

The Oakwood Citizen Budget Review Committee (BRC) met at 5:30 p.m. on Tuesday, September 10, 2019. The meeting took place in the city council chambers, 30 Park Avenue.

The following people attended:

Budget Review Committee

Howard Boose	John Jervis
Steve Brooks	William Meyer
Ellen Fodge	Bill Rieger
Bill Frapwell	Leigh Turben
Michael Hayes	Michael Vanderburgh
Jim Broz	Sarah Waechter
Pete Luther	Megan Kavanaugh
Chas Kidwell	Dave Dickerson

Oakwood City Council

Mayor Bill Duncan
Councilmember Rob Stephens

City Staff

City Manager Norbert Klopsch
Leisure Services Director Carol Collins
Finance Director Cindy Stafford
Law Director Rob Jacques
Public Safety Director Alan Hill
Personnel and Properties Director Jennifer Wilder

Mayor Duncan opened the meeting with a welcome and self-introductions. He then mentioned that two longtime committee members recently resigned. Charlie Campbell resigned from Precinct A, having served since 1998; Skip Ordeman, also from Precinct A, had served since 2001.

Mayor Duncan confirmed that all BRC members received the minutes of the May 20, 2019 meeting. There being no requested edits, Mayor Duncan asked for a motion to approve the minutes as written. Motion by Howard Boose; second by Leigh Turben. Upon viva voce vote, motion passed and the minutes were approved. Mayor Duncan then invited Mr. Klopsch to make a presentation.

Mr. Klopsch began the meeting by discussing the following recent events and City projects:

- Dayton Tornadoes: A crew from the Oakwood Public Works Department assisted the city of Dayton with tree debris clean-up over an eight day period from May 29 to June 7. Dayton requested cost data for this assistance for submission to FEMA. Oakwood will likely receive about \$20,000 in reimbursement.
- Dayton Water Issues: The city of Dayton water system experienced two major failures this year, one from the Memorial Day tornadoes and the other from a large water pipe break early this year. Also, the Dayton system has been publicly scrutinized over the past few months regarding some water quality issues. Oakwood operates its own water system and is able to produce 100% of the water needed to meet the city demand. Dayton's water system is Oakwood's back-up in the event of an emergency. The Ohio EPA oversees and regulates the operation of all public water systems and there is no reason to believe that Dayton's water is unsafe. Mr. Klopsch commented on the public dialogue between Dayton and Montgomery County officials and suggested that they

should work more cooperatively in addressing areas of concern, particularly related to water.

- Oregon District Shooting: The son of Oakwood Public Works employee Gary Rolfe was one of the six Dayton Police officers awarded the Medal of Valor by President Trump at The White House last Monday. Gary and his wife were with their son Brian for this significant event. Brian was one of the two officers that first brought down the shooter.
- Wi-Fi and Security Cameras at Old River/Lane Stadium: The city is working with the Oakwood Schools and a couple of vendors to establish high speed Wi-Fi internet service at Old River/Lane Stadium, and to install security cameras at the facility. The city and schools are sharing the cost. Installation of a fiber optic cable was recently completed at a cost of \$27,685, split evenly between the city and schools.
- Russell Wealth Management Building: Construction of the Russell Wealth Management office building is nearly completed. Employees are in the process of occupying the building.
- Element Oakwood Condos: The Element Oakwood condos are located at 310 Old River Trail, across from the Old River Sports Complex. The 84 unit community will feature a variety of condo sizes ranging from one bedroom to two bedrooms with a den. Pre-leasing has already begun from a sister community, the Allure, located in Centerville. The estimated construction completion date is March 2020.
- KHN Building: Kettering Health Network officials are still assessing the property to determine the best re-use. Considerations continue to involve parking requirements and existing cell phone antennas.
- Jaffe Jewelers: Jaffe Jewelers plans to move from Kettering to Oakwood. They will occupy the Far Hills Avenue Business District space formerly used by Mousaian Oriental Rugs.
- Online Bill Payment Portal: The new electronic billing and payment service released earlier this year is well received by our residents and businesses. It offers new services such as: the ability to make one-time payments for city services or income tax; recurring payments for utility bills with a credit/debit card or electronic check; for utility bills, the new service provides the ability to view and make utility payments on-line, through an automated payment phone line; and a pay by text option to receive text message notifications and conveniently pay utility bills with a text message; and includes an “at a glance” dashboard, scheduling one-time or automatic utility payments, securely storing payment information, and receiving email and text reminders. Paperless billing will continue to be available as well as the direct pay option through the city.
- ACORN Program: The Public Safety Department is now offering the ACORN (Assisting and Contributing to Oakwood Resident Needs) Program. There are currently 12 citizens enrolled in the full program, with several others partially enrolled. The program is designed to assist residents in times of emergency, and provide peace of mind through proactive community outreach, implementing safety plans, and advocating for the well-being of Oakwood’s senior and at-risk population. It is free-of-charge and is intended for Oakwood residents who are 65 or older, residents living alone and/or residents with limited contact with caregivers. The goal of the program is to work in partnership with senior and at-risk citizens to better address their needs and improve their quality of life within the community.
- New Website: Oakwood launched a new and improved website on Friday, June 21, 2019. The new website can be accessed by visiting www.oakwoodohio.gov. The new website offers many new features including a powerful search engine available on each page, easy access to frequently asked questions, and issue reporting. The new website includes a mobile-friendly interface that adapts to all devices (phones, tablets, laptops, desktops) creating a better user experience for mobile users.

Mr. Klopsch then delivered the following finance presentation:

- 2018 FINANCIAL AUDIT: The city received the Auditor of State Award for Exemplary Financial Reporting. This award goes to less than 10% of the jurisdictions audited statewide, and is a testament to the fine work of Cindy Stafford, CPA, and her Finance Department staff.
- 2019 CAPITAL PROJECTS/EXPENSES: Following are the 2019 capital projects/expenses. The first cost figure shown for each item is the budgeted amount and the second is the actual cost.
 - *General City Services*:
 - Replacement of A-7, 2008 Ford Escape for Leisure Services Director: \$25,000; \$24,000. The 2008 Escape will be passed down to the Code Enforcement Officer.
 - Replacement of S-27, 1989 Allis-Chalmers Fork Lift: \$20,000; \$19,954
 - Replacement of S-39 and S-40, 1990 Amida Arrow Boards: \$10,000; \$7,900
 - Replacement of S-46, 2011 John Deere Riding Mower: \$12,000; \$11,253
 - Replacement of S-56, Bucket Truck: \$120,000; \$118,365
 - Replacement of S-93, 2002 International 4400 Multi-lift Truck: \$120,000; and S-93S, 2001 Henderson V-Box Salt Spreader: \$30,000; \$149,057
 - Replacement of #20 Safety Officer Vehicle, 2011 Dodge Charger: \$47,000; \$47,133
 - Replacement of #45 Safety Director Vehicle, 2008 Ford Explorer: \$30,000; \$29,875. The 2008 Explorer will be retained for use as the vehicle available for officers to use when traveling to training events.
 - Replacement of Safety Department Living Quarters Flooring: \$27,100; \$27,500. This is paid through the Public Safety Endowment Fund.
 - Repair of Gardner Pool Pergola: \$20,000; \$16,400
 - Shafor Park Basketball Court Resurfacing: \$15,000; \$16,980
 - Far Hills Avenue Business District Improvements: \$50,000 (project cancelled because grant money was not approved)
 - Asphalt Street Resurfacing Program: \$450,000; \$380,522
 - East Drive Resurfacing: \$38,592 (Vectren Cost)
 - Asphalt Pavement Rejuvenation: This project is pending
 - Concrete Street Repairs: \$100,000 + \$240,000
 - Sidewalk, Curb & Drive Apron Repairs: \$175,000; \$192,955

Additional Projects:

- Bike Racks and Bike Repair Station at Parks and OCC: \$7,104 (Oakwood Rotary Grant)
- Picnic Table at Cook Park: Donated by the MOMs of Oakwood
- Pet Chip Reader: \$380 (MOMs of Oakwood donated \$175)
- Creager Field Cardboard Recycling Facility: \$24,252 with \$16,720 to be reimbursed through a grant from our Montgomery County Solid Waste District. The city's cost is \$7,532

- *Refuse Operations:*
 - Replacement of S-6, 2004 Cushman Refuse Scooter: \$20,000; \$19,926
 - Replacement of S-7, 2004 Cushman Refuse Scooter: \$20,000; \$20,000
 - Replacement of S-79, 2008 Split Blade Refuse Packer – New Packer Body: \$60,000 Budgeted. Public Works staff is still unable to find a suitable packer body. The 2020 budget will include \$300,000 for the purchase of a complete new refuse packer truck.
- *Water Utility:*
 - Replacement of W-12, 2007 GMC Pick-up Truck: \$30,000; \$29,919
 - Ion Exchange Media Replacement, Springhouse Water Plant: \$120,000. This project is pending.
 - Water Meter Replacement x5, Springhouse Water Plant: \$40,000; \$62,408. The city received good pricing on the water meters and will now be replacing a total of 12 meters, one at each of the eight water production wells, and two at each of the two water softening plants.
 - Volusia Area Water Line Improvements: \$100,000. This project is pending and may be deferred to 2020.
- *Sanitary Sewer Utility:*
 - Sanitary Sewer Improvements: \$50,000. No sewer repair projects have been needed thus far so this money remains unspent.
- *Stormwater Utility:*
 - None
- 2019 FINANCIAL REPORT THROUGH AUGUST: Mr. Klopsch noted that General City Services receipts through August are at 79% of budget, while disbursements are at 60% of budget. Refuse Fund receipts through August are at 66% of budget and disbursements are at 60% of budget. Water Utility Fund receipts through August are at 65% of budget and disbursements are at 46% of budget. Sanitary Sewer Utility receipts through August are at 69% of budget and disbursements are at 48% of budget. Stormwater Utility receipts through August are at 67% of budget and disbursements are at 48% of budget.
- MUNICIPAL INCOME TAXES: Gross Income Tax collections through August are about \$850,000 above August 2018. The 10% credit reduction was estimated to recover about \$600,000 of lost receipts for the year. Through eight months, it has recovered about \$400,000.
- PROPERTY TAX LEVIES: The city has two voted property tax issues. Staff is hopeful that both can simply be renewed at the end of the current terms.
 - 2.72 Mill Property Tax:
 - The tax issue was first approved in November 1991.
 - It has a five year term and started generating revenue in 1992.
 - The current effective mills is 1.40.
 - The tax issue raises about \$460,000 annually.
 - The tax on a \$200,000 value home is about \$97 annually.
 - The next renewal is November 2021.

- 3.75 Mill Property Tax:
 - The tax issue was first approved in May 2013.
 - It has a five year term and started generating revenue in 2014.
 - The current effective mills is 3.33.
 - The tax issue raises about \$1,050,000 annually.
 - The tax on a \$200,000 value home is about \$203 annually.
 - The next renewal is November 2023.

- POLICE PENSION FUND PAYOFF: The Ohio Police & Fire Pension Fund was created in 1965 to replace local funds by the Ohio General Assembly, which enacted legislation to create the state-administered Ohio Police and Fire Pension Fund. In doing so, many municipalities – including Oakwood – had liabilities on paper exceeding the assets needed to pay future pension benefits, and owed a net pension liability to the State of Ohio. In order to minimize the financial impact on cities, the state authorized a 65 year payoff term, with the first payments due in 1970 and the final payments due in 2035. Oakwood’s original liability was about \$800,000. The remaining balance is approximately \$404,000, and an average annual interest rate of 4.25% is being paid. City Council passed a resolution at the August 5 council meeting with the intention to pursue an accelerated payoff of the pension liability. Oakwood plans to make two payments of approximately \$200,000 each to eliminate this liability. One payment will be made in late 2019, and the second in early 2020.

- FUEL TAX AND MOTOR VEHICLE LICENSE FEE:
 - Fuel Tax: Beginning on July 1, the State of Ohio imposed a 10.5 cents per gallon tax increase on gasoline and 19 cents hike on diesel fuel. The fuel tax was last raised in 2005. Oakwood is expected to receive an estimated \$193,000 in additional revenue annually as a result of the fuel tax increase.
 - Motor Vehicle License Fee: Governor DeWine signed the 2019 Transportation Budget Bill on April 10, 2019. The bill includes a provision allowing municipalities to levy a \$5 permissive tax on the registration of all motor vehicles, with 100% of that money going to the municipality. City Council approved an ordinance to levy this additional \$5 tax. The money must be used for authorized purposes, which include the maintenance and repair of public streets. The \$5 fee would be collected as part of the annual licensing fees paid each time a motor vehicle is registered to an Oakwood address. That money, projected to be approximately \$45,000 per year, would be used to supplement local tax dollars for maintaining city streets. The amount of money provided through the vehicle registration fee was last increased in 2006. Over the past 13 years, this revenue source has not changed, other than modest variations resulting from minor changes in the number of motor vehicles licensed by Oakwood residents. This additional money will help to continue maintaining public roadways in a first-class manner.

- 2020 PROPOSED CAPITAL PROJECTS/EXPENSES: Below is a comparison of 2019 and proposed 2020 capital expenses:

	<u>2019 Budget</u>	<u>2020 Proposed</u>
General City Services:	\$1,461,100	\$1,482,600
Refuse Operations:	\$220,000	\$320,000
Water Utility:	\$290,000	\$30,000
Sanitary Sewer Utility:	\$50,000	\$380,000
Stormwater Utility:	\$0	\$160,000

The following specific capital expenses are proposed for the 2020 Budget:

- *General City Services:*
 - Public Safety Extraction and Stabilization Tools: \$50,000
 - OCC Recreation Program Software: \$45,000
 - Gardner Pool Deck and Wall Replacement: \$145,000
 - Pool Diving Board Platforms and Life Guard Stands: \$22,000
 - Replacement of S-22 1994 John Deere Sidewalk Tractor: \$20,000
 - #20 Safety Officer Vehicle, 2011 Dodge Charger Replacement: \$52,000
 - #85 Safety Captain Vehicle, 2008 Ford Explorer Replacement: \$32,000
 - S-67 2001 Leisure Services/Beautification Truck, 4wd w/Dump Bed Replacement: \$37,000
 - Replacement of S-69 2005 Street Maintenance Pick-up Truck: \$35,000
 - Replacement of S-95 2001 Street Maintenance Service Truck: \$85,000
 - Asphalt Street Resurfacing Program: \$300,000
 - Concrete Street Repairs: \$250,000
 - Sidewalk, Curb & Driveway Apron Repairs: \$175,000
 - Storage Building at Public Works Department: \$150,000

- *Refuse Operations:*
 - S-5, 2004 Cushman Refuse Scooter Replacement: \$20,000
 - S-79, 2008 Refuse Packer Replacement: \$300,000

- *Water Utility:*
 - Upgrade of 210 Shafor Water Plant Controls: \$30,000

- *Sanitary Sewer Utility:*
 - W-10, 2002 Sewer Vactor Replacement: \$330,000
 - Sanitary Sewer Improvements: \$50,000

- *Stormwater Utility:*
 - Ridgewood Storm Sewer Improvement: \$160,000

Mr. Klopsch concluded his presentation with a word of thanks to the committee members for attending the meeting, and for their service to the community.

There being no other business, at 6:45p.m. Mayor Duncan adjourned the Budget Review Committee meeting.


Chairman