

CITY OF SPRINGBORO
320 W. CENTRAL AVENUE, SPRINGBORO, OH

CITY COUNCIL SPECIAL MEETING

TUESDAY, NOVEMBER 17, 2009

5:00 PM

COUNCIL

John Agenbroad, Mayor

Jim Chmiel, Deputy Mayor
Marie Belpulsi
Sheila Lairson

Scott Anderson
Tom LaDu
John D. Parise

CITY STAFF

Chris Thompson, City Manager
Chris Pozzuto, Assistant City Manager
Beth Eaton Assistant Finance Director
Jeff Kruithoff, Chief of Police
Barry Conway, Public Works Director
Vince Murphy, Assistant Public Works Director
Mike Eaton, Golf Course Superintendent
Tom West, Golf Course General Manager
Lori Martin, Clerk of Council

The purpose of this Special Meeting was to present and discuss the 2010 Budget for the City of Springboro, Ohio.

- ITEM 1. CALL TO ORDER.** Deputy Mayor Jim Chmiel called the Springboro, Ohio City Council Special Meeting to order at 5:00 PM in Council Chambers at the Springboro Municipal Building, 320 W. Central Avenue, Springboro, Ohio.
- ITEM 2. ATTENDANCE.** Agenbroad, Absent; Anderson, Present; Belpulsi, Present; Chmiel, Present; Lairson, Present; LaDu, Present; Parise, Absent. Deputy Mayor Chmiel commented that Mayor Agenbroad is absent due to out of town business. Mr. Parise also was absent from the meeting.

Deputy Mayor Chmiel asked for a motion to excuse Mayor Agenbroad and Mr. Parise from the Special Meeting.

Mr. LaDu motioned to excuse Mayor Agenbroad and Mr. Parise from the Special Meeting. Mr. Anderson seconded the motion.

No discussion.

VOTE: Belpulsi, Yes; Chmiel, Yes; LaDu, Yes; Lairson, Yes; Anderson, Yes. (5-0)

- ITEM 3. PRESENTATION.** -2010 BUDGET PRESENTATION AND DISCUSSION. City Administrative Staff presented the proposed 2010 City Budget to Council for discussion.

(The City of Springboro 2010 Proposed Budget is on file for the record and detailed reference.)

Ms. Thompson provided a brief introduction by commenting on the proposed budget as communicated in the Memorandum to City Council regarding the 2010 Budget and Letter of Transmittal – Proposed 2010 Budget found at the beginning of the budget document. Revenue projections for 2010 are projected at an 8-10% reduction, and the 2010 budget proposes a number of cost saving measures including a 0% COLA for employees in 2010 with a maximum merit increase of 2% based on performance. If awarded, the merit increase would be issued to employees via a one-time check at the time of the employee's evaluation. Limitations on overtime and overnight travel are also proposed for 2010. Costs associated with City records stored at Iron Mountain have been greatly reduced in 2010; the City will save \$13,000 due to the thorough and proper disposition of records that have met their retention periods. In addition, City-wide direct deposit of employee paychecks saves the City \$6,000. In short, staff tried to make adjustments to the 2010 budget in anticipation of the projected 8-10% loss in income tax revenue in 2010; however, the City's reserve remains healthy. Ms. Thompson thanked Finance Director Robyn Brown, who worked very hard with the Finance Department staff to prepare the budget document. Ms. Thompson also thanked Assistant Finance Director Beth Eaton for speaking on Ms. Brown's behalf during her absence.

At this time, staff presented their departmental budgets. The 2010 Budget contains only two Expanded Requests by the Police Department for two new patrol cars and one new police staff vehicle. (Expanded Requests are capital items detailed on the yellow pages in the budget book, which are requested by staff and recommended by the City Manager.)

Budget for Department 110.110 – Council/Clerk of Council – Ms. Martin commented that the target level for the Council/Clerk of Council budget is relatively the same as the 2009 target level and is proposed to be approximately \$2,500 less than revised expenditures in 2009. There is nothing extraordinary in Council's proposed budget for 2010; monies have been budgeted to cover the routine departmental expenses from day-to-day and year-to-year. There are some line item reductions based on the history of expenditures such as Local Training and Seminars. In regard to the budget decrease in Professional Services, there were several non-routine expenses in 2009 including the codification of the Charter revisions passed by Springboro voters at the end of 2008 as well as expenses associated with the open house events for the new city building.

Ms. Belpulsi asked Ms. Martin to clarify Volunteer Functions, Professional Functions, and Community Functions shown in the expenditures detail of the Council budget under Professional Services. Ms. Martin explained that Volunteer Functions would include for example a volunteer recognition or appreciation event or volunteer training meeting, Professional Functions would include hosting a Dayton Area Mayors and Managers Meeting in Springboro or other professional associations, and Community Functions would include the City's sponsorship of the Christmas in Springboro Festival.

Mr. Anderson noted that the South Metro Regional Chamber of Commerce (SMRCOC) membership was included in the Subscriptions/Memberships/Dues of the Council budget although several years ago Council decided to withdraw from that chamber. Ms. Martin responded by explaining that in 2007 Council agreed that the City would withdraw its membership from the SMRCOC; however in 2008 the City's membership was reintroduced for consideration at the request of Ms. Belpulsi. There were no objections during the budget discussion and the chamber membership was included in the 2008 budget and subsequently in the 2009 budget.

Mr. Anderson asked if there was any value to the City being a member of the SMRCOC. Ms. Thompson explained that the value lies in the regional associations provided through the chamber, as Ms. Belpulsi stated before. Springboro's partnership in the Austin Road Interchange for example requires a regional cooperative effort, and being a member of the SMRCOC is another way to connect the City on a regional level.

In regard to the Income Tax Department goals for 2010, Mr. LaDu asked if the department could proactively identify people who need to make quarterly payments. Ms. Thompson answered that people who need to make quarterly payments are notified by the City, but not on a quarterly basis. Ms. Thompson suggested that the City's income tax ordinance could be changed to not have penalties accrue for delinquent quarterly payments, but that would be a policy decision for Council to make and should be addressed under the Income Tax

Department's goal to "Update local income tax rules and regulations." Furthermore, an ordinance could be prepared for Council's review in 2010 regarding this issue.

In reference to the Police Department goals for 2010, Mr. LaDu pointed out that he did not see accreditation as a goal and asked if the department is working toward accreditation. Chief Kruithoff explained that the application process must be completed within a specified time period and the department does not want to begin the process until all of the appropriate documentation has been prepared and can be submitted electronically; therefore, the department opted not to include it in the goals until they know for certain when the process will begin.

On behalf of Mayor Agenbroad, Jim Chmiel asked if the proposed 0% COLA will be in effect beyond 2010. Ms. Thompson answered that the COLA will be analyzed again next year, but the 0% could potentially remain in effect in 2011. The legislation concerning the annual wage scale adjustment, which will be considered on Thursday night (November 19), will adjust the wage scale for current positions by 3% in order for the City to remain competitive when recruiting for an open position.

Budget for Department 110.120 – City Manager – Ms. Thompson briefly highlighted budgeted expenditures for Code Red and Council Directives and Projects. She noted that budgeted expenditures for Donations (to non-profits) have been cut by 50% and expenditures for the I-75/SR73 Bridge Project Design Costs were carried over from this year due to the timeline for the project. Ms. Thompson also commented that Overnight Travel has been restricted to one out-of-state and one in-state conference/training for department heads and one in-state conference/training for the rest of staff.

Budget for Department 110.125 – Assistant City Manager – Mr. Pozzuto briefly commented that there are no major changes in the 2010 budget for this department; however, printing costs have been reduced \$12,000 or one-third by switching printers for a better price. Also, Mr. Pozzuto commented that \$5,000 has been budgeted to launch the Employee Wellness Program in January, which will cover the costs of awards, incentives, materials, and programs such as a "Lunch and Learn" program featuring health related topics.

Budget for Department 110.126 – Computer Administration – Mr. Pozzuto briefly stated that the Computer Administration budget reflects an overall decrease in 2010.

Mr. LaDu asked if the servers were on a refresh schedule. Mr. Pozzuto replied yes, the servers are refreshed every three years and have been refreshed recently.

Ms. Lairson asked if the part-time IT position has been filled. Mr. Pozzuto replied yes, Cheri Treadway is the part-time IT Specialist.

Budget for Department 110.192 – Legal Administration – Ms. Thompson briefly stated that the reduction in legal expenses for 2010 is due to the recent history of invoices. Outside Legal expenses remain the same in 2010 to cover the costs of any potential law suits.

Budget for Department 110.350 – Historical Commission/ARB – Mr. Pozzuto commented that the budget for the Historical Commission/ARB has been reduced in 2010. The \$5,000 budgeted last year to cover functions was not utilized.

Budget for Department 110.510 – Planning – Ms. Thompson noted that the City's Planning Consultant Dan Boron is budgeted at \$87,700 through his planning services contract with the City. Also, the Customer Service Manager's salary is partially paid from the planning budget, as Lois Boytim serves as support staff to the planning department.

Budget for Department 110.520 – Economic Development – Mr. Pozzuto commented that the 2010 budget includes an additional incentive program proposed to attract businesses to Springboro aptly named the Springboro Incentive Program (SIP), which provides an incentive in the form of a one-time grant for moving expenses to any manufacturing, industrial, or service oriented business (retail is not eligible) willing to move into an existing vacant building in Springboro based on certain criteria. Mr. Pozzuto added that \$50,000 has been budgeted in 2010 to get the program started. At this time, Mr. Pozzuto presented a brief presentation outlining

the proposed program. (A copy of the proposed Springboro Incentive Program (SIP) is attached for the record and for reference.)

Mr. Anderson asked if Mr. Pozzuto was planning to target companies in the Dayton region for this program. Mr. Pozzuto answered that the program would not be limited to companies in the Dayton region. Mr. Anderson commented that SIP is a great program, but it should be expanded to smaller businesses. Mr. Pozzuto explained that the program would require the business to relocate or create no fewer than 20 full time jobs with a minimum hourly wage of \$12/hour, and, in general, smaller businesses would not be able to meet the criteria; therefore, the incentive would outweigh the tax benefits to the City. Mr. Anderson commented that a small business could relocate to the downtown area and employ five professionals with \$70,000 incomes. Ms. Lairson suggested that the program criteria be based on a payroll minimum rather than an employee minimum.

Ms. Belpulsi asked what would happen if a company does not meet the five year minimum commitment to operate in Springboro, as required by the program. Mr. Pozzuto commented that the business would have to pay back part of the incentive. Ms. Belpulsi asked if the program requires that the money be in an escrow account. Mr. Pozzuto commented that the business would have incurred that expense. Ms. Belpulsi also confirmed that the Springboro Community Improvement Corporation would be making the decision to approve or deny a grant application under this program. Mr. Pozzuto replied yes.

Ms. Thompson commented that staff would tweak the parameters of the incentive program to create a fully developed program and policy, and she gives Mr. Pozzuto a lot of credit regarding this program, as he did a lot of research in preparing this proposal.

Finally, Mr. Pozzuto stated that the net increase in the Economic Development budget for 2010 is only \$17,000 due to a reduction in Professional Services.

It was the general consensus of Council that the program criteria should only require a minimum payroll regardless of the number of jobs the business brings to the City.

Budgets for Departments 110.130 and 110.160 – Finance and Income Tax – Ms. Eaton briefly mentioned Printer Maintenance, which is under a separate agreement. In regard to the Income Tax budget, there is a minor increase in expenditures in Professional Services for Custom Software Changes to further customize the income tax software system. The budget for Printing and Advertising dropped significantly due to the on-line income tax tools for residents, which requires fewer bulk mailings.

Budgets for Departments 110.140, 110.211, 110.212, 110.330 – Police Department – In reference to the department's accreditation, Chief Kruithoff explained that the department will have to prepare for accreditation by writing every policy to meet accreditation standards. Chief Kruithoff further explained that Lexipol is releasing an on-line system to assist with the accreditation process and there is a 36-month clock ticking and 50 communities they intend to reach before they come to Ohio. Chief Kruithoff briefly commented on the department's budgets, which reflect an overall decrease of 3% in 2010; the only increase is shown in Contractual Services. In regard to the Mayor's Court Budget, there is an increase in the overall budgeted expenditures due to adjustments in part-time and full-time wages to accommodate the addition of customer service manager support functions to serve as back-up for the dispatch center. In regard to the Police Officers Budget, there is a slight reduction, but remains routine. The Local Training/Seminars line item has been reduced significantly due to reimbursements by the State of Ohio for training costs. Vehicle Maintenance Repairs line item continues to decrease due to the rotation of new vehicles into the fleet. The Police Customer Services Budget was significantly reduced in wages due to the transition of the dispatch center to the police customer services center, which resulted in a reduction in staff and hours of operation. Chief Kruithoff noted that the Prisoner Care Budget spiked this year due to the Court Magistrate's decision to detain a prisoner for an extended period of time. The budget for prisoner care reflects a decrease in 2010. In regard to the COPS Grant Fund, Chief Kruithoff noted that no funds have been budgeted for COPS grants in 2010.

On behalf of Mayor Agenbroad, Deputy Mayor Chmiel asked if the City was eligible for any COPS grants in the future. Chief Kruithoff answered that as grant opportunities become available, staff will prepare and present a resolution to apply for the separate grants.

In regard to the Cops in School Grant Budget, Chief Kruihoff briefly commented that the School Resource Officer saves the City money on response to incidents at the schools. Chief Kruihoff quickly did an auxiliary review of the remaining budgets associated with the Police Department, which include Law Enforcement State and Federal, Mayor's Court Improvement, Law Enforcement DUI, and DARE.

In reference to the Mayor's Court Improvement Fund, Ms. Belpulsi asked if the scanning of court documents was performed in-house or by contract. Chief Kruihoff answered that the court documents are scanned by Business Data Solutions on Victory Drive in Springboro.

Chief Kruihoff reviewed the Police Department Expanded Requests as follows: Two New Police Vehicles (Ford Crown Victoria with Police Package) and Accessories to replace two vehicles in the marked fleet and One New Police Staff Vehicle (Ford Expedition). Chief Kruihoff explained that the two new police vehicles are very routine replacements on the annual rotation schedule. The staff vehicle will be purchased to replace a Ford Explorer, which will be kept to replace the old DARE van and a Dodge Intrepid used by staff members to travel to training seminars. The School Resource Officer will be utilizing the Ford Explorer.

Mr. LaDu questioned the size of the new police staff vehicle. Chief Kruihoff explained that this vehicle will be used to transport equipment and to tow a police trailer to training and incidents when needed. Chief Kruihoff further explained that the vehicle will be a comparable vehicle under the GSA purchasing program; it might be a Ford Tahoe or a Ford Expedition depending on what is available when it is bid. Chief Kruihoff also commented that the price is significantly less than the state bid last year for the Crown Victorias.

In regard to the purchase of the Ford Expedition, Ms. Belpulsi commented that it would not be a patrol car and asked if it would be possible to wait until the following year or the middle of next year to purchase that vehicle. Chief Kruihoff explained that the date of the purchase would depend on the GSA Purchasing Program. Ms. Belpulsi asked if Chief Kruihoff could please find out when the City would have to bid to purchase the vehicle.

Budgets for the Public Works Department beginning with 110.150 – Engineering – Mr. Conway commented that Overnight Travel Expenses have been decreased 8.5% in 2010, but all other line items would stay the same. The Refunds line item has slightly decreased in 2010 and accounts for refunds for subdivision bonds.

Budget for Department 110.360 – Tree Authority – Mr. Murphy explained that the Tree Authority budget has a new line item, Misc. Repairs and Maintenance, to provide continuity in fighting the Emerald Ash Borer in the urban forest by covering the costs to remove and replace Ash Trees in Parks and on City Property. Mr. Murphy added that all of the Ash Trees in the right-of-way have been removed. In addition, Mr. Murphy mentioned that the City has two certified arborists on staff.

Budget for Department 110.420 – Park Maintenance – Mr. Murphy commented that several line items in the Park Maintenance Budget have been significantly reduced in 2010 due to budget cuts. The Uniforms line item has been reduced, and the Professional Services line item has been reduced in 2010 due to the in-house engineering of the new baseball diamond next to the dump site at Clearcreek Park.

Deputy Mayor Chmiel asked if it was a good year for reforestation. Mr. Murphy replied yes, the City planted close to 500 trees to reforest areas decimated by the Emerald Ash Borer.

Budget for Department 110.530 – Building and Zoning – Mr. Conway commented that there is a 7.2% decrease reflected in the Uniforms line item and the Misc. Repairs and Maintenance line item due to newer vehicles for the inspectors. The Supplies line item also decreased.

Budget for Department 210.646 – Street Fund – Mr. Conway commented that the Street Fund decreased overall by 18.5%. Under Supplies, the cost of fuel and salt decreased by 50%.

Ms. Lairson asked if the City was stocked up on salt. Mr. Conway replied yes, the salt bin is stocked this season.

Ms. Belpulsi asked why there was a significant increase in the budget for Property and Liability Insurance over the past four years. Ms. Eaton explained that all of the City's property and liability insurance is through Wade Insurance. For example, as the City adds new vehicles it becomes harder to properly distribute those fees, but the money budgeted in the Street Fund for insurance is part of the overall property and liability insurance for the City.

Mr. Anderson asked if the City shopped insurance every year. Ms. Thompson replied no, the City has a three-year contract with the insurance provider, and the City is bound by certain state guidelines. Ms. Thompson commented that the City's history determines its insurance premium and each capital item that the City adds causes an increase in the premium. If the City has a high history of claims, that would affect the overall premium as well. The City was formerly insured by St. Paul and shopped for providers when the contract expired, but St. Paul's increase was even greater.

Mr. Anderson asked if the City had more than one broker shop for insurance. Ms. Thompson answered that usually one broker shops five or six bidders, but the City does not pay for a broker to act on its behalf; the City deals with the providers directly. In other words, the City does not pay Wade Insurance to react to bids on the City's behalf.

Budget for Department 610.606 – Water Fund – Mr. Conway commented that the Water Fund increased by \$500,000 overall in 2010 reflected in the Transfer to Water Capital line item.

Budget for Department 620.626 – Sewer Fund – Mr. Conway commented that the Sewer Fund increased by \$250,000 overall in 2010 reflected in the Transfer to Sewer Capital line item. Also, the Sewer Fund shows a slight increase in the City's contract with Veolia Water under the Professional Services line item.

Budget for Department 630.636 – Trash Fund – In regard to the Trash Fund, Mr. Conway explained that the City would have to negotiate a new contract. The City will request bids for a 5-year contract with three 1-year renewals.

Budget for Department 640.604 – Storm Water Utility Fund – Mr. Conway commented that the Storm Water Utility Fund is budgeted to decrease by 62% in 2010 reflected in the Transfer to Storm Water Capital line item. In regard to the Storm Water Utility Fund, Mr. Conway explained that the City has finished all of the calculations used to determine impervious surface in the City in order to make a recommendation regarding an increase in those fees, but has held off making a recommendation due to the economy. Mr. Conway added that the City's COOP student performed all of the calculations of the impervious areas on commercial properties in the City.

Budget for Department 660.460 – Golf Course-Operations – First, Mr. West thanked Finance Director Robyn Brown and Assistant Finance Director Beth Eaton for assisting him in preparing the Golf Course-Operations Budget. Mr. West commented that the Golf Course-Operations budget reflects a \$400,000 reduction in 2010 mainly reflected in full and part time wages.

Mr. Anderson inquired regarding the staff model that Mr. West has using at the golf course. Mr. West explained that it was a decision between Billy Casper's staffing model and the need to cut back.

Ms. Thompson commented that staffing was Mr. West's call and he took a hard look at it, but it is customary to have five to six maximum full-time employees. Ms. Thompson further commented that it is the way Mr. West is utilizing the staff that is enabling him to cope with the reduction in staff.

Mr. Anderson inquired regarding the Chamber Dues of \$1,800 under the Subscriptions/Memberships/Dues line item. Mr. West explained that the money budgeted in that account covers the membership dues to a combination of Chambers, which include Cincinnati, Dayton, and Springboro. Due to the fact that Billy Casper manages the golf course, they would hold a membership to the local chambers that is separate from the City's membership.

An inquiry was made regarding Bank/Merchant fees, which are fees for credit card transactions.

Budget for Department 660.470 – Golf Course-Maintenance – Mr. Eaton commented that items that were reduced in the Golf Course-Maintenance Budget for 2010 are Overtime Wages and Health Insurance and, in Professional Services, there is a reduction in outside services. There is also a significant reduction in Misc. Repairs/Maintenance due to the replacement of the irrigation system/pump station and the maintenance equipment purchased under last year's capital program. Mr. Eaton also mentioned that the one Expanded Item, a mower that was requested in this year's budget, will be presented for consideration at this Thursday's Council meeting.

Mr. Anderson questioned the reduction in the Supplies line item asking Mr. Eaton if the price of chemicals is decreasing or would the maintenance department be using fewer chemicals. Mr. Eaton replied that the reduction in the budget for Supplies is due to both a decrease in costs for chemicals and using fewer chemicals.

There were no questions regarding the Non-Departmental Budgets for 2010.

Ms. Belpulsi questioned cell phone use by staff and asked if the City has the same provider for all staff members. Ms. Thompson explained that the City is provided with blanket minutes to use in a universal package. Some City staff use Nextel for the direct connect service. Ms. Thompson added that they did analyze cell phone use in the Police Department and reduced the number of phones; however, the City receives free phones with its contract package and participates in the local government discount program.

Ms. Thompson summarized Council's requests to obtain the GSA purchasing program bid date for the purchase of the new police vehicles, to add items regarding income tax code revisions to the goals and objectives for 2010, and maintain momentum regarding the Lexipol issue and working toward accreditation.

Deputy Mayor Chmiel commented that in reading the departments' mission statements he was impressed by how much staff has achieved over the last year in addition to moving into the new City Building. Deputy Mayor Chmiel thanked staff for their presentation of the 2010 Budget.

In summary, City Council agreed to the Proposed Budget for 2010 as presented by City staff, and will consider a motion to approve the budget at the City Council Regular Meeting on Thursday, November 19.

At this time, Ms. Thompson requested an Executive Session to discuss the sale of property.

Ms. Lairson motioned to enter Executive Session, under R.C.121.22(G), to discuss the sale of property. Ms. Belpulsi seconded the motion.

No discussion.

VOTE: Chmiel, Yes; LaDu, Yes; Lairson, Yes; Anderson, Yes; Belpulsi, Yes. [5-0]

Executive Session: At approximately 6:50 PM, City Council entered Executive Session to discuss the purchase of property.

With no objections, City Council exited Executive Session at approximately 7:15 PM, whereby no votes were taken.

ITEM 7. ADJOURNMENT. With no further discussion, Deputy Mayor Chmiel adjourned the November 17, 2009 City Council Special Meeting at approximately 7:20 PM.

Jim Chmiel

John Agenbroad, Mayor

Presiding Officer

Lori A. Martin, Clerk of Council