

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

This *SPECIAL* Council Meeting was called to order by President of Council Matthew A. Trafis at 7:02 p.m. with the Pledge of Allegiance.

ROLL CALL

Present and accounted for were Mayor Dell'Aquila, Assistant Director of Law DiChiro, Councilman-at-Large Barth, Councilman-at-Large Kraynak, Councilman-at-Large Trafis, Ward 1 Councilman Biasiotta, Ward 2 Councilman Fraundorf, Ward 3 Councilman Kukral, Ward 4 Councilman Petro, Director of Public Service and Properties Lovece, and Building Commissioner Moro. Absentee was Director of Finance Johnson.

OPEN TO THE AUDIENCE ON LEGISLATION ONLY

Bob Wrobel, 975 Winchester Oval made the following comments:

"I want to come at this kind of in general about all of these ordinances that have come up regarding personnel issues. One of the observations that I made in seeing how some of these things were arrived at is that we're in dire need of some professional human resources, resources. We get it for a lot of other things. We put lawyers on retainer – we have engineers on retainer. Why can't we get a human resources person on retainer – some sort of consultant. Or share something. Because a lot of these things that I'm seeing could be solved very easily if it was approached in a professional manner. For example, I think it's our Ordinance No. 14-2016. A professional way of doing this would be to analyze exactly what's needed over there and to determine if what we have right now is inadequate, or it's not what we want. We can't just focus on money. I mean, services have to be provided. If we need money, let's go after it. Yeah, I applaud everybody for looking for whatever savings we can get – that's fine. But, what's ending up is I'm seeing management by legislation. That's not Council's business, and it sets a bad precedent by engaging in the direct management of our services. I think that these resolutions and the way they're arrived at – there seems to be very little discussion. It looks to me like it's arbitrary, very subjective, and basically it's whatever the President of Council wants. That's a slippery slope, and I'll leave it there. I suggest strongly that maybe, at least on Ordinance No. 14-2016 – let's go back for further study. I would advocate for basically voting 'no' on it, but if you can't do that, table it, and go back and look at this thing. Thank you."

Mrs. Pat Ednar-Patterson, 240 Maron Lane made the following comments:

"I have lived in the Cleveland area most of my life – in six different neighborhoods including Cleveland, North Royalton, Brooklyn, Strongsville, and now Seven Hills. I am really shocked at many of the unusual working conditions I have heard about at our Seven Hills Recreation Center. Every department is being looked at. Are all the people working here ready to do every menial task that is in front of them?"

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mrs. Ednar-Patterson concluded:

“It seems to me that you are trying to punish all the people who want to work and use the Rec Center. And tonight, I see these two wonderful women are still trying to save you money. I mean, if I was in their place, I would have been gone in two minutes.”

Sharish Engineer, 2730 Wynde Tree, made the following comments:

“I have one question about the budget and the deficit. I think most of the people do not know what the revenues are and what our expenses are, and how much deficit we have and how we are trying to cut it. So, is it possible for the Council to make these figures available so that we can look at it and see what everybody is trying to do – if it is justified or not.”

Council President Trafis replied, “Yes, absolutely. If I may suggest to the Mayor, perhaps we could put the proposed 2016 budget on the website – a pdf of it.”

Mayor Dell’Aquila answered, “There is information posted on the website. I can tell you generally what has been said in the prior year. There were some additional expenses incurred over and above the actual appropriations. For example, there was just under \$300,000 additional expended on a road program. There was a roughly \$300,000 economic development loan that was given to a business to attract it into the City. These are rough numbers. Maybe \$60,000 to \$70,000 additional on the Bentkowski litigation, which gratefully is over, and the City won. There was an emergency sanitary sewer break at the north end of town. So there were unexpected expenses, but I can tell you that each of those expenditures was approved by Council. I don’t have authority to spend a penny that Council doesn’t vote on and approve. So this was all well-known. It was deliberated in Council meetings. These are necessary items. There’s no surprise here. The money was spent, and it was spent with the approval of Council.”

Mr. Engineer asked, “Do you have these numbers available on the website or in a newsletter somewhere where we could see it?”

Mayor Dell’Aquila replied, “We are posting monthly statements on the website. But certainly we could probably put a link to the budget. It’s a voluminous document, perhaps 30 to 50 pages. I don’t recall offhand. I don’t know that it’s available in a digital form. You should also know that our Finance Director left the City last week, so we’re short-handed over there at this point. But I can tell you, yes, there were expenditures. The tornado sirens – another \$100,000.00. These were all expenditures made with the approval of Council.”

Mr. Engineer continued, “I was wondering – all this milder winter weather. Because of the mild winter, are we saving a lot of money – with the snow plowing and all that. Does that help in reducing the deficit?”

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mayor Dell'Aquila replied, "Yes, we are saving some -- there is some savings to the City. Yes, sure it helps -- it helps a little bit. For example, we budgeted I believe about \$300,000.00 for salt in the 2015-2016 winter, and I don't think we've used anywhere near that amount of salt this year.

Mr. Engineer said, "Okay, thank you."

Council President Trafis thanked Mr. Engineer for his comments.

Mr. Kraynak added, "Mr. Mayor -- I'd just like to add one thing. You pointed out that all these things that were passed last year were passed with the approval of Council. That was not this Council. There are four of us that are on Council now that weren't on that Council."

Mayor Dell'Aquila replied, "My point is that there's been this accusation out there that we have somehow spent money without the approval of Council. With the exception of, perhaps, the Bentkowski litigation which I know the Council President recused himself on, I can't think of any other vote that was not supported by Council unanimously."

Tanya Verderber, 132 Countryside, Broadview Heights made the following comments:

"I just want to say if you look at what you are proposing, really, compared to having a \$1.1 million deficit.....if you just look at the percentages, it may be -- is it even 2% of \$1.1 million or that 1.3 -- not even -- 1.5% of what you are proposing to cut? And I just have to say, and I do know that the Rec Center is operating at a profit right now -- at a plus, in the black -- and I do feel that if this takes place, and Ursula does have to go find another position, who knows if Jen will stick around, and I hope she does -- just saying, what will happen -- and that we could be back in the red where we were before. So I just want you to really think about that and what you're doing -- and all of the support that we saw in that first meeting. I wish everybody could have been here, but they were planning on coming Monday, but this was pushed up. Really think about that, and I really hope this isn't personal in any way, okay. My husband told me I shouldn't bring this up -- but my 14-year-old son said this was very childish. If anyone witnessed what was on You Tube -- okay, and the comments that were made -- it does make it seem like a very personal attack on Jen. And I just think she's done a fantastic job since I've been there for six years. So, okay? Thank you."

Andy Baratt, 940 East Meadowlawn, made the following comments:

"I have two questions for Council here. The first one, in regards to getting a walk-through metal detector for the Mayor's Court....."

Council President Trafis interrupted Mr. Baratt telling him that this portion of the meeting was for items on the agenda in front of Council right now. He said Council follows protocol, but after the agenda was voted on the meeting would be open to the audience again for any items.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Baratt said, “Okay, that’s all right. I’ve been hearing a lot of talk from Council about cutting payroll, cutting benefits, and everything else. I haven’t heard nobody from Council come up with ideas on how to create revenue for the City. What kind of projects do we have on the burner to where it would bring in more revenue to the City? All we’re hearing is we have to cut here and we have to cut there, but I don’t hear anything to where we have this project going on and it’s going to increase revenue coming into the City, or what have you. All we’re hearing is just cuts. And no matter what the heck you cut or how much you cut, you’re not going to cut \$1.1 million. So I haven’t heard anything from you folks as to how to increase revenue and get more money into the system.”

Council President Trafis responded, “I’d be more than happy to discuss that. For the past three years I’ve been pushing an income tax formula change. And this Council is looking at that and it looks like moving forward with that. What we’re proposing – what I’ve been proposing – is increasing our income tax rate from 2% to 2 ½%, but also adjusting and increasing the credit that we offer residents. Currently it’s at 1.1%, and we would increase that to 1.65%. A very long story short, that would generate roughly \$600,000.00 to \$700,000.00 annually, paid primarily from people that work in Seven Hills but live in a different community. If you are retired and you don’t have any W-2 wages, it doesn’t affect you whatsoever. This Council took a step in that direction recently. Now what we did was, our Charter currently states that residents cannot vote on any income tax related changes unless it is held at a November general election. This March’s primary ballot, there will be a charter amendment on the ballot where we are asking residents to allow us to call a special election for income tax related issues. If this initiative in March passes, this Council intends to turn around and call a special election this summer so we can get the process started. Thus, generating some additional revenue in 2016. If everything falls into place, it will take a couple of years to realize the \$600,000.00 to \$700,000.00 annually, but this Council certainly is doing things to increase revenues. If we can generate about \$600,000.00 to \$700,000.00 annually, and make reductions of \$200,000.00 or \$300,000.00 or \$400,000.00 annually, all of a sudden we’re pretty close to a truly balanced budget. Once we do our part as City Hall then there’s a possibility of Council coming to you again and saying, ‘*Listen, we did what we needed to do – now we need some more help. Do you want to get your roads fixed? Do you want this, do you want that?*’ Then we can come to you and ask for another increase. But, at least me personally, I’m not willing to ask you for a property tax increase until we do everything we can at City Hall as far as reducing our expenses and increasing our revenues by affecting as few residents as possible.”

Mr. Baratt replied, “Okay. And, again, on Jen and Ursula’s behalf, they’ve been doing a great job and there is no need to go into an area where it is profitable for the City and for the Rec Center, and, you know, touching that, or what have you – I think that would be very detrimental. So, thank you.”

Council President Trafis thanked Mr. Baratt for his comments.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Yolanda Sutyak, 1535 Marzepa Trail, Parma, made the following comments:

“I want to speak about your Ordinance Nos. 13-2016 and 14-2016. And I just want you to think for just a moment the worst case scenario. You close the Rec Center. How much money are you saving? And how much revenue are you losing? I think these ladies have brought this into a profitable endeavor. And by reducing the hours and the responsibilities that are allowed by making Ursula half-time, and somebody else maybe a half-time position, how much are you going to lose because the programming will not be able to be sustained?”

Council President Trafis thanked Ms. Sutyak for her comments.

Tom Jaros, 224 Crescent Ridge Drive, made the following comments:

“A general comment. There are a lot of people here expressing the idea that you can’t make an improvement because the Rec Center is running as good as it possibly can. Under the previous Administration – Bentkowski’s administration – the Rec Center piled up losses at somewhere between \$2.1 million and \$2.6 million. Mayor Dell’Aquila was part of the Council and Mr. Barth was part of the Council, and they approved those losses -- those operating costs -- that contributed to those losses. I guess the idea was they sat back and watched these losses accumulate because nothing better could be done at the Rec Center that could make it more efficient. But then Mayor Dell’Aquila got in office and we had a miracle – the losses went from \$400,000.00 to \$45,000.00. Apparently he tried something different. You guys, as far as I’m concerned, you guys are trying something different -- nothing different than what Mayor Dell’Aquila did when he took office. And I think people need to realize the idea of don’t fix it if it isn’t broken – that had a place in the economy at one time. I think that’s sort of gone now. Everybody is pinching everything they can everywhere. So it’s crazy to think that your effort to try and reduce costs there is destined to fail. I don’t see it. If you don’t try it, you don’t know if it is going to work. And I think everybody needs to realize this.”

Mr. Jaros concluded:

“It seems like they think it’s a personal deal for the people working at the Rec Center. And I don’t see it as personal. There was a comment made here about management by legislation. That’s an interesting comment. I think you guys – it’s your duty to protect the taxpayer’s money first and foremost above anything else. And whatever effort you put into that can’t be upsetting the system somehow. If people have to manage around your financial decisions, then that’s their burden. But you’re supposed to be saving the hard money wherever you can save it. And I think you ought to continue what you’re doing. Thank you.”

Council President Trafis thanked Mr. Jaros for his comments.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

ORDINANCES AND RESOLUTIONS

MOTION by Mr. Fraundorf, seconded by Mr. Barth, to amend Ordinance No. 13-2016 by changing the 'Pay Rate or Range' of the Recreation Complex Manager contained in Subsection 148.04(a) on Page 1, from \$42,000.00 to \$52,000.00 per year to read '**\$42,000.00 to \$55,000.00 per year**'.
Roll Call: all yea **MOTION CARRIED**

Amended Ordinance No. 13-2016 – AN ORDINANCE TO AMEND SECTION 148.04(a), COMPENSATION OF THE RECREATION COMPLEX MANAGER, AS CONTAINED IN TITLE FIVE, ADMINISTRATIVE, OF PART ONE, ADMINISTRATIVE CODE, OF THE CODIFIED ORDINANCES OF THE CITY OF SEVEN HILLS, OHIO, FOR THE PURPOSE OF ADJUSTING THE SALARY RANGE OF THE FULL-TIME RECREATION DIRECTOR.

MOTION by Mr. Fraundorf, seconded by Mr. Barth, to read Amended Ordinance No. 13-2016 by title only for its third and final reading.
Roll Call: all yea **MOTION CARRIED**
Amended Ordinance No. 13-2016 was read by full title only for its third and final reading.

MOTION by Mr. Fraundorf, seconded by Mr. Barth, to pass Amended Ordinance No. 13-2016.

Mr. Kukral stated he had quite a long statement he would like to read into the record so if everyone would please bear with him. Mr. Kukral read the following statement:

"This has been a very difficult decision to make. When myself and the other members of the Contract for Seven Hills were all elected in a mandate for change from our residents, It was on the campaign promise that we would make changes at city hall and throughout the city. This meant reexamining every city policy, every employee, and every single dollar spent that our residents have to pay for. As you can see, we have begun that process of delivering exactly what the majority of you voted for. But change is hard, and keeping the status quo would mean that everything would stay the way it was, and frankly, that's not what our residents want.

When the proposal to adjust the rec center director's pay range came up for the first time I instantly began to evaluate if this was necessary. At first it seemed this was an extreme measure, especially since the rec center has been operating efficiently, or at least better than past years. Then I began to find out the details of the situation. I feel all residents need to understand these facts. "

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Kukral continued with his statement:

" I would like to let the residents understand why I'm voting yes on this issue. The first reason is that the city is facing a \$1.3 million dollar deficit in 2016. Just to be clear, that means that in 2016, the city will spend \$1.3 million dollars more than it takes in. With only a few million left in the city's general fund, if we continue this spending as is we're looking at just a few years before the city is completely out of money. This cannot happen.

The second reason I'm voting yes on this is because frankly, in my opinion, giving out a 13% raise to any employee, for any reason, while facing a \$1.3 million dollar deficit is not warranted. As you may or may not know, shortly around the time the new council took office, the Mayor decided to give this position a raise of 13%, raising the salary from 48 to 63k. I agree raises need to be given when they're due. But 13% raises seem extreme to me, regardless of how much more work is given to any position.

It's important to point out, if this proposal goes through, the rec center director will still make \$55k/year plus benefits, which is still \$7k more than it paid before the 13% raise. So let's be clear about this, this proposal is about pulling back some of the raise, not lowering the salary. The position will still earn more money than it did before the raise, plus full benefits. A very fair wage that many in today's economy would be very happy to have a chance to earn.

The third reason, and the most important, is that the city is facing several contract negotiations with union employees over the next few years. The first thing a union negotiator is going to do is walk into the meeting and say, "if you're giving out 13% raises, we'll take 13% as well." Let's put the last union contracts into perspective. In the last three years, our last union contract negotiated a raise each year of 1, 2 and 3% over three years. Now look at how many union employees the city has. If we were forced to give 13% raises to everyone, we would bankrupt the city in a few years on that alone. We're talking hundreds of thousands of dollars at stake here. Your money.

Lastly, it has been well documented that sometime in the future the city will need to come back to residents for additional funding to keep the city functioning. It's widely documented that the past administration's plan for this was to, in the future, ask residents to dip into their own wallets in a tax increase. In fact, the Mayor recently put a proposal to council to ask us to vote to increase your taxes without having to go to you. Yes, the Mayor wants council to decide to pull money from your wallets without asking you first. This legislation from the Mayor is currently tabled, and if it comes to a third reading I will absolutely vote no on the Mayor's plan. "

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Kukral continued with his statement:

"When I went door to door this fall during the campaign I asked each resident if they would support a tax increase in the future. Overwhelmingly, the majority of you all said "we already pay too high of taxes." and "we're not giving you guys any more money; you're spending it too fast and on things we don't need.

So to the residents of the city, I would say this to you regarding this matter. How could we possibly come back to you in the future, a year or two or three down the road, and ask you to once again dig into your wallets for more money, if we didn't work to cut every possible over expense, and reexamine every single expenditure and make every attempt possible to generate more revenue and first try to balance the budget? How can we explain that you need to give the city more money out of your own pockets when we're giving out 13% raises? In my opinion, we can't, and if we tried that, you would all vote down any levy we put in front of you.

And if things stay the same as they were previously before the new council took office. If we continue down this path past administrations have led us into... we will in fact go bankrupt if the residents don't approve a future tax levy of some sort.

When a city goes broke the state comes in and takes over. Then the state decides what happens. They could look at the rec center and just say close it. They could look our police/fire and say "you don't need that many officers or fire trucks, cut them." They could do anything they wanted because the city is bankrupt and they would have control. And they certainly aren't going to give out raises. How would Seven Hills look if that happened? How would our home values look? We cannot allow this to happen.

Finally, let me say this. This change will not affect the rec center programs or operations at all. Silver Sneakers will not change. Fitness programs will not change. Aquatics will not change. All cuts we have put to the residents have been designed to lower costs, and keep all services exactly the way they are, they way residents deserve them. You should expect the exact same amount of professionalism and work ethic you were getting prior to this change. I'm confident that the employees of the city will not let the residents down, and they will understand that in hard financial times they, like all employees in any business, are required to do whatever it takes to get through, and they will conduct themselves accordingly.

If this proposal goes though, I would ask the residents that if you notice any difference in the rec center operations at all, you should let any member of council know about it immediately. We will be watching it very closely from our end as well. As I said in the beginning of my statement, tough decisions have to be made, and there are specifics reasons behind them. So as you can see this decision did not come without much thought and logical reasoning. If you have any questions, please feel free to reach out to me at anytime. "

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

There was a round of applause from the audience in response to Mr. Kukral's comments.

Council President Trafis thanked Mr. Kukral for his statement.

Mr. Barth made the following comments:

"My comments will pertain to both Ordinance Nos. 13-2016 and 14-2016 because both impact the Recreation Center.

First, to Mr. Kukral – Councilman Kukral – yes, the Director did get a 13% raise, but I asked her before the meeting – she did not have a raise since 2012 – so that was four years ago, so that makes it 3% a year. I just wanted to correct that, but it was a 13% raise.

Prior to Mayor Dell'Aquila, the Rec Center had four full-time employees and was hemorrhaging close to \$400,000.00 per year. Upon taking office, the Mayor appointed Jen Burger as Director and Ursula Drinko as Assistant Director. Both are professionals in the recreation field. These two excellent appointments paid off.

Under the leadership of these two hard-working employees, membership increased and the amount of programs made available to our residents increased. They took on more responsibilities such as the Soccer and Basketball Programs and, in general, upgraded the facility. Our basketball program, run by Ms. Drinko, is one of the very best in the area. For the first time ever in 2015 revenues at the Rec Center exceeded \$1 million. Both have worked hard and succeeded at cultivating a warm and friendly atmosphere there. Members just enjoy being there. They instituted good and sound business management practices. As a result of their efforts from losing nearly \$400,000.00 four years ago, the Recreation Center now turns a slight profit.

In addition to operating the Recreation Center both are very active and play a huge role in putting on all of our City events. The City newsletter is also their responsibility. There is not one of us up here that knows the inner-workings of the City's most precious jewel – the Seven Hills Recreation Center.

I ask all of you up here to simply look at what Jen and Ursula have accomplished over the last four years and cast your vote based on that. Why would you want to change what has worked so well? If those on this dais maintain that they are considering these measures because of City finances, then they should just vote 'no' on these ordinances, because what more can you do to improve our financial condition than to turn a facility that is losing nearly \$400,000.00 into a profit center."

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Barth concluded his remarks:

“The rash decisions made by this Council over the last couple of months do not come close to saving the City what Jen and Ursula did at the Recreation Center. These two dedicated employees should be rewarded and not penalized for making our Recreation Center one of the very best. I ask my colleagues to do what is right for the Recreation Center and for our City.”

Council President Trafis thanked Mr. Barth for his comments.

There was a round of applause from the audience in response to Mr. Barth’s remarks.

Council President Trafis stated:

“I would like to mention real quick that prior to – with what Councilman Barth just said – he indicated that the Rec Center was hemorrhaging \$400,000.00 a year annually. That’s absolutely true. But, let’s keep in mind, twenty minutes ago the Mayor just said that City Council approves every expenditure in the City. Well, for those years that the Rec Center was hemorrhaging \$400,000.00 a year, Mayor Dell’Aquila was Council President. So who is really responsible for what happened at our Rec Center with the deficits?”

Mr. Biasiotta made the following comments:

“I’ll try to be brief. I know we’ve been here long, and I’ll keep it to the most relevant points.

We received a lot of emails. I personally received phone calls on this issue. Counting the letters read into the record, emails sent to myself, and emails sent to all of Council, and phone calls to my house, I’ve received just shy of 50 Ward 1 residents urging me to vote ‘no’ on this. And one thing I did when I talked to people door-to-door, I said I would be their independent voice –what you want, I’m going to do.

One of the other things that I’ve heard going door-to-door was the finance situation – I heard it loud and clear. Very tough on the budget negotiations; I’m going to continue to be. As a matter of fact, I’ve not voted against any of the cuts that have been put forth. But each cut needs to be evaluated individually.

The significant decrease to the FPO, the Fire Prevention Officer’s pay – I did my homework on that. Where we landed? Right about where all the other cities are being paid. So we still have the service, we saved the City some money, and I voted yes.”

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Biasiotta continued with his comments:

“Building Commissioner – that’s a tougher one. We made that position from full-time to part-time. Okay, what’s the risk there? Well, our customers – the residents of Seven Hills – if they need a building permit, they still have to come to Seven Hills. Maybe there has to be a little bit of a delay there, but they still have to come to us. So the risk there I thought was minimal, at least right now, until other developments start, as opposed to the reward – savings to the City.

I’m just giving you a sample of my mindset on each thing. So it’s our job to scrutinize every department and every decision to find wherever we can to save money. We are the stewards of your taxpayer dollars.

One of the things that comes up often is can you run the City like a business. My answer is emphatically yes – you can. You need to evaluate the revenue sources. You need to understand who your customers are and what your expenses are to each and every decision. So, with that said, I’ll try to hurry this up here.

Looking at the Rec Center – who are our clients? They are Seven Hills residents. They are Parma residents. They are Broadview Heights residents. They are Brooklyn residents. Each one of them is bringing in revenue. What do they want? They want a fitness center they feel welcome at. What are the expenses to deliver this service that they want? Okay – let’s dive into that. You want to understand your fixed and your variable expenses. Who are your competitors in a business? Unlike the Building Department, the Police Department – the Recreation Center has competitors. As a matter of fact, within a short drive there are sixteen fitness centers within a short drive of the Seven Hills Recreation Center. How do we keep these people happy? How do we keep them engaged when we have so many people offering the same service and, often times, even cheaper? With that said, why is that important – the competitors?

It was kind of a surprise to me when I started to learn, started to dig into the numbers – and we had a gentleman asking about our revenue stream. Within the next week I’m going to mail all the people on my email list the 2016 projected revenues. It’s a real eye opener. Revenues – you know we talk about there is a financial problem. Hand to God, when we have a problem we need to act and we need to work together to come up with solutions because to think in two to three years, four years best case, we’re bankrupt. We need to do what we can, and we need to be very clear about that.

With that said, we have to protect every dollar.....and I’m not reading this – I’m giving it from the heart. The expenses – there is room for improvement – but, compared to most cities, and I know that we are our own unique case, we’re pretty tight but we need to get tighter. The big issue is the revenue. So I’m going to come to the Rec Center.”

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mr. Biasiotta continued with his remarks:

“Most of the expenses are fixed -- heating, cooling, cleaning the pool. Whether we have 10 members, or 100 members, or 1000 members – these expenses are going to be the same. So it is of imperative importance that as a steward of your money that I protect that top line.

The revenue projected for 2016 in the Recreation Center is \$1,019,000.00. For comparison sake, the general property tax for the entire City of Seven Hills is only \$930,000.00. So the Recreation Center is generating just shy of \$100,000.00 more than all of our property taxes. All right. Why is this important?

We had a petition signed by 216 people. We had another 50 to 60 emails sent in. And the people threatened to leave if we changed anything with the operations. So I want to save money – and like I said I haven’t voted against one cost-saving measure yet, and I plan to vote for plenty more because it is your money – but I can’t in clear conscience vote for this because I believe, based upon the number of competitors, the number of petitions signed, the number of emails, that a certain number of these residents are going to leave the Rec Center further exasperating the financial situation. There’s no way to prove that. But I’m putting my business sense that I have attained throughout my whole career and understanding what the client wants, what they’re paying us, and the fact that they have choice and they’ve threatened to leave if we make a change. So, it’s tough.

I won’t go there but I also did homework in terms of the wages, the salaries paid to these employees, and there are resources out there if you want to look for yourself. The National League of Cities has 1000 cities and recreation centers you can pull that information for your own. The National Recreation Park Association currently has local recreation center positions open and posted, and you can see what those salaries are.

And, I’ll leave it at that.

Thank you for your time, and I’m sorry if I disappointed anyone.”

Council President Trafis thanked Mr. Biasiotta for his comments.

There was a round of applause from the audience in response to Mr. Biasiotta’s remarks.

Mayor Dell’Aquila asked Council President Trafis to be recognized for comment.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mayor Dell'Aquila made the following comments:

"I'll address Ordinance No. 13-2016 first, and I'll obviously have some comments about Ordinance No. 14-2016 as well.

I'm amazed that we're still hearing this accusation of a 13% raise. In my mind, a raise is an increase in pay without any related increase in responsibilities. In the case here before us there was a raise provided; however, as I demonstrated to Council several weeks ago by a calculation – not done by me, not done by the Rec Director, but by our Finance Department – the total raise combined for both positions, the Director and the Assistant Director – the total increase in expense to the City I should say, is \$3,065.00. Now that includes under \$500.00 in additional salary. It includes paid time off, vacation time, PERS. And how did we achieve that? We achieved that by assigning additional duties to these two employees. We did that by eliminating at least one additional position. So this false claim that there has been a 13% raise, in my mind, should be put to rest. The actual out-of-pocket additional expense, when you accrue for the reduction and elimination of other expenses related to the employees at the Rec Center, totals \$3,065.00 for both positions.

Now I want to talk a little bit about the comment regarding property taxes. I know that..... I hear the same thing. I hear from our residents, why are our property taxes in Seven Hills so high?"

Council President Trafis interrupted Mayor Dell'Aquila saying, "Mayor, we're discussing....."

Mayor Dell'Aquila said, "Well I think I deserve an opportunity to respond....."

Council President Trafis replied, "We'll get to that, but we're discussing this particular....."

Mayor Dell'Aquila responded, "This is all over the map. This is all over the map! You allowed the comments – I think I deserve a right to respond."

Council President Trafis answered, "And you will get to. You'll have your opportunity."

Mayor Dell'Aquila replied, "Then allow me, and I'll do so."

Council President Trafis commented, "We have to stick to this ordinance."

Mayor Dell'Aquila answered, "You allowed the accusations out there – you should allow me to reply."

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Council President Trafis responded, “Fine, Mayor – and keep twisting your numbers, too.”

Mayor Dell’Aquila stated, “You should allow me to reply. You heard the accusations. Let me respond.”

Council President Trafis said, “Go on – go on!”

Mayor Dell’Aquila asked, “Why would I not be allowed to respond?”

Council President Trafis replied, “I just said go on three or four times. Go on! Please.”

Mayor Dell’Aquila said, “I’m twisting the numbers. Is that what you’re saying?”

Council President Trafis again said, “Go on. Go on.”

Mayor Dell’Aquila asked, “Do you refute what I just said?”

Council President Trafis responded, “Yes, I do.”

Mayor Dell’Aquila stated, “Give me the facts.”

Council President Trafis replied, “No – I’m not debating you in this room.”

Mayor Dell’Aquila responded, “You won’t debate me anywhere.”

Council President Trafis answered, “Oh, I’d be happy to.”

Mayor Dell’Aquila continued with his comments:

“So let me talk a little bit about property taxes.

We just heard – the City realizes about \$900,000.00 a year in property taxes. The bulk of our income is actually from income taxes. So, yes, we do hear from our residents, why are our taxes so high? And I’ve been saying this repeatedly for years. The City derives about 10-11-12% on the dollar of our property taxes. So if your property tax on your home is about \$4,000.00, maybe \$480.00 to \$500.00 of that goes to the City – not counting special assessments, but counting the actual property tax. The rest of it goes to the schools, the County, other various governmental agencies. So it’s accurate to say that we derive very little from property taxes. Most of our income comes from income taxes.”

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Mayor Dell'Aquila continued with his comments:

“And the accusation was made, well, the Mayor has proposed this income tax increase – and that’s accurate – I have done so. The reason for that is that the proposal that’s out there – the Council President has just reviewed – will generate about \$600,000.00 to \$700,000.00 – that will come about three years out. In the first couple of years if it passes in 2016, will generate a few dollars in 2016, a few dollars more in 2017, but we won’t realize that full \$600,000.00 to \$700,000.00 until 2018. Now that’s no fault of anybody up here. That is simply the way the system works. That was explained to us by R.I.T.A.

We know that we need about \$1 million in today’s money. We also know that the cost of everything goes up. So when that \$600,000.00 to \$700,000.00 finally comes in, in 2018, the \$1 million that we need today is going to be some factor larger than that – \$1.2 million, \$1.3 million – I don’t know – we can all guess at that. But certainly this \$600,000.00 to \$700,000.00 in 2018 doesn’t solve our problem today.

Now Mr. Kukral mentioned the tax credit adjustment that I proposed – and, yes, that is accurate. What I proposed, and I don’t understand why Council is unwilling to vote on a tax increase – the Congress doesn’t, the State doesn’t – this is done elsewhere, but for some reason in Seven Hills they won’t bite the bullet. They want to kick this can down the road further. If we adjust the credit by my proposal, we will generate \$1 million a year in 2016, 2017, and 2018. It does not have to be a permanent adjustment. It can be an adjustment for a couple of years and we could return back to what we have now.

In the meantime, we will build a firewall. We will not continue to fritter away the savings that we’ve accumulated the last several years that allow us to be in the position that we are today. We tripled our savings to about \$5.6 million to get to this position. This Council is now wasting all of that advantage that we built up.

The reductions at the Rec Center will put everything in play over there. The reduction in the salary, and I’ll talk a little bit about Ordinance No. 14-2016 when we get to it. Everything will be in play. I can’t think of another Rec Center in our area that operates with only one full-time employee. It was just demonstrated how valuable these two staff members are to us and to everything we’ve done. This will put in jeopardy every single program, and the events that we put on in our City. It’s a bad idea – particularly Ordinance No. 14-2016 which I’ll talk about a little bit more. But for all of these reasons, I just simply cannot support either of these two ordinances. Thank you, Mr. President.”

Council President Trafis requested that the Clerk of Council call the roll on the pending motion to pass Amended Ordinance No. 13-2016.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Roll Call: Barth, nay; Biasiotta, nay; Fraundorf, yea; Kraynak, yea;
Kukral, yea; Petro, yea; Trafis, yea.

5 yea, 2 nay

MOTION CARRIED

AMENDED ORDINANCE NO. 13-2016 IS DECLARED PASSED.

MOTION

by Mr. Kukral, seconded by Mr. Petro, to amend Ordinance No. 14-2016 as follows:

- (1) Page 4, Section 148.07, Assistant Recreation Complex Manager, Subsection (a) Establishment, sentence two to read, **‘The Assistant Recreation Complex Manager consists of up to two (2) part-time positions, Position A and Position B, reporting directly to the Recreation Complex Manager’**; and
- (2) Page 6, Section 148.07, Assistant Recreation Complex Manager, Subsection (e), to read:

Compensation for the Assistant Recreation Complex Manager:

Position A	Position B
<u>Pay Rate or Range</u>	<u>Pay Rate or Range</u>
\$13.00 - \$17.00/hour	\$13.00 - \$15.00/hour

The part-time Assistant Recreation Complex Manager’s hourly rate will be within the foregoing range to be determined by the Mayor. Position A shall not be assigned for more than 30 hours per week, and Position B shall not be assigned for more than 30 hours per week, for a total of not more than 50 combined hours per week.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 14-2016 – AN ORDINANCE TO AMEND SECTION 148.07, ASSISTANT RECREATION COMPLEX MANAGER, AS CONTAINED IN CHAPTER 148, RECREATION COMPLEX, OF TITLE FIVE, ADMINISTRATIVE, OF PART ONE, ADMINISTRATIVE CODE, OF THE CODIFIED ORDINANCES OF THE CITY OF SEVEN HILLS, OHIO, FOR THE PURPOSE OF AMENDING THE ASSISTANT RECREATION COMPLEX MANAGER TO A PART-TIME POSITION.

MOTION

by Mr. Trafis, seconded by Mr. Petro, to read Amended Ordinance No. 14-2016 by title only for its third and final reading.

Roll Call: all yea

MOTION CARRIED

Amended Ordinance No. 14-2016 was read by full title only for its third and final reading.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

MOTION by Mr. Kukral, seconded by Mr. Petro, to pass Amended Ordinance No. 14-2016.

Mr. Barth made the following comments:

“If you look at salary comparisons, Ms. Drinko makes \$43,000.00 a year. The two part-time employees, if maxed out, would make \$44,200.00, so we’d be losing \$1,200.00 by going with two part-time employees. The only thing we are doing here is depriving Ms. Drinko of her health care benefits. And I caution my colleagues that there are laws against that with the new Obama Care. And all I can say is, without a doubt, no two part-time people can do what Ursula does. But, again, I would caution what we’re doing here tonight.”

Council President Trafis thanked Mr. Barth for his comments.

Mayor Dell’Aquila made the following comments:

“I did a similar analysis. My figure comes out a little bit differently. It’s about \$42,000.00. Thirty hours at \$17.00, \$20.00, and \$15.00. I don’t see where the savings here is other than to deprive the two part-time employees of medical benefits. We have just seen how valuable these two employees are. They worked overnight over the weekend with regard to an emergency at the Rec Center that prevented the pool from being properly heated. They devote themselves to all of the other functions that we know that they do – the newsletter, the website, the various events that we put on. I came up with 17 times 30 times 52 is \$26,520.00 -- 20 times 15 times 52 is \$15,600.00 – for a total of \$42,120.00. There is no savings in what this Council is doing other than to deprive an individual of her medical insurance – and it’s wrong. It’s bad for the City and it is bad business.”

Council President Trafis thanked Mayor Dell’Aquila for his comments.

Council President Trafis made the following remarks:

“My only comment is I want to thank Councilman Barth and Mayor Dell’Aquila for those comments. It shows that everybody has different numbers. Who do you believe? The Mayor has one thing. The majority of Council has another thing. Councilman Barth has another thing. We’re taking numbers from the Finance Department.”

Mr. Barth added, “I just found out what Ursula made tonight. And you just amended it tonight, so I figured it out tonight.”

Roll Call: Barth, nay; Biasiotta, nay; Fraundorf, yea; Kraynak, yea;
Kukral, yea; Petro, yea; Trafis, yea.

5 yea, 2 nay

MOTION CARRIED

AMENDED ORDINANCE NO. 14-2016 IS DECLARED PASSED.

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Resolution No. 9-2016 – A RESOLUTION RATIFYING 80 HOURS OF VOLUNTARILY DONATED SICK LEAVE UNITS BY SERVICE DEPARTMENT PERSONNEL TO MICHAEL BAUMGARTL; AND DECLARING AN EMERGENCY.

MOTION by Mr. Biasiotta, seconded by Mr. Petro, to read Resolution No. 9-2016 by title only for its first and final reading.

Roll Call: all yea

MOTION CARRIED

Resolution No. 9-2016 was read by full title only for its first and final reading.

MOTION by Mr. Biasiotta, seconded by Mr. Petro, to adopt Resolution No. 9-2016 as an emergency measure.

Roll Call: all yea

MOTION CARRIED

RESOLUTION NO. 9-2016 IS DECLARED ADOPTED.

OPEN TO THE AUDIENCE

Tom Jaros, 224 Crescent Ridge Drive made the following comments:

“Good show. This is great. It took me right back to election time. Two totally opposite renditions of what’s happening in the City. Mr. Barth with the great big savings at the Rec Center. The Mayor -- savings at the Rec Center. All wonderful stuff. Too bad you didn’t do it before this Council is forced to take the action they’re forced to take. Because you and Mayor Dell’Aquila both sat there and watched 400 grand a year burn. Thank God something is happening now. Hooray. But I hope the people in the audience can separate the wheat from the chaff here because two opposite ends of the spectrum. You guys need to get something out with solid numbers. A resident here said get something up on the website. I think you need to get it up there because people don’t really know what to believe. And they’re going to be confused after this. Thank you.”

Council President Trafis thanked Mr. Jaros for his comments.

Carol Paladin, 3185 Sparrow Flight Drive, made the following comments:

“I want to thank each and every one of you for sharing your heart. It’s difficult. And each and every one of you have told us what you thought. I want to thank Council for making difficult decisions. I’m sorry we put you in this place. But I trust that when we need to pass those levies that we will as a community come together, because the information is out there and true. The budget is there on the website. If anyone has ever come to these marathon revenue line-by-line items, we understand the truth. And I want to thank each and every one of you. Thank you.”

City of Seven Hills

Record of Minutes of

SPECIAL COUNCIL MEETING HELD February 16, 2016

Council President Trafis thanked Mrs. Paladin for her comments.

OTHER BUSINESS

Mr. Barth made the following comments:

“I have one last comment. I’ve been voting ‘no’ on some of Council’s cost-cutting measures, such as personnel cost to the Rec Center, because I honestly feel these are unnecessary cuts and will hurt our residents. Every time I raise an objection asking for rationale to the cuts, a question of timing, I hear comments such as ‘*we are looking at all departments across the board*’, ‘*we want to show the residents we are doing our part*’, ‘*everything is on the table*’, ‘*the Rec Center cuts are symbolic*’, ‘*we have to figure out a way to save money*’, and tonight I heard, ‘*we do everything we can at City Hall to reduce expenses*’. I have also heard comments from the residents that Council should cut their own pay. Since cuts have to be made to all departments, and since we have to show the residents we are doing our part, I’m going to propose that we also introduce a resolution to put on the ballot, alongside the income tax, a reduction in Council salary from \$7,200.00 back to \$4,000.00. This would save the City \$22,400.00. I look forward to this discussion.”

Council President Trafis thanked Councilman Barth for his comments.

There was a round of applause from the audience in response to Mr. Barth’s remarks.

There was no further business brought before Council.

MOTION by Mr. Trafis, seconded by Mr. Fraundorf, to adjourn the meeting.

Roll Call: all yea

MOTION CARRIED

The February 16, 2016 Special Council Meeting was adjourned at 7:59 p.m.

Matthew A. Trafis, President of Council

Attest: _____
Carol L. Sekerak, Clerk of Council

Date: _____