

**FRANKLIN CITY COUNCIL
DECEMBER 6, 2010**

Members of the Franklin City Council met in regular session on Monday, December 6, 2010, 6:00 p.m. at the Franklin Municipal Building, Mayor Carl Bray presiding.

Roll call showed:

Scott Lipps	present
Jason Faulkner	present
Bob Knipper	present
Carl Bray	present
Denny Centers	present
Michael Aldridge	present
Todd Hall	present

There was one member of the press and 15 visitors at tonight's meeting. Also present: Mr. Don Woods, Chief Building Official; Mr. Ross Coulton, Police Captain; Mr. Russ Whitman, Police Chief; Mr. Jonathan Westendorf, Fire Chief; Ms. Sandra Morgan, Acting Finance Director; Ms. Donnette Fisher, Law Director; Mr. Jim Lukas, City Manager and Mrs. Jane McGee, Clerk of Council.

The Pledge of Allegiance was led by Shane Centers.

Mr. Faulkner made the motion to approve the Clerk's Journal and accept the tapes as the official minutes of the November 15, 2010 meeting; seconded by Mr. Aldridge. The vote:

Mr. Faulkner	yes
Mr. Knipper	yes
Mr. Bray	yes
Mr. Centers	yes
Mr. Aldridge	yes
Mr. Hall	yes
Mr. Lipps	abstain

Motion passed.

RECEPTION OF VISITORS

Carl Perez, 9532 Helton Drive & Joe Rosenacker, 62 Hancock Cover, representing Franklin SAY soccer, stated they are interested in using the Park to have spring soccer next year. They noted that the soccer board members have recently changed and they currently have a fall season. Mr. Centers asked if they have contacted the Park Board. They responded they have not been able to get hold of Mr. Lewis; like to have Council's blessing to do; would begin in April & end the second week of June and won't interfere with baseball.

Mayor Bray asked how they should proceed.

Ms. Fisher stated that Council can encourage it but can't approve it. The Park & Recreation Board has to approve. Mr. Lewis is in California & will return next week – need to contact him when the next Park & Recreation Board meeting is.

Mr. Knipper stated that he heard a spring lacrosse league is starting. They are meeting tonight - don't know where they are playing. They will have a 3rd & 4th Grade team; 5th & 6th grade team; and 7th & 8th grade team.

Mr. Lipps added we appreciate your trying to find options for our youth; that they give their name and phone number to Mr. Lukas, City Manager, tonight & he'll also get the information to Mr. Lewis to contact you.

PUBLIC HEARING ORDINANCE 2010-22 AMENDING SECTIONS 1105.04; 1105.06; 1109.02(A), (C) AND (D); 1111.07(R); 1113.01(B); 1113.03(J); 1113.04(J); 1115.07 AND 1115.08(H) AND (K), AND ENACTING SECTIONS 1113.01(F) AND (G) OF THE UNIFIED DEVELOPMENT ORDINANCE OF THE CITY OF FRANKLIN, OHIO

Ms. Fisher stated that this Ordinance makes small changes to the UDO that was passed in July. She outlined the changes as follows & noted they are basically housekeeping items:

- Section 1105.04 & 1105.06 – moves the authority to approve minor subdivisions from the Planning Commission to the City Engineer
- Section 1113.01 – changes how conditional uses are dealt with – not to place time limits on them, but sets up a procedure whereby a conditional use permit can be revoked if the conditions are not met or are violated
- Section 1109.02 – changes required by the Ohio Department of Natural Development for approval of our floodplain requirements under FEMA's regulations
- Section 1111.07, 1113.03, 1113.04 – correction of typos
- Section 1113.06 – correction of two typos and removal of conflicting language

Mayor Bray opened the Public Hearing and asked for any public comments. There being none, he closed the Public Hearing and asked for any Council comments. There were none.

Mr. Hall made the motion to adopt Ordinance 2010-22; seconded by Mr. Aldridge. The vote:

Mr. Knipper yes
Mr. Bray yes
Mr. Centers yes
Mr. Aldridge yes
Mr. Hall yes
Mr. Lipps yes
Mr. Faulkner yes

Motion passed.

PUBLIC HEARING ORDINANCE 2010-23 AMENDING CHAPTER 755 OF THE
CODIFIED ORDINANCES OF THE CITY OF FRANKLIN, OHIO, TITLED "HOTEL TAX"

Ms. Fisher stated that this Ordinance was adopted in 1973 and has never been updated. The Tax Department has had a few issues this year collecting money – this will help in collections and also updated the chapter.

Ms. Fisher outlined the following changes:

- Hotel tax payment to be made monthly
- Late payment penalty increased from \$1.00 to \$10.00
- Removed the 2% reimbursement for bookkeeping
- Increased the penalty section

Mayor Bray opened the Public Hearing and asked for any public comments. There being none, he closed the public hearing and asked for any Council comments.

Mr. Hall asked if the late payment penalty of \$10.00 a day is enough. Ms. Fisher stated that it was reviewed with the Finance Committee and they think it is enough.

Mr. Hall made the motion to adopt Ordinance 2010-23; seconded by Mr. Faulkner. The vote:

Mr. Bray yes
Mr. Centers yes
Mr. Aldridge yes
Mr. Hall yes
Mr. Lipps yes
Mr. Faulkner yes
Mr. Knipper yes

Motion passed.

INTRODUCTION OF NEW LEGISLATION

Mayor Bray introduced Ordinance 2010-24 - Amending the Provisions of the Income Tax Ordinance to Provide for an Increase in the Income Tax of One-Half of One Percent (0.5%) From and After July 1, 2011, For the Purpose of Providing Revenues for Expenditures on General Municipal Operations and Services, Capital Improvements and other Operating and Capital Expenses, by Amending Section 751.03(a) of the Codified Ordinances of the City of Franklin, Subject to the Approval of the Electors of the City of Franklin.

Mr. Lukas stated at the November 15th Finance Committee & Council meeting, we talked about bringing this back to introduce tonight to put the levy on the May ballot – this starts the process.

Ms. Fisher stated part of the reason we are starting the process so early is we have a 75 day deadline – February 17 is the deadline for filing with the Board of Elections. As we only have 1 meeting in January and 1 meeting in February, it needed to be on for introduction tonight.

Mayor Bray stated we had a Finance Committee meeting tonight, we are still looking at putting the levy back on in May and we still have to balance the budget - \$700,000 is needed to balance the budget. We have been working on this the last month-month and a half, on ways to balance the budget & anything that we cut, we know, will affect everybody some way or another; is tough decision, we don't like to have to do, but we have to balance the budget. We have come up with, in talking with staff, two options. He presented the options to Council that is coming from the Finance Committee. Now is the time to voice your opinion- if you agree or disagree – as we have to balance the budget by the end of the year.

The first option totals \$462,000 of the \$700,000, leaving us \$238,000 short to be funded by the general fund. If the levy passes in May, we'll look at reinstating items.

Items include with approximate savings:

- eliminate one part-time firefighter position - \$100,000
- no seasonal part-time workers - \$44,000
- wage freeze from unions for 2011- \$80,000
- no full-time Finance Director - \$96,000
- no funding for City share of pool - \$40,000
- no special events - \$25,000
- no new cruisers (2) - \$53,000
- reducing overtime for snow plowing - \$24,000

We know not plowing the streets, no car show, no Easter egg hunt, not funding the pool, no fall festival, not buying equipment for the police will affect everything.

The second option is, if the wage freeze is not agreed to by the unions, \$700,000 will be cut from the budget & that will be people.

Mr. Lipps, Chairman of the Finance Committee, stated we have worked hard on understanding the budget and wants everyone in the room to understand the City's position. We ran the levy with no threats of cuts, didn't feel threatening the community was the right way to go. Now, looks like we made a poor decision. We didn't mean to threaten people, but we should have better educated the people that there would be some ramifications and we are facing that now. The Finance Committee met tonight for two hours and it was a brutally emotional and honest meeting. Revenues dropped 15.03% in 2009 and to date, have dropped 8.38% - total of 23% over the last the two years the City has had deficit collections. This means the private sector paying taxes is struggling & impacting us negatively. We are, in return, trying to find out how to keep cutting the budget. We have people who understandably are protective of themselves saying we don't want to take a cut. We don't want you to take a cut, but we are now cutting everything that affects the community. There has been good fiscal management by Council the last 3-4 years. Because we were in such a positive position, we have made it thru the last 2 years without affecting staff, employees or citizens. We made cuts that were invisible – can't do now – revenues aren't increasing. We have to balance the budget – is state law. Option A (first option) is a 6 month fix which shows we are being responsible, is a team effort and the employees are working with Council, so we can go to the citizens & say we need to pass a levy in May. If that happens (levy passes), we don't have to use Option B, the entire cut of

\$700,000.00 to survive 2011. We had lots of input at the meeting from department heads, the Committee (Mr. Lipps, Mr. Faulkner & Mr. Bray) along with Mr. Hall and Mr. Richter (Middletown Journal). A 23% deficit in revenues does affect you – we feel comfortable telling Council we have looked under every rock and we need to explain to employees and residents where we are at today so they can help us get to next year.

Mr. Faulkner stated we don't want to make these decisions; thanked Todd for attending the Finance Committee meeting tonight and that Todd and he would attend any union meetings to answer any questions.

Mayor Bray stated he needs to know if all agree with Option A (first option) as we will hear complaints, and if there are any other suggestions of cuts. He also brought up about when he attended the Franklin Township meeting 6-7 months ago asking for \$100,000 of the \$150,000 be given back to the City. He asked Council if there are any problems with him asking for this money again.

Mr. Hall stated that Mr. Lipps, along with himself, came on Council when they were beginning to come out of financial struggles about 11 years ago – we have done well to make it with what we have. Serious issues were discussed tonight & we disagreed on some recommendations – anything cut will affect the residents now and we still need help getting the levy passed by everyone in the room. In May, we will either be cutting positions or celebrating. There will be no more praise for City services if the levy isn't passed & all departments will be affected. \$700,000 will need to be cut and more will be cut going into 2013.

Mayor Bray noted that we spend about \$300,000 - \$350,000 a year on street paving - there has been none done the last three years – streets are starting to get in bad condition. Also, Issue II monies have been returned as we have not had the monies for the City share.

Mr. Hall stated we need help in getting this levy passed – please talk to your neighbors, don't want lay-offs and for the streets to go in disarray or the City, that we work so hard to maintain, to begin to deteriorate. He added that he will talk to anyone who wants to talk and it has been 35 years since the last levy. He asked that the word be spread – don't want to have to make \$700,000 worth of cuts.

Mr. Lipps stated there will be an article in the Middletown Journal tomorrow about the Finance Committee meeting; it will be thorough and detailed but it won't show the passion & emotion that was in that meeting. It was a difficult 2 hours, this isn't fun, and he complimented both Chiefs on their approach to help us understand both sides. The next Finance Committee meeting is December 17, 2010 at 8:00 a.m. and we will be meeting to make final decisions to be presented to Council in a formal Resolution on December 20th.

Mayor Bray asked if Council wanted him to contact the Township again.

Mr. Faulkner added that this is inside millage money collected – approximately \$150,000 – and we are asking for \$100,000.00.

Consensus of Council agreed that Mayor Bray ask the Township for the money.

CITY MANAGER'S REPORT

Mr. Lukas reported on the following:

- Referred to an email sent to Council about the Dayton Cincinnati City Manager's Meeting. The speaker predicted, for city planning purposes, no economy recovery next year or in 2012 – economy slowly starting to recover in 2013

LAW DIRECTOR'S REPORT

None tonight.

COUNCIL COMMENTS

Comments tonight include: Mr. Hall – need to talk about the need for the income tax levy as it will be sad if we can't continue services; have a safe December & rough Finance Committee meeting tonight: Mr. Aldridge – thanks for coming tonight; rough times; struggled with putting the levy on the ballot, didn't want to ask for anymore but had to; unfortunately facing tough times ahead; echo Todd's comments that support is needed; have pride in City, employees & services provided; need your support, city revenues are also decreasing, after 35 years of having the same, time for Franklin to step-up, have a bright future, now is the time to come together & get this passed: Mr. Centers – this has been addressed pretty well; we are citizens & also pay taxes; service cuts affects us too; we are here to run the city as best as we can; thanks to the Finance Committee & this will work out for all of us, is a great community, we'll make it: Mr. Knipper – thanks for coming; been tough several years; working on same issues at my job at the bank; need to work as a team & tighten our belts; at city government level, Franklin, with employees & Council watching what they do, is probably the best stewards of the money as anybody; think everyone in this room cares and that's why you're here and you're good stewards of money just as we are and think we will be able to prove that to the people of Franklin; levy failed by 200+ votes, think we will be able to get it done: Mr. Faulkner – thanks for attending; Mr. Hall & Mr. Lipps summed it up well; liked staff input; don't like having to make these decisions & optimistic we can get the levy passed: Mr. Lipps – stated he has been hit personally, has a business in town & had to lay-off 3 employees, with children at the holiday season; not taking lightly or don't understand the issues; didn't support the levy the last time (didn't support putting it on the ballot, did support passing it), until making every cut possible including asking employees to take wage freeze, these things have been done; need to educate the public; encourage all to attend the Finance Committee meeting on December 17th and the next Council meeting on December 20th: and Mayor Bray stated if anyone has a suggestion on possible cuts or any input at all, to call the City Manager and let him know – want to provide the best possible service at the best possible price. He also asked Council to be thinking about the board and commission appointments for 2011.

Mr. Faulkner asked if a Civil Service Secretary is still needed. Mr. Lukas stated yes, and also the Commission has a vacant position.

EXECUTIVE SESSION

None tonight.

Mr. Faulkner made the motion to adjourn; seconded by Mr. Knipper. The vote:

Mr. Centers	yes
Mr. Aldridge	yes
Mr. Hall	yes
Mr. Lipps	yes
Mr. Faulkner	yes
Mr. Knipper	yes
Mr. Bray	yes

Motion passed.

Mayor Bray adjourned the meeting at 6:50 p.m.

Mayor

Clerk of Council