

Held

November 15, 2010

OPENING OF MEETING

Mr. Deters called the meeting to order at 5:00 PM. Mr. Deters, Mr. Wolterman, and Mrs. Harlow were in attendance.

Mr. Deters said that the purpose of the special meeting was to hold a work session for the purpose of discussing cost-saving initiatives.

Mr. Foglesong said this is a work session for public viewing, but not public comment. For the agenda, he suggested the Board review the cost-saving initiatives proposed at the August meeting. He provided an overview of how we proceed from here for the temporary appropriations in December. He said the department heads are here for discussion as well.

Mr. Wolterman said he looked at all of the cost-saving initiatives. He said we're already doing a lot of these things. It's a management decision. He said we'd like to reduce legal expenses, but if we're sued, we'll have to hire legal counsel. He thinks this is a good exercise, but sees a lot of redundancy and micromanaging. These are management decisions and that's why we hire professional managers. We have greater things to take a look at. Statutorily, we're in charge to ensure our roads are safe. That's where we need to focus -- on the big picture. He said one suggestion was to get rid of CincyScape, but then they hired Waycross at twice the expense. But, he's not opposed to that, as it's a service.

Mr. Ritter suggested we take a look back and see why we're here. Our revenues are no longer in line with our expenses. We need to realign. We keep spending and whittling away our cash reserves. This has been a good effort to engage the staff, and take modest steps to realign our expenses and revenue. We need to identify specific items to reduce. We're taking more from the general fund.

Mr. Wolterman said that we're dipping into the general fund for the Public Works Department for the road repairs. The only way to alleviate that is to have a levy for the roads. The enhancement of the Parks program has spent over \$2 million in that area. These are major capital expenses. Those are the two areas that have effected the general fund more than any item on the pages before us.

Mr. Deters said no one believed this wasn't happening. We need to constantly trim the fat, and an exercise to that end is a positive. He said that we can possibly reduce legal expenses by looking at this position and how we manage this.

Mr. Wolterman said we're looking at specifics, rather than all over. The Board's time is better spent looking at the macro view. He said that reviewing legal expenses now makes sense as we're Home Rule and have a law director.

Mr. Deters asked about how we will plan long term with the current economy. We need to keep everyone on the same page and on the same team.

Mr. Foglesong said that we have the budget and the appropriations that we follow throughout the year. Each department head should have a dollar amount they must operate in.

Mr. Ritter said this has been instructive for the Board as it showed what levers we have available: what is discretionary and what is not discretionary.

Held

November 15, 2010

Mr. Wolterman said that he has no problem if the initiatives suggested by the department heads, where two trustees agreed, are implemented. Mr. Wolterman said that Mr. Ritter has said that he wants certain tools to forecast for the future. He seems to want a more realistic figure of dollars available and committed.

Mr. Ritter agreed with Mr. Wolterman's summation. We don't have a current budget of what revenues will be. We need tighter governance and a more realistic picture of what we're spending.

Mr. Wolterman offered the example of the fire levy. He said that part of the plan is to spend down the cash reserves, and we are spending more than we are taking in by design. How will you show that on the budget?

Mr. Ritter suggested that we could set appropriations higher than pure revenue in that case. He's not as worried about Police and Fire, but more concerned about the other areas. He said that we have risks galore staring us in the face. But, we can manage conservatively which can serve as a quasi-life line until we right-size the expenses or the economy turns around.

Mr. Foglesong said much of what was pulled out by the department heads would have alternative funding. Some revenue streams are very difficult; the local government fund can be reduced or could go up this year. Projecting general fund income is difficult. Estate tax is also difficult to estimate as it fluctuates. He said that we have always gone low on revenue and higher on expenses, but it is getting more difficult to do that. He said he will provide the temporary appropriations to the Board in early December. He said this exercise was well taken and gave them a look at our operations.

Mr. Ritter doesn't want to turn off the spigot on Public Works, but doesn't want to raise taxes either.

Mr. Foglesong said that Police and Fire should be comfortable for the next few years. Parks and the Senior Center are operating out of the general fund. Zoning is 90% from general fund and there is not much to cut, but we can review it. He said that while he hears the wishes of the Board, he wants to provide quality services.

Mr. Ritter said that this is the first time in five years that we've had a strategic discussion about finances and where we're going.

Mr. Wolterman said this is another management tool as a Board member. We have a statutory duty to keep our roads in safe condition. What should we have been spending to keep our roads in or at a safe level? Our streets are in disrepair and we're citing citizens for driveway aprons. We need to improve quality of life and increase value of the homes with good thoroughfares and investment in our streets. We as a Board need to take a look at the 109 miles of roads. We can't ignore this and must develop a five-year plan on this, using a combination of money we have and what we don't have, describing what we should be doing and we're not doing. We need a holistic approach. He cited the example of the streetscape. While this is discretionary spending, it is what we must do to prime the pump for people to reinvest in this Township. The Township must invest in itself.

*Held***November 15, 2010**

Mr. Deters agreed and said the department heads are in a good position to do that. He said it is very clear that we're losing on the roads. We will not cut services and do have an obligation to catch up on the road repairs. We need to be creative, and have seen that with some recent equipment purchases.

Mr. Deters said the temporary appropriations will come to the Board at the December 14th meeting. Mr. Foglesong suggested the Board come together before if there are questions, and they will implement the cost-saving items which two trustees agreed upon.

Mr. Ritter asked Mrs. Harlow and Mr. Foglesong to develop a report of 2009 actual expenditures by expense type, by department. He asked his fellow Board members to think about Wednesday night's meeting. How much are we willing to spend? He has benchmarked Colerain Township against peer townships with debt load. Mr. Foglesong said we are in the process of re-evaluating our bonds.

Mr. Ritter asked if we can we do the streetscape and bonds at the same time. He wants to move as quickly as possible on the streetscape.

Mr. Wolterman said this is another economic tool, with the probable renovation of Northgate Mall. We must be prepared when the credit markets open and they're ready to invest in Colerain Township. Mr. Birkenhauer said that all of this can be looked at and existing revenue from Stone Creek can pay for part of the streetscape.

Mr. Ritter said that this will be more than a TIF could fund and there must be bonds. Mr. Birkenhauer agreed.

Mr. Deters discussed the creation of a financial advisory board and asked the Board members for their vision for this. He feels it is an appropriate tool for the Township and can be modeled after the Economic Development Advisory Committee. Citizens can provide insight from business experience. This volunteer appointment will serve in an advisory capacity, giving input for the budget.

Mr. Ritter said it's not a proxy to the Board, but it is a resource. For example, they could have assisted with the evaluation of bonds vs. cash on Clippard Park or work on updating the financial forecast or performing a competitive analysis.

Mr. Wolterman said he doesn't have a problem with this. He suggested another area they could work on is the selling of bonds. We want to have people with financial capacities, people who have done it over the last few years.

Mr. Deters said that there is consensus and suggested we have a resolution to put this on paper. Mr. Foglesong said he provided a proposal in the past and unless the Board wishes something contrary to that, we can have this for the next meeting.

Held

November 15, 2010

ADJOURNMENT

With no further business to come before the Board, at 6:03 PM, Mr. Wolterman motioned for adjournment. Mr. Ritter offered a second.

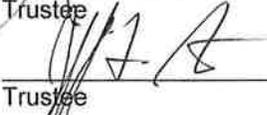
Mr. Deters. "Aye"

Mr. Ritter. "Aye"

Mr. Wolterman. "Aye"


Fiscal Officer


Trustee


Trustee

Trustee