

**Rittman City Council Met in
A REGULAR MEETING
on Monday, October 10, 2011 at 7:00 p.m.**

Members Present: Darrell Carey, Rick Hanlon, Steve Johnson, Glen Russell
and Richard Lapehn

Members Absent: Lynn Beaumont

Presiding: Mayor William Robertson

Invocation was given by Dr. Richard Lapehn, Pastor followed by the Pledge of Allegiance

Approval of Minutes – September 26, 2011

Carey so moved, upon roll call; Carey-Yes, Hanlon-Yes, Russell-Abstain, Lapehn-Yes, Johnson-Abstain and **motion carried.**

Workshop

a. Discussion of the 2012 Budget

City Manager Larry Boggs advised the finance director did a lot of work along with the department heads and everything was pretty much status quo, but indicated they probably wouldn't be able to make payroll in 2013 if something isn't done to increase revenues or cut costs significantly.

Finance Director Barbara Rissland advised there was a summary sheet on the proposed budget along with the tax budget, which is where they started. She advised one of the things when they started going through it was to try to maintain as much of the General Fund balance as they could. Rissland advised they discussed things that could be done to shift some things to a special revenue fund to help preserve the General Fund balance. She advised she listed those in a summary of the major changes in the proposed budget versus tax budget. Rissland advised they took a lot of the transportation related expenditures out of the General Fund and shifted them to the Perm Tax II fund. She advised the trash contract came in better than anticipated and reduced various items such as cut down the amount they were spending on the audit as they saved money on that (expense). Rissland advised they reduced some of the requests by the recreation center by over \$30,000 and reduced police by \$7,400 and saved \$198,000 which got us a lot closer to where we needed to be. She advised on a positive note Local Government Funds certified more money for next year than they originally anticipated and they were actually going to get \$57,000 more, which was a very good thing. Rissland advised also in order to preserve the General Fund balance they reviewed positions to see if any allocation changes could be made. She advised the Deputy Finance Director was being funded 60% in General and 40% EMS and they shifted that position to 100% General because the Income Tax Administrator was actually doing the EMS billing. Rissland advised the Income Tax Administrator was 100% and would now be 40% EMS, 45% General and 15% Water because 25% of our income tax collections go to the Water Fund. She advised to her that was a logical correlation and saved some money. Rissland advised the Clerk of Council (City Manager's Secretary) was being funded 20% for Council and 80% for Administration. She advised since the part-time position was not filled and this employee (already) has to help watch the counter and be a backup for the new Utilities Administrator. Rissland advised that position would now be funded 20% Council, 40% Administration, 20% Water and 20% Sewer. She advised in the Water Distribution they had a part-time meter reader and due to operational issues (the Utilities Director) felt it would be much more efficient to have a full-time person to answer calls during the day and keep a work crew on the road without having to pull them in for a turn on/shut off and so forth. Rissland advised they eliminated the part-time meter reader and added a full-time Distribution employee. She advised this would get them through 2012, but they were probably spending \$200,000 more than they are bringing in and in the past they have relied on a fund balance and she was estimating they would have \$42,000 left at the end of 2012 to start 2013, which clearly was not enough and they would be facing additional revenue cuts from the state in 2013 somewhere in the area of \$50,000 to \$80,000 in Local Government Funds and Tangible Personal Property Reimbursement and Estate Taxes were gone. Rissland advised those impact some of our Special Revenue Funds meaning they will have to transfer additional monies into Fire. She advised our Recreational Trust Fund, which was helping to supplement the recreation center expenses in the General Fund was out of money now and they would be losing it as a source of revenue. Rissland advised some things to think about: they could get through 2012, but they would have to make

some changes to make it through 2013. She advised on a positive note, they may get the \$45,000 from the township coming in to help offset funds in 2013.

Russell inquired as to how they planned on reducing the police (dept). He inquired if it would be reducing the part-time (employees).

Rissland advised with regards to the \$7,400 they looked at historical numbers and cut where they thought they could cut. She advised it was not in salaries, but more in operational she believed and partially in personnel too.

Boggs advised they never replaced the full-time officer that resigned as well as they did not replace the dispatcher who passed away.

Rissland advised they reduced the funding to what it would be with the current level of personnel. She advised also this budget looks like no wage increases only cost of living. Rissland advised that was where (the city) stands.

Mayor Robertson advised it was a good summary.

Rissland thanked him and advised unfortunately it was not good news.

Robertson advised obviously we didn't want to wait until 2013 to deal with it.

Rissland advised no, but clearly they had time to make adjustments.

Hanlon inquired if they were going to wait until June or July of 2012 to see where they were at for possible alternatives for 2013 or did they have some things in mind now.

Boggs advised he has been working on some documents for Council regarding personnel so it could be evaluated to see pros and cons of all personnel including his position if it could be eliminated or consolidated. He advised he hoped to give Council some good ideas to see if they could "cut" anybody that way. Boggs advised there has been some conversation on how to increase revenue. He advised he didn't plan to wait until the middle of the year (2012) to (discuss/make cuts) as he felt it would be cutting it too close. Boggs advised he believed they should start (considering such) closer to the first of the year (2012) and try to come up with some solutions.

Council Member Lynn Beaumont arrived at 7:10 p.m.

Rissland advised also at that time they would have an idea what the county would certify for property taxes and those aren't done until after the first of the year. She advised also what our ending fund balance will be and that would let them know exactly how much time they would have to react. Rissland advised in the General Fund they never spend 100% of their appropriations as they could not legally spend more than what was appropriated. She advised they could see the history of typically unexpended appropriations and how much they come in over their estimated revenues. Rissland advised even if they take the two worst cases they should have around \$80,000 extra, which would help. She advised as the budget gets tighter that number was likely to drop also. Rissland advised the first of the year would probably be a good idea.

Citizens Forum-None

Old Business

a. **Ord. No. 7664 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties, Ohio, Vacating Part of the South Seneca Alley East of South Seneca Street and Declaring an Emergency. Third Reading.** Ord. No. 7664 was read on third reading. Carey moved to adopt, all Yeas on roll call and **motion carried.**

b. **Ord. No. 7671 An Ordinance of the Council of the City of Rittman, Ohio, to Accept the Annexation of Isaac Rufener of Chippewa Township Containing Approximately .68 Acres of Land and Declaring an Emergency. Second Reading.** Ord. No. 7671 was read on second reading. Russell moved to suspend the rules and have third reading, all Yeas on roll call and **motion carried.** Ord. No. 7671 was read on third reading. Carey moved to adopt, all Yeas on roll call and **motion carried.**

c. **Ord. No. 7672 An Ordinance of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Amending Section 921.02, Repair of Sidewalks, Curbs and Gutters of the City of Rittman and Declaring an Emergency. Second Reading.** Ord. No. 7672 was read on second reading. Lapehn moved to place on third, all Yeas on roll call and **motion carried.**

d. **Res. No. 7673 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties and State of Ohio, Authorizing and Providing for the Incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring a Sewer Jet Combination Unit and Declaring an Emergency. Second Reading.** Res. No. 7673 was read on second reading. Russell inquired if this was postponed any longer would there still be time to get the financing through before the first of the year. Rissland advised she believed so as they would

still have another ordinance coming that they would have to suspend the rules and pass on emergency for the bonds. Carey moved to place on third, all Yeas on roll call and **motion carried.**

New Business

a. **Ord. No. 7674 An Ordinance of the Council of the City of Rittman, Ohio, Authorizing a Contract with Waste Management, Wooster, Ohio, to Provide Residents of the Said City with Garbage Refuse Pick Up, Curbside Recycling and Declaring an Emergency. First Reading.** Ord. No. 7674 was read on first reading. Beaumont inquired as to why the drastic reduction in the bid (from the previous refuse bid several years prior), as this was not even close. Boggs advised he felt WM was worried they would lose our business to another (waste hauler) who might bid lower. Boggs advised Waste Management was used by Orrville for many years just like here in Rittman and another company had a lower bid and Orrville contracted with the other company even though they were happy with their service. Boggs advised if another company would have come in with a lower bid, he didn't feel this Council would have any choice, but to award it to the lowest bidder. Boggs advised he believed they (Waste Management) were extremely worried and we (Rittman) probably received the best contract in the county, maybe the best for 2-3 counties around. Boggs advised it is an excellent price and they were shocked. Lapehn moved to place on second, all Yeas on roll call and **motion carried.**

b. **Motion to Approve the 2012 Budget**
Lapehn moved to approve, all Yeas on roll call and **motion carried.**

c. **Res. No. 7675 A Resolution of the Council of the City of Rittman, Wayne and Medina Counties, Ohio, Declaring the Official Intent and Reasonable Expectation of the City of Rittman on Behalf of the State of Ohio (the Borrower) to Reimburse its Water Fund for the 2010 Waterline Improvements, Salt Street and Terrace Street Project, Project Number CP19N/CP20N with the Proceeds of Tax Exempt Debt of the State of Ohio. First Reading.** Res. No. 7675 was read on first reading. Carey inquired if this reimbursement from the state was where in the 2012 budget. Rissland advised this legislation has to be passed if we take from the Issue 2 monies and have it paid to us (Rittman) instead of directly to a contractor. Rissland advised it actually was in this year's (2011) and they were doing it now. Rissland advised what it looks they were going to have to ask for a reimbursement of maybe \$10,000 due to the timing of our in-kind work. Rissland advised this was required legislation if they ask for any reimbursement so, it was actually part of the Salt St. and Terrace Dr. waterline project. Rissland advised the revenue was in the budget and the expenditures in the budget this year 2011. Rissland advised they were probably only going to ask for a reimbursement of \$10,000, but instead of having it paid directly to other contractors they need to see this piece of legislation. Rissland advised this has to be passed within 60 days after payment of the funds to which they are going to be reimbursed and they haven't paid the funds yet so, she believed they were fine. Russell moved to place on second, all Yeas on roll call and **motion carried.**

City Manager's Remarks

City Manager Larry Boggs advised he had a brief recommendation to Council as it was brought to his attention that the Wayne County Library Board had a need for another trustee. He advised with the possibility of a major renovation to our (Rittman's) existing library or a new facility in the near future he felt it would be in the city's best interest to encourage someone (from Rittman) to run for that position. Boggs advised he made contact with an interested person and if Council would like a resolution or a letter could be drafted and sent to the Wayne County Commissioners showing our support of said candidate. He advised the commissioners make the appointment and he indicated it would be fitting to have a Rittman representative serve on that board.

Lapehn advised he felt either/or would be a great idea.

Beaumont advised he agreed and he served on the library board for 12 years several years ago and they really haven't had any representation for Rittman in quite some time. He indicated the library has the same financial woes that the city has and advised the "friends of the library" want a representative from Rittman. Beaumont advised he felt it was a great idea and Rittman really does need someone from Rittman to step forward and serve.

Boggs advised the Mayor and he may be going to Columbus on the 20th as the new Vice President in charge of the Carastar operations might want to meet with them regarding the Rittman property. He advised the two company's still interested in obtaining the property have asked them to be available. Boggs advised it has been a long slow process, but they keep telling him that progress is being made and hopefully this was a step in the right direction.

Finance Director's Remarks

Finance Director Barbara Rissland advised she would be preparing an appropriation ordinance that reflects the numbers in the budget that will come back to Council and have three

readings before the end of the year. She advised the income tax collections by type report included with the monthly financial report in the packet indicates they are still down considerably, but with October being the month that extensions were due hopefully they would see a little uptick this month.

Carey advised the business income for the nine months in 2010 was huge compared to the other years.

Rissland advised there was a one-time transaction with a large company that impacted that (total) in that year and there was also a large refund this year. She advised it (the large refund) was basically an estimate that was probably too high and a lot of it was refunded.

a. Approval of the Financial Report for September

Carey moved to approve, all Yeas on roll call and **motion carried.**

Council Remarks

Council Member Steve Johnson had no remarks.

Council Member Richard Lapehn thanked Larry (City Manager) for his good work with Waste Management and the bid process as that was great news. He thanked the Mayor and Larry for being willing to be on standby for the Caraustar property.

Council Member Darrell Carey had no remarks.

Council Member Rick Hanlon had no remarks.

Council Member Glen Russell had no remarks.

Council Member Lynn Beaumont apologized for being late to the meeting. He advised he would echo Richard's (Lapehn) comments with regards to Waste Management, as that was some sunshine in all of the abiss they were in and was really good news.

Mayor William Robertson advised in the whole process (of bidding for the refuse contract) he (Boggs) did a very good job of communicating and keeping people informed. He advised he believed companies don't get that kind of (personalized) treatment very often and that left a good feeling in their minds of Rittman, which was good. Robertson indicated the city contracted with IGS through the city's aggregation program for natural gas at a rate of 64.8¢ per CCF through September 2012. He advised people needed to make their own choice as to whether they wanted to be a part of this program or opt-out. Robertson advised people still had to do their own comparison shopping and check the apples-to-apples on the PUCO website. Robertson advised Crawford's was having their fall event on Oct. 27th and Autumnwood (Nursing Home) was having theirs on Oct. 28th and citywide Trick or Treat would be on Oct. 29th. He advised on the 22nd the Coffee Connection would be having a ribbon cutting and gospel singing and chili cook-off, etc. Robertson congratulated Mike Burg on the Salt City Showdown car show and although the weather didn't cooperate much, but it was really cool to see the cars.

a. Approval of Vouchers 55908 thru 55966 and Memo Expense #110706, 110905 110911, 110917, 110919-110924 w/Then and Now Certificates Hanlon moved to approve, all Yeas on roll call and **motion carried.**

Adjourn: - 7:37 p.m.

Russell so moved, all Yeas on roll call and **motion carried.**

Mayor

Clerk of Council