



COME TOGETHER & THRIVE

## REMINDER

CITY COUNCIL

### NOTICE OF MEETING

**Dennis Fiorelli**  
*President*  
**Sara Continenza**  
**Joe Frank**  
**Marty Gelfand**  
**Jane Goodman**  
**Ruth Gray**  
**Jason Russell**

MEETING OF: **COMMITTEE OF THE WHOLE**

CALLED BY: DENNIS FIORELLI, PRESIDENT

DATE: **MARCH 18, 2019**

LOCATION: COMMITTEE/JURY ROOM

TIME: 7:00 P.M.

RE: REVENUE GENERATION & BUDGET DISCUSSION, ORD. 04-19 (2019 BUDGET); ORD. 31-18 (TAX CREDIT) & RES. 05-19 (CAPITAL FUND TRANSFER).

---

**COMMITTEE/COUNCIL MEMBERS:**

SARA CONTINENZA  
JOE FRANK  
MARTY GELFAND  
JANE GOODMAN  
RUTH GRAY  
JASON RUSSELL

**ADMINISTRATION:**

BRENDA WENDT, FINANCE DIRECTOR

CITY OF SOUTH EUCLID, OHIO

RESOLUTION NO.: 05-19  
INTRODUCED BY: Fiorelli  
REQUESTED BY: Russell

February 25, 2019  
Second Reading: March 4, 2019

A RESOLUTION

AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO TRANSFER AT THE LAST COUNCIL MEETING IN NOVEMBER 7.5% OF ALL PERSONAL INCOME TAX COLLECTED TO DATE (AFTER FEES HAVE BEEN DEDUCTED) WHICH SHALL INCLUDE ALL PRIOR TRANSFERS BUT NOT TO INCLUDE NET PROFIT TAX ON BUSINESSES TO THE "GENERAL IMPROVEMENT AND REPAIR FUND #408."

WHEREAS, the Council of the City of South Euclid, Ohio recognizes the need to maintain, improve and/or replace the fixed assets of the Municipality; and

WHEREAS, it is the desire of the Council of the City of South Euclid, Ohio to plan for sufficient funding to pay for the maintenance, improvements and/or replacement of the fixed assets of the Municipality.

NOW THEREFORE BE IT RESOLVED by the Council of the City of South Euclid, Ohio:

Section 1: That the Council of the City of South Euclid hereby authorizes and directs the Finance Director to transfer at the last meeting in November 7.5% of all personal income tax collected to date (after fees have been deducted) which shall include all prior transfers ~~but not to include net profit tax on businesses~~ to the "General Improvement and Repair Fund #408."

Section 2: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 3: That this Resolution is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, and welfare of the residents and for the further reason that a vital function of government is affected thereby. Wherefore, this Resolution shall take effect and be in force from and after the earliest period allowed by law and upon signature of the Mayor.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Dennis Fiorelli, President of Council

Attest:

Approved:

\_\_\_\_\_  
Keith A. Benjamin, Clerk of Council

\_\_\_\_\_  
Georgine Welo, Mayor

Approved as to form:

\_\_\_\_\_  
Michael P. Lograsso, Director of Law

CITY OF SOUTH EUCLID, OHIO

ORDINANCE NO.: 31-18  
INTRODUCED BY: Fiorelli  
REQUESTED BY: Frank

November 12, 2018  
Second Reading: November 26, 2018  
As amended in committee 1/28/19 & 02/18/19

AN ORDINANCE

AMENDING SECTION 172.06 "SOUTH EUCLID RESIDENT SUBJECT TO INCOME TAX IN OTHER MUNICIPALITY" OF SECTION 172, "MUNICIPAL INCOME TAX EFFECTIVE JANUARY 1, 2016" OF PART ONE "ADMINISTRATIVE CODE" OF THE CODIFIED ORDINANCES OF THE CITY OF SOUTH EUCLID, OHIO; AND DECLARING AN EMERGENCY.

WHEREAS, the Council of the City of South Euclid, Ohio recognizes that the income tax credit is an incentive the city is able to offer residents during times of economic stability, however, during periods of severe economic instability, such incentives may not be feasible; and

WHEREAS, the Council of the City of South Euclid recognizes that the City continues to experience budgetary shortfalls effecting the financial stability of the City as a result of cuts in funding by the State of Ohio; as well as declines in property tax and income tax as a result of the housing and foreclosure crisis and national recession; and

WHEREAS, the Council of the City of South Euclid has met monthly for over two years to discuss and consider revenue enhancement and cost-cutting options and held three Community Meetings on June 19, 2017; June 27, 2017 and June 28, 2017 to discuss options and seek input from city residents, Tele-Town Hall Meetings on October 9, 2018 and October 30, 2018; ~~and four Ward Meetings regarding finances and income tax levy in October 2018~~ **and three finance-related Town Hall meetings in January 2019**; and

WHEREAS, City Council has held regular Committee Meetings, nearly every month for over two years to discuss cost reductions, explore and implement regional initiatives, discuss the costs of long-term capital needs of the community, and the continuing impact of the recession and cuts in funding of local governments from the State of Ohio; and

WHEREAS, the City has made every reasonable effort to reduce costs and raise additional revenue to replace State actions that have removed the City's inheritance tax revenue, commercial activity tax and 50% of the City's yearly allocation of Local Government Funds; and

WHEREAS, the City of South Euclid has an obligation to take temporary measures to protect the health, safety, welfare and future economic stability of the City; and

WHEREAS, the Council of the City of South Euclid can address any such shortfalls by reducing the income tax credit on taxable income earned in another municipality.

NOW THEREFORE BE IT ORDAINED, by the Council of the City of South Euclid, Ohio:

Section 1: That Ordinance 172.06, "South Euclid Resident Subject to Income Tax in Other Municipality" is hereby amended effective **March 11, 2019** at which time the provisions hereunder shall ~~once again~~ become effective.

Section 2: That Ordinance 172.06 "Credit for Tax Paid To Other Municipalities" shall read as follows:

**"CREDIT FOR TAX PAID TO OTHER MUNICIPALITIES.**

(a) Every individual taxpayer domiciled in City of South Euclid who is required to and does pay, or has acknowledged liability for, a municipal tax to another municipality on or measured by the same income, qualifying wages, commissions, net profits or other compensation taxable under this chapter, may claim a non-refundable credit against the tax imposed by this chapter upon satisfactory evidence that tax has been paid to another municipality. Subject to division (c) of this section, **and until such time as it is amended as described in division (e) of this section** the credit shall **be reduced to 0%** ~~exceed 75%~~ of the amount obtained by multiplying the income, qualifying wages, commissions, net profits or other compensation subject to tax in the other municipality by the lower of the tax rate in such other municipality or the rate of 1%.

(b) City of South Euclid shall grant a credit against its tax on income to a resident of City of South Euclid who works in a joint economic development zone created under Ohio R.C. 715.691 or a joint economic development district created under Ohio R.C. 715.70, 715.71, or 715.72 to the same extent that it grants a credit against its tax on income to its residents who are employed in another municipal corporation.

(c) If the amount of tax withheld or paid to the other municipality is less than the amount of tax required to be withheld or paid to the other municipality, then for purposes of division (a) of this section, "the income, qualifying wages, commissions, net profits or other compensation" subject to tax in the other municipality shall be limited to the amount computed by dividing the tax withheld or paid to the other municipality by the tax rate for that municipality."

**(d) Any provision amending Section 172.06 that reduces the income tax credit described herein shall not be passed unless it receives at least five affirmative votes. Any proposed amendment to Section 172.06 shall be posted on the City Website and e-mailed to all people on the City's E-Mail Newsletter Distribution List. Furthermore, City Council shall not change any provision of Section 172.06 without first hosting a series of five three public meetings, ~~one shall be held for each Ward of the City and one shall be held in the City at large as determined by City Council.~~**

**(e) The tax credit set forth in Section 2(a) above shall be increased upon passage by the electors of any new income tax levy generating the same or more revenue as would be provided by an income tax credit of .75 of 1%. Should the electors not pass such a levy, the tax credit reduction in Section 2(a) shall continue. Additionally, the amount of such income tax credit shall be reviewed by Council each November, and may be adjusted should revenues allow. ~~The amendment to the tax credit set forth in Section (A) above shall cease upon passage by the electors of any new tax levy generating the same or more revenue as the tax credit reduction. Should the electors not vote in the affirmative for such levy, the tax reduction in Section (A) shall continue.~~**

Section 3: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4: That this Ordinance is deemed to be an emergency measure necessary for the immediate preservation of the public peace, health and safety. Wherefore, this Ordinance shall take effect and be in force upon passage by City Council and signature of the Mayor.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Dennis Fiorelli, Council President

Attest:

Approved:

\_\_\_\_\_  
Keith A. Benjamin, Clerk of Council

\_\_\_\_\_  
Georgine Welo, Mayor

Approved as to form:

\_\_\_\_\_  
Michael P. Lograsso, Director of Law

CITY OF SOUTH EUCLID, OHIO

ORDINANCE NO.: 04-19  
INTRODUCED BY: Fiorelli  
REQUESTED BY: Mayor

February 25, 2019  
Second Reading: March 4, 2019

AN ORDINANCE

TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF SOUTH EUCLID, STATE OF OHIO, DURING THE FISCAL YEAR ENDING DECEMBER 31, 2019; AND DECLARING AN EMERGENCY.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of South Euclid, Ohio:

Section 1: That to provide for the current expenses and other expenditures of the City of South Euclid during the fiscal year ending December 31, 2019, the sums as herein set forth be and the same are hereby made. Said sums to be used to implement this 2019 Revenue and Expense.

Section 2: That there be appropriated from the General Fund:

PROGRAM I - Security of Persons and Property

POLICE DEPARTMENT - 1110

Personal Services	\$4,490,995	
Other Charges	<u>327,705</u>	
Total Police Department		\$4,818,700

POLICE - ADMINISTRATIVE - 1111

Personal Services	\$127,479	
Other Charges	<u>1,000</u>	
Total Police Department-Administrative		\$128,479

POLICE - SCHOOL GUARDS - 1112

Personal Services	\$78,948	
Other Charges	<u>1,600</u>	
Total Police Department-School Guards		\$80,548

POLICE - CORRECTIONS - 1113

Personal Services	\$0	
Other Charges	<u>0</u>	
Total Police Department-Corrections		\$0

FIRE DEPARTMENT- 1120

Personal Services	\$3,722,068	
Other Charges	<u>327,000</u>	
Total Fire Department		\$4,049,068

FIRE HYDRANTS - 1122

Other Charges	<u>31,572</u>	
---------------	---------------	--

Total Fire Hydrants \$31,572

DISPATCHERS - 1130

Personal Services \$0  
Other Charges 572,562

Total Dispatchers \$572,562

**TOTAL PROGRAM I** \$9,680,928

PROGRAM II - Public Health & Welfare Services

SUPPORT OF PRISONERS - 2210

Other Charges \$76,950

Total Public Health & Welfare \$76,950

**TOTAL PROGRAM II** \$76,950

PROGRAM III - Leisure Time Activities

RECREATION - 3310

Personal Services \$73,923  
Other Charges 40,150

Total Recreation \$114,073

COMMUNITY CENTER - 3350

Personal Services \$185,819  
Other Charges 66,300

Total Community Center \$252,119

**TOTAL PROGRAM III** \$366,192

PROGRAM IV - Community Environment

BUILDING DEPARTMENT - 4410

Personal Services \$767,999  
Other Charges 172,400

Total Building Department \$940,399

ECONOMIC DEVELOPMENT - 4430

Personal Services \$148,133  
Other Charges 48,200

Total Economic Development \$196,333

COMMUNITY RELATIONS - 4440

Personal Services \$81,944

Other Charges 81,665  
Total Community Relations \$163,609

CITY BOARDS & COMMISSIONS - 4450

Personal Services \$38,917  
Other Charges 4,450  
Total Boards & Commissions \$43,367

YOUTH INITIATIVE -4460

Personal Services \$16,513  
Other Charges 15,500  
Total Youth Initiative \$32,013

**TOTAL PROGRAM IV** \$1,375,721

PROGRAM V - Basic Utility Service

REFUSE COLLECTION & DISPOSAL - 5510

Other Charges \$1,300,000  
Total Refuse Collection & Disposal \$1,300,000

CURBSIDE RECYCLING - 5520

Personal Services \$95,523  
Other Charges 9,700  
Total Curbside Recycling \$105,223

**TOTAL PROGRAM V** \$1,405,223

PROGRAM VI - Transportation

SERVICE DEPARTMENT - 6610

Personal Services \$546,646  
Other Charges 171,000  
Total Service Department \$717,646

GARAGE - 6620

Personal Services \$204,859  
Other Charges 224,250  
Total Garage \$429,109

**TOTAL PROGRAM VI** \$1,146,755

PROGRAM VII - General Government

MAYOR'S OFFICE - 7710

Personal Services \$196,351

Other Charges 29,474

Total Mayor's Office \$225,825

LEGISLATIVE ACTIVITIES ( CITY COUNCIL) - 7720

Personal Services \$97,307

Other Charges 24,000

Total Legislative Activities (City Council) \$121,307

FINANCE ADMINISTRATION - 7730

Personal Services \$310,595

Other Charges 56,500

Total Finance Administration \$367,095

INCOME TAX ADMINISTRATION (RITA) - 7731

Personal Services \$0

Other Charges 500,000

Total Income Tax Administration \$500,000

LEGAL ADMINISTRATION - 7740

Personal Services \$210,234

Other Charges 322,100

Total Legal Administration \$532,334

JUDICIAL ACTIVITIES (MUNICIPAL COURT) - 7750

Personal Services \$856,385

Other Charges 64,000

Total Judicial Activities (Municipal Court) \$920,385

CIVIL SERVICE COMMISSION - 7760

Personal Services \$7,732

Other Charges 10,150

Total Civil Service Commission \$17,882

ENGINEERING - 7770

Personal Services \$19,189

Other Charges 4,200

Total Engineering \$23,389

MUNICIPAL COMPLEX - 7780

Personal Services \$32,413

Other Charges 475,200

Total Municipal \$507,613

GENERAL SERVICES - 7790

Personal Services	\$37,000	
Other Charges	<u>578,724</u>	
Total General Services		\$615,724

INSURANCE - 7791

Personal Services	\$0	
Other Charges	<u>250,275</u>	
Total Insurance		\$250,275

TRANSFERS/ADVANCES OUT -9910/9920

Other Charges	<u>\$2,305,000</u>	<u>\$2,305,000</u>
---------------	--------------------	--------------------

**TOTAL PROGRAM VII** \$6,386,829

**TOTAL GENERAL FUND** \$20,438,598

Section 3: That there be appropriated from the Special Revenue Funds:

OPERATION HOME IMPROVEMENT (FUND 103/104)

Other Charges	<u>\$0</u>	
Total		\$0 -

COPS GRANT (FUND 106)

Personal Services	\$0	
Other Charges	<u>0</u>	
Total		\$0

COMMUNITY DIVERSION PROGRAM (FUND 107)

Personal Services	\$11,802	
Other Charges	<u>4,745</u>	
Total		\$16,547 16,547

STREET CONSTRUCTION & MAINTENANCE (FUND 202)

Personal Services	\$678,503	
Other Charges	<u>259,200</u>	
Total		\$937,703 937,703

STATE HIGHWAY IMPROVEMENT (FUND 203)

Personal Services	\$0	
Other Charges	<u>50,000</u>	
Total		\$50,000 50,000

PARKING LOTS & PARKING METERS (FUND 205)

Personal Services	\$0
Other Charges	<u>0</u>

Total \$0 -

SWIMMING POOLS (FUND 206)

Personal Services	\$171,014
Other Charges	<u>88,975</u>

Total \$259,989 259,989

PERMISSIVE MOTOR VEHICLE TAX (FUND 207)

Other Charges	<u>\$130,000</u>
---------------	------------------

Total \$130,000 130,000

HUD GRANT - NSP 3 (FUND 215)

Other Charges	<u>\$0</u>
---------------	------------

Total \$0

POLICE RANGE (FUND 220)

Other Charges	<u>\$32,400</u>
---------------	-----------------

Total \$32,400

LAW ENFORCEMENT TRUST (FUND 221)

Other Charges	<u>\$110,000</u>
---------------	------------------

Total \$110,000 142,400

FEMA FIREFIGHTERS GRANT (FUND 222)

Other Charges	<u>\$1,504</u>
---------------	----------------

Total \$1,504

SAFETY FORCES LEVY (FUND 410)

Personal Services	\$1,920,000
Other Charges	<u>30000</u>

Total \$1,950,000

STREET LIGHTING (FUND 511)

Other Charges	<u>\$471,500</u>
---------------	------------------

Total \$471,500 #####

SEWER MAINTENANCE (516)

Personal Services	\$446,216		
Other Charges	<u>28,480</u>		
Total		\$474,696	474,696

SEWER REHABILITATION (517)

Other Charges	<u>\$400</u>		
Total		\$400	

POLICE PENSION (FUND 614)

Other Charges	<u>\$107,500</u>		
Total		\$107,500	

FIRE PENSION (FUND 615)

Other Charges	<u>\$107,500</u>		
Total		\$107,500	

SICK LEAVE BENE \$60,119

Total		\$60,119	
-------	--	----------	--

SALARY RESERVE \$0

Total		\$0	\$275,519
-------	--	-----	-----------

**TOTAL SPECIAL REVENUE FUNDS:** \$4,709,858

Section 4: That there be appropriated from the Bond Retirement Funds:

GENERAL BOND RETIREMENT (FUND 327)

Other Charges	<u>\$75,621</u>		
Total		\$75,621	\$75,621

RECREATION BOND RETIREMENT (FUND 328)

Other Charges	<u>\$0</u>		
Total		\$0	\$0

SPECIAL ASSESSMENT BOND RETIREMENT (FUND 510)

Other Charges	<u>\$0</u>		
Total		\$0	\$0

**TOTAL BOND RETIREMENT FUNDS:** \$75,621

Section 5: That there be appropriated from the Capital Project Funds:

CAPITAL PROJECT FUNDS

GENERAL IMPROVEMENT & REPAIR (FUND 408)

Other Charges	<u>\$722,127</u>		
Total		\$722,127	722,127

SAFETY FORCES VEHICLES (FUND 409)

Other Charges	<u>\$347,500</u>		
Total		\$347,500	\$347,500

POLICE VEHICLES & EQUIPMENT (FUND 411)

Other Charges	<u>\$14,000</u>		
Total		\$14,000	

RECREATION CONTINGENCY (FUND 418)

Other Charges	<u>\$0</u>		
Total		\$0	14000

WATER DISTRIBUTION INFRASTRUCTURE (FUND 424)

Other Charges	<u>\$324,115</u>		
Total		\$324,115	324,115

ROAD RESURFACING (FUND 425)

Other Charges	<u>\$829,270</u>		
Total		\$829,270	829,270

FLOOD CONTROL (FUND 426)

Other Charges	<u>\$2,368,058</u>		
Total		\$2,368,058	#####

SIDEWALK IMPROVEMENT PROGRAM (FUND 427)

Other Charges	<u>\$7</u>		
Total		\$7	7

STAN HOPE PARKING LOT (FUND 430)

Other Charges	<u>\$2,850</u>		
Total		\$2,850	

ISSUE II PROJECTS (FUND 431)

Other Charges \_\_\_\_\_ \$0

Total \$0

LAND ACQUISITION (FUND 440)

Other Charges \_\_\_\_\_ \$1,992,042

Total \$1,992,042 #####

**TOTAL CAPITAL PROJECT FUNDS:** \$6,599,969

TRUST & AGENCY (FUND 917)

Other Charges \_\_\_\_\_ \$1,982,965

Total \$1,982,965

**TOTAL TRUST & AGENCY FUND:** \$1,982,965

**GRAND TOTAL** \$33,807,011

Section 6: That the City Finance Director is hereby authorized to draw warrants for payments from any of the foregoing appropriations upon receiving proper certificates and vouchers therefore, approved by the Board of Officers authorized by law to approve same, or an ordinance or resolution of Council to make the expenditures; provided that no warrants shall be drawn or paid for salaries or wages except to persons employed by authority of and in accordance with law or ordinance. Provided further, that the appropriation for contingencies can be expended upon approval of a two-thirds vote of Council for items constituting a legal obligation against the City for purposes other than those covered by other specific appropriations, herein made.

Section 7: That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees on or after November 25, 1975, that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 8: That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City and for further reason that funds cannot be properly disbursed in 2019 unless this Ordinance goes into immediate effect. Wherefore, this Ordinance shall take effect upon passage and approval.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Dennis Fiorelli, President of Council

Attest:

Approved:

\_\_\_\_\_  
Keith A. Benjamin, Clerk of Council

\_\_\_\_\_  
Georgine Welo, Mayor

Approved as to form:

\_\_\_\_\_  
Michael Lograsso, Director of Law