



Meeting Minutes

Monday, October 10, 2016 ~ 7:30 P.M.

Louis J. R. Goorey Worthington Municipal Building
John P. Coleman Council Chamber
6550 North High Street
Worthington, Ohio 43085

City Council

Bonnie D. Michael, President
Scott Myers, President Pro-Tempore
Rachael Dorothy
Douglas C. Foust
David M. Norstrom
Douglas Smith
Michael C. Troper

D. Kay Thress, Clerk of Council

CALL TO ORDER – Roll Call, Pledge of Allegiance

Worthington City Council met in Regular Session on Monday, October 10, 2016, in the John P. Coleman Council Chambers of the Louis J. R. Goorey Worthington Municipal Building, 6550 North High Street, Worthington, Ohio. President Michael called the meeting to order at or about 7:30 p.m.

Members Present: Rachael R. Dorothy, Douglas Foust, Scott Myers, David Norstrom, Douglas K. Smith, Michael C. Troper and Bonnie D. Michael

Member(s) Absent:

Also present: Clerk of Council D. Kay Thress, City Manager Matthew Greeson, Director of Law Pamela Fox, Assistant City Manager Robyn Stewart, Director of Finance Molly Roberts, Director of Public Service and Engineering Dan Whited, Director of Planning and Building Lee Brown, Director of Parks and Recreation Darren Hurley, Chief of Police Jerry Strait and Chief of Fire Scott Highley

There were nineteen visitors present.

President Michael invited all those in attendance to stand and join in the recitation of the Pledge of Allegiance.

SPECIAL PRESENTATION

Ms. Michael commented that members have a bittersweet resolution for consideration. It is wonderful when people have a chance to retire but it is sad when you lose somebody who has been a great part of our city for a long time.

Resolution No. 44-2016

Expressing the Appreciation and Best Wishes of the Worthington City Council to Thomas W. Gilkey for his Outstanding Service as Maintenance Superintendent of Service & Engineering for the City of Worthington and for his Service to the Community.

Introduced by Mr. Foust.

MOTION

Mr. Norstrom made a motion to adopt Resolution No. 44-2016. The motion was seconded by Mr. Smith.

The motion to adopt Resolution No. 44-2016 carried unanimously by a voice vote.

Mr. Greeson acknowledged it being a bittersweet moment and he is honored to say a few words about Tom Gilkey. He shared that when he was a candidate for the City Manager position he remembers meeting Tom while touring the Service Department where the

other candidates and the former Service Director Dave Groth. When he asked him what he does, Tom looked at him with a grin on his face and replied absolutely nothing. He quickly learned that Tom was either a bad prognosticator about who was going to become City Manager or he had a great sense of humor and it was the latter. Staff will miss his positive attitude and great sense of humor. We will miss him because the way in which he filled his position of maintenance superintendent of all Service operations is one of the lynchpin critical roles in our organization. He has been one of the people who has been glue during city crisis and during events like market days and many city events and certainly during big snow operations and leaf removal and all of the things that the service department does. Many times he was the guy who was up in the middle of the night to make sure the snow operations went well. Tom is one of the few people who has touched all departments, all events and activities in the city and as a result all of our citizens. Tom has done an exceptional job instilling a customer service ethic of hard work and professionalism in his team members and in our organization. Mr. Greeson added that it has been his pleasure to work with Tom for the time that he has been here. He congratulated him on his retirement.

Mr. Whited echoed Mr. Greeson's sentiments except when he talked to Tom, he said he does absolutely everything. He has been an outstanding mentor, teacher, leader and a real good friend. Dan appreciates everything that Tom has done. He has been extremely generous with his time and talent. As Mr. Greeson mentioned, the service ethic is extraordinary here and it all starts with Tom and filters down through the entire staff. These guys are here tonight as proof of that. We will miss his combination of wisdom, fairness, and humor. He has been phenomenal to him and to the staff. He has never heard a bad word about him. The citizens always speak highly of him. They always want to talk to Tom when they call him and that is a good thing. Mr. Whited added that he has worked with many people in his career and none of them have been quite like Tom Gilkey and that's a good thing. Then he thanked him.

Ms. Michael shared that she has known Mr. Gilkey for many years. It is often the city services that people share when asked why they like Worthington. Things like leaf collection and street repairs. They are things that Tom supervised and shared that the public received but didn't know he was behind the scenes pulling the strings.

President Michael read Resolution No. 44-2016 in its entirety and presented Mr. Gilkey with a certified copy.

Mr. Gilkey thanked Council for the recognition. He shared that he has been really blessed by God for having this job, for co-workers, health and for his wife of forty-seven years.

Resolution No. 43-2016

Expressing the Support of Worthington City Council for the Central Ohio Transit Authority's 2016 Tax Levy.

Introduced by Mr. Myers.

MOTION Ms. Dorothy made a motion to adopt Resolution No. 43-2016. The motion was seconded by Mr. Troper.

There being no additional comments, the motion to adopt Resolution No. 43-2016 carried unanimously by a voice vote.

Mr. Greeson introduced and welcomed Curtis Stitt, President and CEO of the Central Ohio Transit Authority (COTA) to tonight's meeting.

Mr. Stitt thanked City Council for the opportunity to share. COTA appreciates Council's support and great partnership. Matt and Matt's predecessor have always been supportive of COTA over the years. Issue 60 will be on the ballot on November 8th. It is a simple renewal of a ¼% sales tax that was passed in 2006. It expires this year and consequently we have to be back on the ballot in order to maintain this sales tax. This represents one half of COTA's revenue and as a consequence, it is important that this sales tax is approved for another ten year period. This renewal is essential because since 2006 when the initial levy was passed, COTA has increased its service by 80%. Assuming this renewal is passed, by 2018 we will have increased our service by 90% over this ten year period. They have achieved ridership levels that they have not seen since 1986. Last year and the year before last they reached levels of 19 million passenger trips in each of those years.

Mr. Stitt shared additional information regarding partnerships with area communities and new services being offered such as C-Bus and Air Connect. They have begun construction on C-Max, which is COTA's introduction to the first Bus Rapid Transit (BRT) in central Ohio. They have extended services from SR-161 all the way downtown and then extending at the north end to Polaris Parkway and Africa Road all while maintaining great financial stewardship of that ¼% and the other ¼% that was already in place.

Mr. Stitt shared that they have maintained their expenses using a transit metric called cost per service hour and while their peer transit agencies cost per service hour has been increasing over the last ten years, COTA's cost per service hour has remained relatively flat as they have tried to come up with innovative ways to save money while putting more service on the street. The fleet has been converted to compressed natural gas. They have done these things today in order to ensure a sound foundation for public transportation that they can build on tomorrow. Finally, they are engaged in a project called NEXTGEN where they are developing a plan for the next generation of public transportation for Columbus and central Ohio. This levy is important for them to maintain this foundation so that they can build the NEXTGEN plan when it is completed. That plan looks out to 2050. As this community grows, COTA wants to be in a position to grow with it. So they appreciate Council's support. He would be happy to answer any questions that members may have.

Ms. Dorothy asked how long they will be evaluating the BRT along Cleveland before they look for other locations. Mr. Stitt replied that they are already looking at other locations. As part of the NEXTGEN, which they hope will be complete next year, they will be meeting with many central Ohio municipalities to make sure they meet the needs of everyone in this plan. It is fiscally unconstrained so their approach is to look at what the real needs of this community will be as well as they can determine that today and then try to design a plan to meet that. They know that whatever comes out of that plan will have to be a mix of a number of things such as BRT, more buses, perhaps rail, or perhaps automated vehicles. Whatever the best technology there might be as we get closer to 2050 and update this NEXTGEN plan is what we are going to be looking at. So they are already thinking about those things and High St. is one of those corridors. They have three lines that provide for 50% of their ridership. One is the line #2 that runs on High St. The #1 is Cleveland Ave. and Livingston Ave. to the east and the other one is line #10 east and west from county line to county line on Broad St. They are already looking at those three lines in terms of major transportation improvements in the future.

Ms. Dorothy shared that she knows quite a few people that ride COTA and use COTA but there may be others in the future that may not even realize how important COTA is going to be for them. She appreciates them looking into the future to be able to provide those transportation needs for people older and younger throughout the whole community.

Mr. Norstrom added that they are also a major element in the SMART City project. Mr. Stitt agreed although it is filling their plate. They already have a big plate that is full and it is being piled high but it is important for them to look at how technology can provide better transportation and COTA is at the table in that discussion.

Mr. Myers wants to make it clear that this is no new taxes. It is just a renewal with nothing extra. Mr. Stitt agreed. Mr. Myers added that the last time Mr. Stitt was before Council he shared that he missed the LINK as it was the free bus that went downtown. He appreciates the C-Bus as he rides it all the time. It is incredible way to get downtown. Mr. Stitt thanked him for riding the C-Bus.

Mr. Norstrom shared that he has a long history with COTA. We all know that our Worthington resident Bill Lhota was director before Mr. Stitt. He turned the organization around and Mr. Stitt has helped take it to the next level. He enjoys serving on the COTA board again. He added that before Council is a very strong leader. Mr. Stitt thanked him and said he was very kind. Everything he does is focused on how can we service this community and we have about 1,000 employees at COTA who do a great job at it every day.

Council members thanked him for coming. Ms. Michael wished him luck in November.

NEW LEGISLATION TO BE INTRODUCED

Resolution No. 41-2016

Approving the Petition for Special Assessments for Special Energy Improvement Projects Under Ohio

Revised Code Chapter 1710 (350 W. Wilson Bridge Road).

Introduced by Mr. Troper.

MOTION Mr. Foust made a motion to adopt Resolution No. 41-2016. The motion was seconded by Mr. Norstrom.

Mr. Greeson reported there being a series of legislation before members this evening that are related to the PACE program (Property Assessed Clean Energy). We want to start the discussion regarding these pieces of legislation, which he believes total five (some resolutions and some ordinances that need to be introduced.) by having Ms. Jean Carter Ryan, President of the Columbus-Franklin County Finance Authority provide an overview of PACE. Ms. Carter Ryan is the current chairperson of COTA so she is serving our region in that role. She is also one of the people that we as local government managers turn to when we have complicated public and particularly economic development finance issues. We appreciate the free advice that she often offers upon request and that she is here tonight to present this topic.

**Columbus Region Energy Fund and PACE
Columbus-Franklin County Finance Authority
Jean Carter Ryan
President**

Ms. Carter Ryan shared that she appreciates the opportunity to talk with Council about the Columbus Region Energy Fund and Property Assessed Clean Energy. A new program was created about a year and a half ago through the Finance Authority that helps with energy efficient types of improvements as it was challenging to find funding to assist with that. When you look to finance something you look at credit strength, understanding the character of whoever is borrowing money and we want to understand our collateral. Collateral is a tough issue when it comes to energy and energy efficiency. PACE has figured out a way to solve that collateral type problem. The following information was provided in Council packets and details what we are doing here in Central Ohio. It shows how we would like to be able to provide an energy efficiency loan to one of your local businesses, Trivium development on West Wilson Bridge Road.

Financing Features:

- Transaction size \$200,000 to \$5,000,000**
- Up to 100% financing of project costs**
- Fixed rates up to 15 years**
- Energy usage reduction should range from 15%-20% (need energy audit)**
- Energy savings pay for the investment**

Eligible Projects:

- Office Buildings
- Retail
- Manufacturing
- Healthcare
- K-12, University
- Government
- Non-profits

Eligible Improvements:

- Energy efficiency retrofits to existing buildings including:
 - Lighting
 - Energy management systems and controls
 - High efficiency HVAC

Property Assessed Clean Energy (PACE) is an:

- Innovative financing structure for improving buildings through energy efficiency and alternative energy projects.
- Established in Ohio in 2009 as a form of energy special improvement districts (ESID) for energy projects under Ohio Revised Code (ORC) 1710.

Ms. Carter Ryan stated that PACE is a national program but each state has to adopt its own statutes. ORC 1710 requires legislative action by each local community for them to be able to move forward with this type of security for the projects.

What is PACE Financing?

- ESIDs can be formed by a municipality, township or a collection of adjoining communities.
- Governed by a non-profit corporation.
- Commercial property owners can voluntarily make energy efficiency & alternative energy improvements & pay for them through a special assessment on the property.

Ms. Carter Ryan shared that they can never force a special assessment to be put on the building through this program. Basically, in the case of Trivium we have a \$325,000 improvement that they want to make on their building on West Wilson Bridge Road. We will collect the debt service through a special assessment, which also is our security for the project.

What are the benefits of PACE?

- Improvements can be made quickly when needed.
- Reduction of operating budget expense.
- Energy & maintenance savings pay for improvements.

- No upfront cash required; 100% of the cost of improvement is provided including evaluation & design, equipment and labor, professional fees.
- Preserves business cash & capital budgets.
- Off-balance sheet financing.
- Building life is extended.
- Building becomes energy efficient, providing good stewardship of resources.

Energy Loan Process

- Submit application with 3 years of business financials, current year budget, 2 years electrical & natural gas data.
- Arrange site visit & facility walkthrough with qualified architect, engineer or contractor.
- Determine needed improvements, cost estimates & energy savings.
- Execute term sheet
- CFFA approval
- City action
- Closing of financing

- Proposed Trivium Project: The Site
 - 350 W. Wilson Bridge Road
 - Vacant 53,000 square foot office building
 - Being converted to Class A office building
- Proposed Trivium Project: The Project
 - Interior and exterior high-efficiency LED lighting
 - HVAC upgrades
 - Building envelope upgrades
 - Estimated annual energy savings: \$37,000 or 49.8%
- Proposed Trivium Project: Financing
 - Total Office Rehab Project Costs: \$9m
 - Total PACE Project Costs: \$325,000
 - PACE Repayment: Semi-annual special assessments of \$16,500 for 14 years; special assessments include principal repayment and implied 4.5% interest rate
- Proposed Trivium Project: City Role
 - Existing Columbus Regional Energy Special Improvement District can be expanded to administer this project
 - City must by resolution approve a petition, supplemental plan, and amendment to articles of incorporation to do so
- Proposed Trivium Project: City Role
 - City also levies the special assessments by passing three pieces of legislation
 - Resolution of Necessity

- Ordinance to Proceed
- Ordinance Levying Assessments
- **Note: these are the same as for any special assessment**
- **The City will also be a party to two agreements:**
 - Energy Project Cooperative Agreement
 - Special Assessment Agreement
- **These allow for the transfer of the special assessments from the City to the Finance Authority**

Ms. Carter Ryan reiterated that from the developer's perspective this is a smaller piece of a bigger project. Anything that helps them become more efficient in terms of the use of their capital stack, it is an expensive project for the size of building that it is. It helps them be more efficient in terms of how they use their money. It allows them to make the types of improvements they would like for the building to have and still be able to meet some of their return investment type of numbers. We see it as a win-win for everyone and think the project is a really exciting one and one that we would like to move forward with.

Ms. Carter Ryan shared that the Finance Authority has been up and running for ten years. They have issued approximately \$1.2B worth of financing. They have done many projects in central Ohio but this would be the first one in the city of Worthington. She has done a great deal of work with Matt, Robyn, and David (formerly with Jeff) so she is really excited to be involved in something in the city of Worthington. That is an interested economic development financing structure assuming that the Council agrees and we are able to move forward with these ordinances.

Mr. Norstrom commented that the City becomes a party to the agreement but we don't assume any liabilities. Ms. Carter Ryan agreed.

Mr. Myers stated the nonprofit that governs this, the current governing council that is in place in Columbus and we are just. . . Ms. Carter Ryan shared that Council will actually be appointing two members, who will have a role on that board.

Ms. Dorothy stated that this agreement is with the owner of the building and will go if Trivium sells the building. Ms. Carter Ryan reported the agreement stays with the building.

Ms. Dorothy asked for clarification on how the money flows. Ms. Carter Ryan explained that it is like a property tax. It will be collected like a property tax by the County Auditor, then distributed to the City, who will then distribute it to the Finance Authority to pay off the debt. Ms. Dorothy commented that the people who will be receiving the savings are the ones who are paying the reduced level of the energy bill. Ms. Carter Ryan agreed. She explained the process in greater detail.

Mr. Troper asked how the interest rate was set. Ms. Carter Ryan replied that it is set by the Finance Authority for this particular project. They have three different sources of

funds to basically make the loan. Franklin County, through its Smart Works program has granted us \$5,000,000 to make loans so far. The Finance Authority has committed approximately \$1,000,000 of its own money to make loans. Finally we have our own rated bond fund that allows us access to the National Capital Markets so our goal is to take smaller projects like this one, bundle them together with other projects and then go to the markets and sell those to recapitalize our funds so that we always have a continuing source of financing for projects. They set the rates internally with the help of their financial advisor. They try to set the rates knowing that at some point they will bundle them. They need to understand what they think the rates will be at some point in the future when they want to sell that debt.

Mr. Troper asked what the previous rate was. Ms. Carter Ryan replied that it was 4.35% for a \$3.2M financing bond for the PNC Plaza.

Michael Bates, 6560 Evening St.

Mr. Bates commented that this sounds like an overlay to an existing government processes. He asked what kind of enforcement authority PACE has as far as collecting the taxes and any other kind of enforcement. Ms. Carter Ryan replied that because it has the look and feel of a property tax, they have rights to foreclosure. If in fact they don't pay the special assessment they can move forward with that. Because this is a small piece of the entire project, what frequently happens is that they have to have the lender consent for the project. What would happen if there was an action of foreclosure is that typically the bank would pay us off and then they would continue to work because they have a security interest in this building.

There being no additional comments, the motion to adopt Resolution No. 41-2016 carried unanimously by a voice vote.

Resolution No. 42-2016

Approving the Necessity of Acquiring, Constructing, and Improving Certain Public Improvements in the City of Worthington, Ohio in Cooperation with the Columbus Regional Energy Special Improvement District (350 W. Wilson Bridge Road).

Introduced by Mr. Norstrom.

MOTION

Mr. Smith made a motion to adopt Resolution No. 42-2016. The motion was seconded by Mr. Myers.

Ms. Fox commented that this piece of legislation is just declaring a necessity for the special assessment. It declares a public purpose for working with the property owner and the Finance Authority through this PACE financing for these energy efficiencies. It is just another step in the process for the assessment.

Ms. Dorothy noted that in Section 6. it states that the portion of the costs of the Project allocable to the City will be zero percent (0%).

Mr. Greeson noted that the City doesn't use special assessments very often. If we do in the future we would follow a similar process as presented this evening. Ms. Fox agreed.

Mr. Myers commented that this special assessment is different in that the property owner requested it. Ms. Fox added that it is different because many of the formalities are waived. It is a function of us passing legislation, working with the County and the Authority for the transfer of those special assessments. We also have to certify all of this legislation to the County auditor's office so they can place the assessment on the rolls.

There being no additional comments, the motion to adopt Resolution No. 42-2016 carried unanimously by a voice vote.

Ordinance No. 34-2016

Determining to Proceed with the Acquisition, Construction, and Improvement of Certain Public Improvements in the City of Worthington, Ohio in Cooperation with the Columbus Regional Energy Special Improvement District (350 W. Wilson Bridge Road).

Introduced by Mr. Myers.

Ordinance No. 35-2016

Levying Special Assessments for the Purpose of Acquiring, Constructing, and Improving Certain Public Improvements in the City of Worthington, Ohio in Cooperation with the Columbus Regional Energy Special Improvement District (350 W. Wilson Bridge Road)

Introduced by Ms. Dorothy.

Ordinance No. 36-2016

Authorizing and Approving an Energy Project Cooperative Agreement by and Between the City of Worthington, Ohio, the Columbus Regional Energy Special Improvement District, Trivium Worthington LLC, and the Columbus-Franklin County Finance Authority, a Special Assessment Agreement by and Between the City of Worthington, Ohio, the Treasurer of Franklin County, Ohio, the Columbus Regional Energy Special Improvement District, and Trivium Worthington LLC, and Related Agreements, All of Which Provide for the Financing of Special Energy Improvements Projects (350 W. Wilson Bridge Road).

Introduced by Mr. Troper.

The Clerk was instructed to give notice of a public hearing on said ordinance(s) in accordance with the provisions of the City Charter unless otherwise directed.

Mr. Myers commented that this is a good example of why the Charter revisions need to be enacted because one of the revisions that we are asking for is to shorten the title of ordinances that are read into the record. He thinks that would have made everyone's life much easier, especially President Michael. So please vote "yes" on the Charter amendments.

Mr. Greeson thanked Council for all of their work on the 350 West Wilson Bridge Road project as well as Ms. Fox, Ms. Stewart, Mr. Harris, and Mr. McCorkle. He thinks they have just done the final piece of one of the most interesting economic development projects he has worked on and probably even in the region. In a sense it has a little bit of TIF, some County land bank involvement, a traditional Economic Development Agreement, and now the use of PACE in order to accomplish the renovation of what was a long vacant building. That is about as complex and interesting as it can get on a project on this.

REPORTS OF CITY OFFICIALS

Discussion Item(s)

Mr. Greeson commented that tonight we are really beginning the budget process in earnest. Last week staff distributed the Capital Improvements Program (CIP), which is a five year program from 2017 – 2021. He believes the Operating Budgets were distributed this evening at members' places. That information will be discussed in upcoming meetings. This evening staff wants to cover the CIP. He invited Ms. Stewart to provide the overview as she was the leader in preparing this document.

Ms. Stewart thought members' might be interested in learning the status of the projects and equipment approved in last year's 2016 CIP so she left a status report on those items at members' places this evening. Staff would be happy to answer any questions members may have.

Ms. Stewart shared the following PowerPoint presentation:

2017 – 2021

Proposed Capital Improvements Program & Debt Discussion

Presentation Goals

- Discuss overarching trends in the proposed CIP
- Review the cash flow projections and the financial forecast for the CIP Fund
- Discuss the City's current and projected debt
- Discuss the impacts of the CIP's financial constraints
- If desired by City Council, discuss specific projects and equipment

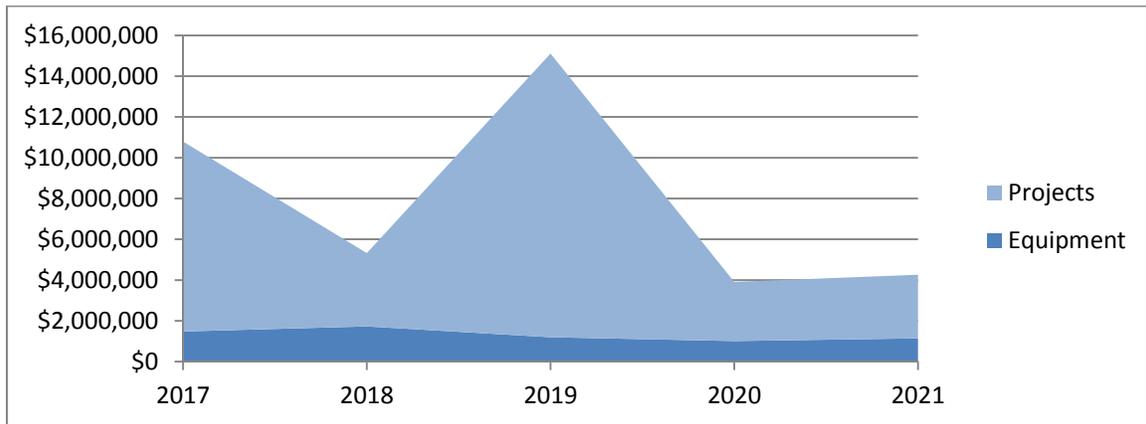
- Status report on 2016 projects and equipment
- Overview the 2017 projects and equipment
- Highlight projects and equipment for 2018-2021

Trends in the CIP

- Investments primarily focused on maintaining existing infrastructure
- Very financially constrained for a number of reasons
 - Final five years of Community Center/Police Station debt
 - New debt associated primarily with mandated sewer projects
 - Equipment purchases delayed during recession
 - Building projects associated with age of buildings

Overview of Proposed CIP

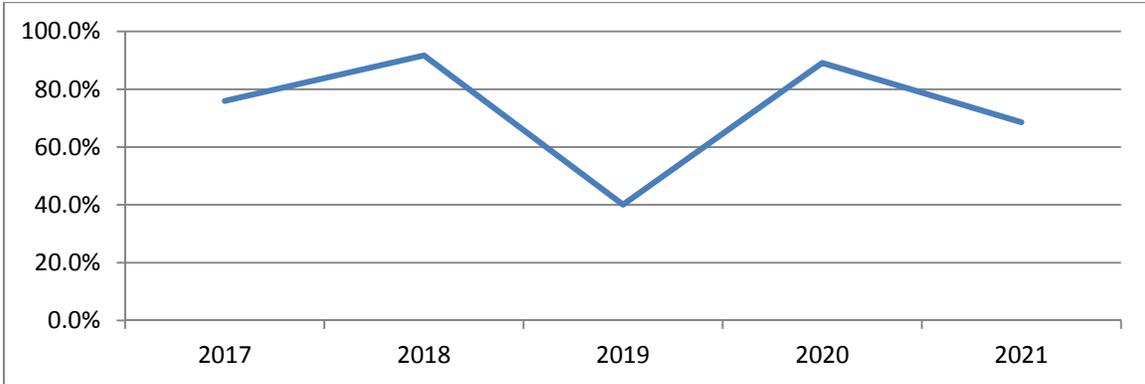
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
Projects	\$ 9,318,713	\$3,597,900	\$13,913,026	\$2,898,500	\$3,122,680	\$32,850,819
Equipment	\$ 1,473,000	\$1,724,200	\$ 1,197,200	\$1,012,500	\$1,143,000	\$ 6,549,900
Total	\$10,791,713	\$5,322,100	\$15,110,226	\$3,911,000	\$4,265,680	\$39,400,719



Ms. Stewart shared that the spikes in 2017 and 2019 are primarily because of the northeast gateway project. In 2017 we are planning for right-of-way acquisition and utility relocation with construction in 2019.

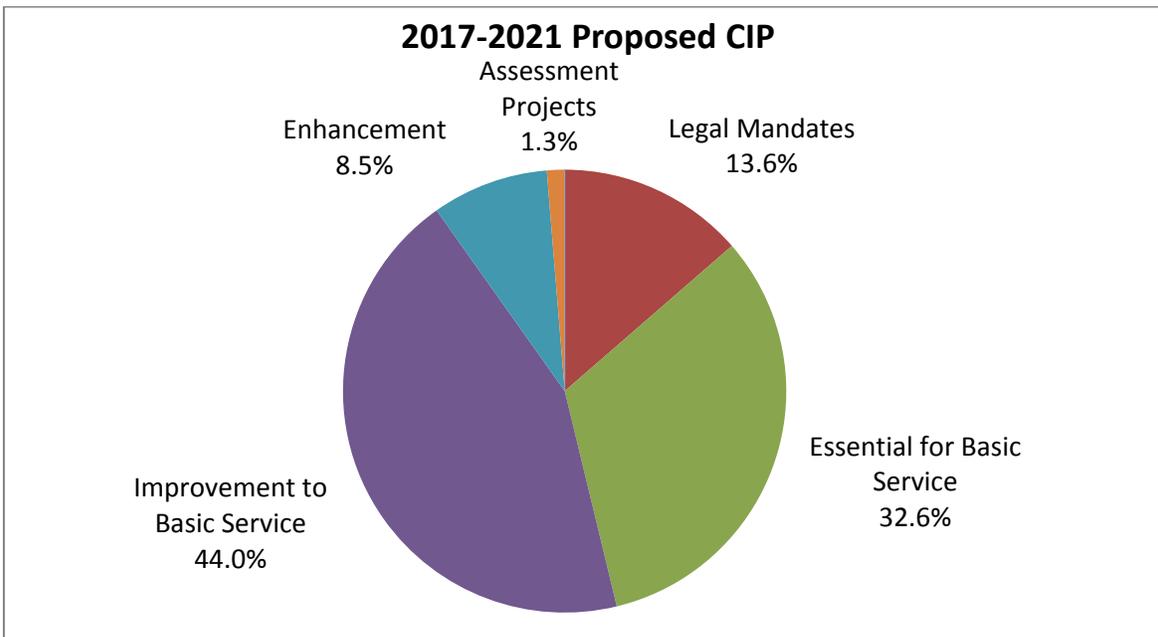
City’s Share of Proposed CIP

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Total</u>
Total Cost	\$10,791,713	\$5,322,100	\$15,110,226	\$3,911,000	\$4,265,680	\$39,400,719
City Sources	\$ 8,199,663	\$4,882,100	\$ 6,057,405	\$3,486,000	\$2,925,500	\$25,550,668
% City Share	76.0%	91.7%	40.1%	89.1%	68.6%	64.8%



Ms. Stewart reported that this chart looks at how much we are able to leverage other money that is outside the city’s revenue sources. It is rather up and down and mostly driven by the northeast gateway project that includes federal funds.

Allocation of CIP Project Expenses

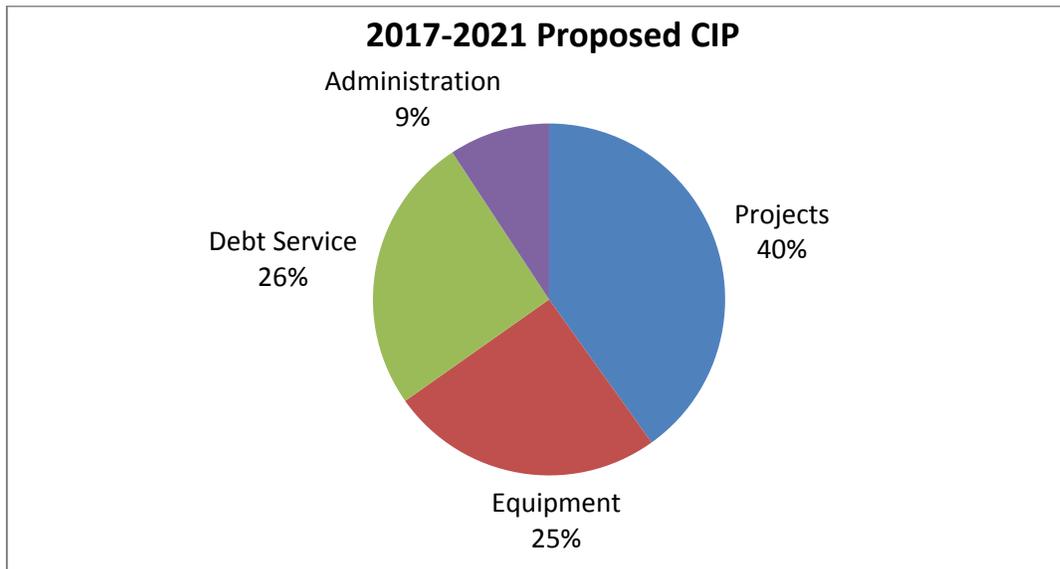


This chart shows the various categories of projects. This type of grouping helps staff evaluate and access the types of projects we are looking at. Ms. Stewart explained the five groups in greater detail.

Ms. Dorothy noted there being no additional waterline repairs other than the assessment we get from the city of Columbus. She concluded that we will not be replacing any of the aging infrastructure in any of the neighborhoods. Ms. Stewart agreed that currently there are no waterline projects in the CIP. In order for projects that might be considered, staff would need to evaluate the break history and frequency and evaluate what projects would be involved with those.

Mr. Whited noted that staff has begun working with the city of Columbus to get break history information. Rob Whetmore, GIS Manager is currently mapping that information. We would like to put characteristics with that such as size, level of break, impact of that break, etc. so they can prioritize what that future break history may be based on past history and then indicate what would be the best use of our money. Then we will begin allocating funds towards that project in combination with the city of Columbus as well. We would also coordinate it with roadway work that would be occurring at the same time. He thinks that is something that needs to be looked at.

Expenditure Categories – CIP Fund

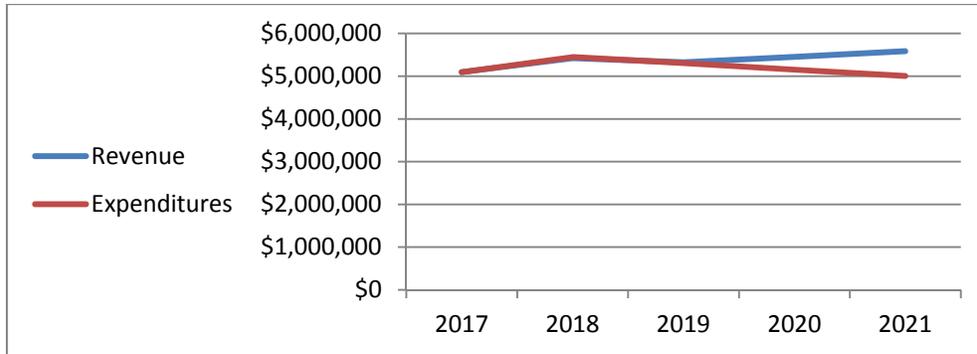


Ms. Stewart shared that up to this point she has mostly been talking about the CIP as a whole regardless of the funding source. At this point she has several slides and wants to talk about our CIP Fund. This is the fund where most of the city’s revenue and expenses for these projects come from. Those revenues float through this fund and this slide looks at what the financial picture for that fund.

There are four categories of expenditures in that fund. They include Projects and Equipment but we also pay the City’s Debt and our debt payments out of this fund. There are also some administrative expenditures associated with our capital investments.

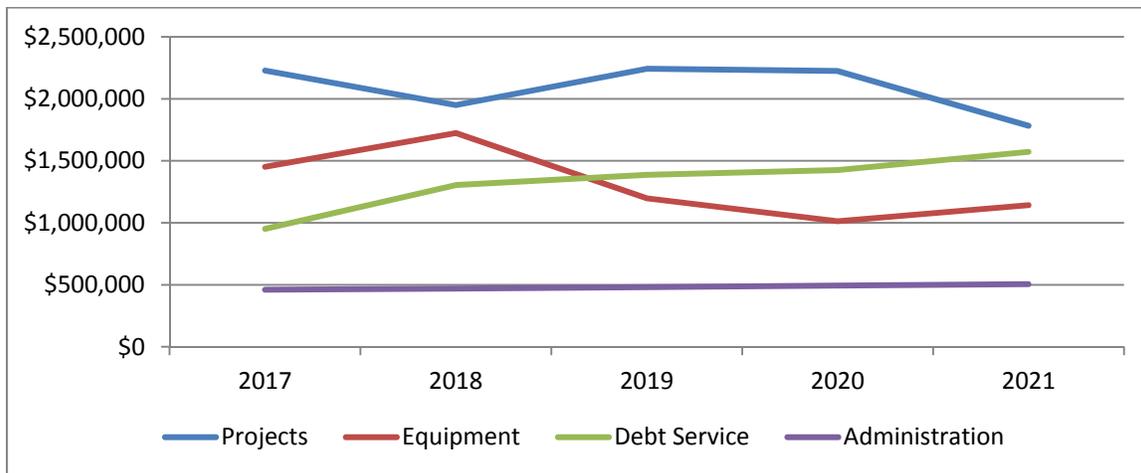
CIP Fund Revenue & Expenditures

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenue	\$5,097,442	\$5,421,191	\$5,322,096	\$5,451,148	\$5,583,426
Expenditures	\$5,091,523	\$5,447,132	\$5,305,774	\$5,153,447	\$5,002,922



CIP Fund Expenditures

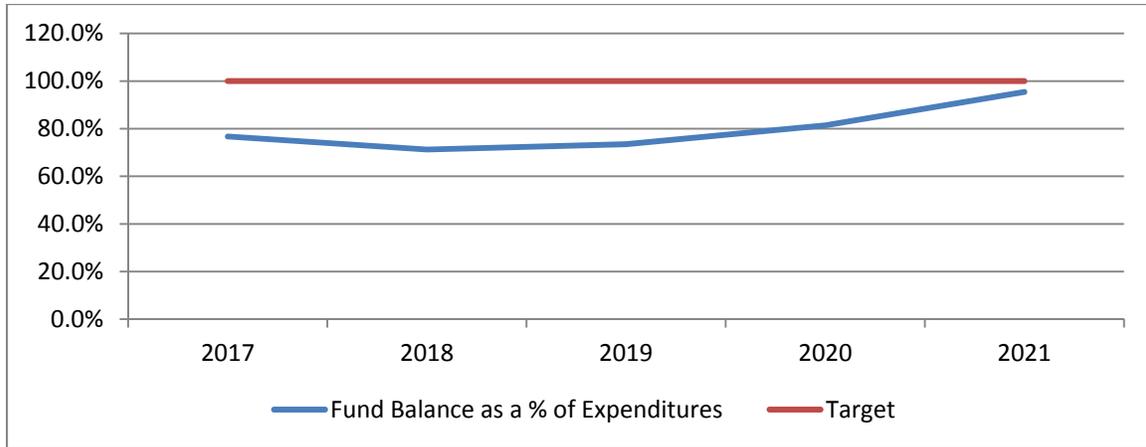
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Projects	\$2,228,150	\$1,949,500	\$2,241,500	\$2,223,500	\$1,782,500
Equipment	\$1,452,000	\$1,724,200	\$1,197,200	\$1,012,500	\$1,143,000
Debt Service	\$ 951,373	\$1,304,232	\$1,386,144	\$1,424,494	\$1,572,145
Administration	\$ 460,000	\$ 469,200	\$ 480,930	\$ 492,953	\$ 505,277



Ms. Stewart reported that debt service will increase over the five year period because we plan to issue additional debt that will result in additional debt payments.

Five Year Forecast – CIP Fund

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Revenue	\$5,097,442	\$5,421,191	\$5,322,096	\$5,451,148	\$5,583,426
Total Expenditures	\$5,091,523	\$5,447,132	\$5,305,774	\$5,153,447	\$5,002,922
Fund Balance (FB)	\$3,905,919	\$3,879,978	\$3,896,300	\$4,194,000	\$4,774,504
FB as % of Budget	76.7%	71.2%	73.4%	81.4%	95.4%



Ms. Stewart noted that since we are starting the year with a fund balance that is less than expenditures we are not able to build that fund balance to bring it up to expenditures. She has talked with Ms. Roberts and they feel this is manageable and won't hinder our cash flow with projects and equipment but she wanted to note that we are not meeting our goal for that.

Financial constraints led to . . .

- Spreading of projects across years
 - Old Worthington Street Light & Mast Arm Rehabilitation
 - Fuel Dispensing System & Tank Farm
 - Community Center Parking Lot Reconstruction
 - CBD Paver Renovation
- The number of bonded projects (would likely pay cash if more cash were available)
 - Municipal Building Windows & Doors (\$100,000)
 - Fire Station Roof (\$295,000)
 - Central District Sanitary Sewer Projects
 - North Districts Sanitary Sewer Projects

Financial constraints led to . . .

- Limitation in funding for projects (increasing from \$50,000 to \$75,000 a year)
 - Maintenance of City buildings
 - Security improvements at City buildings
 - Bike & pedestrian enhancements
 - Parks Master Plan recommendations
- Lack of funding for new initiatives
 - Assemblage of property for economic development purposes
 - Enhancement of City's gateways

Ms. Stewart is sure there are probably other ideas that people could think of that would be fun to pursue as new initiatives but the tight financial situation in the CIP has really limited what we have proposed.

Mr. Greeson shared that the constraints was an attempt to address Mr. Myers' question from a few weeks ago when he said to tell members what we are not able to do or what we would like to be able to do. We wanted to try to respond constructively to that question. Mr. Myers replied that he appreciates that.

Debt Information

Current Debt Obligations

- 2015 Refunding Bonds (Police Division & Community Center Improvements) Maturing 12/01/2021
 - Interest: 1.62%
 - Original Issuance \$4,590,000
 - Remaining Principal as of 1/1/2017: \$3,780,000
 - Principal Payment Due in 2017: \$740,000
 - Interest Payment Due in 2017: \$61,236

Debt Information

Current Debt Obligations Continued

- OPWC 0% Loan Issued 2/15/2008 – ADA Ramps
 - Interest: 0%
 - Original Issuance \$ 156,201
 - Remaining Principal Due as of 1/1/2017: \$85,910.55
 - Annual Payments: \$7,810.06
- OPWC 0% Loan Issued 7/1/2015 – Kenyonbrook Sanitary Sewer Improvements
 - Interest: 0%
 - Original Issuance \$ 612,816
 - Remaining Principal Due as of 1/1/2017: \$582,175.16
 - Annual Payments: \$20,428

Debt Information

Current Debt Obligations Continued

- Bond Anticipation Note Renewal Issued 01/19/2016
Maturing 01/18/2017 – Ladder Truck Purchase, Davis Estates Waterline Improvement and Community Center Window Replacement Projects.
 - Interest: 1.40%
 - Current Issuance: \$1,560,000
 - Interest Payment Due in 2017: \$21,840
 - Principal Payment: \$100,000

Debt Information

Current Projects to be Bonded (2015 and 2016 projects)

- Basin 6 & 8 Sanitary Sewer Repairs - \$150,000
- Huntley/Wilson Bridge/Worthington Galena Intersection Design - \$600,000
- Central District Sanitary Sewer Repairs - \$250,000
- Central District Sanitary Sewer Improvements - \$300,000

Debt Information

Future Proposed Debt Issuance Projects

- Sewer Projects (2017-2021 Proposed CIP):
 - Northbrook Relief Sewer - \$460,000
 - Central District Sanitary Sewer Rehab – Morning Street - \$215,000
 - Central District Sanitary Sewer Rehab – North St. & Hartford - \$62,000
 - Central District Sanitary Sewer Rehab – North St., Hartford to Morning - \$215,000
 - Central District Sanitary Sewer Rehab – North St., Morning to Ridgedale- \$392,000
 - Kenyonbrook Sewer Trunk - \$1,180,000
 - North Districts Sanitary Sewer Improvements - \$500,000
 - North Districts Sanitary Sewer Repairs & Lining - \$250,000
- Other Projects (2017-2021 Proposed CIP):
 - Community Center HVAC Improvements - \$900,000
 - Community Center South End Roof Replacement - \$903,000
 - Huntley/Wilson Bridge/Worthington Galena Intersection - \$2,654,218
 - Wilson Bridge Road Corridor Enhancements - \$800,000
 - Fire Station Roof Replacement - \$295,000
 - Municipal Building Windows & Doors- \$100,000

Mr. Norstrom commented that Hardy Way will not be bonded. Ms. Stewart replied that we are not currently showing it to be bonded.

Ms. Stewart shared that the next couple of items are actually in response to Mr. Norstrom's question about whether or not we are looking at lower interest rates and taking advantage of those before they increase. We have been looking at what we are prepared to issue long term bonds for. The balance here is making sure we can lock in some lower interest rate but at the same time making sure that we have solid enough cost numbers that we aren't borrowing either less than we need to execute the projects or more than we need and then end up having to pay penalties because we borrowed money and didn't spend it on capital. We have gone through and looked at our current plans for debt and looked at what we could do with a bond issue in January 2017. The next slide will show what we plan to do temporary notes for.

Mr. Norstrom commented that we could also issue bonds for the repaving that we do every year. So we've got something like \$875,000 that we could add for three years to this list. If he understands correctly, basically with the extended payment, especially with these kind of ridiculous interest rates, will free up significant cash to help ease our cash flow problem. Ms. Stewart agreed that it could but it would also add to our debt service and constrain those out years in the CIP even more. Mr. Norstrom agreed. He added that at 1% interest, the cost of doing certain projects now versus waiting two or three years with the normal inflation that will occur will mean that it would be less expensive to pull things forward and do them at 1% cost rather than do them three or four years out where the price will be 8 to 10% higher than it will be now.

Ms. Stewart shared that something like our street program is geared around the age of the streets and when they are ready to be done. There may be some that could be layered on but it is also setting us up in the future for having many streets that need reworked.

Mr. Norstrom knows that \$875,000 is just set for streets. Several years ago we pulled some of that forward to take advantage of the interest rates. If we were to pull another \$200,000 forward per year for a couple of years, he asked if that would hurt us twenty years out. Mr. Whited replied that he can't say it would hurt us. Certainly anything we could do to improve the condition of our roads now and extends the same level of life . . . that is not an easy question to answer in terms of the overall pavement condition of each individual road. Mr. Norstrom is aware that pavement life can vary. Mr. Whited agreed.

Mr. Norstrom commented that his point is that he believes we should put as much into bonding as we can now and look at projects that we can pull forward. He realizes that to do them could put some additional burden on the staff for managing a larger number of projects now but he thinks that it makes fiscal sense to do some of these projects sooner rather than later given the way the interest rates are.

Mr. Greeson thinks he is asking staff to analyze whether it would be cost advantageous to pull anything forward, issue long term notes and then pay them off in the year that we were originally going to do the work. Mr. Norstrom agreed. He added that staff can look at both long and short term notes but at these very low interest rates long term paying them off, we are paying them off with cheaper money ten years from now. From a pure fiscal point of view he thinks it may make a lot more sense to use long term rather than short term.

Ms. Stewart added that the other tradeoff is then you are constraining future years because of the debt service. As a staff we have been trying to balance how much we are bonding versus what we are paying cash for so that there is still cash available in future years to be able to do projects and equipment.

Next Steps – Debt Strategy

By January 2017

- Issue bonds to include:
 - Current bond anticipation notes for the ladder truck, Davis Estates waterline and Community Center windows
 - Basins 6 & 8 Sanitary Sewer Repairs
 - Northeast Gateway Design
 - Central District Sanitary Sewer Repairs & Improvements

Next Steps – Debt Strategy

In 2017

- Issue temporary notes to include:
 - Northbrook Relief Sewer Phase II
 - Central District Projects (4)
 - Community Center HVAC Improvements
 - Community Center South End Roof
 - Northeast Gateway (Right of Way Acquisition & Utility Relocation)
 - Wilson Bridge Corridor Enhancements

Ms. Stewart shared that the temporary notes could then be rolled into longer term bonds after the projects are underway and we have solid cost amounts.

That concluded the presentation. Mrs. Stewart stated that she would be happy to discuss specific projects or equipment in the CIP or specific years.

Mr. Norstrom mentioned the West Dublin-Granville Road study that is currently underway. He doesn't see anything in the CIP that would provide funds for the results of that study. Mr. Greeson agreed that no funds were listed because staff doesn't have enough information at this point. He then provided a brief update on the study.

Mr. Norstrom pointed out that it is hanging out there. Mr. Greeson agreed. He views that whole corridor as a long term effort that would probably require federal funding applications.

Ms. Stewart thinks we may know more at this time next year when we are talking about the 2018 – 2022 CIP and can incorporate into that discussion.

Ms. Michael asked if there is anything being done for the intersection of SR-161 and Linworth. Mr. Greeson replied that there is nothing in the current 5-year CIP nor do we know what we would set aside for that.

Ms. Michael asked if additional easement was purchase with UDF development. Mr. Brown shared that since that project was half Columbus and half Worthington, Columbus required right of way dedication on Linworth and on SR-161. Part of those

improvements was for a southbound, left turn onto SR-161 as well as sidewalks. Members will see some improvements as that site starts to redevelop but you will see the vehicular improvement and pedestrian improvements as part of that as well.

Ms. Dorothy asked when we will find out about the Northeast Gateway funding. Ms. Stewart shared that she and Mr. Whited attended a meeting of the Attributable Funding Committee last week and they released the preliminary scoring for the projects. The Northeast Gateway actually received the most points in its category. We are now in the period where communities can review their scores and ask for clarification and make points for that. Over the next month MORPC will be receiving those comments and reacting to them. There is another meeting in November when we will hear about any updated scoring and they will begin talking about how they will allocate funds across the various projects. Then it will become clearer about what projects are likely to be funded. We also heard the scoring for our Wilson Bridge Corridor application which related to the streetscaping and the extension of the trail along East Wilson Bridge Road. There were five projects in its category and it received the third highest number of votes. Mr. Greeson added that the Wilson Bridge Corridor application is in the bike and pedestrian category and the intersection is in the major widening category.

Mr. Myers commented that as he looks at the numbers, you're projecting an average of a \$500,000 per year revenue increase over the next five years, which translates into \$100,000 into the CIP. Realistically, he asked what the likelihood of that happening is. We are in the fifth year of an expansion and while it hasn't been a particularly robust expansion we are in an expansion. We are ready to tank. Sometime in the next three years we are going to see a recession if we are still in a cyclical economy. He thinks the next President, regardless of who it is, will see a recession regardless of what they do if we stay in a cyclical economy. He asked what our fallback is. Ms. Stewart believes that Ms. Roberts factored in a 2 ½% growth in revenue. We receive monthly reports on income tax. Some months we are up and some we are down but we track the cumulative. She thinks that particularly in the operating side we rely on the fund balance, if we have a downturn to help weather some of that. In the CIP we would do the same thing but obviously our fund balance would be tighter here. The other thing that she saw when the recession occurred the last time is that mid-year we stopped making some of the purchases that we hadn't already committed to.

Mr. Myers shared that part of his question is really to set some expectations. He thinks we may sometime in the next four years encounter some adjustments. Mr. Greeson commented if members read his budget message, he thinks Mr. Myers is making the argument for maintaining a strong fund balance because we are dependent on 73% of our revenue coming from income taxes. It is less diversified than it was a number of years ago when we had more state funding. We depend primarily on that so we are particularly vulnerable to fluctuations in people's pay or the total number of jobs that are occurring in Worthington. That makes the fund balance important in terms of having some capability to weather that as we make decisions. Mr. Myers agreed. He doesn't expect anything like 2008 again. He understands that when you are looking five years out it is a crystal ball. With the way the market has been over the last year and a half nobody can

predict tomorrow with the volatility that we have seen let alone five years down the road. He is just saying that we need to be nimble and prepared because it could be even tighter than it looks now.

Mr. Myers also thinks the Improvement to Basic Service category is generous. He thinks some of those are playground replacements. He doesn't consider keeping something from falling down an improvement. His point is that our Discretionary Improvement spending at about 5% or 6% of our entire capital budget, which isn't much on this side of the house. Most of it goes to maintain what we have. If we have an opportunity to build a better playground than we have and spend a little bit more money, we are doing that. That would be an improvement but he thinks for the most part this is a status quo budget, with the exception of what is occurring on the north side of town and some little things.

Mr. Myers then asked Mr. Hurley about pickleball. He understands that it looks like a really cool game that he doesn't play. We are looking at a pickleball court four or five years out. He asked if that will be too late. Mr. Hurley acknowledged that it has come fast and furious. Mr. Myers stated he is always suspicious of things like that that might be trendy. Mr. Hurley replied that there are several things going on. They recently relocated six temporary pickleball (pickleball painted on a tennis court) courts from Wilson Hill down to the parkland because of complaints from the Wilson Hill neighbors about people showing up at 6:00 a.m. and blowing off courts. There were several complaints over the Labor Day weekend so it is a good problem. They will occupy both gyms at the community center in the winter time. Mr. Hurley shared that they hoped to transition a complete set of tennis courts to pickleball courts because of the interest however research done by staff showed that they are very heavily used and they did not feel like they could take over an existing set of tennis courts. The number that is in the budget, yes we did push it out a little bit in an effort to make the numbers work but in the meantime that number could be a lot less if we could find existing pavement to do it. He has been meeting with the schools and other places around the community where we think there is existing asphalt. We are hopeful that we might find a partnership or a way to move that up. That is a long winded answer to the question. He is not sure if that is too late but certainly the sooner the better. Mr. Myers concluded that it is something that is in the hopper. Mr. Hurley agreed. It is something that is driving demand. It is not just a Worthington thing. It is across the country.

Mr. Myers stated that his other park question, he noticed in 2017 Parks have budgeted \$20,000 for a McCord Park study. Then in 2019 there is \$200,000 budgeted for McCord Park playground. He asked if the \$200,000 is just a place filler or is that really what we plan to spend on a playground in 2019. Mr. Hurley replied that the McCord Park playground was actually in the budget for this year as well as six years ago when he first arrived. In their park planning process the Parks and Rec Commission they have been talking about having a comprehensive renovation to McCord Park for quite a while. It came out of the CIP when he arrived and with the recession. The Commission would actually like to have a consultant look at the park to determine what should occur at that location. They wanted to wait until the study was done to decide about the playground.

Mr. Myers commented that the Wilson Bridge Road Park was originally done, in his mind, as a softball park. Having been to many softball parks over the years, he feels that it was ill-conceived when it was built. Only having four diamonds makes it even more ill-conceived. Most of them now like Pickerington with a center tower and netting. He doesn't know how many times he has been hit with softballs at that park. If it is going to remain a softball park with four diamonds then it needs to be completely reconfigured, which is a great deal more than \$200,000. Mr. Hurley agreed. He thinks that is one of the many things that will come out of that study. They wanted to buy some time to determine the right approach.

Mr. Norstrom commented that after skimming the operating budget, staff is projecting 2½% growth. He asked if that factors in the development that is happening within the community, especially with regard to wage taxes. Mr. Roberts reported it being a conservative estimate that factors in both growth and attrition.

Ms. Michael commented that all of the items in the five year CIP are all city of Worthington in that it is within city boundaries or it is under the jurisdiction of the city. It doesn't include anything for outside entities. Mr. Greeson agreed. Ms. Michael stated that if an entity came and asked for funding we would have to rearrange what is presented here. Mr. Greeson agreed.

Mr. Greeson shared that process wise, staff is introducing this CIP this evening. He thinks there has been a good discussion. If anyone has questions about any of these projects or any of these categories and want to discuss it, please contact staff. If it is something that needs more agenda specific, we would want to do that sooner rather than later. The information is already available online. We will deal with any public/Council comments/questions and try to answer those. Otherwise, he thinks we will probably vote on it with a bundle of other legislation in early December.

Ms. Michael asked if the Alrojo / Samada sanitary sewer was really going to be put into place over the next year or is that just to the study. Ms. Stewart replied that is labeled as an assessment project so it would be contingent on the neighborhood wanting to pursue the assessment project. We put the design in the 2017 projects with construction later but again that is contingent on the neighborhood wanting to move forward with an assessment project to extend the sewer.

Mr. Norstrom asked what is meant by "the neighborhood wanting to move forward etc." He asked if we poll the neighbors and take a vote. Mr. Greeson explained that staff doesn't know whether the residents want to be assessed for the project or not. In the past we have had neighbors that were interested in the completion of the improvements at Monterra, which resulted in an upsizing of a line that would allow sanitary sewage to be transported down to a trunk in the SR-315 right-of-way. Mr. Whited added that it can provide public sewers in areas that are currently on septic systems. It comes through Monterra/Michaela to the Columbus trunk line. Mr. Greeson shared that because the sewer lines accrue to the specific benefit of individual properties and property owners we traditionally would do those by special assessment. In the Alrojo/Samada area there are

a number of properties that do not have sanitary sewer like on West Plesenton and other parts of west Worthington. We included as a possibility that neighbors may want to pursue that.

Mr. Norstrom stated that we would do the entire neighborhood. It wouldn't be this neighbor wants to keep with the septic system and this neighbor wants to be attached. Mr. Greeson replied not unless there is some particular easy way to do that. Generally we would have to design a project and typically assess the entire project although there may be some exceptions to that. Mr. Norstrom commented that he understands.

Mr. Smith asked how it is determined whether to move on the project. He doesn't think that part of the question was answered. He asked if a poll is taken or does someone go door to door. Mr. Greeson replied that usually there is a neighborhood leader that emerges who wants to pursue it. Mr. Smith commented that if they rally troops from the neighborhood then it happens. Mr. Greeson agreed. A couple of years ago there were residents from Plesenton that were interested in it. They had us out and staff made a presentation in one of the homes. It was attended by the neighbors who also held subsequent meetings as a group without staff. It resulted in a split vote with no neighborhood pursuit of the assessment or the project.

Mr. Norstrom shared that is why he raised the issue. He asked if something has changed. Mr. Greeson replied that this is a different neighborhood.

Ms. Michael shared that she has spoken with many people in the Samada area just south of SR-161 who were asking about what was happening as they were interested in getting off of septic system. She had some ask what the timing is going to be to know if they needed to renew their septic system or have the opportunity to hook into the other system this way. She thinks we have two different areas who might have two different views. We could have projects that are designed accordingly.

Mr. Greeson commented that at this juncture staff hasn't initiated any outreach in that neighborhood. He is also not aware of any contacts to staff on that subject. We always include it as a possibility. Ms. Stewart added that it was included because with the Monterra sewer being finished it now creates the opportunity if the neighborhood is interested in moving forward and we would have some design costs associated with that. But it is not clear whether that project will actually move forward. Ms. Michael commented that many have waited a long time for the Monterra project to get finished.

Mr. Troper asked how it was determined that a new restroom facility was needed at the Olentangy Parkland versus the existing facilities. Mr. Hurley shared that it was another one of the projects that came forward through the park planning process that the Commission has been working on. That restroom facility was one of the most popular things both in their brainstorming sessions and in the public feedback. It is a community oriented park in that it drives large amounts of community activity. The heavy use of that park drives the recommendation.

Molly Roberts, Finance Director presented the following information:

Third Quarter 2016

Financial Report – All Funds

1/1/2016 Beginning Fund Balances: \$21,263,095

Total Actual Revenue: \$28,948,705

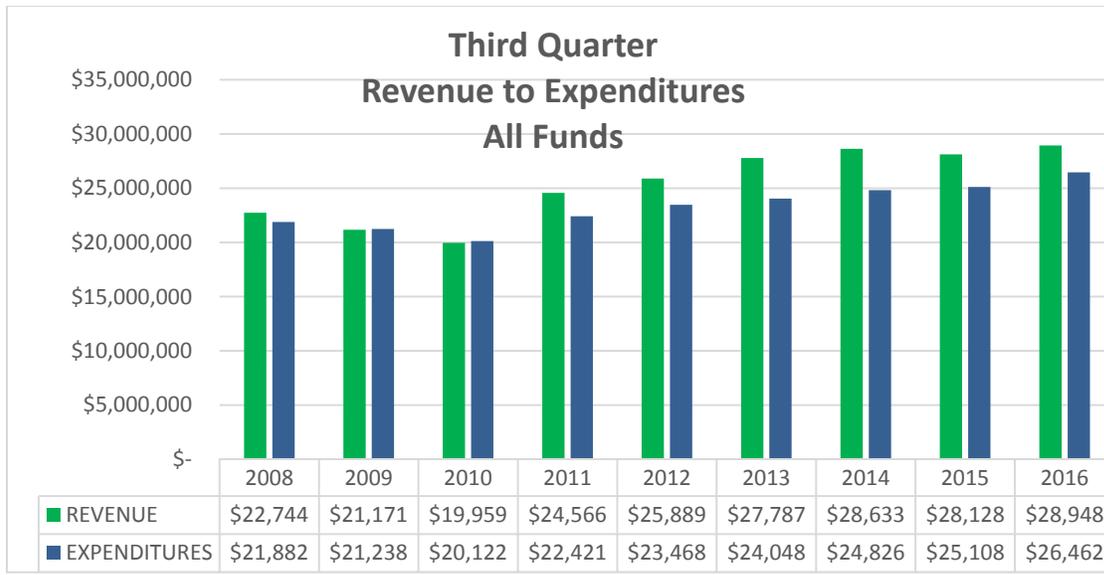
Total Actual Expenditures: \$26,462,461

9/30/2016 Fund Balances: \$23,749,338

Third Quarter 2016

All Fund Summary

- Year to date revenues exceeded expenditures by \$2,486,243.
- Expenditures exceeded revenues by \$1,217,090 for the month of September.
- Expenditures tracked at 91.2%.
- Revenues for all funds are above 2015 revenues by \$820,639 and above estimates by \$968,542.



Third Quarter 2016

General Fund Summary

1/1/2016 Beginning General Fund Balance: \$11,250,077

Total General Fund Revenue: \$20,458,138

Total General Fund Expenditures: \$19,628,959

9/30/2016 General Fund Balance: \$12,079,256

Third Quarter 2016

General Fund Summary

- Year to date revenues exceeded expenditures by \$829,179.
- September expenditures exceeded revenues by \$642,567.

Mr. Roberts noted that September was a three pay month for us, which is directed related to why expenditures exceeded revenues for the month.

- Expenditures tracked at 94.45%.
- Year to date revenues are below estimates by \$166,303 and above 2015 year to date revenues by \$475,192.
- Income tax collections are above year to date 2015 collections by \$610,210 or 3.34%.
- Income tax collections are above estimates by \$360,469 or 1.95%.

2016 General Fund

Third Quarter Revenue

General Fund Revenue	<u>Budgeted Revenue</u>	<u>Actual Collections</u>
Municipal Income Tax	\$ 14,801,416	\$ 15,089,791
Property Tax	\$ 2,710,000	\$ 2,584,732
Local Government	\$ 262,500	\$ 298,206
Inheritance Tax	\$ 0	\$ 187
Interest Income	\$ 63,750	\$ 98,015
Fines & Forfeitures	\$ 195,000	\$ 125,394
Township Fire Service	\$ 287,500	\$ 286,199
Community Center Member	\$ 1,072,500	\$ 934,218
EMS Transport	\$ 450,000	\$ 332,190
All Other Revenue	\$ 781,775	\$ 709,289
	\$ 20,624,441	\$ 20,458,138

Ms. Roberts noted that the General Fund Revenues and Expenditures are detailed on page 4 of the September Report. The other revenues that are attributing to the decline even though our Income tax is trending above projections, we have several larger revenue lines that are trending slight below. One is property tax at about \$125,000. She has a call in to the Franklin County Auditor to see what the correlation is to that decline but she believes it is related to delinquencies. We are also slightly below in Community Center Membership and Programming. She believes that is also attributed to timing and registration. Mr. Hurley confirmed that to be the case.

Ms. Roberts shared that EMS Transports are also down about 26%. Chief Highley shared that there are several issues related to the decline. One is that as the health care system is evolving, the reimbursement rates for medical transports are changing. There

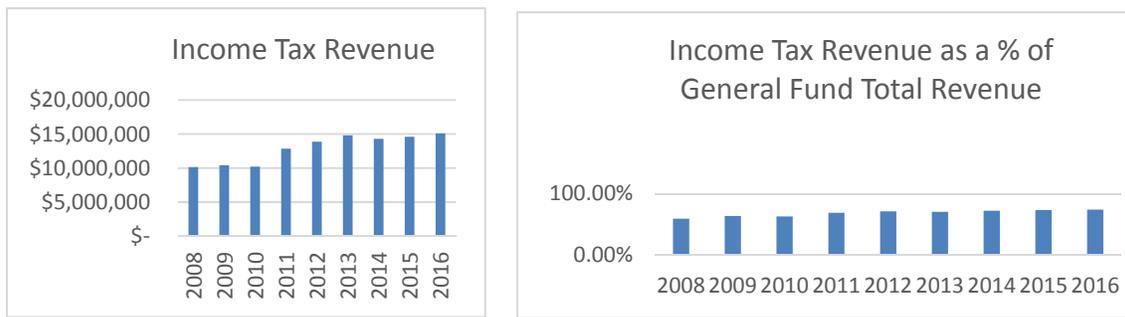
is a national trend that is down about 20% to 25%. Also while there is not usually a lot of high reimbursement runs, one of the things that has changed over the last five months is the city of Columbus has implemented peak demand. What EMS units actually do is set a standard for activity of a medic unit and once it exceeds that they add another medic to that area. Station 6 will have two medics running out of that station permanently now, which has also increased our run volume by about 15%, possibly a little bit more. Also as the structure of insurance changes some of our reimbursements change because we still use a soft billing concept, along with the majority of EMS community in Franklin County to where we do not collect deductibles from residents. With the creation of the high deductible health plan, you want to be the last guy in the billing line so that everybody else is collecting the deductible portion and then you are on the payer list from the insurance company.

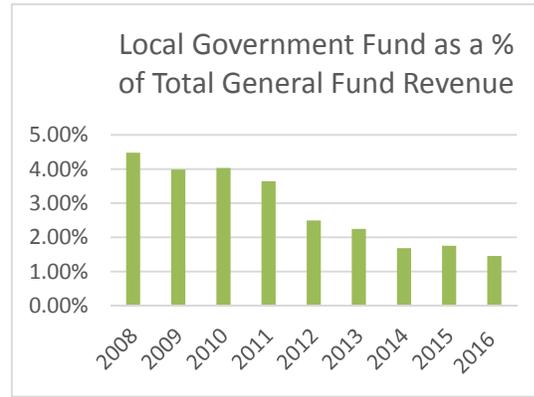
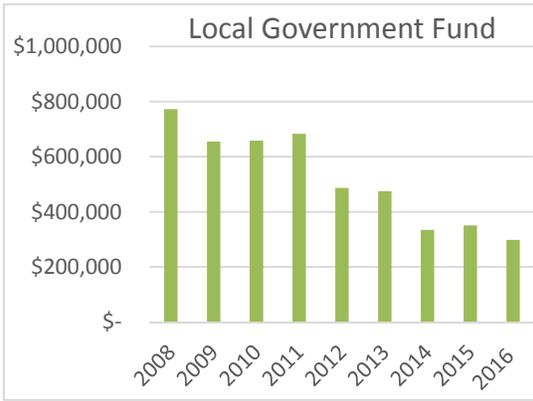
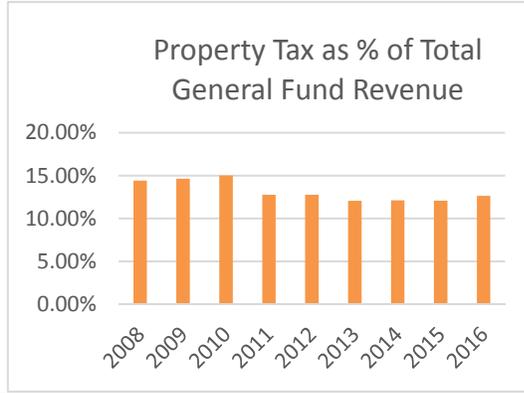
Mr. Norstrom shared that he hasn't had a chance of looking at the operating budget for next year but there are some policy implications within what was shared. He would like for staff to be prepared to discuss that during the budget discussion. He asked if members should just expect to have this lower level of revenue or are there things that Council needs to take action on. Chief Highley believes it to be a bit of a policy discussion when you start collecting directly out of pocket from people whereas in the past we have not. That will be a definite change to our system with some implication of the community. Mr. Norstrom concluded that revenues are down because of the way it is being billed. Chief Highley agreed.

Mr. Greeson added that he doesn't believe staff has accurately actually factored this in the forecast we are showing in the operating budget so we will look at it a little more carefully with the Chief and be prepared to talk about that. He is not sure the decline has been factored into the five year forecast.

Ms. Dorothy stated that she is a little confused. She asked Chief Highley if he was talking about the shared use agreement with the 15% extra runs with Columbus. Chief Highley replied that we are having fewer EMS runs to the busier areas. Station 6 with Columbus where it use to have one EMS vehicle, it now has two. Ms. Dorothy concluded that we have less runs which means less reimbursements. Chief Highley agreed.

A pie chart was shown depicting the various General Fund Revenue Sources and identifying what percentage of revenue that each represents for the third quarter 2016. A slide of the same pie chart was shown for the third quarter 2015 for comparison.



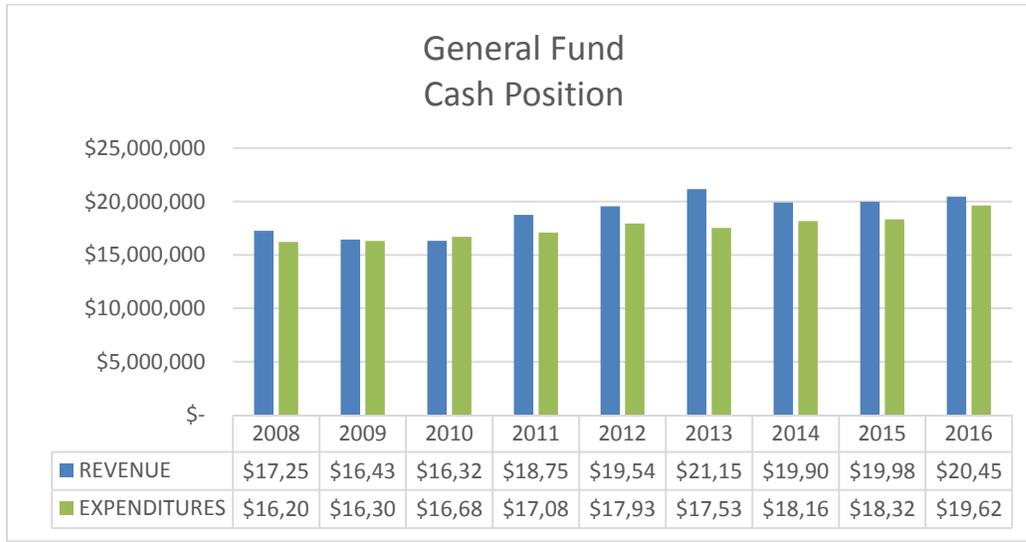


**2016 General Fund
Third Quarter Expenditures**

General Fund Expenditures	Budgeted Expenditures	Actual Expenses
Planning & Building	\$ 552,533	\$ 523,347
General Government	\$ 5,307,914	\$ 4,893,470
Fire Operations	\$ 4,714,246	\$ 4,558,540
Parks & Recreation	\$ 3,494,808	\$ 3,416,125
Police Operations	\$ 4,261,575	\$ 4,024,841
Engineering/Service Dept	\$ 1,910,291	\$ 1,701,038
	\$ 20,241,367	\$ 19,117,362

A pie chart was shown depicting the various General Fund Expenditures and identifying what percentage of expenses that each represents for the third quarter 2016. A slide of the same pie chart was shown for the third quarter 2015 for comparison.

Third Quarter 2016
 General Fund
 Revenue to Expenditures



Ms. Roberts requested an acceptance of the Financial Report for the record.

MOTION Mr. Foust moved to accept the Financial Report as provided this evening. The motion was seconded by Mr. Myers.

There being no additional comments, the motion carried unanimously by a voice vote.

Mr. Greeson shared that Ms. Roberts and her staff do a great job and have been recognized by the Auditor of State with the Ohio Auditor of State Award. That basically means that we had a clean auditor. It was recently completed and it had no negative findings or management recommendations. He added that this isn't the first time we have received the award but he thinks it is important to highlight it every time it is received. Mr. Myers congratulated the team. Other members added their congratulations as well.

Mrs. Thress shared that she received a phone call from a gentleman who has driven SR-161 every day for the last forty years. He was very appreciative of the recent repaving work and asked that his gratitude be shared with Council and staff.

Ms. Fox informed members that on Friday the printer that we had engaged delivered the charter review notifications to the post office for mailing to all of the voters who voted in the last general election. She thanked Mrs. Thress for her hard work as she was very instrumental in pairing the names to the households so we could reduce the number of mailings that we had to send out. That should be hitting the mailboxes sometime this week. She added that we will also be notifying people of information in the City

Newsletter. On October 18th is the Franklin County Consortium for Good Government where Sue Cave the Chairman of the Charter Review Commission is going to attend to speak to the charter amendments. We are getting the information out. There is also a great deal of information on the proposed charter amendments on our website. We hope that the information is getting out sufficiently.

REPORTS OF COUNCIL MEMBERS

Mr. Myers shared that he has had several citizens approach him about Council having a discussion and it is a suggestion that he thinks Mr. Smith and Mr. Troper both brought up at the time. While he doesn't want to engage in the discussion tonight maybe members could be prepared either during the good of the order or as an agenda item next meeting to discuss whether members want to go on record in support of the charter review and the charter amendments that members' cap any ask we might have for a salary increase, if it actually is approved, to give the voters an idea of what might be coming. People were somewhat taken back by the fact that it could be somewhat open-ended. He explained that council has always had the ability to give ourselves open-ended raises, all this did was change the timing. That seemed to kind of get lost and some people actually said they would vote against it because of that and they weren't going to be talked out of it. He thinks it is a meaningful discussion that members could have next meeting.

Ms. Michael shared that one of the individuals that she talked to suggested that council members consider pledging that they would not go beyond a certain amount. That would give voters some idea. So she has heard some of the same comments that Mr. Myers has in the same area. Mr. Troper liked the idea.

OTHER

EXECUTIVE SESSION

ADJOURNMENT

MOTION Mr. Myers made a motion to adjourn. The motion was seconded by Mr. Troper.

The motion carried unanimously by a voice vote.

President Michael declared the meeting adjourned at 9:22 p.m.

/s/ D. Kay Thress
Clerk of Council

*APPROVED by the City Council, this
7th day of November, 2016.*

/s/ Bonnie D. Michael
Council President