

**FINANCE COMMITTEE MINUTES
FEBRUARY 17, 2015**

The Finance Committee meeting was held on February 17, 2015 at North Royalton City Hall, 14600 State Road. The meeting was called to order at 7:05 p.m.

PRESENT: Committee Members: Chairman Larry Antoskiewicz, Vice Chair Gary Petrusky, Paul Marnecheck; Council: John Nickell, Dan Kasaris, Dan Langshaw, Steve Muller; Administration: Mayor Robert Stefanik, Finance Director Eric Dean, Safety Director Bruce Campbell; Other: Louis Krzepina, Shunnar Saleh.

APPROVAL OF MINUTES

Moved by Mr. Petrusky, seconded by Mr. Marnecheck to **approve the January 20, 2015 Finance Committee minutes.** Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. Monthly Finance report including tax collections status

Mr. Dean said we received \$1.35 million in January. Last year we received \$1.16 so we are up \$187,000 for the month. For the year we are up \$168,000. A copy of the report is attached to these minutes.

2. Overtime

Mr. Dean reviewed the report, a copy of which is attached to these minutes. He said that this report covers 2014, but he does not yet have January and February 2015 ready. He said that he is still posting ADP's General Ledger. He said looking at last year's budget vs. actual, overall we did well, but there were some areas that were a little high. \$812,716.00 was spent in overtime in 2014. He said there was a lot of overtime due to injuries and the May 12th storm as well. Mr. Marnecheck asked if these numbers include the grant reimbursement. Mr. Dean said that the grant reimbursement was revenue that we received and it did help with these numbers, but that was a revenue and what we are looking at is an expense. He said that he does not like to take revenue and lower expenses with it and create a negative expense. He said that he has shown Council how these are offset by some of that grant money. This is the total expenses regardless of whether we received money or not. Mr. Petrusky said last year at this time we received the majority of our snow during February and March. It seems like that is happening again this year. He asked how much of the Service Department's overtime came in those two months. Mr. Dean said that the majority of the overtime for this department is for these two months. He said that this is a line item on the report. Mr. Marnecheck asked how much the grant reimbursement was. Mr. Dean said we received reimbursement for our equipment expense, overtime and we are still getting reimbursement for some of the projects. He said the overall reimbursement was around \$135,000 of which \$80,000 was for wages and equipment that was reclassified as a revenue into the funds that had these expenses. Mr. Marnecheck said that the \$812,716.00 amount is actually \$80,000 less. Mr. Dean said this is correct. Mr. Kasaris said then what we spent in overtime for 2014 is actually more akin to the 2013 overtime. Mr. Dean said we received revenue to help offset our higher expenses, so if you want to add those together, then yes we are closer to 2013. Mr. Kasaris felt that this was important to do this because it actually reflects that the net overtime we have is atypical because of the May 12th storm. The fact that we are being reimbursed for the storm wipes out this extra overtime. Mr. Dean said that he does not like to show a negative expense, but it is possible to reclassify this revenue and lower our expenses.

3. Capital Improvements/City Hall Financing

Mr. Dean said that everything is set and we are prepared for going to market after the legislation is adopted. He said the rates are holding steady and we are looking to go to the market sometime mid-March.

NEW BUSINESS

Mr. Antoskiewicz said that Mr. Dean had provided some figures for the carry over for the end of 2014 and asked Mr. Dean to review this analysis. Mr. Dean said that looking at all the funds in the city, we started the beginning of the year with cash in the bank in the amount of \$13.1 million, and ended the year at \$14 million, so we are up around \$940,000. To get into what that cash is assigned to, one area that was very encouraging is the General Fund. We started at \$905,000 and ended the year at \$1.53 million. This is a great increase to start out the new year. Mr. Marnecheck asked about the General Fund/Special Fund Revenue of \$3.7 million, and wanted to know how much is General Fund and how much is Special Revenue Fund. Mr. Dean said that \$1.5 million is General Fund, and \$2.2 million is the Special Revenue Fund.

Mayor Stefanik wished to commend all of the Department Heads for the great job they did last year watching their spending and for helping to keep the city financially strong. Mr. Antoskiewicz said this is a good end of the year report. We got a lot of projects done last year and were still able to keep the numbers up. Mr. Kasaris said that looking at the total receipts, it looks like we spent \$800,000 less than we took in. Mr. Dean said it is actually \$943,865. He said this includes the General Fund, debt retirement, Capital Improvement, Wastewater and Agency Funds. He said if you look at the Wastewater Fund, we had a nice rebound with starting the year at \$532,000 and ending at \$1.68 million.

ADJOURNMENT

Moved by Mr. Petrusky, seconded by Mr. Marnecheck **to adjourn the February 17, 2015 meeting.** Yeas: 3.
Nays: 0. **Motion carried.**

Meeting adjourned at 7:20 p.m.