

RECORD OF PROCEEDINGS

Minutes of Budget Work Session

Meeting

www.pfettibone.com FORM NO. 10148

Held October 24, 2015

20

The Council of the City of Milford met in Council Chambers at 745 Center Street at 8:00 a.m. on Saturday, October 24, 2015 for the first of two Budget Work Sessions.

Roll Call: There was no roll call although Mr. Pittman made a Motion to excuse Mr. Brady's absence due to the death of his father-in-law; seconded by Ms. Evans. All voted yes.

Ms. Howland presented the Safety Services report from September 16, 2015:

Called to Order: 4:30 p.m. by Laurie Howland

Present: Amy Brewer

Staff: Pam Holbrook, Acting City Manager; Fire Chief John Cooper, Police Chief Jamey Mills and Assistant Fire Chief Mark Baird; Dan Burke, Finance Director

Visitor: Dave Spinney, MCFD Board Member

Heroin Coalition Resolution

Chief Mills stated that the Hamilton County Heroin Coalition serves as a platform for collaboration between local communities to address the heroin/opiate addiction problem. They have established a law enforcement task force to investigate and prosecute crimes related to heroin overdose incidents.

Chief Mills is requesting that Council pass a Resolution which would authorize the Police Department to participate in the Hamilton County Heroin Coalition Task Force together with other law enforcement agencies in the investigation of heroin overdose incidents, and to allow the Chief of Police to enter into a memorandum of understanding with the task force.

The Committee agreed to make a motion to draft a Resolution authorizing the Milford Police Department to participate in the Hamilton County Heroin Coalition Task Force. This Resolution was executed and adopted at the October 6, 2015 City Council meeting (15-595).

Fire and EMS Contract

Mr. Burke apologized to the Fire Department for an error he had made in some of his previous calculations.

Chief Cooper reviewed the 2016 contract for Fire and Emergency Medical Service for the City. Chief Cooper highlighted the following items:

1. The contract term is January 1, 2016 and ending on December 31, 2016.
2. The City agrees to pay the Fire Department \$1,700,000 for services rendered payable in twelve monthly payments.
3. The City Manager serves as a nonvoting ex officio member.
4. The Fire Department shall provide the City with annual audited financial statements by July 1st of the following year. A financial accounting report will be submitted to the Finance Director on a monthly basis.

Mr. Burke stated that the auditor is estimating that the City will receive approximately \$1,867,091 from next year's Fire and EMS Levy. The City estimates there will be expenses in excess of \$150,000 including \$50,000 for a building debt payment, and 911 Services which results in a shortfall in the City's Fire and EMS Fund. The final building debt payment will occur in 2019. The cash reserves in the fund have decreased from \$650,000 to a negative \$110,000 over the past five years. Mr. Burke stated that if Council would like a reserve in the Fire and EMS Fund then this current model will need to be addressed.

Ms. Brewer stated that it is a matter of philosophy, and could be discussed at the council budget sessions.

Chief Cooper stated it is important to the Fire Department to maintain an adequate reserve level for emergencies. To operate as a business, the department needs to insure that they have six months of expenses in reserve. Ms. Howland questioned whether the only way to rebuild the City reserve is to decrease the amount paid to fire and ems.

Chief Cooper stated that the fire department did not want to spend down their reserves in order to increase staffing levels to the minimum of eight people per shift. Mr. Spinney stated they did not want to compete for general fund money.

The committee agreed that this topic should be discussed at the upcoming budget meetings.

The Committee agreed to make a motion to draft an Ordinance authorizing the City Manager to enter into an agreement with the Milford Community Fire Department, Inc. for Fire and Emergency Medical Service Protection for 2016 in the amount of \$1,700,000. This Ordinance was executed and adopted at the October 6, 2015 City Council meeting (15-1190).

Bud White Sick Leave Payout

Bud White has requested City Council exempt him from the Section 5.17 Paragraph A of the City Milford Personnel Policy, Sick Leave Conversion at Retirement. The policy states that in order to receive sick leave payout, an employee must have worked for the City for ten years. Mr. White has been employed by the City for six years; however, he worked as a contracted City Engineer for over 29 years. As a salaried employee, Mr. White accumulated over 500 hours of unpaid 'comp' time and he used minimal sick time.

RECORD OF PROCEEDINGS

Minutes of Budget Work Session

Meeting

www.pjpettibone.com FORM NO. 10148

Held October 24, 2015 _____ 20 _____

Ms. Holbrook stated because Mr. White is requesting an exemption to a City policy, City Council approval is required in order to grant the request. The total amount of sick leave compensation payout to Mr. White would be \$4,991.87.

The Committee agreed to make a motion to draft an Ordinance authorizing the City Finance Director to issue payment to Mr. William White for one-fourth (1/4) of his accrued but unused sick leave up to a maximum of thirty (30) days or two-hundred forty (240) hours totaling \$4,991.87. This Ordinance was executed and adopted at the October 6, 2015 City Council meeting (15-1191).

There being no further business, the meeting adjourned at 6:00 p.m.

Discussion of the 2016 Budget began at this point. Ms. Howland complimented Dan Burke, Pam Holbrook and the Department Heads for their hard work in putting together the budgets and budget books. Mr. Bishop commented that he'd never seen anything like the Budget books.

Mr. Burke, Finance Director began by stating that the City is in excellent financial condition. He said that there have been several personnel changes in the past few months and the City administration is working to align positions with skillsets. Mr. Burke stated that the earnings tax is up 6-7% this year. He stated that the Jeff Wyler Family Automotive Group continues to be the largest employer in the City and will produce dividends for the next 30 years. He indicated that property taxes have rebounded and stabilized.

Mr. Burke stated that the JEDDs that the City has with Union Township are doing very well with JEDD 1 and JEDD 4 as the most productive. He stated that he expects that JEDD 5 will also be very productive. Ms. Holbrook indicated that she had attended a JEDD 4 meeting earlier in the week and the brewery that is part of JEDD 4 intends to expand their operations. Mr. Burke indicated that over the past 15 years earnings tax revenue has increased from \$2 million to almost \$3.5 million annually.

Mr. Burke stated that the Water Department has had three capital projects in the past couple of years and there is a possibility that there will need to be a possible reallocating of the water revenue between operating and capital. He stated that although the Water Department has no major projects planned for 2016 there may be a possible debt which might include bonding if the Wallace Water Tower needs to be replaced in 2017.

He indicated that because engineering services through Kleingers is new having only started after Mr. White's retirement in August, the actual annual cost is an estimate. Ms. Holbrook indicated that Kleingers will send separate proposals for large projects.

There was a discussion regarding RDI and whether Toebbens improvements in the parking lot will be enough to keep them from relocating.

Dan stated that the cinema tax is down due to the availability of movies on other media sites and that the inheritance tax is no more.

There was a discussion regarding the history of Parks funding and the past automatic allocation of 5% of the earnings tax to go to the Parks Fund. Ms. Howland stated that with a set amount, the Parks and Recreation Commission will have the ability to begin planning projects. Mr. Pittman indicated that the Parks and Recreation Commission can already make plans; they simply come to Council with their suggestions and needs and to date Council has never rejected their ideas or plans and events. The final decision was made that of the Earnings Tax 91% would go to the General Fund, 5% to Parks and 4% to Capital Improvements.

Ms. Hinnens made a motion that the Parks and Recreation Fund automatically receive 5% of the Earnings Tax; seconded by Ms. Brewer. Mr. Pittman voted no. All others present voted yes.

Ms. Brewer suggested that Parks and Recreation become part of Community Development.

Mr. Burke estimates fire fund expenses in excess of \$150,000 including \$50,000 for a building debt payment, and 911 services which results in a shortfall in the City's Fire and EMS Fund. The cash reserves in the fund have decreased from \$650,000 to a negative \$110,000 over the past five years. He indicated that the loss was covered by an advance from the General Fund. (An advance is paid back; a transfer is not paid back.) Mr. Burke stated that if Council would like a reserve in the Fire and EMS Fund then this current model will need to be addressed. The final fire station building debt payment of \$50,000 will occur in 2019.

Asst. Fire Chief Mark Baird discussed manning levels for the fire department and indicated that the \$1.5 million on reserve with the fire department is a six months reserve and should be held aside for an emergency. He stated that it is the opinion of the fire department that the dollars added to the Fire Department Fund from the General Fund should be a transfer and not an advance. He stated that it is the City's responsibility to provide for the public safety. Asst. Chief Baird indicated that during 2016 - 2017 the fire department will place another levy before the residents.

There was an open discussion of the National Fire Protection Assoc. requirements vs. the reality of how fire departments are actually staffed throughout the nation. Asst. Chief Baird when asked about the liability of

RECORD OF PROCEEDINGS

Minutes of Budget Work Session

Meeting

www.pjettibone.com FORM NO. 10148

Held October 24, 2015

20

not following NFPA standards indicated that the government decides if the NFPA guidelines constitute a law.

Mr. Burke recommends that the fire fund be reimbursed the general fund advance since the fire department has \$1.5 million dollars in reserves. The questions that will need to be answered are 1) Do we want reimbursement from the Fire Department Fund? 2) Does the City want to pay the fire department less over the next few years to rebuild the Fire Department Fund?

Asst. Chief Baird indicated that since the fire department is a private entity they are not strapped to the ORC nor to a labor union therefore they are able to provide service for less.

Ms. Howland asked what Mr. Burke recommends.

Mr. Burke replied that the City has no Fire Department Fund left; that it has been spent down.

Asst. Chief Baird stated that Chief John Cooper feels the City should absorb the \$110,000 as a transfer and not an advance.

There was discussion regarding an additional Fire & EMS levy and whether the \$110,000 amount should be a transfer rather than an advance. That discussion led into a discussion of single family housing vs. assisted living housing and the number of EMS runs. Asst. Chief Baird stated that currently the fire department staffs six full-time firefighters per shift. If the EMS receives a call, two will go with the ambulance leaving four on hand for fires. Should another EMS run happen, two would respond leaving just two staff members to man the fire trucks should a fire happen. While they have volunteers who will assist, the best idea would be to staff two more firefighters per shift bringing the number per shift to eight.

Ms. Howland asked if tax abatements have cut into fire department funds. Ms. Holbrook responded that not all businesses are offered tax abatements. She indicated that a possible assisted living development on Chamber Drive will not be an abatement area.

The decision was made that the fire fund would pay back \$60,000 to the General Fund in 2015 and \$50,000 in 2016 as originally planned.

Police Chief Jamie Mills came to the podium to discuss his 2016 budget. Chief Mills began by stating that the growing heroin epidemic is the biggest problem faced by police departments and fuels the majority of crimes in the area. Chief Mills then went on to describe the goals and objectives of the police department. He stated that the department had been an active participant in the Jr. Police Academy, the department has been re-accredited for 15 consecutive years, the East Milford Block Watch is active, the department is active with the Civil Air Patrol, and another Citizen Police Academy is nearing graduation. He stated that he would like to promote two part-time officers, Terry Chastain and Brandon Clark to full time. This action would decrease the part-time budget by \$40,000 since these officers are already working hours that equal full-time officers. He stated that while he has reserve and auxiliary officers, they cannot replace full-time officers.

Mr. Pittman asked the frequency of our officers leaving to go to other municipalities.

Chief Mills stated that retention is not a problem within the department. He indicated his goal is the addition of one full-time officer a year until the department reaches 18 full-time officers; he will have 15 full-time officers with the addition of Officer Chastain and Officer Clark.

Chief Mills stated that he has included the replacement of weaponry and web gear in his budget. He will be able to return the current 2002 service weapons (Glocks) to the manufacturer for a replacement cost of only \$75.00 per weapon.

He then discussed a few of the community projects and events the police department sponsors each year including National Night Out, Shop with a Hero, and the Citizen Police Academy.

Time was then turned over to Interim City Manager Pam Holbrook to discuss items relating to her position. Ms. Holbrook indicated that the past few months have been challenging to staff as they absorbed the loss of two administrative individuals. She stated that everyone is working together and that the City has great supervisors and personnel.

Ms. Holbrook recounted several positive aspects of the City including the property and addition of the parking lot at 300-308 Main Street. She indicated that the Redmans plan to finish the apartments over the deli first and the deli/produce market will open later in the spring. The parking lot has been a major contribution to the downtown area. She then drew Council's attention to the popular gateway signage.

Ms. Holbrook began a discussion relating to the Parks and Recreation activities. She reported that a CDBG (Community Development Block Grant) of almost \$70,000 will be used to further develop Memorial Park. A Riverside 2 Master Plan is on her 2016 budget. Kleingers Group will work to create the Riverside 2 Master Plan and seek grants toward bringing the Plan to fruition. She stated that the replacing of downtown street trees (3 year cycle) will not be taken out of the Parks and Recreation budget. There was a discussion

RECORD OF PROCEEDINGS

Minutes of Budget Work Session

Meeting

www.pfpettibone.com FORM NO. 10148

Held October 24, 2015 20

regarding the appropriate trees for downtown and Ms. Holbrook stated they would consult an arborist in the selection.

There was a discussion regarding the upkeep of park equipment and the budgeted addition for benches in Clertoma Park.

Ms. Holbrook opened a discussion of the City Incentive Program. The allocated \$20,000 was approved.

There was discussion regarding the possibility of way-finding signage on the overpasses spanning SR 275 and whether the price of such signage was an ODOT expense or one that could be shared with Miami Township.

Ms. Holbrook presented a brief marketing update indicating the success of a marketing seminar presented to area realtors several years ago. Council expressed interest in another such endeavor. There was discussion of marketing brochures and the best way to go about the City presenting more of a presence in Ohio Magazine and Cincy Magazine. There was a suggestion that City events should be advertised more heavily in local newspapers. The discussion included additional ICRC involvement to help define the market and bring more coverage to City events.

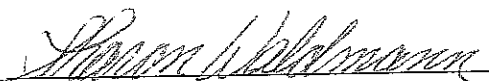
Ms. Holbrook indicated that she would like to increase Bruce Molett's (Code Enforcement Official) hours as he is taking on more and more responsibilities that had previously been assigned to Ms. Ellerhorst, previous Assistant to the City Manager.


Ms. Holbrook reported that the businesses in the City are stable, but it is very important to make certain that the City is able to retain these businesses. She discussed the current construction projects and indicated that NIC (National Inspection Corp.) is working out very well. Ms. Holbrook stated that the City retains 10% of all costs associated with building permits. She reported that Union Township has approached the City suggesting that they might be open to the City handling their building department needs. This would be another revenue source for the City if it came to fruition.

Ms. Holbrook indicated that per City Council's Ordinance (15-1161), solid waste and recycling costs have risen from \$1.25 monthly to \$6.25. This action has prompted individuals and those with multi-family/business rental property to update their records with the City to bring the rate and service more in line with their needs.

Adjourn

It was agreed to continue discussion of the City Manager's budget at the second City Council budget work session on November 21, 2015 at 8:00 a.m. and the meeting was adjourned at 12:30 p.m. by unanimous voice vote.


Sharon Waldmann, C.P.T.


Laurie Howland, Mayor