

Held

August 31, 2010

OPENING OF MEETING

Mr. Deters called the meeting to order at 5:00 PM. Mr. Deters, Mr. Ritter, Mr. Wolterman, and Mrs. Harlow were in attendance.

Mr. Deters said that the purpose of the special meeting was to hold a work session for the purpose of discussing cost saving initiatives.

Mr. Deters asked for comments from the Board.

Mr. Ritter said that he sees this as an opportunity for testing the thought leadership and skill of our department heads. Our expenses are increasing more than the receipts. Costs such as healthcare will not be slowing down.

Mr. Wolterman said that it is important to ask, "With what position do we come to this discussion?" He said that Ms. Harlow offered some historical information for operation for the last 20 years. There have been fluctuations in revenue and in spending. Since 1995, not only have we spent millions in our parks, firehouse, public works building, and administration building, but cash flow actually increased. He commends the managers. Five years ago, we wouldn't have seen any of the trustees. Of the managers, only one was sitting there, Chief Smith. Two people, Mr. Foglesong and Mr. Birkenhauer, were also here. With employee training and manager training, the constants have been Mr. Foglesong and Mr. Birkenhauer. This township is in a very healthy position because of professional management, including those sitting here tonight. We must be careful of processing of cutting 2% or whatever. Where are the diminishing returns? Where is our charge of the trustees and the managers? He doesn't want to diminish services. He said we should take a look in how we can enhance and save: save here and spend where necessary there. No micromanaging. We need to look at legitimate services, costs of delivery, and how we can enhance those services. He is not against saving money, but is against paralyzing department managers who fear to spend a dime to save a dollar.

Mr. Deters said that no one should assume that we're looking at this as an indictment of things that have been done as much has occurred in the past. He said that it is good to put this out in sunshine so the residents can see the process. There is always room for improvement. This exercise is to get us where we need to be with cost saving. He's not for cuts unless necessary and we're not in that position. Efficiencies can provide better service for less cost.

Each department head made a presentation of several cost-cutting or revenue-producing options for the Board to consider. These are attached to these minutes.

Mr. Foglesong said they have already done many cost-saving initiatives. For the general fund, they are already doing group purchasing, county/state purchasing, cooperatives to save on worker's comp and health care. The administrative staff is basically five positions, one of which is covered by two part-time people at a cost savings. He showed a chart comparing our positions with other townships. Mr. Foglesong offered several cost cutting/revenue increasing options.

Mr. Ritter talked about the end-game for tonight. Mr. Foglesong suggested that they make the presentations tonight and if the Board has additional items, communicate those directly to the departments. He suggested that we have another meeting before the appropriations are submitted to the Board.

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Chief Meloy said he agreed with Mr. Foglesong's comments and thanked him for his assistance with this process. He said they have a track record of smart spending. Savings of \$2,600 has been realized just by turning off the lights. Another \$25,000 was saved by new dispatch procedures. His department already has one of the lowest training budgets in the area. He also offered several cost cutting/revenue increasing options.

Mr. Wolterman said that we're the largest township in Ohio. We have a vibrant retail corridor and we're trying to recruit more valuable retail. What message would it send if we reduce any safety service? He said that he has heard Chief Meloy say that he's strapped already and that if there are to be more cuts, it will have to be a reduction in service and staff. The national standard is 2.2 officers per 1,000 residents; we're not there at 0.6 officers per 1,000 residents.

At the request of Mr. Wolterman, Mr. Birkenhauer said that potential incoming businesses do want to know about safety services. Mr. Wolterman said he would not eliminate an officer or a contract.

Mr. Ritter would be against any reduction of personnel or contracts. Mr. Ritter said the department's budget is tracking close to the 2007 levy plans.

Mr. Deters said he looks at the initiatives that result in better service. He wouldn't consider service reductions or the cancellation of sheriff's contract.

Chief Smith said that he will be providing a report of their various cost-saving measures, both small stuff and big stuff for many years. One example of this is EMS billing. Division Chief Greg Brown was not satisfied, began researching and has secured a new vendor which will result in a 20% increase in EMS billing. They have also not filled positions, such as a lieutenant in training, an assistant chief, and public education specialist. Chief Smith offered a list of cost cutting/revenue increasing options.

Mr. Ritter asked about electrical aggregation. Chief Smith said that he has already done a lot of this, but doesn't know yet what the electric savings will be.

Mr. Ritter said that he would have liked Chief Smith to work on other things before we look at personnel. Chief Smith said the "low hanging fruit" is what they do every day.

Mr. Ritter asked why nothing was included with vendors/contracts and automation. Chief Smith said they already have a very competitive bid process for vendors. Chief Meloy said they have used the state and federal bids.

Mr. Wolterman said that if savings are a standard operating procedure, those are not out of the ordinary. Chief Smith said that he looked at things that were extraordinary.

Chief Smith said that having on-site fueling has 3-5 year payoffs.

Bruce McClain thanked his department's employees for their work on this. He said they looked at all services the department provides and sought to find cuts with as little impact as possible. He urges people to compare us to other communities when it comes to street signs.

Mr. Wolterman said that we have a maintenance code and we require maintenance by residents to sidewalks and driveways when the street in front of them is deteriorating. He said that many of these items are common sense

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items. How are we going to address the overall condition of our streets if we don't do it post haste? What do you need to do your job? We need to let residents know there is a cost to providing services. He said that people don't mind spending it if they know what they are getting.

Mr. Ritter said the people had a say in this in 2001 and they chose not to support it. He doesn't want to see new taxes on the ballot. We must make due with what we have. Mr. Wolterman said we have to be creative and that we must spend the money on areas that will show a return on investment in 15 or 25 years. It's not just money; it's a quality of life. Mr. Ritter said that our millage is already in the top half, middle third and doesn't want to see it go higher. Mr. Deters said that we need to look at creative ways to get where we need to be. He said that our property values are related to how nice our roads are.

Mr. Schwartzhoff said the Parks and Services Department has secured revenue of \$1 million in grants over the last three years. While three price quotes are required, they usually get four or five. He said he finds it does save money as you get more quotes. They have volunteers do projects like Clean Sweep of Great Miami. These are things they would want to do and have to pay for them. He said that he previously worked in Appalachia and they had to have a culture of saving money because they didn't have it to spend. Mr. Schwartzhoff presented his list of cost-cutting and revenue increasing options. He reminded the Board that in 2011, we will be operating the newly renovated Clippard Park and possibly the new Groesbeck Park and those will have operating costs.

Ms. Sprenger said that it is an exciting time at the Center! They are seeing plenty of growth with senior programs, evening adult programs and community events. She presented a list of potential savings and revenue increases.

Mr. Wolterman asked about the independent contractors. Ms. Sprenger said that their craft and art classes are taught by teachers who are experts in their area at a lower per hour rate than a full-time staff person.

Dr. Roschke also thanked Mr. Foglesong for his assistance with the intricacies of this project. She said that the 2011 appropriations are just a little under the 2006 appropriations and some of that was not spent. Zoning wasn't always provided locally and it makes us more responsive to the residents. She detailed some initiatives they have already begun, like delaying purchase of a new vehicle and e-mailing zone change packets to agencies for review and approval. She presented a list of potential savings and revenue increases.

Mr. Deters asked for a recommendation for a timeline. Mr. Foglesong said that the Board should get back to him or the department heads. Another work session can be scheduled at a regular meeting. Timing would be to have the work session in October.

Mr. Ritter said the discussion was productive. He sensed there was some angst with this exercise, but reminded everyone that we merely asked what the Board's choices are, nothing more. They will not implement all of them, but they know what their choices are. He said major decisions are made in a vacuum and we don't see what the impact will be in a few years. He prepared a financial analysis to show where we might be in a few years. He said this will help the Board evaluate proposals. He said that we have not talked about the streetscape. He said that there has been a contentious issue between Mr. Foglesong and him over the appropriations. Why are we appropriating so much over what we need? Our current methodology doesn't provide an adequate governance mechanism which is what any good budget does. Mr. Foglesong

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explained that we appropriate more than needed due to show an accurate potential for expenditures and it allows for ease of operations. He said that we never have put forward appropriations with the intent of spending all of it. Mrs. Harlow said that going to the budget commission takes time as they meet monthly.

ADJOURNMENT

With no further business to come before the Board, at 7:10 PM, Mr. Ritter motioned for adjournment. Mr. Wolterman offered a second.

Mr. Deters. "Aye"

Mr. Ritter. "Aye"

Mr. Wolterman. "Aye"


Fiscal Officer


Trustee


Trustee

Trustee