

City of Gahanna

*200 South Hamilton Road
Gahanna, Ohio 43230*



Meeting Minutes

Monday, December 15, 2008

6:00 PM

Council Committee Rooms

Finance Committee

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

Members Absent: David L. Samuel

Members Present: Thomas R. Kneeland, Thomas C. Evers, Shane W. Ewald, John McAlister, Nancy R. McGregor and Beryl D. Anderson

Additional Attendees:

Karl Wetherholt, Terry Emery, Dottie Franey, Chief Murphy, Brandi Braun, Brandon McCorkle, Mayor Stinchcomb, General Williams, Jerry Isler, Angel Mumma, Sadicka White, Anthony Jones, Isobel Sherwood, Karen Woodward, Brandi Braun, Kristen Treadway, Tom Weber, Tony Collins, Press.

LEGISLATION:

ORD-0289-2008

TO AUTHORIZE THE MAYOR TO ENTER INTO REAL ESTATE PURCHASE CONTRACT WITH STONEHENGE LAND COMPANY FOR THE PURCHASE OF 5.60+/- ACRES LOCATED ON NORTH HAMILTON ROAD; TO SUPPLEMENTALLY APPROPRIATE FUNDS THEREFOR; AND TO DECLARE AN EMERGENCY

Kneeland called the meeting to order. McAlister said he had been brought up to date even though he was absent last week. Kneeland said there are several items to add to the agenda. We have a new ordinance for temporary appropriations and the administration wants to review the 2009 Budget Process.

Collins said this ordinance is for the contract for the land purchase along Hamilton Road; it will be used for right-of-way, stormwater improvements, and park land connectivity; Wetherholt and I have been working together on this; he did the survey and I did the contracts. McGregor asked if we saw the detailed information on this. Sherwood said it was attached to the ordinance. Collins said specifically it is 5.6 acres in 2 parcels; there is a future parkland development piece for an easement to connect these; until that dedication it is best to deal with them separately. Kneeland said the price for first Ordinance is \$924,000; is that based on an appraisal? Collins said yes; Robert Weiler group did the appraisal and gave us a per acre price of \$165,000. Kneeland said just needed to know that there was an appraisal and what the price was. Ewald agreed could go on the consent agenda.

Recommendation: 1st Reading, Consent; Waiver of second reading, emergency language.

Recommended for Adoption, Consent

ORD-0290-2008

TO AUTHORIZE THE MAYOR TO ENTER INTO REAL ESTATE PURCHASE CONTRACT WITH STONEHENGE LAND COMPANY FOR THE PURCHASE OF 1.335+/- ACRES LOCATED ON NORTH HAMILTON ROAD; TO SUPPLEMENTALLY APPROPRIATE FUNDS THEREFOR; AND TO DECLARE AN EMERGENCY

Collins said this ordinance is for right of way; it is for \$108,488. Kneeland said it is also ok for consent agenda.

Recommendation: 1st Reading, Consent; Waiver of second reading, emergency language.

Recommended for Adoption, Consent

ORD-0291-2008

TO AUTHORIZE A TEMPORARY APPROPRIATION FROM 2009 IN THE AMOUNT OF 15% OF THE TOTAL 2008 AUTHORIZED SALARIES AND BENEFITS FOR THE PURPOSE OF FUNDING THE JANUARY 2, 2009 PAYROLL

Isler said he sent out an email to Council; said for whatever reason I remembered a problem; we need to pass a temporary appropriation for the funding of the January 2 payroll and it must be authorized prior to the passage of the 2009 appropriations; this will give me authority to issue pay checks on January 2. Kneeland said it needs waiver, not emergency; we added it to tonight's agenda because the appropriations for next year on are on for tonight and this has to be done first.

Recommendation: 1st Reading, Consent; Waiver of second reading.

Recommended for Adoption, Consent

Administration's 2009 Budget Process Review/ New Positions

Kneeland said the Mayor wants to go through some material the administration put together; then we will return to our budget review; we had stopped on page 26 of the general expenses.

Mayor said there have been quite a few questions and conversations since the last Finance Committee meeting; I felt it would be helpful if my administrative team and I explained how we arrived at budget figures; highlighting the personnel investments requested; we hope then they will be approved as presented; Gahanna has always been a fiscally responsible city; we are at a critical juncture in planning for the future with the current economic conditions and the loss of the TIZ revenue; at our first session in February we voted on our top 5 issues and what it would take to get us to the next level. Mayor presented a Powerpoint slide presentation (a copy is available in the Council office). Mayor said in summary, she is being asked why do this now; would say because our projects are complex and our residents need up-to-date information; it is not a good business practice to cut sales when times are tough; our team approach will sustain us; questions?

McAlister asked if these positions are in the current appropriations. Mayor said yes; the EDM (Economic Development Manager) is on page 26; the PIO (Public Information Officer) is on pg 2; so their funding is in the budget you have before you. Treadway said the PIO is shown as the full time administrator salary on page 26; Development shows under 5105 their full time administrator salary; these are 2 professional jobs. McAlister said on page 26, the new position shows a salary of \$56,504 in 2007; now up to \$57,197. White said that is money we paid to interns. Mumma said you will see a decrease in the part time. McAlister asked what is net difference of \$36,000 on page 27. Mumma said you will see a decrease in part time funds to \$12,514; we combined these to come up with the funds. Kneeland said so it was an attempt to make it net/net. Treadway said yes. McGregor said but that is no benefits just salary. McAlister asked what are they doing in these jobs on a day-to-day basis to sell Gahanna. Jones said they would interact with real estate and chamber members; the job is twofold; meet internal responsibilities and go around to businesses in the district to determine needs and address them. McAlister said so I am businessman and have a need for more space; what would they say. Jones said we would love to hear a business needs additional space. McAlister said what can the City tell me that a realtor does not know about. Jones said realtors are selling property and would look at all communities; we want to show the benefits of only Gahanna to keep them here; the EDM would be getting in front of businesses on a daily basis to maintain our base.

Anderson asked what other things this person would do. White said they will provide the

essential help we need to create revenue streams; a tax abatement application now takes 6 months with 3 people working on it; can interface with the tax department to deal with non-compliance when the Auditor says a company hasn't paid taxes; this is someone to deal with all agreements and actual paperwork so Jones and I can better respond to leads; speed of business is critical; I have just received 2 leads for Creekside and I need to respond right away; realtors don't have any allegiance to us. Treadway said realtors don't know our incentives or have the business contacts for assistance like our Development Department. Emery said they don't have the infrastructure or streets information either; need to communicate to those businesses especially about our broadband and WiFi.

Mayor said when you look at the organization chart for Development, if you put zoning and building back in the Service Department where it came from, and take away the part time administrative position, you have just White and Jones and half a planner to provide for all of Development; some think we have this big department but it is at capacity and needs additional capacity. Ewald said you previously had an intern that did the business expansion and retention program; now that will go to full time as well as be an account manager with a sales position for local businesses. Mayor said we had the program mentioned where businesses were called on by an intern; we found the businesses wanted to talk to someone in authority who could make decisions; they want to talk to a player. Ewald said if the economy were doing better they wouldn't have to run back to director.

McAlister asked if, prior to June, information was available that would show what is happening with office space for lease and the vacancy rate in Gahanna. Jones said it was available information but he would have to get the information and send it. McAlister said he knew of a property manager here in Gahanna that lost a tenant to a location down the street because they had a tax abatement; is there a net gain with location loss to competition for those who get the tax abatement? White said we use the impact model; if there is a decrease then we do not bring that in: don't know if that is a good enough explanation without analyzing all the tax abatement programs and bringing you the results and changes; but it is how we have been doing business; we realize these create unequal playing fields.

Kneeland said it seems like the job functions that you have described are to grow business in a stagnant market in Gahanna; I liken this to a sales force; seems like a middle management position; hit the street and sell the City. Jones said it will allow us to do the same thing as well. Kneeland said keep in mind we do not have the ability to make line item changes; if you have a concern with what we can support we need to have that discussion now; the one I am having some angst over is the page 2 (PIO); seems like there could be a trip wire in that the funding exists but the post does not exist yet. McAlister said if you look at 2007, there is only \$9,000 difference; since it is to relieve work load and kick things into gear, I have no problem with this.

ISSUES - Continued from Previous Finance Committee:

2009 Appropriations

Kneeland said we will continue the budget from page 26. pg 30 Kneeland said we have been hearing about updating the web site; funds here are 0 so we are not doing it. Mayor said when we get our new IT Director on board we will revisit this and fund it with a supplemental. McAlister said he had heard of vendors at a national level that can do this for the City. Mayor said she hears from vendors all the time with calls and emails; would like to leave some room for the new Director to give input. Kneeland said it is a big tool for marketing the City; needs to be functional.

pg 33 Evers asked how the CIC got down to \$78,000. Mumma said it is based on revised figures from an internal meeting where we moved \$113,000 to page 35. Mayor said we are moving money from the CIC to the CVB because of our new contract with them. Evers said but look at the June estimate. Isler said that was the old way. Evers said with \$240,000 the old way and backing out \$113,00 still leaves a question. Mumma said the hotel motel estimate was revised. Isler said we took a look and it was growing, then it took a nose dive; that is why it decreased this much; base was 4% of \$421,000 in 2008 and it has decreased from July, but it is just about like last year.

pg 34 Anderson asked about accounts 5512 and 5596. Kneeland said these are Capital accounts already covered on the other sheets last week; this is just where they fall in the budget. McCorkle said the monitors discussed last week are not needed; see a strike out over those Dell monitors.

pg 38 Kneeland asked if this is Creekside maintenance or miscellaneous items. Isler said miscellaneous items.

pg 41 Evers asked what is the 5113 seasonal escrow account. Collins said that is for the staffing for day camp; we spend it then we make it back; included is planning for the second camp.

pg 48 Evers asked if we plan to collapse the pool accounts. Mumma said we have decided the best way for now is to leave them separate; page 50 is the Swim Club; we do intend to initiate legislation to allow Collins to spend from both accounts for the different pools; there are a lot of reasons to keep the accounts separate, but he does need to be able to spend from both. Isler said we need to have a history on the pool and get some standards. Kneeland said as long as you can give us information on expenses at the separate pools, it's ok. Anderson said it is a good idea to keep them separate so we can compare them; on the legislation that is coming up, can we set a dollar amount to cap the transfer amount? Evers said with the dual membership it is probably hard to track the individual pools. Collins said not really; card readers will track that. Kneeland said then we can tell if one is a huge loss leader. Collins said we have developed a short term reactive plan as well as the big picture; we can look at the shared programs; for example shorten hours at one pool and extend them at another and open one pool only for Labor Day. Anderson said if there is something that costs \$250,000 we are going to need to know that. Isler said they would be moving at the most \$2,000, not huge amounts of money. Anderson asked the maximum amount. Collins said we will bring it to you in the ordinance request. McGregor said could we limit it to certain accounts like staffing and concessions. Isler said we will look at it; may have to use it for utilities but it is an unknown.

pg 53 Kneeland asked what is joint maintenance. Emery said crowd control. Franey said the utilities are the portion we pay for ourselves. McAlister asked what is the difference between request base and recommended base. Mumma said the request base is what was approved by Council in July and recommended is what we are requesting now.

pg 55 Anderson asked what is "GBR". Isler said general bond retirement; it is the amount needed from the general fund to pay debt.

pg 65 McAlister asked if the law enforcement trust fund was money from drug raids. Murphy said it is from seizures. McAlister said in 2008 it was only \$908. Murphy said that is all that came in. McAlister said we spend more than that; what account do the

police equipment and cruisers go in and out of? Mumma said one is state and one is federal; for purchase orders, if no money is there we don't spend it; I will get you the accounts. Isler said you will see this on page 72.

pg 68 Kneeland asked what the numbers refer to for Mayor's Court. Woodward said that is the computer fund; on every case we charge \$8; the money goes into the computer fund to purchase furniture and computer equipment for court. McAlister said where are the salaries. Mayor said they are paid from the general fund; this is County Permissive fund.

pg 72 Isler said this is the fund McAlister was looking for from page 65.

pg 73 Kneeland said this fund had \$0 in 2007 & 08; now has \$50,000; what will that be used for. Franey said it will be used to pay for inspections for right-of-way; we will keep an eye on these charges: this money is from payments received from those providers that have already paid us for this. Evers said this is a self-funding mechanism; a wash account.

pg 80 McAlister said here is the GBR; are some retiring? Isler said this is for 2 bonds; Creekside and Morrison Road and these are 20 and 30 years; you see a spike in 2008 where we paid off this complex.

pg 81 Kneeland asked if there is anything we need to know about the police pension funds; long term we want no surprises. Isler said could owe some when police come back from military duty. Treadway said we have 2 out and we will have to pay the pension fund for them; been out about 2 years. Anderson asked the amount we will owe. Treadway said she didn't think it would be huge; 20% of their salary for these 2 years; we can plan to cover it when they come back; it is not full salary, just military pay.

pg 85 McAlister asked what the \$109,000 tax payment is. White said that is what we owe for real estate taxes on the parking garage.

pg 86 Kneeland asked what if the proposed projects outweigh the revenue source. Emery said what we have stated is aggressive, but I have tried to stay within budget. Kneeland said I would be interested to know what the unfunded mandates are costing us. Emery said I can tell you what the EPA has brought on us lately; we can do it but we need to know which ones you are interested in as that is how we track. Kneeland said just the high profile ones. Emery said I can give you the information that we sent out on the consent order from the EPA within a couple of weeks. Kneeland said I believe we pay out a lot in mandates.

pg 87 McAlister asked if we have any idea how much of the total is offset by fees being paid. Emery said it is just over 1 million dollars.

pg 91 McGregor said fund 5133 for health insurance is a lot more from June. Mumma said it is just a function of the department; we have folks who got married or added staff and the rates are according to the Steelworkers Contract.

pg 98 Kneeland asked if the refuse account is a wash. Isler said yes. McAlister said he would like to see any charts the City has on income tax from the Development and Finance departments; do we have an idea if any of our businesses, especially the large employers, are at risk of going under so that we could see a drastic cut in 2009 tax given to Gahanna. Jones said our employers are ok; they are pretty diversified.

Kneeland said we need to determine what path we are going to take on the 2 new positions in question; we don't want to be in a position where the budget won't pass. Anderson said I would like to understand your concerns with the PIO position. Kneeland said in the current economy and with the job duties explained; I would need a better view of how this will be used; my support is for the EDM. Anderson said the money is there for both. Kneeland said the money can be moved. Anderson said it is all there except the benefits. Mayor said all the money is in this budget. McGregor asked if they can they be pulled out and handled separately. Mayor said the EDM position is already created; this budget funds the position; the PIO money is in the budget but we need an ordinance passed to create the position before someone is hired. Anderson asked how long will it take to pass legislation to create the position. Evers said the ordinance for the unclassified positions contains that part. Treadway said the ordinance is out there for January 2. Sherwood said the salary ordinance includes the new position; this budget is funding it; but right now the position has not been created. Kneeland said if there is a position not funded then that would be the tricky part. Treadway said my understanding is the request for the Recreation Specialist and the PIO jobs to be created is in the salary ordinance for January 2. Sherwood said the Recreation Specialist was already created by Civil Service; the only one not created is the PIO and it is on the table at the Jan. 2 meeting and there is a draft ordinance.

Kneeland said we should go around the table and determine what Council members support one or the other or both. Ewald said he supports the budget going forward but not the PIO; I realize the funding would sit there. McGregor said can we take the funding out of the budget. Treadway said we are only talking about the new positions, not talking about proposed changes to current positions. McAlister said he has no objections. Anderson said she has none either; supports both; they are key at this time. Kneeland said he knew Samuel supported both. Evers said last week you said the EDM was a financial wash because you have cut part time staff; when I look at the hurdles we have as a City, I agree with the PIO position in theory, but I am not sold on funding it. Kneeland said we need to determine if it is possible to pull it out of the budget then. Weber said if we pass the appropriations and the job is not created we can't spend it; we should pass the appropriations as is.

Kneeland said we will adjourn for our regular Council Meeting and come back.

Kneeland reconvened the meeting; said we went around the table and got opinions on the path forward; heard that as long as there are test points along the way and a way we can hold back; we are not in danger of not passing the appropriations.

Murphy said he wanted to comment; we have our own PIO who only talks police issues; we lack that function at the City level; we don't have a unified voice from the City when we need that synergy to work together; I have the largest department and biggest payroll in the City; with the economic situation, I could see where we may soon have to start cutting services and laying folks off; this PIO will help with our need for new revenue; we can't articulate that on a regular basis at a City level; someone needs to have this message as part of their job and be a part of this management team. Emery said since 2003 we have talked about how we operate lean and mean; the personnel do a great job; but we have individuals everywhere who handle the task; in our case the quarterly newsletters go out, we plan informational meetings like the event at Friendship Park; each department has information and events and the lack of coordination hurts the City as a whole; over the last several years this function has moved forward now to a critical stage; personally, in our department, when Mike Andrako moved on we did not fill his position; as much as we need that job, the PIO is

more important; I would ask that there be maximum consideration for this position. Anderson said I would like to know why Evers says don't do this now. Evers said looking at the current economic situation, I thought we could wait 6 months for some economic improvement; but I will say the last speaker has moved me off the dime; we do need to do a better job communicating with everyone; last Monday this was pitched a little differently; no direct impact was given last week and it seemed more of a "nice to have" position; I do feel better about it now. Anderson said we read what the Communication Committee had said last week. Evers said last week Samuel pointed out priorities from the visioning session last February; changes have happened; I did not see enough to tie it back to February; how the Committee results related to this budget and the value to be added did not come up until the last 5 minutes of this meeting. Collins said he wanted to add some additional points; we look at our department as a business; we have 35,000 customers; we count on the local papers to get out our information; with the quantity and importance of our projects, to depend on someone else to communicate all the ideas we want known about them leaves a real gap; for some of our customers, we have the Gateway that is central to our programs; but people still have questions; I have staff dedicated part time to these customer service issues; so it is not just sales; not just the information piece; it is all of it and we are all on the same page; people want us to tell them what we are doing with their money, their tax dollars; the Chief said it best; we need all departments to work hand-in-hand; good service sells the City. White said service is one of the things we relay when we promote the Million Dollar Revolving Loan Fund; I am not an expert in marketing but this new position is and they can help us make our dollars go further; the state says we have to tell the story of Gahanna; these are mobile businesses and we need to let them know their choices here will allow them to stay better informed; then they will stay as residents and businesses in Gahanna and we will have a proactive edge. Mayor said last Monday several other options were brought up; as a team we asked could we wait; not recommended; could we do it as a part time job; not really as it is big job description; Evers recommended a contract person; the good side is we could axe them if we don't like their work; but as we learned with Mike Andrako, we would have to state all responsibilities; if we had a need and it had not been stated a problem develops so the flexibility has to be there; this job has to build media relationships which takes time and then they have to be maintained; can a temporary or part time person do that and be effective? Treadway said if we do a contractor we do not have much control over the position. Mayor said the external relationships are emphasized here but there are also internal relationships; we have a big story here at Gahanna and we need someone to learn the story in the trenches with us; makes him uniquely able to sell this story.

Kneeland said we have heard from the administration; does anyone have any other questions; no questions, all are ok; Samuel is not heard from. Treadway said we have been focused on the creation of the new positions; what about the existing positions that need to be upgraded. Kneeland said there has been so much angst over these two; we are saying that we will go forward as presented. Treadway said the unclassified ordinance sets the ranges for salaries; the funding is in the appropriation. Weber said the funding is here and the positions can be created later.

Sherwood said I am assuming this goes on consent agenda; there are 3 other ordinances from last time; engineering's soil and water and Agler/Stygler are on consent agenda carried over. Evers said it is a motion resolution for the appointments. Sherwood said we do each one individually. McGregor said the ordinance to create positions should be regular agenda; not the police but the others. Anderson asked the Mayor if any other titles besides Assistant City Administrator had been researched. Mayor said we debated for a long time on that. Treadway said we looked everywhere and hit a brick wall. Mayor said most of the others that we like are prohibited by

Charter; if you have a better suggestion let me know. Anderson stated we said we were still looking at titles last time so I wanted to know if we found something else. Treadway said that is the best we can come up with. Kneeland said the 4 salary ordinances go on consent agenda. McGregor asked if we have to do something else with the other jobs to change the grade. Treadway said it is in the salary ordinances for the consent agenda. Sherwood said don't forget the organizational meeting is Friday, January 2 at 5:45 P.M. Evers said he had expressed his desire to become Council President; please send an email to let me know what committees you might be interested in.

Recommendation: 1st Reading, Waiver of second reading, January 2 meeting.

Meeting adjourned.

Della Brandenberger, Reporting