



City of Powell Finance Committee

MINUTES June 14, 2016

Attendees:

Tom Counts, Jane Van Fossen, Jim Hrivnak, Dan Swartwout, Brendan Newcomb, Brian Lorenz, Steve Lutz, Jessica Marquez and Debra Miller

Approval of minutes

Minutes were approved as printed

Financial Reports for May 2016

Ms. Miller stated that the City's income tax collection continues to be higher than last year's and on path to meet budget. She also stated that expenditures continue to be in-line with their budget.

Mr. Counts and Ms. Miller briefly discussed the various issues with projecting municipal income taxes. Issues included:

- a. Three paychecks this month but last year in the same month it was 2 paychecks.
- b. Timing differences from one year to the next when making estimated payments.
- c. Excess payments when filing tax years along with timing differences of filing from one year to another.

2017 Budget Calendar

Ms. Miller reviewed the 2017 Budget Calendar with the committee. Ms. Marquez and Ms. Miller explained how the tax budget was calculated (from the prior year's budget book) and the purpose of the tax budget resolution. The tax budget is a statutory requirement to notify the County Budget Commission of the need to assess property tax – for both operating and debt service. The millage resolution is the results or response from the County Budget Commission. City Council can't change or amend the millage numbers sent from the County Budget Commission and it has to be approved and sent back by September 30th.

Changes to the fee schedule have a separate deadline to allow the City Clerk time to put them in the next year's fee schedule booklet.

Mr. Counts and Ms. Miller went over how the budget will be reviewed by the committee in October and November. The committee will be going back to having Department Heads attend the committee for questions since we have several new committee members. The past few years, the committee met and if they had questions they just asked that particular department head to come to the November meeting.

Ms. Miller will review the changes to each department budgets including personnel costs; operating and capital costs. The Council will receive the budget in November and the budget has to be "fallow" or have no changes for one meeting before the Council can approve. It has been the process and is recommended that any changes be done at the committee level. However, if changes are made at the Council meeting, there is one more Council meeting in December available as backup for this possibility.

Seldom Seen Park Funding Discussion

Ms. Miller reviewed the two spreadsheets that had been prepared for the discussion. The first spreadsheet was a status update of the \$7.1 million Voted Capital Improvement budget. The budget on the spreadsheet had been changed to incorporate the changes needed to complete the Murphy Parkway project. Expenditures reflect what has been spent in each fiscal year through June 9th. Encumbrances reflects what projects are underway and include the contract costs and any contingency to the project. There are quite a few projects that are in progress so a column called "Projects in Process" was included to reflect what other information is known – such as estimate for the Pedestrian Rail Crossing, projects that are currently or about to go out for bid. Last, is staff's current guess-estimate of what is available for the Seldom Seen Park from this funding source.

The second spreadsheet is the possible/available funding sources for the Seldom Seen Park. The sources included the Seldom Seen TIF, Voted Capital Improvement Fund, Park Development Fund, Village Development Fund and interest from the Voted Capital Improvement Fund.

Mr. Lutz went over the costs for Phases I and Phases II. These costs included additional percentages for the engineering, inspections, project management, etc. Costs appear to be in the \$2.85 million range. Mr. Swartwout briefly went over the phases to remind the committee of the phases and catch up members who weren't at last week's Development Committee meeting.

The committee discussed the various phases to the park and several committee members wanted to make sure that something was available for residents use in between the phases. The committee also discussed bidding process for engineering the phases. Staff had interviewed and reviewed the work of several companies to assist with the park development and planning. Because of the length of time it has taken to get to this stage, many of the committee members were hesitate to going out to bid for another engineering firm at this point and postponing the project even further. The conclusion was to continue utilizing the current engineer since the majority of the cost of the phases going forward would be bid out – the construction costs. A point that was made at the end of the discussion was to go out for bid on engineers at the building construction phase.

The committee discussed the various phases and the consensus was to go forward with Phases I and II. The committee then turned the discussion to the length of time before the portable potties would be replaced with restrooms in Phase III. The committee then asked Mr. Lutz to have the engineer include engineering of Phase III playground/restrooms with Phase I and II. Then, bid as alternatives the playground and restrooms. The rationale was the

engineering would be completed when additional funding was found for those alternatives which would allow them to move quicker.

2016 City Council Goal – Fiscal Sustainability/Capital Funding

Mr. Counts led the committee on the discussion of fiscal sustainability for both operating and capital funding. Each committee member was asked to talk about their thoughts and/or ideas on the topic. Two themes came from the discussion – one was that all current sources of revenue need to be examined to see which can be enhanced or “which lever can be pulled for additional funding”. Another was the education of the need to the public along with the image that the city wasn’t doing anything for several years on the Seldom Seen Park and misconceptions on funding of the park.

Mr. Counts asked if there was any data or information that committee members would like gathered for their next meeting. Mr. Newcomb and Mr. Hrivnak talked about information that would assist in knowing when the City goes “off the cliff” or expenses exceed revenue. Another was what it will take to not go off the cliff.

Ms. Miller added information about when the City’s current debt expires and how much that brings in a year. She then went over what other municipalities in the central Ohio area which have (a) a tax rate less than 1% and (b) a tax rate of 1% along with their particular population.

Mr. Counts suggested a city tour by the committee to see the various needs when members talked about how their particular streets looked versus where the needs were.

Other Business

None.

Adjourn

Committee adjourned at 8:45 pm.