
Ashland City Council

MINUTES FOR THE SPECIAL SESSION OF COUNCIL December 31, 2008 12:00 noon Council Chambers

Council President Paul Wertz called the meeting to order at Noon.

ROLL CALL

Ward 1: Robert L. Valentine Present
Ward 2: Robert M. Valentine Present
Ward 3: Ruth Detrow Present
Ward 4/President: Paul Wertz Present
At-large: Stephen Stuart Present

Note: Throughout the minutes, Robert L. Valentine and Robert M. Valentine are designated as to their ward representation, W1 and W2.

PLEDGE OF ALLEGIANCE

PRESENTATION OF MINUTES: *Regular Session/Executive Session 12/16/08*

No corrections.

*Moved to approve the Minutes from 12/16/08 by Stephen Stuart, seconded by Robert M. Valentine W2.
Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart*

LEGISLATION

Ord. 75-08

Item (a) AN ORDINANCE TO APPROPRIATE AND TRANSFER THE FOLLOWING HEREINAFTER NAMED SUMS OF MONEY IN 2008 AND DECLARING THIS TO BE AN EMERGENCY MEASURE NECESSARY TO MEET THE IMMEDIATE FINANCIAL NEEDS OF THE CITY OF ASHLAND, OHIO.

Finance Director Anna Tomasek read the ordinance in full.

Comments or Questions?

Stephen Stuart: On the additional appropriations, the General Fund, General Miscellaneous 434,531.00; what was the cause of that being an additional appropriation?

Anna Tomasek: The cause is the other category in the General Fund Miscellaneous is currently in a negative situation and also basically what causes that is the transfers going to the Golf Course and Swimming Pool.

Paul Wertz: Part of that is money from general back to capital.

Stephen Stuart: The information that we have on December 22 shows a negative balance of 48 thousand six. So there had to be more than that.

Anna Tomasek: Yes. On that date, December 22, there are transfers from Ordinance 83-08 were not done at that time.

Stephen Stuart: Okay.

Robert L. Valentine W1: Special Revenues, Ashland Public Transit, what 59?

Anna Tomasek: They were over appropriated and they needed additional appropriations of 59 thousand. Overspent. They needed additional monies to make that fund whole.

Ellie Grubb: I don't understand that from the standpoint the balance is 80 thousand.

Larry Rose: They overspent the appropriations but they didn't overspend the amount in the fund.

Ellie Grubb: Okay.

Anna Tomasek: From the appropriations that was passed in March.

Ellie Grubb: Okay, thank you.

Mayor Stewart: Within the revenue but not within the appropriated amount.

Anna Tomasek: Correct.

Stephen Stuart: The next question is a procedural question. We run negative balance within funds at the function levels on a monthly basis, month after month and I am wondering why we don't do those transfers of appropriation within funds as the need arises and do it on a monthly basis rather than waiting for year-end.

Anna Tomasek: We can do it either way. However Council chooses to do it.

Stephen Stuart: The auditors would be concerned about running that on a negative.

Anna Tomasek: This is just past practice but if Council chooses and you want to do the transfers on a monthly basis, we will be more than happy to do that for you.

Robert L. Valentine W1: Well just by what he says, you will do it then, is that correct?

Anna Tomasek: You, as Council will have to inform me of what you want. We can do it monthly, quarterly or year-end.

Paul Wertz: It has always been done at year-end. That doesn't make it right or wrong either.

Anna Tomasek: It is up to you.

Mayor Stewart: I would, for whatever it is worth, I would like, if we are going to make a change; I would like to see quarterly or at least semi-annually because at that point in time, you have a real balance by fund vs revenues from my perspective. I mean, it is all there but it would put it by line, it would be easier to read for it.

Robert L. Valentine W1: Question for Stephen; the point you are making here is the idea that you do it yearly, then there is a concern by the auditors possibly that it should be done monthly and the reason for that is?

Robert M. Valentine W2: Because you are running a negative balance.

Anna Tomasek: Well if any fund runs in the negative balance it would pose a problem to the auditors.

Paul Wertz: Have they said anything in the past?

Anna Tomasek: Yes, it has been in the management of being in the red during the year.

Paul Wertz: Well then we should go back to that. Well if we have gotten written up for it in the past, and no one has said anything.

Anna Tomasek: It is just a recommendation.

Stephen Stuart: I don't know when you want to address this as Council but let me put out a proposal at least for initial trial time to see how it goes to do it on a quarterly basis?

Paul Wertz: That sounds good to me.

Robert M. Valentine W2: It sounds good to me.

Anna Tomasek: We will do that for fiscal year 2009 for the appropriations.

Questions or comments?

Larry Paxton: May I ask one question? At that point some of those negatives Anna that are caused because of Invoices being processed to those funds. Would we have to provide the funding for that negative along with that invoice?

Anna Tomasek: If Council chooses to want it reconciled on the quarterly basis especially with grants, we would have to do advances, and then repay those advances back on a quarterly basis.

Larry Paxton: That is correct. Then those invoices would not be paid until after Council action was taken. For example, the Issue 2 projects, that Anna just read were because of Engineering expenses that we incurred in preparing the project that made a negative. There is a grant to provide for that. But there is a draw down process and an invoice that comes in and then we apply for the draw then.

Anna Tomasek: There are advantages and disadvantages from going quarterly to yearly or yearly to quarterly. I was thinking on a quarterly basis, we would have more advances for finance to tract to make sure we are repaying back each fund correctly.

Stephen Stuart: I was really thinking more of the General Fund than I was some of those special funds. You don't get into those issues.

Larry Paxton: And that is why I was asking that question.

Paul Wertz: If you do it for one, you have to do it for all.

Anna Tomasek: Yes.

Mayor Stewart: Would we not run the risk of not having the funds to balance a major project?

Anna Tomasek: When our Grants funds do go into. The Auditors have mentioned whether it is Grants Fund or General Fund. It doesn't matter what type of fund it is.

Mayor Stewart: But my point being, there is a good chance that during the year if we were to do a major project that was a grant type project and we come to the end of the quarter and we have a lot of work done but have not been reimbursed; those funds have to be transferred from a positive account to that account.

Anna Tomasek: Yes, that is correct.

Mayor Stewart: But if it is not there, you can't advance it.

Anna Tomasek: That is correct. That is very true.

Paul Wertz: Are we opening a can of worms by doing or not?

Stephen Stewart: My thinking is, the issue is control. When you have a situation like we have been running month after month and the general fund was a negative balance on the functions. You say well how did those run negative in the first place because some of them ran negative as a result of issuing purchase orders that were in excess of what had been appropriated. Well, why do you do that? Isn't that part of the control process? That if you don't have money appropriated, you can't spend what you don't have appropriated. So my thought was more not to get into situations where you have grant issues that are really going to compound things for the general fund because as we approach tight money situations and if there is a need for advance from the general fund to some other project fund, that may be a problem. You are in the best position Anna to advise us in terms of the implications for other funds, other than the general fund.

Anna Tomasek: Okay.

Mayor Stewart: Would it be appropriate to suggest to the Finance Director rather than give us a spontaneous answer.

Anna Tomasek: I would rather research it and give you the advantages and disadvantages of both ways. I would like to get back to you on that.

Ruth Detrow: And did you say that it is not possible to do this with just one fund, like the general fund and let the others run the whole year?

Anna Tomasek: Usually, the way your counting method; you want it in Capital Grant Funds. You want all the funds to be the same of accounting. You want to account for everything.

Ruth Detrow: But is it possible?

Anna Tomasek: Yes.

Questions or comments?

Did not have non-reading in full. Anna Tomasek read the entire Ordinance.

Moved by Ruth Detrow and seconded by Stephen Stuart that the Ordinance be passed on the first reading.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Paul Wertz and seconded by Robert M. Valentine W2 that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Ruth Detrow and seconded by Stephen Stuart that the Ordinance be passed.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Anna Tomasek: I would like to make a quick announcement since we just passed appropriations from General Fund carryover balance for the year 2008 \$907,384.00.

Paul Wertz: Does everyone have that?

Mayor Stewart: Our Crystal Ball has been using 750, so we are \$157,000.00 better than we anticipated through the process that we have been working through to this date. We have been using 750 as a bogie for carryover.

Ord. No. 76-08

Item (b) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR, DIRECTOR OF PUBLIC SAFETY, TO ENTER INTO A CONTRACT WITH ORANGE TOWNSHIP, ASHLAND COUNTY, OHIO FOR RESCUE AND AMBULANCE EMERGENCY SERVICE AND NON-EMERGENCY AMBULANCE TRANSPORTATION; AND DECLARING AN EMERGENCY.

Moved for non-reading in full by Robert M. Valentine W2, seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Mayor Stewart: This is one of the couple of contracts that I have covered with City Council. There was a request that we re-considered the rate structure in ensuing years and there was a consensus as you individually looked at these that we felt that they should stay as they are. They are basically 5% annual increases. If you recall, I sent all of you a range, a chart and so being the end of the year, we need to get this done so it is on for today and it is what we are proposing.

Ellie Grubb: The trustees are all meeting for the year-end.

Questions or comments?

Ruth Detrow: If we continue this at a 5% per year increase, it is going to be a long time before we get to the point where we are charging County people and City people the same amount.

Paul Wertz: I don't think that will ever happen.

Mayor Stewart: Never is a very strong word. But the reality of it is, is that costs continue to escalate. These charges are going to continue to escalate but if you want to look at a per person cost of the city people vs outside of the city, I don't see it becoming a total equity.

Ruth Detrow: I agree with that. I think that is what is happening and is going to happen.

Robert L. Valentine W1: So it has been happening.

Ruth Detrow: Yes. It is unfortunate; of course it is unfortunate for them too because money is tight all around.

Questions or comments?

Moved by Robert L. Valentine W1 and seconded by Ruth Detrow that the Ordinance be passed on the first reading.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Paul Wertz and seconded by Ruth Detrow that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Stephen Stuart, seconded by Robert L. Valentine W1 that the Ordinance be passed.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Motion carried.

Ord. No. 77-08

Item (c) AN ORDINANCE AUTHORIZING AND DIRECTING THE MAYOR, DIRECTOR OF PUBLIC SAFETY, TO ENTER INTO A CONTRACT WITH MILTON TOWNSHIP, ASHLAND COUNTY, OHIO, FOR FIRE PROTECTION RESCUE AND AMBULANCE EMERGENCY SERVICE AND NON-EMERGENCY AMBULANCE TRANSPORTATION; AND DECLARING AN EMERGENCY.

Moved by Robert M. Valentine W2 and seconded by Robert L. Valentine W1 to invoke Section 113.01 of the Codified Ordinances as the distribution of this Ordinance has satisfied the requirements of said Section and that a further reading be dispensed with at this time.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Comments:

Mayor Stewart: This is a very similar Ordinance except that this is Fire and Ambulance Service. There is a significant difference in the two rate structures and it is because of the significant difference in service being offered. And here again, I am sure you all have seen this.

Paul Wertz: It is basically 5% too.

Mayor Stewart: Yes it is.

Questions or comments?

Moved by Ruth Detrow and seconded by Robert L. Valentine W1 that the Ordinance be passed on the first reading.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Paul Wertz and seconded by Ruth Detrow that the rules requiring the reading on three separate days be suspended and that the Ordinance be passed on the second and third readings.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Moved by Ruth Detrow and seconded by Robert L. Valentine W1 that the Ordinance be passed.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Motion carried.

Mayor's Comments: Some of you are aware that one year ago, I suggested that I might consider appointing, or asking for an appointment of Council committees to serve with the various departments. I have given this a lot of thought and right now I am going to propose to Council that in the next couple of weeks between Paul and myself reformulate committees made up of two Council members and those two Council members would serve as a committee for three different departments. There are nine departments. I would like to work that out. This is not to manage the departments. The goal is to increase the dialogue between Council members and I don't mean to insinuate you don't know what services they provide. That is not my thought at all. It will give you a better inside to the operations of the various departments that you end up serving a committee on. Where there are questions about how something is possibly managed. It will give you some insight that you can share with me and we can have dialogue. I do not want to get into a whip-sawing situation. And that can happen very easily. In other words, I don't want Council to be used as a tool. I want you to be able to represent the various departments but I don't want you to be in a position you come in here and fight for something that isn't for the good of the city. That is a difficult fence to handle. I propose that to you. Paul and I have had some discussion on it. I have talked to a couple of other Council people about it. If you oppose it, that is fine. If you don't oppose it, we will probably move forward in the next few weeks.

Comments or questions?

Ruth Detrow: I will say from the point of view of a person who has been on Council, before when we had committees, I think they worked well.

Mayor Stewart: I have been on them.

Paul Wertz: I have too.

Motion to adjourn Special Session by Paul Wertz, moved by Robert M. Valentine W2, seconded by Stephen Stuart.

Ayes: Robert L. Valentine W1, Robert M. Valentine W2, Ruth Detrow, Paul Wertz, Stephen Stuart

Council adjourned Special Session at 12:25

Submitted by
Valarie Bishoff
Clerk of Council