

**MINUTES OF MEETING
INDIAN HILL VILLAGE COUNCIL
September 21, 2009**

A meeting of the Indian Hill Village Council was held on September 21, 2009 at 7:30 p.m. The meeting was held in the Village Fire Department Training Room.

Officials present:

Mr.	Eppa Rixey IV, Mayor
Mr.	David T. Ottenjohn, Vice Mayor
Mr.	Joseph Beech, III, Council member
Mrs.	Susan K. Holzapfel, Council member
Mrs.	Lindsay B. McLean, Council member
Mr.	Keith M. Rabenold, Council member
Mr.	Mark E. Tullis, Council member
Mr.	Michael W. Burns, City Manager
Mr.	Don Crain, Solicitor
Mr.	Paul C. Riordan, Clerk/Comptroller

Visitors present:

Dan Feigelson	5025 Miami Road
Rob Dowdy	Community Press

PLEDGE OF ALLEGIANCE: Council opened the meeting with the Pledge of Allegiance.

MINUTES: The Minutes of the regular meeting of August 24, 2009, had previously been distributed to each Council member. Mayor Rixey declared the minutes accepted as corrected.

FINANCE COMMITTEE REPORT: Council member Tullis directed Council's attention to a memo entitled "Finance Committee Meeting Report" dated September 10, 2009. He explained that the Finance committee met on that date to review and discuss several topics in advance of the Council meeting.

Council member Tullis reported that \$165,000 of income tax receipts were received in the month of August which brings the year to date projection to \$6.3 million, which is estimated to be approximately \$1 million below budget for the year. Council member Tullis also explained that when you take into consideration the overage in the inheritance tax receipts of \$400,000 and the FEMA reimbursement of \$267,000, the total revenue shortfall for 2009 is only \$320,000.

Council member Tullis also highlighted in the notes to the Statement of Receipts and Disbursements that expenditure amounts were higher than last year due to increased participation in the HSA insurance contributions. This is a semi annual payment with one payment made in August. The total Health Insurance premiums are down for the year.

Council member Tullis also reported that the Water Works Revenues are down for the year mainly due to the unseasonably cool and wet weather this summer. He also highlighted that the total cash and investments at the end of August totals \$22,167,000.

Council member Tullis also reviewed the Rowe Arboretum and the Green Areas Statement. The market value of the investments in both funds continues to increase. There were no unusual transactions to report.

The financial statement for August 2009 had previously been distributed to each Council member. There being no exceptions noted, the financial statement was accepted as issued.

Council member Tullis reported that the Finance committee reviewed the General and Administration budget for 2010. He explained that the overall budget reflected an increase of 1.24% over 2009 actual expenditures and a decrease of 7.59% budget to budget. All the budgets for the departments will show an increase in 2010 over 2009 actuals because of the significant reductions in expenditures made in 2009. He explained that the percentages will be adjusted slightly going forward because the committee rejected City Manager Burns' proposal to eliminate his car allowance as part of the budget cuts. He said the Village staff is watching every penny in the budget and it starts at the top and filters all the way down through the staff.

Council member Tullis directed Council's attention to the statement entitled "Summary of Total Expenditures by Fund" and he highlighted that the budget to budget reflects a decrease of 5.92% and an increase of 3.87% in budget to actual. He said it is a small increase relative to the large cuts made in expenditures in 2009.

Council member Tullis directed the Council members to the "Summary of Revenues and Expenses with Fund Balances" statement and pointed out that in 2007 Inheritance Tax receipts totaled \$8,831,000. He also pointed out that the Income Tax Fund beginning balance for 2009 is projected to be \$6,913,000 which is a direct result of the significant inheritance tax receipts being carried over from 2007. He explained that this summary projects the revenues and expenses for the next three years. He also pointed out that the income tax receipts for 2010 are being forecasted to be 10% less than the actual receipts projected for 2009. Inheritance tax receipts are projected to be \$2 million per year. The projection shows that the Village will have a stable financial position for 2010 and 2011, however, the general fund balance would drop down to \$777,000 in 2012 and the CIRF Fund balance would be a negative \$605,000. These negative occurrences will not be allowed to occur. He explained that on the positive side, the Inheritance Tax receipts average approximately \$4 million per year.

Mayor Rixey thanked Council member Tullis for watching the finances so closely.

LAW COMMITTEE REPORT: Council member Rabenold directed Council's attention to a memo entitled "Law Committee Meeting Report" dated September 10, 2009. He reported that the Law committee met on September 8, 2009 to review and discuss several topics in advance of the Council meeting.

Council member Rabenold explained that City Manager Burns reported to the committee that he received an email regarding the Public Works/Water Works building arbitration decision and explained that the Village was awarded a total of \$94,000 out of the \$400,000 in claims submitted to the arbitrator.

Council member Rabenold said that this is disappointing because the Village will now limit the repairs to the roof leaks and installation of snow breaks, and will handle some of the other corrections in-house over the next year. City Manager Burns explained to Council that Legal counsel did a very good job in getting the \$94,000 settlement.

Council member Rabenold also reported that there was nothing new to report on the Martin Marietta case. The next hearing is scheduled for September 28. He said that it is anticipated that ATBZA will render a decision in October or November.

Council member Rabenold reported that the committee reviewed copies of the revised standby water agreement with Greater Cincinnati Water Works (GCWW). He said that Staff and Mr. Crain feel that the proposed language is in order and it was recommend that the agreement be authorized by an ordinance that will be given a first reading tonight, a second reading on October 19, and an emergency passage on November 16. The authorizing ordinance and agreement will be presented under the Water Works committee report.

Council member Rabenold also reported that City Manager Burns advised the committee that the Beech Street easement agreement and the ODNR lease agreement, which were previously authorized by Council, had been executed with the respective parties.

GROUNDS COMMITTEE REPORT: Council member McLean directed Council's attention to a memo entitled "Public Works/Grounds Committee Meeting Report", dated September 9, 2009. She reported that both the Public Works and Grounds committee met in the Public Works conference room on September 9 to review the 2010 departmental budget request and discuss other items in advance of the Council meeting.

Council member McLean reported that Messrs. Davis and Kipp distributed activity and project status reports for both committees. These reports covered principally, normal seasonal activities for the departments.

Council member Mclean reported that the committee discussed the arbitrated decision regarding the construction issues involving the Public Works/Water Works building, which had been previously discussed by Council member Rabenold.

Council member McLean reported that Mr. Hensley summarized the General Fund Grounds related 2010 budget requests by focusing mostly on the notes to the budget. She explained that the budget requests represented an increase of 7.27% in comparison to the 2009 projected actual expenditures and an overall decrease of 5.52% vs. the 2009 budget. This reduction is a result of tightening up the budget and this budget will be reviewed in the next several months.

Council member Mclean also explained that the Safety committee felt the Safety budget would have to increase based on a concern that petroleum prices will increase in 2010. She said there is also discussion about whether the Village might be able to purchase futures related to the

supply of gasoline and diesel fuel. Staff will explore this possibility and adjust the related items accordingly.

Council member McLean also reported that the committee reviewed the summary of the special funds which fall under the purview of the Grounds committee. This included the Bridle Trail, Green Area, and Rowe Arboretum funds. These funds reflected an increase of 7.7% in the 2010 budget vs. 2009 actual, and a decrease of 9.49% 2010 budget to 2009 budget.

PUBLIC WORKS REPORT: Mayor Rixey reported that the committee reviewed the Public Works budget for the street division, waste collection and recycling. He explained that the 2010 Public Works budgets reflects an increase of 8.62% 2010 budget to 2009 actual, and a decrease of 7.46% when comparing 2010 budget to 2009 budget.

Mayor Rixey explained that the department avoided the very significant price increases that hit many communities in 2008-2009 for the purchase of salt for snow removal by riding through the winter with salt on hand, and by employing conservation methods. However, the new salt contract price, while coming in at less than half the 2008-2009 bids, came in \$16.74 per ton higher than the price the Village paid in 2007-2008. As a result, the snow removal budget has increased 25% budget to actual, or 23% budget to budget. It is also important to note that, while the Street Division budget is down 7.25% budget to budget, it does include a \$35,000 share of the termination pay due to a retiring employee in 2010. The full termination pay will be split between Public Works and Water Works.

Mayor Rixey also reported that Mr. Yeager presented the Capital Improvement Reserve Fund (CIRF) budget proposal. He explained that the CIRF budget is dramatically lower in 2010 compared to 2009, but this is mainly due to the projected completion of the Ranger/Administration improvements in late 2009. Even though several large projects were deferred for budgetary reasons in 2009, the CIRF budget contained a \$2 million line item for the building project, and the total actual expenditures are projected to be \$3.7 million for the year. Several deferred projects will be restored to the 2010 budget, but the total anticipated expenditures are projected to be \$2.1 million, which is much more in line with a typical year for the CIRF. The comparisons are a decrease of 43% between 2010 budget and 2009 actual, and a 55% reduction budget to budget.

Mayor Rixey said that he personally thanks Mr. Hensley and Yeager for a very good job. He said that there are very large shoes to fill with John Davis retiring.

WATER WORKS REPORT: Council member Holzapfel directed Council's attention to a memo entitled "Water Works Committee Meeting Report" dated September 9, 2009. She explained that the Water Works committee met on September 9, 2009 to review the 2010 budget request and discuss other items in advance of the Council meeting.

Council member Holzapfel reported that Messrs. Davis and Adkins reviewed their activity reports for the committee. She highlighted that staff is waiting for a draft copy of the primary portion of the water main improvements project. Once the review process is completed, it will then be sent off to OEPA for their review and approval. Upon review of the alignment of

the alternative portion of this project, it was decided to move the south Drake water main out of the pavement. By making this adjustment it will allow traffic to pass during construction. To accomplish this realignment it will be necessary to contact two property owners and discuss utility easements.

Council member Holzapfel also reported that the Water Works committee reviewed the 2010 Water Works budget. She explained that the maintenance and operations budget request represented an increase of 1.35% in comparison to the 2009 projected actual expenditures. This increase is due primarily to the fact that there was a partial spending freeze on for most of 2009. The comparison to the 2009 budget indicates an overall decrease of 4.78%.

Council member Holzapfel also reported that the 2010 Water Works Capital Reserve (CRF) fund budget is projected to be down .61% when comparing 2009 budget to 2010 actual, but up 13.53% budget to budget. This differential can be tracked to the fact that the 2009 bond principal and interest payment of \$275,000 was not included in the original 2009 budget. A number of planned capital expenditures were not completed in 2009 due to budget freezes.

Council member Holzapfel also reported that the 2010 operating budget provides for termination pay for an employee retiring in 2010.

Council member Holzapfel reported that the Water Works committee recommends the passage of the ordinance related to the supply of standby water by the Greater Cincinnati Water Works.

“AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH THE CITY OF CINCINNATI FOR THE SUPPLY OF RETAIL WATER SERVICES TO CERTAIN AREAS OF INDIAN HILL, AND WHOLESALE WATER SERVICE AND EMERGENCY OR STANDBY WATER SERVICE TO THE ENTIRE INDIAN HILL SERVICE AREA” was presented and read for the first reading.

SAFETY COMMITTEE REPORT: Council member Beech directed Council’s attention to a memo entitled “Safety Committee Meeting Report” dated September 9, 2009. He explained that the Safety committee met on September 8, to review the 2010 departmental budget request and discuss other items in advance of the Council meeting.

Council member Beech reported that Chief Ashbrock was not in attendance, but he separately provided an activity report for Fire and EMS for the month of August , 2009 and a report on H1N1. Copies of the reports were attached to the minutes of the committee meeting.

City Manager Burns explained to Council that as part of the disaster planning, a H1N1 outbreak will be simulated.

Council member Beech also reported that Colonel Schlie provided an activity report for August. He also reported that Colonel Schlie summarized the Ranger’s 2010 budget requests.

He said the 2010 budget request represented an increase of 2.84% in comparison to the 2009 projected actual expenditures. The comparison to the 2009 budget indicates a decrease of 4.19%.

Council member Beech also reported that the Police union contract is up for renewal in early 2010 and the Fire department contract is also up for renewal in mid 2010.

PLANNING COMMISSION REPORT: Vice Mayor Ottenjohn reported that the Planning Commission did not meet and therefore, he had no report.

CTY MANAGER'S REPORT: City Manager Burns in his Managers report said that he is getting a lot of calls asking where the Village stands on the Gas Aggregation plan. He said the Village is still in line to start the opt out program in late November or early December. Residents will receive letters explaining the opt out program in October. He said everything is on track to adopt the opt out program which replaces the opt in program by December 1.

Mayor Rixey said that he is getting a number of calls for the Village to support levies that are being proposed. He said he thought this would be inappropriate.

Council member Holzapfel said that she has been serving on the Lunken Airport over site advisory board for several years and she is going to be term limited off and they are looking for someone to replace her as soon as possible. City Manager Burns said he would talk this over with the City Manager for Madeira.

There being no further business to come before Council, Mayor Rixey declared the meeting adjourned.

Respectfully submitted,

Eppa Rixey IV, Mayor

ATTEST:

Paul C. Riordan, Clerk