

Council met in a **SPECIAL MEETING**. The Council President called the meeting to order at 4:00 p.m., the Ward 4 Councilor offered the opening prayer, and the Pledge of Allegiance was cited.

Member(s) Present: Mr. Joseph L. Rose (Ward 1), Mr. August A. Pugliese (Ward 2)
Mrs. Ann I. Stranman (Ward 3), Mrs. Julie A. Lattimer (Ward 4)
Mr. James M. Trisket (Ward 5), Ms. Betty S. Kist (Vice President)
Mr. Charles P. Brockway (President)

Member(s) Absent: None

Officer(s) Present: City Manager Anthony J. Cantagallo, City Auditor Michael A. Zullo
Clerk of Council LaVette E. Hennigan

Officer(s) Absent: City Solicitor Michael Franklin

VISITORS: NONE

SUNSHINE LAW CERTIFICATION: The Clerk of Council certified that the requirements of the Sunshine Law were met.

PURPOSE: The President announced the purpose of this Special Meeting was to discuss and vote on City finances and convene into Executive Session to discuss a complaint against an employee of Council.

WELCOME: The President welcomed visitors.

DISCUSSION

Auditor: Regarding deferring the December 31, 2010 payroll to January 3, 2011, the Auditor reported: According to the Pension Board P.E.R.S. is credited in the year in which it was earned. It doesn't matter what day it's paid on; it's pretty much based upon the pay period. After you go full circle it probably doesn't matter any way because December's P.E.R.S. would not be paid until January 2011 any way. But probably the most important factor there is I know we have three firemen that are going to retire in 2011. If their pay was deferred until 2011 we would cheat them on their pension by not giving them credit for at least 26 payrolls in 2010. So that was a concern of mine, which P.E.R.S. has now said it's the date of the actual work, not the day they get their paycheck. The P.E.R.S. portion is not actually going to affect our cash in 2010. But, remember when we post at the year end, when I have to submit my reports to the County Auditor and State Auditor's office, it shows actual cash balance and encumbrances, then it shows cash after encumbrances; and that's the number we're using. So, although we still have cash sitting in the bank, in essence it's like an accounts payable...it's not really part of our cash.

We need to consider that. So, although we're actually not going to pay cash for P.E.R.S. in December of 2010 for the last payroll, it is a payable on our books and it's just like we don't have the cash in our bank account. So, we're getting the best of both worlds...at least our employees are getting credit, as they should, but we're not actually paying them out of our cash bank account until 2011.

Ward 4: Last year when we were talking about the different payrolls and how our audit went, you said it was better if we got docked only once in one area instead of getting docked in several different areas. If we might need more funds, whatever, P.E.R.S. is going to be paid in December (not the December that's going to be paid in January, but November that's being paid in December) is it better to have an ordinance authorizing the deferment in case we need it. If it's all one payroll, and we can do it all instead of scrambling and saying we need to borrow from Worker's Comp or whatever we might do – unless you're sure this deal will take us through to the first of the year.

Auditor: That's a good question. My response would be this – that's where Section 3 comes in at. As you know our Health Insurance Fund is going to be negative at the end of 2010, once again. If we need the additional funds, they're going to come from the \$135,000 instead of going back to the Worker's Comp Fund. The Health Insurance fund's already going to be negative (unfortunately); we're already going to get a citation for that. So if we do need some additional funds to get us through December 2010 it's probably going to come from this \$135,000. In other words I would transfer the \$135,000 from the General Fund or a portion thereof; depending on how much we need to make it through 2010. That sounds good. But, remember what we're doing; we're just digging ourselves a dipper hole for 2011...just so everyone understands that.

President: Mr. Manager, you're on board with this, right?

Manager: Yes.

President: The Manager, for those of you who weren't here the last time, and I don't know what the timeline is, but he was going to work on the budget for next year and have that presented shortly – not tonight. We did have a meeting. Mr. Zullo has come up with the estimate of revenue next year, passed it on to the City Manager, and he's going to make the appropriate recommendations back to Council. Hopefully that will be in the next week or so, and we can get busy on that. I'd like to wrap that up so we don't go into the holidays. I'd like to make some kind of decision on that the first week or two of December.

Formal Legislation Request

Mr. Trisket moved, Mrs. Stranman seconded for AN ORDINANCE PROVIDING FOR AMENDED APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENSES OF THE CITY OF ASHTABULA, OHIO, FROM JANUARY 1, 2010 THROUGH DECEMBER 31, 2010 AND PERMITTING THE DEFERRAL OF CERTAIN PAYMENTS UNTIL JANUARY 3, 2011; motion CARRIED.

Ashtabula City Council Special Meeting
Tuesday, November 9, 2010

Legislation Presentation

ORDINANCE NO. 2010-166 AN ORDINANCE PROVIDING FOR AMENDED APPROPRIATIONS FOR THE CURRENT EXPENSES AND OTHER EXPENSES OF THE CITY OF ASHTABULA, OHIO, FROM JANUARY 1, 2010 THROUGH DECEMBER 31, 2010 AND PERMITTING THE DEFERRAL OF CERTAIN PAYMENTS UNTIL JANUARY 3, 2011; motion CARRIED, was presented. Ms. Kist moved, Mrs. Stranman seconded to waive the reading of the ordinance; motion CARRIED. Ms. Kist moved, Mrs. Stranman, that the Charter requirement of two readings be suspended. On the roll call to suspend the Charter requirement: Mr. Rose, Mr. Pugliese, Mrs. Stranman, Mrs. Lattimer, Mr. Trisket, Ms. Kist, Mr. Brockway voted yea; motion CARRIED. On the roll call to adopt the ordinance: Mr. Rose, Mr. Pugliese, Mrs. Stranman, Mrs. Lattimer, Mr. Trisket, Ms. Kist, Mr. Brockway voted yea; motion CARRIED.

Executive Session

Ms. Kist moved, Mrs. Stranman seconded to convene into Executive Session to discuss a complaint against an employee of Council. On the roll call to convene: Mr. Rose, Mr. Pugliese, Mrs. Stranman, Mrs. Lattimer, Mr. Trisket, Ms. Kist, Mr. Brockway voted yea; motion CARRIED.

Public Portion Reentrance

The President announced reentrance into the public portion of the meeting, and there was no report.

Traffic Sign Replacement and N.O.P.E.C. Grant

The Manager commented on the State unfunded mandate to replace traffic signs. He reported the City has a good chance of securing N.O.P.E.C. energy conservation dollars. He said the use of the funds are not highly restrictive; that the use should, however, have something to do with saving energy; and perhaps may be used to replace the City Hall Annex HVAC system.

Adjournment

Mrs. Lattimer moved, Ms. Kist seconded to adjourn the Special Meeting at 5:30 p.m.; motion CARRIED.

DATE APPROVED: _____

ATTESTED BY: _____

**Charles P. Brockway
President of Council**

ATTESTED BY: _____

**LaVette E. Hennigan, MMC
Clerk of Council**