

ASHTABULA CITY COUNCIL COMMITTEE REPORT

NAME OF COMMITTEE: Finance & Personnel

DATE: Wednesday, October 13, 2010

TIME & PLACE OF MEETING: 9:00 a.m. - Municipal Building 2nd Floor Conference Room

MEMBERS PRESENT: Ms. Betty Kist (Chair/Vice President), Mr. August Pugliese (Ward 2)

MEMBERS ABSENT: Mr. James Trisket (Ward 5), Mr. Charles Brockway (President/Ex-officio)

OFFICERS/

ADMINISTRATION/

COUNCIL/DEPT HEADS: City Manager Anthony Cantagallo, City Auditor Michael Zullo
Ward 1 Councilor Joseph Rose, Police Chief Robert Stell
Public Service Superintendent Dominic Iarocci
Income Tax Administrator Marge Pavolino
Clerk of Council LaVette Hennigan

SCHEDULED GUESTS: NONE

UNSCHEDULED GUESTS: NONE

VISITORS: Mrs. Wanda Rose (citizen)

MEDIA: NONE

REPORT OF BUSINESS CONDUCTED

1. Collection Costs on Unpaid Taxes

The Income Tax Administrator reported the suggestion to assess delinquent tax payers for collection fees was something that was hopefully going to be a part of the July/August 2010 Amnesty Program (penalties and interest were waived). She believes this to be a “follow through” of that process, being that those persons who did not take advantage of the Amnesty Program and are still delinquent in their income taxes are going to be turned over to Keith Weiner collection agency, which has been on board for the last couple of years. The proposed new method will allow Keith Weiner to assess the collection fees to the tax payer; currently the City is paying said fees. Keith Weiner takes 25% to 30% of the money collected; but with the proposed new method they will assess that percentage to the tax payer, thus allowing the City of Ashtabula to recoup 100% of the delinquent amount. The Income Tax Administrator suggested the City of Bedford, Ohio’s legislation be modeled. (sample legislation attached – page 9).

The Income Tax Administrator reported there is \$500,000.00 in outstanding unpaid income taxes. Sixty-seven (67) accounts are ready to be turned over to Keith Weiner right now (the dollar figure these cases represents is unknown). The Auditor suggested the proposed new method be in place before the 67 accounts are turned over.

ACTION: Mr. Pugliese moved, Ms. Kist seconded, to assess collection fees for delinquent income taxes to the delinquent tax payer; motion CARRIED.

2. City Auditor's Report
a) Financials

January thru September (attached – page 13)

The Auditor reported:

Projected Expenses = \$7,089,053
Actual Expenses = \$7,135,170

Projected Revenues = \$7,842,291
Actual Revenues = \$7,442,594 (includes the receipt of \$106,000 in unexpected inheritance taxes and is reference in the actual September 30 Cash Balance of \$330,051. (The projected September 30 Cash Balance was \$773,737).

Payroll and Payables: There are three payrolls in December. When asked if checks will go out if there is no cash, the Auditor said that would be a question for the City Treasurer and City Manager, both of whom sign payroll. The Auditor said he will not sign payables checks if there is no cash.

The Auditor distributed the (attached – page 15) “General Fund Cash Flow Trend”.

ACTION: City Auditor suggested the City Treasurer or City Manager ask the City Solicitor if checks can be signed when there is no more cash.

He said many people continue to say they do not believe his numbers to which he replies “time will tell the truth”. The overall outcome is dependent on the amount of outstanding income tax revenue received, which is the biggest part of the shortfall because on average income tax revenue shortage has been \$30,000 per month less than projected.

Cash: The City will be out of cash by the end of November 2010.

When the Manager was asked “what are we going to do given this scenario” he replied, “My feeling is that we have discussed in the past a whole series of things over the last year that we could have done earlier. And, one of the things we discussed or proposed last spring was to:

- * Shut the City down one day a week or a half a day, and that was not well received; or
- * We could have had all the employees take a reduction in salary of 10% - all the employees; or
- * We could have gone to furlough days chosen by each one of the employees – that was not acceptable;
- * We could have gone to a contribution to the health insurance – that was found not acceptable;
- * We could have reduced Council's staff – that was not acceptable;
- * We could have charged/assessed the populous for part of the street lights, and that was not acceptable.

Given all the above were unacceptable either to the City Council or to our unions, he said he does not know where to go from here. He said he does not see why the Auditor's numbers would not be correct, and if they are "come the end of the year people are not going to get paid and won't work and they'll go home and we won't have a Public Works Department – I have no idea. You can't take a whole year and say no to everything and then come the end of the year say well what are we going to do. I don't know. I have no answer".

He reported, "I met with 1197 and Police and Fire unions and went down through each one of the above, as they came up, and their response across the board was no, we won't accept that. On or about the last time I spoke with Mrs. Sheldon (*Payroll and Human Resources Specialist*) we have approximately 170 employees. If each employee would contribute \$100.00 a month for their health insurance that would bring into the City nearly a quarter of a million dollars. If they paid \$200.00 a month it would bring in over a half a million dollars to the health insurance. And just to give you an idea...I had a conversation recently with a person who works for the City who gets her health insurance from her husband who works for some local company – she has two children – her husband pays \$400.00 a month for his health insurance and her comment was it is nowhere near the quality of the health insurance that the City of Ashtabula employees get. Our insurance consultant said to me, you do not have a Cadillac plan, or Rolls Royce plan, but you have a Buick Electra plan. And, we can't afford it any more."

The Auditor reported health insurance this year will cost the City \$2.5 million; and 2011's preliminary budget is projected at \$2.7 million. The Manager said, "The City can not afford such costs any more – that day is gone. When you look at where health care costs are going and what we're providing we basically can't afford it any more. I think it's fine for employees to say that's not acceptable. But, what part of we don't have the money is it you don't understand...the (we don't part) or (the have the money part). That's the thing that I wrestle with. The three union contracts are coming up early in the spring. And, I will tell you we're going to rewrite those union contracts from the bottom up. And, we're going to have to come to the realization – we can't afford this any more. And, that's just the health part."

The Manager said, "I went to everyone in the City and said pick a furlough day – one day a month everybody take off, stay home one day a month. Pick the day you want to stay home, whichever would be easiest on your calendar. Oh, we're not going to do that. You can say we're not going to do that forever, but there comes a time when Mr. Zullo says I'm not signing the check, therefore go home. We have an obligation with the State to provide police and fire services to the people of Ashtabula, but we don't have to fix potholes, we don't have to clean sewers, we don't have to do a whole bunch of things. And, I don't know what's so hard for people to understand about that."

The Auditor said his understanding is that "the Ohio Revised Code says if you miss two (2) payrolls in a row you are automatically in fiscal emergency. I'm not sure if that's going to happen by the end of the year or not. I fully expect us to be in (fiscal watch) by the end of the year. After looking at the initial 2011 budget (with the revenue projects that I have put in place), and then looking at the initial department requests, they're far, far apart. I assure you the General Fund is far over a million dollars apart. Something dramatic in this City will happen in 2011. I have no doubt we'll be in fiscal emergency in 2011. And, it's not looking better, it's actually looking worse in 2011 than it is for 2010."

The Manager said, “Let me be so bold to share something with you that we’re in the process of doing and completing and it’s a little ways away. It’s a combination of good news and bad news. I’ll give you the good news first...I have basically contracted with a company out of Pennsylvania where they’re going to deliver leachate to us – same thing we do with Waste Management and the same thing we do with DeMaximius. Companies from all over the United States are drilling gas wells in Pennsylvania. An underground substance is loaded with natural gas. In order to remove the gas they drill a hole and pump tap water into the ground; the water breaks up the shell and the gas escapes – pure natural gas – the gas comes up the pipe, they capture it – the water comes up after the gas – the water has junk in it. The water is treated and all the toxicity is removed – a lot of salt is left in the water. They want a three to five acre factory-like operation in the light industrial park (*Route 11 Industrial Park*). They will take in the brim water by truck from Pennsylvania (they will hire about 35 city truck drivers); they will bring the water to the industrial park, take all the toxicity out and give the City the salt water. They are prepared and they have agreed to pay us .0139 cents per gallon. In the beginning they want to give us 200,000 gallons a day, 7 days a week, which would mean at 200,000 gallons a day at .0139 a gallon that is \$2,780 a day; or times 365 days it’s \$1,014,700.00 (a million, fourteen-thousand, seven-hundred dollars). They’re angling for 300,000 gallons a day which means we would take in \$1,522,050.00. What I have to tell you now is not really bad news – it’s a problem. That money has to go into Waste Water Treatment. I have gone to the State of Ohio through Deborah Newcomb, and she has put into the legislature, an amendment to the Ohio Revised Code, wherein the amendment would change the code so that that money coming into a city, not just Ashtabula, up to 75% of those dollars could go into the General Fund, and 25% or more depending upon what the city wanted to do, would go into Waste Water Treatment. But, the law would say that you, the city, are free to put 75% of that money in your general fund. But, as the law is written now we’re stuck with it going to the Waste Water Treatment. Now when I say stuck, we all know we need to make big improvements at the Waste Water Treatment Plant. Well, this is the money that could be used to do it, but this is not where today’s problem is. Today’s problem is in the General Fund. We are taking some leachate now and splitting it between the General Fund and Waste Water Treatment, and Sanitation gets some too. These people want to be in business within the next 60 days, so I’m going to be coming to you to enter into this contract. In the beginning they will drop-ship the leachate to a Sanitation receptacle. So the revenue from this activity can go into the General Fund. But, as soon as they connect to our Waste Water Treatment Plant with an underground pipe, it’s over – it has to go to Waste Water Treatment. The EPA is in the process of approving all of this. Basically we’re following Warren, Ohio who has already done this with these people.” The Auditor said he does not see the legislation “coming anytime soon. I think once they contact the State Auditor’s office and discuss Enterprise Funds, I think the state will but the breaks on the legislation. It may happen some day, but I don’t think anytime soon.” The Chair asked if the legislation doesn’t happen is there any legal way to place the revenue elsewhere. The Auditor reported it is being done at present with DeMaximius. He said efforts should be concentrated on getting the revenue in rather than where it is going to go once received – noting he would like part of it to go to the General Fund but doesn’t know if it will ever happen. He suggests the Solicitor provide an opinion on how to split it before acting.

PSS Iarocci said, “Right now we receive leachate from Waste Management in which the Waste Water Treatment Plant and Sanitation both get half reductions; there’s no cash involved it’s a reduction on their bills. I think we’re close to \$100,000.00 going into October – half for Water Pollution and half for Sanitation.

The DeMaximius money that comes – half goes into the General Fund and half to Water Pollution. That’s actual cash. Not much is done to treat it. Someone from Water Pollution comes to Sanitation, takes a sample, and makes sure it’s fine; we haven’t had a problem for a couple years. Mr. Mearini, WWTP Superintendent, says the City can take the material being proposed for intake”.

The Auditor asked why we are willing to settle for less from the proposed company (0.139 cents per gallon) when DeMaximius is paying five cents a gallon. The Manager replied the proposed company wants to bring one million gallons a day.

The Ward 2 Councilor reported dumping would not be allowed on storm days; PSS Iarocci confirmed this to be true.

Suggestions

The Manager asked, and the Committee gave permission, for the City Auditor to calculate, based on his projection, what the cash shortfall will be between now and December 31. And, then take a look at the total number of employees and determine how many furlough days they each would have to take the remainder of October, and in November and December, so no one will have to be laid off.

The Chair reported several people she knows in Warren, Ohio, have taken 10% pay reductions, union and non-union alike, and asked if it is on the table and if it could happen. The Manager said it has been on the table since last February. The Chair asked what can be done now. The Manager said, “Tell them they have to take a reduction (like some of the people have), or a reduction amounting to no pay”. The Chair asked if it would be non-union only. The Manager said it’s across the board – the unions are going to have to participate.

The Ward 2 Councilor said he believes it is too late for furlough days – they probably would have to take 3 days off per week to make up for the loss. The Auditor agreed and said July was the cut off.

The Manager said he took a 13% pay reduction; those who took 10% should be applauded; but the problem rests with those who did not.

Public Works’ Budget

The PSS reported:

- * He attended a budget meeting last week;
- * Public Works asked for \$125,000 less than they received in 2010, and are the only ones that asked for less;
- * Five (5) Public Works employees are paid from Sanitation;
- * Sanitation has given up 100% with layoffs; and that there is nothing more he can do other than close the operation;
- * \$7,200 was taken from Public Works Permanent Improvement to pay for a traffic light repair at Route 20 and Station Avenue;
- * \$8,000 is needed to remove graffiti from east side stop signs;
- * \$50,000 that was set aside for crack sealing this year ended up going to Iron Bridge Project;

- * \$250,000 is needed for Municipal Building roof;
- * \$88,000 is needed for City Hall Annex HVAC repair;
- * There is only 500 tons of salt, no money to purchase more, and no salt line item; and
- * The State is requiring all municipalities to have a traffic inventory by 2012, and all sign upgraded/replaced by 2014; this is an unfunded mandate – the state is providing no funds and no grants.

The Auditor suggested, “The way to ensure the roof and HVAC are addressed is that once the 2011 Permanent Improvement revenues are projected, take the estimated cost of those projects off the top, set aside a half a million dollars for street paving, and divide the remaining up amongst the departments”. The Manager asked why this has not been the practice; and said it is time the City is ran like a business.

The Manager reported he has received all budgets but two; one small department which he is working on and the Municipal Court (MC). He reported he has requested the MC budget three times and his Executive Assistance Brenda Sanders has made the same request 4 or 5 times. He asked anyone with any pull to urge the Judge to submit his budget because the MC’s budget is crucial to setting the overall budget.

ACTION:

The Chair asked that funds be allocated in 2011 to take care of our Municipal Building tenant.

b) Miscellaneous Financials

1. Street Lighting Payment

The Auditor reported there to be two separate issues: The Street Lighting purchase order does not have enough appropriations to make the December payment. Some departments have extra appropriations for various reasons. Appropriations may be taken care of through interdepartmental transfers. The problem is going to come back to no cash to make the December payment.

2. Sanitation Paying Public Works (PW) Bills

The City Manager reported Sanitation is paying PW bills such as: \$477.94 Motor Maintenance electric; \$142.00 PW gas; \$543.43 bulk mailing (which is a reoccurring monthly charge); \$50 for a post office box which he has never seen in the past, and that money has to be moved around “to make it”. He said he does not have a problem with paying these items if the money is available and wished he could pay more. The Auditor clarified that bulk mailing and the post office box are Sanitation’s – the PSS agreed.

**3. Union Industrial Reimbursement (for AAA Pipe Company change order)
(attached – page 16)**

History

11/2/2009 - The Chair reported sometime ago Council requested the Manager write Union Industrial Contractors, the company he felt was responsible for reimbursing the City for a change order performed by AAA Pipe Company. The Chair reported a copy of the correspondence has not yet been provided. The Chair would like a status report. The Vice President asked the City Solicitor if he had any follow up on the pursuit of the change order payment by UIC.

(History cont'd)

The Solicitor replied no, but that he could address some of the other points. He stated there is an open purchase order for the assistance of Ulmer and Berne regarding the Regional Sewer Agreement negotiations, and their participation in that was authorized by Council. He reported the Saybrook Tap-in file does not disclose that any City official waived the fee. He said the only thing he has seen is repeated request from Saybrook that there be a waiver and repeated request for payment from the City.

01/19/2010 – Chair asked if payment received; Manager replied UIC has not responded and suggested the best course of action is to contact them, and if not satisfied with the outcome have the Solicitor make contact.

3/9/10 – Manager absent from meeting – Committee asked that this remain on agenda roster

4/5 – Chair asked Manager if he will be able to report; Manager agreed to provide written update

5/12 – Manager reported UIC has not responded; Solicitor to write letter now

ACTION: The Manager reported this was turned over to the Solicitor who is out of town today; and that his Executive Assistant Brenda Sanders will call the Solicitor tomorrow to obtain a status update.

4. MISCELLANEOUS

a) Finances

ACTION:

At the request of the City Manager, the Committee gave the City Auditor permission to calculate, based on his projections, what the cash shortfall will be between now and December 31, and determine how many furlough days each employee would have to take the remainder of October, and in November and December, so no one will have to be laid off; and what would the savings be if everyone took three (3) furlough days per week. The Chair asked the Manager if he is speaking about the people who have not taken 10%. The Manager replied, “exactly”. The Auditor said he can provide the number but doesn’t hold much hope because this is the same thing that was discussed in March, April, May, and June. He said the only recourse the Manager had was to reduce staffing, but in the middle of October the same thing that was discussed in March is being discussed. He asked, “are we going to get anyone to accept. Even if we did layoffs, by the time we get through the layoff process...I believe it’s too little, too late.” The Chair asked if employees can be “required” to do what is necessary. The Manager reiterated the problem being state law requires a municipality to provide police and fire protection, but not a lot of other things. He can not lay off more police or fire men “because that’s not going to work because the state’s going to give me a problem.”

The Chair asked, the Manager agreed, to have another meeting once the Auditor’s calculations are completed.

b) Ashtabula Hotel Project

The City Manager reported a Cleveland construction company and developer out of Europe, France, Ireland and Chicago, a law firm, and an accounting firm is participating in the project. They have a tentative transaction with the Senior Center to move the Center to the ground and second floors of the former hotel building once renovated. The Shea Theatre will be taken, in trade, details of which are not known nor is it the City’s concern.

The theatre will be rehabbed and attempted to be maintained as a theatre. There will be 22 senior housing units. The Center's move will free up Main Avenue parking. The project outline went to the State this morning; the market study was returned which said there is a great need for senior housing. The investors have invited the Manager to go to Columbus when they go before the legislature to ask for their approval.

c) **Budget**

ACTION: The Manager said the budget is not worth anything without the court's budget.

Mr. Pugliese moved, Ms. Kist seconded, to adjourn the meeting at 10:03 a.m.

Scribe: LaVette E. Hennigan, MMC, Clerk of Council

CITY OF BEDFORD, OHIO

ORDINANCE NO. 7921-07

BEING AN ORDINANCE AMENDING CHAPTER 171 OF THE
CODIFIED ORDINANCES OF THE CITY OF BEDFORD, OHIO BY
ADDING A NEW SUBSECTION 171.021 ENTITLED COLLECTION
COSTS ON UNPAID TAX AND DECLARING AN EMERGENCY

WHEREAS, the Council of the City of Bedford, Ohio considers it essential that the tax code in the Codified Ordinances of the City of Bedford be amended, and

WHEREAS, the Council of the City of Bedford has determined that all delinquent tax accounts outsourced by the City to a law firm or collection agency shall be assessed a collection fee on the entire balance due equal to the contingency collection percentage charged by each law firm or collection agency as set forth in the collection contract with the City.

NOW, THEREFORE,

BE IT ORDAINED by the Council of the City of Bedford, County of Cuyahoga and State of Ohio:

Section 1. Section 171.021 is hereby created and adopted by the Council of the City of Bedford and shall read as follows:

All delinquent tax accounts outsourced by the City to a law firm or collection agency shall be assessed a collection fee on the entire balance due equal to the contingency collection percentage charged by each law firm or collection agency as set forth in the collection contract with the City. The balance due prior to the assessment of the collection fee shall be the principle balance due plus interest, penalties, late fees, and/or other permissible fines, penalties and charges. The collection fee shall be assessed against all payments made by the taxpayer whether or not the balance due is paid in full with one payment, or over time with more than one payment. The assessment of the collection fee shall be made by the law firm or collection agency after the delinquent account has been outsourced for collection. Additionally, court costs shall be added to the balance due as they are incurred but shall not be assessed a collection fee.

Section 2. Said ordinance is hereby determined to be an emergency measure necessary for the preservation of the public peace, health, safety and welfare of the City of Bedford, Ohio and for the further reason that the City of Bedford desires to immediately assess these collection costs to delinquent taxpayers.

WHEREFORE, this Ordinance shall take effect and be in force from and after the earliest date permitted by law.

Mayor – President of Council

PASSED: May 7, 2007

Clerk of Council

OFFICE OF THE CITY AUDITOR

MICHAEL A ZULLO, CPA

OCT 12 2010
MADISON CITY OHIO

GENERAL FUND REVENUE AND EXPENDITURE

PERIOD ENDING
Jan - Sept 2010

	<u>ACTUAL REVENUES</u>	<u>PROJECTED REVENUES</u>	<u>EXPENDITURES</u>	<u>ACTUAL EXPENSES</u>	<u>PROJECTED EXPENSES</u>
PROPERTY & OTHER TAXES	996,801	1,001,000	LEGISLATIVE	49,953	57,297
MUNICIPAL INCOME TAX	3,952,712	4,330,500	ADMINISTRATIVE	84,218	97,053
CHARGE FOR SERVICES	175,208	143,707	AUDITOR	117,177	118,731
FEES, LICENSE, PERMITS	45,528	63,297	TREASURER	30,425	30,872
FINES & FORFEITURES	457,600	494,882	INCOME TAX	88,485	89,320
STATE SHARED TAXES	1,223,980	1,174,599	COURTS	608,673	594,797
INTEREST	3,428	1,534	SOLICITOR	141,444	151,598
OTHER	587,337	632,772	POLICE DEPT.	1,861,581	1,770,188
TOTAL GENERAL FUND REV	7,442,594	7,842,291	MOTOR MAINT.	62,397	64,802
			FIRE DEPT.	1,359,179	1,355,121
			HEALTH DEPT.	171,948	163,544
			ENGINEERING	35,850	75,086
			RECREATION	22,000	22,000
			EEO	1,788	2,052
			COUNTY AUDITOR	261,223	269,850
TOTAL GENERAL FUND REV	7,442,594		GENERAL SERVICES	498,013	443,536
TOTAL GENERAL FUND EXP	7,135,170		CIVIL SERVICE	15,135	24,687
			LANDS & BUILDINGS	245,746	274,014
NET REVENUE / EXPENSES	307,424		SYSTEMS ANALYST	40,966	45,545
			TRANSFERS OUT	1,438,969	1,438,969

OFFICE OF THE CITY AUDITOR

MICHAEL A ZULLO, CPA

OCT 12 2010

UTAH COUNTY OFFICE

GENERAL FUND REVENUE AND EXPENDITURE

MONTH ENDING
September 2010

<u>REVENUES</u>	<u>ACTUAL REVENUES</u>	<u>PROJECTED REVENUES</u>	<u>EXPENDITURES</u>	<u>ACTUAL EXPENSES</u>	<u>PROJECTED EXPENSES</u>
PROPERTY & OTHER TAXES	60,779	4,000	LEGISLATIVE	5,170	6,001
MUNICIPAL INCOME TAX	441,019	473,500	ADMINISTRATIVE	8,036	10,165
CHARGE FOR SERVICES	26,251	15,873	AUDITOR	11,538	12,439
STATE SHARED TAXES	4,980	4,833	TREASURER	2,919	3,226
FINES & FORFEITURES	47,856	54,698	INCOME TAX	8,729	9,258
INTERGOVERNMENTAL	256,161	203,118	COURTS	58,159	60,052
INTEREST	322	171	SOLICITOR	15,051	15,857
OTHER	14,780	118,808	POLICE DEPT.	204,514	184,115
TRANSFER IN WORKERS COMP			MOTOR MAINT.	6,210	6,495
TOTAL GENERAL FUND REVENUE	852,148	875,001	FIRE DEPT.	129,679	138,590
			HEALTH DEPT.	13,314	17,570
			ENGINEERING	3,773	6,902
			RECREATION		
			EEO	547	530
			AUDITOR DEDUCTIONS	17,973	6,500
TOTAL GENERAL FUND REVENUE	852,148		GENERAL SERVICES	46,037	48,354
TOTAL GENERAL FUND EXPENSE	696,091		CIVIL SERVICE	1,605	907
			LANDS & BUILDINGS	23,041	33,884
<u>NET REVENUE / EXPENDITURE</u>	<u>156,057</u>		SYSTEMS ANALYST	4,345	4,776
			TRANSFERS OUT	135,441	135,440

CITY OF BEDFORD, OHIO

ORDINANCE NO. 7921-07

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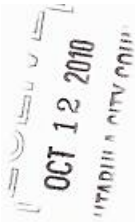
Mayor – President of Council

PASSED: May 7, 2007

Clerk of Council

OFFICE OF THE CITY AUDITOR

MICHAEL A ZULLO, CPA



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			RECREATION	22,000	22,000
			EEO	1,788	2,052
			COUNTY AUDITOR	261,223	269,850
TOTAL GENERAL FUND REV	7,442,594		GENERAL SERVICES	498,013	443,536
TOTAL GENERAL FUND EXP	7,135,170		CIVIL SERVICE	15,135	24,687
			LANDS & BUILDINGS	245,746	274,014
			SYSTEMS ANALYST	40,966	45,545
NET REVENUE / EXPENSES	307,424		TRANSFERS OUT	1,438,969	1,438,969

OFFICE OF THE CITY AUDITOR

MICHAEL A ZULLO, CPA

OCT 12 2010

ITARII CITY 00111

GENERAL FUND REVENUE AND EXPENDITURE

MONTH ENDING
September 2010

<u>REVENUES</u>	<u>ACTUAL REVENUES</u>	<u>PROJECTED REVENUES</u>	<u>EXPENDITURES</u>	<u>ACTUAL EXPENSES</u>	<u>PROJECTED EXPENSES</u>
PROPERTY & OTHER TAXES	60,779	4,000	LEGISLATIVE	5,170	6,001
MUNICIPAL INCOME TAX	441,019	473,500	ADMINISTRATIVE	8,036	10,165
CHARGE FOR SERVICES	26,251	15,873	AUDITOR	11,538	12,439
STATE SHARED TAXES	4,980	4,833	TREASURER	2,919	3,226
FINES & FORFEITURES	47,856	54,898	INCOME TAX	8,729	9,258
INTERGOVERNMENTAL	256,191	203,118	COURTS	58,159	60,052
INTEREST	322	171	SOLICITOR	15,061	15,857
OTHER	14,780	118,808	POLICE DEPT.	204,514	184,115
TRANSFER IN WORKERS COMP			MOTOR MAINT.	6,210	6,495
TOTAL GENERAL FUND REVENUE	852,148	875,001	FIRE DEPT.	129,679	138,590
			HEALTH DEPT.	13,314	17,570
			ENGINEERING	3,773	6,902
			RECREATION		
			EEO	547	530
			AUDITOR DEDUCTIONS	17,973	6,500
TOTAL GENERAL FUND REVENUE	852,148		GENERAL SERVICES	46,037	48,354
TOTAL GENERAL FUND EXPENSE	696,091		CIVIL SERVICE	1,605	907
			LANDS & BUILDINGS	23,041	33,884
<u>NET REVENUE / EXPENDITURE</u>	<u>156,057</u>		SYSTEMS ANALYST	4,345	4,776
			TRANSFERS OUT	135,441	135,440

General Fund, Cash Flow Trend 2010

January

Actual cash	-186264
Projected cash	<u>-166630</u>
Deficit	-19634

July

Actual cash	271,826
Projected cash	<u>673,494</u>
Deficit	-401,668

February

Actual cash	119756
Projected cash	<u>89682</u>
Surplus	30,070

August

Actual cash	173,994
Projected cash	<u>599,797</u>
Deficit	-425,803

March

Actual cash	176,907
Projected cash	<u>270,615</u>
Deficit	93,708

September

Actual cash	330,051
Projected cash	<u>773,737</u>
Deficit	-443,686

April

Actual cash	253,512
Projected cash	<u>367,526</u>
Deficit	-114,014

May

Actual cash	124,278
Projected cash	<u>466,895</u>
Deficit	-342617

June

Actual cash	151,590
Projected cash	<u>519,010</u>
Deficit	-367,420

CITY OF ASHTABULA
OFFICE OF CITY MANAGER

MUNICIPAL BUILDING
4717 MAIN AVENUE
ASHTABULA, OHIO 44004



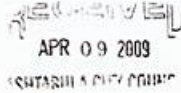
ANTHONY J. CANTAGALLO
CITY MANAGER



(440) 992-7103
Fax: (440) 992-4515

October 21, 2008

Mr. Ryan Cochran
Secretary
UIC General Contractors
PO Box 1718
Ashtabula, Ohio 44005-1718



RE: City of Ashtabula, Morton Drive Siphon Improvements Project

Dear Mr. Cochran:

The City of Ashtabula contracted with Union Industrial Contractors (UIC) to perform the Improvements for the Morton Drive Siphon Project. Part of these improvements were the installation of two (2) - 8" diameter holes, on the east bank of the Ashtabula River, in the 24" and 16" diameter siphons. The reason for the holes was to provide access to each siphon, so that when we cleaned them, the contractor could transfer this liquid from one siphon to the other.

In August and September, 2008 the City of Ashtabula employed AAA Pipe Cleaning to clean and TV these two siphon pipes. When they tried to utilize the 8" dia. hole in the 24" dia. siphon line after several days in attempting to dewater this line, they noticed that the opening was only 1" dia. The City contacted UIC to correct this mistake. It was done within 48 hours of this notification. However, this down time by AAA Pipe Cleaning for having only a 1" dia. opening rather than your contracted 8" dia. open has resorted in a request by AAA Pipe Cleaning of \$9,476.51. Copy of their invoice is included with this letter.

With this letter, the City of Ashtabula is requesting that UIC pay for this requested down time by AAA Pipe Cleaning for this error. Please advise us when this request has been satisfied.

Sincerely,


Anthony J. Cantagallo
Ashtabula City Manager

MINGR-08-87