

Oakwood, Ohio  
September 15, 2015

The Oakwood Citizen Budget Review Committee met at 5:30 p.m. on Tuesday, September 15, 2015. The meeting took place in the city council chambers, 30 Park Avenue. The following people attended:

Budget Review Committee

Howard Boose	Don Groff
Steve Brooks	Michael Hayes
James Broz	John Jervis
Charlie Campbell	Pete Luther
Lee Clark	William Meyer
Dave Dickerson	Skip Ordeman
Fred Dudding	Leigh Turben
Bill Frapwell	Michael Vanderburgh
John Gray	

Oakwood City Council

Mayor William Duncan  
Vice Mayor Steve Byington  
Councilmember Rob Stephens  
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

Mayor Bill Duncan opened the meeting with a welcome and self-introductions. He then explained that Mr. Klopsch will provide a briefing on the status of city finances and will provide details on several key city projects.

Mr. Klopsch then provided a briefing on the following items:

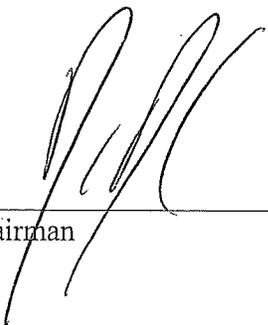
- 2015 FINANCIAL REPORT THROUGH AUGUST: Revenue and expense figures for the Non-Enterprise Funds are in line with budget. Through August, receipts are at 79% of budget. Income tax collections through August are about 10% above year-to-date 2014. Finance Director Cindy Stafford explained that this is mostly a function of the economy continuing to improve as reflected in 2014 tax return filings. Also, there is an increase in quarterly estimated payments for 2015. Additionally, some of the increase can be attributed to the new businesses operating at Sugar Camp. Non-Enterprise disbursements are at 61% through August. Revenue and expense figures for the Enterprise Funds are at 65% for receipts and 54% for disbursements. All funds continue to have sufficient balances. At the October 13 meeting, a discussion will take place on whether certain fees should be increased in the 2016 Budget.

- 2014 FINANCIAL AUDIT: The 2014 financial audit was completed with *NO FINDINGS*. The city received the Auditor of State Award for exemplary financial reporting for the third year in a row. Less than 10% of audits completed statewide receive this recognition. Kudos to Finance Director Stafford and her finance department staff.
- FINANCIAL TRANSPARENCY: Ohio Treasurer Josh Mandel continues to push local governments to implement online checkbooks and to hire OpenGov, a California based private company, to place financial data online. The typical cost to OpenGov can range from \$8,000-\$15,000, depending on the size of the community. Oakwood Council and staff continue to question the value of adding this annual expense to the city budget. The city makes all financial data available to any citizen requesting it, and includes annual budgets, audit reports, and monthly finance reports on the city website.
- CITY INCOME TAX: On Monday, September 21, Oakwood City Council will conduct a first reading on an ordinance to implement the new municipal income tax code as mandated by Ohio House Bill 5. The new code must be in place by January 1, 2016. The new law carves out tax breaks for certain interest groups. The estimated loss in annual revenue to Oakwood is \$250,000. HB 5 was sold as a bill to simplify the municipal tax code. It is interesting to note that Oakwood's current code is 32 pages long and the new mandated code is 55 pages long. Most of the decrease in Oakwood revenue will likely begin in the 2017 calendar year, when the 2016 returns are filed.
- PROJECT UPDATES: Mr. Klopsch provides updates on the following specific projects:
  - 2015 Street and Sidewalk Projects: Both projects were completed at very near the \$570,000 budgeted. Of particular note, the asphalt repaving project was completed in one week. This is the first time this particular project was completed so quickly. It is significant in that the project is very disruptive to Oakwood neighborhoods. The city replaced several broken underground water main valves on the project streets prior to placing the new asphalt surface.
  - Public Service Radio System: The 2015 Budget included \$130,000 to replace the dispatch console. The original plan was to do the project in two phases, with Phase 1 replacing the console in 2015 and Phase 2 replacing the radios in 2016. Pricing discounts, however, became available if both projects were completed this year. Last June, Council approved an additional \$230,000 to complete both phases this year. With both portions of the project now completed, the only remaining investment needed in the Oakwood dispatch center involves the dispatching software. Staff is reviewing potential timelines and options. The existing software is approximately 20 years old and nearing the end of its useful life.
  - Far Hills Business District Trees: The city completed the entire Business District Tree Project this spring at a cost of \$72,000. The original plan had the project divided into two budget years with \$65,000 in 2015 and \$65,000 in 2016. While planning the first part of the project, it became clear that it was most cost efficient, and less disruptive to the business district by doing all of the work at the same time. As an aside, Mr. Klopsch reported that the city is receiving a \$5,000 grant from DP&L to assist in paying for wintertime lighting on the Business District trees. This is made available through a new DP&L grant program. While \$5,000 will not cover all of the cost for the wintertime lighting, it will pay for a significant portion.

- Orchardly Park Basketball Court: The city is moving forward with a project to replace the basketball goals and resurface the court. The original plan contemplated widening the court to regulation width, but a decision was made to leave the court at its existing dimensions.
- Refuse Scooters: The 2015 Budget included \$64,000 to purchase two refuse collection vehicles. The cost of these scooters has escalated significantly over the past 10-20 years. As an alternative to purchasing the vehicles complete as has been done in the past, public works staff developed a plan to purchase the two primary components (i.e., the vehicle and the dump hopper) separately and to build the scooters in-house. The first scooter was completed in early summer at a total cost of \$19,000. It is performing very well. Public Works staff is now building the second scooter.
- Shafor Park Tennis Courts: The 2015 Budget included \$25,000 to make improvements to the tennis courts at Shafor Park. While planning for this work, staff completed a comprehensive evaluation of the entire tennis court facility. A \$25,000 project would involve patching and repainting the existing courts. There are three options for addressing the more significant tennis court deficiencies. The first is to totally rebuild the tennis facility and to select one of the court options identified in the 2010 Oakwood Athletic & Rec Master Plan. The cost would range from \$250,000 to \$500,000, depending on what option is selected. The second option would be to totally rebuild the tennis facility on the existing footprint. The cost for this would be an estimated \$235,000. The third option would be to totally replace the perimeter fence and patch and repaint the existing tennis courts. The cost for this would be approximately \$100,000. This will be a topic of discussion in 2016.
- Water Meter Transmitters: The city completed the first of two phases of a project to replace the transmitters that send water meter readings to the city building. This was done at a cost of about \$104,000. The second phase, at a similar cost, will be included in the 2016 Budget. When completed, the transmitter infrastructure should be good for the next 10-15 years.
- Old River Athletic Facility: Mr. Klopsch explained a proposed project underway to build a new athletic facility at the city's Old River Sports Complex. The facility would include an artificial turf field and track with lighting, bleachers, concession stand, and other amenities typically seen at a stadium facility. This would be a project completed in cooperation with the Oakwood City Schools and totally funded through private donations obtained by the Oakwood Athletic Boosters. The proposed project is in line with the pre-planning for Old River as reflected in the 2010 Athletic and Recreation Master Plan. City Council and the Oakwood School Board will hear a formal proposal for this project at the September 21 Oakwood City Council meeting.

- 2016 BUDGET: After two years of wage freezes, agreements were recently reached with the dispatchers and public safety officers on one year contracts with a 1.5% wage increase. Negotiations with the public works union on a wage re-opener for the third year of their existing labor contract will take place in the coming weeks. This will continue to control the growth of personnel costs. All employee bargaining groups, including the non-bargaining unit employees, experienced a two year cycle with no pay increase. Operating expenses for the 2016 Budget are expected to be very close to 2015. Capital expenses will likely be above 2015. In recent years, the city has not purchased many larger pieces of equipment, particularly in the public works department. Over the next few years, several of those larger ticket items will need to be addressed. Details of the 2016 proposed Budget will be presented at the October 13 BRC meeting.

At approximately 6:45 p.m., Mayor Duncan closed the Budget Review Committee meeting and thanked all participants for attending.



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Chairman