

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, December 13, 2010

7:00 PM

Council Committee Rooms

Committee of the Whole

*Shane Ewald, Chair
Beryl D. Anderson
Thomas R. Kneeland
Brian Larick
John R. McAlister
Nancy McGregor
David L. Samuel*

Members Present: Shane W. Ewald, John McAlister, Nancy R. McGregor, Beryl D. Anderson, Thomas R. Kneeland, David L. Samuel and Brian Larick

Additional Attendees:

Terry Emery, Dottie Franey, Karl Wetherholt, Mike Andrako, General Williams, Jennifer Teal, Angel Mumma, Mayor Stinchcomb, Brandi Braun, Tom Weber, Isobel Sherwood, Chief Murphy, Troy Euton, Tony Collins, Sadicka White, Anthony Jones, Kristen Treadway, Karen Woodward, Brian Hoyt, Members of CFAC (Citizens Financial Advisory Committee), Press.

ISSUES - From Last Council meeting:

CFAC Report

Ewald called the meeting for Monday, December 13, to order; members of CFAC (Citizens Financial Advisory Committee) are here to review their report; who is presenting. CFAC representative said we had hoped you would study it and we would answer any questions. Ewald said ok, Council what questions do you have.

Samuel said did you address retention of businesses?

CFAC answer: We see Gahanna trying to attract and retain businesses in this tough economy; they are looking at small businesses, defining needs and determining how to help them; and with the big companies, like Nationwide, need to better understand how to get and keep them; with the City's entrance, we cannot understand why more are not looking at Gahanna; we are located next to Port Columbus with a golf club and Easton right here; we talked about this with respect to the difficulty it presents with us recommending a tax increase; but we want to make sure the City services are available and in place that would draw businesses; if we allow the infrastructure to wain or fall to disrepair, it will make the City less attractive; we have assets like Central Park and what an admirable collective achievement Creekside is; businesses look at those areas to determine if a community has a strong business environment; we are concerned that the school levy has failed twice; that shows there is not a commitment on the part of the people to help the community remain strong; caused us some pause as we considered our recommendations; but we used that end to come to our 12 recommendations.

Samuel said on the report, page 9, the income tax collection graph, after 2007 the level goes down due to job loss from some major companies; do you see this happening again; do you have any ideas to help prevent this; what kind of businesses we should recruit.

CFAC answer; White has good ideas so focus on those efforts; we need to bring in technology businesses that have a number of employees so, even though we are landlocked, they could headquarter here; we are so well set up for that; not all income tax comes from within the City of Gahanna; the surrounding areas are affected as well and are important to keeping Gahanna viable; our tax rate is not only to help businesses to stay, but to keep it growing. Kneeland said this was a great job and your report is awesome; when you list your recommendations, you recommend the increase in tax, but also you want to increase the tax credit to 85%; that increase to 85% is actionable by Council; what was the logic behind increasing that rather than the straight increase that will be voted on by the people.

CFAC answer; If the city goes to a 100% tax credit, even with a 1% increase we would not see more money; there would be less money coming in; a pure 2.5% will show a slight increase; this percentage determines the amount of revenue from all of our taxpayers who work somewhere else; we were in overall agreement to raise it; 83.33% is such an odd percentage; 85% gives us an even, tight percentage to use, and for

companies to do volume withholding, it makes it more palatable to those who have to pay.

Kneeland said but what does it really mean?

CFAC answer; As a Gahanna resident, you would owe 2.5% income tax; if you work in Columbus, you are paying in Columbus; we are saying you would get a credit of 85%; so we are raising the credit received; but we are only raising it if the amount of tax goes up to 2.5%.

Kneeland said if we left it at 83.33% we would collect more money.

CFAC answer; Yes, but that is such an odd percentage.

Kneeland said it has always been a confusing amount for the taxpayers.

CFAC answer; When it was initially passed, it only pertained to the 1.5%; if your work tax district was less, it didn't apply; it has always been hard to figure; this would ease the whole return, a key item to keep in mind for the tax changes. Kneeland said so these 2 actions would happen concurrently.

CFAC answer; As we were trying to figure this out, we were trying to find a way to make it easier; we thought the income tax increase would be more palatable if we gave 100% credit for other work districts; but then certain residents who work elsewhere but live here would be enjoying the services but not paying to use them. Kneeland said so it is lessening the blow for those who live here but don't work here.

McAlister said on page 8, under the Economic and Financial Conditions Analysis, the column on revenue and expenses shows expenses going up.

Mumma said we presented the same 5 year plan to CFAC that we had presented to Council; this shows a consistent operational budget for normal days; near the end we did not want to confuse matters with current appropriations; so we used the same appropriations for 2011 but left the rest the same as if this were our level of operation.

McAlister said so we show projected increases.

Mumma said we show a Capital budget.

McAlister said so this is primarily capital.

Mumma said there are other add ins and cutbacks.

McAlister said I would like to address the committee concerning the employment agreement with the Steelworkers; this is a joke; why are Steelworkers representing office workers employed in this City; I am very upset as a resident of Gahanna; I am paying more taxes so they can have a \$100 deductible health insurance plan; I have a \$5,000 deductible; my son works for a decent company and he has a \$4,000 deductible; did the committee address how much income tax is needed to pay \$100 deductibles and wages that are higher because of this agreement.

CFAC answer; the committee did not go into that issue.

McAlister said that is the problem; this City is going to have to suffer a little bit; we should not have to pay income tax for this; we are being held hostage by State Law that mandates this much income tax so unions can come into this town and be the ones that build something; the City could get it done cheaper but State Law says we have to pay the higher wage; we are going to have to let it crash and burn; this is a political issue and it seems you addressed only the administrative issues; it is time for this to be addressed; residents need to get riled up like I am; maybe if they will if they see numbers requiring additional income taxes to pay for ever increasing salaries and benefits that we can't cut; that would have to happen before I would ever support a tax increase; I don't understand why you didn't address it; if we did not address the root of the problems here how do we hope to fix them.

CFAC answer; We are glad you are riled up; need more people to care.

McAlister said I would like to see the CFAC make a statement to that effect; but you did not even bring it up; you needed to take a leadership role; write to State Senators Garland and Bacon; we can't give in or just roll over and pay more taxes; we need to draw a line in the sand.

CFAC answer; the committee recognized we could not be all encompassing; we made an

effort to take it out of the political arena and primarily talk numbers, dollars and cents; you can tell from the recommendations; we looked at the decisions Council makes; the Mayor's staff is held accountable for their expenses; citizens who have had enough of prevailing wage should go and fight that fight; this group of citizens really didn't have time to be caught up in that; we had the objective to provide this; to go into prevailing wage and union contracts this committee would be meeting 3 times a week for a year; we decided to take the information we had and make these difficult and modest recommendations; then you can go have the political discussions; we hoped you would accept this work for what we have done.

McAlister stated in that light, that is what it is; a few years ago we had a consultant who came in for salary comparisons to other cities; I would like to see that happen for our work force in general.

McGregor said on page 4, about in the middle, it says 49% of taxes paid by those who work in Gahanna are people who live elsewhere. Mumma said yes that is a correct non resident fact determined by zip code and address. McGregor said I just asked about that and was told we could not determine that.

Mumma said if I misunderstood, I apologize; I will have to find out the criteria used specifically and let you know.

Samuel said expand on recommendation 10; can you provide examples or specifics of what you thought we should do to expand services.

CFAC answer; We had discussed various issues like our relationship with Mifflin Township and Jefferson Township; they have optioned to go independent to save money; the City should look for opportunities where it makes sense to partner; buy in bulk; other cities buy in bulk; our main point here was with development of joint efforts with Mifflin and Jefferson Townships.

Ewald said if you were a business owner, what attributes would you see, if any, that would be a plus for relocation to Gahanna.

CFAC answer; When I moved my business to Gahanna, it was because it was easily accessible via 670; seemed to be a nice place to live with a good work force; but since that time, residents and individuals and the issues drawing business in have changed and matured; we see the changes in visitors to areas like Creekside; businesses are looking for cooperative people in planning and zoning which you have; rest of it comes down to is it a safe place; the Chief says we are lucky to have a safe, diverse community that folks take pride in; and we are working on the approach to the airport since we are so close; plus we have updated infrastructure; we have Wi Fi available and good roads.

Ewald said we are business friendly, but what about the recommendation to take the tax credit to 100% in the future; we would be giving up the benefit of a tax increase.

CFAC answer; Small businesses are looking for risk takers and strong leaders in the community; Gahanna is uniquely placed for that; we are the first City when people fly in; the Development Department has done a good job; they have a great marketing campaign and have been recognized for their entrepreneurship; we need to identify what we want to be known for; Gahanna has yet to market itself as a small business destination; we would like to see you grow that; position yourself more competitively.

Kneeland said recommendation 12 talks about maximizing financial investments; a number of years ago, people here had the foresight to create the TIZ; when you came up with this recommendation, what investments are you referring to; like to Morgan Stanley review to make sure we are up to date and have diversity; what was your thought process for this.

CFAC answer; This recommendation is directed at the City's investment portfolio; do we need to look at alternate investment strategies and reevaluate on an annual basis; and make sure you are maximizing it; look at it do you have emergency cash to spend; do portfolio management; CFAC thought in the face of a successful campaign for a tax increase, we will see an influx of new capital and it needs to be managed wisely and prudently; we thought that 2.5% might be too big, but we don't want to go back in 5

years; conversations were around recommending 1% and 2%; we wanted to make sure that this increase takes care of issues for 5 to 7 years and that means being prudent using these funds and investing them.

Kneeland said on item 11, the naming rights for local businesses; was this to generate revenue.

CFAC answer; Yes it was about revenue generation; if someone wants to underwrite the Herb Festival or Skate Park; this is thinking outside the box to offset costs; thinking of ways to get money in the community.

Kneeland said like an annuity.

CFAC answer; Yes; for parks the community could get sponsors like Scotts who are teaching young people about farming; we do this for sports scoreboards; how about doing it for the City; now how do I get his; it is a great branding opportunity for Gahanna; there are other logos on the fence by Easton; Gahanna has that same opportunity; how are you going to promote the town and not just be a corporate resident. Samuel said on number 8, what do you mean by consolidation of services and departments.

CFAC answer; Consolidation should be examined for both internal and external functions that could benefit the City; do this as vacancy and changes occur; there has been some duplication that has occurred to date to streamline; externally, get creative; look at other local governments, explore the unknown; like the RITA vote; there are more external private organizations that we could partner with; we have heard this from the State level; the new governor has talked about this kind of thing; Columbus and surrounding communities could be in this mix somehow as the State presses cities to consolidate.

Mayor said I appreciate what you have done; you were appointed and volunteered your time to provide us with diverse opinions; some of you started the process with the attitude of heck no there will be no tax increase; now you have spent hours to know this is the correct path; next is the challenge we face in a community that has not passed a school levy twice; the fire levy didn't pass; how do we communicate this; Mumma and I have asked to speak at community events but that still only reaches a fraction of the community; we have the media.

McAlister said we will have the opportunity to communicate with residents when the streets aren't plowed.

Mayor said we have cut back on street services because we don't have the money; we have been saying for a long time, don't forget the TIZ funds are going away; we need to build up carry over; we have known cuts were coming; the challenge is how do we get the citizens to see what we see.

CFAC answer; The Committee discussed this at great length; we decided let's at least get good solid information out so the residents are voting on good information; get the facts out; Hoyt will do a big part of this; committee members are going to take advantage of the opportunities we have as well like the Rathburn Woods Newsletter; Mumma did a good job of laying out the facts; we have to face the fact we have 6 months to get the information out there and to get the citizens to vote; there is the housing metaphor do you want to live in a 2 bedroom ranch or a bigger better 4 bedroom house; some want more; Hoyt and committee members are reaching out to have these difficult discussions for election season; we are laying out the facts and asking what kind of community do you want to have; it is a challenge as sometimes we are presented with residents who just aren't hearing.

Mayor said there are always folks who want stuff but don't want to pay for it; the Gahanna community is growing and people are in denial.

CFAC said; We want to talk to youth and moms when they drop off kids for sports; the conclusion on page 17 speaks to this point; it is not only about where we are today, but where we will be in 15 years; any parent who has set up a college fund knows you can't do it in a year; we have to take steps today and we are making hard decisions to pay for

our future; we would like to hear from the young people; have them advise Council; with all the public relations we are doing, people will buy into what they want; need to get to the masses and go with ones ready to take a risk and move the City forward; Columbus has a 2020 Plan; what is Gahanna's plan; people listen to barbers and beauticians because they can relate to that; bring in educational opportunities and the YMCA and Library, who passed their levy; maximize ambassadorships.

Anderson said thank you for your work; beyond the report, what are the next steps; you said this is the first; we do need to empower people who are on our side; go to organizations we know, go to other folks who might listen; each one teach one; when they feel the pain they will call about what needs to be done; snow removal is one of them or when they feel it in their pocket book they will come out to vote; if they are not riled up initially then we need to do more; what are the other things.

CFAC answer; There are a number of steps in front of us; identify what am I good at and what resources do I have and then use them; I don't know anyone at the State level but I have influence with the Rathburn Woods Civic Association; prior to serving on this committee, I was a dead ender; after meeting with Mumma and having our other discussions, we learned; and now I am a convert; I said let's look at this again; we need a dramatic public relations campaign over the next few months; the factual information needs to get out; it will be an uphill battle; we need to talk about the future economy with long time citizens; look for ways of getting together with Mumma and Hoyt; for those who say I just don't want to pay taxes we should ask what is the City worth to you; what if your house needs a roof; have the conversation and discuss what we face if we don't do anything to fix our roof; there are those who do not trust anybody in government; we need to engage them and try to build some confidence with the City leaders; public relations is the first step; all of this group is doing the same thing.

Anderson said we have a Council committee that has gone dormant that deals with communications; I am concerned about that; people don't come out unless they are riled up or hit in the pocket book; many don't understand it and the reality has not hit; we need to do the next steps and take it to the streets; they need to hear it from people they trust.

Ewald said I want to thank the committee; they have provided a good foundation for analysis for the City to foster relationships with businesses and community organizations; this isn't just about a tax increase; it's the next 10 or 20 years.

CFAC said; We put this group together and now we are determining what our role is moving forward; there is a disconnect with the residents of Gahanna and we need to look at how to engage them; we get to educate; other communities are looking at this model; we should stay together and not walk away from it; we have not had that conversation but we have great synergy we should take advantage of; the more people you have involved, the more support you will have with the issues; I had a call last week about the City; they were doing a poll; the ultimate poll is the voting booth.

Mayor said the report recommends we go on the ballot in November of 2011; every office is up in November of 2011 as well; it will take guts to go on the ballot with a tax increase at the same time; I intend to ask Council to vote to put it on the ballot much sooner; you may not agree with it, but it will get them talking; help bring a call to action; a vote to put it on the ballot is not a vote for it; it really is that simple; what kind of City do you want to be; there is no one on staff that has lived it since it has been 33 years since we had a tax increase.

Anderson said the schools and the township may come back; I think people get bogged down; don't separate the ones at a local level; we need to emphasize they are not paying taxes in a vacuum; they are using services.

Mayor said it is a challenge with the no more taxes campaigns going on; but it takes money to do things, and if tax payers say that is all they want we would have to restructure and change headings.

Anderson said on where to go from here; we are going to do the public relations and

outreach; Columbus has a 2020 plan; what are we doing now. Mayor said on January 21, we will take a day and do our visioning; start here; we will visit what is mandatory in the ORC (Ohio Revised Code); then what are core services; and begin the budget for 2012; short of any big developments we will probably see another round of cuts; I anticipate a tougher 2012 and by July we aren't going to have answers but we won't have the luxury of waiting. Ewald said suggestion has come up that we could have the CFAC meet every year to continue their assistance; thank you again and we promise this report will see the light of day.

PENDING LEGISLATION

ORD-0199-2010

TO AUTHORIZE THE MAYOR TO ENTER INTO OPTICAL FIBER USE AGREEMENT WITH THE GAHANNA JEFFERSON CITY SCHOOL DISTRICT; AND TO DECLARE AN EMERGENCY.

Emery said the primary reason the IRU is back on the agenda is we had a late modification to the agreement with language about the 3rd party agreement; wanted to make sure there was no question about that; we are following strict guidelines on 3rd party usage; the schools are allowed usage strictly for educational or school purposes; any other purpose it will come back to you.

Recommended for Adoption, Consent

ORD-0200-2010

TO AUTHORIZE THE MAYOR TO ENTER INTO FIBER INTERCONNECT AGREEMENT WITH THE GAHANNA JEFFERSON CITY SCHOOL DISTRICT; AND TO DECLARE AN EMERGENCY.

See discussion under IRU-Gahanna Jefferson Schools.

Recommended for Adoption, Consent

ISSUES - From Director of Public Service:

Westside Sewer Project Change Order #2

Emery said as you read in our report, when we proceeded on this project, we encountered soil issues that were very difficult; far worse than anticipated; we thought we should shift this line further out so it would go into the road to get it away from the storm sewer; we first put together a request for a supplemental \$89,000 and we did a change order; then we were advised we could just modify the 2011 budget to show this; so this request is now for authorization to amend the contract to include the change order to install the sewer line in the revised location.

McGregor said would this money come from the Street Fund. Mumma said it would come from the Sewer Capital Improvement Fund.

Recommendation: 1st Reading on January 3, 2011, no need to come back, 2nd Reading, Consent, Emergency Language.

ISSUES - From Director of Parks & Recreation:

Golf Course Pest Control Contract

Collins said this request is for our annual renewals of contracts for Golf Course pest control and cleaning; our cleaning contractor is Bill Walker, a Gahanna resident. Larick said is this for cleaning the course or club house. Collins said it is for the 2nd floor of the club house; we rent this for events. Mayor said many of our costs there are offset by rentals. Samuel said how often is it rented out. Collins said it is in use 7 days a week with either paying customers or charity groups. Anderson said does that include the

classes that take place there. Collins said yes; it is the location where some recreation classes take place. Anderson said do they pay rent. Collins said they don't pay rent but they pay fees such as administrative fees.

Recommendation: 1st Reading on January 3, 2011, no need to come back, 2nd Reading, Consent.

Golf Course Cleaning Contract

See discussion under Golf Course Pest Control.

Recommendation: 1st Reading on January 3, 2011, no need to come back, 2nd Reading, Consent.

ISSUES - From Clerk of Court:

Public Defender's Contract

Woodward said this is our annual renewal of the contract for representation by the defenders in Franklin County Courts; I am requesting waiver and emergency as the contract is up at the end of the year. McGregor said isn't this mandated by law. Woodward said yes we are required to provide a public defender; it has actually come down in cost.

Recommendation: 1st Reading, waiver of 2nd Reading, Consent Agenda, Emergency Language.

ISSUES - From Director of Human Resources:

Steelworker Health & Welfare Agreement

Treadway said I attached an old version of the agreement; a hard copy of the correct version is being handed out; shows a 9% increase; I held off moving forward on this to see if we could do better as I have been meeting with the labor management team; at this point we need to move forward with the 2011 agreement and we will keep you informed on negotiations for 2012 and 2013; I am requesting emergency and waiver so they have benefits on January 1, 2011.

McAlister asked how many employees are in this plan. Treadway said 32; since we are not back filling, that number may go down. McAlister said are the rates on here what the City pays. Treadway said no; that is the total cost; we pay a percentage. McAlister said have they ever considered a raise in the deductible; a \$100 deductible is ancient history and available to public or union employees only; I would like to see us come down hard on that; this deductible is ridiculous; the average citizen is paying \$1,500 while we are negotiating \$100.

Larick said what does the city provide. Treadway said the member pays 6%; the Steelworkers saved the City about \$200,000 when they broke away from the consortium plan so for a few years they saved us money. Larick said and I see the amounts are monthly.

Recommendation: 1st Reading, waiver of 2nd Reading, Consent Agenda, Emergency Language.

Unclassified Salary Ordinance

Treadway said you have all the annual salary ordinances before you including Part Time, Classified Supervisor, Unclassified and Command Staff; I am not recommending any changes to market rate or merit increases; in the market; I found it a surprise that only 3 communities are not recommending raises of up to 4%; we are the only one not doing non union raises 2 years in a row. Larick asked who are the comparable cities. Treadway listed all the Columbus suburbs with their percentage of increases; those are non union; union fact finders and arbitrators note in their findings of fact that these raises are being given; so we will see what our options are next year; please contact me with any concerns you may have.

Sherwood said these should be held and then passed on January 3 with the appropriations.

Recommendation: 1st Reading on January 3, 2011, waiver of 2nd Reading, Consent Agenda, Emergency Language.

Classified Supervisors Salary Ordinance

See discussion under Unclassified Salary Ordinance.

Recommendation: 1st Reading on January 3, 2011, waiver of 2nd Reading, Consent Agenda, Emergency Language.

Command Personnel Salary Ordinance

See discussion under Unclassified Salary Ordinance.

Recommendation: 1st Reading on January 3, 2011, waiver of 2nd Reading, Consent Agenda, Emergency Language.

Part Time Personnel Salary Ordinance

See discussion under Unclassified Salary Ordinance.

Recommendation: 1st Reading on January 3, 2011, waiver of 2nd Reading, Consent Agenda, Emergency Language.

MONITOR:

2010-0055

Monitor Items:

1) Workers Compensation - Self Insured

Treadway said I am very excited to announce that our request to BWC (Ohio Bureau of Worker's Compensation) for self insurance has been approved; we have been looking at ways to save money and with this change, we are projected to save 1 million dollars over 5 years; I did just receive word so I am working on details; I do know that there is not going to be a contract; they are sending someone out for discussion and we will determine a start date; we will need contracts for the 3rd party administrator and for excess indemnity; I would say at this point, I need to know how Council feels about this; if we are not going forward with this, I need to let them know as I have been in constant contact to try to obtain approval. Anderson said so in terms of insurance, this would cover all medical, vision, and dental. Treadway said it is not medical or dental; it is strictly Worker's Compensation; where the money was previously pooled, we now would pay dollar for dollar for our claims. Anderson said but it would cover all types of insurance related to the claim. Treadway said yes; but that is more hospital and doctor; dental is seldom involved. Kneeland said I have 2 questions; 1st what will impact this so we can get the 1 million in savings; 2nd is there any chance in the future for BWC to

revoke this. Treadway said this is for actual injuries that take place and savings would be affected if we have too many major payouts; to determine our eligibility, they took our most recent 3 years which were our highest; then using even the most conservative estimates, we can see savings; it can't get any worse and we are hoping things get better; we are working with a team to keep those costs down with things like safety training; the chances of it being revoked are slim to none; that could only happen if we did not pay claims or went bankrupt; if we abused this power, BWC won't just decide to not allow it any more.

Ewald said so are you looking for recommendation. Treadway said yes; I would appreciate it if you would say what direction you see this going; if we are going to do this, then I will come forward with a contract around February 1. Ewald asked is everyone ok with this going forward; Council members agreed. Ewald said so you have our support; we can remove this as a monitor item.

Anderson said as a footnote; I would like everyone to remember the City prescription plan with CVS Caremark through the NLC (National League of Cities); the County also has it and it offers assistance paying for prescriptions for those without insurance coverage; they can get cards at the library or in our lobby. Samuel said we have saved \$320 with the program; NLC has contacted us about promoting the plan to get that increased.

ISSUES - From Director of Finance:

Transfer of Funds - Parks & Recreation - Gahanna Swim Club

Mumma said we have several fund transfers; a transfer of \$500 in the swimming pool operational account is needed to cover some payroll after work continued when the season was over because of good weather; the Ohio Herb Education Center is requesting a transfer of \$200 from their lease account for additional rent not budgeted right; the police are requesting \$1,500 be transferred to minor capital to replace a cracked bicycle. Ewald asked the Chief if we are using a local firm for this purchase. Chief Murphy said no. Council agreed that all the transfers/ motion resolutions are ok for consent agenda. Mumma said the salt issue is new as of late this afternoon; this is an example of why we have requested the possibility of a summarized budget; we go through times where an account is short; in years past we have encountered everything with salt and it shows our problem with not having the ability to do this type of transfer; previously after this type of weather weekend, we would just go ahead and move the money left in their accounts, so it would be available to purchase salt. Ewald said the total is \$32,649 out of several accounts. Emery said let me clarify that we have a full supply of salt; this is for what potentially could occur. Larick said how much salt does fully supplied mean we have. Emery said we use a couple hundred tons of salt; it is in a safe place and we are in good shape right now. Larick said is it seasonally priced or do we have a fixed price. Emery said it is \$58 a ton; a few years ago it went very high; we are using group buying for this. Samuel said is it the same for brine and how much is that. Emery said with brine the issue is applying it; strategically we have to go out at a certain temperature and at a time prior to the weather event so it will not be washed away; this is when you see us out there in advance of snow and ice and we won't do it prior to rain. Euton said it is about \$.12 a gallon. Samuel said have you heard of the use of beet juice on roads as a way to save on salt. Emery said we continue to look at other things; we would have to have items in place to utilize it; you have to have the equipment ready for that; we are always looking at our options.

Ewald said is there any support to set a dollar amount so we could put Mumma's request in place and do the summarized budget. Mumma said I didn't bring a summary budget but I do have a copy to show what we are proposing. Ewald said do you have a comfort level or dollar amount like \$5,000. Kneeland said I would like to know what the administration is recommending. Mumma said we didn't toss that amount out but \$5,000

sounds reasonable. Anderson said why is that reasonable. Mumma said I don't see someone in the administration making a decision not to do something based on that amount of money; it allows flexibility for items like payroll that is off or expenses that may run high; not material in the overall budget; I can't really think of a good example. Anderson said I would like to see it go down to \$2,000 or \$3,000. Larick said since we identify every transfer, what is the largest one we have done; or have they all been small; what would cover 80-90% of them. Kneeland said what is feasible. Anderson said we are dealing with a tight budget. Kneeland said these are internal transfers; not supplemental appropriations. Weber said you need to give it more definition. Mumma said for salaries and benefits we could transfer operating funds and capital; for these 3 areas we would still come to Council. Ewald said what if we tracked these; could that be part of a report that goes out to us. Mumma said yes; when would you want to see it; quarterly or more like when we do some of them; most are done in the last quarter of the year; the largest transfer was \$11,000; all the others are under \$5,000; we could put them in a report to come forward to you. McGregor said why don't we go with a lower amount and see how it works out; then perhaps raise it. Mumma said anything is better than how we have it now. McGregor said use the \$2,000 or \$3,000 or even \$2,500. McAlister said I have no problem with the \$5,000; I don't see any consequences. Mumma said I will clarify this and write an ordinance summarizing this; it will also say transfer categories and use the term in excess of \$3,000 and include the report. Mayor said when do you want to see that. Anderson said on a monthly basis. Mayor said that is your maximum for transfer; is there a minimum. Mumma said for that matter, do you want an explanation of these. Anderson said no just a list. Mumma said I will just go ahead for the first quarter and bring all of them forward and summarize; and then if it is too much information, I can cut back. Larick said use your judgment on the amounts that need an explanation.

Recommendation: Motion Resolution on Consent Agenda.

Transfer of Funds - Parks & Recreation - Ohio Herb Education Center

See discussion under Transfer of Funds-Parks & Recreation-Gahanna Swim Club.

Recommendation: Motion Resolution on Consent Agenda.

Transfer of Funds - Police - Bicycle

See discussion under Transfer of Funds-Parks & Recreation-Gahanna Swim Club.

Recommendation: Motion Resolution on Consent Agenda.

Transfer of Funds - Streets & State Highway:

See discussion under Transfer of Funds - Parks & Recreation - Gahanna Swim Club

Recommendation: Motion Resolution, Consent Agenda.

ISSUES - From Clerk of Council:

Liquor Permit - Mug N Jug, 333 Agler Road

Sherwood said this is a change in ownership from Bandy, Inc. that requires a transfer of the D5 permit; the Police have no objections.

Recommendation: Motion Resolution on Consent Agenda.

Civil Service Rules & Regulations

Sherwood said this is the updated and corrected Civil Service Rules, and asked if there are any questions (there were none); I am asking for waiver and emergency to get this finished; the administration is comfortable with it and this was primarily to clean it up. Weber said there was nothing substantive done.

Recommendation: 1st Reading, waiver of 2nd Reading, Consent Agenda, Emergency Language.

ISSUES - From Last Council Meeting:

2011 Appropriations

Ewald said we need to finish our discussion of the appropriations for January; we need to include the Council office.

McAlister said for Council, I look at the cost; we are running Council efficiently so I am not in favor of changes; the majority of us are content. Ewald said what about the salaries for boards and commissions; any concerns or support for making adjustments here; some pay per meeting basis, some are monthly; also Council salaries haven't been adjusted in a long time; I know I have not voted for any increases since I have been on Council. Kneeland said I have been on Council since 1992 and I have seen several increases. Mayor said I don't think there has been a change since 1999; we have made cuts everywhere else but Council; I know that no one is doing this job for the money. Ewald said is anyone willing to make an adjustment to our salary. McGregor said I would support it only if everyone else in the City is willing to take a pay cut and go back to 1999 salaries. McAlister said it has not gone up in last 10 years. Larick said for Council salary not to go up in 10 years makes a strong statement. Anderson said people who are willing to serve the community do it because they love the City and public service. Ewald said I am not sensing any support to make an adjustment to it. Samuel said we have already made financial adjustments by not taking any trips or attending education meetings and with our use of clerks; I say we stay where we are right now. Ewald said does anyone want to look at changing the way boards and commissions are paid for meetings. Sherwood said 3 groups are on a monthly basis; the rest are per meeting; for example BZA, Records and Landscape Boards are per meeting; Planning Commission and Parks are paid monthly. Ewald said the bigger money is Council and Planning Commission. Kneeland said no one is getting rich from this. McAlister said I don't support a change to Planning Commission; they are not worried about how much time they are spending so I don't think we should rock the boat. Ewald said sounds like we are happy with where we are. Mayor said maybe we should go over the proprietary accounts. Mumma said we have several changes to discuss.

Kneeland said I have a comment; seems the lines blur quite frequently with regard to what we are required to carryover and then what we do actually carryover; what is over and above; we appropriate to a line item like to a Capital Improvement Fund, and it is not viewed as this it may go to the ongoing savings account. Mumma said if we take this last year, we end the year under by \$9 million; from that, \$4.7 million was transferred to Capital Improvements; now what circumstances allow us to dip into that; the fact is we don't have clear definitions; we need further discussion; if we don't know the rules for dipping into it, it may never get touched and be passed by. Mayor said we need to remember the carryover emergency fund is our own. Mumma said we have decided on the 25% reserve. Mayor said it went from 15% to 20% to 25% which was not a bad thing; we recognized that in good times we should hold back a larger percentage; now we do need to talk about it and define the circumstances when it could be used; cities call it different things like rainy day or an emergency fund; we need to define what it

would take if we put it into a separate Capital Improvement Fund; I am not comfortable putting the entire carryover into it. Kneeland said we are not saying we lump it together and have no definition; we are asking what is required. Larick said we are now required to get to a natural bottom; we just need to define the gap; if we have \$5 million left, we transfer \$3 and use \$2 million as the Capital Fund; then we can take time to debate it. Mumma said one of the things we have done this year is spent a lot of time computerizing the activities of our department; this is information we need as we have these kinds of conversations; it tells our cash flow needs on a week to week, month to month basis; in all that we are doing we are making it useful to us for future conversations; it will provide detail so we don't over appropriate natural bottom; also we have supplementals that come up. Larick said just use it as a starting point since we don't want to spent a lot of time; I am very comfortable that it leaves us an ebb and flow. Kneeland said when do the rule sets come in; one rule set is for natural disasters or crises mode; what is the rule set for the Capital Improvements fund over and above the routine process. Larick said I would expect that to come from her. Anderson said we have no Capital Fund at the moment so this could be spent as budgeted then reimbursed. White said this is item number 2 or 3 in the CFAC recommendations; we don't have enough revenue so there is not anything in Capital; CFAC said we have been successful doing Capital through grants; but you have to have money to do matching for grants and they are starting to dry up as they are Federal and State; we have got to do a bridge when we don't have any capital just to maintain what we have. Ewald said we will revisit this in January since we have no solid numbers right now; let's show it as a monitor item and bring it back after the 3rd week to Finance Committee.

Mumma said there are some proposed fund changes; sewer was added to pages 98/99; an increase of 2% is recommended from the administration so no supplemental will be needed in January; for account 224311, add capital projects and improvements and more will be forth coming from the West side and Olde Gahanna TIF; next its \$170,000; I will bring back more information; don't want to proceed or have to inappropriate or have it sit there and not have the authority to spend it, so more information is to come; but we are adding those 2 dollar amounts; 224311 is the new Capital Account number using TIF money; using money from the original TIF pot; next page under West Gahanna TIF the line right above 1800; include the amount for \$170,000; this is not General Fund money; it is TIF money. Ewald said any other questions or appropriation issues; Mumma will provide a copy.

Recommendation: 1st Reading on 1/03/2011 with waiver of 2nd Reading, Regular Agenda.

Meeting adjourned.

Della Brandenberger, Reporting