

CITY OF BLUE ASH

Interoffice Memo – City Manager's Office

TO: City Council
FROM: City Manager and Department Directors
SUBJECT: Agenda Items for the October 10th Council Meeting
DATE: October 8, 2013
COPIES: Department Directors, Press, Clerk of Council, Solicitor

This memo offers a brief description of the topics included on the October 10th Council agenda.

9.a.1. Resolution No. 2013-13 – appointing member to Board of Site Arrangement and Board of Zoning Appeals

Resolution No. 2013-13 appoints Tricia Downing of 4910 Donjoy Drive to fill the existing vacancy on the Board of Site Arrangement and Board of Zoning Appeals due to Paul Collett's appointment to the Planning Commission after the resignation of Beverly Gill. Resolution No. 2013-13 appoints Ms. Downing to fill that term which will expire in July 2018.

9.a.2. Resolution No. 2013-14 – accepting property tax rates for 2013

As is customary this time of year, Council's consideration of this resolution is a part of the City's annual budgetary process and involves the Hamilton County Budget Commission. The Tax Budget for 2014, which was considered and adopted by Council in July, was submitted to the County Budget Commission for their review of our projected financials for next year. Resolution No. 2013-14 seeks Council's acceptance of the amounts and rates of taxation that were included within the Tax Budget, as certified by the Commission and reviewed by the County Auditor's office. In accordance with our Charter provisions and with our historical practice, the inside millage as expressed in this resolution remains at 3.08 mills.

Even though the millage is small (one of the lower municipal rates in the region), the City's overall assessed valuation contributes to a substantial source of revenue for the City (and, of course, property taxes from Blue Ash residential and commercial property owners represent the majority of revenue for the Sycamore Schools). Based upon the County's estimated December 31, 2013 total assessed valuation for Blue Ash, including all property assessed, the 2014 property tax revenue to the General Fund and the General Bond Retirement Fund to the City of Blue Ash should be approximately \$2,110,904.

Please direct questions regarding this resolution to the Treasurer.

9.a.3. Ordinance No. 2013-51 – levying special assessments on real property related to property maintenance issues pursuant to Chapter 911 of the BA Code

As Council is aware, the City's property maintenance provisions defined in Chapter 911 allow for the City to "step in" and take care of the mowing of tall grass and weeds if the property owner, after an extended period of time and with notice, has not taken care of the problem. The City then bills the landowner for the cost of that maintenance. If the invoiced cost of the maintenance has not been paid by the landowner to the City after a defined period, the City can then "certify it to the County Auditor to be placed upon the tax duplicate and collected and paid back to the City."

In the past several months, the City has taken care of maintenance issues multiple times on several Blue Ash properties. Ordinance No. 2013-51 represents the notification to the County Auditor of such payments directing the specified amounts to be levied and assessed on the properties as noted within the ordinance.

Please direct questions regarding this ordinance to the Treasurer.

9.a.4. Ordinance No. 2013-52 – confirming continuing membership in the Miami Valley Risk Management Association (MVRMA) and accepting the year 2014 pool contribution

Even though our membership with MVRMA does not require an annual renewal, we believe it appropriate to approach Council each year with an ordinance affirming our continuing membership and also acknowledging the annual pool contribution or "premium." This ordinance seeks that ongoing approval, and outlines the 2014 pool contribution to MVRMA of an amount not to exceed \$280,000 for our basic coverage. In 2014, Blue Ash's coverage will represent approximately 6.5% of all pool costs.

The City's annual contribution is composed of our share of the pool's operating expenses, as well as payment relating to our "share" of expected reserves and losses for the upcoming year. The calculation as to what those losses are expected to be is based upon an annual statistical analysis done by an actuary. The total amount of the expected loss fund as determined by MVRMA's actuary for 2014 for all 20 members is \$2,550,000, and as losses, claims, and reserves are addressed over the next several years, those costs will be charged against that particular "2014" fund. Should total losses exceed that amount, then it is possible that an assessment will be charged against each of the cities using their original contribution percentage as a basis. If such an assessment were to be necessary, Blue Ash has a credit "on account" with MVRMA which could be utilized. As has been the case in most years since formation of the pool, the entirety of the loss fund does not get used, and after the loss fund is closed, any balances are refunded or credited to a city in proportion to their percentage of contribution.

Blue Ash's affiliation with the Miami Valley Risk Management Association has been a positive one, and we are very satisfied with the administration and structure of the program. MVRMA is audited and examined by the Ohio Department of Insurance on an annual basis, and they prepare a Comprehensive Annual Financial Report each year as well. No city has ever left the Association, and the group seems very content with the level of service provided by the pool.

Additionally, MVRMA offers a discount to members whose police department wishes to take advantage of a top-notch policy manual and training service called "Lexipol". The Blue Ash Police Department participates in Lexipol, which has been helpful in keeping our policy/procedures manual up-to-date. MVRMA also provides in-person and web-based training opportunities to our staff.

Please direct questions concerning this ordinance to the Treasurer.

9.a.5. Ordinance No. 2013-53 – authorizing contracts for employee benefit coverages

This ordinance authorizes the City Manager to enter into agreements and to make related payments associated with the City's group health insurance plan through UnitedHealthCare as well as vision, dental, and life insurance plans for eligible employees for plan year November 1, 2013, through October 31, 2014. Additionally, provisions exist in the ordinance for maintaining a low-cost/no-cost secondary "catastrophic" plan that carries a very high deductible as required by a few of the City's negotiated collective bargaining agreements.

Historically, the City of Blue Ash has provided its employees a superb array of benefits including health, vision, dental, and life coverages. Several years ago, an analysis was performed which clearly indicated the need for cost containment in the benefit area, particularly as it related to medical or health insurance coverage. The City Manager requested the formation of an employee-based health insurance advisory committee to not only review the City's significant cost escalation in this area, but also to help with employee education and to examine alternatives which might provide for continuing excellent coverage at a lower cost.

In early 2008, the City shifted from a traditional plan to a qualified high-deductible health insurance plan. The outcome of that change included the implementation of high deductibles, the use of tax deferred medical accounts, greater focus on "consumer education" for medical benefits, and a new approach to managing the City's health insurance costs while still providing excellent coverage for the staff.

Over the past couple of months, Horan Associates, the City's broker, sought out competitive proposals from a variety of providers in an effort to develop a strategy for the renewal on November 1, 2013. Given our claims experience, UnitedHealthCare was willing to offer the City a reduction of 1.9% in premiums for the 2013-2014 plan year. Given such favorable renewal rates, the City has decided to remain with UnitedHealthCare.

The City will continue to offer tax deferred savings vehicles, flexible spending accounts and/or portable health savings accounts, for medical, dental, vision and daycare expenses. Employees may earn additional City contributions through attendance at educational seminars during 2014. The City does offer a \$2,000 payment to any eligible employee who chooses to secure their health insurance elsewhere (perhaps on a spouse's plan) and opt out of the City's health care plan.

On a related note, City administration continues to review and evaluate the implications of the ever-changing rules and regulations surrounding the Affordable Care Act, paying close attention to its impact on City employees as well as City operations.

Please direct questions regarding this ordinance to the Treasurer.

9.a.6. Ordinance No. 2013-55 – authorizing issuance of bond anticipation notes

This ordinance provides for the issuance of \$9.9 million in short-term bond anticipation notes to finance improvements at Summit Park.

9.a.5. Motion setting 6:30PM, Monday, December 2, 2013 as the Council swearing-in ceremony; and setting 6:30PM, Tuesday, December 3, 2013 as the Budget Study session

This motion formalizes the establishment of Council meetings later this year, including setting of the Council swearing-in as Monday, December 2 (6:30PM); and setting the Council Budget Study Session as Tuesday, December 3 (6:30PM).

9.b.1. Ordinance No. 2013-54 – Amending Ordinance No. 2013-37 relating to the Carver Road Rehabilitation Project

Ordinance No. 2011-55 amends Ordinance No. 2013-37 relating to the Carver Road Rehabilitation Project. This change order addresses the need for additional storm water work due to incorrect existing pipe size, rotted piping and utility interference. The Sunesis Construction Co. was the successful bidder for the rehabilitation of Carver Road and the City has been pleased with the outcome of the project. Therefore, to maintain continuity with the existing rehabilitation and with the Sunesis Construction Co. still being on-site, it would be more cost effective to add the additional storm sewer work to the scope of work. The anticipated completion of the work is May, 2014.

Please direct questions regarding this ordinance to the Public Works Director.

9.b.1. Resolution No. 2013-15 - Adopting the revised Hamilton County Natural Hazard Mitigation Plan

A Federal Act passed in the Year 2000 required local communities to develop a hazard mitigation plan outlining goals and objectives for mitigating natural disasters, such as flooding, severe storms, tornadoes, winter storms, etc. if those communities are to be eligible for Federal aid. In November 2002, Hamilton County received a grant from the Ohio Emergency Management Agency to support development of such a plan for the County and to invite participation with all 49 political jurisdictions within the County.

In order to qualify for pre- or post-disaster mitigation funding assistance, all local communities in the County are required to have a federally-approved natural hazard mitigation plan, and local jurisdictions have two options to assure access to this funding: they must either adopt their own plan meeting the federal requirements or they must adopt the county-wide plan designed to meet the federal requirements. To assist local jurisdictions, Hamilton County developed a county-wide plan during 2003, and Blue Ash formally adopted that plan in September 2004 via passed of Resolution No. 2004-21.

Changes to that initial plan have since been made, and in order to assure the continued project grant availability, formal adoption by Council is required. The Fire Chief has reviewed the revisions to the plan and is recommending Council approval. He is familiar with the history of the plan and also has a copy of this very long document if Council is interested in reviewing.

Please direct questions regarding this resolution to Fire Chief Rick Brown.