MINUTES SAFETY COMMITTEE MEETING
REYNOLDSBURG CITY COUNCIL
July 2, 2012

Members of Safety Committee present: Mel Clemens, Cornelius McGrady III, Nathan Burd, Scott A. Barrett.

Other members of Council present: Leslie Kelly, Barth R. Cotner, Chris Long, Council President Doug Joseph.

Mr. Clemens called the meeting to order at 7:32 p.m.

The agenda was approved with Mr. Clemens adding Item 3a, Report by Mayor McCloud. (All voted "Aye".)

Minutes of the Safety Committee meeting held June 4, 2012 were approved without objection.

Report by Mayor McCloud. (See attached Exhibit A) Mrs. Kelly said a big tree had come down on Rodebaugh Road and she was impressed with how quickly it was able to be cleared, and with the fact that the police were there directing traffic before it could get cleared out. Mr. McGrady said he wanted to congratulate the Mayor on the plans the city was implementing, but also asked if the plans were contained in the city's emergency plan, or just came into focus as a result of the storm. Mayor McCloud said it was something that he had just done that day. Mr. McGrady asked if the emergency plan was something that would be implemented in the future. The Mayor responded by saying as he deemed appropriate.

Discussion: Authorize purchase of one Ford F150 pickup truck (Street; Storm Water; State Highway)- - -Mr. Long asked Street Supt. Dave Metzger if the vehicle was going to be replacing one of the older trucks. Mr. Metzger said 'yes and no'; that they were going to trade in a vehicle, but instead were sending it to the Parks Department as a stop-watch measure as they were in bad shape with vehicles as well. Mr. Clemens said an emergency had been requested on the third reading, and moved to send an ordinance to Council authorizing the purchase, for the first reading. Mr. Burd seconded the motion; all voted "Aye".

Discussion: Authorize purchase of one GMC 1500 pickup truck (Street; Storm Water; State Highway)- - -Mr. Clemens said an emergency was also requested on the third reading, and moved to send an ordinance to Council authorizing the purchase, for the first reading. Mr. McGrady seconded the motion; all voted "Aye".

Meeting adjourned at 7:40 p.m.

Safety Committee
- - -Nancy C. Frazier, Clerk of Council
July 2, 2012
MINUTES SERVICE COMMITTEE MEETING

REYNOLDSBURG CITY COUNCIL
July 2, 2012

Members of Service Committee present: Barth R. Cotner, Scott A. Barrett, Leslie Kelly, Cornelius McGrady III.

Other members of Council present: Mel Clemens, Chris Long, Nathan Burd, Council President Doug Joseph.

Mr. Cotner called the meeting to order at 7:41 p.m.

The agenda was approved.

Minutes of the Service Committee meeting held June 18, 2012 were approved without objection.

Discussion: Authorize contract - 2012 Sanitary Sewer and Manhole Rehabilitation and appropriation of funds- - -Safety/Service Director Bill Smith read from the legislative request, noting the contract would be for the re-lining of sanitary sewer lines. Mr. Clemens said the monies for the project would be coming from the Sewer Fund and not the General Fund. Mr. Cotner moved to send legislation to Council with a recommendation for adoption as an emergency measure; and also referred the item to the Finance Committee for funding. Mr. Barrett seconded the motion; all voted “Aye”.

Discussion: Authorize contract - construction phase engineering services - 2012 Sanitary Sewer Rehabilitation and appropriation of funds- - -Mr. Smith said the request was for the construction phase engineering services for the project, and the funds would also be taken from the Sewer Fund. Mr. Cotner moved to send legislation to Council with a recommendation for adoption as an emergency measure; and also referred the item to the Finance Committee for funding. Mrs. Kelly seconded the motion; all voted “Aye”.

Meeting adjourned at 7:44 p.m.

Service Committee
- - -Nancy C. Frazier, Clerk of Council
July 2, 2012

MINUTES FINANCE COMMITTEE MEETING
REYNOLDSBURG CITY COUNCIL
July 2, 2012

Members of Finance Committee present: Chris Long, Nathan Burd, Barth R. Cotner, Mel Clemens, Leslie Kelly.

Other members of Council present: Scott A. Barrett, Cornelius McGrady III, Council President Doug Joseph.

Mr. Long called the meeting to order at 7:45 p.m.

Mr. Long moved to amend the agenda by adding two items from the Service Committee that needed funding: adding Item 20 - Authorize contract - 2012 Sanitary Sewer and Manhole Rehabilitation and appropriation of funds; adding Item 21 - Authorize contract - construction phase engineering services - 2012 Sanitary Sewer Rehabilitation and appropriation of funds. The amended agenda was approved with all voting "Aye".

Minutes of the Finance Committee meeting of June 18, 2012 were approved without objection.

Discussion: Issuance of Bonds - 2012 Sanitary Sewer System Improvement- - -City Auditor Harris explained the two items that had been added from the Service Committee would be funded by the issuance of a bond with Heartland Bank; it had been bid out at the time the earlier one this year had been bid out for the water improvement, and was basically the same rate and everything; that it would be paid for out of the proceeds from the Sewer Fund. Mr. Long moved to send an ordinance to Council for the one required reading with a recommendation for adoption. Mr. Clemens seconded; all voted "Aye".

Discussion: Removal of items from Fixed Asset List and appropriation of funds received- - -Mr. Long said the items would be sold and taken off the Fixed Asset List, with the monies then being deposited appropriately. Mr. Long moved to send item to Council for the first reading; Mr. Burd seconded; all voted "Aye".

Discussion: Amend Ordinance No. 31-12 - - - Personnel Policy and Procedure Manual, Section 3.071 "Promotion (Senior Police Management)"- - -Billie Reidel, Civil Service Secretary, said, "This is a two-fold request; the first one is to include two additional command training, outside the three already on here, being CLEE and PELC, as shown in the information you got, just to broaden the amount of candidates. We have a few right now that have got CLEE; we have another candidate that has CLEE, as well as the FBI Academy, but according to the Ohio Association of Chiefs of Police, we should have had these two additional command training centers as part of the plan so that you can attract more candidates with ______. And the other item was to allow a designee for each of the panels, the Preliminary Selection Committee Panel, which is as you know, has five people as well as the Final Selection Committee. Thus far, the only one it allowed a designee to be appointed if necessary was the Civil Service Chairman on the Final Selection Committee. We're just trying to cover bases, all of the dates are set, scheduled for the interviews on both ends, in case some emergency came up, somebody had to be replaced, so that is the reason for the second portion of this."

Mr. Long: Ms. Reidel, I've got one question and it's probably nothing specific, but I've noticed here that we have changed something of, a wording issue from 'and' to 'or' so as opposed to getting an individual with a rather lengthy resume, now we are possibly only getting an individual with a single qualification.

Ms. Reidel: Are you referring to the command training?

Mr. Long: Yes Ma'am.

Ms. Reidel: Well ____didn't put the 'or', they only need one, would need one, so you don't want them to have to have all five, I mean, these, when the department send a candidate, when they're promoted, to a command training center, it's up to the individual police department of which one they use, whereas Reynoldsburg as an example, uses the Staff and Command. Some of the departments may use CLEE or choice PELC or, but if the candidate that was promoted, the person promoted, unless he's the Chief I suppose, to just state which training he wanted to attend once he was promoted, it's up to that individual police department.

Mr. Long: So up until this point, we've been filling the position with all of the qualifications, I guess my question is what's prompted us to have to step back?

Ms. Reidel: No, in the past, it was either one of those three as well; the intent was one of those three. They, I don't believe we've had a, as an example, when Chief Suciu was hired, Chief Dave Suciu, he had gone to Staff and Command; he didn't attend the FBI Academy until after he was hired with Reynoldsburg. He had been on a waiting list for some time to be able to attend that. I believe that started when he was still with Zanesville, so it would be one or the other. When OACP is inspecting these resumes and first of all to ascertain that they meet the minimum qualifications for the position, then they will be ranking them according too if they have the FBI Academy along with Staff and Command, or PELC, or CLEE, so that would just be a benefit to that candidate to raise _____ top ten and go to the assessments.

Mr. Long: Okay. So we're just basically correcting a wording error in our ...

Ms. Reidel: Just adding these two other command training centers that is typically used in Ohio with some departments, not all of them, and as I said, in Reynoldsburg we use just Staff and Command when people have, as it's seen fit to send people promoted to the rank of Sergeant and this is just simply allowing us to attract a few more candidates around the State.

Mr. Long: Okay. And you're fine with these, Mayor?

Mayor McCloud: Yes I am; it opens up and creates more opportunities for a bigger selection pool.
Mr. Long: Thank you.
Mr. Long asked if there were any questions; there were none. Mr. Long moved to send an ordinance to Council for the one required reading with a recommendation for adoption as an emergency. Mrs. Kelly seconded. All voted "Aye".

Discussion: Funding of an additional School Resource Officer- - -Mayor McCloud said, "The Superintendent of Schools had requested that we work with them to establish another School Resource Officer, and by way refresher, the way this works is the schools pay 69% of the salary of this individual, the city picks up the balance. So what this would do is, whoever ends up in this assignment as the new SRO, assuming this passes, will be someone who's at the top step and that means the schools will be absorbing 69% of that top step salary; that position will be back-filled at a beginning salary. So this is a good opportunity for both additional safety in the schools and additional security forces for the city."

Mr. Long: So it's budget-positive?
The Mayor said it was. Mr. Long said the city had two high schools now and Katherine had done an excellent job at the high school on Livingston; and that he thought the other high school should be covered as well. Mrs. Kelly said as she had spent quite a bit of time in the Reynoldsburg schools, the School Resource Officers did an amazing job, and she was very glad to hear that the city was looking at putting another one in place. Mr. Long moved to send an ordinance to Council as an emergency measure with a recommendation for adoption. Mr. Clemens seconded; all voted "Aye".

Mr. Long: Now as is customary with the establishment of the agendas on some of the committees, we either receive recommendations or requests to speak, the Administration will request pieces of legislation, or I can have individuals here on Council request that something be put on the agenda. I'm going to go ahead and turn this meeting over at this time to Council President Doug Joseph for Items No. 8 through Items No. 15.

Mr. Joseph said, "A week ago, I brought forward a report by the Buckeye Institute which largely was based on a lot of the Ad Hoc Committee Report on spending reforms and reductions that the city could look at to held close our budget deficit. And I asked the Chairman of the Finance Committee first, to be able to break that out tonight, to look at each one of these as presented, just to take a look at each one to see what type of feedback we would get from Council, the community, and other officials within the city because again we have budget issues that have to be solved, and there's a couple of different ways to do it. One is either raising taxes or repealing the income tax credit; secondly is significant budget cuts; or thirdly layoffs, and all three of those are, should be valid for consideration. We have gone through a very difficult period over the past four or five years, not just the city, but the country and I think that looking at some of these reforms are at least appropriate as we consider the best avenue to make sure we can balance our budget next year. And as I said most of these items have been outlined in the Ad Hoc Committee Report which was issued last year; basically only two of those items were acted on by Council, one being putting a tax request on the ballot, and secondly, elimination of insurance for members of Council which yields about 100,000 dollars in savings. None of the other items were acted on or really even discussed and I thought it was at least appropriate to take a look at the entire report and any other suggestions that could be utilized so at least Council has a full range of options to consider."

For Discussion Only: 5% pay cut for all employees- - -Mr. Joseph said this item was in the Buckeye Report which said it would have a projected savings of about 480,000 dollars and those numbers were based on estimations that employee pay packages had gone up about 11-1/2% since 2008, and approximately 19% growth in other employee benefits over that period. Mr. Joseph asked Auditor Harris is those numbers were pretty accurate. Mr. Harris said if it was looked at as a math problem, it was accurate, but in reality Council did not have the legislative authority to override a current contract and there were contracts with the police department, and the United Steel Workers. Mr. Harris distributed a document (see attached Exhibit A) which showed what Council could actually enact. Mr. Joseph said the contracts were up for renegotiation this year; that his intent was to throw the topic out as a way to show that there could be savings to close the budget deficit as the city proceeds with the negotiations. Mr. Harris said the reference to 11% was not accurate; that the 160 employees had gotten 0, 2, and 0 over the last three years which was obviously well-below; the other thing that was in the Ad Hoc Committee Report was that especially the 160 employees here were the lowest paid in the county already by in many cases, a dramatic amount, and that the turnover in the departments in the city had been, in the five years previous, when that was done, had been running around 1/3 of the total employees within the city, had left to go somewhere else to work, that did not include retirements, discharges, layoffs and other things. Mr. Clemens said the city had been through many contracts and the reality was that all knew the FOP was not going to take a 5% reduction in the next contract; there would be an increase. Mr. Clemens said such presentations on paper were ridiculous as it gave people the wrong idea as to what could be done. Mr. Clemens said his theory had been that the 160 employees deserved the same amounts that the FOP employees got; that while they don't always get them, the city had tried to have the benefits remain the same. Mr. Clemens said Items 8, 9, 10, 11 and 13 fell under the contract of the FOP and he wasn't going to even discuss reducing the other employees; that it was the wrong way to go, and even to approach. Mr. Clemens said the other two items could be worked on. Mr. Joseph said he appreciated Mr. Clemens comments, but he felt the options should be considered; that the city's options were limited. Mrs. Kelly said she commended Mr. Joseph for bringing up options for Council to consider; that one of the things she would really like to see was that the department heads and the Mayor come up with a plan -

if there was to be 15% cut in expenditures, that they would know better what was really needed. Mrs. Kelly said then the community members needed to know what those cuts would be. Mr. Barrett said he had looked at the report from the institute and he said it didn't seem to have a lot of strength; that he couldn't find anything in the report that referred to the Ad Hoc report, as Mr. Joseph had referenced. Mr. Joseph said on 5 of the 8 items he listed, it did. Mr. Barrett said it didn't refer to them by name. Mr. Joseph said he could cite them. Mr. Barrett said the person that had authored the report had just graduated from college in 2011 and had probably never been to Reynoldsburg; that those who had made up the Ad Hoc Committee had been professional persons who had experience; that the Administration had brought that report to Council and was recommending those findings. Mr. Barrett said there was also the suggestion from the Ad Hoc Committee that the city should get to the point where there was money once again going into the Rainy Day Fund.
For Discussion Only: Reduce Health Savings Account Contributions by 50% for all employees- - -Mr. Joseph said one of the items that was from the Ad Hoc Report was the healthcare benefits regarding HSA, which was also cited in the Buckeye report. Mr. Joseph said the projected savings was $241,000 and asked Mr. Harris if those numbers were consistent with his. Mr. Harris said it was close, but Council had cut in the 2012 Budget, $500 out of the 160 employees for family, and 250 for individuals and the idea had been to start cutting back over a period of several years until it was either eliminated or greatly reduced. Mr. Harris again noted that while the Buckeye report projected $241,000 savings, it was really only $70,000 as the contracted amounts could not be touched. Mr. Burd said the Ad Hoc Committee had recommended $2,000 per employee and the city had taken the amount down by $500 in 2012; that in order to do what the committee had recommended, another 1500 would have to be cut? Mr. Harris replied, "Over the next few years, yes."

For Discussion Only: Discontinue Employee Pension Pick-up- - -Mr. Joseph said this item was also in the Ad Hoc Committee Report, and the projected savings under the Buckeye report was almost $225,000. Mr. Harris noted that none of the non-union employees got pension pickup. Mr. Joseph said the item would have to be negotiated when it came to the contract employees.

For Discussion Only: Health Insurance Employee Premiums- - -Mr. Joseph said this item was an Ad Hoc Committee item, and a again would be a contract item. Mr. Harris said that was correct; that in the police contract it was 12%; that Senate Bill 5 had talked about 15% for everybody, but obviously the Buckeye group went much further than that. Mr. Joseph asked Mr. Harris if he thought the 9.9% number cited by the Buckeye Institute was accurate as far as the levels the city had picked up. Mr. Harris said it had been 12; that the contract had also said 12 with a cap and there had been a couple years that reached the cap so that it might have been less, but historically it had been 12%.

For Discussion Only: Reduce non-salary spending by 2%- - -Mr. Joseph said this item had not been an Ad Hoc Committee item, but had been in the Buckeye report, and the numbers from Mr. Harris showed the projections to be accurate and while it was not a huge savings, it was something that could be considered. Mr. Clemens said he thought it was something that could be worked on.

For Discussion Only: Deletion of Longevity pay- - -Mr. Joseph said he knew a lot of governmental entities had wanted to move in the direction of deleting Longevity pay, but it would be subject to negotiations.

For Discussion Only: Miscellaneous spending cuts- - -Mr. Joseph said these cuts projected small savings and were things such as educational assistance, the city picking up costs for uniform cleaning and so forth. Mr. Harris said the Buckeye numbers were only from the police department; there was other uniform cleaning in the city and the total amount of the contract for doing so was about eight or nine thousand a year, and such monies came from the enterprise funds, not the General Fund. Mr. Harris said another item that had been mentioned was the elimination of fireworks and Council could do that.

For Discussion Only: Consolidation of the City of Reynoldsburg/Truro Township - shared services- - -Mr. Joseph said, "For a few years we did not have fireworks and then you brought those back and I know some communities have been able to institute a shared cost program with other entities on fireworks. I know Pickerington and Violet Township did that where they both shared I think 50% cost; that is something I suggested more than once that Truro and the City of Reynoldsburg could do as well. Not big savings; little savings; as far as bigger savings one idea that has been kicked around more than just recently, is the idea of consolidation, basically merging operations and eliminating overhead that really wouldn't be necessary. A lot of time you'll see a township that's largely absorbed by a community; there's really not a lot of need for that any longer; whenever you have a large city that can provide those same services at no additional costs. And I know that, that's something that some people, you know, they don't like to lose the identity and all that; I think it's something worth considering, considering you would probably have probably savings of somewhere in the two hundred, two hundred fifty thousand dollar range, assuming you eliminated a lot of the duplicative administrative costs that come with that. You look at the West Licking Joint Fire District, which is a little larger than Truro Township Fire, and they're governed by a board of trustees paid four hundred fifty dollars a year; trustees make a lot more that that - fifteen, eighteen thousand - West Licking did not have a district administrator as Truro does as well as a lot of the other non-fire employees that they employ. So, again, that's something that can be looked at as far as where most of the residents of Reynoldsburg are also residents of Truro - they want their city and governmental leaders to do the most with what they've got and the idea of merging or consolidation ____ is probably something that could seriously be considered.

Mr. Clemens: Yes, and I can understand that, and that these are things, and that is things if we're looking down the road, if we would decide to do something; we're looking down the road for years from now, I mean, that thing doesn't happen overnight. So even if we discussed it and we got into that, that's years from now. The other items that we discussed, and I appreciate you bringing them up; we can't base our budget next year, or the following years, on police negotiations. We've got to make a decision on how we're going to operate the city in the upcoming years, not on what a possibility is cause that possibility means nothing and I know how negotiations go and how long they stretch out, and they may come in and cost us more than what we're paying now, so I appreciate these different items we've discussed, but I'm worried about our upcoming years, not only the payrolls and so forth, I'm worried about our infrastructure and our roads and things that we have to do, just like tonight, we had to spend money for another officer for the schools; these things come up and if we don't have the money to do these things, then we're letting the city down; we're letting our constituents down by not trying to figure this out. Now I realize what I brought up, it's a hard hard deal and I know that there's other ways to do it and possibility that only go half of what I brought up and so forth, but anyhow we do it, we're going to have to come up with the money, and I think we all realize that, and it can't be something that's down the road. We can't last that long. I think that we have to be looking at the future, for the next couple years, and get....as you said, it's going to be hard on our employees and on the public, and I understand that, and I think we all have to understand that. How we get it across to the public....I truthfully believe that they think we've got all the money in the world; I've got to be honest with you, I don't know of anybody that's talked to me that's thought we're going broke because we've planted all these flowers and everything's beautiful; we take care of the city; we put on fireworks; we have a great recreation department, doesn't hardly cost anybody anything to be in it; we're going to have a Tomato Festival - they think we're doing it; we're not doing it, but you go around and knock on doors and ask people who's putting on the Tomato Festival and they think we are, and things like that, so I don't really know anybody that's financially down on the city that's not, unless they're involved in a certain circle. And I've always felt, and I think our Mayor feels this way - there's probably about three hundred people that we circulate with that actually know what's going on within the City of Reynoldsburg, City Council and the financial part of it and our employees and so forth. The other people don't. You know, they go home at night, and they can flush their toilet, you know, they're happy; they can go outside and grill, you know, turn on the electric, watch tv, and things like that, and now they're starting to worry a little bit when they drive down their streets and they see this grass growing in the streets and things like that - they're going to wonder if they're going to have to get out and mow it, but they may start worrying about the streets falling apart, but I don't think they're really worrying about the money the city has and so I think that we have to make the decisions. I truthfully, and we can do it, but truthfully I don't think that they would support us on any issues that would be financial to the city, now that may be my only thought, but I think it's serious and I think we all feel that way and I appreciate you bringing these up; it's something that has to be done.

Mr. Joseph: And I agree completely, Mr. Clemens, that you know, saying we could just simply implement this stuff tonight; that's not doable; it's a discussion point though - you know - what the city should strive to at least move in that direction.

Mr. Clemens: Maybe years from now, if we can get the unions to go along with us, things will change.

Mr. Joseph: Because as I mentioned early in my discussion here, we basically, again, have three options: we can raise taxes, we can cut spending, or we can implement layoffs, and really the layoffs is the only thing that is definitely something that we can do. Because...

Mr. Clemens: When we get to where we have to start laying off police, we don't have very many other people that we can lay off; when we start laying off our safety force then people will understand what we're ....

Mr. Joseph: I understand that. And I said that last year that it might take, and people didn't like it at the time, I said they might need to feel the pain before they'll approve higher taxes. It might take that. Mrs. Kelly.

Mrs. Kelly: I agree with you Mr. Clemens about the Ad Hoc. I think the Ad Hoc recommendations are great in theory and I do think they're tremendous discussion points, but one of the, my fear is that sometimes when we talk about things as discussion points, and we talk about things in theory, we can talk about them for an hour, but at the end of that hour, we're in the same place we were at the beginning of that hour. We need to come up with a plan that is something we can do immediate. Because we can't, I agree with Mr. Clemens, we cannot base our balanced budget on contract negotiations, on things that we might be able to do in the future. We need to have a clear plan for balancing the budget and I really do believe that the best people to create this plan is the Mayor and his team.

Mr. Joseph: I agree with your comment, but again, the whole tax argument is basically no more sound than contract negotiations.

Mrs. Kelly: Correct. So if you say like there's a, we're going to do a fifteen percent cut in budgets in every department, or whatever, and everybody gets together, or the Mayor decides that or whatever you have those constraints, and they get together and say this is the deficit, this is what it's going to look like, and there's a plan - that's your plan that you have to go with, and that's what we communicate to the community that this is what a fifteen percent budget reduction, and I'm just throwing that number out there, so if there's a paper person here, I have no power, so I'm just putting the fifteen percent out there; but, so then it's, this is what fifteen percent reduction in Parks and Rec; this is what fifteen percent the Police Department is going to look like; so that it's clear, because there's got to be a direct plan, this is what, because the reality of it is, we have to balance this budget. This budget has to be balanced; we can't say we're going to lower the tax credit or increase that or lower that, we don't know any of those things are going to happen, but we have to control what we know we can control.

Mr. Clemens: I think that the, and I'm not putting it on anybody, but the Mayor knows how, what it's going to cost to operate the city and he will have to bring the budget to us, am I correct, Mayor?

Mayor McCloud: Yes.

Mr. Clemens: And I'm sure that he knows what it's cost...I mean, we have to operate the city. Now we can talk about cutting all we want to cut, but when we start talking about cutting fifteen percent off the police department, and that means officers, we're not controlling, right now we need more officers....but when we do cut, don't get me wrong, when he says we gotta cut fifteen percent, then we cut fifteen percent.

Mrs. Kelly: Right. That's what I'm saying.

Mr. Clemens: I have no problem with that, but I think it has to come from the administration on what he feels it takes to operate the city comfortable for the people that live here, because we've got to think about them. And before I would, personally before I would be laying off ten or twelve policemen or other employees, I would go to a tax whether they like it or don't like it because I was elected to see that the city operates and the people are taken care of that live in this city and if it means a higher tax for some people so be it. And if they don't like it, they can put me out of office; that's just how I feel about it. That's what I was elected to do is take care of the City of Reynoldsburg, period. Not my personality, or not my job, if they don't want me here, they can get rid of me. Now that's just the way I look at it. And that's the way I look at all these guys sitting around this table; we were elected to do a job. Do the job. If the Mayor comes back and says this is what he has to have, we've got to figure out a way to do it, not to undercut him, but to figure out a way to come up with that budget to run the city, to operate it so the people are taken...that'd be just like the school - you gotta operate the school -

Mrs. Kelly: Right. And when we didn't pass our levy, we had to do major budget cuts and I know, I as a....

Mr. Clemens: Yeah, which we did, we made them on all the kids. Now we can't do that. We can't promise, you know, we're gonna take away the buses and things like that; we have to have our police department, I don't care what anybody says. Our city needs police, let's put it....safety comes first as far as I'm concerned with the people.

Mrs. Kelly: I agree, but we also have to live within our means.

Mr. Barrett: Mr. Mayor, the Ad Hoc report from last year, as I understand it, because I think I asked you this before, so I apologize, but I understand that to be the Administration's suggestion to Council.

Mayor McCloud: Specifically what...

Mr. Barrett: The recommendations made in the Ad Hoc Committee...

Mayor McCloud: Yes.

Mr. Barrett: Okay. So I think we have that being brought to us.

Mrs. Kelly: But we can't do most of those in there immediately to balance the budget.

Mr. Joseph: Because they are subject to contract negotiations.

Mrs. Kelly: So it's a recommendation for what? To talk about it?

Mr. Joseph: Well, approve it, assuming that's what's negotiated.

Mrs. Kelly: Right. But again you're trying to balance ____ on assumptions.

Mr. Barrett: We can do what we can do.

Mr. Burd: We did a lot of what was in the Ad Hoc Report, and I think that that gets lost in this conversation. We have addressed some of the fees; we've addressed a little bit of the HSA contribution; we got rid of Council insurance; we did exactly what they asked us to do on the ballot, which I know I didn't support, but it went to the ballot and the voters came back and said no, and so, a lot of the Ad Hoc Report has been implemented, has been tried or is impossible at this point. And so I just want to make sure people understand that we didn't ignore the committee's report; we did a lot of what it asked us to do, and here we are a year later, so, you know, we actually did a lot of these things.

Mr. Barrett: I hardly think, a lot, but..

Mr. Burd: Everything we could, just about.

Mr. Barrett: We haven't done anything to replace the revenue, and that's ___

Mr. Burd: We did what they asked us to do which was go to the ballot with 2-1/2% which I said was too high; we went anyway and it went down. That's what they asked us to do.

Mr. Barrett: There's more suggestions in it, I mean, you know, and that's the tax credit, so...

Mr. Burd: That's next on the agenda.

Mr. Joseph: Mr. Harris, you have additional comment?

Mr. Harris: Yeah, one of the other things on the idea with the Administration bringing stuff forward....the Mayor and I were asked like by Mr. Hills last year to put together what 1.3 million dollar cuts woulda looked like, and it involved, among other things, laying off five police officers, closing the Senior Citizens Center, and other cuts, and none of them were implemented, so there have been things brought to Council that Council has decided not to implement, as well.

Mrs. Kelly: But did we not implement it...

Mr. Long: Whoa, wait a minute, wait, wait, wait...there was never a recommendation or a piece of legislation ever been brought before Council last year...

Mrs. Kelly: It wasn't Council who didn't implement this...

Mr. Long: Yeah.

Mr. Harris: All they asked me for was what, the Mayor and I to put together what it would take to cut a million three out of the budget.

Mr. Long: No sir, you stood right there and just said the recommendations were made to Council and we decided not to do them.

Mr. Harris: No, I didn't say recommendations were made. We were asked to come up with what it would look like and nobody wanted to do it.

Mrs. Kelly: Well, of course nobody wanted to do it but after the tax didn't pass we didn't get any other legislation that said we're doing this. There was no legis...we did not implement anything. We never got any legislation that said it didn't pass, here we go...

Mr. Harris: You can do stuff without us asking for, putting in a piece of legislation. The Mayor said what he needed to run the city, and you gave it to him, which is what Council does.
Mr. Joseph: Well, none of those things were necessary for 2012.

Mrs. Kelly: But wait a minute. So, but don't you think that the people who live this, should be the ones sending out the legislation saying here's what I needed to cut if this didn't pass so we're going to have to move forward with this? Shouldn't that come from the people who are living it every day?

Mr. Harris: Not necessarily. I mean, Council has the authority...

Mrs. Kelly: Wow! I disagree.

Mr. Harris: ...it is Council, Council is in charge of the money. You are in charge of the money. Administration's not in charge of the money; I'm not in charge of the money; you all are in charge of the money. I only do, can only do what you all tell me to do.

Mrs. Kelly: I would hate though to think that we would get to a point where we're telling our Mayor this is what you have to do. I believe Brad can, just like he came and said, this is what I need, I believe he has the ability to come and say, we didn't get what we need, this is what I'm going to have to cut. I don't think he needs me to hold his hand to do that.

Mr. Harris: He can do that. But the final say is Council; Council has the final say; you control the money. All it says in there is the Mayor must submit a budget, that's all. Council can refuse to do anything with it; that is your authority. That is your authority. You are ultimately responsible for the budget of the city. That's what legislatures do. City Councils. State governments. Federal governments. Township Trustees. County Commissioners. They're legislators; they are in charge of the money; they are the ones that ultimately make the decision; you are the ones that ultimately make the decisions, whether he recommends it or not. You all have to make it; I've always said when I do the budget stuff every year, this is the most important ordinance that you pass every year. Cause this is what you were hired to do was to take care of the money, raise money, spend money, that's what legislatures do.

Mrs. Kelly: I think that, personally, myself, I think it takes a lot of ownership away from the directors of the departments for the Council to come in and say, Auditor, I'm taking fifteen percent out of your budget, and you're going to lose this person, you're going to do this, you're going to do this, when I don't know which are the high priorities in your department. I don't know that. And I do not believe that I should be the one coming in to the Mayor's office, to Parks and Rec, and saying I don't know what your priorities are, but you're losing fifteen percent and this is what it's going to look like, too bad for you.

Mr. Harris: You have the authority to do that.

Mrs. Kelly: I may have the authority, but because I have authority doesn't mean it's the right way to go.

Mr. Harris: No, it doesn't.
Mrs. Kelly: You trust your departments, and your department heads to work with the Mayor to come and say this is what we're going to have to do, and then our job is to critique that, to ask questions, and then to make the final decision.

Mr. Joseph: Well, every member of Council, it's up to them individually to decide how they should approach that.

Mrs. Kelly: Absolutely.

Mr. Joseph: I mean, cause we do have checks and balances in the city. We set the broad framework and the Administration implements it within that framework.

Mrs. Kelly: Right. We set the constraints.

Mr. Joseph: Other comments? Anything further, Mr. Harris? I have one speaker slip, Norm Brusk. Please give your name and address for the record.

Mr. Brusk: Norm Brusk, 1861 Crosswick Court. I'm getting every week a little bit more frustrated, a little bit sadder about how things are going. The first thing I want to say is, we can't have misdirection that says we can do this, this and this, when the reality is we can't do this, this, this and this. What it does is give the community because they get little information actually, but it tells the community, oh we can do something else; we don't have to go here. You, Mr. Joseph, I respectfully say that last week you said you were going to bring, either last week or the week before, you were going to bring forward ideas that will show the alternatives. The alternatives that are two years down the road, three years down the road, are not alternatives. Mr. Clemens is absolutely right when he says we need to do it now. The second thing is we don't need misdirection to keep the people from thinking that it is right. The worst thing that could happen is we the people to say I'm not going to vote on the taxes; that's the worst thing. I don't think we should have a vote this year because I don't think we have the time to do it; I don't think we have the time to get the population to understand it and vote on it and then have their, be upset after. I do believe Mr. Clemens has the right way of going and that is unfortunately I think it's the worst of the alternatives but it's the only one that looks feasible to me and I think you ought to think on those terms, is the tax credit. We're going to have to reduce it. What we should be talking about right this minute is, okay if we do the tax credit, how much is it going to be, how long is it going to be in effect, what's the alternative if there's anything that we can do down the road to change it later. The one thing that came out of that Ad Hoc Committee we keep talking about, that really was a key issue in there was quote-unquote structural imbalance, said we needed money coming in, we don't have any source of money right now. The only money we can get is from the tax credit; I don't think we have time, nor do I think that people will go for the other tax that we had tried three times prior. One of the reasons it didn't pass, by my reckoning, is you Council as a whole, did not stand up and say we need it. And if we're going to be divided again, it's gonna be you guys that fell down again and I will really be unhappy. I don't think you care if I'm going to be unhappy, but it makes Susan mad at me. The other thing is, we gotta be careful what we're gonna cut; we've got to be careful how much we cut and what we cut; we can say all we want that we're going to cut fifteen percent but we have essential services that have to be met, essential services. You guys better know what those essential services are. I don't think anybody does, from what I'm hearing sometimes. It's frustrating. I'm sorry I got a little angry, but I'm very good at getting angry; I'm getting old enough I can be a curmudgeon; Mel knows what I mean and thank you very much for your time.

Mr. Joseph: Thank you Mr. Brusk. Just to make a comment to what Mr. Brusk said about the tax credit. Yeah, that's an option just like all the other things we talked about. Again, it's actions of consequences; it may be something Council can impose unilaterally, but it's not necessarily something that'll stand. Voters can repeal that. It's a question mark; it's not a given that, oh, we repeal the credit, and we've got these dollars. It's a possibility; it is not a given. I just want to point that out that, that is as unclear in the end result as contract negotiations; we do not know what will happen six months down the road.

Mr. Brusk: If I may.

Mr. Joseph: Yes.

Mr. Brusk: The problem with what you've said is that it's got as little chance as anything else, and that is patently ridiculous. It has the most chance; it's the most probable of going through. People are going to be mad; people are going to yell; people are going to scream, but it's going to go through. You're not going to see a recall of that. If you vote on it, will you get a no? Absolutely. If you vote on the other tax issue, which would be a better one, you'll get a no. But doggone it, if you put this thing through Councilmatically, it has, by far, the greatest probability of passing, and the answer is, if I had to give a number, of staying passed I should say without getting recalled, I'd say it'd be very high. I can't give you a number cause I'm not very good at math any more; as I get older, I lose the ability to count. Thank you.

Mr. Joseph: And I also have a speaker slip for Monica DeBrock.

Ms. DeBrock: I can also get upset like Norm, but I'll try not tonight. Working on the last Fall levy, or Fall tax increase, one of the biggest hurdles the committee had was the Council and the city working together creating a plan, what if it passes, what if it doesn't pass. The community had no idea; there was some talk about things being cut, but no one on the Council who had authority stood behind and said this is what we're going to do. You are in charge of our city's budget. You need to work with the city in order for the community to know that we have a structural imbalance. It is your responsibility to fix the problem. If that means putting another tax increase out there and educate the community, so the community has a choice, or if not, then you guys can do a tax credit and just make that decision amongst yourself without letting the community have a choice. Going to the ballot last Fall was not a choice. They didn't have a plan. The schools, who have been to the ballot many times; they know; you have to have a plan, and with working on the committee, the city knows what they have to cut, but without the Council standing behind them, all the talk doesn't mean anything. There has to be a plan. The Council doesn't have to stand united, but you have to have a plan that you guys agree to. If you guys cannot agree to it, how is the city gonna survive? It is up to you. So hopefully you guys can work on balancing...it's not so much a balanced budget; it's a structural imbalance so you guys need to find a way; we're not going to get more businesses in the next year. We're not going to renegotiate; I agree with Clemens and Kelly; you have to make a decision now. I would like to see a tax increase put on the ballot; let the voters choose; we still have time to do that; we still have time if that fails to put on a tax credit reduction. So, to me, that would be the wise thing to give the community the choices; work together with the administration; find out. If the tax increase doesn't pass, what's going to be cut, and in order to...you can only cut so far cause you have to have your necessities; then there's going to be the tax reduction, so I hope you guys can put a plan together for the city and for the citizens. Thank you.

Mr. Cotner: Can I just ask a question so that everybody's clear also...I want to ask Mr. Harris and since Mr. Hood's not here, maybe Mr. Roth can share too and...if we implement, so that everybody understands, if we implement a reduction of the tax credit, does that, when does that take effect, and so therefore when would the city's monies come in; and secondly, Mr. Joseph's point of voters can easily repeal that - how quickly could that be repealed and when would that go to the ballot and so forth, what information can we look at on those things?

Mr. Harris: Well, I can answer the first part for you, I'm not much of a lawyer for the second part of it, but there's only two times a year that the reduction in the tax credit can be implemented and that would be January 1 or July 1 because they have to have a breaking point either the beginning of the year or the middle of the year. And if you were to do it, obviously you're not going to do it July 1 because July 1 is passed, so you would be looking at January 1. If you did it effective January 1, it would at that point, the Regional Income Tax Agency would have to go through the process of finding the people who live here and work somewhere else and start sending them stuff out; they would be starting to do quarterly returns and estimated taxes; you probably, realistically, wouldn't see the first dime until June/July. It would be, a lot of it would be done the following year in 2014 with the 2013 tax returns would probably yield the biggest amount of it. As far as a referendum they would have to do, maybe Matt has a better idea than I do, I'm not as familiar with that process; I don't spend a lot of time doing that.

Assistant City Attorney Matt Roth: I hadn't put any thought into this before right not, but it would depend on when you passed it; it would then go on, you know, if the, if enough signatures would be obtained, it would be on the next ballot after that, so...

Mr. Harris: It'd have to be on a November ballot.

Mr. Roth: If you pass it now. If you pass it in December, it would be May unless they scheduled a special election.

Mr. Harris: No, it has to be on a November ballot. That I know, because on a May ballot, not everybody may be voting.

Mr. Roth: Okay, it has to be on a November ballot.

Mr. Clemens: It's my understanding if it's voted as an emergency, it can't be repealed on the ballot. Am I correct?
Mr. Harris: I don't think you can do a Referendum on that, but you still might be able to do an Initiative Petition and those are more difficult to do than a Referendum.

Mr. Burd: I think all of that was correct in terms of Board of Elections issues; citizens just have to get petitions in ninety days before election day if they want to put something on the ballot. Auditor Harris, can you explain, how a taxpayer would pay that additional 1-1/2%? Is that something where if we do that, it comes out of their paychecks, or do they have to actually get out their checkbook and write a check over to the city, and what's the process of collecting that new money?

Mr. Harris: Okay, what happens is, as soon as RITA can get the information together, they will start sending people out information on it, and then sometime after that they say the whole thing to do, they say this takes about six months, they will be sending people a tax return that has to be filed quarterly and with that quarterly tax return, you'll have to send a check for what your, suggested is your, the income you have made and you have to pay estimated taxes.

Mrs. Kelly: Mr. Harris, and I'm just speaking hypothetically, if we were to put the income tax increase back on for this Fall, and say it didn't pass, would we have time to implement the tax credit so that it could be taken out January 1?

Mr. Harris: If you passed it prior to the last of December, and passed it as an emergency, just like anything else, it would become effective on the Mayor's signature, and that would still allow you to make the January 1 deadline.

Mrs. Kelly: So essentially, if the Mayor and his department heads and the Council work together to develop a plan, a clear plan, we could, and this is another question too, Matt, you may need to jump in on this, we could write legislation that would clearly state these are the things that would be cut and make those reductions, so we'd have legislation ready if we needed to do that, we could put it on the, educate our public, put it on the November ballot, and if we decided if it doesn't pass we're going to reduce the credit, make sure our community understands that, so they know it's the either or, and then we could still move forward and get the, if we needed the tax credit, get that money by January. When would, if it did pass, when would the collection start if it did pass in the Fall?

Mr. Harris: January 1.

Mrs. Kelly: So, the same time.

Mr. Harris: The difference would be, all I would have to do is, let the employers within the city know, that as of January 1, 2013 that your income tax rate would go from x to y and with the first payroll in January, they would start sending money in. So you get the money right away. The other one, you may have to not get any money for four, five, six months. But if you pass a tax rate increase, that is automatically deducted out of people's checks just like your withholding's probably done with yours, and we get the money right away.

Mrs. Kelly: Okay.

Mr. Barrett: Do you have an idea of the amount of the adjustment required, if we were to adjust the tax credit?

Mr. Harris: I have estimated numbers based on the 2010 tax returns; the 2011 tax return numbers are not in. I do have those estimates of how much, if you reduced it by 25%, 50%, 75%, 100% and the, as I remember, if you reduce it by 50% you get three million dollars a year; and if you reduce it by 100% it's like 5.2 - I may be a little off in that, but that's relatively close.

Mr. Barrett: Okay. And then, last question, can we, we're getting ready to submit a Tax Budget for the city; is it possible to present two budgets so one balanced budget, like living within our means; and then one, if we had the potential income tax increase pass, is that...

Mr. Harris: No, we don't get to do the Chinese restaurant type of tax returns; one from column a and one from column b and one from column c. What, and I'm going to have to talk with Mr. Long and see what he wants presented for the final one, whether he wants additional revenue put in, whether he wants expenditures cut, or if he wants money transferred from the CIP - that would be Council's three things that they could do with the Tax Budget. They could even put in some kind of revenue increase; they could put in some kind of expenditure decrease; or they could move some of the money out of the three million dollars that's in the CIP to the various funds in order to present a budget that is within what the State of Ohio requires.

Mr. Clemens: One last thing, and I understand what Kelly would like to do, and I have no problem with it if she feels it should go to the ballot. If we want the people to know what's going to happen, that if it doesn't pass, we have to go to a tax reduction - all we have to do is have it before Council, pass it, send it to Council for the first reading, and the second reading, and put it on hold, and tell 'em okay, it's there, it's had two readings, if it's not passed, then we pass it the following Council meeting, and that's it. Then they know that we actually mean business. If that's what you want them to know, that we're actually going to do something to run the city and come up with the money, that's all we have to do. I guarantee you, if we take out an ordinance and put it up for the first reading and the second reading, people will know that we mean business. Now, if that's the way you want to go, other than that, I don't think you've got a snowball's chance in heck of passin' on the ballot again, to be honest with you; that's...

Mrs. Kelly: But I think if we make the effort to get the information out there and we say that in Council, and then we do it....

Mr. Clemens: I'll say it.

Mrs. Kelly: I think you have to give the community the opportunity.

Mr. Clemens: They won't believe us if we don't have it ready there. They'll say, oh, they did this to us before. That's my feeling...I could be wrong.

Mr. Joseph: Any other comment? Okay, I will turn it back to you, Chairman Long.

Mr. Long: Thank you, President Joseph.

We'll hold Items 16 and 17 for two weeks.

(16. Discussion: Ad Hoc Committee Report (2011); addressing structural imbalance; possible adjustments. (Chairman Long had item listed, as suggested by Mr. Barrett during special Finance Committee meeting 3-26-2012)- - -item discussed during committee 5-7-2012. On 5-21-2012 item held. On June 4, 2012 item held at time of approval of agenda. On June 18, 2012 item held at time of approval of agenda for two weeks.

17. For Discussion Only: Income Tax Credit (Chairman Long had item listed at request of Councilman Clemens)- - -item discussed during committee 5-7-2012. On 5-21-2012 item held for two weeks at time of approval of agenda. On June 4, 2012 item held at time of approval of agenda. On June 18, 2012 item discussed and held for two weeks.)

RESOLUTION ADOPTING THE TAX BUDGET OF THE CITY OF REYNOLDSBURG OHIO, FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2013 AND DECLARING AN EMERGENCY- - -read for the second time 6-25-2012.- - -Mr. Long said he and Mr. Harris would need to get together to see how to balance the budget prior to the following Monday; Mr. Harris said that was correct. Mr. McGrady said, for clarification, that the budget could not be submitted in the negative; Mr. Harris said that was correct. Mr. Long moved to send resolution to Council for the third reading with a recommendation for adoption as an emergency. Mr. Clemens seconded the motion; all voted "Aye".

ORDINANCE DIVIDING THE DEPARTMENT OF SAFETY/SERVICE INTO TWO DEPARTMENTS: DEPARTMENT OF PUBLIC SAFETY and DEPARTMENT OF PUBLIC SERVICE; and AMENDING THE CODE OF ORDINANCES OF THE CITY OF REYNOLDSBURG, OHIO: CHAPTER 160 <u>EMPLOYEE COMPENSATION</u>, SECTION 160.02 "AUTHORIZED POSITIONS, PERSONNEL, CLASSIFICATION AND PAY GRADE" SUBSECTION (f) "Police Department" to include a Director of Public Safety; and SUBSECTION (g) "Service Department" to change title of Service/Safety/Disaster Director to Director of Public Service- - -second rdg 6-11-2012; sent for third reading with recommendation for adoption at the 6-25-2012 Council meeting, but returned to committee at time of approval of agenda. - - - Mr. Long moved to send ordinance to Council for the third reading with recommendation for adoption as an emergency; Mr. Clemens seconded. All voted "Aye" except Mrs. Kelly, who voted "Nay". Motion passed.

Item referred from Service Committee regarding contract funding for sanitary sewer and manhole rehabilitation project- - -Mr. Long moved to send legislation to Council with recommendation for adoption as an emergency; Mr. Burd seconded. All voted "Aye".

Item referred from Service Committee regarding contract funding for construction phase engineering services for sanitary sewer and manhole rehabilitation project - - - Mr. Long moved to send legislation to Council with recommendation for adoption as an emergency; Mrs. Kelly seconded. All voted "Aye".

Meeting adjourned at 9:00 p.m.

Finance Committee
- - -Nancy C. Frazier, Clerk of Council July 2, 2012