



CITY OF WORTHINGTON
Worthington City Council Minutes
June 18, 2018

6550 N. High Street
Worthington, Ohio
43085

CALL TO ORDER – Roll Call, Pledge of Allegiance

Worthington City Council met in Regular Session on Monday, June 18, 2018, in the John P. Coleman Council Chambers of the Louis J.R. Goorey Municipal Building, 6550 North High Street, Worthington, Ohio. President Michael called the meeting to order at or about 7:30 p.m.

ROLL CALL

Members Present: Rachael R. Dorothy, Douglas Foust, Beth Kowalczyk, Scott Myers, David Robinson, Douglas K. Smith, and Bonnie D. Michael

Member(s) Absent:

Also present: City Manager Matthew Greeson, Assistant City Manager Robyn Stewart, Director of Law Tom Lindsey, Director of Finance Scott Bartter, Director of Service & Engineering Dan Whited, Director of Planning & Building Lee Brown, Clerk of Council D. Kay Thress

There were twenty five visitors present.

PLEDGE OF ALLEGIANCE

President Michael invited all to stand and join in reciting the Pledge of Allegiance to the flag.

SPECIAL PRESENTATION(S)

Resolution No. 36-2018

Expressing the Appreciation and Best Wishes of the Worthington City Council to Richard Macer for His Outstanding Service to the Community.

Introduced by Mr. Myers.

MOTION

Ms. Dorothy made a motion to adopt Resolution No. 36-2018. The motion was seconded by Ms. Kowalczyk.

There being no additional comments, the motion to adopt Resolution No. 36-2018 passed unanimously by a voice vote.

Ms. Michael remarked that this is bitter sweet to say “good bye” after so many wonderful years of service. She told Mr. Macer that we really appreciate all that you have done.

Mr. Greeson reported being pleased to have the Chairman of the Community Relations Commission, Jack Miner here this evening to offer comments and help the City recognize one of its most stalwart, reliable, humble volunteers and one of the finest gentlemen we have in this community, Mr. Richard Macer.

Mr. Miner thanked Mr. Greeson and Council members for this opportunity. He shared that as he talked with the CRC and how the work that they do is really on the shoulders of those that came before them that is truly Richard that we are talking about. He has been with the CRC since before the Commission began. We are fortunate to not only have current members of the CRC in attendance but also former members present this evening.

Council acknowledged several of those former members.

Mr. Miner read Resolution No. 36-2018 in its entirety and presented Mr. Macer with a certified copy.

Mr. Macer thanked Council for this recognition. He shared that it has been his pleasure to have worked with that particular Commission. They were trying to make Worthington an All American City; the kind of place where everybody is comfortable, feel welcome, and is saluted. This is what he guesses was his charge as a kid and perhaps as a family coming into Worthington in 1970 where all three of his children graduated from Thomas Worthington. It has been a pleasure to actually help add a voice, add a muscle or two to try to make Worthington the great community it is today. He feels very proud of being in the Worthington community, to act through Dave Elder, Harvey Minton, Mike Coulter, Courtney Chapman, and all of these people who have led the Community Relations Commission. There are several Council members who are not here today but have been recognized by naming the building after him, who were very supportive of the Commission. He is happy, proud and pleased that he was able to actually add his nickel or dimes worth to it so that the City can look at the results and be proud in it. He thanked Council for that opportunity and honor.

Ms. Michael thanked him again. She doesn't think people realize how much time and effort and great work he did behind the scenes. It has been a pleasure having him in the community.

APPROVAL OF THE MINUTES

- Regular Meeting – June 4, 2018
- Committee of the Whole Meeting – June 11, 2018

MOTION

Mr. Robinson moved and Mr. Foust seconded a motion to approve the aforementioned meeting minutes as presented.

The motion to approve the minutes as presented carried unanimously by a voice vote.

PUBLIC HEARINGS ON LEGISLATION

President Michael declared public hearings and voting on legislation previously introduced to be in order.

Ordinance No. 28-2018

Amending Ordinance No. 41-2017 (As Amended) to Adjust the Annual Budget by Providing for an Appropriation from the Law Enforcement Trust Fund Unappropriated Balance.

The foregoing Ordinance Title was read.

Mr. Greeson explained that the Law Enforcement Trust Fund comes from fines and forfeitures. Its use is limited to Police Department law enforcement activities. The Chief has recommended that we appropriate \$16,000 from that trust fund for the purpose of contracting with Lexipol, a significant vendor that assists divisions of Police across our country with keeping their policies and procedures up to date. They also offer training related to those policies and procedures. The Chief’s memorandum in the Agenda packet outlines all of this in a little more detail.

Ms. Dorothy commented that this is to review our current policies and look at what other current best practices are and then make changes as we deem appropriate on an ongoing basis. Mr. Greeson agreed. He shared that one of the most important things you can do in a Police organization is to keep your policies up to date in terms of best practices for policing, keep them up to date and current with case law, and constantly offer training to the officers on how to best implement our policies and procedures. It is helpful to them and it is an important risk management tool in the management of the City as well.

Ms. Dorothy stated that this year we will see if we need to update anything but then we will have that ongoing policy of how to train people on a continual basis. When Mr. Greeson agreed, Ms. Dorothy shared that it looks like a good expenditure to her.

There being no additional comments, the clerk called the roll on Ordinance No. 28-2018. The motion carried by the following vote:

Yes 7 Robinson, Kowalczyk, Foust, Dorothy, Smith, Myers, and Michael

No 0

Ordinance No. 28-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 29-2018

Authorizing the Issuance of Notes in the Amount of Not to Exceed \$660,000 in Anticipation of the Issuance of Bonds for the Purpose of Designing, Engineering, Constructing and Reconstructing Various Sewer Improvements, with Related Site Improvements and All Necessary Appurtenances thereto; and Approving Related Matters in Connection with the Issuance of the Notes.

The foregoing Ordinance Title was read.

When asked by Mr. Bartter how he should present the information, Ms. Michael directed him to report on all the legislation and then Council will vote on each separately.

Mr. Bartter reported there being four pieces of legislation that authorizes the issuances of “not to exceed” a total of \$4,460,000 to finance multiple capital improvements projects that includes the Northbrook Sewer Project, the Kenyonbrook Trunk Sewer Improvements, Hardy Way Sewer Relocation, Phase 1 of the Energy Conservation Measures, Roof Replacement projects for the South end of the Community Center and for the Fire Station, and the East Wilson Bridge Road waterline. The 2018 – 2022 CIP adopted by City Council with the passage of Resolution No. 72-2017 planned for the issuance of debt for the aforementioned projects. He anticipates issuing these notes in September. With us this evening is Brian Cooper, who is our municipal advisor from Umbaugh and Associates. He can talk further about the process of issuance.

Mr. Cooper shared that he last spoke with Council in the winter when the City adopted its Debt Policy. He added that they also received the investment policy and some of the other financial policies at the same time. They are fiduciary to the City and on a financial transaction they sit on the same side of the table with the City. They are not selling a product but rather representing the City’s interest in the financial markets. They often help with structuring, timing and advice related the issues of securities. With respect to the note legislation before Council this evening, there are a few goals and objectives that he wants to cover. We want to fund the water and sewer improvements, energy conservation improvements and fire station and community center roof improvements as Mr. Bartter mentioned. We want to maintain flexibility of the term and amortization structure until the City’s full capital plan can come to fruition next year. The best way to do that is with the issuance of notes versus bonds. Notes are a short term instrument while bonds are long term fixed instruments. We also want to obtain an investment grade rating from the State Treasurer’s Ohio Market Access Program, which will give the notes the highest short term rating that is possible in the market. That will help with the interest rate and the ease of execution when those notes go out for sale. We also want to help plan the timing, sale, and distribution of the various purpose notes.

Mr. Cooper explained a chart of current interest rates, how the market works, how notes provide flexibility until projects are finished and permanent financing can be obtained. At

the same time notes also provide a lower form of borrowing with rates likely to be in the 2% versus a fixed rate for a twenty year around 3.25% to 3.50%.

To Ms. Dorothy's comment about doing the calculations and them just be a guesstimate of what the rates might be next year, Mr. Cooper further explained how the markets work regarding short term and long term debt. He explained that when the City is in notes there is interest rate risk as the market fluctuates. He shared that while the interest rate chart shows a steady notching up in interest rates on the short term, long term rates have remained relatively stable and they are rather flat out further. We could have a recession and if that comes, the rates could go down. So rates just like stock and bond prices are impossible to predict. Fundamentally from the City's perspective, what you want to decide first is what do we need to fund today because you don't want to borrow more than what you might need. Then determine if this is all we need or will there be more in the future and then determine if we need flexibility to do more in the future or do we want to just go straight to bonds. He and Mr. Barter talked at length about these options over the course of a year and based on where we are with capital planning and future issuances, notes are the recommendation right now.

Mr. Cooper stated that we want to fund the improvements. The notes are expected to be issued on September 5th. He further explained the steps in the note process.

Mr. Cooper asked if there were any questions about the ordinances or the market.

Mr. Robinson asked Mr. Cooper to provide an idea about the cost of fixed rate bond issuance and the factors that determine those costs.

Mr. Cooper reported that the cost associated with fixed rate bonds would include: 1) Cost of underwriting, 2) Bond Counsel, 3) Related cost of preparing the legal documents and bond proceedings along with an official statement (primary disclosure document that would be used to market and sell the bonds), 4) Municipal advisor, 5) Paying agent and Bond registrar (track payments), 6) Rating Agency costs, and 7) Other market driven costs

When asked by Mr. Robinson what the cost would be for a \$4,460,000 bond issuance, Mr. Cooper replied that the approximate costs would be about \$120,000 to \$150,000 depending on all of the costs and the final estimates.

There being no additional comments, the clerk called the roll on Ordinance No. 29-2018. The motion carried by the following vote:

Yes 7 Kowalczyk, Foust, Dorothy, Smith, Myers, Robinson, and Michael

No 0

Ordinance No. 29-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 30-2018

Authorizing the Issuance of Notes in the Amount of Not to Exceed \$1,735,000 in Anticipation of the Issuance of Bonds for the Purpose of Purchasing and Installing Energy Conservation Measures for the Community Center and Griswold Center; and Approving Related Matters in Connection with the Issuance of the Notes.

The foregoing Ordinance Title was read.

Ms. Dorothy understands that this debt will be paid back in large part by our Capital Improvement Fund, which is mainly funded through income tax. Does she understand correctly that some money will also be designated from property taxes? Mr. Bartter agreed with her understanding. He explained that the General Bond Retirement Fund is actually the fund that pays the debt service on our debt. That Fund is largely funded by a transfer out of the Capital Improvement Program but is also slightly supplemented by about \$110,000 of property tax.

Ms. Dorothy commented that many times we decide whether or not we are going to do a cash basis for our CIP or if we are going to do notes or bonds. Eventually we have to pay everything back. The reason why we choose to do notes and bonds to begin with is because this is a long term investment that we are comfortable with having the City of Worthington residents and businesses pay over the long term since people get to use these improvements over the long term. That is the general outline of what we are doing and why we are doing it. Mr. Bartter agreed.

There being no additional comments, the clerk called the roll on Ordinance No. 30-2018. The motion carried by the following vote:

Yes 7 Foust, Dorothy, Smith, Myers, Robinson, Kowalczyk, and Michael
No 0

Ordinance No. 30-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 31-2018

Authorizing the Issuance of Notes in the Amount of Not to Exceed \$1,065,000 in Anticipation of the Issuance of Bonds for the Purpose of Replacing or Improving the Roofs of the Fire Station and the Community Center and All Necessary Appurtenances thereto; and Approving Related Matters in Connection with the Issuance of the Notes.

The foregoing Ordinance Title was read.

When asked by Ms. Dorothy how long we expect these roofs to last, Mr. Whited replied that the realistic useful life is a minimum of 25 years. Shingles are guaranteed for 35 to 50 as specified in the bid documents but generally speaking, about 25 years or longer.

There being no additional comments, the clerk called the roll on Ordinance No. 31-2018. The motion carried by the following vote:

Yes 7 Dorothy, Smith, Myers, Robinson, Kowalczyk, Foust, and Michael
No 0

Ordinance No. 31-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 32-2018

Authorizing the Issuance of Notes in the Amount of Not to Exceed \$1,000,000 in Anticipation of the Issuance of Bonds for the Purpose of Designing, Replacing, Constructing, and Installing a Waterline on East Wilson Bridge Road, with Related Site Improvements and All Necessary Appurtenances thereto; and Approving Related Matters in Connection with the Issuance of the Notes.

The foregoing Ordinance Title was read.

When asked by Ms. Dorothy how long we expect the waterline to last, Mr. Whited replied that he would hope for 50 years or more. It depends on capacity and demand, traffic and quality of construction and all of those different things.

There being no additional comments, the clerk called the roll on Ordinance No. 32-2018. The motion carried by the following vote:

Yes 7 Smith, Myers, Robinson, Kowalczyk, Foust, Dorothy, and Michael
No 0

Ordinance No. 32-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 33-2018

Amending Ordinance No. 41-2017 (As Amended) to Adjust the Annual Budget by Providing for an Appropriation from the Capital Improvements Fund Unappropriated Balance to Pay for Right-of-Way Acquisition for the NE Gateway Intersection Improvement Project and all Related Expenses with said Project. (Project No. 602-14)

The foregoing Ordinance Title was read.

Mr. Greeson shared that in recent meetings members have authorized appraisers and acquisition specialists for the Northeast Gateway Project. These are the funds that are necessary to begin right of way acquisition. He welcomed Mr. Brehm of EMH&T to the meeting and invited Mr. Whited to provide an overview.

Mr. Whited confirmed that this is a follow up to our recent discussions about hiring the appraisers, who will begin work next week. There are 124 parcels, 35 landowners for permanent and temporary easements and rights of way along with several relocations. This gives us the ability to follow through with compensation to the landowners as a result of the appraisals. We are well through the design phase and have those plans in place. We have had numerous meetings with individuals; most recently regarding utilities because we have some more complicated easements that exists, ones that are needed, and some that need vacated, and those that are swapped in and out. It has been a pretty time consuming process. Mr. Brehm and his staff have been extremely helpful in getting that work through as well as Mr. Lindsey. He would be happy to answer any questions.

Mr. Dorothy asked how far along in the process are we and do we have any anticipated time of completion. Mr. Whited replied that we haven't begun yet. We have approval of the contracts for the consultants for the appraisals that will begin next Monday. Our goal for the completion of that process is October/November of 2019.

Ms. Michael believes this is one project that has the largest number of utility relocations of anything we have done in Worthington. Mr. Whited agreed.

There being no additional comments, the clerk called the roll on Ordinance No. 33-2018. The motion carried by the following vote:

Yes 7 Myers, Robinson, Kowalczyk, Foust, Dorothy, Smith, and Michael

No 0

Ordinance No. 33-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

Ordinance No. 34-2018

To Authorize All Actions Necessary to Effectuate an Opt-Out Electric Service Aggregation Program Pursuant to Ohio Revised Code 4928.20; and Directing the Franklin County Board of Elections to Submit the Ballot Question to the Electors.

The foregoing Ordinance Title was read.

Mr. Greeson shared that Council has had at least two presentations on this topic. He noted that Rich Surace from Energy Alliances, who we selected as our consultant and partner to

assist us in this endeavor, is in attendance. Mr. Lindsey, Mr. Surace or he would be happy to answer any questions members may have.

In summary, Mr. Greeson stated that if members approve this ordinance tonight it accomplishes one very important step in the process, it would put before the Worthington voters the decision on whether to allow the City to pool the community's buying power, essentially authorizing us to aggregate and begin the process of creating an opt-out electric aggregation program. Members' stated goals as staff understands them and as we plan to communicate them to the citizens and small businesses of Worthington are that our desire for this program is to offer cost savings and to pursue green energy or renewable energy usage. That would be accomplished through the purchase of renewal energy certificates. Staff and our Energy Alliance partners will be spending a great deal of time making sure that we communicate this effectively to the public. We plan to place information on the City's website this week and issue a press release. Plans also include presentations before community groups, offer a town hall meeting, and distribute information through our various City means in an effort to effectively answer the citizen's questions regarding this ballot initiative. It is our belief that in the current market we will be able to achieve both the goals (save money and increase renewable energy usage). Should the voters choose to adopt this measure, and the PUCO certifies our program, we will be able to secure an electric supplier through an RFP process.

Ms. Kowalczyk mentioned that she had a concern with the language that would go on the ballot so she asked Mr. Lindsey if there was any way to make it more user friendly so that people would understand what they were voting on. She asked Mr. Lindsey to share his response with Council.

Mr. Lindsey shared that the language Mr. Surace and Energy Alliances has recommended as their template for the ordinance is the language that he suspects, although it is difficult to verify, is the same ballot language that 99.9% of communities have used for their aggregation programs. The ballot language, which is approved by the Secretary of State, has become a standard language. So it is his recommendation that we stick with the standard language as it has proven successful for the overwhelming majority of communities that have placed this on the ballot.

Ms. Michael agreed that the reading of the language is difficult.

Ms. Kowalczyk reported her concern is just that people won't know what they are voting on. She also understands the necessity to meet all the requirements to get it on the ballot so we have to make sure we engage in a very strong public education campaign.

Mr. Myers commented that he hopes everyone knows that he is not shy about taking positions on things. He really doesn't like people that sit on the fence but he is sitting on the fence on this one. He has read a great deal and talked on this matter but has encountered some that are greatly opposed to this and others who think it is great. He hasn't decided yet so he is going to be an active listener in the education process. He still doesn't know about this to make an informed decision. So he feels compelled, not because

he doesn't support it necessarily but he doesn't think he can vote for something that he doesn't fully understand yet. So he will vote no, not necessarily because he doesn't support the project but rather he doesn't feel comfortable enough yet with it. He is going to be one of those people who is going to be educated during this process.

Mr. Robinson remarked that he would love to sit down with Mr. Myers to talk about this topic. Mr. Myers replied that he is all ears.

Mr. Lindsey commented that he appreciates Councilmember Myers if not certain how to vote it is certainly his prerogative and he would not ever question any council member in that regard. This particular vote is to put the issue on the ballot and is a required step in order to allow the city the opportunity to present a program. There are two additional critical votes that Council will have in this regard. He explained the supplementary votes and reiterated that this is simply the first step that is required in the process.

Mr. Robinson thanked Mr. Lindsey for his comments. He suggested to Mr. Myers that he frame this vote in his mind as stimulating a much needed public discussion, debate and education process about a very critical issue. He believes Mr. Myers was quoted in the paper as saying this was a no brainer as the public will ultimately decide as to move forward. That is really what we are voting on tonight. We are putting it out there to the public, letting them vote on it in November, and all of us being better for the discussion whether it passes or fails. He is sure it will pass but that is really what is at stake tonight.

Ms. Dorothy emphasized that she thinks it is great to give the electorate chances to make their own decision. Going but back to Ms. Kowalczyk's original idea that in general when the electorate doesn't understand what they are voting on, they usually do vote "no". She thinks that is a little bit what we are seeing with Mr. Myers but she does like to give the electorate the chance to vote on things as much as possible.

As to Mr. Myers, Ms. Kowalczyk reported being curious as to whether there is anything in particular that sticks out to him that would. . . Mr. Myers offered the following example: He opted out of AEP two years ago. With this discussion he began thinking about who his supplier of electricity is because he had forgotten and he doesn't have a contract. He also wanted to find out his rate. He looked at his AEP bill and his supplier is some number. He surmised that there would be an index on PUCO's website but he could not find one. He wondered what rate he is paying and there are seventeen or eighteen different numbers on that and he started thinking about rotary phones. He recalls how easy it was when he knew Ohio Bell was his carrier and he paid \$17.98 a month. A long distance call cost him \$0.38 a minute and he knew exactly what it was and who he was paying it to and his life was simple. Then President Reagan came along and we got deregulation. Now he has a seven page cell phone bill, a five page cable bill, and a three page electric bill so he has a general dislike for deregulation because it has not made his life easier. He looks at this as the next step in deregulations. So he comes at it with a certain bias that may not be supported by any of the facts in this action but he is true to his bias and he will admit his bias. So he comes to this conversation with that background. He is probably paying less for his electric bill than he was two years ago but he is having a hard time confirming that.

Again, this is a conscience call for him, not a policy call at this point. He doesn't think he needs to defend his vote any further and asked for the question to be called.

There being no additional comments, the clerk called the roll on Ordinance No. 34-2018. The motion carried by the following vote:

Yes	6	Robinson, Kowalczyk, Foust, Dorothy, Smith, and Michael
No	1	Myers

Ordinance No. 34-2018 was thereupon declared duly passed and is recorded in full in the appropriate record book.

NEW LEGISLATION TO BE INTRODUCED

Resolution No. 37-2018 Providing for Adoption of the Tax Budget for the Fiscal Year Beginning January 1, 2019.

Introduced by Mr. Smith.

MOTION Mr. Myers made a motion to adopt Resolution No. 37-2018. The motion was seconded by Ms. Dorothy.

Mr. Bartter explained that the County tax budget is an annual housekeeping item that we are required to adopt and submit to Franklin County Budget Commission by July 20th of each year. Failure to meet those deadlines as prescribed in Ohio Revised Code 5705.30 may result in a loss of Local Government Funds, which was a bigger stick about ten years ago than it currently is but we still like to adhere to all applicable rules and regulations. The Tax Budget does not appropriate funds or transfer funds. Some of these numbers are going to change between now and when we actually do an annual appropriation ordinance in December. The General Fund expenditures were pulled from the 2019 expenditures as listed in the 2018 Budget. As a matter of procedure, if at some point we were interested in increasing our charter millage, this would be the document to start that process. As we are not currently doing that there has been no change.

When asked by Ms. Dorothy if we only have this one time a year to do that if we choose, Mr. Bartter replied that he thinks we can do it here and then later as long as we change it by the time we accept the rates in early September.

Ms. Dorothy commented that members will go over this again during budget times but she had a little bit more time on her hands this week and she was looking at several of the special revenue funds that have some big numbers in those lines. We have dedicated funding sources for those that are not our income tax or property tax. When she asked if that was correct, Mr. Bartter agreed that it was.

Ms. Dorothy then asked where we get the money for the street maintenance repair and state highway fund, to which Mr. Bartter replied that there is some dedicated income from

gas tax and motor vehicle license tax but it is not enough to fully support those funds. So in addition to that we transfer funds from the General Fund, which is income tax based to support street maintenance and repair, state highway, water, sanitary sewer, and police pension. Members may recall that for the budget process last year, a large part of the balancing that we did in the budget for 2018 was from a reduction of \$275,000 in the transfer to the police pension fund. So we are using some of that fund balance and reducing that transfer to help balance the General Fund. In 2018, we are going to transfer about \$640,000 out of the General Fund into some of these various special revenue funds because they are not self-supporting.

Ms. Dorothy stated that we do have these special line items that are not fully funded by their separate revenue source therefore we are still using much of our General Income Tax to top them off up to \$640,000. Mr. Bartter offered the example of some legislation that is going to be introduced tonight for public hearing later on the water main breaks and the water bill. That needs to be paid out of the water fund. The appropriation wasn't there so we are going to increase the transfer to move it out of the General Fund into the water fund and then pay the bill out of the water fund.

When asked by Ms. Michael if we are headed into deficit spending this year, Mr. Bartter replied that it is still early. In 2019 he thinks our challenge is going to be in our budgetary process to present a budget to Council that is balanced in expenditures and revenues. He thinks we will flatten out on revenue but expenditures at this point are a little bit unknown but we don't have a police contract or a fire contract. This tax budget assumes 2% across the board and a 5% increase on health care. It is still yet to be determined if those will be accurate numbers.

There being no additional comments, the motion to adopt Resolution No. 37-2018 passed unanimously by a voice vote.

Ordinance No. 35-2018

Amending Ordinance No. 41-2017 (As Amended) to Adjust the Annual Budget by Providing for Appropriations from the General Fund and Water Fund Unappropriated Balances.

Introduced by Ms. Dorothy.

Ordinance No. 36-2018

Amending Ordinance No. 41-2017 (As Amended) to Adjust the Annual Budget by Providing for an Appropriation from the Capital Improvements Fund Unappropriated Balance to Pay the Costs of the Municipal Building Roof Project (680-18) and the Fire Station Roof Project (648-17) and all Related Expenses and Determining to Proceed with said Projects.

Introduced by Ms. Kowalczyk.

Ordinance No. 37-2018

Kemper House (800 Proprietors Road) TIF
Legislation

Introduced by Mr. Robinson.

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.

REPORTS OF CITY OFFICIALS

Policy Item(s)

- Financial Report – May 2018

Mr. Bartter provided the following highlights for the City's financial report for May:

- *The Fund balances for all funds increased from \$26,697,378 on January 1, 2018 to \$28,809,675 as of May 31, 2018.*
- *The General Fund balance increased from \$13,491,664 as of January 1, 2018 to \$14,484,791 as of May 31, 2018.*
- *Year to date income tax collections are below 2017 year to date collections by \$-544,927 or -4.91%.*

Mr. Bartter shared that the month of May was not real great as we were down 10%. He thinks some of that was timing because it looks like we are going to be up in June and he believes we were up in April. We were down considerably in net profit revenue which he thinks are impacts of the state legislature's change in the collection process. He did request a motion by Council to accept the Financial Report.

Ms. Michael asked that he track how that impacts us going forward. Mr. Bartter stated that staff will compare net profit collections to prior year collections. Ms. Michael asked that the payment schedule also be tracked.

Mr. Robinson asked Mr. Bartter to help him understand how income tax revenues can be down by 5 to 10% and yet combined fund balances are up almost \$2M for the year. Mr. Bartter explained that our income tax losses are being offset in the General Fund by increases in interest income, increases in property tax and an increase in Parks & Recreation. Our expenditures are also tracking low due to some position vacancies and not spending yet on some of these capital improvement programs that have actually been appropriated. That is all continuing to build the fund balance. He thinks we could be on a decline though as we look from July until December but we will have to wait and see. When asked by Mr. Robinson if it is regarding expenditures or the other income sources,

Mr. Bartter replied both. He clarified not the other income sources but he thinks the income taxes might accelerate in its decrease and expenditures will increase.

Mr. Robinson commented that he would expect property taxes and interest incomes to remain stable or rise. Mr. Bartter agreed.

Mr. Robinson commented that in looking at the year over year chart on Packet page 164, the May Year to Date Revenue to Expenditures All Funds, 2017 saw a significant spike in revenue. He asked if that was from a significant employer bonus. Mr. Bartter agreed that it was. Mr. Robinson noted that in 2018 when compared to 2016 and 2015, looks like we are still up so things are not as bleak as the 5 to 10% decrease makes it sound. Mr. Bartter agreed. It just spiked in 2017 but the more we base on 2017 then the worse it looks. Mr. Robinson remarked that he appreciates the conservative orientation that Mr. Bartter brings to the table.

MOTION Mr. Foust moved, Mr. Smith seconded a motion to accept the Financial Report.

The aforementioned motion carried unanimously by a voice vote.

Mr. Greeson shared the following information items:

- This Friday is the employee luncheon. Council members are welcome to join us.
- Applications were distributed for the vacancy for the Bike and Pedestrian Advisory Board for members to review and discuss in the future.
- Electric Aggregation – Anne Brown and he will begin working with Rich Surace to get the word out quickly on that subject. If members find a resident that has a question, Finance Manager Steve Gandee will be our point of contact for those questions.
- Council wanted video streaming of Council meetings. That equipment is being installed this week by SwagIt. We will spend the month of July testing and getting the bugs out and providing some training. We plan to begin live video streaming once members return from the August recess.

Ms. Stewart shared that she left an information sheet at members' places this evening regarding the National League of Cities annual conference. We typically budget for up to three council members to attend. This year it is in Los Angeles, November 7-10. The lowest rate is the Early Bird registration which is valid until July 15th. If you are interested in attending please let her know as soon as possible.

REPORT OF COUNCIL MEMBERS

Mr. Foust asked to be excused from the July 2nd meeting as he will be traveling out of state.

Ms. Dorothy shared that she attended the Bike and Pedestrian master plan kick off meeting, which she knows there were more things that Mr. Hurley and other staff members went to

afterwards. She asked if staff can provide additional information about that. Mr. Whited replied that he had a conflict and was unable to attend. Rob Whetmore did attend but he hasn't had a chance to get a report from him. Ms. Dorothy asked that staff provide any additional information.

Ms. Kowalczyk thinks everyone on Council received an e-mail about the review of the SR-161 – Evening St. intersection. This was in response to a constituent who had contacted her. She got to see the leading pedestrian interval in action this weekend while walking to the Arts Festival. She thanked staff for putting that in place as it looks like a very effective tool. She is curious about whether we have plans to put that in place in other intersections in the City. Mr. Greeson replied that with Ms. Dorothy's encouragement he believes we installed one at New England and High St. He invited Mr. Whited to comment. Mr. Whited reported that we will install them at other intersections but it is a little complicated depending on the controlling units that is in place and how the signalization works. Kuddos to Steve Tennant and our Street Light Technician Bill Halfen for accomplishing it there as it took some time and energy to go through the mechanizations that were required with that controller. They did a good job and we hope to monitor that and find other places to place them. Ms. Kowalczyk added that she really appreciates the updated signage as well and the action on that issue.

Mr. Kowalczyk then shared that the Old Worthington Partnership had their board meeting recently. She shared the following information:

- There was quite a bit of discussion regarding Farmer's Market and whether businesses in Old Worthington should have the opportunity to have their own vendor stall at the market. The board came up with the idea of having a rotating vendor table that would feature a business in Old Worthington because there is a concern about businesses losing money to competing vendors in the market. In the interest of accommodating the business owners, they are going to try this idea and see how that goes.
- They also talked about feedback on the extended hours of the Farmer's Market to 1:00 p.m. The Partnership haven't received any complaints about the extended hours from residents.
- If members haven't got their tickets to Picnic with the Partnership you are out of luck as they are sold out. She hopes to see people there as it will be a great event.

Mr. Greeson reported that staff has had some downtown merchants express concern about the extra hour and we are going to connect them with the Partnership and facilitate a conversation about that. Ms. Kowalczyk agreed that there was some discussion about one or two merchants concerned about the extended hours. She just forgot to bring that up. She is glad that we are initiating that conversation.

Ms. Michael reported that the Convention and Visitors Bureau (CVB) entered into an agreement with the Old Worthington Partnership. She and Mr. Greeson are working on a cover memo to go with the agreement to distribute to members. The CVB will be paying for a part-time person to carry out some of the work of the CVB through the end of this

year. In the fall we will begin a much more global discussion as to the role of the CVB, bed tax money, etc. She just wanted members to know that this discussion will be going on and we will be getting additional information out. Mr. Greeson shared that this effort was necessitated by the retirement of the longtime executive director of the CVB, Mindy Mace. They chose this interim solution to get them through their planning period both to assess the future of the CVB and also develop some new marketing strategies and plans for where they go next. Ms. Michael expressed her appreciation to all the groups involved.

Ms. Michael reminded members that the City is a member of COhatch. As a result, we have ten hours a month that the City can use COhatch for City related meetings. Just let Mr. Greeson or Mr. McCorkle know and they can get that scheduled. She and Ms. Kowalczyk tried it out this past weekend and it was wonderful.

EXECUTIVE SESSION

ADJOURNMENT

MOTION Mr. Myers moved, Ms. Dorothy seconded a motion to adjourn.

The motion carried unanimously by a voice vote.

President Michael declared the meeting adjourned at 8:42 p.m.

/s/ D. Kay Thress

Clerk of Council

*APPROVED by the City Council, this
2nd day of July, 2018.*

/s/ Bonnie D. Michael

Council President