

Oakwood, Ohio
September 13, 2016

The Oakwood Citizen Budget Review Committee (BRC) met at 5:30 p.m. on Tuesday, September 13, 2016. The meeting took place in the city council chambers, 30 Park Avenue. The following people attended:

Budget Review Committee

Howard Boose	Doug Kinsey
Phil Chick	Pete Luther
Dave Dickerson	Kyle Maschino
Dan Ferneding	William Meyer
Bill Frapwell	Skip Ordeman
John Gray	Mark Risley
Michael Hayes	Leigh Turben
Ella Himes	Michael Vanderburgh

Oakwood City Council

Mayor Bill Duncan
Vice Mayor Steve Byington
Councilmember Anne Hilton

City Staff

City Manager Norbert Klopsch
Assistant City Manager Jay Weiskircher
Leisure Services Director Carol Collins
Public Safety Director Alex Bebris
Finance Director Cindy Stafford, CPA
Law Director Rob Jacques, Esq.

Mayor Bill Duncan opened the meeting with a welcome and self-introductions. He then asked the BRC members to review the minutes of the December 1, 2015 meeting and the May 17, 2016 meeting. There being no requested edits, Howard Boose moved to approve both minutes; second by Doug Kinsey. Upon viva voce vote, motion passed and the minutes were approved. Mayor Duncan then asked Mr. Klopsch to deliver the meeting presentation.

Mr. Klopsch thanked all present for attending the meeting and discussed the following items:

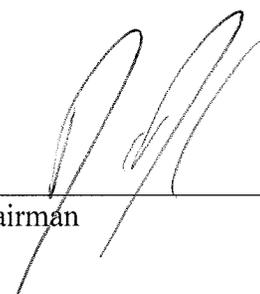
- 2015 FINANCIAL AUDIT: The Ohio Auditor of State performed the audit of 2015 city finances and delivered a clean report, with no findings.
- 2016 FINANCAL REPORT THROUGH AUGUST: Non-Enterprise receipts are at 80% of budget and disbursements are at 57% of budget. Significant capital project expenses have yet to be paid. Income tax receipts are about 4% ahead of last year, through August. The city received about \$350,000 last February from vehicle license fees/gas taxes. This was unbudgeted. Early projections suggest that the city will end 2016 with receipts at \$500,000 to \$600,000 above budget. To date, two supplemental appropriations were approved by City Council. One was for approximately \$35,000 to address a fire insurance trust matter. This allowed the city to return insurance money received earlier in the year. It was a pass-through action and not an actual expenditure. The second was for \$475,000 to build a new parking lot at the Old River Sports Complex. Given the revenue projections, it is likely that 2016 revenues and expenses will be nearly equal, even after including the \$475,000 parking lot expense.

Through August, receipts for the three Enterprise Funds are at 66% of budget and disbursements are at 58%.

- **HATCHER'S PLAT SANITARY SEWER REPLACEMENT:** Last June, the city made the final payment against a 20-year zero interest loan from the Ohio Public Works Commission. The original loan amount was \$517,000 and the city made payments of approximately \$26,000 annually since 1997. This money was borrowed under the State Issue 2 infrastructure rebuilding program. With the loan now paid off, the Sanitary Sewer Fund will no longer include the \$26,000 annual debt service expenditures.
- **HB 5 AND CITY INCOME TAX:** The revenue losses from Ohio House Bill 5 will be seen next spring when the 2016 income tax returns are filed. The loss is expected to be between \$200,000-\$300,000 annually. A significant portion of the loss will come from the occasional entrant provision. Under the new law, many individuals working in Oakwood will no longer pay city taxes. Losses in income tax revenue resulting from local jurisdictions raising their income tax rates are now about \$400,000 annually, and potential additional losses will occur if and when more jurisdictions raise their rates. Most significantly, the city is facing a loss of about \$350,000 annually if Dayton and Centerville voters raise their tax rates on November 8. The total loss in annual income tax revenue to Oakwood resulting from other jurisdictions raising their rates and from provisions in Ohio House Bill 5 (municipal income tax reform) is about \$1 million.
- **2.72 MILL PROPERTY TAX RENEWAL:** The 2.72 mill renewal issue will be on the November 8 ballot. Prior to the meeting, Mr. Klopsch distributed the ballot language, and also an article that will be printed in the October/November Oakwood Scene newsletter. Information about the levy renewal will be provided to the Oakwood community as follows:
 - October 10 letter to citizens signed by the BRC chair (Dave Dickerson). This letter lists all BRC members in the left margin.
 - October 19 Oakwood Register letter from City Council.
 - October 31 "reminder to vote" postcard to citizens living in each of the seven voting precincts. These postcards will list the names of the BRC members in each respective precinct.
- **CAPITAL PROJECTS UPDATES:** Mr. Klopsch commented on the following capital projects/purchases:
 - 2016 Streets and Sidewalk Projects \$730,000
 - Public Safety Dispatch Controller \$40,000
 - PW Fuel Station \$25,000
 - Smith Gardens Fence \$24,000
 - Water Meter AMR System \$143,000
 - Sanitary Sewer Repairs \$40,000
 - PW Foremen Vehicles
 - Refuse (old vehicle was a 2005 model): \$36,000
 - Utilities (old vehicle was a 2003 model): \$36,000
 - Utility Maintenance Truck (old vehicle was a 1997 model) \$110,000
 - Public Safety SCBA Equipment \$104,000
 - Gardner Pool Deck Replacement \$14,000
 - Orchardly Park Basketball Court \$20,000
 - OCC Roof and Gutters \$34,000
 - Refuse Loader \$56,000

- SHAFOR PARK TENNIS FACILITY: Mr. Klopsch shared conceptual plans for a complete rebuilding of the Shafor Park Tennis Facility. This is currently programmed as a 2018 capital project. Preliminary cost estimates suggest that the total cost will be around \$500,000. The project would involve removing the six existing tennis courts and building four new regulation size courts and a parking lot. The work would involve modifications to Collingwood Avenue off of E. Schantz Avenue. The current facility provides parking for 20 vehicles. The conceptual plan provides parking for 45 vehicles.
- OLD RIVER ATHLETIC FACILITY: Mr. Klopsch provided an update on the athletic facility project that is currently under construction. The city parking lot will serve the grass fields at the Old River Sports Complex and also will supplement the 100 space parking lot being built as part of the Old River Athletic Facility stadium project. A question was asked regarding annual operating and maintenance expenses for the new stadium. Mr. Klopsch noted that the Oakwood Schools have responsibility for all operations and maintenance costs associated with the stadium, and the city of Oakwood has responsibility for all maintenance expenses associated with the access roadway and the two parking lots. Mr. Klopsch provided some rough cost estimates, but committed to providing more refined numbers at the next BRC meeting.
- 2017 BUDGET: The city is currently negotiating with the four collective bargaining units that represent Oakwood employees (Public Works, Public Safety Officers, Public Safety Lieutenants and Public Safety Dispatchers). 2017 operating expenses are expected to be close to 2016. Likewise, 2017 capital expenses are expected to be similar to 2016.

At 6:40 p.m., Mayor Duncan adjourned the Budget Review Committee meeting and thanked all participants for attending.



Chairman