

Thursday, December 28, 2017

**ITEM 1: CALL TO ORDER:**

Mayor Flaute called the Riverside, Ohio, City Council Special Meeting to order at 6:03 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, absent; Mrs. Lommatzsch, present; Mrs. Reynolds, present; Mr. Smith, absent; and Mayor Flaute, present.

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. Reynolds to excuse Mr. Fullenkamp and Mr. Smith. Mr. Denning seconded the motion.

There was no discussion on the motion.

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

Mr. Smith arrived at 6:06 p.m.

**ITEM 4: ADDITIONS OR CORRECTIONS TO THE AGENDA:**

There were no additions or corrections to the agenda.

**ITEM 5: APPROVAL OF AGENDA:**

A motion was made by Mrs. Reynolds to approve the agenda as submitted. Mr. Denning seconded the motion.

There was no discussion on the motion.

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

**ITEM 6: UNFINISHED BUSINESS:**

**A) ORDINANCES**

**I) Ordinance No. 17-O-645 making permanent appropriations for current expenses and other expenditures of the City of Riverside, State of Ohio, for the period beginning January 1 through December 31, 2018.**

Mr. Carpenter introduced Ordinance No. 17-O-645 making permanent appropriations for the year 2018.

A motion was made by Mr. Denning to approve the reading Ordinance No. 17-O-645 for the first time in its entirety. Mayor Flaute seconded the motion.

The Clerk read Ordinance No. 17-O-645 for the first time in its entirety.

Mrs. Lommatzsch: Explain why it had to be a new one and not a second reading.  
Mr. Carpenter: After the last meeting that we had, I went in and took the most recent report which was the December 21<sup>st</sup> report, updating all of the numbers on both sides as far as projected, current year to date, all those numbers were changed. Also, the list that I emailed as far as things that were reduced were all plugged into the budget. Until recently when I sent the email that there was the final four things whether they were in or out, those are not removed from the budget. The changes that were most

Thursday, December 28, 2017

made on the Friday when I emailed out the budget sheet that was all updated. Mrs. Lommatzsch: In essence you changed it all so it had to be a new ordinance. Mr. Carpenter: I changed the supplemental.

Mr. Denning: So Exhibit A is different than the Exhibit A that we went through last Thursday. This lowered your budget and it matches the memo that you sent us in the email that you sent us. Is that true? That means that the strategic plan and the parks plan is not in this. Mr. Carpenter: No. I sent that on Friday last week. The original one. The original one was sent last Friday and that was all corrected and then I sent the updated one to reflect what it would look like if the strategic plan and the parks plan was removed. That is currently not on here. Mr. Denning: Exhibit A, is the park plan and the strategic plan in this budget? Mr. Carpenter: Yes. Mr. Denning: But those are both over \$25,000.00, so we would have to approve that you actually spend it before it could happen. Is that a true statement? Mr. Carpenter: Yes. Mr. Denning: So then this existing Exhibit A that is part of this ordinance, where do we sit? What is the bottom line in the red or in the black or whatever with the existing exhibit?

Mr. Carpenter: I will just start with the general fund. The general fund would be \$750,203.00 in the negative. The overall when you factor all of the other funds is \$1,771,734.00. Mrs. Lommatzsch: In the red? Mr. Carpenter: Yes.

Mayor Flaute: Before we discuss this I guess, part of the discussion is how much are we in the red this year? Do you have the final numbers? Mr. Carpenter: We had a first number that we went and double checked some numbers. Mr. Garrett: We were right when we checked it today. What we did is we took the grand total of the expenses, subtracted out the advances and transfers so that we would avoid the double counting, did the same thing on the revenue, the grand total revenue and took out the advances and transfers on the revenue side. Then you compare the net expenses and net revenues, we are at about \$372,000.00 in the deficit. Of course that changes by the minute because stuff is still coming in. Mayor Flaute: But we had budgeted being \$1.3 million in the hole or something like that is what we budgeted last year. Mr. Carpenter: But the general fund to start the year was budgeted to be about \$1.1 million in the red, the overall. Last year was \$1.5 million. Mayor Flaute: And we ended up being only \$372,000.00? Mr. Garrett: Of course that is City wide across all funds. We got a little bit more gas tax than we anticipated. Mayor Flaute: Plus we spent \$100,000.00 on lawyer fees that we had to spend. Mrs. Lommatzsch: That is always going to happen. Mayor Flaute: Now we are down to \$272,000.00.

Deputy Mayor Curp: Just in the general fund. When those other funds run in the red, they have to get money from some place and they get it from the general fund. Mrs. Reynolds: So that will drive that figure. Deputy Mayor Curp: Sure. Mr. Garrett: Yeah, that \$372,000.00 is across the whole City against all funds. Mayor Flaute: So that's better than what we anticipated? Deputy Mayor Curp: No, that makes it worse from the standpoint of then what is there about this budget and this appropriation that causes us to be \$1.4 million more than last year's \$300,000.00? Mr. Garrett: No, no. The \$372,000.00 is year to date on 2017. Last year, it was more like \$500,000.00 by doing the same method. Mayor Flaute: I think your question is why is that number so off? Mrs. Lommatzsch: We are just going deeper in the hole. Deputy Mayor Curp: You can't have your cake and eat it too. Mayor Flaute: Well, if we had \$372,000.00 this year, maybe next year we will only have \$275,000.00 even though we are budgeting to be in the hole \$1.7 million. Deputy Mayor Curp: No. Mrs. Lommatzsch: No. Can you run your house that way? Can you run your business that way?

Mayor Flaute: Wait a minute, don't ask that question because I am not going to answer. Okay? What I'm hearing and not you, I want Tom to tell me if I'm wrong. We budgeted \$1.5 million last year in the hole and as of today figuring all the stuff and all the City things, we are only \$372,000.00 in the hole. Mr. Garrett: Well there is one more factor, remember last year you had the budget and you got a similar budget spreadsheet this year and it totals up on the balance page of that which shows this year whatever it is \$1.9 million or something or about \$2 million in the hole. There is some double counting in there because the advances and transfers.

Thursday, December 28, 2017

This \$372,000.00 is ignoring all of those advances and transfers. Deputy Mayor Curp: The transfers should be a wash; they shouldn't magnify the amount of red ink. They are just a wash. If you transfer \$500,000.00 over here and you show it as an expense, you show it as an income over there, so that's a wash.

Mayor Flaute: Plus we did better on our income coming in. We were how many hundred thousand dollars higher with our income tax collection than we were the year before? Mr. Carpenter: We did a little better than the previous year, but it was less than what we budgeted. Mayor Flaute: We can't count on that. Mrs. Lommatzsch: Less than what we budgeted. Mayor Flaute: Yeah, we can't count on that being there, but we did have a better collection year than we had prior. Mr. Garrett: Overall our total collections were slightly higher than the year before. Not as high as we had budgeted for in our planned budget.

Deputy Mayor Curp: If we go back to the document from the State Auditor, they have sifted through all of this and have gotten rid of all the double counting and that sort of thing. The Auditor says we are running in the red by how much? Mr. Garrett: I don't have that right at the tip of my tongue, but it does say that we are doing deficit spending basically. It says that in the Auditor's document and we are saying that by the math that I have just done here too. Deputy Mayor Curp: By a big amount, by a moderate amount, or by a small amount? Do you remember what was in the Auditor's document? Mr. Garrett: Unfortunately I don't remember right off. Mayor Flaute: Regardless of what the number is it is better than we thought, but it doesn't mean we have to do something this year. We have to do something. I'm not saying we don't, but I'm saying we need to pass a budget. I'm hoping that next year we will all be sitting here going we are only \$372,000.00 in the hole again. Deputy Mayor Curp: That is not going to happen. Mrs. Reynolds: No, it's not. Mayor Flaute: Why not?

Mrs. Reynolds: Could I just say something? I'm not being antagonistic or anything, but Mr. Garrett you are the Finance Director. You should know over the last five year period of time what we have been running the deficit. You give us this paperwork, you and the City Manager, each year and at the end of the year when you reconcile your books you know where we are at. I just wish that you had those numbers where you could draw from them when those questions are asked. I think that's important because we are at a point now because there is some conflicting information and it's very hard for us to understand. We have received several drafts of this year's budget and each draft it has changed drastically. Each one has changed. Now we are hearing something that the Mayor believes that figure is one figure, I believe it is a much larger figure from what I can put together. Not knowing, you are the only one that has the actual trends other than the State Auditor and he has those trends and our trends are great. This is a difficult situation to put a Council in gentlemen, it really is.

Deputy Mayor Curp: I would like to know what has changed in this document because I think we set a target at the last meeting of roughly \$250,000.00-500,000.00. I'd like to know what changed in here because I'm looking at a couple of these items and I don't see changes in the key areas. I will give you an example. In the fire fund, personnel services \$2,261,000.00. In the fire fund in the appropriation, personnel services is \$2,264,000.00; \$3,000.00 more. The service fund, personnel services is \$1,117,000.00. The service fund in the appropriation, \$1,122,000.00. Those are up a little bit in the personnel services area. This is the same thing with the police fund. My question is where are the changes in here and where are the reductions? Mr. Carpenter: The reduction is this sheet here, those are the reductions. The personnel numbers I think for the appropriation. Mr. Garrett: I don't think there were any reductions in the personnel area because that is wages and insurance and taxes and all that, so there weren't any change or reductions there. All the reductions were in capital and operating expense.

Mayor Flaute: Just on the first page here, legislative department, I just got the paperwork so I'm going through it now, down about \$10,000.00. The City Manager is down. Am I wrong? Planning and Management Development is up a little bit, but Economic Development is down. I mean the numbers have changed and I haven't

Thursday, December 28, 2017

gone through the whole thing. I guess your question is appropriate. Do you want to go through each one of these departments and say what is up or down?

Mrs. Reynolds: On your sheet, you have a reduction in the fire department of \$100,000.00. Mr. Carpenter: That was the transfer. Mrs. Reynolds: Okay. Mr. Carpenter: It wasn't money that was spent. It was sitting in the fire fund and we just put it back in the general fund.

Mr. Smith: I have a question on the fire fund as well on the salaries. We talked about going with another full-time firefighter and doing a full-time equivalent with part-time people. Did we not keep that in the program or did we cut that? Mr. Carpenter: We cut the full-time position, but we left an increase in the part-time wages. Mr. Smith: Right. Okay, an increase in part-time wages. That is the \$100,000.00 I'm looking at? Mr. Carpenter: It wasn't \$100,000.00, it was \$80,000.00. Deputy Mayor Curp: Part-time wages went up \$100,000.00. Mr. Smith: Yeah, \$102,000.00. Deputy Mayor Curp: How much did he want to increase the part-time hourly rate? Was it by \$2.000 an hour? Mr. Carpenter: They are at \$12.06 currently. Mr. Smith: We were looking at \$15.00 for a paramedic. Is that correct? Mrs. Lommatzsch: I thought the \$15.00 was the firefighter and \$17.00 for a paramedic. Mr. Smith: Is that what it was? Okay. Mr. Carpenter: The full-time position was going to be \$100,000.00. Mr. Smith: So we took that out. Mr. Carpenter: We took that out. Part-time I know last year was \$396,000.00 and it is at \$428,000.00 now.

Mr. Smith: Didn't we take the money for a full-time firefighter and break it down into part-time employees for the fire department? That's the best way to do it is you count the wages, plus the benefits and then you divide that by the part-time rate and that tells you how many hours to put out there. Mr. Carpenter: We didn't do it accurately, no, because there was some variable on the wage. No, I wouldn't say it was strictly whatever a full-time position was divided into three. Mrs. Lommatzsch: They don't all make the same amount. Mr. Smith: No. Well they are contract, so they are pretty close. Deputy Mayor Curp: The key is if you are using the same mix of people and you are raising the rate by \$3.00 an hour each, then you just multiply the total number of hours by the \$3.00 and that tells you what the increase should be roughly. Mr. Denning: But I thought he was going to increase the number of part-timers also to compensate for the fact that we weren't going to get the full-timer. Mr. Carpenter: Right because right now we are not filling three slots. Mr. Smith: Well you need three full-timers. Mr. Denning: Three part-timers, so he was going to increase the part-timers and increase the wages so we didn't have to spend it on a full-timer. Is that?

Mr. Carpenter: If you look at through December 21<sup>st</sup>, we spent like \$100,000.00 less of the part-time budget. Through December 21<sup>st</sup> we only spent \$292,000.00 in part-time wages which we had budgeted \$396,000.00. To make up for some of that is through overtime, so we want to reduce overtime and add more staff because we can't fill those slots. Mr. Denning: He's got a budget, however he spends it. If he wants to add more part-timers, that's fine to compensate for the overtime. Deputy Mayor Curp: The only factor that the number of part-timers plays into it is the number of people you have available to fill those part-time hours. The number of part-time hours in the budget have not gone up. Mr. Denning: He just wasn't filling them before. Mr. Carpenter: Right, they are going unfilled. Mr. Smith: We haven't had the personnel. Deputy Mayor Curp: Well the part-time hours might be going unfilled except he was using part-time money for overtime, so it got filled it just didn't get filled by part-timers 100%. Maybe it got filled by a combination of part-timers and full-timers who were willing to take on some additional hours for more money. Mr. Carpenter: Yeah, but it is not 100% filled is what I'm saying. We are authorized for nine a day and we are averaging seven.

Deputy Mayor Curp: But he through November or whenever the date was that he put his numbers together, he had used 26,000 part-time hours and he figured he would need 1,100 hours between then and the end of the year. That's 27,000 hours and if he were to raise his rate by \$3.00 an hour, one of the things I talked about was had he been more flexible with the money that we gave him and raised the rates throughout the year, would he have been able to cover the shifts? What the calculation shows, just a raw calculation, was 27,000 hours and he had enough

Thursday, December 28, 2017

money in the budget that he could have raised the rate by \$3.50 an hour and covered his budget through the end of the year. My question then is forecasting \$326,000.00 through the end of this year and another \$100,000.00 for next year. I don't see where he is going to need another \$100,000.00. It's not the fire department that I am taking issue with it is have we looked at the rest of the operation in the same vein to see if there are other operational areas, personnel cost areas, as opposed to just cutting out only or primarily capital areas? It's the personnel costs that are driving the deficit.

Mr. Smith: Where are we at on the program for the Clerk? I think it was \$9,700.00. Mr. Carpenter: That was one of the things I took out. Mr. Smith: It was reduced? The agenda software for \$9,700.00, so how much was it originally? Mr. Carpenter: It was \$9,700.00. Mr. Smith: Okay, so we kept that in? Mr. Carpenter: No, we took it out. Mr. Smith: We took it out. Okay. What was the logic there? Mr. Carpenter: I was looking for things to cut and it was some low hanging fruit. Mr. Denning: It was an easy \$10,000.00. Mr. Smith: Yeah, it's an easy \$10,000.00, but we lost our last Clerk because she got overwhelmed with typing the minutes, she got sick and couldn't catch up and she just felt the best thing she could do was walk away. If this software will help streamline that or make it easier or free up other time that could be devoted to the minutes, maybe this would be something to look at again. If it frees up space on our website, I think that would make the website run faster of course by freeing up space. I think it is something to consider. I don't think it is something we should jump and cut. I don't know if there is a more affordable model out there. I don't know if this is the only one, I have not looked into that. I think anything to help a one person department would be wise.

Mayor Flaute: What would help a lot more is if we didn't have word for word minutes like no other city has, but this Council has said no. I know we've got some new members coming on and maybe that could change also. Mr. Smith: Yeah, but it is easy to go back through the minutes and look and see how much was said or what was said. Mayor Flaute: How much money do you want to spend for that though? Mr. Smith: Regardless of that, if that is your policy that you want to have that then you need to be willing to put out the money to have that. Mr. Denning: This software isn't going to do that. Mr. Smith: I don't think the program is exactly that, but I think it would free up time and it would help us out with the website. Mayor Flaute: Convince the two new people coming on and change that policy because I think it is wrong. Mr. Smith: You are talking apples and oranges here. I'm talking about the software and you are talking about verbatim minutes.

Mr. Denning: You said that the master plan, the strategic plan, is still in this? Mr. Smith: It looks like they are cut. Mrs. Lommatzsch: It's out. Mr. Carpenter: It is still in the appropriation. Mr. Denning: It is still in the appropriation. Mr. Carpenter: I gave an updated sheet to show you what it would look like to get to \$250,000.00. Mr. Denning: Okay, so let me ask this question. Is the Clerk's software in this? Mr. Carpenter: No. Mr. Denning: But the strategic plan is. Mr. Carpenter: I shouldn't have given you an updated list, I see that. Mr. Denning: I'm not throwing stones; I'm just trying to figure out what's in and what's out. Mr. Carpenter: Everything that you received Friday is it. I just sent this update because the question was how do you get to \$250,000.00? Well, here is a way to get to \$250,000.00. I also said my recommendation would be to take those two out, but there was discussion about having that as part of my goals and objectives. I thought Council should weigh in on taking that out.

Mr. Denning: Well then is the funding in this, the guy that is going to come in and tell us? At the beginning of the year, we were supposed to have somebody come in and check us out. Mr. Carpenter: That's in here. Mr. Denning: That's in here too. Mr. Carpenter: That's in here. Mr. Denning: Okay, I have no problem with the financial piece being in here. I think that is something we have to do regardless. I do believe that somewhere in the Mayor's attic is an original strategic plan from 10-15 years ago that we could dust off. The only reason I say that is it may be less expensive to update an existing strategic plan than to go through and completely do a new strategic plan. If they are starting from some format already, if that is what we choose to do, it should cut our costs quite a bit. What can we do? We are at the 11<sup>th</sup> hour and basically we are stuck with passing this or this.

Thursday, December 28, 2017

Mayor Flaute: Unless we go through each one of these items and say which ones we want in and which ones we want out because these items are in. Mrs. Lommatzsch: That's what he just said, they are all out. Mr. Carpenter: Those are the reductions. Mayor Flaute: You took all of that out, but that is not reflected here?

Mrs. Reynolds: Mr. City Manager, in reducing this you then also increased it by \$42,000.00 because of things that have come to the four. Are you sure this is all that you have forgotten for in the past? We are looking at increasing property taxes? I thought that would have been a given. Mr. Carpenter: It was caught because we recently got our bill and then we saw Hazelton and Ketcham and we are going to have to account for those. Mrs. Reynolds: Okay, so we've got the warranty and service agreements for the body cams. Mr. Carpenter: Right, that was in the original budget way back when until we said if we get the new upgraded system we won't need that warranty, so we had to put the warranty back in. Mr. Denning: Because you took the body camera upgrade out? Mr. Carpenter: Yes. Mr. Denning: Okay. Mrs. Reynolds: You have checked off everything. May I address Mr. Garrett? Last year, we had supplemental contract for the mowing, we had the CMI problem, we had several of those problems. We have those all brought to the table? Mr. Carpenter: I'm 99% sure. There are a lot of numbers on that sheet and I went through it many times and I'm 99% sure we are covered.

Mr. Denning: Let me ask this question then, so the net of the body camera versus the warranty is only \$10,750.00 because the body camera system upgrade is \$22,750.00 so we subtract that out, but we are adding in \$12,000.00 for the warranty. The net different in that is \$10,750.00. Mrs. Lommatzsch: For old equipment. Mr. Carpenter: Well the other piece to this is those body cameras are only good for like one more year and then they are going to have to be replaced. Mrs. Reynolds: But the \$22,750.00 is for five years projected. Mr. Carpenter: It is \$100,000.00 total for that upgrade. Mr. Denning: I understand that, but if we start it in 2018 we are going to save ourselves \$10,000.00. Mr. Carpenter: You would save the \$10,000.00 by waiting until 2019. Mr. Denning: It's going to save ourselves \$12,000.00 because we don't have to pay the warranty. Mr. Carpenter: You save yourselves \$10,000.00 if you start in 2019. Mr. Denning: Yeah, we will only save \$10,000.00 by starting in 2019 instead of starting now, but we get an extra year on the end and the extra year of payments.

Mr. Smith: Do they come with a warranty? Mr. Carpenter: Yes, so that would have replaced the current warranty on the stuff that we have. Mr. Smith: And this warranty for \$12,000.00 is just for one year or is that for several years? Mr. Carpenter: That is for 2018. Mr. Denning: I guess I would rather see us start for \$10,000.00 and be doing the body new cameras than paying \$12,000.00 and then starting it next year anyway. At that point we are going to have no choice pretty much. Mrs. Lommatzsch: Plus the new cameras do a whole lot more than the other ones. Mr. Carpenter: It would solve a lot of problems. Mr. Denning: It solves a tremendous amount and I would think, I'm guessing, we would save liability and man hours on sitting there and waiting for stuff to download and all that. Mr. Carpenter: It also allows a camera for every vehicle and they are integrated because right now we don't have that.

Mrs. Reynolds: Do you have \$10,000.00 anywhere that you can cut in the proposed? Mr. Carpenter: I mean, it depends, if we want to do a street sweeper or an ambulance. Mr. Denning: I'm not willing to give up those. I would be willing to wait a year on the volunteer program and see where we are going. I'm not saying not start it, I'm saying I think that I don't know what you were planning on spending \$10,000.00 on a volunteer program. Mr. Carpenter: The estimate was going to be around \$3,500.00, so I did put in \$6,500.00 as if we needed a project and I was thinking in my mind like a farmer's market. I don't know what that cost would be, but if we got that rolling what that cost would be. Mr. Denning: There are other ways to fund that stuff and I just think that the biggest process and there should be very little to no expense is just getting people in here and getting them to volunteer. The first step would be to get your volunteers together and use them for the park events and make sure that people are going to be part of that before you get into larger projects where

Thursday, December 28, 2017

you are going to need to fund stuff and where you need more funding. That to me, there's your \$10,000.00.

Mr. Carpenter: Like I said, we put together a budget and the budget is around \$3,500.00 and that includes like a Constant Contact and a link with the website where we can do sign ups. Mr. Denning: We can do that. Mrs. Lommatzsch: That's all in that program. Mr. Carpenter: It was a budget to get that program and like I said, there was an additional \$6,500.00, which I was calling seed money. That part we could remove if we need to. Mr. Denning: That would help pay to cover the \$10,000.00 for your body cameras. I mean there are things that are necessities and there are things that are nice to have. Mayor Flaute: Or smart to have. Mr. Denning: I think volunteer program is awesome, but it doesn't do us any good if we can't keep the lights on. Mr. Carpenter: That's true. Mr. Denning: I think a farmer's market would be great, but there are organizations out there that will put that together for you. The City doesn't have to have their fingers in it and then they don't have the liability either. Mr. Smith: If K-Mart will let you use the parking lot, then they can sell out of the trunk of their car. Mr. Denning: Then you see if it is actually a viable situation, but that's my personal opinion.

Mrs. Lommatzsch: I think it is not just what you are thinking for volunteers and that is not exactly the concept. The concept is more to be contact and communication with the community and how you do that. You've got to do that by having people out there in the community who are willing to be an advocate for the City and to pass the word to make things happen. The plan is not to just have a farmer's market. The plan that I perceive that she has is to create an environment where we communicate better with the community. That's one of our biggest shortfalls and I'm not saying we don't offer up opportunities, but they are not taking part in that opportunity.

Mrs. Reynolds: Because there is nobody going behind these parties or get-togethers that we have that keeps building on it. It is a onetime thing and then it is gone. You never hear anything else and you never hear about anything that came out of that. You don't have anybody that is going around and working with all of these organizations we have in the City that is there constantly reminding those people we are here to give an update on what is going on in the City. We want you to know this that is what we have got to do to build this city. I understand what you are trying to do and you think I know that the police cameras are important, but I also know that if we don't get people involved in this city we are dead. We are dying guys, we are dying.

Mr. Denning: I appreciate all of that, but I was never given any of that information that Mrs. Lommatzsch has. Okay? Mrs. Lommatzsch: Well her presentation back six months ago, she addressed all of that. Mr. Denning: Indirectly, but there wasn't any specifics. Mrs. Lommatzsch: It was all right up there on the screen and we are so lacking in having advocates for this city in our community and I don't mean people sitting up here. I'm talking about those people who are out and I know you are involved Mr. Denning and I know you suffer from the same thing that we suffer from getting people to do things. That's got to change because in other cities that is not a problem. Mrs. Reynolds: No, that is right. Mr. Denning: I would say that you are wrong there. I think it is a big problem everywhere and let me finish because volunteer organizations in general across the United States are dying by the hundreds of thousands of members a year. Nobody that I know of has yet come up with the answer on how to slow that down. Mayor Flaute: That is not a reason for us not to try. Mr. Denning: I didn't say that. I'm not saying that. I'm addressing what she said; I'm not saying I don't want this to happen. I think we need to. Mrs. Lommatzsch: I think we have chewed this rag long enough. Mr. Smith: I do know there are grants available for volunteer programs. Mrs. Lommatzsch: And don't believe they haven't been addressed. Mr. Denning: Okay.

Mayor Flaute: Is there anything else anyone wants to talk about? I guess we are ready to vote.

Deputy Mayor Curp: I have a question. The second piece of legislation we have tonight is the supplemental appropriation. Is this to balance the funds? What are we

Thursday, December 28, 2017

doing with this? Ms. Arnold: It is what we do every year. Mr. Garrett: Basically, yes, you are right. It is to balance the funds. We are by law not allowed to appropriate more than the revenue that comes in. These are decreases to get to the revenue. Deputy Mayor Curp: Because if you add all this up it comes up to \$678,000.00. If you take out some of the things that don't impact us to some degree like the Wright Point fund and Brantwood, things that you just wash through, you are still at \$500,000.00 that was appropriated over and above what was spent. I'm sure that is not all capital stuff. My question is when we take a look at \$500,000.00 in personnel and operational areas for this current year, 2017, where is that reflected in adjustments that we asked for at the last meeting?

Mr. Carpenter: I will speak like the fire fund; we didn't fill all of our slots. We still have a Battalion Chief position that has been vacant for a few months. We didn't have a Fire Chief until February. A lot of the part-time slots have been vacant and then we went through some full-time positions where there was various time before we filled them. We are assuming all of those are going to be filled going forward. In the Service Department, we thought two of those guys were going to retire, which they changed their mind. That money did not get spent. Supposedly it is next April, but we will see. That accounts for about half of that personnel. I think there was some overtime that we didn't spend. For the Police fund, we were down two Officers for quite some time. That's probably a majority of that personnel cost.

Mrs. Reynolds: Mr. City Manager, while you are talking about that when you realize those things are going on, you knew that you didn't have two positions in the Fire Department, you knew you were down two positions in the Police Department, you knew you had this dollar amount, why didn't you move it out to other things at that point? Mayor Flaute: We don't like that. Mr. Carpenter: You can't take personnel money and move it to operations unless you go through a whole supplemental appropriation process. Mrs. Reynolds: We go through a supplemental once a month. Mayor Flaute: We shouldn't be. Mrs. Reynolds: Twice or three times a month. Mayor Flaute: That would make it worse if you start doing that. I don't think we want to do that because now we can see the decrease here. Deputy Mayor Curp: It may not be into some spending area within that same fund, it could be going back to the general fund where this Council establishes priorities and decides, gosh, maybe we could spend another couple \$1,000.00 this summer doing some streets. Mrs. Reynolds: Right, something.

Mayor Flaute: But we are still in the hole, so why would we want to do that? Mr. Carpenter: Some of it is timing too. Mayor Flaute: We wouldn't want to do that to the streets because we are still in the hole. Deputy Mayor Curp: You can't have your cake and eat it too. You can't say we are going to be in the hole and say \$300,000.00 is only a small amount and it's okay. Mayor Flaute: I didn't say it's okay, but it is a lot better than \$1 million that we budgeted. That's all I'm saying. Mrs. Reynolds: We never have a true picture of what we are in charge of. We are the keepers of the checkbook and we never know. We are sitting here looking at \$100,000.00 for something we know we are not going to do. I just find that amazing. Mr. Carpenter: As of today we are doing all of these things that we have approved. I will give you an example; the Spaulding Road project came in under budget. Mayor Flaute: So should we transfer that over?

Mr. Denning: Back to Mr. Curp's point, when did we know Spaulding Road was \$100,000.00 under budget? Mr. Carpenter: We knew what the budget was and when the project was finished it was probably in June I believe. Mr. Denning: Okay so then we should have taken that money and put it into more, we keep it in roads I have no problem keeping it, but we can do more residential streets. How many miles of micro-surfacing could we have done for \$100,000.00? We could have done two or three streets I'm sure and that would have been two or three streets we don't have to do this coming year or we would be able to do more streets. That's for future reference for you. Mr. Carpenter: I will be more attentive to that in 2018. Mayor Flaute: That's a whole lot of supplemental stuff. Ms. Arnold: Because it would be over \$25,000.00 you would have to say yes. Mr. Denning: I agree, if it is over \$25,000.00 we would have to approve it and I agree with that. I have no problem with that.



Thursday, December 28, 2017

Mayor Flaute: Well, we could sit here and chat a while or we can take a vote. Is everybody ready for a vote?

There was no further discussion on the motion.

A roll call vote was as follows: Mr. Denning, yes; Mayor Flaute, yes; Deputy Mayor Curp, no; Mrs. Lommatzsch, yes; Mrs. Reynolds, no; and Mr. Smith, no. **Motion failed.**

**II) Ordinance No. 17-O-646 an ordinance to make temporary appropriations for current expenses and other expenditures of the City of Riverside, State of Ohio for the period beginning January 1 through March 31, 2018.**

Mrs. Reynolds: They've got to go back to the board guys. They have to. Mr. Denning: But how are we going to start next year? Mayor Flaute: Now we have to approve the temporary budget. Ms. Arnold: So you need a motion to revise the agenda and I will go print it. Mrs. Lommatzsch: You don't have one here for temporary. Ms. Arnold: I was told I didn't need to at the last meeting. I can go and get it real quick. Mayor Flaute: I guess that it is what we have to do. I don't know what else we are going to do because we have to do a temporary budget. Do you want to take a five minute recess so she can go ahead and print out the temporary budget and we are going to keep that temporary budget the same budget we saw last Thursday night?

Deputy Mayor Curp: Yeah. Depending on the will of Council one of the things I talked about at the meeting was that it doesn't matter whether you do a regular appropriation or a temporary, it is a spending discipline and I think this Council should send a message to the City Manager and the staff that there needs to be some spending discipline because when we meet and get done with whatever it is we are going to do there could be some direction from this Council that there be an across the board cut of about 5-10% or you pick a number and if they have been spending at 100% run rate as opposed to a lesser run rate, then a 5-10% across the board in a particular department who hasn't been spending at a lesser run rate is going to be a greater impact than 5-10%. Mr. Denning: These cuts are not in the temporary budget. Deputy Mayor Curp: I understand that. What I said was if we do a temporary then we should also look at sending a message to the City Manager and the staff that they need to look at the way they are going to be spending during that temporary period of time because this Council could come through with some edict that says they have to cut 5-10% across the board. If they are spending at the same old run rate, then by the time they go to cut they are going to have to cut more severely than whatever amount this Council tells them it has to be cut because the 5-10% could end up being a 10-15% if they have already spent more than they should have spent.

Mrs. Lommatzsch: We also have to be concerned with the message we are sending to our negotiation team. Mrs. Reynolds: And our residents. I agree with Councilman Curp that just because you are at a 25% level. That's not the way it works. I would seriously think more like 8-10%. That's something you all have to decide and that's a discussion I'll stay out of. This is a serious matter and it needs to be dealt with now.

Mr. Carpenter: I have a question I would like to get direction on those streets so we can get things going right away. We don't have to pay the bill until the project is complete, so I will need direction on that. Mr. Garrett: The temporary budget was basically a quarter of the personnel at the 2018 pay rates or whatever, but it had almost no capital and it kept the operating at the same level as the 2017 budget, so there will be no new starts. Mrs. Reynolds: Where does that get you in the end? Mr. Garrett: What do you mean by that? Mr. Denning: That means we won't be able to do the streets. Mr. Garrett: You won't start anything. You won't buy any trucks. You won't buy any roads. You won't buy anything because all we are doing is continuing to just basically buy gasoline to run the medics we've got and pay the electric bills. That's what in the temporary budget. Mr. Smith: Just to keep the lights on.

Thursday, December 28, 2017

Deputy Mayor Curp: The question then becomes does that look like the appropriation numbers we have tonight in this ordinance we understand it is at 25% instead of 100%, but is it 25% of this number or 25% of a different number? Mr. Carpenter: Different. Mr. Garrett: It was a blend. It was 25% of the personnel numbers. I looked ahead at debt payments because we've got some loans that have payments in January and March and things like that. Those payments have to be made, so that is in the temporary budget, but most capital items are out.

Deputy Mayor Curp: Let me back up and see if I can restate this and do a better job at it. Tonight when I asked about the difference between personnel services numbers and the appropriations for a couple departments and the differences between those and these, what we were told was other than some rounding the numbers are the same the only thing that is essentially been reduced was capital items and some operations and whatever those are because those are pretty minor. The question is the numbers for personnel services for example in the temporary appropriation is 25%, if I multiply that times four will I get the same number that is in the appropriation? Mr. Garrett: It should be. Like I said there was a little bit of rounding in the permanent appropriation exhibit just to bring it to a rounder number rather than an individual dollar. I believe the temporary budget since we are offering a health reimbursement account, I think in the temporary I put in half of the year's amount that we are going to fund the accounts, so it is not strictly a quarter there it would be a half on the additional health insurance expense.

Deputy Mayor Curp: I think if we pass a temporary appropriation I would think that message from the Council would need to go with that even though these numbers would be appropriated on a temporary basis that the overall appropriation for the year for the personnel services areas and operating areas could go down further and the department heads should be very cautious about how they spend these monies.

Mrs. Reynolds: If you look at the permissive tax, you have left in the temporary you did the debt service and took out all the operating expenses. Was that the route you took with everything? Mr. Garrett: Pretty much. Mrs. Reynolds: General obligations and debt retirement fund you have nothing in it in the temporary. When is that due? Mr. Garrett: Out of the fund 300 in general debt, is that what you are referring to? There are only three items in the general obligations. The Public Works loans for the Harshman and Burkhardt Road, we just made a payment which was the January 1 payment and the next payment will be due in July for that. Then the Honeywell loan that's April so it is just barely outside. Mrs. Reynolds: The Wright Point fund annual \$6,552,000.00 and you've got \$5,712,000.00. Mr. Garrett: The note comes due on April 18<sup>th</sup>. We've got a January payment that is in the Fire fund for the fire engines. We've got a snow plow payment and it is probably July though.

A motion was made by Mrs. Reynolds to approve the reading Ordinance No. 17-O-646 for the first time in its entirety. Mr. Smith seconded the motion.

The Clerk read Ordinance No. 17-O-646 for the first time in its entirety.

Mrs. Reynolds: I will note that Section 3 is changed to Section 4 please. Mr. Denning: I detest temporary situations because I just go through this yearly with the US Government and I just think that is not the way for us to do business. It will force us. We've already spent the last three months and 80% of the work has been on the budget for Council and now we are going to continue for another three months to do budget again. That is six months we have spent on budget and there is other business for this city we need to get done, but let's move forward.

Mayor Flaute: So if we vote no and the vote goes down we don't have a temporary budget and we don't have a regular budget. Mr. Denning: Then either one can come back for reconsideration. Mayor Flaute: But we have to do that tonight. Mr. Denning: In order to spend money starting next year. Mayor Flaute: January 1<sup>st</sup>, so now we are in a situation where either the yes's give up or the no's give up. Mr. Smith: Well I'm not giving up. Mayor Flaute: I am. I want to. Mr. Smith: Call the roll.

Thursday, December 28, 2017

There was no further discussion on the motion.

A roll call vote was as follows: Mrs. Reynolds, yes; Mr. Smith, yes; Deputy Mayor Curp, yes; Mr. Denning, no; Mrs. Lommatzsch, yes; and Mayor Flaute, yes. **Motion carried.**

Mayor Flaute: I just want to go on the record and say this is ridiculous. Deputy Mayor Curp: I'm not happy about it either. I understand Mr. Denning's comments, but on the other hand we shouldn't be spending another three months on it. We need to get this right. Mr. Denning: I would like to say Mr. Manager, I would like to see us get this one with the original back to us at the next meeting or very shortly thereafter so that we can get you a full budget because your full budget I don't want to wait three months to pass another budget, I want to pass it very quickly so that you have a full budget because what I see is issues with the things that we wanted to move forward on like the streets that we need to get bids on that aren't in the temporary budget that we need to get that money out so that you know what we have to work with because we need to get that stuff bid and we will get better prices. If we wait until we have the money in the bank or the budget passed and now we are in June before we get streets approved we are right back where we were before and then we end up having to pay more to get the same work done.

Mr. Carpenter: Just to clarify, you are asking for which appropriation, the one that is going to be updated for the rest of the year? Mr. Denning: Yes. Mr. Carpenter: Okay, so what needs to be in there to be an acceptable budget? That's what I'm looking for. Mr. Denning: For me, I would say you need to make sure that the strategic plan and the park plan and this list that we got and this match or are pretty close. Mayor Flaute: What are you holding up? Mr. Denning: The original appropriation, the one we got. Mr. Carpenter: That's the only difference aside from some rounding on some personnel numbers. That's the only difference right now. Mr. Denning: I don't know what is going to make it, but according to this we would have been \$255,000.00 less from the original. Mr. Carpenter: From the December 21<sup>st</sup> version, yes. Mr. Denning: Okay. Mr. Garrett: That's my understanding is that is exactly what it is. That's the list of what he took out to get to the numbers in the appropriation. Mr. Denning: No, because there is at least \$80,000.00 still in here. Mr. Carpenter: That's correct. My reasons were. Mr. Denning: I understand your reasons.

Mayor Flaute: Mr. Curp, can you explain to Council what you would like to see in a budget? Mr. Curp, since you are the one that is going to be voting on the next budget, what would you like to see from the Manager to put in a new budget? Deputy Mayor Curp: I used the example of the Fire Department part-time situation. I don't believe that it requires an increase of \$100,000.00. Mr. Carpenter: It's not. Deputy Mayor Curp: I don't believe that when we ask for staff to go back through the budget and sharpen their pencils and go back through it that we get primarily capital projects and those kinds of things, but I don't see us really looking at the operations and seeing whether there are things we can do either more efficiently with the same people we have or in a situation where we have vacant positions for a while and we are still going to have vacant positions for a while and I don't know whether that is reflected in here. There is one department where we always have vacant positions because we never create an eligibility list so that we can hire right away when we get a vacancy, we are always behind the curve. We have that money budgeted in the personnel area, sometimes the money just moves from regular payroll into overtime or some percentage of it. We need to get our arms around that. We need to have participation from the department heads in addressing those things and having that reflected in the budget. Mayor Flaute: Okay.

Mr. Carpenter: I just want to clarify. We only added \$32,000.00 to the part-time payroll. The reason it is so low is because we couldn't fill those slots. If we had the personnel, we would have filled all of those slots and we would have hit the \$396,000.00. We couldn't find the people, so we supplemented some of those hours not very many, with overtime pay. Instead of operating at nine a day, we are operating at seven a day. Those 48 hours are going vacant every day of the year, so the attempt is to increase part-time pay in the budget so we can increase the rate of

Thursday, December 28, 2017

pay and fill more of those hours because we don't have applications. That's a big part of it. As far as the personnel, I've heard Council say that's the most costly part of our budget, but then you want me to fill spots that are vacant. I'm just getting mixed signals on that. We save money when positions are vacant, but if we fill them we are spending too much or you want to spend that money somewhere else. That's what I'm hearing. Maybe I'm misunderstanding.

Mr. Denning: If I'm putting words in your mouth, Mr. Curp, straighten me out. I think what he's asking is if you are going to leave slots open, your budget should reflect that. Mr. Carpenter: That I agree. Mr. Denning: Is that? Deputy Mayor Curp: In the Police Department, we are never at 100% strength. Never. Mr. Carpenter: They are now. Deputy Mayor Curp: Maybe. Mr. Carpenter: They are. Mr. Denning: For now. Mr. Carpenter: They are now. Deputy Mayor Curp: Tonight you said there was still a vacancy. Mr. Carpenter: No, we started the year with vacancies, they are filled now. Chief was just saying those two were getting right on the street I believe this week. They have been in training for quite some time, but it took us a while to get those two spots filled and we also had a Major with the whole Major/Sergeant thing going on. It took some time.

Mrs. Reynolds: Look what you had to do to get those people to come in. You had to start offering a different pay rate. You had to start those kinds of things; that went on forever, sir. That's one of the things that is just not right. Councilman Curp talked about having an eligibility list, you can do that. You can do that and you should be doing that so that when there is a vacancy that comes open, there it is and you have that person you can hire. This city shouldn't be without that service and it is on us to make sure those people are on the street, those people are in that fire truck, those people are in that service truck. That's what it is about. Mr. Carpenter: I agree with the eligibility list. That would prevent some of that for sure. Mrs. Reynolds: And you need to work on that and get that done. That would be a good thing to do. Mr. Carpenter: I don't want to make excuses, so I won't say anything. Mr. Denning: I think if you have spots that you are planning on not being there, then you shouldn't budget for that. Mayor Flaute: But you should budget if you think you are going to fill them. Mr. Smith: You just need to have it in the back of your mind that you are going to have that money available.

Mrs. Reynolds: Well the only way he can be ready to fill it is if he has done the ground work from before and got that eligibility list and knows he's pulling from this group. Those two you were planning on having retire in the Service Department, how long was it going to take you to fill both of those positions? Mr. Carpenter: I understand, but they told us early on they weren't going to. They were talking originally about retiring in September. We talked about starting the process in August because our Table of Organization doesn't offer overlap, so we were talking about starting the process in August, but they told us before that they are not retiring until this coming year. We have currently one position vacant.

A motion was made by Mrs. Reynolds to approve the reading Ordinance No. 17-O-646 to suspend the rule that dictates the number of days between consecutive readings of ordinances. Mr. Smith seconded the motion.

There was no discussion on the motion.

A roll call vote was as follows: Mrs. Reynolds, yes; Mr. Smith, yes; Deputy Mayor Curp, yes; Mr. Denning, yes; Mrs. Lommatzsch, yes; and Mayor Flaute, yes. **Motion carried.**

A motion was made by Mr. Smith to read Ordinance No. 17-O-646 for the second time by title only and approve its final adoption. Mrs. Reynolds seconded the motion.

The Clerk read Ordinance No. 17-O-646 for the second time by title only.

There was no discussion on the motion.

Thursday, December 28, 2017

A roll call vote was as follows: Mr. Smith, yes; Mrs. Reynolds, yes; Deputy Mayor Curp, yes; Mr. Denning, yes; Mrs. Lommatzsch, yes; and Mayor Flaute, yes. **Motion carried.**

Mr. Denning: So how soon will we see the new budget do you think, realistically? Mr. Carpenter: I am still unclear on what needs to come out to pass. What have I heard? I still haven't heard anything other than take out the strategic plan and the parks plan. There was talk about sharpening the pencil. I asked staff to reduce their operating budgets by 4% already and that is reflected in the budget. That's in there. Mrs. Reynolds: I would ask them all to reduce their costs by 10%, sir. That's where I would start and then bring that back to the Council. Mr. Carpenter: 10% out of operating and personnel? Mrs. Reynolds: Whatever it takes to get you to the 10%, sir. Mr. Carpenter: Capital? Streets are already \$300,000.00. Mrs. Reynolds: You have to have something to start from, sir. You can't just keep throwing things out there thinking this will be alright. You see that's not the case. I would start with my most drastic, that's me. Mr. Carpenter: \$340,000.00 for the streets? Deputy Mayor Curp: You can take the \$340,000.00 out of the streets and say that absolves Police, Fire, City Manager, and Finance from having to take a look at their expense budget. Mr. Carpenter: I understand. I guess I'm asking the number. Is there a magic number? We said \$250,000.00-500,000.00. Deputy Mayor Curp: 10%. Mr. Carpenter: 10% of \$11 million?

Mr. Denning: I think from the original budget, the 21<sup>st</sup> budget, if you can bring it down the \$250,000.00-500,000.00, I think that will get it passed by the majority of the Council. I think part of the problem is there was a lot of communication and not enough information. We got this list and this list and then this list isn't actually this list, it's mostly this list and not really this list. Do you see what I'm saying? Mr. Smith: My problem was I didn't have anything in front of me to look at. I couldn't open up your attachments you sent and I was hoping Brenna was going to bring something to the house that I could look at. I was calling her today to see if there was anything. Mr. Denning: And now it doesn't matter because he won't get to vote.

Mayor Flaute: One of the things that the Manager did bring up is to talk about the streets. We had two suggestions on the streets and I wondered if the Manager has any new information regarding those lists or do we want to wait until after March 31<sup>st</sup> to deal with that? Do you want to deal with it now or do you want to wait until March 31<sup>st</sup>? Mr. Smith: You don't have to wait until March 31<sup>st</sup>. Mayor Flaute: No, we can't because we don't have any money to do it. Mr. Denning: That's why I'm asking to get this. As soon as you pass the full budget, you will have all the money. We don't have to wait until March 31<sup>st</sup> to pass the budget. Mayor Flaute: So what are we going to do, talk about streets? Mr. Denning: We aren't going to because it is a special meeting and you can't do that. You can only talk about these ordinances. Mr. Smith: It's not on the agenda, you can't talk about it. You need to have a list together saying which streets you are going to pave or repair.

There was no further discussion.

## **ITEM 7: NEW BUSINESS**

### **A) ORDINANCES**

- I) Ordinance No. 17-O-650 making supplemental appropriations for current expenses and other expenditures of the City of Riverside, State of Ohio, for the period January 1 through December 31, 2017.**

A motion was made by Mrs. Reynolds to approve the reading Ordinance No. 17-O-650 for the first time in its entirety. Mr. Denning seconded the motion.

The Clerk read Ordinance No. 17-O-650 for the first time in its entirety.

Mrs. Reynolds: Mr. City Manager, the State Highway fund, operating expenses decreased by \$70,000.00. Is there a story behind that? Mr. Garrett: Most of it is we

Thursday, December 28, 2017

did a supplemental earlier in the year and we added \$100,000.00 for guard rail repair and most of that didn't get done. Mrs. Reynolds: It was guard rail? Mr. Garrett: Yes. Mrs. Reynolds: Thank you.

There was no further discussion on the motion.

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

A motion was made by Mr. Denning to approve the reading Ordinance No. 17-O-650 to suspend the rule that dictates the number of days between consecutive readings of ordinances. Mr. Smith seconded the motion.

There was no discussion on the motion.

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

A motion was made by Mr. Denning to read Ordinance No. 17-O-650 for the second time by title only and approve its final adoption. Mr. Smith seconded the motion.

The Clerk read Ordinance No. 17-O-650 for the second time by title only.

There was no discussion on the motion.

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

**ITEM 8: ADJOURNMENT**

Motion to adjourn was made by Mrs. Lommatzsch. Mr. Smith seconded the motion.

There was no discussion on the motion.

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

The meeting adjourned at 7:28 p.m.

---

William R. Flaute, Mayor

---

Brenna Arnold, Clerk of Council