

# New Philadelphia City Council

## Finance Committee

### Meeting Notes

February 8, 2016 – 7 p.m.

**Present for all or portions of the meeting were the following:** committee chairman Darrin Lautenschleger and committee members Rob Maurer and John Zucal; committee alternate Dean Holland; Councilmembers Cheryl Ramos, Kelly Ricklic and Aimee May; Council President Sam Hitchcock; Clerk of Council Julie Courtright; Mayor Joel Day; Law Director Marvin Fete; Service Director Ron McAbier; Safety Director Greg Popham; Auditor Beth Gundy; and City Fire Chief Jim Parrish.

**ITEMS:** Request from the fire chief to approve overnight stay above per diem; Proposed Resolution 4-2016; and 2016 Budget.

**DISCUSSION on PER DIEM REQUEST:** Fire Chief Jim Parrish presented a request for the Committee to consider approving overnight stays for one captain and one firefighter to attend the annual FDIC Conference in April in Indiana. The nightly rates for hotel rooms are slightly greater than the recommended federal per diem rates – per diem is \$107 per person and the room rate at the hotel hosting the conference is \$121.52 per person. Mr. Zucal asked whether a policy or legislation should be developed for such requests to be handled as part of the administrative function of the city, and foregoing the process of having the Finance Committee review each individual request. Auditor Gundy said that each request is handled by managers and that she will work with Mr. Fete to develop an updated policy/procedure.

**ACTION:** On a motion of Mr. Maurer, seconded by Mr. Zucal, the committee voted 3-0 to approve the overnight travel request presented by Chief Parrish.

**DISCUSSION on PROPOSED RESOLUTION 4-2016:** Service Director Ron McAbier reported to the committee that he believes a reduction may be possible in the total cost of the city's share as listed in the resolution for the 2016 Community Development Block Grant (CDBG) project located along a portion of Fair Ave. NE. Mr. McAbier said he will report back to the committee on the status of the costs, which are currently listed as \$33,928 of the project's total cost of \$108,928.

In response to a question from Mrs. Ramos, Committee Chairman Lautenschleger said he would inquire with Erin Begue of Quicksall & Associates, the project administrator, about the proper listing for the Ohio House District and Ohio Senate District as listed in Attachment A of the "Scope of Work and Budget" from the Office of Community Development that is included with the resolution's support materials. (Note: I did speak with Ms. Begue, the listed political districts incorrectly were listed from the materials provided through the Office of Community Development, and should be listed as Ohio House District 98, Rep. Al Landis, and Ohio Senate District 31, Sen. Jay Hottinger.)

The Committee will consider the resolution again after Mr. McAbier provides an update on costs.

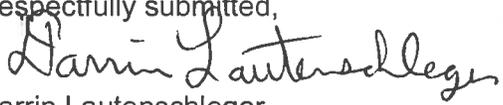
**ACTION:** No action was taken.

**DISCUSSION OF 2016 BUDGET:** Chairman Lautenschleger led a discussion about review and consideration of the 2016 budget, and distributed a memo to all committee members (see attached), Council members and members of the administration. The first discussion of the 2016 city budget will be conducted during a Finance Committee meeting at 6:30 p.m. on Feb. 22.

**ACTION:** No action was taken.

With no further business to be discussed by the committee, the meeting was adjourned at 7:23 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Darrin Lautenschleger". The signature is written in black ink and is positioned above the printed name.

Darrin Lautenschleger  
Chairman

# New Philadelphia City Council

## Finance Committee

### Memo

February 8, 2016

**To: Members of the Finance Committee, City Council and City Administration**

**Subject: 2016 Budget Review Procedure Ideas for Consideration**

With the changes in 2016 in the makeup of members of City Council, its Finance Committee members and the city administration, it is an opportune time to review the process of the way the proposed city budget for 2016 is presented, reviewed and eventually considered for approval and implementation.

I have some basic ideas that I am presenting to you in this memo for discussion and consideration with the ultimate goal of enhancing the budget "product" and review process in a manner that creates an open, transparent and easy-to-follow document and discussion of it from the first proposal to eventual approval by City Council. As a city, we should strive for a budget document that also is available online and in a manner that easily can be understood by the city's residents, who support its operations through their tax dollars. I would request that if you have any additional ideas and thoughts, that you provide them to me in writing – e-mail is completely acceptable – prior to Feb. 18, 2016. I anticipate a strategy of review of the proposed 2016 budget will be scheduled after that date, with more focused discussion of the 2016 budget to begin in a Finance Committee meeting on or about Feb. 22.

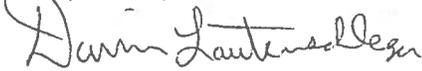
I have summarized my thoughts and ideas below:

1. Eliminate the long-held budget hearing process with department managers – they provide their individual budget requests to the auditor and administration and many times "appear" for only a couple of minutes. We should respect their time and if a need arises, schedule a meeting specifically to talk with them about a particular budget or budget item(s). Or, perhaps, the auditor and administration make a department manager available if they identify they will be the best source to provide information and answer questions.
2. I believe it would most beneficial if the auditor and administration open discussion of the budget with a presentation at the first meeting where it is discussed (i.e., Feb. 22 as detailed above).
3. As a part of this presentation from the auditor and administration, please provide a budget summary that is developed by the auditor and administration and will be included with the budget document. This document should be made available prior to the next Finance Committee meeting. We currently receive a very informative line-item budget, but it also includes very few notes, associated documentation and/or explanations and forecasts. This summary document, which is to be written in a manner that explains the budget and includes those elements, would serve as an introduction to the "numbers" portion of the entire product. It should include the following:
  - a. Overall narrative summary of how the city's budget is put together: i.e., general fund and specialty (enterprise) funds and what each covers
  - b. Overall summary of the end of 2015, projected revenue for 2016, projected expenses for 2016 of the general fund and specialty funds
  - c. Notes and general information about 2016 and items that factored into how the budget presented to Council for review was constructed. Basically, this is taking the information that was used in discussions among the auditor and administration in "building" the budget and memorializing them in summary fashion. These should include the following types of information:

- i. Contract negotiations – what was used as a standard, if any, rate of salary/pay rate changes? What is the overall dollar amount in wages that is included in the budget? On a related note, what is the total overall dollar amount of wages contained in the budget and what is its overall percentage in comparison to the total budget amount?
- ii. Benefit changes – were there any changes in overall benefits included in the budget? If so, what does that mean in dollar terms of the budget?
- iii. Any other personnel items? If new positions are contemplated and/or included in the budget, identify them and as a supplement, include the position description and where these positions are placed in the organizational chart of the city.
- iv. Services – any changes to services overall that would impact delivery and level of services to residents? For example, because of the amount of dollars that must be set aside in 2016 for paving by the Ohio Department of Transportation in 2017, what impact will this have on the city's paving budget in 2016 and projected in 2017?
- v. Capital expenditures – as an example, provide an overall summary of how many vehicles will be purchased in 2016, for what departments they are being purchased for and the total amount to be spent. In addition, what are the other major capital expenses and what budgets will they be assigned to for major purchases, equipment upgrades, building upgrades, etc.

I certainly do not want to create an unnecessary burden upon any member of the auditor's office, administration and department managers. But I believe it is incumbent upon all of us as city officials to provide an acceptable level of information to be managed in an open and transparent manner before our residents. I appreciate your time and input.

Respectfully submitted,



Darrin Lautenschleger  
Chairman