

**CITY OF BLUE ASH**  
**Interoffice Memo – City Manager's Office**

**TO:** City Council  
**FROM:** City Manager and Department Directors  
**SUBJECT:** Agenda Items for the January 8<sup>th</sup> Council Meeting  
**DATE:** January 6, 2018  
**COPIES:** Department Directors, Press, Clerk of Council, Solicitor

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This memo offers a brief description of the topics included on the January 8<sup>th</sup> Council agenda.

**8.a.1. Resolution No. 2018-2 approving final 2018 Budget/Appropriations**

A presentation of the 2018 Proposed Budget was made at the Budget Study Session held on November 27, 2017. City Council adopted the 2018 Proposed Budget at the December 14<sup>th</sup> meeting, permitting financial operations to transition into the new year. Please refer to the Proposed Budget document for detail information related to the budget as the Final Budget approval reaffirms the Proposed Budget and authorizes any changes needed.

The process for converting the Proposed Budget into the Final Budget actually starts with the approval of the Proposed Budget. Budget estimates and projects are re-examined and new issues arise which need to be addressed. These items, coupled with actual (not estimated) ending fund balances, provide the framework for assembling the Final Budget.

Highlights from 2017 and estimates for 2018 include:

- Actual 2017 gross earnings tax collections totaled \$36,066,950 representing a .56% increase over actual 2016 collections. Withholding came in .84% ahead of 2016 levels and net profit decreased by -.47%. The 2018 Final Budget estimates for withholding and net profit collections remain unchanged from those amounts presented in the Proposed Budget at \$35,400,000 collectively.
- The combination of all 2017 revenue collections and expenditures (including any outstanding encumbrances) generated an actual General Fund balance at the end of 2017 of \$36,163,774. General Fund balance increased from the Proposed Budget projection of \$34,152,665 due to earnings tax slightly exceeding expectations and operations finishing up the year under budget.
- The projected year-end 2018 General Fund balance of \$32,281,081 assumes collection of all final budget revenues and expensing of all final budget expenditures. To the extent such funds are over collected or not expended; the General Fund balance at the end of 2018 will increase.

Resolution No. 2018-2 and its related attachments, reflects the actual year-end fund balances and any adjustments needed to modify the Proposed Budget. Revenue and expenditure allocations remain unchanged, except for the following modifications:

- Revenue related items – The Malsbary improvement grant revenue budgeted in 2018 was reduced by \$132,700 since that revenue was unexpectedly received in 2017. The same adjustment for \$62,100 was made for the early receipt of grant funds related to the natural play structure at Summit Park. Additional revenue and expense was appropriated in Summit Park construction fund 446 to account for a \$30,000 refund to the City for contract work not completed to specifications.

- Personnel related items – The Park Department’s 2018 salary budget has been increased by \$35,000 in light of the 2018 completion of the natural play structure.
- Funding of \$42,000 was added for a replacement police cruiser which was totaled due to a third party’s negligence in mid-December. An insurance claim has been filed.
- Unused 2017 budget appropriations were carried forward into the 2018 Final Budget for projects/items that we were unable to complete or encumber for various reasons in 2017:
  - \$300,000 for economic development incentives that were approved in 2017 but the related agreements were not finalized by the end of the year
  - Summit Park construction funds remaining at year-end (combined total of \$629,489.10 for funds 445 - 448)
- Several funds outside of regular operating funds require adjustments to accommodate actual 2017 results, year end fund balances, and expected 2018 activity. These special funds are usually required by law to provide separate accounting for unique activities where the City acts as a pass-through agent without impacting other City funds. The Final Budget includes such “clean up” adjustments to the following funds:
  - OVI Grant Fund 282 – The Blue Ash Police Department administers this State funded grant and together with 28 other law enforcement agencies they conduct checkpoints and saturation patrols throughout the grant year.
  - LEL (Law Enforcement Liaison) Grant Fund 293 – The City is the pass through agent for this State grant which compensates a State appointed police liaison for coordinating traffic safety efforts between law enforcement agencies, non-profits, and other traffic safety partners throughout the grant year.
  - Other miscellaneous Police Department law/drug enforcement funds (286 & 292).
  - Employee Flexible Spending Account Funds 901 & 903 –Each FSA plan year (beginning November 1<sup>st</sup>) is accounted for in a separate fund and the Final Budget provides the adjustments needed to “balance” these funds based on employee election amounts remaining at December 31, 2017.
  - Ohio Board of Building Standards Assessment Fund 930 – This fund accounts for the collection and remittance of the State fees required by Ohio Revised Code to be collected through the City’s building permit process.

The 2018 Proposed Budget provided for a major commitment in capital related purchases and improvements, all of which are still funded in the Final Budget. For more information please refer to the detail provided in the Proposed Budget document.

Following Council’s consideration of Resolution No. 2018-2, this Final Budget for 2018 will serve as a basis against which actual revenues and expenditures will be monitored. Administration and staff devotes a tremendous amount time and effort towards the budget process, however, circumstances change and modifications to the City’s budget are inevitable. All necessary budget amendments will be presented to Council via resolutions throughout the year.

Please direct any questions regarding the Final Budget to the Treasurer or the City Manager.

**8.a.2. Ordinance No. 2018-3 authorizing a multi-year collective bargaining agreement (Police Dispatchers)**

Resolution No. 2018–3 authorizes the City Manager to enter into a multi-year collective bargaining agreement between the City and the Blue Ash Dispatchers (Fraternal Order of Police, Ohio Labor Council, Inc., Dispatchers).

The City entered into negotiations with the Dispatchers’ bargaining unit beginning in October of 2017. After three sessions of negotiations, all parties have agreed to a few changes to the previous bargaining agreement. The following is a summary of those changes:

- Section 16.4 – Changed the maximum carry-over of compensatory time to the next pay plan year from 85 hours to 45 hours. Changed the timeframe for requesting use of compensatory time off from 72 hours to 24 hours before it will be used. Addition that the City, in its sole discretion, may schedule employees to take compensatory time upon 24 hour notice. Addition that the City, in its sole discretion, may buy back employees’ compensatory time. Addition that compensatory time off will not be refused by the City solely because it causes overtime.
- Section 18.1 – Removal of language requiring the schedule for sign up for overtime be posted 28 days prior to special events.
- Section 19.1 – Wage increases are as follows: 2.5% for 2018; 2.25% for 2019; 2.25% for 2020.
- Contract period from December 16, 2017 – December 25, 2020.

Please direct any questions regarding this resolution to the Treasurer/Administrative Services Director.

**8.b.1. Resolution 2018-4 – authorizing the purchase of golf course maintenance equipment**

Resolution 2018-4 authorizes the purchase of golf course maintenance equipment approved by Council in the 2018 Budget. The Golf Course Maintenance Department will purchase one (1) Toro 3500 Mower, two (2) Toro MDX Utility Vehicles, and one (1) Toro 1750 Multi-Pro Sprayer totaling \$86,000 from Century Equipment of Toledo, Ohio.

All of the equipment will be purchased at state bid list pricing (contract # 800261-STS515).

Please direct any questions related to this resolution to the Parks and Recreation Director.

**8.c.1. Resolution No. 2018-5 – authorizing payment for traffic signal parts, repair services, and upgrades throughout 2018**

Resolution No. 2018-5 authorizes payment for routine purchase of parts, professional maintenance, upgrades, and repair of traffic signals provided throughout 2018 with Capital Electric Line Builders for an amount not to exceed \$120,000. The City has a favorable long-term relationship with this vendor for these types of services, and these items were included within the 2018 Final Budget. The items include routine maintenance and parts, as well as the upgrades (to LED lights) made throughout the year and the addition of uninterruptable power backup systems (UPS) at main intersections.

Please address questions regarding this resolution to the Public Works Director.

**8.c.2. Ordinance No. 2018-6 – granting a utility easement to Duke Energy**

Duke Energy approached the City for an easement in order to provide gas service to the new Daventry development. The 8-inch gas line will cross the corner of the golf course property near the Cooper and Plainfield intersection. This is the least impactful location in that it avoids the road, traffic control systems, landscaping, and other utilities.

Please direct any questions regarding this resolution to the Assistant City Manager.

**8.d.1. Resolution No. 2018-7 accepting right-of-way for Public Maintenance within Blue Ash Estates Subdivision**

The Blue Ash Estates Subdivision has been completed for many years and the City has inspected the public streets and found them to be constructed and maintained consistent with Code requirements. Public rights-of-way are dedicated to public use when a Subdivision Plat is filed with Hamilton County, but the City will accept the streets for public maintenance only after at least 80 percent of the lots in the plat have been developed, one year has passed, and any failed or damaged improvements have been repaired to the City's satisfaction.

Please direct any questions regarding this resolution to the Community Development Director.

**8.d.2. Motion setting a Public Hearing for 7:05 pm, Thursday, March 8, 2018, to consider an appeal from a decision of the Board of Site Arrangement approving a parking lot and building addition at 11060 Kenwood Road (Matthew 25: Ministries) in the Blue Ash North Zoning District**

Matthew 25 plans to expand its building and parking areas to the south on its existing property. The plans were approved by the Board of Site Arrangement at its December 11, 2017 regular meeting with a condition that the site be brought into conformance with the landscaping requirements of the Code along its entire Kenwood Road frontage. The property owner has filed an appeal to City Council relative to that condition of approval.

Please direct any questions to the Community Development Director.

**8.e.1. Resolution No. 2018-8 authorizing purchase of police vehicles**

Resolution No. 2018-8 authorizes the purchase of two 2018 Chevrolet Tahoes from Hirlinger Chevrolet for an amount not to exceed \$73,506.22. The Department recommends that the formal bid process be excluded as the estimate received from Hirlinger Chevrolet is below the estimate received from the State of Ohio's Cooperative Purchasing Program. There will be no trade-ins as one vehicle will be auctioned through the Hamilton County's on-line auctioning program and one vehicle will be transferred to the Parks and Recreation Department.

Please direct questions regarding this Resolution to the Police Chief.