



City of Gahanna

Meeting Minutes

Finance Committee

200 South Hamilton Road
Gahanna, Ohio 43230

Michael Schnetzer, Chair
Merisa K. Bowers
Jamille Jones
Nancy R. McGregor
Kaylee Padova
Stephen A. Renner
Trenton I. Weaver

Jeremy A. VanMeter, Clerk of Council

Tuesday, November 12, 2024

City Hall, Council Chambers

Immediately following Committee of the Whole at 7:00 PM on November 12, 2024

A. CALL TO ORDER:

Councilmember Michael Schnetzer, Chair, called the meeting to order at 8:42 p.m. The agenda was published on November 8, 2024. Councilmember Nancy McGregor was absent. All other members were present for the meeting. There were no additions or corrections to the agenda.

B. DISCUSSIONS:

1. Quarter 3 Financial Report to Council

[2024-0216](#)

FY 2024 Quarter 3 Financial Report

Introduction & General Fund Revenues

Director of Finance Joann Bury provided an overview of the third quarter financial results for the General Fund, special revenue funds receiving income tax, and the Capital Improvement Fund (CIP). She presented a summary of the CIP's financials, income tax trends, investments through the third quarter, and the conclusions drawn from these results.

For the General Fund, Director Bury reported that revenue stood at approximately 86% of the annual budget by the end of the third quarter, reflecting a 10% increase over 2023. Income tax collections were on target at 75% of the budgeted projection, matching the anticipated growth rate. She noted an increase in property tax revenue, which was higher than expected due to the recent sexennial reappraisal, coming in

at 120% of the auditor's projection. Interest and investment income also continued to exceed expectations, with high interest rates persisting despite a recent 50-basis-point cut in September. Overall, other General Fund revenue exceeded 75% of the budget due to increased City activity.

Vice President Weaver inquired about the reason for property tax revenue exceeding projections, noting that the collections seemed high for the middle of the year.

Director Bury explained that the final settlement for property taxes was received in August, with collections typically occurring twice a year in March and August. She noted that the revenue came in higher than anticipated, possibly due to outstanding property valuations when initial estimates were set by the county auditor. However, the exact cause of the higher collections was uncertain.

General Fund Expenditures

Director Bury continued her report with an overview of expenditures through the third quarter. She noted that expenditures were at approximately 52% of the planned annual budget, reflecting a 16% increase. The primary driver of this increase was in contract services, largely due to the 825 Tech Center Drive property tax, the consolidation of risk insurance into the Department of Administrative Services (DAS) division, and higher board of election fees. Additionally, capital outlay expenses rose due to expenditures associated with the new municipal complex.

Director Bury reported that salaries and benefits were at about 65% of the annual budget, lower than the expected 75%, due to turnover and vacancies. Projections indicate a potential \$3 million savings in salaries and benefits for 2024, with 56% of those savings from Public Safety, highlighting ongoing staffing challenges in that area, which are also seen on a national scale. Materials and supplies expenditures were also up, driven by inflation affecting employee safety equipment, operating equipment, and general supplies for lands and buildings.

General Fund - Fund Balance Impact

Director Bury provided analysis on the impact of third-quarter financial activity on the City's General Fund balance. After accounting for transfers for debt service and leave payouts, the fund balance saw an addition of approximately \$6.5 million, bringing the total fund balance to around \$42 million. Of this amount, \$11 million is reserved for encumbrances, which

includes contingency funds for the municipal complex and an emergency reserve of \$8.45 million. This leaves an unreserved fund balance of about \$22.6 million at the end of the third quarter, equivalent to roughly 10 months of operational expenses, exceeding the two-month minimum required by City policy.

Special Revenue Funds Compared to Budget & Actual

Director Bury presented an update on the three special revenue funds and their performance compared to the budget at the end of the third quarter. She reported that, overall, these funds were in line with budget expectations. Income tax revenue stood at 78%, and charges for services saw increases, notably in Parks and Recreation due to a successful season, as well as for the School Resource Officer (SRO) program.

On the expenditure side, Public Safety salaries and benefits reached 90%, necessitating recent request for Council action to allocate additional funds to cover the rest of the year. Parks and Recreation salaries and benefits were at 80%, as expected, due to the completion of the seasonal activities. Public Service was at 59% for salaries and benefits, still dealing with staffing challenges but in a better position than in 2023. All other expenditures were aligned with expectations.

Director Bury then provided a comparison of these funds to the previous year. Income tax comparisons showed some variations, attributed to changes in allocations based on actual operating requirements for 2024. Increases in charges for services were noted in both Public Safety and Parks and Recreation. She highlighted known increases in salaries and benefits, including the addition of a fourth SRO officer and the expansion of seasonal pool staffing and new positions within Parks and Recreation. Public Service continued to experience challenges in filling some roles. She concluded that the unreserved fund balances for all three special revenue funds were stable and in good standing at the end of the third quarter.

Capital Improvement Fund

Director Bury reviewed the third quarter status of the Capital Improvement Fund. She noted that income tax revenue for the fund was on track at 78% of the annual projection, with interest revenue also coming in higher than expected due to bond proceeds currently invested, similar to trends observed in the General Fund.

On the expenditure side, actual spending was at 14% of the budget; however, with encumbrances, the fund reached 86% of the budgeted

amount. Year-over-year, expenditures showed a 72% increase, largely due to costs associated with the municipal complex. At the end of the quarter, the fund balance increased by \$52.3 million, resulting in a total balance of \$73.7 million. Of this amount, \$65.3 million was reserved for encumbrances, leaving an unreserved balance of approximately \$8.5 million.

Director Bury then presented a detailed breakdown of capital projects by fund, noting that by the end of the third quarter, \$18.5 million had been spent on capital projects with an additional \$78.1 million encumbered.

Income Taxes

Director Bury provided an update on income tax revenue, noting no significant changes from the second quarter and consistent with expectations. She highlighted ongoing economic growth in the area, resulting in increased withholding collections. Bury mentioned a slight decrease in individual payments for the General Fund, anticipated due to an unusual spike in high individual payments the previous year. Net profit collections continued to align with overall economic growth, showing steady increases.

Investments

Director Bury provided an update on the City's investments, noting that most funds are placed in Star Ohio and other eligible investments. Currently, the portfolio yields slightly over 4%, while Star Ohio is yielding just above 5%. Despite the 50-basis-point interest rate cut in September, interest rates have not declined significantly, with further rate reductions expected to begin in 2025. A single additional rate cut is anticipated for the remainder of 2024, but the Federal Reserve is monitoring economic conditions closely, and future cuts may vary based on inflation and economic performance.

Chair Schnetzer asked for clarification on the City's investment allocation, observing that a little over half of the assets were in the Star Ohio money market fund, with the remaining balance in individual investments. He inquired about the placement of bond proceeds until they are spent.

Director Bury confirmed that bond proceeds are held in Star Ohio due to the rapid pace at which they need to be spent, as Star Ohio allows for same-day access if needed.

Conclusion

Director Bury concluded her presentation by noting that the City's continued growth brings increased demands for services. As growth generates additional resources, it also results in higher expenditures to meet the needs of a larger population. She emphasized that the City's strategic and development plan will be critical in addressing these challenges, helping to balance available resources with the expanding need for services. Additionally, she highlighted the challenge posed by the shrinking availability of developable land within the city, which will require careful planning moving forward.

2. Public Safety Budget

[ORD-0065-2024](#) AN ORDINANCE ADOPTING APPROPRIATIONS FOR CURRENT EXPENSES AND OTHER EXPENDITURES OF THE CITY OF GAHANNA DURING THE FISCAL YEAR 2025

Chair Schnetzer provided a brief recap and reminder regarding the budget review process for the year, noting that the Council is approaching the budget in a more piecemeal fashion by addressing questions and discussions department by department. The focus for the evening's meeting would be on the budget request from Public Safety. Chair Schnetzer mentioned that approximately ten questions had been submitted in advance for the Administration's review and inquired if the Administration had prepared a formal slide deck for the presentation, similar to previous weeks, indicating an assumption that Senior Director of Administrative Services, Miranda Vollmer, would be leading the presentation.

Senior Director Vollmer introduced the evening's discussion on the Public Safety budget, noting that the first question was related to American Rescue Plan Act (ARPA) funding, which Director Bury would address.

Director Bury explained that ARPA funds were primarily used to support recovery by offsetting costs within the General Fund, Capital Improvement, and Utility Funds. These funds were applied to one-time initiatives rather than ongoing expenses, with maintenance on these funded projects already included in the respective budgets.

Director Vollmer continued with an overview of the General Fund expenditures by department and provided an update on the Division of Police's 2024 achievements and 2025 priorities. Key achievements included ongoing work on the Computer-Aided Dispatch and Records Management System (CAD/RMS) Consortium with partner cities Reynoldsburg, Whitehall, Bexley, and Grandview Heights, anticipated to

complete next year. She highlighted police staffing improvements, including the promotion of two additional sergeants, expansion of School Resource Officers (SROs), full staffing across three patrol shifts, and the establishment of a Community Liaison Officer role. For 2025, priorities include completing the Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation, the anticipated launch of the CAD/RMS project, and preparation for transitioning police functions to the new facility at 825 Tech Center Drive.

Chair Schnetzer asked for clarification regarding an increase in contract services in the General Fund expenditures.

Director Vollmer explained that the increase was largely driven by the CAD/RMS project, taser replacements, and the Year 2 contract for Flock safety cameras. Additionally, the charges for services increase was attributed to CAD/RMS payments from partner agencies.

Chief of Police Jeff Spence addressed a question regarding the City's presence at 400 West Johnstown Road once operations transition to 825 Tech Center Drive. Chief Spence confirmed that a presence would be maintained at 400 West Johnstown primarily for backup and redundancy of the Communication Center, CAD/RMS, radio, 911 systems, and other critical technology infrastructure. This location will also serve as a backup and disaster recovery site for the Public Safety Answering Point (PSAP). Conversely, the 825 Tech Center Drive facility will back up the MECC Center and offer disaster recovery support for partner agencies involved in the CAD/RMS project. Additionally, the Investigative Services subdivision will relocate from 400 West Johnstown to the second floor of the 825 Tech Center facility.

President Bowers inquired if the transition would reduce the rented square footage at 400 West Johnstown. Chief Spence confirmed that the transition would indeed reduce the City's footprint at 400 West Johnstown.

Public Safety Staffing

Director Vollmer presented the Division of Police's 2025 staffing requests. Priority One requests included promoting a Communications Technician I to Communications Technician II and adding two full-time civilian evidence technicians. Priority Two requests included adding a Deputy Chief of Police and establishing a Training Coordinator position shared at a 50% split.

An organizational chart of the Division of Police was presented,

highlighting the requested staffing changes in yellow, with the Communications Technician promotion marked in purple. Director Vollmer noted that the promotion does not require a backfill, keeping the authorized strength at 12 for Communications Technicians.

In response to a question regarding the necessity of a Deputy Chief versus an additional lieutenant, Director Vollmer explained that the Staffing Study identified a second Deputy Chief as optimal to divide administrative duties, strategic priorities, and oversight. The functions assigned to this role are suited to a Deputy Chief level rather than a lieutenant level. Additionally, the Deputy Chief is a salaried position, which offers a cost saving compared to a lieutenant's hourly rate. Director Vollmer noted that other comparable agencies also have multiple deputy chiefs, with Whitehall and Westerville employing three, and Dublin employing two.

Chair Schnetzer confirmed that the discussion on agency comparisons and roles was specific to the Deputy Chief position.

Director Vollmer affirmed this and noted that the Staffing Study included a comparative chart of other agencies.

Director Vollmer then addressed the need for two full-time evidence technicians to replace the current part-time position. Currently, property and evidence functions are managed by a single part-time, sworn officer working 30 hours per week. Due to policies and the FOP contract, this part-time officer is paid at the top officer rate, which is significantly higher than the salary for a non-sworn civilian technician. The department restricts evidence handling to a few employees to maintain the chain of custody, and when the part-time officer is unavailable, officers or sergeants may be paid overtime to access the evidence room.

With 26,000 items in the property and evidence system, Director Vollmer provided a comparison to Westerville, where their property and evidence room employs four civilian staff: a full-time manager, two full-time technicians, and one part-time technician. Based on these considerations, the Division of Police believes that two full-time evidence technicians will be necessary to manage the property and evidence room at the new facility effectively.

Director Vollmer introduced the next question on Public Safety staffing relative to national, state, or regional norms. She noted that detailed information on this topic is available in the Staffing Study and invited Chief Spence to elaborate.

Chief Spence explained that the division conducts annual workload-based staffing assessments, primarily focused on patrol staffing. He referenced FBI national averages for staffing, noting that for communities with populations between 29,000 and 60,000, the national average is 2.4 officers per 1,000 residents. To meet this average, Gahanna would need 84 sworn officers, whereas it currently has an average of 1.7 officers per 1,000 residents. For total law enforcement employees, including non-sworn staff, the national average is 3.5 per 1,000 residents, while Gahanna's current average is 2.3 per 1,000. Chief Spence clarified that while patrol staffing is regularly assessed, other functions, such as Investigative Services, School Resource Officers (SROs), and the Community Liaison Officer, require more nuanced assessment methods due to the abstract nature of their duties. The division's approach aligns with recommendations from the Clemans Nelson report, which reviewed workload assessments over the years.

President Bowers asked Chief Spence to discuss how priorities were determined for proposed staffing additions in the budget and why certain roles were prioritized over others.

Chief Spence outlined that while the division still has sworn staff vacancies, the proposed Deputy Chief position is intended to handle expanded administrative functions and national accreditation requirements. He noted that succession planning is a key reason for adding another Deputy Chief, as both he and the current Deputy Chief are nearing retirement. For evidence technicians, Chief Spence explained that the division's current evidence management process is heavily reliant on a part-time officer. Adding two full-time civilian evidence technicians would enable the division to more effectively manage property and evidence, reduce the need for sworn staff to handle evidence-related tasks, and align with best practices at the new facility at 825 Tech Center Drive, which includes specialized storage for guns, drugs, and cash. Regarding the Communications Technician II role, the promotion would expand supervisory coverage on the floor across shifts, ensuring consistent supervision and continuity during the Communication Center Manager's absence.

President Bowers confirmed that adding the evidence technicians would free up time for other officers, including the training sergeant, and asked if this would address any redundancy or create capacity for the training coordinator position being considered.

Chief Spence clarified that while the evidence technician positions would indeed free up time for the training sergeant, the citywide training coordinator would still be beneficial. The training sergeant currently

handles a range of responsibilities, from coordinating in-service training to securing continuing education credits through the Attorney General's Office. The training coordinator could alleviate the administrative burden of scheduling, managing outside training resources, and potentially offsetting costs by coordinating training space and seats for smaller departments.

President Bowers inquired whether agencies participating in City-coordinated training would compensate the City and if someone would be managing this financial aspect.

Chief Spence confirmed that once there is sufficient space to accommodate outside agencies, the City would charge for training seats. However, managing the financial aspect and logistics of this effort would require administrative support, as the department is currently stretched thin in terms of administrative resources.

President Bowers asked if, given Gahanna's current Public Safety staffing ratio compared to the national average, there would be a need or benefit to having a dedicated training coordinator within the Police Department rather than a citywide position.

Chief Spence responded that as the department grows and fully realizes the potential of the new 825 facility, having a dedicated training coordinator for Public Safety could be beneficial. However, he suggested that for now, the citywide role is a necessary step in establishing foundational training support and standardizing processes across City and police operations. He described this approach as a "crawl, walk, run" scenario, with the citywide coordinator role allowing the department to assess its training needs before potentially expanding further.

Chair Schnetzer extended his appreciation to Chief Spence and raised an additional question related to training, referencing a Council tour of Westerville's facility. He inquired whether a fully immersive simulator, like the one seen in Westerville, was planned for the new 825 Tech Center Drive facility.

Chief Spence confirmed that space has been allocated for an immersive simulator at 825, though it will likely be a future budget request for 2026. He and Senior Deputy Director Corey Wybensing had met with the Office of Criminal Justice Services to explore state and federal funding options for this equipment. Chief Spence emphasized that immersive simulators are invaluable for training, particularly for new generations of officers who are accustomed to interactive and immersive environments. The department aims to model its program after a successful immersive

setup in Wheeling, West Virginia. He explained that the simulator technology has significantly advanced, and the goal is to implement a comprehensive system, beyond the basic version seen in other local agencies. Chief Spence noted that 825's proximity to the airport makes it geographically advantageous for drawing in outside agencies, potentially offsetting training costs by hosting programs for other departments. With the help of a dedicated training coordinator, this could generate revenue while enhancing the department's training capabilities.

Councilmember Padova asked whether bringing in officers from other areas to use the facility could have additional benefits, such as attracting officers to join Gahanna's force.

Chief Spence affirmed that this is indeed a goal. He explained that in a region where salary and benefits are closely aligned across agencies, Gahanna's appeal lies in its state-of-the-art equipment, high-quality technology, extensive training programs, community focus, and strong support from local leadership. The new facility at 825 Tech Center Drive is anticipated to offer recruitment advantages, with plans in place to ensure the space and technology are fully utilized from the outset.

Chair Schnetzer shared that he had recently spoken with an officer who transferred laterally into the Gahanna department and heard positive feedback regarding Gahanna's advanced level of training, which the officer noted was significantly superior to that of his previous agency. Chair Schnetzer encouraged Chief Spence to continue these efforts.

2025 Capital Request

Senior Director Kevin Schultz presented the 2025 capital requests for equipment related to Public Safety, as outlined in Section 8 of the Capital Improvement Plan (CIP). He reviewed completed 2024 initiatives, including the installation of Flock cameras, four speed awareness signs, and phase one of the police radio lifecycle replacement and upgrade. Ongoing projects include the police dispatch and records system and phase two of the radio lifecycle and upgrades.

For 2025, the total capital equipment request for all departments is \$2.4 million, with \$1.685 million allocated specifically for Public Safety-related equipment. Schultz clarified that discussions would focus on Public Safety-related items only, with other equipment, such as EV chargers and "wheel assets," to be addressed in a separate presentation November 18, 2024. The three primary capital requests for Public Safety in 2025 total \$1.125 million, primarily for: 1) Police Radio and System Replacement: The largest item, focusing on sophisticated radio console

upgrades essential for department-wide communication; 2) 911 Dispatch Workstations: Replacement of dispatcher furniture and technical workstations for the Communications Center at 825 Tech Center Drive, as part of the planned lifecycle replacement; and 3) Emergency Tornado Sirens: Replacement of three aging tornado sirens, operated by the Franklin County Emergency Management Agency but owned by the city. One siren may need relocation based on future decisions about the current property location. Schultz also mentioned two additional IT-related projects previously discussed in the IT budget section: a Live Scan machine and an additional unidentified item.

Vice President Weaver requested an explanation of how changes to the CIP are reflected in updated budget requests. He used the dispatcher workstations as an example, noting a discrepancy between the CIP plan (\$185,000) and the budgeted amount (\$160,000) and asked if this adjustment was due to updated quotes or multi-year phasing. Schultz explained that both scenarios can occur. In this instance, a recent vendor quote provided a specific cost of \$160,000 for the dispatcher workstations, which updated the previous \$185,000 estimate published in the CIP. For future CIP advisory committee meetings, this adjustment will be reflected in the updated documentation. Schultz further clarified that, when estimates exceed final costs, any surplus funds are returned to the originating fund at the end of the project. Equipment purchases, such as furniture, typically have shorter lead times, allowing for more precise budgeting compared to longer-term projects like park renovations, where costs remain more variable until the final bid.

Senior Director Schultz addressed questions on the Flock camera system contract and other Public Safety equipment acquisitions. Chief Spence was invited to discuss the terms of the Flock cameras.

Chief Spence explained that the Flock camera contract term is three years, starting in 2024. The initial installation year included higher costs, with subsequent years costing \$64,000 annually, based on the current camera count. While there are no immediate plans to increase the camera count, the department continues evaluating coverage areas and potential gaps.

Vice President Weaver asked if the City would return the equipment should it choose not to renew the Flock contract in the future. Chief Spence confirmed that, if the contract is not renewed, the equipment would be returned to Flock. He also mentioned pursuing potential funding through the Violent Crime Reduction Act to help offset future costs. Weaver further requested a summary of data handling for the Flock system, to which Chief Spence responded that Flock stores the data,

which is accessed only for investigative purposes with specific authorization. Unused data is automatically deleted after 30 days.

Director Schultz reviewed the planned Public Safety equipment acquisitions for 2025, noting that all currently planned acquisitions, such as police radios, dispatch workstations, and tornado sirens, are budgeted through the Capital Improvement Fund. He mentioned ongoing efforts to secure grants and alternative funding sources, including recent discussions with the Office of Criminal Justice Services and continuous collaboration with City staff to identify potential offsets for equipment costs.

President Bowers requested clarity on which specific Public Safety equipment items are included within the \$59 million 825 Tech Center project budget versus those that fall outside. She expressed interest in understanding early in 2025 which items, such as the firing range buildout, are budgeted, while others, like the immersive simulator, might require additional funds. Schultz agreed, stating that construction costs for the facility include core infrastructure like walls and doors, while specialized equipment like simulators or charging racks may require separate funding. He assured that this distinction will be made clearer in upcoming discussions.

Presentation Conclusion

Chair Schnetzer reminded everyone that the next Finance Committee meeting, focusing on Public Service and Engineering, will occur in six days due to the shortened week. He confirmed that staff presentations will address Council's pre-submitted questions, requesting that questions from members be submitted to him by 5:00 p.m. on Thursday, allowing time for preparation.

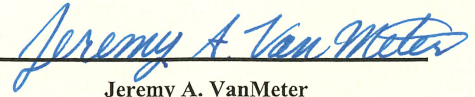
Director Vollmer confirmed that questions submitted by noon on Friday would also be helpful for timely preparation.

Chair Schnetzer noted that next week's meeting would include the first public hearing on the budget and confirmed with staff that arrangements were in place.

Recommendation: Held in Committee; Public Hearing on City Council Regular Agenda and Further Discussion Scheduled 11/18/2024.

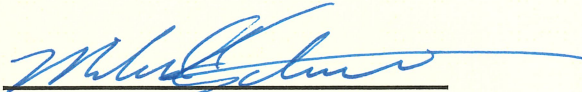
C. ADJOURNMENT:

With no further business before the Finance Committee, the Chair adjourned the meeting at 9:39 p.m.



Jeremy A. VanMeter
Clerk of Council

APPROVED by the Finance Committee, this
18th day of Nov. 2024.



Michael Schnetzer