

**City of Xenia
City Council Meeting Minutes
Special Session
November 13, 2003
6:00 p.m.**

The Xenia City Council met in a special session on November 13, 2003, at 6:00 p.m., in the City Council Chambers, City Hall, with the following members present: Dr. Lee G. Esprit, Jr., Patricia L. Felton, Dr. Eric V.A. Winston, Lawrence W. Gordon, William R. Miller, John T. Saraga, and Phyllis A. Pennewitt.

The following staff members were also present: Jim Percival, City Manager; Jim Freeman, Finance Director; and Ron Lewis, City Law Director.

Budget Issues. President Pennewitt asked Mr. Percival to address those present regarding budget concerns.

Mr. Percival said staff has looked at what changes would have to be made if the proposed Income Tax increase did not pass. The proposed Income Tax increase was to generate a certain amount of money to solidify the General Fund and the other Key Operating Funds and allow the City to do limited capital improvements. Due to the failure of the Income Tax increase, Mr. Percival highlighted several positions in the Police and Fire Division that will be vacated by the end of the year or are already vacated that will not be filled. There may be a need for one layoff. One Communications Operator position is currently vacant that will not be filled. He then noted several positions that are currently filled in the Public Service Division that will require lay-offs and elimination of several positions. Additionally, the Recreation Specialist position would move from full-time status to part-time status.

Mr. Percival said this proposal does not include one employee in the Police Division that will retire sometime after the first of the year, which would create a full-time position. An existing part-time employee would then move to full-time status, and the part-time position will be eliminated. A supervisor in the Public Service Division is due to retire in July. That position will not be filled, and the supervisory duties will be distributed to remaining employees.

Mr. Percival believes these are the things that need to be done to guarantee the fiscal status of the City, and the above-mentioned actions will help balance the budget. He noted that he, Mr. Freeman, and Mr. Bazalak met with Municipal Court staff today, and they will review their positions and their revenues and distribution of those revenues to see if there is a way they can help in this situation.

Mr. Percival said Councilman Winston reviewed with him the possibility of a program for the more experienced employees. Councilman Winston said the program would be geared toward the employees that are at or near retirement age that are "hanging on."

Mr. Percival believed the lay-offs should be effective January 1, 2004. He will announce the lay-offs on December 1st to give the affected employees the ability to look for other employment opportunities.

Mr. Percival said the layoffs and job abolishments will allow the City to meet all of our debt service obligations (fire vehicles, Industrial Park streets, etc.). It will allow the City to begin the Communication Center project. He believes they cannot go another year without starting this project, because if something goes wrong, there is a great potential for disaster. He believes they need to purchase the Durapatch machine, because they cannot go out and repave or repair every street in the City. With the Durapatch machine, they can do a better job maintaining the streets that are in good shape. Finally, the \$180,000 per year will still be available for the repaving program in addition to the CDBG funds that have been used in the past. He reminded those present that they [Council] have already approved West Third Street as the 2004 CDBG project.

Mr. Percival said this has not been an easy process. However, they are at the point where they need to make decisions and move forward in the best interest of this organization and this community. They have looked at ways to continue to provide the necessary services to the community while maintaining the fiscal integrity of the community. They will continue to review additional cost-saving measures, but he believed this is where they need to start.

Councilman Miller asked when and/or if Council needs to take action on this. Mr. Lewis said it is a management decision, and City Council did not need to make a motion.

President Pennewitt said Mr. Percival would like to announce the proposed lay-offs/job abolishments by December 1st. Mr. Percival concurred. He would like to give the affected employees ample time to seek other employment opportunities. President Pennewitt said Mr. Percival is open to other suggestions. Further, it is imperative that if any Council member has an issue or feels strongly about any of the above-mentioned recommendations, he/she needs to meet with Mr. Percival as soon as possible.

Vice President Esprit knew some hard decisions would have to be made if the Income Tax levy did not pass.

Councilman Gordon believed there are some other things that could be done to save money, and he would share those at a later date.

Mayor Saraga supports the City Manager, and he commended him for his "Plan B." Regarding the Communications Center project, he believes it is important to bring the other jurisdictions into the process, because they will be helping to pay the bill. Mr. Percival mentioned that the City of Beavercreek Fire Department received a grant for over \$600,000 for their communications upgrade.

Mayor Saraga cautioned them to be careful when self-governing. He did not feel they should make a record of vote or develop specific policies or procedures. Each of them is responsible enough to make his/her own decisions. Otherwise, they are putting the Council President,

themselves, and future Council members in a very difficult position. He asked each Council member to carefully consider every item they bring to Council. No matter what they do from now on, they will be scrutinized. Councilman Gordon said they should let their conscience be their guide. Mayor Saraga agreed.

Councilman Gordon would like Council to approve all grant applications prior to application. Mr. Percival said that is already a policy. They bring grant applications to Council for approval prior to filing them.

Councilwoman Felton said she is having a problem with the proposed cuts to Police and Fire positions. Politically, Council approves the cuts, and they will be held responsible. Personally, she thinks there should be more cuts in other departments. Also, there was no mention of the two-month reserve in Mr. Percival's proposal. The revenue generated from ambulance services is not guaranteed. There could be cuts to insurance disbursements, etc. She feels the Fire Division may be able to manage with the cuts, but she is worried about the Police Division. She would like the City Manager to see if there is anything else they can do, because the reserve needs to be there. Mr. Percival said if his proposal is approved, the two-month reserve requirement will be met.

A brief discussion was held regarding the limited or no State government funding and the potential repeal of the extra 1 percent sales tax statewide.

Mr. Lewis said Council needs to be aware of how they present the "cuts" to the media. They need to avoid using the term "vacant" positions, because these are positions that would have been filled. They are true "cuts" to the City's workforce.

Councilman Winston said he and Councilman Gordon had a discussion regarding the proposed Taxicab Ordinance, and they agreed on the \$7.50 maximum fee per passenger.

Adjournment: Motion by Councilman Gordon, seconded by Councilman Miller, to adjourn the meeting at 6:40 p.m. No discussion followed. The Roll on this was the following:

Ayes: Esprit, Felton, Winston, Miller, Gordon, Saraga, and Pennewitt

Nays: None motion carried.

Meeting adjourned.

James E. Freeman, Clerk
Xenia City Council

Phyllis A. Pennewitt, President
Xenia City Council