



**FINANCE COMMITTEE  
MEETING MINUTES  
OCTOBER 10, 2023**

**1. CALL TO ORDER / ROLL CALL**

Chairman Tom Counts called the October 10, 2023 Finance Committee meeting to order at 7:06 p.m. The following committee members were present: Tom Counts, Council Representative; Heather Karr, Council Representative; and Brad Coomes, Citizen Representative. Absent from the meeting was: Scott Wiley, Citizen Representative and Jennifer Bonifas, Citizen Representative. Staff in attendance included: Rosa Ocheltree, Finance Director; Samantha Borchers, Assistant Finance Director; Chloe Lanka, Finance; Andrew White, City Manager, Jeffrey Tyler, Assistant City Manager; Grant Crawford, Public Service Director; Ron Sallows, Interim Police Chief. Also, in attendance was Council Representative Christina Drummond and Mayor Daniel Swartwout.

**2. APPROVAL OF MINUTES**

- a. Approval of the Minutes from the Finance Committee Meeting held on September 12, 2023.

The minutes were approved by consensus.

**3. TODAY'S BUSINESS**

- a. September 2023 Cover Memo

Samantha Borchers reviewed the 2023 September Cover Memo and Financial Reports. She reported the Fiscal Year General Fund year-to-date revenues are approximately \$16.8M or 40.0% higher than Fiscal Year 2022. This is related to the income tax increase and the one-time contribution from the ARPA fund. Year to date General Fund expenditures, including transfers are \$11,053,401, which is 63.5% of the budget, well below the target expenditure of 75%. This is timing-related as various large capital purchases, including new snow plow, building improvements, and accounting software, are pending. The year-to-date General Fund cash flow is positive \$5.74M. The General Fund as an estimated unassigned fund balance of \$18.7M or \$21.8M including the reserve. This accounts for \$7.8M over the fiscally prudent fund balance range. Regarding investments, the Year-to-date General Fund interest is \$533,881 or 590% higher than Fiscal Year 2022 interest. Current market rate for STAR Ohio is 5.55% compared to 2.89% last year.

Brad Coomes questioned if factoring in the timing related objects that have not occurred yet, would the City be above or below the projected expenditures. Finance Director Ocheltree reported that the City would be below.

- b. September 2023 Financial Reports

Samantha Borchers reviewed some notable expenses from the General Fund Expenditures, including, website redesign fees and income tax collection fees. For General Fund Revenues, she discussed that total revenues are 101.5% of the total budget, which is a favorable variance of about \$4.4M. Income tax collections were up approximately 28%. She also reviewed the Investment Summary.

c. 2024 Fee Schedule

Samantha Borchers reviewed the new format of the 2024 Fee Schedule. Athletic Fields times were changed from 120 minutes to 90 minutes to allow for two reservations on a weeknight. She reviewed new Building Fees relating to electronic vehicle charging stations, a new residential demolition fee and a new fee related to the application fee process for the Community Reinvestment Tax Abatement. She discussed removing from the fee schedule the Banner Rental Fee, as the City no longer allows for the rental of City light polls. Grant Crawford voiced that it had been many years since the City rented out light polls and no longer does this practice. Finance Director Ocheltree informed that the Fee Schedule is expected to be presented at the next Council meeting. Heather Karr voiced a question relating to the Community Reinvestment Tax Abatement. Assistant City Manager Tyler answered that this a means to provide a fee to a service that the City provides, and that \$250 is average from other Cities.

d. Supplemental Appropriation

Finance Director Ocheltree reviewed the supplemental appropriation of \$76,811.80, split into two accounts for the repayment of the sewer assessment in the Verona Community. She discussed that the second payment of the Verona Assessment was slightly higher then the funds that were appropriated and also the City received payment from Romanelli and Hughes for the County Fees that were reimbursed to them. This payment has been deposited but will need the appropriation to be able to do the repayment of the interest. This will have a slight change to the repayment schedule. Finance Director Ocheltree informed that this will be presented before Council and introduced as an emergency.

e. 2024 Operating Budget

City Manager Andrew White discussed this is the implementation phase of the Powell 2.0 Income Tax Restructuring. Based on the experience of two full years of the income tax stream there will be increases across the board in revenues and expenditures that are in line with Council priorities throughout the document. Throughout the process will see expenses in infrastructure investments. Finance Director Ocheltree reviewed Strategic Goals set by Council. The estimated year end fund balance to be \$20.9M, total operating revenue of \$21.5M, which is an increase of 30%, and total available funds of \$42.4M, which is an increase of 34% from the prior year. The proposed budget for 2024 is \$23.3M, which is 45% increase from the revised budget of 2023. The bulk of the budget is related to non-operating expenditures. Personnel will have an increase of 15% at \$8.6M. Operating Expenditures is \$4.1M. She reviewed the General Fund by Category: Personnel Services is at 37%, which is a decrease from last year. Transfers, Contingencies and Reserve is 37%. Operating Expenditures is staying at 18%. Capital Equipment is slightly higher, with 8% compared to 7% from 2023.

The General Fund Summary by Department was reviewed. The Police Department and Public Services carry the higher amount of the budget mainly due to staffing. Personnel Services have an increase of 15.6% from 2023. Summary of changes include 3 new full-



time positions and 1 intern, merit increases, salary adjustments, health insurance and benefit changes, new retention incentives and 2023 new hire market changes. She reviewed a headcount benchmark for the City compared to other municipalities in the area, which shows staffing levels below other municipalities in the Greater Columbus Area. For the City to be at an average staffing level, the City's workforce will need to increase by a minimum of 24 FTEs. The Public Service department shows the greatest need. She recommended looking in 2024 at a long-term staffing plan. This plan will help to position the City to deliver quality services in the future and support Powell 2.0. She clarified that they removed Fire Department in the comparison, since Powell does not have one. Mr. Coomes discussed if consideration was also in place regarding income tax collections and trash pickup and spoke that the City of Delaware provides both of these services. City Manager discussed going into 2024 and taking a structural analysis. Councilmember Drummond questioned how the cities for comparisons were selected. Finance Director Ocheltree responded that the selected cities were of similar revenues. Chairman Counts discussed also comparing older cities vs. newer cities.

Operating Expenditures Summary has an increase of 45.4%. Significant changes include for Development, Contracted Services for Comprehensive Plan Update and GIS Consultant. Engineering, Contracted Services, for Thoroughfare and Circulation Plan. Public Services, contracted services for Street Lights Repairs and Bridge Inspection. Police, Software Subscription, for Fusual Real Time Crime Center, Flock Safety, Clear AI. Finance Department, Collection Fees, RITA Retainer. Grant Crawford addressed Chairman Counts question regarding the Thoroughfare Plan. He explained that the City does not have a complete Comprehensive and Thoroughfare Plan. As the City continues to grow this plan can help guide the City through development process and define the road connections. This plan would have a broad look at multi-modal transportation, and is not an Active Transportation Plan.

Mayor Swartwout discussed exploring to the 2024 budget for consideration, curb-side leaf collection and tree replacement at the round-a-bout at Sawmill and Presidential. Chairman Counts discussed the previous tree planting program that was discontinued and would like to consider adding trees to public areas. Finance Director Ocheltree discussed the increase in the budget for tree planting and replacement. Public Service Director Crawford discussed the need to gather additional information to create a leaf collection program including equipment and staffing. City Manager White discussed there will be a need to review the Refuse Contract, which is set to expire next year. Councilmember Drummond also discussed hearing from residents on having a leaf collection program, aside from the yard waste pick up. She also noted that tree plantings will have more of a need for tree canopy management. She would like more of a strategic plan.

Finance Director reviewed the General Fund Capital by Department and Capital Itemization. She provided more in-depth information regarding Building Maintenance and Improvements. Adventure Park would have updates to the building exterior, replacement of damaged cupolas, power washing, painting, and landscaping. Building improvements for Village Green include exterior lighting replacement and carpet replacement for the Police Department. She also discussed the Transfers, Contingencies and Reserve, which will have an increase of 109.6%. The reserve transfer will maintain the general fund balance at 22% of 2024 operating expenses.

Finance Director Ocheltree reviewed the Personnel Budget and the distribution by the department. The Administration Department is going up 33.44%, personnel will increase



by 36.7% and operating will increase by 16.9%. Significant change for personnel includes the addition of one new FTE, Management Analyst, impacting all personnel line items except overtime and the deletion of one part-time clerk. Administration Operating Budget has an increase in consulting services in preparation for implementing the 24-28 CIP. The Building Department budget has an increase of 4.8%, with personnel increase of 5.1%, operating with an increase of 4.2%, a capital to have no changes. Significant changes include an increase in health insurance costs due to changes in employee plan selections. The Communications Department Budget is saying fairly similar to previous year. Chairman Counts discussed with the loss of newspaper coverage, the residents have difficulty finding information. He would like to see additional funds to increase different media options to get information to residents. City Manager White discussed having a quarterly update provided to residents on legislations and focus on individual departments. This would need further exploration. Councilmember Drummond discussed in addition to online media, we need to consider purchase media, i.e. signage at gateways. She voiced support on additional funds for advertising or mailings. Councilmember Karr recommended looking at the website to make it easier to navigate. Councilmember Drummond also recommended having a survey tool to use as community engagement, especially at City events where they can use a QR code to take a survey and provide anonymous input.

Finance Director Ocheltree reviewed the Clerk and Council personnel and operating budget. This included a discussion on travel and meeting expenses. Councilmember Drummond discussed wanting to attend conferences and education seminars in the past, but there was a high cost. She also discussed how the recent high turn over of Council may need to be a factor. The Community Development Department personnel and operating budget was reviewed. This is a new department so there is no historical data. This department includes the existing Community Development Director and one new FTE: Economic Development Officer. The Development Department had a decrease of 29.8% in personnel, but operating had an increase of 284.2%. Significant changes include: increase in legal ads due to an increase in code enforcement activities; additional professional membership for staff, anticipated increase in the need for contracted services to carry out Council goals regarding the downtown area; new budget for grant writing to allow the City to seek additional funding sources; funds budgeted to re-write zoning and development codes. A discussion was held regarding the amount allocated for Grant Writing. Councilmember Drummond noted that the number for professional grant writer may be too low. She discussed bringing this in house for more cost effectiveness and better management. Mayor Swartwout discussed he would not be in favor of an FTE in this budget until there is more information on what the need will be.

The Engineer Department personnel budget had an increase of 8.1% and the operating budget had an increase of 202.1%. Significant changes to the operating budget includes the increase in advertising due to projects and plans scheduled for 2024; contracted services which includes funds for a traffic analysis, street and pathway ratings, bridge inspections and thoroughfare and circulation plan; and NPDES contract services increase due to higher cost of service and additional efforts in mapping. City Manager White addressed Chairman Counts question regarding if additional engineering staff will be needed. He discussed the current vacancy in Development was a Permit Technician. Mr. Coomes addressed sidewalk inspections by Engineering. Assistant City Manager Tyler clarified this is more related to new developments.

The Finance Department Budget will increase by 34.22%, with personnel budget increasing by 33.9% and the operating budget with an increase of 35.6%. Significant changes include



the addition of one FTE with associated costs for personnel. Significant changes for the operating budget include: increased budget for printing to provide quarterly and annual mailing to residents as requested by the Finance Committee; increased budget for asst auction fees related to an increase in the number of items being auctioned; increased budget for uniforms and phones due to new employee; and Income Tax Collection Fees are 3.1% of projected income tax collection. Councilmember Drummond questioned if there was a uniform budget for Council. City Manager White discussed looking into this option.

The Fleet Department is a new department and budgets fund for city vehicles across all departments. City Manager White discussed the liability of using personal vehicles and the need to not have unmarked cars in the field or neighborhoods. Finance Director Ocheltree discussed the preference of the general liability insurance.

The IT Department had a decrease of 7.95% vs prior year. The 2023 budget introduces a full-time IT Manager to support city staff with software/hardware issues and coordinate efforts between our IT Ops Consultant and Strategy Consultant. The Lands and Building Budget has a decrease of 3.89% vs. prior years. Significant changes for the operating budget includes funds budgeted for deferred building maintenance, including roof and HVAC repairs, funds budgeted to allow for more frequent office cleaning, and updated other costs to reflect historical trends.

She also reviewed the Lands and Buildings Capital Budget significant changes which again includes updates to Adventure Park building exterior, building improvements for Village Green and carpet replacement for the Police Department. She also reviewed the Parks Maintenance Operating Budget significant changes which includes: increase in turf maintenance/fertilization due to new park space and new contract pricing; increase in tree trimming/removal services to remove trees that have begun protruding into the roadway, damaging plows and other vehicles; and increase in park trees to replace dead and diseased trees. City Manager White discussed that the Olentangy Swim Association is not reflected in the budget and still in the process of being analyzed. The Park Maintenance Capital Budget has funds budgeted to replace aerators in the pond at Village Green with a fountain, this will help increase water quality and funds provided to replace equipment as needed.

The Police Department Budget has significant changes in wage increases per union contract; merit increases for non-union staff; changes anticipated to insurance costs; and budgeted for two temporary officers to assist with staffing levels. The operating budget has significant changes with anticipated increases in rents/leasing and training costs; requested increase in funds for community relations; funds budgeted for AED replacements; funds budgeted for uniforms for new officers; funds budgeted for annual wellness check-ins for officers; funds budgeted to train current officers on accreditation; multiple new service subscriptions to utilize new technology to improve community safety; and cruiser maintenance budget moved to Fleet Management Department. Councilmember Drummond noted the need to be cautious on AI technology and worries the public may not be support of certain technology. She discussed the concern of license plate readers. She also discussed civil liberties and privacy concerns and recommended community engagement. Interim Chief Sallows discussed that the City use to have license plate recognition software on several vehicles in the past ten years. The data base was not being maintained and went away. There is ability with the technology in the in-car video system to have license plate readers, but they have not currently chosen to activate the

technology. The technology requested in the 2024 budget is not to be used for surveillance standpoint but for reactive police response

Finance Director Ocheltree reviewed the Public Service Department Budget, which has an increase of 5.05% then last year. The personnel budget had an increase of 11.1% with significant changes to wage increase per the union contract and addition of longevity payment for eligible staff. The Operating Budget shows an increase of 74.2%, with significant changes that include: increase in safety equipment and supplies related to market increase; snow and ice removal funds; Villagescape Repairs increase will fund downtown trash cash replacements; street light repairs due to increase cost of parts; certification increase to maintain compliance with Federal and State regulations; travel fund increased for Director to attend two national conferences and funds budgeted to replace the damaged utility line locator.

The Legal Department has an increase of 6.7% in the Operating Budget. Legal services continue to be provided by Frost Brown Todd, LLC. This contract expires in 2024. Services are also provided by Fischel Downey Albrect & Riepenhoff, LLP and Delaware County Prosecutor's office.

There was a discussion held regarding the Special Revenue Funds. The Parks and Recreation Programs includes the cost for programing and special events. The requests were over budget and revenues were not sufficient to cover the expenses. The final 2024 Calendar of Events and associated budget will be finalized later as staff prepares to have additional discussions about desired outcomes in 2024 and expected expenses. Chairman Counts discussed many events do not generate funds. Finance Director Ocheltree discussed the additional funds requested by staff for Powell Festival to run well. Councilmember Drummond discussed sponsorship and donations for events.

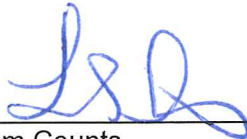
Chairman Counts praised staff for the work on the budget and how it is presented compared to previous budgets. He discussed previous concerns by residents on the income tax restructuring not being used for staff. The current budget looks at three FTE with two of them for the Police Department.


#### 4. OTHER BUSINESS

- a. Investment Policy Update

#### 5. ADJOURNMENT

Chairman Counts adjourned the Finance Committee meeting at 9:11 p.m.

  
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Tom Counts,  
Chairman

  
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Date

  
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Elaine McCloskey,  
Clerk

  
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Date