



CLEVELAND HEIGHTS

MINUTES OF THE PUBLIC HEARING OF MONDAY, JULY 19, 2004 **REGARDING RESOLUTION NO. 101-2004(F) – 2005 CITY TAX BUDGET**

The Council of the City of Cleveland Heights, Ohio, met on the above date at 7:25 p.m.

Dennis Wilcox, presiding

Council Members present: Dietrich, Evans, Kelley, Montlack, Wilcox

Council Members absent: Caplan, Hicks

Council Member Wilcox excused the absence of Council Members Caplan and Hicks.

Staff present: Carter, Czaga, Downey, Gibbon

Chairman Wilcox called the Public Hearing to order and stated, "This is a public hearing on the 2005 Tax Budget for the city. We will hear comment on Resolution No. 101-2004(F), which concerns the authorization of that budget. Notice of this hearing has been duly given and the legislation was read on first reading at our July 6th meeting of Council and will be considered for passage at tonight's meeting, which is immediately following this one. A copy of the proposed tax budget has been available for inspection at the office of the Finance Director / Clerk of Council at city hall for the past two weeks. The City Manager and staff and Council have worked diligently over the past month or so to review and discuss the 2005 Tax Budget and we present tonight a balanced budget for consideration by Council. At this time, I would like to ask the City Manager to review the 2005 Tax Budget of the city."

Mr. Downey stated, "Thank you very much, Councilman Wilcox. I have several comments this evening regarding the 2005 Tax Budget. Several months ago when staff began to look at the forecast for 2005, the economic outgrowth and outlook was not rosy, it did not look good. We had heard of signs of economic recovery national, but not much was going on here in Northeast Ohio, representing that kind of recovery. So, the belt tightening that the city had undergone in 2002 and 2003 and 2004 will stay in effect. We do, however though, see light at the end of the tunnel. Generally speaking, this year we're beginning to see our locally generated revenues rebuilding and beginning to grow again. By that I mean, our property tax and our income tax are both on the growth this year. Unlike some of our state revenues, the local government fund, the estate tax which are either frozen or in decline, but overall we see revenue growth taking place this year and certainly into next year. The 2005 tax budget, as presented this year is a balanced budget, as you mentioned, with both revenues and expenditures approximately \$41,253,000 in our general fund and we will continue to fine-tune those estimates through the remainder of 2004 in preparation of our appropriation ordinance at the end of this year. The city has its union contracts in place with our police union, our fire union and our dispatch union and currently with Local 707, but we will begin negotiating with them this fall for a new contract next spring. All other operations will be maintained as they are now in their current status. As you can see the city's ongoing program of revenue enhancement and expenditure modification has enabled us to remain the first class community that we are.

Your Honor, unless there are any other questions, I would only want to thank the staff members, who are out in the hallway right now and are not in here, but thank them for all the hard work they've done, not only in preparation for this year's budget, but for the last three as we've had to make some difficult choices. In particular in the audience is Eddie Carter, my assistant in charge of budget and certainly we couldn't do this without Tom Malone, the city's Finance Director and of course my assistant, Kathleen Ruane, the Vice City Manager. All three were instrumental in putting together this document for you this evening. If there are any questions from Council, Councilman Wilcox, I would be more than happy to answer them."

Chairman Wilcox asked if there were any questions from Council. Seeing none, he continued, "This is a public hearing. If anyone wishes to make a comment with respect to the 2005 Tax Budget, please come to the podium, state your name and address for the record and let Council know what your comment is. Seeing no one approaching the podium, I will assume that no one wishes to comment on the tax budget and having no further business to conduct at this hearing, I will duly adjourn it at 7:30 p.m."

Respectfully submitted,

Dennis Wilcox, Chair
Finance Committee of Council

Thomas K. Malone
Clerk of Council

/mwc