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Monday, December 28, 2015

ITEM 1: CALL TO ORDER: Mayor Flaute called the City of Riverside, Ohio special Council Meeting to order at 6:00 p.m. at the Riverside Administrative Center located at 5200 Springfield Street, Suite 100, Riverside, Ohio.

ITEM 2: ROLL CALL: Council attendance was as follows: Mr. Curp, present; Mr. Denning, Present; Mr. Fullenkamp, present; Mrs. Lommatzsch, present; Deputy Mayor Reynolds, absent; Mr. Smith, present and Mayor Flaute, present.

Staff present was as follows: Emily Christian, Assistant City Manager and Tom Garrett, Finance Department.

ITEM 3: EXCUSE ABSENT MEMBERS: A motion was made by Mrs. Lommatzsch to excuse Deputy Mayor Reynolds. Mr. Denning seconded the motion. With no further discussion a vote was taken. All were in favor; none were opposed. **Motion passed.**

ITEM 4: ADDITIONS OR CORRECTIONS TO THE AGENDA: There were no additions or corrections to the agenda.

ITEM 5: APPROVAL OF THE AGENDA: A motion was made by Mr. Denning to approve the agenda as written. Mr. Smith seconded the motion. With no further discussion, a vote was taken. All were in favor; none were opposed. **Motion passed.**

ITEM 6: UNFINISHED BUSINESS:

a) **ORDINANCE:**

i) **Ordinance No. 15-O-588 an ordinance to make permanent appropriations for current expenses and other expenditures of the City of Riverside, State of Ohio, for the period beginning January 1 through December 31, 2016. (Second Reading and Consideration Of Approval)**

A motion was made by Mr. Denning to approve the second reading of Ordinance No. 15-O-588. Mr. Smith seconded the motion. The clerk read the ordinance by title only. With no further discussion a roll call vote was taken as follows: Mr. Denning, yes; Mr. Smith, yes; Mr. Curp, yes; Mr. Fullenkamp, yes; Mrs. Lommatzsch, yes and Mayor Flaute, yes. **Motion passed.**

ITEM 7: NEW BUSINESS:

a) **ORDINANCE:**

i) **Ordinance No. 15-O-589 an ordinance to make supplemental appropriations for current expenses and other expenditures of the City of Riverside, State of Ohio for the period January 1 through December 31, 2015. (First Reading, Second Reading and Consideration of Adoption)**

Ms. Christian: This is the year end legislation to make supplemental appropriations for current expenses and other expenditures for January 1 through December 31, 2015.

A motion was made by Mr. Denning to approve Ordinance No. 15-O-589. Mr. Smith seconded the motion. The clerk read the ordinance in its entirety.

Mr. Curp: Have a question on fund 402. On several occasions I brought up the situation of staff time being spent on the Wright Point activities and in those discussions the city manager said there would be an adjustment in the supplemental

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appropriation for tonight; my question is, is this the adjustment that we are talking about because this says to decrease the operating expense as opposed to increasing the operating expense and I would think that transfers out of the Wright Point fund back to the general fund to cover those costs of staff time spent on the operation over here would be an increase instead of a decrease. So my question is, is that adjustment in here? Is that what this is?

Mr. Garrett: It looks like I had it in my notes and it didn't make it in there. We intended to make a transfer of \$37,000 from the Wright Point fund back to the general fund and it looks like it got left off the list.

Mr. Curp: Only \$37,000?

Mr. Garrett: That is correct.

Mr. Curp: Mr. Taylor has been here since May. Mr. City Manager spent time on this thing, the economic development director spent time. His also spent time before Mr. Taylor came. He has also spent time since then dealing with leases instead of the leasing agent doing that. It seems to me that there was more than \$37,000 in cost that should be assessed against the Wright Point fund. To me it is probably somewhere near the full-time equivalent of senior staff and that is at least \$100,000. When you take into account the wages and the fridge benefit cost. \$37,000 just seems a little light.

Mr. Garrett: What we did is we took Mr. Murray from handling the maintenance issues and the leasing for Wright Point and we took 40% of his time and that got us to roughly \$37,000. We did not address anything for the city manager or Mr. Taylor.

Mr. Curp: Because when Mr. Taylor was hired he pretty much took over the function of coordinating all the activity here.

Mr. Garrett: No he just did the construction process; the renovation. He didn't have any of the ongoing operations.

Mayor Flaute: And that's in a different fund?

Mr. Curp: No it didn't get charged.

Mr. Garrett: That would be in the general fund in his department. That was his assigned task as one of his projects that he was doing so we didn't even think to include any of his costs for Wright Point.

Mr. Curp: The arrangement was that none of the expenses associated with the build out, construction or the movement of the relocation such as if we hired a moving company or if we did any of those kinds of things; nothing associated with the physical relocation, nothing associated with the construction and the build out. None of that stuff would be charged against the 402 fund and they would all go back to the general fund.

A motion was made by Mr. Curp to amend Ordinance No. 15-O-589 to move \$100,000 out of the Wright Point fund to be spread through the appropriate general fund accounts for Mr. Taylor's time, the city manager's time and the economic development director's time and anybody else who spent time on this thing that we don't even know about.

Mr. Fullenkamp: Mr. Mayor, did we ever vote on this in terms of the request to pull all of these labor hours out of 402 versus the general fund?

Mayor Flaute: My memory says no.

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Mr. Curp: What we did vote on was that there would be no expenses associated with this thing that would be taken out of the general fund. We voted on that.

Mr. Smith: Yes we did.

Mr. Fullenkamp: So tonight you want to make a number.

Mr. Curp: That's my number, \$100,000. If someone's got a better number then I would be glad to entertain that number. But it seems to me it's easy on a full-time equivalent.

Mr. Smith: I would be comfortable with increasing the \$37,000 as the finance director suggested or that he says he forgot to put in there. And then next year log time that we associated with this building and these grounds to determine what that number is; which person, times how many hours, times hourly rate to figure out what kind of expense we are putting into this. But just plucking a number from the air at \$100,000 isn't the right thing to do. We can support \$37,000; I would be comfortable with the \$37,000.

Mr. Curp: You see that \$37,000 is only for the economic development director's time on leases.

Mr. Smith: That is correct it is.

Mr. Curp: It has nothing to do with the build out time that Mr. Taylor has managed and that the economic development director managed before Mr. Taylor came and the time that the city manager has been involved.

Mr. Smith: I agree but there is just no way to determine that number.

Mr. Curp: The problem then becomes how do we manage this going forward? Because if we can't handle this at this level and if we are not even willing to make an effort to do that than how are we going to handle a storm water management fund where staff wants to bill back staff time against storm water management revenues. I'm not going to be too interested; if we can't take care of this kind of stuff now and get the message to the staff that this is the expectation that when we say the general fund is not going to suffer; that the citizens are not going to suffer; they're not going to have their streets let go one more year because we want to spend \$100,000 that could be available. You're not going to get much support from me for the storm water management fund that we can't manage properly.

Mr. Smith: I agree though that each person should log what day they worked on the project and how many hours they worked to determine how much money we have invested in this as far as an outlay of expenses.

Mrs. Lommatzsch: Well it's already done.

Mr. Smith: I know it's already done. We are just picking a number from the air of \$100,000; it could be less or could be more. But we know that we can support \$37,000.

Mr. Curp: And that is an estimate. That is just a guess. It is no better number than the \$100,000 that I picked out.

Ms. Christian: Almost 40% of his personnel expenses.

Mr. Garrett: It was 40% of all of the salary and benefits for Mr. Murray. We didn't think about Mr. Taylor.

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Mr. Denning: For the year?

Ms. Christian: Yes.

Mr. Curp: What he said was primarily for leasing activities.

Mr. Denning: Right I understand that. Can you give us an estimate of what 40% of Mr. Taylor's time would have been?

Ms. Christian: I think 40% might be a little high for him since he only started in May.

Mr. Garrett: We calculated in a few minutes.

Mr. Denning: I would like to have a better number because I honestly believe we definitely did spend more than \$37,000.

Mayor Flaute: At least we would have a reason for the number we come up with.

Mr. Denning: Right and I think Mr. Taylor and the economic development director's time; if we can get those two numbers tied together I think it is reasonable. I think this \$37,000 is a very low number because it doesn't account for Mr. Taylor's time at all and we know that he spent probably closer to 60% of his time since May just working on this project.

Mr. Smith: That's a lot of time.

Mr. Denning: You're right.

Mrs. Lommatzsch: But he was ever here all day long for weeks.

Mr. Denning: If you look back at the minutes and his reports, most of his reports were about this facility and what was going on of the here. Now at 60%, is that correct or if 40% is more correct, that's fine I'm willing to go with that.

Mayor Flaute: Let's go with 40%. What did you get for that number?

Ms. Christian: My rough remembering what his salary is, if you add the roll ups for pension and health insurance and all of those things and then you multiply it by 7/12 because he was here for 7/12 of the year and then you multiply that by the 58% or 60% that we were saying he devoted to that time it is roughly \$15,600.

Mr. Denning: So add that to the \$37,000.

Mr. Smith: Just rounded to \$16,000 and go with \$53,000. I could support that.

Mr. Fullenkamp: Ms. City Manager, do our employees write progress reports and put estimates of how much time they spend on projects?

Ms. Christian: Not usually. We don't have timecards obviously for salaried employees.

Mr. Fullenkamp: There are no progress reports; there are no accounting for how much time is spent for not just this but for all of the tasks within the city? For instance when people go out to the Brandt Pike project they don't record; the service department or whatever it is doing inspections.

Ms. Christian: The service department, the operations manager has a work order program so that would actually be logged.

Mr. Fullenkamp: So does senior staff do this at all?

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Ms. Christian: Not to my knowledge.

Mr. Fullenkamp: I would recommend that that's a good idea.

Mayor Flaute: That will be a lot of time.

Mr. Fullenkamp: No it's not. Every contractor on the Base does it.

Mayor Flaute: Contractors do but GS people don't.

Mr. Denning: They have weekly activity reports.

Mayor Flaute: I would agree with maybe weekly activity reports but for them to be putting down every hour they spend like the contractors do is not what I would be interested in.

Mr. Fullenkamp: What I'm trying to get at is if we have no accounting process there is no way we can really know what kind of time we are spending at any of these tasks; whether it is this building or any task that we do and if we don't have that kind of process then we are just making numbers up.

Mayor Flaute: That is something we can definitely talk about.

Mr. Denning: Some sort of process to account for folks' time.

Mayor Flaute: We have that get-together in January or whenever that is going to be then that will be something we definitely should talk about.

Mr. Fullenkamp: I think that is an administrative task that is important in understanding where your costs are. It is not so much about finance but about how we account for the time that is spent by the employees of the city.

Mrs. Lommatzsch seconded Mr. Curp's motion. With no further discussion a roll call vote was taken as follows: Mr. Curp, yes; Mrs. Lommatzsch, yes; Mr. Denning, no; Mr. Fullenkamp, no; Mr. Smith, no and Mayor Flaute, no. **Motion failed.**

A motion was made by Mr. Denning to amend Ordinance No. 15-O-589 to move \$53,000 out of the Wright Point fund to be spread through the appropriate general fund accounts for Mr. Taylor's time and Mr. Murray's time so that we can get closer to where we are supposed to be. And I think we could probably justify those numbers based on the information we just had. Mrs. Lommatzsch seconded the motion.

Mr. Smith: How will we label that under the 402 fund? We have operating expense, capital outlay.

Mr. Garrett: This would be a transfer out of the 402 fund and there would be a corresponding receipt into the general fund.

Mr. Smith: So it will be an increase.

Mayor Flaute: It would be an increase to the 402; it would be a decrease from the general fund.

Mr. Garrett: For supplemental purposes it would be an increase in the expense to 402 described as a transfer.

With no further discussion a roll call vote was taken as follows for the amendment: Mr. Denning, yes; Mrs. Lommatzsch, yes; Mr. Curp, no; Mr. Fullenkamp, yes; Mr. Smith, yes and Mayor Flaute, yes. **Motion passed.**

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With no further discussion a roll call vote was taken for the first reading of Ordinance No. 15-O-589 as follows: Mr. Denning, yes; Mr. Smith, yes; Mr. Curp, no; Mr. Fullenkamp, yes; Mrs. Lommatzsch, yes and Mayor Flaute, yes. **Motion passed.**

A motion was made by Mr. Denning to suspend the rule allowing the first and second reading to occur at the same meeting. Mr. Smith seconded the motion. With no further discussion a roll call vote was taken as follows: Mr. Denning, yes; Mr. Smith, yes Mr. Curp, yes; Mr. Fullenkamp, yes; Mrs. Lommatzsch, yes and Mayor Flaute, yes. **Motion passed.**

A motion was made by Mr. Denning to approve Ordinance No. 15-O-589 as amended to include an adjustment in fund 402 of \$53,000 to account for employee wages for the Wright Point fund. Mrs. Lommatzsch seconded the motion. The clerk read the ordinance by title only. With no further discussion a roll call vote was taken as follows: Mr. Denning, yes; Mrs. Lommatzsch, yes; Mr. Curp, no; Mr. Fullenkamp, yes; Mr. Smith, yes and Mayor Flaute, yes. **Motion passed.**

ITEM 8: ADJOURNMENT

A motion was made by Mrs. Lommatzsch to adjourn. Mr. Denning seconded the motion. With no further discussion a vote was taken. All were in favor; none were opposed. **Motion passed.**

The meeting ended at 6:23 p.m.

William R. Flaute, Mayor

Clerk of Council