



City of Oakwood  
30 Park Avenue  
Oakwood, Ohio 45419

To: Budget Review Committee  
From: Norbert Klopsch  
Date: May 10, 2023  
Subject: May 16 BRC Meeting

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Greetings from City Hall!

Our Budget Review Committee meets at 5:30 pm next Tuesday, May 16. 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/88609422203?pwd=b1BpamRQY1RlcGlnY2cxdlhoMzB3UT09>

Meeting ID: 886 0942 2203

Passcode: 397058

Enclosed are the following items:

- Meeting agenda.
- Minutes of our November 29, 2022 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, May 16, 2023

WELCOME AND INTRODUCTIONS

APPROVE NOVEMBER 29, 2022 MEETING MINUTES

2022 FINANCIAL AUDIT

2023 FINANCIALS – THROUGH APRIL

2023 CONSTRUCTION PROJECTS/CAPITAL EQUIPMENT

TRAFFIC SIGNAL SYSTEM STUDY/FIVE POINTS INTERSECTION

3.75 MILL PROPERTY TAX

POSSIBLE 2024 CAPITAL PROJECTS/EXPENSES

OTHER

Oakwood, Ohio  
November 29, 2022

The Oakwood citizen Budget Review Committee (BRC) met at 5:30 p.m. on Tuesday, November 29, 2022. The meeting took place in the council chambers at the city building, 30 Park Avenue, and was available via the Zoom remote teleconferencing platform.

The following people attended:

Budget Review Committee

*In-person:*

Howard Boose  
Steve Brooks  
Dave Dickerson, Chair  
Fred Dudding  
Bill Frapwell, Vice Chair  
Kate Halpin  
Michael Hayes  
William Meyer  
Megan Kavanaugh  
Amanda Krauss  
Bill Rieger  
Sarah Waechter

*Via Zoom:*

Mark Risley  
Susie Elliott  
Beth Ritzert  
Dan Ferneding  
Ella Himes  
Yusaku Kawai  
Doug Kinsey

Oakwood City Council

*In-person:*

Mayor Bill Duncan  
Vice Mayor Steve Byington  
Councilmember Rob Stephens  
Councilmember Anne Hilton  
Councilmember Leigh Turben

City Staff

*In-person:*

City Manager Norbert Klopsch  
Finance Director Cindy Stafford  
Public Safety Director Alan Hill  
Law Director Rob Jacques  
Personnel & Properties Director Jennifer Wilder  
Engineering & Public Works Director Doug Spitler  
Staff Engineer Chris Kuzma

Mayor Bill Duncan opened the meeting with a welcome. He asked if there were any suggested edits to the minutes of the October 18, 2022 meeting. There being no edits, Mayor Duncan asked for a motion to approve those minutes. Motion to approve by Mr. Frapwell; second by Mr. Boose. Upon viva voce vote, motion passed and the minutes were approved.

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

Mr. Klopsch welcomed the committee members and discussed the following recent events and city projects:

- Shroyer Road: Mr. Klopsch thanked committee member Bill Meyer for his comment after the last meeting about Shroyer Road and the center median visibility. Staff is testing two options for improving the visibility through use of reflectors.
- November 14 Houk Stream Event: During a routine patrol, an Oakwood Public Safety Officer found an unattended vehicle at Ridgeway Road and Oakwood Avenue near the entrance of Houk Stream that belonged to an endangered missing adult. Search efforts conducted by the Montgomery County Sheriff's Office, Five Rivers MetroParks, Oakwood Public Safety Department, and members of EquuSearch located the individual deceased in a wooded area of Houk Stream.

Mr. Klopsch invited Amanda Krauss, who is a member of EquuSearch and was involved in the search efforts at Houk Stream, to share information about EquuSearch. Mr. Klopsch added that Mark Risley, also a member of EquuSearch, was also involved in the search and was the one who found the deceased.

Mrs. Krauss shared that EquuSearch is an organization dedicated to searching for missing persons. EquuSearch Midwest started in 2012, as a branch of Texas EquuSearch. The organization is a volunteer based non-profit 501(c)(3) organization. Searches are often done in wooded areas and include the use of ground searchers, horses, ATVs, drones, sonar, plans and mapping. Many law enforcement agencies call on the resources of the organization's searchers to assist in their lost or missing cases.

Mr. Klopsch thanked Mrs. Krauss for the information and continued with his report.

- Local Health Districts: The Oakwood Health District has been in place since the 1930's. The 2022/2023 Ohio Biennium Budget included a provision that will likely require Oakwood's local health district to merge with Public Health – Dayton & Montgomery County. The Board could continue to serve as an advisory body for city leaders on matters of health and safety.
- Staffing: There continues to be a challenge finding part-time and seasonal employees amid the hiring shortage and competitive market.
- Costs of Goods and Services: The increase in costs have been challenging and are reflected in the proposed 2023 budget.

He then reported on the following:

- 2022 HIGHLIGHTS:
  - Orchardly Park Tennis and Pickleball Courts: The tennis courts at Orchardly Park were refurbished and two public pickleball courts were added in July of this year; one tennis court was converted into two pickleball courts. The pickleball courts have been a great addition to the community.
  - Gardner Pool Improvements: The Gardner Pool Project is well underway. Since the last budget committee meeting, staff added \$30,000 to the 2023 budget for additional expenses at the pool. Staff also added \$180,000 to the Sanitary Sewer

Fund, which Cindy Stafford will address later. The pool work includes demolition and replacement of the concrete deck, installation of fencing around the zero depth wading pool (children's pool), and installing new pool lifeguard stands and diving boards.

- LED Street Lights: The latest edition of the *Oakwood Scene* newsletter includes an article about a project to replace street lights. The city contracts with Miami Valley Lighting (MVL) for street lights. In 2023, MVL will embark on a city-wide project to replace about 500 HPS fixtures, nearly all of the residential street lights in Oakwood. The city selected the 2700 Kelvin fixture as it provides illumination in the warm or soft white range, as opposed to the bright white light often seen with LEDs. Mr. Klopsch commented on a vacation last December in Florida when he first saw the use of the softer LED lights. After months of work, staff was successful in signing a contract with MVL to begin offering the 2700 Kelvin fixture.
  - Far Hills Gas Line Improvements: The CenterPoint (formerly Vectren) work along Far Hills Avenue is nearly completed. CenterPoint is installing new polyethylene pipes in place of old steel and cast-iron pipes and moving indoor gas meters to outside wall locations. Miller Pipeline should complete their work on Far Hills in a few weeks.
  - Comprehensive Plan: At the November 7, 2022 public meeting, Oakwood City Council addressed the 2004 Oakwood Comprehensive Plan and adopted a resolution. The resolution accepted a document summarizing achievements towards the Goals and Objectives of the Plan, and ratified and recognized that the 2004 Plan remains valid as the city's official policy guide for physical development addressing the use of land, the movement of vehicles and pedestrians, the protection of community character, and the provision of parks, schools, and other public facilities.
- 2022 FINANCIALS THROUGH OCTOBER: General City Services receipts through October are at 96.05% of budget, while disbursements and encumbrances are at 84.83% of budget. Mr. Klopsch shared that he anticipates that by the end of the year disbursements and encumbrances will be close to what was budgeted. Refuse Fund receipts through October are at 84.42% of budget and disbursements and encumbrances are at 84.94% of budget. Water Utility Fund receipts through October are at 82.45% of budget and disbursements and encumbrances are at 85.88% of budget. Sanitary Sewer Utility Fund receipts through October are at 80.51% of budget and disbursements and encumbrances are at 74.84% of budget.

Mr. Klopsch stated that most of the Sanitary Sewer Fund expenses relate to wastewater treatment. He invited Mrs. Stafford to discuss wastewater treatment rate increases from Montgomery County and the city of Dayton.

Mrs. Stafford shared that Montgomery County's wastewater treatment rate is increasing by about 15% and the city of Dayton increased their rate by 8-10%. These increases have been factored into the 2023 budget.

Mr. Klopsch said that a possible sanitary sewer rate increase may need to be considered next year to cover the Montgomery County and Dayton increases.

Stormwater Utility Fund receipts through October are at 83.72% of budget and disbursements and encumbrances are at 85.55% of budget.

At the end of 2022, the City will have continued to provide comprehensive public services and, based on current projections, will have:

- \$2,003,672 more in General City Services funds.
- \$176,204 less in Refuse funds.
- \$200,184 less in Water funds.
- \$1,440 less in Sanitary Sewer funds.
- \$20,774 less in Stormwater funds.

In the General City Services funds, about \$500,000 in revenue is from the 2022 Federal ARPA (American Rescue Plan Act) distribution, and about \$1,000,000 is from higher than budgeted income tax and property tax receipts.

- **MUNICIPAL INCOME TAXES:** Gross Income Tax collections through November are about 10% above November 2021. This increase is primarily attributed to three things:
  - Income generated by the additional people living in Oakwood in the homes and condominiums at Pointe Oakwood.
  - Increase in Oakwood residents working from home, thereby directing their local income taxes to Oakwood rather than other jurisdictions.
  - Despite economic conditions, total earned income in Oakwood has increased.
- **PROPERTY TAX:** The 2022 property tax receipts are slightly above budget. The city of Oakwood has two voted property tax issues. Of the total property tax bill that Oakwood residents pay, only about 8% is received by the city to pay for city services.

The 2022 Residential Real Estate Tax breakdown consists of 70.1% to Oakwood Schools; 1.7% to Montgomery County; 0.3% to Developmental Disabilities; 1.8% to Five River MetroParks; 12% to Human Services; 3.5% to Sinclair; 8% to the city of Oakwood; and 2.6% to Wright Library.

➤ **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 3.03.
- The tax issue raises about \$1,060,000 annually.
- The tax on a \$200,000 value home is about \$203 annually.
- It expires in December 2023.

➤ **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 1.27.
- The tax issue raises about \$468,000 annually.
- The tax on a \$200,000 value home is about \$78 annually.
- It expires in December 2026.

- 2023 GOALS & OBJECTIVES: The following goals and objectives will be included in the 2023 budget book:
  - KHN Property, Sugar Camp Western Lot and Randall Residence Property
  - Water System Master Plan for Capital improvements
  - Far Hills Infrastructure Improvements
  - Sanitary Sewer System Maintenance/Capital Improvements Plan
  - Traffic Signal Master Plan for Capital improvements
  - Park Improvements
  
- 2023 BUDGET OVERVIEW: The 2023 proposed budget reflects no increases in income tax, property tax, or any increases to refuse, water, sanitary sewer, or stormwater fees. The goal is to avoid property tax increases over the next few years, after renewing the 2.72 mill issue last year, and asking for a renewal of the 3.75 mill issue in 2023. Below, in millions, are 2023 budgeted expense figures:
 

➤ General City Services:	\$17.2
➤ Refuse Operations:	\$ 1.5
➤ Water Utility:	\$ 1.8
➤ Sanitary Sewer Utility:	\$ 2.4
➤ Stormwater Utility:	<u>\$ 1.6</u>
Total:	\$24.5 million

The 2023 budget includes no increases in income tax or property tax, and no increases in refuse or utility rates.

Mr. Klopsch commented on the line item budgets for General City Services, Refuse Operations, Water Utility, Sanitary Sewer Utility and Stormwater Utility. At the end of 2023, the City will have continued to provide comprehensive services and will, based on the proposed budget, have:

- \$872,935 less in General City Services funds.
- \$120,435 less in Refuse funds.
- \$662,150 less in Water funds.
- \$524,541 less in Sanitary Sewer funds.
- \$155,925 less in Stormwater funds.

For General City Services, the 2023 beginning balance is estimated to be \$12,717,882 for Primary Operations. The Special Projects Fund currently has a balance of about \$3.5 million. The proposed 2023 budget includes a transfer of an additional \$1.0 million to the Special Projects Fund. The 2023 budget includes \$2,375,100 for capital expenses.

For Refuse Operations, the 2023 beginning balance is estimated to be \$432,632. Refuse rates were last raised in January 2019 when they were increased from \$27 to \$30 per month. The 2023 budget includes \$55,000 for capital expenses.

For the Water Utility, the 2023 beginning balance is estimated to be \$1,200,784. Water rates were last increased in January 2017 and Oakwood currently has the 2<sup>nd</sup> lowest water rates of 66 Miami Valley jurisdictions. The 2023 budget includes \$479,500 for capital expenses. Given the projected 2023 spending of about \$660,000 more than revenue, we will need to consider a water rate increase next year.

For the Sanitary Sewer Utility, the 2023 beginning balance is estimated to be \$1,830,676. Sewer rates were last raised in January 2018. Oakwood currently has the 36<sup>th</sup> lowest sewer rates of 63 Miami Valley jurisdictions. The 2023 budget includes \$195,000 for capital expenses. We will also need to consider an increase in the sanitary sewer rate next year.

For the Stormwater Utility, the 2023 beginning balance is estimated to be \$474,972. Stormwater rates were last raised in January 2020. The 2023 budget includes \$2,198,394 for capital expenditures, almost all of which is coming from the General Fund and a possible state grant/loan.

Mr. Klopsch asked for a motion to recommend approval of the 2023 budget. Motion by Mr. Dickerson; second by Mr. Dudding. Upon a viva voce vote, motion passed.

Mr. Dudding commented on a stormwater catch basin concern at his property frontage on Patterson Road. Mr. Spittler will see that it is inspected and repaired as needed.

A question was raised about the status on redevelopment of the 2600 Far Hills office building. Mr. Klopsch commented on the challenges posed by the presence of two remaining cell phone antennas and available parking. Staff continues to believe that KHN will redevelop the property.

There being no other business, at 6:27 p.m. Mr. Klopsch thanked the committee members for their service and the meeting was adjourned.

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Chairman