

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

CITY COUNCIL SPECIAL MEETING

TUESDAY, NOVEMBER 18, 2008

5:00 PM

CITY COUNCIL
John Agenbroad, Mayor

Marie Belpulsi, Deputy Mayor
Scott Anderson
Sheila Lairson

Jim Chmiel
Tom LaDu
John D. Parise

CITY STAFF
Chris Thompson, City Manager

Chris Pozzuto, Assistant City Manager
Robyn Brown, Director of Finance
Beth Easton Assistant Director of Finance
Jeff Kruithoff, Chief of Police
Vince Murphy, Assistant Director of Public Works
Matt Lang, Computer Systems Administrator
Mike Eaton, Golf Course Superintendent
Tom Barnhart, Golf Course General Manager

Alan Schaeffer, Law Director
Lori Martin, Clerk of Council

The purpose of this Special Meeting was to present and discuss the 2009 Budget for the City of Springboro, Ohio.

- ITEM 1. CALL TO ORDER.** Deputy Mayor Belpulsi called the Springboro, Ohio City Council Special Meeting to order at 5:00 PM in Council Chambers at the City's temporary facility in the Dalco Building, 425 S. Pioneer Boulevard, Springboro, Ohio.
- ITEM 2. ATTENDANCE.** Agenbroad, Absent; Anderson, Present; Belpulsi, Present; Chmiel, Present; Lairson, Present; LaDu, Present; Parise, Present. Deputy Mayor Belpulsi commented that Mayor Agenbroad is absent due to out of town on business.
- ITEM 3. PRESENTATION. –2009 BUDGET PRESENTATION AND DISCUSSION. City Administrative Staff presented the proposed 2009 City Budget to Council for discussion.**

(The City of Springboro 2009 Proposed Budget is on file in the Office of the Finance Director for the record.)

Ms. Thompson briefly commented on the proposed 2009 City Budget as follows: First, Ms. Thompson corrected various errors. On Page 3 of the Budget Message, a typo occurred in the third paragraph under **Expenditures**, which reads "The General fund expanded levels being recommended for funding in 2008 . . .," and which should read "for funding in 2009." Also, under Revenue on Page 3-5, Transfers In-General Fund should be blank for 2009, and \$1,252,445 should be moved up one line to "Transfers In – Income Tax Capital Fund" for 2009. It was also pointed out that Expanded Sheets do not have the City Manager's initials following the recommendation. Ms. Thompson explained that she has recommended all of the Expanded Items included in the proposed budget; she does not include any expanded items in the budget that she does not endorse.

Ms. Thompson stated that the General Fund budget for expenditures for 2009 of \$9,340,370 is 3.1% below 2008 projected expenditures of \$9,643,189. The Expanded Levels being recommend for funding in 2009 at \$222,495 are approximately \$80,841 less than 2008. Ms. Thompson briefly commented on the decrease in building permits and in certain City

personnel through attrition, specifically Dispatchers and the Zoning Inspector. Ms. Thompson explained that the Zoning Code Enforcement Officer retired this year and one of the Building Inspectors has absorbed those responsibilities.

At this time, Mr. Anderson stated that he would like to share his thoughts and concerns regarding the whole budget process. Mr. Anderson commented that the economy is close to a recession and 2009 looks very bad. He further commented that he is aware that some projections are based on revenue from the Austin Interchange, and he has reviewed the 10-year projections. Mr. Anderson also commented with respect to how the City made the determination to pay for the new City Building from a 5 to a 15-year financing plan due to concerns with the economy. Mr. Anderson stated that staff is asking Council to approve a budget that would be spending down the General Fund by \$500,000 in 2009. Mr. Anderson referred to the 10-year projections commenting on the reduction in the ending balance of the General Fund in 2009 to \$4.9M to the ending balance in 2014 of \$2.4M. Mr. Anderson stated that Council needs to be very careful about how much it approves for expenditure, and questioned whether the City should continue spending at the current pace or tighten its belt for two or three years and be as conservative as it can be now. He further stated that he is not sure what the General Fund reserve should be, but he also wants to make sure that the City continues to have a great financial rating.

Before staff presented the departmental budgets, Ms. Thompson explained that in the past Expanded Requests were not reflected in the Totals for each Cost Center, but this year Expanded Request amounts are included in the Total proposed budget within the Cost Center.

At this time, staff presented their departmental budgets and addressed any Expanded Requests. (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.)

Ms. Martin presented the budget for Department 110.110 – Council/Clerk of Council Cost Center – The target level for the Council/Clerk of Council Cost Center budget is approximately \$5,000 less than 2008's overall budget with decreases shown in Overnight Travel associated with annual Council and Clerk conferences and in Printing and Advertising mainly due to the extra expense incurred in 2008 to advertise the Charter amendments. The department's budget increased in Professional Services to cover the codification of the Charter amendments and any Council functions/promotions associated with the opening of the new City Building. There were no Expanded Requests in this department for 2009.

Ms. Thompson presented the Budget for Department 110.120 – City Manager Cost Center – The proposed budget for 2009 is in-line with normal budgetary expenditures for this department. Professional Services include funding for the Study of the SR73 Corridor to determine future traffic signalization and \$78,000 for the I-75/SR73 Bridge Project design. Ms. Thompson also mentioned that she would like to continue the Code Red service at \$2,000, as this system was very helpful during the September windstorm in efforts to get information to residents, and many people registered their cell phone numbers for this service following the storm. Ms. Thompson also included a labor relations conference in Overnight Travel expenses, as she is involved in contract negotiations with the City's labor unions and believes the conference would be beneficial. There were no Expanded Requests in this department for 2009.

Ms. Lairson asked if the Code Red system is a flat fee for service? Ms. Thompson explained that the Miami Valley Communications Council administers the contract for the Code Red system and the City receives a fixed number of minutes.

Mr. Pozzuto presented the Budget for Department 110.125 – Assistant City Manager Cost Center – There is no major change in the 2009 budget for this department with the exception of funds for the new Wellness Program. Mr. Pozzuto explained that \$2,000 was originally budgeted for this program under Other Services, but the funds were moved to Professional Services; therefore, total expenses for this department are actually \$133,720 or \$2,000 than shown in the Total. Mr. Pozzuto commented that Overnight Travel expenses for the department increased to cover the cost of the labor relations conference, as well. Mr. Pozzuto also commented that \$40,000 was again budgeted in Printing and Advertising to cover the cost of the 12-page, quarterly, full color newsletter. There were no Expanded Requests in this department for 2009.

Deputy Mayor Belpulsi commented that the new newsletter format is fabulous. She asked if staff thought it would be beneficial to reduce the frequency of the newsletters? Ms. Thompson recommended publishing the newsletter on a quarterly basis for another year because the newly formatted newsletter was just introduced this year. Ms. Thompson

added that because of the publication dates it is necessary to publish a one-page newsletter in between the quarterly newsletters to catch all of the City events and dates.

Mr. Lang presented the Budget for Department 110.126 – Computer Administration Cost Center – The only real adjustment in the department's budget for 2009 is under Supplies, which increased by approximately \$40,000 to cover the cost to upgrade the MS Office Suite Software package citywide. In addition, there is a decrease in Professional Services of approximately \$2,000.

Mr. LaDu asked how many licenses the City has for the software? Mr. Lang answered that the City currently has 25 licenses, but needs 50-60 licenses. Mr. Lang is proposing to purchase 65 licenses to cover future needs.

Mr. LaDu asked what version of Office Suite the City is currently using? Mr. Lang answered, Office 2000. Mr. Lang added that under the proposed budget, the City would upgrade to Office 2007.

Mr. Lang also addressed the department's Expanded Request for a Part-Time IT Specialist. Mr. Lang explained that the City has expanded its technical requirements, and with the construction of the new City Building, there will be a lot more opportunities for technology. Mr. Lang's intention for the part-time person would be to help mainly with the Police Department's IT needs.

Ms. Thompson added to Mr. Lang's comments by stating that the Police Department is in constant need of IT assistance and the demand has become very cumbersome. She further stated that working with Warren County has been very helpful with respect to the emergency dispatch system, but it has been time consuming to coordinate; and again, the technology for the new City Building will be more than the City has ever utilized before. Ms. Thompson commented that it was a difficult decision to recommend this part-time position, but she agrees that the City needs this additional help to support technology. She explained that the part-time person would not be hired in January, but would be hired to work only part of the year in 2009 at the proposed hourly rate of \$20. Mr. Lang explained that he compared the hourly rates of various vendors, and based the proposed hourly rate for this position on that comparison. He added that most contractors charge \$125/hour for service.

Deputy Mayor Belpulsi asked if the cost of the part-time position in 2010 would be equivalent or more than what is being proposed for 2009? Ms. Thompson answered that the budget for the part-time position would be the same in 2010; however, the position would only be filled for half of the year in 2009.

Mr. Anderson asked if the IT vendors for the new City Building would support their installations? Ms. Thompson replied yes, to the extent of their contracts.

Mr. LaDu asked if the part-time person would help when Mr. Lang was on vacation? Mr. Lang replied yes, the part-time person would replace the need to have a contractor on-call during his absences.

Ms. Lairson asked what happens to the City's old computers? Mr. Lang explained that the City auctions off the old computers, which is required by law. Mr. Lang further explained that the City is not permitted to donate the computers, but could recoup some of the money made at auction for new equipment.

Ms. Thompson presented the Budget for Department 110.192 – Legal Administration Cost Center – Professional Services has been reduced by \$25,000 to \$125,000, as current invoices for legal services do not reach \$150,000, but remain consistently less. Ms. Thompson noted that Outside Legal expenses were raised slightly to cover the costs of pending cases. There were no Expanded Requests in this department for 2009.

The Budget for Department 110.350 – Historical Commission/ARB Cost Center – did not change. All costs associated with this department remain regular and static. Ms. Thompson referred to an inquiry submitted by Mayor Agenbroad with respect to increasing the City's cash donation to the annual Christmas Festival. Ms. Thompson explained that the City currently donates \$2,500 in cash to the Historical Society to help sponsor the festival, and approximately \$5,500 in portable restrooms, electric, and some overtime. The City's total contribution to the festival amounts to approximately \$8,000. There were no Expanded Requests in this department for 2009.

Mr. Anderson commented that the festival is a major event in Springboro, and the City should support it.

Ms. Lairson commented that the City already spends a considerable amount on the festival in cash and in-kind contributions.

Mr. Chmiel commented that it is not out of line to consider the in-kind donations as part of the City's entire contribution plus the maintenance of S. Main Street in other parts of the budget.

Deputy Mayor Belpulsi asked for a consensus of Council regarding the question to increase the City's annual cash donation to the Christmas Festival. It was the consensus of Council to keep the cash donation at \$2,500 per year considering the in-kind amount contributed through other services.

Ms. Thompson presented the Budget for Department 110.510 – Planning Cost Center – The City Planner's (Dan Boron) contract is the basis for this department's entire budget. Ms. Thompson commented that the planning meeting schedule has slowed down, but staff recommends that the City conduct a comprehensive zoning code review this year, which has not been addressed since the 1970s, and the Comprehensive Master Plan Update is not quite finished. Mr. Boron will receive a monthly retainer for planning services in excess of 20 hours per week. The budget also includes Planning Commission training/seminars. There were no Expanded Requests in this department for 2009.

Mr. Pozzuto presented the Budget for Department 110.520 – Economic Development Cost Center – The budget decreased approximately \$8,300 mainly in Printing and Advertising. There was a shift of monies from Printing and Advertising to Professional Services, but Professional Services still decreased by \$2,000. The budget highlights include the Business Retention Specialist, who has been a valuable asset in business retention efforts in the City. Nick Motto, the Business Retention Specialist, has been very well received, and the businesses know that the City knows and cares about them. The annual Business Breakfast, which is also well received, has gained attention, and is a growing and positive event in the community. There were no Expanded Requests in this department for 2009.

Mr. LaDu asked why \$2,145 is budgeted under the Utilities line item? Mr. Pozzuto answered, to cover the cost of the electrical outlets used on Main Street during the Christmas Festival.

Ms. Brown presented the Budgets for Departments 110.130 and 110.160 – Finance and Income Tax Cost Centers – The overall budget for both departments increased approximately 4% in 2009; the Finance Budget alone decreased slightly. Other than costs associated with the conversion of the finance software there are no changes in the Finance Budget. The Income Tax Budget increased by approximately \$50,000, the majority of which is based on the Expanded Request for a Full-Time Income Tax Clerk, the cost of increased refunds in 2009, and payments associated with the TIF at Settlers Walk and the JEDD with the Township. Ms. Brown addressed the department's Expanded Request by explaining that the Income Tax Department has requested a Full-Time Tax Clerk, as the current Income Tax Clerk quit, and two full time employees are trying to keep up with the work. The request for additional full-time help would allow the Income Tax Department to focus on the collection of delinquent funds.

Mr. LaDu asked if the City turns over delinquent taxes to a collection agency? Ms. Brown replied yes, for those who live out of the general area of the City or have moved.

Mr. Parise asked what is the percentage of success in collecting the delinquent taxes and how are people notified? Ms. Brown explained that the Tax Department sends out notices to delinquent taxpayers. She added that the department continues to pursue delinquent taxes, but does not have the resources to collect any substantial amount.

Mr. Chmiel asked if the Tax Department followed up on delinquent taxes with a second letter? Ms. Brown replied yes, the Tax Department sends several notices.

Ms. Thompson commented that the Mayor's Court is also considering using a collection agency for Mayor's Court to collect overdue fines?

Ms. Brown explained that tax returns are due April 15, and currently it takes the Tax Department until the end of July to process all of the returns in order to determine who has not filed or filed late.

Mr. Parise asked what is the collection agency's cut? Ms. Brown responded, 30%.

Mr. Parise asked if it would be cheaper to hire a collection agency? Ms. Brown replied no, without additional help the Tax Department could not process the returns as quickly to know who has not filed or filed late.

Mr. Anderson asked if they knew what it would be worth in collections? Ms. Brown answered that if the City collects 10%; it would amount to approximately \$60,000, which would pay for the additional full-time person being requested, and Michelle Baker, the Tax Administrator, would be able to focus on collections once an additional person is hired to process returns.

At this time, Deputy Mayor Belpulsi asked for a consensus of Council regarding the Income Tax Department's request for a Full-Time Income Tax Clerk and the Computer Administration Department's request for a Part-Time IT Specialist to be included in the 2009 Budget. Council agreed with the recommendation for additional staff in these two departments, and it was the consensus of Council to include a Full-Time Income Tax Clerk and a Part-Time IT Specialist in the 2009 Budget as proposed.

Chief Kruihoff presented the Budget Cost Centers for the Police Department. Chief Kruihoff commented that there is an approximate 2% increase overall across all four cost centers in the Police Department. He further commented that the department's budget is fairly lean for 2009, with increases shown in personnel only.

The Budget for Department 110.140 – Mayor's Court Cost Center – shows no changes in the budget. The Budget for Department 110.211 – Police Officers Cost Center – reflects an increase in personnel costs for all four new officers. The budget also shows a reduction under Professional Services in software costs, as the department is using the Warren County system. The Budget for Department 110.212 – Police Dispatchers Cost Center – shows a 10% reduction mainly in personnel, which reflects one less dispatcher for 2009. Chief Kruihoff explained that the dispatchers are scheduled to provide a presence in the building for the community, but are not scheduled on a 24 rotation any longer. The Budget for Department 110.330 – Prisoner Care Cost Center – covers the cost of fees to Warren County to house defendants while waiting to appear in Mayor's Court or if circumstances require incarceration. The Budgets for Department 250.211 and 251.211 – Cops Grant Fund and Cops in School Grant Cost Centers – These budgets cover the costs of the officer administering the DARE Program and school investigations and security equipment. The Budget for 260.211 and 261.211 – Law Enforcement (State) and Law Enforcement (Federal) account for forfeiture funds. The Budget for 270.140 – Mayor's Court Improvement Fund Cost Center – utilizes funds collected from a fee on each ticket to pay for court technology such as the new video arraignment system. The Budget for Department 819.211 – Law Enforcement DUI Cost Center – is restricted to expenditures associated with DUI enforcement such as DUI test supplies. The Budget for Department 820.211 – DARE Cost Center – mainly covers the personnel, training, and supplies for the DARE Officer and DARE Program administration.

Chief Kruihoff reviewed the Police Department Expanded Requests as follows: Two New Police Vehicles and Accessories to replace vehicles in the marked vehicle fleet and One new Police Supervisory Police Vehicle and Accessories to replace the vehicle used by the Police Supervisors.

Mr. Parise inquired about extending the life of the police vehicles? Chief Kruihoff explained that the police vehicles are rotated every 125,000 miles or every three years. Chief Kruihoff explained that the type of wear and tear these vehicles undergo such as the idling and starting/stopping makes it difficult to maintain them beyond 125,000 miles. Chief Kruihoff added that the City has a great maintenance program for the vehicles and the City's mechanic does a great job.

Mr. Parise asked if the City could squeak out another year from each vehicle? Chief Kruihoff replied no.

Mr. Anderson confirmed that these new vehicles are being proposed per a standard schedule? Chief Kruihoff replied by stating that the department rotates the patrol cars based on the industry standard.

Mr. Parise asked if during the maintenance of the vehicles the mechanic uses synthetic or regular oil because synthetic oil extends the life of the engine? Chief Kruihoff explained that the City's mechanics are certified and the City pays to keep them certified; therefore, the department relies on the mechanics to make those decisions.

Mr. Anderson asked, if the patrol cars are replaced on a rotational basis, why are they requested as Expanded Items and not included within the budget expenditures? Ms. Thompson explained that, in the past, Council has asked to have any vehicles, computers, and other capital items shown in detail on the Expanded Forms. Ms. Thompson stated that she did

not disagree with Mr. Anderson's reasoning, but it would be Council's decision as to how to handle capital requests within the budget. It was pointed out that the Expanded Forms allow Council to actually say "no" to a request

Ms. Belpulsi commented that she does not have a problem including capital requests within the budget, but the Expanded Forms allow Council to hear the rationale behind the request.

Mr. Anderson pointed out that the rationale is the schedule of rotation for the vehicles.

At this time, Deputy Mayor Belpulsi polled Council for a consensus regarding the Police Department's request for two New Police Vehicles and Accessories and one new Police Supervisory Vehicle and Accessories to be included in the 2009 Budget. Council agreed with the recommendation to replace two Police Vehicles and one Police Supervisory Vehicle, and consented to include three new police vehicles in the 2009 Budget.

Council also reached a consensus that capital requests would continue to be made via the yellow Expanded Request forms in the budget book for the annual budget discussion.

Mr. Murphy presented the Budgets for the Public Works Department beginning with 110.150 – Engineering Cost Center. Mr. Murphy pointed out that the Engineering budget increased by approximately \$3,000 mainly in wages and benefits. The Budget for Department 110.360 – Tree Authority Cost Center – increased significantly in 2007 due to the EAB (Emerald Ash Borer) Program. Mr. Murphy explained that the City removed and replaced Ash Trees on public property, and the tree removal and reforestation program was well received by residents. Mr. Murphy added that there were also tree removal costs resulting from the damage during the windstorm in September. Mr. Murphy commented that a significant amount of the 2008 budget was spent on reforestation. There were no Expanded Requests in these departments for 2009.

Mr. Anderson asked how many trees are left to remove due to the EAB? Mr. Murphy explained that all of the Ash Trees in the public right-of-way have been removed except two test trees. They are trying chemical treatments on these test trees.

Ms. Lairson commented that there has been a record number of tree grant applicants and the Tree Authority has discussed ideas on how to improve that program.

Mr. Murphy added that the Tree Authority conducts the Arbor Day Ceremony each year, which is also covered in the Tree Authority budget.

The Budget for Department 110.420 – Park Maintenance Cost Center – remains nearly the same as this year's budget except for an increase in fuel costs. Also, costs for park recreation were added to the budget for the Concerts in the Park Program and other recreation events.

Mr. LaDu commented that the department does a great job with the parks.

The Budget for Department 110.530 – Building and Zoning Cost Center – reflects a reduction in personnel costs. Mr. Murphy explained that one employee in the department retired this year and was not replaced. Mr. Murphy further explained that the former Building and Zoning Inspector's responsibilities were shifted to one of the two inspectors, who seems to be doing a great job.

Mr. LaDu asked why the total budget amount in the Building and Zoning Budget is listed as Community Environment? Ms. Brown explained that the Total for Community Environment combines expenditures from Planning, Building and Zoning, etc., and is a state reporting requirement.

Deputy Mayor Belpulsi asked how NIC's (National Inspection Corporation) results have been as far as mitigating property maintenance issues? Ms. Thompson answered that NIC has obtained good results. She added that it has been a record year for property inspections and NIC did an outstanding job of keeping Mr. Murphy notified regarding abatement. Ms. Thompson explained that the NIC contract includes four sweeps per year, and constantly receive calls in the summer for tall grass. Again, the current level of citywide inspections is four times per year, but Ms. Thompson stated that she could negotiate a new contract if Council desires.

Mr. Murphy reviewed the Public Works Department Expanded Requests as follows: Clear Well Roof Repair to repair the

concrete roof for the clearwell located at the Water Treatment Plant; Front End Loader to replace the existing 1997 Front End Loader with trade-in; Storage Building Expansion to expand the current building by two additional vehicle bays for storage of equipment/vehicles; 1 Ton Dump Truck to replace a 1996 1 Ton Dump Truck, which would be sold at auction; 5 Ton Dump Truck to replace a 1994 5 Ton Dump Truck.

In reference to the Clear Well Roof Repair, Mr. Murphy explained that the well developed cracks and to counteract the problem Public Works Director Barry Conway and Water Plant Manager Terry Morris recommend resealing the roof using a rubber coating. The repairs would protect the life and safety of the drinking water for 15 years. Mr. Murphy recommends the repair, which has a 15-year warranty.

Mr. Parise confirmed that the repair work is guaranteed for 15-years, and asked if the cost would be pro-rated if it does not last 15 years? Mr. Murphy re-confirmed that the repair work comes with a 15-year guarantee, and would not be pro-rated.

In reference to the Front End Loader, Mr. Murphy commented that the Front End Loader would replace the 1997 Front End Loader, which is a valuable piece of equipment to the department's operation. The Front End Loader is used for gravel, dirt, and trees, and is also used by the water, sewer, and golf course departments.

Mr. LaDu asked if this piece of equipment was bid through he state program? Mr. Murphy replied yes. Mr. LaDu asked what the City would get for a trade in? Mr. Murphy stated that the City would get \$38,000 for the vehicle at trade-in. He added that the Front End Loader is also used to load salt.

Mr. Parise asked if the cost reflected the trade-in value? Mr. Murphy replied yes, the City receives a discount through the state bid program; the actual cost of the vehicle is over \$200,000.

Mr. Anderson asked what is the life expectancy of the vehicle? Mr. Murphy explained that the department is getting around 11 years out of the vehicles, but under certain circumstances such as loading and spreading salt only seven years because salt deteriorates the metal.

In reference to the Storage Building Expansion, Mr. Murphy commented that the expansion project would fulfill the need to expand the building another two bays to store equipment and vehicles, which would help to extend the life of the vehicles.

Ms. Thompson commented on this request by explaining that there are approximately seven acres near the City's water plant for a future Public Works Building that Council might want to consider sometime down the road instead of continually expanding the service buildings. Ms. Thompson explained that the purpose of the expansion is to be able to store more equipment and to prolong the life of the equipment, as the department is completely out of space in the building and are getting close to infringing on residential property at the current site. Ms. Thompson also commented that the property she referred to for a future Public Works Building is located near the water plant, which is a good location as far as dispersal of vehicles and equipment, and it is City-owned land.

In reference to the 1 Ton Dump Truck, Mr. Murphy commented that the new truck would replace a 1996 1 Ton Dump Truck. Mr. Murphy further commented that they could sell the existing truck on govdeals.com, and might get \$3,000-5,000 depending on the economy.

In reference to the 5 Ton Dump Truck, Mr. Murphy explained that the new truck would replace the truck that he has been using for the last five years.

Mr. LaDu asked how much the City could get for the 5 Ton Dump Truck? Mr. Murphy explained that the department would like to keep the truck and dedicate it solely to the durapatcher machine, adding that it has a wonderful engine life.

Mr. Parise commented that the department has budgeted a lot of money for vehicles, and asked how far down the road it would be until the fleet is up to speed or the department is caught up on new vehicles? Mr. Murphy explained that once the 1994 vehicle is replaced the oldest vehicle in the fleet would be a 1999, which will be 10 years old. Mr. Murphy further explained that the replacement of the fleet is cyclical, i.e. not all vehicles are replaced at once.

Mr. Parise asked if the department's budget for vehicles would be as large in 2010? Mr. Murphy answered that he did not anticipate needing as much in the next budget.

Ms. Thompson added that they would always see a vehicle request in the Public Works budget because that is the cost of providing service, and likewise for the Police Department.

Ms. Lairson asked if there were about 25 pieces of equipment in the fleet? Mr. Murphy replied yes.

Mr. Anderson asked what the department used the 5-Ton Dump Trucks for? Mr. Murphy answered that they use the trucks as salt spreaders, etc.

Mr. Anderson commented that \$48,000 of the cost of the vehicles is shown as Expanded Requests in the Park Maintenance budget? He asked if the Expanded Requests are already included in the budget totals for the departments? Ms. Thompson replied yes, the budget shows the actual numbers if Council were to approve the Expanded Requests.

Ms. Brown mentioned that a portion of the funds for the vehicles came from the Water Capital Fund from what has been referred to in the past as the "use or lose water capital money" from the water bonds. Ms. Brown explained that from the refunded water revenue bonds the City received water capital reserve funds that have to be spent within two years of the date the City pays the bonds.

Council reached a consensus on the Expanded Requests for the Public Works Department as follows: Council agreed with the recommendation to budget for the Clear Well Roof Repair. Mr. Parise asked Mr. Murphy to follow up on the warranty for that work. Mr. LaDu asked if the repairs would affect the taste and smell of the water? Mr. Murphy replied no. Also, Council agreed with the recommendation to purchase a new Front End Loader.

After further discussion regarding the Storage Building Expansion, Council did not agree with the recommendation to budget for the Storage Building Expansion in 2009. Council also discussed the department's requests for the 1 Ton and 5 Ton Dump Trucks. Ms. Thompson explained that very little of the proposed expenses for Expanded Requests in the Public Works Department are coming out of the General Fund. The General Fund expenditure for Expanded Requests for Public Works is \$48,000; the rest of the expense would come out of Water, Sewer, Trash, and Storm Water Funds. She further explained that a total of \$110,000 in Expanded Requests would come out of the General Fund for capital items in 2009. It was the consensus of Council not to include the Storage Building Expansion in the 2009 budget; however, Council reached a consensus to include the new 1 Ton Dump Truck in the 2009 budget.

Ms. Lairson confirmed that the 1 Ton Dump Truck is primarily used in subdivisions and on tight thoroughfares and the 5 Ton Dump Truck is primarily used to spread salt. Mr. Murphy replied yes, and added that both trucks are used for snow removal. It was also confirmed that the 5 Ton Dump Truck is used by Streets, Water, Sewer, and Storm Water.

Council reached a consensus to include the 5 Ton Dump Truck in the 2009 budget, as well.

At this point, Ms. Thompson asked Council if there were any questions regarding the proposed budgets for the Streets, Water, Sewer, Trash, or Storm Water Funds? There were no questions of Council specifically regarding these funds.

Deputy Mayor Belpulsi commented that last year she had asked if staff would investigate the possibility of a leaf collection program on a contractual basis, and asked for the status of that report?

Mr. Parise had also inquired last year regarding the cost of a leaf vacuum machine to collect leaves.

Ms. Thompson responded by explaining that staff has not compiled the information yet, but when Public Works Director Barry Conway returns from leave he will report his findings to Council. She added that the proposal would be to use local lawn/landscape service contractors.

Deputy Mayor Belpulsi commented that she has had several residents ask about leaf collection service.

Ms. Brown suggested that Council could amend the budget appropriation ordinance before December or approve supplemental appropriations next year to allocate funds for leaf collection.

Mr. Anderson asked if the City could use the water bond capital funds to pay for a leaf collection program? Ms. Brown

replied no, those funds could only be used for water related items.

Ms. Thompson reiterated that Mr. Conway would present a report regarding a leaf collection program as soon as possible, and she suggested that \$20,000 be put into the Trash Fund budget as a placeholder for a potential leaf program.

Mr. Chmiel asked if any of the funding for a leaf collection program would come out of the Storm Water Fund? Ms. Brown responded that funding for leaf collection could not be paid from the Storm Water Fund until Storm Water fees are increased.

Mr. Parise commented that he would like to add money to the budget for snow removal as well, as it is just as important.

Mr. Chmiel commented that he thought a leaf removal program would be for everyone and that the snow removal program would be for certain individuals.

Mr. Parise commented that he would like a little consideration, as snow removal is more critical than leaf removal for those in need.

Ms. Lairson commented that the Community Service Board is definitely moving forward on a program to recruit volunteers to help people with snow removal and other needs.

Mr. Anderson asked if the leaf removal program would be part of trash fees? Ms. Thompson commented that she does not know if the City would charge a fee for leaf removal; it would be up to Council to establish a policy with regard to funding the program. Ms. Thompson further commented that the \$20,000 placeholder would be included in Professional Services in the Trash Fund, but she does not have time to get cost figures for the program before the budget is approved. She commented that if they go through the process of establishing a program, they might need supplemental money for implementation, but if the funds were not expended they would simply go back into the fund. Ms. Thompson suggested that the \$20,000 placeholder would serve to make sure staff follows up.

Mr. Eaton presented the Budget for Department 660.470 – Golf Course Maintenance Cost Center – The department's budget remains basically the same for 2009. Mr. Eaton presented one Expanded Request as follows: One Triplex Rough Mower. Mr. Eaton explained that the mower is used primarily to mow bunker banks and green surrounds and would replace two 1994 units. The 2009 unit cost is \$31,000. The new mower would allow for height adjustment in the field rather than bringing the mower back to the shop to be adjusted.

Mr. Parise asked if Mr. Eaton anticipated more equipment replacement in the next budget? Mr. Eaton explained that the department has approximately 70 pieces of equipment; therefore, he anticipates replacing some equipment every year.

Mr. LaDu asked Mr. Eaton if they would keep the old rough mowers? Mr. Eaton replied no, they have reached their life expectancy.

Council agreed with the recommendation to purchase a new Triplex Rough Mower, and consented to include the new mower in the 2009 Budget.

Mr. Barnhart presented the Budget for 660.460 – Golf Course Operations Cost Center – Part-Time wages were increased to cover the cost of hiring course rangers rather than to rely on volunteers. Mr. Barnhart commented on other various increases and decreases in the budget such as Postage, which has been increased to send offers to at-risk golfers and Rents and Leases, which also has been increased in anticipation of the downstairs expansion. He explained that the expansion would accommodate larger events; therefore, there would be higher linen costs, etc.

Mr. Anderson commented that the budget reflects a savings in Utilities over this year. Mr. Barnhart explained that he revised the budget for that line item for 2009.

In reference to hiring part-time course rangers, Mr. Barnhart explained that they are going with all new starters and he will be able to offer staff members interviews for those positions. He further explained that as long as they fall into the new guidelines they would be able to stay; otherwise, they will require a new staff to hold higher standards.

Mr. Chmiel commented that the golf course really made big improvements for this year and increased golf and banquet revenues.

Mr. Parise inquired regarding the Workers Compensation increase in the budget for Golf Course Operations? Mr. Barnhart explained that Workers' Compensation is based on an average amount and the increase correlates to the increased amount budgeted for Part-Time staff.

Deputy Mayor Belpulsi asked Mr. Barnhart how many part-time staff members he anticipates hiring for the course? Mr. Barnhart commented that instead of 30 volunteers; they would have a much smaller staff of 12 part time employees for the course.

At this point, Ms. Thompson briefly commented on the Non-Departmental Budgets, which she described as standard issues that the City does not have much control over. She further commented that the Budget for Department 110.199 – Lands, Buildings & Grounds – covers the cost of envelopes, postage, liability insurance, copier leases and maintenance, health insurance, etc., serving as a catch all for the City. Following these comments, Ms. Thompson closed the staff presentation of the budget and offered to answer any further questions.

At this time, Mr. Anderson commented that the City should be careful about deficit spending in the General Fund. The economy is unstable, and he knows the City is banking on revenue from the land developed at the Austin Interchange, but he would want to be as conservative as possible. He asked what is comfortable for Council as a reserve in the General Fund, \$2M, \$3M, or \$4M? Mr. Anderson further stated that he is not sure what the reserve would have to be to allay fears as far as spending the General Fund down.

Deputy Mayor Belpulsi suggested discussing the General Fund reserve and related issues at the Council retreat next year.

It was stated that Moody's Financial Services' comment, when they reported the City's bond rating earlier this year, was that the City's General Fund is very adequate.

Ms. Brown commented that she looked at the 10-year projections when she finished the budget for next year, and the reason for the difference between the '08 projections and actual expenditures is Transfers Out of the General Fund for road salt (\$250,000) and for land purchased from the Transportation Improvement District, which the City agreed to buy back from the TID if it was not needed for the ramp at the Austin Interchange (\$150,000). General Fund monies were also used to purchase land on Lower Springboro Road for the expansion of Clearcreek Park. Ms. Brown further commented that she looked at the '09 projections and explained that revenue was reduced by about \$250,000 mostly in income tax due to the economy and financial conditions, and the difference of over \$300,000 in expenditures between the 10-year projections and the actual expenditures is due to the 5-Year CIP (Capital Improvement Program).

Mr. Anderson asked why approve the CIP before the budget? Ms. Thompson explained that the Charter requires that a 5-year CIP be submitted to Council prior to the budget each year. Ms. Thompson explained that the City is not deficit spending under the laws of the State of Ohio; as municipalities are permitted to use revenue plus balance. She added that the City lives by the Auditor's laws, and does not prepare the CIP blindly. Ms. Thompson continued by stating that no one could have predicted that the City would have to pay \$150/ton for salt, and all of these issues impact the General Fund.

Mr. Anderson commented that, that reinforces what he is saying, which is, what if something else happens? Ms. Thompson answered that municipal finance allows the City to dip into the reserve balance and the City has consistently spent more than actual revenues, but the minimum fund balance in the General Fund is a policy decision. Ms. Thompson commented that it is hard to cut \$500,000 from the General Fund after the budget has been completed for next year. She further commented that the City had frozen salaries and cut costs for two years, but would have to have some lead-time before making any decisions regarding further budget cuts. Ms. Thompson suggested that future budgeting policies could be discussed at the Council retreat next year. Ms. Thompson also commented that the budget is 3.1% over last year. She further commented that the City runs a pretty lean operation, and she could not respond to \$500,000 in expenditures because it would affect citizens' services.

Mr. Anderson commented that as long as the City's spending does not continue at the rate of \$500,000 in deficit in the General Fund over the next four to five years.

Also, Ms. Thompson commented that Mayor Agenbroad requested that Council consider an in-kind donation for Miracle Field. Ms. Thompson explained that the schools have to administer the project, and would like the City to install \$80,000 of asphalt. Ms. Thompson further explained that regardless of the donation, it would not preclude the landscaping issue on the SR741 corridor.

Mr. Chmiel inquired regarding the landscaping on SR741?

Mr. Anderson's commented that his recollection was \$100,000 for buffering to control the appearance of SR 741 at the entrance? Mr. Anderson asked if the City could use the water capital bond funds for this? Ms. Brown replied no, those funds could only be used for water issues.

Deputy Mayor Belpulsi commented that it is more important to have control over the appearance of the SR741 corridor in the community.

Mr. Chmiel asked what fund this donation would come out of? Ms. Thompson answered that it would come out of the General Fund.

Deputy Mayor Belpulsi commented that she would like to have more discussion regarding this issue with all of Council present.

Ms. Lairson asked if there is a groundbreaking date on this project? Mr. Anderson commented that George Long has enough money to start the project.

Deputy Mayor Belpulsi asked if the City has a landscape plan for the entrance on SR741? Ms. Thompson replied no. Deputy Mayor Belpulsi asked if it would be possible for staff to prepare a proposal, with the understanding that the City would like to control the appearance of SR741 in front of the field, and provide the high end and low end cost for the plan. Ms. Thompson commented that staff would follow up.

In summary, City Council agreed to the Proposed Budget for 2009 as presented by City staff with the exception of those items discussed, and will consider a motion to approve the budget at the City Council Regular Meeting on Thursday, November 20.

Deputy Mayor Belpulsi thanked staff for presenting the budget and thanked everyone for their participation in the Budget discussion for 2009.

ITEM 5. ADJOURNMENT. With no further discussion, Deputy Mayor Belpulsi adjourned the City Council Special Meeting at approximately 7:50 PM.

John Agenbroad, Mayor

Deputy Mayor Marie Belpulsi, Presiding Officer

Lori A. Martin, Clerk of Council