

**SPECIAL COUNCIL MEETING
MARCH 22, 2010**

At the call of Council President Holzheimer Gail, Councilwoman Scarniench and Councilman Langman, a Special Council Meeting will be held on Monday, March 22, 2010 at 7 PM in the Euclid Municipal Center Council Chamber for the purpose of considering the following subjects: to-wit:

Members Present: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail

All Present.

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

President Holzheimer Gail – This is a culmination of many Executive and Finance Committee meetings and several public forums. We have held a Special Council Meeting to act on the proposed budget and the proposed fees. We appreciate everybody being here. We appreciate all the hard work that it took to get us to this point. One note on the Agenda, the initial Agenda was sent out with an error. A Special Council Meeting does not have Public Comments or Councilmen's Comments at the end of the meeting. There will be a committee of the whole for legislative matters, so that is the time that you may speak to anything that's on the Agenda tonight. We will start with that. This is the Committee of the Whole for Legislative Matters Only. You may speak to anything on the Agenda and you have 5 minutes.

COMMITTEE OF THE WHOLE FOR LEGISLATIVE MATTERS ONLY

Mr. Daniel Nivenski - FOP Vice President, Local Lodge 18 and also FOP District 8 Political Action Committee Member, 545 E. 222 ST. I'm here to encourage you to vote for the proposed garbage and street lighting fees. Failure to do so will be detrimental to the City of Euclid. The primary goal of the city's government system is to provide for the health and safety of its citizens. That safety falls into the hands of our police and fire departments. We have been asked year after year for cuts to be made to our budgets. Time and again our administrators have answered that call, cutting where they can by not replacing or upgrading needed equipment. A few years ago I was using a police cruiser daily with 160,000 miles on it. Your constituents depend on this vehicle to get me to their call for aid and to put my life on the line chasing the most dangerous of criminals.

The administrators have cut the amount of overtime work, many times allowing the needed manpower to fall short of what this city requires. We have actively sought out grants to try to compensate for these cuts and have gone above and beyond what others in their positions thought possible. Cuts and sacrifices have been made and continue to be made. You sit and ask, are there no further cuts that can be made that we can make to our budget? The answer is unequivocally no. Believing that no further cuts can be made here, our union was asked last year to make cuts in our contract in an effort to save the jobs that are now again being put on the line. The police union agreed to concessions that we were told would preserve these officers' jobs. As you were advised in recent budget hearings, the concessions the union gave amounted to \$170,000 in 2009; \$220,000 in 2010. These give backs were taken directly from our salaries. Simple math here shows that a breakdown of these concessions amounts to \$390,000. Divide that among 97 officers, equals the total amount of \$4,020 per member in two years.

Even at the original proposed fee of \$18 per household, it would take 18 ½ years for a single household to pay what one police officer has already given to the city in an attempt to help it. We have given time and again to support our city. It is now time for the City to support us.

As previously stated, it would be detrimental to the city to make these cuts. It is easy to say that we would just have to re-organize our department, to make up for the loss of these officers. The problem being, is that the services and support that our citizens have come to expect will be greatly reduced. The amount of time spent to adequately follow up reports of burglaries, complaints of drug activity will be reduced because the manpower stripped from those division will be reassigned to the patrol division.

Can the officers facing layoffs please stand? I would like the members of Council to put a face with the number. In the past several years our police department has strived to build cultural diversity within to try to mirror the diversity of our residents. With these layoffs, we lose that diversity bringing our department back ten years. Included in these layoffs are one female, an African American, an Asian, and two Hispanic officers.

I've heard several comments and attacks on our contract made over the past several weeks by Council, the administration and the residents. I want to remind you that what we do as police officers. We've all made the choice to do this job, as everyone in this community has made their career choices. One of the factors that lead us to this decision is the compensation received to do that job. We as police officers, as well as the fire department, put on our uniforms everyday and kiss our families goodbye as we head off to work. Our wives, husbands and children are faced with the realization that this maybe the last

time they ever see us. In the last few weeks we have seen that reality all to clear with the deaths of two officers in our neighboring communities. While we work, miss holidays, birthdays, anniversary, to make sure that you are safe and secure during yours. We're faced with walking into places you wouldn't go near in full protective clothing. We see horrors that Hollywood movie producers would never even dreamed of. We do this everyday in an effort to provide for the safety and security of every citizen in this community. There is truly no adequate compensation for that.

Asking to receive the prevailing wage that officers in our neighboring communities receive should not be looked upon as wrong. Many of you think that we're paid too much, or that our benefits are too high. I ask you to look at what other communities in Cuyahoga County receive. We understand that Euclid is not as affluent as some of these cities and have accepted a lower compensation with additional benefits because of that. The union and the city have both agreed to the terms of the contract. The same was voted upon and accepted by the members of this Council. Contract negotiations will start again next year. I encourage you to follow it as closely as permitted by law and make an informed decision the next time it comes to a vote.

I would like to close by saying, do what is right and pass the fees in order to keep our community safe and secure. Thank you.

Mr. Jeffrey Beck – 25540 Chatworth Dr. I didn't prepare a speech tonight but I did attend the Executive & Finance Committee Meetings on the budget as well as one of the Town Hall Meetings to discuss the garbage tax and the lighting tax. Although these are distasteful, they are also necessary, they need to be passed. We don't need to see the layoffs of these police officers out here. I urge you to move forward with both of these taxes. But I caution you to do so on a short lease. Do it through the end of this year, see what happens next year. Some equity does need to be built within the budget, but it can't happen for a couple more years, but I think that for the time being we are going to be stuck with these fees because we certainly don't want city services or safety forces laid off and put the residents in danger. I urge you to move forward but on a short lease, just this year only. Thank you.

Mr. Marcus Epps – 590 E. 222 St. Pertaining to the garbage aspect of this, I have a couple of questions. One, Mr. Mayor, you asked at the last Executive & Finance meeting when was the starting date for your buddies over at JJR and you kind of danced around the question and never answered it. You told us what we already knew and that's that a different company has been doing the garbage pick up since January. So I'm just interested as to when the actual start date is for JJR. I actually thought they were picking up, so I found that up so I'd like to know if you could tell me.

Also you stated last Tuesday and I remember when the discussions first came about that the Fire Chief was not in favor of this legislation. I'm curious if you say that this will cause us to keep the officers that we are facing losing, then I'm just curious the reason for opposing this legislation if it will in fact do that. Just for clarification because I'm not sure. Also Councilman Van Ho sat here last Tuesday and pushed and pushed for the raise of this from \$9 to \$10. Because I know how politics work, I'm just curious as to if that was at the urging of the administration as well. This just goes to show that they just don't get it. I honestly believe that you all care, but the bottom line is, it is simple, they just don't get it. If we raise this to \$10 then is it okay to raise to \$11? Then is it okay to raise to \$12 and so on and so on. When is it okay? Come on people, this is common sense. \$1 is 12 burgers, fast food or 3-4 packs of meat to cook at home. I hope this hasn't been raised to \$10 and if so, then shame on all of you as a whole.

Also Mr. Van Ho brought up a good point and I want to throw this in because I'm tired of hearing that the renters aren't paying the taxes. They are exactly who is going to pay this. And I stand corrected as well, when we discuss about the apartment complexes, we get \$556,000 Harborcrest; \$696 from Northpoint; \$380 from Indian Hills and \$277,000 from Normandy Towers. The renters who are renting homes also pay those taxes as well. Stop separating us and begin bringing us together, that's the only way we can move forward. Now on with the bail out.

Mayor Cervenik – JJR started March 1st, J&J, JJR is our lakefront people. They started March 1st. The first two months we had Republic Waste doing the contract. The bill that you receive in May or early June will be for the first six months of the year, we will start billing as of this quarter, it will be voted in this quarter. The second bill will more than likely come out sometime towards the end of September will be for the second half of the year. That a full year's charges will be billed in 2010.

As to the firefighters, the Chief mentioned during initial budget hearings that he urged Council not to vote for the budget due to the non-replacement of four retirees. Not for what I'm intending to do now, the Chief fully supports these fees so that we don't have to do any additional layoffs, the six layoffs that are listed.

I looking over the layoffs and in discussions with the Chief and at least one other position now eliminated, we should be able to rehire, although I'm not going to ask for a budget amendment tonight, we should be able to rehire, replace within these appropriations the two firefighters that are leaving in May and I think June. The other two are scheduled right now for December so there will be a very insignificant change in the budget for those two in December. Although the Chief is on vacation, Asst.

Chief Frank Prijatel is here. We should be able to do that. If we do need a budget amendment, as we always do, we will bring that to City Council sometime later in the year.

As to the comment by Council person Van Ho about bringing it to 10 and wondering if the administration asked him to do that, that's ludicrous. If you remember correctly, the administration first proposed that these fees be at \$14. Upon talking and consulting with our bond counsel and asking our bond counsel if we could not issue an assessment anticipation note and hold that within the cash balance of our bond retirement fund, would bring that revenue into 2010, and when she concurred that would be acceptable and legal, that allowed us to reduce the garbage fees to \$9. It allowed us to bring in the full \$900,000 of street lighting that we wouldn't normally have collected until 2011 into 2010. So if I wanted it to be \$10, I simply would have asked City Council on my revision to make it \$10.

President Holzheimer Gail – The proposed fee stays at \$9 for the moment. Councilman, we're going to wait for Councilmen's Comments at the end as we always do. I mean not at the end but during our discussion.

Mr. Tom Cooke – 25641 Edgecliff. I don't have a speech either. You've heard enough of me. You know what my position is. Just to remind you these people here, the safety forces serve 50,000 residents of this city. They serve every one of them, unlike Shore that serves only about 5,000 that you had no problem voting substantial funds for.

Please vote for the residents of this city like I've asked you to. Please vote in a unanimous fashion so everyone in this community, everyone outside this community knows how we value our safety forces so we can continue to invite other families within this community and other businesses. Make this quick, you don't need to discuss this, you already know how you're going to vote. Let's just get on with it so we can all get out of here. Thank you.

Mr. Lenny Shapiro - 1491 E. 252. First off, I don't like any of it. I don't like given anybody any more money than I have to. That's really kind of simple. I live in a Republic, not a Democracy and City Council and the Mayor, you guys were elected to do what you think is best. I don't always have to agree with everything, but we put our faith in you that you're going to do for the city what's best. I know that may sound kind of simple, but I've watched to many things leave this city. It just keeps going and going and going and no one comes back. I'm afraid if we start paring away at what few city services we have left, it is just going to get worse. All the empty factories, the empty mall, the empty everything. We have to keep at least what we have. I would ask City Council to do what you think is best, that's why we elected you.

Ms. Rose Knepper – 19031 Genesee. I've been at your meetings recently on the ordinances and I feel for the policemen and the firemen, but it seems like threats of them getting laid off always seems to be on the agenda. I still feel you haven't exhausted all of your areas and I'm totally against any more fees because people just don't have it. There are so many people with half incomes and it is just sad and I want you to really think, long and hard about voting for these fees because the government didn't think long and hard about voting for this healthcare, all they were doing was rushing the whole thing and I'm totally against what has happened. A lot of us are going to end up paying more. Thank you.

Mr. John Lennon – 220450 Seabrooke. #7 of course, I would like to add my name, maybe not officially on the plaque for Officer James Kerstetter and my family's names and condolences to his family, his friends, his community, everybody that was there is support. It is not the way it is supposed to be but that's the way it sometimes happens. Everybody knows that the Police Dept. is on the line every time they go out and risk their life.

At the same time, we have a crisis that's not only affecting us, it is affecting everybody the world over. I think it is important for this Council to take into consideration your constituency. The people that put you here, the people that voted for you in the hopes that you would make the right decision for them are the people who haven't moved out of the city that are still here and have been here all of their life. They might be able to buy several boxes of groceries with the money that they would save. I would ask that you not put this on their back. I would say #2, & #3, are probably going to be the hardest things that you have to deal with.

I've e-mailed everybody here and Councilman Gilliam I got a response from you, thank you. Councilwoman Scarniench, I got a response from you and Councilwoman Kandace Jones, I talked and Mary Jo Minarik I have known you for a long, I did get a response from you. Councilman Langman, thank you for your responses, I appreciate it.

My e-mail was in regards to the foreclosures for 2009. Everybody that has gone into foreclosure, that was just 2009, that's not all 2,000 since 2006; two thousand foreclosures in this city. Not only is it time to take this and do the right thing, but to decrease the city, completely across the board. One hundred years ago there were 1,995 people in this city, in this village, in this township, whatever. Not any more, it grew. World War II, it increased a lot and here we are today with people moving out, just

over this. They finally hit the limit after years of other scrabbles and Shore and everything else. They've had it. This is it. They're moving out. If they can't sell the house, the house is going to sit vacant. I've seen people walk away from their house completely after a job loss, a divorce, the kids going there way, everything was left behind in the house, including the pet, completely demoralizing, completely devastating. While the suburbs enjoy double the residents and people are moving out further and further, we're decreasing in size. Cleveland is decreasing in size, the Census will show that. Please do the right thing.

Ms. Rose M. Allen – 26241 Lake Shore Blvd. I think this is still on the Agenda tonight, the emergency ordinance regarding the budget item for the golf course. The reason I'm addressing that is because to the best of my knowledge, no one from the Golf Commission was contacted about the budget, this particular budget. I know that the contract was approved for Billy Casper Golf, but anything could have been different from the budget that was submitted with the proposal.

I brought along with me, excerpts from the Executive & Finance Committee meeting on January 6, 2010. There was a question that was brought up by Council President Holzheimer Gail. One of the items that she asked in terms of oversight; what is the Golf Commission's role? I'm throwing out a lot of questions but I'm interested in what plan might come about the approval process and where are we with those issues. The response from Law Director was; as far as the Golf Commission and the role, I know that the Mayor was clear that the Golf Commission has a role in representing the golfers, representing the administration and part of the review process. I would assume plans like the capital plan and the grounds and so forth, those are things that they would review as part of the discussion, whether there's a formal recommendation that would come to the administration and the council.

Being that the Golf Commission was not involved and I did speak with Bob from Billy Casper earlier and they were not aware of any contact with the Golf Commission. I am a member of the Golf Commission and I would like to recommend that this item not be voted on tonight, but be sent back to Executive & Finance or to the Golf Commission to be reviewed and then brought back to City Council.

On the other items on the Agenda, I know that people are here to help decide whether to pass the new assessments for lighting and for garbage pick up. For garbage pick up, before anybody else brings up an item about certain people not paying their fair share. For the last 10 years at Northpoint, where I live, we have paid a \$10 and sometimes greater tax on top of our rent for our refuse pick up was how it was deemed. We do have a separate garbage service which is not paid for by the city's general fund. I just want to make that clear now. I'm not saying anybody should vote for or against it based on that, but before anybody else tries to play any divisive tactics and say that certain people aren't paying their fair share on top of my rent I'm already paying and have paid for the last ten years a service fee.

The other item that was a Ceremonial Resolution, to all of the officers that are watching at home, I express condolences on the loss of two brothers from the Brotherhood of Blue. People don't often think about there is no such thing as an average day for a police officer. An officer can leave in the morning, anticipating going back home to his family and never see them again. But those people who want to live in a lawless society, I suggest you leave and go to Siberia or some other place. Without police officers, we would have a society that would be intolerable. I would hope that more people would pay attention and be thankful and respect the lives of police officers. I think I'll just stop there. Thank you.

Mayor Cervenik – It certainly isn't #1 on my list tonight, but the golf course legislation, I'm happy to put that into committee. Director Will did this evening send a copy of this legislation and the budget to the Commissioners. The speaker was the only Commissioner that actively took any role in the selection process at all. I'm not sure we have six Commissioners any more. We talked before the meeting, or five, and we're going to see which Commissioners want to stay on and then Council will have to appoint and the administration will have to appoint some.

The situation is this, we have hired and contracted with Billy Casper to run the golf course, to set the budget, and we will be meeting with them every month and the golf commission will be meeting with them every month to review that. That will happen in April. We have really just opened in March. The restaurant was open in February but March is not over yet and they will be having a financial report each and every month, so sometime in April, after the 12th or 13th, when things are closed, the Golf Course Commission will meet. In the meantime, the Chairman of the Assets Committee will be setting a date of the 12th of April where we will bring in the people from Billy Casper Golf. The head operator of our golf course from Billy Casper just started today, so he's got to get his feet wet.

I put this on the agenda with the thought that it needed to be passed as part of our budget. But the Finance Director tells me that is not the case, just as we have not passed a budget on Shore because we have a private entity running it. So I will be happy to have, when we get to it for Council to put this in the Assets Committee. We can have the members from Billy Casper Golf come up and speak and the Golf Commission. By then we'll know who the Commissioners are and that's fine. That just gets us out of here, as Mr. Cooke said, a little quicker; put it in Committee, we'll handle it. It is no slight to the Golf Commission whatsoever Ms. Allen, it is just that the first meeting with Billy Casper would not be until April. Thank you.

President Holzheimer Gail – Seeing no further comments, we will move forward with Legislation.

LEGISLATION

Res. 35-2010 (064-10) H.R. 4635 Foreclosure Mediation

A resolution in support of H.R. 4635 which would require lenders of Federal loans or guarantees to enter into mediation with homeowners prior to placing the property in foreclosure or a sheriff's sale.
(Sponsored by Mayor Cervenik)

Councilman Gilliam moved for passage, Councilwoman Scarniench seconded.

Mayor Cervenik – I appreciate you putting this back on. Again, Marcia Fudge, Betty Sutton and Mary Jo Kilroy are Congressmen along with Maxine Waters and Florida Representative Kendrick Meek, introduced this bill which requires lenders of loans with federal guarantees to consent to mandatory mediation to try and resolve problems so that people can stay in their homes. I think you all had a chance to look at the resolution and the legislation that we're trying to support. It really makes a lot of sense, it is pretty simple and we owe our Congresswoman Marcia Fudge the support she needs to get this passed.

Councilman O'Neill – After reviewing the whole legislation and seeing no cork attached to it, I will support it.

President Holzheimer Gail – Would Council like to add their names as sponsors?

Mayor Cervenik – Yes, I'm sorry, please do.

Councilman O'Neill moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman, Van Ho,
Holzheimer Gail

Passed.

Ord. 36-2010 (038a-10) Solid Waste Collection Fee

An emergency ordinance to establish a solid waste collection fee for residential accounts. (Sponsored by Mayor Cervenik) **Moved back to Council without recommendation**

Councilwoman Scarniench moved for passage, Councilman O'Neill seconded.

Mayor Cervenik – At your request you've asked me to just go over very briefly and I'll be as brief as I can on where we started, where we are now and what would happen if these really the next two pieces as well as #4 & #5 are not passed this evening.

In 2009 our revenue decreased by \$2.5 million. If not for one time payment from our aggregation company, First Energy Resources of \$638,000 and a transfer out of the Nuisance Abatement Fund to the General Fund of \$440, we would have been more than \$3.5 million below revenues from 2008. In most instances it is a decrease in income tax, our tangibles tax, somewhat on the real estate tax, as well as our local government funds. So it is all really based on taxes.

Income taxes are predicted to be \$21 million, just short of \$21 million this year. In 2007 we collected \$24 million. Our projections are very conservative. The budget that's going to be adopted tonight has expenditures that are below the 2007 level of expenditures, so we have done serious cuts.

Some of the cuts we made before we presented the budget book to Council: we eliminated 16 full time employees, by combining the Traffic Dept. into the Streets Dept. which accounted for five of those. We eliminated two full time positions in Motor Maintenance. One full time position in Public Buildings. A full time position in Building Inspection. Five full time positions in Senior Programs as well as reducing two full timers to part time. One we did not fill a position in Recreation of a Program manager. We eliminated one building inspector position. We eliminated the car allowances of \$250 a month that each of the Directors receive, which brings their total cut in pay to a little over 6% for the years.

Those changes accounted for \$677,000 in reductions. After budget hearings, which that brought our deficit down to about \$3.1. After budget hearings, we said we would go back to the table and we eliminated another 12 full time equivalents, some of those positions were part time receptionists and part time clerks, as well as two full time positions in public buildings. One more position in Motor Maintenance. We've eliminated an Administrative Assistant in the Fire Dept. and we hope to have a grant employee working there part time. These will all be taking affect March 31st, regardless of the action tonight. We're eliminating two positions in Recreation. We eliminated two additional positions in Senior Transportation, when Council approved hiring Senior Transportation Connection to handle the

majority of our senior transportation. We have the elimination of one housing inspector, as well as a part time maintenance person animal rabies control.

That adds up to a total of \$472,000 annually but as these cuts will not take affect until April 1st or March 31st for this year, it is \$354,000 savings. In addition, as I explained, we had some revenue enhancements including our Admissions Revenue. We will be receiving an additional \$300,000-\$400,000 in prisoners revenues that we worked out an agreement with the Cuyahoga County Sheriff to house more prisoners. We also cut police overtime. There was some changes in retirement separation pay. That total on non-personnel cost other than overtime was an additional \$475,000.

Total we cut over \$1.4 million out of the budget and we have spared the safety forces for the most part of any of those cuts. That brings us down to a \$2.3 million deficit that we still have after those cuts. So the proposed fees as I originally said were slated to be \$14 but because we can get revenue through a bond anticipation note and to hold it ourselves in our bond retirement fund, with the cash balance, we recommended reducing the monthly trash fees to \$9 a month.

In addition we are asking for 1.34 mill increase to pay for our street lighting which approaches, exceeds \$900,000 a year. That would be put on the real estate tax bill now. In 2011 we would hope to put the garbage fees on the real estate tax bill as well. This will raise approximately the \$2.3 to \$2.4 million deficit that we have. That should hold us steady for the next two years.

It is important to know that the City of Euclid, the governmental body that provides our residents safety, police, fire, EMS, recreation, street cleaning, the whole works, have not asked the residents for an increase since 1994, November 1994 and that was when we did the shared income tax with the schools and it was passed. That means anyone working outside of our city, because we have 100% reciprocity. If they're making \$50,000, the .38 which is our share of the .85, means that person pays an additional \$190 in income tax. That's it, \$190, that's the first time since 1994, sixteen years.

We talk about the cost of real estate taxes on a \$100,000 house, a resident pays \$2,530 in real estate taxes. Here is where the problem arises. The City of Euclid, our government that again provides all the services, the safety services and all the services you need and have come to expect, we only receive 8.31% of that total, the rest of it goes to schools, library, Cuyahoga County and other entities. Which means out of that \$2,530, \$210 comes to the City of Euclid government that provides you with those services.

You take the \$190 and you take the \$210 and anyone who is making \$50,000 and works outside of the City of Euclid for all intensive purposes your total contribution to the services you receive is only \$400. Only is probably not the word I should have used, but it is \$400. If you are on Homestead, it is \$158 in real estate tax and if you have no earned income, you don't pay income tax and therefore senior living on retirement income and living in a \$100,000 house, the total contribution for these services is \$158 a year.

That's what we're dealing with here and that's why these fees are so important. If these fees are not instituted, then we have to make the cuts that are on hand out #3. Someone mentioned why we threaten the officers and the firefighters and recreation. I will tell you that this administration purposely went through line by line to make the cuts that I just talked to you about so that when we purposed this increase in fee, it would not be perceived as a threat. When the safety forces are over 60% of our budget, when you're down to still having a \$2.3 million deficit, you're going to have no choice but to touch a portion of that 60%.

Some of these people that are sitting out here that stood up, this is the third time I think they've gotten a lay off letter in two years, at least the second. It hurts to have to do that, but we have to give notification. It needs to stop. Those kinds of things will stop other officers in the future and we're going to have many retirements from wanting to come into Euclid and working with the safety forces, both police and fire.

The fact is, in order to make up \$2.3 to \$2.4 million we are looking at laying off ten police officers. That sounds like a lot, but you have to realize we receive a CHRP grant which is \$1.4 million over three years. That grant pays for all but \$10,000 of five police officers pay and benefits. So the first five police officers I lay off, only save us \$50,000, so we have to go deeper. I don't want to go deeper which is why I proposed these fees this evening.

Six firefighters and the elimination of some of the higher rankings that will have to be done. As the Chief said, there will be times when we drop below 13, that we maybe operating out of one fire station and only having two ambulances and two fire apparatus running. Not what I want to see.

We would have to close the arena. The arena expenses are \$219,000. Our revenue is about \$150. So we would reduce another \$70,000. I would recommend closing all of our pools, not just the neighborhood pools because the largest one, Memorial losses close to \$80,000. Closing the pools would save \$132,000. A number of positions in Finance and Senior Programs would be reduced further. As I mentioned maybe we would have to charge full price, which is about \$150 each for drilling out people's basements, that's a service we've been known for never to charge.

That all totals up to about \$2.4 million. Those are the cuts I don't want to have to make and that's why we're here this evening. I give you my word, we will continue to look at every avenue, fair avenue, equitable avenue, to save money in our operations as I have done this past year and the year before. We

will also continue to work to increase our tax base by the efforts of our Economic Development Department. Developments like Bluestone Business Park, the Downtown and the Lakefront Development Programs and all the while we want to continue to work with our current and new employees for business expansion, tax expansion.

We mentioned many times and I have as well, the repeal of our House Bill 920 provision in our Charter. That's one option that we have to look at for long term. Ladies and gentlemen, we have to really examine what type of effect that will have on our businesses. Before we commit to that, we need to fully examine that and my administration will do that and present to you the results. We have to look at various alternatives as well.

A couple of points to be considered. In the coming year, I know it is caught up in court right now, but we're quite certain that northeast Ohio Regional Sewer District will prevail, that they do have the ability to assess households and businesses for storm water management. Each home in their system will have an assessment of \$4.75 a month. That will not apply to Euclid residents because we manage our own storm water in conjunction with operating our waste water treatment plant.

One other thing to think about is if the government, we're always asking and asking for money, through our natural gas aggregation program, we have been able to strike a fixed price for next year of \$6.43 per mcf of gas used. The average home in Euclid uses about 100 mcf's per year. This is a ninety-percent difference in what the rate was last year, so in reality each and every resident that wants a fixed rate, signs up for our fixed rate will actually save \$90 next year. There are things government are doing to give money back to you rather than just take it away.

In closing I know these decisions are not easy. It was not easy for me to present this legislation to you, but it needed to be done. I know it is going to cause a hardship on some. We've made a few other changes this evening including a \$2 reduction for elderly under household income of \$20,000 because it was asked by Councilman Langman and others to see if we can't do that. We really feel we have a fair and equitable two pieces of legislation in front of you. The hardship on some could be tough but I'm going to tell you the alternative will be much tougher. Euclid will be a lot less safe, our quality of life will be greatly reduced and as I've said many times before and it hurts to say it because I've lived here all my life, but I think Euclid would become a city where we may no longer want to live.

In closing, I know it is difficult, other cities have done it, they've had to do it. Other cities have done it and are charging considerably more. I talked with the Mayor of Lorain and Elyria who have gone through some very serious safety cuts as well. They're charging close to \$20 a month for trash pick up; we're charging \$9. Again I think it is an investment in the community. I've had a number of calls and letters about well I only put out one can of garbage or one bag of garbage. I'm asking all the residents tonight to look at this a little broader than a garbage tax. To look at it as a contribution to make sure that we have the money in the General Fund to keep everybody safe and sound. With that, I'm sorry for not being as brief as I said I could be, but this is extremely important pieces of legislation that do need to be passed this evening.

President Holzheimer Gail – Thank you Mayor. I did think it was important for those who may not have been at all of the meetings or followed this as closely as we all have been apart of it, to hear that process again. Because all of us have heard from our constituents, heard from the residents. It has been mixed but I think most people who understand the whole story that we've been faced with a historic drop in revenue, that our options are limited. That was one thing that I did want to add. People have asked, well why garbage, why lighting. That really is the only thing available to us through Ohio Revised Code that council can act on. Any other measure would require a vote of the voters, which could not happen until November and would not impact this year's budget. Our options to impact this year's budget are very limited and they are limited to the garbage and the lighting fee. That's why it is so critical that we do look not only at these measures but at the long term measures. The Mayor mentioned House Bill 920. Whether that's looking at the 100% credit, whether that's looking at another levy of some type, that's our next step.

After we vote tonight, we will not stop, we will continue to look for efficiencies. We will continue to explore a better long term option because we do realize that garbage is not paid by every resident, it is paid by the residential properties. The lighting is paid by all properties, residential, commercial, industrial that one is a little bit fairer. But realizing that the other piece that we've added, both of these fees will be limited to two years. Any continuation after that would require council approval again. We've worked hard as a Council and the administration to start by making cuts, make further cuts. We're basically at the point that the next round of cuts will seriously impact our quality of life and core services to the community. The decision before us is can we allow that, can we accept that? Or do we come up with a revenue stream so that we don't have to do that. In my opinion, this is an acceptable course. I think the additional revenue is a better option. We're faced with two pretty bad options, in which case as leaders and as the decision makers we need to look at what is in the best long term interest of our community. I believe that the additional fees, on the limited time basis and our commitment and the administration's commitment to work towards long term solutions is the best option. We've all spoken about this now for several weeks, thought about it probably longer, and I appreciate all the time

and effort that we have but I think the best decision is moving forward with the fees and continuing to work hard for a better long term solution and I appreciate Council's support with that.

Councilman O'Neill – To Mayor Cervenik, you had eluded to it a little earlier in your comments. If both these resolutions are passed or ordinances are passed, will you give a guaranty that no police officers and firefighters will be laid off in the course of a year?

Mayor Cervenik – I could not give you that guaranty and be truthful to you. I will tell you that if our budget holds and our projections hold true, that there will be no layoffs. I'm pretty confident that our budgeting because we really went through this, will be fine and that I can't guaranty, but I don't believe that we will have to reduce either the police or the fire department. It would be unfair of me and not correct as the Mayor of this City to say absolutely not. If we had a drop in revenue again last couple months, four months of 2010, like we had in 2009, I don't know what else I could do. I could rest assured that our intention would be to keep the force where they are.

Councilman O'Neill – To the residents that responded, came to the meetings, gave their input either through e-mail or at the podium, I want to thank them for their input. We listened to what everybody had to say. To one of the residents that spoke at the podium tonight that we were elected to do the right thing, thank you for your comments. I think the time is now. We've talked about it. We've beated it around pretty good. That horse isn't getting back up, it is dead. We beat that horse to the ground. I'll stand up and get counted and I will support both these legislations and maintain the safety levels of this city. I believe that's the right thing to do. I personally don't like to pay taxes with respect to the people who are on tight budgets, my sympathies go to you but I think the bigger picture is that safety of the city would be in great decline if we do not pass this and we have to reduce our safety forces. My colleagues on Council, I urge you to reluctantly but go ahead and pass this legislation and view it and keep an eye on it and we'll look to try to get some more cuts within the budget as the year goes on. Thank you.

Councilman Langman – I'm sure I'm like everybody else. I want to thank all the residents for their e-mails and their participation, their views. We do appreciate that. We do understand that this is not an easy thing from any side. I know members of the Administration have much anguish trying to come up with a viable plan. I also know that it is a great burden on some of our residents to have to consider these fees. I am glad that we do have a mechanism in place for those elderly and disabled that truly cannot absorb this, they have some mechanism for reducing those fees.

I do want to take a little bit different slant on these items, illustrate where we are with all of this. I think the first point is, number one, the services that we provide ladies and gentlemen, really transcend or more important than any particular council or administration at any one time. In other words, the services we provide are bigger than any particular political dialogue or debate or conflict or whatever. In other words, what we provide to the residents is much bigger than sometimes a political theater that you see in these chambers.

Many of you when you come into the chambers, or you watch on television you see all the diagrams and models of all the economic development. That's what the community needs to really move forward is economic growth. I look forward to when we will see lakefront development that includes a marina, new housing, I'm looking forward to when that development pushes southward towards the golf course. I think we have every reason to be excited about our downtown plan and a downtown plan where businesses fill up those storefronts, so our downtown becomes a destination in northeast Ohio. One part of that is a vibrant cultural center at Shore. We also have much to look forward to in filling up our business parks like Bluestone, Century Corners, Heritage Park, etc. That's what we have to. We also should be pushing for a revitalized Euclid Ave. that includes commercial and retail and arts revitalization. That's what we need to do. We also should be pushing to fill up our empty homes with young families that have disposal income to spend money in this city.

But I can tell you and I honestly believe that if we cut now, we reduce safety forces, then a very tough job and a very ambitious job that I've laid out cannot happen. Because without safety and security and the amenities the people expect, businesses and residents will not move here, no matter how many drawings we have out in the community. So the decisions we make tonight will ripple into the following years and into the following decade. If we don't patch the budget, and Euclid becomes a less safe community, we will not be able to redevelop to generate more revenue to provide the services that the residents expect.

We've been talking about this for quite awhile, not just in this budget cycle, but in year's past, I think it is time to move forward. That doesn't mean that I necessarily agree with how every dollar is allocated within the budget itself, but I do not see a solution besides these fees that would not entail massive cuts that would hurt this community going forward. Thank you.

Councilman Van Ho – I like everyone up here have given this garbage tax and the street lighting increase a lot of thought. Some people I came out for the increase early on, true. I've looked for a reason to

change my opinion throughout the process and haven't found it. I listened to the people from Ward 8 and most of them said, Greg, I don't want to pay the tax but vote for it, we need our police, we need our fire, we need our Rec Dept.

When this whole thing started, I assumed everyone would be against a tax or service fee, that wasn't the case. The people at least in my ward understood the need for this. They understand we need to keep our police force strong, or this will fall to be a very undesirable place to live. They also I think showed appreciation to the police for the courteous and professional manner that our police handle situations day in and day out.

The Fire Chief's explanation of cutting the number of firefighters and it would slow response time and endanger citizens and the staffing levels would endanger the firemen, left me know choice. One operating fire house in Euclid is simply not enough for a city the size of Euclid. They understood that the kids need good recreation programs. They are kids and if they don't have an organized programs, they'll get in trouble. I did when I was a kid in a small town in western Ohio that didn't have organized programs.

I realize that there are people who have said that I have to live within my budget, my company just lays people off when they are short of money and the city should too. There are two points we have here. First we in the city do live within our budget. We balance the budget every year, we have to by State law. The second thing is that your company and you don't own an ambulance where people die if that ambulance doesn't get there faster. Your company doesn't own a police force, where people can be hurt dramatically if our police can't reach the house quickly enough when someone is attacked. And you don't own a Fire Dept. where your family can be hurt and your house and all your property be destroyed in a matter of minutes if our Fire Dept. doesn't get there and if our EMS doesn't get there.

There are people who would criticize me for voting for this increase would be the first ones to scream if their husband or father had a heart attack and we couldn't get an EMS unit there quickly. They'd be the first to scream if a mom was beat up or shot in a robbery because we didn't have police to respond quickly. They would sue if their child was hurt or died because of a fire in their house.

Those who would criticize any member of this Council, I will say to you, who is going to vote for these levies, I would say to you, it is easy to be against something, it is tough to be for it. It is tough to say to my neighbors I want \$168 roughly of your money next year.

I heard people suggest that we cut non-represented city employees salaries. That may sound good but it is the equivalent of taking a bucket to a forest fire. It may look good, but it is not real effective, there is just not enough money in those salaries to get to where we need to be.

Then I heard the normal, we've got to watch out for the poor people. Well I believe I have the distinction of being the only person to have lived in their adult life in the projects in Euclid. We stayed in Euclid when we really couldn't afford it when we first got here because we wanted good schools for our kids, because we wanted a safe neighborhood. People who are poor understand the need to have good services, they can't afford to move.

This increase wasn't brought on by reckless spending by the administration or us, and for the gentleman who asked if I did this, ask for the \$10 by the Mayor, no the Mayor and I very rarely even talk other than right before Council Meetings and so forth, number one. One of the things that 30 years in government has taught me is that elected officials tend to try to cheap it through. I think the Mayor will tell you that when he first came up with this, dropping this down, I asked, are you cheapening it Mayor. Because I don't want to have to lay one of these guys off because we goofed by a buck.

I would just like to thank anybody out there who has stood up for this legislation and anybody on this Council who will vote for it because as I said earlier, it takes courage to do what's right and to be for something. It doesn't take much to be against it, we've seen that time and time again. I'm also glad that you remembered that I was the one that said renters do pay taxes indirectly. They may not write it out to the City of Euclid, but their landlord gets it from them. Okay, that's all I have to say.

Councilwoman Scarniench – I thought about writing a speech, but I really don't need a speech because I do and say what I believe in my heart. Anybody who knows me, knows I've sat in the back of this room for over 20 years before I actually got elected to Council. I'm the old lady, I'm up here, but I've been through it all. I grew up in Briardale Projects. I've been here through it all. I have watched councils and administrations year after year consistently going through things that were hard and some of them I didn't agree with and I never sat down and said nothing, I always had something to say.

I constantly fight with our Mayor. As he has said before, I am a pain in the ass, and you're right I am. He made a joke of it, but it is the truth. I don't ever stop, I am at him all the time.

To our police and firemen, I do not want to see one of you lose your job. I do not one to see one penny taken from what you already have. My hopes is that when we come time to start talking about the future that you will consider some changes for future employees. That is what I want. I'm hoping you will all agree with that, so that we can go on.

People have heard me talk about 920, well guess what, I was here when 920 started, that was because of our school system. The government decided this was a great way for us to save money for the residents. What they didn't know is they killed the schools and little did we all know back then, cities

were allowed to also tap into that and Euclid again holds a distinction, we are the only city in this State that passed a 920 provision. What does that mean? A few weeks ago a resident stood up here and said, we collect 8%, East Cleveland collects 15, South Euclid 18, that's what 920 is all about. We never get anything more. November 2, 1976, when that was passed in the City of Euclid, our money became stagnant, nothing ever changes. Recreation constantly has to come back and ask for money from our general fund because it doesn't change. We are the only city in the state who does this. I think we've done a damn good job of running this city on what half of what everybody else pays.

This is the reason that I will vote for these. Every meeting that I have gone to and I have been to many of them over the last month and a half, when I explain it all, they all say, well when do we start because nobody wants to see what would happen without those 10 policemen, those ten firemen or no recreation in this city. As has been stated, we will start working immediately to find a long term solution for this problem and hopefully it will be on the November ballot and when everybody hears what we have to say and they believe what we say and they vote for what we think is the right thing for the city, these fees will be gone. Thank you for listening.

Councilman Gilliam – My thoughts were focused on basically what would happen if I voted yes for these ordinances to pass and what if I voted no. As I stated before, I am still a citizen of this city, so I do have private time when I'm not a council person, even though I am an elected official. I have to do what is best for this city in my opinion.

I thought if I voted no, I would probably see later response time from fire and police. People call sometimes and say there's strangers in their neighborhoods and the police took too long. Well just imagine if we have 10 officers less. I thought about potentially more crime. I thought about the retirement from seasoned officers in the fire and police department, losing all that wealth of knowledge before it is transitioned to our younger officers. Thought about more leaves and more snow, not being picked up or not being plowed.

I thought about no recreation, great let's open up the fire hydrants and lower our water pressure and waste water. Let's play basketball, baseball and football in the streets causing traffic hazards and putting kids and drivers in danger. Let us put more kids on the street and have them hang out more than before. I was young once and I got very creative in my youth and it is all sealed, but anyway. I don't want to contribute to unemployment in our city. We're already a labor surplus city, which means it doesn't have any affect on how this city is operating, but as a labor surplus city we have more people than we have jobs available. So I don't want to be part of increasing that particular status that we have at this point in time. That is not due to the city's funding or the city's management, there are quite a few cities that are facing that because we are a manufacturing based city.

Let's potentially have some of our families leave for greener pastures. Everybody looks for a better option whether they have children or not, they want their quality of life to be something that they can enjoy. If it is challenged, they will make decisions.

Then I thought about if I voted yes. One thing as a Council person, I can work with Council to look at residents suggestions for the future and amend these ordinances or repeal them if necessary. We can stabilize our budget and prepare for the future, such as planning for green friendly purchases. Looking at co-opting our purchases. Also hopefully leading to planning for future development and future city growth. I'm talking about savings Mayor. Keep the amenities but for potentially new residents and helping our industries like the Realtors sell homes.

Yes, a neighbor of mine walked away from a home. She had a bad mortgage with Ameriquest and she walked away and moved to Texas. Took about 9 months but a gentleman bought the home at a reasonable price and he's a good neighbor. Those stories do happen. I wanted to also think about giving families activities like our recreation which are entertaining. Council President Holzheimer Gail's son and my son played on baseball and I enjoyed every minute of it and also it builds character for our children. Also maintaining programming for seniors instead of just having a meals on wheels programs. While that's sufficient, it is not enough. Also maintaining services at adequate levels.

I've seen many cities gut their services and say they can do more with less. In reality that's not actually true. The government is not always ran like a business nor can it be ran like a business because of certain restrictions. Some departments cannot be compromised because they are essential to operations and to the reputation and growth of our city. One resident asked me why would I just go ahead and just let the lay offs happen and negotiate from that position. I don't consider that a position of strength. At that point it becomes a position of begging as things get worse.

So with my vote I am supporting both of these ordinances as I did at the last Executive & Finance meeting, sent to council with a recommendation. I want to sustain our city. I want to stabilize our income and I want to work from that foundation. I'd rather not think about the later. Thank you.

Councilwoman Jones – I'm going to keep this short as one of the speakers said, we just need to do something for or against. I also wanted to bring up the point is that we as a council body need to aggressively look for long range future planning. I feel that we need to take that first step whether it is after the vote tonight, it doesn't matter which way it goes, we need to still look for long range planning.

We need to step up and say that starting in April we're going to set priorities, set meetings to start looking at those. I know we talked about that we are going to, but we need to make that commitment to actually do instead of just saying that we're going to do it. I feel that either out of this meeting or within the next week or so we start formalizing and get a committee together or something to start looking at those long range plans.

If these fees are passed, I don't want these fees to go into multiple years. I will support these fees for this year but I was instrumental in putting a date in here saying that we need to look at it by the end of 2010 to determine if we go into another year. I feel as a council body we need to look at all aspects and all options before we actually say, yes, it is going to go into another year.

We talked about the repeal of 920, but we need to review first of all both sides of repealing 920; the repeal of it and what is the outcome of doing that. Is that the best option to do? We need to think outside of the box to find out are there other alternatives to maybe not repealing 920 or do we. It is our duty as some of the speakers said, as a council body to look at those other options and get residents input on that as well.

I feel that we need to make that commitment to start with that as of today going forward. Because November will be here before you know it so if we're going to put something on the ballot and Director Frey can probably state on what that date is that we'd have to have something together to put on the ballot, so we need to start now working towards that. Then don't stop at 2010, don't stop at 2011, because we have a lifetime of living here. We need to aggressively look for not only this year, next year, the next two years, for the next 15-20 or 30 years. We're not going to be up here at this time, but for our future that will be. Thank you.

Councilman Wojtila – I'm not going to duplicate what my colleagues have said. I agree with a lot of what they've said, and I don't agree with some of what they said, but most of it I do agree with so I'll try to just talk about the logic and where I came to in my discernment of these two pieces of legislation.

A couple of things we do know for sure. We know that our projected income for this year is about \$4 million less than what it was two years ago which was 2008. We also know that the economy is in terrible shape and our projections maybe off and maybe we'll be getting less than what we projected. We also know that there have been cuts made. In 2009 it was estimated approximately a half a million dollars were cut. The budget books presented to us earlier this year had \$677,000 in cuts. The first department that presented the budget was the Fire Department and the Fire Chief did not even support the budget presented because it had cuts that were in his mind beyond what should have been cut. We also know there's been an additional \$342,000 in savings identified on March 3rd to this Council.

When you look at all that, you look at the cuts and you look at the revenue side. My preference would be that, everybody's preference would be that we wouldn't have to do the taxes, wouldn't have to do the revenue. But is there any other options available to us? We could make the cuts. I had an idea of reducing costs but with the Mayor's help found that it really wasn't a viable option. There's cost saving measures that were identified that are cost savings that we need to research and we need to explore.

In my mind there's nothing available to us that could eliminate one or both of these enhancements, tax assessments, whatever you want to call it. Unfortunately that's the case. We could make the additional cuts and I hate the garbage tax, I don't want to vote on the garbage tax, so then we just do the lighting tax. Well then, you're still cutting dramatically the services that we need that we rely upon and that we need to have. Unfortunately it is a hard pill to swallow but I will be supporting both of these measures with the commitment that we will continue to work on the budget items, on the cost savings items. There's no guaranty the economy is going to get better and there's no guaranty that we're going to meet our projections. It is incumbent upon us to continue to do that.

I too would like to thank everybody that e-mailed me, called me, talked to me. This hasn't been fun, there's been a lot of sleepless nights, but as Councilman Langman said, it really is just beginning. I will be voting yes, thank you.

Councilwoman Minarik – When it was first brought up, I was totally opposed to both of these taxes because I did not feel that the economy could support losing \$2-\$3 million out of it. As the argument progressed and the discussions and I got vilified by the fire and police and everybody else and I hated the safety forces; the residents also started changing their minds. The residents started saying I would be willing to pay if it was fair.

So I believe the street light assessment is a fair assessment. Many communities do it. It is \$900,000 that the city pays. It is across the board. It is a tax that is exactly taxing us for exactly what it says it is taxing us for, street light assessments. So I don't have a problem with that one.

Now, I have a problem with the garbage. My main problem with the garbage tax is that it is not what it says it is. The garbage tax is being called a garbage tax because that way Council can approve it without the voters. It is being charged to only about 55% of the population yet it is going to be used to balance the budget and provide services. It is not a fair tax because vacant lots, empty homes, that do not have garbage are being charged for garbage. People that do not have a lot of garbage are being charged as though they do. There was no attempt made to offer or work through a pay as you throw program, many

communities have that. That would have been a fair way to go. It would have encouraged recycling. Now there's no incentive to recycle unless you are a die hard recycler because you're not going to save any money. I think recycling is going to be hurt by that. I believe the landfills are going to be flooded more because it doesn't matter now if I put out a little or a lot, if I have a flea market, a garage sale, it is all going to go in the dump because I'm paying for it so I'm just pitching it.

Those are my reasons that I'm going to vote against the garbage tax. It has nothing to do with the safety forces. It has to do with the fact that it was not what it was made to be. It is a tax that this council can approve without the voter's okay and I don't think that's right because it is not being a tax on garbage. If it was there would be a pay as you throw plan in place.

It does take a little bit of courage to go against all my colleagues. I think that is the right thing to do and when this administration and this council call it a tax for what it really is, then I can support it like the street light assessment tax. Thank you very much.

President Holzheimer Gail – Seeing no further questions, I will take motion to close debate.

Councilman Van Ho moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Councilman O'Neill moved to suspend the rules, Councilwoman Minarik seconded.
Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, O'Neill, Wojtila, Langman, Van Ho, Holzheimer Gail
Nay: Minarik

Passed.

Ord. 37-2010 (039b-10) Special Lighting Assessment

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) **Moved back to Council without recommendation**

Councilman Van Ho moved for passage, Councilman Langman seconded.

President Holzheimer Gail – Mayor Cervenik any additional comments?

Mayor Cervenik – I think I've spoke upon this enough. I think Council might agree. Again it is unfortunate that we're in the situation where we need to do this. The reason we did a lighting tax and although we need to stay pro-business as I mentioned about 920, we have to determine the affect this on our businesses any new taxes. This is spread amongst all residents, apartments, commercial and industrial areas so it really does lessen the burden somewhat on the individuals, hence the two pieces of legislation. I strongly urge its passage, it's the second part of balancing our budget and moving forward.

President Holzheimer Gail – Many of us spoke about both at the same time. Are there additional questions?

Councilwoman Jones – I just have one comment. I'm not saying I oppose this, but I would like to see us make a sweep through the city for those street lights that are out and need to be replaced to make sure that starting off, all lights should be working.

Mayor Cervenik – We have begun that. We will continue to do so. We have been in conversation with First Energy, our new government liaison and explained to him the importance of making sure they're done quickly and I'm quite sure we'll get a good response from First Energy.

Councilwoman Scarniench moved to close debate, Councilman O'Neill seconded. Yeas: Unanimous.

Councilman Wojtila moved to suspend the rules, Councilwoman Minarik seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail

Passed.

Ord. 38-2010 (066-10) 2010 Annual Budget

An emergency ordinance amending ordinance #215-2009 which makes the annual appropriation for all expenditures for the City of Euclid for the period ending December 31, 2010. (Sponsored by Mayor Cervenik by request of the Director of Finance)

Councilman Scarniench moved for passage, Councilman Gilliam seconded.

Mayor Cervenik – I strongly urge passage of this ordinance so that the city can operate. We do need a budget in place by March 31st. As we talked again before the meeting, we will be meeting in April to go over the first quarter of the year, as well as to begin discussions on various ways and areas where we can save additional revenue. As far as a couple of changes that may have to be made concerning the fire department, we will discuss that fully with City Council and present any budget amendment that may need to be made if any.

Councilman Langman – Just a comment. I know there's been many ideas tossed back and forth over these months about tweaking, modifications and so forth. My comments are not to really change anything being presented tonight, I think we need to vote on it. But as I mentioned in my other comments, just because I supported the fees, that does not mean that I agree with how all the dollars are being allocated. It does not mean that I agree necessarily with that improvements can't be made in how various departments work and function. I did mention that I would like to see some positions restored. One of them being the part time at the Animal Shelter. I do believe that is an important function. I don't expect to change anybody's minds.

Also I did suggest that because the Building & Housing Dept., those inspectors bring in enough revenue to cover their costs, I do not want to see cuts there. Also, I've been on Council long enough to know that, I know that we're going to talk about the jail again but I am not thrilled that we did not make changes there. I do not see any agreement in writing from the Sheriff saying that we're going to get these prisoners. I understand we're going to get a proposal from the administration going forward as to how we can improve those functions. Again I'm a little jaded because I've heard this before and we still have this same set up. I'm not terribly pleased with those aspects of the budget. I also did make a proposal that maybe it is time that we start charging some administrative fee for our sewer clean out work. It is not always the city tree that causes the blockage. I don't think some administrative charge for that is out of line.

I presented those to you my colleagues to see what reaction there was and there wasn't really any. So I know that none of those changes are going to be done. The last one I proposed is probably the most controversial or painful. I know in my first term Mayor Oyaski went to a 37.5 work day for non-union personnel. That is not a fun thing to suggest but when we have residents who work for firms that are at less hours than that, I think that is something we should consider if, especially we're going to go to the ballot in the fall with something. I'm under no illusions that we're going to make any changes right now. Those things I propose I also understand would not fill the gap in our budget which is why I voted for the revenue enhancements, but I'm a little disappointed I wanted all those things along with the other additional cuts because I think they were necessary to not only save a little bit more money, preserve a couple of positions which I felt were vital and to show the residents that we did go the full 100 yards.

Councilman Van Ho – When we do sit down to start looking at cuts or different sources of revenue or anything else, I would ask that the administration go through each of Councilman Langman's suggestions and tell us why not, okay. I'm not saying that negatively towards his stuff. I think we need to start looking and saying why not when it comes to a cut or when it comes to an addition, in depth, not just as we're talking here tonight. Real dollars and real cents and so forth.

Mayor Cervenik – I agree with both of you. We will look at each and everyone of those suggestions and see if we cannot especially in the housing department. I sat and had quite a long meeting last week with Kelley Sweeney about some changes in the Housing Dept. that may allow us to keep the housing inspector at full force, along with Donna Castrovince who has been doing some very nice work on calculating and tabulating various inspections that we do and possibly raising some of those fees. So that it may be very plausible that at the next Council meeting or the one after I will be able to suggest to you that we can do some of the things you've asked for because I think they're as important as you do.

Councilman Wojtila – I think Councilman Langman is owed a response to his cost saving measures. Actually it is not cost saving measures, it is switching around or not making some cuts. But I think an explanation is warranted but I don't want it to be construed that we all agree with that because I don't necessarily agree with that. I would like to hear the response. Times are tough and we need to make difficult cuts and some of those maybe the cuts that have already been outlined. I think a response is in order but I don't want it to be construed that we're all agreeing with those suggestions. Thank you.

Councilwoman Minarik – I just have a couple of questions. We are going to be transferring \$200,000 into the Recreation Operating Fund. I was wondering if there's a way because I know you can always come back later and ask for more money. Is there a way we could put that at \$100,000 now, Director Will, could you operate for the next six months with just \$100,000 transfer and then take a look and see can we get the other \$100,000 later and make an amendment; we can do that can't we? I mean legally we can do that, that's my question.

Mayor Cervenik – I suppose we can do that but then we're going to have to stop right in the middle. I don't understand what the purpose is. The more correct way to do it because we do have a balanced budget would be to determine as we go on, cut and then cut it. But to eliminate it now, it kills long term planning, notification of people that are using the different services. To leave the \$200,000 in there and it was \$280 I believe when we started the year somewhere like that and it was \$300,000 last year. We have dropped that down considerably and it is going to be a real push just to do what we did last year.

Councilwoman Minarik – That doesn't mean that we're going to spend the \$200,000 that is just the cap right now.

Mayor Cervenik – This is the cap, we can't spend more than that. As I just talked to your other counterparts, we will be looking at this very, very closely and looking at some of the suggestions and changes.

Councilwoman Minarik – My second question is, we're moving \$232,000 into the self-insurance liability fund. Do we have any law suits, I know we've got the two that have been settled, the drowning and the former fire chief settlements. Do we have any other law suits pending?

Director Frey – Yes, there are a number of items pending, not the least of which is the Regional Sewer matter that we've responded to. We have several actions in Federal Court involving claims of use of excessive force that we are handling in-house. We have a variety of matters in Common Pleas Court that involve tax obligations on foreclosures or foreclosed properties where we have filed a lien against the property for unpaid income taxes. Yes, we have a variety of matters pending. The bulk of our expenses in that line item, in the transfer to self-insurance are payments that we have already structured to pay out.

Councilman Langman – Just to be clear to my colleague Councilman Wojtila, that e-mail was directed to my colleagues and I do thank Councilwoman Minarik and Councilwoman Scarniench for answering pro or con. It wasn't designed, we must do this or must not do that. But I do think that some of the suggestions are viable and I was not expecting a response from the administration right now because it is kind of late for that. I would like to see it done. I made it clear that I'm not happy that we still have the jail. I would have preferred to use some of the reserves for some of these positions because I do think for example at the Animal Shelter losing that position will hurt that service quite a bit and cause us to compensate. So, again, because it took so long to agree on fees, whether we wanted them or not, doesn't make sense to talk about modifications when maybe that third sheet where we're cutting police and all that would come into play.

As I also said this is the first quarter quite frankly for what we have to do. There's going to be lots of changes proposed, lots of things that we're going to have to do to keep on eye on the budget and to grow the economy and to handle whatever eventuality comes up because I don't know whether the economy is going to come back or not. I know where I work we were told on Friday that we have to transfer folks out of your department, now we're down six; so I'm way busier now at work. We may have to make other decisions going forward, hopefully not.

But I did want to throw that out there just to get ready for the next phase which is do we want to replace the members of the building and housing department, do we do something at Animal Control and so forth. I know the sooner we talk about the jail, the happier I will be going forward. Thank you.

President Holzheimer Gail – Part of our process, it does not end here. I commit to you we will have monthly Executive Finance Committee meetings. We will not only look towards the long term solutions, we will look at the budget performance and we can make amendments as we go. This sets the framework. A council ordinance can make a change to amend the budget. We can continue to make changes. Councilwoman Minarik introduced some changes to the consolidated compensation ordinance. We have that in committee to discuss. Some have merit, some cannot be done because of Ohio Revised Code, but we need to discuss those and we need to look at our options. It does not end with tonight.

Councilwoman Scarniench – I will vote for this. There are things in here that I don't agree with. I think I was the first one come out complaining about some of the layoffs that are in here. So hopefully on April 12th at the Assets meeting, the Animal Shelter will be there to present to us what their plan is for the future. I know many of us up here want to see that position still to be here and hopefully you will be able to show us that you are moving forward so that we can hopefully make that adjustment. I'm putting that out to them right now, thank you.

Councilman Wojtila – To Director Johnson, can we get a clean then copy of the General Fund budget, black and white is okay?

Director Johnson – Yes, we'll get a fresh copy out of the adopted budget.

Councilman Van Ho – One of the positive things that people could do is to join Petpals, to possibly adopt a dog cage or a cat cage and that would start to lower some of those gaps. I, too, would like to see that person kept, but we have to look at reality and see where we can go with that.

Councilwoman Scarniench moved to close debate, Councilman O'Neill seconded. Yeas: Unanimous.

Councilwoman Minarik moved to suspend the rules, Councilwoman Jones seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail

Passed.

Ord. 39-2010 (067-10) Transfer of Funds

An emergency ordinance providing for the schedule of inter-transfer of funds between all funds. (Sponsored by Mayor Cervenik by request of the Director of Finance)

Councilman O'Neill moved for passage, Councilman Wojtila seconded.

President Holzheimer Gail – This is just the resulting transfers that are needed to go along with the budget that we just passed. Any questions?

Councilman O'Neill moved to close debate, Councilwoman Scarniench seconded. Yeas: Unanimous.

Councilman Langman moved to suspend the rules, Councilman Gilliam seconded. Yeas: Unanimous.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail

Passed.

Ord. (068-10) Budget for Briardale Greens Golf Course

An emergency ordinance to approve the budget for the Briardale Greens Golf Course for all expenditures for the year 2010 as herein attached. (Sponsored by Mayor Cervenik by request of the Director of Finance)

Councilwoman Scarniench moved for passage, Councilwoman Jones seconded.

Mayor Cervenik – Please put this in Committee.

President Holzheimer Gail – I apologize, in talking with Council members thought we had to pass this before the end of April, but that is not the case. We do want to discuss it so I think it makes sense to send it to the Assets Committee and Councilwoman Scarniench you said April 12th at 6:30.

Councilwoman Scarniench – Please make sure anybody who is still on the Golf Commission is invited so they are a part of this. We'll do the golf course and we'll do the shelter.

Councilwoman Scarniench moved Ord. (068-10) to the Community Assets/Programs Committee. Councilman Gilliam seconded.

Roll Call: Yeas: Gilliam, Scarniench, Jones, Minarik, O'Neill, Wojtila, Langman,
Van Ho, Holzheimer Gail

Into Committee.

CEREMONIAL RESOLUTIONS

Res. 34-2010 (065-10) Memoriam P.O. Kerstetter

A resolution in memoriam for Police Officer James A. Kerstetter, who gave his life in the line of duty on March 15, 2010, serving the law and residents of Elyria, Ohio. (Sponsored by Mayor Cervenik and All Members of Council)

Councilman O'Neill moved for passage, Councilwoman Scarniench seconded.

A moment of silence was held for Police Officer Kerstetter and Police Officer Patton.

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Councilman O'Neill – I just want to say thank you to Chief Repicky and the Euclid Police Dept., the Rifle Unit on Thursday and the rest of the guys that were there on Saturday for the funeral. Thank you.

Councilwoman Scarniench – I just wanted to let the public know because Mr. Lennon brought it up, in the whereas in this resolution it does say the administration, council and the Euclid community. So we do include everybody when one of these is done. I just wanted to let them know that. Thank you.

President Holzheimer Gail – It is a painful reminder to all that our safety forces do put their lives on the line and we appreciate their efforts, we appreciate their hard work. Our condolences go to the Kerstetter family, the Elyria police department and all members of the police and fire because they are members of a family. We appreciate all of the work that they do.

Councilman Van Ho – Also to the Patton Family.

President Holzheimer Gail – We had a Resolution at the last Council Meeting.

Councilman Van Ho – But I think we need to keep reminding people, we lose them more than one at a time unfortunately.

President Holzheimer Gail – We can pass this by acclamation.

Resolution Passed.

ADJOURNMENT

President Holzheimer Gail – That completes our agenda this evening. Thank you everyone for being here. Thank you for your comments, your involvement. We certainly appreciate your commitment to our community and all of your hard work.

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

Attest:

Clerk of Council

President of Council