



# CLEVELAND HEIGHTS

## MINUTES OF THE PUBLIC HEARING OF JULY 17, 2006

The Council of the City of Cleveland Heights met on the above date at 7:30 p.m.

Kenneth Montlack, presiding

Council Members present: Caplan, Dietrich, Kelley, Montlack, Tumeo, Wilcox

Council Members absent: Evans

Vice Mayor Montlack excused the absence of Council Member Evans.

Staff present: Czaga, Downey, Gibbon, Malone, Wagner

Vice Mayor Montlack stated, "At this time, with regard to the Public Hearing for the 2007 Tax Budget, I will ask whether the staff has a report?"

Mr. Downey stated, "Yes, we do, your Honor. The 2007 Tax Budget is in legislation form as Resolution No. 80-2006(F). It was read on first reading two weeks ago and this evening we are having a public hearing regarding the public hearing and its passage later on in the meeting. But, before that, I would like to take a minute to talk with Council about the 2007 Tax Budget. As you know, it starts with the staff working long hours, compiling reams and reams of information with regard to the work that we do, the programs that we offer, the services that we provide to our residents. So a great deal of work goes into preparation for next year's budget, and only recently did the state budget picture clear up a little bit as the proposed TEL amendment appears to not be moving forward. That would have had dramatic repercussions on municipalities and school districts had it passed. It appears that, that is not the case and cities and school districts have been able to move forward in preparing for next year.

For the last several weeks now, Council and staff have been working with our budget estimate for next year. The budget that was presented to Council is in a balanced form with revenues of 42,931,000 dollars and expenditures of 42,079,000 dollars. Generally, our local revenues sources: municipal income tax, charges for services, fees, licenses, and permits, etc., appear to show signs of modest growth, while our state revenues - our state levied share of taxes remain frozen at last year's level. However, we do see in our property taxes, a double-digit percentage growth for next year as a result of the county-wide property re-evaluation. As you know, all property in Cuyahoga County is being re-evaluated and as such [we] will see growth in that revenue line item next year.

We remain, however, in our belt-tightening mode, with regard to expenditures. We need to continue that through the current economic times that we see. However, as we discussed, and as you asked me, time and time again, we will continue to provide the finest services to our residents. We make every effort to make sure that as we tighten our belt, services do not get cut or reduced in any way.

By way as example, we discussed with you more prudent use of overtime, the cost-sharing of our employees for their health care insurance, job sharing, additional efforts in Revenue Recovery, and now a sharing of inspectors in the building and housing departments. So, the staff continues to find ways to get the job done in these times and keeping expenditure growth at a little less than 2%. We will remain vigilant in this and we'll review our progress and our estimates with you later on in the fall when we prepare the appropriation ordinance for next year. We will do that in November and at that time we will review our estimates with you and make any corrections as necessary. Your Honor, if there are any questions, I'd be more than happy to answer them."

Vice Mayor Montlack thanked Mr. Downey and asked if there were any questions from Council. Seeing none, the Vice Mayor thanked Mr. Downey and asked for any comment from the audience, again seeing none, the Public Hearing was adjourned at 7:38 p.m.

Respectfully submitted,

Kenneth Montlack, Vice Mayor  
Finance Committee Chair

Thomas K. Malone  
Clerk of Council

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