

President Kevin Hardman called the Sharonville Council work session of July 27 to order at 6:00 p.m. All Elected Officials, Administration Directors and Department Managers were in attendance. Numerous employees and residents were also in attendance.

The following agenda was followed with the presentations attached to these minutes:

**Council & Department Manager Work Session
Sharonville Council Chambers
July 27, 2010
6:00 p.m.**

1. Meeting opening – President of Council Hardman:

- ◆ This meeting is to discuss budget recommendations and ideas for 2011. The purpose is to look at some financial issues that are currently being faced and to get ahead of the 2011 budget season. The Department Managers have been asked to attend to discuss concerns and possible reductions.
- ◆ No decisions are expected this evening. It is a chance to gather information in a timely manner in order to get information out to the residents and to the employees about future plans for the City.
- ◆ Changes are likely in light of the fact that the income over the last two years has been \$2.5 million less per year than what was received prior and that is just in the General Fund.
- ◆ Tonight is more of a fact-gathering session with presentations by the Administration and Department Managers as well as comments by Elected. Those in the audience interested in speaking are welcome to attend regular Council meetings to speak during the public forum.

2. Administration Presentation – Mayor Lovitt:

- ◆ In 2009, compared to 2008, the City was down about \$3.5 million in total revenue. For 2010, the revenue is projected to be down another \$650,000 in total revenue. This has reduced the total amount of money able to be spent in the two years by about \$7.5 million. This is a direct result of the overall economy.
- ◆ Spending has been cut in both the operating and capital sides of the budget. The City is down 13 full-time positions by attrition with an annual savings of a little over \$1 million. Many of the part-time positions have been laid off. For a city this size, it is a noticeable reduction in personnel.
- ◆ Additionally, the employees are paying more of their health insurance premiums, have been given larger deductibles, no raises were given to non-union employees in 2010 and the Elected Officials have not received raises in two years. The police and fire unions will have to negotiate multi-year contracts over the next six to nine months during this weak economy.
- ◆ In order to stay within the City's means, most of the capital budget has been eliminated in 2009 and 2010. Most of the scheduled capital is gone. The only projects occurring are those with grant dollars attached. The departments have done a great job in serving the residents in spite of these challenges.
- ◆ Based upon projected revenues for 2010, there should be an ending balance of approximately \$2 million in the General and Fire funds. This is about 10% of both budgets and traditionally what is planned. Additionally, there is another \$1 million in three reserve funds (retirement reserve, debt reserve and revenue stabilization funds).
- ◆ 2010 was budgeted to be \$400,000 less than 2009. As of June 30, the City was on track to be down \$62,000 in revenue over last year. The problem is that capital cannot be ignored

for another year. Replacements can only be delayed for so long. The need can be filled in three different ways: Grow revenues, cut expenses or increase tax rates.

- ◆ Since 1984, Sharonville has had the lowest property tax in Ohio at zero mills and Council chose in July to keep it there.
- ◆ Other revenues have stabilized this year. While major employers and new companies are adding jobs, there is nothing in the last six months of revenues that would allow the forecasting of growth in the earnings tax.
- ◆ So that leaves cutting expenses. A number of questions and comments have been received from Elected Officials on various changes that could save money. Lists of those items are included in the packet provided. These are not recommendations from the Administration or the departments. Rather these are options that literally add up to millions of dollars. Two guiding questions for Mayor Lovitt are: 1) Will the residents and businesses be directly impacted by this change? What services should Sharonville provide five years from now and will current decisions allow that vision? To end on a positive note: The State Auditor has an award titled "Making Your Tax Dollars Count". Sharonville has received that award for 2006, 2007 and 2008. The awards have not come out for 2009 yet, but the Sharonville audit looks very good. The City has a group of people who work very hard, are effective with the money and provide a great level of service for the residents.

3. Department Managers - See Presentations

- a. Fire Chief Ralph Hammonds
- b. Police Chief Mike Schappa
- c. Recreation Director Sue Koetz
- d. Convention Center Director Will Greiner
- e. Building / Planning Director Richard Osgood
- f. Health Commissioner Dennis Propes
- g. Public Works Director Tom Losekamp
- h. Information Technology Coordinator Katrina Biscay
- i. Finance Director Amy Moore
- j. Tax Commissioner Martha Cross Funk

4. Summary – Administration – See Presentations

- a. Robert Fisher
- b. Christine Thompson
- c. Ted Mack

5. Council Person Comments:

Mark Piepmeier: Amy Moore and Richard Osgood spoke of triggers. The big trigger is this year and the reason we are doing all of this. Even without capital, the City is spending approximately \$1.5 million more than the revenue coming in. This is something the City cannot keep doing without going broke by the end of next year. The first trigger has been reached and it needs to be addressed. The departments are to be applauded for the cuts made. However, 70% of the costs are personnel which is not unusual. To really address solving the budget crisis, this is where it needs to be addressed. Mark Piepmeier asked each department to come up with proposals to cut 10% in personnel costs for next year. It might be through benefit cuts, furloughs or a number of different ways to do it. The last thing anybody wants is layoffs. Everything should be done to avoid it. But capital needs to get back in the budget. The answer to these problems is not to increase taxes in this economy. The only way to solve the problem is to seriously address personnel costs. Salary structure should be considered. The employees have picked up some additional health care costs but do not pay a significant portion of health care. Even Indian Hill has had furloughs this year.

Greg Pugh: 94 of 157 employees make over \$60,000 annually. If the \$865,000 in reserve funds was used to just pay salaries and no benefits, it would take care of about 13 jobs with no benefits, one time for one year.

Al Ledbetter: The Department Managers have cut as much as they can possibly cut. It now comes down to people. Furlough days should be looked at first. They are temporary as oppose to salary cuts and layoffs. It gives time to find out if this year is an anomaly or is it going to be the norm from now on. A recommendation is that the IT Department should not be outsourced. It has not worked in the past and was a nightmare. There are residents who have had layoffs or salary reductions. In-house should be tried first. If that does not work, then go to the residents.

Greg Pugh: If furloughs are to occur, they should be started sooner than later. The snow season will be coming, departments will have scheduling difficulties, and vacation days need to be accommodated.

Kevin Hardman: These discussions are related to 2011. No more cuts are expected in 2010.

Janey Kattelman: No comments will be made on any of this until there has been time to look at all of the material presented. Appreciation was expressed to everyone for attending and for the information presented. Janey Kattelman, Vicki Hoppe and Paul Schmidt would like to evaluate the savings and possible benefits in changing from a statutory to a charter city.

Kevin Hardman: This is something that the Law and Finance Committee could appropriately take up under their jurisdiction.

Janey Kattelman: Others have shown an interest and thought it might be best as a separate committee.

Kevin Hardman: The suggestion will be taken under consideration and he will plan to report back at the next meeting.

Rob Tankersley: Appreciation was expressed for the coordination and attendance. The Oversight Committee meetings helped to enlighten Council on what was taking place. There are a lot of rumors floating around. The goal is to not lay anyone off if at all possible.

Paul Schmidt: In the private sector, he has been on both sides of the table as a department manager having to make very difficult decisions and as a site manager with financial obligations imposed upon you that have to be met. The department managers have to know where the key things are. If they do not make the decisions, someone else will come in who will make bad decisions taking away something that is critical and leaving things that are insignificant. This cannot get there without going to personnel which are the bulk of the cost. The question becomes: How can we do it with the least pain? Jobs are precious. Chiefs Hammonds and Schappa will need to figure out what your staff wants to do. Unions are unpredictable and have gone both ways. Some are willing to share the pain. Others are not and the older members are willing to lay the others off. He has had these experiences in the private sector and gotten through them. Sharonville is in a position that has to be addressed but is not in a desperate strait. The millage may be something that needs to be done down the road. But before that is done, the City should make sure that Sharonville's house is completely in order and everything that can be done has been done. It is premature to go to the public yet.

Mayor Lovitt: There is an impressive team of people working here. They represent a dedicated group of employees as well. They care about people and it shows in their job performance. The budgets have been squeezed with minimal community complaints. This is a compliment to all of them. The City has to find \$1 million. The revenues are on track to come in higher than projected which could cover one third of the million by itself. The City is not in a panic but it does need to be taken seriously. It is up to Council to decide what is important to Sharonville. The reality is this. Most of the items on the list are what make Sharonville special to the residents. They are the reason people move here and the reason people stay here. When Council decides what there is to spend, the City will try to do it with as minimal an impact on the residents as possible.

Will Greiner: Though not aware of the legal ramifications, the recommendation was made by Will Greiner that employees work furlough days to give back to the City and to ensure the services for the City do not suffer.

The meeting adjourned at 10:45 p.m.

ATTEST

Martha Cross Funk, Clerk of Council Date

Kevin Hardman, President of Council Date

**JULY 27, 2010 COUNCIL WORK SESSION
DISCUSSION POINTS**

This is a brief summary of discussion points. These are not recommendations, rather a listing of potential changes.

POTENTIAL RETIREMENTS

employees who are currently eligible to retire, not necessarily at an optimized level of benefit

2011 Base Wage Range	OPERS	OP&F	Average Base	Est. Avg. Payout w/ Full Vacation
\$75,000+	3	3	\$93,798.00	\$ 50,102.00
\$50,000 - \$74,900	6		\$61,058.00	\$ 37,699.00
<\$50,000	7		\$47,264.00	\$ 28,791.00

Sick Leave will continue to accrue each month until retirement which will add to the payout estimate.

NON-RENEWED FT POSITIONS (within last 5 years)

does not include overtime, uniforms, or medical insurance

Dept	Position		Annual Wages/Benefits	QTY	Total Annual Wages/Benefits
Police	Patrol Officer	Sr	89,886.00	2	179,772.00
Fire	Asst. Chief	Mid	92,762.00	1	92,762.00
Fire	FF/Med	Sr	94,192.00	3	282,576.00
Fire	Inspector	Sr	84,894.00	1	84,894.00
Health	Nurse	Mid	60,695.00	1	60,695.00
Health	Sanitarian	Mid	56,362.00	1	56,362.00
Rec	Bldg Custodian	Sr	50,997.00	1	50,997.00
PW	Bldg Custodian	Sr	50,997.00	1	50,997.00
Streets	Operator	Sr	65,694.00	2	131,388.00

The above positions have already been reduced through attrition. There are additional vacancies to reach approved employment levels which are also not being filled.

This does not include all the part time positions that have been reduced or eliminated. This also does not offset the cost of positions for which services have been contracted in place of hiring employees.

Mid – The average rate within the range was used to calculate the wages.

WAGE REDUCTION ESTIMATES FOR FULL TIME

does not include overtime, uniforms, or medical insurance

Department Totals (Incl. Mgt.)	2011 Dept Wages/ Benefits	5% Reduction	10% Reduction	1/3 Reduction for Elected
General Fund				
FOP (subject to negotiations)	2,358,843.00	(113,877.00)	(227,593.00)	
Non-Union General Fund Depts	4,287,282.00	(206,407.00)	(412,635.00)	
Admin: SSD, DSSDs, Sec.	453,031.00	(21,478.00)	(42,911.00)	
Admin: Finance, IT, Mayor's Court	466,276.00	(22,590.00)	(45,193.00)	
Elected	262,038.00	(13,102.00)	(26,204.00)	(86,473.00)
Civil Svc	25,281.00	0.00	0.00	
General Fund Total	7,852,751.00	(377,454.00)	(754,536.00)	
Fire Dept: IAFF (subj. to negotiations)	3,359,007.00	(160,584.00)	(322,246.00)	
Fire Dept: Non-Union	361,879.00	(12,327.00)	(24,604.00)	
Streets	682,222.00	(32,875.00)	(65,749.00)	
Streets: PMVL	138,930.00	(6,761.00)	(13,521.00)	
Sr. Housing	73,206.00	(3,478.00)	(6,981.00)	
Conv. Center	754,240.00	(35,959.00)	(71,906.00)	
Managers (only)				
General Fund				
Police Chief	141,035.00	(6,766.00)	(13,528.00)	
Health Comm.	82,763.00	(4,089.00)	(8,181.00)	
Recreation	98,982.00	(4,741.00)	(9,458.00)	
Bldg & Zng	94,274.00	(4,556.00)	(9,088.00)	
SSD	148,228.00	(6,785.00)	(13,546.00)	
Deputy SSD	118,500.00	(5,732.00)	(11,463.00)	
Budget Director	99,528.00	(4,850.00)	(9,699.00)	
Tax Comm	96,934.00	(4,678.00)	(9,356.00)	
Pub Wks Dir	94,606.00	(4,605.00)	(9,210.00)	
IT Coord	91,001.00	(4,434.00)	(8,865.00)	
General Fund Total	1,065,851.00	(51,236.00)	(102,394.00)	
Fire Chief	133,787.00	(6,483.00)	(12,940.00)	
Conv Ctr Mgr	134,897.00	(6,122.00)	(12,248.00)	

Medical insurance was not included because the rates are individualized based on the type of enrollment as related to family situation. The estimated range in cost for 2011 (reduced by the employee portion) is \$5,275 - \$14,334. The average for our group is approximately \$11,405 per year.

Longevity is also individualized, but is included since it is based on years of service rather than family situation.

Also note that retirement benefits are included. The different employer contribution rates are:

- 14% OPERS
- 19.5% OP&F - Police
- 24% OP&F - Fire

PERSONNEL REDUCTION OPTIONS

based on 2011 wages/benefits not including overtime, uniforms, or medical insurance

Administration

- A portion of DSSD Thompson's salary is reimbursable from the Storm Water Fund since she runs the program and is a Certified Flood Plains Manager: 5%, approx. \$20,000
- Layoff one Deputy Safety Service Director: \$118,500
- Layoff one Mayor's Court Clerk: \$53,956
- Layoff PT IT Helpdesk: \$25,634
- Combine Civil Service Secretary duties with Admin Secretary and pay overtime rather than supplemental stipend: \$6,343 max savings (100% reimbursable by Princeton)
- Outsource IT: savings from layoff of personnel - \$116,635, cost to contract \$ undetermined at this time

Fire

- Pay difference between PT and FT staff: Per 12 hour shift - \$177.24 straight time, \$379.56 overtime
- # shifts covered by PT: Average over last 4.5 years - 2,764.5 12 hour shifts
- Cost savings for eliminating all PT and 4 FT positions: \$579,077.48 however would be unable to operate 1 station
- To close 1 station (can eliminate 7 positions) savings are: \$909,442.04, would require additional contract with another community, cost undetermined
- Running 2 stations with full service and 1 with Medic only savings: \$23,740, would require additional contract with another community, cost undetermined
- Demotions: Assist Chief to Capt: \$9,500, Capt to Lt: \$5,900, Lt to FF: \$4,000 each
- Estimated sales price of Crescentville station: \$600,000
- How would all of above affect 10 year capital: approximately 10% reduction

Police

- 12 Hour Shifts – est. \$20,000+ in savings if keep current # staff positions
- Demote Lt. to Sgt.: \$8,641
- Demote Sgt to Officer: \$10,803
- Layoff 3 Officers: \$258,291
- Demote Dispatch Supervisor to Dispatcher: \$4,006
- Layoff 2 Dispatchers: \$125,223
- Layoff Police Technician: \$56,892
- Layoff Admin. Secretary: \$72,268

Recreation

- Layoff 1 Asst. Manager: \$80,336
- Layoff 2 Program Staff: \$106,385
- Eliminate Nursery Program: \$60,213 (personnel cost \$63,712 less \$3,499 revenue)
- Layoff Park Guards: \$17,634

Convention

- Layoff 1 sales staff: \$68,460
- Layoff 1 event coordinator: \$56,223
- Outsource custodial work: total savings: \$18,962 (cost of Building Custodian \$43,962 less cost of outsourcing \$25,000 estimate)
- Outsource building maintenance: savings from layoff of Maintenance Technician - \$76,749, cost of outsourcing would require bidding process

Building and Zoning

- Layoff 1 Building Inspector: \$81,026
- Layoff 1 Clk/Sec: \$49,161
- Layoff Economic Development \$80,314
- Outsource Department – Hamilton County would perform duties and collect all related permit fees; 2010 budget expenses \$568,000 less 5 year average actual receipts \$238,218 = \$329,782 net cost to City

Health Department

- Layoff FT and PT Sanitarian: \$93,824
- Layoff FT Sanitarian (maintain one PT Sanitarian at 20 hrs/week): \$38,125
- Layoff FT Nurse (maintain one PT Nurse at 20 hrs/week): \$35,953
- Close Health Department: total savings for minimal services: \$210,000 (current budget \$375,000 less revenue \$120,000 less cost of contracting with Hamilton County General Health District \$45,000)

Public Works

- Layoff Asst. Street Manager: \$74,147
- Layoff Street Inspector: \$70,877
- Layoff 2 Operators: \$131,388

GVA

- Outsource maintenance: total savings: \$33,206 (cost of Maintenance Manager \$73,206 less cost of outsourcing \$40,000 estimate)

Finance

- Layoff 2 Clerks: \$98,324

Tax Department

- Layoff 2 Clerks: \$98,324
- Layoff PT Clerk: \$26,524, replace with seasonal or temp employee for 4 months - \$17,700
- Sell Tax Building: maybe \$600,000, likely less
- Close Tax Department: total savings for minimal services: \$27,156 (current budget \$524,000 less cost of contracting with RITA for minimum services \$447,683 less cost of one employee \$49,161)

Combine Management of Various Departments

Certain department management duties could be combined to reflect a cost savings in reduction in management.

- Tax/Finance
- Public Works/Bldg & Zoning
- Fire /Health

Trash Collection Costs

- Residential collection: \$442,630
- Recycling: \$13,985 (Rumpke cost \$23,985 less recycling rebate \$10,000)
- City Facilities Service: \$10,025

Fire Chief Ralph Hammonds:

Over the last couple of weeks the Department Managers have been reviewing and discussing either in small groups or as a whole the budget situation in the City. The ability to trim more from our departments as well as other revenue options have been discussed and explored. The budgets were trimmed during the 2010 budget process and have been further reduced by 2% in the month of June at the request of Administration. Tonight we will discuss the many new ideas we may have as well as the ideas that Administration has already presented to you dealing with our departments. We will discuss capital equipment, operating budgets and personnel costs. There is no debate that the most expensive part of our budget also deals with our most expensive and important asset. Our People. Through the course of employment EVERY one of our full-time employees will cost us more than 99% of our capital equipment. This is the face of the City to the public as well as the person we have entrusted with completing some part of the overall City mission. None of these positions were created without careful thought, consideration and debate prior to approval. Each of these positions had a purpose directly or indirectly to provide a service to the Community or to support those positions. The decisions made over the next few days, weeks or months need the same input and careful consideration to assure we make the right decisions for our community as well as our employees.

Historically, the City has made every attempt to provide our services for free or at a minimal cost to the customer. This has served us well in the past and the residents and businesses within the City have reaped the benefit of the City's prosperity. The downturn in the economy has caused a change as we can no longer sustain the services we currently provide with the tax dollars being generated. The fee structures that will be proposed this evening were compiled by the individual department managers through their research on similar fees charged by other political subdivisions. We realize this is a philosophical change for the City as a whole. The transition to being more fees-for service based will not be without its own issues however, this is one way to minimize the impact of service reductions. Increased or new fees will be proposed by Fire, Recreation, Public Works, Building and Planning and Police tonight.

For years the City has been able to function using solely the money generated by the Income Tax from the business community and residents that do not qualify for a full exemption and pay all or part of this tax. The taxes collected have slowly been overtaken by increased costs and even before the current economic downturns were no longer sufficient to meet the operation and capital needs of the City. These must now be supplemented by additional forms of income either by user fees or additional taxes. The user fees will have those who use the services offset the costs of these services by the fees collected. We realize this will not completely offset the cost associated with providing these services but may defray enough costs to allow for the continuation of that service.

The Department Managers as a whole are committed to operating our departments as efficiently and fiscally responsibly as possible.

The past several weeks have been very difficult for all of us and the people within our departments as rumor and speculation have become the news of the day. The talk of furlough days, outright layoffs and elimination ranging from positions to whole departments has dominated conversations at lunch and breaks. We are not accustomed to dealing with the possibility of an uncertain future as the City has always been very stable and done well in tough times. The economic condition we find ourselves in is a reality check for all of us as well as the people within our departments. We hope that the dialogue we start tonight will establish a good communication pathway to alleviate some of the anxiety being caused by the fear of the unknown.

These times should serve to remind each of us employed by the City that the ONLY reason we are here is to serve the Citizens and Businesses of Sharonville, without them we would not exist. Failing to take care of these people means we have lost sight of the vision and we need to refocus our energy on the customer. Now more than ever is the time we should be bending over backwards to serve our customers. The fact is the economy has impacted some of them more than many of us. The residents have always supported us and appreciated services provided to them. Now is not the time to give them anything less than our best. At the last work session on June 22nd there were a two statements made by President of Council Hardman that really stuck in my head and have occupied my mind from time to time over the last month. The first was **“the residents have not seen any changes and need to see that we are making changes.”** This I took as a compliment to the department heads and employees of this City. Overall the City departments and employees are doing more with less and the residents remain pleased with their services. The second statement made was **“The residents have expectations that we have created”**. This statement speaks to the commitment of the Elected and the Employees to the residents. Although the residents have not seen a change in service and their expectations are being met we are still in need of assistance in order to sustain these for the long-term. We challenge each other as well as each of our employees and all of the elected to continue to meet the expectations and deliver exemplary service to our citizens regardless of what is going on internally, as we work toward reshaping our future.

The Department Managers as a group wish to thank the elected for the opportunity to talk about the possible resolutions being considered. We realize that there are some tough decisions that need to be made in order to weather this current economic condition. We are willing to assist in any way possible and are committed to assuring that the residents and business community feels the least possible impact of these decisions.

Non-Department Specific

New Income	New Reductions
	<ul style="list-style-type: none">• Historical Society – eliminate donation, move to Crescentville building• New wage schedule for hires after 07/01/2010 – reduce step increases• No longevity for hires after 07/01/2010• Re-evaluate outside consultants and fees

Sharonville Fire Department

- Responds from 3 stations

Station 86 11637 Chester Rd 4 Firefighters Min / 6 Firefighters Max

Tower 86 – Engine 86 – Medic 86

Station 87 11210 Reading Rd 4 Firefighters Min / 5 Firefighter Max
Rescue Engine 87– Medic 87 – ALS 87

Station 88 7150 Fields-Ertel Rd 4 Firefighters Min / 5 Firefighter Max

Engine 88 – Medic 88

Annual Responses

■ Fire	■ EMS	Total
■ 2007 992	■ 2007 2113	3105
■ 2008 1164	■ 2008 2333	3497
■ 2009 1109	■ 2009 2085	3194
■ YTD 2010 690	■ 2010 1175	1865

Simultaneous Responses EMS

- On average two times per day there are two EMS units on details at the same time. Leaving the City with only 8 available Firefighters.
- On average once each day we have all three medic units on details at the same time. Leaving the City with Only 6 Firefighters.



Simultaneous Responses Fire


- On average 60 times a year we have multiple Fire Details going on at the same time.
- On average Times a year we have at least one EMS run going on during a Fire detail.

Why do we need 3 Stations

- Geographical Layout of the City.
- Dissection of the City by the Railroad crossings at Reading, Kemper, Sharon and Crescentville Rd
- ISO Classification Class 3 Department
- Response time to Scenes. 4 min for EMS and 6 min for Fire units. Was the goal we are meeting over 90% of the time.
- Agreements with Residents.



Why 3 Fully Staffed Stations

- Provide EMS and Fire Coverage in all areas of the City.
 - Inability to recruit and retain Volunteer firefighters.
 - Simultaneous Runs
- 

Grants

- 2003 SCBA / Radios \$235,000.00
- 2005 Smoke Detectors Public Ed Materials \$45,000.00
- 2008 Upgrade SCBA Fill Stations / Hurst equipment Upgrade \$40,000.00
- 2009 FEMA Air Compressor trailer \$ 110,000.00
- The total of these grants is in excess of \$430,000.00 in equipment from the Assistance to Firefighter grant Program

Budget Capital and Debt

- Building Payment: \$ 700,000.00 Annually
- Paid off in 2017
- 12% of the Overall Fire Department Budget
- Princeton Revenue Sharing
- Ranges from \$150 to 300,000.00 annually
- Was Forgiven by Princeton in 2010 working to get it forgiven for 2011 about 2.5% of annual budget



Cost Reductions

- Reduce Acceptable staffing from 13 to 12 and only fill to 13 with Part Time people.
- Reduce Overall Overtime by 50%
- Reduce Full Time Clerk to Part time Position
- Delay in Capital replacement

Cost Reductions Cont'd

- Filled Open Inspector Position with Part Time Inspector.
- 3 Firefighter Paramedic Slots unfilled
- In House Paramedic refresher courses
- Delay replacing NON SAFETY equipment

Cost Reductions Cont'd

- Remount instead of New Purchase of 3 Ambulances saving an average of \$75,000.00 each.
- Two ambulance remounts paid for by savings from the Operating Budget.
- Repaired the Parking Lot at Station 87 for \$20,000.00 out of savings in Operating
- Replaced the Roof on Station 88 for \$18,000.00 with savings from Operating.



North East Fire Collaborative

- Joint Purchasing
- 30% Savings on Turn Out Gear
- Savings on Air Testing and Air Compressor Maintenance, Ladder Testing, EMS supply Purchasing.
- RFP for Vehicle Maintenance
- RFP for Annual Physicals for Firefighters.
- Assist with Staffing for Fire responses

Possible Future Income Sources

- Fee for Service

- A) Plan review and Inspection fees

- Estimated Revenue \$15-30,000.00

- B) Billing for Auto Accident and Structure

- Fire responses for non residents.

- Estimated Revenue \$ 75,000.00

Sharonville Fire Department Plan Review and Inspection Fee Changes
Effective 9/1/2010

<u>NEW CONSTRUCTION</u>	<u>PLAN REVIEW FEE</u>
Up to 5,000 sq. ft.	\$ 150.00
5,001 to 10,000 sq. ft	\$ 175.00
10,001 to 12,000 sq. ft.	\$ 200.00
12,001 to 20,000 sq. ft.	\$ 250.00
20,001 to 40,000 sq. ft.	\$ 325.00
40,001 to 60,000 sq. ft.	\$ 425.00
60,001 to 100,000 sq. ft.	\$ 525.00
100,001 to 125,000 sq. ft.	\$ 625.00
125,001 sq. ft. and over	\$1,000.00
High rise structures w/ mixed use projects	\$1,000.00
New construction of all hotels or SRO facilities w/ <i>exterior</i> corridor rooms only	\$2,000.00
New construction of all hotels or SRO facilities w/ <i>interior</i> corridor rooms only	\$3,000.00
All hotels or SRO facilities w/ exterior or interior corridor rooms and places of assembly such as a restaurant, lounge, banquet facility, etc.	\$4,000.00

* These fees shall include the plan review and all Fire Department inspections scheduled during regular business hours to obtain a certificate of occupancy or complete the job.

FIRE PROTECTION

Hood & Suppression	\$ 75.00
Water Mains	\$ 100.00 per project
Sprinkler systems & standpipe	See New Construction
Fire alarm	See New Construction
Other fire protection	See New Construction
Retest of fire protection	\$ 75.00 per occurrence
Before/after hours inspections**	2 hr. minimum = \$300.00 After 2 hrs. = \$150.00 per hr.

** Before/after hours means anytime before or after normal business hours, Monday – Friday 0830-1630 hours.

REVISIONS

	<u>PLAN REVIEW FEE</u>
Up to 5,000 sq. ft.	\$ 100.00
5,001 to 10,000 sq. ft.	\$ 125.00
10,001 to 12,000 sq. ft.	\$ 150.00
12,001 to 20,000 sq. ft.	\$ 175.00
20,001 to 40,000 sq. ft.	\$ 225.00
40,001 to 60,000 sq. ft.	\$ 275.00
60,001 to 100,000 sq. ft.	\$ 325.00
100,001 sq. ft. to 125,000 sq. ft.	\$ 425.00
125,001 sq. ft. & over	\$ 500.00
High rise structures w/ mixed use projects	\$ 500.00

INSPECTION AND RE-INSPECTION OF
EXISTING COMMERCIAL PROPERTIES

	<u>FEE</u>
Annual inspection	\$ 0.00
First re-inspection	\$ 0.00
Second and all subsequent re-inspections	\$ 100.00 per trip
Licensed daycare facility	\$100.00 annual (11 children or more)
Licensed daycare facility	\$ 25.00 annual (10 children or less)
Foster care inspection	\$ 25.00
Adoption inspection	\$ 25.00
False alarm fee	\$100.00 per occurrence. Fees start after 10 alarms in calendar year.

Please make checks payable to:
Sharonville Fire Department



Police Chief

Michael G. Schappa

Police Department

New Income	New Reductions																																
<ul style="list-style-type: none"> • Charge for investigations of certain types of auto accidents and/or criminal investigations. • Increase Mayor's court fines/costs for traffic tickets and minor misdemeanor citations. 	<table border="0"> <tr> <td>School Crossing Guards:</td> <td style="text-align: right;">\$9,539.54</td> </tr> <tr> <td>• Elimination of guards</td> <td></td> </tr> <tr> <td>Sick Time Buyback:</td> <td style="text-align: right;">\$1,266.69</td> </tr> <tr> <td>• Money left from some employees using hours rather than cashing in.</td> <td></td> </tr> <tr> <td>Workers' Compensation:</td> <td style="text-align: right;">\$28,517.29</td> </tr> <tr> <td>• Reduction in rate produced savings.</td> <td></td> </tr> <tr> <td>Uniforms/Clothing:</td> <td style="text-align: right;">\$6,000.00</td> </tr> <tr> <td>• Eliminated additional hires.</td> <td></td> </tr> <tr> <td>• Only replacing torn, worn or unusable items.</td> <td></td> </tr> <tr> <td>Education/Training:</td> <td style="text-align: right;">\$5,000.00</td> </tr> <tr> <td>• Training to maintain certifications.</td> <td></td> </tr> <tr> <td>• As needed training.</td> <td></td> </tr> <tr> <td>• Training for a nominal fee.</td> <td></td> </tr> <tr> <td>Tuition Reimbursement:</td> <td style="text-align: right;">\$5,000.00</td> </tr> <tr> <td>Memberships/Dues:</td> <td style="text-align: right;">\$2,177.50</td> </tr> <tr> <td>Using special funds if deemed necessary.</td> <td></td> </tr> </table>	School Crossing Guards:	\$9,539.54	• Elimination of guards		Sick Time Buyback:	\$1,266.69	• Money left from some employees using hours rather than cashing in.		Workers' Compensation:	\$28,517.29	• Reduction in rate produced savings.		Uniforms/Clothing:	\$6,000.00	• Eliminated additional hires.		• Only replacing torn, worn or unusable items.		Education/Training:	\$5,000.00	• Training to maintain certifications.		• As needed training.		• Training for a nominal fee.		Tuition Reimbursement:	\$5,000.00	Memberships/Dues:	\$2,177.50	Using special funds if deemed necessary.	
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Using special funds if deemed necessary.																																	

Police Department

New Income	New Reductions
	Major Tools: \$5,013.75
	•Reduced firearms qualifications which in turn reduced ammunition purchase.
	Telecommunications: \$14,400.00
	•Cost reduced from estimation to actual.
	Overtime:
	•Reductions in community service programs offered.
	\$7,600.00
	•Reduction in honor guard training and program participation.
	\$4,575.00
	Medicare/PR&P: \$2,550.67
	•Reduction in overtime also causes a reduction in these lines. (20.95%)
	Capital:
	Cancellation of purchase of in-car cameras \$24,060.00
	Total Known Savings: \$115,700.44

Police Department

- **Unknown Savings**
- **Administrative Supervisory Staff:**
 - Covering day shift road supervisors.
 - Adjusting their hours to reduce overtime on other shifts
- **School Resource Officers:**
 - Covering road during summer to reduce overtime.
 - Uniforms/Clothing:
Only replacing torn, worn or unusable items.
- **Education/Training:**
Training to maintain certifications.
 - As needed training.
 - Training for a nominal fee.
- **Overtime:**
 - Schedules changed to cover Sharon Fest.
 - Dropping to minimum manpower on Holidays.
 - Dropping to only one supervisor on Holidays if two are scheduled.
 - Monitor/control/minimize number of officers going to court.
 - Holding non-essential late details for next shift to lessen overtime. (Note: This will increase response time.)
 - Proposal of 12 hour shifts for officers and clerks.
 - Proposal of 10 hour shifts for 5 & 2 office personnel.
- **Medicare/PR&P:**
 - Reduction in overtime also causes a reduction in these lines. (20.95%)

Police Chief Michael Schappa:

- ◆ SPD is recognized by other agencies for the quality of work that we perform.
- ◆ Have taken years to build up the types of programs and services that we provide to earn that reputation and now we are cutting them.
- ◆ It will be difficult to get them back.
- ◆ Doing our part to help, but it becomes a strain.
 - Doing two jobs, things
 - Begins to affect the quality of work and morale
 - SB 77 trying to teach between calls for service
- ◆ Moving backwards
- ◆ Less training and equipment, cruisers.
- ◆ Decreased budget 7.5% from 2009 to beginning of 2010. (\$476,708)
 - 2009: 6,294,430
 - 2010: 5,817,722
- ◆ Now further cuts of another \$116,000 (\$592,708)

POLICE DEPARTMENT - JULY, 2010

DECREASE IN EXPENDITURES:

Known/Projected Savings

School Crossing Guards:		
1. Elimination of guards.		\$9,539.54
Sick Time Buyback:		
1. Money left from some employees using hours rather than cashing in.		\$1,266.69
Workers' Compensation:		
1. Reduction in rate produced savings.		\$28,517.29
Uniforms/Clothing:		\$6,000.00
1. Eliminated additonal hires.		
2. Only replacing torn, worn or unusable items.		
Education/Training:		\$5,000.00
1. Training to maintain certifications.		
2. As needed training.		
3. Training for a nominal fee.		
Tuition Reimbursement:		\$5,000.00
1. Not being used by employees this year.		
Memberships/Dues:		\$2,177.50
1. Using special funds if deemed necessary.		
Major Tools:		\$5,013.75
1. Reduced firearms qualifications which in turn reduced ammunition purchase.		
Telecommunications:		\$14,400.00
1. Cost reduced from estimation to actual.		
Overtime:		
1. Reductions in community service programs offered.		\$7,600.00
2. Reduction in honor guard training and program participation.		\$4,575.00
Medicare/PR&P:		
1. Reduction in overtime also causes a reduction in these lines. (20.95%)		\$2,550.67
Capital:		
1. Cancellation of purchase of in-car cameras.		\$24,060.00
	Total Known Savings:	\$115,700.44

Unknown Savings

Administrative Supervisory Staff:

1. Covering day shift road supervisors.
2. Adjusting their hours to reduce overtime on other shifts.

School Resource Officers:

1. Covering road during summer to reduce overtime.

Uniforms/Clothing:

1. Only replacing torn, worn or unusable items.

Education/Training:

1. Training to maintain certifications.
2. As needed training.
3. Training for a nominal fee.

Overtime:

1. Schedules changed to cover Sharon Fest.
2. Dropping to minimum manpower on Holidays.
3. Dropping to only one supervisor on Holidays if two are scheduled.
4. Monitor/control/minimize number of officers going to court.
5. Holding non-essential late details for next shift to lessen overtime. (Note this will increase response time.)
6. Proposal of 12 hour shifts for officers and clerks.
7. Proposal of 10 hour shifts for 5 & 2 office personnel.

Medicare/PR&P:

1. Reduction in overtime also causes a reduction in these lines. (20.95%)

INCREASE IN REVENUES:

1. Charge for investigations of certain types of auto accidents and/or criminal investigations.
2. Increase mayor's court fines/costs for traffic tickets and minor misdemeanor citations.

Recreation Director Sue Koetz:

- We have been asked to put together factual statistics. It's going to be council's decision based on the facts.
- It is critical that before any further decisions are made like those from the June 22 Council Working Session, that Department Heads are given a realistic chance for input through our council committees and given control over their departments via a target budget or a percentage cut.
- What may appear to be a short term fix may have very long term effects on our departments and much care should be taken in knowing the ramifications on the residents and the services that the departments offer along with an educational component for the public.
- As you begin to impact departments and employees you have to understand that you also impact revenue coming into the city. Other than recreation user fees, the Program Division, is the only area that brings in additional revenue.
- The Recreation Department is very well aware that we are a total service department to the residents and members. We often refer to this in our meetings.
- We do 2 things in Recreation –
 1. We provide quality facilities for residents and members to use
 2. We provide programs.
- We have continuously looked proactively for many years for ways to increase revenues and decrease expenses. I have included in my packet a summary of department savings for 2005 and 2006.
- As background, in the Program Budget In 1997 (with only 2 months of that year being part of the expansion) we spent \$86,085 on Program Activities and \$20,400 on Program Supplies. In 2009 we spent \$53,743 on Program Activities and \$7,992 on Program Supplies.

- This does not come effortlessly. It takes a group of really dedicated employees to find alternative sources of revenue such as sponsors, in-house work and other ways to lower expenses. This was all done seamlessly.
- Since 2003, there was a reorganization of the department for more efficiency and cost savings. Since 2003 eleven part time positions were eliminated through attrition and those positions were not replaced; 6 in programs, 1 in maintenance, 2 in Fitness and 2 in Building.
- In 2008, there was an overall participation in programs, classes, special events of 17,055 people. That is not a figure to ignore.
- I have included worksheets on statistics to consider for increased revenue and additional areas for operating budget reductions for 2011.

Recreation Department

New Income	New Reductions
<ul style="list-style-type: none">• Increased Recreation rental rates• Increased Recreation membership rates• Allow non-resident, non-business memberships• Charge for picnic reservations (includes residents, businesses, and non-resident/non-business)• Attach an administrative fee for programs	

2005 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL REVENUE CHANGE
SPECIAL EVENTS			
Family Entertainment Series - increased ticket prices by \$2		1,081	
Shakespeare Program - programs and posters done in-house	\$540		
Shakespeare Program - secured free pre-show entertainment - sword fighting by Sale Du Lion Fenc	\$300		
Shakespeare Program - took cast photos in-house	\$200		
Shakespeare Program - renegotiated lighting & sound contract with vendor	\$2,200		
Ladies Day At Pool - secured sponsorship of catering for 370 from Wild Oats	\$1,500		
Ladies Day at Pool - secured donation of 30 pastry trays from Panera Bread	\$568		
Ladies Day At Pool - secured sponsorship from Tri-State Sleep Disorder Clinic for \$500		\$500	
Pitch Hit Run - secured a \$250 donation for serving as Ohio State Coordinator for Major League Baseball		\$250	
Daddy-Daughter Dance - punch & carnations donated	\$200		
Daddy-Daughter Dance - negotiated additional price break on key chains from \$2.79 ea to \$1.55 ea	\$186		
Daddy-Daughter Dance - borrowed props for table décor & backdrops from Boot Country & ISPACE	\$200		
Daddy Daughter Dance & Mom Prom - secured donation of ice cream from UDF - \$300 for DDD & \$180 for Mom Prom	\$480		
Easter Egg Hunt - reduced the number of winning baskets from 80 to 60	\$125		
Easter Egg Hunt - secured a sponsor donation for \$140		\$140	
Special Notes - On Easter Egg Hunt Princeton Key Club members fill baskets; The hunt is staffed with 50% volunteers			
Hooked On Fishing - secured sponsors for in-kind food & supplies; leftover supplies were used for other teen programs	\$535		
Halloween Window Painting - negotiated additional discount on painting supplies from vendor plus free shipping	\$300		
Halloween Window Painting - recycled old trophies for a cost savings of \$11 per trophy - recycled 5	\$55		
Halloween Window Painting - secured donation of 30 drop cloths & tape for event	\$50		
Haunted Trail - Rally's sponsored food for the workers one evening	\$65		
Haunted Trail - Cliff's Hardware donated duck tape & spray paint for event	\$12		
Special Notes - Haunted Trail utilized 30 volunteers versus paid staff; employee donated food to workers for event			
Turkey Shoot - secured gift certificate for purchasing turkeys as prizes	\$25		
Toy Shop - held volunteer training & breakfast banquet at Community Center versus at a hotel as in the past	\$400		
Toy Shop - secured sponsorship for food from First Watch Restaurant	\$600		
Toy Shop - borrowed professional chaffing dishes from area church versus renting equipment	\$250		
Toy Shop - secured donation of bagels for participants and workers of the event	\$150		
Special Notes - Toy Shop utilized 80 volunteers & appr 7 paid personnel; fresh cut holly from Kemper Park for tables			

2005 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
SPECIAL EVENTS			REVENUE CHANGE
Breakfast With Santa - Ticket prices were raised from \$3.50 to \$5 per person		\$420	
Breakfast With Santa - discontinued costume rentals, volunteer prizes, reduced goodie bags for kids	\$830		
Special Notes - Breakfast With Santa utilizes 20 volunteers for event			
Carriage Rides - secured a naturalist from Hamilton County Park District at no cost; usually \$3 per person for group	\$300		
Senior Games - area church volunteered & paid for supplies to cook spaghetti luncheon for 75 people vs. catering cost	\$450		
Senior Games - local agencies donated incentive items for participant bags which cut costs & eliminated t-shirts	\$600		
Healthy Ohioans Walk - secured donation of 3 large subs from Subway for event	\$40		
PROGRAMS			
Girls On The Run - secured cash donations from Curves, Nutrition To Go, Kids First, Sharon-Evendale Eye Care		\$1,000	
TREC - Teen Recreation Extreme Club - various fundraisers throughout year		\$3,700	
Adventure Camp - secured donation from Federated Women's Club to pay for underprivileged child to use camp \$140		140	
Teen Nights - made giant movie screen used in 3 events; Made for \$40 versus renting at \$120 per event	\$320		
Teen Nights - renegotiated pizza for teen nights with new vendor at a discount of \$2 for cheese \$4 for pepperoni	\$48		
Senior/Adult Programs - secured a second year of sponsorship with Croswell Bus Lines	\$1,200		
Senior/Adult Programs - dept no longer purchases main entrée for potluck luncheon programs; 4 @ \$50	\$200		
Senior Adult - Craft Like You Mean It - supplies were secured through donations, coupons, thrift store buys	\$290		
Senior Adult - Home Spun Crafts - supplies secured through donations, coupons, and thrift store buys	\$495		
Senior Adult - secured 11 speakers at no cost for lectures/programs versus paying an average of \$60 per speaker	\$660		
Senior/Adult Ceramics - bring newspapers from home versus using butcher block paper to cover tables @ \$48 per roll	\$96		
Fitness Health & Wellness - changed from drop-in classes to per session classes that saved on instructor fees	\$5,000		
Fitness - secured a donation of tennis balls from Mason to use on bottom of chairs eliminating need to rent mats	\$200		
Fitness - partnered with Hamilton County Health District who covered staffing for "Resisting Muscle Loss" Class	\$72		
Fitness - Active For Life Program - paid for by a grant through Hamilton County General Health District			
There were 20 senior adults that participated. They each received 20 weeks of instruction and given a resource book bag, pen, pedometer, water bottle and t-shirt. The program ran from March 2 through May 25, 2005	\$15,629		
Fitness Walk Club - partnered with sponsors to cover staff costs, postage, printing, food, paper, badges for events	\$2,443		
Fitness - secured gift certificates from local businesses for incentive program prizes	\$250		
Fitness - 2 sets of chair volleyball nets and stantions were made by volunteer & donated	\$140		

2005 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
MAINTENANCE			
Gower Park - replaced 455 sq ft of retaining walls; repaired 400 sq feet of stonework; rebuilt 2 stone water falls 12 ft. wide			
Poured 110 linear feet of concrete footers In-House Cost Material & Labor - \$3,275; Contractor Cost \$16,450	\$13,175		
Gower Park - Tennis Courts - patch tennis courts for safe use In-House Materials & labor \$5,819; Contractor \$9,300	\$3,481		
Replaced Damaged Light Pole hit by patron; In-House - \$355; Contractor \$595	\$240		
Gower Park - fence repair - repaired 30 ft. of 10ft. High fence; core drilled, anchored post; installed new fabric	\$350		
Drinking Fountain installed at Upper Gower basketball court; In-House \$55 Contractor \$475	\$420		
Old Gym - basketball hoist had worn bearings, causing motor strain and screeching noise. Outside company wanted to replace hoist for \$895; we repaired old one for \$23	\$872		
Gower Park Playground Repairs - 1993 playground set damaged by termites and carpenter ants; dug out old concrete footers and replaced with steel posts In-House Material & Labor \$2,945; Contractor \$4,085	\$1,140		
Kemper Park - cut off old flag pole and reinstalled at Gorman Park eliminating the need to buy a new flag pole	\$2,300		
Nursery - secured donated items, toys, dolls, adult rocking chair, fire rescue truck, doll supplies & accessories	\$858		
Crescentville Furnishings - from hotel; office desks, entertainment center, TV, 4 desk chairs, coat rack, pictures etc	\$1,230		
TOTALS	\$62,270	7,231	
LOOKING AHEAD FOR 2006			
Spring Break Camp - Negotiated more cost-efficient travel through Enterprise Van Rental from 2005	\$95		
Spring Break Camp - negotiated one free field trip through Hamilton County Park Naturalists	\$45		
Pool Operation - After Assessing 2005 Operation - 1 Lifeguard & 1 Assistant Concession Mgr. Will be eliminated	10,530		
Pool Operation - Swim Team fees will be raised \$5 per person per request of Swim Team Parents Club			\$625
Camp Sharonville - negotiating using Princeton school busses for field trips versus past rental transportation	apr. 1,850		
Camp Sharonville - negotiated boat rental of one half the normal rental rate \$60 versus \$120	60		
Camp Sharonville - negotiated the shelter rental at one half the normal rate - \$57.50 versus \$115	57.5		
Camp Sharonville - negotiated a wilderness program for free from Winton Woods Adventure Outpost	\$250		
Adventure Camp - campers will be asked to pack their lunches versus the program providing it for them	1,000		
Adventure Camp - after price shopping a new horseback riding vendor fee went from \$50 per person to \$23 per person	\$324		
Grill & Groove Concerts were assessed in 2005 and eliminated in 2006 except for one that the band is no charge	\$4,800		
Breakfast With Santa - possibly cooking food in-house and securing sponsor	\$1,000		
Chair Volleyball - using carpooling to 12 volleyball sites versus paid rental transportation	\$800		
Shakespeare In Sharonville - after the 2006 - 10th year production - will evaluate viability of continuing this program			

2005 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
OTHER AREAS FOR CONSIDERATION			
Charge a \$25 rental fee for use of the picnic shelters (2005 figures 162 x \$25 = \$4,050)			\$4,050
Increase the city portion of the outside contractor program fee from 80/20 split to a 70/30 split - this will probably			
cause increased fees to the residents & members.			

2006 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
Eliminated 1 Fulltime Program Position & Condensed Responsibilities	\$52,040 w/benefits		
Pool Operation - Eliminated 1 Lifeguard & 1 Assistant Concession Manager	\$10,530 no benefits		
Pool Operation - Swimm Team Fees Raised \$5 Per Person		\$665	
Pool Operation - Swim Lessons - Fees Raised An Additional \$5 Per Person Per Swim Lesson		\$680	
Pool Operation - Summer Daze Program Eliminated In 2006	\$520		
Pool Operation - Received Donation of 6 Concession Table Umbrella From Pepsi	\$900		
Elimination of Three(3) Pay Phones From Department Facilities	\$2,410		
ICRC Donated Additional Photo/Video Equipment To The Department	\$1,400		
Wal-Mart Donated Floral Supplies To The Department For Craft Classes For All Ages	\$1,000		
Donation of Cermaic Pieces To The Department	\$70		
Discount By Croswell Bus Lines To Department Senior Trip Program	\$1,200		
Fitness Classes - Department Received Donation From Power Systems For Equipment (Cones,Fit Bag,DVD, Ex. Balls	\$251		
Received Donation From Pitch, Hit, Run Association For Our Participation In The Program	\$250		
SPECIAL EVENTS			
Grill & Groove Concerts were assessed in 2005 and eliminated in 2006 except for one that the band is no charge	\$4,800		
Breakfast With Santa - Secured IHOP As Breakfast Sponsor	\$2,000		
Children's Health Fair - Eliminated Some Pipe & Drape Cost & Table Skirting	\$750		
Holiday Craft Show - Eliminated Partial Advertising Plus Increased Booth Fees By \$10	\$750	\$530	
Daddy Daughter - Donation From Krogers For Carnations	\$150		
Daddy Daughter - Donation From Academy Rentals For Punch Fountain	\$50		
Daddy Daughter - Donation Of Ice Cream For Event From United Dairy Farmers	\$293		
Ladies Day At Pool - Qdoba Donated 370 Lunches For Day	\$1,100		
Ladies Day At The Pool - Kings Island Donated Admission Tickets	\$210		
Ladies Day At The Pool - Jergens Donated 400 Bottles Of Curel Lotion For Gift Bags @ \$4 Each	\$1,600		
Ladies Day At The Pool - Cincinnati Zoo Donated 5 Admission Tickets	\$60		
Ladies Day At The Pool - National City Bank Donated 350 Pens, Mints & Kleenex Packets For Gift Bags	\$100		
Ladies Day At The Pool - PNC Bank Donated 350 Chip Clips For Gift Bags	\$350		
Ladies Day At The Pool - Proactive Donated 2 Gift Sets For Door Prizes	\$80		
Ladies Day At The Pool - Panera Bread Donated 30 Pastry Trays	\$568		

2006 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
Ladies Day At The Pool - Miscellaneous Companies Donated Door Prizes	\$500		
Ladies Day At The Pool - Sephora Donated Gift Bags & Samples	\$350		
Turkey Shoot - WalMart Donated Gift Cards For Turkeys	\$50		
Mom Prom - United Dairy Farmers Donated Ice Cream For Event	\$250		
Mom Prom - Krogers Donated Flowers & Punch For Event	\$85		
Mom Prom - Academy Rentals Donated Punch Bowl Fountain	\$50		
Toy Shop - Cracker Barrel Donated Breakfast For Volunteer Appreciation Banquet	\$1,600		
Toy Shop - Rockler Donated Half Off Wooden Supplies For Toys	\$340		
Toy Shop - United Art & Education Donated Gift Card For Art Supplies For Event	\$500		
Toy Shop - Nisbet Brower Donated Wood & parts For Event	\$1,000		
Toy Shop - Wal-Mart Donated Gift Card For Event	\$50		
Toy Shop - Skipps Bagels Donated 300 Bagels For Participants For Event	\$300		
Toy Shop - Garret Wade Donated Childs Work Bench For Raffle	\$300		
Monday Night Big Band - Band Donated Their Services	\$1,600		
Golf Outing - State Farm Donated Prize Items (Umbrellas,Golf Balls, Towels)	\$100		
Golf Outing - Skyline Donated Prize Items	\$110		
Golf-Outing - Taco Bell Doanted Prize Items	\$69		
Golf Outing - Olive Garden Donated Prize Items	\$25		
Golf Outing - Blue Goose Donated Prize Items	\$100		
Golf Outing - Donatos Donated Gift Certificate	\$10		
Golf Outing - Doubletree Donated Gift Certificates	\$125		
Golf Outing - Homewood Suites Donated Gift Certificates	\$125		
Golf Outing - Sears Donated Tools	\$50		
Golf Outing - House of Smokes Donated \$25 In Cash	\$25		
Senior Games - Mallard Cove Donated Lunch	\$600		
Senior Games - Crack Pots Donated Prizes	\$40		
Senior Games - Newport Aquarium Donated 2 Admission Tickets	\$36		
Senior Games - Cincinnati Zoo - Donated 2 Admission Tickets	\$25		
Senior Games - Cincinnati Reds Donated Clock	\$29		
Senior Games - Sams Club Donated Gift Certificate	\$20		

2006 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
Senior Games - Hamilton County Parks - Doanted two 9-Hole Green Fees	\$24		
Senior Games - Hamilton County General Health District Donated Night Lights,T-Shirts, Bags, Pedometers,	\$100		
Senior Games - McAlisters Donated ten \$10 Gift Certificates	\$100		
Senior Games - Handy Man Doanted Gift Certificate	\$50		
Senior Games - Hands On Massage Donated Gift Certificate	\$50		
Senior Games - Serenity Massage Donated Gift Certificate	\$60		
Senior Games - Costco Donated 100 Bottled Waters For Event	\$100		
Senior Games - Blue Goose Doanted Five \$20 Gift Cards	\$100		
Senior Games - Caribou Coffee Donated Two 2.5 Gallons of Coffee For Event	\$75		
Senior Games - Health Alliance Donated 100 Pens, 60 Bags, Duffle Bag	\$50		
Senior Games - Solid Waste District Doanted 4 Gift Bags	\$50		
PROGRAMS			
Spring Break Camp - Negotiated more cost-efiecient travel through Enterprise Van Rental from 2005	\$95		
Spring Break Camp - negotiated one free field trip through Hamilton County Park Naturalists	\$45		
Camp Sharonville - negotiating using Princeton school busses for field trips versus past rental transportation	\$1,850		
Camp Sharonville - negotiated boat rental of one half the normal rental rate \$60 versus \$120	\$60		
Camp Sharonville - negotiated the shelter rental at one half the normal rate - \$57.50 versus \$115	\$57.50		
Camp Sharonville - negotiated a wilderness program for free from Winton Woods Adventure Outpost	\$250		
Adventure Camp - campers will be asked to pack their lunches versus the program providing it for them	1,000		
Adventure Camp - after price shopping a new horseback riding vendor fee went from \$50 per person to \$23 per person	\$324		
Chair Volleyball - using carpooling to 12 volleyball sites versus paid rental transportation	\$800		
Halloween Window Painting Contest - Larosas Donated Four \$10 Gift Certificates As Prizes	\$40		
12 Days Of Fitness - Nancy's Hallmark Donated Gift Certificate	\$10		
12 Days of Fitness - Arby's Roast Beef Doanted 12 Free Sandwich Coupons	\$25		
12 Days of Fitness - Sports Plus Doanted Five Extreme Cards	\$54		
12 Days of Fitness - Showcase Cinemas Doanted Four Guest Passes	\$32		
^Teen Programming- Hatzone Donated A Hat	\$25		
Teen Programming - Lazerweb Doanted Arcade Passes	\$50		
Teen Programming - Sports Plus Donated Activity Cards	\$135		
TOTALS	\$97,508	1,875	

2006 Cost Savings

ITEM DESCRIPTION	SAVINGS TO CITY	CHANGE IN REVENUE	PROJECTED TOTAL
LOOKING AHEAD FOR 2007			
Shakespeare In Sharonville Eliminated For 2007	\$14,657		
Spring Break Camp Eliminated In 2007	\$1,470		
Camp Sharonville - Increase Fees By \$10 Per Session			\$3,400
Camp Sharonville - Eliminate Bus Trips To Gorman Pool	\$832		
Camp Sharonville - Eliminate 3-4 Bus Trips Including The Activity Expenses & The Bus Expenses	\$3,400		
Haunted Trail Eliminated In 2007	\$650		
Raised Membership Fees By \$5 Per Category			\$7,485
Eliminated Crescentville Family Center Game Rental	\$2,400		
Eliminated Senior Games For 2007	\$1,616		
Eliminated 3 Pre-School Special Events For 2007	\$1,100		
Made Changes To 4th of July Festival - Traditional Carnival Rides - We Receive 30% Plus Do Not Pay For Rides	\$8,000		\$3,000
Received Target Grant To Cover Expenses For Three Family Entertainment Series	\$1,800		
TOTALS	\$35,925	0	13,885

Projected Membership
Changes - July 2010

Membership Type	Current Single	Proposed Single	Change In \$	2009 Memberships Sold	Proposed Increase Single	Current Family	Proposed Family	2009 Figures	2009 Memberships Sold	Proposed Increase Family
Activity/Participation										
Resident	25	25	0	x 60	0					
Senior	5	10	\$10	x 33	\$165					
Business	35	35	0	X 41	0					
Non-Resident	NA	50	\$50	x 10	\$500					
Fitness Pass										
Resident	80	100	\$20	x 154	\$3,080	100	150	\$50	x 109	\$5,450
Senior (62 & Over)	25	35	\$10	x 13	\$130					
Business	105	125	\$20	x 85	\$1,700	105	200	\$95	x 24	\$2,280
Non-Resident	NA	150	\$150	x 10	\$1,500	NA	250	\$250	x 10	\$2,500
Pool Pass										
Resident	50	75	\$25	x 79	\$1,975	95	125	\$30	x 270	\$8,100
Senior (62 & Over)	5	15	\$10	x 162	\$1,620					
Business	80	100	\$20	x 12	\$240	155	200	\$45	x 44	\$1,980
Non-Resident	NA	150	\$150	x 10	\$1,500	NA	250	\$250	x 10	\$2,500
Combo Pass										
Resident	105	150	\$45	x 81	\$3,645	170	250	\$80	x 281	\$22,480
Senior (62 & Over)	25	40	\$15	x 333	\$4,995					
Business	180	200	\$20	x 5	\$100	305	375	\$70	x 13	\$910
Non-Resident	NA	300	\$300	x 10	\$3,000	NA	500	\$500	x 10	\$5,000
			Proposed	Increase			TOTAL			\$75,350
			New	Non-Resident;	Non-Business	; Does Not	Currently	Exist		
			Total	Increase						

RECREATION DEPT. REVENUE AND EXPENSE
CHANGES JULY 2010

INCREASED REVENUE	DESCRIPTION	PROJECTED
		INCREASED REVENUE
PICNICS	Charge \$25 Per Resident Picnic	\$4,100
		(Based on 2009 Figures - 164 Picnics)
		(Gower-109; Gorman - 55)
	Allow Sharonville Business Reservations @ \$50	\$1,000
		(Based On A Projection of 20 Reservations)
	Allow Non-Resident Reservations @ \$75	\$1,500
		(Based On A Projection of 20 Reservations)
RENTAL RATES	Increase Rental Rates For Contracted Areas	
	Small Room Increase from \$50 to \$75 For Residents	\$1,435
	Small Room Increase from \$60 to \$90 For Non-Res	\$500
	Multi-Purpose Room	
	Increase Fee from \$150 to \$250 For Residents	\$2,100
	Fri/Sun Increase from \$300 to \$400 for Non-Res	
	Saturdays Increase from \$400 to \$500 for Non-Res	\$800
MEMBERSHIPS	Increase Membership Rates (See Attached)	\$75,350
	Allow Non-Resident; Non-Business Memberships	(See Attached Sheet For Proposals For
		Increased Fees - Based on 2009 Figures)
	INCREASED REVENUE TOTAL	\$86,785

RECREATION DEPT. REVENUE AND EXPENSE
CHANGES JULY 2010

DECREASED EXPENSES	DESCRIPTION	PROJECTED COST SAVINGS
310 - MAINTENANCE BUDGET	Cut Additional Overtime Budget	\$10,000
	Eliminate All Educational Trainings	\$1,000
	Eliminate All Flowers and Mulch	\$4,600
	Decrease Contingency Repair Line Item	\$3,000
	Eliminate Loam For Ball Fields	\$2,500
	Decrease Cleaning Supply Line Item	\$1,000
	Cut Small Tool Line Item By 50%	\$1,500
	Eliminate Community Center Pay Phone	\$800
	At \$66.90 Per Month	
325 BUDGET PROGRAM/CENTERS	Eliminate Carriage Rides or Encourage Downtown Businesses To Take Over	\$2,000
	Change Ladies Day - Have Ladies Bring Their Own Lunch; Eliminate Lunch Expense For Participants & Vendors; Eliminate Souvenirs	\$800
	Cut Uniforms/Clothing Line item By 50%	\$500
	Cut Additional Overtime Budget	\$7,000
	Cut Maintenance of Equipment Line Item	\$3,000
	Cut Senior Club Bus Trips In Half	\$5,500
	Cut Rental & Lease Line Item By 50%	\$7,000
	Cut Recreation Activities	\$7,000

RECREATION DEPT. REVENUE AND EXPENSE
CHANGES JULY 2010

DECREASED EXPENSES	DESCRIPTION	PROJECTED COST SAVINGS
335 BUDGET	Continue Discussion On Closing Of Gorman	\$48,000 - \$58,000
POOLS		(Range Depends On Capital/Repair Needs)
	DECREASED EXPENSE TOTAL	\$105,200 - \$115,200

Convention Center Director Will Greiner:

The Convention Center operates as a business enterprise and, therefore, does not rely on the General Fund.

There are currently two sources of revenue for the Convention Center: (1) Income generated from rentals, fees and commissions (2) through an agreement with Hamilton County, a \$1 million operating reserve funded by the expansion project money. These funds are available through March, 2012 to supplement any shortfalls in income to cover operating expenses.

The Convention Center has 12 employees. Excluding the Director, the average pay rate of the staff is \$22.16 per hour or \$46,092 annually.

With the latest 2% cut, we have now reduced our 2010 Operating Budget request 8.2% below our 2009 request.

Although we have budgeted only a small amount for overtime, we have now eliminated all overtime for the remainder 2010. Schedules are being adjusted to avoid overtime hours. Any necessary hours worked over 40 in a given week, will result in comp time being taken.

Although we are more than doubling the size of the Convention Center, we are only slightly increasing our staff to operate the expanded facility. Many other operating expenses will also be less in proportion to the size of the expansion. As a result, we are projecting an annual profit in excess of \$400,000 in the first full year of operation of the expanded Center.

Suggestions for making cuts from the General Fund in 2011:

Eliminate Longevity Pay for one year.

Eliminate the Dental/Optical Reimbursement Fund for one year.

Eliminate the Automatic Pay Increases for new hires.

Implement furlough days for all employees.

Seek voluntary non-paid workdays to avoid layoffs. For example, request each employee donate one work day each month in order to save another person's (or their own) job.

Eliminate the free trash collection. I've been told the cost to the homeowner can be included on their water bill thus eliminating the need for a separate bill.

Sell unwanted or no longer needed city property.

There should be a reduction in utility expenses resulting from the new agreement with Duke Energy that was negotiated by Bobby Fisher.

Building and Planning Director Richard Osgood:

I want to begin with a reiteration of something you already know, but I think in times like this deserve repeating. In my experience, the people seated in front of you, individually and collectively, are some of the most dedicated and conscientious city employees in the area. The same is true of those who are not here, across the board, in all departments. In the meetings we've had we tackled the challenge at hand as a group with equal and open discussion, and with shared investment, not as isolationists with the sole purpose of preserving one's own department. This was the same attitude each department manager took when faced with the challenge of meeting target budgets for 2010. When cuts were requested in June of this year, we suspended non-essential programs and expenses to meet those goals, each time doing what we could to maintain the quality of service this city provides its residential and business community.

For our part in the Building and Planning Department, we met our 2010 target budget within 0.5% (overage) and in June cut an additional 1.5%. Our largest line item is set aside for Engineering and Plan Review, which is always difficult to accurately predict, and as a result, typically ends the year with at least a small balance.

After looking at our 2010 budget, and with the suspension of non-essential purchases, we should end up with a balance of between 0.5% and 1.0%, not counting any balance we might have with Engineering, Plan Review, Fuel and other essential operating items.

We could also eliminate uniforms for the two inspectors, which would save \$2,500, or 0.5% of budget.

Total cuts, plus the projected balance, should result in 3 – 4% reduction from target budget. Further cuts can only come at the expense of services provided (personnel).

Projects and programs we've eliminated in 2010 include digitizing our documents (permit paperwork), postponement of new permit software, non-required continuing education or training, and the beautification awards program. We also assumed responsibility for all detention facility inspections, which in effect is a savings from what we paid for CDS to perform the inspections and administrative functions.

Over the past five years our revenues (total deposits) average 40% of our budget. There was a low of 30% in 2009 and a high of 47% in 2008. We are on target this year to reach 38% revenues/expenses. We have researched the fee schedules of neighboring jurisdictions in southwest Ohio (Hamilton, Butler and Warren counties) and found that our fees are significantly lower. Many services other communities provide for a fee, we provide at no cost.

Our current fee schedule was adopted 17 years ago (ORD #93-27). [In 1993 a gallon of gas at the pump went for \$1.04 per gallon. Today it's \$2.79.] We propose to update the fee schedule to be more in line with surrounding communities, which should add 10 – 15% on the revenue side. This would put our revenues at 50 – 55% of budget. The following items are either no fee or considerably lower than surrounding communities:

- Building Permits
- Zoning Permits
- Plan Review
- PC & BZA
- Zoning Certificates & Zoning Verification Letters
- Occupancy Certificates
- Records Requests
- CRA Applications and Management Fees
- Other Incentive Application and Administration Fees
- Penalties & Double Fees (in this case, stronger enforcement, ie: work w/o permit)
- Overdue Invoices/Processing Fees (engineering)
- Lot Splits and Record Plat Approvals
- Temporary Certificates of Occupancy
- Vacant Building Maintenance Fee

Between cuts and increased revenues (fees) the net effect is a 12 – 15% reduction from the 2010 target budget.

Leading indicators (permit trends) suggest we bottomed out in 2009. Revenues are up 50% YTD compared to 2009. These things fluctuate, and a revised fee schedule may only provide a temporary injection of additional revenues, but we are working on a fee structure that accounts for the majority of work we see in Sharonville, which primarily consists of alterations and renovations. The City of Cincinnati has a fee schedule which seems not to rely heavily on new construction.

In closing, I'd like to say that all of us provide services to the business community as well as the residents. Since the beginning of the current recession, while there were definitely losses, Sharonville businesses in general—to include the addition of some new businesses—seemed to fare a little better than those in surrounding communities. They seemed to weather the storm, so to speak, to stick it out, in large part I believe because of where these businesses are located. The complete package of amenities (location, interstate access, etc) and services (provided by the City)

Health Commissioner Dennis Propes:

1. No Capital project for 2011, moving it until 2012 and shifting other capital projects back by one year. **Projected savings \$5000**

2. Begin participation in an ODH program call Medicaid Administrative Claiming (MAC). It will allow the health department to submit thru ODH for reimbursement of salary expenses for hours spent on specific Medicaid related activities. We currently do these activities (mainly referrals) and have no way of filing for reimbursement this program would allow that. **Projected increase in Revenue \$3000-\$5000**

3. License fees for food program and pools have not been increase in several years; our cost methodology allows us to charge more for our licenses and in doing so would increase our revenue in these programs. **Projected increase in Revenue \$6000**

We are working with other local health departments to collaborate in grant opportunities to increase revenues in this area.

The State is now doing what they call "Central Issuance" for Birth and Death records. Now you will be able to obtain your records from any Registrars Office in the state regardless of what county you were born/died in. This presents a good opportunity for us to begin offering this as a service to not only Sharonville residents but to all of Northern Hamilton and Southern Butler and Warren counties. Revenue would be generated from this service.

Restart BCMH (Children with Medical Handicaps) program, currently Hamilton county does this. There are 18 active cases in Sharonville. Restarting this program could generate additional revenue, it is currently calculated using an hourly reimbursement rate of approximately \$40/hr spent on the program.

Approximately \$30,000 will be credited back to the general fund from the 207 account. That is in addition to paying back the \$10,000 advance. This grant also added \$40,000 in new equipment to help upgrade the department and to improve our readiness in case of emergency.

Our operating budget is low and we are always looking at ways to reduce cost in this area, from looking for better prices for items we use regularly and looking for low or no-cost training opportunities (since these are unpredictable we have to budget for paid training to maintain licensure).



Public Works Director

Tom Losekamp

Public Works Department

- Authorized to employ 21 people in Public Works in 2000 by Council
- Employees lost and not replaced:
 - Bob Hillard 2008 - \$43,691.29
 - Kay Edwards 2007 - \$20,974.08
 - Chuck Knuff 2007 - \$52,994.53
 - Ray Britton 2009 - \$65,575.56
- Herb Banyea will retire October 2010
 - Herb's salary 2009 - \$77,015.82
- Garey Holbrook – Projected Retirement 2011
 - Garey's salary 2009 - \$58,410.30
- At one time two mechanics were employed in Public Works. When Derek Setters left he was replaced by an operator/mechanic. This operator position pays less than the mechanic rate, but Public Works has another mechanic if needed. This also prevented laying off a mechanic now if it becomes necessary. We still have a substitute mechanic and a full time operator.
- The number of vacant positions (possibly 6 by 2011) reduces the authorized number permitted in Public Works (21) by six (6) to 15 people in Public Works. This is one person over the number employed in Public Works in 1999. This is a 28.5% reduction in workforce since 2007.
- Buster and Randy removed from Building and Lands and moved to Streets saving money in General Fund. 80% of the work they do pertains to work not related to streets. The general fund benefits because the street fund is paying salaries. They cut grass at City Hall, Tax Dept., Cliff's parking lot, downtown lots, landscaping at City Hall and various places, maintenance in buildings owned by the City.
- Their salaries come from streets and are supposed to be spent on work related to streets. The street fund is supplementing part of the general fund.

Public Works Department

New Income	New Reductions
<ul style="list-style-type: none">• Bill residents for garbage collection<ul style="list-style-type: none">• Projected income of \$8.10/household or \$97.20/yr.• We would bill through GCWW @ 5% cost and place on water and sewer bill• Bill for truck loan program<ul style="list-style-type: none">• Costs the City about \$60/truck – Does not include wages of employees dropping off, picking up and dumping trucks. (1.5-2.5 hrs/day) (avg.) 1.5 hrs X 2 X \$26.40 wage = \$79.20.• Cost for loan would be \$100/day.	<ul style="list-style-type: none">• Eliminate Truck Loan Program<ul style="list-style-type: none">• Save staff time• Reduce the number of dumpster change-outs per week (4 average)• Potential savings of \$35,000 per year.

Public Works Department

Capital 2009

<u>Dept.</u>	<u>Projects</u>	<u>\$ Budgeted</u>	<u>\$ Spent</u>	<u>\$ Returned</u>
Streets	Street Repairs	\$800,000	\$303,840.50	\$496,159.50
			(\$358,000 CMAQ)	
Streets	Curb & Sidewalk	\$180,000	\$100,000	\$80,000
Streets	Painting (streets)	\$46,000	\$33,000	\$13,000
B & L	Roof replacement I-J	\$24,000	\$12,000	\$12,000
B & L	New railing	\$12,000	\$0	\$12,000
B & L	Paint City Bldg & Historical Society	\$17,000	\$6,000	\$11,000
Streets	Princeton Bridge	\$24,000	\$8,550	\$15,450
Streets	Mower Purchase	\$12,000	\$12,000	\$0
		TOTAL RETURNED	\$144,450	

Capital 2010

		<u>\$ Spent</u>
B & L	Roof for garage	\$22,000
Sr. Hsg.	Water line replacement	\$16,900
Streets	Final lease payment - backhoe	\$19,545.16
State Hwy.	Pre-emption replacement	\$10,000
		TOTAL \$68,445.16

Capital 2011

If we aren't able to afford paving in 2011 we should consider **crack sealing streets to prevent further deterioration** until the paving program can begin again. The crack sealing will **lengthen the life of existing pavement for another 4-5 years**. While it is not the most attractive material to put down, it is a temporary stopgap **measure to buy time** until the revenue improves and we can address the issues of failing pavement.

Public Works Director Tom Losekamp:

How Cuts have affected:

- 1) Trying to maintain same services level with less people-at 1999 staffing level
- 2) More houses (83), people and lane miles since 1999
- 3) Maintenance is affected by less personnel and overtime eliminated. Overtime was needed to stay up with maintenance work.
- 4) Comp Time in place of overtime pay will affect work being done because personnel will be entitled to time off. That will mean less people to get maintenance completed
- 5) Subdivisions developed in late 80s and early 90s are maturing. Trees, curbs , sidewalks, are causing more time to be spent on getting rid of brush, and junk because of larger amounts being put out for pickup.
- 6) Patching equipment. Employees realize they need to search for less expensive, cheaper ways to maintain equipment because capital outlays are not available.

Comparison to Last year:

- 1) Work load has increased due to less personnel-If one more person leaves we will be close to 1984 staff but have added subdivisions since 1989 (Copperfield, Indian Springs, McCauley Road, Whisper Way, Indian Walk, Hanson Meadows)
- 2) Less funds available-We cut about 14% in 2010 budget
- 3) We did some repairs to streets, curbs, and sidewalks last year. None done this year with City money.
- 4) Street Painting was cut by about 50% this year. Just doing the basics.
- 5) We had one position unfilled in 2009 and will have two more unfilled in 2011. 3 less people and no overtime in 2010. The cracks in maintenance work are beginning to show. It takes longer to get everything done in a timely manner.
- 6) Very little Capital expenditures are being spent this year. Expenses to protect buildings, water services, and safety on streets are all we are capable of spending.
- 7) We moved salaries from the General Fund to Street Fund to save money.

Thoughts and Ideas

- 1) P/W was able to save \$29,000 in garbage contract in 2010 and that amount will be saved every year for the life of the contract. 4 years.
- 2) P/W has been reducing personnel since 2007. I started early to try and save the City money. At the end of this year it will be 5 less people. 16 down from 21 in 2000.
- 3) We should start charging for some of the free services we provide. The truck loan program, garbage fees are items that would help offset costs to the City.
- 4) The Street Department is funded by gasoline tax and license plates fees. Very little if any comes from the General fund.
- 5) Golden View Acres is making some money and supporting itself. It helped pay some of its debt last year. Keep It. The improvements we made last year will help keep costs down and the increase in rent for new tenants over the next few years are all plusses. Marlin does a great job keeping the units and property in top shape. He is an asset to have working there. He takes pride in his work.
- 6) Crack sealing in another short term stopgap measure we should use for the time being. It will preserve the pavements for another 4-5 years.
- 7) Sell Crescentville. It has been vacant for over 3 years and cost P/W over \$10,000 in utility costs. Income, reduction of taxes and utilities.
- 8) Consider furlough days. Employees are willing to help get the City back on its feet and this is a way to give back.

BUDGET CONCERNS

GVA: **DON'T SELL IT!**

- 1) It is now making money as opposed to years ago. When older long term residents leave, new residents pay more than twice what the rent was. \$280 old rent -\$527 minimum new rent.
- 2) New infrastructure installed last year at no cost to the City of Sharonville. HVAC, plumbing, electric, and paving. This should be good for 15 years before replacement is considered.
- 3) It gives older Sharonville residents a place to be with people their age.
- 4) Lets senior residents be in a safe place-not locked up in an apartment because of fear of what type neighbors might be living next door to them in an apartment complex.
- 5) Housing Market is down. Who is to say purchaser doesn't turn it into Section 8 housing to help pay for the mortgage.
- 6) If we increase rent on a schedule instead of permitting it to lie dormant for years it will help maintain and sustain the complex.

GVA: **MAINTENANCE: PRIVATIZE? NOT A GOOD IDEA.**

- 1) Contractor would come in cut the grass, weed eat and maintain the landscaping anything more is an extra cost.
- 2) Contractor would maintain HVAC system at a cost. Minimum **\$65/hr. travel and truck time.**
- 3) Contractor would repair plumbing and electric problems as needed but would have to be a service call outside of preventative maintenance. This would be an extra cost, causing the resident to wait in line for a service person to show up because of calls made ahead of the call from Senior Housing. Service calls would have to be made before the work assignments are handed out the day of the call. **Service call charge is \$75/hour, travel and truck time.**
- 4) Anything above the general maintenance contract would be an extra charge. In other words it would be like picking from a menu for what each service cost is.
- 5) We would still be responsible for replacing appliances, carpet, parts, flowers for landscaping, and painting.
- 6) Call-in after hours, on weekends, and holidays will be another extra charge for labor. Most maintenance contracts don't cover this-it is an extra cost. If included in the contract the contractor will estimate cost high enough so they don't lose money.
- 7) The person responding to the service call most likely won't always be the same person. Will this cause anxiety and fear in the resident? Can the service person be trusted as well as the residents trust in our maintenance person working there now?
- 8) Will an outside contractor care about the facility as much as Marlin does? Will they do the little things that prevent larger problems later or will those little things be an extra charge too? Marlin takes a huge amount of pride in the way the property looks and works hard to keep it that way.

REDUCTIONS

- A. Historical Society – Move to Crescentville – Sell building
- B. Hometown Guide - \$16,000 + postage – One time per year?
- C. New wage schedule for hires after 7-1-10 (long term)
- D. No longevity for new hires after 7-1-10 (long term)

Katrina Biscay

Information Systems Coordinator

The IT staff consists of 1 full time and 1 part time person, who maintain all of the City's electronic infrastructure, technical support for 9 departments and 307 employees. We also manage all technology related purchases, leases, vendor contracts, web site, publications, telecommunications and projects. We are proud to provide fast, knowledgeable and cost-effective service to the City staff, averaging 1200 support calls/year not including upgrades and capital projects.

In the past few years we've:

- Reduced our vendor outsourcing by 50%
- Cut part-time hours
- Eliminated all paid training
- Reduced capital projects and upgrades by 33%
- Re-evaluated and reduced maintenance contracts, saving \$19,000/year
- Extended the replacement schedule of all equipment by 2 years
- Replaced only critical network equipment and suspended desktop/peripheral replacements
- Brought in services that would normally be outsourced
- Sold obsolete equipment and recouped some of the costs

The reductions in budget have significantly impacted not only our department, but the City as a whole. All of the equipment that has been replaced, has been since re-deployed back in the field, so we have some devices that are 4 years past the replacement schedule still in production. As any machines, these will break, and at this time we are facing service outages in those cases. As you are also aware, all aspects of government are becoming more computerized, our staff will not be able to maintain repairs and quality support with continued budget reductions.

With respect to outsourcing, the internal IT position was created in the City in 2002 after 5 years of failed outsourcing attempts. The average outsourcing costs for 1998-2002 were 73k per year for 8 hours/week of support. Those did not include equipment or special projects. The City chose to hire an internal IT person because of lack of response, lack of project completion and cost. For about the same amount the City is getting 40+ hours/week of IT services for the last 8 years, ongoing attention and expertise. We have completed every planned project planned in the last 8 years.

With the average hourly cost for outsourcing of \$ 100-150/hour, the City will face:

- Reduced response time
- Compromise of data security
- Lack of someone to call for any issue the staff is having
- Lack of technical project management
- Lack of in-depth expertise to separate technical jargon from reality
- Loss of knowledge of the City's needs, environment and procedures
- Will still need someone to manage the outsource vendor

It is my firm belief that outsourcing will cost the City not only financially, but also in the quality of service.



Information Technology

- Primary responsibility is to support other City departments and help them do their jobs in an increasingly high-tech world
- Support City's entire electronic infrastructure, all staff and departments, with 1 full time and 1 part time person
- Maintain publications and website in-house
- With previous cuts reduced scheduled replacements to critical equipment only
- Extended life-cycle of workstations and peripheral equipment by 2 years
- Suspended all training
- Re-evaluated all warranty and maintenance agreements and negotiated decreased rates
- Reduced part-time hours
- Brought serviced in-house that would normally be outsourced
- Virtualized servers to reduce physical equipment replacement costs and increase operability

Information Technology

New Reductions	Increased Efficiency
<ul style="list-style-type: none">• Reduce printing and mailing of the Hometown Guide. Have it available in electronic format with only a few printed copies<ul style="list-style-type: none">• Savings of \$16,000 / year in printing and \$7,200 in postage• Re-evaluate number of cell phones and Blackberries<ul style="list-style-type: none">• Savings of \$25-\$49 phone/month• Extend equipment replacement cycles on PC's to 5-6 years	<ul style="list-style-type: none">• Electronic fire and building inspections – reduces double entry• On-line registration for classes, activities and facilities in Recreation – reduce staff data entry• Improve services available through the website to reduce clerk time



Information Technology

- Outsourcing is not a savings
- Average hourly rate for outside services \$100-\$150
- Internal IT position was created in 2002 because outsourcing failed
- Average spending for outsourced services was \$73k for 8 hours/week
- Loss of response time and resolution
- Compromise of security and data integrity
- Loss of in-depth knowledge and experience with the environment
- Will still need someone with technical knowledge to manage the outsource contracts

Council Work Session: Finance Department Comments
July 27, 2010

The Finance "Department" is an internal service department and doesn't provide a service externally for which fees can be charged. Also, the Finance Department isn't a completely separate department in the sense of budget because our salaries are charged from the SSD budget. The largest non-personnel expenses we have come from the Auditor and Treasurer's budget which include the two elected salaries, the costs associated with the preparation of the annual financial report, and the audit. Those activities are mandated and cannot be eliminated; however RFPs are done for the contracts to make sure the services are done at the best possible cost. Other cost saving measures we've taken are: cut training, reduce overtime, find the best price when purchasing office supplies, paperless reporting, electronic submissions of reports, payments, etc. and for the future we are looking into emailing the employee direct deposit stubs.

I don't feel the information provided is complete enough for decision making. Many of the "options" are not realistic and would have significant impact on the services provided and quality of work. Also many of the "options" have opposite effects that are not factored in, such as, the need to maintain a minimal number of employees to manage the outsourced functions, contract fees, unemployment, and loss of income tax revenue.

To specifically address Finance, I would very much like the opportunity to discuss the department needs with the Finance Committee before any decisions are made. Finance only has approximately 2.6 clerks, which may sound strange, but the front desk clerk partially serves an Administrative function. I would estimate that the availability to perform finance duties is 60% – 80% of her time depending on the volume of calls, visitors, and Administrative projects. I would like to point out that the Finance operations of the City have operated with the same number of employees for at least the last 18-20 years. There have always been 3 staff and 1 manager to perform the finance and general administrative office duties of the City. We have dealt with the growth in employees, vendors, purchase order, checks etc. along with the additional federal and state mandates for tracking and reporting without adding a single employee. We have coped with all of the changes and over the last 5 years we have maintained the highest accolades in our audits. We have been awarded the Making Your Tax Dollars Count Award from the State Auditor's Office for completed audits since 2006.

I can't even express into words how unrealistic it is to even suggest the Finance department could operate losing two clerks.

Also, to address the combining of management of certain departments: that could be possible assuming that a manager spends time managing. In my case, I would have to estimate that generally 5% or less of my day is spent on management activities. The majority of my time is spent on actual daily, monthly, or annual tasks that are required to be done by both federal and state laws. I believe this to be true of Martha as well. So, to combine tax and finance to reduce a manager would actually require the hiring of another clerk or an assistant manager to take on the required tasks.

Where are we (the City)? With the recent cuts, the City will meet the current standard set by Council: projected ending balance equal to 10% of General Fund expenditures. The tax budget shows we will come close to meeting that goal in 2011. I realize that figure excludes capital which needs to be addressed.

Please note that the General Fund debt will mature in 2017. This will relieve approximately \$900,000 - \$1,000,000 of cost annually. The City has two one-time reserves available in case of need. There is a debt reserve at about \$460,000 which covers one year's payments for one piece of debt. The other is a \$400,000 budget reserve which can be use, in part or all, at the direction of Council.

Recommendations:

- Set goals/targets and timelines to achieve those goals or targets. Specify the ramification if a goal is not met. Have phased plans ready to put into motion based on the level that a goal is missed. This includes identifying the desired level of service.
- Salary schedule – now is the time to revamp the salary structure. Most positions top out at 2 years. The jumps from one level to the next are up to \$4.00 per hour difference. This is a base cost of ~\$8,000 increase in one year! And that is in addition to any cost of living increases. Then once an employee is topped out after only two years, they don't have a lot to look forward to and it doesn't take long for them to forget how quickly they got those giant raises. The steps should be spread out over a minimum of 5 years. The positions need to be reviewed to make sure the top and bottom levels are within reason. Ceilings need to be set for most positions. Future raises could be done in a lump sum so they are not cumulative, then reevaluate base rates annually or every two years.
- Review current contracts – many of our contracts for services and maintenance have been in effect for many years. Those contracts should be reviewed regularly to make sure we are getting the proper value for our expenses.

Revenues – The City operates primarily on the income tax revenues. Aside from fees, the only option to generate revenues is to add back the property tax (inside millage that is not currently collected), or increase income tax or reduce the tax credits. I will defer to Martha to speak about the revenues

Thank you for the opportunity to speak.

Tax Commissioner Martha Cross Funk:

Revenue:

- ◆ Y-T-D Earnings Tax Comparison through July 24:
 - 2010 Earnings Tax = \$11,145,518.38.
 - 2009 Earnings Tax = \$11,074,807.53.
 - Currently up \$70,710.85 = 0.64%.
 - However, GF & FF are actually down due to higher percentage allocated to refunds.

Tax revenue options:

- ◆ Inside millage
 - Overriding principal of taxation = Taxpayers expect it to be fair. If they are paying their tax, they expect their neighbors and others to be paying tax as well.
 - If levied in 2011, not collected until 2012.
 - Comparison of millage rates, tax rates, tax credits for Hamilton County municipalities (see spreadsheet attached).
 - Only 2 of 32 at zero mills.
 - 8 of 32 have reduced credit but with mills from 6.68 to 35.33.
 - Individuals employed in Sharonville are paying tax to Sharonville and then going home to municipalities or townships where they also pay property tax to support their resident locality ... unless they live in Sharonville or Evendale. Taxpayers expect it to be fair.
 - Average net profit tax paid by businesses:
 - \$1,582,636.32 / 2571 active business accounts = \$615.58.
 - Equates to tax on one individual making \$41,038.
 - 3.08 mills = \$1.5 million estimated.
 - Voter approval recommended or subject to referendum.
- ◆ Tax increase
 - % increase is not immediate.
 - Withholding may begin with effective date but takes awhile to get all businesses on board.
 - Business and Individual returns are filed the following year.
 - Increase of 0.1 = \$1.25 million estimated.
 - Voter approval required.
- ◆ Credit reduction revenue (based upon 2008 returns).
 - If effective for 2011, likely income not seen until 2012.
 - 1.5% = \$2.1 million estimated.
 - Voter approval recommended or subject to referendum.
- ◆ Sharonville is not alone in being affected by this economy. Many upcoming tax ballot issues are being considered throughout the state.

Decrease Expenses:

- ◆ Capital & debt > 10% but <20%.
 - Continue extension of PC's, copiers, etc. replacement schedules.
 - Provide contingencies rather than schedule automatic replacements.
- ◆ Recommend cutting hours offices are open to the public (ie. 8:30 – 4:30 p.m.) in order to be able to be able to complete work with visitors, deposits, etc. and close office on time (ie. 5:00 p.m.) to reduce overtime.
- ◆ 2010: OT reduced by \$4,000. PT reduced by \$1,761 due to health care hours.
- ◆ 2011: OT still needed for tax season. PT would be reduced by \$3,226.
- ◆ 2011: \$3,400 reduction by cutting Online Tax Tool.
- ◆ The Tax Office building was purchased for the purpose of property needed for the proposed Safety Building that is now Fire Station 86. The Tax Department was running out of space at the City building due to the mandatory filing expected for the tax increase to 1.5%. Before the current location became a reality, rental locations were being considered at the request of Administration. Renting other space is an option if the Tax building is able to be sold or leased:
 - Local cost of \$13.50 sq. ft. = \$40,500/yr for 3,000 sq. ft.
 - Square footage available at Station 86?
 - Square footage available at Convention Center in 2012?
 - Parking would be an issue.
 - Tax building is currently storage location for other departments:
 - Administration, Health, Police, Recreation, Tax
 - Tax building could be location if Finance / Tax merger to be considered with storage location retained and additional City building space for Building or Police departments.
 - The Finance Director has already taken on a full-time Deputy Auditor position. Essentially, a Tax Commissioner-type position would still be needed even if the department were positioned within Finance.
- ◆ Privatization is not a savings:
 - Cost of agency, outside counsel used by agency for post judgment collections and Sharonville on-site staff (total estimated at 3.49% to 4.4% of collections) to handle what the agency does not is greater than the Tax department (2.68% of collections) that does it all.
 - With agency, Sharonville responsibility still includes:
 - Local taxpayer assistance
 - Visitors in last 12 months = 4,453
 - Taxpayers for two weeks ... the week prior and week including April 15 due date = 863
 - Phone calls in last 12 months = 11,525
 - Phone calls for two weeks ... the week prior and week including April 15 due date = 853
 - Collection of hotel tax.
 - Collection of other taxes previously proposed (ie. admissions tax and JEDD tax).
 - Ordinance revisions
 - Enterprise Zone & CRA review for Princeton share annually
 - Update Administration regarding earnings tax losses
 - Princeton School District affidavits
 - Business listing (emergency info, newsletters, Christmas Fund

- Resident address listing (newsletters)
 - Street listing (general info for City departments & website)
 - With agency, letters beyond the first letter are additional:
 - Sharonville collections identified on follow-up beyond the initial letter alone essentially pays for the cost of the department :
 - 2007 = \$450,636
 - 2008 = \$530,071
 - 2009 = \$506,773
 - 2010 = \$396, 886 year-to-date
 - All letters: 2007 = 9383, 2008 = 9224, 2009 = 10,812
 - Final notice letters = significant number of above totals
 - Subpoenas to Tax Office:
 - 2007 = 367, 2008 = 406, 2009 = 915
 - Letters from Police Chief advising of forthcoming warrant
 - 2007 = 326, 2008 = 475, 2009 = 643
 - Letter with courtesy copy of Affidavit and Complaint
 - 2007 = 279, 2008 = 225, 2009 = 350
 - These are followed by a final phone call attempt before filing Affidavit and Complain with the SPD
 - On-site staff would not have the same access to data in order to complete follow-up and audits that are being done now.
 - Privatization Committee reviewed in 2006 and did not recommend.
 - Comments from other municipalities including one who left agency after 30 years:
 - Price tripled in last few years.
 - Agency missed a lot of businesses.
 - Not much billing or enforcement.
 - If the return was received, it was processed but did not look further or question it.
 - Found residential side missing 10,000 accounts after entering all addresses in their system.
 - No control over costs assessed by agency in future
 - Transactions had been processed into and out of accounts with no explanation and no receipts (fees are priced per transactions).
 - Huber Heights went with agency 1/1/2009 and terminated with agency 8/1/2010. City expects to save \$148,000 per processing year.
 - The City of Dayton used to collect for other cities and found it was a disservice to the city as well as to the other communities. The reality of the situation is that the outside agency does not hire additional staff to provide the necessary services to the city or the taxpayers. Again, taxpayers expect it to be fair.
- ◆ Reduced services:
- Preference of residents? Do without or contribute?
 - Personnel cuts imply the positions are not of value to the residents and that the residents would be in favor of these cuts. At this point, the residents have not been given the opportunity to decide.

Tax Millage Rates, Tax Rates, Tax Credits for Hamilton County Municipalities

	CITY	2010 CORP. LEVY MILLS	EARNINGS TAX RATES	EARNINGS TAX CREDITS
1	Addyston	7.59	1.00%	1.00%
2	Amberley Village	7.00	2.00%	2.00%
3	Arlington Heights	11.52	2.10%	2.10%
4	Blue Ash	3.08	1.25%	1.25%
5	Cheviot	20.13	2.00%	2.00%
6	Cincinnati	7.45 to 9.82	2.10%	2.10%
7	Deer Park	10.45	1.50%	1.50%
8	Elmwood Place	17.78	2.00%	2.00%
9	Evendale	0.00	1.20%	1.20%
10	Fairfax	2.76	1.75%	1.75%
11	Fairfield	5.94	1.50%	1.50%
12	Forest Park	11.08 to 12.06	1.50%	1.50%
13	Glendale	20.08	0.00%	n/a
14	Golf Manor	38.52	1.70%	1.70%
15	Greenhills	27.83	1.50%	0.50%
16	Harrison	12.69 to 14.50	1.00%	1.00%
17	Indian Hill	0.65 to 0.96	0.40%	n/a - tax on AGI
18	Lincoln Heights	35.33	2.00%	1.00%
19	Lockland	7.52	2.10%	2.10%
20	Loveland	8.77 to 10.35	1.00%	1.00%
21	Madeira	7.50	1.00%	0.90%
22	Mariemont	14.37	1.25%	1.00%
23	Milford	11.80	1.00%	None
24	Montgomery	10.05	1.00%	1.00%
25	Mt. Healthy	9.61 to 11.11	1.50%	1.25%
26	Newtown	2.37	1.00%	1.00%
27	N. College Hill	6.68 to 7.98	1.50%	None
28	Norwood	11.40	2.00%	2.00%
29	Reading	3.52	2.00%	2.00%
30	Sharonville	0.00	1.50%	1.50%
31	Silverton	8.15	1.25%	None
32	Springdale	3.08	1.50%	1.50%
33	St. Bernard	11.28	2.10%	2.10%
34	Woodlawn	5.08	2.00%	2.00%
35	Wyoming	7.54 to 10.00	0.80%	n/a - tax on AGI

Deputy Safety Service Director Robert Fisher:

Thank you for allowing me the opportunity to provide some input regarding our financial situation. As we all know, the world has changed in recent years. Changes in the financial stability of our economy have created hardships across America and have forced a change in the way we look at all aspects of life. We have been very fortunate in the City of Sharonville and have been blessed with a stable revenue stream that has experienced great growth over the years. This steady revenue has permitted the leadership of the city to invest in a great portfolio of services – services that benefit every aspect of life in Sharonville for minimal costs to the residents. This level of service has given Sharonville a foothold on this region and made it a desirable community to live in and has contributed to great growth in property value.

With the growth of the City and the increase in services provided, additional personnel have been needed over the years to provide those services. You see before you along this row of tables and in the audience, many individuals that have committed to serve the citizens of this community. These people are the face of government in Sharonville. They are the individuals who interact with the community, respond to the call for help, or provide a helping hand in times of need. This team of great people is what gets things done for our community. They are here to provide service to our customers. But with this team comes costs - biggest part of the cost of government.

We are now faced with a difficult situation. Our traditional revenue stream, that has held us strong for many years, has dwindled, and we are forced to decide how to do more with less.

The department managers and administration have been working diligently to reduce expenses – not just recently, but for some time. We have cut back, reduced costs, and whittled away at the budget, with little impact on the services we provide. We are now operating in what I call a reserved mode – operating cut back, capital almost eliminated. We have hunkered down for the storm and can operate in this reserved mode for a little while longer but we can't do it forever.

You have been given tonight various ideas on making this work. We could slash the services that we, as a government, provide to our community. These options will drastically change the way we do business and the level of service that we provide. We can also increase fees or revenue. We must all work together to forge a plan on how to accomplish this. We must plan a response that will protect the level of service that our community deserves.

You, as the guiding body of this city, must make some tough decisions on how to shape the future of the community. These decisions will require much effort and consideration because the impacts will be felt for many years.

To summarize a few key points from tonight's presentations – (1) we must listen to the voice of the residents as to the level of service they desire, (2) we should look at triggers for additional actions, (3) further discussion should happen with the leadership team.

Deputy Safety Service Director Christine Thompson:

- ◆ Agrees with taking a hard look at the City's operations and implementing some of the Department Managers' ideas heard here this evening.
- ◆ Sharonville will end the year with approximately \$3 million and revenues are expected to exceed the estimates.
- ◆ The City has been through a tough time and continues to pull in the reins.
- ◆ There is a need to fund capital going forward, however, does not believe that Sharonville is in a current state of crisis.
- ◆ There is a junction where there is a strong desire by many to reprioritize services.
- ◆ There is time over the next several months to determine the future of how Sharonville accomplishes that task.
- ◆ Goals, such as budgeting 10% of revenue for reserves and distributing the remaining 80% for operating and 20% for debt and capital, is one such example.
- ◆ A minimum level of services and staff needs to be determined. Then the revenues need to be looked at to support those minimums.
- ◆ The Department Managers are striving to provide leadership in these uncertain times. A clear path must be defined to assist them and to reach some consensus.

Safety Service Director Ted Mack:

- You have heard from the Mayor and the Deputies as well as a very strong group of managers that are dedicated and passionate about the services this City provides.
- They and their staffs have had to run their departments with a level of efficiency that they can all be proud of.
- Sharonville is a strong community with many benefits that are afforded to the citizens, both corporate and residential. As stated tonight we are one of a few communities that do not collect inside millage and provide a full credit on earning tax to those residence that work outside the City.
- And yet some how we, unlike many of the other communities that don't afford these same benefits, have not had to make the extreme cuts to our City services during this economic downturn.
- We lost 14.3% of our revenue over the past few years.
- We budget almost another 3% reduction for 2010.
- In 2009 the department managers were able to make 14% cuts to their planned expenses to try to keep pace with the reduced revenue.
- Our 2010 budget reflects a reduction to our planned expenses by another 3%.
- We have look back to 2003 to have a smaller budget than what was approved in 2010
- We recently proposed to Council an additional 2% reduction to the approved budget to maintain an additional cushion in case we continue to see additional revenue fall.
- The Deputy Safety Service Directors, department managers and their staffs have done a remarkable job to maintain the level of services provided without a significant change in outcome.
- In 2009 we spent about 65% of our capital budget (\$1,868,994).
- In 2010 – Our capital has suffered and we can't let this happen again. We have set a goal for proportional expenses for capital and operating. We have several ideas that have been brought to the table this evening. We have 5 months before budget hearings to work on solutions. I think we have had a good start with this meeting tonight.
- I propose that the Finance Committee meet in the near future to lay out the budget process that we will follow for the 2011 budget. Once this is decided upon all departments and Committee Chairs will be notified of the process. We have already established the hearings to occur in December of this year.