

# Bob Mollette

## 3<sup>rd</sup> Ward Councilman

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December 8, 2005

Jim Kalb, Mayor  
728 Second Street  
Portsmouth, Ohio 45662

### Re: 2006 City of Portsmouth Operating Budget

The proposed above referenced budget was given a First Reading on November 28, 2005. I have prepared the following list of questions for your review and comment. Keep in mind, last year the budget Ordinance #03-2005 was given a first reading on December 13, 2004 with passage by Council on January 10, 2005. This was prior to issuing payroll checks on January 19, 2005.

1. General Comment; The 2005 Operating Budget proposed and passed by Council included a *rate increase* to the Sanitation Enterprise Fund. Identify any budgets included in the 2006 Budget which will require a rate increase later in the year to meet expected revenue.
2. Page #1; The 2005 Operating Budget General Fund Revenue of \$218,000 was indicated from Rental License Fees but was not collected. An amount of \$293,980 is included in the 2006 Operating Budget. Identify assurances this revenue will be collected.
3. Page #1; The City Auditor annually submits his General Fund Revenue estimates for review. This year the amount submitted October 31, 2005 is substantially lower (-\$962,980) than the amounts indicated on the proposed budget. What assurances the proposed revenue amounts indicated will be collected?
4. Page #1; Indicate the source of the \$40,000 Miscellaneous Revenues.
5. Page #1; Indicate the source of the \$65,000 Donations.
6. Page #1; Indicate the source of the \$32,000 Special Revenue/Sale of Assets.
7. Page #2; Provide details for increase in the General Fund Expenditures Retirement Fund/Unanticipated Absences from \$16,000 to \$200,000.
8. Page #2; Pubic Service Administration expenditures increased to \$76,530 from 2005 Budgeted amount of \$44,945; Explain.
9. Page #2; Public Service Garage 2005 Budgeted amount was \$120,344 with an increase to \$226,099; Explain.
10. Page #2; Council Discretionary expenditures increased from \$5,000 to \$25,000; Explain.
11. Page #2; McKinley Pool does not indicate an expenditure; Explain.
12. Page #2; Central Storeroom (New Item?) has an expenditure of \$5,000; Explain.

13. Page #3; Public Service Administration indicates a change from part-time Assistant Director to full-time. This will assist the Director in his goals to meet future long term goals as needed.
14. Page #3; Less includes charges to other funds; indicates \$50,000 to the Sanitation Fund. This Enterprise Fund must be self-sufficient (utility users pay for administration needed). I do understand this fund requires administration fees but Council must be critical to maintain the sanitation enterprise as self-sufficient. Justify \$50,000 is appropriate for Sanitation Administration Fees.
15. Page #3; Less includes charges to other funds; indicates \$1830 to Wastewater Enterprise Fund. Justify expenses is appropriate for the Enterprise Fund.
16. Page #4; Grand Total; 2006 Proposed Budget of \$76,503 includes \$61,785 from *Total Others* and \$14,745 for Total Personal Services. Explain basis for *Total Others* amount.
17. Page #5; Less includes charges to other funds; indicates \$15,000 to the Wastewater Fund, \$35,000 to the Waterworks, \$40,000 to the Sanitation Fund, \$7,930 to the Flood Defense Fund. These accounts must be self-sufficient (utility users pay for administration needed). I do understand this fund requires administration fees but Council must be critical to maintain these funds independent and stand alone where the user pays for the service. Justify charges to others.
18. Page #6; Total Others; Explain \$194,739 expenses included for Total Others.
19. Page #6; Others; Item #.5354 Fuel; 2006 Proposed fuel expense has increased from \$150,000 to \$225,000. I anticipated an increase for fuel expenses but assure the taxpayers effective measures have been implemented to reduce costs where needed.
20. Page #6; Others; Bottom line "*Funds transferred from various depart.garage lines*" indicates - \$227,000. Explain.
21. Page #6; Total Others; Explain \$194,739 expenses included for Total Others.
22. Page #6; Less Charges from other funds; of \$227,000. Explain and justify expenses to various Enterprise Funds.
23. Page #7; Others; Item #.5203; Utilities – AEP Contract indicates 2005 Budgeted amount of \$172,000 and indicates \$0 for 2005 Actual amount as of 10/1/05). Explain.
24. Page #8; Less includes charges to other funds, Explain and justify charges to Enterprise Funds.
25. Page #8; Others; Item #.5329 Traffic Control/supplies indicate substantial actual amount of \$9,625.80 not reflected in \$1,000 2006 Proposed Budget and Item #.5349 Incidentals/Misc. Supplies indicate actual cost of \$4,956.40 not reflected in \$500 Proposed Budget 2006.
26. Page #10; Less includes charges to other funds, Explain and justify charges to Enterprise Funds.
27. Page #11; Others; Item #.5201 Natural Gas indicates budgeted increase from \$3,500 (2005) to \$5,500 (2006). Utility costs for the Marting Building and Adelphia Building included within this line item.
28. Page #14; Revenues; Auto Registration Fees 2005 budgeted was \$173,200 and as of 10/1/05 the actual amount is \$72,647.08. Explain.
29. Page #15; Less includes charges to other funds; Justify and explain Water Distribution expenses of \$35,700.
30. Page #18; Add includes charges from other funds; 2006 Proposed indicates \$52,000. Explain.

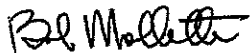
31. General Comment on Sanitation Division; Noticed the Animal Control position was moved to the Health Department from the Sanitation Division. Update Council on the status of the five (5) year *Plan* submitted this year prior to a rate increase. Update Council on the side-dump garbage trucks and status of the transfer station improvements (Balance 2006 @ \$114,451).
32. Page #20; Add includes charges from other funds; Justify and explain "adds" to be critical and maintain the Sanitation Enterprise Fund as self-supportive.
33. Page #24; Campground Others; Item #.5203 Utilities (electric AEP) indicates an increase from \$6,000 to \$7,000 in the 2006 Proposed Budget. Explain if a rate increase will be considered at a later date.
34. General Comment on Police Division; Requesting a *plan* to acknowledge and address crime in the City to better utilize our resources of manpower and money to provide security to our citizens. The 2006 Proposed Budget does not include additional officers. Explain. The 2006 Proposed Budget expenses should address Municipal Court security as discuss in the November 28, 2005 Council Meeting. Indicate revenue obtained as a result of Drug Enforcement and donations (FOE). Evaluate grants to support.
35. Page #26; Police Division; Item #.5201 Utilities -- Gas proposed amount of \$5,000. Is this expense for the Adelpia Building? Council needs to decide if the Adelpia Building is best choice based on reported renovation increase from \$500,000 to \$1,000,000.
36. Page #26; Police Division; Item #.5264 Vehicle Maintenance indicate actual costs in 2004 \$21,581.24 and 2005 (10/1/05) \$13,502.83 but proposed costs of \$3,000. Explain.
37. Page #27; Fire Division; Less includes charges to other funds; Explain and justify amount of \$150,000 for Hydrant Testing on Enterprise Fund.
38. Page #28; Fire Division; Explain Note: Fire/Police is less \$58,000 received from County.
39. Page #32; Municipal Court Division; Item #5299 Contractual/Sheriff proposed expenses indicate the Sheriff Contract will be renewed for \$74,178. It was discussed November 28, 2005 for the Police Department to provide security. Explain.
40. Page #33; Community Development; How many employees does the division currently employ? Explain and justify expenses to the Enterprise Funds.
41. Page #34; Community Development; Indicate utility costs associated with office space.
42. Page #35; Community Development CDBG Funds; indicates \$17,297 in expenses but no employees shown. Explain.
43. Page #37; Community Development Summary; Explain and justify expenses to Enterprise Fund of \$35,266.
44. Page #38; Finance Division City Auditor; Explain and justify expenses of \$80,000 to Enterprise Funds.
45. Page #41; Finance Division Income Tax; Item #.5624 Refunds; Confirm the refund amount is adequate of \$100,000 based on recent legislation passed by Council to increase funding to cover expenses.
46. Page #42; Civil Service; consists of executive secretary for the proposed amount of \$10,608. Is this a full-time position or part-time?
47. Page #44; City Council; Item #.5283 Storeroom indicates \$1500 amount budgeted for 2005 but \$0 for 2006. Explain.

48. Page #45; Executive Division; Explain and justify expenses of \$73,469 to the Enterprise Funds.
49. Page #46; Executive Division; Item #.5283 Storeroom indicates \$3,000 amount budgeted for 2005 but \$0 for 2006. Explain.
50. Page #47; Legal Division; Explain and justify expenses of \$38,791 to the Enterprise Funds.
51. Page #48; Legal Division; Item #.5232 Attorney Fees indicates a 2005 proposed budget of \$17,000 with an actual amount (10/1/05) of \$29,403.78. The 2006 proposed amount has been estimated at \$15,000. Explain.
52. Page #49; Engineering; Design & Construction; Explain and justify expenses of \$39,968 to the Enterprise Funds.
53. Page #50; Engineering; Design & Construction; Item #.5123 Health Insurance increased from \$3,996 to proposed amount of \$10,920. Explain.
54. Page #51; Engineering; Building Inspections; Explain and justify expenses of \$40,556 to the Enterprise Funds.
55. Page #52; Engineering; Building Inspections; Item #.5299 Contractual 2004 budgeted amount of \$9,000 with actual amount of \$24,205.99 and 2005 budgeted amount of \$13,000 with an actual (10/1/05) amount of \$6,324.93. 2006 proposed amount of \$15,000. Explain.
56. Page #53; Engineering; Building Maintenance; Explain and justify expenses of \$9,000 to the Enterprise Funds.
57. Page #54; Engineering; Building Maintenance; Item #.5201 Natural Gas; indicates a proposed amount of \$24,000. Explain. Is this amount for the City Building? What about utilities for the Marting Building?
58. Page #54; Engineering; Building Maintenance; Item #.5203 Utilities (AEP); indicates a proposed amount of \$31,000. Explain. Is this amount for the City Annex? If so, would the Health Department share the expenses?
59. Page #54; Engineering; Building Maintenance; Item #.5261 Building Repairs; 2006 proposed amount is \$9,000. Explain. What maintenance items are budgeted and consider future maintenance and prepare a plan to maintain these buildings.
60. Page #55; Wastewater Summary; Capital Outlay indicates an expenditure of \$100,000 but the note at the bottom states "Capital Outlay funds are not appropriated within operating budget ordinance." Explain.
61. Page #55; Wastewater Summary; Flood Defense; Explain proposed amount of \$119,953 when the Flood Defense Levy passed with operating costs.
62. Page #55; Wastewater Summary; Debt Service; Explain 2005 proposed costs of \$348,100 with actual expenses (10/1/05) of \$33,041.10 and 2006 proposed costs of \$373,100. What projects are involved?
63. Page #63; Public Utilities; Flood Defense – Operations; Explain changes to charging operations after passage of the Flood Defense Levy that includes operations.
64. Page #66; Public Utilities; Debt Service; Issue II (\$600,000) – Debt Service; Explain project completed under this money.

65. Page #66; Public Utilities; Debt Service; Utility Loan – Debt Service; Explain project at Young Street Viaduct and if remaining balance.
66. Page #66; Public Utilities; Debt Service; Long Term CSO Study (\$600,000); proposed amount of \$325,000. Explain status and remaining balance.
67. Page #67; Water Works Summary; indicates proposed Capital Outlay expenditures of \$300,000. Explain.
68. Page #68; Public Utilities; Administration; General Comment for all proposed budget charges to other funds should include *actual* amounts to determine if proposed amounts are *accurate*.
69. Page #68; Public Utilities; Administration; Explain and justify proposed \$150,000 expenses associated with the Fire Department.
70. Page #73; Public Utilities; Distribution & Meters; Item #.5534 New Meters; will the 2006 proposed expenses of \$25,000 include radio frequency meters.

Thanks in advance for your cooperation to provide the requested information. Contact me should you have any additional questions.

Respectfully,



Bob Mollette, 3<sup>rd</sup> Ward Council

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CC: Council (5)  
Chris Murphy, Public Service  
Richard Duncan, Waste Water  
Sam Sutherland, Public Utilities  
Trent Williams, Auditor  
Charles Horner, Police Chief  
Donald Walden, Health Department  
Robert Storey, Fire Department  
Engineering Department  
David Kuhn, Solicitor  
Jennifer Hanlon, Community Development  
Jo Ann Aeh (Record)