

Wilmington City Council met in special session on Monday, December 17, 2012, with President Scott Kirchner presiding.

Call to Order

Roll Call: Jaehnig, present; Wells, present; Stuckert, present; Wallace, present; Mead, present; Siebenaller, present; McKay, present.

President Kirchner said expressed that thoughts and prayers go to the victims and families of the Newtown tragedy.

Finance Committee - Chairperson Mead said that it was getting late in the year and business needed to be conducted. He said he wanted to throw a rock into the hornets' nest and asked for the first reading of the budget that was presented by the mayor and created by the Auditor.

A motion was made by Mead and seconded by Jaehnig to give the first reading only on the ordinance Making Appropriations for Current Expenses and Other Expenses and Other Expenditures of the City of Wilmington, Ohio, During the Fiscal year ending December 31, 2013.

President asked for discussion.

Councilman Wells asked for the differences what the differences were between the current version and previous budget.

Auditor David Hollingsworth explained that this budget worksheet was based on numbers through November 30. Changes included: Fire reduced budget by \$50,000 by reducing overtime from 10% to 8%, which reduced associated pension, Medicare and Worker's Comp. Cruiser was put back in and \$25,000 added in IT line.

Councilman Wells asked what the total expenditures were. Auditor David Hollingsworth said the total was \$8.419 million. He pointed out that the cash balance is now slightly below 25% - \$2.8-\$2.9 million would be the estimated cash balance at the end of the 2012. He added that the city has not yet received the CAT tax for 2012.

Councilman Jaehnig expressed that everyone agrees that we have to work toward a balanced budget. He said that one very positive thing that council had done was move forward to having the audit done by the State Auditor's Office to look for best practices. He stated that the mayor made a promise at the end of 2011 that the budget that we started 2012 year would not be the one that we ended with and believed the mayor was a man of his word. He said that council and department heads need to continue to work together to look for savings.

Mayor Riley the city will implement any changes identified by the State Auditor's Office analysis as soon as they are feasible.

[Discussion of details of worksheet presented]

Councilman Jaehnig asked if the new hiring to be done at the JUMP hangar or any other potential job creation upcoming in the next year had been calculated into the estimated income tax revenue. Paul Fear said they were not.

Councilman Siebenaller said his concerns included that the budget was now below the 25% mark, we had moved insurance costs (which did reduce the General Fund but are still monies being spent), and there is a one-time inheritance tax padding the carryover. He said he was worried that the carryover would be further reduced by the end of the year.

Auditor David Hollingsworth stated that the carryover has been a concern for 25 years. He said that the cost allocation was looked at when Mayor Eveland was in office. He said the reason it was not done in the past was simply because there was enough cushion

in the General Fund to absorb those costs and it protected our debt coverage. He added that it didn't make sense to burden the General Fund, given the current situation with expenses from another department. He explained that it was not something funny that was done to try to balance the budget; it should have been done a long time ago. He added that there would be a small amount of inheritance tax in 2013 but not very much. He said it is always difficult to estimate revenue streams.

Councilman Jaehnig said that even if you take the inheritance tax out, we are still at a \$900,000 improvement in the upcoming year. He said that we are starting to see positive things happen in the community and thought that it would continue to get better. He added that council members are not the experts at budget, but we just decided to spend \$86,000 to bring experts in to do an audit. He stated that there is a lot of interest in the community from businesses right now...many deals seem to be on the verge. He said that he thought it was important to work together right now. He said that if prospective business owners see a council that cannot work together, it will deter them from coming to Wilmington. He said that everyone got a copy of a note from a concerned citizen this week who expressed frustration at council not working well together. He said he took what she said to heart. He added further that he was not originally from Wilmington and it has taken him a while to see what it means to work in a Quaker community. He said more often than not everything works better if everyone is trying to find that middle ground. He added that he wanted to see a balanced budget also but wanted to be cautious to make sure that we are not cutting our future out from under us.

Councilman Stuckert said he understood that council members are not the professionals, but he said that council members are the ones responsible. He said he did not understand how a 12-month budget was better than moving cautiously with a three-month budget. He said that even though it was little extra work, he thought it was more responsible and it was a middle ground. He added that in the past the council did pass a three-month budget, and he would feel more confident if council moved forward slowly and took everything one step at a time.

Councilman Jaehnig said that he respected Councilman Stuckert's viewpoint, but the three-month budget was more than a little extra work, it is a great deal of extra work. He said that the problem is what is not getting done while all of the work is being poured into a three-month budget. He said that there are many things that council wasn't working on because they were solely focused on the budget. He said that if the administration and department heads are continually having to write new budgets, they will not have the time to focus on simple cost cutting.

Auditor David Hollingsworth said in the last 25 years, a three-month budget has never been done.

President Kirchner said that council needed to consider the cost allocation closely. He said the money had not been cut out of the city's budget, it had just been moved to a place where people have no chance to vote on whether they want the increases that will be caused by the allocation.

Councilman Jaehnig said that if a utility department cannot run on the money that it earns, then it is not operating efficiently. If we are subsidizing the utilities with General Fund monies in order to make their budgets balance, then we are hiding the fact that they are not operating efficiently. He said the enterprise funds should have to pay their own way.

President Kirchner said the State Auditor's audit would determine that. He said moving costs into them at this point was just a grab for revenue. He said it was not a cut in the budget. He said we still have the same structure of government – the same number of people.

Councilman Jaehnig said we do not have the same number of people; we have substantially reduced the number of employees. President Kirchner said he was not correct.

Councilman Wells asked if the Water Department was already in trouble. President Kirchner said that according to the meetings they have had, they are expected to operate at around \$100,000 loss. He said that next year they plan on operating at just over \$400,000 loss, and the cost allocation will just cause the city to have to raise rates even more. He added that on further analysis, another \$205,000 of the reduction is actually the Tier II grant. He said that it also does not reduce the structure of the city. He said that council should have been involved in the analysis of the budget at a much earlier point. He said the process was delayed and said the mayor should have engaged in the committee meetings so that council members could look at the individual budgets. He said council needed to make up their mind whether cost allocation was a way forward or whether more work needed to be done on the budget.

[Discussion about three-month budget versus 12-month budget]

President Kirchner said that council had serious decisions that they needed to make when during the insurance renewal that was coming up in the first quarter to see if they could improve that process.

Auditor David Hollingsworth asked who was going to prepare the three-month budget.

President Kirchner said if needed, he could prepare it.

Councilman Stuckert said that the majority of the lines would be the same.

President Kirchner said that in the first three months of 2013, in the salary and benefit line items, you would only spend three months' worth. He said there were other lines such as the bond payments, the Honeywell notes, and certain contracts that might come due. He said there would be a relatively small amount of line items that would not be just a 25% multiplier.

Councilman Jaehnig said that the Auditor's explanation was not that simple. He said it would be more complicated. He said you would have to go back to each department head and ask them to go through the work of determining which of the items are paid in the first quarter. He said that not even the Auditor could go home and sit by his computer and figure it out all by himself.

Councilman Mead asked to move forward on the vote.

Seeing no more discussion, President called for roll call vote.

Roll call: Jaehnig, yes; Wells, no; Stuckert, no; Wallace, yes; Mead, no; Siebenaller, no; McKay, yes.

Motion failed.

President Kirchner said that indicated that a majority of council does not agree with the budget as it currently exists.

Councilman Mead said the next step would be the presentation of an alternate budget. He said he did not know when that would happen. He said they accomplished one step, now they would have to move forward to the next.

Paul Fear asked if they did not have anything approved, would they just tell people not to come to work on January 2. Councilman Mead said they have not reached that point yet. Paul Fear said that without a budget, that is what would happen. He said that they would not be signing checks for anyone without a budget.

President Kirchner said it was critical that administration and council work closely on a compromise that would provide the opportunity for the city to move forward.

Councilman Jaehnig said that he would be willing to look at a six-month budget, but a three-month budget was not going to be helpful. He explained that the benefit numbers would not be available in time.

President Kirchner said that the benefit numbers would be in before April 1. He said the numbers should be known by March.

Councilman Siebenaller asked if a three-month budget was passed, then would a budget be passed for the remainder of the year so that department heads were constantly having to put together new budgets all year. President Kirchner said that he thought the amended certificate would need to be filed by April 15. He said past that point, you could not make any new budgets. Paul Fear said the other way to do it is to pass a full 12-month budget and then make changes to it before the time of the amended certificate. He said that was easier and more efficient.

Service Director Reinsmith asked if a three-month budget was certified to the county and something comes up that was not anticipated, do you have to go back to the Budget Commission every time. Auditor David Hollingsworth said that is what would have to be done. Each additional appropriation would require a meeting with the Budget Commission.

Councilman Wallace said that he thought council would pass a 12-month budget and then a committee would start at the beginning of the year evaluating how the budget was going and whether they needed to institute more cost-savings measures. He said he thought they would do that in conjunction with the State Auditor's recommendations. Mayor Riley said that is exactly how it should be working. He said they should work throughout the year on the budget. He said that President Kirchner's proposal that he could prepare the three-month budget was inappropriate. He explained that nowhere in the Ohio Revised Code does the President of Council have the authority or responsibility to prepare the budget. He said that was strictly under the Auditor's duties. He further noted that David Hollingsworth has been doing it effectively for 25 years. He said he appreciated the good job he does and said the budget presented was a good budget.

Auditor David Hollingsworth asked if the upcoming health insurance renewal was the big issue. Councilman Mead said the issue was that some of the council members wanted to be closer to a balanced budget. He said they would be willing to pass a 12-month balanced budget and then work on it.

Mayor Riley said that if they balanced to revenue right now, it would necessitate making huge cuts, probably in safety services, as they are the biggest outlay in the budget. He said if we budget to revenue, then we need to make cuts immediately to make that happen. He said that would also give a projected carryover of around 35-40%. He added that would be money that the citizens have paid for services that we are denying them because we are balancing to revenue, not to the funds that we have available to provide those services. He said that he thought that we had done a good job this year with the budget and anticipated next years would be even better.

Councilman Mead said that he does not see any progress, any compromise, or any good honest discussions. He said all he sees is "here is the budget; take it or leave it." He said that everyone has different opinions. Councilman Jaehnig said that the administration did save the city \$900,000 this year. Councilman Mead said that was good. Councilman Jaehnig said that the administration is obviously listening to what council wants and is moving in the direction that council wants them to move in. He said that he thought that was compromising and working together. He said that everyone together had put in ideas and done things that caused those savings. He said he was confused why we were at a point where it sounded like we did not trust each other.

Councilman Stuckert asked if there had ever been a time in the past where the administration did not say that they had cut the budget. Councilman Jaehnig said that three years ago they came in over budget.

Councilman Stuckert said that the point was that council needed to become more firm and more involved. He said he thinks that there was a benefit for them becoming more involved – not doing the duties of the Auditor or the Mayor but being more knowledgeable. He said that those that felt that way were a majority of council. He said it amazes him that the majority was not going to get their way. He said there should be

compromise – that they should go back to the drawing board and create a three-month budget. He said there was no need to argue every point. He said that nothing that was going to be said was going to change his mind. His mind was formed a long time ago.

Councilman Jaehnig said that he remembered Councilman Stuckert talking with passion last year about the Skinny Ohio program. He said that the mayor back in July approached the Auditor of State about pursuing that program. He continued that the program could have been up and running before this January, but it was not brought to committee to be voted on or approved until very recently. He said that was an example of something that Councilman Stuckert had brought forward that the mayor had followed up on and made happen. Councilman Stuckert said that was due diligence.

Councilman Jaehnig said his concern was that the mayor brought the program to the President's attention in July but council did not see it until the end of November. Councilman Stuckert said that he assumed that happened because the president was doing due diligence. President Kirchner said that it did not come to him in July. He corrected Councilman Jaehnig and said that the State Auditor contacted the mayor; not the other way around. He said he did not receive it until the end of the October. He said he got a letter in the mail from the mayor. He said that the responsibility was for the mayor to work with council at the beginning of the year. He said that he typed the entire budget into a spreadsheet.

[Detailed discussion of various columns in the budget]

President Kirchner said that based on his calculations, the city did not spend \$900,000 less in 2012, they only spent \$400,000.

Councilman Wallace said that he hears the term compromise used a lot but he did not hear actual compromise in anyone's talk. He said four of the council members plus the president were saying that it was three months or nothing.

[Discussion of three-month versus six-month budgets]

Auditor David Hollingsworth said that he did not think they could do a six-month budget. Councilman Jaehnig wanted to know if there was a legal process that would force council to revisit a 12-month budget in April.

President Kirchner said that they could vote to reverse appropriate. President Kirchner asked why it wouldn't work to have a three-month budget and then give council the time to work on the deficit items. Auditor David Hollingsworth explained that it was the additional work and it was inconsiderate of everyone's time. He said that he thought maybe there was a misconception that he works at the city full time. He said he is a full-time practicing CPA and they are about to go into tax season. He said that the City Auditor's office is also one person short. Mary Kay is doing payroll, working on the official statement for a bond issue, and at the end of the year they will have State Auditors walking in the front year to get the year-end gap conversion ready. He said that the council members have no clue about how much time that takes. He said that logically to him they should pass a 12-month budget. He said that he thought that council had something in mind that they want to change other than the health insurance package. He said if it is the health insurance package, just make a reverse appropriation at the beginning of the year.

President Kirchner said they could do that or they could just appropriate three months of the contract. Auditor David Hollingsworth explained again that it is the problem of going through all of those contracts and figuring out how each one should be appropriated. He said the payroll also depends on how many pay periods fall in a month. He said it is more complicated. He also mentioned that Scott complained about not having the budget information sooner. He said that it would have been difficult for them to talk about the budget in June, with numbers from just six months. He said that it sounded like the council people didn't trust the numbers from the people in the administration that do it full time. He said if council members want to get more

involved, there is a conference room in the Auditor's office and they could sit in there and pour over the numbers all day long if they wanted to.

Mayor Riley pointed out they the council does get a report from the Auditor and Treasurer every month that outlines how money is being spent. He said that those reports are passed each month without anyone talking about them at all. He suggested they talk about the figures then because it is an ongoing reflection of how funds are being spent in the city. He said that could be the time when council works with the Auditor and the Deputy Auditor and asks questions about city finances.

Councilman Stuckert said that what the mayor is missing is that the reality is that with the revenues that they have, there will come a day when the city will have to have a restructuring. He said the entire organization of the city needs to be different. He said that they have not seen any move toward that restructuring. He added that some of the council members had brought forth a restructuring program earlier in the year and the entire place blew up. He said that they were told that they were unreasonable. He said that maybe they were unreasonable, but he knows that the city needs to be restructured. He said that what the majority of the council members are looking for is the plan that is going to restructure the organization of the city.

Auditor David Hollingsworth said he thought the Audit would do that. He said that he did not think there was anyone up on council who was qualified to evaluate the city to determine what people are needed or how different functions within the city could be restructured. He said no one sitting on council really has the time to do that. He said he believes the plan is having the State Auditor come in to help the city restructure.

Councilman Stuckert maintained that those things need to be talked about. He said the three-month budget is not unreasonable. He said there are cities that are doing it.

Auditor David Hollingsworth said he was not sure what the three-month budget would accomplish. Councilman Stuckert said he just wanted to move more slowly. Auditor David Hollingsworth explained that they would not have all of the information that they think they need in three months. Councilman Stuckert said they would have some more information from the Auditor of State and they would be able to look at the insurance premiums. Auditor David Hollingsworth said that you can make those adjustments after a full budget is passed. There is nothing about a 12-month budget that stops you from making adjustments.

Councilman Siebenaller said that council got the budget in November and they have already seen the carryover number come down. He said it is now below 25%. He said the mayor mentioned that if they would budget to revenue, they would have a 30-40% carryover, but that would require restructuring. He said the thing that he has been trying to wrap his head around since the beginning of November, the employees haven't had raises, the city has not been paid, and we have capital expenses coming up in the fire department and the police department that need to be taken care of. He said that until we get to a balanced budget, those are things that are going to keep getting put off. He said that he was hoping that the 25% mark would be there so that we can start doing those things that are necessary down the road. He said that he hoped the audit would help. He said that it wasn't a lack of appreciation for the effort that went into the budget that caused him to vote no on it. He said that he just wants to see what we can do and what compromises we can come to in order start getting closer to the balanced budget.

Paul Fear said that for six weeks, council has had the budget, but now they want to see alternatives. He asked if they had suggestions to cut the budget or are they just waiting for Scott Kirchner to give them to them. He said that everyone was saying that they want modifications. Well, then they should make some suggestions. They are just numbers on paper. They can move things around if they want. He suggested they cut the taxi department or lay off policemen or lay off fireman. He asked where they thought they could cut and pointed out that council members had not offered an alternative. He said he offered a suggestion six months ago to institute a licensing tax on games of skill but can't get it to come out of Judiciary Committee because they are waiting for the state legislature to do something about it. He said that the city has lost \$18,000 already this

year because council will not bring it out of committee. He said that there are casino funds that are possibly available and is hoping that the city could get some of that. He said that there are alternatives available and suggested that council could be more specific about what they wanted rather than just say what was presented was not right.

Councilman Stuckert said that the council members were the only ones that came up with any proposal this year for restructuring. He said that what they came up with was vetoed.

Paul Fear said that they needed an HR position. He asked if any of the council members had put pencil on the budget and had proposals to change numbers.

President Kirchner said that he had received calls from members of council asking if what they were understanding was going on with the budget matched what he thought the numbers meant.

Auditor David Hollingsworth said he thought it was interesting that no one had called him.

President Kirchner said that he had asked for a budget in mid-October and did not hear a response.

Auditor David Hollingsworth said that President Kirchner had no clue about the process. He explained that he does not create the budget; he needs to wait until the figures are ready from the department heads. He said that President Kirchner was insinuating that he did not provide him with something that he asked for.

President Kirchner said that he had requested an electronic copy but he had to type it all in himself. President Kirchner complained about the budget process – that he did not get the information soon enough, that it was in a format that the council members were not used to seeing, that they did not hold individual committee meetings to discuss the departmental budgets.

Auditor David Hollingsworth said that he did not have to prepare the worksheets for council that he had. He said that he was trying to be helpful so that council could understand municipal finance. He pointed out that there were 30 different funds, many of which are interrelated. He said that President Kirchner acts like he has a handle on everything, but he really does not understand.

President Kirchner said that he was just saying that they did not receive the information as early as was expected. He said also that initially it was presented as if there were a million dollars of cuts, but that just turned out to be cost allocation.

Mayor Riley said he wanted to point out that he put together a Blue Ribbon Panel of past officials with a great deal of experience in City Government. He said they put together recommendations for the council in terms of how to best manage the city and they were ignored. He said when they say they have not done things, it is not true. He said that what they have done and what they have put together was rejected by the council. He said there are many municipalities that are going through the same thing as the City of Wilmington and they are all handling it in much the same way – lamenting the loss of the Local Government Fund, making cuts, hiring freezes. He said we are all in the same fix. He said that none of them are mentioning a three-month budget or just trying to get the year started and work on another budget. He said Auditor David Hollingsworth was right. He said at the first of the year, the Auditor was not going to have the time to put a new budget together. He said several of them are looking at income taxes or property taxes, but the City of Wilmington is not talking about that. He said he did not think that was something we wanted to look at. He said when he talks about increasing revenues, he talks about economic development and bringing in more jobs. He said that he did not understand how if we budgeted to expenses and cut the services to the citizens we could then discuss giving raises to the employees.

Councilman Siebenaller said that he did not mean to insinuate that if we budgeted to revenue we would immediately give raises to the employees, but he thought if they city restructured to meet revenue, that would hopefully put them in a position to start to make plans to do it in the future.

Mayor Riley said that he would love to be able to give all of the employees in the City of Wilmington a raise because it had been five years since they had a raise. He said they have been very dedicated and loyal to the city. He said that hopefully with some of the developments coming in, we would have some increase in the revenues. He said the budget is a fluid document and if we have increased revenues this year, those will go to the General Fund. He said it would change throughout the year. He said that if in the future if everything falls apart, then we would have to make very serious cuts. He explained that we are doing it in the same way that other cities in the Miami Valley are doing it. He said the bottom line was to continue to provide services to the city residents. The City of Wilmington is a service organization.

Councilman Wells said he did not understand why the Mayor publicly attacked him in the newspaper. He said that Randy mentioned a group that historically had a mistrust of government. He said he never voted for a three-month budget. He said he did not understand why the mayor would attack the council in a weekly column when he should have been talking about Santa Claus and things like that.

Mayor Riley said that sometimes you have to say what is on your mind. He said he is the mayor of the city and he had to be honest, straightforward and transparent. He said that is why he was elected mayor. He said before he was elected mayor, he was asked to make a pledge to balance to revenue in the first year and he refused to make that pledge. He said if Councilman Wells would recall, they were sitting around his kitchen table when he refused to make that promise. He said the only thing that he promised was that sometime in the next 12 months, he and President Kirchner would butt heads. He said that promise he kept. He said that the only promise that he will make is that he will work his butt off to provide services to the people of the city and he will work to increase revenue.

Councilman Wells said he had never voted for a three-month budget and did not think the mayor should have talked about him in the paper.

Mayor Riley said that there were people on the panel that were interested in a three-month budget and that he did not mention any names. He applauded David and Mary Kay on how hard they worked on the 12-month budget. He said they needed to pass the budget so they had something to start the year with.

Councilman Mead said the three-month budget came up as an attempt to compromise and to say that we don't agree with the total budget; we'll give you the first three months and then we'll talk about it. He said if they could have the budget that they would like to see, they would not need a three-month budget.

Paul Fear said that the mayor's quote in the paper mentioned a group of people that were interested in a three-month budget. He explained that was actually President Kirchner's quote at a previous council meeting where he said that there was a group of people on council who had approached him about a three-month budget. President Kirchner said that it had been brought up to him the year before. Paul Fear said that Don was offended by a comment that Scott had made that the mayor quoted. He said Don should go back to Scott if he was offended.

Mayor Riley said he liked the idea of passing the budget and then working on it all year long. He said cost allocation was a process done in governments all of the time and sometimes companies are hired to help with cost allocation.

Councilman Mead said the problem was not if it was a good thing or a bad thing. He said the problem was it was just moving money – not cutting money.

Councilman McKay said he thought that the discussion should be ended. He said he was in favor of passing the budget as presented with a hard and fast promise that in three months council would look carefully at it again. He said that the members of council who are against it have the votes and could do anything they want in three months. He said that he thought the mayor's budget was pretty good. He said he did not think that council should bring the city to its knees talking about things that had happened in the past. He said compromise is a great thing, but they didn't seem to be talking about anything they could compromise on at this point.

President Kirchner said that having been a member of council and in the audience for 12 years, business as usual is not what the city needs. He said that is what got them to deficit budgets. He said they need to be more responsible. He said he thought they could get closer to balancing to revenue. He said cost allocation is a hidden tax.

Mayor Riley said it was not a hidden tax unless you raise the rates on water, sewer or trash and no one had proposed that.

President Kirchner said in the meetings where the Water Department said they are operating at a \$400,000 loss for next year, he was curious how long the mayor would operate at those losses without raising rates. He said it was irresponsible because there is a million dollars of maintenance that needs to be done two water towers in the next two years. He said the money being taken out of the department in order to pay administration costs could be used for upkeep of the infrastructure. He said that if a rate increase is not being proposed, then the mayor is not watching the numbers.

Councilman Wells said that the proposed Polaris group would have \$2.6 million in payroll. He said that is only \$26,000 in city income tax. He said looking down the future we would have to have a lot of jobs in order to make up the money difference.

Councilman Jaehnig said that with the exception of Councilman Siebenaller, council and the president do almost nothing to promote jobs.

[Multiple speakers]

President Kirchner gaveled the meeting back to order.

Service Director Reinsmith said that it was more than the payroll taxes that you need to look at when a company comes in. They will shop here, live here, people will spend more money. He said you need to look at the positives.

Mayor Riley said that when he sees the \$26,000 from Polaris, he thinks that might be money for a cruiser or something else we have not been able to do.

Councilman Wells said that he is just trying to be honest about the situation. He is grateful for every job that comes to the city.

Mayor Riley said that a few years ago Mayor Raizk had to implement layoffs within the fire department. He said there has been a hiring freeze for five years. He said that Denny is less than bare bones in his department. We haven't paved city streets – we're patching holes. He asked Denny the last time he had this few of employees. Denny Gherman replied that never in the history of the department had he had so few employees. He said that they would only have three people per shift plowing snow.

Mayor Riley reiterated that he thought they should talk more in council about the budget during each council meeting when the Auditor-Treasurer reports are presented. He said he thought that was the perfect time to go over those numbers.

Councilman Stuckert pointed out that the real difference between some members of council and the mayor is that he said that with the extra \$26,000, he would buy a cruiser. He said they see it as \$26,000 closer to balancing revenue to expenses. He said there was a tendency in government to see new revenue as new things. He also said that he works on economic development issues, he just doesn't talk about it. He said that Councilman

Jaehnig should not make it sound like he carries more buckets than anyone else. Everyone is in it together.

Councilman Jaehnig said he did not mean to imply that. He said his concern was that there are things that council could be doing to promote jobs and we should put the effort into that. He said that he didn't feel like his number one job is to balance the budget. He said that his number one responsibility is to bring jobs into the community. He said the only way to solve their issues without tax increases is to bring in more jobs. He said he would like to see additional effort put into that – not just cut, cut, cut, cut.

Councilman Stuckert said the two are not connected at all – cuts at the city and creating jobs. He said his number one job on council is to make sure the city lives within its means. He said that government does not create jobs. It's businesses that create jobs. He said that those companies that come in will look to see if the city is running in the red. He said we have to be financially sound to be attractive to new businesses. When the businesses come, they will generate more revenue, but no taxes should be raised on the citizens while they are hurting financially right now. He said they should burn the midnight oil to figure out how to run the city more efficiently.

Councilman Wells said that Councilman Jaehnig was on the payroll to look for jobs and increase jobs. He said that is what he does for a living. He said that makes Councilman Jaehnig more involved in searching for jobs. Councilman Jaehnig said that is not what he does for a living.

Councilman McKay said that the person with the toughest job in the room was Lora Abernathy, who had to write the story for the News Journal, who has to make it sound like the council members half-way have their wits about them so that folks will be interested in coming to the fine city that they all know we have.

President Kirchner said he thought that was the end of the discussion.

Councilman Siebenaller asked if they should discuss how they should move forward.

President Kirchner said there is obviously a disconnect over the budget. He said he did not know if the mayor was willing to rework it and bring it back or meet more to work on it.

Mayor Riley said he would refer to the Auditor because he was the one who puts the budget packet together.

Auditor David Hollingsworth said he frankly did not have the time to rework the budget again between now and the first of April.

President Kirchner said they should give it some thought and come back with ideas on Thursday night at the regular council meeting. He said the city needs a budget.

A motion was made by McKay to adjourn.
President of Council declared the meeting adjourned.
Council adjourned.

ATTEST:

President of Council

Clerk

