

DECEMBER 9, 2019

Held

20

The Miami Township Board of Trustees met in work session on Monday, December 9, 2019 at the Miami Township Civic Center. Mr. Schultz called the meeting to order and led the Pledge of Allegiance. Mr. Ferry called the roll and present were Karl Schultz, Ken Tracy and Mary Makley Wolff.

Mr. Elliff presented recommendations for the expiring seats of the Board of Zoning Appeals and Zoning Commission. Tim Brandstetter, currently an alternate BZA member was recommended for appointment to a regular BZA seat for the term January 1, 2020 through December 31, 2024. Greg Horn was recommended for the alternate BZA seat for the unexpired term through December 31, 2023. Ed Marcin was recommended for a regular Zoning Commission seat for the term January 1, 2020 through December 31, 2024.

Mr. Elliff noted the aforementioned recommendations would be brought back to the Board at its December Business Meeting for consideration.

Mr. Wright advised negotiations have been underway with the FOP as the current collective bargaining agreement expires on December 31st. He stated a very amicable agreement has been reached and modifications include a change in the duration of the agreement being two years rather than three years. He complimented Chief Mills, Mr. Braun and the officers who participated in the negotiations which were professional, and it was a very positive process. He stated the agreement is ready for the Board to consider contingent upon final comments from the FOP.

Mr. Tracy made a motion to approve the draft collective bargaining agreement with the FOP from January 1, 2020 through December 31, 2021 and authorize the administrator to negotiate final language in the agreement, seconded by Ms. Wolff with all voting "AYE".

Next announced was the 2020 Budget Hearing. Mr. Wright advised that the members of the leadership team have worked together over the past several months on a proposed 2020 Budget. He informed the Board that the budget reflects conservative forecasting of revenue for next year. He highlighted that the Township will see \$550,000 in revenue in the General Fund for 2019 related to interest income from investments. He stated this was a record for the Township, noting it was approximately five times higher than in previous years and it is unlikely to return next year due to downward trending in interest rates. He shared his appreciation for the fiscal office making great choices with investments.

Mr. Wright reported that, similarly, an increase in revenue will be observed in 2020 in the Local Government Fund. He stated that, as the Board is aware, there was a reapportionment voted on this past summer whereby Miami Township was one of the leading communities in working on that more equitable formula. The Township will see an uptick of approximately \$31,000 in 2020 and up to \$93,000 by the final year of the three-year phase-in.

Mr. Wright advised that the budget message shared trends in private development within the Township. He shared that since the Great Recession ended, the Township saw approximately 80-85 homes per year being constructed and this year will end with approximately 100 new homes. He stated there are about 3.5 residents per household which signals how the new population is trending. Commercial development was very similar to 2018 with three large projects recently opened, and the Township is aware of 4-5 additional projects for 2020. He noted while it is not the same growth as pre-recession, the Township is doing very well for a community that is limited in its available commercial properties.

Mr. Wright advised that one of the largest expenses for the Township is its payroll and health insurance. The health insurance renewal in September 2019 yielded a zero increase for the Township over the 12-month period. He added that this was a result of utilizing the program in a judicious manner and the dividends of the wellness program that was initiated three years ago.

Held

DECEMBER 9, 2019

20

Mr. Wright expressed the Township has been very appreciative of the road levy passed by the residents in 2018. He noted the levy funds combined with the State's increase in the gas tax, motor vehicle license fund, and the road and bridge levy funds the Township anticipates \$2,040,000 being spent on the 2020 repaving program. He noted it would be 3-4 times the number of lane miles the Township has been able to fund.

Mr. Wright advised the Township was successful in receiving several grants, for example, the Kelley Nature Preserve boat ramp which has begun, and two OPWC projects have been submitted which will likely be approved to fund 50% or \$140,000 toward the road stabilization projects.

Mr. Wright advised the Parks and Recreation budget causes the most concern and the Township is anticipating ending 2020 with only approximately \$4,000 in carryover. Replacement of parks infrastructure has been necessary and a grant was sought to assist with the Riverview Park along with TIF/RID dollars. A grant is also being sought to pay for half of the \$140,000 for improvements necessary to the Leming House and the Township will know at the end of January if that grant was successful.

Mr. Wright informed the Board that the Township is working to protect the Parks and Recreation budget through \$54,000 related to a portion of debt retirement typically paid by Parks and Recreation now be funded by the General Fund, and if in a future year there is the ability to pay back the General Fund the advancement would be repaid.

Mr. Wright next reviewed the anomaly of the number of payrolls occurring in 2020 which occurs every decade resulting in a 27th pay. This last occurred in 2010. He stated the total impact to the Township is about \$493,000 which includes all factors of payroll and a decrease will be observed in the 2021 budget.

Ms. Flanigan reviewed components of the budget with the Board. She stated the Township will receive approximately \$20.7 million in property tax revenues. She reviewed the summary of fund balances showing the 2019 estimated with actual beginning fund balances, estimated revenues and expenses for the year and ending fund balances. The 2020 requested amounts with conservative revenue estimates were shown and estimated expense amounts, and where we anticipate ending 2020 based on the budgeted amounts.

Ms. Flanigan reviewed the carryovers for 2020 including the 27th payroll. She shared revenue trends from 2016 – 2018 along with budgeted revenue for 2019, and 2020 estimated revenue. She noted another new page added was the Summary of Funds Transfers that shows the detailed transfers which includes the debt service transfers.

Mr. Wright referenced to the Board how low the debt ratio is for the Township, noting that over the next six years there will be a steady decline in debt as a portion is retired annually. He advised that replacement of the 18-year old ladder truck is a known need in 2021. He stated that it is proposed for 2020 to pay half of the cost now in 2020 as a down payment and reserve the decision to pay the rest as cash potentially upon taking delivery. He stated that making the down payment now would position the Township to avoid interest payments and pay for half or all of the vehicle with cash. He shared the most of the Township's debt service comes from the TIF/RID programs.

Mr. Wright reviewed the principal and interest breakdowns over the next 17 years, grant projects for 2020, and one new item is a proposed design and installation of a sidewalk in the Mt. Zion Road corridor at the request of several residents. He stated this could be an item for 2020 with Wittmer Estates being a RID development. He shared that sufficient revenue is generated annually through the taxes on those homes, and the Township would not be competing for funding. It is estimated to be about 600 linear feet of sidewalk and this would assist in the Board's goals to have pedestrian connectivity.

DECEMBER 9, 2019

Held _____ 20_____

Mr. Wright reviewed the replacement cost of the Township's server which is in its seventh year. He stated it is approximately a \$100,000 cost and is one-third less than the cost of the server it is replacing.

Mr. Wright continued with review of the operating budget items. He stated the record paving program for 2020 will include four additional Township roads, three of which relate to stabilization issues which are Happy Hollow Road, Redbird Road, and Hoffman Road (widening).

Mr. Wright advised that related to development, the I-275/28 gateway, and further east on 28, and on Route 50 it is anticipated new commercial construction activity will occur.

Mr. Wright highlighted from the police and fire department budgets a community notification system for the benefit of our residents. During the first quarter of 2020, several options will be vetted. An opt-in system will be chosen, and capabilities will include notification of a specific and general areas in the Township to get direct messages to residents affected regarding water main breaks, road closures, and emergency situations.

Mr. Wright shared that additional projects and efforts include digitizing of older Township records and continuation of the marketing and branding of the Township such as electronic advertising locally to continue imprinting the Miami Township brand.

Mr. Wright next referred to the administrative portion of the General Fund. Salaries and benefits have been discussed and there will be a zero percent increase for the health insurance. He stated that as mentioned the server is due for replacement; costs related to the IT contract services are unchanged and the increase noted is related to the associated data server backup which is a result of replacing the master server. He stated there is a new line item cost related to email as a result of cyber security evaluations which breaks down to a \$5 per email per month cost.

Mr. Wright advised many of the administrative fund expense items are unchanged. He noted the addition of \$3,000 for professional development for the leadership team. He shared that he is pleased the property and casualty insurance cost is unchanged for the second year in a row. The communication expenses include the branding, communication and advertising costs reflecting a \$4,000 increase partially related to the website advertising with the Milford and Loveland School districts.

The Board discussed the costs related to the auditor fees and requested a letter be sent to ascertain a breakdown of the auditor's fees.

Mr. Wright advised an increase was planned in expenses for the Clean Up Days which remains very popular among the residents and this will allow for sufficient resources such as temporary roll-off dumpsters.

Mr. Wright provided a review of the Buildings and Grounds portion of the General Fund. He noted a 3.5% increase in facilities and maintenance. He stated it has been discussed to conduct RFQ proposals to change how preventative maintenance occurs in the administration facility. Deferred repairs to the Civic Center will be pursued in 2020 including repairs to the entrances, walkways and maintenance of the 47-year-old windows relating to the stability, not just efficiency. The restrooms are allotted with \$38,000 for expenses to make improvements and ADA compliance which are mainly utilized by the public renting the facility's rooms. The project will be bid for the Board's consideration.

Ms. Flanigan informed the Board of \$350,000 included in the General Fund for replacement of the Township's financial software system, including consulting costs. She noted the cost also includes implementation and conversion. The existing software presents challenges and upgrades that have occurred have not been as useful. Efficiencies could be gained related to

Held

DECEMBER 9, 2019

20

timesaving, greater reporting capabilities with the financial data, robust budgetary components beyond a one-year snapshot, and greater forecasting capabilities.

Ms. Flanigan explained there are consulting companies that specialize in this and other entities that have engaged this process have provided input on their experience which confirmed the advantage of the consultant's awareness and knowledge of the industry products. She expressed that she would like the Board's support in this project which would not be a quick process. She stated every department would be involved as all departments utilize this software. She noted integration with existing software would be considered, for example the timekeeping and recreation software.

Ms. Wolff stated the recreation piece is key and acknowledged that technical difficulties have been experienced with the software. Mr. Ferry recalled from 2009 that Mr. Taphorn had expressed the difficulties with the software, and specifically related the budgetary process. He stated it has been utilized for a long time and the Township has gotten more use out of the software the most. Mr. Schultz added that the Township is finding itself being unique with its software which makes it difficult. Mr. Tracy commented that in his experience the costs could increase and \$350,000 is a conservative number. Ms. Flanigan confirmed the cost was projected for 2020 if a conversion would be conducted, and the project would be anticipated as a two-year budget item. Mr. Tracy implored the importance of a bringing forward a work plan in advance that outlines the desired outcomes and results as well as the process.

Mr. Wright advised of a replacement landscape truck from the General Fund for 2020. He stated it was a basic truck that is utilized on Township grounds. He noted being cognizant of not charging too much to the Parks and Recreation Fund, 25% of the cost is being proposed to be paid from General Fund, 50% from the Service Department, and 25% from the Parks and Recreation budget.

Mr. Ferry held discussion on options relating back to the cash versus debt for payment of the ladder truck.

Next, Mr. Elliff presented the zoning budget for 2020. He noted the overall budget was down approximately 7% over last year related to a professional services contract being let for a land use plan update and less nuisance abatements. Mr. Ferry and Ms. Wolff commended Nick Colliver for his efforts related to property maintenance compliance.

Mr. Wright advised for 2020 the General Fund will have reserves slightly over \$3.9 million which equates to 117% of the budget amount. He stated this was a very healthy reserve, in spite of the server and finance software replacements, carrying over into 2021. The Board expressed their pleasure with the reserve and the importance of having it for responses to economic downturns. Ms. Wolff also added that the Township has suffered significant losses from the Local Government fund and the Tangible Personal Property tax that is no longer received.

Mr. Wright reviewed the funds that pay for the annual road pavement programs and salt expenditures. He stated a new table prepared by Ms. Flanigan was added to show the annual road and resurfacing repair summary.

Mr. Musselman reported that the 2020 road program will be larger than 2019's program. He noted for the Service Department budget in 2020 an increase is anticipated for the cost of salt per ton.

Mr. Tracy commented that with the increase in funds for road repairs, communication on how roads are selected would be good to share with residents. Mr. Wright made reference to the pavement quality index ratings as a tool for such.

DECEMBER 9, 2019

Held _____

20 _____

Mr. Musselman continued reviewing the Service Department's budget items including replacement of one large salt truck, a ¾ ton pickup truck, tracks for the excavator, vector truck, dump bed for the swap loader, blending station for the brine tank, flashing and drywall repairs, repairs to a retaining wall, landscape truck, and tire changer. He reviewed TIF/RID projects and the annual repaving program.

Mr. Musselman reviewed the cemetery budget expenses which are largely related to maintenance, noting purchase of a columbarium which was budgeted in 2019.

Mr. Musselman reviewed the Park Levy Fund noting a majority of the costs pertain to the maintenance of the parks. He advised of capital purchases deferred from 2019 and budgeted for 2020 which included a portion of the costs for the landscape truck, replacement of a pull-behind aerator, replacement of zero turn mowers, and tracks for the skid steer. He advised that under the facilities section exterior lighting is budgeted for the Leming House, extension of the Paxton Ramsey utility closet, replacement of restroom doors, timers and lighting in the parks, replacement of benches, tables, trash cans, repairs to irrigation system, and Community Park lot maintenance.

Ms. Wolff held discussion regarding the deferred parks items, specifically the restroom doors lights and timers which she urged be an immediate repair. She asked for a prioritization of park repairs. Mr. Musselman stated that between January and early spring these items could be completed. Mr. Tracy suggested adding this type of maintenance as a continuing line item. Discussion continued regarding the overall aging of the parks and the upward trajectory of the costs to replace, maintain and repair items in the parks. Mr. Ferry asked about the expected costs related to parking lot repairs with these being deferred and understanding deterioration will continue thus increasing the repair cost. Mr. Musselman discussed large sections could be replaced at full depth, and he noted all of the parking lots in the parks need repairs.

Mr. Ferry added that it may be time to consider a park levy. Mr. Wright interjected the current park levy is 1.5 mils of outside millage that generates \$1,155,000. He stated that he has been discussing with Ms. Flanigan several times how the park budget is tightening, and the park infrastructure is aging. He noted that every quarter of a mil equates to \$300,000 based on the current development of the Township. Mr. Ferry asked if the quarter mil would be enough to repair the parks. Mr. Wright advised a quarter to half mil would be the minimum to keep the standards of our parks that the residents deserve.

Mr. Tracy stated that he would prefer to look at alternative solutions rather than a park levy and discussion was held by the Board regarding a potential park levy.

Ms. Thibodeau reviewed the recreation budget. She advised the long-tenured, permanent part-time staff pay was increased based on an evaluation of current rates throughout our area. She advised that janitorial costs have been increased to change vendors in response to the high-use volume of the civic center, certain issues, and to maintain a high standard for the facility's cleanliness. Mr. Wright clarified that the space being discussed was the restrooms and rental spaces at the civic center, including the senior citizens rooms utilized on a daily basis, not private offices. Mr. Schultz noted the administrative use of the building is less than 25%.

Chief Mills next reviewed the Police District Fund. He stated there is very little change in the budget and some items went down in cost. He highlighted the following items which include two police vehicles, body cameras, fleet cameras, plate carrier vests and ballistic helmets which would be applied for through a grant and one set per vehicle versus per officer. He added his support for the tire changer proposed by the Service Department from a time-efficiency perspective and will split the cost. He stated the final two air conditioning units are being requested for replacement. A drying cabinet is also being requested, a need which was emphasized during a homicide incident.

Chief Kelly next reviewed the Fire Department budget. He stated he was pleased to report an overall increase of one percent over 2019. He noted 2020 is the second year of the Safer Grant

Held

DECEMBER 9, 2019

20

and we will continue to see the 75/25 split with FEMA which covers a portion of the salaries of the nine new employees. In 2021, it will switch over to a 35/65 split. He advised he is requesting to hire one new position, a Community Paramedicine Coordinator. He explained it would be a 40-hour work week, will provide oversight, coordination and continuity, and avoid overtime on a consistent basis.

Mr. Tracy discussed uniform cleaning in the departmental budgets. Chief Kelly stated that all departments utilized the same vendor to achieve good pricing.

Chief Kelly continued his budget review stating that not many increases are planned for 2020. He noted an effort was made to reduce the equipment and supplies line items, noting volatility in costs of pharmaceuticals. He advised the facilities costs remain essentially flat with the exception of a facilities study.

Ms. Wolff discussed problematic functioning of the outdoor warning sirens. Chief Kelly explained that was an issue with a control board that was worked out. The County has now updated antiquated software and add two controllers to create a failsafe. He stated the equipment is getting old. Mr. Tracy asked if the County plans to update the equipment. Chief Kelly clarified that the Township is responsible for replacement of the sirens. Chief Kelly stated he would study pricing for review and noted there are 13 sirens in the Township. He explained a vendor services the sirens for mechanical issues.

Chief Kelly continued the fire budget review stating there is a 14% fuel cost increase which he related to an increase in the volume of calls. He advised of computer costs being reduced while other maintenance contracts have increased. He stated there is a new reporting software platform for fire and emergency medical services which will become active on January 1, 2020. Vehicle costs were increased due primarily to the aging ladder truck. It was noted that the new ladder truck will be ordered as soon as possible in 2020 with delivery being roughly 18 months.

Chief Kelly advised that the Medicount contract reflects a slight increase. Training and travel was decreased by 18%. The communications cost is down 16%, and there is \$250,000 set aside for the order of the ladder truck. He next reviewed capital items which included the ladder truck and stated the cost of the truck is \$1,050,000. He reviewed the specifications of the truck noting that a single axle would better maneuver the narrow township roads and provide better access. He stated another capital item is the ambulance remount which is a lower cost option. He stated there is one staff vehicle planned for replacement.

Chief Kelly next reviewed the Kelley Nature Preserve boat ramp project that is a reimbursement grant. He stated it is shown as an expense, but the Township will be reimbursed. He also reviewed carry over items. Sprinkler systems are aging and need extensive repairs/replacement, one of which is budgeted for 2020 and one in 2021. He has added an inflatable boat and two chest compression devices in the budget as well. He stated the remainder of the operating budget items were general in nature and concluded his report.

Mr. Wright then reviewed the debt service funds and pointed out that each year additional debt is retired. He stated the street lighting district fund is performing much better than before and expressed appreciation for staff's work so that there is no longer a need to supplement with the general fund.

Mr. Wright reviewed the TIF/RID table. He advised 80-85% of the bond debt payment comes from TIF/RID funds. He stated the Township is required to do the school reimbursement and that most of the revenue goes back out to four different school districts.

Mr. Wright summarized certain 2020 budget items including the four road projects, Mt. Zion Road sidewalk, the Leming House project, signs at three of the parks, and that the Township expects a strong carryover into 2021 referencing \$4.5 million in carryover. He talked about the goal to have funded some large county roads that need widened and safety improvements

DECEMBER 9, 2019

Held _____ 20_____

(Wards Corner Road Corridor and Loveland-Miamiville). He stated the County TID does not have enough funds today for these projects and it is hopeful in three to four years to provide a local share to assist the County in getting competitive grants to pay for those improvements.

Mr. Wright concluded by stating that staff appreciates the guidance from the Board throughout the year and we are proud that this is a responsible and conservative budget. The budget will be presented for a motion at the December 17 Business Meeting.

Public Comment: None.

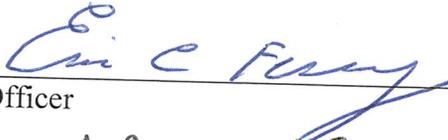
Executive Session: Mr. Tracy made a motion to go into executive session for the appointment of a public official, pursuant to ORC Section 121.22(G)(1).

Upon reconvening in open session, Mr. Tracy made a motion for the Township Administrator to write and send a letter of support for the Omnibus Bill to Representative Becker, seconded by Ms. Wolff with all voting "AYE".

Mr. Tracy made a motion to appoint Karl Schultz as the Miami Township representative to the Ohio-Kentucky-Indiana (OKI) Board of Directors for 2020 and in 2021 Mary Wolff will be the Miami Township representative on the OKI Board of Directors, seconded by Ms. Wolff with all voting "AYE".

With no further business to come before the Board the meeting was adjourned at 10:50 a.m.

ATTEST:



Eric Ferry, Fiscal Officer



Karl Schultz, Chairperson