there are less than 70 now, but at the time there was 70 non-union employees in the General Fund. That is a decrease of \$84,700. Changes in Council Administration of \$4,100. My office has a decrease of \$20,200. We made a decrease in Tax Administration of \$21,000. Public Buildings, \$78,000 and we had some increases as well. As we combined some of these departments, Engineering, we had to transfer the employee's longevity of \$3800 into that department. We also had an outstanding purchase order from 2009 for \$3500. We have again reduced Motor Maintenance by an additional full time position, which saves about \$37,635. Because of some of these reductions under non-departmental, we need to increase again unemployment. That's the problem, every time you think you're decreasing and getting close to where you want to be, you've got to add in retirement payouts and unemployment so it makes it that much more difficult.

A couple of small items in the Police Administration, \$855. Police Victims Assistance Grant almost \$4200. On Crime Control, we reduced overtime by \$40,000. The comp time payout came in at \$18,000 less than we had in the book. We also have a retirement payout that may or may not happen. Even if it does happen it was in the book at \$15,000 higher, so that's \$83,800. Overtime in Police Training we've decreased by \$3700. Police Communication Overtime and Fringes by \$12,600. The Fire Administration, we have not replaced an Administrative Assistant, that's a savings of about \$39,000.

Under Police Corrections, we've reduced overtime by \$25,000 and with the pension it works out to be about \$28,000. However, going back to the jail situation, we had to increase our food amount by about \$40,000. As we mentioned, housing female prisoners outside of our prison was not included in the Professional Services, so we had to increase the budget by \$80,000 there and increase a scheduled retirement payout by \$8,000.

Under Housing Inspections, we have decrease of \$30,000. Parks Dept., \$25,000. Senior Administration we added the \$50,000 contract but the wages that were eliminated brought us down to a negative of \$7400. The transfer from the Animal Shelter due to an additional lay off was reduced to zero, which is a savings of \$17,000. From some of the changes that we've made in Recreation, it has reduced the transfer to Recreation Operations to \$29,000.

What that does is gives us a net decrease in our budget of \$779,000. I know it is here, if you go to the blue sheet that we passed out, it will show you, it is off a few dollar, \$600, I'm not sure where that is, but with a \$37 million budget I think we're all right. The fair right column shows the decreases and the changes in the budget. In the middle 2010 budget as of 3/3/10, the deficit has been reduced to \$2,378,000. That was the goal because our suggestion to increase or to charge for trash fees and street lighting fees would generate approximately \$2.4 million which means that we would not have to dig into our cash balance of \$1.6 million in 2010. But there is that possibility that we would have to do that in 2011.

Basically if the budget we have presented to you tonight, with these changes, if accepted and we institute the \$9 fee for trash and the \$4 or so fee for street lighting, I can assure us that unless tragedy strikes again, we can maintain the basic safety services, recreation services and all the other quality of life services that this city provides for at least another two years. There's some long term changes we do need to keep working on. We talked about the provision in our Charter that stifles any growth in our levies. Tonight is probably not the night to continue that conversation. Tonight is to determine if Council is willing to bring to the full Council on the 15<sup>th</sup> the charges of street lighting and trash fees. That would allow us to balance our budget in 2010 and virtually can assure that we will be okay through 2011. I certainly believe that the economy will begin expanding in 2011 and at that time we could start looking at what we're charging for these new fees and maybe have a reduction. That's even too early to tell and I certainly wouldn't want to promise that.

The third item that I was responsible for presenting to you, if in fact the Council determines that they are not ready to pass these fees for trash collection and street lighting, it is rather gruesome but would be necessary at that point because we do need to balance our budget. What I have come up with is as we sent out notices is to lay off 10 police officers, plus eliminating all of our special details, that would be a total cost of approximately \$914,000.

We would also be laying off six firefighters, eliminating two captain positions and eliminating two lieutenant positions. The reason those two numbers are only in the \$20,000 is we're eliminating the position, not the person. The person would drop down to a lower classification, probably a firefighter, each rank is a 12% increase. That total would be \$514,000. You need to remember that in the 2010 budget there are three positions budgeted that we're not replacing. That's at least a decrease of 9 firefighters that would happen and that would bring our ranks down to 69, which the Chief explained at the last meeting causes a whole other set of problems that I'm not even going to get into at the moment.

Under Recreation, I should have put it in different order, but we would be losing another Administrative Secretary, a Program Manager and two laborers to the tune of \$155,000 because it would be most likely that the arena would have to be closed for a net savings of \$69,490. We have expenses at the arena of \$219,490 and the budget revenue is estimated at \$150,000.

I have on here that we will close all of our pools because closing the neighborhood pools would "only save" about \$29,000. Whereas all of our pools cost \$232,000, the revenue is about \$100,000 therefore there would be a savings of \$132,275.

I'm not condoning any of these changes, believe me, or I wouldn't have this legislation in committee here tonight. Finance if we would not need to do the billing, there would be two full time positions to the tune of approximately \$106,000. There would be a \$300,000 cut in Senior Programs. Our Senior Programs would basically be come down to feeding, having lunch for the residents, getting them in and getting them out. I certainly think they deserve better than that.

Last but not least is charge for sewer drill outs that was mentioned by a number of people that we should charge for that. However it is very difficult to charge a resident \$150 to fix a problem that is being caused by trees that are owned by us. I did put that in there just to get again close to that magic \$2,400,000 number which is what the fees that I have proposed would generate. Before we go farther, I'll answer any questions you have on any of these items here.

President Holzheimer Gail – I just wanted to make sure everyone was clear that there has been cuts made and we didn't back to 2009, but I wanted to make sure that the public and Council of course is aware, that there were \$667,000 in cuts made to the budget that was initially presented. There are an additional \$779,000 in changes with both the additional revenue and additional cuts that have still left us with that \$2.4 million deficit. I think that's important that everyone knows that we're not just starting out with we want additional fees. There have been cuts. There's been departments consolidated, people have lost their jobs, employees have taken furlough days. I just want to make sure everybody is very clear on that. We have several options but the two that seem to have come to the forefront are the additional fees for dealing with the additional cuts.

Mayor Cervenik – We probably instituted at least a half million dollars in personnel cuts in 2009 as well. The budget you have before you with these changes brings us well below the budget that was approved and actually expended in 2007. I say that again only because we all need to realize is that the problem is not that we're overspending because you see what damage happens if we balance our budget by cuts. Is that there's a significant drop in revenue right now and we're not the only ones experiencing that. I just read a letter that Mayor Patton from Fairview Park sent out talking about, just what I've been talking about the last few weeks and they instituted a \$10 trash fee across the board. It is happening everywhere. I talking with our Underwriter, he said we were on the forefront back in 2004 when we borrowed \$2 million which a community is allowed to do to balance our tremendously unbalanced budget. Self-insured cities can borrow for half of the healthcare for employees. There's at least 4-5 cities that are contemplating doing just that because they have already laid off as many fire and police service people as they think they can, they've closed their pools and they have no where else to go. There are other options but I really don't suggest that we do that option a second time. I'll be happy to answer any questions.

Councilwoman Scarniench – Mayor, this same sheet, \$779,000, under the expenditures, you went through it all, do any of these items equate to people?

Mayor Cervenik – Yes, any of these items equate to people. Looks like there's 10 full time people that are working now. Two positions that we will not fill that we really fill we should but we will not. Five part time positions. That's for a total of approximately, for the last 9 months of the year, that total is about \$354,000.

Councilman O'Neill – If the fee is not passed and a reduction of firefighters, specially captains and other things, how will that impact the Fire Dept., specifically?

Chief Cosgriff – We would not be at 16, which is the number that I've been preaching for the last six years since I've been Chief. We are now operating at a technically minimum of 13. I really can't see us going below 13. But there would be many days when we would have 14 scheduled. You get a long term injury, now we're down to 13.

Councilman O'Neill – I see two of these positions were captains positions, which positions would those be, which captains?

Mayor Cervenik – I put those in. One would be the training captain and one would be one of the two fire prevention captains. Each rank has an approximately 12% increase so it is not a total position being eliminated, just that rank would be eliminated. Those people because they would have seniority would move down a rank. In the end it would cost firefighters, your first class firefighters, the meat and potatoes of the system.

Councilman O'Neill – I see there's three lieutenants, those are also line positions?

Mayor Cervenik – At the point we're operating and again I'm not condoning this but if it comes to the point where we're operating 13 or 14 people on a regular basis, having 12 Lieutenants really from my point of view does not make sense any longer. Many days we have 16 and because of scheduled days off and illness, eliminating those positions that are present manpower, could end up causing us overtime, to bring in a Lieutenant to fill in. Again, it is not what I want to do but I was asked to prepare what I would have to do if we do not have these fees. There are some variations that can happen and we certainly would sit down as we did with the list of cuts of the \$779,000 and changes in the budget, as I said before, we've really not touched the safety forces in this budget other than a couple of overtime as well as somewhat in the Fire Dept. not replacing. When the Safety forces are over 60% of our budget, there's really no other place to go after that. Once we eliminate most of the Recreation, there's no where else to go.

Councilman O'Neill – Chief Repicky, same question to you. I'm looking at proposed 10 police officers. If the fees were not instituted, how will that impact that police department?

Chief Repicky – As I stated on Monday night, DARE, Community Policing, Reassignment from Plain Cloths Unit onto patrol, period. Patrol will not be affected, will not be downsized.

Councilman O'Neill – Hopefully the same amount of vehicles on the street, patrol vehicles, but we lose out on the Detective Bureau that follows up on the crimes that are committed on the street that the general duty cars kind of uncover and make arrests and forward it to the Detective Bureau for further investigation. We also know that the Detective Bureau tracks the way trends in crimes, how they're happening in the city and they still are a vital part of the city. General duty guys are definitely the backbone of the department. They are the preventative portion of the Police Dept., but certainly the Detective Bureau comes a very close second. I don't think there's any fat in either one of these departments and any cuts are going to impact the residents of the city. Thank you.

Mayor Cervenik – Even the overtime that we did reduce, can have some affect on some of the things that we'd like to do. However the Chief understands our position and some of the overtime when appropriate can be used from the Trust Fund that we get for forfeitures from drug cases and other things we participate in. You're right, we don't want to be in this position, but again, my charge was to present to you the effects of this. Again as it was mentioned the other night, why do we threaten with police and fire and recreation? Well we haven't. I think we've made the case with the \$1.45 million and the cuts from the year before. We are cutting in every other department right to the bone and still getting it done slower, but getting the work done before we start affecting the operations of our police and fire department. We're right on that edge there, we really are.

Councilman O'Neill – I'd just like to make a statement that I believe we are cutting to the bone with the police and fire department. It is not quite the same thing to cut the Service Dept. as it is cutting the police and fire department. This is what we're challenged with and I understand that. I just want to make it very clear that there's a difference between the garbage being picked up and a pothole being filled and when you dial 9-1-1 and you have a fire truck or police officer within a reasonable amount of time, hopefully less than 5 minutes arriving at your house. Many times it is a life and death situation. It is not the same as cutting the Streets Dept. although those folks are hard workers and I'm behind them 100%. I'm just saying that I'm a little leery when you start comparing the police and fire department with other areas of the city. You're not comparing apples

to apples. Although if you look at numbers, you're comparing number but safety forces are not the same as regular services within the city. I just want to be very clear about that.

Mayor Cervenik – I must comment that the Service Dept. has worked very hard to make cuts in areas that they wished they didn't have to. They're responsible for over \$500,000 in reductions. I will tell you that although we do want to keep the safety forces strong, if they can't get down the darn street because we don't have enough manpower to plow that street or we can't even plow out their driveways, it is going to have an affect on the safety department as well. Running a city is teamwork. Everybody depends upon each other. Although I understand that and safety is first, there is a certain level of safety provided to our residents by the service department as well. As we cut as we have now as deeply as we have into it, we're on that edge that I don't think we want to be on.

Councilman Langman – To the administration, is it my understanding that the goal is not to use any of the reserves if possible for this year?

Mayor Cervenik – The goal would be to have those reserves in place to use if necessary. But hopefully to not have to use them until 2011. Hopefully we don't use them in 2011. But when you have a \$37 million budget and there's only \$1.6 million in the bank, it is very tenuous and it will affect our bond rating.

Councilman Langman – We've been through this before.

Mayor Cervenik – That was my goal. Again, I kept telling you \$400,000 and it was really more like \$650,000. We got it to seven something but then we had to do the unemployment and the payouts and that. But we are right at that point where if what we propose to you on these two pieces of legislation happen, we should manage for at least 2 possibly 3 years. We want to talk later about some long term corrections. It is very, very important that during this difficult strange economic time we can go to bed at night feeling pretty comfortable for the next 2-3 years, we're going to be okay.

Councilman Langman – Question for Chief Repicky. Chief we talked about this this afternoon via the phone, but can you describe a little bit what the challenges are if we had to cut 10 officers and what it would take to build up the department to the functioning level that we currently enjoy?

Chief Repicky – By laying off 10 officers, by laying them off, they're going to have to have additional training to get hired back, usually 20-24 hours. After a year they'd probably need 85 hours. After two years they have to go back through the academy. That's something I don't want to even plan for.

Councilman Langman – Hopefully it doesn't happen, but if it were to happen, what does it do just from an administrative standpoint for your deployments and if we brought these people back on, training issues and so forth?

Chief Repicky – We'd have to reassign manpower right off the bat like I stated earlier. But it is very costly to retrain and we're going to have to pull guys off the road to make sure that the road is staffed properly.

Councilman Langman – Thank you and one last question, Mayor, if it was up to me I would really think that our most vulnerable population is our seniors. They can't go out and go back to work most of them and there are some seniors that can handle those fees, no problem. There are others that are in more difficult circumstances. I'm hoping, maybe we'll get into the details now, we can at least have some mechanism to give those seniors that really don't have much options of generating more income, some type of lower fee.

Mayor Cervenik – I didn't bring my lap top because I had a spreadsheet to calculate that. It is possible to reduce the approximately 3500 homes that qualify for and we want to make clear of this, the Cleveland Water Department Homestead because that Homestead is based upon the original Homestead law before Governor Strickland came in. Anybody over 65 without any limit of income qualifies for the State Homestead, so I want to make that clear. It is about 3500-3600 homes I believe it is. It is possible to reduce that by \$1 or \$2 but it would require probably a \$10 fee for the rest of us. That's the decision you have to make.

On the street lighting, unless Director Johnson corrects me, those that qualify for the Homestead Exemption will receive, they will pay only \$35 for the year for street lighting and the

rest of us will pay \$46.94 and that's if you own a \$100,000 home. They are getting it on the street lighting.

It is strictly up to City Council. Our goal was to receive \$1.4 million this year assuming a 85% delinquency rate for trash collection. As we mention that delinquency rate, I don't want anybody to think that they're paying more if some people will be delinquent. Because the following December, any delinquent bills will be slapped onto the real estate tax bill which virtually guarantees payment if not that year the following year. So everybody is going to pay. In order to generate the funds in the current year that we need, we calculated that much into it. I can't believe I don't have it here, I think it was \$10 and we could go down to \$6 for seniors that qualify, the 3500-3600 homes that qualify. That's something if the rest of Council feels that's important we'll run some numbers. I'm hoping this gets out of this committee tonight and is presented to the full council and we can present those actual numbers to you on the 15<sup>th</sup>.

Councilman Langman – Okay, although I prefer 9 and 6, but perhaps first we need to figure out whether there's enough consensus to even get to that conversation. Thank you.

Councilwoman Minarik – Just a couple of comments and then I'll save my questions until later. Some of this information was requested as much as two days ago. I just want to voice my protest that we received eight pieces of information starting two minutes prior to the meeting and after the meeting. I think with seven people here that are working full time jobs, it is a lot of information to digest and I would appreciate getting information further ahead. I would actually like to put this meeting until Monday so we could ask more questions.

The second point that I'd like to mention is that my colleague, next to me, I just think the residents also need to be aware that he is a full time fireman, he's got a policeman's job. So that you understand his relationship, his brother is head of the Firefighter's Union. I just wanted to make that point clear to everyone. I'll save my questions until later.

Mayor Cervenik – I too have a full time job. It feels like I work about 60-70 hours a week. This is not an easy thing to do. When you're trying to make the cuts affect the least amount of people as possible. It is not an easy thing to do when you have to look somebody in the eye and tell them they no longer have a job. We still have until the 15<sup>th</sup> to make the decision and all this information should help you make an intelligent decision.

Secondly his brother, as well as Mr. Wojtila's brother are not affected in any way, shape or form, based upon Council's vote. They both have enough seniority that if I lay off 15 firefighters, they are not going to be affected in any way at all in your vote. They will still have their job, they will still have their full pay check. I would have loved to have gotten this out earlier, but this is a very, very difficult and complicated process and we're dealing with human beings.

Councilwoman Minarik – I simply wanted the residents to know what was going on, thank you.

President Holzheimer Gail – Quickly, I really don't want to spend time on.

Councilman O'Neill – Just a quick response to that statement. I guess the fact that being a firefighter in Cleveland Heights, not Euclid, for 27 years and a police officer for 14 years, probably gives me the most experience to talk on the subject next to maybe the Police Chief and Fire Chief in Euclid. Although I am a firefighter full time and a police officer also, it doesn't negate the fact that I represent the residents of Ward 5, number one. The residents of the City of Euclid number two. But it does give me a lot of clout to talk about impacts to the Police Dept., how it impacts residents and how a reduction of the firefighters impacts the residents of the City of Euclid. I thank you for your time.

President Holzheimer Gail – It is important to note that we are all impacted personally. We all live here. We all use the services. Those of us who have children use the services in the Rec. dept. Our neighbors use it. This is our community. I hope it is personal to everybody here. Let's focus on the issues.

Councilwoman Jones – Chief Repicky, you mentioned that if the ten police officers are laid off, you mentioned DARE, Community Policing and the Detective Bureau. Is that what you mean when it says eliminate all special details or what does that include?

Chief Repicky – We have details now, the school detail that we're putting extra guys on the road, we won't be able to do that because there won't be any extra guys for the road. Like I stated before and on Monday, the primary purpose is the backbone, the uniform and it will continue to be the

uniformed police officers. They're the preventative and pro-active to keep this city safe. We're going to continue to do that.

Councilwoman Jones – The officers that are in the school system, will they still be in that position?

Chief Repicky – We eliminated the Junior High last year. They have their own security. This year we have DARE half a day and he's at the high school the other half. That will be completely eliminated.

Councilman Van Ho – First of all a question to the Fire Chief. If we had to make these cuts that the Mayor outlined, isn't it true that we would go down to one fire station instead of the three that we have operating now?

Chief Cosgriff – That would certainly be dependent on how far the cuts take us and with the retirements coming up, where we end up. There maybe days that we have two or three fire stations operating, but as I stated before, if we get down to two fire trucks on a regular basis, I would want them to respond from a central position in the city, which would be fire station #1, that way they both arrive at the same time. At least we would have hopefully six firefighters on the scene and we would be able to send two in and still maintain two outside as is required.

Councilman Van Ho – I just have two short comments. First of all I have faith in Councilman O'Neill and Councilman Wojtila to vote without prejudice for what's best for this city. I think this is too important of an issue to try and win it by trying to discourage council people for voting for fear of a potential conflict. It's no secret that their families have been on the Fire Dept. and Councilman O'Neill has been a fireman and a cop for years, The same way there were questions being asked about my wife being a Realtor and trying to eliminate a vote there. Let's just vote this stuff up or down. We're the most transparent Council as far as what we do both here and in our private lives that I've ever seen. That's my comments.

Councilman Gilliam – The question that we're looking at is putting a potential balanced budget before our people this year and looking at correcting any long term errors that may have exist or possibly improving upon how we can negotiate our budget a little bit more better. This question is a two prong question and unfortunately because safety forces do have 60% of our budget, it probably leans towards there.

Chief Repicky in our last Executive & Finance Committee meeting you had stated the vests cost between \$800-\$1200 and that officers usually have to get these vests, buy these vests every three years. I did some research and in 2009 there was an issue about the Chicago Police Dept. and they buy vests that last every five years. They used a Tier 2 and a Tier 2A vest which is pretty much common ballistic vest in the cities. I'm not here to determine what particular equipment that you use, but to Chief Repicky and the Mayor, if not today, if not in the future, can't we cap off that range? Because if we were just to take \$900 per officer per a vest, I'll make the round number 100, that's \$30,000 saved. I know that the Tier 3 vests are the best vests out there from what I've read so far and Chief please correct me if I'm wrong and they're more of the top end vest. If we were able to cap off our spending on equipment, maybe we could save some money there. That's potentially this year, definitely potentially the future. I'm just asking am I incorrect in my statements or please correct me?

Chief Repicky – I'm not going to tell an officer, its up to him to wear a vest or not. I wore one when I was on the road all the time, I probably should wear one now, but I'm not. But I've got my bullets so I'm okay. But, when it comes to that, if an officer wants to spend \$1200 or \$800 that's up to him; he has to answer that to himself and his family, does he want to come home from work every night. Not only does that vest stop bullets, it also stops impacts in accidents and other sharp objects that somebody might try to penetrate one of our officers on the road.

As far as other uniforms, I want my officers to look sharp on the road, not is scraggly trousers that they wore for three straight years and boots that aren't shined or shoes that aren't shined. We want to look professional and I think the public expects us to act professional and look professional. So as far as cutting down the uniform, I don't think it is unreasonable what they're getting now. As I stated on Monday, if you include the firearms proficiency and the clothing, we're still \$5,000 behind, at least six cities in this area.

Mayor Cervenik – If I could add, I would always encourage that our officers buy the best safety equipment available to them. On the equipment we purchase and the training we give, just as we're buying the pumper and the ladder for our fire department, we want to make sure we supply them with the best equipment available to keep them safe and to keep ourselves safe.

We had a long conversation I think the first budget hearing about the clothing allowances and proficiencies and other things that the police and fire get. The fact of the matter is each and every three years a city council votes on that contract and gives that to them. I cannot change that right now. I have given you all my word and I have had conversations with both union presidents as well as the union presidents of the various unions that we need to sit down long before bargaining and talk about ways to reduce these costs in the future. Basically it comes down to a two tier system. With the retirements that we expect because of the DROP program reaching its eighth year which then does require mandatory retirement. If we can get the unions to reduce the pension pick-up, significantly as well as some of the clothing allowance and the proficiencies for new hires, it will save us much money in the future. That is my goal. But, it does not for the moment change what is immediately before us. Councilman Gilliam, I'm glad you're here. Get yourself a young kid to shovel that snow from now on, will you?

Councilman Gilliam – Thank you Mayor. Please don't take this the wrong way, I understand, I don't want any officer to be injured, to be hurt while on the job and I want them all to be safe. I'm not saying the \$1200 is too expensive or \$800 is too cheap. But I will say this publicly that I work for an organization that has a police force that works in the 5<sup>th</sup> Ward of Cleveland and they spend \$500 on a bullet proof vest and that is not Euclid.

Councilman Wojtila – A couple of questions on the three pages that we've discussed so far and I'm guessing that we'll get to the other 4-5 sheets after these three, so I'll limit my questions to the first three pages. Specially the one that talks about budget revisions, 2010 prior to print. On that one, I think Councilwoman Scarniench asked the same question, but I'm going to ask it again. The number of positions that were eliminated, approximately?

Mayor Cervenik – 14.

Councilman Wojtila – I'm going to back up even further then. I think the number was thrown out about a half a million dollars, \$500,000 was probably eliminated in 2009 from not hiring people that have retired, other cuts. I just want to make sure I had that right.

Mayor Cervenik – Yes.

Councilman Wojtila – Going to the next page which talks about the \$780,000 in savings from after when our budget books were prepared, that equated to 10 full time positions? I don't know if anybody asked that or maybe I just figured it.

Mayor Cervenik – Yes, 10 and a number of 4 part-time positions as well. I'm still concerned about some of those part-time positions whether they should be eliminated or not. The goal will be if it is determined that those couple of positions are not eliminated then something else will be cut to keep it at this \$780,000 because that's our goal. If you approve the budget we're giving you, I can't go over that.

Councilman Wojtila – It is your intention to put these into effect regardless if we vote on the?

Mayor Cervenik – Most of the employees were notified. It was a long day yesterday sitting with all directors and all the non-employee changes are in effect and will be met. The Crime Control overtime and overtime in Police Communications, we have assured ourselves by the use of present clientele, present employees that we will actually achieve that amount of overtime reduction. We're very confident on these numbers.

We're actually hopeful on the revenue for housing county prisoners that the Sheriff Reid is working on a number of things with the State and Federal government. We have the possibility of getting anywhere from 5-7-8 prisoners from them at \$55 a day, which equates to another \$150,000-\$160,000 in revenue. We will not put that into this budget because we're not counting on things that have not been assured yet.

Councilman Wojtila – The next page talks about the additional reduction without the additional fee enhancements, garbage and lighting. Those numbers are staggering. It looks like about 22 full time positions is what I calculated.

Mayor Cervenik – At least. What happens is when you get to the point where you're making those types of cuts, it is very difficult to do the things that we need to do around here. It affects other departments as well. To reduce Motor Maintenance any more and we have reduced it by two

mechanics, we get snow storms, we have other problems, equipment breaks down, they're not going to be able to turn that truck around in 5 or 6 or 7 or 2 hours, whatever it takes. It compounds the whole problem as we begin to eliminate the flexibility we have. It starts to delay regular maintenance of vehicles and equipment. When we start making cuts in our Public Buildings, it starts to eliminate and delay I think the great progress we made over the last 4-5 years and especially since we've had the Assets Committee on maintaining and repairing the property that we own in a condition that we require our residents to maintain their property. Yes, 22 is pretty tough especially with most of it being in the Safety Dept.

Councilwoman Scarniench – Is it possible Mayor, 2010 prior to print sheet that you also do the same thing with this other sheet, so we could actually, the one that gives us 779?

Mayor Cervenik – I can. The one I did, I have a little more savings but that's because once you give it to the Finance Dept., they calculate the unemployment and the payouts and everything else, so it wouldn't have tied into this number. I was actually higher than this. I will make my adjustments and break it out on this spreadsheet.

Councilwoman Scarniench – In this sheet, does it include no leaf pick up? Is that calculated in these numbers?

Mayor Cervenik – No, it wouldn't be no leaf pick up, it would be no overtime for leaf pick up that would not be generally from the general fund. Generally from the general fund, that sounds great. It would not actually show up in general fund, it would be in one of our 200 funds, but again that would reduce the amount of a possible transfer in the future and increase the balance in the Streets Fund so the general fund is not ever going to be responsible for making a transfer. What we do have to realize is that wherever we can save money, whatever fund it is in, it does eventually help the general fund and eventually helps the residents. I'm making some changes in the Waste Water Treatment fund and you may say well it doesn't affect the general fund. If you remember, our Peterson Rate is going up \$2 a year for the next five years which is much lower than what Northeast Sewer District is going up. However, it is my responsibility to find ways to cut expenses in the Waste Water Fund as well and we're going to do that so that hopefully we don't have to continue these increases.

Councilwoman Scarniench – On that same line, when we see the transfer to the Animal Shelter. I've asked a couple of times how would it affect us if we made the Animal Shelter an Enterprise fund? The simple fact is, all the money that they raise over there, comes into the general fund and then they're hurting for money. If we go and eliminate the part-time employee, I think that is going to devastate our Animal Control. The County is not open on Sunday and Monday. There has to be somebody there that is a paid employee to take care of the animals. We've already had a volunteer who was hurt by going near an animal she shouldn't have gone by, but that was because there was not an employee there. So that concerns me. Has anybody had a chance to look at that? I really feel and I've said this for a long time, the money they generate should stay there and let them run just like we've done with the golf course and everything else. If you screw up, you're out of business. I just wonder if you've looked at that yet?

Mayor Cervenik – I really don't think you want us to look at that. We pay for, rather than having the County handle all of our animal issues, we have a full time animal warden, which the general fund pays for, as well as benefits and hospitalization. We charge nothing for building maintenance, nothing for utilities to that group. I firmly believe if we required them to be an enterprise fund that they would fail, they would not be able to survive. When they were first formed, the majority of the work inside that building was purported to be done and would be done by volunteers. What I strongly suggest if the residents pull together and could possibly call the Animal Shelter and volunteer a number of hours on a regular basis to do the work that this gentleman has. I must tell you that he has been a gem of a person, he truly cares about his position with the city, he truly cares about the work that he is charged to do and it is very difficult to have to end his career with the City of Euclid, but the budget requires that. Because of that, there will be no transfer from the General Fund to the Animal Pound. We are picking up in the general fund the salary of the Warden. We do have the option and if push comes to shove rather than take a policeman or something else off the road, we could just turn our Animal Control over to the County and I'm not criticizing the County but they can't give us the care that our present Animal Warden does. I think that the Shelter is going to have to regroup and reach out. Anybody who is listening tonight, get your teenagers up there to volunteer to help and the Shelter will continue.

Councilwoman Scarniench – What does that do when the Warden is not there? That's my fear. Jim works 3 nights a week, he works when she's not there. The County does not come out and take care of problems that we have in our neighborhood, they only come out for strays. It is a safety issue as far as I'm concerned. You know my husband and I we're volunteers there. I helped start Petpals and the whole thing, so I know what they go through over there and that's one of those places I really think we really need to have an employee. I hope we can in some way figure out a way not to make that cut.

Another question to Chief Repicky, the other day you mentioned how many officers right now that we have that are on leave, things like that. How many of them would be affected by this 10 officer cut?

Chief Repicky – Maybe just one.

Councilwoman Scarniench – Just one so all the rest of them would still be on payroll and not working.

Chief Repicky – Like I said, I'm down six, one more, five is not going to make the difference.

Councilman Langman – A few comments and then a general question for the Council. First, it has to be made clear that I know since I've been on Council we've had to cut spending just about every year. Even when the economy did improve the Council and Administration had to restrict increases in spending because we knew the time would come where we would face another recession. Although nobody could predict the severity of this one, or the potential duration, therefore to piggyback on Councilwoman Scarniench's point, people care about the Animal Shelter, the pools, the ice arena and safety services. I don't think it really pays for us to say this amenity has to go. Because I think ultimately it diminishes the quality of life here in the City.

Having said that, it is very clear that many of our residents are hurting. I will mention the elderly again because they have the least flexibility to absorb all of this. I would like to find out whether there is some consensus with the fee so we can set aside the severe cuts and then maybe go on. Also at the same time, get a sense from the Council and administration, is 920 something that we want to shoot to put on the ballot for the fall? Because I think it does affect then some of the conversations that we're having right now. If not, if we think the following year or beyond, then we need to know that. We need to start moving forward on some of these things so that residents have a better idea and we can make those decisions. Thank you.

Councilwoman Jones – On the list that has the 2010 additional reductions without fees, have we looked at other combinations? If we were to keep the police officers and firefighters but eliminate some of these other things on here that are on this list, how much would these fees be able to reduce by eliminating some of the other things, let's say the pools or the arena or the charge for sewer drill outs. Have we looked at different combinations instead of everything on this list to eliminate? Have we looked at other combinations as far as to eliminate and maybe reducing the fees?

Mayor Cervenik – I'm not quite sure what you're getting at. You're saying can we do some of these, not all of them, but do some of them and have the fees be lower?

Councilwoman Jones – Right.

Mayor Cervenik – You certainly have the option to do that. As I've said before even with the neighborhood pools. We're talking, I don't want to belittle the number, but we're talking about a total of a \$29,000 savings out of a \$37 million budget. They are very, very important to the four neighborhoods, the four quadrants of our city, at least in my feeling. Yes, we can do that, I've just presented what I think is the best options to take at this time. If City Council says we only want to charge \$4 or \$5 for garbage so get rid of pools, let's reduce senior programs, let's charge for sewer drill outs, but you are going to get the calls on that, I promise you, let's close the arena.

I'm here to do what you say. The way it works is you set a dollar amount for me to operate this city and I can't exceed that dollar amount. We always are open to suggestions and what you would like to see as priorities. From my legal responsibility of being able to run this city the way I feel it should be run and the services provided, that's why I presented this list. We are to the point of making cuts that I don't like the fact that we we're not hiring back those 4 firefighters that are retiring or possibly five. We are going to try to live with it for a year or two. I'm hoping that some things happen at Bluestone and other places so that the first priority is to get us back up to 80 firefighters. Yes, you can do that, that's not my recommendation. I don't vote, the 9 of you vote. If you determine that a \$9 fee plus four dollar and some odd cents a year is not worth having some

of these things going on and you want to reduce it a few dollars, you're welcome to do that. If I thought it was the best thing to do, I would have presented that to you.

Councilwoman Jones – Let's say for instance the pools are closed, is there a cost to closing the pools and doing whatever needs to be done to shut them down or how is that handled?

Director Will – When we get ready to open the pools, there are of course things that we have to get ready. If we're not going to open the neighborhood pools, we don't have to paint those, I think I'm answering the question, is that what you were asking about getting?

Councilwoman Jones – I was asking, if these fees are not passed and we have to close the pools down, is there any additional cost in closing those pools down. I would imagine the water needs to be drained and whatever else needs to be done to close the pool. Are there additional costs in doing that?

Director Will – They are already closed for the winter, so there would be no additional charges at this point to keep them closed for the summer.

Councilwoman Jones – Other than we've probably already purchased the chemicals that are needed for 2010?

Director Will – We have gone to Board of Control for a request for a purchase order but nothing has been bought yet.

Councilwoman Jones – Is that the same for ice arena. If for some reason the ice arena was going to close after this season, and not open up for next season, there isn't anything additional cost-wise that would need to be done to keep that closed?

Director Will – As far as additional costs, no. We take the ice down at the end of the season and we don't put that back on. So no, there would be no additional cost, although we're still paying the utilities for that, but no additional cost for closing it.

Councilwoman Jones – We would still be paying the utilities even if it were closed?

Director Will – Correct.

Mayor Cervenik – We would also be continuing to be paying for a zamboni that is not zamboni-ing. We will continue to be paying for the chillers. We will be continuing to be paying for the lighting on House Bill 300, with that building closed. There's two costs. One is the physical cost and I think the Director explained very well. But the second is the mental and again the quality of life cost that I think closing the pools and the arena would inflict upon this community. Don't discount these services being taken away or being eliminated, the effect that it will have on people's feelings and loyalty to their community and their neighborhoods. I think that is something very important that we all need to remember and there is no way to put a price on that, no way at all.

Councilman O'Neill – To Director Will, I'm just looking at the arena, the expenses were \$219,490, the revenue was \$150,000. Comes to a net of \$69,490. I guess my first question is, do you have the break down as to how many Euclid residents use the rink as opposed to non-residents?

Director Will – I would have the break down for the groups that rent out. But during our public sessions, what I could provide you with for any of the general admissions, would be anybody who paid the non-resident fee versus paying a resident fee.

Councilman O'Neill – What is the non-resident fee?

Director Will – A non-resident fee without an ID card is \$6 to come in and ice skate, versus \$3 for a resident.

Councilman O'Neill – Last year we voted that there would be no transfer of the general fund to Shore Cultural Centre. Those folks, the Coral Group has done a pretty good job of managing the Shore Cultural Centre, as a matter of fact they've got a \$23,000 carry over. So they are living within their budget, so to speak. Obviously there's no money in the budget this year to be transferred. My point is that we required Shore to do that and we're kind of holding their feet to the

fire on that. I think maybe we have to seriously look at the skating rink as far as generating revenue maybe to non-residents. I don't want to close it, but I do think that the people who are enjoying their time there that are not residents of the City of Euclid maybe fees have to be increased a little bit to try to close this gap on a \$69,000 deficit.

Director Will – Currently in the Recreation Dept. when we have our, not only with the ice arena but the swimming pool and any of our programming, our non-resident fees are almost doubled compared to a resident fee. That does continue throughout the ice arena. If there's a non-resident that is coming in and renting it, they are going to pay a higher fee. We've been trying to keep up with the other rinks, although there are some differences that we have to keep in mind, our rink size versus a different rink size. We have been keeping up with that and charging them, non-residents, their appropriate fees.

Councilman O'Neill – Last year there was, I know there was kind of a big deal that the people went to the arena and stirred up a lot of interest. A lot of people kind of came out of the woodwork to support the arena and that was good to see. But the talk was that they were going to reach out and market the arena more and get more folks using that arena. I'm just wondering, have we seen an increase in revenue to the rink from 2008? Have we seen any significant increase in the revenues coming into that rink? What I look at, I'm thinking the end of 2008, we were right around \$70,000 in expenses to the rink. After a year, after all the people getting together and trying to promote the rink, it seems like we're still in the same boat. Director Will, can you comment on that?

Director Will – In 2008, you have to remember sometimes the reporting of the ice arena is done per season which would go September through March or April. The report that you have in front of you, 2008 the difference was approximately \$78,000. For 2009 it was \$69,000. There was an \$8,000 decrease and do credit some of the groups that have been working with us. I think it is also the economic times, people are choosing which activity they want to participate in, so we can't necessarily say it wasn't the groups that were helping us market it. We have been trying to work closely with the individual groups but again, the economic times, to cut the deficit \$8,000 in one year was good for the ice arena.

Mayor Cervenik – The Euclid Youth Hockey Association has new leadership, very strong leadership and I think if given a little bit of time they will increase the revenues that we receive from there. The event we had with the Monsters was tremendous and had hundreds of people there with their families. Things are happening and things are going to get better, but again they are going to suffer from the economy as well.

Councilman O'Neill – It was a good turn out Mayor, but it was free admission also, I was there.

President Holzheimer Gail – There is no question that there are some efficiencies that can happen and increase promotion. I think we're getting a little bit off track. I want to make sure we're talking about specific cuts, we may not have to do that, I'm hoping. I know that there's additional information to be presented, so I guess I want to sort of, and we do have many people here to speak from the public. Are there additional questions specifically about what was presented?

Councilwoman Jones – On the sheet that has the reductions without fees, there's the one item under Finance that has the two full time positions. Is that the total that would be needed if we were going to be doing the billing? I think on the council meeting we mentioned that would be the positions of those people that would be handling that. Is that what this total is, or is it something different?

Mayor Cervenik – This is actually two full time positions. I think the Director's sheet shows you one and a quarter, but I can't keep three-quarters of a person, so at that point the other three-quarters of the personnel would be absorbed by other people's work. Again, not a good thing, but it is something that we would be forced to do.

Councilman Van Ho – Just a question, if we were to cut the arena and the pools and not operate them for a year or two, will that cause a deterioration of the facilities as much as when you have a house vacant for a couple of years it tends to deteriorate more than if it is occupied?

Director Will – Absolutely, but not only would it cause the deterioration, the moral and the individuals that would leave because of having to continue their hockey or their ice skating or their swim team, they would go on to look for other facilities and we would lose that participation.

It goes deeper than just the deterioration of the building, it is also the participants finding somewhere else to go.

Councilman Van Ho – Could we start to hear from the public so that we can get on and make decisions on this at this time?

President Holzheimer Gail – We have other information that has not been presented yet.

Mayor Cervenik – The information you have, the other two items that we were requested to present to you is the billing procedure and the ability and the mechanics of issuing the revenue anticipation note. Those really can be discussed at our next meeting, they're pretty self-explanatory, if you have any quick questions about them right now, that's fine. It is up to you.

President Holzheimer Gail – Discussing some of that before the decision is made is difficult. I know there maybe questions that will sway you one way or the other and that's the type of questions we want.

Councilwoman Minarik – My specific questions were on the delinquencies. Director Johnson, I'm not quite sure I understand the property sheet that you passed out. I had asked for what our delinquent property taxes and am I reading this right that we have \$7.6 million in delinquent property taxes? Then the delinquency of income tax, if I'm reading this right, we have \$6.6 million in delinquent income tax, but the payment agreements, that's the part that confuses me because I'm not sure if you add those three years up, 2007 through 2009 with the payment agreements, that totals \$7.7 which makes it a wash. Could you explain those two sheets to me please?

Director Johnson – I'd like to clarify that we do the very best we can to be as responsive as we can to all council person's inquiries for information. I received this e-mail at 8:55 yesterday morning. Most of this information we had to obtain from either the County or to try to extract it from our income tax system and this information with regards to the income tax system was a report that we had to have run. We do the best we can to try to respond, but we can't instantly at all times, obviously you saw my response of your question of the municipal court delinquent fines. I deferred to the Judge for that information. A lot of the information that we have to try to obtain externally we are dependent on those folks that are providing that information to be able to provide that information timely. It is not for want of providing this information more timely, it is that we have to wait for responses to gather that information.

Your question in regards to the property tax information, I had a little difficulty going through this myself. But this is exactly what I received from the County Auditor. My understanding is that with regards to our real property tax, my delinquency shows the \$315,000. Total delinquency would be the 846. Surprisingly what they told me at the County Auditor's office is that we have a very good collection rate with regards to property tax in Euclid. A majority of the property owners are paying their property tax. What you see at the seven million dollar number is the total levy, both current and delinquent. So our delinquency, if that's what you're looking for, would be the \$315,000 and the total delinquency is \$846,000 of the total \$7,000,000. That's just for the real estate portion.

If you go over to the personal property tax portion, that delinquency amount shows as \$327,000. I should also note that there's probably another \$2-3 million in delinquent personal property tax that is being heard in Columbus. That does not show up on the County Auditor's records as a part of a delinquency but there are several large cases that are pending in Columbus with regards to personal property tax. You will also note that we no longer levy personal property tax that's been phased out. So any personal property tax that we collect in the future will just be this delinquent amount.

The next category shows special assessments. You can see that our special assessments delinquency is about \$217,000. So for the special assessment delinquency, it is the \$217,000 figure.

President Holzheimer Gail – What is the difference the fourth line, Delinquent Tax Collection and then current? Is one for this year and then one for what is owed from past years?

Director Johnson – Correct. They break it out between the collection of the delinquent amount as well as the collection of current levy. It is a little confusing, but this is exactly the way that I received it from the County and I'm trying to explain it the best way that I understand it. They keep track of the current collection, as well as the collection of delinquencies. A lot of our special assessment delinquency, I've requested from the County, which that information I still have not gotten, the detail of our special assessment collection. I suspect a big part of that is the nuisance

abatement, the grass cutting that we've been certifying onto the property tax duplicate in the last couple of years. We have been successful in collecting significant amounts of that money but we have significant amounts that are still outstanding and not being collected.

That should answer your question in regards to property taxes. With regards to the income tax, you can see by tax year the amount of the delinquency. I think what's important here is that we break it out between active accounts and inactive accounts. If you look at it across the Board, the amounts for years 2000, 2001, 2002 and so on, are lower amounts than what you see in tax years, 2005, 2006, 2007 and 2008. So, the delinquency is fairly current, relatively current and we do work very hard at trying to collect that as hard as we do. We also continue to send accounts to a collection agency for assistance in collection. The one attorney that we have onboard files a number of cases in the court for garnishments and what have you and he collects a significant amount of that money.

The other part of your question of the number of payment plans, that information I don't have the total outstanding so what I provided to you is the number of payment plans that we enter into by tax year. Some of this information takes time to extract from our system. These are not standard reports that we can just push a button and run. Trying to extract this information as quickly as possible is sometimes a little difficult.

Councilwoman Minarik – In summary, I want to make sure I understand this right, we have \$6.6 million in outstanding taxes for the income and we have \$1.1 million in property tax delinquent with another \$2-3 million that's being contested in Columbus?

Director Johnson – Yes.

Councilwoman Minarik – That's a lot of money.

Director Johnson – That's a lot of money, that's true.

Mayor Cervenik – I want to make it clear that we are not responsible and we do not have the legal authority to do the collections on the real estate taxes. That has to be done in conjunction with the County Auditor and Treasurer.

Director Johnson – That's for any of the property taxes.

Mayor Cervenik – The tangible and so on.

Councilman Langman moved to suspend the rules to go beyond the hour and half time limit.  
Councilwoman Scarniench seconded. Yeas: Unanimous.

Councilman Langman – I think Councilwoman Minarik's point about just getting information is a valid one, we have to digest it. I'm sure there's many different combinations that we may all have, we may want to keep a position versus another position or change the level of fees. I would suggest that if the administration is okay with that that either we send our suggestions of what we want to see through you or directly to the administration, whichever is more convenient and can be answered quickly. So, should be send our questions directly to you Mayor or to the Finance Director?

Mayor Cervenik – If you could send them directly to me and copy the Finance Director, or send them directly to the Finance Director and a copy to me, it does not matter. Any e-mail we get from any council people we sit down and go over them and try to answer your questions as quickly as possible. As the Director said, we received this request for this delinquency and for this information yesterday morning. As I said earlier, we were really working on the budget at this time. We got as much information as we could for the councilwoman and we'll get the rest of it very shortly.

Councilman Langman – I just want to save you folks the work. I know that I don't want to send ten thousand different combinations of positions, fee levels and so forth.

Mayor Cervenik – It would be appreciated.

President Holzheimer Gail – At this point, why don't we allow the public to speak. Just so we're all on the same page, the proposal for the garbage fee has been reduced to \$9. There's been a suggestion that perhaps we look to making sure we provide a senior discount to that and the lighting

fee for a home of \$100,000 is roughly \$4 per month, with seniors in Homestead receiving a reduction in that.

Mayor Cervenik – It is under \$4 for those on Homestead.

Director Johnson – With Homestead it is \$35.20 per year, a little less than \$3 a month.

President Holzheimer Gail – That reduction is due to the additional cuts that are being made and additional revenue added to the budget.

Councilwoman Scarniench – But if we come up with another way to reduce this, we could actually look at lowering the fees, correct?

President Holzheimer Gail – Correct. Correct?

Mayor Cervenik – That's correct, but if we're looking out more than December 31, 2010 I'm not sure we can.

Councilwoman Scarniench – I'm just sitting here and looking at if we made the change and we only eliminated 5 police officers and we only eliminate three firemen and we close Memorial Pool, we're saving \$838,000 right there. We having gutted every department and the neighborhood pools would stay open and people would have to bring their kids to the neighborhood pools. I'm trying to look at a way to reduce how much money we're going to have going out to the residents to pay for this. It's just an idea.

Mayor Cervenik – Again, one thing I should have mentioned earlier is this is predicated on not losing the grant. If we make this move with the Police officers and we lose our grant, that's an additional \$1.4 million. They've been very cooperative with us up until now. I can't even phantom reducing the police department by five officers right now, to be completely honest with you. As I've told you before and many people disagree with me, I think the cost of closing any of our swimming pools and the cost of eliminating positive supervised recreational activities for our youth in this day in age is a very dangerous thing to do. But your welcomed to do that. We've got until the 15<sup>th</sup> and you know what, you don't want to pass it on the 15<sup>th</sup>, you want to talk longer, we've got until the 31<sup>st</sup>. It takes 3 council members to call a special council meeting. We just need a budget in place by the 31<sup>st</sup>. If we wait until the 31<sup>st</sup> to pass, I've got to crank that list out and make these lay offs at that time, because we can't go another month. If that's what Council wants to do, you're welcome to do that. As Councilman Langman said, keep us informed and we need consensus. So you may just send a copy to myself and the Director, but we're going to send answers back to all nine of you.

Councilwoman Scarniench – Once we go over this, once we hear from the residents, I would imagine probably Monday we could have another meeting so that we do go ahead with this on the 15<sup>th</sup> so we all know where we're at, at least that's what I think would happen.

President Holzheimer Gail – We had talked about additional public forums next week and I don't know whether we were able to confirm locations.

Mayor Cervenik – We had planned on having a public forum at 6 PM at Central Middle School on Euclid Ave., on Monday. On Tuesday at 6 PM at the Community Center at 1 Bliss Lane. I'm quite confident that Central will be available either the auditorium or cafeteria, both should be large enough. If that's acceptable, that's great. If you want to delay that, that's up to you. Again, those are the two dates, Monday and Tuesday that, as long as we're talking about public forums and outside of Indian Hills, I haven't heard on any others. The Council President and I felt that we should schedule two. All I ask is people who are watching on TV tonight and the people that are here just look on our Channel 20 just to make sure that Monday's meeting is at Central, but it should be. As of right now we're confirmed at Central for 6:00, but if you're hearing me tonight, you've got TV so just take a look at it late tomorrow afternoon and we will start running that Monday's meeting is in fact Central, or if it has to be moved, we will let you know where it is. It will be on our website. I'll ask the News Herald to put something in. Sun Journal doesn't matter any more.

President Holzheimer Gail – Most council members have e-mail lists, certainly that's something to send to your e-mail list. We do want to make sure the public is well informed about the decisions we're making and have opportunity to weigh in.

Mayor Cervenik – We will do that as well. We have quite a number of people signing up to be on the e-mail tree, they will all get a notification as well. That was the plan for Monday and Tuesday.

Councilwoman Minarik - On that plan, just a couple of questions, suggestions actually; could we make it 6:30 because I understand we've got 11% unemployment, but there are still a lot of people that are working and that might be a more convenient time for them. Second thing is, can we use the public boards also at the Gazebo and around town at the old Fire Station on Euclid Ave.? Anything we can do, thank you.

Mayor Cervenik – 6:30 is fine. Ignore what I said about 6:00, it is now 6:30 and we will get them on the boards and the internet and Channel 20, ECTV.

President Holzheimer Gail – I know that many council people have neighborhood meetings planned, please pass those along if you want another represented from Council or the administration there. The Mayor has already spoken at the Senior Center and various other senior orientated places about this. We did talk about scheduling one and that has been done. We have those dates set at this point. Final questions before we go to public comment.

Councilman O'Neill – My caution is that I don't want to be too optimistic about the economy turning around at the end of 2011. Am I to understand correctly that typically the municipalities lag about two years behind what the federal government does as far as recovery?

Mayor Cervenik – Some people say that. I think we have some unique opportunities here in Euclid with our Downtown Euclid plan. You've seen the investment that's been made in Downtown because of that, with Bluestone Business Park. We have an opportunity and at least hope that we will break out sooner than others. It is possible we won't. Which is why I've structured this so that if everything goes as planned, although we are already \$50,000 below our projections over the first two months. We have projected conservatively towards the end of the year, again, you know what happened last year. We've structured this so that the \$1.6 million cash balance hopefully will not need to be used in 2010. That will help us get through 2011 if nothing else breaks, if we don't find some other long term fixes.

It needs to be noted that last year we went through \$1.5 million and that was after receiving the \$638,000 from First Energy. It is a very cautious time, it is a very serious time. If you think for a minute I wanted to put this legislation in front of you, I didn't. We have to be very cautious and that's why I'm telling you we need to look out that second year, we can't just look until December 2010.

Councilman O'Neill – That's the point I'm trying to make that we sort of got caught here, not with our pants down, but we're aware of it, we know there's somewhat of a financial meltdown so we have to proceed accordingly and be ultra-conservative in how we're going to spend and project beyond 2011 and let's look into 2012 or 2013, where we're going to be and watch our expenses. I just want to make a point of that, let's not let this happen to us again, even though there was really no way to project it. Now we know, we're not babes in the woods any more.

Mayor Cervenik – When you have a drop in revenue of \$3.5 million and \$2 million of that happened in the last four months of the year, it is not a lack of not looking or preparing for it.

Councilman O'Neill – I'm not suggesting that Mayor.

Mayor Cervenik – All cities are going through that right now. As I mentioned earlier, you've got cities that, there's at least four cities that our Underwriter said is looking at borrowing for healthcare.

Councilman O'Neill – I'm totally on the same page with you, what I'm saying is that we're looking at 2011 being the turning point, it may not be the turning point and that's the only thing that I caution.

Mayor Cervenik – I'm looking at 2012 which is why I'm saying if we don't touch the cash balance and these fees are passed, it will get us through all of 2011. That's the plan.

Councilman O'Neill – I just want to have enough money that's all.

President Holzheimer Gail – At this point let's allow the public to speak. You may speak up to five minutes. Please state your name and address for the record. If you would address your comments to Council or the administration rather than the audience, we would appreciate it. As always dignity and decorum are requested and appreciated.

Ms. Rose M. Allen – 26241 Lake Shore Blvd. More questions I guess because the city is trying to find money to keep the services going and to keep from laying off safety forces. I've just been doing some research with Cuyahoga County. I've looked at their website earlier today in a section called, Where you tax dollars go. I compared where the tax dollars go for various let's say connected communities, communities that are connected to Euclid. Euclid gets about 8% back from the County in terms of taxes. The site did not specify whether these were income taxes or taxes that are on the sales taxes. But Euclid only gets about 8%.

The City of East Cleveland gets 15% back from the County. The City of South Euclid gets 15%. The City of Richmond Heights gets 19%. I'm just wondering if there's a formula that is used to determine how much taxes the city gets from the County? If so if there isn't a formula, is there something else where Euclid can have an increase in the amount of tax money that comes from the County. We seem to be 50% less than the similar communities.

Director Johnson – That is the discussion that hopefully we will have in the ensuing weeks. I'm glad that you made that comparison because that is the Charter provision that prohibits our Charter millage from increasing with property values. You can see the disparity from other communities of their share of the total property tax versus our share. A lot of that has to do with the fact that our Charter millage, House Bill 920 provisions applied to it where they aren't applied in other communities. That's why we get a smaller share of the total property tax dollar.

Ms. Allen – That's because of our Charter?

Director Johnson – That's because of our Charter provision that mandates that, correct.

Ms. Allen – So there is nothing that can be done in the immediate time to make a change with millage that we are receiving, the percentage that we're receiving?

Director Johnson – Not without the Charter change.

Mayor Cervenik – Our percentage has also gone down because school levies have been passed. \$100,000 home pays \$2,325 in real estate taxes, which means the City of Euclid gets roughly \$184 dollars. If your household makes \$50,000 of earned income outside of the City of Euclid, you pay an additional \$390 which is the .38 that the city gets. So in actuality, some of our structural problem is a household that makes \$50,000 of earned income, lives in a \$100,000 house, their tax burden that actually comes to the City of Euclid to support our police, fire and everything else, is only \$574. The other 2.47% of your earned income tax, as well as the other 92% or the \$2,200 of real estate taxes goes to the schools, the county and the library. That's the predicament we're in.

Ms. Allen – Yes and I'm noticing that the other communities have a smaller percentage of money going to the school districts and to the libraries but Euclid gets 66% that goes back to the Schools. I'm anxious to find out if there's something that eventually will be done to determine if we can make a difference as to how much we get from the County. Thank you.

Ms. Michelle Stachnik – 110 Noble Beach Drive. I would first like to state that I'm not against the garbage fee as long as it is implemented in a concise and fair manner. I feel there should be no discounts given unless you're putting out less garbage. My family of six, two of which are twins in diapers, puts out 1-2 bags per week because we utilize all the recycling opportunities this city has to offer. Why should I pay the same rate as a household who may put out 5-6-7 plus bags per week?

Council needs to think outside the box in how to fairly administer these fees. I lived in Grand Rapids for several years and we paid for trash removal and it was done through a tagging system. Residents buy tags as needed and place them on the trash that needs to be picked up. Special tags priced at a slightly higher rate were purchased for unusual or larger items, i.e., furniture, appliances, etc. In this case you pay your fair share not less or more. If you put out one bag of trash per week, you pay for that one bag. If you choose to put out 10 per week, you are paying for those ten. Have we looked into a company who does this? If so, what companies have

you approached? My understanding is that these fees are not to make money on the residents. This sort of pay as you need would ensure that.

I don't think the city has thought through all the issues and costs that will arise with doing the traditional overall billing of these fees. Tag purchase or something similar will eliminate the larger costs and the monthly billing system like paper, the cost of printing, mailing, staff hours, etc. Again, in the rebilling for those who continually miss payments. There are also many unanswered questions on how the billing system will work if someone has not paid. For example, how will the garbage company know what households to skip? Will they just pick up and the city will pay no matter what and be hopeful the unpaid households will eventually pay their bills? Putting liens on properties doesn't help the city in the present which is why we are going to implement these fees in the first place. Though I feel we do need to go through with these fees, Council has a responsibility to be fair and have a well thought out plan before anything can be instituted. Just throwing out fees and discounts without looking at all the ways this can be done to make it fair to all of our residents is irresponsible and lazy. If this administration and Council wants residents to have faith in their decision making and want us to believe our best interests are at hand, you will take the time to think of a plan that works for all of your residents. This is a case where one size doesn't fit all.

Are young families ever thought of in these decisions? Senior citizens are not the only people on fixed incomes. It has been mentioned that the city has not asked the residents for money since the mid-90's. In fact the city has asked for money from its residents, that's why we have paid a 2.85% income tax as compared to many other cities. Does any city have as high as an income tax as us? This has been our extra payment. Where is it? A lot of other cities are still working on less income taxes.

We decided to buy in Euclid because we believed change was in the air but in the meantime our home value has dropped by more than half, we still have one of the highest income taxes and we are now faced with losing activities and programs that a young family looks for in a community. There will be a time when the city will no longer be able to make policy on the backs of their younger residents because we will not be here or will not come in the first place. Who will be paying then? As the saying goes, don't bite the hand that feeds you. Young families are struggling as our incomes are dropping as well. How you handle these fees will be a barometer of where the city is headed. If you do this in a thoughtful well planned manner you will show your residents and perspective residents you are forward thinking and able to manage thoughtfully in difficult times. If you just throw out something to get it done, it will be a weathervane for the future. A city that does not plan for the future will have no future. Ask yourself this, if you were a young, educated family looking for a house and heard how things were being managed in the city, would you want to buy a house here? Thank you.

Mr. Jeffrey Beck – 25540 Chatworth. It looks like the garbage tax and the street lighting tax is going to be past onto the residents. I understand it is needed to balance the budget, but I'm still disappointed in the refusal of the safety unions to negotiate. I hope that the next time these contracts come up that these onerous bonuses are taken out, given the taxpayers in this city a much needed break.

Much has been said about removing House Bill 920 from the Charter and if we do then these new taxes would be removed. I have heard that the removal of House Bill 920 will raise \$5 million for the city and that this money will come from both businesses and residents and that everyone will pay their fair share. I have a few questions though, if House Bill 920 has been giving businesses a tax break all this time, why wasn't that fact utilized to help bring more business into the city?

Will the removal of House Bill 920 cause businesses to leave? I would like to see a study done that will determine exactly what portion of the \$5 million will come from the beleaguered homeowners and what portion from business. Personally I don't believe that the voters in Euclid will approve removing House Bill 920 unless a reduction in the city income taxes is offered along with it.

I'm a little confused by the amounts that have been discussed for the garbage tax. First we were told \$14 per month was needed and now we only \$9 per month. Did we find some money in the budget to offset this 36% reduction? This is the first time I've really been involved in studying the budget and the workings of these hearings. I have come to a conclusion though, that is we cannot continue to allot excessive funds in certain areas of the budget without safeguards in place. To do that, is a financial nightmare, one that we're experiencing right now. Thank you.

Ms. Rosemary Knepper – I live in Indian Hills area, Block Watch for Genesee. What I don't understand is why is it that the middle class and lower class in our area always has to be penalized with threats of firemen and policemen and losing their jobs in order to make budget? Well we have our own budget to hold onto our homes, to keep up with the way the economy has changed the wages. Now they're not even giving you full time jobs. They're expecting you to pay minimum

wages. Everything is going backwards with the wages and everything, yet everything else goes up. Which I understand because you said about the revenue, it dropped so you've got to make adjustments. The recession has cost us, like I said, full time jobs, all that is left is part time and they're not willing to pay you for what your worth. The last place that I applied at, they told me, oh we're not paying for experience, you've got to take minimum wage or nothing.

I've been in manufacturing for 28 years and retail for six and that's where I see they don't make any compensation for us, it is always us making the adjustments. Right now our economy the wages is 11% as far as the amount of unemployed. My being a Block Watch Captain, we were all asked to get the people to keep their lights on in the evening, that's more money on us. Snow services, you're talking about cutting services, well the services that we have, one in particular snow services, is a joke on our street. I never see a snow truck. The last big snowfall we had, I called three times before I actually saw a snow truck and I couldn't believe it because we haven't seen a snow truck in years. It is always us having a sheet of ice trying to get off the streets.

I know there are priorities but a lot of streets are ignored. We pay higher taxes than most communities. Again, what about our budget? You say you have a budget, well we've got to make compensation to meet our budget. It just seems that threats of cutting things, threats of unemploying policemen and firemen, you've got to start to learn to set your priorities. As far as the two issues, Ord. (39-10) for the lighting and Ord. (38-10) for the trash, I think it is wrong to ask us for any more money because like I said, it is hard now to keep up with what we have.

What I want to know is, if we don't pass these ordinances, will our property go up anyway to compensate? Like everything else, everything goes up but as far as wages and everything else goes down and we're having to compensate and keep our budget. I just feel we pay you to keep your budget for the City under control and we have to do it ourselves.

Finally as far as Animal Control, what is being done about the vacant properties that the owners own that you never see the owners but they have rodents that are large ground hogs and raccoons that are destroying our property.

President Holzheimer Gail – I'm sorry, your time is up. Thank you very much.

Mr. Victor Goodman – 20201 Glen Russ Lane. I'm going to preface, I do not mean to demean anybody, these are both facts and my opinions and I just hope you will listen.

Last night my wife and I walked our street and then some others and handed out the first ever Glen Russ Gazette. This handout was to inform them of these fees and the proposed repeal that are now before you. By the reaction I have already received and the fact that some of my neighbors are now here for the very first time, it seems it was worth everything, all the time and energy that we put into it. They had no idea what was going on.

This administration and council should have sent a letter to every homeowner about this matter. This maybe happening in the light, but the homeowners are in the dark. They have no paper to report what's going on. Some may not have computers or cable. They are in the dark. The proof of people coming here tonight says, just tell them and they will react. I hope this will inspire other people to do what my wife and I did and inform their neighbors. Start street newspapers; didn't cost much.

At the budget hearings the Mayor did state, we are not going to go over this budget line by line. He's right. It must be gone over number by number. This problem is not this Mayor's or this Council's fault. It is every Mayor and every Council that has refused to act on the matters that have brought this to this time.

I keep on hearing, we didn't know. In 2002, then Mayor Oyaski wrote all employees that money was an issue and that the projection was a deficit of \$2.8 million and he started the year with \$5.5 in the bank, in the reserve. He also stated that between 1991 and 1994 the city spent more than \$8 million than it had. In 2004 Mayor Cervenik talked about a garbage fee but never did bring it forth to Council. Members of this city, myself included did protest outside of City Hall. That same year the Mayor, as he has eluded to tonight, borrowed \$2 million to balance a budget. We didn't have the money then, so we borrowed it, now we still owe it. That still means we didn't have the money.

This problem is not new but it has been ignored and now the beast has grown to big. The problems that continue to cause our shortfalls have never been fixed. Throwing more money at the problem will not cure the cancer of overspending. Every aspect of the budget must be gone over with a fine tooth comb. How can we continue to pay the entitlements to our employees? They work hard and they deserve everything they can get, but the well is empty and more people still need to drink. When the going gets tough, the tough get going. We have to endure hard times, but not the do or die words of the Mayor. If this city shuts down, then it is the fault of poor management plain and simple. The Mayor has worked very hard to find cutbacks and I appreciate

everything he has done, tonight proved even more. But as they say, it is only the tip of the iceberg. Do the right thing. Go back and do your work, solve the problem and do not candy tax it.

Just in the few minutes I have, I wrote some other notes. Just prior on Monday, to the Mayor's appearance on Channel 5 news, was the City Manager of the City of Ashtabula, who stated that they would not pay overtime to clear the streets because it cost \$800,000 and they didn't have the money. He warned them that if you spend money that you don't have, then the State will come in and take you over and God forbid that happens.

I don't know how many of you read the Parade Magazine this past Sunday, but there was a fascinating story on the back page with Connie Shultz and Sherrod Brown. She said we needed to stop for gas and he said, no we'll make. They actually ran out of gas. We're running out of gas people.

Do not become the County Commissioners and pass a tax without the representation of the people. You'll close the pools and the ice rink but you'll leave open the year. Here's a question, which doesn't have to be answered tonight, but question must be posed, what is the total cost of all the abatements that we have given to businesses just to stay here? How much of that property tax don't we get?

President Holzheimer Gail – I'm sorry, Mr. Goodman, your time is up. Thank you.

Mr. Andrew Kish – 141 E. 220 St. In my hands I hold an article from the Cleveland Plain Dealer dated February 1, 2010 in the Metropolitan section that's entitled, How Euclid's High Hopes For Prestige Houses Stalled. The article has comments in here that states, Euclid leaders believed in prestigious lakefront development could boost the image of their hardworking city. The article continues to go on to state that many Euclid leaders expect a keen interest in swank, lakefront housing became clear that they were wrong. Coral President who was the developer of the properties that are entitled, the Shores of Edgecliff, which is still unfinished. It says, now after the city has invested more than \$1 million in tax dollars the project is still not finished. The City and its Schools are collecting only a fraction of the property taxes envisioned. Coral President Peter Rubin blamed high taxes because there was not interest. Although Euclid generally waived property taxes for seven years on new houses, those homes were scattered and modest. The City wanted owners at the Shores of Edgecliff to pay full bills. In February 2004 with construction underway Rubin asked officials to reconsider. Potential buyers balked at the property taxes, \$9,000 a year on a \$500,000 house or town house he said. Rubin wanted Euclid to reduce the tax rate by 25% for ten years. At the same time Rubin announced he was boosting the asking price of the new homes by more than \$100,000 and pushing the price tags on some well over \$600,000.

Mayor Cervenik stated he didn't want abatements because the city sold the property at a loss. But he said he wouldn't block them because the project was needed. In the spring the city provided a sweeter deal than Rubin had sought. It designated the Shores of Edgecliff as a Community Reinvestment area; part of a State plan aimed at boosting development by offering property tax breaks. Cities and Counties decides who gets these breaks. The State kicks in nothing, so property taxes that pay for everything from snow plowing to school teachers are lost. Turns out Euclid will give up hundreds of thousands of tax dollars at the Shores of Edgecliff for ten years under CRA, homeowners there will pay property tax on only 25% of the values of their homes. Law Director Chris Frey said the officials researched tax breaks other cities offered to help sell new developments, including some or near Lake Erie and recognizing the only way to help the Shore of Edgecliff complete was to offer a substantial tax break.

Finally it says here that means the person who bought one of the lakefront houses for \$737,000 pays \$3,466 in annual property tax. Meanwhile a Euclid family that spent \$134,900 to buy a small older home away from the water gets no break, they pay the same property tax about \$3,332.

When I read that and realized that there was a loss of income and I'm wondering how this administration and council is going to prevent that from happening again because it clearly translates into loss of money. Is this community where someone who is wealthy can afford to be given a tax break like that and also I'd like to know if that information correct in that article? If it is correct, how are you going to make sure that this doesn't happen again? Because now you're asking seniors to pay for things that there are people getting out of thousands of dollars of not having to pay property taxes. Does that translate into less money income for the city? Those are my points that I wish to raise and ask for you to consider.

Mayor Cervenik – I would like to note that throughout all of the City of Euclid and the in-fill houses, any new houses that are constructed received 7 years, 100% tax abatement regardless of their value. We have no investment in those properties. There was an investment in getting rid of the very troublesome apartment building that was located where the Shores of Edgecliff are located

right now. I was an original sponsor of that legislation as I believe the Council President and Councilman Gallagher and we will be looking for houses in the neighborhood of \$250,000 that all had a view of the Lake. Somehow or other it turned into town houses and three houses that block the view of all those town houses.

Not just tax breaks for the wealthy. The houses that are built at the corner of E. 216 and Lake Shore Blvd., they receive 7 years, 100% tax abatement. That's how we encourage people to invest in new homes in the City of Euclid.

Mr. Kish – But someone who buys a less expensive used home, gets no tax break?

Mayor Cervenik – Absolutely, you're correct. We're trying to encourage the building of new homes as well and different types of homes for empty nesters and the like.

Mr. Kish – Thank you very much.

Mr. Marcus Epps – 590 E. 222 St. So pretty much the same way it always is, the wealthy are connected and they get the breaks and we always lose. A few points I want to hit real quick. I agree, Mr. Beck brought up a good point. If we can get by without changing anything at \$9, and the administration that had their people's best interest at heart first, you would have offered the \$9 from the beginning. That's ridiculous and people once again, I hope you're watching.

The Mayor stated earlier we have instituted \$100,000 in cuts in the past year. The information I received a couple of days ago was that the Mayor's Secretary makes \$56,000 a year. If we cut her position, I'll guaranty there are quite a few people who are qualified here in our city who'd come and take that job for \$25,000. There are ways that we can make cuts and we're not making right now sir. The facts are the facts.

We are cutting in every single department right to the bone and certain council members second that. I have to ask are you? I bring up the Secretary again for the same point. I want to bring this up as well and it is a little off subject but I have to say it because if I let it go to far I believe that I'll never get back to it so I want to make sure that I state this tonight. I attended a homeowner's association meeting last night and I tried to make as many of them as I can and that's just a way for me to meet people and so that when I come here a lot of people don't come out and talk. So when I come here I can speak on behalf of what people have asked me to speak on and not just my own personal views. I was, you were very rude Councilwoman Scarniench.

President Holzheimer Gail – Excuse me Mr. Epps, no personal comments are allowed. Please don't.

Mr. Epps – Let me just say I'm bringing this up because it goes to the root of the problem and the problem is that we have too much dissention and when I can walk into a homeowner's association and a Councilwoman who represents not just the people in her Ward but all members of the City of Euclid and be snubbed the way I was, eyes rolled, smacked and barely spoke, that was very disrespectful and I've never targeted you in particular, I don't even live in your ward, I'm not trying to challenge your seat or anything. I don't understand what's that all about. I care about this city just as much as you do and I actually would like your help, to sit down and talk to you on some of the ways that we can work together, rather than continue to push each other and drive our citizens apart.

This dissention again is exactly the problem. For example we wasted 15 minutes earlier dealing with the blows from one council member to another. We need to begin as people starting to revamp our government completely. By revamp I mean take it over. We cannot keep taking their words that they care and have our best interest at heart. We need to start now doing ourselves a favor and produce ourselves as candidates and I guaranty you with us, we will find the dollars, identify and stop the corruption and because we are all used to making do with little, we will balance the budget.

Now they will tell you when I sit down that this is not because of miss-management of funds, but this government if you think about it has shown and admitted in other ways that they are poor managers. We out-source for operation of our community center. Mike Tizzano despite the in-artful language he used in trying to get that contract, he got that contract. So we out source for that. They were failing and losing our money at Shore, we turned it over to everyday people in the private sector and in the first year Coral has turned it around. This administration has admitted that they're not the best at operational tasks when after years of failed operation by the city, they turned over the golf course to yet another group of everyday people in the private sector and I'm confident that based on the presentation I saw as well as you did here on Council, that was given by Billy Casper, that they, too, will do a better job than the city has done when it comes down to management. Poor leaders. Based on the facts that I've stated, they agree.

We have real problems and we need real people to solve them. We will continue every four years coming back asking for these same taxes if we don't do so. We've got to take our city back for ourselves. Thank you.

Mayor Cervenik – To clear up a few things. First of all the comment about my secretary, you can say as you please, she is compensated very reasonably compared to all the other cities our size. Some of the cities smaller than us get compensated more. She has a very, very difficult job dealing with me, first of all, and also all the other tasks she needs to do. My secretary has assumed duties that are far beyond secretary. Her and another Administrative assistant review the prevailing wages that we require on contracts that have saved this city \$16,000 a year from a private company not using it. Again, those kind of personal comments really aren't going to balance our budget our help our problems.

Secondly miss-information and not listening is not going to help either. Two people tonight have come up and said, well the Mayor said \$14 and now he's gone down to \$9, why didn't he do it in the first place? I presented to City Council at the last meeting that the reason I can reduce this is we can take an advance on the \$900,000 in the Street Lighting Revenue that wouldn't normally come in until 2011. That we can take an advance on that, hold the notes in our bond retirement fund at virtually no cost to us. If you do the math, that's 36%. Because we can do that and because I took the time to sit down with our bond counsel to figure out a way to reduce this amount, which I'm proud we can go down to \$9, that's why it is done. It wasn't done for any other reason other than the fact we can advance the collection of income. Thank you.

President Holzheimer Gail – The other piece that helps is the additional cuts that have been made that will impact the way the city does business.

Mayor Cervenik – It was not \$100,000, we're close to a million and a half. I believe the gentleman said \$100,000 in cuts.

Mr. Tom Cooke – 25641 Edgecliff. Let me open by saying generally speaking we are all over taxed. We are way over taxed at the federal level, state level and local level. That's no surprise to anyone I'm sure. I'm not happy when the only alternative to generate revenue is through taxes, however there are in fact times when this is the only alternative as is the case in front of us right now. I am in favor of the legislation that is before us because it is the best option. The only option that we, the City of Euclid residents have to maintain a standard of living, a level of safety and security that we are accustomed to and to secure that safety and security for the near and long time future.

As I have said many times before, the success of this city, its ability to keep existing residents and businesses, it's ability to draw new residents and businesses and in turn additional revenues is based upon the three-legged stool analogy, police, fire city services. Take one of these legs away and the city as we know it will self-destruct. That's not brain surgery, we know that will happen.

When an individual, couple, family or business are considering locating in Euclid, they are going to ask themselves these three questions: will I feel secure, police; will my property and well being be protected, fire; what additional benefits will I directly realize from the city, city services. When all three of these questions can be answered in a positive light, odds are you're going to have a new neighbor.

The three-legged stool, police, fire and city services are the sales force for this community. They are the sales team. They are the first elements in outsiders fees and what they will use to judge the City of Euclid. Channel 5 wasn't here because the City of Euclid announced that it is going to lay off 10 secretaries, 5 bookkeepers and accountants. They were here because we were talking about reducing essential city services. We are talking about reducing our sales force. A well maintained, well compensated sales force is essential in bringing in new business to a company and just as essential in bringing in new residents and new businesses to a community, the community of Euclid.

If you agree to what I have just said so far, the next thing that is running through you head is okay, I agree with the necessity of a tax increase but, if I have to sacrifice the pain should be felt by everyone. Well the short answer is no. Your sales force is the last place you want to make cuts. They are your bread and butter. They bring in the business. They bring in the money. They must be strongly motivated at all times. The old adage, you get what you pay for, has never rung more true. Believe me, if I believed in reducing compensation to essential city services would improve the city, I would be endorsing that action right now, but I don't.

I will now speak directly to City Council. Do not get caught up with the minute details and periphery arguments of what is fair or unfair regarding this legislation. Anyone can make those

arguments any time and they can go on forever. We are dealing with reality here and you know what has to be done, so do it. It is imperative that you are quick about this decision and unanimous. You must show solidarity and resolve in this decision, the rest of the world is watching. The news media will make sure of that. Make no mistake about it, families, individuals and businesses are watching what is happening here tonight and they will make decisions about Euclid based on the final outcome.

In conclusion, I address the most important element last. Community support. This decision is not just a council effort, or an administration effort, or a city services effort. This effort must be supported by the community as a whole. In doing so, there is no way the City of Euclid can fail, it can only succeed and the rest of the world will know that because they will be watching. Thank you.

Ms. Barbara Tingley – 101 E. 209 St. I want to commend the administration for all their hard work in trying to put together some type of budget. I know it is hard to your own family and to have a millions of dollar budget, I appreciate all of your hard work.

I want to state again, as I stated on Monday night, that I am in favor of Council passing both the ordinances and to do what needs to be done to keep this city the city of superior services. As I mentioned on Monday, I'm a lifelong resident and I expect good services from this city. I expect them from my family, I expect them for our neighborhood. I expect the pools to be open this summer for my kids to go to. I expect the rink to be open for my kids to skate at, for our neighbors to skate at.

One comment I wanted to make to Councilman O'Neill regarding the ice rink is that we did lose the Manager who was a Rec employee and we lost that manager in late fall. Having then the rest of the employees to have to pick up and that person was not replaced and to have to pick up where she left off in the middle of the season is very challenging. I think to only have a deficit of \$69,000 an improvement of \$8,000 over last year is great. I am one of the Board members of the Euclid Youth Hockey Association and we've had a significant increase in numbers this year. When people attend the ice rink, they are from out of city, they are from out of state when we have state tournaments there. We have a really great facility in comparison to lots of other arenas around. There are many things that can be done to maximize the use of ice time and to further bring in income. Our organization and a few other organizations have met with Rec Dept. to provide ideas for that. Some of them have been implemented, others sort of got dropped by the wayside because of mid-season administration change. I did want to make mention of that.

I think the current Rec Dept. with having the reduction in staff has done a good job in trying to keep the rink open through the remainder of the season. Thank you Kathy I appreciate that.

As I mentioned on Monday, my concern about having a reduction in safety forces is that you have children that will be unsupervised, free on the streets, if there's not any rec services offered for this summer. My concern too is about closing these facilities for a year or two, as Kathy mentioned, you will have organizations that will leave this city, that will be very difficult to attract back if you have to reopen these facilities in a year or two from now because other organizations are going to have to find places for their group. We would still be called Euclid Youth Hockey Association but we would have to be part of Cleveland Heights, Gilmore, Mentor, some place else to run our organization out of.

In conclusion I would say, please consider these things. I know again, it is not an easy task. I know it was mentioned several times about having seniors on a fixed budget. The rest of us out there are not getting pay increases either. We have budgets also that are fixed but to have to pay more taxes, do I really want to do that? No, but do I want to lose all these positions and be bare boned in the city and lose recreation department? No. Please pass these two ordinances to maintain the services that we have in the city. Thank you.

Mr. Jeremiah Swetel – 145 E. 207. I'm an employee for the City of Euclid I work for the Service Garage on Lakeland Blvd. Today we were informed that we lost another mechanic due to a lay off. I don't feel that I need to elaborate on it, I think the Mayor did an excellent job explaining to the residents and Council what it means for a reduction in personnel and how much time it takes to get these trucks, police cars and other equipment necessary to perform the services everyday.

Secondly, I don't think this was mentioned and I think it is a pretty valid point to bring up. The unions have given back and also the non-union have given back, including the Directors, Mayor and the administration. I think it is important to the residents and Council hear this too that for those non-union members and the administration that reside in the city, they're essentially going to pay twice if the legislation does pass, which I hope it does. Not only are they giving back on their income side, but they're willing to pay the wage as well. I think that goes to show a lot at how dedicated they are to this city, not only non-union but union as well.

The third thing I'd like to bring up is the levy that was passed recently for the four new schools and how important that was to make this city attractive for other young families to move into. It would be a shame to drop the ball now when we have such a good future ahead of us. To not pass, which I think is a very well thought out plan, to keep us sustainable throughout the year and in future years, hopefully, would just be a shame and devastating if we didn't seriously think this out and pass it. I honestly believe we need to get going on this. The moral is terrible. People are uncertain about their jobs and it would be nice if we could really get this going. Thank you.

Mrs. Annemarie Finch – 336 Walworth Drive, sometimes Avenue, depends on what year you lived there, the post office just changed it. It was Drive for 40 years, now it is an Avenue.

I'm not going to really talk about being an employee because I am an employee here but I want to talk about this city because I keep hearing, the city needs to do this and the city needs to do that. I think people need to remember that everybody is the city. We are a fabric and there's no one department more important than the other. Yes, Fire and Police are very important. But without the other departments the city is going to fold. If you don't have the street guys, the fire department is going to drive their ambulances into potholes. If you don't have the Rec Dept., 18,000 children in the summer will be released. The Police Dept. is going to have a hard time rounding up 18,000 children because that's who uses our Rec Dept. during the summer. If we don't have our mechanics, then the police cars aren't working, the street cleaners aren't working. If we don't have the sewers, I've been in a house where the sewers were backed up, big problem. Not my house, but I've been in a house in Willowick when they didn't release the flood gates into the lake, an ugly sight.

When we talk about the city has to do this and the city has to do that, everyone of the citizens that are out there are the city. I walked literally every street in this city. I ran a program called Passport to Euclid. I walked through all 8 wards, four times. I've seen the sidewalks, I've seen the trees, I've seen the houses. This is still a very great, very positive city. If we start reducing services, people are going to leave and that's a very sad thing. So when you talk about all the departments, we're a house. If you start taking away the bottom foundations, it starts tipping. We'll get code violations from the housing department and it is going to crumble and that's what we can't do.

You need to do the right thing. I was watching Law & Order and what they said the other day was, being right isn't necessary as important as doing right. That's really important. The other thing is, sometimes the right thing isn't the most popular thing and the popular things isn't usually the right thing. You have to do what's right. That's all I have to say.

President Holzheimer Gail – Moving back. Additional questions from Council.

Councilman O'Neill – Just very brief statement. I am not an advocate for shutting the arena. All I'm saying is let's look at it and see if there's more efficient ways that we can do things and work with the Rec Commission and Director Will. Her staff has been cut over the years and they do a phenomenal job with the amount of people they have to maintain all the recreational facilities in the city. I just want to get that out there. I'm not an advocate for shutting anything down. We want to look at everything and make sure we are spending our money wisely. I believe there's no fat in the system. To the non-fire and police employees of the city, I'm not slighting you guys at all, I've said it in the past, you guys are hard workers, ladies too, all members of the city, they work very hard to keep the city at the level it is at. We hope to maintain the level of service we provide and hopefully improve on it. I just want to say that.

Councilman Langman – Just to follow up on some comments from the residents. I think this ties into some of our 920 discussions. I think that is the key element that we have to address. So if that were to be repealed, then we wouldn't have to go into a more elaborate trash system with tags and so forth. If 920 was not repealed and we wanted to use trash taxes and lighting taxes, then I would look at more closely going to a tag system. But it isn't something that can be easily implemented. It is different between each community. There are several communities that do it across the country. You have to look at that very carefully before you impose something like that.

If we get 920, then we don't need trash and lighting fees, which quite frankly is a far inferior way of addressing our problems. If 920 is repealed, then departments like Recreation and Streets come out of the general fund budget for good hopefully. So there's no more of this, and believe me I've been on Council for a long time, Kirsten has, etc., we've all done it. We've transferred money from the General Fund into Rec or into Streets & Sewers. That's not really honest budgeting because there's supposed to be a dedicated stream of revenue to address that. Now the crisis is upon us and yes, there's criticism to be had all the way around. We have to tackle those issues.

The other individual that mentioned the Shores of Edgecliff, I think it is important to note that when we went through that process, that was during my first term and when Council President Holzheimer Gail was a Ward 1 Council person, we did have several public meetings to determine which developer would be best for that parcel. We not only had several meetings about the development project, we also had public meetings as to what people wanted. Believe me, they took a long time and a lot of people said, don't build anything there, just make it a park. Well when we settled on the developer, they determined the product mix. I know somewhere former Councilman McTighe is very happy because what is actually being built there, he wanted a mixture of attached homes and detached homes. I think back then that process went very, very well.

Now if we do adopt the trash tax and the lighting tax, for me personally, that doesn't mean that I think that everything that comes out of the police department or the rec department is done correctly or the most efficiently. But for me I have to weigh in, do I throw out, I'll use the old saying, the baby with the bath water. I know there are some things that the police dept. does that I don't agree with, that individual officers do that I think must be changed. But that doesn't mean I say, okay I'm going to cut them all, even though that maybe the only tool I have available. I would love to get access to longevity for the union employees, but the Mayor said, I can't do that.

So these are some of the factors that we're weighing. But ultimately, our way out of this is growth. We have got to grow the tax base in this city. That means, yes we need to encourage more projects like Shores of Edgecliff. We need to do the marina to bring in housing that maybe none of us here can afford, but those people will pay the taxes that pays for the services that you all want. Same thing on the business side. We need to bring in more business. Bluestone is great and so forth, but that has to be our primary focus. Director Pietravoia that falls into your department, we have got to do it. Going along just with the trash fees and lighting fees, that's not going to get it done, not in a long shot.

We have a lot of work to do including discussing when 920 goes on or not and we need to continue the process. It shouldn't be done quickly or just snap of the fingers because this does have impact on all of you and the services you expect and it does have an impact on our elderly and our younger families. No good choice is available. We'll try to pick the least obnoxious of those while maintaining Euclid as a desirable place to live. Because ladies and gentlemen, we're still in competition with the City of Cleveland, Cleveland Heights, Lake County communities, Geauga County. If we strip everything down, we are not going to attract anybody to live here. Thank you.

Councilman Gilliam – Just a couple of comments to tag along with Councilman Langman. When we talk about development, there's many different ways. There's tangible ways which is bringing in developers, business partners, individuals we are looking to invest and see us as a viable entity to invest in. There are also ways to increase development by the way that we have our tax schedule and how we tax our residents.

At this point in time, we are at a difficult situation and we have to look at what is going to be the greater good, to reduce service department, to reduce people in finance, to reduce city employees would be an incorrect step. It is not to say that having any type of garbage tax or lighting fee would be a cure all for this issue.

One resident had brought up a situation about 920 and packaging it with the personal income tax. I've looked into that and potentially that might be a beneficial thing. I do not know how the numbers would work out, but I think the residents that have sustained the blows, who have been here 30 years, 20 years, 10 years, 5 years, even one year need to have some level of concern about how far are we going to go in taxes. I'm interested in looking at that because I do know that part of our personal income tax goes to serve the school. If we were to change it, there's a possibility that some of that money would decrease our support for the school, or remove it totally. I'm under the impression that if we do change our personal income tax, the school would not receive money from us and the school would be on their own. That's a concern of mine.

Where I'm going with this is we have to look at the greater good. I don't think any of us are going to move immediately. I don't think any of us are going to run away from Euclid. We may bite the bullet if these particular ordinances pass, we're going to make sure our votes count to get rid of people who supported it or people who did not, or retain people that basically were in line with our resident's views. But the main concern that I have is long term. This is something that we have to look at through 2011 whether we like it or not. But ultimately the decisions that we make now have to set a precedent for this Council if it returns, or a new Council if we're all removed; this Mayor if he is retained or a new Mayor.

My position is that we do look at every option available. As far as safety services, I've seen what they can do. I'm very much pleased with your work. No one is trying to say that there's a competency issue. But I do believe that at the end of the day we have to look at how we address our budget and determine whether or not we can have some equity in certain areas, such as capping potential clothing allowances, looking at the city and maybe negotiating purchasing agreements to

dry clean cloths. We have to think outside the box and not be in the same line of thinking that we have been for the past few years. I've only been in this city seven years, and I'm learning still. But my job is not only to learn, my job is also to apply what I've learned to improve the lives of the residents in this city.

I want to thank the resident that was out here who was able to pass out that newsletter. That individual has been involved for a long time and he's sort of been a Lone Ranger. Even though he and I may agree and disagree on many different issues, I appreciate him doing that. Where I'm going with this is this, thank you residents for being out here but more residents have to be involved. In my ward alone Euclid Villa Association was ran for ten years by three women. They're tired and I respect that. We're trying to bring that situation back that we have new people come in because what drives this city is not who you elect, necessarily, but your input and your comments determine how we make decisions. We sit here and listen to all of you and we have to make a personal decision. But at the same time you have the opportunity to influence our decision. I appreciate all of you coming out.

My personal thoughts are that the Mayor has made some concessions. I'm not going to say that I am fully in agreement with it, but I respect the fact that he has made some concessions. What I'm looking for, honestly and truthfully is that at the end of the day my decision will be based on what needs to be done now, for now and the next year and then what's going to be done in the future. Thank you.

Councilwoman Scarniench – I'll keep it short. The first speaker tonight brought up the perfect scenario to why 920 is so important to us. When you look at those numbers there's no disputing it. We get half of what we're entitled to. Hopefully we'll be able to present this over the next few months so that everybody understands how this all works.

The newsletter, when Mr. Goodman said that, I said oh yes that's exactly what happened last night. This is a new homeowner's association. Our first meeting was last month and we had so many people. Last night because more of them got the newsletter telling them, they were there, but nobody had any clue as to what is going on because I didn't have their e-mails and now I have their e-mails for this new group of people. So it is very important that we figure out how we can make sure that everybody in this city has an idea about what we're doing because we are only hearing from a certain few. I commend you for going out and doing that. That's why homeowner's groups are so important.

I totally agree with Councilman Langman. There are things that I see that I don't like but there's more things that I see that I do like. For anyone sit here and say that this city miss-manages funds, is totally wrong. To come up publicly and say that when you don't know what you're talking about is a disservice to everybody in this city.

The last thing I will say is I will not justify what was said earlier but I hope you will stick around so that I may speak to you after the meeting. Thank you.

Councilwoman Minarik – In order for us to communicate Mayor Cervenik for these, two points, if we're having these public forums on Monday and Tuesday I'm assuming we're not voting on anything tonight. We are having a meeting on Wednesday then? That's the first question I have to continue these discussions. But then for Monday and Tuesday, Mayor do we have, so we can communicate, is there some kind of a skeletal framework to how these meetings are going to go that we can let people know basically, what did you have in mind?

Mayor Cervenik – Pretty much what we've presented at the last Executive & Finance Committee, a presentation of why we're here, the cuts we have made, the changes we have made, the reason we need the money, the funding. The fact that it went from \$14 to \$9, not because of anything other than the fact that we were able to advance the street lighting money into this year. Then to let the people talk.

President Holzheimer Gail – We can go one of two ways. We could send this legislation back to Council and still have a meeting to discuss these specifics; or we can wait and have another meeting Wednesday, it is up to Council.

Councilwoman Jones – My option would be to, we have the two open meetings that we talked about and have another meeting to discuss this. There are some things that we received tonight that we didn't have a chance to go over before tonight, so I would like to have the opportunity to do that.

President Holzheimer Gail – Is the administration available next Wednesday the 10<sup>th</sup>?

Mayor Cervenik – The only time my nights are usually occupied is when I'm at a meeting. I'll be there.

Councilwoman Scarniench – Would it be better, Wednesday is going to be bad again for me. Could we not have our meeting on Monday? Then at least we'd have more of an inclination of where Council is going so that when you're talking to the residents they really have an idea of this is where we're going and why?

Mayor Cervenik – We left the last Executive & Finance Committee Meeting, I left it with you 9 to set up meetings and wherever you wanted them, I'd be there. When that hasn't been done, the Councilwoman and I said, we need to do this so we set Monday and Tuesday. I'll meet whenever, except I can't meet this weekend. I'll meet every night from now until the 15<sup>th</sup> or until the 31<sup>st</sup>, whatever it takes. Figure out where, when, I'll be there and my administration will be there. That's up to you. I just didn't want to come here tonight and tell the residents we had no public meetings planned because at the last meeting we said we were going to do that. Whatever is best for you 9 to be there, or those that want to be there, we'll get there.

Councilman Langman – Some information getting out there is better than nothing. So I think the sooner the better so more people have an opportunity to hear at least some thing of where we might be going. Just on a scheduling note, I will not be available on the 29<sup>th</sup>, 30<sup>th</sup> or 31<sup>st</sup>.

President Holzheimer Gail – It is my hope that we can still, I would prefer to act on this on the 15<sup>th</sup>, if we're ready. The longer we wait, the more unease there is, we can delay it for as long as we can, it is not going to be an easier decision. If we have a series of public hearings next week, I'm assuming all of the ward council people are communicating with your residents in some fashion through e-mail, through your neighborhood meetings that are being held. If we need additional time, we can certainly take that, but at this point, we could do Wednesday, we could do Thursday or over the weekend if that is necessary.

Councilman Wojtila – If you send it back to Council without recommendation, approval or disapproval, just send it back to the Council for the 15<sup>th</sup> and then discuss it on the floor on the 15<sup>th</sup>. I have another question though, that's my suggestion with regards to the next week and a half before the 15<sup>th</sup>. Will the meetings on Monday and Tuesday be televised?

President Holzheimer Gail – I don't believe we have planned on it. It is difficult when it is off location.

Mayor Cervenik – There will be very little new information that was not presented tonight or presented at the last meeting, those are going to be televised. If you think there's a positive reason for televising the town hall meetings, let me know, but we've laid this out pretty good for those that just want to watch it on TV. What we're doing on Monday and Tuesday is giving people an opportunity to hear personally and then speak if they so desire.

Councilman Wojtila – If we're sending out e-mails if you're not going to be there you can watch it, but I guess it probably won't be televised.

Mayor Cervenik – They can watch what we've done. My presentation is going to be virtually the same as it was, I'll try to get a PowerPoint done by Monday. If we can, it is going to be tough, we're working on it. Again, I'm at your service. Whatever you want us to do, we will do, just tell me. If you want it televised, I'll find a way to get televised, the quality is not very good, I will tell you that, off site. It would not be live.

President Holzheimer Gail – That is certainly an option, we can send this back to Council, that way it is there and we can continue to meet. Of course all of our meetings are open, have discussions about the details of the plan, we can answer those questions. It is up to Council.

Councilman Van Ho – I would say that we should not vote on this before we've had those two meetings, definitely the 15<sup>th</sup> at the very earliest. Then I have three comments I'd like to make. First of all somebody used a term corruption tonight as they were talking about this process. If they truly believe there's corruption call the County Prosecutor, I haven't seen it in the year and a half around here. I've seen a hell of a lot of hard working people trying to work with a budget that's not real good.

Someone else used a term, miss-management. I don't see the miss-management. These people squeeze pennies, the Mayor is the tightest one man I've run into in my life.

Someone used the term micro-managing. We are sitting here trying to and I think we need to decide in the large general scope, are these taxes the right way to go and if they are, we need to pass them and then go ahead with the administration doing what they're doing and not try to decide should we lay off six firemen or six cops or vice versa. Let them do their job. I've been on the other side of it for 30 years and to many times part time people who should be looking at a high view of what we're doing are trying to get down in, well intentioned, get down into the system and it doesn't work.

When we first started on this, I would assume that everybody would be against this tax. I've been pleasantly surprised at least my phone calls have been about a 50/50 split, no one wants taxes, I don't want them, but they have come up with if we have to pay them to maintain services and that has been my whole thing is quality of life. If you don't have quality of life in this city, you're not going to attract the young people that the one lady talked about today. We need to pass this tax for quality of life. You can call it a garbage tax, if you want to you can call it a street lighting assessment if you want to. Let's face facts, this is a quality of life assessment, it is a quality of life tax, it is to keep cops on the street, firemen in the fire houses, rec people keeping your kids off the streets so that the cops don't have to arrest them on a daily basis. I think we know what we need to do so let's belly up to the bar and do it. That's all I have to say.

Councilman Gilliam – Just a quick comment, as far as the Monday and Tuesday meetings, I know that I had called the Mayor's office on last Thursday, I believe the 24<sup>th</sup> because I was under the assumption that Council people were going to possibly have meetings in their neighborhood and I requested to have Indian Hills on the 11<sup>th</sup> or the 16<sup>th</sup>. Of course I was in the hospital, we didn't communicate and I'm hearing that it is going to be at Central Middle, was that the decision based on the availability of you and the Council President because I was going to call her but I just didn't get an opportunity too. I just wanted to put that on record that I had made an attempt to use Indian Hills for Ward 1, all of Ward 1.

Mayor Cervenik – Yes you did.

Councilman Gilliam – That's all I wanted to know. I willing to send out flyers to defer them to Central Middle School to alleviate that situation if that's a better avenue to go.

President Holzheimer Gail – I think both are options. I think these were for everybody. I was assuming that you were going to go ahead with you ward meeting, but we can do both, we can do one or the other.

Councilman Gilliam – I'll call tomorrow to confirm a date. Thank you both.

Councilman Langman – With all due respect to my colleague Councilman Van Ho, it is our job to question everything that goes on on that side of the aisle because we're the ones approving the money. So I will continue to do that. If it annoys the administration, I don't really care because that is our job to question anything that brings up to our attention. So, I respect your position, but I will continue questioning the administration as I see fit. If folks want to suggest laying off different combinations of people, that's what they should be doing. With that Madame Chair, I don't have any more to say tonight.

President Holzheimer Gail – I do want to come back to our last item on our list that we had asked to talk about was the plan to address the long term remedies. We have touched on that a little bit, certainly there's a commitment to further exploring and examining the House Bill 920 and that impact. Other things that we've talked about, we will be reviewing the Compensation Ordinance. I would like to discuss the idea, not necessarily tonight, but going forward and I think it is important for people to know we have these long term plans in mind to have a work group, to look at the efficiencies and whether that's contract, whether that's the way we're doing business. I think it could be a work group that's not only council but would include employees, would include potentially residents with expertise. We need to do that now so that when negotiations start we're prepared with some guidelines, additional information to work from.

Those are some of the things that I know we had talked about, I don't know Mayor if you have any additional that you wanted to bring up at this point. It is important for people to know that we are working towards long term solutions. There's very little that we can do immediately. The choices before us are make the cuts, or have additional revenue. I think it is great we've been able to bring that down to \$9. We can debate amongst ourselves if that stays at \$9 or we have an

additional discount for seniors. To me, the choice is pretty clear, we need to maintain the quality of life. I think the cuts will be devastating both short term and long term. That's where I'm coming from. I certainly am anxious to hear from the residents. We're always open to other suggestions. But our options are very limited.

Going forward we will have these meetings. Council can meet again on some of the specifics, unless we know there's a consensus that we agree on the fees, it doesn't make sense to talk about the details and how to do that unless we know that's the direction we want to go.

Councilwoman Minarik – So we haven't even heard, Director Johnson never got to the street lighting ordinance, the other day because we got sidetracked because we wanted to hear the residents and going over the budget in general. I really would appreciate an evening where we could just go into this two ordinances, not at a council meeting unless those are the only two items on the agenda. But I think next Wednesday would be good because I do have questions about the way the garbage, the ordinance itself, and that's why I would like to see a meeting next Wednesday. I don't know if that's what we determined. Thank you.

President Holzheimer Gail – I'm open to that. I'm hearing suggestions of Thursday. I have a tentative neighborhood meeting Thursday. Councilwoman Scarniench has a conflict. Again, we need a majority. I know everyone can't be here at every single meeting, we have other commitments. We can schedule that. I think the point is clear we need to discuss the specifics of those ordinances. At this point, we'll do the public hearings. We'll schedule a meeting. We'll work on whether that's Wednesday, Thursday, Friday, Saturday. If we can't do it before the 15<sup>th</sup>, then we need to have a special meeting to do the budget after the 15<sup>th</sup>. With the acknowledgement that the longer we wait, the more uncertainty, the more unsettling. I don't know whether that means cuts will have to happen in a greater amount. Those are all factors that are deserving of our consideration as well.

Mayor Cervenik – When are we meeting?

President Holzheimer Gail – I'm fine with Wednesday.

Mayor Cervenik – No, I'm talking about our public meetings?

President Holzheimer Gail – Monday and Tuesday. The public meetings we're going to stick with as we announced but at 6:30 at Central to be verified, Tuesday 6:30 at the Lakefront Community Center. There maybe neighborhood meetings in addition to that. If there's other people who want to host a meeting, we'll be happy to come given our schedules, making sure we're available. Then we will schedule another Executive & Finance Committee meeting for Wednesday or Thursday to go over the details of the legislation.

Mayor Cervenik – So then we won't be acting on the 15<sup>th</sup> on this legislation?

President Holzheimer Gail – We could.

Mayor Cervenik – The only reason I'm bringing that up is we had the benefit of four pieces of legislation on Monday night, you're not going to be so lucky on the 15<sup>th</sup>. If you're thinking about having a special council meeting, maybe we should decide that pretty soon.

President Holzheimer Gail – We will decide that. Let's huddle up and get everyone's schedules but not keep the public.

Mayor Cervenik – I just wanted to comment on Councilman Langman's comments, you do a very good job as a council person annoying the administration, but you know I'm just kidding you. And all of you do and I try and answer your questions as quickly as possible and I want your suggestions and that but we're running out of time. If in fact we have to make these cuts, there's also some deployment issues of not only police staff but fire staff, notifying people who use our facilities and there's a lot of things that are going to have to be done in short order. If we can get it done by the 22<sup>nd</sup>, yes or no, so we know one way or the other, that would be most helpful.

President Holzheimer Gail – Any final comments? Thank you to everyone who was here tonight and participated. Please help us pass the word, Monday, 6:30 at Central; Tuesday, 6:30 Lake Shore Community Center.

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Councilwoman Minarik moved to adjourn. Councilwoman Jones seconded. Yeas: Unanimous.

Meeting adjourned.