



City of Oakwood  
30 Park Avenue  
Oakwood, Ohio 45419

To: Budget Review Committee  
From: Norbert Klopsch  
Date: October 11, 2023  
Subject: October 17 BRC Meeting

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Greetings from City Hall!

Our Budget Review Committee meets at 5:30 p.m. next Tuesday, October 17. We will conduct the meeting in the council chambers at the city building. We also have a Zoom option via the link below:

Join Zoom Meeting

<https://us06web.zoom.us/j/88982638114?pwd=ZqTZDehIqEpyDei4eOoMyabiv2Pk0u.1>

Meeting ID: 889 8263 8114

Passcode: 994100

Enclosed are the following items:

- Meeting agenda.
- Minutes of our September 12, 2023 meeting.

We hope to see you next Tuesday, either in person or via Zoom.

cc: Members of City Council  
Department Heads



City of Oakwood  
30 Park Avenue  
Oakwood, Ohio 45419

BUDGET REVIEW COMMITTEE  
MEETING AGENDA

5:30 p.m., Tuesday, October 17, 2023

WELCOME AND INTRODUCTIONS

APPROVE SEPTEMBER 12, 2023 MEETING MINUTES

OPENING COMMENTS

3.75 MILL PROPERTY TAX

WATER SYSTEM INFRASTRUCTURE

2023 FINANCIAL REPORT THROUGH SEPTEMBER

2024 PROPOSED BUDGET

OTHER

Oakwood, Ohio  
September 12, 2023

The Oakwood citizen Budget Review Committee (BRC) met at 5:30 p.m. on Tuesday, September 12, 2023. The meeting took place in the council chambers at the city building, 30 Park Avenue, and was available via the Zoom.com remote teleconferencing platform.

The following people attended:

### Budget Review Committee

*In-person:*

Howard Boose  
Dave Dickerson, Chair  
Erika Endsley  
Bill Frapwell, Vice Chair  
John Gray  
Kate Halpin  
John Jervis  
Amanda Malusky Krauss  
Kristina Marcus  
Megan O'Leary  
Mark Risley  
Jim Vaughn  
Raya Whalen

*Via Zoom:*

Jeanne Boozell  
Cait Botschner  
Fred Dudding  
Susie Elliott  
Ella Himes  
William Meyer  
Beth Ritzert  
Megan Kavanaugh

### Oakwood City Council

*In-person:*

Mayor William Duncan  
Vice Mayor Steve Byington  
Council Member Rob Stephens  
Council Member Anne Hilton  
Council Member Leigh Turben

### City Staff

*In-person:*

City Manager Norbert Klopsch  
Leisure Services Director Carol Collins  
Finance Director Cindy Stafford  
Public Safety Director Alan Hill  
Law Director Rob Jacques  
Public Works Director Doug Spitler  
City Engineer Chris Kuzma  
Planning & Zoning Manager Ethan Kroger  
Human Resources Manager Sangita Anand

Mayor Bill Duncan opened the meeting with a welcome. He asked the committee members to do self-introductions. He asked if there were any suggested edits to the May 16, 2023 meeting minutes. There being no edits, Mayor Duncan asked for a motion to approve those minutes. Motion to approve by Mr. Boose; second by Mr. Risley. Upon viva voce vote, motion passed and the minutes were approved.

Mayor Duncan invited Mr. Klopsch to make opening comments and deliver the meeting presentation.

Mr. Klopsch announced the promotion of Ethan Kroger to Planning & Zoning Manager and the appointment of Sangita Anand to Human Resources Manager.

Mr. Klopsch began the meeting by discussing the following:

- **Yard Debris Disposal:** The city continues to enforce the prohibition on placing yard debris in the roadways, except for leaves during the 10-week leaf collection between October and December. City staff addresses illegal dumping of yard debris in streets by imposing a \$150 fee for violations. This has resulted in much less debris in the street.
- **Staff Needs:** The competition to recruit new workers as well as retain existing ones is challenging in today's workforce. City staff continues to look for ways to stay competitive in the labor market.
- **Water System Hydraulic Model:** The City continues to analyze the water system infrastructure and develop long-range plans for various capital improvements. The model was created several years ago as an important tool in determining the best approach and timing to plan capital improvements. More information will be shared at the October 17 BRC meeting.
- **Electricity Purchasing – Opt-in Aggregation:** Mr. Jacques explained that the cost of electricity is broken down into delivery (hardware) and supply (electricity). Energy consumers have the option to choose where they purchase their electricity. They can use the default service provider, choose a third-party provider, or participate in a government aggregation program that contracts with a third-party provider. Oakwood is a member community of the Miami Valley Communications Council (MVCC), which sponsors a regional electric energy aggregation program. The program offers a competitive rate of 6.57 cents per kWh for conventional electric energy. There is also a 100% renewable energy option at 6.97 cents per kWh. The current provider is Energy Harbor (through December 2025). The Public Utilities Commission of Ohio's "Apples to Apples" website tool provides a comparison of current natural gas and electric supplier price options and contract terms from a variety of third-party natural gas and electricity sellers. The aggregation program will initially be a contract period of a little more than two years, including the remainder of this year and then all of 2024 and 2025, with a locked-in rate. The provider chosen for this program, based on a competitive RFP process, is a company called Energy Harbor. All residential and most commercial businesses in Oakwood are able to participate in the program. Oakwood participates on an "OPT-IN" basis, meaning that no one is enrolled automatically or forced to participate. Oakwood residents and small businesses may enroll by calling (866) 636-3749 or on the city's website at [www.oakwoodohio.gov/electricaggregation](http://www.oakwoodohio.gov/electricaggregation).

Mr. Klopsch shared that the city again received the Auditor of State Award for excellence in financial reporting. The award is a testament to the fine work of Finance Director Cindy Stafford, CPA, and her Finance Department staff. Less than 10% of public entities in Ohio receive this honor.

- **2023 FINANCIALS THROUGH AUGUST:** Finance Director Cindy Stafford presented the following financial data:
  - General City Services receipts through August are at 77.93% of budget, while disbursements and encumbrances are at 71.87% of budget. These numbers are in line with where we expect them to be. This is attributed to the timing of real estate and income tax receipts and the blanket purchase orders that are submitted at the beginning of the year to cover expenses for the entire year. Mrs. Stafford projected that the income tax receipts will come in a little less than the \$11 million that was budgeted for the 2023 fiscal year.

- Refuse Fund receipts through August are at 67.55% of budget and disbursements and encumbrances are at 71.93% of budget.
  - Enterprise Funds receipts through August are at 75.61% of budget and disbursements and encumbrances are at 70.12% of budget. This includes \$500,000 of capital expenditures. If expense continues as planned, the Water Fund will end the year below \$1 million, which is why a water rate increase is being proposed for 2024.
- 3.75 MILL PROPERTY TAX RENEWAL: Mr. Klopsch shared that the city's 3.75 mill property tax expires this year. City Council will place the issue on the November 2023 ballot for renewal only, meaning it would, if approved by the voters, continue to generate the same annual revenue, and would represent no increase in property taxes. Information on the 3.75 mill property tax is as follows:
    - First approved in May 2013
    - Started generating revenue in 2014
    - Five Year Term
    - 3.03 Effective Mills
    - Raises about \$1,079,000 annually
    - \$93 annual tax on \$100,000 value home
    - Vote on November 7, 2023

The timeline for action to seek a renewal of this levy is as follows:

- Jun 5: Resolution of necessity/auditor certification adopted
- Jul 17: Resolution placing issue on ballot adopted
- Jul 18: Press Release explaining tax renewal distributed
- Oct/Nov: *Oakwood Scene* newsletter article
- Oct 9: Letter to citizens from BRC
- Oct 18: *Register* article from City Council
- Oct 23: Postcard reminders sent to voters

Mr. Klopsch suggested to forego the sending of postcard reminders as in years past with renewals.

- 2023 CONSTRUCTION PROJECTS/CAPITAL EQUIPMENT: The following 2023 capital projects/expenses were discussed:
  - Orchardly Park Playset Replacements: A new playground structure and swings were installed at Orchardly Park.
  - Shafor Park Swings and Safety Surface Replacement: A new swing and new safety surface will be installed at Shafor Park in the latter part of October.
  - Asphalt Pavement Resurfacing: The annual asphalt repaving was completed by a new contractor who was the low bidder on this year's project. City staff is pleased with the final product, although work took longer than in years past.
  - Concrete Street Repair: Concrete repair work just began on Garden Road. The work will take place over the next four or so weeks.
  - Far Hills Infrastructure Improvements: Infrastructure work along Far Hills continues. Roadway curbing will be replaced primarily between the south Kettering corp line and Patterson Road. Stormwater inlets will also be repaired over the next few months. This is all in preparation for the Far Hills resurfacing project scheduled for next year.
  - Far Hills Storm Sewer Replacement: Mr. Kuzma commented on the large storm sewer replacement project underway on Far Hills Avenue. Kinnison Excavating has done an excellent job. The project is on schedule and is expected to be

completed by the end of October or the beginning of November. Mr. Klopsch shared that this is a \$2.3 million-dollar project and is one of the largest infrastructure replacement projects the city has undertaken.

- CenterPoint Gas Line Work: The multi-year CenterPoint infrastructure replacement project in Oakwood is scheduled to be completed at the end of this year.
  - Gardner Pool: Ms. Collins commented on the 2023 pool season and the 2024 pool liner project plans. Ms. Collins shared that 2023 was a very successful pool season. Due to staffing limitations, the pool was closed for 15 hours out of a total of 101 days of pool activities. Mr. Klopsch commented on this year's Dog Splash event.
  - Traffic Signal System Analysis and Master Plan: Mr. Klopsch shared that city leaders have not decided on the future design of the Five Points intersection. The greatest consideration on whether to build the roundabout is the impact on public safety. Studies have shown that roundabouts slow down traffic and lower the severity of crashes. City staff submitted a grant application for state and federal funding assistance which will answer the question of how a roundabout project would impact the city budget, if pursued. A general discussion took place amongst committee members regarding the pros and cons of a roundabout.
  - Chevy Blazer EV PPV: Mr. Klopsch mentioned that he planned to show a short video on the all-electric police patrol vehicle for the Oakwood Public Safety Department, but given the length of the meeting, he will email it to BRC members to view on their own. Chief Hill shared that the vehicle will be ordered as soon as it is available and is scheduled for production during the first quarter of 2024.
- 2024 CONSTRUCTION PROJECTS/CAPITAL EQUIPMENT: Mr. Klopsch briefly reviewed the following capital projects proposed for 2024:
    - *General City Services*
      - Gardner Pool Liner: \$100,000
      - Salt Storage and PW Yard Improvements: \$300,000
      - Medic/Ambulance Vehicle: \$300,000
      - Concrete Street Repair: \$100,000
      - Far Hills Repaving: \$1,500,000 (80% ODOT; 20% City)
      - Harman Boulevard Median: \$175,000
      - Sidewalk, Curb and Driveway Aprons: \$175,000
    - *Refuse Utility*
      - Front-end Loader Replacement, 2000: \$90,000
      - Hook Truck Replacement, 2007: \$150,000
    - *Water Utility*
      - Dump Truck Replacement, 2003: \$150,000
      - Water Main and Service Improvements: \$400,000
    - *Sanitary Sewer Utility*
      - Sewer Line Cleaner for Easements: \$125,000
      - Sewer Line Repairs: \$50,000
      - Sanitary Sewer Lining: \$125,000
      - Sanitary Manhole Rehabs: \$100,000
    - *Stormwater Utility*
      - Street Sweeper: \$280,000
- WATER RATES: The last water rate increase was imposed in 2017. There are upcoming costs related to infrastructure improvements and capital equipment including water mains and service lines, water well maintenance, water tower refurbishments, and meter

replacements. The proposed rate increase would move Oakwood from 3<sup>rd</sup> lowest of 68 jurisdictions to the 17<sup>th</sup> lowest (based on 2023 rates). The chart below shows the proposed monthly water bill increase for three water usage scenarios... 300, 600 and 900 cubic feet, comparing 2023 and proposed 2024 rates:

	2023 Rate			Proposed 2024 Rate			Monthly Increase
	Service Fee	Usage Charge	Total	Service Fee	Usage Charge	Total	
300 cf	10.00	5.28	15.28	15.00	7.92	22.92	7.64
600 cf	10.00	10.56	20.56	15.00	15.84	30.84	10.28
900 cf	10.00	15.84	25.84	15.00	23.76	38.76	12.92

Mr. Klopsch presented a line graph showing decennial census data from 1910 to 2020 and mentioned that much of Oakwood’s underground utility infrastructure was installed between 1920 and 1960. Mr. Klopsch showed a line graph depicting the number of water main pipe breaks annually from 2012 to present. The numbers fluctuate from year to year, but there is currently no upward trend. The cost to replace underground water main pipes is very high, currently estimated at \$275 per foot of pipe. As an example, replacing just a single water line on Peach Orchard Avenue between Shroyer Road and Far Hills Avenue is estimated at \$710,000. A challenge is to determine the timing to replace aging water main pipes.

- **SANITARY SEWER RATES:** The sanitary sewer rate was last increased in 2018. There are upcoming costs related to infrastructure improvements and capital equipment including sanitary sewer pipe replacement and lining, manhole rehabilitation and root treatment. Montgomery County and the city of Dayton handle the City’s wastewater treatment. The wastewater treatment represents about two-thirds of the sanitary sewer operating budget. Montgomery County and Dayton are increasing their fees. Dayton’s fees will increase by 7.5% in 2024 and 5.5% in 2025. Montgomery County’s fees will increase by 19% in 2024, after increasing by 60% this year. The proposed rate increase would move Oakwood from the 36<sup>th</sup> lowest of 65 jurisdictions to the 54<sup>th</sup> lowest (based on 2023 rates). Below is a rate comparison of 2023 and proposed 2024 rates:

	2023 Rate			Proposed 2024 Rate			Monthly Increase
	Service Fee	Usage Charge	Total	Service Fee	Usage Charge	Total	
300 cf	21.20	10.58	31.78	26.50	13.23	39.73	7.95
600 cf	21.20	21.16	42.36	26.50	26.45	52.95	10.59
900 cf	21.20	31.74	52.94	26.50	39.68	66.18	13.24

- **REFUSE RATES:** Refuse rates were last increased in 2019 and no increase is proposed for 2024.

There being no other business, at 6:52 p.m. Mayor Duncan and Mr. Klopsch thanked the committee members for their service and the meeting was adjourned.

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Chairman