



COMMITTEE WORK SESSION OCTOBER 19, 2009

Committee Members Present: Ken Braman
Brenda Hlas
Tom Jones-Excused
Dennis McGlone
Bill Mowery
Mike Zita
Scott Pelot

Also Present: Mayor David Koontz-Excused
Rick Ryland
John Moss
Karla Richards
Ann Campbell

The Committee Work Session convened on Monday, October 19, 2009 at 7:00 PM, in the Council Chambers of the Safety Administration Building. The meeting was called to order by Mike Zita, President of Council. Following a salute to the flag and the Pledge of Allegiance, there was a moment of silent prayer.

Public Comment-Agenda and Non Agenda Items:

Mrs. Elaine Tompkins, a Norton resident, spoke regarding the \$13,000.00 check written for the fireworks for the cider festival. While tracking the expense, we have appropriated \$12,000.00 for this we had \$4,000.00 of contributions. Mrs. Tompkins said she is still trying to track all of it, and would like to have better accountability for Council and the public. Mrs. Tompkins stated that while she had been away she had time to review the CAFR and was troubled by some of the misleading things that occurred in 2008. Mrs. Tompkins discussed the Johnson Road project she had inquired when the note would be called due and it was revealed that the note had been extended by the bonding Attorney until December 31, 2008. However, when the CAFR came out it stated the fund had a deficit balance of \$171,729.00. It also states that contrary to several sections, the city made advances that were not authorized by city Council and transfers were made contrary to Councils authorized amounts. Furthermore, it spelled out the Meadows of Johnson "manuscript" note (whatever that means) was issued on October 28, 2008 for \$560,000.00 at 6% and is due on October 28, 2009. This note was used to develop real estate on Johnson Road and purchased by the Sanitary Sewer Fund as an investment. Mrs. Tompkins stated she went back and reviewed all legislation passed in 2008-2009 and could find none addressing the fact that Council was aware of this.

Mrs. Tompkins noted that in February of 2009 Council did give authority to the Finance Dept. to make transfers, basic house keeping. Mrs. Tompkins suggested introducing the concept of a directive by Council that nothing in excess of \$25,000.00 can be transferred without precise information coming to Council first. Council is not getting all of the information they need on the city finances. Mrs. Tompkins suggested Council take the time to read the city CAFR in its entirety. You need to be aware because you alone answer to the public.

Mr. Dennis Pierson, a Norton resident, spoke regarding the monthly balance sheets and that you all should read them carefully each month. Mr. Pierson addressed the construction of the new fire station, adding he has been in this business a number of years. Mr. Pierson stated in the State of Ohio there are 1,266 Fire Dept.'s that have volunteer, paid call and career. Mr. Pierson stated you couldn't sit here and tell him that you can't build the new facility at our current location. He did not think anyone even looked into that issue or addressed. We have bought the Beldick Motel and tentatively we are buying the Lindeman property and before the brick is even put down you are talking about over \$325,000.00, plus the value of the property on Easton Road that he understood we are giving to Mr. Lindeman. Mr. Pierson stated that we will have over \$1,000,000.00 invested to build the new firehouse before you even get started, and that is not how it was projected to the people. Mr. Pierson discussed a public meeting tomorrow and he does not recall reading about that in the paper, what are you trying to do keep this all quiet? You need to take another look at this and the dollars and what the city has coming in. We should be looking at money for water and sewer and be more frugal with our money. Mr. Pierson stated that he was sure that after the elections at least one of you probably would not be sitting up there on Council, and there will not be majority one way or another. You guys are out of control with how you are spending our money; you are not being very good stewards of the money.

Mr. Jim Lino, a Norton resident, stated his daughter lives in Barberton and they got a better deal with their gas program and the senior citizens even got an additional 27-¢ discount. Mr. Lino suggested since we have such close ties with Barberton that maybe we could go in with them on their deal instead. Mr. Lino discussed the school bond issue, and he supposed it was Councils duty to support the schools. Mr. Lino reminded everyone with the high costs of our utilities and everything else this additional increase for the school is also something to think about.

General Topics of Discussion:

Resolution of Support for Norton Schools

Mr. Pelot stated this is a 6.98 mill bond issue and we are looking at getting over \$23,000,000.00 in matching funds from the State of Ohio if this passes. This is tax dollars that all of us have already paid into the State, we could see some of that coming back in addition to jobs for the construction. Mr. Pelot stated that does not include any Federal Stimulus money that we could also receive. Mr. Pelot introduced Mr. Eric Rimer, Campaign Manager for the bond issue for the Norton Schools.

Mr. Rimer gave a brief history on the age of the schools and the need to reduce the five buildings down to three. Mr. Rimer indicated there is \$3,200,000.00 in Federal Stimulus money offered for the schools. Mr. Rimer stated the new facility would include a new athletic facilities, and auditorium. Mr. Rimer stated that schools are currently in a bid on approximately 400 acres of land with the Summit County Metro Parks, with 100 acres of that for the school property and the rest for the schools. Mr. McGlone questioned if the community would have the use of the facility, and Mr. Rimer replied yes, just as they do to today, its either free or a minimal charge. Mr. Rimer stated this plan would set us up for the next forty years of growth. Mrs. Hlas asked what is the intention of the vacated buildings? Mr. Rimer indicated they would be torn down and the properties would be sold. Mr. Zita discussed the possibility if this does not pass now there might be two more chances to go before the voters before next August, maybe a special election at additional costs. Mr. Rimer stated the Federal funds are committed only until November. Mr. Pelot stated if this does not pass this time around, we would lose the chance at the \$3,200,000.00. Mr. Pelot reminded everyone that for a \$100,000.00 valued home the 6.98 mill bond issue for homeowners 65 and older or disabled, would cost \$13.36 a month, and homeowners under 65 it would be \$17.81 a month per year. Mr. Rimer noted there is an article in the Beacon Journal today stating that Norton has the lowest school tax rate in Summit County. Even if this passes we would be the second lowest tax rate. Mrs. Tompkins questioned the difference in square footage differences in the old buildings versus the new buildings. Mr. Rimer replied there is an increase in the square footage, and it is based in square footage per pupil. Mrs. Tompkins questioned the method of funding schools from property taxes and if this changes within State law, how would this impact the tax funding? Mr. Rimer indicated this is a separate entity and that money is set aside in a different budget, as far as what we are doing with this levy and this bond issue is separate. As far as the operational side with the state you never really know what is going on. Mr. Rimer stated there is one change regarding the permanent improvement levy that has been in effect since the 1980's and is renewed by the citizens every five years. The School Board has agreed to rescind this if the bond levy issue passes. There is a condition with the State on this new bond levy that they want to be assured that you will be able to maintain the new facilities. They require you to put on a permanent improvement issue on the ballot at the same time you do the bond levy; the one does not come without the other. Ms. Whipkey stated it was not that long ago we did not have money for busing for children, and asked how do you plan on addressing the increase here? Mr. Rimer stated this has been reviewed, and a contingency is already in place if we need additional busses they would be purchased. Another option would be to adjust the routes from two runs to three runs and if that is the case no new busses would be necessary, but that would really be up to Mr. Paul Stoneking. Ms. Whipkey asked if the Cap and Trade Bill were to pass would we still be able to keep up expenses without coming back to the citizens for more money? Mr. Rimer stated we were already running these routes now, but his guess would be yes. Mr. Rimer stated there are two things on the ballot, the 2-mill permanent improvement levy and the 6.9 bond levy issue, and the State requires you to combine these on one ballot. Ms. Whipkey stated she read in the papers a few months back there would be another 2-mill levy later on, and Mr. Rimer indicated that was not the plan currently.

Ms. Whipkey discussed the housing and foreclosures in the community and asked how this would affect the schools? Mr. Rimer indicated he felt the property values would actually increase because of the new schools being in Norton, and the fact of our excellent ratings, in addition to being offset by new businesses. Ms. Whipkey stated that perhaps Mr. Rimer did not understand her question. She was referring to if there are a lot of empty house here now and if property taxes go up there could be even more empty houses, so how would that reflect on the money coming in and would it hurt us? Mr. Rimer stated that he looks at the possibility of new businesses coming in with water and sewer coming in. Mrs. Hlas stated when the houses are foreclosed on the taxes are paid once it is sold and they are usually sold within a year or two, or they are torn down. Ms. Alice Wagner, a Norton resident asked if a new stadium was included and Mr. Rimer replied yes, in addition to a new wrestling room and other possibilities depending on the bids and if they come in lower. Mr. Rimer stated that in the past some bids were as much as twenty percent lower and if bids are lower we could add other items. Ms. Wagner asked about sewer and water at the new school and Mr. Rimer indicated there are contingencies in the plans for that and they would be working with the city on that. Ms. Wagner asked about the use of the new auditoriums, and if community groups with a 501(c) 3 license would be able to hold fundraisers there? Mr. Rimer indicated yes, depending on the availability, and there may be a minimal fee and it would be cheaper than renting a hall. Mr. Pelot moved to add this to Council's next agenda, seconded by Mrs. Hlas. Mr. Zita added there were levy signs at the door if anyone was interested they could take one as they left.

Roll Call: Yeas: Pelot, Hlas, McGlone, Mowery, Braman, Zita
Nays: None

Motion passed 6-0.

AEB Report for Gardner Blvd. Phase III Residents

Mr. Braman stated that our options are either to accept or not to accept the Assessment Equalization Board recommendations. Mr. Braman stated that he understands that if we don't we take a chance of losing the funding if we stretch this out too much further. Mr. Braman turned this over to Mr. Ryland for further comment. Mr. Ryland stated Mr. Braman had it correct, adding that Ohio Revised Code provides for you to either accept or reject that report, its either a yes or a no vote. Mr. Braman asked if the Law Dept. has come up with any other options for the Thomas' property, and Mr. Ryland replied no, there is no other option for that parcel. Mr. Braman asked if the Thomas' are aware of this recent development? Mrs. Hlas stated she has talked to Mr. Thomas and he was present in the audience. Mrs. Hlas advised Council that she has researched most if not all of the past Assessment Equalization Boards since Gardner Phase I. She found where two or three residents came to the Board asking not to be assessed because they could not build on their parcel. Mrs. Hlas stated that Mrs. Richards found an example today where a parcel in Phase II was 45x72 that the Board chose to assess in that project. Mrs. Hlas stated if we object this report, a new Board has to be set up with different members, and they could come back with the same decision.

It has been done in the past where the Board still assess the residents because that smaller parcel is contingent to their existing property. We are jeopardizing over \$200,000.00 of Issue I money and this has been going on since 2006, and the whole Gardner Blvd. Project has been going on since 2003. Mr. Braman stated we really don't have much of a choice on this but to rule on this, our intentions were good, and it just didn't work out that way. Mr. Thomas stated that he had issues with this because it was not a unanimous vote of the Board, one member did agree with his objection. Mr. Thomas also took issue with why it took so long to set up an Assessment Board knowing you would have residents that would contest this assessment. Mrs. Richards explained to Mr. Thomas that under Ohio Law you do not automatically set up an Assessment Equalization Board with every project. There are many steps in the process, and one of the first steps is to send out the certified letters to the residents. If none of the residents contest the assessments then no Board is established. If letters of objection are received then Council sets up a Board and this process begins. Mr. Mowery asked since the city or Council cannot do anything what is the recourse for the residents? Mr. Ryland replied there is nothing in the assessment process, they would have to probably ask an attorney. Mr. Braman moved to add this to Council's next agenda, waiving the second and third readings, declaring an emergency, seconded by Mr. McGlone.

Roll Call: Yeas: Braman, McGlone, Hlas, Mowery, Pelot, Zita
Nays: None

Motion passed 6-0.

General Budget Changes-Transfers

Mrs. Hlas stated we discussed the budget changes at the last Council meeting and the transfers are needed. Mrs. Hlas asked Mr. Moss if there were any changes to what had been submitted, and Mr. Moss replied there were none. Mrs. Hlas moved to add this to Council's next agenda, waiving the second and third readings, as an emergency, seconded by Mr. McGlone.

Roll Call: Yeas: Hlas, McGlone, Mowery, Braman, Pelot, Zita
Nays: None

Motion passed 6-0.

Contract with Auditor of State

Mrs. Hlas stated that this is for the contract for the Auditor of State for 2009-2010 and is not to exceed \$18,750.0 at the rate of \$50.00 per hour. Mr. Moss stated that this is consistent with past contracts. Mrs. Hlas moved to add this to Council's next agenda for a first reading, seconded by Mr. McGlone.

Roll Call: Yeas: Hlas, McGlone, Mowery, Braman, Pelot, Zita
Nays: None

Motion passed 6-0.

Surcharges for Utilities

Mr. Braman stated that Mr. McGlone asked to discussed this a few weeks ago and he understood we would discuss this after the income tax credit was up and running. Mr. McGlone stated he had been talking Mayor Koontz about this earlier when we were initially discussing the tax credit issue and the Mayor felt that there was an over lap in charges. Mr. McGlone submitted a breakdown on what the residents are paying (see attached) using his own bill from last year. Mr. McGlone read a section of the legislation in 2003, which read: “ *The city from time to time provide funds to pay for future expansions and improvements to the city’s sanitary water and sewer systems for future expansions to Barberton’s Waste Water Treatment Plant as provided by the agreement*”. Mr. McGlone stated we don’t have to do anything on this now, he just wanted to give everyone an idea of what some residents are paying on their bills. Mr. McGlone indicated that he paid \$351.06 surcharges for water and sewer, and his average bill was \$160.00 a month. That’s equal to someone making \$70,000.00 a year and you can see with adjusting the tax credit, how that impacts the residents. All he is asking is that everyone looks at this and that Mayor Koontz receives a copy. Mr. Ryland asked Mr. McGlone if his sewer is with Summit County, and Mr. McGlone replied no, it’s with Barberton, it ends at the bottom of Durham. Mrs. Hlas stated the tax credit roll back was specifically earmarked, the surcharge money is to be used for other projects that are not covered such as engineering for tributaries, smaller projects, etc. Mr. McGlone stated that Mayor Koontz understands where he was going with this when he had talked to him about it in the past. Mr. Braman suggested we leave this item on the Matters Referred list.

Unfinished Business:

None

New Business:

None

Topics for the next Work Session:

Mrs. Hlas asked if we still need to keep the MAD on the matters referred, she was not really sure why it was still there. Mrs. Richards commented she thought it was left there to discuss after we had the Summit County Health District services for a while to see how they were doing. There was nothing that could be done with the MAD for the remainder of 2009. Mrs. Tompkins stated that Council needs to keep in mind the residents are still paying twice for the same services. It is something for you to consider because it was such a strange project as an assessment, which by the way has gone up. Its time to re-review it if you don’t recall why you need to review it. Mr. Dick Chaney, a Norton resident, suggested using bat houses for eating all the mosquitoes as a solution to a big problem instead of using poisons. Mr. Chaney discussed the lack of bees around and the reason for that was the lack of heat for them in order for them to survive. Ms. Whipkey commented that while she was out campaigning several citizens were complaining about the mosquito problems. Some of them were not even aware of the MAD showing up and she informed them that they could call MAD or Summit County.

Ms. Whipkey stated she did not think that the idea from Summit County to get all of Norton done in one night is working at all. If we don't get rid of Summit County its something to think of in the future. Mr. Moss stated he would like to have discussion at the next work session on the note ordinance to support the notes in the 2009 Budget and possibly advances. Mr. Moss stated if we have a situation were some grant money does not come in by the end of the year as anticipated, or other another revenue source is short, we may need to discuss advances. Mr. Moss asked for discussion on a food ordinance and the 2010 Budget for the next work session. Mr. Zita asked how he was coming with the 2010 Budget and Mr. Moss stated he is working on it. Mr. Pelot asked if Council would have the 2010 Budget before the next work session, and Mrs. Hlas suggested setting a deadline instead. There was discussion on various time lines and all agreed upon having all the documents to Council ahead of time in order to have discussion at the November 16, 2009 Committee Work Session.

Adjourn

There being no other business to come before the Committee Work Session, the meeting was adjourned at 8:08 PM.

Mike Zita, President of Council

****NOTE: THESE MINUTES ARE NOT VERBATIM****

All Committee Meetings will be held at the Norton Safety Administration Building, unless otherwise noted.