



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

Michael Schnetzer, Chair
Karen J. Angelou
Brian D. Larick
Jamie Leeseberg
Nancy R. McGregor
Brian Metzbower
Stephen A. Renner

Kimberly Banning, Clerk of Council

Monday, December 10, 2018

City Hall

***Immediately Following the Committee of the Whole Meeting**

CALL TO ORDER

Meeting called to order at 8:07 p.m.

ITEM FROM THE DIRECTOR OF FINANCE -

PENDING LEGISLATION

[ORD-0099-2018](#) TO MAKE APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF GAHANNA, OHIO DURING THE FISCAL YEAR 2019.

Mayor asked Franey for documents showing reductions. Based on all the feedback and conversations with Finance Committee Chair, about a very tight budget year, capital infrastructure is suffering because there's no funding due to a \$2.9 million shortage. The review of other budget expenses are an additional reduction in services that we believe do not fall into the health, safety, welfare essential services category. Have a need to fund capital infrastructure; proposing something that isn't sustainable due to compounding shortfalls in year 3 and beyond. We have identified a little over \$1 million to go to capital. Larick asked Mayor to go through each item and identify impact of changes. Mayor presented the following:

- Freeze on hiring positions. Not backfilling or hiring new people, with exception of health, safety, welfare. Reviewed which positions would be impacted.
- Cuts in Parks in Recreation Positions. Will be a reduction in

customer services, including events. Will impact clearing of snow and ice, mowing etc. Cancellation of events which are staffed by city workers alone unless cost is covered by outside organizations.

- Recreational seasonal escrow reduction. Change in ratios for camps.
- Reduction to recreation by reducing field trips for camp field trips.
- Fiber redundancy reduction.
- MORPC interns will be eliminated.
- Herb Education Center transferring to CVB is a planned change, waiting on final contract for review.
- Hunters Ridge Pool and Gahanna Swim Club modifications will reduce pool operations by one hour per day. Hunters Ridge will be closed Mon-Fri throughout the season. Pools will close when schools start in mid August. No improvements for pools.

Larick asked for clarity on these funds; by making these funds available, how will they be distributed in 2019. Mayor said will fund the 2 street programs: asphalt overlay and Detroit rebuilds for \$1.3 million. Larick asked Council if there's a preference to focus on use of funds or just questions about changes. No preference. McGregor said for Issue 29, 75% was set to go towards street rebuilding which is a much more ambitious budget than this proposal; does not believe we can defer; this will get more expensive over time; this is a basic function of our government; no one wants to make cuts and that's why we asked for Issue 29; this is a cost of the failure of that issue.

Larick asked for a list of events this will be impacting. Mayor said the list includes: Blues and Jazz Fest, Flea Market, Car show, Holiday Lights, Creepside, Santa Run, Arts in the Alley. Those have been events the City was supporting and providing at no cost for around 3 years now. Larick asked Barr for historical numbers of amounts reimbursed from Hops & Vines. Barr said it amounts to a few hundred dollars, but can provide exact numbers. Leeseberg asked about other 5k runs. Barr said those fundraisers are paid for by permit fees. Metzbower asked if all these runs are charity events. Barr confirmed.

Larick asked about pools, is all of that resulting in \$30,000 saved. Barr said closing the pools for those times brings in a net savings of \$20,000; said closing the pools decreases revenue by \$30,000. Larick asked how much is the revenue from pool memberships. Barr said in 2018, total membership revenues amounted to \$205,000. Larick asked how much is

allocated for Hunters Ridge. Barr said approximately \$80,000. Larick said, daily visit revenue of \$30,000 on an expense of \$50,000. Larick asked what portion of the \$80,000 does Barr expect to get in revenue once Hunters Ridge is closed. Barr said an assumption would be at least half if not 75% percent. Larick said what he's hearing is \$40,000 in revenue lost, \$30,000 in daily visit revenue lost, that's \$70,000 in revenue lost, on a \$50,000 save. That's \$20,000 net revenue lost by closing the pools for 5 days.

Franey said the Hunters Ridge pool line item reflects about a \$31,000 savings. There were 3 items that went into that: 1.) Reduce pool operations by 1 hr. per day at Gahanna Swim Club. Saved \$6,500. 2.) Close Hunters Ridge Mon-Fri throughout season. Swim club would stay open. Net savings of \$20,000. Taking into consideration the loss of revenue and loss of staff. 3.) Close both pools when schools open in mid-August. Saves \$4,700.

Angelou asked about renting out the pools for swim lessons during the 5 days it would be closed. Barr said spoke with 3rd party provider and had some ideas about getting the extra revenue. Barr reviewed fee structure and where the money goes. Leeseberg said Barr said before, if both pools were closed for one extra hour per day, it would save \$13,000 dollars but shutting one pool would be \$3,600 per day; the loss of revenue was not assumed in that scenario? Barr said would save \$3,650 for the year total.

Larick said there's not enough funding to patch and repair streets that are below the minimum level of maintenance. Priestas said the pace for repair for Detroit streets is 1.2 miles of rebuild per year. The backlog is \$14 million worth.

Leeseberg asked if we spend \$100,000 every year for fiber redundancy or is that a onetime cost. Franey said for every year in the SOM. Bury said the ask is for \$100,000 but doesn't mean the full amount is spent every year. Leeseberg asked about TIF funds; what services could the funds be used for if we were not using it on fiber. Mayor said there has been money allocated every year but now dependencies on network. Working on 5 year plan. Angelou asked how this fits in with neighboring communities. Mayor said they are more reliant on us when theirs is built. Angelou said original amount came from the State. Mayor said the funds were used for Bexley and Whitehall for them to connect to Gahanna; they are still working on their build out. Angelou said we are ahead on that type of infrastructure.

Larick said published budget is baseline. From that budget we are accounting for \$1 million more. Bury said the original budget had \$2.9 million reduction; we have \$2.9 in reductions, reflected on pg. IV; Council not pleased with cuts, so the ask was to find additional funds to cover the streets rebuild; cannot find enough to do 100% of the streets; instead found the \$1 million which we introduced today.

Larick said with these adjustments and where we are now, have not moved us in the direction of long term stability; we have in the last 60 days, moved nowhere; we have a list of streets that are lower than 75%; we will always be maintaining lower than needed; on a 14 year cycle to get the roads to modern roads. McGregor said we need more money.

Angelou said we will not make the regular timeline for approval in 7 days; we need more ways of coming up with money rather than to keep making cuts; we are trying to keep park land in tact; freeze on hiring and pay are options; this is painful; cannot be done with cuts; we need more time to decide what to do. Leeseberg said has the same opinion of Angelou about the partial budget; asked Joann if we did a partial budget, does that not include capital. Bury confirmed; said anything that falls under capital outlay, which includes those streets programs; not regular re-occurring expenses; if a temporary budget gets audited, will have to defend that decision. Leeseberg said crack seal is maintenance.

Angelou asked about contracts. Bury said appropriations must be approved first. Priestas said contracts/ permission to bid, begins in January. Larick said would like clarity from the Auditors. Bury said this area is gray; it is a professional call; which is why the auditors won't give a concrete answer. Larick asked if there's a bridge on deck for 2019. Priestas confirmed; said most funds allocated from state funds. Bury said as long as it can be defended and the auditors have the same opinion as we do they won't comment on the audit report. Larick said we must increase to include bidding; this will get us to April 1; can have Finance Committee on a weekly basis to get to where we need to be; wants to do a permanent budget for all items except the general fund; temporary budget for general fund to go to April; freeze wage increases for unclassified positions through to that period, and fund basic street program. Renner said this goes for first quarter; ends last day of March.

Leeseberg said we talked about West Side park, that one goes; Carpenter and Walnut rebuilds will be paid through TIFS; left in Headly Park; asked for Havens Corners stormwater improvements, is there

flooding concerns with that. Priestas said no reports. Leeseberg said cut those funds. Larick asked Barr to come back soon with more info on pools and camps. McGregor asked about before/after camp care, is that an additional cost. Barr confirmed. Angelou asked if this legislation would be ready for Monday. Larick said yes, with amendments. Angelou thanked Administration for their hard work on gathering the numbers requested by Council; wants them to know how much it's appreciated.

1. [2018-0073](#) 2019 Budget Discussion Documents
2. [2018-0153](#) Updated Capital Needs Assessment (for years 2019-2023)

ADJOURNMENT

Adjourned at 9:14 p.m.