ST. BERNARD VILLAGE COUNCIL MEETING
JANUARY 3, 2013

The regular meeting of the St. Bernard Village Council was held Thursday, January 3, 2013 in Council Chambers.

President of Council, Mr. Michael Peck –The meeting was opened with a prayer followed by the Pledge of Allegiance.

Roll call showed that all members were present: Mr. Tobergte, Mr. Meier, Mr. Holt, Mr. Asbach, Mrs. Shildmeyer, Mr. Culbertson, and Mrs. Bedinghaus.

Mr. Asbach made a motion to dispense with the reading of the minutes. Mrs. Bedinghaus seconded the motion. Council agreed 7-0.

REPORTE OF VILLAGE OFFICIALS

MAYOR, Mr. Burkhardt – The only thing on my report tonight is the Ohio EPA will host a public meeting regarding the St. Bernard Landfill Waste Delineation Plan. It will be held Thursday, January 10th at 6:30pm in St. Bernard Municipal Bldg. which is the building next door, and it will be about the waste delineation plan that will be used to determine the landfill limits for the St. Bernard landfill.

AUDITOR, Mrs. Brickweg – The Auditor's office has been busy getting ready to close out the year. We're doing it a little different than what has been done before. We're continuing to write checks. It will end tomorrow for sure so we don't have to encumber so much so it can come out of last year's budget because we're getting bills from last year. In the past it was always closed out on the very last day but the software company told us that that is not necessary. Still you're better off writing the checks for last year and getting them out of the way. But as of tomorrow we will be closing it out and I will be giving Council and the Administration their report to the end of the year.

DIRECTOR OF LAW, Mr. Walden – Absent.

TREASURER, Mr. Ungruhe – Mrs. Brickweg has stated that she does not have the report and when she does that I will give you the updated report on revenue.

SAFETY DIRECTOR, Ms. VanValkenberg – Absent.

SERVICE DIRECTOR, Mr. Stegman – No report.

TAX COMMISSIONER, Mr. Geiser – We've been working with the Auditor in closing out the books, but I do have a report for Council tonight to show how much income we did in the earned income tax dept. for last year. Our total for last year is $9.4 million and I gave each one of you a report. On the second page you'll see in that report that we did have an increase in withholding but as I've always said since I've taken this job, the real swing in our ups and downs is in net profit and you'll see that our net profit went down from the last year. Again, that's the net profit from the industry. Also, I gave each of you a report on the cost of our credit card. We started it at the end of 2010 and Council asked me to keep you abreast of what the cost is, how much income we've got. I don't have, I gave up my copy to Phil so could you just indicate or read my report to show how much income we brought in off that report, the total of the cost, the bottom, at the very bottom.

Mr. Stegman - $136,882.20.

Mr. Geiser – Thank you.

REPORTS OF VILLAGE OFFICIALS

FINANCE, Mr. Meier – The first Finance Committee meeting for 2013 will be on Tuesday, the 16th of January at 7:30pm. What we will have on the agenda is the four large departments, the Police, Fire, Service, Building & Planning for those department heads to meet with the Committee so we can go over their individual budgets to make sure we didn't miss anything when we did this and we're all on the same page starting out the year.

SAFETY, Mr. Asbach – The next Block Watch meeting will be Tuesday, January 15th, 6:30pm downstairs. I'd also like to say that I will wait until before the Ordinances this evening and I will make a motion at that time to put them on the table.
I also have the Police Dept. report for December. During the month of December, officers were involved in 625 calls for service. Of those calls, officers responded to 20 accident reports and took 37 offense reports. Officers cleared a total of 16 offenses. Officers made 59 misdemeanor arrests. Officers responded to 33 parking complaints and issued 6 citations for parking violations. Officers issued 32 traffic citations, 1 DUI arrests and 74 warnings. Officers responded to 102 calls for suspicious activity, vehicles or persons.

SERVICE, Mr. Holt –On Saturday, January 12th there will be a Computer and TV Recycling Drop-Off at the CSI Republic Transfer Station. The address is 10751 Evendale Drive, Cincinnati, Ohio 45241.
I also have the Service Department report for December. There were 5 trucks, 12 dumpsters and 78 special pick-ups at residents' homes. There were 22.92 tons of recycling material, 4.3 tons of cardboard and 4,060 pounds of scrap metal.

PUBLIC IMPROVEMENTS, Mrs. Schildmeyer – No report.

LAWS, CONTRACTS AND CLAIMS, Mr. Culbertson – No report.

BUSINESS AND INDUSTRY, Mrs. Bedinghaus – No report.

HIGHWAYS AND TRANSPORTATIONS, Mr. Tobergte – No report.

COMMUNICATIONS

None.

RESOLUTIONS AND ORDINANCES

Mr. Peck – Before we get to the title only motion Mr. Asbach has a motion and I believe it has to be worded as a motion to prepare an Ordinance for this evening's Council Meeting. I believe the Ordinances are prepared but we do need a motion.

Motion by Mr. Asbach, seconded by Mr. Meier to prepare the four Ordinances that were discussed at the December 13th COW be placed on the table for their first reading tonight. Motion passed 7-0.

Motion by Mr. Asbach, seconded by Mr. Meier to read tonight's Resolutions and Ordinances by title only. Motion passed 7-0.

ORDINANCE NO. 1, 2013. AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $6,000.000.00 OF SPECIAL OBLIGATION INCOME TAX REVENUE BONDS FOR THE PURPOSE OF (A) REFUNDING CERTAIN GENERAL OBLIGATION NOTES OF THE VILLAGE ISSUED TO FUND STREETSCAPING AND COSTS OF A NEW SERVICE CENTER AND (B) PROVIDING ADDITIONAL FUNDS TO PAY COSTS OF THOSE PROJECTS; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE VILLAGE'S 2.10% INCOME TAX TO SECURE THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE USE AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

Motion by Mr. Asbach, seconded by Mrs. Schildmeyer to have Ordinance No. 1, 2013 take its regular course.

REMARKS

Mr. Tobergte – I'm just curious, Mr. Myers is here, Bill is here, Peggy also, when is this trip to Chicago to get our bond rating. Are you guys planning on still going up there or what's the deal with our bond rating meeting in Chicago?

Mr. Myers – The meeting is still required, it's not scheduled. We had it scheduled for December, but because of all the issues and discussions that meeting was cancelled and we can't schedule another one until we know what we're doing. Are we going to do it, yes, it has to be done. When, it has to be done soon, and to that point you're passing these on regular schedule, I would make the observation that March 15th is a drop dead date. You have your Bond Anticipation Note that is the due date for payment, there is a process involved with getting bonds on the market, sold, prepared, etc. We still haven't had the meeting scheduled. You might want to consider doing these things on the emergency basis so that this time frame doesn't slip away and you don't have money to pay it back. Then the moneys all gone. That is actually the reimbursement of the bond anticipation note. But to answer your question, the meeting is not scheduled yet because we don't know what the process is going to be here.

Mr. Tobergte – My understanding of the meeting, we'll get a bond rating. Correct? We don't have a bond rating right now?

Mr. Myers – That's correct.

Mr. Tobergte – So we have no idea really what the bonds are going to cost us?

Mr. Myers – You won't know exactly until the week of issuance when it goes out on the market.

Mr. Tobergte – What I'm saying, since we don't have a bond rating if we're rated AAA we get 2% or whatever. Say we're rated BEF or whatever, we get 70% issue rated on the bond.

Mr. Myers – Yes, it's not a direct relationship, but yes, your jurisdiction is rated. Then what's available, how many investors will buy your bonds at a AAA , a AA, and A rating etc., how many investors are out there who will want to buy your bonds at a given interest rate. That's the premium, that's the difference in those rates. That's how they determine that. A AAA is obviously a better risk so those will go faster at a lower rate. But we don't know what our rating is yet so that is the purpose, the Moody's meeting, Moody's will rate the town.

Mr. Tobergte – What I'm asking, I guess in a roundabout way is, if we don't know what the bond rating is, we have no idea what these bond are going to cost us. Correct?

Mr. Myers – No, you've got an idea. You're going to be in the A ratings and there's a relatively good chance of that happening, a pretty good chance. You know what those bonds are going to be basically. I think 5th/3rd has already worked that out. Those numbers are based on that. So yes, they've got a good indication of what your bonds are going to be. Is it going to be to the penny accurate, no, nobody's got a crystal ball and you won't know that until the week of. And if you have a AAA rating, you won't know until the week of. It's all tied to the bond market so it fluctuates on a weekly basis.

Mrs. Bedinghaus – So Paul are all of these bonds on the same time frame, because March 15th you said number one. What about the rest of these?

Mr. Myers – The rest of them don't have to be. Number one is the one that is really tied to the reimbursement. You do have another, just for the point of information, your other reimbursement, if you will, bond, I believe you tied that to your budget. So you might want to consider that one as an emergency because it's tied to your budget. But do you need the other two, no, not necessarily.

Mrs. Bedinghaus – OK.

Mr. Asbach – At this time I'd like to withdraw my motion for this Ordinance to go regular course and at least have this one suspend with the second and third reading. But I'll make a motion to withdraw the motion for it to go regular course since it's time sensitive to what we need to pay back.

Motion by Mr. Asbach, seconded by Mr. Meier, to suspend with the second and third reading of Ordinance No.1, 2013.

REMARKS

Mrs. Brickweg – I actually was able to talk with somebody at the bank today because I've been kind of cut out of the loophole, which is fine but I talked to the bond agency and I talked to the bank and the interest rate in a full circle way will become our rating. When I asked Andy today if he had any idea what the interest rate was he said he had no idea but it could be the same two months from now. So I'm not sure how that was already input in to that because he said he had no idea. Secondly, one of the major concerns with the rating is the Bank St. litigation. We don't have closure to that so I don't know how anybody right now can predict what our rate will be at this point. As of today I haven't been in on any of this and I'm not even sure when the date is but that is something you can take into consideration and Andy did say yes, for sure, whatever the rating is it will have an impact on what the interest rate is. I have no idea what the interest rates are going to be.

Mr. Tobergte – I have one more question. Paul on the Streetscape, Vine St. between Lawrence and Washington, I thought you were moving on all the way down Vine St. did plans change again or?

Mr. Myers – No, plans haven't changed but that is the language that was in your original Streetscaping proposition. We're not messing with the language. The reimbursement is tied directly to what was proposed before so it balances out. You can't change those languages activities. The bond activity is very precise. The fact that we're expanding it will be the other Ordinance that brings us actually up to full funding. That reimbursement Ordinance was for partial funding in the anticipation of getting things moving this past year which didn't happen. But the other bond brings it up to the $3.3 million that was recommended I don't know how long ago. That gets you, that other one, gets you the wiggle room to do what you're talking about.

Mrs. Bedinghaus – The Service Center, this bond is for the Service Center and the streets themselves. When do we anticipate that we would have to start on the Service Center?

Mr. Stegman – My understanding, it's going to be a nine to eleven month build. It's going to take approximately a couple of months to get it out for bid, drawings and everything are done so we could actually start getting that process out next month. So you're looking at probably about a year to fourteen months and then to get moved in and we have to be out on 10/1/14. That's our drop dead date for both buildings. I think the emergency part of this is because we've got the $5 million out now that we have to pay back and put it back into a bond so that we can continue on and move forward. I think that's the only rush on building that actual building.

Joe Barnes, 4229 Minmore Dr. – Is there going to be an interest rate where it's going to be too high for this to be productive for us to do? If you guys pass these Ordinances are we going to be stuck with whatever interest rate we get or are we going to be able to say down the road, OK, 10% is too high, we're not going to go with this?

Mr. Tobergte – The way I understood it from Paul, we're stuck with the interest rate we're getting, we have no choice.

Joe Barnes, 4229 Minmore Dr. – This bond is going to pay off some other bond that we have that might have lower interest rates?

Mr. Tobergte – We had taken out a one year bond anticipation note for $5 million and we only spent two hundred some odd thousand dollars of it which cost us

$60,000.00 interest. I had a problem with that. We spent a little money on that buy paying off that $5 million loan we took out.

Joe Barnes – OK, I had to ask.

Mrs. Brickweg – Joe I think I can help. I think the Ordinance that you are talking about is Ordinance No. 4 which is going to be paying off, reimburse, but this is up to $5 million on the Bank St. litigation and that is the money they want to pay off Imwalle and the shopping center. Imwalle was financed at 0% interest and the shopping center was financed at 4% interest. So I think that's the one that you're probably referring to and that the interest that we paid last year was $64,400.00.

Mr. Tobergte – Paul if I'm not mistaken, Ordinance No. 1 pays back the $5 million loan, correct?

Mr. Myers – Correct.

The motion to suspend passed 6-0. Mr. Tobergte abstained.

Motion by Mr. Asbach, seconded by Mr. Holt to adopt Ordinance No. 1, 2013 as read. Motion passed 6-0. Mr. Tobergte abstained.

Mr. Tobergte – If I may, I had some puzzled looks. The reason I abstained is it deals with Vine St. Streetscape and because I own property on Vine St. I'm not allowed to vote on it. That's why I abstained.

ORDINANCE NO. 2, 2013. AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $9,500,000.00 OF SPECIAL OBLIGATION INCOME TAX REVENUE BONDS FOR THE PURPOSE OF PAYING COSTS OF ACQUIRING, CONSTRUCTING AND IMPROVING A PUBLIC SAFETY FACILITY TO HOUSE POLICE, FIRE, EMS AND OTHER MUNICIPAL OPERATIONS, INCLUDING THE ACQUISITION OF REAL ESTATE AND INTERESTS IN REAL ESTATE, THE CONSTRUCTION, RECONSTRUCTION, RELOCATION, REMODELING, ENLARGEMENT AND IMPROVEMENT OF BUILDINGS AND OTHER STRUCTURES, THE ACQUISITION OF FURNISHINGS, APPARATUS, COMMUNICATIONS EQUIPMENT AND OTHER EQUIPMENT, LANDSCAPING AND MAKING SITE IMPROVEMENTS, AND ALL NECESSARY APPURTENANCES RELATED THERETO; PROVIDING FOR THE PLEDGE OF REVENUES FROM THE VILLAGE'S 2.10% INCOME TAX TO SECURE THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE USE AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

Motion by Mr. Asbach, seconded by Mr. Culbertson to have Ordinance No. 2, 2013 take its regular course.

REMARKS

Mr. Asbach – Since we're kind of waiting on figures that Mr. Stegman is getting from the State and to see if it's legally possible for us to buy the Fire House back, I would hope that we would have some figures by the COW on the 17th and we'll move on it from there at the next Council Meeting.

Mr. Tobergte – May I ask Mr. Myers a couple of questions? Why don't you just stay up there. The total cost of construction of the building, is that the $9.5?

Mr. Myers – No, we're going to give every effort to hold that at $9 or below.

Mr. Tobergte – I guess my question is, in here it says the acquisition of real estate, interest in real estate…..

Mr. Myers – That's all boiler plate language.

Mr. Tobergte – OK, You're not trying to recoup the cost of the money that you already spent on the Fire, Police?

Mr. Myers – No.

Mr. Culbertson – I'd like to ask Mr. Myers, who was instrumental in the design of the Safety Center. Is it solely Administration decision on the design and layout or who would you say design the layout of the building?

Mr. Myers – We hired a fairly well renowned public architectural firm that does a lot of public work, public buildings. But besides their truly expert knowledge on what goes on we'll get into the working drawing phase. The way the development process works is you come up with the concept. We get input from both the, everybody, from Fire, Service and Police. The Service Center building did the same thing with the Service, we had input from everybody. What do you like, what don't you like, what could we do, etc., etc. Some things make sense, some things don't make sense. Some things make sense but they're million dollar ideas so you take your best shot at working that out and there's the concept. We have not moved farther down the road with working drawings, which really gets into details, because we don't know what we're doing yet. I don't want to commit hundreds of thousands of dollars in architectural fees if you all say no. And we're not there yet. We need to get farther down that process. In that process there will be a lot of opportunity for both Fire, Service and Police and the Administration and if necessary, public input, that's a stretch because it's internal workings. That might be a stretch to have public input. Those three entities, Administration, Police and Fire to have input on what's going on and how that all lays out and it's functionality, do you want to turn left or turn right, how high do you want this, those kind of things will just be done during that working, drawing process. We'll be working primarily through the Chiefs and the Mayor so that we make those three entities will function properly and get the work done in a timely manner.

The motion to let Ordinance No. 2, 2013 go its regular course passed 7-0.

ORDINANCE NO. 3, 2013. AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $1,000,000.00 OF SPECIAL OBLIGATION INCOME TAX REVENUE BONDS FOR THE PURPOSE OF PAYING COSTS OF STREETSCAPING IMPROVEMENTS WITHIN THE VILLAGE, INCLUDING CONSTRUCTING, RECONSTRUCTING, WIDENING AND IMPROVING SIDEWALKS, INSTALLING NEW LIGHT STANCHIONS AND STREET FURNITURE, PLANTING NEW TREES, LANDSCAPING, INSTALLING UNDERGROUND UTILITY WIRES, ACQUIRING LAND AND INTERESTS IN LAND, AND ALL NECESSARY APPURTENANCES RELATED

THERETO; PROVIDNG FOR THE PLEDGE OF REVENUES FROM THE VILLAGE'S 2.10% INCOME TAX TO SECURE THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE USE AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLARING AN EMERGENCY.

Motion by Mr. Asbach, seconded by Mr. Holt to suspend with the second and third reading of Ordinance No. 3, 2013. Motion passed 6-0. Mr. Tobergte abstained.

Motion by Mr. Asbach, seconded by Mr. Meier to adopt Ordinance No. 3, 2013 as read. Motion passed 6-0. Mr. Tobergte abstained.

Mayor Burkhardt – Before we read Ordinance No. 4, if everybody would look down at the bottom of the first page, there's a blank spot where it says "blank" dollar. That should be $5 million, immediately following the "dollars" if you would just scratch out "principal amount", just a little typo there.

ORDINANCE NO. 4, 2013. AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $5,000,000.00 OF SPECIAL OBLIGATION INCOME TAX REVENUE BONDS FOR THE PURPOSE OF PAYING A FINAL JUDGMENT, INCLUDING DEFENSE COST AND EXPENSES, PROVIDING FOR THE PLEDGE OF REVENUES FROM THE VILLAGE'S 2.10% INCOME TAX TO SECURE THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE BONDS, AUTHORIZING THE USE AND DELIVERY OF AN OFFICIAL STATEMENT RELATING TO THE BONDS; AND DECLAIRING AN EMERGENCY.

Motion by Mr. Asbach, seconded by Mr. Meier to suspend with the second and third reading of Ordinance No. 4, 2013.

REMARKS

Mr. Tobergte – I have another question for Paul, I guess. On the second WHEREAS, it says 'the Auditor of the Village had certified to the Village that the Village is unable, within the limits of its other funds that have been appropriated and are available for the purpose, to pay the Final Judgment, including defense costs and expenses' since we already paid that, how can we say we're not able to pay it?

Mr. Myers – Again that's legal 'boiler plate' language. You can have million dollars in reserve, a hundred million dollars in reserve and depending on what you deem is appropriate, that's what it is.

Mr. Tobergte – We already paid it, so I'm saying how can we say we're unable to pay it if we already paid it.

Mr. Myers – True enough, the lawyers prepared it. It's the legal language they use. I'm confusing you and I understand that but that's the 'boiler plate' language they use.

Mrs. Bedinghaus – Peggy this is the Ordinance for the payoff of Imwalle and the shopping center?

Mrs. Brickweg – This is the Ordinance that they were, the Finance Committee, suggested we use to pay off Imwalle but that was at $2.5 million, this one says $5 million.

Mr. Culbertson – That's what I was going to ask. Wasn't this originally talked about to be $2.5 million? Where did we come up to $5 million and why?

Mr. Myers – Yes, the original was for $2.5 million and you are, a number of you have said that there are additional dollars that you haven't identified the full amount yet. Those dollars, there are two kinds of dollars that you are looking at, there is a time constraint. If you're within that calendar limitation, the dollars are basically tax exempt. That is the $2.5. Those dollars are definitely tax exempt. If there are other dollars that can be recouped within that calendar, the time limitation, those dollars will be tax exempt. Beyond that calendar limitation you do have additional dollars that you've spent pre and probably post dollars. So you can capture those dollars, the difference will be, those dollars will be taxed. So that Ordinance allows all of that mish-mash to happen. You've got $2.5 that is definitely tax exempt. You have the ability to still capture dollars within your calendar time limitation that will be tax exempt if that is so doable and the dollars that are outside of that time frame you can recoup, you'd be reimbursed, but they are taxable. So that's why that limitation of $5 and honestly the not to exceed $5,000,000 is, it could be not to exceed one hundred million. It's still limited to what's reimbursed. If you only have, I don't know what the dollars are, I'm not, as you know, I'm not in that landfill stuff, but you're going to spend another X dollars. Whatever that X is, you can still get that back. This one says your cap is $5 million. If you think you're exceeding that, change the cap on this Ordinance. That's kind of a shot in the dark, double what you had but that gives you the opportunity to capture those dollars back. If it's not enough, that might be an issue you would want to address, but if it's OK then it's OK.

Mr. Meier – Paul, when we, at the time when we go to issue the bond, can we stagger those issuances, I mean, we don't have to do it all at one time because we know we have $2.5 million that's already been spent. If we don't find out until July or August what the final total is, can we get the $2.5 million in springtime and then when we get the final total for all of the expenses then issue the remaining amount or does it all have to be done at the same time?

Mr. Myers – No, it doesn't have to be done all at the same time. What we should do is when you make a presentation to Moody's you present a total package. What you don't want to be is going to Moody's to get a raise and the discussion is based on two of these Ordinances. That's a little misleading, downright deceitful. Don't do that. When you go to Moody's you're going to be talking about what you intend to do. Here is the full program. Now the issuance of those bonds is a timing issue, yes, you can stagger the exact issuance to when you really need it, recognizing that there's lead time, a couple of months to actually do that. But it's kind of an X and a Y. The X part of this is the first step of talking to Moody's, getting your rating and that's where the town's programs in total have to be presented.

Mr. Meier – I think, in my opinion, the $2.5 million that we discussed, I think we need to get back but it would be nice to have in place the ability to issue the additional bonds if it seemed necessary to do that later on in the year. But I would not want to go ahead and issue a full amount when we may not need the full amount and then be obligated through the year. I do like the idea of that we've got an unknown out there that we have to pay a fine to the EPA and maybe some additional cost to wrap everything up. Personally I would like to know that we've got the ability to issue them if we needed to but we're not required to issue them if we don't have to. I think I'd like to issue as little as possible. But having a safety net I think is important.

Mr. Tobergte – A couple of other questions, one, who makes the determination, like we say, pass this Ordinance for $5 million, I can almost guarantee that bond will be $5 million. We'll find someplace else to spend the money. Smiling but it's true.

Mr. Myers – You have to have a reason to issue a bond. You can't say that we're going to issue a bond because the interest rate is really low. That's a reimbursable. If you only have $100,000.00 worth of reimbursable, which is you spent $100,000.00 and I want it back, clearly, that's the reimbursable. You can say that's limited as $100 million, you're only going to get $100,000.00. You can't justify the rest of the money. So it is limited to what is truly going to be reimbursable. It's just that right now you haven't identified what that is. So OK, double what you've got. And frankly if it winds up at $7 million say, well we left $2 million on the table, well then you go back and get another bond to pick up the other two. You don't pay taxes on it because it's outside the time limit. But that's a, Council makes that decision. Is it more important to have the money and pay the taxes or its gone, don't worry about it and we're not going to pay the taxes. It depends on what you need the money for. If it's important to get it back then it's important to get it back. If it's not important well then do you need it back to pay the taxes.

Mr. Tobergte – At past meetings Kevin was saying that the intent now was to use this money to pay off Imwalle and the shopping center, correct?

Mr. Myers – That's part of it, yes.

Mr. Tobergte – For the life of me I don't understand, we're trying to sell Imwalle, we have no interest on that right now, correct?

Mr. Myers – We're paying no interest.

Mr. Tobergte – Why would we take a loan for the minimum of ten years on a building we might be selling in a year or two. I just don't understand that at all.

Mr. Myers – Well I think Kevin explained that pretty well the last time but if I can paraphrase, you're doing it to restructure the debt that you have this year, next year, the year after that, these short time frames. The short time frames are what is causing the problem. Had the landfill issues and a few other things like that not crept up, you would have had those dollars in reserve, you would have dealt with this and said 'no we're not going to do that'. Well, the facts are the facts, you did and you still do have those issues, you need to restructure your current debt. The debt structure is too much to handle. Simply restructure it. Is it worth it? The money is at an all time low. Yes, it's probably worth it. Especially if you can get as much as you're going to restructure as cheap as it's going to come out. That's pretty favorable stuff.

Mrs. Brickweg – Kevin wording it the way he worded it, basically you can't afford your bonds unless you refinance these projects. You can't afford the bond payment because right now you're paying $740 or $760 so if you're going to go out for all these bonds there's no way you can go out for the bonds unless you do that. If the bond goes to the entirety of it, you'll be paying $1million in interest on all those things where right now it's 0%. So that's why they're doing this because you can't afford to do the other projects unless you do that. And to say the interest rate is so great and we don't even have a clue what it is.

Mr. Meier – I think that to be real clear on this, the idea of this budget and all these projects is to move the Village forward with development. I think in all the meetings that we had, whether it's public meetings down here, whether it's Council and Administration or anybody else, everybody, and even meeting with the employees, everybody has been in favor of moving the Village forward. In order to do that we have to borrow money. I know, Peggy, you are one of the leading ones that early on, a couple of years ago, that the bond money pay for expenses. The bottom line is, if we leave that $760,000.00 or $780,000.00 whatever that figure is, for Imwalle, you're going to have to pick out seven people to lay off, because to get $700,000.00 out of that budget, there's nowhere else to take it out of. There's no line item large enough to take it out. You can call it whatever you want. If you'd rather lay people off, stand up and say you want to lay people off. That is an alternative that I can't vote for. That's the reason we're doing this. All you guys sitting up there, you're the reason we restructure this. In order to get the $12 million, we've got four big pieces in this budget. We've got the Depts. and the majority of those Depts. are people, it's you guys. It's the insurance. And you guys kicked in and did more than your share in order to do what we can do with the insurance to make it affordable. The only thing left is your jobs. If you want to go that route, we can go that route. We put a lot of time and effort in to this in order to make sure that none of you guys are laid off. This argument is coming up again, saying we're at 0% interest. Fine, 0% interest, seven jobs.

Peggy Brickweg, 4901 Heger – I am sick and tired of the darn layoffs. You should be ashamed of yourself. How easy for you to sit up there and tell these people whose livelihood are that you can lay them off. Nobody wants to say it but you should do your own financing before you tell these people you're going to lay them off.

Mr. Peck – That's enough, that's enough.

Peggy Brickweg – Too bad, anyway.

Mr. Peck – No, sit down, please…………………..

Peggy Brickweg – No, I will continue on. The truth hurts sometime, somebody had to say it. But I am tired of listening to this,'we're going to lay you off'". Has anybody thought about postponing some of these projects? Council you are now looking at $20.5 million. We went over the budget, we couldn't even figure out how to make some of the payments on much of it. It's easy to just get $20.5 but let's remember that there's a payment that goes to that $20.5, we don't have a clue what the interest rate is, as a tax payer here I'm going wow, that's like going out and saying I'm going out and buy a Home-a-Rama home. I don't care if I can make the payment on the mortgage rate. Who cares what it is. You need to have all the facts and to add on top of that is in two years we have a levy out there and if doesn't pass we're $1.2 million in the hole. This scares me to no end. I know I'm not invited to Chicago because I'm not playing nicely as I was told today. Fine! But I'm telling you as a tax payer, I'm scared to death if I'm ever going to hear right what you're going to have in two years. So you tell these people about their layoffs now when you can't make the payments and you got all these projects that you're going to be doing and you don't have any employees to run them. I'm just telling you you better really, really think this through. Everybody wants everything right now. So do I but I can't afford everything I want right now, my house, so I go on a budget and I figure out what I really need. Not what I want but what I need. And when I sit here and see the $20 million and it's sure, sure we'll go emergency, to me when these Ordinances came up today, I was shocked, because you on Council should've known about it. You should've had time to prepare for it. It shouldn't be that you make a motion to put it on the table tonight. That's not how Council works and you all know that. It should have been a couple of weeks ago and discussed at a COW when you had time to discuss it and it shouldn't have to pass emergency tonight but none of that happened. To me I'm going to go, hum, why didn't that happen? There were no answers today at City Hall, nobody knew. All of a sudden we just had to get Ordinances, Elaine is running around trying to get them ready, and nobody knew about them.

Mr. Asbach – These Ordinances were discussed at the December 13th COW meeting. People had opportunity to ask questions then. I'm not saying anything about the way they were put on the table tonight. I asked at that COW if we needed a motion to have them put on the table and they were not going to be ready for the December 20th Council meeting. So they weren't but I did ask at the time if they needed to be so it's not like anybody was shocked by this. It was a big discussion at COW on the 13th. Everybody had the opportunity, granted we just got things that day so you asked a lot of the questions and we didn't but we've had a couple of weeks to look at it and think about it.

Mr. Meier – I'd like to make one point just to be clear. In every Finance meeting we've had and every meeting with the employees and more than once I've told the employees that layoffs were not an option and they're not on the table. They never have been, they were never discussed, we're not threatening layoffs. What I'm saying is 'we did this, on this budget to avoid layoffs'. Let's make it really clear. I've said in the past, I'm not going to sit up here as the head of the Finance Committee and lay off employees. It's been said multiple times. You guys can take it at face value for what it is. None of the meetings that any of you have ever been to did we ever discuss laying off employees. I just want to be real clear about that.

Terry Mays, 4234 Greenlee – I'm sitting back here listening to all of this the past couple of weeks and all these things are getting pushed ahead and this levy you're talking about pushing and maybe have to vote on. If that doesn't pass what are you going to have to do then, I'd like to know the answer to that if it doesn't pass. Somebody up there has to have an answer. You shouldn't pass all these things putting us in jeopardy.

Mayor Burkhardt – As Administration we are going to continue to work in the next several years to cut costs. Do business better, but if this City does not move forward and one of the clappers up there, one of your people just moved out of the City, I got another one threatening to move out of the City. If all of the employees are going to move out of the City, what does that tell you. OK. What does that tell you? How many other depts. have people that don't live in this City. Yet we're paying a great wage to these people. If this City does not move forward, look North of us because that's what you're going to see. You're going to see a Village that looks just like what's North of us and what surrounds us. This City has to move forward and yet it's going to be some tough decisions in the next three or four years but decisions that have to be made. We can't sit stagnant any longer. Like Paul said ' interest rates aren't going to get any lower.' We can push everything off for three or four years, interest rates will probably triple by then. Then what are you going to do. Then you can't afford to borrow the money. If these bonds come back and the interest rate is too high then we're going to have to fall back and punt, sure. We can't find out until we get to that point.

Terry Mays, 4234 Greenlee – Do we have that choice?

Mayor Burkhardt – I would think so. I would think at that point if Council decides that the interest rate is too high, then we're going to have to look at doing something different.

Terry Mays, 4234 Greenlee – That didn't answer my question.

Mayor Burkhardt – Yes?

Terry Mays, 4234 Greenlee – The levy or whatever you have to put up there doesn't pass, what are you going to do then?

Mayor Burkhardt – Like I said, in the next two years we're going to have to work hard at making changes and doing business different to save money, because if that isn't there we've got to be ready for it.

Terry Mays, 4234 Greenlee – Why borrow money and get yourself in that trouble to have to even worry about it?

Mayor Burkhardt – Because what are we going to do? Are we going to stay the way we are? I don't think that's an option for this City any longer. I think we've waited too long now. As Mayor I'm not ready to sit still. We've got to take a stand and we've got to move forward.

Terry Mays, 4234 Greenlee – That's OK, you can clap too. I don't know them back there or whatever I was speaking for myself. I think a lot more questions need to be answered before you go out and borrow or bond all this money.

Mr. Meier – When we passed the levy a couple of years ago, and there was a lot of discussion about what we were passing that levy for, and there was even discussion about putting verbage into that levy so it could only be used for capital improvements. We were told we couldn't put that language into the levy but there was commitment by the seven people that were sitting up here on Council is that that money would be used for capital improvements and over and over and over again we've heard from residents, employees that we don't want to see just buildings going down we want to see something happening. Now we're at the point where it's a pretty scary jump that we're making to make something happen. But if we don't move forward, if we put this off for a couple of more years, I wouldn't vote for the levy. Why should I vote to renew another levy for capital improvements if we're not going to do capital improvements. How can we stand out there and face the residents that were told a few years ago that we're going to use money for capital improvements and say well we can't afford the capital improvements but we're going to use it for personnel. If you want a really scary scenario, imagine what happens if you don't do what you said you were going to do and the voters say 'well I'm not going to renew that levy and you have to take another $1.2 million out of that budget. That's what you're looking at. Those are real numbers. There is no place to get $1.2 out of that budget or whatever the exact figure is from the levy. There's a lot of discussion up here. That money should be used for capital improvements because people want to see things happen in this Village and we're at a point now where it's not an easy decision to make and we've got to make it.

Mrs. Brickweg – First of all, I guess in the last couple of years, I do agree with you Kevin that, as a Council member we told the residents we were going to use it on capital improvements but are the only capital improvements we've spent it on so far are buying up property? What's the capital improvements we've spent it on?

Mr. Meier – A lot of the capital improvements is money that you may not have seen. It's money for plans, it's money for acquisition and now that we've got that in place, now instead of seeing things going down, now you're going to see things coming up. We're going to see the big costs, you have to make that decision and it's not an easy decision to make. I wish I didn't have to make it. The fact is, we have to. We either have to say yes we're moving forward or not.

Mrs. Brickweg – I will say as Auditor the last year, I've seen purchase of property and some plans but I really doubt we spent $1.2 million on it, I'll be honest with you. Secondly, and I kind of said this to Phil last week, I'm not saying not to move forward but I kind of feel like a lot of times if I can't use all of my toys I'm going home. I not saying not to move forward but I'm saying $20million at one time is a little scary. OK. A lot of people like to say 'oh, Peggy doesn't want to move forward', that's not it at all. I'm looking at the financial part. I even said to Eddie, man all these are tied to your revenue. I'd be a little scared if all these things were tied to my revenue. You know and so I've said publically as the Auditor when I see the revenues coming in I don't think we can afford all this and I feel, I hope to God I'm wrong two years from now, you know, but if I'm not at least I stood my ground and stood by my numbers and numbers are numbers, they're straight, you know, but I'm not saying not to move forward, the thought that everybody is, I guess you don't want to improve the City, you don't want to move forward, no I'm not saying that. And I'm saying sometimes you can't have everything you want and I think that's what he was kind of saying is look at the big picture. I mean, we just borrowed $5 million and spent a couple of hundred thousand and paid $64,000.00 in interest because we were all gung ho, we're going to move right away, we're going to get $5 million to go. That didn't happen. OK, interest rates are the same as they are this year. But we were already to go and we didn't so basically we at least wasted $60,000.00 doing that. So do you have to do every single thing at once, that's all I'm saying? And yeah, I can't predict the interest rates five years from now. But what's it going to matter if we go borrow and we can't afford it two years from now. That's all I'm saying. Move forward, but do we have to move forward in an Indy race car?

Butch Baur, 150 Delmar – I got a couple of questions I guess I need answered. On Ordinance No. 4, my understanding is that that is encompassing three items that we already have financed currently. I believe it is one of our fire trucks, the shopping center and Imwalle. Am I correct on that? And that totals up to $2.5 million for all three of those. Is that right or is it?

Mr. Meier – It may be a little bit above that.

Mrs. Brickweg – It's $45,000.00 short of it.

Butch Baur – So the fire truck has an interest rate. The shopping center has an interest rate and Imwalle does not. We're not paying any interest on the loan for Imwalle. Can we take the money and pay off the two that we're paying interest on, take the money for Imwalle, leave it in the savings account because we're recouping the money that we've laid out on Bank St. and sit back on it and see if we need it. If you've got money there that's earning interest in a savings or in our checking account wherever we put it and we're making payments, we don't have to pay that interest. If we have to move it around, and we have to put it in there then we do. I don't know if somebody wants to respond to that before I go on or not. I don't know if that's possible or feasible. I know this will screw your budget up completely if you try to do it Kevin so I …………..

Mr. Culbertson – What would our payment be if we did that this coming year?

Mrs. Brickweg – For Imwalle it would be $200,000.00 a year.

Mr. Meier – If you look at savings rates you're probably less that 1% that you could get on a savings account. But you may be getting 3.5% to get the money so you'd be paying 3.5% to get 1% back. It's an option.

Butch Baur – Well I mean I guess my reasoning for saying that is you make your $200,000.00 payment out of that money. The rest of that money sits in that account because we don't know what's coming down the road. I mean and that kind of leads into the second part of my question, the additional $2.5 the City gets, is that going to cover everything we need for Bank St.? Do we know, do we have any clue at all?

Mayor Burkhardt – Other than that Attorney General, no I would say, no, we have one more home out there that's, I believe was appraised today, so we should have a number hopefully tomorrow or Monday, but I have no clue what the AG is going to do.

Butch Baur – So we could potentially get a judgment from the Attorney General for $10 million and it could knock this whole house of cards down that we're building?

Mayor Burkhardt – Yes, I wouldn't think it would be anywhere near that but yes, I know what you're saying. It's an unknown that until he makes a decision, and I believe he's waiting to see how all this goes with the meeting next week and how we move forward, because if we don't move forward he probably would slam us. So it's very important that we move forward on Bank St.

Butch Baur – Do you have any inclination on what kind of money you think this, you know, you're talking $1 million or $2.5 million or …………………..

Mayor Burkhardt – I think we're talking hundreds of thousands, not millions.

Butch Baur – OK then and I don't know if Paul can answer this or who but you're saying there's a time frame for how far back we can recoup money that we've spent out on Bank St. Is that a year, is that five years, what kind of time frame is that?

Mrs. Brickweg – Butch, actually I didn't prepare the last one but the one that I was involved in this summer, you can go back two months.

Butch Baur – Only two months?

Mrs. Brickweg – That one was two months, but like I said I haven't been involved in any of these so I'm not sure what this one was.

Butch Baur – My thought was that, you know, we've laid out money on trying to correct the landfill for years. Unsuccessfully, you know, they tried to do wells and monitoring to make corrections and we've spent money on that and not to repeat it, could that be used to recoup, to use that $2.5 million to recoup it right away and maybe instead of borrowing so much for the shopping center we could put that $2.5 million in out of that. That could save $2.5 million out of bonds that we're borrowing as money we've already outlaid.

Mrs. Brickweg – If what I was hearing, because I think the idea of the bonds that Paul was presenting was that if we have any future bills coming in like say the AG comes and says $2 million, make up a number, that we could recoup that. But I really think you can only go back so far. Now they did say we could go forward with some but it would be a taxable bond. It would be different than a non-tax bond.

Butch Baur – So we try to recoup the money we've already spent on the monitoring wells is not a feasible part of that.

Mayor Burkhardt – Butch, like Paul said, this $5 million, if we can only recoup $2.5 that's all that bond is going to be. It's not going to be $5million.

Butch Baur – I understood that, and I'm going to use this for a number, you said $100,000.00 maybe from the AG. That may be all the additional we can get above the $2.5. That was my point for the monitoring and for the work that has already been done, can that be added on and obviously Peggy answered that question as no.

Mrs. Brickweg – I guess you probably could. You have the $300,000.00 Phil was working with out of last year's budget and the $200,000 and something to pay from this year on the gas well monitoring. There's like $500,000.00 right there that was not in the $2.5 million. Like the Mayor said we're waiting on the appraisal coming back from one last home. Not sure what that's going to be so you can see, I mean, there's just two things right there that we know we're going to be getting very soon.

Butch Baur – But those are monies that are already laid into the budget that have to be paid that we've got calculated in this year.

Mrs. Brickweg – The $300,000.00 was paid with money from last year. There was money that was originally appropriated, I, to me it was money already spent so, but you could recoup that $300,000.00. The $200,000 and whatever it is, is in the budget for the coming year, but if you spend it within a certain period or we take it and do it ahead of time or whatever you could recoup that. I would think the appraisal should be coming soon. I did go ahead and encumber that because that's paid out of my miscellaneous line item and I only had twenty something out of it this year so there would be no way I could pay it so I had encumbered that. I don't know if I have enough. We'll have to wait and see but that money could be recouped also. I don't know about, like we said the AG, I'm not really sure what this meeting is next Thursday, maybe there's some things that we're going to learn there. We could, I don't know. It would almost have to be like future expenses. I'm assuming it's going to be going back sixty days. I'm assuming.

Greg Ziegler, 441 Bank Ave. – Just to piggyback on what Butch said. There's the question of when it's going to be closed down there, the litigation, and there is the one home. I suspect that there's still a settlement on that, what the Attorney General could do but there's also future possibilities of law suits by residents that aren't happy with the way it's cleaned up or what's presented on the 10th. Based on what's happened in the past this could drag on for three or five or seven years. There's construction testing, there's testing, there's mitigation so to piggyback on what he said, it's not just hundreds of thousands, based on everything I've been through the last five years. The second comment, just to follow up on what Mrs. Brickweg said was, I think we need to move forward, I've always been a proponent of to reinvent ourselves, but getting a little more cautiously, less foolishly, like why did we need Imwalle, why did we need the shopping center, why did we drag our heels so long on Bank St. which could have been a third of the cost, things like that.

Butch Baur – What I wanted to say was that I'm sure that you have all seen and felt the reluctance of the Fire Dept. to move forward with the Fire House. We said over and over again do we have to do this this year? Do we have to do it next year? If you want to know why we're so scared it's because just like Kevin said, if we move forward with this Fire House and this house of cards falls apart, we know where the money is coming from. That's going to be an empty building down there with no employees because to cover $9.5 million it's going to take a whole lot of employees that are going to have to go out the door and that scares the crap out of all of us. We are very, very scared of that. And that's our whole reason for suggesting that this be put on hold for one, two maybe three years. Who knows, in two years time, with all the potential improvements that are going on in industry, we could have so much money we could pay for this out of our pocket and we wouldn't have to bond it out at all. The idea that getting the Fire House back from the State is such a big deal. Well, the way I see things, the State owns that property right now, so when we leave it they're going to knock it down and they're going to do what they need to do to the highway. It's going to effect the basement and parking lot area of the property, not our garage building, not our living quarters. We said we can do fine without that basement. We will make do because we don't want to see the City building such a house of cards. Let the State, give them their $1.2 million back. Let them come in and do what they got to do to put the highway in and when they're done we'll throw grass seed over in the lot or whatever's left we'll deal with it. We will be fine. Especially if we're talking that this Fire House, this Safety Center is going to go forward in some years. We can definitely make it but I think we could make it there for a long time if we needed to. But I don't see us building this great big house of cards and they have no employees, no services to provide for the City because you don't have the employees to provide them.

Mr. Asbach – That is the reason Butch that I made the motion to go regular course on that particular one. We are still waiting to hear back, we're in communication, we don't even know legally if we can get it back from the State with the State and Federal regulations. That's why I made the motion to go regular course. It needs to be discussed at the next COW, all those questions will be answered and we'll move on it from there.

Mr. Stegman – I'd like to back up on Peggy's comments earlier because I don't want it to go unsaid for the tax payers, the money that we put out for public improvements. Since I've been here we have done many street projects. 2012 is the first year we did not do a street project to help spend that $1.2million that we asked the tax payer to pay. One of the reasons we asked them is because we couldn't keep on doing these six and eight hundred dollar projects and maintain a budget. I want the public to know that we have been doing street projects for the last several years. Sullivan, Vine St., Mitchell, Rose Hill, upper Church, Jefferson, Fisher and Scenic, those have all been done in the last four years. The money is being spent from the public improvements,asking the people, we have been spending money to upgrade our roads but as I said 2012 fell short of getting any projects.

Mrs. Brickweg – Maybe you misunderstood me Phil, I said as Auditor and I've only been the Auditor since 2012, that's what I said so I didn't say you didn't do projects before then, I'm just saying in the last year. I did not say that.

Mr. Stegman – I wasn't saying anything wrong, I just wanted to let the people out there, with your comment, I wanted to make sure that people do know that we are doing street projects, capital improvements to the City for the last four years.

Mr. Tobergte – To piggyback on what Kevin was saying about the tax issue that we couldn't specify for specific funds and that, I've been preaching for five years up here to have special funds set up to do the budget. We've never done it. If we're serious about it we should've done it years ago. A question on this Ordinance, if I may, Bill you changed Section 1, the principal amount, the second paragraph above that, the principal amount is mentioned again, no dollar value, the last WHEREAS. Should that be $5 million or scratch it out?

Mayor Burkhardt – It should be $5 million.

Motion by Mr. Tobergte, seconded by Mr. Meier to amend Ordinance No. 4, 2012 to reflect the principal amount to be $5 million. Motion passed 7-0.

The motion to suspend amended Ordinance No. 4, 2012 passed 6-1. Mrs. Bedinghaus voted no.

Motion by Mr. Asbach, seconded by to adopt amended Ordinance No. 4, 2012 passed 5-2. Mr. Tobergte and Mrs. Bedinghaus voted no.

OLD BUSINESS

Mr. Tobergte – There is an article in the Cincinnati Enquirer the Friday before Christmas. It mentioned Rumpke Recycling got a $32 million grant to rebuild their recycling plant. I called Bill, he wasn't sure, I called Mr. Myers, and he assured me that the work is being done here in St. Bernard.

NEW BUSINESS

Mr. Tobergte – Since Mr. Myers is here I'd like to put him on the agenda for the next COW. Maybe he could update us on the projects going on in the industry so we know and we're not surprised to read the newspaper that something is happening and also if we can get a report on the rental properties, how many are involved, how many inspections have been made. The same thing, I asked Bill last week for a listing of all the properties we own and an indication of what we will be doing with them.

AUDIENCE WISHING TO ADDRESS COUNCIL

Terry Mays, 4234 Greenlee – I was just curious, I will ask a question from Don. What has been done with all this property that we own? Are we doing anything with it or is it just sitting there? I thought we was going to do something with the property that we bought besides just let it sit there.

Mr. Tobergte – Any particular property you mean?

Terry Mays – There are so many.

Mr. Tobergte – We have no clue how many, that's the problem.

Terry Mays – That's true, that's true. You see them just driving around. By the way, where is all that money coming from, is it coming out of the treasury and given to them to do whatever they will? I thought that was supposed to be voted on by the Council when you buy something. Am I wrong?

Mayor Burkhardt – We need the approval of Council to buy any property in the City. I've got to sign for any property we do buy. A lot of the properties, some are being rehabbed, some have been rehabbed and sold, some of the properties are for future development which the lot at Vine and Mitchell is that. Some of the stuff on Vine St. that was bought, I know one of them is a rental, right now, next to it is just sitting there and there are a couple down the street from it but that's all for future development. We haven't torn the buildings down yet. Yes, it's all for future development.

Terry Mays – So you're saying that all the properties that we own, that St. Bernard own is just sitting there? Aren't we going to do anything with them because we can't tear them down and put something back up. Why not redo some of them and put them back on the market?

Mayor Burkhardt – Because if you're going to spend money to redo some of those properties you'd be throwing good money after bad because our future plan is to redevelop all of Vine St. You don't want to piece meal it right now and then down the road try to get those people out and then have to tear it all down because it cost money to move people out of their leases and to move them if they live there. So, a lot of times the best bet is to leave it sit, either tear it down, grass it over until you're ready for the development. Right now money is so cheap and the buildings are going so cheap, now is the time to buy them. If you wait again, three or four years down the road, housing comes back it's going to cost you twice as much. Now's the time to move.

Terry Mays – I have one other question and I hate to go back to 'old business'. The $64,000.00 was paid for a bond, what's happening with the money that we didn't use, is it going back or is it going to be funneled into something else?

Mrs. Brickweg – I can answer a couple of your questions. The $64,000.00 was the interest that we paid on the $5 million. The $5 million in loans, that's what Mr. Myers was talking about, one of the bonds, or one of the Ordinances, we went for a bond anticipation note. The note was then; it was basically for one year. We're going for a bond which is for like a twenty five year thing. Most of the money in the checking account, like I said, a couple hundred thousand dollars was spent on Fire Dept. drawings and a couple hundred thousand spent on Service Garage drawings. That money went out of the $5 million but the rest is still in the bank. We'll have to pay that back and we'll be borrowing it again. Now you're question on the properties, basically a lot of the properties, the Mayor was speaking about a lot of the properties just sitting there. **B**ut when you asked about the other properties for the CIC this is the first year Council has not voted to give the CIC money but they were averaging about $300,000.00 a year. Two years ago they got $617,000.00 from the City to purchase property and then there's also a line item for the City which is what the Mayor was speaking about which is usually about $150,000, but sometimes it's been appropriated up to $300,000.00 to purchase property. Some property is purchased through the City. Right now I would say the bulk of it, the money is in the CIC. They now have a little under $600,000.00 in the bank that they can run with and purchase property.

Terry Mays – Why couldn't they give that back to you and help the City and not do some of these other buyings?

Tom Rolfsen, 30 Clay St. – I was on the website today and three months ago I attended a CIC meeting and it was supposed to be put on the schedule so people could attend and know when it was but it's still not on there. I think there's one coming up this month because they meet every three months. I'd like to get that put out to the public so they know, so they can attend it and find out what's going on. Do we have a date for the next one?

Mr. Myers – The approximate date will be mid February. We will postpone it for about a month so we can get the year-end financials done with the Auditor and we'll get that out on the website which it will be there.

Tom Rolfsen – So you guys hand over a million dollars and you meet every three months and now it's going to be four months. My second question is why are we building a new Police Station and how much of that $9.5 million is going to that? In the Ordinance it said four other offices too. What are the other offices that are supposed to go down to the new Service Center?

Mayor Burkhardt – As far as offices, the only other offices I know of would be the Police and Fire in the Safety Center and one of the reasons is, one of the big drains on the City is the amount of buildings we have to upkeep. It's time we start consolidating our buildings. It's just a very big drain when you have five separate buildings that you have to upkeep with roofs and heating and cooling. Getting it all under one roof is the way everybody else is going and that's the way to go to be smarter.

Tom Rolfsen – That's if you're in a good economy and stuff. What do you plan on doing with the Police Station when you move out of it?

Mayor Burkhardt – There are plans for Vine St. redevelopment and that's all included in that. I think if you stop down and see Mr. Myers he can show you those ideas that have been brought forward.

Tom Rolfsen – My last comment is just get the next meeting of the CIC on the website so people can attend and know what's going on.

Joe Lengerich, 662 E. Ross. – First I'd like to say I was back there clapping because Mr. Mays' question was a good one because if this levy doesn't go through in two years you're going to be laying people off. That's what I was clapping about first of all. Second of all I didn't move out of the City. I don't know where that was coming from. 95% of the Service Dept. still live in this town. We did support residency although it's gone. My last point is, I think there's not an employee in this town that doesn't support us moving forward. What we're scared to death of is bankrupting the City and we lose our jobs anyway. That's all it is, there's no animosity, nobody hates anybody, nobody's mad, we're scared. I have a sick wife that depends on the health care that you just slashed majorly and you're probably going to do away with next year. It's an everyday life thing for us. Some people are sick, some aren't, some make more, some make less, and it doesn't matter. Every day I do my job, I do it gladly. I want to live here. If things keep going the way they are, if I have to keep paying more and more for medical, I'll probably have to live here the rest of my life because I'm not going to be able to go anywhere else. This is what I'm going to be able to afford. I hope the town improves so I want to stay here. You're getting all this animosity from the employees because you're scaring the heck out of us. All we do every day is get up and come in and do our jobs. We want this town to succeed, we want people to move in here. We want good neighbors too. We are your neighbors. We're your friends, I hope. It seems like every time something happens or a crisis hits, we're the enemy and it gets old. I'm tired of hearing how your health care ain't like mine. I'm sorry. That's why I took this job. I bargained in good faith and then to have the carpet pulled out from under me two weeks ago I think sucks. I'd like to ask anybody old in the crowd, what would you do if the Federal Government said we're going to take $600.00 out of your Social Security check because we decided we're going to balance the budget on your back right now? Ain't that fair?

Mayor Burkhardt – Joe, one of your fellow employees did just move out of the City. Another one is threatening to move out of the City. I wasn't pointing at you, I didn't know who clapped up there but I knew it came from your section. As far as the medical goes, Peggy is setting up a meeting for next Monday to try to make things better. We haven't given up on the medical. But things have to change and we're trying to make it the least adverse on your end as possible. I could have threw up my hands and said 'OK you don't have any health care' but we didn't. We've been meeting for months and months to make things better. Once everybody agreed to pay premiums we could have threw up our hands again and quit. But we didn't. We have a meeting hopefully set up for next Monday to try to make things better. Everything can scare you. I don't know if I got a job next week. It's day to day where I work. I know the employees are scared. They ought to be even more scared of what the City could end up with and who your neighbors are going to end up being if we don't move forward and your property values keep falling. We've got to make this City better and we got to make it stronger and yes it's going to take some digging deep. I just don't think the alternative is a very good one.

Joe Lengerich – I don't disagree. One the employee that moved out lived on Bank St. and I don't blame him for leaving. The other one I don't know, but there's no residency so guess he's got a right to leave if he wants. I agree, your point about the medical, I disagree. It didn't have to go down the way it went down. You came up $600,000.00 short and just boom. I'd like to know who made that decision and just decided it was $600,000.00 out of health care. It was very, very unfair and the employees were working with Bill, you know they were. I think the carpet was pulled out from underneath you unless you're lying to us and I don't believe you are. I hope we can continue to be constructive. Just so you give us a voice, and I think that's the best way to operate when you give the employees a voice and let them know they don't have to make the decision, but to give them a voice I think goes a long way towards good will. Of course I want my neighbors to be good. I got a house sitting next to me right now. I got one that is brand new and beautiful and I got one that has been sitting empty for two years now. It scares the crap out of me, what or who is going to move in there. I'm on the same page. I like to be treated fairly, treated like an adult, and I just want to tell all of you up there you have a responsibility to us. You are our bosses. We depend on you to make good decisions so we do have a job. We appreciate our jobs. We know we got good jobs. I try to give the best service I possibly can and I can only speak for myself. But you're our bosses and you have a responsibility to be good bosses. What happened with the health care in the last month was ridiculous. You we're very good bosses.

Mr. Meier – Joe, I would like to respond to one thing on that. The idea on the health care, that was mine. There was no intent to cost people anything. The intent was to provide a quality of health care at a better cost. We're more than willing to take time, whether it's two months, three months, whatever to work it out. Our insurance provider is the one that gave us the dead line. They said you've got to do it by the end of the year or you have no insurance and so that ended up getting dumped in Bill's lap. That's why the idea, which was a good idea, to look at it. Basically from the insurance provider they said you've got three days to do this or you have no insurance. We even asked if we could do it, take time and go through it and maybe institute it the beginning of April so we'd have some time and we were told no. Unless somebody knows something that I don't know, the information that came back to me was, no you can't. You've got to do it by the end of this week. We're more than willing, whether you put it in place on January 1st or April 1st or June 1st. If the savings is going to be there and you can transition people there without sudden shock, sure, let's go ahead and do that. We weren't given that option.

Peggy Brickweg, 4801 Heger Dr. – I guess I'll answer some of those questions for you Kevin in a second. I guess my question is you said it was your choice, was it the Finance Committees' choice, was it discussed because the meeting I remember and I don't have the exact date, it was in December, it was one of the meetings and it was basically said to the employees I'm taking $600,000.00 to make this budget balance, and to quote you, we're not in the insurance business anymore. That is how it came back and that was in December. Would it have been nicer to come with that in October and give us time because you're right, we had a cut off of the end of December, because like most people your insurance enrollment is at the beginning of the year. So for you or the Finance Committee or Council, because I'm not sure who did that, it was thrown at us in the middle of December and it was like "hey guys, $600,000.00 gone", make it work, I'm not going to do your health care anymore because that's why you were running around so I'll let you answer that question first.

Mr. Meier – First of all let's get everything put back in perspective. The idea that came to me didn't come to me in October or I would have brought it up in October. It came to me in the middle of December, which is when I brought it up. Secondly when I made the comment that we wouldn't be in the insurance business anymore, that was, you're taking it out of context. What I said is, if we've got an insurance carrier and we are no longer self insured but we are insured through United Health Care or Humana or Anthem or somebody else then we would no longer be in the insurance business because we're no longer self insured. Let's just make sure that it's taken in the context in which it was presented. It was presented in the context of having an insurance company provide the insurance rather than have the 4,500 people who live here provide the insurance. It's a huge piece of our budget and the idea all along in a different context was to make this as easy a transition to come up with, an alternative way to buy high quality insurance for our employees at a lower cost. So when you say that, you throw out the comment that we're not in the insurance business anymore, yes technically you're correct, but if you put it in the context of instead of being self insured, we are now contracting that insurance with Anthem or Humana or somebody else, yes, then we wouldn't be in the insurance business anymore.

Mrs. Brickweg – Thank you for saying that, because I'm going to be honest, probably 99% of the employees took it the way I did because it was discussed at the Health Care Committee meeting so I'm glad you had the opportunity to explain that. I guess my other question, before I go on, is was it the Finance Committee's decision to take the $600,000.00 out, or was it Council's? I think that was the question being asked. Whose decision was that because nobody on the Health Care Committee knew that.

Mr. Meier – When the thought came to me to look at that, to find alternatives, and the way it came to me was while I was out of work because I was laid off and having to provide insurance for a family you do what you can. I had actually had gone out at that time to look at policies that you can get as an individual. I'm back to that same website where I had done that research and I plugged in some different scenarios and one of the scenarios would be for a husband and a wife with three children, ages 2 and 5 and 7 and the parents were in their thirties. Another scenario was if you've got two people in their forties with two teenage kids, I don't know what everybody's family situation is but there were examples. I ran those through and the insurance quotes that I was coming up was significantly less than what we were paying. I took the number of 76 employees or 76 policies which is a little higher that what we actually have and I plugged in a higher number of what those premiums would be and took an additional amount that you could put in, and at that time we were talking about health savings accounts, and put an additional amount into the health savings account so that the employees don't have to take a big hit out of pocket. When I added those up they came to a little bit less than $1 million. Then I took that and rounded it up to $1 million. The number that was in our budget previous was $1,627,000.00. When I went out and did my research it came up to $1 million and that was taking into account additional funds that could be paid to the employees to transition them over. When I did get the contract with Sarah, and she came up with the initial numbers, her numbers were actually a little bit lower than what mine were. That's where that $600,000.00 is from. Nobody came out and decided to take $600,000.00 out of the budget. When I ran my scenarios the cost of the premiums came up to about, one scenario came up to $880.000.00, the other one was a little over $900.000.00. In the discussion, I talked with Bill about it one day and said look, if we can do this, take that balance move it up to $100,000.00 and use that amount, we could put it into the employees health savings account to get them started to kind of alleviate that kind of out of pocket expenses. There was no intent to take $600,000.00 out. The intent was can we provide an alternative plan that's not self insured. That's where the numbers came from. It wasn't an intent to take $600,000.00 out.

Mrs. Brickweg – OK because all I remember is the Finance Committee ,when it came out. For the health care thing, so that got thrown at the employees in the middle of December and then it got thrown at me because I guess now as the Auditor I'm going to be in charge of health insurance. What we tried to do our best by the time it all got through there, there was like a week left and the week was between Christmas and New Years and you try to get insurance companies and nobody to work with during that period it was horrible, OK. So basically at night we had meetings with the Health Care Committee where it was a bunch of employees trying to answer the other employees' questions. I'm not sure if it was a very productive meeting but by year end we needed to sign something or we were going to have no insurance. And I'm glad we did because we have an employee that went into the hospital on January 1st. What would have happened if she had no insurance? The employees got together and said 'hey, we're going to do this and we're going to have this insurance. In the meantime I did call Sarah and I said, you know, is it set in stone, we were so rushed, we just wanted to make sure the employees had insurance so next week we're going to have some representatives come to us and they're going to explain the different alternatives so we can have the professionals explain it. We will stick with exactly what we're doing with the premiums and deduct it out of the employees pay checks but I just want everybody to have a professional explain how the plan works instead of us trying to guess how the plan works and we'll see where it goes from there. It would have been nicer if we would have had a little bit of time instead of having it thrown at us because you have some employees that are at the very bottom of the pay scale here, they just got hired and I'm telling them you're going to be losing $250.00 a week, oh I mean $250.00 a month. I'm not saying that's a lot to pay but when you're only making like $30,000 something thousand dollars and you weren't prepared for that, it hit them right away, and that's why I wish we would have had some time to think about this and ease these people into it, but we didn't, and I think that's the main thing. Just a little bit of time would have been better but we will see. We might stick with what we have, we might change but we can make some adjustments up until February 1st and we'll know more after our Health Care meeting.

Mr. Meier – Peggy, I agree, it would have been nice to have more time. One of the questions we need to have answered is why the company that we're about to pay $280,000.00 to in 2013 to administer our health care, when we asked them to delay this until April 1st they said no. $280,000.00 out of that $1.4 million I think that we're spending goes to them and I was looking on, because I got something in the mail from Anthem, I was looking at United Health Care which carry me. That's what I've got and they've got a section, it's called 'myuhc.com' if you want to go look at it and you can look at their services and they've got some small businesses, they've got them for government, for school boards and one of the things that they have on there is that, I remember reading it today, is that the doctor's in your system handle the claims. You don't need an administrator. It seems like if I was redoing the budget now the first thing I would look at is that $280,000.00 for the administrator. They're the ones that said we can't wait until April. You guys would have had your three months. You would have had time to go over it, we could have looked at other options. They told us no but they're going to take the $280,000.00 this year.

Mrs. Brickweg – First of all, I don't have it in front of me, but when you see the administrative cost, that's not actually accurate, it's like twenty something, I think an employee or thirty something. The bulk of that money is your stop loss. It's an insurance policy and if anybody goes over $50,000.00 a year, then it kicks in. We're paying about $300.00 a month per employee for that, it's not the administrative cost. Everybody thinks Christ is getting all that money, no, the administrative cost is pretty low. The other part of the administrative cost is so we can belong to a network. When we see our hospital bills come in it might say the doctor charged you $200.00 but we're going to give you a deduction of $100.00 so you pay $100.00\, that's the way networks, so part of that money that we're paying Christ in that twenty or thirty dollars, that's what that's for. The bulk is not administrative, it's an insurance policy is what it is and we were all thinking the same thing until we started investigating it and I'm like it's the basic insurance the administrative fees are not that high.

Mayor Burkhardt – I said we're going to keep working, Peggy was able to get a hold of somebody from the United Health Care to come in and explain their program better and we just didn't have time to get that done before the 1st of the year. Like I said, we're going to keep working and try to make things better all the way around. I haven't given up yet.

Doug Roll, 155 Church St. – I sat in and I listened to everybody arguing and talking about the future of the town and I've said this time and time again that Kevin and Steve and Cindi and Ray and Don and Mike and Diana, it's not your decision to say we're cutting employees. It's not your decision to say what were going to do with this town. It's your decision to vote on the plans of the Administration. I sit here every time I come here and I hear you guys running the town, I hear you guys say you're going to cut employees, you're going to do this. Peggy I'm going to even disagree with you. The health care situation was bad. Kevin it's not your decision to decide how that's going to be done. It's the Administration only to decide how the City is going to be run. It's your job to vote on the decisions of the Administration. We wouldn't be here for three hours every time we come in here if you just vote on the decisions of the Administration. It's their ideas that you're supposed to vote on. Not your own. Now, with that said, the Administration, I believe, I've talked to you guys enough times to understand that you want to build one building that houses everything. I agree with that totally. Mayor I agree with you with what you said earlier that there should be one building, one roof. I don't understand why we're building a building on Mitchell and Vine St. that doesn't include all three. If it belongs there, fine, build it, that's your decision, Mayor. Tell the Council that's what you want them to vote on and let them vote on it. I believe that it needs to be what you want it to be, all three, the Police, the Fire, City Hall all encompassed in one building. Build that building; build that building when you want to build it not because people are pressuring you to build a Police and Fire down at Mitchell and Vine St. That's all I have to say. I think these meetings could be a half hour long but for some reason Council wants to run the City instead of the Administration running the City. I've been saying this for at least eight years now. I come to these meetings, it's the Administration's decision to run the City and you're guy's decision to vote on their decisions.

Mayor Burkhardt – I'd just like to thank Doug for his comments.

Mr. Asbach – Since the Ohio EPA meeting is next Thursday at 6:30pm the next COW meeting will be January 17, 2012 at 7:3pm.

Motion by Mr. Tobergte, seconded by Mr. Culbertson to adjourn. Motion passed 7-0.