

Thursday, December 14, 2017

ITEM 1: CALL TO ORDER:

Deputy Mayor Curp called the Riverside, Ohio, City Council Special Meeting to order at 6:01 p.m. at the Riverside Administrative Offices located at 5200 Springfield Street, Suite 100, Riverside, Ohio, 45431.

ITEM 2: ROLL CALL:

Council attendance was as follows: Deputy Mayor Curp, present; Mr. Denning, present; Mr. Fullenkamp, present; Mrs. Lommatzsch, present; Mrs. Reynolds, absent; Mr. Smith, absent; and Mayor Flaute, absent.

Staff present was as follows: Mark Carpenter, City Manager; Tom Garrett, Finance Director; and Brenna Arnold, Clerk of Council.

ITEM 3: EXCUSE ABSENT MEMBERS:

A motion was made by Mrs. Lommatzsch to excuse Mrs. Reynolds, Mr. Smith, and Mayor Flaute. Mr. Denning seconded the motion.

There was no discussion on the motion.

All were in favor; none opposed. **Motion carried.**

Mr. Smith arrived at 6:03 p.m. and Mayor Flaute arrived at 6:34 p.m.

ITEM 7: DISCUSSION – 2018 BUDGET

Mr. Carpenter: I do have a few updates and I can walk you through those starting with the revenues. I went back and looked to see where we are with the latest updates. As far as the income tax projection, it is roughly \$15,000.00 more. Mrs. Lommatzsch: What's that number? Mr. Carpenter: It is \$4,363,769.00. Mr. Fullenkamp: For? Mr. Carpenter: It is on the revenue side, 100 Fund, line item 4111. Mr. Fullenkamp: That's for this year? Mr. Carpenter: Yes, the projection for 2018. Mr. Fullenkamp: And that's based on what this years anticipated? Mr. Carpenter: Yes, it is on a forecast sheet. Mr. Fullenkamp: So I have the forecast at \$4,175,000.00. Mr. Carpenter: Right for this year and based on some historic performance on what our annual increase is and just adding that number in there. That gives us about another 2.4% on income tax and takes it up to \$4,363,769.00. Mr. Fullenkamp: Okay. Mr. Carpenter: I will say that the forecasted number is where Mr. Garrett and I have a little bit difference. I'm forecasting a little bit more than he has plugged in there. That's why it is not truly 2.4% greater than the forecasted number. Mr. Fullenkamp: Okay.

Mr. Carpenter: On the line item in the same 100 Fund, the line item 4151 for State and Local Government, that number was blank. I'm plugging in \$2,800.00. Mr. Garrett: I think it will be blank. Mr. Carpenter: Mr. Garrett thinks it will be blank. Mr. Fullenkamp: So we average those two numbers and come up with a number? Mr. Carpenter: On that one, I kind of looked historically as you have on that sheet. It is definitely going down, but this year we have already collected \$2,694.00. Mr. Garrett: But we haven't received a cent since the State fiscal year ended in June either.

Mr. Carpenter: In the same fund line item 4611 – Interest Income, we had a modest or actually we had only \$14,000.00 plugged in and I've plugged in \$18,000.00. This year we were in the range currently at \$20,000.00. Mr. Fullenkamp: So you are plugging in \$18,000.00 versus \$14,000.00, is that based upon interest rates going up? Mr. Carpenter: It is probably conservative. It is more than we had in there, but not as much as we have done this year so I'm just being conservative. Mr. Fullenkamp: So you have taken into account our balances and everything for that estimate? Mr. Carpenter: Yes. Mr. Fullenkamp: Okay.

Thursday, December 14, 2017

Mr. Carpenter: Then on the Fire Fund 4411 – EMS Billing looking back at the rate where we project this year and then the rolling 12 month, we originally had \$600,000.00 in there and I'm saying it will be closer to \$699,000.00. We are on pace to do closer to the \$720,000.00 and then you look back at a rolling 12 months and it has been over \$700,000.00. Mr. Denning: So why not make it \$700,000.00? Mr. Carpenter: Well, I could. I was trying to be as close to accurate. I will add \$1,000.00. I understand. Mr. Denning: I play with budgets too and I would have just made it \$700,000.00. It's a wish number anyway. Mr. Garrett: Especially because it is ambulance runs, who knows how many of those we will have. Mr. Denning: Here's my logic, you are saying that we are going to end up with \$720,000.00 this year or pretty close to it. Mr. Carpenter: We are on pace to do that, yes. Mr. Denning: That's still \$20,000.00 less than what we are on pace for this year. We are already on this date in November at \$675,000.00, so putting \$700,000.00 makes a lot more sense. Mr. Carpenter: A lot of times what I will do. Mr. Fullenkamp: Wait a minute, it is not worth a long discussion about \$1,000.00. Mr. Carpenter: There are two ways we came about this number. There is doing we are on pace and then usually on the 11th of every month you can go in and look at where you are in the rolling 12 months and that is the number I typically select. Mr. Smith: That's hoping the same people we took to the hospital this year call us back next year.

Mr. Carpenter: The next change on the Service Fund 202 line item 4565 – Property Damage Reimbursement, we had \$60,000.00 plugged in and that was more or less a carry over. As you can see to date we have been reimbursed \$75,900.00, so I just move it up to \$70,000.00. Mr. Smith: So you are changing that from \$60,000.00 to what? Mr. Carpenter: \$70,000.00.

Now we are going over to the Expenses and I only have a couple of changes there. On 107 under Planning and Program Management line item 5289 – Contracted Services, I didn't have the math correct. It should be \$14,700.00 and it was \$13,000.00.

On the Police Fund under Contracted Services – 5289, that number was reduced to \$43,000.00 from \$56,600.00. That is primarily based on if we select to go with the new body cams then that eliminates paying for the warranty in that particular line item.

That is it as far as changes. What that means is overall it changes the debt from the \$2,013,345.00 and the new number is \$1,870,306.00. Mr. Smith: That's on total expenditures or what? Mr. Carpenter: The net gain column on the budget balance page. Mr. Fullenkamp: So that takes it down to what? Mrs. Lommatzsch: \$1,870,306.00. Deputy Mayor Curp: Let's start the discussion.

Mr. Fullenkamp: Would it be reasonable to look at this Project page and look at the prioritization? The first question I have and you may have answered it, anything in green is included in this budget? Mr. Carpenter: Yes. Mr. Fullenkamp: And the prioritization, one item in there is not in green and that's the Storm Water Utility. What do you mean by that? Mr. Carpenter: That means that \$30,000.00 is not in the budget, but I ranked it higher. This is my ranking, so I ranked it higher, but it is not currently in the budget for the additional work we had talked about.

Mr. Fullenkamp: Can you give me an idea of what criteria you applied to your prioritization? Mr. Carpenter: I looked at basically need. It is hard to say, it is more of a grouping than say #1 versus #10. They are all important and the difference is varying degrees. There is not a huge difference between #1, well #1 is pretty important. A better example would be say #10 versus #30, they all have value, but some had to be first. Mr. Fullenkamp: If we were to say that on this balance sheet that is an excessive debt, you would go from the bottom up if you had your way? Mr. Carpenter: I think it depends. They are all pretty close and everything on there I highlighted in green I think is important that we do, but I understand financially we probably shouldn't do all of these things.

Mrs. Lommatzsch: Do we know the total of this impact in the green? Mr. Carpenter: The total dollar amount? Mrs. Lommatzsch: Of the green, not the Storm Water. Mr.

Thursday, December 14, 2017

Fullenkamp: What this adds to the expenses? Mr. Carpenter: I did not do the math, but I will say this on the green sheet if you look at the street sweeper, the ambulance, and the body cameras those that are in the budget are only \$60,000.00 because those payments would be spread out. I'm sorry, that is for only the street sweeper and the ambulance. The body cameras are at \$22,000.00 I believe. Mr. Fullenkamp: Yeah, the Watch Guard line is at \$22,000.00 so we need to subtract out because those are all on payment plans. Mr. Carpenter: Right. That payment number for the medic is only \$60,000.00 in the draft budget. Mr. Fullenkamp: So in ambulance is #21 at \$60,000.00 in the budget and not \$185,000.00 and that's a three year plan? Mr. Carpenter: That's right. Mrs. Lommatzsch: The street sweeper is how much? Mr. Carpenter: \$60,000.00 and that number was basically not to exceed. Mr. Fullenkamp: In the budget, are those numbers for the payment plan and not the full capital cost of each item? Mr. Carpenter: Right.

Mr. Denning: The other thing is that the things that have to do with Wright Point are part of Wright Point stuff and they are actually coming out of Wright Point's funding items and not the General Fund. Although it is in the budget, it doesn't directly impact anything outside of that. Is that correct? Mr. Carpenter: That is correct, but as you can see on our Balance sheet the projected deficit is \$700,000.00 so that adds to the \$1.8 million deficit. I think in my email to me looking over this a lot is the real significant number is the General Fund number. That's the one I think that we should focus on because of the way that it is structured we take money out of the General Fund, give it to let's say the Police Department and they spend it so we count it as an expense in the General and it is also counted as an expense to the Police Department, so there is a little double counting there. Mr. Denning: That always confused me from the beginning.

Mr. Carpenter: That's why I think the General Fund number is the one that is significant because another example would be the permissive tax money. It comes in as revenue, but we can only spend it on things specific to permissive tax and we can't spend it in payroll. That's why I think the Wright Point is a bit different, but it is its own fund. I'm trying to think, there is no General Fund money that goes to Wright Point. Mr. Denning: And none of the Wright Point money goes into the General Fund. Mr. Carpenter: We do transfer \$100,000.00. Mr. Denning: To cover Bob's time and some of that, right? Mr. Carpenter: Yeah, we transferred some money out of there into the General. Mr. Fullenkamp: And in the past we have paid for things like the other building modifications. Mr. Carpenter: Yes, that was in that BAN.

Mr. Fullenkamp: Wright Point we are anticipating a big loss, but I don't see where we are anticipating more tenants. Mr. Smith: You can't go on the premise that you are not going to rent office space next year. That's not going to be flat. Mr. Fullenkamp: That's why we hired this new company, right? Mr. Carpenter: We know if things are picking up, but this is the last projection that we had. Mr. Fullenkamp: I read an article in the last two weeks where they are saying the occupancy rate in the region is 80%. I'm saying we are between 9-35% and I want this company to be pretty effective.

Mr. Garrett: Does the rent forecast you have the benefit of the new leases that were just signed in the last couple of months? Mr. Carpenter: I don't believe so. Those numbers would have been based on at the time of the report. We don't have the latest projection on there. Mr. Smith: We are not looking for just any old business to come into Wright Point. We are looking for businesses that are going to bring in high dollar jobs that are going to add to our income tax and they are going to do something for the City. Mr. Fullenkamp: I don't know what our strategy is quite honestly. We haven't talked about that. Mr. Smith: Well we are just not bringing in anybody off the street and saying we have space here. Mr. Fullenkamp: I've never heard that before. You are the first person that has said that. Mr. Denning: Well if they can afford the rent for the space. We've got Lee's Famous Recipe and we've got contractors. You've got both ends of the spectrum here. Deputy Mayor Curp: Lee's is a corporate office. Mr. Fullenkamp: I don't ever remember that we were being selective about who we are bringing in. I don't remember that discussion. Maybe we are and I just don't know about it. Mr. Carpenter: I haven't heard that.

Thursday, December 14, 2017

Deputy Mayor Curp: That's a good point that you are making because we hired a new employee to help take on some of the responsibilities that Bob has been doing so it would free up Bob's time to do more recruitment. What we ran into with the previous leasing company was just as we talked about we became just another folder in their file cabinet and if they had a tenant, then they might show the space to them. Typically we were low priority in comparison to some of the other buildings they had in other parts of the Greater Dayton Area. We had this expectation that Lori is going to pick up some of Bob's duties so Bob can go do marketing of the space and marketing of the City. That's why I asked at the last meeting how much of the activity that Bob has been doing Lori has been sitting in on to learn the ropes and be able to transition and the response was not very much. That's an issue.

The other aspect of that in here is we have \$3,000.00 budgeted for Wright Point business outreach. I don't know what that is going to buy us. Mr. Denning: That won't even get you a website. Deputy Mayor Curp: We are spending more on canoe/livery marketing at Eintracht than we are for marketing the City. There is nothing in here for marketing the City. This is just marketing for this building.

My point is we're in a big deficit budget and are looking at cutting expenses, but I don't know that we are focusing on revenue generation other than taking a look at how much more we are going to squeeze out of income tax collections as opposed to what activities we need to be doing to generate more businesses and jobs coming into the City. I don't see that in here. Mr. Carpenter: I will just say some of the money in Economic Development operations is not reflected in here in a specific or highlighted in green. I will say there is not a significant amount, but there is more money in the Economic Development Fund for advertising and marketing that is not necessarily reflected specifically to a project here in the green.

Mr. Fullenkamp: Can I make a comment? I'm going back to the comment of Bob's Assistant, Lori. I see her being pulled off into other things that I don't know we intended for her to do. I'm not saying that volunteer programs are a bad thing, but I don't think that was the original intent of bringing Lori in as an Assistant to Bob. I don't know how much of her time she dedicates to those other projects for the organization. I want her out selling the City and doing Economic Development. That's what I thought we were getting and I don't know how much of that is really occurring. I'm glad that she is involved with the BusinessFirst! part of it. I don't know how we are allocating our time and what we think Economic Development's goals are. What is the mission of our Economic Development program? I don't have a copy of her job description and what we expected of her when she came on as an employee, but we are in a revenue generation crunch and we all know that. Whether we generate revenue off the back of taxpayers or we do it by bringing businesses into the City and filling these buildings up.

I agree with Ken on this, I don't see how we are focusing on really business development for the City and overcoming some of the obstacles that we have to make sure that occurs. I'm not going to object to anything in here and so really this is on the side, but it is about revenue generation. I am personally very concerned because we can only go to the bucket, to the taxpayers, so much on this. At some point we have to do something. We have assets that have value and should have value and should be producing revenue for us. Whether our new management company is the answer or whether there is really any big plans going on here and there are some real opportunity for growth throughout the City. I know we are going to be talking about strategic plan and land use and financial forecasts. I don't think we can wait another year to really have a focus on Economic Development in the City. That's what I thought we brought this person in for and maybe I misunderstood why we brought the Assistant in.

Mr. Carpenter: I don't think you misunderstood. She is here to work on Economic Development. Is she doing some other tasks and things? Absolutely, she is. I think it is for the benefit of the City organization. I think it is better for the community. I encourage her to assist us with reaching out and making a connection with the residents. A lot of that also includes businesses. Mr. Fullenkamp: Can you estimate how much time she is going to spend on that? Mr. Carpenter: I can't. I can find out.

Thursday, December 14, 2017

Mr. Fullenkamp: I've said enough. Deputy Mayor Curp: The Center of Flight advertising and marketing budget for next year is \$1,000.00.
Mr. Denning: And we are putting \$26,000.00 into Center of Flight bike path and re-platting. That's the stuff that Farms of Riverside were going to do and now that they didn't get their license we are going to do? Mr. Carpenter: Yes. Mr. Smith: Why are we going to do it? Mrs. Lommatzsch: Are we going to get the land back? Mr. Garrett: It's never been sold. Mrs. Lommatzsch: Okay, but do they control it? Mr. Garrett: No, they just had the right to have an option on it. Mr. Fullenkamp: If they got the license. Mrs. Lommatzsch: We have that in writing that they are no longer in control? Mr. Carpenter: For that I do need to write them a letter with Council's direction to say this agreement would be void. Mrs. Lommatzsch: That wasn't in the agreement? Mr. Carpenter: It's not automatic; we would have to write them a letter. Deputy Mayor Curp: It requires action either by us or by them. Mr. Denning: Right now they could still buy it. That company could still buy it. Mr. Smith: They could, but what would they do with it? Mr. Denning: They can't get a license to build a grow facility on it, but they could still buy the property. Mr. Fullenkamp: No, no. Mr. Carpenter: That agreement was contingent upon them being awarded a license. Mr. Denning: Okay, since they can't get their license. Mr. Fullenkamp: We may want to sell it to them. Mr. Smith: We wouldn't want them to buy it and hold it. We would want them to do something with it.

Deputy Mayor Curp: I think the point that we are trying to make is there needs to be some emphasis on revenue generation through the business development activities in the City. It is not just Wright Point; we've got a whole suite of buildings at Woodman and Linden. We've got the 1020 building on Woodman Drive. We've got the Center of Flight property. It needs some attention; the business development aspect needs some attention. That is the reason we created this other position and did the hiring. It's nice that some other activities are being addressed, but that's not the focus that was intended for that position being created. Not to be the social outreach person for the City. You take a look at new revenue generation and you can only get so much from the tax base whether it is income tax increases that we have to go to the electorate for or whether it is property tax increases, the tax base really isn't there that is going to generate a whole lot of new money without steep increases in the tax base which means you have to go through the business development activity to bring in new business and the revenue comes off of that. I'm with Steve, I don't see status quo for another year working at all.

Mr. Denning: I don't know why we would re-plate that now when we have no idea what that's going to be. Mr. Smith: We should leave it alone. Mr. Carpenter: The conversations that I have had with Mr. Murray are that those lots are not as attractive in their current way they are platted. To re-plate them makes them more sellable. Mr. Denning: I don't disagree with that. Do we know what would be more attractive? Now we are going to take these 87 pieces and cut it into 7, but is that the right 7 shapes and sizes that we need? We don't even have anybody going in there. The only thing we have going over there is the hotel. What shape do we want it to be? Mrs. Lommatzsch: To market it you need to know that though. Deputy Mayor Curp: Maybe because we have. Mr. Denning: We've got control of all of it, so we can shape it whenever we get somebody to buy some of it. Mr. Smith: That may be the last property to sell because it backs up to the railroad. I wouldn't put a lot of emphasis on it.

Deputy Mayor Curp: We also have a parcel out in front of the hotel that is up in the front corner and it has already been surveyed and plotted and it is three acres or something, but it is a reasonably sized piece of ground for development for somebody that only wants that small of a lot. That sized lot, it is not small. The question is what makes us think that the other odd shapes are keeping the businesses away when you have other sizes that are already there. Mr. Denning: I'm just saying \$26,000.00 is a lot of money to spend when we don't know what you are going to end up with. Mr. Carpenter: What I am hearing is maybe it would be more beneficial to use that money towards marketing. Mr. Denning: I would rather see us bring in a consultant to tell us what to make it into. I would rather see the money go for that. I know we've done it six times and nobody ever has. Deputy Mayor Curp: Which copy do you want to see? Mr. Denning: That's part of my point. Mr. Smith: If you get someone that

Thursday, December 14, 2017

wants to buy the land, it isn't an issue. Mr. Denning: I think you wait until we find someone. If we need to do something because of the bike path, I understand that. Let them tell us what we have to do because we've already got in there I believe that the bike path can be moved around depending on who buys what and where.

Mr. Fullenkamp: We don't have an issue with the EPA and that bike path yet, do we? Has that been resolved? Mr. Carpenter: That has not been resolved and that is part of what that was addressing. Mr. Fullenkamp: Because that is the parks on a piece of property that is not totally clean. Mr. Carpenter: We were told it was pretty much no issue, but it has not been finalized. Mr. Fullenkamp: Is it something where if you don't raise the flag nobody is going to say anything or is somebody going to come tell Five Rivers to cut the path off? Mr. Carpenter: During that process, I know Five Rivers has no interest in moving that bike path. Mr. Fullenkamp: Of course they don't.

Deputy Mayor Curp: You see, we already have a remediation report from our consultant that tells us that the concentration of all the dirty stuff that is out there. I don't know that we have to go out there and do another study. I think the study that is there and all the statistics and numbers that are there already tell us it is acceptable for commercial development. At the time, that is probably all we were looking at. We weren't looking at residential. We weren't looking at recreational. We were looking at preparing that land for commercial and retail, so the studies show us that the remediation has occurred to the level that it are accessible under the EPA regulations. That could be all we need to do is have another firm who deals in that area take a look at that same report and take it one level more to see whether it is acceptable for recreational. I don't know whether we have even considered that, but I would think that would be the first thing to do is have some consultant. Mr. Fullenkamp: They were very clear that it couldn't be a park, but the question is can it just be a bike path where those are very transient sorts of events that they may be exposed to something.

Mr. Carpenter: Going back to that, instead of the re-platting we could use that money to more of marketing and addressing how to make that land. Deputy Mayor Curp: Not how to. Mr. Carpenter: Not how to, but make interest in developing that property. Mr. Fullenkamp: And maybe more into the business outreach portion of it. Make it about Economic Development versus doing stuff that we may end up undoing if another customer walks forward. I don't think anybody is going to say anything about that bike path. I don't know that we have to address it at all. Mr. Carpenter: No, I don't think so. It didn't sound like it was really much of an issue. Mr. Fullenkamp: So now it is the platting. Do we want to plat it like we proposed with the original medical marijuana facility? Mr. Smith: Why do you want to do anything with it? That issue is dead. Mr. Fullenkamp: I'm talking about that was the intent of the platting part of it was that we were going to get that in the deal. That didn't happen, so I don't know why we would want to just continue and go ahead and do this. Mr. Smith: Just leave it alone. That is off the table. Mr. Carpenter: We can use those funds to do more marketing to sell it and recruit developers.

Mr. Fullenkamp: I want to see some results. We want to know if we are succeeding in what we are doing and our efforts are effective. I'd like to see some metrics on these kinds of things. Mr. Smith: Define results. Mr. Fullenkamp: I want more revenue. I want more businesses. I want more revenue from businesses in the City. Mr. Smith: That is a tall order. Mr. Fullenkamp: No, it's not. Mr. Smith: Yes, it is. Mr. Fullenkamp: It's what Economic Development is all about. Mr. Smith: Yes, it is. Finding the right fit for somebody to buy in over there and to build. Mr. Fullenkamp: We have to find something. I don't care if it is there or where it is in the City, we need Economic Development in this City to increase the tax base. Mr. Smith: Well now we are talking specifically about the Center of Flight and now you are saying you don't care where it is. Mr. Denning: This \$26,000.00 was going to be used at the Center of Flight. We want to use that \$26,000.00 for Economic Development for the whole city, not just specifically the Center of Flight. Mr. Fullenkamp: These buildings, whatever. Mr. Smith: The way I was hearing was it was for the Economic Development for the Center of Flight. Mr. Fullenkamp: No, you were mishearing it.

Thursday, December 14, 2017

Mr. Denning: My concern is Bob has gotten so wrapped into Wright Point and spent so much of his time and is so invested in keeping this going and making it better and better that everything else has kind of gotten to where if something comes up he goes and will take care of it, but there is no focus. We've got Smiley's. There is property up there next to where the senior lofts are going. There are all kinds of places and nothing else except Wright Point, not to take anything always from Wright Point. If we had gone up in the number of people we have renting here from 29% to 57%, I would say his time was well spent. Yeah, the buildings are in better shape. We know what the issues were and we know it is better, but that's been three years that he has spent his time on that. Mr. Carpenter: I think Wright Point is one component of our Economic Development and shouldn't be our only development. I agree with that. Mr. Denning: It's just that it takes a lot of time to do these buildings and I get that, but he needs to be out other places. That's why we are getting this management company, right? They are supposed to be doing what he's been doing. Mr. Carpenter: Yes. He has done that. I will say I have had someone come talk to me and I showed them some space and he immediately said okay, you need to talk to the management company.

Mr. Fullenkamp: You make the point that we don't have enough resources allocated to Economic Development in the City and that's why we brought Lori on to add to the resources that we could apply to this issue. Mr. Denning: To Economic Development, not the other stuff. Mayor Flaute: We've got to do Fire. We've got to do Police and we've got to do streets and parks. Mr. Denning: But that's Lori or Bob's job. Mayor Flaute: But we still have to do that first. Deputy Mayor Curp: We're not saying that. We are saying that we don't need to have Lori go do Eintracht and volunteer programs when Economic Development is more important and what we hired her for. Mr. Denning: Her job is Economic Development. Mayor Flaute: But that volunteer thing is still very important. Mr. Denning: We are not saying it's not. We are saying that if we don't have businesses coming in and money coming in, having 100 volunteers isn't going to do you any good because you don't have any money for them to do anything. Mayor Flaute: I don't know that I agree with that. Mr. Carpenter: I think the better you build your community, it is going to make it more appealing for Economic Development as well. I think a volunteer program is important to making the city more attractive. Mr. Denning: I'm not disagreeing that a volunteer program is important, I'm just saying it is not directly a part of Economic Development. Mayor Flaute: I think it could be. Deputy Mayor Curp: Well, it is not why we created the position and hired another person. Mr. Fullenkamp: That's correct. Mrs. Lommatzsch: I think there has also been a lack of direction into that direction if you get my drift of what her job was to be.

Mayor Flaute: I'm coming in here. Are we still talking about the green page? The only thing I had on there was are these the residential streets that we are going to do and are those the ones that Choice One brought to us or are those the ones that Jay brought to us? Mr. Carpenter: I will say Choice One's involvement was basically with conversation about a strategy on doing streets and I know they did the Residential Street Plan. Going back to why these streets? Choice One does agree about trying to keep them in one area. They also agree that these are less costly because there is no curb or gutter that you have to deal with on these streets. These streets in particular and most streets in that neighborhood are not 100% mill and fill because of the depth of the street; there is not enough to mill and to fill.

Deputy Mayor Curp: I went back and looked at the reports, the first report back in February and the most recent one. I remember the comments that were made at the last meeting about how the City Manager and the Interim Service Director met with County folks and talked about aligning our activities with their activities. My thinking is that is kind of backwards in my view. We should be identifying what our priorities are and going to the County and asking them to align their activities with ours. We need to be driving what goes on in Riverside instead of the County driving what goes on in Riverside and ask them to adjust their plan to accommodate our needs. I went back and looked at Pleasant Valley and Rohrer in the summer and then we did Popa and Tica. At the time, Pleasant Valley had 13 streets ahead of it in the rating system and Rohrer had 100 streets ahead of it in the rating system and yet we paved them anyway. They weren't scheduled to be paved until 2032 and 2033, but we paved

Thursday, December 14, 2017

them anyway. Popa and Tica were similar, although Popa was in better stead in that there were only 5 streets ahead of it. The ones that were ahead of them were not reconstruction rated streets, they were all mill and fill as are these streets. There are 27 reconstruction streets. If you take them out of the mix, Pleasant Valley still had 13 streets ahead of it, Rohrer had 100 streets ahead of it, Popa had 5, and Tica had 112.

Now you go to this grouping, Prince Albert, Monticello, Tyron, and so on. Prince Albert has 32 streets ahead of it, Monticello has 46, Tyron has 92, Wynora has 82, Lorella has 46, and Aspen has 63. I'm sorry I can't justify that. I can't justify that at all. I don't care what Choice One says, I can't justify that when you are going to have other streets in other neighborhoods that are rated worse and are scheduled based on the Choice One priority structure that was put in place back in February. Some of those will be dirt wagon trails by the time we get around to them and that's not going to work because one of the things you need to look at is where the money is coming from not only to pave it, but who is going to provide the tax money. Neighborhoods that are going to be put off aren't going to the polls and vote to give you money if they don't see anything coming to fix their streets until 2033-2040.

Mayor Flaute: Now your numbers you got from Choice One? Deputy Mayor Curp: I got them from the spreadsheets that were spent to us. Mayor Flaute: From Choice One? I think we need to look at that one closer. Deputy Mayor Curp: I think what we need to consider is perhaps not doing any mill and fill and not doing anything other than micro-surface for the next couple of years just to keep things from deteriorating significantly while we get to doing the mill and fill because otherwise if you budget \$400,000.00 to mill and fill six streets, then you have ignored all the rest of the community and you are going to have continued deterioration in streets that have worse ratings than these. You've got to do something to try to provide some stability to those streets even though you won't be able to do a mill and fill, so you look at how you can provide the stability and maybe it is that you hold off on mill and fill for another 4-5 years and you do micro-surfacing.

Mayor Flaute: I guess I don't understand why these are different than Choice One's, why Jay's streets were different than Choice One's. Mr. Carpenter: They are not different. Choice One said this is a plan and you can use it any way you want. If you truly want to go with the lowest rated and then work backwards. I guess we could exclude the reconstructions because we would have to because we don't have enough money to do reconstruction, then you select the lowest rated mill and fill to complete that is within the budget. That is one way to approach it. The micro-surfacing is also another way to do it. I understand what you are saying because a lot of those mill and fills are going to go into reconstruction.

Mr. Fullenkamp: I don't buy into the philosophy that you finish one entire neighborhood before you go to another one and that's what we are following into here. We are saying we are going to finish that neighborhood up in the Avondale community and that's all we are going to look at over the next 2-3 years and I don't believe that philosophy matters to anybody but the people in that neighborhood perhaps. The rest of the neighborhoods get ignored when you use that kind of process and they notice these kinds of things. I think I tend to agree with Ken about maybe pulling back and going to the majority of cape seals or whatever we call it, micro-surfacing, and stabilize those roads that we can stabilize so we can put them off for 5-10 years. I don't mind working in one neighborhood each year, but to say we are going to finish one neighborhood before we go to the next.

Mayor Flaute: You didn't like that a few years ago. Mr. Fullenkamp: I still don't like it because I don't think it makes sense. I don't know why that makes sense to anybody. Mayor Flaute: It does because you've got all your stuff in one place and it will be cheaper. Mr. Fullenkamp: I'm saying per year. Mr. Carpenter: From the Service Department aspect it does make sense because you've got this area completed and you don't have to come back for another 20 years. Mr. Fullenkamp: But they have to drive every street when they are snow plowing and everything. Mr. Carpenter: No, I mean for repair. Mr. Fullenkamp: So what? A street is a street. Do they really vary that much from neighborhood to neighborhood? I would say probably not. The argument seems to be aesthetic and that streets will look the same and I don't know

Thursday, December 14, 2017

that is a strong enough argument to prioritize them that way. I think we have a needs list for a reason and if we can work in a neighborhood each year, I'm okay with that, but to extend it over 2-3 years and says we want to complete this entire neighborhood to the exclusion of all the other neighborhoods I don't think that is reasonable.

Deputy Mayor Curp: Then you are taking a couple of years to do a neighborhood because we don't have the money to do a complete neighborhood in one year. You are taking a couple of years to do a neighborhood and then you are moving into another neighborhood and taking a couple of years to do that. By the time you get around to the fifth neighborhood. Mr. Fullenkamp: The streets are in failure and you've got a really expensive maintenance issue. Deputy Mayor Curp: Not only in that fifth neighborhood, but in neighborhood 6, 7, 8, and 9 because they have gotten no attention either. Mayor Flaute: I think you need to look at Choice One's streets and maybe somehow reprioritize what their suggestions are. Mr. Carpenter: I'm open to suggestion here, don't get me wrong. We have to make a decision, so we made a recommendation. Mr. Denning: We can micro-surface a lot more miles for that money. Mr. Carpenter: My only caution with the micro-surfacing, and this is my personal opinion, to me it doesn't look appealing in all neighborhoods. I think it is more befitting of streets with no curb or sidewalk. That's my opinion. I'm not sure that's where it is on the list as far as micro-surfacing. Mr. Denning: I'm saying you may mix a little bit more micro-surface with one road getting mill and filled and repaved or whatever.

Mayor Flaute: Every time you do that surface thing there is gravel and I get calls. "What are you guys doing putting all this gravel down? I thought we were going to quit that!" If they just wait a week or two it turns out. I don't think that it looks that bad. Deputy Mayor Curp: You are going to get more calls if you don't do it and you tell them we won't be in Forest Ridge until 2041. Mr. Carpenter: I'm with you. If I'm a voter and I see my street is 20 years down the list, I'm not excited. Mrs. Lommatzsch: You know what? We hire professionals and we pay big bucks to get an opinion and then we ignore it. Mayor Flaute: Yeah, we don't want to do that. That's what you are saying right? Mrs. Lommatzsch: Yeah, why did we ask them if we don't want to follow what they say? They said these are the streets we need to do in this order and somebody else has changed the order. Mr. Carpenter: I didn't take it that way. They said it is a working document. That's what they told us, it is a working document. Deputy Mayor Curp: Yeah, their document also shows doing it neighborhood by neighborhood in a linear.

Mayor Flaute: I think we need to look at that. Mr. Carpenter: I know we haven't gone to bid, but I understand that dollar amount is still the dollar amount. Mayor Flaute: I think we could go a little higher if we have to. Mrs. Lommatzsch: I just want to jump on getting the bidding done after the first of the year, so by the time the sun shines they can be at work. Mr. Fullenkamp: And we can get good, competitive bid prices too. Mr. Denning: That and it also gives us if the bids come in quite a bit lower then we can add like we did this year and do some extra streets. Mr. Carpenter: We certainly intend on doing that. We've put Choice One on notice that's what we want to do. Mr. Smith: We can't wait until April to put the bids out.

Mr. Carpenter: What would Council like to see as far as the streets? Should I just take the spreadsheet from Choice One and go right down the list on the micro-surfacing? Mayor Flaute: You guys have to decide that. We can't decide that for you, but the worst ones need to be considered first. I don't think you have done that here. Mr. Carpenter: We took several streets that were all near each other in this mill and fill category. That's what we did. Mr. Fullenkamp: I would want to look at Ken's approach of those streets that can be micro-surfacing and they can do that interim process of the cape seal, the micro-seal or whatever and see what that list is. We know some streets you can't do that do because they have degraded too far, but if we can save a group of streets. Mr. Carpenter: You can definitely do more streets if you are just doing the micro-surfacing.

Deputy Mayor Curp: Another aspect is Montgomery County may be moving faster than we are and in order to accommodate them we may not want to be doing mill and fills for a while and just do the cape seal, micro-surface, or whatever until they get

Thursday, December 14, 2017

done. Mr. Denning: They are going to increase and they are going to start. Mr. Carpenter: We went to them and asked them where in Riverside were the most water breaks and that's how they identified the Bayside area. On their map you can see they are everywhere. Mr. Denning: Great! When are they going to get that changed? Mr. Carpenter: That's what we told them. We are ready to do some streets. Where are our worst ones and how much lead time? They needed 2-3 years lead time and then we said okay then we will be doing this street in that year, but we will just risk more water main breaks on Bayside. Mrs. Lommatzsch: There is a big one at Woodman and Bayside. Mr. Carpenter: We are going to go through the list and pull down the micro-surfacing. Mayor Flaute: Anything else on this green list that you guys want to talk about?

Ms. Arnold: Mark, I don't see that mine was added to the budget. Mr. Carpenter: No, yours was in there. Wait a minute, which one are you looking at? Ms. Arnold: You said that the green ones were in there and I didn't see it. Mr. Carpenter: It should be under Council. Ms. Arnold: You have an orange spot there. Mr. Carpenter: It was there. I'm sorry, I deleted it. It was there on one of the other versions. Mayor Flaute: So we are saying the green stuff is okay? Mr. Denning: The green stuff is in the budget right now. Mayor Flaute: And we are okay, except for Brenna we are okay. Mr. Carpenter: Add \$9,700.00. Evidently, I have deleted on Fund 101, 5289 for \$9,700.00.

Mr. Fullenkamp: I know you have not green lined the \$30,000.00 for the Storm Water, but I still want there to be an equitable solution to this. It is not reasonable to charge everybody the same price for a residential unit. If we have to spend \$30,000.00 upfront and figure out a better way, a more fair way of assessing people if we can actually do this and we haven't really determined that yet, that's pennies compared to what we are asking for. If we are talking about \$750,000.00 a year, even in that first year, that's less than 4-5% and that's almost forever. Mr. Smith: How much are we talking per property? Mr. Fullenkamp: Well, I don't remember the number. About \$10.00-15.00 a month. Mr. Smith: Huber charges \$25.00 a year per parcel. Mr. Carpenter: Yeah, that number was much higher. We have been reaching out to other communities and finding out what they are charging and doing some research on some of the discussions and are planning to bring that to you in the beginning of January. That \$10.00 was much higher than everybody else. Mr. Denning: The way they did that was how much money do you think you need and how many parcels do you have and they worked backwards. You need \$2 million, so here is what you need to charge.

Mr. Fullenkamp: A person in a \$30,000.00-40,000.00 house shouldn't be paying the same assessment rate as somebody in a \$250,000.00 house. Mrs. Lommatzsch: The runoff could be the same. Mr. Fullenkamp: That's all I'm saying is base it on their actual usage. Let's base it upon what the benefit is. Typical special assessments have to do with the benefit. Mr. Carpenter: That was one of the other things we found, I don't remember which city it is off the top of my head, but in areas where there was no storm sewer there is a different rate that is applied to those properties as well. Mr. Fullenkamp: There are some areas that we have no intention of putting storm sewer in; just right next door here over in the Floral Park area and there are other areas that don't have any and may never. There are others that really need things. I just want it to be fair to the property owners. That's all I'm asking. If we have to spend a little bit of money upfront to make this an equitable solution and actually get something done for the city in terms of storm water, okay. I know they threw this \$30,000.00 number out there and it is going to be an intern they are going to be paying over two months. They are paying this intern a lot of money. Mr. Carpenter: They didn't have a lot of time to put that quote together. They threw out a number, so this may not be a hard number. It's not in the budget. Mr. Fullenkamp: I want to work as an intern for their company.

Mayor Flaute: I know I brought it up last time and I am beating a dead horse here, but do we want to spend \$50,000.00 for a strategic plan? Is everybody okay with that? If we are going to spend \$50,000.00, I think we need to spend it on a financial plan rather than a strategic plan. Mrs. Lommatzsch: Aren't they hand in hand? Mr. Fullenkamp: That's the first item there, a 5-year budget forecast. Mayor Flaute: #11

Thursday, December 14, 2017

is a strategic plan. Are we talking about doing both? Is that what Council wants?
Mrs. Lommatzsch: How do you plan your life? Mayor Flaute: I pray a lot. Mrs. Lommatzsch: Well, that won't make the city survive. I'm just asking you. You have to plan to know where you are going. Mr. Smith: I think Council ought to sit down and meet and decide what Council wants to see the city look like in five years or so and then go to the professionals. Mr. Denning: My understanding is when you do a strategic plan we have community meetings and we get input from the community on what they want to see the city look like. I think that is what we need.

Mr. Fullenkamp: I think we need some studies to look at our land use policies. What is the best use of the real estate that we have available for development? We don't have a clue and I think we need somebody. Mr. Smith: We just did that not too many years ago. Mr. Fullenkamp: I don't remember it. When did we do a land use study in the city? Mr. Smith: I don't have the exact date. Mr. Fullenkamp: Well then pull it out and show it to me. Those are how you make strategic decisions; you know what you've got and where you want to go. Just to sit there and say that Council will make a plan, if we don't know what is available to be developed I don't know. I'm concerned about a strategic plan too, Bill, because I want it to matter and I want it to be something we can implement and follow and kind of be faithful to. This is a real plan, but it has to be based on expert input plus community input plus what Council thinks. This is not an easy process. I'm not poo pooing what you are saying because I have the same concerns. I think somehow we have to figure out a way to move forward and again I'm going to focus on Economic Development. That's what I think we need a real plan. How are we going to do Economic Development and residential development and how do these things work together toward something that is sustainable in the long term for the city?

Mr. Denning: Let me ask this question. We've got \$50,000.00 for a strategic plan, we've got \$30,000.00 for an evaluation of revenue, and another \$30,000.00 for a master plan for parks. Don't those all kind of go together? Mr. Carpenter: Potentially. There are multiple ways you can do it. I will be honest, the \$50,000.00, that number came from a conversation with Miamisburg and they spent somewhere around \$45,000.00. Mr. Denning: That's \$110,000.00 just in that stuff. To go on with what Steve said, probably the most important for us right now is this evaluation and revenue recommendation. Mr. Carpenter: Yes. Mr. Denning: If we were going to say instead of \$110,000.00 we only want to spend \$40,000.00, which one of these do you want to do? To me, it would be the evaluation and revenue. All of these are going to take a certain amount of time and the strategic plan needs that in order to do it right and if it's not done in time for us when we start the strategic plan it doesn't make any sense. What you are saying, Bill, maybe we need to hold off the strategic plan and get this other stuff done first so that it can feed into the bigger plan. Mr. Carpenter: I don't think they should run concurrently. We should do 1 and 2 right there and then determine whether to move forward with the strategic plan and parks plan. Mr. Denning: Every time I have been part of these outside people doing evaluations and stuff for it, none of them get done in a month and a half and usually it is a year and a half. Do you see my concern? To put all this money into one package in one year.

Mayor Flaute: So you are saying we should keep the \$50,000.00? Mr. Carpenter: We could just say we complete this before we do this. That's kind of what I was thinking. Mr. Fullenkamp: You may find out things as you go along this path that are going to require you to take pauses and investigate things further. This isn't going to be a very linear path once you start. So the 5-Year Forecast, they are going to look at what we've got now and what the projections are for revenue increases based on the tax rates and the properties that we have and they are going to say with your expenses you are in debt in 2-3 years. That's going to be the doomsday message. The second one is going to come along after that and it's going to be about taxes and say it is going to either be about assessments or taxes, whether it is income tax or property tax. That's what I see those first two items coming up with. That's not going to take into account any strategic planning or anything else. That's going to say you have to come up with this much money. It would be nice to know what the strategic plan is so that you know what we really should project for revenue.

Thursday, December 14, 2017

Mrs. Lommatzsch: How are you going to sell a raise in property or incomes if you don't have a plan for what you are going to do? Mr. Fullenkamp: That's why I'm concerned. There are a lot of moving parts here and I don't think we have a very good handle on them. In Economic Development, what do we think we are going to accomplish in the next 2-5 years or whatever? That will flow into what our revenue needs are in terms of what we can expect from revenue. If we continue the same growth pattern since I have been on Council, you better just figure flat and I know we can't survive that way. We know that is not a winning formula. I think we've got to one for sure and I think two is going to be lacking some details that would be nice for a longer term outlook. All we are going to say is what are our immediate needs is what I see. Correct me if I'm wrong. Mr. Carpenter: Part of my intent was also to talk with whomever this is about all the plans that we currently have completed and the major thoroughfare, the residential streets, the storm water, and say we want to accomplish these plans, how do we get there?

Mr. Fullenkamp: I think we have to start and I don't have any objections to the first two items at all. The strategic planning I think we need to put some more thought into that and maybe talk to some experts, people who have done this, people who know something about this community, and what reasonable expectations are, land use people, what is the best use of the resources we have here? We know we can raise more revenue here if we can fill these two buildings up, but can you count on that? What are those barriers? Why is that not occurring? Is it a marketing issue? Is it that we just aren't very attractive to businesses to move into facilities like this? I don't know the answer to those things, so I can't plan on revenue enhancement from these buildings right now. I can't plan on revenue growth from Center of Flight because I have seen it stalled for a long time. I think I am starting to understand why, but maybe it is about marketing and lack of marketing and getting people interested and providing them the proper incentives. I don't know, but those are the things we have to get answers to understand how we develop a path forward.

Mayor Flaute: At this time, I would like to go through the budget maybe line by line if anybody has any questions. I have a few and if you want to start, I can start off. My first question is on revenues, page 1, line item 4158. We have in there a revenue of \$60,000.00 in 2015, \$59,000.00 in 2016, \$60,000.00 and yet year to date we've got about \$90,000.00 and you still went with \$60,000.00. Do you think that needs to be a little bit higher? Mr. Carpenter: In the 100 Fund? Mayor Flaute: Line item 4158, you've got 2017 year to total in November is \$29,000.00, but you are forecasting \$58,000.00. Oh, you don't add those together. I'm sorry. Mr. Garrett: The \$29,000.00 is the first half of the year and we just assumed it is going to double. Mayor Flaute: Gotcha, so the \$60,000.00 is okay.

Let's go then to Miscellaneous Income on that page, 4497. We were at \$27,000.00 in 2015, \$34,000.00 in 2016, and then we got to a forecast of \$30,175.00 in 2017, but you still budgeted only \$10,000.00. Any reason for that? Mr. Carpenter: Mr. conservative. Mr. Denning: What exactly is miscellaneous anyway? Mr. Garrett: It's anything that doesn't fit anywhere else. For the most part, it is usually very low. That's where we record records request and people who make records requests, but those are small items. If we were to get a DP&L rebate or something, it would go in there. Again, those are isolated and erratic things. Mr. Denning: To Bill's point, can you go back to let's say 2013 and is it still in this \$25,000.00-30,000.00 range? Mr. Garrett: I would say it is probably lower than that. Those were some isolated, one-time things. Mr. Denning: You are saying that the \$27,000.00 for 2015 and the \$34,000.00 for 2016 and the \$30,000.00 for 2017 are outliers. Mr. Carpenter: The last three years it looks like we were a little conservative. Mr. Garrett: I would have to look back at the details. Mr. Denning: I would be okay if you went to \$20,000.00. Mayor Flaute: Let's up that just a little bit. Mr. Denning: If you can go back 10 years and say the average is \$10,000.00 over the last 10 years that is a reasonable answer. If it is not, then just looking at the last three years it would be about \$25,000.00.

Thursday, December 14, 2017

Mayor Flaute: Is that the Miscellaneous on the Fire Fund? Ms. Arnold: No, that is EMS Billing. Mayor Flaute: It's the same thing. We are expecting \$37,000.00 here and we only budgeting. 4413. Mr. Smith: What are we going to change 4497 to? Mayor Flaute: \$20,000.00. Mr. Carpenter: I'm not sure what all goes into that. Mayor Flaute: 4413 is the same thing. We have \$37,220.00 and we budgeted \$1,000.00. I understand in 2015 we only got \$863.00, so maybe we are really low balling that. Mr. Garrett: Again, all of those are typically really low, but if we have a surplus vehicle and we sell it that's where it gets recorded. Mr. Denning: I'm okay with the Fire one because the numbers are really low the previous years. The General Fund one didn't make a lot of sense.

Mayor Flaute: Now I'm back on the expenses, page 1 of 14. I thank you for asking for another \$1,000.00 for my travel because I will be President of the Ohio Mayor's Association, but I think I can still get by for \$2,000.00 if a beg. I would like to see that back to \$2,000.00. Ms. Arnold: Then you do the begging this time and you get the letters from everyone saying they are giving you the money and you give it to Tom. Mayor Flaute: Alright, I will do that. I think that should still be \$2,000.00, but thank you. Ms. Arnold: That includes all of the dinners too, so keep that in mind. Mayor Flaute: I only try to go to the ones I think make a difference.

For expenses, page 4 of 14, line item 5227 – Employee Care Miami Valley Hospital, I just wanted to know what is that? Can you explain that to me what that \$3,000.00 is? Mr. Carpenter: That is the Employee Care. This is where it is open to the employees and their families for counseling and stuff like that. Mayor Flaute: Okay and that's not included in our health insurance? Mr. Carpenter: Not that, no. This is different. Remember Ron Wynne that comes in and does some counseling and training. Do you remember that gentleman's name? Mr. Smith: Is this for mental health? Mr. Carpenter: Yes. He comes in and would do a lot of presentations on drug addiction and stuff like that. That is part of this.

Mayor Flaute: The next one I circled is Victims of Crime Act, so now I'm on page 11 of 14. How much do we get from the State for this grant and how much are we spending? I'm thinking we only get like \$25,000.00 from the State and we are spending \$71,000.00. Mr. Carpenter: It's in the 228 Fund. Mayor Flaute: The last line where it says total expenditures we are spending \$71,130.00 on this person and we are getting \$20,000.00 from the State. Mr. Garrett: If you go back to the revenue line, the grant items total up to \$38,123.00 on the VOCA grant plus another \$1,088.00 on the SVAA which is all the same person, so we are getting about \$40,000.00. Mayor Flaute: About \$39,000.00 from the State, so we are paying about \$30,000.00 for this person. Mr. Fullenkamp: It's the health insurance. Mr. Denning: I have a question on the health insurance premium changing from \$2,000.00 to \$18,000.00. Mr. Carpenter: She had not taken insurance before, but now she is taking insurance. Mr. Denning: Okay, that was my question.

Mayor Flaute: Am I understanding that we are the only city that really applies for this grant and has this kind of person? Mr. Carpenter: There are a couple of other ones we have discovered, a couple of other ones in Ohio. Mayor Flaute: Do you want to kind of evaluate and see? I know she does a lot of good work, but is she a necessary part of what we are doing? If no other cities have them. Mrs. Lommatzsch: Well they handle the problems in different ways. You are going to have to address the problem she handles in some vein. Mr. Denning: The fact that it only costs us \$2,000.00. Mayor Flaute: No, \$30,000.00. Mr. Denning: No, we are getting a grant for \$39,000.00. Mayor Flaute: And it is costing us \$71,000.00. Mr. Denning: It just went up \$18,500.00 this year, but it hasn't been costing us that much before because she wasn't taking insurance before. \$18,500.00 of that just increased our costs. Before it was basically pretty close to a wash. Mayor Flaute: I just wonder how other cities. Mrs. Lommatzsch: Their Police Departments handle that, so you are going to put more load on our Officers if you don't have this intervention.

Mr. Fullenkamp: In most counties there are county wide organizations that do VOCA. Montgomery County doesn't do it, they wanted the County to take this program over and they decided not to. There are quite a few cities, probably 8-10 cities in Ohio, that have a VOCA program and also County organizations. It depends, do you want

Thursday, December 14, 2017

these people that have problems to be represented or not? This is serving the City of Riverside. Mayor Flaute: Certainly that is not what I want, but I wonder why our city does it and how the other cities do it and maybe save a little money? Mr. Denning: Because we are forward thinking. Mrs. Lommatzsch: Because their Police Departments handle it. Mayor Flaute: It sounds like everybody is okay with this \$71,000.00.

Mr. Smith: I'm kind of concerned about the health insurance. It's half the wages. The wage is \$36,500.00 and the health insurance is \$18,500.00. Mr. Fullenkamp: That's the family plan. Mr. Smith: That's a lot of money. Is that correct? Mr. Carpenter: Yeah. Mr. Smith: \$18,500.00? Mayor Flaute: Does she pay the same as all the others? Mr. Carpenter: Yeah, she contributes the same with the premium and everything. Mr. Smith: Is it based on how large your family is? Mr. Carpenter: No. Ms. Arnold: I have an individual plus one, that's what I wanted. Mr. Carpenter: That's the family plan price. Mr. Garrett: Is she going to take the family price? She is on single right now? Mr. Carpenter: I don't know. We are doing the enrollment process now. I don't know what she selected. Mrs. Lommatzsch: That's a family plan. Mr. Smith: That would break a family up that kind of money.

Mayor Flaute: If Council is okay with that, that's all the questions I have. Does anyone else have any questions about line items?

Mr. Denning: I have a couple. Page 13 of 14, the COF line item 5281 Internal Engineering went from \$8,000.00-36,000.00. Mr. Garrett: That's the re-platting that you talked about. If we drop that re-platting. Mr. Carpenter: We will move it up to that Advertising and Marketing. Mr. Garrett: Or cut it in half. Mr. Fullenkamp: Or move it into Economic Development and split it around other pieces rather than just Center of Flight. Mr. Smith: It should be for the whole city, not just Center of Flight.

Mr. Denning: Citywide Loan Principal – 5711? Mr. Garrett: That all goes back to when we bought the DAP property back in 1996 or whatever. It is a loan and they had variable repayment terms of some percentage of the income every year, so we made sporadic payments over time and still owe \$160,000.00. It is interest free up until 2020 and then it will start 3% interest, so we were trying to whittle down the payments. Mr. Denning: If we pay \$45,000.00 a year, we will have it paid off by 2020. Mr. Garrett: We will be real close. Mr. Denning: Okay. It was just that we went up what I consider a considerable amount, \$12,000.00 over the previous three years and I just wondered why. Okay. That's reasonable.

The 5711 in Brantwood Subdivision Fund, the answer is this is the first year we are going to be making payments to the reimbursement. Mr. Garrett: Which funds, 5216 or 5218? Mr. Denning: Page 10 of 14, the TIF Reimbursement Principal Payments. Mr. Garrett: Which fund, 206? Mr. Denning: Brantwood II. Mr. Garrett: Yeah, we have not received any TIF payments yet, but we should get some next year because they built all these houses this year, so next year they will hit the tax rolls. Mr. Denning: Everything was 0 before that, so I just wanted an explanation. Thank you.

The Permissive Tax / Service Department – 5641 and 5655, those are both the exact same number and it is \$65,000.00 more than last year. Mr. Garrett: Notice one of them is a subtotal. 5655 is Thoroughfare Maintenance, so basically that is a combination of our annual street striping and some crack sealing and that is going to total up to around \$168,000.00. Mr. Denning: So we are going to do a little more than we did this year is what you are telling me. Mr. Carpenter: Yes, we are looking at doing some more work. We have the responsibility for some of the state highway work, so we are looking at addressing those issues.

Mayor Flaute: 5378 on that same page. Mr. Denning: That's my next one. You have \$18,500.00, but we spent your forecasting that we are going to spend \$76,000.00 this year on the highway maintenance. Mr. Garrett: If you recall, we did do a highway appropriation in the summer to add on \$100,000.00 or something to do highway maintenance, primarily guard rail repairs. Mr. Denning: Okay, so we are starting out with \$18,500.00 this year? Mr. Garrett: That just didn't get updated. Mr. Denning: So we will just have to do the same thing and add money in next year. Mr.

Thursday, December 14, 2017

Smith: Wouldn't the State do the guard rails on a state route? Mr. Garrett: If they are outside the city limits, but if they are inside the city limits it is us. Mr. Carpenter: So should that number be updated, Tom? Mr. Garrett: What he's talking about is the budgeted number and we just didn't update that. We did do a supplemental. We started out with \$16,500.00 at the beginning of the year. Mr. Denning: And you added \$99,855.00 and you are expecting to spend \$76,000.00 for this year. Mr. Garrett: A lot of that is pre-existing damage that has been out there for years and Jay wanted to.

Mr. Denning: I'm looking at page 8 of 14 on Health Insurance; it's going from \$225,000.00 to \$350,000.00? Mr. Garrett: It's a 20% increase. Mr. Denning: That's like a 50% increase. Mr. Carpenter: I think part of it is that forecast number is not up to date. We have spent more than that forecast number is. Mr. Fullenkamp: Isn't part of the argument that you didn't have a full group of Police Officers last year? Mr. Carpenter: We were down a few Officers for the majority of the year. Mr. Denning: Okay, it was just that it was a large increase over what we are predicting for this year. Mr. Garrett: Every department is going to have a whole lot more insurance. Mr. Denning: That's like a 50% increase. I know we have gotten a 20% increase in insurance, but that seemed a little high. Mr. Carpenter: Our 2017 budget number was closer to 2018. Mr. Denning: I think that is all I have.

Mayor Flaute: In the Service Department, have you made any decisions on how we are going to advertise for the Service Department Manager and did you include that money in the salary? Mr. Carpenter: I did not deduct that salary. My thought is that we are going to be closer to April before we fill that spot, so I did not deduct it. The current wage amount is in the budget. Mayor Flaute: Mitch's wage. Mr. Carpenter: It is in the budget. Mayor Flaute: Okay, then we will decide on that and how we are going to do that and the Council can talk about it and decide how we want to handle that. Mr. Carpenter: Yes.

Deputy Mayor Curp: On the green ink summary sheet, the new has item 20 has \$100,000.00 to establish a Sidewalk Assessment Program. I didn't see that in the expense budget for the Planning and Program Management Department unless I'm missing it somewhere. Mr. Carpenter: It is in the CDBG Fund. Mr. Denning: That's where I saw it because that is where we are doing the ramps. Mr. Carpenter: That's where the grant is from so we put the money there. Right now it is labeled Community Park Beautification and I haven't updated that language. It's the 223 Fund 5391. Deputy Mayor Curp: My question is what are we going to do with that? Is that the wheelchair ramps? Mrs. Lommatzsch: Behind Eastown. Mr. Carpenter: We have been authorized to \$50,000.00 for the CDBG grant and we are going to match it with \$50,000.00. Deputy Mayor Curp: So our outlay is only \$50,000.00 instead of \$100,000.00? Mr. Carpenter: Yes. Deputy Mayor Curp: So should it not just show \$50,000.00 instead of \$100,000.00? Mr. Garrett: We have to appropriate the entire expense for the project and then we get reimbursed in the revenue side by the grant. Mr. Carpenter: Right, I see what you are saying.

Deputy Mayor Curp: Here is my next point then because Bill was asking about the budgeting for the full salary for the Services Director. Throughout this instrument, we have these situations where it is \$50,000.00 here and tens of thousands there, the Service Department, and \$50,000.00 for the sidewalk. As that excess builds up, I prefer the department heads not take it upon themselves to go spend it on something else because we are running a deficit. Mr. Carpenter: Yeah. Deputy Mayor Curp: I would be very disappointed and I would express myself in a very animated fashion at a couple appropriate times during the year if that happens because we construct the budget instrument like this and follow it up with an appropriation that covers those same totals when we know we are not spending \$100,000.00 out of our money for the sidewalk, we know we are not spending the full amount of the salary budget in the Services Department for that because you are not going to fill the position for 3-4 months. I don't people to think they have license to go spend that money because they don't in my estimation and I would be disappointed. Mayor Flaute: I guess we could budget that. Deputy Mayor Curp: No, we expect the Manager to manage it.

Thursday, December 14, 2017

Mr. Fullenkamp: You say you think you will fill the position in April or you will start the process in April? Mr. Carpenter: Well, I actually have not put pen to paper on when I'm going to start it. What I have informed Jay and even Kevin is that my intent is to deal with it in April because the other part of that is we have two of our Service workers that have informed us they may be retiring at that time. I think in the Service Department we have to address things by April. Mr. Fullenkamp: So why wouldn't you start looking into the definition of who this person needs to be and I'm saying having someone hired by April versus starting the process in April? Mr. Carpenter: I'm not saying I'm starting it. When I say address it that would mean to have the plan before April and to address the vacancy by April. I'm not saying on April 1 I am going to advertise. I'm not saying that.

Mayor Flaute: We want to know what this thing is going to look like because some of us feel there needs to be somebody with engineering things and some of us don't. I don't know how this is going to turn out. Mr. Fullenkamp: I don't understand why you are pushing this down the road. Why wouldn't begin looking for this top line manager today or 1st of the year? I don't understand the rationale that two people are retiring and therefore. Mayor Flaute: You should get him on before they retire, so he can build his. Mr. Fullenkamp: I just don't understand why you are pushing it off. Mr. Carpenter: What I'm thinking is it needs more thought to it. As we have talked a little bit about, do we change the job description to make it more of an engineering position? Do we enhance the role of the Operations Manager? Do we look at the way we have our Service workers and create a laborer position? There is some thought that is going to be made on the whole department versus just the one position. Mr. Fullenkamp: Wouldn't you want this person to have input into those changes? Mr. Carpenter: If they are going to remain directly in charge of the department. Is this something we consider redoing the department. What I'm saying is, will what we now call the Public Service Director remain the title Public Services Director in charge of that department or do we create an engineer position that is not overseeing the personnel in that department and have the Operations Manager more in charge of that department?

Mr. Fullenkamp: Is the Public Service Director a Charter created position? I don't recall if that is a Charter created position. Mr. Carpenter: It is currently. Mr. Fullenkamp: You can't eliminate it. Mr. Carpenter: Well, I understand, but do we change their duties I guess. Mayor Flaute: I think Council almost needs to have that discussion. Mr. Carpenter: Absolutely. That's why I'm saying it needs more thought. Mayor Flaute: We should start that January or February. Mr. Denning: I think he wants to come give us a recommendation of what he thinks it should look like.

Deputy Mayor Curp: I agree with Steve. It shouldn't take that long. We talked about the conflicts with two other departments, Project Management and Economic Development, we talked about that in May and we are nowhere closer to having that resolved. My question becomes why then do we want to give those departments money to go spend and we don't know who is supposed to be in charge of some of those functional areas that these budgets or part of these budgets cover? Some of these programs are being put forth by Bob, some are being put forth by Brock, but are we going to play musical chairs in January, February, or whenever and say sorry Bob you have this instead of Brock and Brock you've got that instead of Bob and Brock's already a good ways down the road on a project and spending the money and Bob wants to take it in a different direction. I don't know how we can let people go spend money without knowing who is in charge of what. It's the same thing with the Services Director. I don't know how you can take that long to do this stuff. Mayor Flaute: I think that is the message that we are all saying. Let's get started on trying to figure out what that Service Director is going to look like. Deputy Mayor Curp: It is not that, it is the whole organizational structure. Until you have the organizational structure ironed out, how can you budget money to go do things and make plans to get things done if you don't know what your organization looks like.

Mr. Fullenkamp: I'm going to give a silly example, but UFO Day. Why would Planning and Program Management present an issue like that? I think some of our organization needs to focus on what their areas of expertise are and what their job descriptions say they are. The pieces just don't fit and like Economic Development

Thursday, December 14, 2017

and Planning and Program Management it's the same sort of thing. I remember Mr. Murray saying you don't want to divide these two things and you don't want to pull these two things apart, Economic Development and Planning and Program Management. I don't know if I buy it, but sometimes I see them overlapping so much and that when you are doing planning for parcels that needs to be part of Economic Development process. Sometimes there is overlap, but then you need cooperation between those two departments that are providing those functions.

I don't think there is any magic to understanding what a Service Department head does and we have lots of different examples throughout the region that we can talk to them and figure out what the right mix of skill sets are and that's the magic, what skill sets are required by this individual and what do we want this person and job function to be. I think that is what you are proposing to do, but it shouldn't take until April to start heading down this road and finding who this person is whether it is people within the organization. I don't know who you are going to go to within the organization other than the Service Department that would provide you that input. You have to remember they have vested interest, so you are going to need to talk to somebody from the outside on what is the best mix of skills for the person. He's got to be a manager; he's got to know about finance. Then we can have that discussion. I don't see waiting until April to have that discussion.

Deputy Mayor Curp: I'm going to go back to this \$100,000.00 for sidewalks. There was discussion at one of the previous meetings about spending \$30,000.00 with Choice One to have them go out and do a rating of all the sidewalks, a 1-5 rating was the example given, and creating a priority list of what should be done first and next. Is that \$30,000.00 incorporated in here or has that \$30,000.00 gone by the wayside? Mr. Carpenter: Gone by the wayside. Deputy Mayor Curp: Alright. Thank you. Mayor Flaute: I agree with that. Mr. Denning: It is my understanding that we have that list some place from previous. Mayor Flaute: It is not something that I think Choice One needs to be doing. Jay could do it. Deputy Mayor Curp: I don't think you need to rate sidewalks 1-5 like you do streets. The sidewalk is either broken or it is not. Mr. Denning: It could be digital, yes or not. Mayor Flaute: I think one of our department guys could probably do that. Deputy Mayor Curp: In the past the Code Enforcement guy did. They went down the street and marked and either sent a letter to the resident. Mrs. Lommatzsch: They sprayed them with orange paint. Mr. Smith: I don't remember seeing a sidewalk list in recent years. Mayor Flaute: Not in recent years, but it hasn't changed that much. I vaguely remember something, but Jay would know what is out there.

Mr. Garrett: I think the sidewalk program was back in 2002 or 2003 or whatever. Mr. Smith: That's when we were doing driveways, curbs and gutters or aprons. Mr. Garrett: The conditions would be obviously different, but we would have the process of what we did before. Mr. Fullenkamp: But that didn't incorporate the entire community. I think they just did select neighborhoods. I don't think that was all inclusive. Mr. Smith: We picked a neighborhood and went through it. Mr. Fullenkamp: I think there were some neighborhoods that were left untouched. Mr. Garrett: I think that is why they did it for three years and they picked a neighborhood, surveyed and fixed it and went to another neighborhood the next year and then it got suspended. Mr. Fullenkamp: Right.

Mayor Flaute: Are there any other line items that we want to discuss? If not, then is Council ready to see a final budget at the next meeting and vote on it? Are we ready for that? Mr. Fullenkamp: I think we need to see this spreadsheet modified. I'm not sure I would want to present it at the next meeting, but maybe we can. Mrs. Lommatzsch: We would have to have a special meeting between Christmas and New Year's. Mayor Flaute: We have to have that anyway. We need to have it done by January 1st or there is paperwork that has to go in for a temporary budget that we will work on until March 31st and it gets really odd. Mr. Fullenkamp: I want to see this spreadsheet modified with the suggestions we had tonight and the additions and changes that you made at the beginning of the meeting.

Thursday, December 14, 2017

Mr. Garrett: Is it good to say early next week to update the spreadsheet and then build a permanent appropriation off of that spreadsheet and bringing it to the Council meeting? Mr. Fullenkamp: I'm okay with that. Mayor Flaute: I think so, yes. Mr. Fullenkamp: As long as we know that the spreadsheet is correct and we have put enough eyes on it to make sure there are no mistakes. Mr. Carpenter: I think I've got them all. Mayor Flaute: I'm hearing that we should put an ordinance on. Mr. Denning: Yes. Mayor Flaute: With the correct spreadsheet. Mr. Fullenkamp: When are we going to see this because the packets go out tomorrow? Mr. Carpenter: I think I can get it all done tomorrow. There is not a great deal. Mayor Flaute: You think you can have it? Mr. Carpenter: I can email it to you. Mayor Flaute: It is going to put Brenna. Mr. Carpenter: It won't be ready for Brenna, but I can email it to everyone. Mr. Fullenkamp: But then the appropriation will come later next week? Mr. Carpenter: Yeah. Mayor Flaute: So we can vote on it. Mr. Carpenter: The legislation would be there, but the exhibit. Mr. Garrett: The exhibit basically is taking the spreadsheet and then looking at such and such department got so much for operating or capital and that is what we put on the exhibit.

Mr. Fullenkamp: So when will you be able to have that ready? Mr. Carpenter: We can probably do that Monday. Mr. Garrett: Maybe if that spreadsheet Monday or Tuesday. Mr. Carpenter: I can do the spreadsheet tomorrow. That's not a lot of updates. Mayor Flaute: Let's put it on there and if it isn't, we will still have that special meeting like Mrs. Lommatzsch said. Ms. Arnold: What day are we going to have that? Mr. Fullenkamp: We have to have one anyway, right? Mayor Flaute: We have to have that meeting, but if we can have the budget ready by Thursday's meeting. Mr. Fullenkamp: You want to suspend and do both readings? Mayor Flaute: Yes, we always do that. Don't we? Mr. Denning: Yeah. Ms. Arnold: We did last year. Mayor Flaute: I thought we always did when it was budget. Mrs. Lommatzsch: Thursday night, I guess.

Mr. Denning: So the 28th will be the special meeting? Mayor Flaute: Well if we are comfortable doing the first reading Thursday and the second reading on the 28th are you more comfortable with that? Mr. Fullenkamp: It depends on when they get this and I get the information. If I get it as quickly as they are suggesting, I'm probably okay with first and second next Thursday. Mayor Flaute: Normally we do first and second readings on the same night for budget. Is that a true statement? Mr. Garrett: Not necessarily. It's just that we would like to have an approved budget before we start the year and so if there is time sometimes we will read it one week and wait two weeks, but we could read them both and be done with it. Mayor Flaute: Let's put it on the agenda to read both and if you are not satisfied we have that second week. Ms. Arnold: Am I okay to put the legislation and then supplement the attachment that way I don't have to revise the agenda? Mayor Flaute: Right.

Mr. Denning: Then we are going to have the special meeting for the final wrap up of this year's budget on the 28th. Mayor Flaute: Is that okay? Mr. Garrett: We will work to that. The purpose of that meeting is just to make final adjustments to keep our appropriations legal. Did we agree that everything on the green project list is still incorporated in the budget? Mr. Fullenkamp: I thought you were going to massage it some in terms of Economic Development. Mr. Denning: We were moving the platting stuff to somewhere. Mr. Carpenter: The dollar amount was staying in there if I understand correctly, but it wasn't going to be call re-platting. It would be more like marketing for Economic Development. Mr. Fullenkamp: Okay.

There was no further discussion from Council.

Thursday, December 14, 2017

ITEM 8: ADJOURNMENT

Motion to adjourn was made by Deputy Mayor Curp. Mr. Fullenkamp seconded the motion.

There was no discussion on the motion.

All were in favor; none opposed. **Motion carried.**

The meeting adjourned at 8:00 p.m.

William R. Flaute, Mayor

Brenna Arnold, Clerk of Council