

On Wednesday, February 16, 2022, at 6:02 p.m., the Dayton City Commission met in regular session in the Commission Chambers of City Hall.

**CALL TO ORDER**

Mayor Mims called the meeting to order. He said due to the current COVID-19 order, the City of Dayton is requiring masks to be worn in all City facilities to protect the safety of the staff and community. If you need a mask, there are some at the entrance of the Commission Chambers. Those not wearing a mask during the Commission Meeting may be ruled out of order and removed from the meeting.

**INVOCATION**

Commissioner Joseph gave the invocation.

**PLEDGE OF ALLEGIANCE**

Mayor Mims led the public in the Pledge of Allegiance.

**ROLL CALL**

Roll call was taken, and Mayor Mims, Commissioners Joseph, Shaw, Fairchild and Turner-Sloss were present. The Clerk of Commission, Ms. Regina D. Blackshear, The City Manager, Ms. Shelley Dickstein, and Miami Valley Interpreters, were also present.

**APPROVAL OF MINUTES**

**Commissioner Shaw made a motion to approve the minutes from the February 9, 2022, meeting. Commissioner Fairchild seconded the motion. The previous meeting minutes were unanimously approved.**

**COMMUNICATIONS AND PETITIONS**

**Communication #21652**

**State of Ohio, Department of Liquor Control – Permit Application #4122518 – New -D5J - Improv LLC dba Black Box Improv Theater 518 E. Third Street, Dayton, OH 45402.**

The Clerk of Commission reported receipt of Permit Application #4122518 – New -D5J - Improv LLC dba Black Box Improv Theater 518 E. Third St. 45402. The application was referred through the City for investigation.

**Communication #21653**

**State of Ohio, Department of Liquor Control - Permit Application #1985479 – TRFO – C1-C2 - Day Cin Petroleum Inc., 1650 Woodman Drive, Dayton OH 45432.**

The Clerk of Commission reported receipt of Permit Application #1985479 – TRFO – C1-C2 - Day Cin Petroleum Inc., 1650 Woodman Drive, Dayton OH 45432. The application was referred through the City for investigation.

**Communication #21654**

**State of Ohio, Department of Liquor Control – Permit Application #81543460005- New - Silver Slipper LLC dba The Silver Slipper 1st Floor and Patios, 1105 Wayne Ave Dayton. OH 45410**

The Clerk of Commission reported receipt Permit Application #81543460005- New - Silver Slipper LLC dba The Silver Slipper 1st Floor and Patios, 1105 Wayne Ave Dayton, OH 45410. The application was referred through the City for investigation.

**Communication #21655**

Letter from Greater Dayton Premier Management regarding residential rental development called Germantown Crossing.

**SPECIAL AWARDS/PRESENTATIONS**

There were no special awards or presentations.

**ADDITIONS OR DELETIONS TO THE CALENDAR**

The Clerk of Commission, Ms. Regina Blackshear, said Ordinance No. 31966-22 was marked as an emergency in error. She also requested the legislation pertaining to the Public Hearing at the desire of the Commission.

**DISCUSSION OF CALENDAR ITEMS**

**Calendar Item No. 1. Subitem D1. White Allen Chevrolet, Inc.-Purchase Order**

The City Manager, Ms. Shelley Dickstein, said the purchase order is in support of the alternative response recommendation. She thanked the Human Resources Department and Civil Service for their expeditious work in getting those positions staffed.

**Calendar Item No. 6. Urban League of Greater Southwestern Ohio dba Miami Valley Urban League – Service Agreement**

The City Manager, Ms. Shelley Dickstein, said the service agreement will help run the earned income tax credit program. In addition, it will provide technical assistance and engagement process for the neighborhood mini grants.

Commissioner Shaw thanked Ms. Dickstein for her work on this agreement. He said this is the first step in supporting community organizations.

Commissioner Joseph said this came up in community ARPA discussions, the lack of capacity in neighborhoods to offer these types of services. He said this is a great step in building capacity and will bode well for the future of neighborhoods.

**Ordinance No. 31966-22- Appropriating Funds for the Year 2022 to Provide for the Operating and Capital Expenses of Various Offices, Departments, and Divisions of the Government of the City of Dayton.**

The City Manager, Ms. Shelley Dickstein, said the appropriation encompasses the 2022 budget for all funds for a total of \$901.4M. She said it strategically reinstates important program areas such as community engagement support for police reform, a restructuring of the Human Relations Council and programmatic changes to the Recreation Department with the addition of the new Sports Division. She said it also reinstates recruit classes for both police and fire and restored funding for capital and development the \$138M award with the Dayton Recovery Plan is also incorporated in the budget. The goal of disrupting multi-generational poverty income and health disparities in our city.

Ms. Dickstein said the budget as proposed maintains our commitment to Issue 9, Your Dollars Your Neighborhood investments included in Preschool Promise, neighborhood park upgrades and residential road resurfacing. The appropriation ordinance reflects the operating and capital budgets as discussed during the two work sessions held in November and December with the City Commission and streamed on our YouTube channel and as reflected in our budget gray book. The appropriations were posted in its entirety in the Dayton Daily News in the Sunday, February 6th edition.

Commissioner Turner-Sloss asked that the budget recommendations be shared in their entirety in order for the Dayton City Commission to make informed decisions. She said she appreciated the comments from Ms. Gmeiner regarding the Ombudsman’s Office and said she hopes they will be able to restore the budget moving forward with other partnerships.

**REPORTS**

**1. Purchase Orders, Agreements and Contracts:**

**(All contracts are valid until delivery is complete or through December 31<sup>st</sup> of the current year).**

**CITY COMMISSION OFFICE**

**A1. Ohio Newspapers, Inc. dba Dayton Daily News (legal publication services as needed through 12/31/23) \$46,500.00**

**FIRE**

**B1. Truck Country of Indiana, Inc. dba Stoops Freightliner** (automotive repair parts, materials and supplies as needed through 12/31/22) **\$20,000.00**

**LAW**

- C1. BCVA LAW LLC** (professional legal services as needed through 12/31/22) **20,000.00**
- C2. Benesch, Friedlander, Coplan & Aronoff, LLP** (professional legal services as needed through 12/31/22) **20,000.00**
- C3. Bricker & Eckler, LLP** (professional legal services as needed through 12/31/22) **20,000.00**
- C4. Porter Wright Morris & Arthur LLP** (professional legal services as needed through 12/31/22) **20,000.00**

**PLANNING, NEIGHBORHOODS & DEVELOPMENT**

**D1. White Allen Chevrolet, Inc.** (pre-owned vehicles as needed through 12/31/22) **90,000.00**

**POLICE**

**E1. Parr Public Safety Equipment** (vehicle up-fitting parts and services for twenty (20) 2021 and 2022 model Dodge Durango Pursuit Sport Utility Vehicles) **286,872.68**

**PUBLIC WORKS**

**F1. TW Cable LLC** (traffic signal cables) **12,182.50**

**RECREATION**

**G1. Jerry Pate Turf & Irrigation, Inc. dba Century Equipment** (Toro commercial equipment parts, accessories and repair services as needed through 12/31/24) **105,000.00**

**WATER**

- H1. HERC Rentals, Inc.** (rental services for various heavy equipment and related items as needed through 12/31/22) **12,000.00**
- H2. MSD Environmental Services, Inc.** (biosolids dewatering parts and related items as needed through 12/31/25) **44,000.00**
- H3. Mechanical Resources Corp LLC** (mechanical cartridge seals as needed through 12/31/25) **44,000.00**
- H4. Rawdon Myers, Inc.** (DeZurick brand valves, parts and related items as needed through 12/31/2022) **80,000.00**
- H5. Everett J. Prescott, Inc.** (water main pipes, fittings, valves and related supplies as needed through 12/31/2022) **19,000.00**
- H6. Genuine Parts Company dba NAPA Auto Parts** (oil, lubricants and related items as needed through 12/31/23) **30,000.00**

-Depts. of City Commission Office, Fire, Law, Planning, Neighborhoods and Development, Police, Public Works, Recreation and Water.

**Total: \$869,555.18**

- 2. **COPP Systems Integrator – Service Agreement** - (maintenance agreement for security monitoring for the Department of Water Facilities – Department of Water/Water Supply and Treatment) **\$63,191.00**  
(Thru 12/31/22)
- 3. **Hammock Expeditions LLC dba STEM Study Tours – Service Agreement** – to provide services to Chicago, IL as part of the Four Cities

Young Leader Academy Program – Department of Planning, Neighborhoods & Development/ Mediation Center  
**\$26,494.00**  
**(Thru 5/8/22)**

4. **MAXIMUS Consulting Services, Inc. – Contract Modification** – second amendment and renewal to review the Cost Allocation Plan (CAP) and Indirect Cost Rate Plans (ICRP) for 2023 on the Fiscal Year 2021 actual expenditures – Department of Finance/Tax & Accounting  
**\$27,000.00**  
**(Thru 12/31/22)**
5. **National Processing Solutions – Contract Modification** – first renewal and second amendment to the merchant services agreement for credit card processing - The Clerk of Courts  
**\$148,000.00**  
**(Thru 3/31/23)**
6. **Urban League of Greater Southwestern Ohio dba Miami Valley Urban League – Service Agreement** – to assist with the Volunteer Income Tax Credit/Earned Income Tax Credit (VITA/EITC) Program and the Dayton Neighborhood Mini-Grant Program – Department of Planning, Neighborhoods and Development/Community Engagement  
**\$29,000.00**  
**(Thru 12/31/22)**

**C. Revenue to City:**

7. **Barrett Paving Materials Inc – Service Agreement** – to provide security and traffic control at job sites in various locations all within the municipal corporation limits of the City of Dayton, OH – Department of Police  
**\$25,080.00**  
**(Thru 8/1/22)**

**E. Other – Contributions, Etc.:**

8. **Dayton Metropolitan Housing Authority dba Greater Dayton Premier Management – Other** – to purchase land from Dayton Metropolitan Housing Authority - Department of Planning, Neighborhoods and Development  
**\$345,000.00**  
**(Thru 12/31/22)**

**CITIZENS’ COMMENTS ON CALENDAR ITEMS**

Citizens’ comments were received from the following:

1. **Ms. Mary Sue Gmeiner, 1418 Arbor Ave.**– spoke about the concerns regarding the 2022 City of Dayton budget.

**APPROVAL OF CITY MANAGER’S REPORTS**

**Commissioner Fairchild made the motion to approve the City Manager’s Reports Commissioner Shaw seconded the motion. The City Manager’s Reports were approved with a 5-0 vote. Voting in the affirmative were Mayor Mims, Commissioners Joseph, Shaw, Fairchild and Turner-Sloss.**

**LEGISLATION**

**EMERGENCY ORDINANCES – FIRST READING**

**Emergency Ordinance No. 31959-22**-Allowing City of Dayton Boards to Meet Remotely During the Pendency of a City Declared State of Emergency and Declaring an Emergency.

**Emergency Ordinance No. 31962-22-** Approving the Necessity of Acquiring, Constructing, and Improving Certain Public Improvements in the City of Dayton, Ohio in Cooperation with the Dayton Regional Energy Special Improvement District, and Declaring an Emergency.

**Emergency Ordinance No. 31963-22-** Determining to Proceed with the Acquisition, Construction, and Improvement of Certain Public Improvements in the City of Dayton, Ohio in Cooperation with the Dayton Regional Energy Special Improvement District, and Declaring an Emergency.

**Emergency Ordinance No. 31964-22-** Levying Special Assessments for the Purpose of Acquiring, Constructing, and Improving Certain Public Improvements in the City of Dayton in Cooperation with the Dayton Regional Energy Special Improvement District, and Declaring an Emergency.

**Emergency Ordinance No. 31965-22-** Authorizing and Approving Three Cooperative Special Assessment Agreements, and Declaring an Emergency.

**EMERGENCY RESOLUTIONS – FIRST READING**

**Emergency Resolution No. 6630-22-** Approving the Submission of a Grant Application to the Ohio Public Works Commission Clean Ohio Conservation Fund Grant Application; Authorizing the Acceptance of Ohio Public Works Commission Clean Ohio Conservation Fund Grant Application, and Declaring an Emergency.

**Emergency Resolution No. 6631-22-** Authorizing the City Manager to Accept Funding from the Montgomery County Land Reutilization Corporation in the Maximum Amount of Sixty-Two Thousand Five Hundred Dollars and Zero Cents (\$62,500.00), on Behalf of the City of Dayton, Ohio, and Declaring an Emergency

**ORDINANCE – FIRST READING**

**Ordinance No. 31966-22-** Appropriating Funds for the Year 2022 to Provide for the Operating and Capital Expenses of Various Offices, Departments, and Divisions of the Government of the City of Dayton.

**BOARD APPOINTMENT**

**Commissioner Shaw made a motion to appoint Tom Thompson and Nozipo Glenn to the Welcome Dayton Committee for a term ending December 31, 2025. Commissioner Fairchild seconded the motion. The motion was unanimously approved.**

**PUBLIC HEARING**

Mayor Mims opened the Public Hearing on Plan Board Case PLN2021-00480 to Amend various sections of the Zoning Code to clarify terminology and provisions, correct omissions, update regulations to reflect experience to date and best practices, and to align regulations with adopted plans and policies. The proposed amendments will improve the administration and enforcement of the code. He asked Ms. Dickstein to proceed. Ms. Dickstein said this case will address proposed zoning code text amendments. She said staff looks at zoning text to see if modifications and/or updates are needed.

Ms. Dickstein invited Mr. Tony Kroeger, Division Manager, Planning, Neighborhoods and Development and the Plan Board Secretary, to present.

Mr. Kroeger said Planning staff regularly updates the zoning code, including most recently in 2019. A list of potential zoning code text amendments is generated continually after the adoption of the previous round through staff research, experience in the use of the code, input from residents input from applicants, presentation and discussion with all Land Use Boards, Work Session at City Plan Board and public hearing at City Plan Board meeting.

Mr. Kroeger said these changes occur for a variety of reasons: Administering the code (ease of use, clarity, procedural), updating department name, adding definitions, improving deadlines, keeping code up to date, i.e., Cryptocurrency and Medical Marijuana, and reflecting planning best practices.

Mr. Kroeger said the noteworthy amendments are urban design and land use. He said it updates permitted land uses where appropriate based on the desired character and vision for a particular district and add design standards, particularly for existing structures in the CBD and UBD zoning districts. Accessory Dwelling Units (ADU) is considered a planning best practice and is occurring in jurisdictions nationally. He said it would be a “Conditional Use” in the City of Dayton.

Mr. Kroeger said update parking regulations include right-sizing parking for multi-family dwellings and daycare uses and encourage bicycle parking by allowing an increase in the substitution for vehicular parking spaces.

Mr. Kroeger said the City Commission has three decision options: approve the Plan Board recommendation to amend the Zoning Code, deny the request to amend the Zoning Code or remand the case to Plan Board if additional review is needed.

Commissioner Turner-Sloss commended Mr. Kroeger for his work and extending the comment period for citizens.

#### **CITIZENS’ COMMENTS ON THE PUBLIC HEARING**

There were no citizens comments on the Public Hearing.

Mayor Mims closed the hearing.

The pleasure of the City Commission is to move forward.

#### **THIS ITEM WAS ADDED**

#### **EMERGENCY ORDINANCE- FIRST AND SECOND READING**

**Emergency Ordinance No. 31967-22-** Amending, Enacting, or Repealing Various Sections of the Revised Code of General Ordinances Relating to the Zoning Code, and Declaring an Emergency

**Commissioner Joseph moved that this being an emergency measure for the immediate consideration of the Ordinance. Commissioner Shaw seconded the motion. The motion was passed with a 5-0 vote. Voting in the affirmative were Mayor Mims, Commissioners Joseph, Shaw, Fairchild and Turner-Sloss. The question being shall Emergency Ordinance No. 31967-22 be passed. A roll call vote was taken resulting in a 5-0 vote. Voting in the affirmative were Mayor Mims, Commissioners Joseph, Shaw, Fairchild and Turner-Sloss. The Emergency Ordinance was passed.**

#### **CITIZENS’ COMMENTS**

Citizens’ comments were received from the following:

1. **Ms. Wendy Parker, 41 Livingston Ave.-** spoke about a drug rehabilitation clinic in her neighborhood.
2. **Ms. Allyson Youngblood, 111 Livingston Ave.–** spoke about a drug rehabilitation clinic in her neighborhood.
3. **Dr. Kimaru Wa-tenza, 1200 W. Grand Ave.** – spoke about nuisance structures and hiring African American citizens for construction projects in the City of Dayton.

### **COMMENTS BY THE CITY MANAGER**

The City Manager, Ms. Shelley Dickstein, said prior to buying the property staff directed Mr. Powelski to canvas the neighborhood to get input and to have a community meeting. She said the community meeting was held at Stepping Stones Daycare on November 13, 2018. She said the application went through the normal Land Use processes. Ms. Dickstein said the notices for the Northeast Land Use Board and the City Plan Board were sent to property owners. She said typically, the statutory requirements are that notices are sent to property owners within 250 feet of the property and 20 days prior to the Plan Board meeting. Ms. Dickstein said in this case, staff sent notices to all property owners within 250 feet plus all properties on Livingston and Cle all the way to Barstow Avenue and on Parnell to its terminus at Florence Street. She said 30 days in advance of the meeting and in total, 120 notices were sent out to property owners. The Northeast Land Use Board voted to support the application by a four to zero vote, and the Plan Board voted to recommend approval by a six to zero vote. The notice was sent in the newspaper. The legal notice was given as per requisite and the rezoning ordinance was approved by the City Commission on February 17, 2021. Ms. Dickstein said they adhered very closely and beyond to normal processes to try and engage the community and make sure the community had a voice. The Community Engagement staff has once again brought together the meeting with property owners, neighbors and Mr. Powelski to try and build a relationship in order that they can be constructive.

Ms. Dickstein gave an overview of the snow and ice removal by Public Works and the Water, Aviation and Fire Departments. She said she is very proud of the work that they did.

### **COMMENTS BY THE CLERK OF COMMISSION**

The Clerk of Commission, Ms. Regina D. Blackshear, had no closing comments.

### **COMMENTS BY THE CITY COMMISSION**

#### **Commissioner Turner-Sloss**

Commissioner Turner-Sloss thanked staff for their leadership on the snow and ice removal efforts.

Commissioner Turner-Sloss thanked the residents of the City of Dayton for coming to the meeting and to those who aired their concerns.

#### **Commissioner Fairchild**

Commissioner Fairchild thanked staff for their leadership on the snow and ice removal efforts.

Commissioner Fairchild highlighted the Dr. Charles Drew who invented the blood transfusion.

#### **Commissioner Shaw**

Commissioner Shaw thanked staff for their leadership on the snow and ice removal efforts.

Commissioner Shaw highlighted Job and Family Service's Job Fair on February 23, 2022, from 12:00 p.m. until 4:00 p.m. at the Job Center located at 1111 South Edward C. Moses Boulevard.

Commissioner Shaw highlighted the YouthWorks program at the Job Center.

#### **Commissioner Joseph**

Commissioner Joseph asked about the reporting plan for the demolition of structures.

Ms. Dickstein said they will start with structures that have been on the demolition list the longest. She said they are still working on a reporting plan.

#### **Mayor Mims**

Mayor Mims thanked staff for their leadership on the snow and ice removal efforts.

Mayor Mims thanked the residents of the City of Dayton for coming to the meeting and to those who aired their concerns.

Mayor Mims thanked staff who worked on the annual City Commission retreat.

Mayor Mims highlighted his interview with students at Ruskin Elementary School for Black History Month.

Mayor Mims congratulated FC Industries, Inc. on their 50<sup>th</sup> Anniversary.

Mayor Mims highlighted the passing of Mr. Phillip Bass, a long-time educator.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:02 p.m.

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**Jeffrey J. Mims, Jr.**  
**Mayor**

**Attest:** \_\_\_\_\_  
**Clerk of Commission**

**WORK SESSION**

A copy of prepared material has been recorded as Communication & Petition Number 21656 dated February 16, 2022.

The Dayton City Commission met in a Work Session on February 16, 2022, at 5:03 p.m., prior to the regularly scheduled City Commission meeting. Mayor Mims and Commissioners Shaw, Joseph, Fairchild and Turner-Sloss were present. Ms. Torey Hollingsworth Director, City Commission Office, and Regina D. Blackshear, Clerk of Commission were also in attendance.

Ms. Shelley Dickstein, City Manager, Ms. LaShea Lofton, Deputy City Manager, Ms. Diane Shannon, Director, Procurement, Management and Budget and Ms. Anita Chalk, Special Projects Administrator, Procurement, Management and Budget were the presenters along with Mike Powell, Director of Water and Kena Crist, Financial Officer, Department of Water.

Ms. Shannon provided a 2021 year-end overview. She stated that revenues outperformed expectations, climbing 5.2% or \$9.8 million which was a 1.8% or \$3.6 million variance to the revised revenue budget. She said that income tax experienced the biggest dollar gain, climbing a stellar 9.0% or \$12.0 million and all remaining revenue categories also rebounded in 2021, save one – other revenue, which declined as a result of \$5.7 million in BWC refunds in 2020 as well as lower portfolio investment earnings. She said that federal fiscal and monetary stimulus, coupled with pandemic-related pent-up demand, underlie the turnaround in the economy and hence revenues. She noted that personnel costs climbed 1.4% or \$1.9 million, excluding a \$6.4 million CARES reimbursement and that was \$6.2 million over the original budget, as the improving revenue picture allowed for strategic reinstatement of positions to address City Commission priorities. She said that compared to the final budget, costs were \$2.4 million under budget or 1.8%. Ms. Shannon stated that contracts, materials & other uses declined 0.3% or \$113,500. She said that other uses (transfers out) fell by almost \$700,000 or 24% while the contracts & materials component increased 1.8% or \$584,700. She said that two years of property-casualty insurance payments were billed in 2020, a variance of \$804,000 and that



2021 expenditures were \$7.2 million under the final budget. Ms. Shannon stated that the strong performance of revenues allowed for additional year-end investments in advance of future revenue losses from work-from-home options.

### **Revenue Trends**

Ms. Shannon said that omitting rate increases, net collections for 2021 had their best year in decades, increasing 9.0% or over \$12 million. She noted that income tax beat the revised budget expectations by 1.8% or \$2.6 million. She said that withholding taxes increased 6.2% or \$7.3 million, registering a decline of 3.7% in the first quarter and increased almost 10% thereafter, as inflationary pressures ramped up and the tax on business profits catapulted 31.8% in 2021 or \$4.2 million, while the tax paid by individual filers advanced 4.9% and refunds declined 10%, or \$271,200, which is contributing to higher net collections.

She noted that income tax collections far exceeded expectations as a result of pandemic-related fiscal and monetary support, however, work-from-home policies and allowable refunds for 2021 are expected to erase these gains in 2022 and beyond.

### **Property & Other Taxes**

Ms. Shannon stated that property & other taxes rose 5.3% or \$330,200 in 2021 and the property tax component increased 10.2% or over \$600,000 due to the revaluation that occurred in 2020 (for the 2021 collection year). She said property values climbed 12.6% since hitting their trough in 2017 from the 2006 peak, real property values gained back just over one-third of their losses. She noted that property tax collections registered a 99.9% collection rate; 92.3% on current year collections and 7.6% of collections from prior year's delinquent collections and that this was up from 91.6% in 2012. She said

for 2021, Hotel Taxes declined 75%, as the Convention Center was transferred to the Convention Facilities Authority in March of 2021 and the Hotel Tax has followed suit.

### **Other Charges for Services**

Ms. Shannon noted that other charges for services increased by \$442,900 or 4.7% compared to 2020 and that Convention Center revenues decreased by \$194,400 due to the transfer of the facility in March to the Convention Facilities Authority. She said that indirect costs were up due to the Health Insurance and Workers Compensation funds paying indirect costs starting in 2021. She noted that miscellaneous charges decreased by \$171,600 due to the write-off of delinquent payments and the increase in the Police contract work for festivals in 2021 is the reason for the 16.4% increase in Police Charges. She said that Parking Charges decreased by 16% and the Municipal and Oregon garage revenues make up the biggest decrease of \$178,300, primarily due to a one-time payment in 2020 and this was offset by an increase in parking meter revenue of \$47,000.

### **Other Intergovernmental**

Ms. Shannon said that overall, the total other intergovernmental category increased by 38.9%, or \$1.3 million compared to 2020 and that the casino tax increased by 42.1% due to an increase in activities at Casinos. She noted that the casinos were closed for nearly one quarter in 2020 during stay-at-home orders. She said that the liquor and beer permits increased by \$143,000 compared to 2020 as the state allowed pandemic-related extensions in 2020. She said that the homestead & rollback revenue was up 8.9% attributable to higher property values from the revaluation and other intergovernmental revenue increased by \$13,200.

Ms. Shannon said that licenses and permit revenues increased by \$727,100 compared to 2020 or 32.2% and revenues normalized after declining over 25% in 2020. She noted the largest driver was an increase in Construction permits, up \$539,700 or 56.2% compared to 2020, and mechanical permits increased by \$56,500 due to an increase in electrical and plumbing permits in 2021 and zoning permits increased by \$142,900 compared to 2020.

Ms. Shannon noted that other revenue decreased 64.4%, or \$6.8 million compared to 2020 with the biggest decrease in Refund & Recoveries because of the three BWC refunds (\$5.7 million) received in 2020, but not in 2021. She said that miscellaneous Revenues were down 43.2%, or \$1 million

compared to 2020 due to a pandemic related collapse in interest rates resulting in a \$1.1 million decline in portfolio investment earnings credited to the General Fund. She said that higher level of equipment sales is driving the increase in Property & Equipment revenue with building & facility rental/able franchise fees both saw a slight increase. Ms. Shannon said that total revenues increased by 5.2% compared to 2020 with income tax climbing 9.0% year-over-year or \$12 million. She noted that fines and forfeits increased 170% or \$441,800 and other intergovernmental grew 38.9% or \$1.3 million in 2021 with all other revenue sources seeing an increase but other revenue which declined 64% due to the \$5.7 million BWC rebate received in 2020. She noted that total revenue has increased by 10% or \$17.9 million since 2018, income tax has increased by 12.1% and all other revenue sources increased 4.4% since 2018.

### **Expenditure Trends**

Ms. Shannon said that personnel costs climbed 1.4% or \$1.9 million when the reimbursement from CARES is excluded including the CARES reimbursement cost which were down 3.5%, or \$4.5 million, compared to 2020. She said that civilian wages/overtime are down \$1.4 million, or 4% compared to 2020 and the decrease in civilian wages in 2021 is due to the extra pay (27th) in 2020. She noted that the increase for sworn wages/overtime reflects the annual wage increase and step/merit increases with fringes being up \$1.2 million due to the wage increases and lump sum payments and insurance decreasing by 11.2% due to the two health insurance holidays in 2021.

Ms. Shannon stated that the total contracts & materials and other uses decreased by 0.3% or \$113,500 compared to 2020 with other uses decreasing by \$698,200. She said this is offset by an increase of \$584,700 to C&M. She said that maintenance increased by 16.8% over 2020 with the increases being from radio maintenance and repairs at \$188,200 and other maintenance of facilities of \$122,300, and maintenance agreements at \$70,200. She noted the 7% decrease in management & public service contract is due to the discount from Montgomery County for CARES eligible personnel expenses to its Regional Dispatch Center members (\$285,800). She said the miscellaneous expenses decreased by \$455,500 due to the 2020 interdepartmental billing for property-casualty insurance being processed in 2021 from the enterprise funds with fire fleet billing making up the \$150,500 decrease in payments to internal service funds. Ms. Shannon stated that the professional services line increase is from an increase in temporary services due to employee shortages and real estate taxes decreasing by 12% with the supplies and materials decrease from fewer PPE supplies purchased in 2021. She said that utility costs were higher due to the sunset of the streetlighting assessment in 2020 with waste disposal increased by \$292,400 or 11.8% due to higher levels of refuse as residents remained at home during the pandemic.

Ms. Shannon noted that since 2018, personnel costs grew nearly 3.5% (or 9.3% when the CARES reimbursement is excluded) and over that same time, contract & material and other use expenses increased 0.3%. She said that in the absence of other uses, contracts and materials grew 2.9% compared to 2018 and utility costs have increased 43.6%, or \$1.1 million since 2018 with maintenance expenses increasing by 24.9% and waste disposal costs increasing by 23.3% since 2018.

### **Transfers Out**

The City commitment to Issue 9 – Your Dollars, Your Neighborhood totaled \$7.7 million in addition to \$3.6 million in debt-funded investments. She said that transfers that support City investments totaled \$27.2 million in 2021 and transfers that support departmental operations totaled \$2.3 million. She noted the general Capital transfer of \$18.2 million is itemized above and includes \$5.0 million for an ERP technology solution, \$2.0 million to prefund 2023 investments, along with \$3.0 million to help catalyze future development in the face of structural changes to the economy.

### **2021 Summary**

Ms. Shannon said that revenues increased by 5.2% or \$9.8 million in 2021 with Income Tax leading the way at 9.0% growth. No BWC rebates were received in 2021, compared to \$5.7 million in 2020, otherwise 2021 would have realized growth of 8.6% and given their stellar performance, revenues were 13.4% over the original budget and 1.8% over the revised with all categories exceeding budget, save other revenue. She said that personnel costs have been contained at 1.4% growth; despite the

strategic reinstatement of positions in accord with City Commission priorities and program restorations and reorganizations occurred later in 2021, with the full cost being incorporated into the 2022 budget. She said that contracts, materials & other uses increased 0.3% which was modest growth and a result of a higher level of pandemic-related supply spending in 2020, two years of insurance payments posted in 2020 versus none in 2021, and lower fleet and real property taxes; offset by a \$1.5 million increase in streetlight costs due to the sunset of the assessment in 2020. She noted that strong fiscal and monetary spending bolstered the economy and City General Fund revenues in 2021, allowing for an increased level of investment spending in advance of work-from-home related revenue losses expected in 2022.

Mike Powell, Director of Water began the presentation with an 2021 Year-End Overview of the Water Department. He stated that water fund revenues (sources) up 0.8% or \$464,000 compared to 2020 and that revenues from City customers were under forecast 4.2%, or \$1.1 million, however, the City experienced a 5.1% revenue increase from 2020 to 2021 of \$1.3 million – impacted by a rate increase 5%. He said revenues from other jurisdictions were above forecast 0.4%, or \$78,700 and the City experienced a 0.7% increase from 2020 to 2021 of \$160,900 - impacted by volumetric rate increases offset by a decline in the annual base charge for FY21. He noted other charges for services were up \$167,200 compared to 2020 actuals, due to higher new service connection and shut-off charges, offset by lower lime sales. He said that expenditures (uses) were down 2.4% or \$1.3 million compared to 2020 with lower personnel, capital equipment purchases and debt service interest. a) Personnel costs were 0.7% lower compared to 2020 due to a lower number of filled positions, an extra pay in 2020 and two health insurance holidays in 2021, offset by higher overtime. There were considerable challenges filling positions in 2021 driving up overtime costs. b) Contracts and Materials were up 2.9%, or \$493,800 compared to 2020 due in part to higher Utilities and Other Professional Services offset by lower Sludge Disposal. c) Capital Improvement transfers of \$9.1 million have been made to-date. d) 2021 Debt Service remained steady with no new debt since the \$17 million issued in 2018.

The Work Session concluded at 5:53 p.m.